

"Section 1906(c) of the Rules and Regulations of the State Lands Commission provides as follows: 'At the time and place specified in the notice, the sealed bids shall be opened publicly and, except as provided in Article 5, Section 2302(d) hereof, an award shall be made to the highest qualified bidder unless, in the opinion of the commission, the acceptance of the highest qualified bid is not for the best interests of the State, in which event the commission may reject all bids. Thereupon, new bids may be called for or the commission may refuse to call for new bids until a new application is made and a new deposit to cover the costs of advertising is deposited with the commission.'

"In view of the offer of the Loveness Logging Company to purchase the subject land for \$9,600, or \$16 per acre, which is double the amount offered by Mr. Joseph T. Steele, it is considered to be in the best interest of the State not to approve the sale of said land to the first applicant, J. Steele."

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE COMMISSION FINDS THAT THE SALE OF THE W $\frac{1}{2}$, NE $\frac{1}{4}$, N $\frac{1}{2}$ OF SE $\frac{1}{4}$ AND SE $\frac{1}{4}$ OF SE $\frac{1}{4}$ OF SECTION 16, T. 10 N., R. 11 E., M.D.M., CONTAINING 600 ACRES IN MODOC COUNTY, TO MR. JOSEPH T. STEELE, THE FIRST APPLICANT, FOR THE SUM OF \$4,800 IS NOT CONSIDERED TO BE IN THE BEST INTEREST OF THE STATE; THE COMMISSION AUTHORIZES REPUBLICATION OF NOTICE OF SALE AND PERMITS MR. STEELE TO MAINTAIN HIS PREFERENTIAL RIGHT AS THE FIRST APPLICANT TO MEET ANY HIGH BID SUBMITTED PURSUANT TO THE REPUBLICATION.

5. (SALE OF VACANT SCHOOL LAND, APPLICATION NO. 5084, SACRAMENTO LAND DISTRICT, MENDOCINO COUNTY, FOMO CORPORATION - S.W.O. 5899.) The following report was presented to the Commission:

"An offer has been received from the Fomo Corporation of Willits, California, to purchase the E $\frac{1}{2}$ of NE $\frac{1}{4}$ of Section 16, T. 23 N., R. 16 W., N.D.M., containing 80 acres in Mendocino County. The Fomo Corporation made an offer of \$800, or \$10 per acre.

"The Assessor of Mendocino County has assessed contiguous land at \$2.50 per acre, plus timber value, thus indicating its appraised value to be \$5 per acre, plus timber value.

"An inspection and appraisal by a member of the Commission's staff on April 12, 1955 establishes the land value at \$3.75 per acre, or \$300, plus timber value at \$700, thus establishing a total average of \$12.50 per acre, or a total valuation of \$1,000.

"Before the land was advertised for sale, the Fomo Corporation was advised that the appraised value was \$12.50 per acre. The Fomo Corporation posted the necessary amount to meet the appraised value of \$1,000.

"The land was advertised for sale with a stipulation that no offer of less than \$1,000 would be accepted. No other application was received pursuant to the advertising."

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE SALE IS AUTHORIZED OF THE E $\frac{1}{2}$ OF NE $\frac{1}{4}$ OF SECTION 16, T. 23 N., R. 16 W., M.D.M., CONTAINING 80 ACRES IN MENDOCINO COUNTY, TO THE SINGLE APPLICANT, THE FOMO CORPORATION, AT THE CASH PRICE OF \$1,000, SUBJECT TO ALL STATUTORY RESERVATIONS INCLUDING MINERALS.

6. (SALE OF VACANT SCHOOL LAND, APPLICATION NO. 5141, SACRAMENTO LAND DISTRICT, SANTA CLARA COUNTY, FENTON O'CONNELL - S.W.O. 6071.) The following report was presented to the Commission:

"An offer has been received from Fenton O'Connell of Gilroy, California, to purchase Lot 5 of Section 36, T. 10 S., R. 5 E., M.D.M., containing 15.32 acres in Santa Clara County. Mr. O'Connell made an offer of \$30.64, or \$2 per acre.

"The Assessor of Santa Clara County has assessed contiguous land at \$3 to \$10 per acre, thus indicating its appraised value to be \$6 to \$20 per acre.

"An inspection and appraisal by a member of the Commission's staff on April 25, 1955 establishes the value of the subject land at \$10 per acre.

"Before the land was advertised for sale, Mr. O'Connell was advised that the appraised value was \$10 per acre. He posted the necessary amount to meet the appraised value of \$153.20.

"The land was advertised for sale with a stipulation that no offer of less than \$153.20 would be accepted. No other application was received pursuant to the advertising."

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE SALE IS AUTHORIZED OF LOT 5 OF SECTION 36, T. 10 S., R. 5 E., M.D.M., CONTAINING 15.32 ACRES IN SANTA CLARA COUNTY, TO THE SINGLE APPLICANT, FENTON O'CONNELL, AT THE CASH PRICE OF \$153.20, SUBJECT TO ALL STATUTORY RESERVATIONS INCLUDING MINERALS.

7. (SALE OF VACANT SCHOOL LAND, APPLICATION NO. 5121, SACRAMENTO LAND DISTRICT, LAKE COUNTY, CHARLES P. HOLMES - S.W.O. 6024.) The following report was presented to the Commission:

"An offer has been received from Charles P. Holmes of Redwood City, California, to purchase Lots 2, 3 and 4, E $\frac{1}{2}$ of NW $\frac{1}{4}$ and E $\frac{1}{2}$ of SW $\frac{1}{4}$ of Section 18, T. 10 N., R. 6 W., M.D.M., containing 270.64 acres in Lake County. Mr. Holmes made an offer of \$6,766, or \$25 per acre.

"The Assessor of Lake County has assessed contiguous land at \$1.10 to \$1.50 per acre, thus indicating its appraised value to be \$2.20 to \$3 per acre.