

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED A RESOLUTION WAS ADOPTED RESCINDING THE ACTION OF THE COMMISSION AS SET FORTH IN ITEM 3 OF MINUTES OF OCTOBER 5, 1950, PAGE 1186, AND IN LIEU THEREOF THE EXECUTIVE OFFICER WAS AUTHORIZED TO ISSUE TO L. A. McINTOSH A LEASE OF APPROXIMATELY THREE-TENTHS ACRE OF TIDE AND SUBMERGED LAND IN NAPA RIVER, NAPA COUNTY, FOR A PERIOD OF FIFTEEN YEARS AT AN ANNUAL RENTAL OF \$75.00 (\$50.00 NORMAL RENTAL AND \$25.00 IN LIEU OF BOND), TOGETHER WITH THE RIGHT OF RENEWAL FOR ONE ADDITIONAL PERIOD OF TEN YEARS AT SUCH TERMS AS MAY BE DETERMINED PRIOR TO RENEWAL, THE LEASED AREA TO BE FOR THE CONSTRUCTION, MAINTENANCE, AND USE OF A PIER AND FLOAT; THE COMMISSION FURTHER AUTHORIZED THAT RULE 2020, REQUIRING A MINIMUM BOND OF \$1,000.00 BE WAIVED AND THE ADDITIONAL RENTAL OF \$25.00 ANNUALLY BE ACCEPTED IN LIEU THEREOF, AND THAT SAID ADDITIONAL ANNUAL RENTAL OF \$25.00 BE ELIMINATED IF ON ANY FUTURE LEASE RENTAL ANNIVERSARY DATE, THE LESSEE FURNISHES A SATISFACTORY PERFORMANCE BOND IN THE AMOUNT OF \$500.00; LEASE TO PROVIDE THAT IN EVENT OF DEFAULT THE STRUCTURES BECOME THE PROPERTY OF THE STATE AT ITS OPTION.

18. (RIGHT OF WAY, TIDELANDS AND SUBMERGED LANDS, OIL TERMINALS COMPANY, CRESCENT CITY HARBOR - W.O. 637, P.R.C. 541, P.R.C. 502.) The Commission was informed that on November 20, 1950, with respect to the application of the Oil Terminals Company for a right of way and installation of dolphins in Crescent City Harbor, it took the following action:

"THE ACTION TAKEN BY THE COMMISSION ON AUGUST 29, 1950, AUTHORIZING THE ISSUANCE OF A LEASE TO THE OIL TERMINALS COMPANY FOR A TERMINAL AT CRESCENT CITY HARBOR, CALIFORNIA, IS AMENDED ONLY TO THE EXTENT OF MAKING SUCH LEASE SUBJECT TO REVOCATION BY THE STATE ON THIRTY DAYS' NOTICE AFTER THE CRESCENT CITY HARBOR DISTRICT HAS MADE A FIRM PROPOSAL FOR A LEASE BETWEEN THE DISTRICT AND THE OIL TERMINALS COMPANY UPON TERMS ACCEPTABLE TO THE COMMISSION; THE EXECUTIVE OFFICER IS DIRECTED TO ISSUE SUCH LEASE FORTHWITH."

The following excerpt is taken from the minutes of that meeting:

"It was emphasized by members of the Commission that, if the Oil Terminals Company was to receive a lease from the State, negotiations would continue to be carried on with the District, with a view to obtaining a satisfactory lease with that body."

Pursuant to the discussion and the Commission's action, a letter was received from Thomas E. Crowley of the Oil Terminals Company, dated April 17, 1951, wherein he states: "We have tried to follow the policy of the State Lands Commission in leasing property based on a fair return on its value on an annual rental basis but they (the Crescent City Harbor Commission) have seen fit to reject this." Mr. Crowley enclosed a copy of his offer of March 12, 1951, to the Crescent City Harbor Commission, and also a copy of the rejection of the offer by the Board of Harbor Commissioners of the Crescent City Harbor, dated April 11, 1951.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO ADVISE THE OIL TERMINALS COMPANY AND THE CRESCENT CITY HARBOR DISTRICT TO MAKE RENEWED EFFORTS TO COMPOSE THEIR DIFFERENCES.