

3. Filling the several tide land blocks owned by Mr. Kappas in the immediate vicinity of Rosedale Canal; and
4. Filling completely, to an elevation of plus 8.0 feet above mean lower low water, Madrona, Pescadero, Petaluma and the intervening streets between Mr. Kappas' blocks.

The Staff believes that as a matter of policy it is not desirable to have concurrent permits in existence. Since Mr. Zaro does not wish to start operations until the Highway project has been completed, and since Mr. Kappas wishes to start his proposed expanded project immediately, which, in and of itself, will not be inconsistent with or injurious to Mr. Zaro's general plan, it is believed that Permit P.R.C. 772.9 should be cancelled in so far as it conflicts with Permit P.R.C. 856.9 as it is to be amended.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE EXECUTIVE OFFICER IS AUTHORIZED TO CANCEL PERMIT P.R.C. 772.9, ISSUED TO GEORGE L. ZARO ON SEPTEMBER 30, 1952, FOR THE DREDGING AND FILLING OF CERTAIN TIDE AND SUBMERGED LANDS IN THE IMMEDIATE VICINITY OF ROSEDALE AND SAUGELITO CANALS IN SO FAR AS SAID PERMIT CONFLICTS WITH PERMIT P.R.C. 856.9 AS AMENDED, ISSUED TO GEORGE KAPPAS ON OCTOBER 27, 1953, FOR THE DREDGING AND FILLING OF CERTAIN TIDE AND SUBMERGED LANDS IN ROSEDALE AND SAUGELITO CANALS, MARIN COUNTY.

30. (FEDERAL CONDEMNATION, SPANISH BIGHT, CASE NO. U.S.D.C. 444-SD - W.O. 216, GEO.-SAN DIEGO CO.) On March 22, 1944, the United States filed a condemnation case against the City of Coronado and the State of California for taking of Spanish Bight, a bay lying in San Diego Bay between North Island and the City of Coronado. Subsequent to filing the condemnation, the Federal Government, for the benefit of the Navy, filled in Spanish Bight and erected a bulkhead across the former Bight on the San Diego Bay side. Of the area taken, 131 acres had been granted to the City of Coronado by Chapter 49 of 1923, as amended by Chapter 1013 of 1949. Outside of this granted area and up to the constructed bulkhead there are 55 acres, plus or minus, in the bed of Spanish Bight, subsequently filled by the Navy, which are under the jurisdiction of the State Lands Commission.

The case has never been called up for trial. Negotiations for settlement of the case have proceeded over the years. On September 13, 1946 (Item 24, Minute page 677), the Commission authorized negotiations with the Navy to see whether an agreement could be reached to settle the case.

On June 21, 1954, another conference was held in the Public Works Office of the Eleventh Naval District in San Diego between representatives of the Navy, of the United States Attorney's Office, of the Attorney General's Office, and a member of the Staff of the State Lands Commission. At this conference it was suggested that a price might be agreed to and a stipulation entered into based upon negotiations resulting from appraisals made by the City of Coronado and the Navy. Such a basis for payment would result in the State getting approximately \$50,000 for its 55 acres if payment is received within six months of a stipulated date; otherwise that sum is to be augmented by 6% per annum, beginning with the sixth month, to date of payment. This price for the State land seems to be reasonable when it is considered that the area is to be used by the United States as a part of a Naval installation.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE EXECUTIVE OFFICER IS AUTHORIZED TO REQUEST THE ATTORNEY GENERAL TO ENTER INTO A STIPULATION IN CASE NO. U.S.D.C. 414-SD WHEREIN THE STATE WILL RECEIVE APPROXIMATELY \$50,000 FOR THE 55 ACRES, PLUS OR MINUS, IN SPANISH BIGHT INVOLVED IN THIS ACTION, IF PAYMENT IS RECEIVED WITHIN SIX MONTHS OF A STIPULATED DATE; OTHERWISE THAT SUM TO BE AUGMENTED BY 6% PER ANNUM, BEGINNING WITH THE SIXTH MONTH, TO DATE OF PAYMENT.

31. (APPLICATION FOR ADVANCE APPROVAL OF LEASES, TIDE AND SUBMERGED LANDS, PACIFIC OCEAN, VENTURA AND SANTA BARBARA COUNTIES, McCAMMON-WUNDERLICH COMPANY - W.O. 1888.) The McCammon-Wunderlich Company, which has contracted with the Division of Highways to improve and widen a portion of Highway U. S. 101 between Rincon and Punta Gorda, Ventura County, has proposed to import necessary rock and gravel from Santa Cruz Island. To facilitate this operation, the applicant plans to construct rock breakwaters, ramps and ferry slips on tide and submerged lands in the Pacific Ocean at Punta Gorda, Ventura County, and at Santa Cruz Island, Santa Barbara County.

The U. S. Corps of Engineers, Division of Highways, the upland owner, the owner of Santa Cruz Island, and the Ventura County Planning Commission have verbally consented to the proposed installations.

It is believed that the structures will cause some erosion and scouring southerly therefrom; however this will in part be offset by its deterrent effect on wave action from the north. There are no public beaches in existence or contemplated immediately southerly thereof.

Accordingly, the McCammon-Wunderlich Company desires two maximum term leases of tide and submerged lands at the above locations. The engineering of this project has not as yet been completed; thus the extent of State lands to be occupied is somewhat conjectural; however, it is believed that due to the probable extent and location of said lands, the minimum annual rental of \$100 will be applicable for each lease. The applicant has agreed to provide detailed engineering plans for this project shortly, and to deposit performance bonds in the amount of one-half of the construction cost of the Punta Gorda structure to insure its removal, and \$25,000 to provide for possible erosive damage caused by it to property owners southerly thereof. The Santa Cruz Island structure will have no appreciable erosive effect objectionable to the Island's owner.

The applicant and the Division of Highways have advised that certain essential preparations must be made immediately. Before proceeding with these preparations, the applicant wishes assurance in the form of advance approval by the Commission that leases will be issued, provided that detailed engineering, said performance bonds, and the usual information, expense deposits, and filing fees are supplied. It should be noted that it is contemplated that the highway project will take approximately two years to complete, and is to commence as soon as possible.

The applicant has requested that Mr. James F. Seger be substituted in its stead, and that any leases or permits be issued to him. This matter can be handled by means of an assignment from McCammon-Wunderlich Company to Mr. Seger.