

**CALENDAR ITEM
C17**

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PRC 5275.1
G. Asimakopoulos

**ACCEPTANCE OF A LEASE QUITCLAIM DEED AND ISSUANCE
OF A GENERAL LEASE – PUBLIC AGENCY USE**

CURRENT LESSEE:

Delta Wetlands Properties, an Illinois general partnership

APPLICANT:

The Metropolitan Water District of Southern California
P.O. Box 54153
Los Angeles, CA 90054

PROPOSED LEASE

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in the South Fork of the Mokelumne River, adjacent to Assessor's Parcel Number 069-030-35 on Bouldin Island, near the city of Isleton, San Joaquin County.

AUTHORIZED USE:

Continued use and maintenance of an existing uncovered floating boat dock, gangway, and five pilings.

LEASE TERM:

10 years, beginning July 18, 2016.

CONSIDERATION:

\$484 per year, with an annual Consumer Price index adjustment.

SPECIFIC LEASE PROVISIONS:

Liability insurance in an amount no less than \$1,000,000 per occurrence.

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6301, and 6503.5; California Code of Regulations, title 2, section 2000, subdivision (b).

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Public Trust and State's Best Interests Analysis:

On April 26, 2013, the Commission authorized a 10-year General Lease - Recreational Use to Delta Wetlands Properties ([Calendar Item C65, April 26, 2013](#)). That lease expires on January 17, 2023. Recently, Delta Wetlands Properties sold the upland parcel and on July 18, 2016, it was deeded to The Metropolitan Water District of Southern California (MWD). The MWD was established by the California Legislature in 1928 through the Metropolitan Water District Act. MWD was one of the first wholesale water agencies in the United States. The Applicant wishes to maintain the dock and appurtenant facilities and is now applying for a General Lease – Public Agency Use.

The subject dock and appurtenant facilities are for the docking and mooring of boats. The Mokelumne River bounds Bouldin Island to the north and west, and Potato Slough bounds the island to the east and south. Land on islands surrounding Bouldin Island is used primarily for agricultural production. Scattered agricultural structures, equipment complexes, and a few rural residences are interspersed throughout the vicinity. The dock and gangway lead directly to an existing clubhouse and will be used as an access point to the upland for the Applicant and its public invitees, agents, guests and tenants.

Delta Wetlands Properties executed a lease quitclaim deed releasing their interest in the lease to the State. Staff recommends acceptance of the quitclaim deed and issuance of a new General Lease – Public Agency Use to MWD. The proposed lease includes certain provisions protecting the public use of the proposed lease area, including a limited lease term of 10 years and a non-exclusive use provision, which allow the Commission flexibility if it determines that the Public Trust needs of the area change over time. The lease also requires the new lessee to insure the lease premises and indemnify the State for any liability incurred as a result of the lessee's activities thereon, and also requires the payment of annual rent to compensate the people of the State for the occupation of the public land involved.

The dock and appurtenant facilities have existed for many years at this location; the facilities do not significantly alter the land, the lease does not alienate the State's fee simple interest, and neither permanently impairs public rights. Upon termination of the lease, the lessee may be required to remove any improvements and restore the lease premises to their original

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condition. Based on the foregoing, Commission staff believes that the dock and appurtenant facilities will not substantially interfere with Public Trust needs, at this location at this time, and for the foreseeable term of the proposed lease. For all the reasons above, Commission staff believes the issuance of this lease is consistent with the common law Public Trust Doctrine and in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation, and responsible economic use of the lands and resources under the Commission's jurisdiction.

2. Acceptance of a lease quitclaim deed is not a project as defined by the California Environmental Quality Act (CEQA) because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

3. Staff recommends that the Commission find that the issuance of the lease 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.

4. 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 staff's consultation with the persons nominating such lands and through the CEQA review process, it is staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

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

CALENDAR ITEM NO. **C17** (CONT'D)

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the issuance of the lease 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).

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed lease for the existing uncovered floating boat dock, gangway, and five pilings will not impact the public rights to navigation and fishing or substantially interfere with the Public Trust needs and values at this location at this time and for the foreseeable term of the lease, is consistent with the common law Public Trust Doctrine, and is in the best interests of the State.

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:

1. Authorize acceptance of a lease quitclaim deed for Lease No. PRC 5275.1, a General Lease – Recreational Use, issued to Delta Wetlands Properties, an Illinois general partnership, termination effective July 17, 2016.
2. Authorize issuance of Lease No. PRC 5275.1, a General Lease – Public Agency Use to The Metropolitan Water District of Southern California, beginning July 18, 2016, for a term of 10 years, for the continued use and maintenance of an existing uncovered floating boat dock, gangway, and five pilings, as described in Exhibit A, Land Description, and as shown on Exhibit B, Site and Location Map (for reference purposes only), attached and by this reference made a part hereof; annual rent in the amount of \$484, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.

EXHIBIT A

PRC 5275.1

LAND DESCRIPTION

A parcel of tide and submerged land situate in the bed of the South Fork of the Mokelumne River lying adjacent to Swamp and Overflowed Lands Survey 666 patented November 29, 1871, County of San Joaquin, State of California, and more particularly described as follows:

All those lands underlying an existing floating dock, gangway and pilings (5) adjacent to that parcel as described in "Exhibit A" of that Grant Deed recorded July 18, 2016 in Document 2016-083033 in Official Records of said County.

TOGETHER WITH any applicable impact area(s).

EXCEPTING THEREFROM any portion(s) lying landward of the Ordinary High Water Mark of the Mokelumne River.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared August 30, 2016 by the California State Lands Commission Boundary Unit.



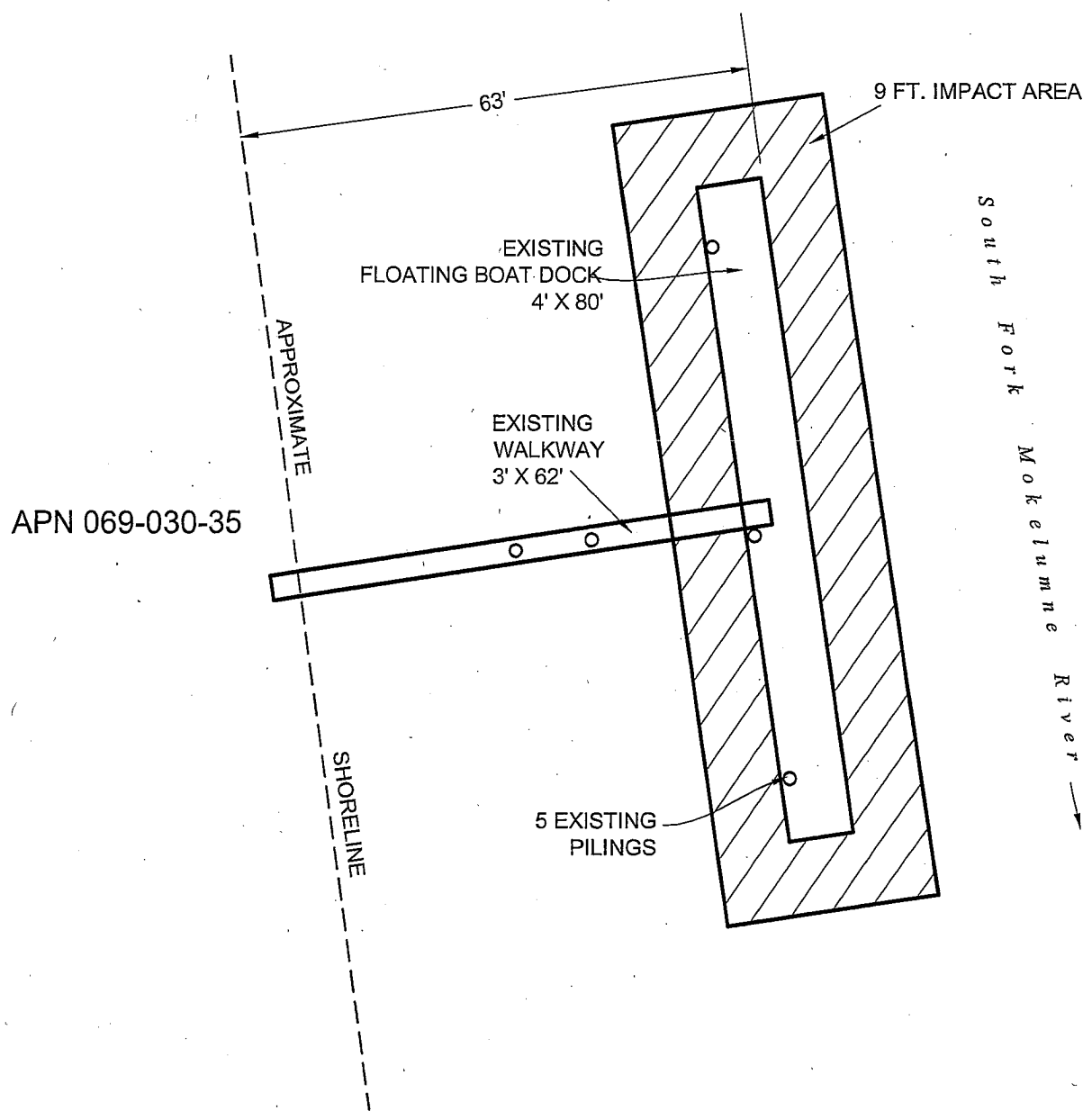


EXHIBIT A

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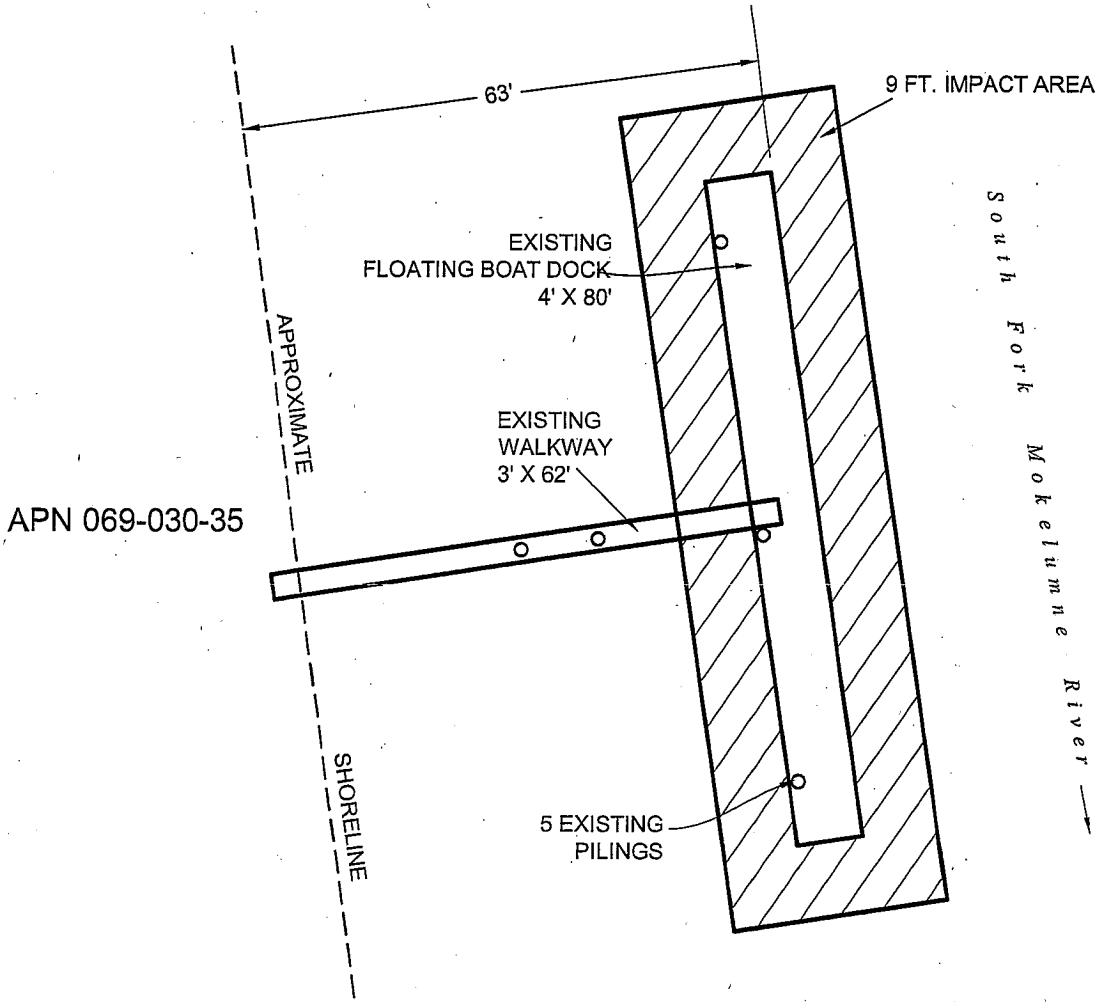
LAND DESCRIPTION PLAT
 PRC 5275.1, METROPOLITAN WATER DISTRICT
 OF SOUTHERN CALIFORNIA
 SAN JOAQUIN COUNTY

CALIFORNIA STATE
 LANDS COMMISSION



NO SCALE

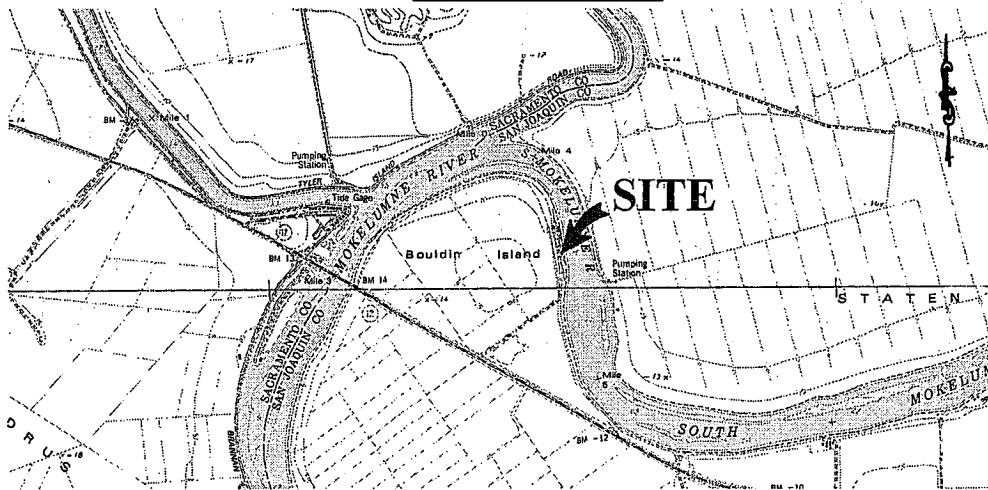
SITE



BOULDIN ISLAND, SOUTH FORK OF MOKELUMNE RIVER, NEAR ISLETON

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

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.

Exhibit B

PRC 5275.1
 METROPOLITAN WATER DISTRICT
 OF SOUTHERN CALIFORNIA
 APN 069-030-35
 GENERAL LEASE -
 PUBLIC AGENCY USE
 SAN JOAQUIN COUNTY

