

The issuance of the prospecting permit is to be subject to notice to the Department of the Interior and the provisions, if any, of the stipulation entered into between the Attorney General of the United States and the Attorney General of California dated July 26, 1947, as extended in 1948 and 1949.

47. (Sacramento Yacht Club, Inc., - Application for lease of tide and submerged lands in Sacramento River adjacent to Miller Park, Sacramento - W.O. 570, P.R.C. 487) The Commission was informed that the Sacramento Yacht Club, Inc., a non-profit corporation, has applied for a lease of approximately 2.41 acres of tide and submerged lands in Sacramento River adjacent to the Sacramento City owned Miller Park. The City of Sacramento by Resolution No. 854 has granted the Yacht Club the right of ingress and egress across the park. The lease is desired for the purpose of constructing and using floating wharves and anchoring a club house barge for recreational purposes. A permit for the installation has been issued by the United States Corps of Engineers.

Mr. G. A. Tilton appeared before the Commission and advised that the Sacramento Yacht Club is a non-profit organization; the location desired is temporary; that a short term lease should be issued; that rental should be nominal; and that no performance bond should be required.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the issuance of a lease to the Sacramento Yacht Club for one year with the right of renewal, at an annual rental of \$50.00, subject to the filing of a bond in the amount of \$200.00.

48. (Sale of Vacant School Land, Application No. 4707, Sacramento Land District, Inyo County - City of Los Angeles - Sac.W.O. 191) The Commission was informed that an offer has been received from City of Los Angeles (through its Department of Water and Power) to purchase the SW $\frac{1}{4}$, Lot 1 of NW $\frac{1}{4}$, W $\frac{1}{2}$ of Lot 2 of NW $\frac{1}{4}$ of Section 3, E $\frac{1}{2}$ of Lots 1 and 2 of NE $\frac{1}{4}$ of Section 4, NW $\frac{1}{4}$, SW $\frac{1}{4}$ of NE $\frac{1}{4}$, E $\frac{1}{2}$ of SW $\frac{1}{4}$, W $\frac{1}{2}$ of SE $\frac{1}{4}$ of Section 10, NW $\frac{1}{4}$ of NE $\frac{1}{4}$, N $\frac{1}{2}$ of NW $\frac{1}{4}$, SW $\frac{1}{4}$ of NW $\frac{1}{4}$ and NW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 15, NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 22, NW $\frac{1}{4}$ of NE $\frac{1}{4}$, E $\frac{1}{2}$ of E $\frac{1}{2}$, SE $\frac{1}{4}$ of SW $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 27, NW $\frac{1}{4}$ of NE $\frac{1}{4}$ and E $\frac{1}{2}$ of E $\frac{1}{2}$ of Section 34, and SW $\frac{1}{4}$ of Section 35, T. 20 S., R. 37 E., M.D.M., containing 1599.43 acres in Inyo County.

The Commission was further informed that this school land (lieu land) was acquired by the State from the Federal Government and is impressed with the trust for the benefit of schools set forth in Section 4 of Article 9 of the Constitution. The Legislature by Chap. 352 of the State, of 1909 granted municipal corporations rights of way over public lands of the State for maintenance of water works. Under this statute, which requires no rental for the State land used, the City of Los Angeles has constructed its Haiwee Reservoir, the lower Owens Valley terminal reservoir of the Los Angeles Aqueduct. Because it is school land, from time to time requests have been made to the State by private persons for purchase of lands adjoining the reservoir. The right to fish in the waters has been denied citizens by the City of Los Angeles because of possible water contamination. In order to obtain unquestionable control the City of Los Angeles has made an offer of \$7,997.15 or \$5.00 per acre. The Assessor of Inyo County has assessed contiguous land at \$2.00 per acre, thus indicating an appraised value of the land of \$4.00 per acre. An appraisal by the Commission's staff indicates that the offer as made is adequate.

That portion of the land not covered by water is strictly desert land, very rough, broken and cut by washes, unsuitable for cultivation, very poor grazing, and except for the value to the City of Los Angeles for reservoir purposes, the land is practically worthless.

The lands being occupied by the Haiwes Reservoir should not be sold into private ownership.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the sale of the above-described lands to the City of Los Angeles, without advertising, at a cash price of \$7,997.15, subject to all statutory reservations, including minerals.

49. (Contract - Aerial Photography Services - W.O. 563) The Commission was informed that in connection with the survey work being performed by the Division's Survey Party, at Pt. Reyes, Antioch, Redwood Creek and Petaluma Creek, which surveys are being performed for the purpose of settling boundary disputes, it has been deemed advisable to contract for aerial flight strips over a portion of the areas involved. Not only will the aerial surveys permit work to be completed more promptly, but it is estimated that approximately three months working time of the Division's Survey Party will be saved. The cost of operating this party in the field is approximately \$150.00 per day. Inasmuch as a considerable portion of the survey project can be performed by means of aerial survey at an overall cost of \$1620.00, this method of performing the work will result in a considerable saving to the State.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the ratification of the action of its Chairman in executing a contract with Pacific Air Industries providing for aerial surveys at Pt. Reyes, Antioch, Redwood Creek and Petaluma Creek, said agreement being known as Contract LC 104 dated September 21, 1949, in the amount of \$1,620.00.

50. (Spreckels Realization Company - Application for lease of tide and submerged lands in San Francisco Bay - W.O. 207 - P.R.C. 483, P.R.C. 489) The Commission was informed that the Spreckels Realization Company of San Francisco, California, successor to the J. D. and A. B. Spreckels Company, has made application to the State Lands Commission for leases of portions of Water Front Street lying between the center line, extended, of Humboldt Street and the north line of Twenty-fourth Street in the City and County of San Francisco and that two leases are requested, one to apply to an area of approximately 2.42 acres on which has been erected a covered wharf for the receipt of raw sugar (designated as Parcel A), and the other to apply to an adjoining water area of about 1.043 acres (designated as Parcel B).

Parcels A and B constitute in the aggregate all of the area described as Parcel 9 in the Complaint to Quiet Title heretofore filed by the Attorney General in the Superior Court of the State of California entitled "People of the State of California, Plaintiff, v. J. D. and A. B. Spreckels Company, a corporation, et al., Defendants."

The premises landward of and adjoining Parcel A are subject to a conditional contract of sale and purchase with California and Hawaiian Sugar Refining Corporation, Ltd. One of the conditions of completion of this contract is that a lease of said Parcel A be obtained from the State Lands Commission.

An appraisal of the subject properties has been made by the E. B. Field Company of Oakland, California, which placed a value of \$131,871.25 on Parcel A, exclusive of the improvements, and of \$14,058.50 on Parcel B. Since a purpresture exists on Parcel A, the 9% rate approved by the Commission at its meeting on September 15, 1949, would apply in that case, and the standard rate of 6% would apply to Parcel B. Allowing for the standard increase of 10% every five years, the average