

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

TRANSCRIPT OF
MEETING
of
STATE LANDS COMMISSION

LOS ANGELES, CALIFORNIA
OCTOBER 27, 1960

PARTICIPANTS:

THE COMMISSION:

Messrs. Alan Cranston, Controller, Chairman
Glenn M. Anderson, Lieutenant Governor
John E. Carr, Director of Finance
F. J. Hortig, Executive Officer

OFFICE OF THE ATTORNEY GENERAL:

Mr. Jay L. Shavelson, Deputy Attorney General

APPEARANCES:

(In the order of their appearance)

Mr. E. J. Guidotti
Member, Sonoma County Board of Supervisors

Mr. F. B. Sarles
Consulting Engineer, Sonoma County

Senator Richard Richards

Mr. J. Barton Hutchins, representing
Edwin W. Pauley

Reporter:

Louise H. Lillico
Division of Administrative Procedure

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

I N D E X
(In accordance with calendar summary)

<u>ITEM CLASSIFICATION</u>	<u>ITEM ON CALENDAR</u>	<u>PAGE OF CALENDAR</u>	<u>PAGE OF TRANSCRIPT</u>
Twenty-five year award to Mr. F. J. Hortig			1
<u>1 - Permits, easements, and rights-of way -- no fee</u>			
(a) Archibald, J. O.	22	1	3-A
(b) Imperial Beach, City of	24	2	3-A
(c) Sacramento County, Dept of Public Works	16	3	3-A
<u>2 - Permits, easements, leases, and rights-of-way -- fee</u>			
(a) Nolan, Leo J.	10	5	3-A
MOTION ON AMENDMENT TO (a)			5
(b) Pacific Gas & Electric	18	6	6
(c) Shell Oil Company	23	7	6
(d) Spaulding, L.B., et al	9	8	7
(e) Spight, Lindsey H.	11	9	7
(f) Calif. Elec. Power Co.	4	10	7
(g) Calif. Interstate Tel. Co.	5	11	7
(h) Trustees of Deep Springs	6	12	8
MOTION ON CLASSIFICATION 2			10
<u>3 - Sales of Vacant State School Lands</u>			
(a) Division of Highways	7	14	10
(b) Day, Grace M.	1	16	11
(c) Gallo, Anthony E.	2	17	11

- continued -

I N D E X
(in accordance with calendar summary)
continued

<u>ITEM CLASSIFICATION</u>	<u>ITEM ON</u>	<u>PAGE OF</u>	<u>PAGE OF</u>
	<u>CALENDAR</u>	<u>CALENDAR</u>	<u>TRANSCRIPT</u>
4 - <u>Selection & Sales</u> <u>Vacant Federal lands</u>			
(a) State Park Commission	21	18	12
(b) Rocca, Curtis Mitchell	3	19	12
5 - <u>Revision of resolution in</u> <u>Minute Item 21 of 1/21/60,</u> <u>etc., authorization to issue</u> <u>patent to Elinor H. Black</u>	8	20	12
6 - <u>City of Long Beach Projects</u>			
(a) Pier "A", Fire Station	13	24	15
(b) Back Areas, Piers A-D, etc.	13	24	15
(c) Town Lot, Pump Sta. No. 1	13	24	16
7 - <u>Authorization to issue grant</u> <u>deed to Robert O. & Kathleen</u> <u>D. Acuff</u>	12	28	16
8 - <u>Approval settlement with</u> <u>Earl Snider</u>	20	29	17
9 - <u>Determination re T&S lands</u> <u>in Bodega Bay (Ch. 1064/59)</u>	15	31	20
10 - <u>Authorization re OHWM</u> <u>Coronado Beach</u>	14	32	25
11 - <u>Authorization re public hearing</u> <u>Ventura County on proposed oil</u> <u>and gas lease terms & conditions</u>	17	33	26
12 - <u>Approval 1961-62 budget</u>	19	34	28
13 - <u>Report on status of litigation</u>	25	37	28
14 - <u>Confirmation next meeting</u>			57
	- continued -		

I N D E X
continued

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

<u>SUPPLEMENTAL CALENDAR</u>	<u>ITEM ON CALENDAR</u>	<u>PAGE OF CALENDAR</u>	<u>PAGE OF TRANSCRIPT</u>
Confirmation of oil and gas lease form - Santa Barbara County	26	39	29
MOTION			57
Proposed oil and gas leases - Santa Barbara County	27	41	(Discussed along with item above)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

I N D E X
(In accordance with calendar items)

<u>CALENDAR ITEM</u>	<u>PAGE OF CALENDAR</u>	<u>PAGE OF TRANSCRIPT</u>
1	16	11
2	17	11
3	19	12
4	10	7
5	11	7
6	12	8
7	14	10
8	20	12
9	8	7
10	5	3A
11	9	7
12	28	16
13	24	15
14	32	25
15	31	20
16	3	3A
17	33	26
18	6	6
19	34	28
20	29	17
21	18	12
22	1	3A
23	7	6
24	2	3A
25	37	28
26	39	29
27	41	29
Confirmation next meeting		57

1 MR. CRANSTON: The meeting will please come to
2 order.

3 In lieu of the raise for the Executive Officer that
4 has sometimes been discussed, we have a twenty-five year award
5 for twenty-five years of distinguished services for Frank
6 Hortig. I'd like to just briefly summarize what his quite
7 remarkable career has been with the State Lands Commission:

8 He first took temporary employment with the State
9 in the Division of Highways way back in 1930 and was there
10 again in '35 and '36. On July 25, 1935, he was appointed
11 engineering aid in the State Lands Division and was soon
12 assigned as a trouble shooter at the Huntington Beach Tide-
13 lands Oil Field, thus his continuous service has been linked
14 with that vital and important field.

15 On July 16, 1940, he was assigned by the State Lands
16 Commission to the supervision of all field operations for the
17 State Lands Division. In November 1950 he was appointed in
18 the just-then-established classification of Mineral Resources
19 Engineer, as head of the Mineral Resources Section. He
20 served from the period January 8, 1954 to April 3, 1956 as
21 the head of the Mineral Resources and Civil Engineering Sec-
22 tions of the Division.

23 On March 11, 1957, he was appointed Assistant
24 Executive Officer of the whole Lands Division and on July 15,
25 1957 he was appointed as Executive Officer of the State Lands
26 Commission and Chief Administrative Officer of the State Lands

1 Anderson, by John Carr and myself, and by Frank Jordan.

2 Frank, it's a pleasure to give this to you and more to work
3 with you. Thank you very, very much.

4 By a sheer coincidence, which I can't quite believe,
5 Frank's wife Helene is in the audience. Helene, would you
6 stand up? (Applause) I think she does honestly believe it
7 is a coincidence, but somebody must have guided her to this
8 room on this occasion since it is the first time she has
9 attended a State Lands Commission meeting.

10 Thank you very much, Frank.

11 MR. HORTIG: Thank you. If I may, Mr. Chairman - -
12 from the development statistics which you have cited it must
13 be apparent that there have been many challenging opportunities
14 during those years, which have formed the basis of a very
15 interesting career for me. However, I hasten to assure the
16 Commission that the quantity and complexity of technology and
17 administrative problems of the Commission remaining unsolved
18 are increasing rather than decreasing, so there is still an
19 abundant supply for the future. Particularly, I wish to thank
20 the Chairman for his very kind comments and the members of
21 the Commission individually and collectively for their guid-
22 ance and cooperation.

23 MR. CRANSTON: Thank you very much, Frank. We will
24 now proceed with the regular calendar.

25 The first item to come before us is Item Classifi-
26 cation 1 for permits, easements, and rights-of-way to be

3
1 granted to public and other agencies at no fee, pursuant to
2 statute. The first is to J. O. Archibald -- dredging permit
3 in Redwood Creek, San Mateo County. Is there any discussion
4 of that item? (No response) If not, we move to (b) -
5 Applicant Imperial Beach, the City of -- structure permit for
6 a rock-mound groin, T & S lands of Pacific Ocean, San Diego
7 County; then item (c) - Sacramento County Department of
8 Public Works - a dredging permit.

9 If there is no discussion on any of those items
10 a motion for approval is in order.

11 GOV. ANDERSON: I'll move it.

12 MR. CARR: Second.

13 MR. CRANSTON: It has been moved and seconded to
14 approve them and it is unanimously so ordered.

15 Item Classification 2 -- Permits, easements, leases,
16 and rights-of-way issued pursuant to statutes and established
17 rental and fee policies of the Commission: Number (a) -
18 Leo J. Nolan -- a ten-year ark site lease in Petaluma Creek,
19 Slack Point, Marin County. If there is no comment, we will
20 move on.

21 MR. CARR: I'd like to ask a question about this,
22 Mr. Chairman. How many of these ark sites are there, Mr.
23 Hortig?

24 MR. HORTIG: In round numbers, Mr. Carr, probably
25 fifty. There will be more in the near future because a
26 series of similar leases are being completed for areas that

1 constitute trespasses on State lands in Mare Island Straits,
2 where people built cottages and recreational sites in error
3 because of lack of certainty of the subdivision boundaries --
4 which were only settled finally by the Superior Court in the
5 county after the structures had been built and it was found
6 that at least a portion of the structures were on State lands.
7 For those occupancies, a series of leases are being negotiated
8 some ten or twelve at the last meeting -- and there will prob-
9 ably be more presented to the Commission for approval in the
10 next and other meetings of the Commission.

11 MR. CARR: Mr. Chairman, there is a great deal of
12 activity in Marin County on the development of these shore
13 lines and I am wondering if the Planning Commission of Marin
14 County has said anything about these things or knows about
15 them, because they are thinking of development as in Newport
16 Beach. I am wondering if this series of leases might be
17 important.

18 MR. HORTIG: Mr. Carr, the staff agrees this is not
19 the way to plan. In all of the instances where ark sites
20 have been brought to the Commission for approval, these have
21 constituted a lease for a structure that has been on the
22 property for many years. In the original series of ark sites
23 leases which were on Corte Madera Creek, which the Planning
24 Commission hasn't quarreled with, these were completed in 1942
25 to cover some ark sites which had been occupied for thirty
26 years before, without any revenue to the State.

1 MR. CARR: Mr. Chairman, I am familiar with that
 2 area there and I have no personal interest in it except from
 3 the standpoint of the development of the area. If this ark
 4 or other arks have been there fifteen years (and I can remem-
 5 ber some of them are there for thirty years), why should we
 6 extend this for ten years? Why don't we extend them for one
 7 year and let the Planning Commission of Marin County get into
 8 this, find out what the termination dates of these leases
 9 are, because they might have a much better development in
 10 that area. I think ten years is too much of an extension.
 11 This one ark site lease (and we are only talking about one)
 12 might upset an orderly development of a mile of shore line.
 13 I wouldn't vote in favor of extending this lease ten years.
 14 I would vote in favor of extending it one year, until the
 15 county can get into it.

16 MR. CRANSTON: Do you wish to make an amendment to
 17 that effect?

18 MR. CARR: Yes.

19 GOV. ANDERSON: I'll second it.

20 MR. CRANSTON: It has been moved and seconded to
 21 change it m (a), to change the lease extension from ten years
 22 to one year, and the change is approved unanimously.

23 MR. CARR: And I would suggest this be referred to
 24 the Planning Commission of Marin County and see what they
 25 have to say.

26 MR. HORTIG: Mr. Chairman, may I ask Director Carr

1 would it be appropriate for the staff to consider this in
2 effect a policy in connection with all renewals for ark site
3 purposes?

4 MR. CARR: I would say so. That land is too valuable
5 to put it out for \$80 a year for one site which might impede
6 an orderly and proper development, might upset the development --
7 and the State needs the money.

8 GOV. ANDERSON: The policy is not this -- but the
9 policy is that the local planning commission have a chance to
10 study it first.

11 MR. CARR: We might furnish them with the termination
12 dates of these leases, so they may consider it. Charge them a
13 suitable fee

14 MR. CRANSTON: Are there any comments on this?
15 (No response).

16 We move, then, to item (b) Pacific Gas and Electric
17 Company - 49-year gas pipe line easement, Whiskey Slough,
18 San Joaquin County. Any comments on that? (No response) If
19 not, item (c) - Shell Oil Company -- modification of submarine
20 geophysical exploration permit in Santa Barbara, Ventura, Los
21 Angeles, Orange and San Diego Counties to provide for use of
22 additional types of explosives.

23 MR. CARR: I'd like to hear the staff comment on
24 that, Mr. Chairman.

25 MR. HORTIG: Mr. Carr, Shell Oil Company currently
26 holds two valid geophysical exploration permits issued by the

1 State Lands Commission. The one issued later in point of
 2 time arrived when the technology, the approval of Fish and
 3 Game Commission for using alternate types of explosives
 4 (alternate to black powder) had been agreed upon; so the
 5 earlier permit is restricted currently to the use of black
 6 powder, and inasmuch as the time has arrived for renewal of
 7 application of the permit term, it was felt desirable that the
 8 older permit be modified to update it to coincide with the
 9 latest type of permit issued by the State Lands Commission.

10 MR. CARR: Does this latest type of explosive offer
 11 any additional hazard, any different hazard, to the marine
 12 life than what has been used -- black powder?

13 MR. HORTIG: Not in the opinion of the State Fish
 14 and Game Commission, within the limits prescribed by the
 15 State Fish and Game Commission.

16 MR. CRANSTON: Moving to item (d) -- L. B. Spaulding
 17 et al - termination of mineral extraction lease, San Diego
 18 County; operation no longer economically feasible. If there
 19 is no comment, we will move on to item (e) - Spight, Lindsey,
 20 d.b.a. Diablo Communication Center -- Sublease to Central
 21 California Educational Television of portion of a lease of
 22 school lands, Contra Costa County, to install two-way micro-
 23 wave relay station. Hearing no comment, we move to item (f) --
 24 California Electric Power Company -- 49-year easement for
 25 overhead electric power transmission line, school lands Inyo
 26 County; item (g) California Interstate Telephone Company --

1 49-year pole line easement.

2 MR. HORTIG: Mr. Chairman, if I may interrupt at
3 this point, items (f), (g) and (h) represent the completion
4 of work on applications for right-of-way easements across a
5 section of vacant State school land which the Commission in
6 April of this year withheld from sale until such right-of-way
7 easements were completed and a portion of the land had been
8 arranged to be sold to the Division of Highways, Department
9 of Public Works, as will be detailed in the next following
10 item.

11 These, therefore, constitute a package elimination
12 of the title conflict problems which were to be resolved as a
13 result of the Commission's having withheld the sale of these
14 specific lands. However, as to item (h), which is part of
15 the sequence -- easements required by the trustees of Deep
16 Springs College -- counsel for the client is reported to be
17 on vacation and, therefore, his law firm has requested on
18 behalf of the client that action on item (h) be deferred until
19 the next meeting of the Commission.

20 MR. CRANSTON: May I ask in regard to item (h) --
21 the easements are for 49 years. Is this being done in such a
22 way that the State at the end of the 49 years would be in a
23 position to further extend those easements?

24 MR. HORTIG: No sir. The present statutes provide
25 that in anticipation of the sale of the balance of the land,
26 on which there is still an application pending, such land

1 would be sold subject to existing easements and at the end
2 of the 49 years, the control over the easement area would be
3 in the then holder of the surface.

4 MR. CRANSTON: Is the school being given all the
5 protection it could be given?

6 MR. HORTIG: Yes sir, and has accepted and is agree-
7 able to, and the counsel for Deep Springs School has expressed
8 complete satisfaction with the procedure here recommended;
9 and the deferment is requested only because he is, as I
10 stated, on vacation.

11 GOV. ANDERSON: Why would he want a deferment if
12 they are satisfied?

13 MR. HORTIG: The counsel who is satisfied is the one
14 on vacation. His law firm are unfamiliar with the problem,
15 therefore in an abundance of caution have asked for the defer-
16 ment.

17 MR. CRANSTON: A motion is in order for item (a)
18 as amended and through item (g).

19 GOV. ANDERSON: Is there any overlapping if we find
20 out the school was not satisfied with their portion of it,
21 with the grants of the 49-year leases to the California Electric
22 Power Company and Interstate Telephone Company? Would they
23 in any way conflict?

24 MR. HORTIG: No sir, and we have in addition com-
25 plete agreements from all parties that these sales are in
26 fact satisfactory to both the estate and the trustees of the

1 Deep Springs School.

2 MR. CARR: Mr. Chairman, I am just wondering --
3 does this withholding of action on item (h) mean that any of
4 this work is being deferred another month? What is the effect
5 of withholding approval?

6 MR. HORTIG: Only the State Lands Commission approval
7 of the easements is being deferred. No work is being stopped.

8 GOV. ANDERSON: I will move it.

9 MR. CARR: Second.

10 MR. CRANSTON: Moved and seconded that item (a) as
11 amended through (g) be approved; so ordered.

12 Sales of vacant State school lands. All land sale
13 items here presented have been reviewed by all State agencies
14 having a land acquisition program and, unless otherwise indi-
15 cated, no interest has been reported by these agencies in
16 the lands proposed for sale. (a) Department of Public Works,
17 Division of Highways

18 MR. HORTIG: Mr. Chairman, this is the land sale
19 item referred to previously, representing a portion of the
20 land required by Division of Highways because they are already
21 occupying and have for years occupied the area for a highway
22 maintenance station. The procedure here recommended is satis-
23 factory to the Division of Highways. The Division is repre-
24 sented here this morning by their attorney, Mr. Pegram, and
25 the only non-standard feature with respect to the recommenda-
26 tion here is that these lands be sold in accordance with

1 standard Commission practice for a sale to a public agency at
2 the appraised value without the necessity of engaging in
3 competitive public bidding.

4 MR. CRANSTON: If there is no comment on (a),
5 item (b) - Grace M. Day.....

6 MR. CARR: Should we take these separately? I move
7 the approval of (a).

8 GOV. ANDERSON: Second.

9 MR. CRANSTON: Item (a) is approved unanimously.
10 Item (b) - Grace M. Day, bid for \$14,000.

11 MR. CARR: There are three parts to this, aren't
12 there, Mr. Hortig?

13 MR. HORTIG: (a), (b) and (c).

14 MR. CARR: 1, 2 and 3 on item (b). Does that call
15 for three separate actions because we have to confirm two
16 extensions, or all in one action? I move approval of (b)
17 with the three actions on page 16.

18 MR. HORTIG: With the resolution as stated, all
19 Commission action required will have been taken.

20 GOV. ANDERSON: Second.

21 MR. CRANSTON: Approved unanimously. Item (c) -
22 Anthony E. Gallo, bid of \$1,577.40.

23 GOV. ANDERSON: I'll move it.

24 MR. CARR: Second.

25 MR. CRANSTON: Moved, seconded and unanimously
26 approved. Then, Item Classification 4 -- Selection and sales

1 of vacant Federal lands: Item (a) State Park Commission,
2 Division of Beaches and Parks -- selection of 120 acres in
3 Santa Clara County; item (b) Curtis Mitchell Rocca -- selec-
4 tion of 640 acres in Shasta County, including sale to applicant
5 at appraised price of \$64,480. Motion is in order on those
6 two items.

7 GOV. ANDERSON: Move it.

8 MR. CARR: Second.

9 MR. CRANSTON: Moved, seconded and unanimously
10 approved.

11 Item 5 -- Recission of resolution in Minute Item 21
12 of 1/21/60; approval of negotiated sales price of \$75 per acre;
13 finding land not suitable for agriculture without artificial
14 irrigation; authorization for Executive Officer to issue patent
15 to Elinor H. Black for cash amount of \$238.50, covering three
16 plus acres of swamp and overflow survey, Tulare County.
17 Motion is in order on that item.

18 GOV. ANDERSON: Will you explain that?

19 MR. HORTIG: Mr. Chairman, the Commission will re-
20 call this particular sales item because it received particu-
21 larly large press notice, which represented that the Lands
22 Commission was selling valuable land for \$2.80 at the time
23 the action was authorized to be completed, whereas the 2.80,
24 or whatever the specific amount is, represented a calculated
25 difference of unpaid interest which might or might not have
26 resulted in a forfeiture of title to the lands. The prior

1 recommendation to the Commission for consummation of this
 2 transaction was based on an opinion from the Office of the
 3 Attorney General. Subsequent to this completion and prior to
 4 delivery of the patent to the land, further research in the
 5 Office of the Attorney General revealed a contra opinion as
 6 to authorization to proceed in the manner which had been pre-
 7 viously recommended. So, therefore, we are here today recom-
 8 mending that the prior authorization to sell for simply the
 9 amount of unpaid interest be rescinded, which payment does
 10 not constitute sufficient grounds for conveyance of the lands
 11 according to the latest opinion of the Office of the Attorney
 12 General, and instead it is being recommended that the lands
 13 be sold, authorized to be sold, to the same successors to the
 14 party in interest at a negotiated price -- to be sold to
 15 these parties in interest because the statutes authorize sale
 16 of lands of this type to actual settlers or their successors,
 17 and the parties in interest are the actual settlers and it is
 18 recommended that the land be sold at the negotiated price of
 19 \$238.50, thereby clearing title on lands on which the parties
 20 in interest and their predecessors had always held and for
 21 more than fifty years they paid taxes to the county in which
 22 they are located.

23 MR. CARR: I'll move approval.
 24 GOV. ANDERSON: Second.
 25 MR. CRANSTON: Moved, seconded and unanimously
 26 approved.

1 GOV. ANDERSON: Before we go to other items, on the
2 sale of lands what is the status, Mr. Hortig, of your program
3 of cross-checking all the sales with the other State agencies?

4 MR. HORTIG: As reported at the last meeting,
5 Governor Anderson, all land sales which are now brought to
6 the Lands Commission are brought only after all other State
7 agencies having land acquisition programs have screened the
8 proposed sales and indicated that they have no specific public
9 use which would be higher than the private sale for which
10 these lands are recommended.

11 GOV. ANDERSON: So we hold up the sales on most of
12 these lands during the period of checking. Now, would we
13 expect these lands to be put on the market as they are checked
14 in about the same speed as we had before?

15 MR. HORTIG: When the ultimate program which was
16 heretofore directed by the Commission for a full indexing,
17 classification and evaluation is feasible, then we will go
18 ahead with the full policy.

19 GOV. ANDERSON: When will that be?

20 MR. HORTIG: This is predicated on the study program
21 as to the availability and feasibility of using electronic
22 processing equipment in order to process tremendous volumes
23 of data. The program of study on the feasibility of this is
24 being conducted currently by the Organization and Cost Control
25 Division of the Department of Finance under Director Carr.

26 MR. CARR: May I comment on that? I share your

1 impatience. I think it is taking altogether too long to get
 2 this together and I will have a little consultation to see if
 3 we can't speed this up, because I think we need it. I hope
 4 to have something more encouraging to report prior to next
 5 meeting.

6 MR. CRANSTON: May I ask if you can all hear what
 7 is being said? Will each of you please move your mikes over
 8 closer?

9 We now go to the usual subject of Long Beach --
 10 Classification 6: Item (a) Pier "A", Fire Station, second
 11 phase; estimated subproject expenditure from 10/27/60 to
 12 termination, \$129,800, with \$27,258 estimated as subsidence
 13 cost. Any discussion on that item?

14 MR. HORTIG: By definition of "second phase" this
 15 immediately classifies the project as one in which the Com-
 16 mission has heretofore approved in principle, and estimates
 17 have now been developed so that a realistic estimate can be
 18 presented to the Commission as to the potential costs and
 19 they have been reported as a total of \$129,800, qualified to
 20 be expended from tidelands funds pursuant to Chapter 29, of
 21 which, as indicated, 21% approximately is estimated ultimately
 22 may be subsidence costs -- which will ultimately be allowed
 23 if and when final engineering review and audit by the State
 24 Lands Commission indicates that the expenditures are so
 25 qualified.

26 MR. CRANSTON: Item (b) is Back Areas, Piers A to

1 D; raise back area, berth 19; remove Harbor Department Admini-
2 stration Office Building and Garage (second phase); existing
3 approvals under first phase are sufficient to cover first and
4 second phase costs.

5 MR. HORTIG: This is an informative item to report
6 progress to the Commission and unique in the sense that in
7 the first approval sufficient amount was approved to permit
8 apparent completion, or at least estimated completion, of the
9 operation; but to complete the Commission's records and to
10 indicate that the Commission has been made aware of steps in
11 the process, this item was included for information.

12 MR. CRANSTON: Item (c) - Town Lot subproject -
13 Pump Station No. 1, First Street at Pico Avenue, second phase;
14 estimated subproject expenditure from 10/27/60 to termination
15 of \$35,000 with \$22,050 estimated as subsidence costs.

16 A motion is in order to approve those three Long
17 Beach items.

18 GOV. ANDERSON: I'll move it.

19 MR. CARR: Second.

20 MR. CRANSTON: Moved, seconded and unanimously
21 approved.

22 Item 7 -- Authorization for Executive Officer to
23 issue grant deed at established fee of \$10 to Robert O. and
24 Kathleen D. Acuff for mineral reservation made by State Con-
25 troller on 11/29/46 in sale of escheated lands in Sacramento
26 County. I'd like to ask, Frank, where that \$10 fee is

1 established -- by whom?

2 MR. HORTIG: By policy directive of the State Lands
3 Commission, which provides that on a determination in the sale
4 of escheated lands sold heretofore with mineral reservation --
5 if it is determined that the lands do not have, in fact, any
6 current known mineral value (and particularly with reference
7 to parcels of this type, which is a single building lot in
8 the City of Sacramento) that under those circumstances the
9 Commission will issue a deed, as authorized by law, for an
10 arbitrary fee of \$10.

11 MR. CRANSTON: Does that cover our administrative
12 costs?

13 MR. HORTIG: In these days of inflation, post the
14 time of determination of the policy by the Commission, the
15 answer is probably "barely."

16 MR. CRANSTON: Motion is in order.

17 GOV. ANDERSON: So moved.

18 MR. CARR: Second.

19 MR. CRANSTON: Moved, seconded and unanimously
20 approved.

21 Item 8 -- Approval of compromise settlement of
22 \$3,037 with Earl Snider as full payment to State for damages
23 occurring by reason of timber trespass on 40 acres of land,
24 Mendocino County.

25 MR. HORTIG: In timbering operations -- in timber
26 operators working on parcels which they believe legitimately