

The lands being occupied by the Haiwes Reservoir should not be sold into private ownership.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the sale of the above-described lands to the City of Los Angeles, without advertising, at a cash price of \$7,997.15, subject to all statutory reservations, including minerals.

49. (Contract - Aerial Photography Services - W.O. 563) The Commission was informed that in connection with the survey work being performed by the Division's Survey Party, at Pt. Reyes, Antioch, Redwood Creek and Petaluma Creek, which surveys are being performed for the purpose of settling boundary disputes, it has been deemed advisable to contract for aerial flight strips over a portion of the areas involved. Not only will the aerial surveys permit work to be completed more promptly, but it is estimated that approximately three months working time of the Division's Survey Party will be saved. The cost of operating this party in the field is approximately \$150.00 per day. Inasmuch as a considerable portion of the survey project can be performed by means of aerial survey at an overall cost of \$1620.00, this method of performing the work will result in a considerable saving to the State.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the ratification of the action of its Chairman in executing a contract with Pacific Air Industries providing for aerial surveys at Pt. Reyes, Antioch, Redwood Creek and Petaluma Creek, said agreement being known as Contract LC 104 dated September 21, 1949, in the amount of \$1,620.00.

50. (Spreckels Realization Company - Application for lease of tide and submerged lands in San Francisco Bay - W.O. 207 - P.R.C. 483, P.R.C. 489) The Commission was informed that the Spreckels Realization Company of San Francisco, California, successor to the J. D. and A. B. Spreckels Company, has made application to the State Lands Commission for leases of portions of Water Front Street lying between the center line, extended, of Humboldt Street and the north line of Twenty-fourth Street in the City and County of San Francisco and that two leases are requested, one to apply to an area of approximately 2.42 acres on which has been erected a covered wharf for the receipt of raw sugar (designated as Parcel A), and the other to apply to an adjoining water area of about 1.043 acres (designated as Parcel B).

Parcels A and B constitute in the aggregate all of the area described as Parcel 9 in the Complaint to Quiet Title heretofore filed by the Attorney General in the Superior Court of the State of California entitled "People of the State of California, Plaintiff, v. J. D. and A. B. Spreckels Company, a corporation, et al., Defendants."

The premises landward of and adjoining Parcel A are subject to a conditional contract of sale and purchase with California and Hawaiian Sugar Refining Corporation, Ltd. One of the conditions of completion of this contract is that a lease of said Parcel A be obtained from the State Lands Commission.

An appraisal of the subject properties has been made by the E. B. Field Company of Oakland, California, which placed a value of \$131,871.25 on Parcel A, exclusive of the improvements, and of \$14,058.50 on Parcel B. Since a purpresture exists on Parcel A, the 9% rate approved by the Commission at its meeting on September 15, 1949, would apply in that case, and the standard rate of 6% would apply to Parcel B. Allowing for the standard increase of 10% every five years, the average