

30. (INVESTIGATION OF MATTERS AFFECTING RELATIONS BETWEEN THE STATE LANDS COMMISSION AND THE CRESCENT CITY HARBOR DISTRICT - P.R.C. 502.) Supplementary to the discussions had with respect to approval of the proposed lease by the Crescent City Harbor District to the River Terminals Company (Minute Item 29, Page 1493), a discussion was had as to the rights of the State to cancel Lease P.R.C. 502 with the Crescent City Harbor District. In this connection the Commission was advised of the resignation of two of the members of the Board of the Crescent City Harbor District, based partially at least upon their disagreements with the policies and operations of the District.

The Chairman asked Mr. Walter L. Bowers, Assistant Attorney General, whether the Commission could cancel its lease with the Crescent City Harbor District, if it should be desired to do so. Mr. Bowers replied that he had taken into consideration only the submission of the sublease for approval, which in itself would not be a basis for cancellation of the basic lease. Upon a direct question by Mr. Dean as to whether the manner in which the Crescent City Harbor is being managed by the District would be a basis for cancellation of Lease P.R.C. 502, Mr. Bowers stated that unless it could be shown that such management had been in conflict with the terms of the lease, the lease could not be cancelled upon that basis. The Executive Officer advised that the terms of Lease P.R.C. 502 provide that it was issued for a definite and limited purpose, and that therefore it could be cancelled upon a showing of a failure on the part of the District to serve that purpose; however, such a showing would be difficult to make in view of the short period of actual operation under the provisions of the lease.

It was suggested that the staff analyze the basic lease with the help of the Attorney General, to determine upon what grounds, if any, the Commission could terminate the lease, and further to report to the Commission as to what would be necessary to bring the proposed sublease with the River Terminals Company in conformity with Lease P.R.C. 502.

UPON MOTION DILY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO REQUEST THE ATTORNEY GENERAL TO MAKE AN INVESTIGATION OF THE CRESCENT CITY HARBOR DISTRICT THROUGH THE DISTRICT ATTORNEY OF DEL NORTE COUNTY.

There being no further business to come before the Commission, the meeting was adjourned.