

MINUTE ITEM

6/28/66

3. PROPOSED LEASE FOR SAND AND GRAVEL EXTRACTION, RUSSIAN RIVER, SONOMA COUNTY - W.O. 5293, P.R.C. 3502.1.

After consideration of Calendar Item 3 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION ACCEPTS THE BID MADE BY UTAH CONSTRUCTION & MINING CO. ON JUNE 20, 1966, AND AUTHORIZES THE ASSISTANT EXECUTIVE OFFICER TO ISSUE A SAND AND GRAVEL EXTRACTION LEASE TO THE AFORESAID BIDDER FOR APPROXIMATELY 325 ACRES OF SOVEREIGN LANDS DESIGNATED AS W.O. 5293, IN THE RUSSIAN RIVER, SONOMA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION PUBLISHED MAY 3, 1966; THE CONSIDERATION FOR SAID LEASE BEING AN ANNUAL RENTAL OF \$325.00, A ROYALTY BID OF SIX CENTS PER CUBIC YARD FOR ALL SAND AND GRAVEL EXTRACTED, SUBJECT TO AUTOMATIC INCREASES AS PROVIDED IN PARAGRAPH 3 OF SAID LEASE, AND IN LIEU OF MONETARY ROYALTY TEN PARCELS OF REAL PROPERTY CONTAINING A TOTAL OF 240 ACRES MORE OR LESS, VALUED AT \$1,250.00 PER ACRE, WHICH THE STATE ACCEPTS, TO THE EXTENT OF THE AFORESAID VALUE OF THE REAL PROPERTY, AND IN ACCORDANCE WITH THE TERMS OF THE LEASE, IN THE SEQUENTIAL ORDER IN WHICH THEY ARE NUMBERED ON THE MAP IN APPENDIX I ATTACHED TO THE BID-LEASE, AND AUTHORIZES THE ASSISTANT EXECUTIVE OFFICER TO EXECUTE ALL DOCUMENTS NECESSARY TO THE ISSUANCE OF THIS LEASE.

Attachment

Calendar Item 3 (2 pages)

3.

PROPOSED LEASE FOR SAND AND GRAVEL EXTRACTION, RUSSIAN RIVER, SONOMA COUNTY - W.O. 5293.

On June 20, 1966, 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 approximately 325 acres of sovereign lands designated as W.O. 5293. This offer was authorized by the Commission on April 28, 1965 (Minute Item 41, page 12,613).

Pursuant to Section 5006.4 of the Public Resources Code, provision was made in the proposal for the acceptance of real property in lieu of monetary royalty. Only one bid was received. This bid included an offer of real property under option to the bidder. As required by the statute, the Director of Parks and Recreation and the Administrator of the Resources Agency have found that the acquisition of the offered real property would be of substantial benefit as recreational land. The advice of the Administrator, as required by Section 6303.2 of the Public Resources Code, has been received and is on file in the office of the Commission. The Director of General Services has given his approval pursuant to Government Code Section 11005 to the acceptance, as offered, of the property described in the bid, and said approval is likewise on file in the office of the Commission.

The bidder has submitted the proffered real property, divided into 10 parcels. The property is offered at the appraised value of \$1,250.00 per acre, which concurs with the finding of value by the Director of General Services and the Executive Officer of the State Lands Commission. The lease provides for a royalty of six cents per cubic yard of commercially valuable sand and gravel extracted and removed, plus a bid factor consisting of an additional amount per cubic yard. The bid received contains a bid factor of 0.00, so that the bid is six cents per cubic yard, subject to automatic increases as provided in Paragraph 3 of the lease.

The Office of the Attorney General reviewed the bid submitted by Utah Construction & Mining Co., and determined:

- A. That the Commission has complied with the procedural requirements of law;
- B. That the bid submitted conforms with:
 - (1) The bid requirements as specified in the proposal of the Commission;
 - (2) The applicable provisions of law; and
 - (3) The rules and regulations of the Commission.

IT IS RECOMMENDED THAT THE COMMISSION ACCEPT THE BID MADE BY UTAH CONSTRUCTION & MINING CO. ON JUNE 20, 1966, AND AUTHORIZE THE ASSISTANT EXECUTIVE OFFICER TO

CALENDAR ITEM 3. (CONTD.)

ISSUE A SAND AND GRAVEL EXTRACTION LEASE TO THE AFORESAID BIDDER FOR APPROXIMATELY 325 ACRES OF SOVEREIGN LANDS DESIGNATED AS W.O. 5293, IN THE RUSSIAN RIVER, SONOMA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION PUBLISHED MAY 3, 1966; THE CONSIDERATION FOR SAID LEASE BEING AN ANNUAL RENTAL OF \$325.00, A ROYALTY BID OF SIX CENTS PER CUBIC YARD FOR ALL SAND AND GRAVEL EXTRACTED, SUBJECT TO AUTOMATIC INCREASES AS PROVIDED IN PARAGRAPH 3 OF SAID LEASE, AND IN LIEU OF MONETARY ROYALTY TEN PARCELS OF REAL PROPERTY CONTAINING A TOTAL OF 240 ACRES MORE OR LESS, VALUED AT \$1,250.00 PER ACRE, WHICH THE STATE ACCEPTS, TO THE EXTENT OF THE AFORESAID VALUE OF THE REAL PROPERTY, AND IN ACCORDANCE WITH THE TERMS OF THE LEASE, IN THE SEQUENTIAL ORDER IN WHICH THEY ARE NUMBERED ON THE MAP IN APPENDIX I ATTACHED TO THE BID-LEASE, AND AUTHORIZE THE ASSISTANT EXECUTIVE OFFICER TO EXECUTE ALL DOCUMENTS NECESSARY TO THE ISSUANCE OF THIS LEASE.