

Continued: 12:10 p.m.
 ADJOURNED: 12:45 p.m.

FOR INFORMATION, PLEASE CONTACT:

Jim Trout
 1807 - 13th Street
 Sacramento, CA 95814
 (916) 322-4105

PRESENT: *H. Governor McCarthy*
John Danzell
Jim Tucker

SUMMARY

MEETING OF THE STATE LANDS COMMISSION
 STATE CAPITOL, ROOM 319
 SACRAMENTO, CALIFORNIA

LEO T. MCCARTHY, LIEUTENANT GOVERNOR, CHAIRMAN
 GRAY DAVIS, STATE CONTROLLER, COMMISSIONER
 JESSE R. HUFF, DIRECTOR OF FINANCE, COMMISSIONER

WEDNESDAY - MAY 31, 1989

10:30 A.M. - CLOSED SESSION. *CONSIDERATION OF POSSIBLE AND PENDING LITIGATION. THESE MATTERS WILL BE DISCUSSED IN A SESSION CLOSED TO THE PUBLIC, PURSUANT TO ATTORNEY-CLIENT PRIVILEGES. (SEE GOVERNMENT CODE SECTION 11126.)

THE FOLLOWING MATTERS WILL BE CONSIDERED UNDER GOVERNMENT CODE SECTION 11126(Q)(1):

ATLANTIC RICHFIELD COMPANY v. STATE LANDS COMMISSION, ET AL.

MONTENEY SAND CO. v. STATE LANDS COMMISSION, ET AL.

COUNTY OF LAKE AND STATE LANDS COMMISSION v. M. MARGOT SMITH

IN ADDITION, THE COMMISSION SHALL CONSIDER MATTERS WHICH FALL UNDER GOVERNMENT CODE SECTION 11126(Q)(2) AND (3).

11:00 A.M. - OR THEREAFTER UPON ADJOURNMENT OF THE CLOSED SESSION - PUBLIC MEETING (OPEN SESSION).

CALENDAR ITEM REFERENCES TO AB 884 DENOTE THE PERMIT STREAMLINING ACT (CALIFORNIA GOVERNMENT CODE SECTION 65920 ET SEQ.)

ORDER OF BUSINESS

I. CONFIRMATION OF MINUTES FOR THE MEETING OF APRIL 26, 1989.

II. CONSENT CALENDAR C01-C12. THE FOLLOWING ITEMS ARE CONSIDERED TO BE NON-CONTROVERSIAL. ANYONE WISHING TO ADDRESS AN ITEM ON THE CONSENT CALENDAR MAY COME FORWARD AND STATE THEIR NAME FOR THE RECORD.

- C01 CORICA PARTNERSHIP, E. L. AND BETTY KERN (LESSEES): Approve two Rent Reviews; one in Lake Tahoe, Placer County and one in the Sacramento River near Hood, Sacramento County. (J. Ludlow; PRC 3223, PRC 6610) (A 7, 10; S 1, 5)
- C02 CITY AND COUNTY OF SAN FRANCISCO (APPLICANT): Approve a 49-year General Permit - Public Agency Use of sovereign land, located at Lake Merced, San Francisco City and County. (Maricle; W 24123) (A 19; S 8)
- C03 DAVID AND CAROL BURKHART (APPLICANT): Approve a ten-year General Permit - Recreational Use of tide and submerged land in the Petaluma River near Lakaville, Sonoma County. (Bancroft; PRC 5692) (A 9; S 2)
- C04 CITY OF SAN LEANDRO (APPLICANT): Approve a five-year General Permit - Public Agency Use, of State-owned sovereign land located in and along San Francisco Bay, at San Leandro, Alameda County. (Maricle; W 20979) (A 14; S 10)
- C05 CITY OF LARKSPUR (APPLICANT): Approve a 49-year General Permit - Public Agency Use of tide and submerged land in Corte Madera Creek, City of Larkspur, County of Marin. (Bancroft; W 24274) (A 9; S 3)
- C06 M. J. RUDDY JR. dba SANTA FE ROCK AND SAND (ASSIGNOR), M. J. RUDDY & SON, INC. (ASSIGNEE): Approve assignment of General Lease - Industrial Use of a parcel of land within an old bed of the Tuolumne River and a parcel in the present bed of the Tuolumne River, both located near Waterford, Stanislaus County. (Gordon; WP 5409) (A 27; S 12)
- C07 GTE CALIFORNIA INCORPORATED (APPLICANT): Approve an indefinite General Permit - Right-of-Way Use of tide and submerged land, located in Steamboat Slough, in Sacramento County and Solano County. (Maricle; W 24290) (A 4, 10; S 2, 5)

| Y=Yes | | N=No | | A=Abstain | | VOTE | | |
|----------|----------|--------|------------------------------|--------------------------------------|-----------------------|------------|-------------|---------------------|
| Amended* | Deferred | Pulled | Considered - No Action Taken | Informational Only - No Action Taken | Approved as presented | Controller | LI Governor | Director of Finance |
| | | | | | Y | ✓ | ✓ | ✓ |
| | | | | | Y | ✓ | ✓ | ✓ |
| | | | | | Y | ✓ | ✓ | ✓ |
| | | | | | Y | ✓ | ✓ | ✓ |
| | | | | | Y | ✓ | ✓ | ✓ |
| | | | | | Y | ✓ | ✓ | ✓ |
| | | | | | Y | ✓ | ✓ | ✓ |

*See Attached

| Y=Yes | N=No | Abstention | VOTE | | | | | |
|----------|----------|------------|----------------------------|------------------------------------|-----------------------|------------|--------------|---------------------|
| Amended* | Deferred | Pulled | Considered-No Action Taken | Informational Only-No Action Taken | Approved as presented | Controller | Lt. Governor | Director of Finance |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | ✓ | | | | | |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |
| | | | | Y | ✓ | ✓ | ✓ | ✓ |

*See Attached

- C08 US SPRINT COMMUNICATIONS COMPANY, A NEW YORK GENERAL PARTNERSHIP (ASSIGNOR); US SPRINT COMMUNICATIONS COMPANY LIMITED PARTNERSHIP, A DELAWARE LIMITED PARTNERSHIP (ASSIGNEE): Approve assignment of a General Lease - Right-of-Way Use covering sovereign land, located in Butte, Glenn, Tehama, Shasta and Siskiyou counties. (Maricle; PRC 7106) (A 1, 3; S 4)
- C09 BEACH COLONY ONE, LTD. AND BEACH COLONY NO. TWO, LTD. (PARTY): Amend legal descriptions of General Permit - Protective Structure Use, to conform to agreed boundary as described in 9LA 253. (Grimmett; PRC 6198, PRC 6199) (A 75; S 38)
- C10 CITY OF LONG BEACH (APPLICANT): Notice of Intent by the City of Long Beach, Los Angeles County, to spend tideland oil revenues for handrail replacement on Belmont Pier. (Naughton; W 10420) (A 58; S 29)
- C11 CITY OF LONG BEACH (APPLICANT): Approve subsidence costs for vertical and horizontal measurements and studies in the City of Long Beach Harbor District, Los Angeles County. (Naughton; W 10422) (A 57, 58; S 29)
- C12 STATE LANDS COMMISSION (APPLICANT): Delegate authority to award contract to the lowest qualified bidder and execute an Agreement to repair the roof of the State Lands Commission's Huntington Beach Field Office, Orange County. (Hall; W 40136, C 882) (A 58, 67, 70; S 37)

XIII. REGULAR CALENDAR ITEMS 13-39.

- 13 INFORMATIONAL - STATE LANDS COMMISSION (PARTY): Status report on the State Lands Commission leasing of piers and buoys at Lake Tahoe after the discovery of a State endangered species in the affected area. (Staff; W 30005) (A 7; S 1)
- 14 A. T. & T. COMMUNICATIONS (APPLICANT): Approve an amendment to the description of General Permit - Right-of-Way Use on tide and submerged land in the Pacific Ocean north of Manchester, Mendocino County. (Bancroft; PRC 7166) (A 2; S 2)
- 15 UNION OIL COMPANY (APPLICANT): Approve a six-month extension agreement of an expired General Lease - Industrial Use of filled and unfilled tide and submerged land located in San Pablo Bay at Davis Point, Contra Costa County. (Bancroft; WP 600) (A 11; S 7)
- 16 STATE LANDS COMMISSION (PARTY): Authorization, as both State Lands Commission and School Land Bank Trustee, to sell a parcel of State school land in San Luis Obispo County. (Reese; SA 5597) (A 29; S 14)
- 17 SEA WEST INDUSTRIES, INC. (APPLICANT): Deny, without prejudice, an application by Sea West Industries, Inc. for use of State lieu lands adjoining a proposed windmill farm in Kern County, as set forth in Chapter 1200, Statutes of 1977 (AB 884). (Reese; W24040) (A 34; S 16)
- 18 STATE LANDS COMMISSION (APPLICANT): Authorize re-offering the sale of royalty crude oil from State lease PRC 3455, Tract No. 2, Long Beach Unit, Wilmington Oil Field, Los Angeles County. (Tanner; W 9603.67) (A 51, 57, 58; S 29)
- 19 LUNDAY-THAGARD OIL COMPANY (APPLICANT): Award of the Royalty Oil Sales Contract, State oil and gas leases PRC 129 and PRC 208, Ellwood Oil Field, Santa Barbara County. (Tanner; W 9603.71) (A 35; S 18)
- 20 SAN FRANCISCO RECREATION AND PARK DEPARTMENT (APPLICANT): Authorize maintenance dredging for ten years in San Francisco Marina Small Craft Harbor, San Francisco Bay, San Francisco County. (Martinez; PRC 6397) (A 16, 17, 18; S 5, 6)
- 21 PULLMAN BUILDING COMPANY (APPLICANT): Authorization for issuance of a dredging permit to remove material from north San Francisco Bay at Paradise Cay Marina near Corte Madera, Marin County. (Martinez; W 24318) (A 9; S 3)
- 22 JEAN E. CLARY AND ROBERT L. ANSARA (APPLICANT): Approve a prospecting permit for minerals other than oil, gas, geothermal resources, sand and gravel, San Bernardino County. (Pelka; WP 6892) (A 61; S 25)

Y=Yes N=No A=Abstain

| | Amended* | Deferred | Pulled | Considered - No Action Taken | Informational Only - No Action Taken | Approved as presented | VOTE | | |
|----|----------|----------|--------|------------------------------|--------------------------------------|-----------------------|------------|--------------|---------------------|
| | | | | | | | Controller | Lt. Governor | Director of Finance |
| 23 | | | | | | Y | ✓ | ✓ | |
| 24 | | | | | | Y | ✓ | ✓ | |
| 25 | | | | | | Y | ✓ | ✓ | |
| 26 | | | | | | Y | ✓ | ✓ | |
| 27 | | | | | | Y | ✓ | ✓ | |
| 28 | | | | | | Y | ✓ | ✓ | |
| 29 | | | | | | Y | ✓ | ✓ | |
| 30 | | | | | | Y | ✓ | ✓ | |
| 31 | | | | | | Y | ✓ | ✓ | |
| 32 | | | | | | Y | ✓ | ✓ | |
| 33 | | | | | | Y | ✓ | ✓ | |
| 34 | | | | | | Y | ✓ | ✓ | |
| 35 | | | | | | Y | ✓ | ✓ | |
| 36 | | | | | | Y | ✓ | ✓ | |
| 37 | | | | | | Y | ✓ | ✓ | |
| 38 | | | | | | Y | ✓ | ✓ | |
| 39 | | | | | | | | | |

- 23 CITY OF LONG BEACH (APPLICANT): Proposed crude oil sell-off, Long Beach Harbor - Tidelands Parcel and Parcel "A", Wilmington Oil Field, Los Angeles County. (Tanner; W 12036, W 12037, W 12038) (A 51, 57, 58; S 29)
- 24 CITY OF LONG BEACH (APPLICANT): Monitoring of possible subsidence and seismic hazards, Long Beach Unit, Wilmington Oil Field, Los Angeles County. (Naughton; W 16008, W 10411) (A 57, 58; S 29)
- 25 STATE LANDS COMMISSION (APPLICANT): First ten months status report 1988-89 Plan of Development and Operations and Budget, Long Beach Unit, Wilmington Oil Field, Los Angeles County. (Naughton; W 17094) (A 57, 58; S 29)
- 26 STATE LANDS COMMISSION (APPLICANT): Actual oil revenues for the first months of 1988-89 and revenue estimates for 1988-89, 1989-1990. (Pace; W 5077)
- 27 NELSON AND SLOAN CO. (APPLICANT): Issue a mineral extraction lease for extraction of rock, sand and gravel of State school lands in Slaughterhouse Canyon of southwestern San Diego County. (Pelka, Willard; W 2875.73) (A 76; S 39)
- 28 SKYLINE ASSOCIATES #2 (PARTY): Authorize litigation for ejectment and damages for non-payment of rent while occupying State-owned land. (Grimmett, Hadly; PRC 2851) (A 10; S 5)
- 29 STATE LANDS COMMISSION (PARTY): Notice of default for failure to meet geothermal resources lease obligations; PRC 5217, PRC 5820, PRC 5821, GRI Exploration Corp. and GRI Development Corp., Sonoma County. (Willard; PRC 5217, PRC 5820, PRC 5821) (A 2; S 5)
- 30 STATE LANDS COMMISSION (APPLICANT): Authorize a Memorandum of Agreement with United States Army Corps of Engineers for conducting environmental studies at Bolsa Chica, Orange County. (Trout, Gorfain; W 30029) (A 58; S 37)
- 31 STATE LANDS COMMISSION (PARTICIPANT): Consideration of the Bolsa Chica Planning Coalition Bolsa Chica Alternative Plan. (Trout, Gorfain; W 30029) (A 58; S 37)
- 32 UNITED STATES FOREST SERVICE (PARTY): Authorize execution of a Memorandum of Understanding with the United States Forest Service for interim management of school land contiguous to the Angeles National Forest. (Beutler, Miller; WP 5976.9) (A 42, 62; S 16, 25, 26)
- 33 STATE LANDS COMMISSION (PARTY): Approve modification to application lists and criteria (surface and mineral leasing). (Lynch; W 5125.4, W 21809)
- 34 RIVERSIDE COMMUNITY COLLEGE DISTRICT (APPLICANT): Authorize Supplemental Agreement amending the Agency Agreement between the State Lands Commission and Riverside Community College District dealing with sale of vacant school land in Norco, Riverside County and accept bid of Lewis Howes for purchase of the property. (Kiley, Small; SA 5660) (A 73; S 36)
- 35 STATE LANDS COMMISSION (APPLICANT): Authorize solicitation of bids to microfilm certain State Lands Commission's historical land title records. Cost not to exceed \$24,000. (Cowan, Hall; W 23882, C 8850)
- 36 STATE LANDS COMMISSION (APPLICANT): Delegate authority to award a contract for mineral evaluation of state and school lands within the California Desert Conservation area and the East Mojave National Scenic area. (Hall; W 24027, C 8849) (A 34, 37, 61, 65, 66, 68, 76, 80; S 16, 25, 36, 37)
- 37 STATE LANDS COMMISSION (APPLICANT): Delegate authority to award to the lowest qualified bidder and execute agreement to conduct a Sea Floor Hazards Survey within the coastal area of the Santa Barbara Channel, Santa Barbara County. (Hall; W 40575, C 8841) (A 29, 35, 37; S 18)
- 38 STATE LANDS COMMISSION (PARTY): Delegate authority to execute agreement for professional land and timber appraisal services to determine value of State school land parcels within United States National Forest boundaries nominated for exchange with the United States Forest Service. (D. Brown, Reese; W 23390, C 8848)
- 39 GRUPE DEVELOPMENT COMPANY (APPLICANT): Consideration of proposed annexation of tide and submerged lands to City of Stockton, San Joaquin County. (Fossum; W 2400.173) (A 26; S 5)

*See Attached