

MINUTE ITEM

9. PROPOSED MINERAL EXTRACTION LEASE, TUOLUMNE RIVER, STANISLAUS COUNTY -
W.O. 3258, P.R.C. 2497.1.

After consideration of Calendar Item 13 attached, and upon motion duly
made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO ISSUE A MINERAL EXTRACTION LEASE TO
M. J. RUDDY AND SON, THE HIGHEST QUALIFIED BIDDER, IN ACCORDANCE WITH THE
PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, FOR THE 18-ACRE
PARCEL OF SOVEREIGN LAND IN THE BED OF THE TUOLUMNE RIVER, STANISLAUS
COUNTY, AS DETAILED IN THE PUBLISHED NOTICE OF INTENTION UNDER W.O. 3258,
SUBJECT TO THE PAYMENT OF A ROYALTY IN ACCORDANCE WITH THE FOLLOWING
SCHEDULE:

FOR ALL SAND AND GRAVEL EXTRACTED

$R = 0.06 + 0.005 (C - 30)$ PER CUBIC YARD

FOR THE FIRST YEAR OF THE LEASE THE ROYALTY SHALL BE \$0.065 PER CUBIC YARD
OF SAND AND GRAVEL EXTRACTED.

A PERFORMANCE BOND IN THE PENAL SUM OF \$5,000 IS TO BE DEPOSITED BY THE
LESSEE TO GUARANTEE THE FAITHFUL PERFORMANCE AND OBSERVANCE OF ALL THESE
CONDITIONS.

Attachment
Calendar Item 13 (1 page)

CALENDAR ITEM

13.

PROPOSED MINERAL EXTRACTION LEASE, TUOLUMNE RIVER, STANISLAUS COUNTY -
W.O. 3258.

On November 2, 1959, one bid was received in response to a published notice of intention of the State Lands Commission to enter into a lease for the extraction of sand and gravel from 18 acres of sovereign land in the bed of the Tuolumne River, Stanislaus County.

Publication of this offer was authorized by the Commission on August 27, 1959 (Minute Item 24, page 5216). The sole bidder, M. J. Ruddy and Son, complied with the terms and conditions of the proposal and offered a royalty of \$0.06 per cubic yard, plus an additional $\frac{1}{2}$ of 1% of the sales price in excess of \$0.30 per cubic yard, and a royalty of \$0.065 per cubic yard of sand and gravel extracted during the first year of the lease.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE A MINERAL EXTRACTION LEASE TO M. J. RUDDY AND SON, THE HIGHEST QUALIFIED BIDDER, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, FOR THE 18-ACRE PARCEL OF SOVEREIGN LAND IN THE BED OF THE TUOLUMNE RIVER, STANISLAUS COUNTY, AS DETAILED IN THE PUBLISHED NOTICE OF INTENTION UNDER W.O. 3258, SUBJECT TO THE PAYMENT OF A ROYALTY IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

FOR ALL SAND AND GRAVEL EXTRACTED

$$R = 0.06 + 0.005 (C - 30) \text{ PER CUBIC YARD}$$

FOR THE FIRST YEAR OF THE LEASE THE ROYALTY SHALL BE \$0.065 PER CUBIC YARD OF SAND AND GRAVEL EXTRACTED.

A PERFORMANCE BOND IN THE PENAL SUM OF \$1,000 IS TO BE DEPOSITED BY THE LESSEE TO GUARANTEE THE FAITHFUL PERFORMANCE AND OBSERVANCE OF ALL THESE CONDITIONS.