

MINUTE ITEM

6/6/74  
AMB

27. REJECTION OF APPLICATION FOR GRAZING AND/OR AGRICULTURAL LEASE OF CERTAIN STATE SCHOOL LANDS IN INYO COUNTY; R. W. KELSEY AND ALICE M. KELSEY -- WP 3111, PRC 3111.2, PRC 3006.2.

After consideration of Calendar Item 25 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. REJECTS THE APPLICATION OF R. W. KELSEY AND ALICE M. KELSEY FOR REPLACEMENT OF LEASE PRC 3111.2, A GRAZING AND/OR AGRICULTURAL LEASE, EMBRACING SECTION 16, T 9 S, R 41 E, MDM, 640 ACRES IN INYO COUNTY, ON THE FOLLOWING BASIS.
  - A. THE APPLICANT IS DELINQUENT IN THE PAYMENT OF RENTALS AND PENALTIES ON LEASE PRC 3006.2, A GRAZING LEASE, IN THE AMOUNT OF \$748.58.
  - B. THE SCHOOL LAND EMBRACED IN THE LEASE APPLICATION HAS BEEN NOMINATED FOR CLASSIFICATION AS POSSESSING UNIQUE AND SIGNIFICANT ENVIRONMENTAL VALUES THAT SHOULD BE ASSURED PERMANENT PROTECTION, IN ACCORDANCE WITH SECTION 6370, PUBLIC RESOURCES CODE.
2. AUTHORIZES THE DIVISION TO PROCEED WITH APPROPRIATE LEGAL ACTION TO COLLECT PAST-DUE RENTALS, INTEREST AND PENALTIES.

Attachment:

Calendar Item 25 (3 pages)

REJECTION OF APPLICATION FOR GRAZING AND/OR AGRICULTURAL LEASE  
OF CERTAIN STATE SCHOOL LANDS IN INYO COUNTY;  
R. W. KELSEY AND ALICE M. KELSEY

On March 26, 1964, the State Lands Commission authorized the issuance of Grazing and/or Agricultural Lease PRC 3111.2, embracing Section 16, T 9 S, R 41 E, MDM, containing 640 acres in Inyo County, to R. W. Kelsey and Alice M. Kelsey, for a period of 5 years from March 26, 1964, at an annual rental of \$128. The lease agreement was amended upon Commission authorization in June 1965 to extend the term thereof from the original 5-year period to the maximum term of 10 years from March 26, 1964, the effective date of the lease.

Lease PRC 3111.2 expired as of March 25, 1974. The lease did not provide for a right of renewal of the agreement for any additional periods. By letter dated February 20, 1974, Mr. R. W. Kelsey made application to the Division for a replacement lease embracing Section 16, T 9 S, R 41 E, MDM, for grazing and/or agricultural purposes. The application was not made on the form prescribed by the Division, nor was the application accompanied by a filing fee of \$25.00.

A Division response on March 4, 1974, to Mr. Kelsey enclosed a list of past-due rentals and penalties on his Grazing Lease PRC 3006.2, totalling \$748.58, and informed that the Commission would expect a prompt settlement of the rentals due prior to renewing Lease PRC 3111.2 as requested. To date, no response or deposit of the past-due rentals and penalties has been received from Mr. Kelsey.

During the 10-year term of Lease PRC 3111.2, the State's lessee had contemplated to fence said land, drill a water well thereon for purposes of irrigation, and develop the subject school land for growing alfalfa. However, problems arose with respect to the lessee's inability to locate the section corners and establish the boundaries of the leased property. To date, the record does not show that material changes, physical or agricultural, as proposed by Mr. Kelsey, have occurred on the State land.

Since the effective date of Chapter 1555, Statutes of 1970, which added Section 1, Chapter 4.5, Development of State Lands to Part 1 of Division 6 of the Public Resources Code, the Division has conducted an inventory of unconveyed school lands in Inyo County. It has also tentatively identified Section 16, T 9 S, R 41 E, SBM, as possessing significant environmental values which should be assured permanent protection through regulations to be recommended to the Commission in accordance with Section 6370, Public Resources Code.

The subject school land is remotely located in northern Death Valley, approximately seven miles northerly of the northwest corner of Death

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Valley National Monument and 78 miles northwest of the Monument Headquarters at Furnace Creek. All of T 9 S, R 41 E, MDM, excepting said Section 16, is public domain administered by the Bureau of Land Management. The township to the north is unsurveyed and also public domain. These federal lands were classified for retention in public ownership under Multiple Use Management by Classification R-697 of September 27, 1967. This classification segregated the federal land from application under the agricultural land laws.

Information received from other State and federal agencies cooperating with the Division in its inventory of the subject school land is supportive of the Division's recommendation that a grazing and/or agricultural lease be denied and rejection of the application for the same be made accordingly. Pertinent data relative to the land use capabilities follow:

1. The land has little, if any, value for domestic livestock, as the carrying capacity is extremely low to negligible.
2. Agricultural operations on the subject land would:
  - a. cause serious environmental damage and call for the commitment of irreplaceable natural resources;
  - b. be at a serious economic disadvantage with agricultural lands closer to marketing and supply centers.
3. The soil is so low in water-holding capacity that agricultural operations would be marginal to submarginal.
4. Evidence, as developed by standard and approved methods, shows there is insufficient recharge of water to the aquifers of northern Death Valley to permit withdrawal of irrigation water without the depletion of the long-term water level.

STATUTORY AND OTHER REFERENCES:

- a. Public Resources Code: Div. 6, Parts 1 and 2.
- b. Administrative Code: Title 2, Div. 3, Arts. 1 (Section 6502) and 2.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. REJECT THE APPLICATION OF R. W. KELSEY AND ALICE M. KELSEY FOR REPLACEMENT OF LEASE PRC 3111.2, A GRAZING AND/OR AGRICULTURAL LEASE, EMBRACING SECTION 16, T 9 S, R 41 E, MDM, 640 ACRES IN INYO COUNTY, ON THE FOLLOWING BASIS:
  - A. THE APPLICANT IS DELINQUENT IN THE PAYMENT OF RENTALS AND PENALTIES ON LEASE PRC 3006.2, A GRAZING LEASE, IN THE AMOUNT OF \$748.58.

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- B. THE SCHOOL LAND EMBRACED IN THE LEASE APPLICATION HAS BEEN NOMINATED FOR CLASSIFICATION AS POSSESSING UNIQUE AND SIGNIFICANT ENVIRONMENTAL VALUES THAT SHOULD BE ASSURED PERMANENT PROTECTION, IN ACCORDANCE WITH SECTION 6370, PUBLIC RESOURCES CODE.
2. AUTHORIZE THE DIVISION TO PROCEED WITH APPROPRIATE LEGAL ACTION TO COLLECT PAST-DUE RENTALS, INTEREST AND PENALTIES.