

MINUTE ITEM

25. PROPOSED MINERAL EXTRACTION LEASE, TIDE AND SUBMERGED LANDS, MONTEREY BAY, MONTEREY COUNTY - W.O. 3473, P.R.C. 2615.1.

After consideration of Calendar Item 26 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO ISSUE A MINERAL EXTRACTION LEASE TO PACIFIC CEMENT & AGGREGATES, INC., THE HIGHEST QUALIFIED BIDDER, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, FOR APPROXIMATELY SEVEN ACRES OF TIDE AND SUBMERGED LANDS IN THE VICINITY OF SEASIDE, MONTEREY BAY, MONTEREY COUNTY, AS DETAILED IN THE PUBLISHED NOTICE OF INTENTION UNDER W.O. 3473, SUBJECT TO THE FOLLOWING CONDITIONS:

1. THE PAYMENT OF A ROYALTY OF SIX CENTS (\$0.06) PER CUBIC YARD FOR ALL SAND EXTRACTED.
2. THE DEPOSIT OF A PERFORMANCE BOND BY THE LESSEE IN THE PENAL SUM OF \$5,000 TO GUARANTEE THE FAITHFUL PERFORMANCE AND OBSERVANCE OF ALL OF THE TERMS AND CONDITIONS OF THE LEASE.
3. THE SUBMISSION OF A SUPPLEMENTARY CERTIFIED FINANCIAL STATEMENT BY THE BIDDER THAT IN SUBSTANTIVE CONTENT IS THE SAME AS THE ONE PREVIOUSLY SUBMITTED.
4. THE SUBMISSION BY THE BIDDER OF A WRITTEN ACKNOWLEDGMENT THAT THE ISSUANCE OF ANY LEASE SHALL NOT BE CONSTRUED AS A WAIVER OF ANY CLAIM OR CAUSE OF ACTION THE STATE MAY HAVE, BASED ON PAST TRESPASS.

Attachment
Calendar Item 26 (1 page)

CALENDAR ITEM

26.

PROPOSED MINERAL EXTRACTION LEASE, TIDE AND SUBMERGED LANDS, MONTEREY BAY, MONTEREY COUNTY - W.O. 3473.

On June 23, 1960, one bid was received in response to a published Notice of Intention of the State Lands Commission to enter into a lease for the extraction of sand from approximately seven acres of tide and submerged lands in the vicinity of Seaside Beach, Monterey Bay, Monterey County. Publication of this offer was authorized by the Commission on April 28, 1960 (Minute Item 28, page 5910).

The bidder, Pacific Cement & Aggregates, Inc., offered the minimum royalty of six cents per cubic yard for all sand extracted.

The office of the Attorney General has advised that the bid received complies with the provisions of the Public Resources Code, the California Administrative Code, and with the conditions set forth in the offer, with the exception of the form of financial statement submitted, and has further advised that the bidder should furnish the Commission with a written acknowledgment that the issuance of any lease shall not be construed as a waiver of any claim or cause of action the State may have, based upon past trespass.

Pacific Cement & Aggregates, Inc., has been engaged in sand extraction operations in this area for a number of years. Such prior operations seaward of the high water mark have constituted a trespass on State lands. These operations are under review by Pacific Cement & Aggregates, Inc., and the Commission's staff for the purpose of determining the amount that may be due the State for any unauthorized extraction.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE A MINERAL EXTRACTION LEASE TO PACIFIC CEMENT & AGGREGATES, INC., THE HIGHEST QUALIFIED BIDDER, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, FOR APPROXIMATELY SEVEN ACRES OF TIDE AND SUBMERGED LANDS IN THE VICINITY OF SEASIDE, MONTEREY BAY, MONTEREY COUNTY, AS DETAILED IN THE PUBLISHED NOTICE OF INTENTION UNDER W.O. 3473, SUBJECT TO THE FOLLOWING CONDITIONS:

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