

This Calendar Item No. 39  
was approved as Minute Item  
No. 39 by the State Lands  
Commission by a vote of 3  
0 at its 12/15/76  
meeting.

MINUTE ITEM

12/15/76  
MB

39. ASSIGNMENT OF GEOTHERMAL LEASE - W 9186.

PRC 5206

During consideration of Calendar Item 39, attached, Chairman Kenneth Cory and Commission-alternate Walter McGuire, speaking on behalf of Commissioner Mervyn M. Dymally, disclosed that they are acquaintances of Mr. Jordon Thomas, an executive with Natomas Company. Mr. N. Gregory Taylor, Assistant Attorney General, asked if they had any financial interest in the Natomas Company. Mr. McGuire stated that Commissioner Dymally did not. Chairman Cory stated that prior to being employed with Natomas, Mr. Thomas had contributed to his campaign.

Commission-alternate Sid McCausland stated he had no prior knowledge of the other Commissioner's connection with Mr. Thomas. He pointed out that after reviewing the proposed assignment, he found it was procedurally consistent with similar matters which came before the Commission. In this regard, he stated it is his opinion the other Commissioners do not have to disqualify themselves.

Upon motion duly made and carried, the resolution as presented in Calendar Item 39, was adopted by a vote of 3-0.

Attachment: Calendar Item 39 (1 page)

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CALENDAR ITEM

39.

12/76  
PRC 5206  
W 9186  
MB

ASSIGNMENT OF GEOTHERMAL LEASE

At the September 30, 1976 meeting, the Commission determined that the highest bid submitted in response to the bid proposal for the lease of a 130-acre parcel of State-owned mineral reservation land was submitted by the City of Santa Clara at 28% of net profits. At this meeting, the Commission authorized the Executive Officer to notify the surface owner of the receipt of the bid pursuant to Public Resources Code Section 6922. The Commission also authorized the Executive Officer to execute the lease with either the surface owner or the high bidder in the event the surface owner does not match the high bid. Within the time allotted, the surface owner matched the bid submitted by the City and thereby became entitled to the lease. The surface owner now desires to assign the lease it obtained to the Natomas Company. The Division staff has added as a condition of the assignment, a requirement that the assignee agree to provide a system to determine earth and soil movements.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE EXECUTION OF AN ASSIGNMENT OF PRC 5206.2, FROM THE DAVIES ESTATE TO THE NATOMAS COMPANY, SUBJECT TO THE ADDITIONAL CONDITION SPECIFIED IN THE ASSIGNMENT ON FILE WITH THE OFFICE OF THE STATE LANDS DIVISION AND BY REFERENCE MADE A PART HEREOF.

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