

Staff Summary for October 13-16, 2026

21A. State Water Bottom Lease M-430-05**Today's Item****Information** ☒**Action** ☐

Receive and discuss requests from Tomales Bay Oyster Company, LLC to renew State Water Bottom Lease M-430-05 (Lease), issued to conduct aquaculture in Tomales Bay, and add two oyster species.

Summary of Previous/Future Actions

- | | |
|---|----------------------------|
| • Authorized assignment of Lease to Tomales Bay Oyster Company, LLC | October 2012 |
| • Received request to amend Lease to authorize additional methods and species for cultivation | December 2019 |
| • Referred request to the Department | February 2020 |
| • Received clarification of amendment request | April 2021 |
| • Received revised amendment request | November 2021 |
| • Received Department recommendation for amendment request | February 2022 |
| • Approved method amendment; continued the species amendment until environmental review completed | April 2022 |
| • Received request to renew Lease; public receipt of request | May 8 and June 17-18, 2026 |
| • Today, discuss requests to amend and renew aquaculture lease | October 13-16, 2026 |
| • Consider granting or denying the requests to amend and renew lease | December 16-17, 2026 |

Background

The Commission has the authority to lease state water bottoms to any person for aquaculture purposes for an initial lease term not to exceed 25 years (sections 15400 and 15405, California Fish and Game Code). If the lessee is still actively engaged in aquaculture, as determined by the Commission, the lessee shall have a prior right to renew the lease on terms agreed upon between the Commission and the lessee; if terms are not agreed upon, the Commission shall advertise for bids on the lease (Subdivision 15406(a), California Fish and Game Code).

Beyond the lease agreement, lessors are expected to follow all laws governing aquaculture, including Division 12 of California Fish and Game Code and Chapter 9 of Title 14 of the California Code of Regulations. Regulations require that changes to existing leases be approved by the Commission (Section 237(c)(1), Title 14).

Since 2013, Tomales Bay Oyster Company, LLC (TBOC) has cultured shellfish on State Water Bottom Lease M-430-05, granted for purposes of aquaculture in Tomales Bay (see Exhibit 1 for current Lease).

Staff Summary for October 13-16, 2026

Amendment Request

At its December 2019 meeting, the Commission received a request from TBOC to amend its lease to update the list of culture methods and add new species to the authorized list (Exhibit 2). In February 2020, the Commission referred the request to the Department for review and coordination with the lessee, and to provide a recommendation for Commission consideration.

Updated Request

In April 2021, based on discussions among the lessee, Department, and Commission staff, TBOC updated its request relating to culture methods and species (Exhibit 3); in Nov 2021, TBOC further updated its request to exclude one of the species originally requested (Exhibit 4). The current amendment request under consideration is to add Kumamoto oyster (*Crassostrea sikamea*) and Olympia oyster (*Ostrea lurida*) to the Lease.

Partial Request Approval; Pending Request Ongoing

In April 2022, the Commission authorized part of TBOC's amendment request - approving the culture methods with special conditions - but continued the species aspect of the request until further environmental review was completed (see [April 20-21, 2022 California Fish and Game Commission meeting outcomes](#) and Exhibit 5 for more details). Thus, the current Lease (Exhibit 1) reflects the approved addition of "longline" and "floating longline" culture methods, with special conditions recommended by the Department.

Environmental review for adding Kumamoto and Olympia oysters to the Lease has been ongoing since April 2022. After several years of effort to complete the review, staff anticipates submitting the required CEQA documentation in sufficient time for consideration at the December 2026 Commission meeting. Given the length of time since this amendment request was last discussed, staff are highlighting it ahead of proposed action at the December meeting.

Renewal

As required by the Lease, the lessor has submitted a request to renew their Lease (Exhibit 6) that expires February 8, 2027. Today is an opportunity to hear from the lessor and review the request to add the two additional culture species and to renew TBOC's Lease.

Compliance

The Department receives required reports and payments from leaseholders, which are then made available to Commission staff for compliance review. Based on these materials, staff finds that TBOC is in compliance with all payment and reporting requirements: rent is current, aquaculture registration is up to date, proof-of-use reports demonstrate appropriate lease use, financial surety is in place, and required permits and approvals have been obtained. Staff does not have sufficient information at this time to assess compliance with other lease provisions, including the Drug-Free Awareness Program, non-discrimination, U.S. Coast Guard permits in place if any, or insurance requirements; staff has requested the lessor show how those provisions have been met.

Staff Summary for October 13-16, 2026

Proposed Rulemaking

In April 2026, the Commission directed staff to initiate updates to the standardized terms and conditions that apply to all aquaculture leases, as reflected in the current standard lease agreement template. The updates were intended to improve compliance accountability within standard lease terms, in preparation for multiple lease renewals in 2026 and 2027. However, during the effort to update the standard lease template, staff identified several elements that cannot be addressed solely through template revisions and, instead, require regulatory amendments to Title 14. For example, Section 15408 of the California Fish and Game Code requires that lease termination requirements and processes be established through regulation.

In general, new regulatory provisions can only be applied to leases at the time of renewal or issuance. With seven leases scheduled for renewal in late 2026 and 2027, timely action on regulatory amendments is needed to ensure updated terms and conditions can be applied consistently across lease renewals. Notable areas proposed for regulatory amendments include lease termination, lease duration, and the ability to hire CEQA consultants with cost reimbursement. Any lease renewals approved in the next two years will lack the changes pursued in the proposed rulemaking, for a minimum of 10 and up to 15 years.

To provide sufficient time to complete a rulemaking that, once effective, can be applied to long-term lease renewals, the Commission could grant short-term lease extensions of two years while a narrow-in-scope rulemaking is initiated and focused on formalizing key lease terms and conditions to improve clarity, transparency, and enforceability of state water bottom lease administration, and to support related needs such as CEQA contracting reimbursement. Staff is aware of the workload and cost burdens associated with lease extensions for TBOC and other lessors, and is working with partner agencies to facilitate as smooth and least costly a process as possible.

Under Agenda Item 24B, this meeting, staff will request a rulemaking be referred to MRC for initial vetting in November 2026 and for discussion and recommendation in March 2027, to initiate critical regulatory amendments necessary for state water bottom leasing. Commission approval to advance the proposed rulemaking will affect staff's recommendation in December for the TBOC Lease renewal request (two-year extension versus long-term renewal).

Significant Public Comments

Several community members, organizations, and local businesses express support for renewing TBOC's State Water Bottom Lease M-430-05, citing the company's environmental stewardship, debris-removal efforts, deep community involvement, contributions to local events, provision of sustainable local seafood, and positive regional economic role, with additional support expressed through submitted signatures. (Exhibit 7)

Recommendation (N/A)**Exhibits**

1. [State Water Bottom Lease M-430-05](#)
2. [Email requesting lease amendment request from Heidi Gregory, Farm Manager, TBOC](#), received November 19, 2019

Staff Summary for October 13-16, 2026

3. [Letter clarifying amendment request from Heidi Gregory, Farm Manager, TBOC,](#) received April 7, 2021
4. [Letter updating amendment request from Heidi Gregory, Farm Manager, TBOC,](#) received November 11, 2021
5. [Staff summary for Agenda Item 8A, April 20-21, 2022 Commission meeting,](#) relating to TBOC amendment requests
6. [Letter from Heidi Gregory, Farm Manager, TBOC, requesting Lease renewal or extension](#) received May 8, 2026
7. [Compilation of support emails and letters,](#) received between September 16 and September 30, 2026

Motion (N/A)

Recording Requested By and)
When Recorded Mail to:)
)
State of California)
Fish and Game Commission)
P.O. Box 944209)
Sacramento, CA 94244-2090)
Physical address for deliveries:)
715 P Street, 16th Floor)
Sacramento, CA 95814)

Space Above Line for Recorder's Use Only

**Amendment No. 2 to
Lease Granting the Exclusive Privilege of Conducting
Aquaculture at
State Water Bottom No. M-430-05**

This amendment to Lease Granting the Exclusive Privilege of Conducting Aquaculture at State Water Bottom No. M-430-05 ("Lease") is made and entered into upon execution, by and between Tomales Bay Oyster Company ("Tenant") and the California Fish and Game Commission ("State"), with reference to the following factual recitals.

Recitals

Whereas, the Tenant and the State are parties to a Lease commencing on May 10, 2013 and ending February 8, 2027; and

Whereas, State Water Bottom No. M-430-05 has been leased since 1976 by various entities but the lease agreement in 2013 was drafted in an effort to replace all previous iterations; and

Whereas, consistent with the history of this document, the parties agree that all prior documents to 2013 are no longer in force and effect; and

Whereas, in March 2021, the State completed survey work to accurately describe reference benchmarks after determining that the Lease's legal description relied on imprecisely described reference benchmarks resulting in significant boundary location errors; and

Whereas, on August 11, 2021, the Tenant provided the State with updated address and contact information pursuant to Section 35 of the lease regarding notices; and

Whereas, on October 1, 2021, the State identified the omission of a previously approved species, Bay mussel (*Mytilus galloprovincialis*), from the May 10, 2013 lease assignment; and

Whereas, on October 8, 2021 the State and Tenant executed an amendment to Lease M-430-05 integrating the changes identified in March, on August 11, and in October 2021; and

Whereas, on April 20, 2022, the State approved the addition of longline and floating longline culture methods subject to specified special conditions; and

Whereas, on September 8, 2026 the State identified an error in the October 8, 2021 amendment, in which the Lease Description misstated acreage of the Lease as 'approximately 156 acres,' and determined that the acreage should be updated to 'approximately 160 acres' to reflect the results of the March 2021 survey; and

Whereas, the State has consolidated the changes approved on April 20, 2022 together with those incorporated in the Lease amendment executed on October 8, 2021 into this single amendment, identified herein as Amendment No. 2;

Now, therefore, the State and Tenant agree to these amendments as follows:

1. **Section 2** of the "Terms and Conditions" of the Lease is replaced by the following language:

Description. This lease covers that area comprising approximately 160 acres designated as State Water Bottom No. M-430-05 and shown on the Legal Description, Plat, and Exhibit Map stamped and dated March 15, 2021, and attached as Exhibit A, which is made part of this Lease by this reference.

2. **Section 4** of the "Terms and Conditions" of the Lease is replaced with the following language:

Notice of the annual adjusted rent for the upcoming calendar year shall be given to Tenant by December 1. Until the notice of the annual adjustment is provided, Tenant remains obligated to pay rent at the previous rate. Pursuant to California Fish and Game Code Section 15407, the annual rent shall be paid within 30 days of the commencement date in Section 3, and within 30 days of each anniversary. Tenant shall remit such rent to: California Department of Fish and Wildlife, P.O. Box 944209, Sacramento, CA 94244-2090

3. **Section 35** of the "Terms and Conditions" of the Lease is replaced by the following language:

Notices. Notices to the parties to this Lease shall be made in writing and may be given by delivery in person, by U.S. Mail or other delivery service with postage prepaid, or by receipt-confirmed email to:

California Fish and Game Commission Executive Director P.O. Box 944209 Sacramento, CA 94244-2090 Telephone: 916-653-4899 Email: FGC@fgc.ca.gov	Tomales Bay Oyster Company, LLC Heidi Gregory, Farm Manager P.O. Box 847 Marshall, CA 94940 Telephone: 415-663-1242 / 415-439-9516 Email: hgregory@tomalesbayoystercompany.com
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Notices shall be deemed given upon delivery to the addressee. Either party may change its address for notice purposes by giving written notice to the other party in the manner provided in this Section.

4. Section 36 of the “Terms and Conditions” of the Lease is replaced by the following language:

Special Conditions. This lease is for the sole purpose of cultivating Pacific oysters (*Crassostrea gigas*), Eastern oysters (*Crassostrea virginica*), European flat oysters (*Ostrea edulis*), and Bay mussel (*Mytilus galloprovincialis*).

Shellfish cultivation methods for this lease shall be confined to the bottom and on stakes, wires, trays, racks, rafts, longlines and floating longlines, subject to the following specified special conditions, with no other mode of operation or culture method authorized:

- a) Construction or installment of new longline and floating longline cultivation structures beyond what is documented in **Exhibit B**, which is made part of this Lease by this reference, shall require environmental review and Commission authorization to expand operations on the lease
- b) Current cultivation areas where eelgrass coexists may still be utilized, provided that additional disturbance to eelgrass habitat is minimized, including avoiding shading, anchoring, or trampling within eelgrass habitat (as defined by the California Eelgrass Mitigation Policy) throughout the Lease. Vessel routes, access paths, and anchoring zones should be outside of eelgrass habitat.
- c) Tenant shall evaluate areas where product is being harvested for Pacific herring (*Clupea pallasii*) spawn during the winter months. If herring spawn is present on product, Tenant shall notify California Department of Fish and Wildlife staff in the Santa Rosa office (707-373-0843) and suspend harvest activity of affected product for at least two weeks to allow spawn to mature.
- d) Tipping bags shall be maintained with enough clearance from the seafloor and adequate longline tension to prevent bags from scouring the seafloor at low tide.
- e) During vessel transit, harvest, maintenance, inspection, and planting operations, Tenant should avoid approaching, chasing, flushing, or directly disturbing shorebirds, waterfowl, seabirds, or marine mammals.

Except as herein amended, all other terms of the Lease remain unchanged and in full force and effect. This amendment and the Lease as amended constitute the entirety of this agreement and supersede all previous agreements among the Parties.

SIGNATURE PAGE

This amendment shall become effective upon execution by all Parties.

Each signatory attests he or she is duly authorized to execute this Lease on behalf of the principal he or she represents.

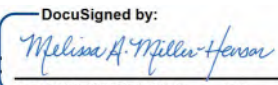
By signing below, the Tenant confirms that it is currently qualified to do business in the State of California, as defined in California Revenue and Taxation Code Section 23101, to ensure that all obligations to the State are fulfilled. Corporations must be in good standing with the State of California in order to be qualified to do business in California

State

California Fish and Game Commission

Tenant

Tomales Bay Oyster Company, LLC

By: 
Melissa Miller-Henson
Executive Director

By: 
Heidi Gregory
Owner

Date: 10/9/2026

Date: 10/9/2026

Exhibit A
Legal Description and Official Maps of State Water Bottom M-430-05

CDFW Aquaculture Program
State Water Bottoms for Aquaculture Leases
Tamales Bay
March 15, 2021

LEGAL DESCRIPTION

All that certain real property situate in the State Water Bottoms of Tamales Bay, County of Marin, State of California being all that portion of the following described water bottom area:

M-430-05

COMMENCING at metal rod in monument well, being a National Geodetic Survey monument stamped "X 1395 1987" and Permanent Identifier (PID) of JT9483, from which point a brass disk in boulder, also being a National Geodetic Survey monument stamped "Hans 1906" and Permanent Identifier (PID) of JT2551, bears North 34° 06' 08" West 7357.50 feet; thence from said Point of Commencement South 14° 55' 47" West 382.58 feet to the Point of Beginning;

THENCE FROM SAID POINT OF BEGINNING the following fourteen (14) courses:

- 1) South 40° 00' 00" East 650.00 feet;
- 2) South 17° 00' 00" West 1,875.00 feet;
- 3) South 25° 40' 37" East 804.08 feet;
- 4) South 49° 35' 00" West 190.27 feet;
- 5) North 40° 00' 00" West 6,810.86 feet;
- 6) North 09° 00' 00" West 756.03 feet;
- 7) North 74° 40' 00" East 1,189.23 feet;
- 8) South 01° 15' 00" East 725.00 feet
- 9) South 60° 15' 00" West 725.00 feet;
- 10) South 36° 15' 00" East 950.00 feet;
- 11) South 59° 30' 00" East 1,500.00 feet;
- 12) South 40° 00' 00" East 475.00 feet;
- 13) North 69° 35' 00" East 950.00 feet;
- 14) South 59° 29' 00" East 975.00 feet to the POINT OF BEGINNING.

Containing 160.49 Acres, more or less.

Coordinates and Bearings are based upon the California Coordinate System of 1983, CCS83, Zone 3, (2011). Distances shown hereon are ground distances. To approximate CCS83 grid distances multiply the distances by the combination factor 0.99995347.

End of Description

Exhibit attached hereto and by this reference made a part hereof.

Page 1 of 2



Exhibit A (continued)

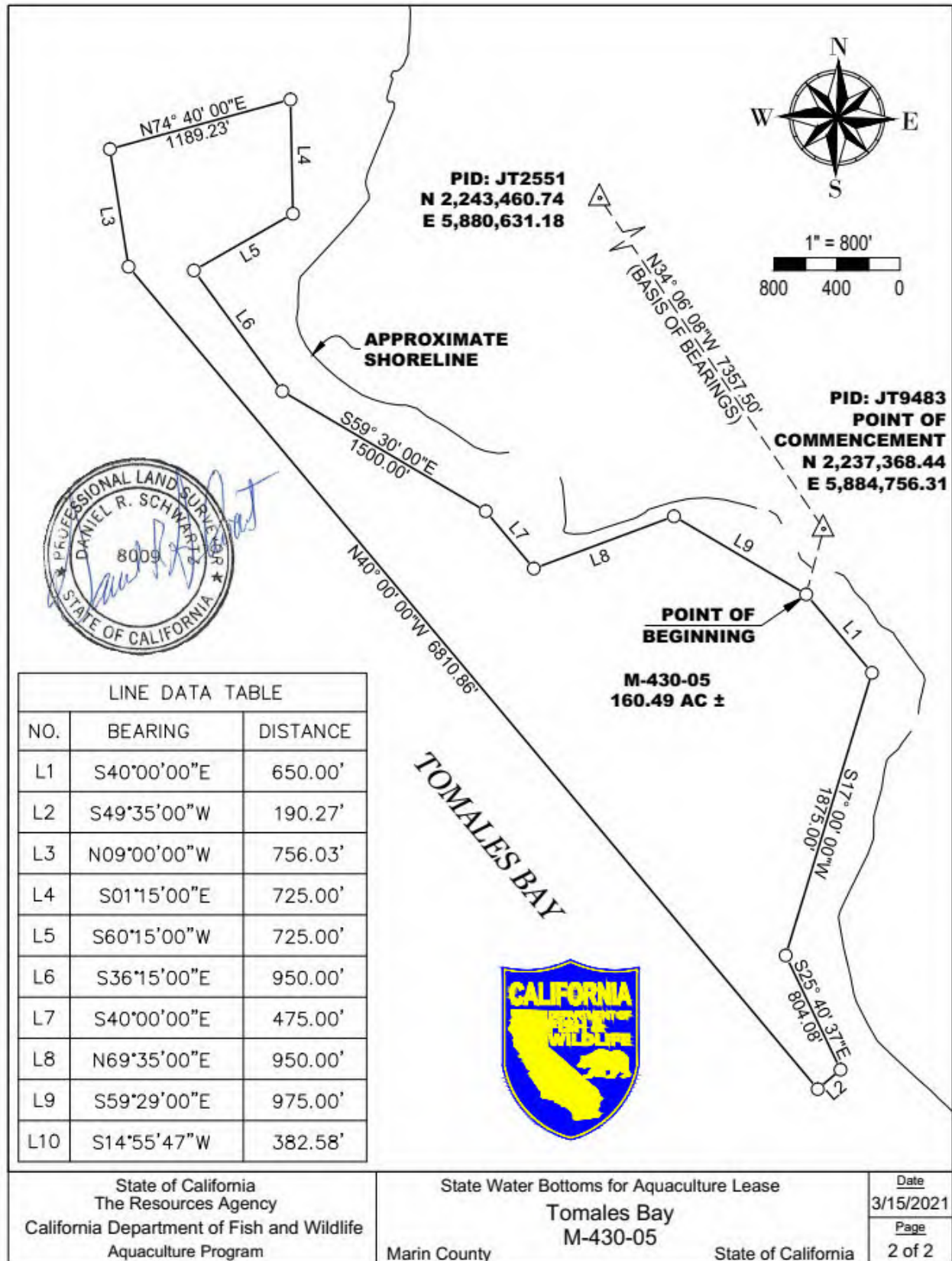


Exhibit B
Special Conditions for Floating Longlines and Longlines

Table of Existing Longline and Floating Longline Gear on Lease M-430-05

Gear type	Existing gear	Proposed change in operation
Floating longlines	Longlines (200'-475' long) are anchored with 4 or 5 helix-type anchors per line and are raised to the surface using plastic buoys. TBOC currently attaches polyethylene mesh bags with plastic floats attached on each end to the buoyed longline to keep the bags on the surface. Each line can hold 75-165 oyster bags. 131 floating longlines are currently in use throughout 4 areas within the lease	TBOC proposes to also cultivate mussels by suspending plastic mesh cylindrical bags of mussels (mussel sleeves) from the existing floating longlines
Longlines	Longlines (120'-300' long) are suspended about 4.5' above bay floor in shallow water using PVC pipes and are anchored at either end with a helix anchor. TBOC currently suspends polyethylene mesh bags with a plastic float on one end of the bag (tipping bags) from the longlines. 84 longlines are currently in use, with a capacity of 4,300 bags, covering 9,660 square feet within the lease	TBOC proposes to also cultivate oysters by suspending SEAPA baskets from existing longlines

Exhibit B (continued)
Map of Existing Longline and Floating Longline Cultivation Areas on M-430-05

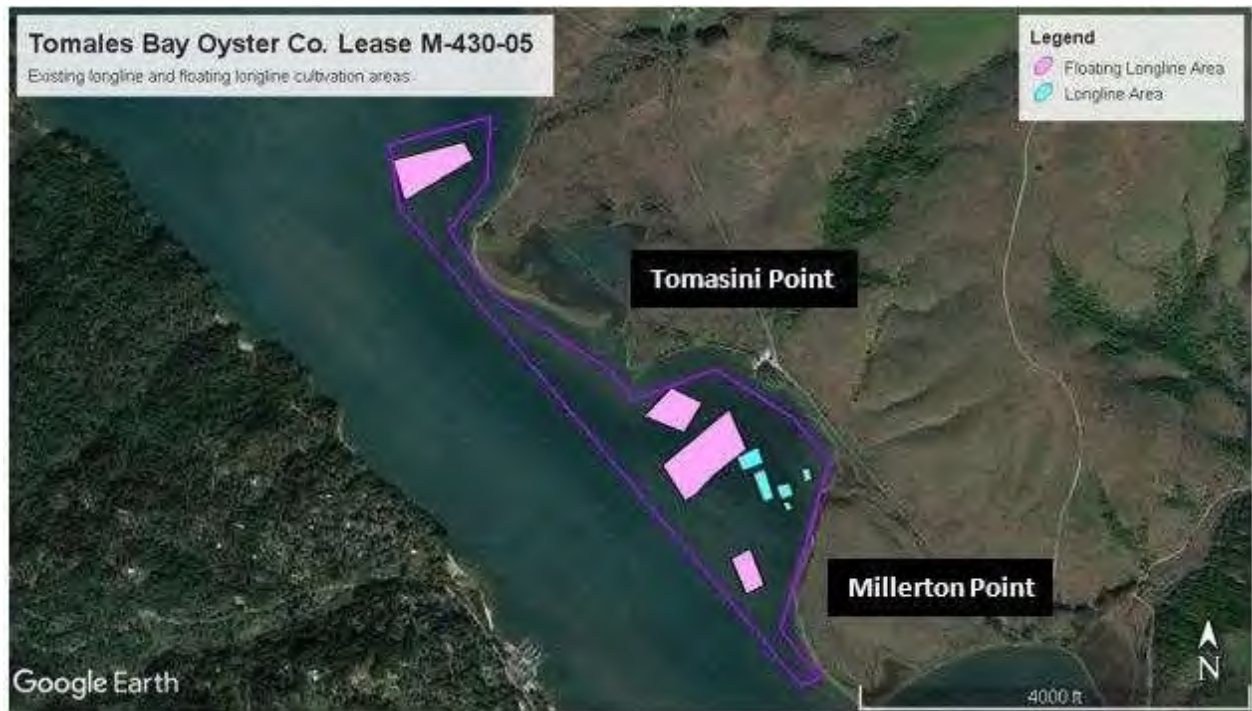


Diagram of Floating Longlines with Oyster Bags

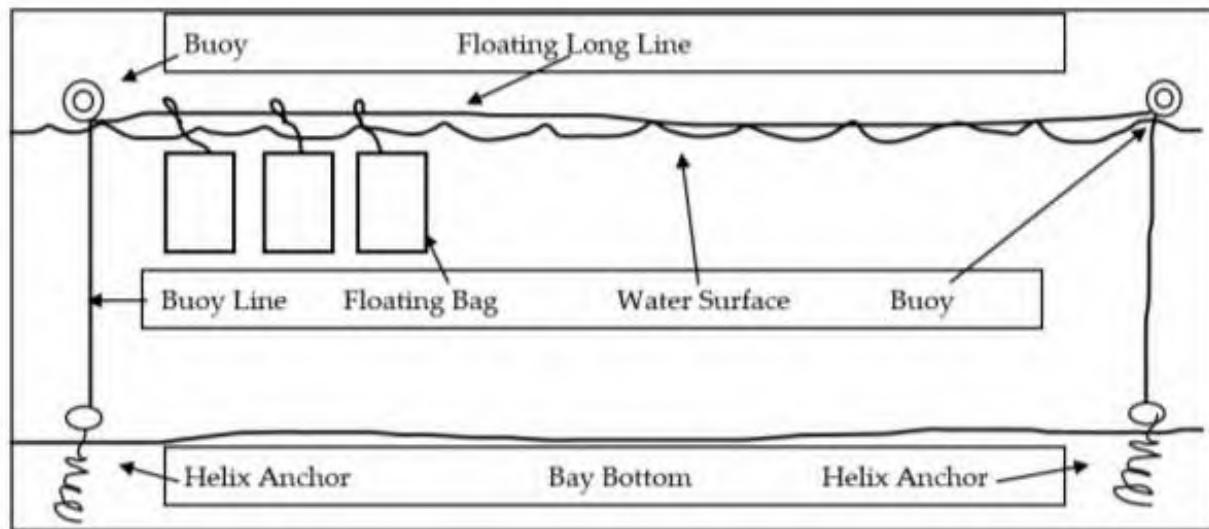


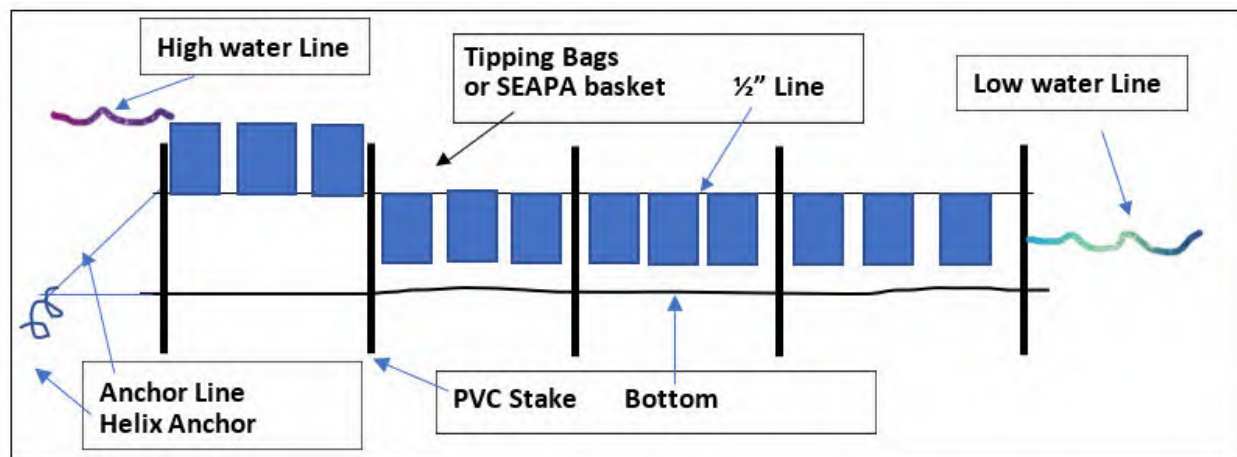
Exhibit B (continued)
Example of Floating Oyster Bag



Example of Floating Longline with Mussel Sleeves



Exhibit B (continued)
Diagram of Longline with Tipping Bags or SEAPA Baskets



Example of Tipping Bag



Example of SEAPA Basket



RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

State of California
Fish and Game State
1416 Ninth Street, 13th Floor
Sacramento, CA 95814

Space Above Line for Recorder's Use Only

**LEASE GRANTING THE EXCLUSIVE PRIVILEGE
OF CONDUCTING AQUACULTURE AT
STATE WATER BOTTOM NO. M-430-05**

THIS LEASE GRANTING THE EXCLUSIVE PRIVILEGE OF CONDUCTING AQUACULTURE AT STATE WATER BOTTOM NO. M-430-05 ("Lease") is made and entered into as of the 10TH day of MAY, 2013, by and between Tomales Bay Oyster Company, LLC, ("Tenant") and the California Fish and Game Commission ("State") with reference to the following facts:

RECITALS

Tenant wishes to lease a State Water Bottom for the purpose of propagating, cultivating, maintaining and harvesting aquatic plants and/or animals in marine waters of the state.

Fish and Game Code section 15400 authorizes the State to lease to any person the exclusive privilege to conduct aquaculture in any designated State Water Bottom if it determines that such lease is in the public interest.

On October 3, 2012, the State authorized the transfer of title of the Lease for State Water Bottom No. M-430-05 from Tomales Bay Shellfish Farms, Inc. to Tomales Bay Oyster Company, LLC.

TERMS AND CONDITIONS

1. **LEASE.** The State hereby grants to Tenant the exclusive privilege to conduct aquaculture upon State Water Bottom No. M-430-05, subject to the terms and conditions of this Lease.

2. **DESCRIPTION.** This Lease covers that area comprising approximately 156 acres designated as State Water Bottom No. M-430-05, as shown on the Map and Description attached as **Exhibit A**, which is made a part of this Lease by this reference.

3. **TERM.** This Lease is for a period of 25 years commencing on the 9th day of February, 2002, and ending on the 8th day of February, 2027, unless renewed or sooner terminated in accordance with its terms.

4. ANNUAL RENT. The base rent for the Lease area is \$50.00 per acre, calculated to recover Tenant's share of the State's operational costs of the aquaculture bottom leasing program attributable to shellfish cultivation. The base rent shall be annually adjusted in the following manner:

The Department of Fish and Game shall determine the change in the "Implicit Price Deflator for State and Local government Purchases of Goods and Services," as published by the U.S. Department of Commerce, for the quarter ending March 31 of the current year compared to the quarter ending March 31 of the previous year. The relative amount of the change shall be multiplied by the amount of the annual rent.

No more frequently than at five-year intervals, the State, in its sole discretion, may recalculate the productivity classification by which the annual rent is calculated for Tenant to reflect changes in the State's operational costs of the aquaculture bottom leasing program attributable to shellfish cultivation. The 10-year average oyster production values fall into three productivity classifications:

- High productivity = >100,000 oysters/acre = \$150.00 per acre/year
- Moderate productivity = >20,000-99,000 oysters/acre = \$100.00 per acre/year
- Low productivity = >2,000-19,999 oysters/acre = \$50.00 per acre/year

Whenever such formula is updated, the annual rent first charged Tenant thereafter shall become the new base rent, subject to the foregoing adjustments for inflation thereafter.

Notice of the annual adjusted rent for the upcoming calendar year shall be given to Tenant by December 1. Until the notice of the annual adjustment is provided, Tenant remains obligated to pay rent at the previous rate. Pursuant to Fish and Game Code section 15407, the annual rent shall be paid within 30 days of the commencement date in Section 3, and within 30 days of each anniversary. Tenant shall remit such rent to: Department of Fish and Game, Fiscal and Administrative Services Branch, 1416 Ninth Street, 12th Floor, Sacramento, California 95814 RE: State Water Bottom Lease No. M-430-05.

Payment shall be made to the State in lawful money of the United States, provided that, if any payment made by a check, draft or money order is returned to The State due to insufficient funds or otherwise, the State shall have the right, upon written notice to Tenant, to require Tenant to make all subsequent payments in cash, or by cashier's or certified check.

5. LATE PAYMENT. Annual payment of rent is due and payable on the commencement date of this Lease or any anniversary thereafter, and is timely if received by the State within thirty (30) days of such commencement date or anniversary. Any annual payment not received by the State within thirty (30) days of the Lease commencement date or anniversary thereof, regardless of whether the 30th day falls on a Saturday, Sunday or holiday, will be subject to a late penalty consisting of an administrative charge on the late amount, calculated at the rate of five percent (5%) of the amount of the late payment. The parties agree that the late charge represents a fair and reasonable estimate of the costs the State will incur because of

late payment. Acceptance of the late charge by the State shall not constitute a waiver of Tenant's default for the overdue amount, nor prevent the State from exercising other rights and remedies granted under this Lease. Tenant shall pay the late charge as additional rent within 30 days of the due date of the original payment.

Any annual payment not received by the State within ninety (90) days of the commencement date of the Lease or within ninety (90) days of any anniversary thereof shall constitute a breach of Lease, giving rise to the State's remedies as set forth herein.

Annual rent due to the State, if not received by the State within ninety (90) days following the due date, will bear interest from the due date until paid at the rate of ten percent (10%) per year or, if a higher rate is legally permissible, at the highest rate legally permitted. Interest shall not be payable on late charges incurred by Tenant nor on any amounts on which late charges are paid by Tenant to the extent this interest would cause the total interest to be in excess of that legally permitted. Payment of interest shall not excuse nor cure any default by Tenant.

Upon written request by Tenant to the State, demonstrating unusual or extenuating circumstances causing the late payment, the State, in its sole discretion, may waive the late charge.

6. INSURANCE. Tenant shall furnish to the State certificate(s) of insurance stating that Public Liability Insurance is presently in effect for the Tenant and will be in effect throughout the period of this Lease with a combined single liability limit of not less than One Million Dollars (\$1,000,000.00) per occurrence, and shall insure against all liability of Tenant and its employees and agents arising out of or in connection with Tenant's use and occupancy of the leased Lease area. The certificate(s) of insurance shall:

(a) Be furnished to the State by the insurance companies, and no such policy shall be cancelable or subject to reduction of coverage or other modification except after 30 days prior written notice to the State.

(b) Include the State of California, its officers, agents, employees and servants are included as additional insured but only insofar as the operations under the Lease are concerned.

(c) Provide that the State shall not be responsible for any premiums or assessments on any policy of insurance hereunder.

(d) Comply with those standards as determined by the State of California, Department of General Services, Office of Risk and Insurance Management.

Tenant agrees that the insurance required herein shall be in effect at all times during the term of this Lease, at the cost of Tenant. In the event said insurance, or any of it, expires or lapses at any time during the term of this Lease, the Tenant agrees to provide, no later than fifteen (15) days after said expiration or lapse, written evidence of required insurance coverage from the date of loss of the earlier insurance and continuing for not less than the remainder of the term of the Lease. Tenant's failure to keep in effect at all times all insurance required by this Lease shall be grounds for termination of the Lease, in addition to any other remedies available to the State.

Where Tenant has any employees, a program of workers' compensation insurance, in an amount and form to meet all applicable requirements of the Labor Code of California, shall be in place throughout the term of this Lease. Such insurance shall include employer's liability coverage of One Million Dollars (\$1,000,000.00) and shall specifically cover all persons providing services by or on behalf of Tenant and shall cover all risks to such persons under this Lease.

7. INDEMNITY AND WAIVER. (For purposes of this Section 7, the term, "State", shall include the Department of Fish and Game as well as the Fish and Game Commission.) Tenant hereby waives all claims and recourse against the State, including the right to contribution for loss or damage to persons or property arising from, or in any way connected with or incident to this Lease, except claims arising from, and only to the extent of the gross negligence or willful misconduct of the State, its officers, agents or employees. Tenant shall notify the Department of Fish and Game Aquaculture Coordinator immediately in case of any serious accident, injury, or casualty on, or potentially related to, the Lease area.

Tenant shall protect, indemnify, hold harmless, and defend the State, its officers, agents or employees, against any and all claims, demands, damages, costs, expenses or liability costs arising out of the use by Tenant, including its employees and agents, of the Lease area, except for liability arising out of, and to the extent of, the gross negligence or willful misconduct of the State, its officers, agents or employees for which the State is found liable by a court of competent jurisdiction.

Should the State be named as a defendant in any claim or legal action arising out of the use by Tenant, including its employees and agents, of the Lease area, upon tender of the claim or action by the State to Tenant, the Tenant shall assume the State's defense and represent the State in such legal action at Tenant's expense, subject to the provisions herein.

In lieu of tender to Tenant of the claim or action against the State, the State may elect to represent itself, in which event, the State shall bear its own litigation costs, expenses and attorney fees. Notwithstanding the foregoing, in the event the State is required to represent itself because of a conflict of interest by counsel representing Tenant, then Tenant, upon demand by the State, shall reimburse the State for the State's litigation costs, expenses and attorney fees. Costs shall include, without limitation, all attorney fees and costs, court costs, if any, costs of mediators or arbitrators, experts and consultants, and any other costs reasonably incurred in response to any claim.

In the event the State is found to be concurrently liable with Tenant by a court of competent jurisdiction for loss or damage to persons or property arising out of the use by Tenant, its employees and agents, of the Lease area, the State and Tenant shall cooperate and use their best efforts to seek and obtain an apportionment of liability from the court and neither party shall request a jury apportionment.

In the event the State is found to be liable for any other wrongful act, for which liability to another is determined by a court of competent jurisdiction for loss or damage to persons or property arising out of the use by Tenant, its employees and agents, of the Lease area, the State shall bear its own litigation costs, expenses and attorney fees. If

Tenant has paid for any such costs which are the responsibility of the State under this provision, the State shall reimburse Tenant at Tenant's request. The State, in its sole discretion, may provide any reimbursement required in the form of a credit against any other money due the State under this Lease.

8. RENEWAL. Tenant may provide written notice to the Department of Fish and Game Aquaculture Coordinator that it is exercising its right to seek renewal of this lease at least 120 days and not more than 364 days (one year) prior to the expiration date in Section 3 pursuant to Fish and Game Code section 15406. So long as Tenant, during the period specified herein, is still actively engaged in aquaculture, as determined by the State, Tenant shall have a prior right to renew for a period of 0.00 years on terms to be agreed upon between the State, in consultation with the Department of Fish and Game Aquaculture Coordinator, and Tenant. If Tenant fails to give such notice of its right to seek renewal during the period specified herein, the Lease, including any remaining right to seek renewal, shall terminate upon expiration of the then-current term. Moreover, if Tenant is in default on the date of giving such notice, the notice shall be ineffective; if Tenant cures the default and provides a new notice thereafter all within the period specified herein for giving notice, that new notice shall be sufficient to exercise Tenant's prior right to renew. Provided, further, that if on the date a renewal term is to commence Tenant is in default, the renewal term shall not commence and this Lease shall expire at the end of the current term. However, if the State continues negotiating renewal terms after the prior term expires, then the holdover provisions of Section 9 may apply. In no event shall the term of this Lease, or the term of any renewal thereof, extend beyond 25 years each.

9. HOLDOVER. If the Term in Section 3 expires and the Lease has not been renewed pursuant to Section 8, and Tenant remains in possession of the Lease area with State's express or implied permission, Tenant shall become a tenant from month to month only, subject to all the provisions of this Lease except Sections 3, 4 and 5. During this holdover tenancy, a monthly rent representing one-twelfth of the current adjusted annual rent shall be payable on or before the first day of each month. It is expressly understood that a holdover tenancy does not create any right of renewal beyond that provided by Fish and Game Code section 15406 as set forth in Section 8, and that the only purpose of a holdover tenancy is to allow continuity of use of the property while the State continues to negotiate renewal terms or undertakes to issue a new lease to the highest responsible bidder pursuant to Fish and Game Code section 15406, or to allow the holdover tenant time to terminate and remove the aquaculture operation consistent with Fish and Game Code section 15409(a). If either party desires to terminate such holdover tenancy, it shall give the other party not less than thirty days advance written notice of the date of termination.

10. POSSESSORY INTEREST. Tenant understands and acknowledges that, pursuant to Revenue and Taxation Code section 107.6(a), any possessory interest created by this Lease may be subject to the payment of property taxes levied on that possessory interest.

Tenant agrees to pay, before delinquency, all lawful taxes, assessments, license fees and any other charges of any type whatsoever which at any time may be levied by the State, County, City or any tax or assessment-levying body upon any interest in or

created by this Lease, or any possessory right which Tenant may have in or to the Lease area covered hereby.

11. USE. Tenant shall use the Lease area only for the purpose stated in this Lease, and such use shall be continuous from commencement of the Lease term until its expiration or termination. Pursuant to Fish and Game Code section 15414, the State may require the Tenant to submit any periodic reports it deems necessary for the proper administration of State Water Bottom M-430-05.

The Lease area shall be continuously used by Tenant to conduct aquaculture operations, as aquaculture is defined in Fish and Game Code section 17. Tenant shall not use or permit the Lease area to be used in whole or in part during the term of this Lease for any purpose, other than as set forth herein, without the prior written consent of the State.

The possessory interest herein given to the Tenant does not exclude the general public from the Lease area, and Tenant may not unreasonably impede public access to state waters for purpose of fishing, navigation, commerce or recreation or other public trust values. However, Tenant may limit public access to the extent necessary to avoid damage to the Lease area and the aquatic life culture therein. This Lease is not intended to confer third party beneficiary status to anyone benefiting from the terms of this Lease. The possessory interest is further subject to all valid and existing contracts, leases, licenses, encumbrances, and claims of title which may affect the Lease area.

This Lease provides a tenancy of a temporary nature. The parties to this Lease agree that no Relocation Payment or Relocation Advisory Assistance will be sought or provided in any form as a consequence of this tenancy.

This Lease is of no force or effect until signed by both parties and all approvals are secured. Tenant may not commence performance until such approval has been obtained. Any commencement of performance prior to Lease approval shall be done at the Tenant's own risk. Nothing in this Lease may be waived, modified, amended or discharged except by a writing signed by the State and Tenant and approved by the State in a public meeting.

12. SHELLFISH PRODUCTION IMPROVEMENTS. This lease shall be improved at no less than a minimum rate established by the provisions of Chapter 9 of Division 1 of Title 14, California Code of Regulations (commencing with section 237).

(a) Minimum Planting Requirements: 156 cases of seed-bearing shell (12,480 pounds of seed-bearing shell) or 2,340 bushels of oysters one or more years of age over the allotted lease per year. Improvement by unattached single seed (less than one year old) shall consist of planting an average of 780,000 single seed over the allotted lease per year. Term of improvement shall be four years for seed-bearing shell and three years for oysters one or more years of age. As proof of use, the Tenant shall submit to the Department of Fish and Game Aquaculture Coordinator, a written declaration under penalty of perjury showing the date, quantity of species and acreage in each planting, also including a map showing acres, amounts and dates planted.

(b) Minimum Harvesting Requirements: The annual harvest rate shall be an average rate of 312,000 oysters (over one year of age) over the allotted acreage effective three years after the effective date of the lease. Harvest reports shall be recorded in the form of a receipt in quadruplicate furnished by the Department of Fish and Game. The triplicate copy shall be delivered to the Department of Fish and Game on or before the first and sixteenth day of each month.

13. NO WARRANTY. This Lease is made without warranty of title, condition or fitness of State Water Bottom M-430-05 for the Tenant's intended purpose or use.

Tenant agrees to accept the Lease area in its presently existing condition, "As Is", and that the State shall not be obligated to make any alterations, additions or betterments thereto except as otherwise provided in the Lease.

14. COMPLIANCE. As a necessary condition for this Lease, Tenant must obtain and maintain all necessary registrations, permits and any other entitlements. Tenant shall comply with all applicable federal, state and local laws, including laws relating to public health and safety, zoning, resource conservation and environmental protection including, but not limited to, the Coastal Zone Act, the Porter-Cologne Water Quality Act, and the California Environmental Quality Act.

Tenant shall comply with all applicable resource management and preservation mandates in the conduct of all activities that impact cultural, natural, or scenic resources. These mandates include, but are not limited to, those found in Public Resources Code sections 5024 and 5097 and the United States Secretary of the Interior's Guidelines for Historic Preservation. Tenant's operations under this Lease shall ensure that the State's goals of ensuring historical preservation and proper cultural, scenic and natural resource management are continually achieved in a manner consistent with applicable law.

15. RECORD KEEPING. The State may require periodic reports from Tenant as the State deems necessary for the proper administration of the State's water bottoms.

Tenant agrees that the Fish and Game Commission, Department of Fish and Game, and the Bureau of State Audits, or their designated representative, shall have the right to review and copy any records and supporting documentation pertaining to the performance of this Lease. Tenant agrees to maintain such records for possible audit for a minimum of three years after final payment. Tenant agrees to allow the auditor(s) prompt access to such records during normal business hours and similarly to allow interviews of any employees who might reasonably have information related to such records. Tenant agrees to include a similar right of the State to audit records and to interview staff in any sublease or contract related to performance of this Lease.

16. WAIVER AND CONSENT. Unless expressly acknowledged by the State in writing, no term, covenant, or condition of this Lease and no default or breach is waived by the acceptance of a late or nonconforming performance. The State's consent for one transaction or event under this Lease is not consent to any subsequent occurrence of the same or any other transaction or event.

17. BREACH. The occurrence of any one of the following shall constitute a breach of this Lease by Tenant: (1) Failure of Tenant to make any annual Lease payment within ninety (90) days of the commencement date of the Lease or within ninety (90) days of any anniversary thereof; (2) Failure of Tenant to make any other payment more than thirty (30) days after such payment is due; (3) abandonment of the Lease area determined after the State has followed the procedures set forth in Civil Code section 1951.3; or (4) any failure by Tenant to comply with laws applicable to the conduct of aquaculture.

Should a threat to public health or safety or to the environment be created or exist on the Lease area, the State may declare an emergency event and, unless an alternative arrangement is preferable in the State's discretion, may enter upon and take possession of the Lease area to remedy the emergency without prior notice and/or demand an assignment of the right to operate the Lease area. Upon entering the Lease area under this Section, the State shall provide immediate notice of such action by hand delivery or fax of its declaration to Tenant. The State may retain possession of the Lease area until the emergency event has been completely and adequately addressed to the State's satisfaction. Where a breach of this Lease has caused or exacerbated the emergency event, or where the Tenant is non-cooperative in allowing or addressing any remedial action necessary because of the emergency event, the State may terminate the Lease. The State shall not be liable in any manner for any inconvenience, disturbance, loss of business, nuisance or other damage arising out of the State's entry in the Lease area as provided herein, except damage resulting from the active negligence or willful misconduct of the State or its authorized representatives.

Any failure by Tenant to observe or perform another provision of this Lease where such failure continues for twenty (20) days after written notice thereof by the State to Tenant; any such notice shall be deemed to be the notice required under Code of Civil Procedure section 1161. However, if the nature of Tenant's breach is such that it cannot reasonably be cured within the twenty (20) day period, Tenant shall not be deemed to be in breach if Tenant shall commence such cure within the twenty (20) day period and thereafter diligently prosecutes such cure to completion.

Neither this Lease nor any interest of Tenant hereunder in the Lease area shall be subject to involuntary assignment or transfer by operation of law in any manner whatsoever, including, without limitation, the following: (a) transfer by testacy or intestacy; (b) assignments or arrangements for the benefit of creditors; (c) levy of a writ of attachment or execution on this Lease; (d) the appointment of a receiver with the authority to take possession of the Lease area in any proceeding or action in which the Tenant is a party; or (e) the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt, or of a petition for reorganization or arrangement under any law relating to bankruptcy. Any such involuntary assignment or transfer by operation of law shall constitute a breach by Tenant and the State shall have the right to elect to take immediate possession of the Lease area, to terminate this Lease and/or invoke other appropriate remedies, in which case this Lease shall not be treated as an asset of Tenant.

Notices of breach shall specify the alleged breach and the applicable Lease provision and shall demand that Tenant perform the provisions of this Lease within the applicable

time period or quit the Lease area. No such notice shall be deemed a forfeiture or a termination of this Lease unless the State specifically so states in the notice.

18. REMEDIES. In the event of breach by Tenant, the State shall have the following remedies. These remedies are not exclusive; they are cumulative and are in addition to any other right or remedy of the State at law or in equity.

Collection of Rent: In any case where the State has a cause of action for damages, the State shall have the privilege of splitting the cause to permit the institution of a separate suit for rent due hereunder, and neither institution of any suit, nor the subsequent entry of judgment shall bar the State from bringing another suit for rent; it being the purpose of this provision to provide that the forbearance on the part of the State in any suit or entry of judgment for any part of the rent reserved under this Lease, to sue for, or to include in, any suit and judgment the rent then due, shall not serve as defense against, nor prejudice a subsequent action for, rent or other obligations due under the Lease. The claims for rent may be regarded by the State, if it so elects, as separate claims capable of being assigned separately.

Continued Performance: At the State's option, Tenant shall continue with its responsibilities under this Lease during any dispute.

Termination of Tenant's Right to Possession: Upon an event of breach of this Lease by Tenant, in addition to any other rights or remedies it may have, the State may give Tenant a three-day notice to cure the breach or quit the Lease area. If Tenant fails to do either, the State may bring a statutory proceeding in unlawful detainer to regain possession of the Lease area. Any notice give by the State pursuant to this Section does not constitute a termination of this Lease unless expressly so declared by the State in the notice. In the absence of written notice from the State, no act by the State, including, but not limited to, acts of maintenance, efforts to re-let and/or assign rights to possession of the Lease area, or the appointment of a receiver on the State's initiative to protect the State's interest under this Lease shall constitute an acceptance of Tenant's surrender of the Lease area, or constitute a termination of this Lease or of Tenant's right to possession of the Lease area. Upon such termination, the State has the right to recover from Tenant: (a) the worth, at the time of the award, of the unpaid rent that had been earned at the time of termination of this Lease; (b) the worth, at the time of the award, of the amount by which the unpaid rent that would have been earned after the date of termination of this Lease until the time of the award exceeds the amount of loss of rent that Tenant proves could have reasonably been avoided; (c) the worth, at the time of the award, of the amount by which the unpaid rent for the balance of the term after the time of the award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided; and (d) any other amount necessary to compensate the State for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease, and costs of clearing the State's title of any interest of Tenant, commissions, attorneys' fees, and any other costs necessary or appropriate to make the Lease area operational by a new Tenant.

"The worth, at the time of the award," as used herein above shall be computed by allowing interest at the lesser of a rate of ten percent (10%) per annum or the maximum legal rate.

Receiver: If Tenant is in breach of this Lease, the State shall have the right to have a receiver appointed to collect rent and conduct Tenant's business or to avail itself of any other pre-judgment remedy. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by the State to terminate this Lease.

Right to Cure Tenant's Breach: At any time after Tenant commits a breach, the State can cure the breach at Tenant's cost. If the State, at any time by reason of Tenant's breach, pays any sum or does any act that requires the payment of any sum, the sum paid by the State shall be due immediately from Tenant to the State, and if paid at a later date shall bear interest at the rate of ten percent (10%) per annum from the date the sum is paid by the State until the State is reimbursed by Tenant.

Personal Property of Tenant: In the event any personal property or trade fixtures of Tenant remain at the Lease area after the State has regained possession, that property or those fixtures shall be dealt with in accordance with the provisions for Surrender of the Lease area provided below.

State's Obligations After Breach: The State shall be under no obligation to observe or perform any covenant of this Lease on its part to be observed or performed that accrues after the date of any breach by Tenant. Such nonperformance by the State shall not constitute a termination of Tenant's right to possession nor a constructive eviction.

No Right of Redemption: Tenant hereby waives its rights under California Code of Civil Procedure sections 1174 and 1179 or any present or future law that allows Tenant any right of redemption or relief from forfeiture in the event the State takes possession of the Lease area by reason of any breach by Tenant.

Other Relief: The State shall have such rights and remedies for failure to pay any and all monetary obligations under this Lease as the State would have if Tenant failed to pay rent due. The remedies provided in this Lease are in addition to any other remedies available to the State at law, in equity, by statute, or otherwise.

Attorney's Fees and Costs: Tenant shall reimburse the State on demand for all reasonable attorney fees and expenses incurred by the State as a result of a breach under this Lease, provided that, in any litigation between the parties to this Lease concerning it, the prevailing party shall be entitled to recover court costs, reasonable attorney fees, and other costs reasonably incurred to secure the remedy obtained in the action.

The State shall not be in breach of the performance of any obligation required of it under this Lease unless and until it has failed to perform such obligation for more than thirty (30) days after written notice by Tenant to the State specifying the alleged breach and the applicable Lease provision giving rise to the obligation. However, if the nature of the State's obligation is such that more than thirty (30) days is required for its performance, then the State shall not be deemed in breach if it shall commence performance within such 30-day period and thereafter diligently prosecute the same to completion.

19. ASSIGNMENT AND SUBLEASES. Pursuant to Fish and Game Code section 15412, this Lease may not be assigned, in whole or in part, by Tenant, either voluntarily or by operation of law, and no subleases or other rights may be granted under it by Tenant without the prior written approval of the State, subject to the conditions that it prescribes. At the election of the State, any attempted assignment or subletting without such prior approval of the State shall terminate this Lease.

20. TERMINATION. In the event the Lease area becomes unsuitable for the practical cultivation or harvest of shellfish, or in the event the Tenant becomes unable to continue operating the Lease for aquaculture for reasons beyond Tenant's ability to control, Tenant may terminate the Lease after thirty (30) days written notice to the State. Tenant may terminate the Lease for any other reason through a written request presented to and approved by the State at a public hearing held for purposes of consideration of Tenant's termination request. Such termination shall be effective thirty (30) days after State approval.

On expiration of or within thirty (30) days after earlier termination of the Lease, Tenant shall surrender the Lease area to the State. Tenant shall remove all of its personal property as well as all man-made material deposited during Tenant's occupancy within the above stated time unless otherwise agreed to in writing.

If Tenant fails to surrender the Lease area to the State on the expiration, or within thirty (30) days after earlier termination of the term as provided by this Section, Tenant shall hold the State harmless for all damages resulting from Tenant's failure to surrender the Lease area.

21. QUITCLAIM. Tenant shall, within ninety (90) days of the expiration or sooner termination of this Lease, execute, acknowledge and deliver to the State in a recordable form provided by the State a release of all rights under this Lease. Should Tenant fail or refuse to deliver such a release, a written notice by the State reciting such failure or refusal shall, from the date of its recordation, be conclusive evidence against Tenant of the expiration or termination of this Lease.

22. TIME OF THE ESSENCE. Time is of the essence of this Lease and any term, covenant or condition in which performance is a factor.

23. CHANGES. Nothing in this Lease may be waived, modified, amended, or discharged except by an instrument in writing signed by Tenant and the State, in consultation with the Department of Fish and Game Aquaculture Coordinator. At its discretion, the Department of Fish and Game may charge Tenant for any and all costs it incurs in any lease amendment requested by Tenant.

24. SEVERABILITY. If a court of competent jurisdiction determines that a Lease provision is legally invalid, illegal or unenforceable, and such decision becomes final, the provision shall be severed and deleted from the Lease and the remainder reasonably interpreted to achieve its intent. Tenant and the State agree to replace such void or unenforceable provision with a valid and enforceable provision that will achieve, to the extent possible, the purpose of the original provision.

25. SITE CLEANUP. Tenant shall provide to the State financial assurance sufficient to ensure that, upon termination or abandonment of this Lease, the Lease area is surrendered in a condition that is in accordance with Section 20, to the satisfaction of the State.

The financial assurance amount shall be calculated based on an analysis of the physical activities and materials necessary to surrender the site in the required condition; the unit costs or costs for third party contracting, for each of the identified activities as applicable; the number of units of these activities; and a contingency amount not to exceed ten percent (10%) of the costs of the activities.

Financial assurances may take the form of surety bonds executed by an admitted surety insurer, as defined in subdivision (a) of section 995.120 of the Code of Civil Procedure, irrevocable letters of credit, trust funds, or other forms of financial assurances specified by the State which it reasonably determines to be adequate to perform restoration of the site. Personal surety bonds cannot provide financial assurance under this requirement. The financial assurance shall be payable to the State and shall remain in effect throughout the duration of the tenancy under the Lease, and until the State accepts surrender of the Lease area or until replaced by an equivalent financial assurance.

The financial assurance shall be applied by the State to place the Lease area in the condition required for surrender under Section 20, whenever the Tenant fails or refuses to accomplish such activities, and to reimburse the State for all its costs of achieving that condition of the Lease area. Any assets remaining from the financial assurance after all costs to the State, including administrative costs to secure the funds, have been reimbursed therefrom, shall be returned to the Tenant.

26. NON-DISCRIMINATION. In its use of the Lease area, Tenant shall not discriminate against, harass, or allow harassment against any person or class of persons on the basis of race, color, creed, religion, national origin, ancestry, sex, sexual orientation, age, marital status, medical condition or disability. Tenant shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment.

Tenant shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, section 7285.0 et seq.). Tenant shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Tenant shall include the non-discrimination and compliance provisions of this clause in all contracts to perform work under and/or in connection with this Lease.

Tenant shall be solely responsible for complying with the requirements of the Americans With Disabilities Act of 1990 (P.L. 101-336, commencing at section 12101 of Title 42, United States Code and including Titles I, II and III), the Rehabilitation Act of 1973, and all related regulations, guidelines and amendments to both laws.

27. DRUG-FREE WORKPLACE. Tenant will comply with the requirements of the Drug-Free Workplace Act of 1990, as amended, and will provide a drug-free workplace by taking the following actions:

(a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

(b) Establish a Drug-Free Awareness Program to inform employees about: (1) the dangers of drug abuse in the workplace; (2) the Tenant's policy of maintaining a drug-free workplace; (3) any available counseling, rehabilitation and employee assistance programs; and, (4) penalties that may be imposed upon employees for drug abuse violations.

(c) Provide that every employee who works on the Lease area will: (1) receive a copy of the Tenant's drug-free policy statement; and, (2) agree to abide by the terms of the Tenant's statement as a condition of employment on the Lease area.

Failure to comply with these requirements may result in suspension or termination of this Lease, and Tenant may be ineligible for award of any future State Water Bottom Leases if the State determines that any of the following has occurred: (1) the Tenant has made false certification, or (2) violated the certification by failing to carry out the requirements as noted above.

28. ENTIRE AGREEMENT. This Lease contains the entire agreement between the parties, and an agreement hereafter shall be ineffective to change, modify or discharge it in whole or in part, unless such agreement is in writing and contains the authorized signature of the party against whom enforcement of the change, modification or discharge is sought.

29. CONSTRUCTION. This Lease shall be governed by and construed in accordance with the laws of the State of California. The Section titles in this Lease are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope or intent of this Lease or in any way affect this Lease.

Tenant shall maintain annual registration of its aquaculture facility in accordance with Fish and Game Code sections 15101 and 15103 and shall keep current with all fees and surcharges, including any penalties for late payment of same, required by those statutes.

30. INCORPORATION BY REFERENCE. The provisions of Chapters 1 through 8 of Division 12 of the Fish and Game Code (commencing with section 15000) and the provisions of Chapter 9 of Division 1 of Title 14, California Code of Regulations (commencing with section 235), as may be amended from time to time, are made part of this Lease by this reference. If there is a conflict between any term or condition of this Lease and any of the provisions incorporated by reference in it, the incorporated provisions shall control.

31. CONFLICTS OF INTEREST. Tenant warrants that no official, employee in the state civil service or other appointed state official, or any person associated with same

by blood, adoption, marriage, cohabitation, and/or business relationship: (a) has been employed or retained to solicit or aid in the procuring of this Lease; or (b) will be employed in the performance of this Lease without the immediate divulgence of such fact to the State. In the event the State determines that the employment of any such official, employee, associated person, or business entity is not compatible, Tenant shall terminate such employment immediately. For breaches or violations of this Section, the State shall have the right to annul this Lease without liability.

32. EXPATRIATE CORPORATION. Tenant hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation, within the meaning of Public Contract Code sections 10286 and 10286.1 and is eligible to contract with the State.

33. NO AGENCY. The Tenant, and the agents and employees of the Tenant in the performance of the Lease, shall act in an independent capacity and not as officers or agents of the State of California.

34. CLOSURE. Neither the State nor the Department of Fish and Game shall have any liability arising from a closure of waters by the Department of Fish and Game Director pursuant to Fish and Game Code section 5654, where aquaculture operations are taking place.

35. NOTICES. Notices to the parties to this Lease shall be made in writing and may be given by delivery in person, by U.S. Mail with postage prepaid, or by receipt-confirmed facsimile to:

FISH AND GAME COMMISSION Executive Director 1416 Ninth Street, 13 TH Floor Sacramento, CA 95811 Telephone: (916) 653-4899 Facsimile: (916) 653-5040	Tomales Bay Oyster Company, LLC Charles Friend, Owner 180 Montecito Avenue #104 Sausalito, CA 94965 Telephone: (415) 663-1242 Facsimile: (415) 663-9327
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Notices shall be deemed given upon delivery to the addressee. Any notice given by facsimile shall also be given to the addressee by U.S. Mail, with postage prepaid. If a notice given by facsimile is delivered to the addressee after 5:00 p.m. Pacific time, or on a Saturday, Sunday or State of California or national holiday, the notice shall be deemed given on the next business day. Either party may change its address for notice purposes by giving written notice to the other party in the manner provided in this Section.

36. SPECIAL CONDITIONS. This lease is for the sole purpose of cultivating Pacific oysters (*Crassostrea gigas*), Eastern oysters (*Crassostrea virginica*), and European flat oysters (*Ostrea edulis*). Shellfish cultivation methods for this lease shall be confined to the bottom and on stakes, wires, trays, racks, and rafts. No other mode of operation or culture method is authorized.

SIGNATURE PAGE

This Lease and any amendment(s) may be executed in counterparts, each of which, when executed and delivered by the State and Tenant, shall be an original and together shall constitute one instrument, with the same force and effect as though all signatures appeared on a single document.

Each signatory attests he or she is duly authorized to execute this Lease on behalf of the principal he or she represents.

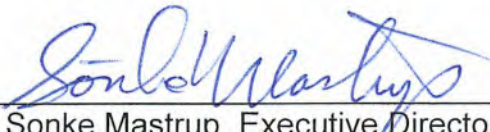
Where Tenant is a corporation, the signature of the Tenant on this Lease will be verifying that Tenant is currently qualified to do business in the State of California, as defined in Revenue and Taxation Code section 23101, in order to ensure that all obligations to the State are fulfilled. Both domestic and foreign corporations (those incorporated outside the State of California) must be in good standing in order to be qualified to do business in California.

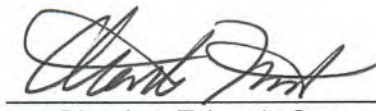
STATE OF CALIFORNIA

TENANT

Fish and Game Commission

Tomales Bay Oyster Company, LLC

By: 
Sonke Mastrup, Executive Director

By: 
Charles Friend, Owner

Date: 4/19/2013

Date: 3/26/13

Department of Fish and Game

By: _____
Helen Carriker, Deputy Director, Administration

Date: _____

EXHIBIT A

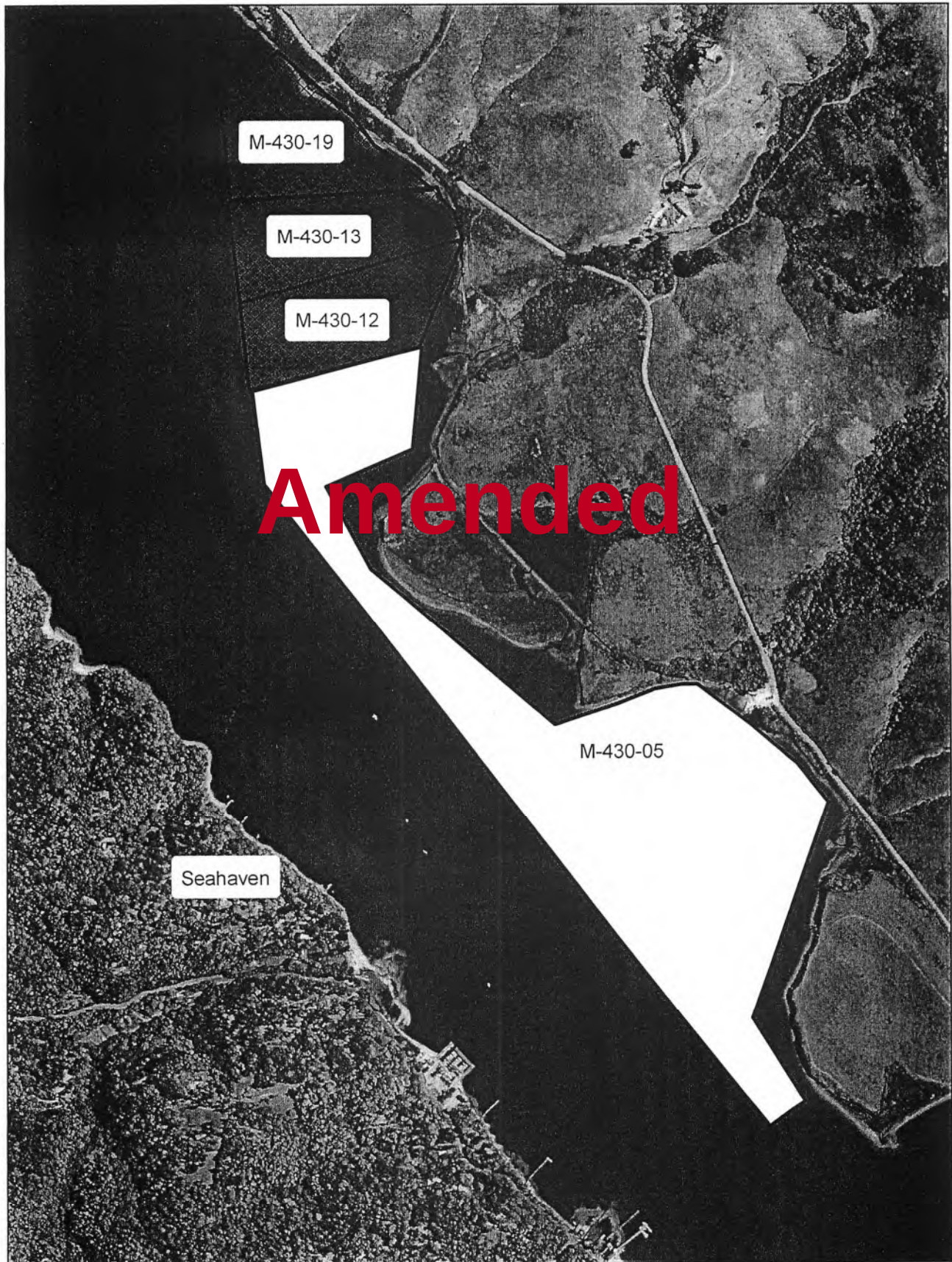
Official Map and Description of State Water Bottom M-430-05

Amended

EXHIBIT A

Legal description: In Tomales Bay, Marin County, State of California, starting from "Bench Mark 32" located at 32° 6' 33.1" North latitude, 122° 50' 36.5" West longitude on the Inverness Quadrangle, California, Marin County, U.S. Department of the Interior Geological Survey 7.5 minute series topographic map, thence South 75° 17' 31" West, 2,532 feet to the beginning point. Thence, South 49° 35' West, 190.27 feet; thence North 40° West, 6,810.36 feet; thence North 9° West, 736.73 feet; thence North 74° 40' East 1,189.23 feet; thence South 1° 15' East 725 feet; thence South 60° 15' West 725 feet; thence South 36° 15' East 950 feet; thence South 59° 30' East 1,500 feet; thence South 40° East 475 feet; thence North 69° 35' East 950 feet; thence South 59° 29' East 975 feet; thence South 40° East 650 feet; thence South 17° West 1,875 feet; thence South 27° East 800 feet, to the true point of beginning.

State Water Bottom Lease M-430-05 Tomales Bay, Marin County, CA



0 0.125 0.25 0.5
Miles

Map prepared by
CA Dept. Fish and Game
30 January 2012



2019 NOV 19 PM 12:31

Tomales Bay Oyster Company, LLC

PO Box 847, 15479 Hwy One
Marshall, California 94940
415-663-1242

November 14, 2019

To: Melissa Miller-Henson, California Fish and Game Commission

Subject: Request to make amendment to State Water Bottoms Aquaculture Lease M-430-05

Dear Madam,

Tomales Bay Oyster Company, LLC (TBOC) is requesting an amendment to State Water Bottom Aquaculture Lease #M-430-05.

TBOC would like to request the addition of approved species, Kumamoto oyster (*Crassostrea Sikamea*), Olympic oyster (*Ostrea Lurida*), Bay Mussels (*Mytilus Trossulus*), and Manila clam (*Venerupis Philippinsum*).

TBOC would also like to amend approved culture methods to include floating long lines and tipping bags.

Floating long lines oyster bags attach to a long line and that line is anchored to the bottom of the bay using helix-type anchors that screw down into the mud and are removed in the same way. The anchors are steel, auger-type mud screws four feet long and their full length is screwed into the soft mud bottom, making for a very secure hold. A rope line is attached to the eye of the anchor at the mud surface. A buoy is tied onto the top end of this buoy line. A loop is twisted into this secured line. The end of a long half-inch rope is tied into the loop. This long line is stretched some fifty feet and tied into another anchor added in the same manner as described.

After another fifty feet is stretched, a third anchor is embedded and so on until the full 200 feet of line is set.

Typically, there are four or five anchors securing the long line. The long line itself has loops twisted into it every three or four feet and at each loop a floating bag is tied to the loop using a three-foot tether or connecting rope. The tether line permits each bag to be free floating and able to respond freely to wind and wave action. Once the lines are set, the floating bags will be brought out to the lines by boat, and one bag tied to each eyelet, one after another, for the full length of the line. Some of the lines hold as many as 125 bags. The bag's floatation is supplied by plastic molded tubes 2 ½ feet long and three inches round. The tubes have already been wired into the mesh of the bag before the seed is introduced.

California Fish and Game Commission

November 14, 2019

Tipping bag system:

What we refer to as 'Golden Nugget' bags or tipping/swinging bag culture.

Using this approach, oyster bags are suspended off the bottom of the bay by being tied to half inch lines that are held up by pvc stakes spaced every seven feet. The line is pulled taught and sits in the notches cut into the pvc stakes. Each bag has floatation attached at the bottom but not the top. When the tide moves in, the bag lifts and when the tide falls the bag slowly falls, causing the oysters to tumble over one another and work against one another.

If there is any other information you need about these requests please let me know.

Thank you for attention to this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Heidi Gregory', with a long horizontal line extending to the right.

Heidi Gregory
General Manager

Enclosure 2: Description of culture methods

cc: Sara Briley
Randy Lovell
Susan Ashcraft

Enclosure 1: Floating Long Lines

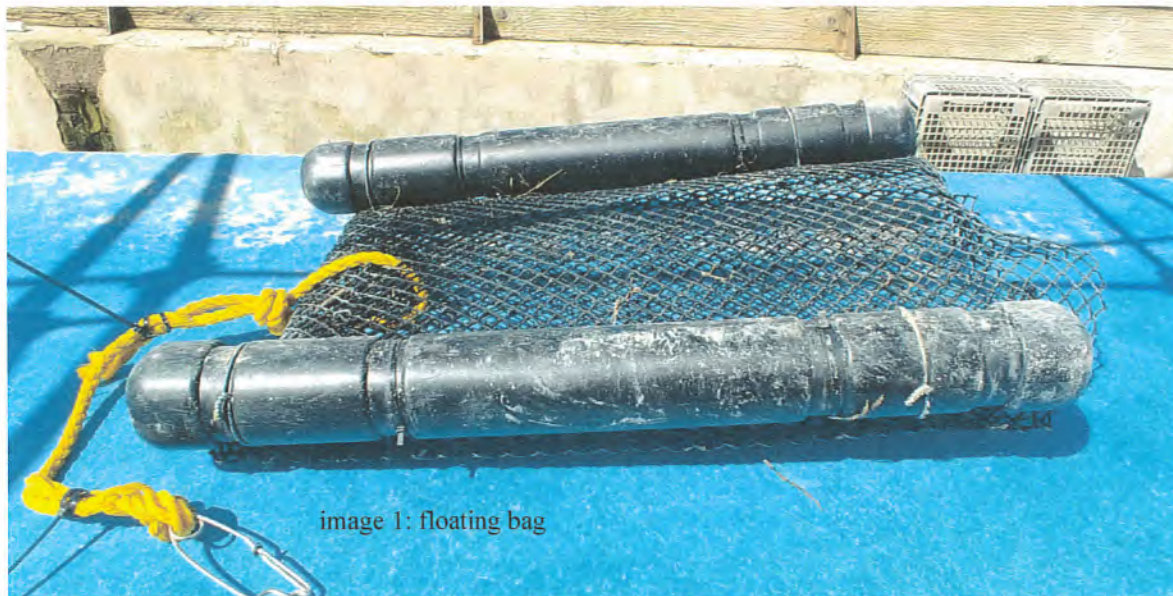
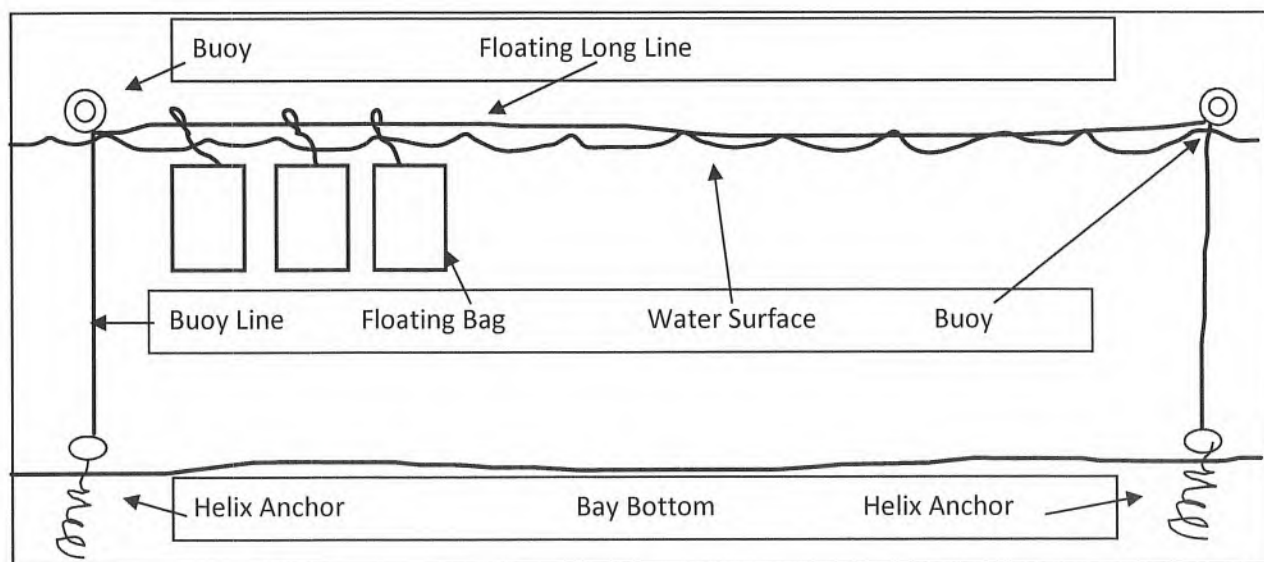
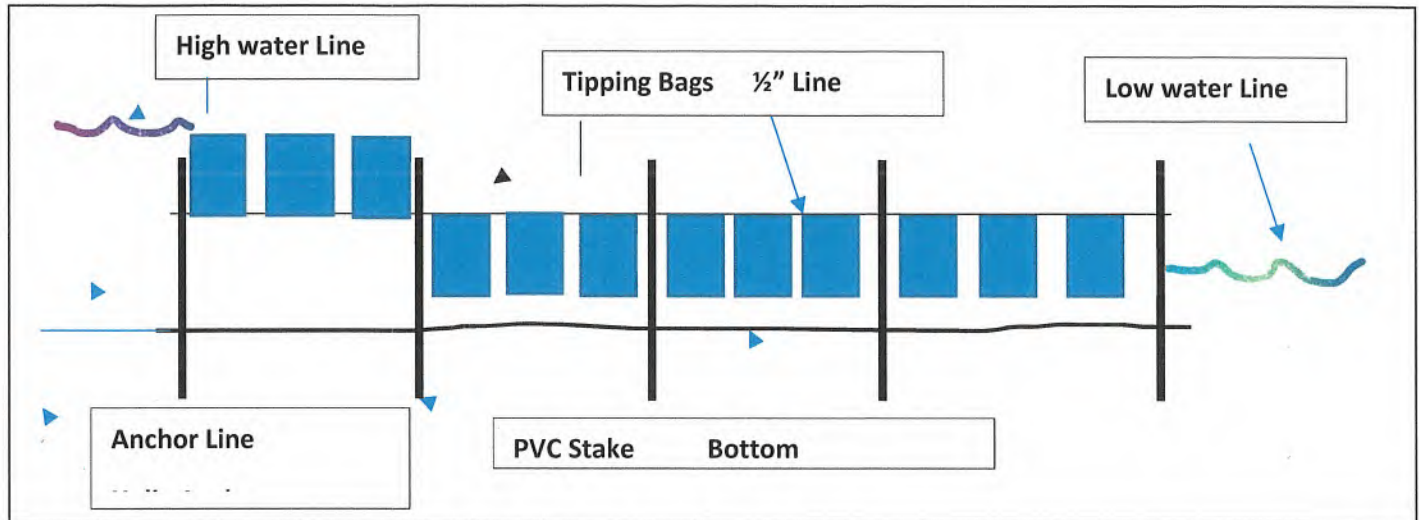


Diagram of oyster bags on long line:



Enclosure 2: Tipping Bag System

Diagram of tipping bag system:



2" PVC pipe 6' in length is driven about 18" into the mud bottom with a rubber mallet and about 4.5' of pipe is above the surface of the bay bottom. Each end is anchored with a helix anchor and 1/2" poly rope.

image 2: Tipping bags on lines at low tide



image 3: Tipping bag made from Norplex Oyster Net





Tomales Bay Oyster Company, LLC

**PO Box 847, 15479 Hwy One
Marshall, California 94940
415-663-1242**

Original Letter, November 14, 2019

Updated to include all changes proposed April 7, 2021

To: Melissa Miller-Henson, California Fish and Game Commission

Subject: Request to make amendment to State Water Bottoms Aquaculture Lease M-430-05

Dear Madam,

Tomales Bay Oyster Company, LLC (TBOC) is requesting an amendment to State Water Bottom Aquaculture Lease #M-430-05.

TBOC would like to request the addition of approved species, Kumamoto oyster (*Crassostrea Sikamea*), Olympic oyster (*Ostrea Lurida*), Bay Mussels (*Mytilus Trossulus*) previously approved amendment no.6 – March 18, 2005, and Manila clam (*Venerupis Philippinsum*).

TBOC would also like to amend approved culture methods to include floating long lines with oyster bag cultivation, floating long lines with mussel sleeves aka socks cultivation, tipping bags (swinging bags) oyster cultivation, tipping bag system using SEAPA baskets, and barge mussel cultivation. Also, to include the species Manila clams grown in bottom bags semi buried on bottom lines (bottom lines existing).

Floating long lines oyster bags attach to a long line and that line is anchored to the bottom of the bay using helix-type anchors that screw down into the mud and are removed in the same way. The anchors are steel, auger-type mud screws four feet long and their full length is screwed into the soft mud bottom, making for a very secure hold. A rope line is attached to the eye of the anchor at the mud surface. A buoy is tied onto the top end of this buoy line. A loop is twisted into this secured line. The end of a long half-inch rope is tied into the loop. This long line is stretched some fifty feet and tied into another anchor added in the same manner as described.

After another fifty feet is stretched, a third anchor is embedded and so on until the full 200 feet of line is set.

Typically, there are four or five anchors securing the long line. The long line itself has loops twisted into it every three or four feet and at each loop a floating bag is tied to the loop using a three-foot tether or connecting rope. The tether line permits each bag to be free floating and able to respond freely to wind

and wave action. Once the lines are set, the floating bags will be brought out to the lines by boat, and one bag tied to each eyelet, one after another, for the full length of the line.

Some of the lines hold as many as 125 bags. The bag's floatation is supplied by plastic molded tubes 2 ½ feet long and three inches round. The tubes have already been wired into the mesh of the bag before the seed is introduced.

Tipping bag system:

What we refer to as 'Golden Nugget' bags or tipping/swinging bag culture.

Using this approach, oyster bags are suspended off the bottom of the bay by being tied to half inch lines that are held up by pvc stakes spaced every seven feet. The line is pulled taught and sits in the notches cut into the pvc stakes. Each bag has floatation attached at the bottom but not the top. When the tide moves in, the bag lifts and when the tide falls the bag slowly falls, causing the oysters to tumble over one another and work against one another.

If there is any other information you need about these requests, please let me know.

Thank you for attention to this matter.

Sincerely,

Heidi Gregory
General Manager

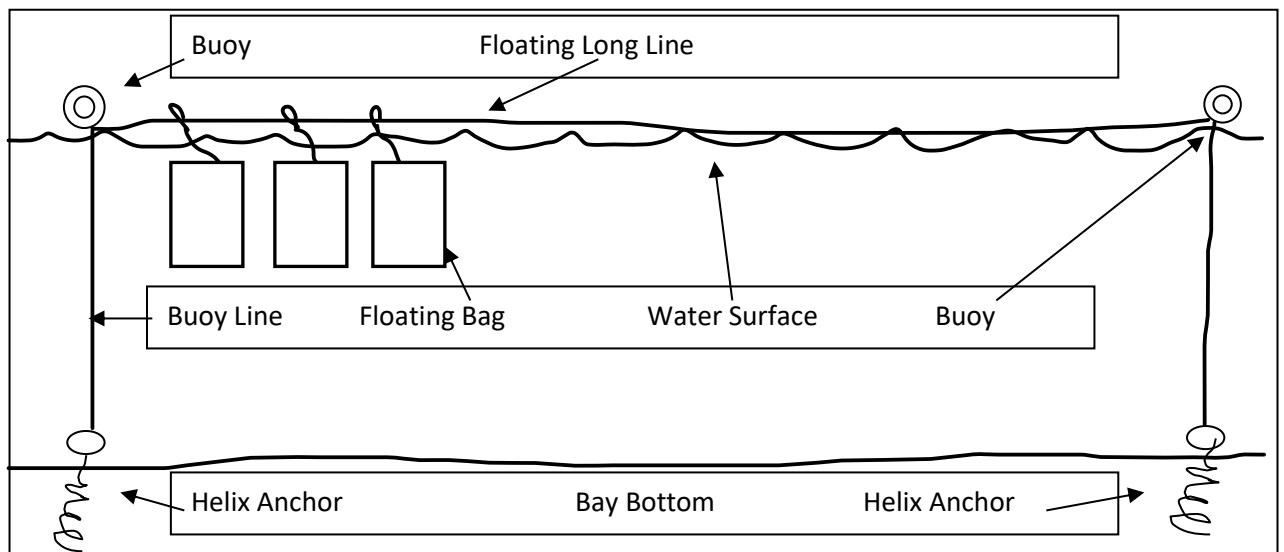
Enclosures 3: Photos and diagrams of culture methods. Project description for M-430-05

cc: Sara Briley
Randy Lovell
Susan Ashcra

Enclosure 1: Floating Long Lines

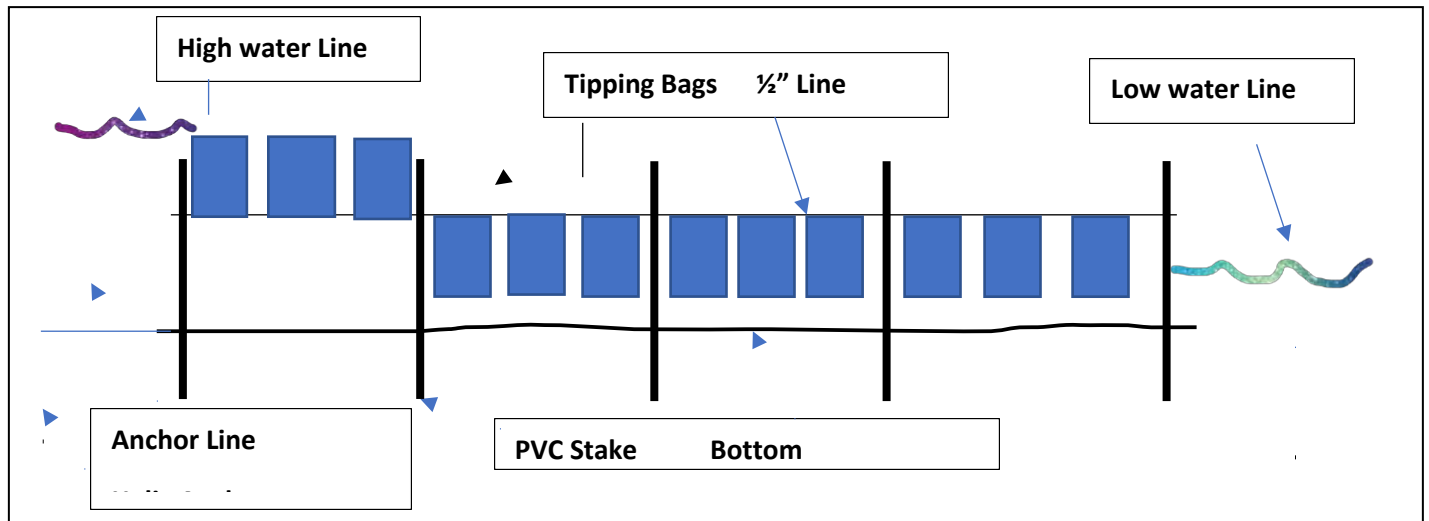


Diagram of oyster bags on long line:



Enclosure 2: Tipping Bag System

Diagram of tipping bag system:



2" PVC pipe 6' in length is driven about 18" into the mud bottom with a rubber mallet and about 4.5' of pipe is above the surface of the bay bottom. Each end is anchored with a helix anchor and 1/2" poly rope.

image 2: Tipping bags on lines at low tide



image 3: Tipping bag made from Norplex Oyster Net





Tomales Bay Oyster Company, LLC

PO Box 847, 15479 Hwy One
Marshall, California 94940
415-663-1242

November 11, 2021

To: Melissa Miller-Henson, California Fish and Game Commission

Subject: Request to make amendment to State Water Bottoms Aquaculture Lease M-430-05

Dear Madam,

Tomales Bay Oyster Company, LLC (TBOC) is requesting an amendment to State Water Bottom Aquaculture Lease #M-430-05.

TBOC would like to request the addition of approved species, Kumamoto oyster (*Crassostrea Sikamea*), Olympic oyster (*Ostrea Lurida*).

TBOC withdraws a previous request to include Manila Clams.

Thank you for attention to this matter.

Sincerely,

Heidi Gregory
General Manager

cc: Sara Briley
Randy Lovell
Susan Ashcraft

STAFF SUMMARY FOR APRIL 15-16, 2020

(For background purposes only. Note: the staff summary date is mislabeled. The correct date for the meeting is April 20-21, 2022, as reflected in the table of previous and future actions)

8A. PENDING AQUACULTURE LEASE AMENDMENT REQUESTS – TOMALES BAY OYSTER COMPANY

Today's Item

Information ☐Action ☒

Consider approving DFW recommendation to approve adding new methods and further evaluate new species requested by Tomales Bay Oyster Company, LLC (TBOC) for State Water Bottom Lease M-430-05 in Tomales Bay.

Summary of Previous/Future Actions

- | | |
|---|---|
| • Received request to amend lease M-430-05 | Dec 11-12, 2019; Sacramento |
| • Referred request to DFW | Feb 21, 2020; Sacramento |
| • Received clarification of amendment request | Apr 7, 2021 |
| • Received revised amendment request | Nov 11, 2021 |
| • Received DFW recommendation | Feb 16-17, 2022; Webinar/Teleconference |
| • Consider action on lease amendment request | Apr 20-21, 2022; Monterey/Trinidad |

Background

FGC has the authority to lease state water bottoms to any person for aquaculture for an initial lease term not to exceed 25 years (sections 15400 and 15405, California Fish and Game Code). Regulations require that any changes to existing leases must be approved by FGC (Section 237(c)(1), Title 14).

TBOC has cultured shellfish on State Water Bottom Lease M-430-05, granted for purposes of aquaculture in Tomales Bay, since 2013 (see Exhibit 1 for current lease). At its Dec 2019 meeting, FGC received a request from TBOC to amend its lease to update the list of culture methods and add new species to the authorized list (Exhibit 2). In Feb 2020, FGC referred the request to DFW for review and coordination with the lessee, and to provide a recommendation for potential FGC action.

In Apr 2021, based on discussions between the lessee, DFW and FGC staff, TBOC updated its request relating to culture methods and species (Exhibit 3); in Nov 2021, TBOC further updated its request to exclude one of the species originally requested (Exhibit 4). TBOC requests to add the following to State Water Bottom Lease M-430-05:

- **Culture methods:** Floating longlines with oyster bags or mussel sleeves and tipping bags with oyster bags or SEAPA baskets
- **Culture species:** Kumamoto oyster (*Crassostrea sikamea*) and Olympia oyster (*Ostrea lurida*)

STAFF SUMMARY FOR APRIL 15-16, 2020

(For background purposes only. Note: the staff summary date is mislabeled. The correct date for the meeting is April 20-21, 2022, as reflected in the table of previous and future actions)

In Feb 2022, DFW provided its review of the amendment requests, with recommendations for FGC consideration (Exhibit 5); the analyses led to separate recommendations for requested culture methods and requested culture species.

- (1) **Culture methods:** DFW advises that methods requested by TBOC fall under what is commonly specified as “longline” and “floating longline” gear within FGC lease agreements; these gear types have been in place on lease M-430-05 for many years, prior to current TBOC management. Therefore, adding the culture method to the agreement would not increase, decrease, change existing operations, or allow for any new activities by the lessee. Under the California Environmental Quality Act (CEQA), the gear use constitutes part of baseline conditions and does not meet the definition of a “project.” DFW advises that the gear type can be authorized without further environmental review for existing longline and floating longline cultivation areas, but recommends that specific special conditions accompany any approval.
- (2) **Culture species:** Culturing of the requested species would constitute a new activity; DFW recommends further environmental review pursuant to CEQA before FGC considers action.

Today, DFW will provide an overview of the request and its recommendations (Exhibit 6).

Significant Public Comments (N/A)

Recommendation

FGC staff: (1) Approve the request to add culture methods to state water bottom lease M-430-05 by authorizing “longline” and “floating longline” and including the five special conditions as recommended by DFW, and (2) delay consideration of requested culture species until further environmental review under CEQA is conducted, consistent with DFW’s recommendation.

DFW: (1) *Culture methods:* Approve the request to add culture methods to lease M-430-05 by authorizing “longline” and “floating longline” according to five special conditions to ensure that adverse environmental impacts are minimized, as specified in Exhibit 5. (2) *Culture species:* Do not consider the request to add culture species to lease M-430-05 until the applicant completes environmental review pursuant to CEQA.

Exhibits

1. State Water Bottom Lease M-430-05
2. Email and lease amendment request from Heidi Gregory, TBOC, received Nov 19, 2019
3. Letter from Heidi Gregory, TBOC, received Apr 7, 2021
4. Letter from Heidi Gregory, TBOC, received Nov 11, 2021
5. DFW memo and attachment, received Feb 10, 2022
6. DFW presentation

STAFF SUMMARY FOR APRIL 15-16, 2020

(For background purposes only. Note: the staff summary date is mislabeled. The correct date for the meeting is April 20-21, 2022, as reflected in the table of previous and future actions)

Motion

Moved by _____ and seconded by _____ that the Commission **approves** the amendment to State Water Bottom Lease M-430-05 with Tomales Bay Oyster Company, to allow for cultivation using longline and floating longline in the areas and under the lease conditions specified by the California Department of Fish and Wildlife in Exhibit 5.

OR

Moved by _____ and seconded by _____ that the Commission **denies** the application by Tomales Bay Oyster Company for lease amendments to the methods for State Water Bottom Lease M-430-05 for purposes of aquaculture in Tomales Bay.



Tomaes Bay Oyster Company, LLC

**PO Box 847, 15479 Hwy One
Marshall, California 94940
415-663-1242**

May 08, 2026

Fish and Game Commission
c/o Department of Fish and Wildlife
1416 Ninth Street, 13th Floor
Sacramento, CA 95814

Re: State Water Bottom Lease M-430-05 – Request for Renewal

Dear Commissioners,

On behalf of Tomaes Bay Oyster Company, LLC, I am writing to formally request renewal and/or extension of State Water Bottom Lease No. M-430-05, which is currently scheduled to expire on February 8, 2027.

Tomaes Bay Oyster Company has continued to operate in compliance with the terms and conditions of the lease and applicable regulatory requirements. We remain committed to responsible aquaculture practices, environmental stewardship, and coordination with State agencies in managing operations within the lease area.

We respectfully request the opportunity to renew or extend the lease and are prepared to work with the Department and Commission on any updated terms, conditions, or requirements associated with a renewed lease.

Please let us know if additional information or documentation is needed to support this request. We appreciate your consideration and look forward to continuing our partnership with the State.

Sincerely,



Heidi Gregory
General Manager, Owner
Tomaes Bay Oyster Company, LLC
Hgregory@tomaesbayoystercompany.com
(415) 663-1242

From: Gwendolyn Meyer <gwendolyn@cleanercoast.org>

Sent: Wednesday, September 16, 2026 05:09 PM

To: FGC <FGC@fgc.ca.gov>

Subject: Support for Renewal of State Water Bottom Lease M-430-05 - Tomales Bay Oyster Company

Dear California Fish and Game Commission,

I am writing in strong support of the renewal of Tomales Bay Oyster Company's State Water Bottom Lease No. M-430-05. TBOC represents a locally rooted and environmentally responsible form of aquaculture, one that supports sustainable food production, maintains an active working waterfront, and demonstrates a longstanding commitment to the stewardship of Tomales Bay.

I have known Heidi since 2003, and worked with Tod Friend to develop the TBOC logo when he took over the business. I have had the opportunity to observe Tomales Bay Oyster Company's operations closely through two substantial projects: my documentary book *Oyster Culture*, which focused on oyster farming in Tomales Bay, and the development of TBOC's website.

Through this work, I became very familiar with TBOC's stewardship practices. These include removing legacy aquaculture gear and debris—some of which predates their ownership—as well as routinely collecting loose gear and shoreline litter. Their cleanup work is documented on their website, along with practical waste-prevention measures such as improved methods of securing cultivation gear and encouraging customers to minimize single use plastics.

I have also worked with TBOC through Cleaner California Coast, a Leave No Trace initiative. They have been instrumental in identifying areas of Tomales Bay where our volunteers can make a meaningful contribution, while also providing boats and other essential support for cleanup efforts. I know that they conduct their own organized cleanups regularly. Following the severe storms of 2025, TBOC was among the first to respond to debris that had washed ashore and accumulated around the bay.

I strongly support sustainable shellfish that are responsibly farmed in California waters, particularly by locally rooted businesses. TBOC's cultivation methods have been developed specifically in response to the conditions of Tomales Bay, and the company itself reflects the character and communities of coastal California. Operating from a historic oyster farm, TBOC has carried forward a long tradition while maintaining a viable contemporary business, providing local employment, and sustaining an active working waterfront.

The importance of this local character cannot be overstated. West Marin receives a large number of visitors, and working businesses such as TBOC are an important part of what draws people to the area. TBOC offers an authentic farm-to-table experience—one rooted in a working water-based farm—and contributes actively to the surrounding community. A business this distinctive and deeply connected to place is irreplaceable. It helps shape the identity, economy, and living character of West Marin.

I strongly support the renewal of TBOC's lease and its continued stewardship of Tomales Bay.

Regards

Gwendolyn Meyer

Program Coordinator - NOAA Sea Grant Y26/27

Cleaner California Coast

gwendolyn@cleanercoast.org

From: Laura Machado <[REDACTED]>

Sent: Wednesday, September 16, 2026 05:06 PM

To: FGC <FGC@fgc.ca.gov>

Subject: Support for renewal of State Water Bottom Lease M-430-05; Tomales Bay Oyster Company

September 16, 2026

Dear Commissioners,

I am writing you today to express my profound support for the renewal of State Water Bottom Lease M – 430–05 ; Tomales Bay Oyster Company.

I am a lifelong resident of the area. My family goes back generations to the Marin and Sonoma inland and coastal areas.

Sustainable local products, such as fish, shellfish, and dairy are what this area has been known for. Unfortunately, we are seeing a decline in these commodities.

Tomales Bay Oyster Company provides a much needed working waterfront business. Not only do they work the waterways, but they provide a needed workforce to preserve and clean our beautiful Tomales Bay; it's waterways, land, surrounding grounds and the removal of debris and trash. Their committed and ongoing care of Tomales Bay is proof of their commitment to the preservation of the land and waters in their care.

Tomales Bay Oyster Company has a deep connection and commitment to the community. They have supported local benefits, schools volunteer organizations and first responders; such as the benefit organization I am closely involved with, The Marin County Public Safety Officers Widows and Orphans yearly benefit event.

Our organization provides assistance to the families of law, fire and first responders during the untimely loss of a loved one. For over 20 years Tomales Bay Oyster Company has graciously donated to our event.

Please consider the lease renewal of this landmark business to our community M – 430–05 Tomales Bay Oyster Company.

Thank you for your time and considering my comments.

Sincerely,

Laura T Machado, Retired

Petaluma, California



From: BYC Manager <manager@berkeleyyc.org>

Sent: Thursday, September 17, 2026 11:30 AM

To: FGC <FGC@fgc.ca.gov>

Cc: BYC Commodore <commodore@berkeleyyc.org>; Roger Mason
<vicecommodore@berkeleyyc.org>

Subject: Support for Renewal of State Water Bottom Lease M-430-05 - Tomales Bay Oyster Company

California Fish and Game Commission

Re: State Water Bottom Lease M-430-05 – Tomales Bay

Dear Members of the California Fish and Game Commission,

Berkeley Yacht Club is happy to share our support for the renewal of Tomales Bay Oyster Company's State Water Bottom Lease M-430-05.

We've had a great relationship with Tomales Bay Oyster Company for many years, and their oysters have been a part of our annual Wheeler Regatta for a long time. It's something our members look forward to each year, and we really appreciate being able to serve locally grown California oysters at one of our favorite club events.

As a yacht club, we appreciate the importance of keeping our local waterways active and supporting the businesses and people who work on them. We value TBOC's connection to Tomales Bay and their role as a local oyster farm.

We hope Tomales Bay Oyster Company will be able to continue farming on Tomales Bay and supplying the local community for many years to come. Berkeley Yacht Club is pleased to support the renewal of their lease.

Sincerely,

The Berkeley Yacht Club

--

Elizabeth Zalstein

General Manager

Berkeley Yacht Club

One Seawall Drive

Berkeley, CA 94710

(510) 843-9292

manager@berkeleyyc.org

Berkeley



Yacht Club

From: Bill Manheim <[REDACTED]>

Sent: Saturday, September 26, 2026 11:12 AM

To: FGC <FGC@fgc.ca.gov>

Subject: Support for Renewal of State Water Bottom Lease M-430-05 - Tomales Bay Oyster Company

To California Department of Fish and Game:

Hello: I am a resident of Marshall, California and want to register my strong support for the lease renewal /extension requested by the Tomales Bay Oyster Company (TBOC). (State Water Bottom Lease M-430-05.)

The lease covers approximately 156 acres in Tomales Bay and is scheduled to expire February 8, 2027. TBOC submitted its renewal request to the California Fish and Game Commission in May 2026.

TBOC has a long history of environmental stewardship in its operations and provides a vital source of employment of aquatic-agriculture jobs that are so rare in West Marin. TBOC is a treasured member of the West Marin community and supporter of our local community and economy.

TBOC is a responsible steward of the environment. It has undertaken removal of old aquaculture gear and debris from Tomales Bay, including legacy material that predates current TBOC ownership and operations. TBOC staff routinely collect loose gear, shoreline litter, and other debris encountered in and around the growing area, along with additional organized cleanup efforts. For example, I walk my dogs at Millerton State Park which is about half-a mile south of TBOC's facility. TBOC maintains a collection point for discarded oyster shells in the park parking lot. Many TBOC customers picnic at Millerton State Park and my observation is that these customers responsibly dispose of their oyster shells in the designated repositories rather than discard them on the beach or in the park garbage cans. This is a great example of TBOC's environmental consciousness and civic responsibility.

It is so important to support locally owned, sustainable shellfish responsibly farmed locally in California waters. The operations help clean Tomales Bay and provide fresh, local seafood to the Bay Area. Tomales Bay is famous for its amazing oysters and TBOC oysters are featured prominently in several local restaurants that draw visitors from around the world and provide a critical economic stimulus to West Marin. It's one of our last remaining local industries (particularly with the recent closure of dairies in Point Reyes).

Tomales Bay Oyster Company has long been a supporter and backer of local causes in West Marin. TBOC supports local schools, first responders, volunteer organizations, and community events throughout West Marin. I am on the Board of Directors of Halleck Creek Ranch, a local non-profit that provides equine assisted therapy to people with disabilities. TBOC and Heidi Gregory have been generous sponsors and supporters of our organization for many years and she was a recent sponsor and participant at our annual Fundraiser.

TBOC does so much good for the community of West Marin! Please renew their lease and allow this responsible steward to continue to be a vital part of the West Marin community for many years to come!

Bill Manheim

[REDACTED]

Marshall, CA [REDACTED]

[REDACTED]

From: Jack Soman <[REDACTED]>

Sent: Sunday, September 27, 2026 01:02 PM

To: FGC <FGC@fgc.ca.gov>

Subject:

Commissioners:

My wife and I have lived in west Marin since the 1980's and have enjoyed the local farm raised food and hope to continue doing so with your approval of the continued lease for the TBOC in the Tomales Bay. I have watched this farm grow from a loose organisation to a well operated and environmentally aware and community involved business. I speak about this mainly because the farm is just a short drive up the road from where I live and eat the food they raise and know the people operating the farm and have appreciated the hard work of maintaining the farm while improving the infrastructure, donating oysters for events in the community, and attending endless meetings regarding the the Tomales Bay community even when it had nothing to do with TBOC. This work is guided by Heidi Gregory I and I have seen a lot of hard working women in my life and she is a stand out among them with a sincere concern for the right way to get things done. Of course she did not do this single handedly, she inspires her crew to do the work needed and it shows in the look of that farm today.

I believe it would be a mistake to not renew the lease and a serious loss to the community that has lost many farms these past years.

From

Jack Soman and Toni Macdonald

September 30, 2026

California Fish and Game Commission
P.O. Box 944209
Sacramento, CA 94244-2090
fgc@fgc.ca.gov



Re: Support for Renewal of State Water Bottom Lease M-430-05 - Tomales Bay Oyster Company

Dear Commissioners:

On behalf of the members of the Pacific Coast Shellfish Growers Association (PCSGA), I offer support for the renewal of State Water Bottom Lease M-430-05 for Tomales Bay Oyster Company (TBOC). PCSGA represents approximately 100 family and tribal farms throughout Washington, Alaska, Hawaii, Oregon, and California. Shellfish growers depend on the healthiest of ecosystems to produce the quality of shellfish California is known for, and TBOC's operations on Tomales Bay are an integral part of that legacy.

TBOC has been a member of PCSGA for over 20 years and is a respected member of our community. TBOC's efforts go far beyond maintaining their family farm. Since taking over for her father, Heidi Gregory has engaged proactively by initiating discussions and actions that benefit shellfish growers in the Tomales Bay region and throughout California. This includes conducting marine debris removal, hiring local youth, and donating time and oysters to a variety of community events.

TBOC's stewardship of the growing area itself further reflects this commitment. The company has undertaken removal of legacy aquaculture gear and debris from Tomales Bay, including material that predates its own ownership and operations, and conducts ongoing trash and litter patrols to collect loose gear and shoreline debris. Maintaining an active aquaculture lease requires regular inspection and maintenance of cultivation equipment and continued care of both the lease area and the surrounding bay, work TBOC has consistently accomplished.

Beyond its direct stewardship work, shellfish aquaculture itself provides meaningful environmental benefits to Tomales Bay. Oysters and other bivalves are natural filter feeders, improving water clarity and quality as they grow, and the presence of cultivation structures provides habitat for numerous bay species. Unlike many forms of food

production, shellfish farming requires no freshwater input, no feed, and no fertilizer, making it among the most sustainable and low-impact methods of producing protein available today. Renewing this lease allows that environmentally beneficial work to continue uninterrupted.

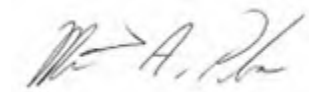
TBOC's presence also reflects the broader economic importance of shellfish aquaculture to rural coastal communities like those in Marin County. In West Marin, where agricultural and working waterfront jobs are increasingly scarce, operations like TBOC provide meaningful local employment, support the region's agricultural tourism economy, and help sustain the rural character and economic diversity that define the area. The loss of an operation like TBOC would not only affect the company itself, but the broader network of local jobs, suppliers, and businesses that depend on a thriving shellfish industry in Tomales Bay.

PCSGA is proud to support sustainable shellfish responsibly farmed in California waters, and we believe maintaining TBOC's presence on Tomales Bay is vital to the continuation of local aquaculture, local jobs, and a working waterfront in West Marin.

For these reasons, PCSGA respectfully requests the Commission's approval of the renewal of State Water Bottom Lease M-430-05, ensuring Tomales Bay Oyster Company can continue its aquaculture operations and community stewardship on Tomales Bay.

Thank you for your consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "M. A. Pilaro", is positioned above the printed name.

Margaret A. Pilaro
Executive Director

From: Heidi Gregory <hgregory@tomalesbayoystercompany.com>

Sent: Wednesday, September 30, 2026 02:57 PM

To: FGC <FGC@fgc.ca.gov>

Subject: Agenda Item 21A Support TBOC

Hello,

I am sending some group letters of support - signature pages from our customers.

This is for the Tomales Bay Oyster Company Agenda Item 21A: Marine Aquaculture Leases - State Water Bottom M-430-05.

Please share these with the Commissioners.

Thank you dearly for your help

Heidi Gregory

Farm Manager

415 663 1243

c 415 439 9516

hgregory@tomalesbayoystercompany.com



Tomales Bay Oyster Company



Group Letter of Support — Signature Page

Tomaes Bay Oyster Company • State Water Bottom Lease M-430-05

*Tomaes Bay
California*

We, the undersigned customers, neighbors, and supporters of Tomaes Bay Oyster Company, support renewal of State Water Bottom Lease M-430-05. We support sustainable shellfish responsibly farmed locally in California waters and recognize TBOC's stewardship of Tomaes Bay, including removal of legacy aquaculture gear and debris, regular trash and litter patrols, and ongoing care of the growing area and surrounding bay.

By signing below, you are adding your name to a group letter to the California Fish and Game Commission.

Printed Name	City / Town	Signature
MARY SEMAN	SLO, Ca	
Clemente Gonzalez	Morgan Hill, CA	
Richard Serer	NOVATO, CA	
GARY DECLUSIN	LODI CA	
Georgianne Kirschenman	LODI, CA	
NEJANDRA SORZANO	SAN FRANCISCO CA	
Mam Toile	San Francisco CA	
Lany Schift	Ukiah, CA	
Crystal Dent	Oakland	
RYAN SIVERTSEN	SAN FRANCISCO	
Israel Morel	Oakland	
Heather Deckert	Berkeley	
Ryan Tolentino	SANTA ROSA	
Madison Sklar	SUBSEQUENT	

Thank you for supporting local, responsibly farmed California shellfish.



Group Letter of Support – Signature Page

Tomaes Bay Oyster Company • State Water Bottom Lease M-430-05

*Tomaes Bay
California*

We, the undersigned customers, neighbors, and supporters of Tomaes Bay Oyster Company, support renewal of State Water Bottom Lease M-430-05. We support sustainable shellfish responsibly farmed locally in California waters and recognize TBOC's stewardship of Tomaes Bay, including removal of legacy aquaculture gear and debris, regular trash and litter patrols, and ongoing care of the growing area and surrounding bay.

By signing below, you are adding your name to a group letter to the California Fish and Game Commission.

Printed Name	City / Town	Signature
Mike Bolgatz	Inverness, CA	
BREEKE HALSEY	NOVATO	
Sabrina Meyerson	PR	
Rowan SAIDE	OAKLAND	
Michael Tompkins	Berkeley	
Liz Murray	Melbourne Australia	
Kenneth DeForest	Scotts Valley CA	
Nicole DeForest	Scotts Valley CA	
Sam Yang	San Lorenzo CA	
Roger Horvick	Petaluma CA	
CAROL MESSNER	ROCKFORD, IL	
ERIN MANNING	VALLEJO CA	
42 CRESWELL	SAN LEANDRO CA	

Thank you for supporting local, responsibly farmed California shellfish.





Group Letter of Support – Signature Page

Tomaes Bay Oyster Company • State Water Bottom Lease M-430-05

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Printed Name	City / Town	Signature
Erin Putnam	Concord, CA	<i>Erin Putnam</i>
TYLER BLAUNELT	CONCORD, CA	<i>Tyler Blauvelt</i>
Sofia Valencia	Fairfield	<i>Sofia Valencia</i>
Leonardo Valencia	Fairfield	<i>Leonardo Valencia</i>
Michelle Baack	Inverness, CA	<i>Michelle Baack</i>
Ann Montes Di	Grass Valley, CA	<i>Ann Montes</i>
Katharina Gschwind	San Francisco	<i>Katharina Gschwind</i>
Chris Gail	San Francisco	<i>Chris Gail</i>
Pablo Villagomez	San Jose	<i>Pablo Villagomez</i>
Daniel Villa	Modesto	<i>Daniel Villa</i>
Diana Villagomez	Oakdale	<i>Diana Villagomez</i>
Seremy Adams	El Cerrito	<i>Seremy Adams</i>

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Group Letter of Support — Signature Page

Tomaes Bay Oyster Company • State Water Bottom Lease M-430-05

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California*

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Printed Name	City / Town	Signature
Gwen Shankwiler	Olema, CA	
Fabrizia Marti	Dromedary, CA	
Peter Panofsky	La Honda, CA	
Xenia Searle	Bodega Bay, CA	
Jo Beebe-Haybert	St Paul, MN	
LYDIA B. ZAVERUKHA	San Francisco, CA	
Dmitriy K. Zaverukha	San Francisco, CA	
VICTORIA MAXFORD	Sebastopol	
Itzel Marquez	El Sobrante, CA	
Linor Ambiel	Sausalito, CA	
Wif R. LILY LAI	El Cerrito, CA	
Isabela Fox-Mills	Oakland, CA	
Stella And	Oakland, CA	
Annie Pagel	Oakland, CA	

Thank you for supporting local, responsibly farmed California shellfish.



From: Eric Hyman <Eric@waterbarsf.com>

Sent: Tuesday, September 29, 2026 02:52 PM

To: FGC <FGC@fgc.ca.gov>

Subject: Support for Renewal of State Water Bottom Lease M-430-05 - Tomales Bay Oyster Company

September 29, 2026

California Fish and Game Commission

P.O. Box 944209

Sacramento, CA 94244-2090

Re: Support for Renewal of State Water Bottom Lease M-430-05 - Tomales Bay Oyster Company

Dear Commissioners:

I am writing to express my support for the renewal of State Water Bottom Lease M-430-05 for Tomales Bay Oyster Company (TBOC). I have been a customer of TBOC for approximately fifteen years.

One reason I support continuation of TBOC's aquaculture operations is the company's stewardship of its growing area and the surrounding bay. TBOC has undertaken removal of legacy aquaculture gear and debris, including old material that predates current TBOC ownership and operations, and conducts ongoing trash and litter patrols and retrieval of loose or damaged gear.

Maintaining an active aquaculture lease also requires regular attention to cultivation equipment and the condition of the lease area. These cleanup, maintenance, and stewardship efforts contribute to the ongoing care of Tomales Bay.

I also support sustainable shellfish responsibly farmed locally in California waters. Continuing this lease supports local shellfish production, local jobs, and a working aquaculture presence on Tomales Bay.

In addition, TBOC's team has graciously donated their time and shellfish product for several years to our annual Oysterfest fundraiser event, which has generated over \$80,000 to benefit the Marine Mammal Center in Marin County.

As a professional seafood buyer and supporter of Bay Area culture in general, I view the company's presence as a large source of pride. In my work I rely on producers who grow high-quality shellfish with care and consistency, and I can attest that TBOC oysters are a point of distinction for the region's food identity.

For these reasons, I support renewal of State Water Bottom Lease M-430-05 and the continuation of Tomales Bay Oyster Company's aquaculture operations on Tomales Bay.

Thank you for considering my comments.

Sincerely,

Eric Hyman

Purchasing Director

WATERBAR

San Francisco



September 24, 2026

California Fish & Game Commission
Thomas Baty

[REDACTED]
Sacramento CA 94244-2090
[REDACTED]

RE: Tomales Bay Oyster Company Lease Renewal on State Bottom Lease M-430-05

Dear California Fish & Game Commission

I would like to urge your approval of a renewal of Tomales Bay Oyster Company's Lease #M-430-05. The lease is a critical part of TBOC's long term success as an oyster grower and TBOC should be seen as a critical component of stewardship of Tomales Bay as well as a genuine asset to our community.

As the oldest and one the largest mariculture leaseholders on the Bay, their existence has played a crucial role in the recognition for and the development of high water quality standards for Tomales Bay. The interagency Pathogen TMDL process, subsequent monitoring & remediation efforts, the State certification of all the mariculture leases and ongoing testing of oyster tissue have all played distinct roles in raising the water quality in Tomales Bay to a higher standard.

In the 1990's and early 2000s under the banner of the Tomales Bay Watershed Council we organized the first of the bay-wide clean-up efforts that included state and national parks, local NGOs, township associations, individual volunteers, and the oyster companies. Originally two-day efforts, we had upwards of 75 participants and a dozen boats brought in a mountain of recyclables and filled two 20-yard debris boxes destined for the landfill. TBOC was one of two local oyster companies that were instrumental in the effort, not only providing shallow draft work boats but seasoned hard-working watermen to really sweep through the hard-to-reach shallows. And when the oyster companies realized how much of the debris had originated from mariculture operations, they redoubled their efforts in the following years. I understand that the now all the growers on the Bay maintain routine clean-up efforts.

Under its current management TBOC has been great, working with rather than against the Coastal Commission and other jurisdictional agencies and local environmental groups to

improve their operations. For instance, TBOCs most recent improvement, the development of a land-based cleaning and sorting facility as well as refining their dockside catchment capacity are great steps in ensuring that material---sediments, dead barnacles, fragments of oyster shells---that should be seen as undesirable fill does not go into the Bay.

TBOC is a welcome and supportive member of the Tomales Bay community. It provides a substantial amount of jobs, with a clear focus on providing entry level and summer jobs for local teens and under-served communities. They are quite generous with donations to a variety of local causes and they, as well as Hog Island Oyster Co, have their owners and top managers show up in a genuine show of support for the various causes.

It is my understanding that the southern oyster leases in the Bay are the first to re-open after the normal and persistent harvest closures due to water quality issues triggered by run-off. This makes an ongoing Lease #M-430-05 a significant factor in the ongoing success of TBOC as a steady and dependable supplier of oysters to both local and regional consumers and outlets.

And I'm pretty sure they grow some of the best oysters I've ever eaten.

Thanks for your consideration,

Tom Baty

From: Ron Elliott >
Sent: Tuesday, September 29, 2026 11:26 PM
To: FGC <FGC@fgc.ca.gov>
Subject: Tomales Bay Oyster Company lease renewal

**Support renewal of State Water Bottom Lease M-430-05
Tomales Bay Oyster Co.**

Members of the Commission,
My Carol and I have in lived and worked locally in Point Reyes for 36+ years.
Carol worked 30yrs Tony's Seafood in Marshall and I was diving Sea Urchins
commercially with my boat in Bodega Bay and a mooring in Marshall, Tomales Bay.
We know and have known all current and past oyster company's.
Heidi Gregory is a long time friend we deeply love and respect. Such a huge
contributor to the community service events. TBOC is a family of hard working
employees keeping a strong sustainable local delicacy alive. Hard work at the
farm and away.... Walking the beaches for any debris and oyster barrels for shells
at the state park. Which I walk with her in the morning several times a week.
Please support their lease renewal....
Sincerely, Ron and Carol Elliott

Any questions please contact us

Sent from my iPad

George Clyde
[REDACTED]
Marshall, CA [REDACTED]

September 30, 2026

Agenda Item 21(A), Marine Aquaculture Leases - State Water Bottom Lease M-430-05

Dear President Sklar and Members of the Commission:

I write in support of the renewal of Marine Aquaculture Lease # M-430-05 and the addition of two oyster species per Item 21(A) of the Agenda for the Commission Meeting on October 14, 2026.

I am not personally familiar with the many offshore activities involved in the growing and harvesting shellfish in Tomales Bay. Accordingly, although I am aware of the various activities of the applicant in cleaning up legacy gear in Tomales Bay and helping with current shoreline cleanups, I am not able to comment on the in-the-water aspects of the matter.

But, as a long-time Marshall resident who is actively involved with local matters, I am familiar with the onshore activities of the aquaculture operations in this area. In this regard, Tomales Bay Oyster Co (TBOC) is exemplary in all respects.

Regulatory compliance

All of the onshore aquaculture operations in Marshall are subject to various regulations of Marin County, the California Coastal Commission and the California Department of Public Health. In this regard, they are required to obtain and comply with permit conditions, rules and regulations.

TBOC in the past was operating in a manner that was inconsistent with County zoning laws. How and to what extent those applied was uncertain until the matter went before the Marin County Planning Commission, which clarified the matter. In light of that action, TBOC immediately changed its practices to be legal under the zoning laws, even though the result was a substantial loss of income. They are to be lauded for this full and prompt action.

Local Business and Jobs

TBOC is a significant local business in the West Marin community, providing both off-shore and on-shore employment as well as a local sales facility that serves locals and visitors alike. With ample parking and restrooms, TBOC is easily accessible and popular with many regulars. Its sales to restaurants, markets and wholesale distributors are a source of revenue for our community.

Community Contributions

TBOC supports its community in many, many ways. TBOC and its staff are generous in offering oysters to community and non-profit events, often providing the full service of shucking, barbecuing and serving the oysters. They also have been generous with use of their boats and staff for everything from rescues of boaters and kayakers to bay and shoreline cleanups. When the zoning issues required discontinuation of their retail picnic operations, they

generously donated the tables to public and non-profit facilities, where they have been used to support the organizations and the public that uses them.

Additionally, Heidi Gregory provides her time and expertise to the community in other respects, including service for the Pt. Reyes Disaster Council and as an active member the East Shore Planning Group and its new sea-level rise committee.

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All of the Marshall aquaculture businesses are excellent contributors to our community. But, in my opinion, TBOC sets the standard. I hope that you will consider these comments in connection with this matter.

Sincerely yours,

George Clyde, Marshall