

MINUTE ITEM

7/2/65

42. STATUS OF MAJOR LITIGATION - W.O.s 2716, 4600, 1839.16, 503.461, AND 4721.

Deputy Attorney General Paul M. Joseph supplemented Calendar Item 42 attached with the following oral report:

Case No. 30417, City of Morro Bay vs. County of San Luis Obispo and State of California, San Luis Obispo County Superior Court

The City of Morro Bay has taken over the operation of the harbor at Morro Bay. The suit against the county for declaratory relief as to when the City has to take it over, however, is still pending. There will be a meeting on July 15, 1965, to try to iron out certain differences between the City and the County.

Attachment

Calendar Item 42 (3 pages)

CALENDAR ITEM

INFORMATIVE

42.

STATUS OF MAJOR LITIGATION - W.O.s 2716, 4600, 1839.16, 503.461, AND 4721.

The following information is current as of June 16, 1965:

1. Case No. 747562 (now consolidated with Case No. 649466) W.O. 2716  
People vs. City of Long Beach, et al.  
Los Angeles County Superior Court  
(Long Beach Boundary Determination, Chapter 2000/57)

No change since report of March 10, 1965; i.e., since the Contractors' Agreement, Long Beach Unit, Wilmington Oil Field, has now been executed by the City of Long Beach, the City and the State are now authorized and directed, under the provisions of Section 8 of Chapter 138/64, 1st E.S., to enter into appropriate stipulations for the purpose of establishing the boundary line described in Section 7 of Chapter 138. Such stipulations are expected to be consummated in the near future.

2. Case No. 805548 Civil W.O. 4600  
Carl Whitson vs. City Manager, City Auditor, City of Long Beach; State Lands Commission; State of California  
Los Angeles County Superior Court  
(Long Beach Unit and Long Beach Oil Revenues)

(Complaint for injunction and Declaratory Relief, praying that City Manager be enjoined from signing the proposed Long Beach Unit Agreement; that the City of Long Beach be enjoined from paying any oil or gas funds to the State of California; that it be declared that the private owners of Town Lots in the City of Long Beach are not bound by the Unit Agreement.)

No change since report of May 13, 1965; i.e., stipulation filed continuing time to plead indefinitely. Case can be reactivated upon 30 days' notice by any party.

3. Case No. 55800 W.O. 1839.16  
People vs. Monterey Sand Co. et al.  
Monterey County Superior Court

(Action for declaratory relief, damages for trespass, quiet title, accounting, and injunction. It is alleged that the Monterey Sand Company is trespassing upon tide and submerged lands owned by the State, and is removing valuable sand deposits from said lands without paying any royalty to the State.)

Defendants will file Demurrer, June 16, 1965.

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4. Case No. 30417  
City of Morro Bay vs. County of San Luis Obispo and State  
of California  
San Luis Obispo County Superior Court

W.O. 503.461

(By Chapter 1076, Statutes of 1947, certain tide and submerged lands in the vicinity of Morro Bay were granted to the County of San Luis Obispo. On July 17, 1964, the City of Morro Bay was incorporated so as to include the area of the granted tidelands. The purpose of the present action is to determine whether or not the City of Morro Bay acquired title to these tide and submerged lands, as successor to the County, and whether the City must take immediate title to such lands or may postpone taking title to some future date.)

On May 14, 1965, the City of Morro Bay assumed the full ownership, operation, and control of the Morro Bay tidelands, thereby eliminating a major controversy between the City of Morro Bay and the County of San Luis Obispo. However, there are remaining difficulties relating to the transfer of litigation records from the County to the City, and to resolution of the City's charges of mismanagement of the trust by the County. The State Lands Division staff and the Office of the Attorney General will continue to watch this situation closely, and will do everything possible to assure that the litigation with private land claimants proceeds expeditiously and that the trust is administered in the public interest.

5. Case No. 5 Original in the United States Supreme Court  
United States vs. State of California

W.O. 4721

(Relating to the location of the offshore boundaries between lands under the paramount jurisdiction of the United States and lands owned by the State, for such purposes as minerals.)

(The immediate issues raised are whether the old case of the United States vs. State of California, which has been dormant since December of 1952, is moot or whether it can be reactivated despite the passage of the Submerged Lands Act of 1953.)

On May 17, 1965, the Supreme Court, by a vote of five to two, handed down a decision rejecting California's major claims that its boundaries, for purposes of the Submerged Lands Act of 1953, go around the outermost off-lying islands or, in the alternative, that these boundaries extend three miles seaward from lines drawn from headland-to-headland in front of San Pedro, Santa Monica, and San Luis Obispo Bays. The Court did sustain California's contentions that the State's boundaries, for purposes of this Act, extend three miles seaward of a line drawn from headland-to-headland in front of Monterey Bay, and that in areas where there

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are no inland waters the base line for drawing the three-mile marginal belt should be the line of lower low tide, rather than the line of ordinary low tide as argued by the United States. The Court ordered that the parties submit a proposed decree on or before September 1, 1965. The Office of the Attorney General has sought and obtained an extension of the time within which to file a Petition for Rehearing to and including August 2, 1965. Such a petition will be filed on or before that date. The Office of the Attorney General also is seeking to extend the time in which it must file the proposed decree from September 1 to sixty days after the Court has acted on the Petition for Rehearing.