

Mr. Jay E. Jordan, Counsel for the Crescent City Harbor District, stated that the proposed lease covers only State tidelands, and not any uplands; that he had been in consultation with the office of the Attorney General in San Francisco in connection with the lease, and that that office had not raised any objections to it.

Mr. Robert E. Keane, appearing on behalf of the Crescent City Harbor Company, opposed approval of the lease, stating that the District has thrown up a series of "straw men" to cloud the issue and to prevent any action or development by the Crescent City Harbor Company.

Mr. J. H. Jenkins, representing Thomas Crowley, objected to approval of the lease to the River Terminals Company on the basis that it would not be a true public utility, and that 35 years is too long a period for a lease of this type.

During the course of these discussions, it was pointed out that there is a question as to agreement on the Commission's location of the ordinary high-water mark which has to be agreed to by the upland owners. The upland owners have not agreed because of les pendens of the condemnation. Both parties have dodged this issue in order to maintain position in the controversy. Also, there is a possibility that the uplands are actually artificially accreted lands, and if so ownership is in the State and the State may therefore be the upland owner.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED DEFERRING ACTION AT THIS TIME, AND REQUESTING THE STAFF TO REVIEW THE ARGUMENTS PRESENTED PRO AND CON, OBTAIN NECESSARY LEGAL ADVICE FROM THE ATTORNEY GENERAL, AND PRESENT ANY CHANGES IN ITS RECOMMENDATIONS TO THE COMMISSION AT ITS NEXT MEETING. IT WAS PARTICULARLY STRESSED THAT AN UNDERSTANDING SHOULD BE HAD WITH THE ATTORNEY GENERAL'S OFFICE OF WHAT THE WORD "APPROVE" MEANS, AND WHAT THE RESPONSIBILITY OF THE COMMISSION WOULD BE IF IT APPROVED A LEASE BETWEEN THE CRESCENT CITY HARBOR DISTRICT AND THE RIVER TERMINALS COMPANY.

4. (APPLICATION FOR LEASE, TIDE AND SUBMERGED LAND, SACRAMENTO RIVER AT RIO VISTA, SOLANO COUNTY, UNION OIL COMPANY OF CALIFORNIA - W.O. 1159, P.R.C. 655.)

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE TO UNION OIL COMPANY OF CALIFORNIA A LEASE OF A FRACTION OF AN ACRE OF TIDE AND SUBMERGED LAND IN SACRAMENTO RIVER AT RIO VISTA, SOLANO COUNTY, FOR THE MAINTENANCE AND USE OF AN EXISTING WHARF, FOR A PERIOD OF FIFTEEN YEARS, AT AN ANNUAL RENTAL OF \$50, WITH RIGHT OF RENEWAL FOR TWO ADDITIONAL PERIODS OF TEN YEARS EACH AT SUCH TERMS AS MAY BE DETERMINED PRIOR TO EACH RENEWAL DATE, PERFORMANCE BOND IN THE AMOUNT OF \$1000 TO BE FURNISHED.

The area applied for is of such small extent that the annual rental will be the minimum at the established rental rate of 9.9 percent of the appraised value, which is required in purpresture situations. Filing fee and expense deposit have been paid.