

**CALENDAR ITEM
C39**

A 4
S 1

05/24/12
PRC 5680.1
B. Terry

GENERAL LEASE – COMMERCIAL USE

APPLICANT:

Sierra Boat Company, Inc.
5146 North Lake Boulevard
Carnelian Bay, CA 96140

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 5146 North Lake Boulevard, near Carnelian Bay, Placer County.

AUTHORIZED USE:

Continued use, operation, and maintenance of an existing commercial dock/breakwater, fueling facility, and 15 mooring buoys.

LEASE TERM:

20 years, beginning July 11, 2012.

CONSIDERATION:

\$5,798 per year, against five percent of the gross annual income derived from the commercial activities of mooring rentals; and one and one-half cents per gallon of fuel sold annually on or over the Lease Premises to a maximum of 100,000 gallons and two cents per gallon thereafter, 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 in the amount of no less than \$3,000,000.

Surety:

Surety bond or other security in the amount of \$20,000.

Other:

Lessee agrees to the implementation of the Commission's "Best Management Practices for Marina Owners/Operators" and "Best Management Practices for Guest Dock Users and Boaters," including

CALENDAR ITEM NO. C39 (CONT'D)

additional Best Management Practices (BMPs) the Commission subsequently deems appropriate for either of the above categories. Lessee shall post the “BMPs for Marina Owners/Operators” and “BMPs for Guest Dock Users and Boaters” in prominent places within the lease premises. The Lessee shall provide the Commission, on the first anniversary of the lease and tri-annually thereafter, a report on compliance with all BMPs.

OTHER PERTINENT INFORMATION:

1. Applicant owns the upland adjoining the lease premises.
2. On June 7, 2004, the Commission authorized a General Lease – Commercial Use with Sierra Boat Company, Inc. That lease will expire on July 10, 2012. The Applicant is now applying for a new General Lease – Commercial Use.
3. The previously authorized improvements are used in conjunction with the Applicant’s upland boat storage, sales, and repair operations. The dock/breakwater includes two fuel dispensers at the end and is also used as protection for the harbor area, which is located adjacent to the lease premises and not within the jurisdiction of the Commission. The 15 mooring buoys are rented on a seasonal basis. No other concessions on State lands are authorized under the lease.
4. The annual Underground Storage Tank Permit compliance inspection, which includes all fueling facilities, including the fuel dispensers at the end of the dock, was performed on May 27, 2011. The Placer County Department of Health and Human Services Environmental Health Division reported that the Applicant is in compliance with no violations reported.
5. Pursuant to the Commission’s delegation of authority and the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15061), the staff has determined that this activity is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

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

CALENDAR ITEM NO. **C39** (CONT'D)

6. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. 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.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (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 section 6370 et seq.

AUTHORIZATION:

Authorize issuance of a General Lease – Commercial Use to Sierra Boat Company, Inc., beginning July 11, 2012, for a term of 20 years, for the continued use, operation, and maintenance of an existing commercial pier/breakwater, fueling facility, and 15 mooring buoys as described in Exhibit A and as shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; minimum annual rent in the amount of \$5,798, against five percent of the gross annual income derived from the commercial activities of mooring rentals; and one and one-half cents per gallon of fuel sold annually on or over the Lease Premises to a maximum of 100,000 gallons and two cents per gallon thereafter, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease; surety in the amount of \$20,000; and liability insurance with coverage of no less than \$3,000,000.

EXHIBIT A

PRC 5680.1

LAND DESCRIPTION

Two parcels of submerged land lying in the bed of Lake Tahoe, adjacent to fractional Section 22, Township 16 North, Range 17 East, M.D.M., as shown on Official Government Township Plat approved November 10, 1865, Placer County, California, more particularly described as follows:

Parcel 1 – Pier

BEGINNING at a point on the 1950 Low Water Mark of Lake Tahoe between Stations 377 and 378, as said Low Water Mark and stations are shown on that certain map entitled "Survey of the Low Water Mark on the Shore of Lake Tahoe", filed in Book 2 of Surveys at Page 71, Placer County Records, from which said station 378 bears N 66°48'05" E 167.00 feet; thence S 6°30'00" E 76.00 feet; thence N 83°30'00" E 20.00 feet; thence S 6°30'00" E 33.00 feet; thence S 83°30'00" W 120.00 feet; thence N 6°30'00" W 28.00 feet; thence N 83°30'00" E 69.00 feet; thence N 6°30'00" W 71.70 feet to said Low Water Mark; thence along said Low Water Mark N 66°48'05" E 32.36 feet to the POINT OF BEGINNING.

PARCEL 2 – BUOY FIELD

BEGINNING at a point which bears N 77°48'15" E 9.65 feet; thence S 12°11'45" E 215.00 feet from Station 378, as said station is shown on that certain map entitled "Survey of the Low Water Mark on the Shore of Lake Tahoe", filed in Book 2 of Surveys at Page 71, Placer County Records, thence S 12°11'45" E 350.00 feet; thence S 77°48'15" W 350.00 feet; thence N 12°11'45" W 350.00 feet; thence N 77°48'15" E 350.00 feet to the POINT OF BEGINNING.

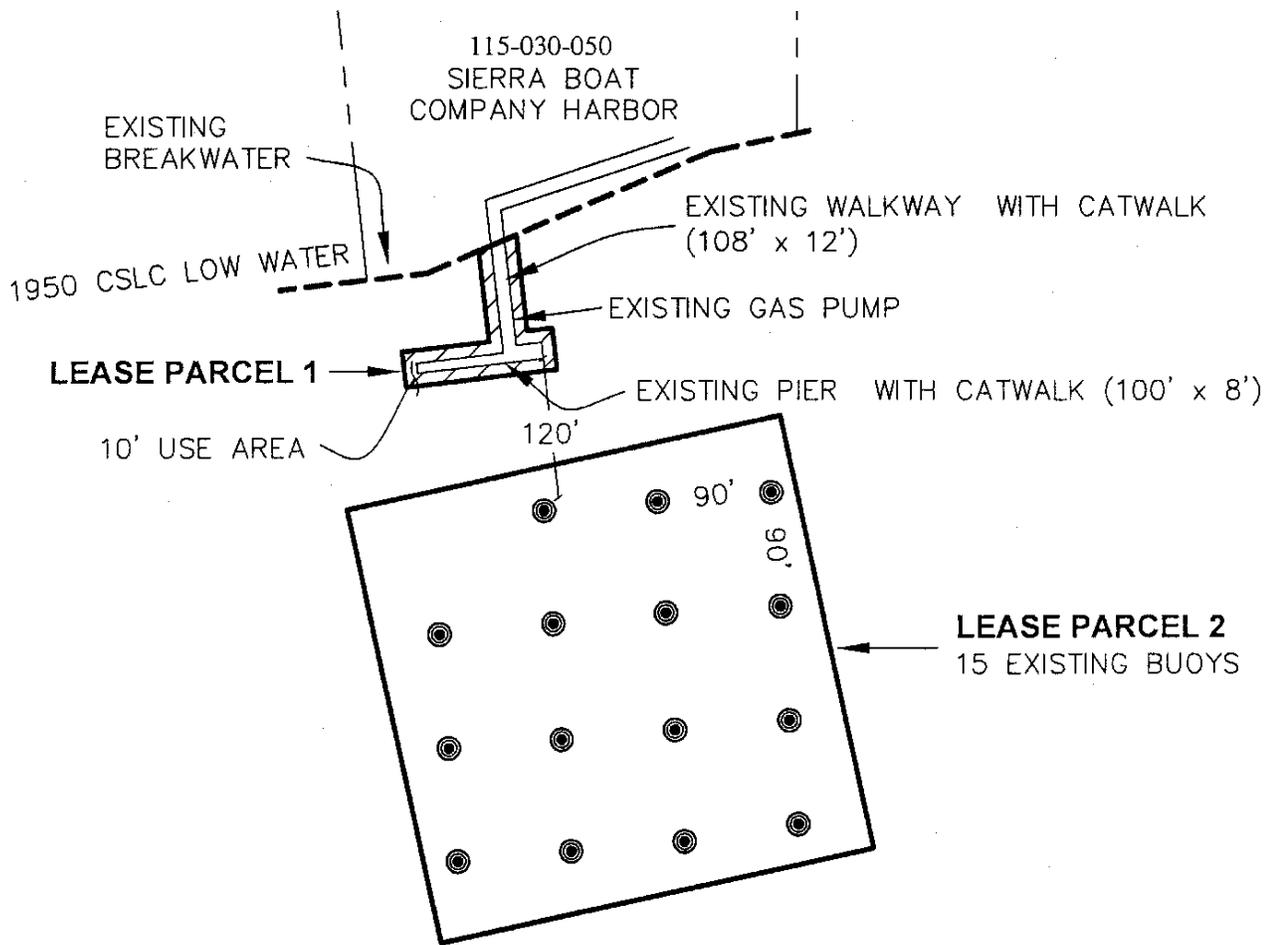
END OF DESCRIPTION

Prepared 02/29/2012 by the California State Lands Commission Boundary Unit.



NO SCALE

SITE

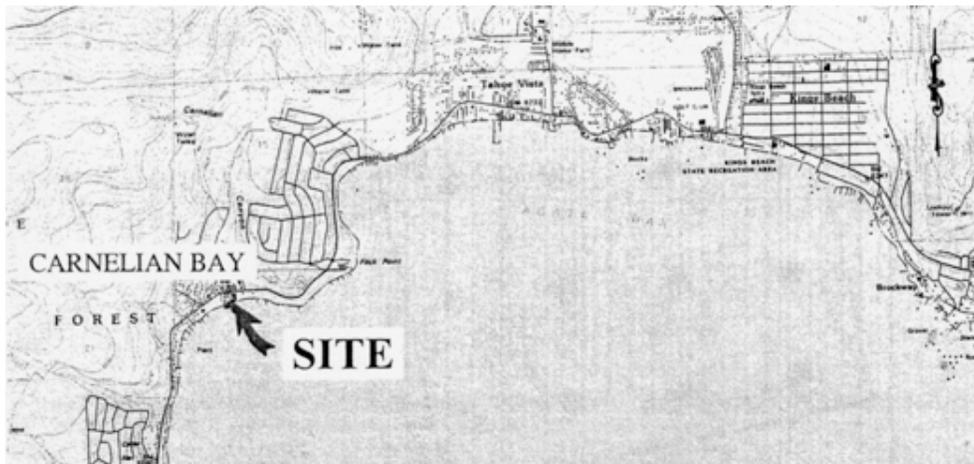


LAKE TAHOE

5146 NORTH LAKE BLVD., NEAR CARNELIAN BAY

NO SCALE

LOCATION

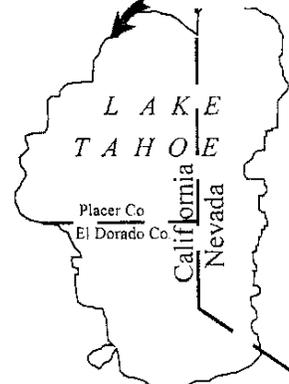


MAP SOURCE: USGS QUAD

Exhibit B

PRC 5680.1
 SIERRA BOAT COMPANY
 APN 115-030-050
 GENERAL LEASE -
 COMMERCIAL USE
 PLACER COUNTY

SITE



DJF 04/05/12

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties 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.