

Staff Report 15

LESSEE:

Sierra Railroad Company, a California Corporation

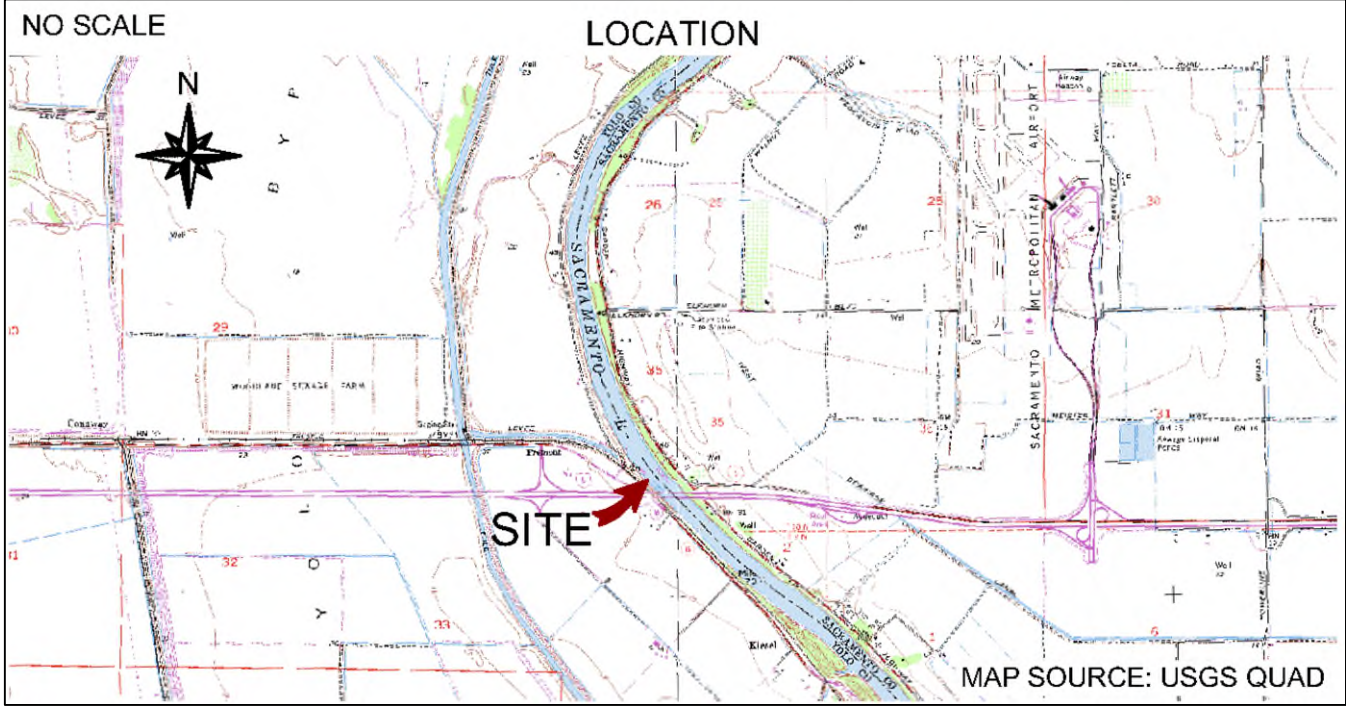
PROPOSED ACTION:

Continuation of Rent and Revision of Bond.

AREA, LAND TYPE, AND LOCATION:

0.075 acres, more or less, of sovereign land in the Sacramento River, adjacent to 18095 County Road 117, near Woodland, Yolo County (as shown in Figure 1).

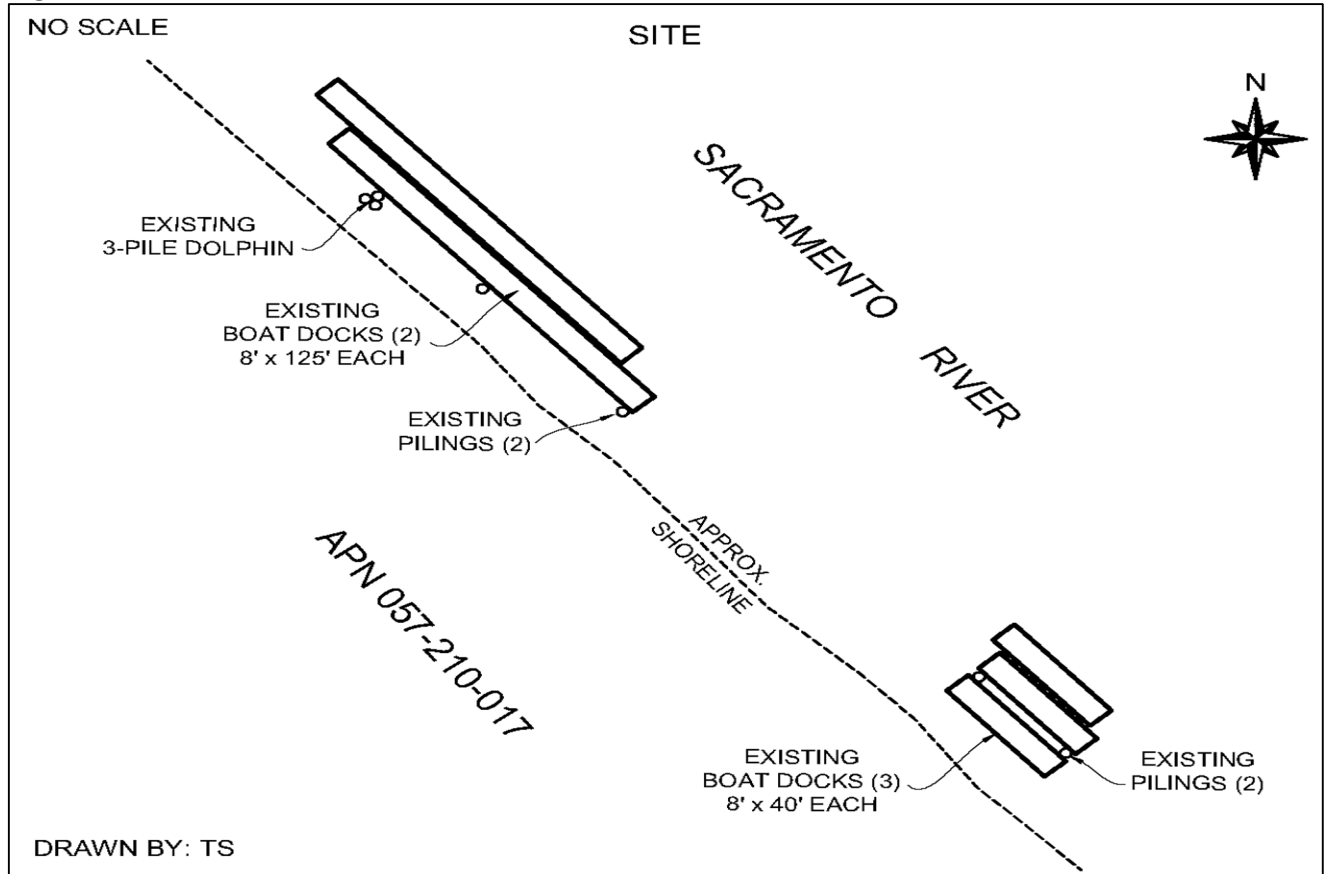
Figure 1. Location



AUTHORIZED USE:

Continued use and maintenance of five boat docks, four pilings, and one three-pile dolphin (as shown in Figure 2).

Figure 2. Site Map



NOTE: This depiction of the lease premises is based on unverified information provided by the Applicant or other parties and is not a waiver or limitation of any State interest in the subject or any other property.

TERM:

20 years, beginning April 17, 2015.

CONSIDERATION:

The lease provides that Lessor may modify the rent and bond periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent and bond under this lease and recommends that the rent be continued at \$966 per year, adjusted annually by the Consumer Price Index (CPI), and the bond increased from \$5,000 to \$20,000, effective April 17, 2025.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the revision of rent and bond is a discretionary action by the Commission. Each time the Commission approves or rejects a revision of rent and bond, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Lands as authorized by law. The Lessee has no right to a new lease or to renewal of any previous lease.
2. On December 18, 2015, the Commission authorized a 20-year General Lease – Commercial Use to Sierra Railroad Company, a California Corporation ([Item 24, December 18, 2015](#)), for the continued maintenance of three existing uncovered floating boat docks, four pilings, and one three-pile dolphin previously authorized by the Commission and maintenance of two existing uncovered floating boat docks not previously authorized by the Commission located in the Sacramento River, adjacent to 18095 County Road 117, near Woodland, Yolo County. Per Section 2, paragraph A of the Lease, Lessor may modify the method, amount, or rate of consideration effective on the ten-year anniversary.
3. The Commission requires a bond or security instrument to protect the interest of the state as it relates to rent payments and lease provision compliance, especially the requirement to restore the leased premises upon lease termination. The lease currently requires a bond or security instrument in the amount of \$5,000. Staff recommend increasing the surety bond to \$20,000 to account for inflation and the increased need for security to adequately cover the potential costs of restoration and compliance with lease provisions. This is consistent with the approach taken for other similar leases.
4. This action is consistent with the “Addresses current and future risk and liabilities” elements in the “Meeting Evolving Public Trust Needs” Strategic Focus Area of the Commission's 2021-25 Strategic Plan.
5. Approving the continuation of rent and revision of the bond is not a project as defined by the California Environmental Quality Act 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, sections 15060, subdivision (c)(3), and 15378, subdivision (b)(5).

RECOMMENDED ACTION:

It is recommended that the Commission:

AUTHORIZATION:

Approve the continuation of rent for Lease PRC 5166 at \$966 per year, adjusted annually by the CPI, and an increase in the bond from \$5,000 to \$20,000, effective April 17, 2025.