

MINUTE ITEM

This Calendar Item No. C13
was approved as Minute Item
No. 13 by the State Lands
Commission by a vote of 2
to 0 at its 12/19/77 CALENDAR ITEM
meeting.

C13.

12/77
PRC 1500.1
Barton

SETTLEMENT AGREEMENT

In 1966 the State Lands Commission approved the partial assignment of the subject mineral extraction lease from the original lessee, the Schultz Investment Company, to the Marin County Flood Control and Water Conservation District. Attached to the original lease was a page entitled Exhibit "A", which provided that the lessee was to extract and pay royalty on a minimum amount of material each lease year. The original lessor began dredging operations under the lease which in his estimation, included Exhibit "A". Since Exhibit "A" was physically attached to the original lease but was not incorporated or mentioned in the assigned lease, and since the District claims it was unaware of its existence at the time of the assignment, there has been a dispute between the two agencies which has gone unresolved.

After some negotiation with the Marin County Counsel, a settlement has been arrived at which is satisfactory to both parties. The District will pay to the State the amount of \$1,300 and in return, the State agrees to amend Lease PRC 1500.1 to eliminate Exhibit "A" as attached to Lease PRC 1500.1 effective January 1, 1972.

A Settlement Agreement was adopted by the Marin County Board of Supervisors and the Marin County Flood Control District on October 19, 1977.

In the meantime, the original lease terminated March 31, 1975, and the District is making a new application for maintenance dredging.

EXHIBIT: Location Map.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE THE AGREEMENT, WITH THE MARIN COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT WHICH PROVIDES THAT THE DISTRICT PAY THE SUM OF \$1,300 TO THE STATE AND THE STATE AGREES TO AMEND LEASE PRC 1500.1, TO ELIMINATE EXHIBIT "A" AS ATTACHED TO LEASE PRC 1500.1 EFFECTIVE JANUARY 1, 1972.

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