

of the ultimate owner. It was further brought out that California's act (Chapter 7 of the Statutes of 1951) did provide for the earning of interest on the money impounded, with the credit going to the impound. However, as the 1951 act was tied to a then existing stipulation in the case of the United States v. California, which has expired, it probably would take a new act of the Legislature to permit impounding and investments for earning of interest.

SUMMARY

"It seemed to be the conclusion by both the State and the representatives of the Department of the Interior that each side would present to its respective superior officers a plan taking into consideration the above items, and that at a later date a further conference would be held."

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

THE STATE LANDS COMMISSION AUTHORIZES THE STAFF OF THE COMMISSION, IN CONJUNCTION WITH REPRESENTATIVES OF THE ATTORNEY GENERAL'S OFFICE, TO PURSUE FURTHER THE NEGOTIATIONS WITH REPRESENTATIVES OF THE DEPARTMENT OF THE INTERIOR LOOKING TOWARDS THE LEASING OF SUBMERGED LANDS L. AREAS IN DISPUTE WITH THE UNITED STATES AS SPECIFIC NOMINATIONS ARE MADE EITHER TO THE UNITED STATES OR TO THE STATE OF CALIFORNIA, AND THAT EACH CASE BE CONSIDERED ON ITS INDIVIDUAL MERITS WITHOUT IN ANY WAY DISTURBING THE PRESENT CLAIMS OF CALIFORNIA TO JURISDICTION OVER SUCH LANDS; REVENUE TO BE OBTAINED IS TO BE DIVIDED EQUALLY BETWEEN THE UNITED STATES AND CALIFORNIA OR IMPOUNDED FOR APPROPRIATE DISTRIBUTION AS A RESULT OF FINAL ADJUDICATION OR AN ACT OF CONGRESS.

9. (AUTHORIZATION FOR EXTRACTION OF SAND AND GRAVEL, SAN FRANCISCO BAY AND VICINITY, DIVISION OF HIGHWAYS - W. O. 2413, P.R.C. 1822.9.) The following report was presented to the Commission:

"An application has been received from the Division of Highways pursuant to Section 101.5 of the Streets and Highways Code for an authorization to remove not to exceed 1,100,000 cubic yards of material from the Fort Knox and Presidio Shoal areas of San Francisco Bay and the Potato Patch Shoal area offshore from San Francisco for use in freeway construction in San Mateo County. Authorization has been granted by the Commission heretofore, April 27, 1954 (Minute Item 20, pages 2073-2074) for the removal by the Division of Highways of a maximum amount of 700,000 cubic yards of material from the Fort Knox and Presidio Shoal areas. No material has been removed under this authorization. Removal of sand and gravel from the same area is also authorized under nonexclusive mineral extraction Lease P.R.C. 709.1, issued February 14, 1952 to Construction Aggregates Corporation. No materials have been extracted under this lease to date.

"Section 101.5 of the Streets and Highways Code provides that the Department of Public Works may file for record with the State Lands Division such maps as are necessary to furnish an accurate

description of the lands which are needed as a source of materials for the construction, maintenance or improvement of any highway, and upon such approval of such maps by the State Lands Division, the lands described therein are reserved for such use by the Department of Public Works."

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE MAP PRESENTED BY THE DIVISION OF HIGHWAYS PURSUANT TO SECTION 101.5 OF THE STREETS AND HIGHWAYS CODE AND TO AUTHORIZE THE REMOVAL OF NOT TO EXCEED 1,100,000 CUBIC YARDS OF MATERIAL FROM THE FORT KNOX, PRESIDIO AND POTATO PATCH SHOAL AREAS OF SAN FRANCISCO BAY AND VICINITY FOR USE IN FREEWAY CONSTRUCTION IN SAN MATEO COUNTY. THIS AUTHORIZATION IS TO SUPERSEDE THE AUTHORIZATION GRANTED BY THE STATE LANDS COMMISSION APRIL 27, 1954 (MINUTE ITEM 20, PAGES 2073-2074).

10. (RESERVATION OF MINERALS, PARCELS 4, 5 AND 6, CHAPTER 979, STATUTES OF 1955, TULARE COUNTY - GEO.-TULARE CO.) The following report was presented to the Commission:

"On August 15, 1956, pursuant to a request by the Property Acquisition Division of the Department of Finance (Minute Item 17, pages 2776-77), the Commission authorized the Executive Officer to advise the Property Acquisition Division that reservation to the State of mineral rights was not recommended in the proposed sale of Parcels 4, 5, and 6, Ch. 979/55 because of the absence of any current known mineral value.

"On September 24, 1956 the Property Acquisition Division reported further with respect to the subject property in part as follows:

'Without in any sense attempting to refute or question the findings of your staff to the effect that the likelihood of mineral development in this immediate area is unlikely, I should like to request respectfully that you re-examine the conclusion reached wherein there would be no reservation of mineral rights in our proposed sale of the surplus three parcels.

'This request is based first on the premise that the property to be retained and used by the State for hospital purposes is immediately contiguous to the surplus property. Should it develop at some date that mineral deposits are found to underlie this general area, it would seem feasible to whipstock the surplus parcels from a site or sites on the hospital property without the necessity for disturbing the surface or impairing the surface use of the surplus parcels. Secondly, it is my opinion that the surplus properties, when sold, will not be depreciated in value if the State elects to retain the mineral rights without the right to explore from the surface.'