

~ MINUTES ~
CALIFORNIA STATE LANDS COMMISSION
MEETING OF AUGUST 14, 2012, ADJOURNED AND
RECONVENED AUGUST 20, 2012

August 14, 2012
SECRETARY OF STATE
AUDITORIUM
1500 11th STREET
SACRAMENTO, CALIFORNIA 95814

August 20, 2012
SHERATON GRAND SACRAMENTO
GARDENIA ROOM
1230 J STREET
SACRAMENTO, CALIFORNIA 95814

ADDITIONAL SITE TO OBSERVE AND TESTIFY ON AUGUST 14 AND AUGUST 20, 2012

CAYUCOS ROOM
INN AT MORRO BAY
60 STATE PARK ROAD
MORRO BAY, CALIFORNIA 93442

APPEARANCES

COMMISSIONERS PRESENT

- Alan Gordon, Deputy Controller and Alternate for Controller John Chiang
- Gavin Newsom, Lieutenant Governor (August 14)
- Chris Garland, Chief of Staff and Alternate for Lieutenant Governor Gavin Newsom (August 14 and August 20)
- Pedro Reyes, Chief Deputy Director, Alternate for Director of the Department of Finance, Ana Matosantos

STAFF MEMBERS IN ATTENDANCE

- Curtis Fossum, Executive Officer
- Jennifer Lucchesi, Chief Counsel

REPRESENTING THE OFFICE OF THE ATTORNEY GENERAL

- Alan Hager, Retired Annuitant / former Deputy Attorney General (August 14)
- Chris Tiedemann, Deputy Attorney General (August 20)

NOTE: A list of individuals making statements before the Commission and the entities they represent, along with the Executive Officer's Report, are included in a complete transcript of the proceedings, which is on file in the Sacramento offices of the Commission and posted on the Commission's website at www.slc.ca.gov. Also included on the website is the voting record of the meeting with the staff report for each agenda item linked to the respective consent, regular or informational item number. A link to a recorded Cal-Span.org webcast of the meeting is also available on the Commission's website. All of these items may be found under Previous Meetings, by date of the meeting.

**RECORD OF ACTION TAKEN BY THE
CALIFORNIA STATE LANDS COMMISSION
MEETING OF AUGUST 14, 2012, ADJOURNED AND
RECONVENED AUGUST 20, 2012**

Chair Alternate Alan Gordon called the August 14, 2012 meeting of the California State Lands Commission to order at 9:00 A.M. at the Secretary of State's Auditorium, 1500 11th Street, Sacramento, California 95814; also present were Commissioner Gavin Newsom and Commissioner Alternate Pedro Reyes.

The Minutes of the June 7, 2012 special meeting were approved by a vote of 2-0 (Gordon and Reyes voting).

EXECUTIVE OFFICER'S REPORT

Executive Officer Curtis Fossum updated the Commission on the following items:

- The Commission's revenues for fiscal year 2010/11 exceeded \$529 million with over \$497 million deposited in the State's General Fund – these numbers reflect a \$100 million increase over the prior year.
- Staff participated in a workshop with the Tahoe Lakefront Owner's Association on June 29th at the Granlibakken Conference Center. Approximately 200 persons attended. Presentations were made by the Association's Executive Director and Commission staff followed by a question and answer period.
- Two state audits are being conducted involving the Oil Spill Prevention and Administration Fund. One audit by the Bureau of State Audits was due on August 14th the other by the Department of Finance is just beginning. These audits are essential to gain stakeholder and legislative support to maintain funding for the oil spill prevention programs of the Commission.
- Progress on the Commission's boundary staff's mapping of state property interests in the San Joaquin River in conjunction with the restoration project there was reported.
- Marina Voskanian was appointed as Chief of the Mineral Resources Management Division.
- Sheri Pemberton was appointed as Chief of the External Affairs Division.

CONSENT CALENDAR

Consent Items C45, C46, C85, C93, and C94 were removed from the agenda, to be heard at a later date. Consent Items C01-C44, C47-50, C52-C84 and C86-C92 were approved as presented by a vote of 3-0. Consent Items C95-C101 were approved as presented, by a vote of 2-0 (Newsom and Gordon). Consent Item C51 was moved to the Regular Calendar.

RECORD OF ACTION CONTINUED

INFORMATIONAL

ITEM 102: Staff report on the monitoring of possible subsidence, Long Beach Unit, Wilmington Oil Field, Los Angeles County. The item was informational – no staff presentation and no vote required.

REGULAR CALENDAR

(The Items below appear in the order presented.)

ITEM 51: A staff presentation was made to the Commission for consideration of a new general lease, commercial use, for a restaurant on a vessel in Burlingame. The Commission listened to testimony from interested parties and discussed the matter.

Item 51 was deferred, to be considered at a future meeting.

ITEM 106: A staff presentation was made recommending that the Commission consider an application for a general lease, recreational use, of sovereign land located in Lake Take, for an existing joint-use pier, boathouse and boat lift. The Commission listened to testimony from interested parties and discussed the matter.

Item 106 was deferred, to be considered at a future meeting.

ITEM 107: A staff presentation was made recommending that the Commission consider an application for a general lease, recreation use, of sovereign land located at Lake Tahoe, for two existing mooring buoys.

Item 107 was approved as presented by a vote of 3-0.

ITEM 103: A staff presentation was made to the Commission for consideration of a Land Exchange Agreement between the Commission and the Port of San Francisco, involving parcels of land located within Seawall Lot 351 and the 8 Washington Street property. The Commission listened to testimony from interested parties.

Item 103 was approved as presented by a vote of 2-0 (Newsom and Gordon).

ITEM 105: No staff presentation was made.

Item 105 was deferred, to be considered at a future meeting.

RECORD OF ACTION CONTINUED

ITEM 104: A staff presentation was made to the Commission for consideration of the certification of a Final Environmental Impact Report, adoption of a Mitigation Monitoring Program, CEQA Findings, a Statement of Overriding Considerations and issuance of a permit to Pacific Gas and Electric Company to conduct a 3D geophysical survey employing the use of air guns and hydrophones off the Coast of San Luis Obispo County.

Item 104 – Following discussion and testimony from interested parties, the Commission on August 14, 2012 approved certification of the Final EIR, by a 2-0 vote (Garland and Reyes). On August 20, 2012 following additional staff presentation, testimony from interested parties and Commission discussion, the Commission by a 2-0 vote (Gordon and Reyes) adopted the Mitigation Monitoring Program, CEQA Findings for a Modified Timing Three-Loop Configuration project, Statement of Overriding Considerations for a Modified Timing Three-Loop Configuration project and authorized issuance of a Geophysical Permit for the Modified Timing Three-Loop Configuration project to conduct a 3D seismic survey off the Coast of San Luis Obispo County.

The Commission meeting public session was adjourned at 4:15 P.M.

**STAFF AND PUBLIC ADDRESSING
THE FOLLOWING CALENDAR ITEMS
CALIFORNIA STATE LANDS COMMISSION MEETING
OF AUGUST 14, 2012, ADJOURNED AND
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ITEM C51 – FRANK COXE

Grace Kato, Public Land Manager I, Land Management Division, CSLC
Brian Bugsch, Chief, Land Management Division, CSLC

- Richard Higbie, representing Frank Coxe, LLC
- Lloyd Bothwell, representing self

ITEM 103 – PORT OF SAN FRANCISCO

Jennifer Lucchesi, Chief Counsel, Legal Division, CSLC

- Alec Bash, presenting self
- Jim Chappell, San Francisco Planning & Urban Research Association
- Tim Colen, Executive Director, San Francisco Housing Action Coalition
- Shaye Diveley, Attorney, Morrison and Foerster - representing Equity Office Properties
- Louise Renne, Attorney
- Jonathan Stern, Assistant Deputy Director of Development, Port of San Francisco
- Corrine Woods, representing self

ITEM 104 – PACIFIC GAS AND ELECTRIC COMPANY

(August 14, 2012)

Cy Oggins, Chief, Division of Environmental Planning and Management, CSLC

- Chuck Anders, representing self
- Crystal Baker, Member, Coastal Band of the Chumash Nation
- Rochelle Becker, Executive Director, Alliance for Nuclear Responsibility
- Andrew Christie, Chapter Director, Sierra Club
- Fred Collins, Tribal Administrator, Northern Chumash Tribal Council
- Karen Croley, representing self
- Chris Cummings, representing self

STAFF AND PUBLIC ADDRESSING CONTINUED

- Brett Cunningham, Owner, Morro Bay Fish Company
- Mandy Davis, representing self
- Giovanni, DeGarimore, DeGarimore's Fuel & Ice Co., and Giovanni's Wholesale Fish
- Neal Driscoll, Professor of Geology and Geophysics at Scripps Institute of Oceanography
- Carl Dudley, representing self
- Ken Dutra, representing self
- Eric Endersby, Harbor Director, City of Morro Bay
- Lori French, F/V Langosta II
- Karen Garrison, Co-Director, Oceans Program, Natural Resources Defense Center/Council
- John Geesman, Attorney, Alliance for Nuclear Responsibility
- Bruce Gibson, District 2 Supervisor, San Luis Obispo County
- Eric Greening, representing self
- Mark Hamerdinger, Owner, F/V Black Mariah and Calyspo
- Susan Harnisch, representing self
- Christine Heinrichs, representing self
- Paul Hobi, Ocean Conservancy
- Jennifer Jozwiak, Instructor, Surfrider
- Graham Kent, Director of Nevada Seismological Laboratory and State Seismologist for Nevada
- David Kirk, President, Port San Luis Fisherman's Association
- Mark Krausse, Director of Agency Relations, PG&E
- Jeff Lind, General Manager, S. Lombardi and Associates
- Steve Mathieu, representing self
- Steve McGrath, Harbor Manager, Port San Luis Harbor District
- Stuart Nishenko, PG&E
- Simon Poulter, Padre and Associates
- Joey Racano, Director, Ocean Outfall Group
- Otto Schmidt, representing self
- Tiffani Seitz, F/V South Bay
- Noah Smukler, Morro Bay City Council Member
- Brad Snook, Chair, Surfrider San Luis Obispo
- Kathy Staples, Executive Director, Santa Monica County Energy & Economic Development Coalition
- Scott Stellar, representing self
- Jearl Strickland, Director-Nuclear Projects, PG&E
- Kris Vardis, Environmental Management Department, PG&E
- Amanda Wallner, Organizer, Sierra Club California

STAFF AND PUBLIC ADDRESSING CONTINUED

- William Walter, Attorney, Morro Bay Commercial Fishermen's Organization
- Jim Webb, representing self
- Mary Webb, Vice President, Greenspace – the Cambria Land Trust

(August 20, 2012)

- Roger Andriola, representing self
- Pamela Arment, representing self
- Crystal Baker, Member, Coastal Band of the Chumash Nation
- Rochelle Becker, Executive Director, Alliance for Nuclear Responsibility
- Bill Blue, Fisherman
- Elizabeth Brousse, representing self
- Harvey Cohon, Member, MLPA Pacific Wildlife Care
- Fred Collins, Tribal Administrator, Northern Chumash Tribal Council
- Eli Copley, representing self
- Ken Dutra, representing self
- Karen Garrison, Co-Director, Oceans Program, Natural Resources Defense Center/Council
- John Geesman, Attorney, Alliance for Nuclear Responsibility
- Carol Georgi, Treasurer, Surfrider Foundation; Marine Sanctuary Alliance
- David Georgi, Professor
- Bruce Gibson, District 2 Supervisor, San Luis Obispo County
- Eric Greening, representing self
- David Gurney, Chair, Ocean Protection Coalition
- Owen Hackleman, Commercial Fisherman
- Steve Hackleman, Commercial Fisherman
- Tom Hafer, representing self
- Adrienne Harris, Executive Director, Morro Bay National Estuary Program
- Christine Heinrichs, representing self
- William James, Commercial Fisherman
- David Kiric, President, Port San Luis Fisherman's Association
- Glenn Knowles, representing self
- Mark Krausse, Director of Agency Relations, PG&E
- Lynda Merrill, representing self
- David Nelson, representing self
- Aaron Oaks, representing self
- Ed Oberweiser, Director, Foundation of Sustainable Living
- Barbara-Jo Osborne, representing self
- Henry Pontarelli, Vice President, Lisa Wise Consulting, Inc./Morro Bay Commercial Fishermen's Organization

STAFF AND PUBLIC ADDRESSING CONTINUED

- Joey Racano, Director, Ocean Outfall Group
- Edward Randolph, Director, Energy Division
- Tom Roff, Chairman, Central Coast Joint Cable Fisheries and Liaison Committee
- Robert Seitz, Captain
- Carolyn Skinder, Southern Region Program Coordinator, Monterey Bay National Marine Sanctuary
- Noah Smukler, Morro Bay City Council Member
- Margaret (P.J.) Webb, Attorney, Save the Whales
- Mary Webb, Vice President, Greenspace – the Cambria Land Trust

ITEMS 106 & 107 – VANDERBEEK

Mary Hays, Public Land Manager II, Land Management Division,
CSLC

- Braiden Chadwick, Attorney representing the Vanderbeeks
- John and Lynda Gage, representing self
- Bob Marston, representing self
- Linda Schacht, representing self

PUBLIC COMMENT

No Speakers