

MINUTE ITEM

23. PROPOSED MINERAL EXTRACTION LEASE, MONTEREY BAY, MONTEREY COUNTY;
PACIFIC CEMENT & AGGREGATES, INC. - W.O. 4761, P.R.C. 3183.1.

After consideration of Calendar Item 24 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 PACIFIC
CEMENT & AGGREGATES, INC., THE ONLY BIDDER, A MINERAL EXTRACTION LEASE
FOR 10 ACRES MORE OR LESS OF TIDE AND SUBMERGED LANDS LYING IN MONTEREY
BAY, MONTEREY COUNTY, AS DETAILED IN EXHIBIT "A" ATTACHED, SUBJECT TO
PAYMENT OF A ROYALTY IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

FOR ALL MATERIAL EXTRACTED:

$$R = 0.06 + 0.06 (0)$$

WHERE R = ROYALTY IN DOLLARS AND CENTS PER CUBIC YARD OF
MATERIAL 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.

Attachment

Calendar Item 24 (2 pages)

CALNDAR ITEM

24.

PROPOSED MINERAL EXTRACTION LEASE, MONTEREY BAY, MONTEREY COUNTY; PACIFIC CEMENT & AGGREGATES, INC. - W.O. 4761.

On July 21, 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 10 acres more or less of tide and submerged land in Monterey Bay, Monterey County.

The bid, submitted by Pacific Cement & Aggregates, Inc., offered \$0.06 per cubic yard for all material extracted.

The office of the Attorney General has advised that, with respect to its substantive content, the bid submitted by Pacific Cement & Aggregates, Inc. conforms with:

1. Bid requirements as specified in the proposal of the State Lands Commission to enter into the aforesaid sand extraction lease;
2. Applicable provisions of law;
3. Rules and regulations of the State Lands Commission.

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 PACIFIC CEMENT & AGGREGATES, INC., THE ONLY BIDDER, A MINERAL EXTRACTION LEASE FOR 10 ACRES MORE OR LESS OF TIDE AND SUBMERGED LANDS LYING IN MONTEREY BAY, MONTEREY COUNTY, AS DETAILED IN EXHIBIT "A" ATTACHED, SUBJECT TO PAYMENT OF A ROYALTY IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

FOR ALL MATERIAL EXTRACTED:

$$R = 0.06 + 0.06 (0)$$

WHERE R = ROYALTY IN DOLLARS AND CENTS PER CUBIC YARD OF MATERIAL 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.

Attachment
Exhibit "A"

EXHIBIT "A"

THAT PORTION OF STATE LANDS LYING WEST OF THE WESTERLY LINE OF PACIFIC CEMENT AND AGGREGATES, INC., PROPERTY AT LAPIS, MONTEREY COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE COMMON CORNER OF THE RANCHO RINCON DE LAS SALINAS AND THE MONTEREY CITY LANDS TRACT NO. 1 ON THE SHORE OF MONTEREY BAY, FROM WHICH AN OLD FOUR INCH BY FOUR INCH POST MARKED "R S 3 WIT" STANDING ON RANCHO BOUNDARY BEARS S. $63^{\circ} 20'$ E., 844.14 FEET DISTANT; THENCE FOLLOWING THE SHORELINE OF BAY S. $1^{\circ} 05'$ W., 3960.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE S. $5^{\circ} 40'$ W., 2178.00 FEET, THENCE LEAVING THE SHORE OF MONTEREY BAY N. $84^{\circ} 20'$ W., 200.00 FEET; THENCE N. $5^{\circ} 40'$ E., 2178.00 FEET; THENCE S. $84^{\circ} 20'$ E., 200 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING 10.00 ACRES MORE OR LESS.