

The Commission will note that the construction of the bridge is a very large undertaking, and therefore the relatively small monetary loss to the State Lands Commission because of the cancellation of Lease P.R.C. 361 and possible later cancellation of Lease P.R.C. 212, in order that the major project go through at minimum cost to the public, is in the public interest. In view of these considerations,

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO EXECUTE THE AGREEMENT BETWEEN THE DEPARTMENT OF PUBLIC WORKS, THE RICHMOND & SAN RAFAEL FERRY & TRANSPORTATION CO., AND THE STATE OF CALIFORNIA ACTING THROUGH THE STATE LANDS COMMISSION, AND THE SUPPLEMENTAL AGREEMENT BETWEEN THE DEPARTMENT OF PUBLIC WORKS AND THE STATE OF CALIFORNIA ACTING THROUGH THE STATE LANDS COMMISSION, WHEREBY LEASE P.R.C. 361 IS CANCELLED AND A SHORT-TERM LEASE AT A NOMINAL ONE-DOLLAR CONSIDERATION IS ENTERED INTO JOINTLY BETWEEN THE DEPARTMENT OF PUBLIC WORKS, THE STATE LANDS COMMISSION AND THE FERRY COMPANY, PENDING COMPLETION OF THE RICHMOND-SAN RAFAEL BRIDGE; AND ALSO WHEREBY LEASE P.R.C. 212 IS MODIFIED TO PERMIT OTHER COMMERCIAL USE, WHICH LEASE MAY, AT THE OPTION OF THE FERRY COMPANY, BE ASSIGNED TO THE DEPARTMENT OF PUBLIC WORKS UPON COMPLETION OF THE BRIDGE.

7. (EXTRACTION OF SAND AND GRAVEL, TUOLUMNE RIVER, STANISLAUS COUNTY, SANTA FE ROCK AND SAND COMPANY - W.O. 1289, P.R.C. 774.1.) As reported to the Commission on December 5, 1952 (Minute Page 1695, Item 34), further investigation of the activities of the Santa Fe Rock and Sand Company in extraction of sand and gravel from the Tuolumne River was conducted in the field on December 11 and 12, 1952, by the Executive Officer and the Mineral Resources Engineer. A complete review of all operations adjacent to the property of Mr. J. W. Short was made in company with Mr. and Mrs. J. W. Short and Senator H. P. Donnelly. Mr. Short stated that the work conducted heretofore by Santa Fe Rock and Sand Company in placement of gravel along his property banks pursuant to the directive of the State Lands Commission was satisfactory, provided that future operations did not cause undermining of the protected banks. Actual operations by the Santa Fe Rock and Sand Company were also observed in company with Mr. J. Williams, the Plant Superintendent. All material stock piles were found to have been removed from the river bar, and the bar was in process of being partially excavated, all in accordance with the order of October 28 pursuant to the authorization of the Commission of September 30, 1952 (Minute Page 1638, Item 34). An alternative program for further remedial work by Santa Fe Rock and Sand Company in the Tuolumne River was suggested, subject to confirmation by the Commission, and agreed to at a conference on December 11, 1952, attended by Mr. M. J. Ruddy; Mr. M. J. Ruddy, Jr.; Attorney W. Zeff for Santa Fe Rock and Sand Company; Mr. and Mrs. J. W. Short, land owners along the south bank of the Tuolumne River adjoining the operations of the Santa Fe Rock and Sand Company; their attorney, D. B. Fowler; and Senator H. P. Donnelly. This alternative program had also been discussed previously and received verbal approval from E. B. Butterfield, land owner along the north bank of the Tuolumne River adjoining operations of the Santa Fe Rock and Sand Company. This program, which was placed into immediate effect by Santa Fe Rock and Sand Company on December 12, 1952, is embodied in the recommendation.

The object of the revised program is to provide a wider and deeper channel in the river, thus reducing the velocity of flow and consequently the scour along the banks.

A survey party from the Division of State Lands is being sent to the site of operations to fix on the ground the dimensional limitations prescribed.

The Santa Fe Rock and Sand Company has reported shipments of sand and gravel from April, 1948, through November, 1952, of 394,439 tons, for which it has offered to pay the State royalty compensation of one-half cent per ton. The rate of compensation to the State for the material shipped is comparatively low for the reason that a substantial portion was removed from the upland and there is no way of determining the amount. In addition, royalty compensation for all material removal from December 1, 1952, until such time as a mineral extraction lease may be issued pursuant to the Public Resources Code, has been offered at the rate of one and one-half cents per ton.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED CONFIRMING THE PROGRAM FOR CURRENT OPERATIONS BY THE SANTA FE ROCK AND SAND COMPANY IN THE TUOLUMNE RIVER AS FOLLOWS:

- (1) ALL OPERATIONS SHALL BE CONDUCTED BETWEEN TERMINI 3000 FEET UPSTREAM AND 2000 FEET DOWNSTREAM FROM THE PROJECTION TO THE RIVER OF THE COMMON NORTH-SOUTH FENCE LINE BETWEEN PROPERTY OF THE MICHEL INVESTMENT CO. AND ELMER B. AND DOROTHY VIRGINIA BUTTERFIELD IN T. 4 S., R. 11 E., M.D.B. & M., STANISLAUS COUNTY.
- (2) ALL OPERATIONS SHALL BE CONDUCTED SOUTHERLY OF A LINE PARALLEL TO AND 25 FEET SOUTHERLY OF THE NORTHERLY BANK OF THE RIVER. SIMILARLY, ALL OPERATIONS SHALL BE RESTRICTED TO THE AREA NORTHERLY OF THE CENTERLINE OF THE WATERCOURSE AS IT EXISTS, OR NORTHERLY OF A LINE PARALLEL TO AND 25 FEET NORTHERLY OF THE SOUTHERLY BANK OF THE RIVER, WHICHEVER IS THE GREATER.
- (3) AN OPERATING ROAD ONLY, NOT TO EXCEED 25 FEET IN TOP WIDTH, MAY BE MAINTAINED ALONG THE NORTHERLY EDGE OF THE GRAVEL BAR EXISTING CURRENTLY RIVERWARD OF THE PROPERTY OF THE MICHEL INVESTMENT CO. AND ELMER B. AND DOROTHY VIRGINIA BUTTERFIELD. THIS ROAD MAY NOT EXCEED AN ELEVATION MORE THAN THREE FEET ABOVE THE STAGE OF THE RIVER WATER LEVEL ON DECEMBER 12, 1952.
- (4) NO FILLS FOR TURNOUTS OR ANY OTHER PURPOSES ARE PERMITTED SOUTHERLY OF THE AFORESAID OPERATING ROAD.
- (5) SAID OPERATING ROAD SHALL BE EXTENDED TO AN UPSTREAM TERMINUS AT THE NORTHERLY BANK OF THE RIVER AT THE COMMON PROPERTY LINE BETWEEN THE PROPERTY OF E. B. AND D. V. BUTTERFIELD AND E. S. MERRIAM.
- (6) MATERIAL SHALL BE REMOVED ALONG THE SOUTHERLY SIDE OF THE ENTIRE LENGTH OF SAID OPERATING ROAD AS EXTENDED. ALL MATERIAL SHALL BE REMOVED TO A REMAINING SLOPE NOT EXCEEDING 1:5.

THE CONDUCT OF THE FOREGOING OPERATIONS IS SUBJECT TO AGREEMENT BY THE SANTA FE ROCK AND SAND COMPANY TO SAVE THE STATE FREE AND HARMLESS FROM ANY CLAIM, DEMAND OR ACTION AS A RESULT OF THE CONDUCT OF SUCH OPERATIONS.

VIOLATION OF ANY OF THE PROVISIONS OF THIS DIRECTIVE WILL RESULT IN THE APPLICATION OF ALL OF THE LEGAL RIGHTS OF THE STATE OF CALIFORNIA IN THE PREMISES.

THE DIRECTIVE SHALL REMAIN IN EFFECT FOR A PERIOD OF 60 DAYS FROM THE EFFECTIVE DATE UNLESS TERMINATED OTHERWISE BY THE STATE LANDS COMMISSION.

IN ADDITION, THE EXECUTIVE OFFICER WAS AUTHORIZED, AS A CONDITION PRECEDENT TO OFFERING A MINERAL EXTRACTION LEASE FOR COMPETITIVE BIDDING, AS AUTHORIZED SEPTEMBER 30, 1952 (MINUTE PAGE 1638, ITEM 34), TO SECURE PAYMENT FROM THE SANTA FE ROCK AND SAND COMPANY FOR ALL THEIR PRIOR REMOVALS OF SAND AND GRAVEL FROM THE BED OF THE TUOLUMNE RIVER, AT THE RATE OF ONE-HALF CENT PER TON FOR MATERIAL REMOVED UP TO NOVEMBER 30, 1952, AND AT THE RATE OF ONE AND ONE-HALF CENTS PER TON FOR MATERIAL REMOVED AFTER DECEMBER 1, 1952, UP TO THE DATE OF ISSUANCE OF A MINERAL EXTRACTION LEASE PURSUANT TO THE PUBLIC RESOURCES CODE.

8. (PROPOSED GAS LEASE, GREY LODGE REFUGE, BUTTE COUNTY - W.O. 1125.) Pursuant to authorization by the State Lands Commission (Minute Page 1433, Item 35; Minute Page 1447, Item 11; and Minute Page 1637, Item 30), notice was published of the intention of the State Lands Commission to receive bids December 19, 1952, for a gas lease on 2,542 acres of State land in the Grey Lodge Refuge, Butte County.

A request has been received from the Public Land Committee of the Western Oil and Gas Association, on behalf of the California Oil Industry, that action be withheld on the receipt of bids for lease of the area pending a conference with the industry relative to bases for reoffering a lease under less restrictive conditions which would purportedly result in the receipt of a greater number of bid offers. This request was received too late to insure notification of all prospective bidders in advance of submission of bids.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO RETURN UNOPENED ALL BIDS RECEIVED DECEMBER 19, 1952, PURSUANT TO PUBLISHED NOTICE OF INTENTION TO RECEIVE BIDS FOR A GAS LEASE ON THE GREY LODGE REFUGE, BUTTE COUNTY, AND TO DEFER REOFFERING THE AREA FOR LEASE FOR A PERIOD OF NOT TO EXCEED 60 DAYS, DURING WHICH TIME A REPORT WILL BE MADE TO THE COMMISSION ON THE RESULTS OF A CONFERENCE WITH THE OIL INDUSTRY RELATIVE TO BASES FOR FUTURE OIL AND GAS LEASE OFFERS.

9. (DISCHARGE OF GEORGE ROSENBERG, ACCOUNTANT-AUDITOR, GRADE I - PERSONNEL.) Pursuant to telegraphic authority from the Chairman of the State Lands Commission, having also received the oral concurrence of Lieutenant Governor Knight at 3.30 p.m., December 15, 1952, the Executive Officer discharged George Rosenberg, Accountant-Auditor, Grade I, an employee of the Division of State Lands, at 4.45 p.m., December 15, 1952. The discharge was made pursuant to the provisions of Sections 19572 and 19574 of the Government Code.

Prior to service of notice, the incident was fully discussed with the Office of the Attorney General, where the notice was prepared, and the action taken was with the advice and concurrence of that office.

In order to formalize the action of the Commission,

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED CONFIRMING THE ACTION TAKEN BY THE EXECUTIVE OFFICER IN THE DISCHARGE OF GEORGE ROSENBERG, ACCOUNTANT-AUDITOR, GRADE I.