

MINUTE ITEM

13. APPLICATION FOR APPROVAL OF TERMINATION AND CANCELLATION OF LEASE P.R.C. 1689.1, ACCEPTANCE OF QUITCLAIM DEED, AND APPROVAL OF REQUEST FOR REFUND OF \$8,841.75, REPRESENTING FUNDS ON DEPOSIT WITH THE STATE TREASURER AS PERFORMANCE SURETY, UTAH CONSTRUCTION AND MINING COMPANY - W.O. 3918.

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:

1. TO ACCEPT, ON BEHALF OF THE STATE OF CALIFORNIA, THE NOTICE OF CANCELLATION AND TERMINATION OF LEASE P.R.C. 1689.1 FROM UTAH CONSTRUCTION AND MINING COMPANY, THE LESSEE.
2. TO ACCEPT, ON BEHALF OF THE STATE OF CALIFORNIA, A QUITCLAIM DEED FROM SAID UTAH CONSTRUCTION AND MINING COMPANY.
3. UPON RECEIPT OF SAID QUITCLAIM DEED, TO EXECUTE AND FILE A CLAIM WITH THE STATE CONTROLLER AGAINST THE STATE LANDS DIVISION'S SPECIAL TRUST ACCOUNT, PROVIDING FOR A REFUND TO UTAH CONSTRUCTION AND MINING COMPANY OF THE CASH DEPOSIT PLACED IN CONNECTION WITH THE ISSUANCE OF LEASE P.R.C. 1689.1, IN THE AMOUNT OF \$8,841.75.

Attachment
Calendar Item 13 (2 pages)

CALENDAR ITEM

13.

APPLICATION FOR APPROVAL OF TERMINATION AND CANCELLATION OF LEASE P.R.C. 1689.1, ACCEPTANCE OF QUITCLAIM DEED, AND APPROVAL OF REQUEST FOR REFUND OF \$8,841.75, REPRESENTING FUNDS ON DEPOSIT WITH THE STATE TREASURER AS PERFORMANCE SURETY, UTAH CONSTRUCTION AND MINING COMPANY - W.O. 3918.

Lease P.R.C. 1689.1, covering 379 acrer of tide and submerged lands on Carquinez Strait, Martinez, Contra Costa Courty, was issued May 18, 1956, for a term of 60 years to Utah Construction Company, now known as Utah Construction and Mining Company. The Lessee has the right to cancel the lease agreement upon certain conditions which have been complied with.

Paragraph 2 of the lease provides for "...a cash deposit in an amount equal to the first year's rental.. (or \$8,841.75) "...which latter amount shall be held by the State to guarantee future payments of rent, payment of any and all damages suffered by State by reason of the tenancy of said premises by Lessee, and the full and faithful performance of any and all covenants and agreements undertaken by the Lessee in the foregoing lease. Said deposit or so much thereof as remains after Lessee's obligations and liabilities to State hereunder have been satisfied shall be refunded to Lessee upon the termination of this lease."

"...in the event of termination of this agreement under the provisions of this paragraph, no portion of any rental, paid in advance, shall be refundable, but any deposit made by Lessee to the State shall be refunded; provided, however, that prior to the 18th day of March 1961, Lessee may give to the State notice of cancellation and termination of this lease, which termination shall then be effective sixty (60) days thereafter provided the consent of the holder of any mortgage or deed of trust of the leasehold estate hereby created is also obtained."

A notice of cancellation and termination of Lease P.R.C. 1689.1, together with a request for refund of \$8,841.75, was received from Utah Construction and Mining Company, by the State Lands Division on March 14, 1961, via Registered Mail. (See Exhibit "A".)

The State Lands Division has received statements from Utah Construction and Mining Company (see Exhibit "B"), and Western Title Guaranty Company (see Exhibit "C"), to the effect that "...the leasehold was not encumbered from May 1, 1956 to March 31, 1961 at 8:00 a.m..."

The annual rental has been paid to the lease anniversary date, May 18, 1961.

IT IS RECOMMENDED THAT THE EXECUTIVE OFFICER BE AUTHORIZED:

1. TO ACCEPT, ON BEHALF OF THE STATE OF CALIFORNIA, THE NOTICE OF CANCELLATION AND TERMINATION OF LEASE P.R.C. 1689.1 FROM UTAH CONSTRUCTION AND MINING COMPANY, THE LESSEE.

CALENDAR ITEM 13 (CONTD.)

2. TO ACCEPT, ON BEHALF OF THE STATE OF CALIFORNIA, A QUITCLAIM DEED FROM SAID UTAH CONSTRUCTION AND MINING COMPANY.
3. UPON RECEIPT OF SAID QUITCLAIM DEED, TO EXECUTE AND FILE A CLAIM WITH THE STATE CONTROLLER AGAINST THE STATE LANDS DIVISION'S SPECIAL TRUST ACCOUNT, PROVIDING FOR A REFUND TO UTAH CONSTRUCTION AND MINING COMPANY OF THE CASH DEPOSIT PLACED IN CONNECTION WITH THE ISSUANCE OF LEASE P.R.C. 1689.1, IN THE AMOUNT OF \$8,841.75.