

5/27/65

36. REPORT ON STATUS OF MAJOR LITIGATION - W.O.s 2716, 4600, 4721, 503.461, AND 1839.16.

In addition to the written report on the status of major litigation, Calendar Item 26 attached, the following supplemental oral reports were given:

United States vs. State of California, Case No. 5 Original in the United States Supreme Court

Assistant Attorney General Jay L. Shavelson reported on the State's disappointment with the decision in this case. The basic position of California in the lawsuit was that it was the intention of Congress to uphold California's historical expectations as to what constituted its boundaries (i.e., that the outer boundary of the State for purposes of the Submerged Lands Act would be seaward of the outermost islands or, in the alternative, in Southern California, across Santa Monica and San Pedro Rays, and also in Central California across Monterey Bay). The Court denied this contention, and stated that it was the foreign policy of the United States and the international law which were determinative. Many of California's major claims were denied; however, the State is in a better position than it was under the Special Master's Report rendered in 1953.

Mr. Shavelson further reported that the Court has ordered the parties to submit a proposed decree by September 1, 1965, and, as the Court will not reconvene until October, it will be some period after that time before differences in the proposed decrees can be reconciled and a final decree issued.

City of Morro Bay vs. County of San Luis Obispo and State of California, Case No. 30417 in the San Luis Obispo County Superior Court

Deputy Attorney General Paul M. Joseph supplemented the written report on this case, stating that the City of Morro Bay took over administration of the granted tide and submerged lands about May 17, 1965, and that the lawsuit is going to be settled. However, certain differences between the City and the County are still being litigated. The State Lands Commission and the Office of the Attorney General are helping to smooth over the situation and seeing that the City administers the tidelands trust.

Attachment
Calendar Item 26 (2 pages)

CALENDAR ITEM

INFORMATIVE

26.

STATUS OF MAJOR LITIGATION - W.O.s 2716, 4600, 4721, 503.461, AND 1839.16.

The following information is current as of May 13, 1965:

1. Case No. 747552 (now consolidated with Case No. 649466) W.O. 2716
People vs. City of Long Beach, et al.
Los Angeles County Superior Court
(Long Beach Boundary Determination, Chapter 2000/57)

No change since report of March 10, 1965; i.e., since the Contractors' Agreement, Long Beach Unit, Wilmington Oil Field, has now been executed by the City of Long Beach, the City and the State are now authorized and directed, under the provisions of Section 8 of Chapter 138/64, 1st P.S., to enter into appropriate stipulations for the purpose of establishing the boundary line described in Section 7 of Chapter 138. Such stipulations are expected to be consummated in the near future.

2. Case No. 805548 Civil W.O. 4600
Carl Whitson - City Manager, City Auditor, City of Long Beach; State Lands Commission; State of California
Los Angeles County Superior Court
(Long Beach Unit and Long Beach Oil Revenues)

(Complaint for injunction and Declaratory Relief, praying that City Manager be enjoined from signing the proposed Long Beach Unit Agreement; that the City of Long Beach be enjoined from paying any oil or gas funds to the State of California; that it be declared that the private owners of Town Lots in the City of Long Beach are not bound by the Unit Agreement.)

Stipulation filed continuing time to plead indefinitely.
Case can be reactivated upon 30 days' notice by any party.

3. Case No. 5 Original in the United States Supreme Court W.O. 4721
United States vs. State of California
(Relating to the location of the offshore boundaries between lands under the paramount jurisdiction of the United States and lands owned by the State, for such purposes as minerals.)

(The immediate issues raised are whether the old case of the United States vs. State of California, which has been dormant since December of 1952, is moot or whether it can be reactivated despite the passage of the Submerged Lands Act of 1953.)

No change since report of January 15, 1965; i.e., this case was argued by Special Assistant Attorney General Richard Keatinge on December 7 and 8, 1964. The matter is now under submission, awaiting a decision by the United States Supreme Court.

INFORMATIVE CALENDAR ITEM 26. (CONTD.)

4. Case No. 30417

W.O. 503.461

City of Morro Bay vs. County of San Luis Obispo and
State of California
San Luis Obispo County Superior Court

(By Chapter 1076, Statutes of 1947, certain tide and submerged lands in the vicinity of Morro Bay were granted to the County of San Luis Obispo. On July 17, 1964, the City of Morro Bay was incorporated so as to include the area of the granted tide-lands. The purpose of the present action is to determine whether or not the City of Morro Bay acquired title to these tide and submerged lands, as successor to the County, and whether the City must take immediate title to such lands or may postpone taking title to some future date.)

No change since report of April 15, 1965; i.e., it had been anticipated that the City of Morro Bay and the County of San Luis Obispo would be able to resolve their differences by means of an agreement sharing the costs of existing and future litigation affecting title to the Morro Bay tidelands. Unfortunately, these negotiations between the City and the County seem to have broken down, at least for the time being, and the litigation between the City and the County is proceeding. The City, by means of a Cross Complaint, has alleged mismanagement of the trust by the County of San Luis Obispo. The Attorney General has suggested that the State Lands Division look into the City's charges, pursuant to the Commission's authority under Section 6301 of the Public Resources Code, to ascertain whether such charges, in fact, have any validity. The Attorney General will take all steps possible to obtain a quick resolution of the pending controversies, so that the trust administration can proceed in the best interests of the local entities and of the State.

5. Case No. 55800

W.O. 1839.16

People vs. Monterey Sand Co. et al.
Monterey County Superior Court

(Action for declaratory relief, damages for trespass, quiet title, accounting, and injunction. It is alleged that the Monterey Sand Company is trespassing upon tide and submerged lands owned by the State, and is removing valuable sand deposits from said lands without paying any royalty to the State.)

Awaiting answer by Defendants, which is due not later than May 31, 1965.