MINUTE ITEM
This Calendar Item No. C22 was approved as Minute Item No. 22 by the California State Lands Commission by a vote of 3 to 0 at its 9-3-99 meeting.

CALENDAR ITEM
C22

A 2

S 4

PRC 3051.1

09/03/99
WP 3051.1
D. Jones

GENERAL LEASE - INDUSTRIAL USE

LESSEE:
Shasta Paper Company
P.O. Box 637
Anderson, California 96007

AREA, LAND TYPE, AND LOCATION:
0.58 acres, more or less, of sovereign lands in the Sacramento River, near the town of Anderson, Shasta County.

AUTHORIZED USE:
An existing 30-inch diameter effluent outfall pipeline.

LEASE TERM:
Ten years, beginning August 29, 1998.

CONSIDERATION:
$574 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

SPECIFIC LEASE PROVISIONS:
Insurance:
Liability insurance with coverage of no less than $1,000,000.
Bond:
$5,000.

OTHER PERTINENT INFORMATION:
1. Applicant owns the uplands adjoining the lease premises.

2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorically exempt project. The project is exempt under

Class 1, Existing Facilities; Title 2, California Code of Regulations, section 2905 (a)(2).

Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15300 and Title 2, California Code of Regulations, section 2905.

3. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

4. The Commission issued a lease to Simpson Paper Company for ten years commencing on August 29, 1978 and ending on August 28, 1988, with two ten-year renewal options for an effluent outfall line to serve its pulp and paper mill. The first ten-year option was renewed commencing August 28, 1988, and ended on August 28, 1998. At its December 16, 1998 meeting, the Commission approved the assignment of this Lease to Shasta Acquisition, Inc. effective on the date the sale closed escrow, which was January 8, 1999. Shasta Acquisition has changed its name to Shasta Paper Company, and has applied to renew the second ten-year option.

EXHIBITS:

A. Site Map
B. Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 1, EXISTING FACILITIES; TITLE 2, CALIFORNIA CODE OF REGULATIONS, SECTION 2905 (a)(2).

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE ISSUANCE TO SHASTA PAPER COMPANY OF A GENERAL LEASE - INDUSTRIAL USE, BEGINNING AUGUST 29, 1998, FOR A TERM OF TEN YEARS, FOR A 30-INCH DIAMETER EFFLUENT OUTFALL PIPELINE ON THE LAND SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; CONSIDERATION BEING THE ANNUAL RENT IN THE AMOUNT OF $574, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENT PERIODICALLY DURING THE LEASE TERM, AS PROVIDED IN THE LEASE; LIABILITY INSURANCE WITH COVERAGE OF NO LESS THAN $1,000,000; SURETY IN THE AMOUNT OF $5,000.

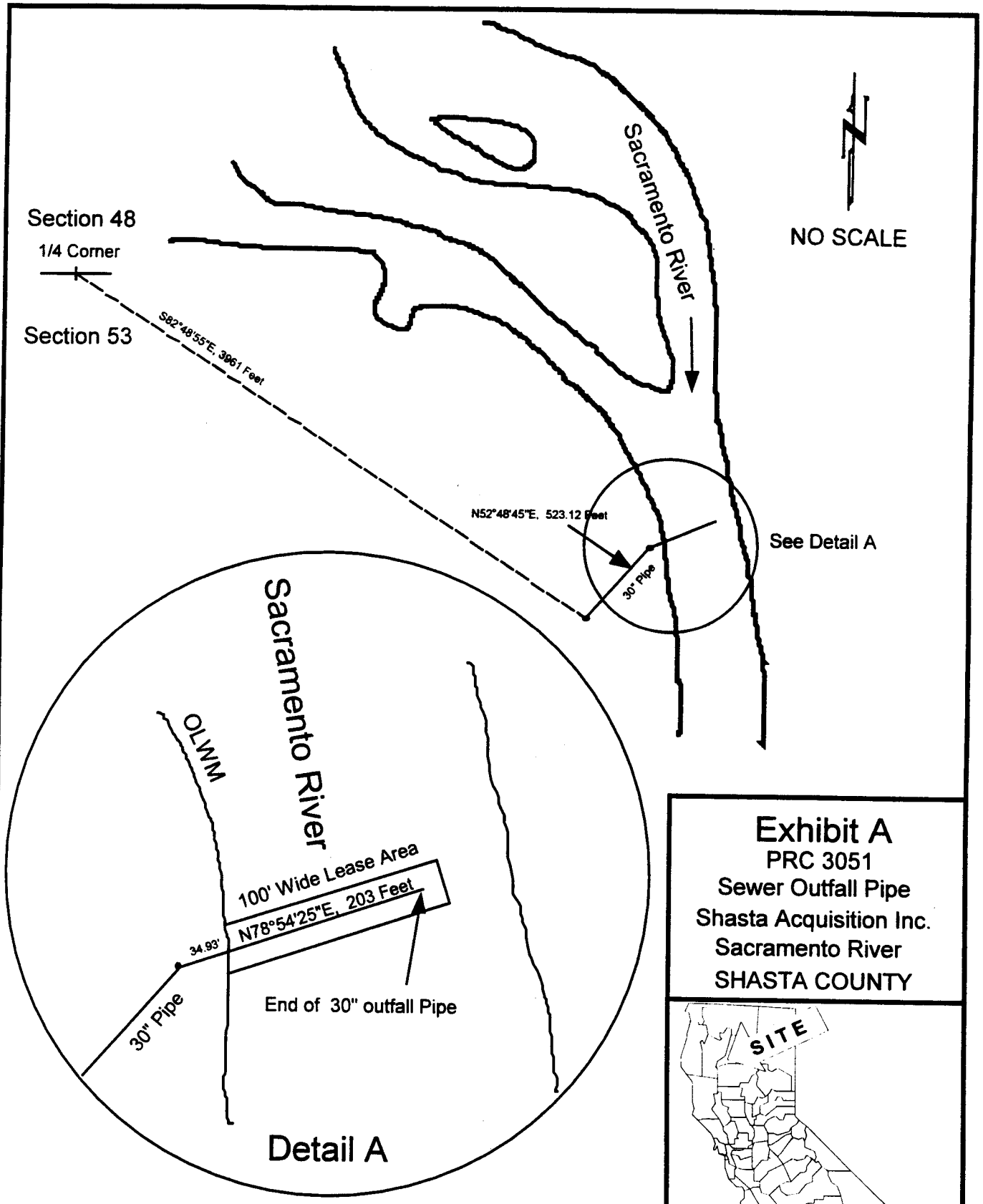

Exhibit A

PRC 3051
Sewer Outfall Pipe
Shasta Acquisition Inc.
Sacramento River
SHASTA COUNTY

This Exhibit is solely for purposes of generally defining the lease premises, and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

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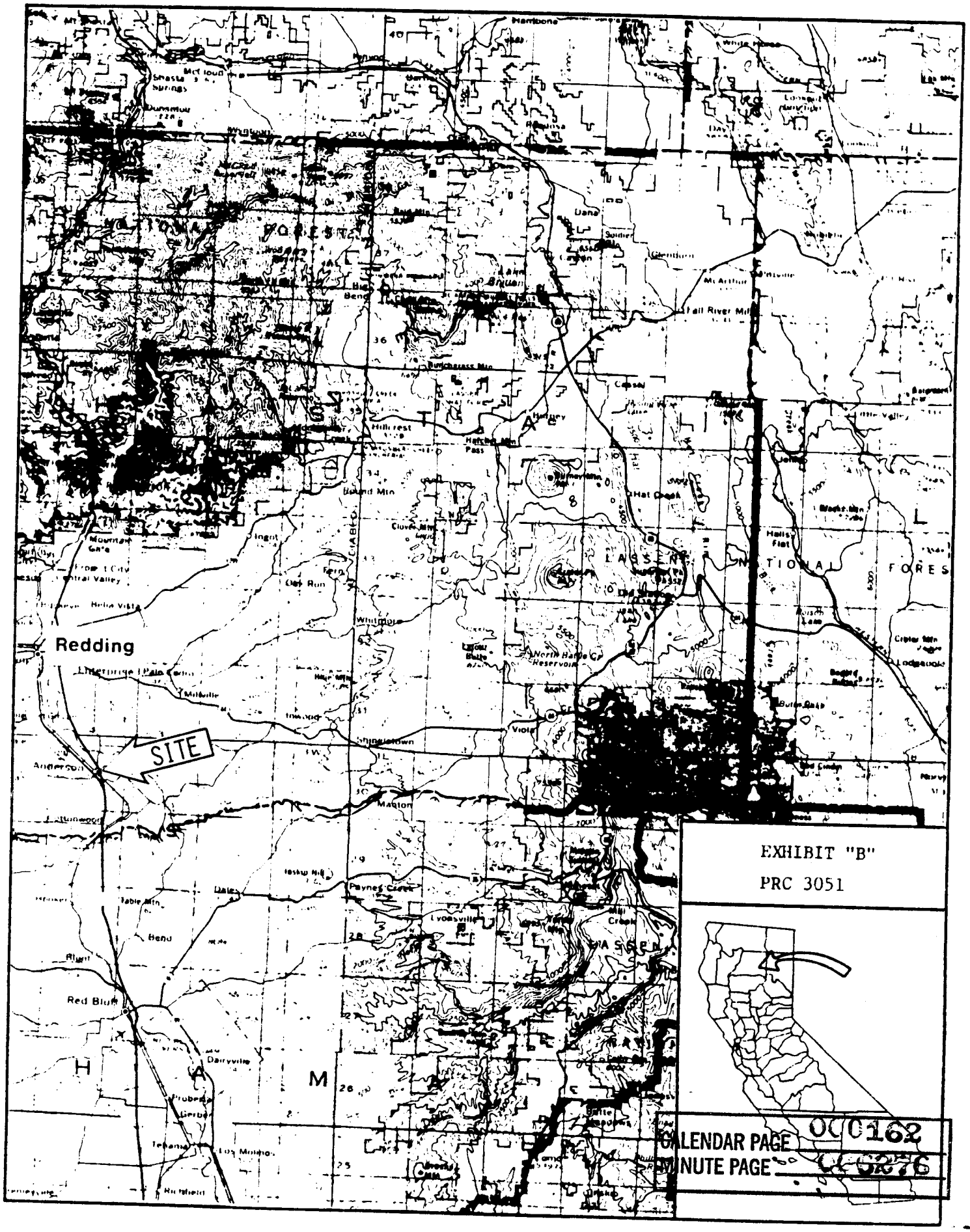

EXHIBIT "B"

PRC 3051

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