

such terms and conditions as the Commission may prescribe at the time of renewal, provided performance of the term of the lease shall be covered in an amount of \$1,000 and that this guarantee, if desired by the Pacific Gas and Electric Company, may be covered by blanket bond in amount of \$50,000 filed with the State on May 4, 1944.

19. (United States Condemnation Case, U.S. vs. 1419.89 acres, San Joaquin County, Rough and Ready Island Naval Installation) The Commission was informed that during the War the United States filed an Order for Immediate Possession under the Second War Powers Act for Rough and Ready Island in San Joaquin County adjacent to the Stockton Deep Water Channel. The description of the taking went to the low water mark. In addition to the land between the high and low water mark, the State land involved also included small parcels of unsold reclaimed tidelands. The Attorney General has suggested to the United States Department of Justice that the description in the Complaint in Condemnation be revised to exclude the State land between the high and low water marks. Also, the Attorney General was successful in maintaining that the State owned approximately 8 acres. As consideration for the change in description and the 8 acres of State land involved, stipulations have now been submitted whereunder the State will issue a Use Permit on the area between the high and low water marks to the United States as long as the United States owns Rough and Ready Island and will receive the sum of \$6,000 for the 8 acres taken in fee.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Attorney General to settle the State's interest in United States vs. 1419.89 acres, County of San Joaquin, U.S.D.C. No. 1963, for the sum of \$6,000, and the Executive Officer to enter into a Use Permit with the United States for the State land between the high and low water mark adjacent to Rough and Ready Island for such period of time as the United States shall own the adjacent upland; such right of user to cease as to any part of said State lands whenever the United States ceases to be the owner of the adjacent upland.

20. (Application, Del Monte Properties Company for lease to extract sand at Moss Beach, in Spanish Bay, Monterey County - W.O. 359) The Commission was informed that Mr. S. F. B. Morse, Chairman of the Board of the Del Monte Properties Company has made an application for a lease of State tide and submerged lands on Spanish Bay near Asilomar, Monterey County, from which to extract 100,000 tons of sand per year. The Del Monte Properties Company, a major producer of sand for glass and ceramic industries, have recently developed a market for coarse sand for stucco construction work. They have found that the best source of this sand is below the high water mark on Spanish Bay adjoining their upland properties.

In accordance with the Public Resources Code, since removal of the sand below the high water mark could result in denuding the beach for recreational purposes, the application was submitted to the Beach Erosion Control Engineer of the Division of Beaches and Parks. Response from the Beach Erosion Control Engineer and the State Park Commission offers the recommendation that the State Lands Commission, if a lease is entered into, do not permit the removal of in excess of 100,000 tons of sand per year and require that the lease be subject to revocation on six months notice in case the operations, as determined by accurate surveys, unreasonably interfere with the maintenance and use of the beaches in the area for recreational purposes.