

MINUTE ITEM

22. PROPOSED MINERAL EXTRACTION LEASE, SAN FRANCISCO BAY, MARIN COUNTY;
A. G. SCHOONMAKER COMPANY, INC. - W.O. 4445, P.R.C. 3117.1.

After consideration of Calendar Item 9 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, THE COMMISSION AUTHORIZES THE EXECUTIVE OFFICER TO ISSUE TO A. G. SCHOONMAKER COMPANY, INC., THE ONLY BIDDER, A MINERAL EXTRACTION LEASE FOR 905.423 ACRES OF SUBMERGED LAND LYING IN SAN FRANCISCO BAY, MARIN COUNTY, AS DETAILED IN EXHIBIT "A" ATTACHED, SUBJECT TO PAYMENT OF A ROYALTY IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

FOR ALL MATERIAL EXTRACTED:

$$R = 0.08 + 0.08 (1.01)$$

WHERE R = ROYALTY IN DOLLARS AND CENTS PER CUBIC YARD OF
MINERAL EXTRACTED

THE ROYALTY RATE UNDER THE ABOVE SCHEDULE SHALL BE INCREASED AUTOMATICALLY AFTER THE FIRST YEAR OF THE LEASE AT THE RATE OF FIVE PERCENT (5%) PER YEAR FOR EACH OF THE NEXT FOUR YEARS TO THE END OF THE LEASE TERM. FOR EACH SUCCESSIVE LEASE RENEWAL, THE ROYALTY RATE AND THE RATE OF INCREASE PER YEAR (IF ANY) SHALL BE SUBJECT TO REDETERMINATION BY THE STATE AT THE TIME OF THE RENEWAL.

A PERFORMANCE BOND IN THE PENAL SUM OF \$10,000 IS TO BE DEPOSITED BY THE LESSEE TO GUARANTEE THE FAITHFUL PERFORMANCE AND OBSERVANCE OF ALL OF THE TERMS AND CONDITIONS OF THE LEASE.

Attachments

Exhibit "A" (1 page)
Calendar Item 9 (2 pages)

EXHIBIT "A"

That certain parcel of submerged land situate in the County of Marin, State of California, more particularly described as follows, to wit:

From the U.S.C. & G.S. Triangulation Station Bluff Pt. 2 on the east shore of the Tiburon Peninsula, in San Francisco Bay, South 71° East, a distance of 6,420 feet to a point 300 feet westerly, perpendicularly distant, from the line common to Marin County and San Francisco City and County, said point being the point of beginning; thence North 33° West, 8,347.81 feet; thence North 3° West, 8,594 feet; thence due East 2,760 feet; thence South $8^{\circ} 10'$ East, 15,742.94 feet to the point of beginning, containing 905.423 acres.

CALENDAR ITEM

9.

PROPOSED MINERAL EXTRACTION LEASE, SAN FRANCISCO BAY, MARIN COUNTY - W.O. 4445.

On February 18, 1964, 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 from 905.423 acres of submerged land in San Francisco Bay, Marin County.

The bid, submitted by A. G. Schoonmaker Company, Inc., offered, in addition to \$0.08 per cubic yard minimum, \$0.0808 per cubic yard for all material extracted.

The office of the Attorney General has advised that the bid of A. G. Schoonmaker Company, Inc., complies with the provisions of the Public Resources Code and of the California Administrative Code and with the conditions set forth in the offer.

IT IS RECOMMENDED THAT, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE TO A. G. SCHOONMAKER COMPANY, INC., THE ONLY BIDDER, A MINERAL EXTRACTION LEASE FOR 905.423 ACRES OF SUBMERGED LAND LYING IN SAN FRANCISCO BAY, MARIN COUNTY, AS DETAILED IN EXHIBIT "A" ATTACHED, SUBJECT TO PAYMENT OF A ROYALTY IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

FOR ALL MATERIAL EXTRACTED:

$$R = 0.08 + 0.08 (1.01)$$

WHERE R = ROYALTY IN DOLLARS AND CENTS PER CUBIC YARD OF MINERAL EXTRACTED

THE ROYALTY RATE UNDER THE ABOVE SCHEDULE SHALL BE INCREASED AUTOMATICALLY AFTER THE FIRST YEAR OF THE LEASE AT THE RATE OF FIVE PERCENT (5%) PER YEAR FOR EACH OF THE NEXT FOUR YEARS TO THE END OF THE LEASE TERM. FOR EACH SUCCESSIVE LEASE RENEWAL, THE ROYALTY RATE AND THE RATE OF INCREASE PER YEAR (IF ANY) SHALL BE SUBJECT TO REDETERMINATION BY THE STATE AT THE TIME OF THE RENEWAL.

A PERFORMANCE BOND IN THE PENAL SUM OF \$10,000 IS TO BE DEPOSITED BY THE LESSEE TO GUARANTEE THE FAITHFUL PERFORMANCE AND OBLIVANCE OF ALL OF THE TERMS AND CONDITIONS OF THE LEASE.

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