TRANSCRIPT OF
MEETING OF
STATE LANDS COMMISSION

AUGUST 8, 1957 --- 9:30 A. M.

PARTICIPANTS

THE COMMISSION:
Messrs. John M. Peirce, Chairman
Harold J. Powers
A. R. Todd (for Mr. Kirkwood)

STATE LANDS DIVISION:
Messrs. F. J. Hortig, Acting Executive Officer
Kenneth C. Smith
Mrs. Julia T. Stahl

ATTORNEY GENERAL'S OFFICE
Mr. Howard Goldin

GUEST
Senator Richard Richards

APPEARANCE
For the City of Long Beach --
Mr. Harold A. Lingle, City Attorney

REPORTER:
Louise H. Lillico
Division of Administrative Procedure
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* Transactions of Executive Officer
MR. PEIRCE: Good morning, everybody. The meeting will come to order. First is confirmation of the minutes of the meeting held on July 15th. Are there any corrections?

GOV. POWERS: I move they be approved.

MR. TODD: I second it.

MR. PEIRCE: Moved and seconded that the minutes, as written and mailed to the members of the Commission, be approved. All in favor say "Aye".

GOV. POWERS and MR. TODD: Aye.

MR. PEIRCE: Opposed? (No response) Motion is carried. Now, Mr. Hortig, do you want to proceed with the agenda?

MR. HORTIG: If the Commission please, the Attorney General's office is represented here this morning by Deputy Howard Goldin. This is his first attendance at a Commission meeting.

MR. PEIRCE: Glad to have you, Mr. Goldin.

GOV. POWERS: Yes.

MR. HORTIG: Page 1, gentlemen. An application has been received from the Standard Oil Company of California, joint lessee and operator under State Oil and Gas Lease P.R.C. 182.1 at Summerland, Santa Barbara County, requesting approval of the construction of a stationary pylon-supported drilling and production platform approximately 2.2 miles offshore within the leased area. The platform design has been developed and has been reviewed by the staff —
developed by a firm of consulting structural engineers, has been reviewed by the staff of the Commission. The size and location of the proposed drilling and production platform are in accordance with the terms of the lease and rules and regulations of the Commission. The Corps of Engineers of the U. S. Army have reported that a statement of nonobjection will be issued and the specific placement of the structure will be referred to the Department of Natural Resources and the Attorney General for approval as provided in Section 6816 of the Public Resources Code.

Therefore, it is recommended that the Commission authorize the approval of the location and construction by the Standard Oil Company of California of the subject described platform, subject to receipt of: (1) Certificate of nonobjection from the Corps of Engineers, statement of nonobjection by the Director of Natural Resources pursuant to the Public Resources Code, and approval by the Attorney General as to compliance with the applicable provisions of law and rules and regulations of the Commission.

MR. PEIRCE: Is there any discussion? Anybody in the audience desire to speak on this matter? (No response)

Your pleasure, gentlemen?

GOV. POWERS: I move that we accept the recommendation of the staff.

MR. TODD: Second.

MR. PEIRCE: Roved and seconded that the recommendation
be approved and so will be the order.

August 16, 1955, relating to the taking of cores and other samples from tide and submerged lands, that such operations may be freely conducted as was specified in the Cunningham-Shell Tidelands act in 1955. The inclusion of the word "freely" conducted, in Section 626 of the Public Resources Code, formed the basis for the Commission determination that the rule would provide that there would be no permit requirement for such operations from depths above 500 feet below the surface of the ocean floor, that permits would be required for operations only in excess of 500 feet. Assembly Bill 80, which was approved as Chapter 1087 in the Statutes of 1957 as an emergency measure which has been in effect since July 2nd, struck from Section 626, Public Resources Code, the word "freely". The basis, reported by the authors of the legislation to the respective legislative committees, was to accomplish the elimination of the taking of cores or any other samples except pursuant to permit issued by the Commission, regardless of the proposed depth of the operation.

Additionally, A. B. 80 substitutes the words "make available" rather than "to furnish" relative to delivery of any factual or physical exploration results or logs which a permittee obtains, and also by definition imposes a penalty.
In the act, it is provided that unauthorized disclosure by the Commission or its staff of information furnished by a permittee would constitute, or, rather, is a misdemeanor. It is recommended, in view of the codification of Section 6026 Public Resources Code, that the Commission authorize the initiation of procedures under the provisions of Sections 11526 to 11527 of the Government Code for consideration of amendment of Section 1100(9) of the Rules and Regulations of the Commission to conform to the provisions as amended by the Statutes of 1957.

Under Section 11725 of the Government Code, a State agency shall afford any interested person or his duly authorized representative, or both, the opportunity to present statements, arguments or contentions in writing, with or without the opportunity to present the same orally. Pursuant to this authority, it is also recommended that approval be given for an initial review of the suggested rule change by all interested parties, to be presented in writing only, with all presentations to be considered by the Commission at a future meeting, where opportunity will be given for the presentation of further statements, arguments or contentions of interested parties, as specified by appropriate sections of the Government Code.

In this connection, it is recommended further that the Commission authorize specifically the publication, as outlined in applicable sections of the Public Resources Code.
of a draft of the amended rule and regulation as it is proposed for consideration, in this instance reading, in general terms, that the taking of cores and other samples may be conducted on and under tide and submerged lands of the State only if a permit therefor is obtained from the State Lands Commission.

In addition, if I say, Mr. Chairman, I would like to comment that it has just been brought to the attention of the staff in connection with this consideration of rule and regulation modification by the Commission, that both Sections 1913 and 1914 of the existing Rules and Regulations -- 1913 relating to joint bidding and 1914 relating to forfeiture -- leave areas, or have left areas of uncertainty, in that there are procedures which might be involved at the option of the bidder in the joint bidding, or at the option of the Commission in connection with the forfeiture, that are not specified in Rules and Regulations and therefore leave the bidder, a prospective bidder, uncertain as to procedures to be employed; also leave him uncertain as to what penalties may be invoked in the event of the application of the forfeiture procedures. Therefore, tentative drafts have been prepared for clarification, consideration of those rules; and it is recommended that the Commission authorize, jointly with the request for authorization for consideration of modification of Rule 2100(b), the necessary publication and initiation of procedure relating to undertaking...
the review for potential modification of Rules 1913 and 1914 also.

MR. PEIRCE: Mr. Coldin, have you had an opportunity to review these recommendations which involve correlating or coordinating the Rules and Regulations of the State Lands Commission with the provisions of law as enacted by the recent legislation?

MR. COLDIN: Mr. Peirce, only in respect to 2100(b). I have no knowledge of the contemplated changes with respect to Rules 1913 and 1914, the proposed amended draft which Mr. Hortig read in connection with 2100 ...

MR. PEIRCE: These do meet with your approval?

MR. COLDIN: Mr. Hortig's procedure does contemplate the Rules and Regulations. I am satisfied with the procedure.

MR. PEIRCE: In other words, the recommendations of Mr. Hortig meet with your approval?

MR. COLDIN: They comply with the requirements of law.

MR. PEIRCE: Is there any further discussion, any questions? (No response)

MR. TODD: I move that the recommendation be approved.

GOV. POWERS: Second.

MR. PEIRCE: Moved and seconded that the three recommendations just read by the Executive Officer be approved and so will be the order. That is correct, three?

MR. HORTIG: Yes.
Mr. FERRIS: Two in writing and you read the third one.

Mr. HORTIG: Yes. Page 4. At the meeting of July 15, the Commission confirmed a prior request that the Attorney General commence and maintain appropriate court action to clarify the State's interest in the area of tide and submerged lands quitclaimed to the State of California by the City of Long Beach by deed of October 15, 1932, said land originally having been granted to the City of Long Beach by the State of California. The purpose of this report is solely to report to the Commission that a Complaint for Declaratory Relief in this action has been filed by the office of the Attorney General on July 26, 1957, in accordance with the request of the Commission.

Mr. FERRIS: Any questions? (No response) The report will be accepted.

Mr. HORTIG: Page 5. An application has been received from the City of Stockton for the lease of a portion of the old channel of the San Joaquin River known as Buckley Cove, extending from the mean high tide line of adjoining city-owned Buckley Island to the midchannel of the old channel, containing approximately 11 1/2 acres not presently under lease, to be subleased by the City of Stockton to an individual or corporate entity for the development and use of the island and adjacent waters as a small boat harbor. It is the opinion of the staff that a
fifteen-year lease at a yearly rental of $100, with a renewal clause for two additional 10-year periods, should apply, with the limitation as to length of construction of
the piers .......

MR. PEIRCE: The recommendation is approved.

MR. HORTIG: Page 6. Cibola Ferry, Inc. has applied for a 16-foot wide right-of-way easement across the California portion of the Colorado River, about twenty miles south of Blythe, California, to cover the area on which they have already constructed a bridge that is now the subject of intensive investigation of the U. S. Army Corps of Engineers and the Division of Highways and their counterparts on the Arizona side. It is recommended that the authorization be granted for issuance of this right-of-way easement.

MR. PEIRCE: It is the operation of the ferry ...

MR. HORTIG: No, sir of a bridge.

MR. PEIRCE: Any objection to the recommendation?

MR. HORTIG: Insofar as our agency is concerned, no sir. Whether, as and when permit may be issued by the U. S. Army Corps of Engineers for maintenance and operation of the bridge in its present condition is not known, but this easement would be effective only under those circumstances that there be the balance of the permit issued, including the unresolved question of operating a toll bridge which is under way.
MR. TODD: And clearance for navigation.

MR. HORTIG: Well, that would be from the U. S. Army Engineers.

MR. PEIRCE: Any further questions?

GOV. POWERS: O. K.

MR. PEIRCE: All right, the recommendation is approved.

MR. HORTIG: Page 7. If the Commission please, the agenda relating to the application as stated for lease of tide and submerged lands, of Southern California Edison Company, will be presented in modified form, relating to issuance of right-of-way easement rather than a lease and a modification involving an easement for 49 years rather than 50 years as stated in the published agenda item, in order to conform to Rules and Regulations of the Lands Commission for easements. The purpose of the easement is for a salt water cooling line required by Southern California Edison in connection with construction in conjunction with a multi-million-dollar steam plant generating electricity. Easements for the pipe lines across Huntington Beach State Park have already been granted by the State Park Commission. The modified rentals specified here, which are recommended to the Commission, are acceptable to the grantee at the increased terms because the specific agreement would be made by the State not to construct any conflicting structures over the area in which these large intake lines would be maintained. It is recommended that authorization ....
MR. PEIRCE: There is no objection on the part of local agencies?

MR. HORTIG: No sir, they have been viewing with interest the construction of the entire plant. It is a local asset.

MR. PEIRCE: Your pleasure?

GOV. POWERS: I move ...

MR. PEIRCE: Moved and seconded that the recommendation be approved. So will be the order.


Two items. I will read the recommendation. It is recommended that the Commission authorize the sale of vacant State school land for cash at the highest offer, per tabulation, such sales to be subject to all statutory reservations including minerals. These are routine.

GOV. POWERS: Do we have a whole series of them?

MR. SMITH: Just two.

MR. PEIRCE: All right, the recommendation is approved.


MR. SMITH: Sale of Vacant Federal Land. It is recommended that the Commission determine it is to the advantage of the State to select 87.80 acres in San Bernardino County; that the Commission find the said land is not suitable for cultivation and approve the selection and authorize the sale in accordance with Rules and Regulations.
on conveyance of the land by the Government. The State applicant has cancelled out.

MR. PEIRCE: This is a routine transaction? The recommendation is approved.

MR. SMITH: Page 14. Identically the same -- the Federal land containing 160 acres in San Bernardino County; that the Commission find the said land is not suitable for cultivation and approve the sale in accordance with the rules governing the sale of vacant school land. Routine transaction.

MR. PEIRCE: Any questions? The recommendation is approved.

MR. SMITH: This is an approval of an exchange ... MR. HORTIG: Page 15.

MR. SMITH: It is recommended that the Commission authorize the Executive Officer to certify to the Governor that it is to the advantage of the State to exchange with the United States Government 5,120 acres in San Bernardino County for 4,573.95 acres of Federal land in Riverside County of equal value; that the Executive Officer be authorized to execute on behalf of the State Lands Commission a certificate provided for in Section 6444 of the Public Resources Code; and the State, upon acquisition of the land from the Federal government, offer said land for sale at competitive bidding in accordance with the Rules and Regulations governing the sale of State school lands, under the application filed by
the applicants Harry Pon and R. A. Ellsworth.

MR. PEIRCE: Any questions? Any controversy involved?

MR. HORTIG: This is standard procedure, Mr. Peirce, this type of application.

MR. PEIRCE: Is this O. K.?

GOV. POWERS: Yes.

MR. PEIRCE: All right, the recommendation is approved. Gentlemen, I observe the presence of Senator Richards. Excuse me for overlooking you..

SENATOR RICHARDS: Not at all, I am just sitting in.

MR. PEIRCE: In behalf of the Commission, I want to say I am delighted to have you and if you have any item you would like to discuss with us we would welcome hearing from you and have you participate in our discussion to the fullest extent possible.

SENATOR RICHARDS: Thank you.

MR. PEIRCE: All right, Mr. Smith, will you proceed?

MR. SMITH: 17. This involves purchase of vacant Federal lands. The applicants have objected to the valuations established on the land by the staff and the time within which the applicants were entitled to meet the appraised values was extended, to allow time for submission of material by applicants. In order to allow review of material submitted by applicants, it is recommended that extension granted by Executive Officer to August 8, 1957, in which applicants may submit additional amounts to meet appraised values, be
confirmed and that an additional thirty-day extension be granted to all applicants for the submission of the required amounts, which period will allow the staff to make a complete review of the material submitted by the applicants whereupon the matter will be referred to the Commission at its next meeting following the expiration of the thirty-day extension.

MR. PEIRCE: Any discussion?

GOV. POWERS: They wish to purchase this Federal land and then you are exchanging the State land for it?

MR. HORTIG: We are down to the point of having virtually completed the selection of the land on behalf of the State, at which time appraisal of the lands was made and the applicants, who originally entertained ideas of the value of the land, feel that the current appraisals of the State are excessive and also contend that they can furnish data to indicate that the appraisals indicated by the State are too high and wish the opportunity to present this data. So, in order to maintain the applicants in status quo, it is recommended that the staff be given this thirty-day period to review this data and then report the conclusions on the sum total of data submitted.

GOV. POWERS: That's O. K.

MR. TODD: M-m-m.

MR. PEIRCE: The recommendation is approved.

MR. SMITH: Page 16. There may be an appearance on
Mr. Labrucherie protested the application of the State. It might be well to let this pass for a few moments.

MR. PEIRCE: Is Mr. Labrucherie present? (no response)

Is it your thought, Mr. Smith, that we should delay action on this recommendation pending his possible arrival?

MR. SMITH: Yes, I would suggest that.

MR. PEIRCE: Well, let us pass over this item, then.


It is recommended that the Commission determine that it is to the advantage of the State to select the Federal land in the following cases; that the Commission find it is not suitable for cultivation; that the Commission authorize the sale of the land for cash in accordance with the following tabulations, such sales to be subject to all statutory regulations, including minerals.

MR. PEIRCE: Any questions?

MR. HORTIG: These are routine, Mr. Peirce.

GOV. POWERS: All right. All routine.

MR. TODD: O.K.

MR. PEIRCE: The recommendations are approved.

MR. HORTIG: Page 25. A joint application has been received from the City of Larkspur and the County of Marin requesting a right-of-way easement for the placement of a bridge across Corte Madera Canal in Marin County. As the Commission may recall, within the limits of Corte Madera Canal there are certain oil site leases from the State.
These leases were issued to trespassers who occupied the area originally without authorization. One of these art sites would currently be eliminated by the installation of the bridge and it is recommended that the authorization be granted for the issuance to the City of Larkspur and the County of Marin jointly of a life-of-structure permit for an area 20 feet in width and 260 feet in length across Corto Madera Canal for the use and maintenance of a vehicular bridge, with the provision that the permittee pay compensation for the removal of or damage to any structures that are located on State property.

MR. PEIRCE: Any questions?

MESSRS. POWERS and TODD: That's O.K.

MR. PEIRCE: The recommendation is approved.

MR. HORTIG: Page 26. The Eleventh Naval District, San Diego, have applied to the Commission for permission to extend an existing jetty 2,300 feet southerly and paralleling the shore line from the boat basin at Camp Pendleton Harbor. Section 6321 of the Public Resources Code provides for such construction and this project is in conjunction with the dredging of a channel and would also provide for relief of erosion problems at Oceanside as one of the primary purposes of the Engineers in this construction. Therefore, it is recommended that the authorization be granted for issuance of a permit to the U. S. Navy for the construction, use and maintenance of an extension of a jetty.
2,200 feet in length southerly from the boat basin and
paralleling the shore line at Camp Pendleton, San Diego
County, the consideration being the benefit to harbor facili-
ties at Camp Pendleton and relief of the erosion problem
at Oceanside.

If the Commission please, Section 6321 provides
that such authorization may be granted for the structures
if the structures do not unreasonably interfere with the
uses and purposes reserved to the people of the State.
It is recommended that the Commission find that the proposed
construction will not unreasonably interfere with the use
and purposes of the people of the State, insofar as it is
felt this structure will be an advantage rather than a
detriment.

MR. PEIRCE: Any questions?
GOV. POWERS: No.
MR. TODD: Approved.
MR. PEIRCE: The recommendation is approved.
MR. HORTIG: Twelfth Naval District, San Francisco, has applied ....
GOV. POWERS: What page?
MR. HORTIG: Page 27, I am sorry. .... for a
permit covering an area lying seaward of the naval facility
at Centerville Beach, Humboldt County, for the installation
of scientific equipment. The consideration is to be in the
interest of national defense. It is recommended that the
Commission make such authorization.

MR. PEIRCE: Any questions?

GOV. POWERS: No, O. K.

MR. TODD: O. K.

MR. PEIRCE: The recommendation is approved.

MR. HORTIG: Page 26. Senate Bill 1517, approved as Chapter 1701 of the Statutes of 1957, authorizes the Commission to sell certain lands within the abandoned Guadalupe Canal in San Mateo County and Callinas Creek, Marin County. It is recommended that the Commission authorize the establishment of procedures which will permit, subsequent to the effective date of the act, the conveyance of these lands or the offering of these lands in accordance with the statutes and in accordance with requirements for publication as now specified in Government Code Section 6064. The Commission will reserve the right to reject any and all bids in any sale offer of these lands. All costs incident to the sale of the lands are to be borne by the successful applicant or the first applicant.

MR. PEIRCE: Any questions?

GOV. POWERS: No.

MR. TODD: Provided the date of the act is considered. In other words, we could adopt subject to the effective date of the act.

MR. HORTIG: This is the reason for the specification that we authorize subsequent to the effective date of the
act, which will be September 11th.

MR. PEIRCE: All right. The recommendation is approved.

MR. HORTIG: Page 29. Assembly Bill 4165, approved as Chapter 2012, authorizes the Commission to sell an island at the confluence of the Sacramento and San Joaquin Rivers known as Chain Island. It is recommended that the Commission authorize procedure with the sale of the described land subsequent to the effective date of the act; that notice to receive sealed bids be published in accordance with the requirements of the Government Code; the appraised value to be established, which value shall be the minimum value for which the land may be sold; and that sale be made to the highest bonafide bidder, subject to any lease outstanding at the time of sale and subject to all statutory reservations including minerals, and subject to the final approval by the Commission of any sale. The Commission will reserve the right to reject any and all bids in any sale offer and, again, all costs incident to the sale of the land will be borne by the successful applicant or the first applicant.

MR. PEIRCE: Any State agencies that might be interested in this?

MR. HORTIG: We are not aware of any. This island has been in existence for at least fifty years and private agencies have been interested on and off. It has been under lease part time heretofore and there is an applicant who is
interested in purchasing it currently.

MR. PEIRCE: Any questions?

GOV. POWERS: Well, no, I think we might as well proceed. I think that's O. K. There's nothing wrong with that.

MR. TODD: M-m-mh.

MR. PEIRCE: All right. The recommendation is approved.

MR. HORTIG: Page 30. Assembly Bill 3610, approved as Chapter 1437, provides that the owner or owners of abutting lands shall be the preferred purchasers for a small parcel of filled tide and submerged lands in Humboldt Bay, which intervenes between two parcels of land heretofore sold by the State many years ago. It is contended — and probably is the case — that was an oversight based on survey errors and it is recommended that the authorization be granted to proceed with the sale of the land described in Chapter 1437 subsequent to the effective date of the act, as provided in the act; that the owner or owners of the abutting land be the preferred purchasers at the appraised fair market value; that any sale be made subject to all statutory reservations except that all mineral rights shall be conveyed with the surface rights, subject to final approval by the Commission. Subsequent to sale, all costs incident to the sale of the lands will be borne by the applicant.
If I may amplify with reference to the proposed conveyance of the mineral rights, this is based on what the legislative committee which conferred on the drafting of this bill intended. The bill was stated in such form that the Commission be authorized to convey the mineral rights. There is now a question whether this authorization was accomplished in fact, and an opinion of the office of the Attorney General will be requested before final recommendation will be made to the Commission as to this conveyance.

MR. PEIRCE: Any questions?

GOV. POWERS and MR. TODD: No.

MR. PEIRCE: The recommendation is approved.

MR. HORTIG: Page 31, gentlemen. Section 6404 of the Public Resources Code provides in part that any State agency that sells specified lands may, with the approval of the Lands Commission, reserve mineral deposits in those lands to the State. Pursuant to this provision, the Director of Finance, through the Acquisition Division, has requested the recommendation of the Commission with respect to reserving the mineral rights in two proposed sales of property, being approximately 2.8 acres at the San Gabriel Fish Hatchery, Los Angeles County, and approximately 4 acres adjoining the Metropolitan State Hospital, Los Angeles County. From staff review, it is recommended that the Commission recommend that the mineral rights in these lands be retained by the State because of the potentiality of future mineral production.
MR. PEIRCE: Both of these lands are adjacent to oil fields, producing oil fields, and we feel that the mineral rights should be reserved, and under the existing law the Commission must so indicate.

MR. HORTIG: That is correct.

MR. PEIRCE: The new law, however, will not require that this be done.

MR. HORTIG: That's right, after September.

MR. PEIRCE: I recommend the approval of these recommendations.

GOV. POWERS: I second.

MR. PEIRCE: Moved and seconded that the recommendation be approved. So will be the order.

MR. HORTIG: Page 32. If I may summarize, gentlemen, pages 32 and 34 contain recommendations with respect to consideration of advance approval of expenditures proposed to be made by the City of Long Beach in connection with subsidence alleviation projects, which are the two remaining areas of operation not heretofore authorized by the Commission on a full fiscal year basis. Both of these areas, the so-called Town Lot project appearing on page 32, and the matter of a new administration building appearing on page 34, are undergoing additional staff study, both by the Division as well as by the Harbor Department of the City of Long Beach; and, therefore, it is proposed that at this time the Commission proceed with what has been standard procedure
horetore, to approve for the month of August and for the
month of September expenditures for those months only for
these two projects, by which time -- expiration of which
time -- it is anticipated conclusions will have been reached
which will permit recommendation to the Commission for the
continuance or final disposition of these projects for the
balance of the fiscal year.

MR. PEIRCE: All right. Do you desire to read the
recommendation?

MR. HORTIC: It is recommended that the Commission
conditionally approve the Town Lot area project as a sub-
sidence project and the costs proposed to be expended there-
under in August 1957 for property purchase and areal fill,
and in September 1957 for force account shown in Exhibit A
attached; and, similarly, that the Commission approve the
costs to be expended by the City of Long Beach, including
the subsidence remedial work, for the administration building
project, as indicated on Exhibit A attached and made a part
hereof, for the month of September 1957. Both recommendations
subject to the condition that the amounts of costs to be
allowed ultimately as subsidence costs under Chapter 29 will
be determined by the Commission on final engineering review
and audit subsequent to the time the work is completed;
provided that no estimate shall presently be made of the
subsidence deduction ultimately to be allowed for such
acquisitions, fill and the administration building; and,
Further, that the City of Long Beach is not to withhold from revenues due the State any portions of the costs of the projects until final approval is had; further, that the Executive Officer, Assistant Executive Officer or Mineral Resources Engineer be authorized to execute written instruments reflecting the Commission's conditional approval.

MR. PEIRCE: May I ask whether the replacement of the administration building comes within the meaning of subsidence expenditures as provided by law?

MR. HORTIG: We have been informed and it is the conclusion of counsel that basically this project does qualify under Chapter 29 as a subsidence project. There is no basic problem, Mr. Peirce, it's a matter of degree. The proposal for the replacement envisions a new, entirely new, also much larger and more effective building than the present building. Therefore, the items of betterment and improvement are problems -- how far the State should share in those -- and, finally, the major problem in front of the State Lands Commission -- inasmuch as the State must approve the subsidence element, therefore the Commission is definitely concerned in the future subsidence hazards in the selection and location of the building. Study is under way to select the optimum location which will balance the location for all operational facilities as against minimum future subsidence which would again require the State to contribute.

MR. PEIRCE: We are contributing, only to the
reconstruction of this building, or the replacement of this building to the extent a subsidence is involved, is that correct?

MR. HORTIG: Twenty-five percent of the amount that subsidence is involved.

MR. PEIRCE: Under the formula?

MR. HORTIG: Yes sir.

MR. PEIRCE: And you believe the twenty-five percent formula is just in its application to the construction of a new administration building for the Harbor Department?

MR. HORTIG: Yes, for the reason that the present building will shortly be no longer tenable.

MR. PEIRCE: In other words, the present building is right in the middle of the subsidence area?

MR. HORTIG: The present building is right in back of the levee, which is taller than the building -- which is a low morale factor.

MR. PEIRCE: I have been there. It is a formidable sight to see -- this two-story building hidden by the dike, with the ocean on the other side of the dike. Do these two recommendations meet with the approval of the City of Long Beach?

MR. LINGLE: I might add --- these just happen to be some pictures I have. One of the earthquakes caused that twist -- which is one of the phenomena that goes along with subsidence. If we ever got it in one of these dikes ---
with the building twenty feet below water — it is a

material problem. It is a matter of degree, our approach
and your staff's approach as to how much is to be allowed
for subsidence. One point — it appeared in the minutes
before — which I would wish not to appear and wish not to
appear this time, and that is that I concur. Under our
bill I believe we would be allowed a greater allowance than
the staff's present thinking. Among the requisitions for
land this time are these two buildings, I happen to be
handling the condemnation of those buildings — that just
occurred in the rain. Our thought is that when you build
more dikes — those buildings were only acquired because
we are going to build a road and it is going to be twenty
feet above the ground — we end up with little dike areas.
When we get into slippage, where our pipes are gone, we end
up in having to put pumps in all these areas unless we buy
the whole area. We do not question that when we finish this
we will end up with a valuable asset. We believe that would
be the intelligent approach — to end up with a valuable
asset. Certainly, in line with Mr. Norberg's explanation,
the city is just as desirous as the staff is of placing these
buildings in the most advantageous positions possible.
Certainly we don't want to put that administration building
where it is going to subside. We want to settle these
problems. We are going to spend $75 for every $100 you spend
just for the subsidence portion.
MR. PRINCE: Thank you. Any further discussion?

The two recommendations are approved.

MR. HORTIG: Page 36 through 41, gentlemen, is a report for your information, which I will not read, but giving the final status of the principal legislative bills considered at the recent legislative session, affecting the administrative cognizance of the Commission.

MR. PRINCE: This is for our information and later study.

MR. HORTIG: Yes, sir. Pages 42 to 50 tabulate actions heretofore undertaken by the executive staff under delegations of authority from the Commission, in terms of issuance of routine right of way easements, permits, licenses and other items authorized. All routine and in conformance with the Rules and Regulations of the State Lands Commission.

MR. PRINCE: I have looked over all these items and they appear to be in order.

MR. TODD nodded.

GOV. POWERS: C. E.

MR. PRINCE: The recommendation covering the actions of the Executive Officer is approved.

MR. HORTIG: This returns us to page 18.

MR. PRINCE: Mr. Smith.

MR. SMITH: Sale of Vacant Federal Land -- containing 280.45 acres in Santa Clara County. Mr. Labrucherie has
protested the sale to the Division on the basis that any sale to parties other than himself would divest him of access to other lands which he owns. The recommendation is that the Commission determine it is to the advantage of the State to select the land in Santa Clara County; that the Commission find said land is not suitable for cultivation without artificial irrigation; that the Commission approve the selection and authorize the sale of the land for cash to H. J. Moren at the appraised price of $3,365.40, subject to all statutory reservations including minerals.

MR. PEIRCE: Is Mr. Labrucherie present? (No response) How have we handled protests of this character previously where a protestant objects to a sale because it may interfere with access to other property owned by him?

MR. HORTIG: In the same manner in which this protest was handled, Mr. Peirce, in that the protestant and his attorney were informed of the recommendations to be made to the Lands Commission, the basis for the recommendations, the fact that the item and the recommendation would be considered by the Commission at a public meeting to be held on a date certain. These were all conveyed by Mr. Smith to Mr. Labrucherie's attorney and then the matter has been presented to the Commission with the recommendation. If there is no further protest at the time, there is no basis for modification of the staff recommendation. The difficulty here, as the Commission can see, is probably a very
real one for Mr. Labrucherie, but the fact is simply that for many years he traversed public domain without ever formalizing his right to do so. Hence, there is no record in the Bureau of Land Management of a right-of-way to him nor even of an application for a right-of-way to him. Consequently, the Bureau of Land Management transferred full fee title to the State; and this procedure having been initiated, we are informed by the office of the Attorney General that the Commission has no alternative but to proceed with the sale. We even looked into the matter to see whether we could let Mr. Labrucherie proceed to obtain a right-of-way easement, but we have no right to do so.

GOV. POWERS: His difficulty is his lack of contacting the Bureau of Land Management.

MR. HORTIG: Right -- no application was ever made.

GOV. POWERS: I think sometimes we go quite a way making nuisance value of some of these lands -- the one in Bakersfield I think was one.

MR. HORTIG: We find ourselves in that position just by the force of circumstances.

MR. SMITH: I might add that I understand if he applied to the Bureau of Land Management for a right-of-way, they in turn would have reserved a right-of-way for access in the conveyance to the State.

GOV. POWERS: Of course, in a case of that kind it is a matter of ignorance. If he had been informed that was
what he should have done, he would have done it and be glad to; but it is beyond our control at this time. It's too bad someone doesn't inform these people of their rights and what they should do before it is too late.

     MR. PEIRCE: What is your pleasure concerning the recommendation?

     GOV. POWERS: I think we have to accept the recommendation.

     MR. PEIRCE: It has been moved and seconded that the recommendation be approved.

     GOV. POWERS: With that understanding -- that we have no right to give him a right-of-way.

     MR. HORTIG: No sir, we have been informed specifically we do not.

     GOV. POWERS: Because if we had the right, I would still be for it.

     MR. PEIRCE: Is that the agenda, Mr. Hortig?

     MR. HORTIG: That's it, Mr. Peirce.

     MR. PEIRCE: Is there anybody present who desires to present anything to the Commission or to ask any questions? (No response) Mr. Hortig, how about the next meeting of the Commission?

     MR. HORTIG: Should be at the convenience of the Commissioners, preferably September 11th or after and prior to September 15th; in other words, in that week.

     MR. PEIRCE: Mr. Kirkwood is on vacation and will
not be back until the end of this month, so I am sure it would meet with his convenience, Mr. Todd, to have the meeting ....

GOV. POWERS: In other words, we have to have it between the 11th and 15th.

MR. HORTIG: Preferably after the 11th, in order that the Commission can take action which should be taken in connection with legislation in effect; and before the 15th, to be certain that payroll and related problems of the City of Long Beach can be taken care of in time.

GOV. POWERS: Can we check the calendar?

MR. PEIRCE: Let's leave it open and you check with my secretary and she will contact Governor Powers' secretary and Mr. Kirkwood's secretary, and they can work out a date that is mutually satisfactory. Would you desire to have this meeting in Los Angeles for a change, or would you prefer to have it up here?

GOV. POWERS: Let's see -- 11th to 14th -- I'd have to look at my calendar. If I am there, I'd rather be there, if I am here, I'd rather have it here.

MR. PEIRCE: I think it's desirable to have the meeting at times in Southern California, for the convenience of those who have to conduct their business, etc. I guess that's all that is before us today. There being no further business, meeting is adjourned.

(MEETING ADJOURNED 10:30 A.M.)