

MINUTE ITEM

15. (SALE OF VACANT SCHOOL LAND, APPLICATION NO. 5358, SACRAMENTO LAND DISTRICT, MONTEREY COUNTY, REGA D. FREEMAN - S.W.O. 6880.)

After presentation of Calendar Item 5 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO REJECT APPLICATIONS NO. 5358 AND NO. 5393, SACRAMENTO LAND DISTRICT, AND TO RE-OFFER THE S $\frac{1}{2}$  OF NE $\frac{1}{4}$ , AND NE $\frac{1}{4}$ , SE $\frac{1}{4}$  OF SECTION 11, T. 22 S., R. 13 E., M.D.M., MONTEREY COUNTY, FOR SALE PURSUANT TO NEW PURCHASE APPLICATIONS ONLY.

Attachment

Calendar Item 5 (1 page)

CALENDAR ITEM

SALE OF VACANT SCHOOL LAND

5.

(SALE OF VACANT SCHOOL LAND, APPLICATION NO. 5358, SACRAMENTO LAND DISTRICT, MONTEREY COUNTY, REGA D. FREEMAN - S.W.O. 6880.)

An offer has been received from Rega D. Freeman of San Miguel, California, to purchase the  $S\frac{1}{2}$  of  $NE\frac{1}{4}$ , and  $NE\frac{1}{4}$  of  $SE\frac{1}{4}$  of Section 11, T. 22 S., R. 13 E., M.D.M., containing 120 acres in Monterey County. The applicant made an offer of \$240, or \$2 per acre.

An appraisal report completed by a member of the Commission's staff under date of July 21, 1958, establishes the value of the subject land at \$10 per acre, for a total value of \$1,200. The appraisal shows that the land is not suitable for cultivation without artificial irrigation.

Before the land was advertised for sale, the applicant deposited the necessary amount to meet the appraised value of \$1,200. The land was advertised for sale with a stipulation that bids must be in excess of \$1,200.

Pursuant to advertising, the bid of John S. Tracy of Pebble Beach, California (5393, Sacramento Land District, S.W.O. 7056), was received. A bid of \$1,500, or \$12.50 per acre, was submitted.

Under Section 2302(d) of the Rules and Regulations of the State Lands Commission, the first applicant is allowed 20 days from date of opening of bids within which to submit the additional amount of \$300 to meet the highest bid received. Immediately following the opening of bids (September 17, 1958), the first applicant was notified by certified mail (return receipt requested) of the additional amount required to meet the highest bid and the period within which it was required to be submitted. The first applicant, Rega D. Freeman, submitted the additional amount to meet the highest bid on the twenty-first day (October 8, 1958) following the opening of bids, thereby failing to comply with Section 2302(d) of the Commission's Rules and Regulations.

However, the highest qualified bidder, John S. Tracy, whose bid was submitted within the allowable period under the Commission's Rules and Regulations, subsequently proposed to defer to the first applicant, as per his letter of December 2, 1958. All bidders have been notified of the fact that the first applicant's increased bid was received after the expiration of the period allowed by the Commission's Rules and Regulations.

Section 2302(f) of the Rules and Regulations provides that "The commission shall then review the recommendations of the Division of State Lands and make final award or take such other action as public interest indicates."

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO REJECT APPLICATIONS NO. 5358 AND NO. 5393, SACRAMENTO LAND DISTRICT, AND TO RE-OFFER THE  $S\frac{1}{2}$  OF  $NE\frac{1}{4}$ , AND  $NE\frac{1}{4}$ ,  $SE\frac{1}{4}$  OF SECTION 11, T. 22 S., R. 13 E., M.D.M., MONTEREY COUNTY, FOR SALE PURSUANT TO NEW PURCHASE APPLICATIONS ONLY.