

MINUTE ITEM

8. TERMINATION OF LOG STORAGE LEASE, P.R.C. 1534.1, KLAMATH RIVER, DEL NORTE COUNTY, FLOYD McDONALD - W.O. 3515.

After consideration of Calendar Item 4 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO:

1. AS OF JUNE 27, 1960, CANCEL LEASE P.R.C. 1534.1 ISSUED TO FLOYD McDONALD, COVERING LOG STORAGE LEASE, KLAMATH RIVER, DEL NORTE COUNTY.
2. APPLY THE LAST YEAR'S RENTAL DEPOSIT TO THE ARREARAGE FOR THE YEAR ENDING JUNE 27, 1960.
3. FILE WITH THE COUNTY RECORDER OF DEL NORTE COUNTY A WRITTEN NOTICE OF TERMINATION OF THE SUBJECT LEASE.

Attachment

Calendar Item 4 (1 page)

CALENDAR ITEM

4.

TERMINATION OF LOG STORAGE LEASE, P.R.C. 1534.1, KLAMATH RIVER, DEL NORTE COUNTY, FLOYD McDONALD - W.O. 3515.

A fifteen (15) year lease at an annual rental of \$100, for log storage and reloading facilities in Del Norte County, was issued on June 27, 1955, to Floyd McDonald. A rental default occurred on June 27, 1959. On September 2, 1959, notice of cancellation was sent via certified mail (No. 2783795, delivered to McDonald personally on September 8, 1959), pursuant to the notice requirements of Paragraph 17 of the subject lease. No remittance or reply was received from the Lessee.

On December 15, 1959, the bonding company notified the office of the State Lands Commission that it had received instructions not to continue the bond relating to the subject lease. The bonding company therefore requested release from further obligation.

The bonding company was informed by the staff that termination would occur as of June 27, 1960, unless the default was cured. No further communication has been received from the Lessee. The bonding company forwarded notice of cancellation of the bond on August 23, 1960.

From all of the foregoing it would appear that the Lessee's intent was to abandon the premises and his rights under the subject lease. A quitclaim pursuant to Paragraph 16 of the lease has been demanded but not received. Paragraph 16 of the subject lease further provides that upon termination of the lease and failure of the Lessee to deliver to the State a quitclaim deed, written notice by the State reciting the failure or refusal of the Lessee to execute and deliver the quitclaim deed shall be, upon the date of recordation of said notice, conclusive evidence against the Lessee and all persons claiming under Lessee as to the termination of the lease. A site inspection on July 16, 1961, by the staff of the State Lands Commission revealed no evidence of any Lessee's facilities on the State land.

An application of the last year's rental deposit would pay rental arrearages to June 27, 1960.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO:

1. AS OF JUNE 27, 1960, CANCEL LEASE P.R.C. 1534.1 ISSUED TO FLOYD McDONALD, COVERING LOG STORAGE LEASE, KLAMATH RIVER, DEL NORTE COUNTY.
2. APPLY THE LAST YEAR'S RENTAL DEPOSIT TO THE ARREARAGE FOR THE YEAR ENDING JUNE 27, 1960.
3. FILE WITH THE COUNTY RECORDER OF DEL NORTE COUNTY A WRITTEN NOTICE OF TERMINATION OF THE SUBJECT LEASE.