

# Staff Report 62

## LESSEE:

Robert P. Vallier and Mable R. Vallier, Trustees of the Vallier Living Trust, dated July 10, 1996

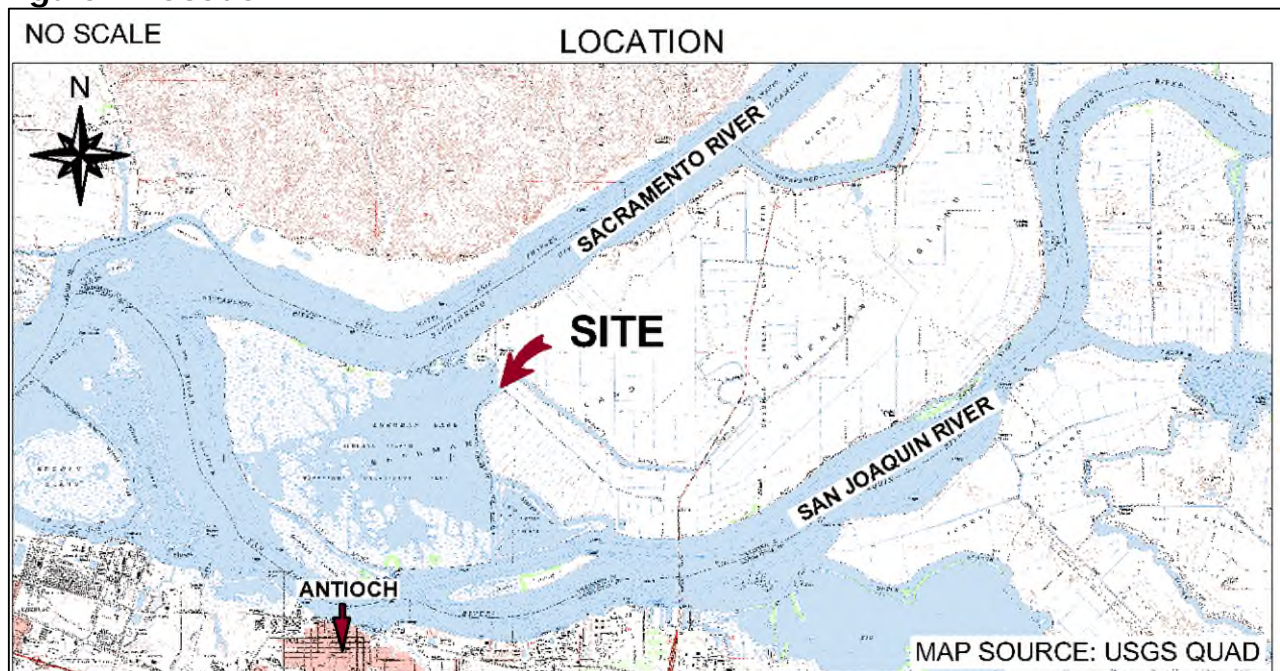
## PROPOSED ACTION:

Revision of Rent and Bond.

## AREA, LAND TYPE, AND LOCATION:

3.063 acres, more or less, of sovereign land in Mayberry Slough, adjacent to 5140 West Sherman Island Road, near Rio Vista, Sacramento County (as shown in Figure 1).

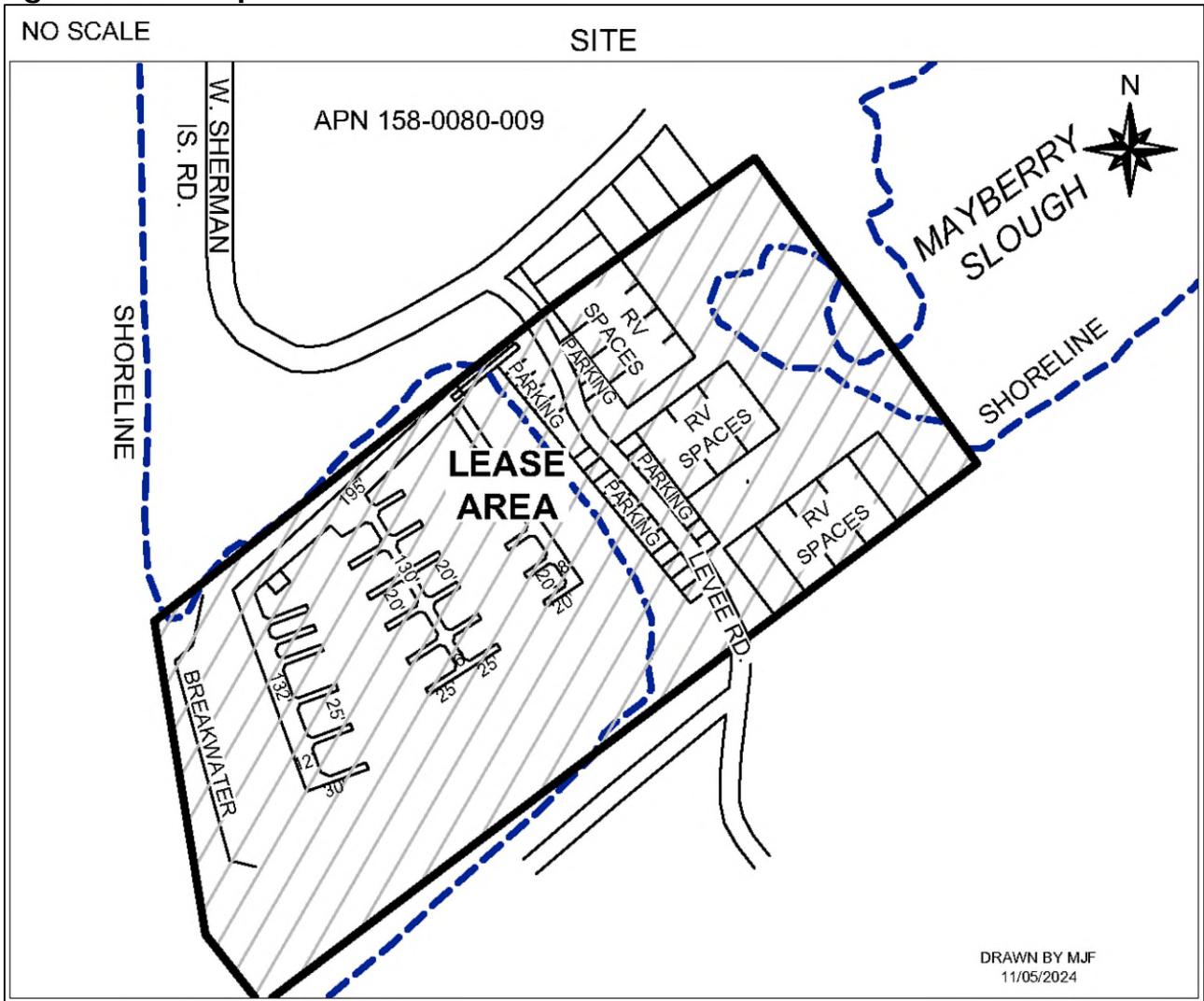
Figure 1. Location



**AUTHORIZED USE:**

Continued use and maintenance of a commercial marina, including a breakwater structure, known as Sherman Lake Marina, and filled sovereign land used for a road, parking, and a recreational vehicle camping area (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 February 22, 2013.

**CONSIDERATION:**

The lease provides that Lessor may modify the rent and bond periodically during the lease term. Pursuant to this provision, the staff has conducted a review of the rent and bond under this lease and recommends that the annual rent be revised from \$4,136 to \$4,234, adjusted annually by the Consumer Price Index (CPI), and the bond increased from \$20,000 to \$50,000, effective February 22, 2026.

**OTHER PERTINENT INFORMATION:**

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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 February 22, 2013, the Commission authorized a 20-year General Lease – Commercial Use ([Item 33, February 22, 2013](#)), to Robert P. Vallier and Mable R. Vallier, Trustees of The Vallier Living Trust dated July 10, 1996. The lease authorized a commercial marina, including a breakwater structure, known as Sherman Lake Marina, and filled sovereign land used for a road, parking, and a recreational vehicle camping area. The lease will expire on February 21, 2033.
3. Under the terms of the current lease, the lessee holds a surety bond in the amount of \$20,000. This amount is subject to increases over the lease term and serves the purpose of being able to mitigate costs that might otherwise be shouldered by the state, including where the state must take restorative actions with the leased premises upon lease termination or lease premises abandonment. A bond adjustment is currently appropriate to keep it consistent with similar facilities. Staff recommends increasing the bond from \$20,000 to \$50,000 to minimize the gap between ability to pay and protecting the state's liability.
4. This action is consistent with the "Address the future risk and liabilities" in the "Meeting Evolving Public Trust Needs" Strategic Focus Area of the Commission's 2021-25 Strategic Plan.
5. Approving the revision of rent and 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:**

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It is recommended that the Commission:

### **AUTHORIZATION:**

Approve the revision of rent for Lease PRC 6108 from \$4,136 per year to \$4,234 per year, adjusted annually by CPI, and an increase in the bond from \$20,000 to \$50,000, effective February 22, 2026.