

A meeting of the State Lands Commission was held in Room 302, State Building, Los Angeles, California, on October 5, 1950, at 2:00 P.M.

Present: Honorable James S. Dean, Chairman
Honorable Thomas H. Kuchel, Member

Absent: Honorable Goodwin J. Knight, Member

1. UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE MINUTES OF THE MEETING OF AUGUST 29, 1950, WERE APPROVED AND CONFIRMED AS SUBMITTED.

2. UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS DECIDED TO DEFER SETTING A DATE FOR THE NEXT COMMISSION MEETING.

3. (L. A. McINTOSH, APPLICATION FOR LEASE OF TIDE AND SUBMERGED LANDS IN NAPA RIVER, NAPA COUNTY - W.O. 715, P.R.C. 542) The Commission was informed that Mr. L. A. McIntosh has applied for a lease of approximately three-tenths of an acre of tide and submerged lands in Napa River, Napa County, for the construction, maintenance and use of a small pier and float, at a total cost of \$1,000; the littoral land is owned by the applicant; land values in the area are such that the desired area value will call for the minimum annual rental of \$50.00.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE A LEASE TO L. A. McINTOSH FOR APPROXIMATELY THREE-TENTHS OF AN ACRE OF TIDE AND SUBMERGED LANDS IN NAPA RIVER, NAPA COUNTY, FOR A PERIOD OF FIFTEEN YEARS, AT AN ANNUAL RENTAL OF \$50.00, AND WITH THE RIGHT OF RENEWAL FOR AN ADDITIONAL PERIOD OF TEN YEARS AT SUCH TERMS AS MAY BE DETERMINED PRIOR TO RENEWAL, THE LEASED AREA TO BE FOR THE CONSTRUCTION, MAINTENANCE AND USE OF A PIER AND FLOAT, SURETY BOND IN THE AMOUNT OF \$500.00 TO BE FURNISHED.

4. (TIDE AND SUBMERGED LAND LEASE APPLICATION, SHELL OIL COMPANY, MARTINEZ WHARF, CONTRA COSTA COUNTY - W.O. 357, P.R.C. 543) The Commission was informed as follows: Shell Oil Company have made application for a lease of approximately 58.88 acres of State lands in front of their large refinery at Martinez, Contra Costa County. In this area a wharf was built under authority of the Harbors and Navigation Code by franchise issued by the City of Martinez April 4, 1921. The jurisdiction of the City of Martinez under these ungranted tideland expired with the passage of the "State Lands Act" by Chapter 8 of 1938, Extra Session, under which power to lease ungranted State tide and submerged land was placed in the State Lands Commission.

Under the Commission's policy with respect to rental, the area actually occupied by the wharf, which is a purpresture, namely 8 acres, would be leased at 9.9% and the balance of 50.88 acres would be leased at an average annual rental of 6.6 per cent. Appraisal of the lands involved was made as of August 1, 1948. The average annual rental on the above basis would be \$1120.52. The wharf is a substantial treated pile structure and carries approximately twenty pipelines. It is estimated that the cost of removal would be in the neighborhood of \$50,000.00.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE A LEASE COMMENCING ON AUGUST 1, 1948, TO SHELL OIL COMPANY, FOR A FIFTEEN YEAR PERIOD, FOR APPROXIMATELY 58.88 TIDE AND SUBMERGED ACRES ADJACENT TO AND IN FRONT OF THE MARTINEZ WHARF OF THE SHELL OIL COMPANY, AT AN AVERAGE RENTAL OF \$1120.52, SAID RENTAL TO BE RETROACTIVE TO AUGUST 1, 1948, AND THAT THE LEASE PROVIDE FOR TWO 10 YEAR OPTIONS FOR RENEWAL

AT SUCH TERMS AND CONDITIONS AS SHALL BE SET BY THE STATE AT TIME OF RENEWAL, AND UPON ISSUANCE OF THE LEASE THE SHELL OIL COMPANY, SHALL BE REQUIRED TO FILE A PERFORMANCE BOND OR EQUIVALENT IN AN AMOUNT OF \$50,000.00 TO GUARANTEE PERFORMANCE UNDER THE LEASE.

5. (APPROVAL OF SUBLEASE UNDER P.R.C. 502, CRESCENT CITY HARBOR DISTRICT) The Commission was informed as follows: The Crescent City Harbor District has filed with the Commission for approval pursuant to Section 14 of P.R.C. 502 sublease to be entered into between the Harbor District and the River Terminals Company. The latter company proposed to build a pipe line for receipt of shipments of petroleum products in Crescent City Harbor, which line will cross State tide and submerged lands under lease in P.R.C. 502.

There are only two provisions of the proposed sublease upon which it is necessary that the Commission give approval. These are as follows:

1. Term of lease. The River Terminals Company sublease provides for the term to be from August 1, 1950, to December 31, 1983, or 33 years. The State lease from the Commission to the Harbor District calls for a 15 year term with right of renewal upon such terms and conditions as shall be fixed by the State at time of renewal.
2. P.R.C. 502 requires that permission be obtained from the adjacent upland owner in order to build facilities upon the State lands to be subleased. The Harbor District advises that they have under condemnation the upland adjacent to the submerged land to be used by the River Terminals Company but that the condemnation has not been concluded by the Court. The Court has given the Crescent City Harbor District an order of immediate possession to the contiguous upland adjacent to that described in the sublease. In the meantime the Crescent City Harbor District is negotiating to settle the condemnation with the owners of the upland.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE THE SUBLEASE FILED WITH THE COMMISSION AND DATED JUNE 21, 1950, BY AND BETWEEN THE CRESCENT CITY HARBOR DISTRICT AND THE RIVER TERMINALS COMPANY SUBJECT TO THE CONDITION THAT THE STATE RESERVES THE RIGHT TO TERMINATE THIS APPROVAL IN THE EVENT THE CRESCENT CITY HARBOR DISTRICT FAILS TO ACQUIRE FEE TITLE TO THE UPLAND OVER WHICH THE RIVER TERMINALS COMPANY PIPE LINES ARE TO BE BUILT, OR DOES NOT OBTAIN A LEASE OR OTHER USER RIGHT OR OTHERWISE SATISFY THE REQUIREMENTS OF PARAGRAPH 12 OF P.R.C. 502, THE APPROVAL TO BE FURTHER SUBJECT TO ALL OF THE CONDITIONS OF THIS LEASE TERM BETWEEN THE STATE AND THE HARBOR COMMISSION.

6. (APPLICATION FOR ASSIGNMENT MINERAL LEASE P.R.C. 382, J. E. HICKS) The Commission was informed that an application has been received from Insulation, Inc., a California Corporation, for the assignment of Mineral Lease P.R.C. 382 from Mr. J. E. Hicks to said corporation, said lease having been issued July 6, 1950, covering extraction of perlite and other non-metallic minerals from the SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 36, T. 31 S., R. 14 E., M.D.B. & M., containing 40 acres.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE THE ASSIGNMENT OF MINERAL LEASE P.R.C. 382