No evidence has been presented to date which warrants cancellation of Lease P.R.C. 502 between the State Lands Commission and the Crescent City Herbor District.

Information presented relating to malfessance has been transmitted to the Office of the Attorney General.

The issue as to the control of the uplands is still pending. Information has been received that both the condemnation suit and the one for specific performance on the purchase contract will be tried soon.

It is also believed that the Crescent City Harbor District was too informal in its negotiations looking towards a lease of the Citizens' Dock, and that the taking of formal bids would have been more appropriate.

There was an intimation contained in Mr. Jordan's letter that court action by the Crescent City Harbor District against the State Lands Commission to establish the constitutionality of Sections 12 and 13 of Lease P.R.G. 502 might result. These two sections have to do with protection of any riparian rights the upland owners might have in the premises. Recent informal information is to the effect that this court action has been initiated. This matter was referred to Mr. Walter Bowers, Assistant Attorney General, who wrote an informal opinion under date of January 15, 1952, to the effect that these two sections of Lease P.R.C. 502 were not in violation of the Constitution.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED DEFERRING ACTION ON THIS ITEM UNTIL THE NEXT MEETING OF THE STATE LANDS COMMISSION.

19. (GRAZING LEASE APPLICATION P.R.C. 1234, PLUMAS COUNT, PASQUALE A. MORRI - S.W.O. 5421.) Application has been received from Pasquale A. Torri of Loyalton, California, for a grazing lease for a term of five years on the Eg of Section 16, T. 22 N., R. 16 E., M.D.M., containing 32°C acres in Plumas County. The Assessor of Plumas County advised that lands contiguous to the subject land are assessed at \$2.25, \$4.50, and \$7.50 per acre. The carrying capacity in animal units on the subject land is 25 to 3°C head for the 32°C acres (or about 11 acres per animal), according to the applicant, and the land is suitable for grazing only during two spring months in the year. After negotiating with the applicant, he has agreed to the payment of \$125 per year for the subject 32°C acres, which the staff considers a satisfactory rental for this type of land.

UPON NOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE ISSUANCE BY THE EXECUTIVE OFFICER OF A FIVE-YEAR GRAZING LEASE FOR THE EN OF SECTION 16, T. 22 N., R. 16 E., M.D.M., CONTAINING 320 ACRES IN PLIMAS COUNTY, TO PASQUALE A. TORRI AT AN ANNUAL RENTAL OF \$125, THE APPLICANT TO PAY THE FIRST AND LAST YEARS EXHTALS AT THE TIME OF EXECUTION OF THE LEASE.