

PRICE OF \$9,600, SUBJECT TO ALL STATUTORY RESERVATIONS INCLUDING MINERALS. IN THE EVENT THE FIRST APPLICANT, FREDERICK HACK, FAILS TO EXERCISE HIS RIGHT TO MEET THE PRICE FIXED BY THE COMMISSION, THE SUBJECT LAND IS TO BE SOLD TO THE SECOND APPLICANT, G. F. TWIST, THE HIGH BIDDER, AT \$9,600, SUBJECT TO ALL STATUTORY RESERVATIONS INCLUDING MINERALS.

24. (SALE OF VACANT SCHOOL LAND, APPLICATION NO. 5152, SACRAMENTO LAND DISTRICT, TRINITY COUNTY, JOSEPH KEJR - S.W.O. 6110, DIVISION OF FORESTRY, S.W.O. 6319.) The following report was presented to the Commission:

"An offer was received on May 18, 1955 from Joseph Kejr of Woodrow, Colorado, to purchase, among other lands, the NE $\frac{1}{4}$  of NE $\frac{1}{4}$  of Section 36, T. 33 N., R. 9 W., M.D.M., containing 40 acres in Trinity County. The applicant made an offer of \$80, or \$2 per acre for said parcel.

"Subsequently, on June 15, 1955, the application (5165, Sacramento Land District, S.W.O. 6132) of Charles P. Koory, of Palo Alto, California, was received and filed for the purchase of the NE $\frac{1}{4}$  of NE $\frac{1}{4}$  of Section 36, T. 33 N., R. 9 W., M.D.M., and other lands. The applicant made an offer of \$80, or \$2 per acre.

"On August 22, 1955, the application (5195, Sacramento Land District, S.W.O. 6248) of Celia A. Liddell, of French Gulch, California, was filed for the purchase of the NE $\frac{1}{4}$  of NE $\frac{1}{4}$  of Section 36, T. 33 N., R. 9 W., M.D.M. An offer of \$80, or \$2 per acre, was made by the applicant.

"On December 1, 1955, the application (5231, Sacramento Land District, S.W.O. 6319) of the State of California, Department of Natural Resources, Division of Forestry, was received and filed for the purchase of the NE $\frac{1}{4}$  of NE $\frac{1}{4}$  of Section 36, T. 33 N., R. 9 W., M.D.M. The applicant made an offer of \$200, or \$5 per acre.

"Pursuant to the provisions of Chapter 1448, Statutes of 1955, the area embraced in the Right-of-Way Grant to the Pacific Gas and Electric Co. for transmission line purposes, under P.R.C. 383 covering 2.51 acres, must be reserved unto the State in fee, thereby leaving a net area of 37.49 acres to be sold.

"An inspection and appraisal by a member of the Commission's staff on September 21, 1955 establishes the land value of the above-described parcel at \$749.80, or \$20 per acre, and the value of timber thereon at \$1,000, for a total appraised price of \$1,749.80, or an average of \$46.67+ per acre. Said inspection disclosed the existence of a valuable water supply on the parcel which has been developed and utilized by the State Division of Forestry in connection with its operation of a fire control station on the adjoining 40-acre parcel, described as the NW $\frac{1}{4}$  of NE $\frac{1}{4}$  of said Section 36. This latter parcel was patented by the State in 1934 to the Division of Forestry. The appraiser has indicated that the Division of Forestry has invested approximately \$2,000 in development of the water system, which includes installation

of 700 feet of pipe line and cement water boxes on the 40-acre parcel of vacant State school land.

"The investigation has also brought out the fact that the sole water supply of the Fawn Lodge Resort, located on adjoining lands to the south, is obtained from the NE $\frac{1}{4}$  of NE $\frac{1}{4}$  of said Section 36 through an agreement with the State Division of Forestry, whereby the resort has obtained diversion of water from the pipe line and facilities installed by Forestry. To protect its source of water supply, the aforesaid Application 5195, S.W.O. 6248, was filed by the owner of the resort, Celia A. Liddell.

"The matter has been discussed with representatives of the State Division of Forestry and we are advised that, through faulty surveys, the main water diversion facilities were unknowingly placed on the subject 40-acre parcel. Originally the Division of Forestry applied to the Division of Water Resources for appropriation of water, and thereafter License No. 1780 was issued under date of June 30, 1937, describing the point of diversion as being located in the NW $\frac{1}{4}$  of NE $\frac{1}{4}$  of said Section 36. This parcel was, at that time, owned by the Division of Forestry.

"As a result of being unable to accurately identify the land on which the water supply existed, in relation to the correct legal subdivision, an erroneous description appeared in the license. It was not until the recent inspection by a staff appraiser that the error in description was discovered and, furthermore, that the actual point of diversion was located on vacant State school land described as the NE $\frac{1}{4}$  of NE $\frac{1}{4}$  of said Section 36.

"The Division of Forestry advises that the purchase of the NE $\frac{1}{4}$  of NE $\frac{1}{4}$  of said Section 36 is extremely important as a source of water supply for the continued operation of the fire control station established on adjoining land. We are also informed that if commercial logging was undertaken on this parcel, the water supply would be very adversely affected. This land is in a timber area and fits into Forestry's program of having small demonstration forests where good forestry can be practiced.

"An agreement has been entered into between Division of Forestry and the adjoining owners of Fawn Lodge Resort for a term of 49 years from April 6, 1934, which provides, among other things, that the resort owners shall have the right to attach a pipe line to the State-installed and owner pipe line which diverts water from Phillip Gulch, and to use water therefrom when available."

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

THE SALE IS AUTHORIZED OF THE NE $\frac{1}{4}$  OF NE $\frac{1}{4}$  OF SECTION 36, T. 33 N., R. 9 W., M.D.M., CONTAINING 37.49 ACRES IN TRINITY COUNTY, AFTER EXCEPTING THEREFROM, PURSUANT TO CHAPTER 1448, STATUTES OF 1955, THE AREA EMBRACED IN THE RIGHT-OF-WAY GRANT TO THE PACIFIC GAS AND ELECTRIC CO. FOR TRANSMISSION LINE PURPOSES ISSUED UNDER P.R.C. 383, TO THE STATE OF CALIFORNIA, DEPARTMENT OF NATURAL RESOURCES, DIVISION OF FORESTRY, WITHOUT ADVERTISING, AT THE APPRAISED CASH PRICE OF \$1,749.80, PLUS COSTS INVOLVED, SUBJECT TO ALL STATUTORY RESERVATIONS INCLUDING MINERALS, AND THE REJECTION OF ALL OTHER APPLICATIONS FILED FOR THE PURCHASE OF SAID PARCEL.