

MINUTE ITEM

9. TERMINATION OF LOG STORAGE LEASE, P.R.C. 2098.1, KLAMATH RIVER, HUMBOLDT COUNTY; MAGNOLIA MOTOR AND LOGGING COMPANY, INC. - W.O. 4093.

After consideration of Calendar Item 6 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO:

1. CANCEL LEASE P.R.C. 2098.1, EFFECTIVE APRIL 15, 1962, ISSUED TO MAGNOLIA MOTOR AND LOGGING COMPANY, COVERING LOG STORAGE LEASE, KLAMATH RIVER, HUMBOLDT COUNTY.
2. APPLY THE LAST YEAR'S RENTAL DEPOSIT AGAINST ANY ACCOUNT RECEIVABLE PRESENTLY ON THE BOOKS OF THE STATE LANDS COMMISSION.
3. FILE WITH THE COUNTY RECORDER OF HUMBOLDT COUNTY A WRITTEN NOTICE OF TERMINATION OF ALL RIGHTS OR INTEREST OF MAGNOLIA MOTOR AND LOGGING COMPANY, INC., AND RYERSON LOGGING COMPANY, OR THEIR SUCCESSORS OR ASSIGNEES, PURSUANT TO THE SUBJECT LEASE.

Attachment
Calendar Item 6 (1 page)

CALENDAR ITEM

6.

TERMINATION OF LOG STORAGE LEASE, P.R.C. 2098.1, KLAMATH RIVER, HUMBOLDT COUNTY; MAGNOLIA MOTOR AND LOGGING COMPANY, INC. - W.O. 4093.

A ten-year lease commencing April 15, 1955, for log storage on the Klamath River in Humboldt County, was issued to Magnolia Motor and Logging Company, Inc., at an annual rental of \$100. A rental default occurred on April 15, 1961. On June 16, 1961, notice of possible cancellation for default of rent was sent via certified mail (No. 348099) and was delivered on June 20, 1961, to the Ryerson Logging Company, to whom the lease had been assigned without the approval of the State Lands Commission. Subsequently, a demand that the rental be paid was sent to Magnolia Motor and Logging Company, Inc., and was acknowledged by the attorney for Ryerson Logging Company. No remittance of the delinquent rent has been received from either the Lessee or his Assignee, and the Assignee's attorney has indicated by letter that "...there is no further need to continue the lease under P.R.C. 2098.1, and it may be canceled."

From the foregoing, it would appear that the intent of both the Lessee and his Assignee is to abandon the premises and any rights under the subject lease. A quitclaim, pursuant to Paragraph 16 of the subject lease, has been demanded, but not received. Paragraph 16 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.

An application of the last year's rental deposit would pay rental arrearages to April 15, 1962. A bond deposit submitted by the original Lessee will not be released until after site clearance inspection has been made by the staff of the State Lands Commission.

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

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