# INDEX

<table>
<thead>
<tr>
<th>Page</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>iv</td>
<td>Members Present</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Proceedings</td>
<td>1</td>
</tr>
<tr>
<td>1</td>
<td>Executive Officer's Report</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Acceptance of Consent Calendar</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Calendar Item 9</td>
<td>2</td>
</tr>
<tr>
<td>14</td>
<td>Calendar Item 10</td>
<td>14</td>
</tr>
<tr>
<td>15</td>
<td>Calendar Item 11</td>
<td>15</td>
</tr>
<tr>
<td>15</td>
<td>Calendar Item 12</td>
<td>15</td>
</tr>
<tr>
<td>16</td>
<td>Calendar Item 13</td>
<td>16</td>
</tr>
<tr>
<td>16</td>
<td>Calendar Item 14</td>
<td>16</td>
</tr>
<tr>
<td>17</td>
<td>Calendar Item 15</td>
<td>17</td>
</tr>
<tr>
<td>18</td>
<td>Calendar Item 16</td>
<td>18</td>
</tr>
<tr>
<td>18</td>
<td>Calendar Item 17</td>
<td>18</td>
</tr>
<tr>
<td>19</td>
<td>Calendar Item 18</td>
<td>19</td>
</tr>
<tr>
<td>21</td>
<td>Calendar Item 19</td>
<td>21</td>
</tr>
<tr>
<td>22</td>
<td>Calendar Item 20</td>
<td>22</td>
</tr>
<tr>
<td>51</td>
<td>Calendar Item 21</td>
<td>51</td>
</tr>
<tr>
<td>55</td>
<td>Calendar Item 23</td>
<td>55</td>
</tr>
<tr>
<td>56</td>
<td>Calendar Item 24</td>
<td>56</td>
</tr>
<tr>
<td>62</td>
<td>Calendar Item 25</td>
<td>62</td>
</tr>
<tr>
<td>65</td>
<td>Calendar Item 26</td>
<td>65</td>
</tr>
<tr>
<td>67</td>
<td>Calendar Item 27</td>
<td>67</td>
</tr>
<tr>
<td>67</td>
<td>Calendar Item 28</td>
<td>67</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Calendar Item 29</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calendar Item 30</td>
<td></td>
</tr>
<tr>
<td>Calendar Item 31</td>
<td></td>
</tr>
<tr>
<td>Status of Major Litigation</td>
<td>72</td>
</tr>
<tr>
<td>Adjournment</td>
<td>76</td>
</tr>
<tr>
<td>Reporter's Certificate</td>
<td>77</td>
</tr>
</tbody>
</table>

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MEMBERS PRESENT

Mr. Kenneth Cory, State Controller, Chairman
Mr. Sid McCausland, representing Mr. Roy M. Bell
Ms. Betty Jo Smith, representing Mr. Mervyn M. Dymally

STAFF PRESENT

Mr. William F. Northrop, Executive Officer
Mr. James F. Trout
Mr. Robert C. Hight
Mr. W. M. Thompson
Mr. Donald J. Everitts
Mr. Dwight Sanders
Ms. Diane Jones, Commission Secretary

ALSO PRESENT

Mr. Jan Stevens, Attorney General's Office
Mr. Alan Hager
Ms. Suzanne Wylie
Ms. Elizabeth Rasmussen
Dr. Kent Dedrick
Rear Admiral Frank Higbee

--000--
CHAIRPERSON CORY: We call the meeting to order.

First item on the agenda is the confirmation of the minutes of the June 22nd meeting. Are there any corrections or changes in that?

Without objection they will be confirmed as presented.

Next item is a report of the Executive Officer, Mr. Northrop.

EXECUTIVE OFFICER NORTHROP: Mr. Chairman, in light of the Jojoba beans there will be no Executive Officer's report, other than Items No. 20 and 22 will be pulled from the calendar; there may be some comment from the public on Item 20. That completes my report.

Mr. Golden is not here. He was attending a Coastal Commission meeting so he will not be giving a report.

CHAIRPERSON CORY: The next item on our agenda is the Consent Calendar. The Consent Calendar items, for those of you who have agendas, are preceded by the letter C1 through C8. The agenda calendar summary indicates the proposed action that the staff recommends. If there is anyone in the audience that has any questions about any of those Items C1 through C8, if they would please let us know now because lacking any objections, we will approve those in
one motion and not take them up individually.

Is there anybody who would like to address themselves to any of those items?

MR. MCCAUSSLA'D: No objections.

MS. SMITH: No objections.

CHAIRPERSON CORY: Without objection, the Consent Calendar will be adopted as presented.

The next item is Item 9.

EXECUTIVE OFFICER NORTHROP: Mr. Chairman, Item 9 is a report on the Moss Landing Harbor District's management practices. In the staff of the State Lands Commission Elizabeth Rasmussen has been handling that, and I believe Miss Rasmussen and Mr. Trout will make a preliminary report.

I believe there are members of the Moss Landing Harbor District here who may care to respond.

MR. TROUT: On introduction, Mr. Chairman and Members, the auditors in the staff of the State Lands Division have asked us to emphasize that a financial audit has not been made. We have reviewed from an analytical standpoint with our professional staff the on-going activities of the Harbor District; and this report is basically a summary of those activities.

Libby is at the board there, and I'd like her to just point out--the Moss Landing Harbor District has been granted tide and submerged lands that she is emphasizing.
there off shore in north and south harbor and up Elkhorn Slough.

The areas shown on the map in red are a series of boundary agreements entered into between the Harbor District and upland owners and, in most cases, ratified by earlier land commissioners.

The yellow lines, which are a little difficult to see, are unresolved boundary lines which are at present being surveyed pursuant to the grant statute. We must admit that the survey is considerably behind schedule. The grant requires a survey to be done within two years. It took us about five years to get an agreement on the repayment of the Division's costs for the survey; and following that we have had our own difficulties. So, part of the problem is not completion of the survey. I mean, it's a fact that the survey is not complete.

As a result of the management audit, we focused on two basic things. There have been a number of inconsistencies between the terms of the granting statute and the common law trust in the past and the actual activities within the Harbor District. However, our management audit has developed the fact that most of these deficiencies have been corrected. In recent years the Harbor District has hired a new general manager and there has been some more modern direction coming from the Harbor District itself.
In summary, then, the management audit report has shown that there has been an agreement in north harbor which just recently expired, an agreement between the Harbor District and the Moss Landing Yacht Club that, in effect, made the yacht club the manager of the tide lands in the north harbor. The District has been working very hard to correct that situation, and they are now in negotiations with the yacht club.

CHAIRPERSON CORY: There is an agreement that's expired?

MR. TROUT: It expired approximately one year ago.

CHAIRPERSON CORY: What is there to negotiate? I mean, it seems to me it's very clear that the District has a responsibility where they should have it all the time. Why are people negotiating?

MR. TROUT: They are attempting to--the yacht club wishes to continue to now lease a piece of property for their yacht club.

I think representatives of the Harbor District would like to explain the status of their negotiations. It would put the yacht club in a typical lessee situation, such as the Commission itself enters into with the yacht club. I think from preliminary conversations with the District, with one of the directors and Mr. Northrop, we think they are
moving in a very good direction.

In the south harbor we have some more difficult problems. There are a number of wharves and piers in that area which in the past the District sold for very small amounts of money. There are a number of wharves and piers which are paying little, if any, rent. And the actual resolution of that problem is going to require completion of the Division's survey, which we hope to do by the first of the calendar year.

The calendar item, then, recommends two or three things. It recommends that the Moss Landing Harbor District be informed of the contents of the audit, and they have seen a preliminary copy of it. That among other solutions the Commission suggests that there are at least two. There might be more solutions to the problem of the Elkhorn Yacht Club. That the District working with the staff of the Commission report back not less than one year on progress in solving some of these problems. And that the Executive Officer be authorized to take the steps necessary, including public hearings, towards the end of this period, and if there is no satisfactory resolution of this problem that the appropriate corrective measures be authorized by the Attorney General and the staff counsel.

MS. SMITH: Question. The 1952 agreement with the Elkhorn Yacht Club, is that the agreement you're
referring to that has expired?

MR. TROUT: Yes, Miss Smith. That's correct.

MS. SMITH: So they will be renegotiating another agreement?

MR. TROUT: Those negotiations are now in progress, according to the Harbor District. The Harbor District intended to be here this morning and, I think, would like to address the Commission briefly on the status of their activities.

MS. SMITH: Would that agreement be coming before us for approval?

MR. TROUT: Yes. It would require approval—no, I'd better not answer that question, and let somebody who knows more about it.

Sue, or Libby, would a lease from the Harbor District to the yacht club require Commission approval?

MS. WYLIE: No.

MR. TROUT: I don't think it would, but we would review for consistency.

MS. SMITH: Would it require that a clause be inserted in the lease that the yacht club would not engage in any discriminatory practices?

MS. RASMUSSEN: Yes.

MS. SMITH: And there was no such clause inserted in the 1952 agreement?
MS. RASMUSSEN: Right.

MS. SMITH: But you think there would be in any future agreement?

MS. RASMUSSEN: I would hope so. We don't have any specific requirements, but that is something we would look for and would like to have in the agreement.

MR. TROUT: We might point out for the benefit of the Commission that all other grantees where a lease has been issued to the yacht clubs, the bylaws or constitutions of the clubs have been amended to require that there be no discrimination in the operation of the yacht club for any reason: residency, race, religion, or any other kind of discrimination. They are to keep a totally nondiscriminatory policy as to membership and use of the facilities.

MS. RASMUSSEN: Mr. Trout, there is one correction. That is, the agreement has not expired, so they are still operating under the terms of that original agreement, the 1952 agreement.

CHAIRPERSON CORY: What was the term of the original?

MS. RASMUSSEN: The terms of the agreement--

CHAIRPERSON CORY: No, the length of time.

MS. RASMUSSEN: The length of time, it will expire on termination of the bonds or October 1, 1981, whichever should happen first.
CHAIRPERSON CORY: Are the representatives here from the Moss Landing Harbor District? Do you wish to comment, sir, from the audience?

MR. MCCLELLAN: Sir, I'd like to have a member of the Commission speak first; and I'd like to have the harbor manager speak.

CHAIRPERSON CORY: Would you please come forward and identify yourself for the record.

MR. PERKINS: The individual who invited me to speak is Ward McClellan, president of the Harbor Board of Commissioners. Mr. name is Granville Perkins. I am also a harbor commissioner and I am chairman of the property committee of the Moss Landing Harbor Commission.

I appreciate that it has been clarified that we believe we are operating under an agreement. It's our opinion that the agreement is valid, although there seems to be some question on the part of the State Lands Commission regarding that. The termination of the 1952 agreement is, as Libby said, October 1, 1981, or until the bonds are retired. It's my understanding that there are relatively few bonds left outstanding.

The harbor commissioner does not receive the results of this audit as some brand new problem thrust upon it. A representative of the State Lands Commission, Tiffany Boussaloub presented this matter to the harbor
commissioners at a regular meeting at a time that a proposed
lease was being discussed with the Elkhorn Yacht Club.
Miss Boussaloub called to our attention that if we entered
upon the proposed agreement being proposed by the Elkhorn
Yacht Club, we would be in violation of our grant with the
State Lands Commission; and if this did take place, the
State Lands Commission would have an obligation to revoke
the grant. So we have been operating under this under-
standing for approximately one year. We feel that although
we do not have an agreement in hand to consider with the
Elkhorn Yacht Club at the moment, between ourselves and the
Elkhorn Yacht Club we have given the matter a considerable
amount of study.

The north harbor is a property under the govern-
ance of the Moss Landing Harbor District, and any future
lease agreement developed with the Elkhorn Yacht Club will
stipulate that quite clearly. I don't think that there is
any doubt in our minds at the present time what is expected
of the Moss Landing Harbor District relative to its manage-
ment of the north harbor.

We are not burdened with any defensive posture
regarding this audit. We find some minor errors. We believe
in the audit based on ownership of certain pieces of
property that are probably on state property within the
district. Those properties are in the south harbor on th-
westerly side. They are commercial operations who have
their piers in the waters of the state of California. Short
of entering into individual litigations with, perhaps, more
than one dozen owners who have wharves or fixtures in the
waters of the state of California, we find no immediate
resolution of the problem— or until we receive the results
of the survey from the State Lands Commission.

We have been promised by the staff of the
Commission that those portions of the survey that are
pertinent to these ownership problems will be subi to
us shortly. We think that would be a less expensive
expedient than entering into a litigation with all
of these owners. We feel quite confident that we will
overcome any problems that might presently exist between
the District and the Elkhorn Yacht Club; and the Elkhorn
Yacht Club also understands that if we do not resolve these
problems by the date identified in the audit, we will simply
take over the operation of the north harbor.

CHAIRPERSON CORY: Questions?

MS. SMITH: No, my question is just whether or not
you would be willing, or the parties would be willing, to
insert a provision in the agreement that would prevent
discrimination?

MR. PERKINS: We plan to do that. It's definitely
in our minds to include that provision.
MS. SMITH: I'm satisfied with that.

CHAIRPERSON CORY: On the staff recommendation to us, I note in 2a and b there seems to be use of the words, "the District shall include." I would prefer when we adopt that that be changed to "District may include" having those provisions, because I don't think we want to go on record as thinking that you need to conclude any agreement if, in your wisdom—if you cannot negotiate a satisfactory agreement, as you suggest, your ultimate lever at the negotiating table is that you don't need that yacht club or any yacht club. You have a responsibility to the people and you can discharge it yourselves without the intermediary. It seems to imply in the draftsmanship that "they shall conclude" that we're forcing you to conclude a deal. And if you can't cut a deal that you think is in the public interest, don't do it.

MR. PERKINS: Mr. Cory, you are precisely correct. That is our position. It may seem remote that we would not conclude a lease, and it's certainly our intention to do so. But we do have a present understanding with the members of the Elkhorn Yacht Club that the lease will either be to our satisfaction or not at all.

CHAIRPERSON CORY: Do the attorneys have--

EXECUTIVE OFFICER NORTHROP: Mr. Chairman, we will make a note on that.
MR. TROUT: Fine.

MS. SMITH: Has a financial audit already been started on Moss Landing Harbor District?

MR. TROUT: Miss Smith, in the opinion of the staff at this point a financial audit is not justified. We think that once the new arrangement with the yacht club and some of the other problems are cleared up, then it would be appropriate. But at this point we think there is higher priority for granted lands financial audits in other areas.

CHAIRPERSON CORY: Is there someone else who wishes to speak? Would you come forward and identify yourself for the record.

MR. WIMMER: Thank you. My name is Bill Wimmer. I'm the harbor manager of Moss Landing Harbor District.

At the time I received this management practices audit, reading it over and finding out all the bad things that were done, I am pleased to say at the time that this agreement was reached I was enjoying life as a soldier of the Occupation Army of Japan.

(Laughter.)

MR. WIMMER: I think it was better there than it was here at this time, according to this. I notice reading page 2 of the agreement, which I received for the first time yesterday, it states: "The district and the club recognize that it is impractical to try to draft this long-term
agreement relating to the foregoing subject matter in the
manner which would cover all questions of fact or interpreta-
tions which may arise during the life of the agreement."

It took about 20-some years for this to come forth. I'm surprised that this wasn't picked up quite some time ago, many years ago--all of the inequities that I see.

I notice that since I've got here I've heard the word "discrimination" a couple of times. In the Harbor District itself we quite frown on any type of discrimination regarding vessels and/or people. Moss Landing Harbor District in our south harbor prides ourselves in the ability to put fishermen and recreation people together; and they get along fine. As a matter of fact, some of the recreation people, you can't kick them out. They won't leave, because they really do enjoy the way the harbor itself is being run.

I didn't know of any discrimination regarding the Elkhorn Yacht Club until some time ago. When I first took over the job I found out that in order to get a berth, somebody told me, you had to join the club. Well, I went over and had a talk to the then manager and put a stop to that.

Regarding the financial audit, right now we are undergoing our yearly financial audit, and the State Lands Commission will get a copy of it just as soon as it is through. We get audited every year by Haskins and Sells,
and they are right now in the second day of the audit. It should be completed possibly by the end of the week, and Mr. Northrop's office will be receiving a copy of that, if you wish to see it.

I'm open to any questions.

CHAIRPERSON CORY: Questions?

MS. SMITH: No.

MR. MCCAUSSLAND: No.

CHAIRPERSON CORY: Thank you very much, sir.

EXECUTIVE OFFICER NORTHP: Mr. Chairman, Mr. Trout has something.

MR. TROUT: We want to point out that much of the change that we saw as a result of the management audit is due to bouquets on both the part of the District in choosing Mr. Wimmer and Mr. Wimmer's own aggressive management. That's really boiled it down to just the two areas that we have identified.

MR. WIMMER: Thank you very much.

CHAIRPERSON CORY: Without objection, then, the recommendation with the amendments made by the Chair is adopted.

Next item is Item 10 on the agenda, a PG&E lease detailing the disposition of volumetric rental accruing at the Moss Landing terminal in Monterey County.

EXECUTIVE OFFICER NORTHP: Mr. Chairman, this is
consistent, the Attorney General tells me, with our stipula-
tion in the lawsuit on volumetric rental that it will be put
in a special fund waiting the outcome of that lawsuit.

CHAIRPERSON CORY: Any questions?

MS. SMITH: And it's very clear that we're not
excusing any rental payments? We are not changing the term
of the date of the lease?

EXECUTIVE OFFICER NORTHRUP: That's correct. We
had discussed this at a previous meeting and the term was
to be changed. Now the term remains consistent.

CHAIRPERSON CORY: Without objection, Item 10 as
amended is approved.

Item 11, West Sacramento Port Center, Sacramento
Yacht Club, title settlement on a boundary.

EXECUTIVE OFFICER NORTHRUP: The staff feels that
when you consider the expense of litigations, this is
probably a much better way to go.

CHAIRPERSON CORY: Anybody in the audience want
to comment on Item 11? Any objections from the Commissioners?

MR. MCCAUSLAND: No.

MS. SMITH: No.

CHAIRPERSON CORY: Without objection, Item 11 is
approved as presented.

Item 12, Sacramento Yacht Club.

EXECUTIVE OFFICER NORTHRUP: Mr. Chairman and
Members, this is a lease—a general permit for recreation use by the yacht club with appropriate consideration.

CHAIRPERSON CORY: Any problems? Anybody in the audience on Item 12?

Without objection, Item 12 will be approved as presented.

Item 13.

EXECUTIVE OFFICER NORTROP: Mr. Chairman, this is a compromise, again, in lieu of litigation in the area of Milpitas.

CHAIRPERSON CORY: Anybody in the audience on Item 13 on the agenda?

Questions from the Commissioners?

MR. MCCausLAND: No.

MS. SMITH: No.

CHAIRPERSON CORY: Without objection, Item 13 will be approved as presented.

Item 14, Shell Beta.

EXECUTIVE OFFICER NORTROP: Mr. Chairman, in the federal offshore off of Huntington Beach, the federal government has leased some of the oil-bearing—some of the sea bed to Shell Oil Company for the development of an oil field. The City of Long Beach and the State Lands Commission are joint co-lead agencies on an EIR. This allows the Executive Officer to negotiate that agreement.
CHAIRPERSON CORY: Questions?

MR. MCCAUSSLAND: No.

MS. SMITH: No.

CHAIRPERSON CORY: Anybody in the audience on Item 14? Without objection, Item 14 will be approved as presented.

EXECUTIVE OFFICER NORTHP: Mr. Chairman, Mr. Trout will address Item 15.

MR. TROUT: As the Commission will recall, in the last few months we've adopted a number of actions relating to recreational piers. We are asking the Commission in calendar Item 15 to adopt and approve an operating procedure for the issuance of pier permits. Together with that we are also asking your authority for the Executive Officer to make minimum modifications and clarifications as we have some experience with that procedure. Basically it defines how many buoys would be considered consistent with the need for recreational piers, and this is consistent with the regulations that you've adopted, I believe, at the May meeting.

CHAIRPERSON CORY: Any questions?

MS. SMITH: No questions.

MR. MCCAUSSLAND: No.

CHAIRPERSON CORY: Anybody in the audience on Item 15?

MS. SMITH: This is just an operating procedure?
It's not being adopted in the form or a regulation that would be filed in the Administrative Code?

MR. TROUT: That's correct.

MS. SMITH: But will this operating procedure manual be placed in the Administrative Code, anyway?

MR. TROUT: It's not our intention to place it in the Administrative Code. It would be in the operating procedures, the procedures manual, for the staff in guiding them in putting together recreational pier leases.

MS. SMITH: Okay.

CHAIRPERSON CORY: Without objection, then, Item 15 is approved as presented.

Item 16, Michael Phillips dba as Ski Run Marina, a 15-year general lease in South Lake Tahoe.

Is there anybody in the audience on Item 16? Any questions from Commissioners?

MR. MCCAUSSLAND: No.

MS. SMITH: No.

CHAIRPERSON CORY: Without objections, Item 16 will be approved as presented.

Item 17, Anza Shareholders' Liquidating Trust, wanting to assign their lease, or sublease to Victoria Station.

EXECUTIVE OFFICER NORTHROP: That's correct, Mr. Chairman.
CHAIRPERSON CORY: Is there anybody in the audience on this item?

MS. SMITH: I understand from talking to Bob that there is no nondiscrimination clause in this, either, at this time.

MR. HIGHT: Staff will insist that a nondiscrimination clause be inserted in the sublease to Victoria Station.

CHAIRPERSON CORY: Anybody else? Any questions on Item 17?

Without objection, then, Item 17, with the understanding of the staff, will be approved as presented.

Item 18, the Department of the Navy--ours or theirs?

EXECUTIVE OFFICER NORTHRUP: It's theirs, I guess. They have a gunnery range at Chocolate Mountain which they have leased before. I don't know if we could ever take it back, there is so much unexploded ordnance on it. They want another lease for another year.

MS. SMITH: I am curious about this one. If there was a judgment and stipulation for $6,000--wasn't that right--why are they not--

MR. HIGHT: Miss Smith, the $6,000 judgment was a prior judgment, and this is a negotiated judgment for the next five years.

CHAIRPERSON CORY: Inflation.
MR. HIGHT: Right.

CHAIRPERSON CORY: Any questions?

MR. MCCAUSSLAND: What type of control is exercised over trespass on this land, and what kind of exposure does the State have in the event of a group of backpackers moving into the area and detonating devices unknowingly?

MR. TROUT: I think we can, from practical experience, advise the Commission that the control is very, very good. We have a few isolated sections. The bulk of the property is owned by the United States. We had an experience with one of our appraisers being on the property, and he hadn't been on the property but a very short period of time when the Navy had a helicopter out asking what he was doing there. The proper procedure is to contact the Navy. I've forgotten just where, but there was a procedure for contacting the Navy and advising them that you're going to be on the property.

MR. MCCAUSSLAND: I was more interested in keeping people off that weren't aware of the problems.

MR. TROUT: If their experience is similar to ours, they won't get very far without being advised.

CHAIRPERSON CORY: Have you ever seen the Chocolate Mountains?

MR. MCCAUSSLAND: Nobody wants to hike in them? Is that it?
CHAIRPERSON CORY: No. That is a great misnomer, if it implies anything pleasant.

(Laughter.)

MR. MCCAUSLAND: It sounds like the Big Rock Candy Mountain.

(Laughter.)

CHAIRPERSON CORY: Yes.

Without objection, we will approve Item 18.

Item 19, City of Los Angeles, 49-year general permit, two parcels of land in the Owens River, Inyo County, for flumes measuring water flow. The public benefit is the consideration.

Is there anybody in the audience on Item 19? Could the staff tell me—my recollection is that the on-going feud, which I first became aware of in Chinatown, continues. Are there not some recent cries of anguish from the Owens Valley over—

EXECUTIVE OFFICER NORTHRUP: Yes. I'd like to have Don Everitts kind of give a rundown to the Commission on where we are getting—

CHAIRPERSON CORY: Are we getting into the middle of another battle if we approve this?

MR. EVERITTS: Our current problem on the mineral part of it is that they are letting water into Owens Lake, and it is gradually flooding out our mineral lessee. They
have attempted casually to divert water, but they have not completely responded to it, at least in a satisfactory manner.

CHAIRPERSON CORY: You mean we are having a problem?

MR. EVERITTS: We are having a problem with them at this point.

CHAIRPERSON CORY: That I was unaware of. I was more concerned that there was some animosity of the people living in the Owens Valley over a water rights dispute. Are you familiar with that or not?

MR. TROUT: I don't think any of us are, Mr. Chairman. But I can't think that there is any problem with putting this over and allowing the staff to give you a complete report of this whole thing next month.

MR. MCCAUSLAND: I would like to put it over because I recall at a meeting in the winter or spring the lessee of our mineral rights was at that point experiencing some preliminary flooding. And I think we should make sure that all parties are talking before we let the only control that we have in this area out of our hands.

CHAIRPERSON CORY: Without objection, Item 19 will be put over.

Item 20 is off calendar, but we understand that there may be someone in the audience who wishes to address
the Commission on Item 20.

MR. TROUT: Mr. Chairman, this is Mrs. Lucille Peck. While she is coming to the podium, I'd like to hand the Commission some pictures that might help the Commission at least interpret what I think she is going to talk about.

CHAIRPERSON CORY: Would you identify yourself for the record, please.

MRS. PECK: Yes. I am Lucille Peck, owner of Steamboat Acres in Sacramento County. I own property along Steamboat Slough, and we have asked permission to put moorings down in the water.

We have a problem right now where the levees are in really bad need of repair. We want to get in there and start utilizing some means of control. I've just learned this morning that there is some doubt that maybe I am not the owner of the property on the upward side of the levee from the slough.

I'm in a state of shock. That land has been owned by the same family before the 1850's, so I guess for a hundred and forty years everybody assumed they owned property, but in reality did not. But that is not true. My late husband and his father certainly, then, must have spent themselves wrongly in trying to preserve and protect that area.

Right now it's a very, very crucial situation
where boaters have abused and used that property so much that I'm afraid if it goes on any further it's going to really--well, right now there is a big problem, that is for sure. I don't know how it's going to be solved, because the access on that land has been so abused, it's unreal--moorings tied up to the trees and so on.

Mr. Trout, I gave you some land descriptions. Is that how you based your findings, or what? I know I own about 300 acres there and 276, approximately that many acres, are tillable and farmable. The rest is all in levees.

MR. TROUT: The regulations and the statutes under which the Commission operates basically require us to recommend leases to the upland owner immediately adjacent to the State lands, or to someone having the upland owner's consent. Our review of the records earlier this week showed that the immediately adjoining property appears to be in the ownership of the reclamation district rather than Mrs. Peck. We realize Mrs. Peck's concern, and we recommend that the item be put over to give us a chance to get into the details and see what we can find out. We are not talking about the property in back of the levee and the levee road. We are talking about the property that shows in those pictures and is immediately adjacent to Steamboat Slough. Just yesterday morning the record search revealed that the apparent title is in the reclamation district, and we think
that needs to be resolved before we can now recommend the lease.

CHAIRPERSON CORY: The reclamation district is composed of landowners or citizens?

MR. TROUT: Mrs. Peck, do you know whether that's the local reclamation district or the Sacramento-San Joaquin reclamation district?

MRS. PECK: It's a local reclamation district.

MR. TROUT: The record title that we found shows that it is in the reclamation district. It may be that that's an easement, but that's the way the record shows. It seems that that's a problem, to comply with the regulations, that we have to resolve.

CHAIRPERSON CORY: I understand the problem you've discovered, but the trouble I'm having is, if there were any grounds before you discovered that for an emergency letter permit, that seems to suggest some immediacy of the problem. If we were doing something on an emergency basis, are we now going to ignore the immediacy of the problem?

MR. TROUT: No, three things have happened: one, the title problem. Two, since we put the calendar together there has been evidence, including an article in the Sacramento Bee, where the people who normally do the tying up and such, as they are shown in those pictures, have indicated that they are no longer tying up to the upland and
the vegetation. I'm sure Mrs. Peck is more on the scene on
that than I. Thirdly, the Attorney General's office has
some concerns over the length of time that this land has
been used, and the resulting prescriptive or implied rights
that they have developed. At this point our staff is not
alleging that, but there is apparent evidence that that
might also be a problem.

So these three things have all occurred since the
calendar was prepared.

CHAIRPERSON CORY: What is likely to happen between
now and our next meeting?

MR. TROUT: Between now and our next meeting we
should be able to resolve the title problems and also be
able to do a preliminary implied dedication investigation
to determine whether these are problems in fact, or whether
they are something that we can put aside.

MR. STEVENS: That analyzes it very well, Mr.
Chairman. The two problems are the really great uncertainty
as to the ownership of the uplands, and there is uncertainty
as to the public rights that exist as to the use of the bank
which may have accrued. It seems that within a month we
could probably do some fairly definitive work in both of
these areas and define these rights and, perhaps, at the
same time notice Commission action on this subject so that
other persons who are interested would have an opportunity
to be heard.

MR. MCCAUSLAND: I've driven that area many times, and I think the number of boats that use that slough is extremely significant. I would hope, regardless of what transpires in the next month, that we do everything we can to provide adequate mooring for those boats, because I don't believe the newspaper articles can begin to reflect how each individual boat owner is going to act when he goes into that slough. I don't think that those levees are going to withstand many more years the kind of abuse they have taken. Prescriptive rights or not prescriptive rights, it is incumbent upon the reclamation district and, probably, upon this Commission to do everything we can to protect the structural integrity of those levees.

I don't mind putting it over a month, although I hope you work with Mrs. Peck so that she understands what the issues you're raising mean to her title.

MRS. PECK: May I ask something?

MR. MCCAUSLAND: I certainly would like somebody to put some mooring buoys or some protective devices in that area fairly soon. That's probably one of the most heavily used sloughs for mooring purposes in the delta. Maybe there are others, but in terms of unsupervised moorings, there is a tremendous amount of use.

MRS. PECK: May I add something, please. I'm very
disturbed about these connotations. Maybe it all stemmed from that article Monday. I was very upset about that because in the past there have been stories written about the activity on Steamboat Slough. The writer simply had not gone in depth to find out some real facts. I called Mr. Walt Riley from the Sacramento Bee, and he apologized because he had not looked into it in depth. I am really appalled—I am at a disadvantage because my husband was killed three years ago. But he worked so hard to try and preserve that slough for everyone, and was concerned about what was happening there. I've been down there by boat several times this year. I cannot believe what I'm seeing. These people are so irresponsible.

I know that the yacht clubs carry a lot of clout, and I am standing alone here. But I am very upset and very concerned. Through the years—my God, how much of our own private funds have been spent trying to preserve that place, putting up no trespassing signs. Right now we have elaborate signs that say "levee protecting area," crying out to these people, "Look what you're doing to this area."

They're into my lumber pile; they build their own stairways. We provided parking for these people to get them off the road because it was so dangerous. You take care of their garbage; you take care that they're given free water. Everything is for free there, and that's why—they don't
probably like some things but it's in a terrible state of affairs right now. We have had a dredger come in there, paid our own money to save some trees from falling because of the cave-ins, sand up on the levees.

It just doesn't do any good because when they come down here it's like stretching out your arms and saying, "Here we are, you lucky people." Well, I'm not sure we are so lucky. It's unfair. I know that that property belongs to me, and I hope it's not going to become a political football. I'm outraged here this morning. It's just taken so much time and so much of our lives in trying to keep it in its natural state. Doggone it, do I have to stand here alone and say--hey, you guys, how can you stand here now and say I don't own that property? I'm paying taxes on this land, and trying to take care of it. And then somebody is coming down there and utilizing it. I'm not. I work myself to death out there and always have. But I know how concerned we all are. It's time that maybe these people realize that they are sitting on private property, that they have to have some measure of respect. My God, I don't--when I go on vacation I have to pay. When I go I know what it's going to cost, too.

My liability insurance is an outrageous amount. I pay district levee maintenance tax; I pay property taxes; so where are my rights? I think that this should be
approved here today. If there is a discrepancy on that, okay, hinge it on that. But I am telling you, if nothing is done this year— it's so bad out there I have already had the threat that they are going to set those levees back. I don't know what I should do, but I'm going to be standing here screaming and hollering; I guess that's the only thing I can do. But I'm angry and hurt and upset and shocked.

So, that's all I have to say.

MR. MCCAUSSLAND: What are the terms of the permit, the emergency letter that we were going to grant? What is there in that that is jeopardized by the title search and the discussions and the opportunity for subsequent public hearings in the matter?

MR. TROUT: I guess I'm going to have to ask Mr. Stevens to answer some of those questions. The permit itself authorizes her to install temporary mooring facilities on the state land in Steamboat Slough adjoining the upland in that area. Now, when we put it together—and I can understand Mrs. Peck's unhappiness—we understood that she owned to the edge of the water. The records that we researched in putting this together do not exactly agree with that, and we had that need to be clarified.

CHAIRPERSON CORY: But let me try to clarify the fact situation.

Mrs. Peck, are you in some kind of commercial
enterprise at Steamboat Slough?

MRS. PECK: I own the little landing at the
corner. But I have done so much soul searching about this
because, first of all, we have spent ourselves saving the
slough. My husband went through a court battle to save
that. Nobody is enjoying it but the vacationers; right?
Whose expense has it been? Ours. Who's concerned? Who's
down there patrolling all the time trying to keep it intact?
Now it's so bad that it just bothers me so much I can hardly
sleep nights. I mean, that is true.

It just cannot stand any more abuse. I know
what's already happened there 300 yards from the corner to
my house. It's just—they have paddle markers on the road.
The bus has to go way in the other lane to even pass. And
that's simply because of that abuse down there.

I don't know what to say here this morning. I am
really shocked about this, but something has got to be done.
I say pass this thing and we'll get on with that. I think
they're all wrong here. They have to be wrong. You mean to
tell me that 140 years have gone by and people don't know
what they had? My husband's family was the first ones
there. Then everybody on that delta is totally in error.

CHAIRPERSON CORY: That is possible in terms of
fact. What I'm concerned about, and the question I was
trying to ask, is the emergency of having buoys there to
stop the weakening of the levees; is that it? That is the immediate problem why we were going to do something on an emergency basis. Am I misreading that or misunderstanding that?

MR. TROUT: That's basically what the calendar item is.

CHAIRPERSON CORY: What would preclude—if Mrs. Peck is doing this with full knowledge that there is this question as to who owns what, it would seem to me that preserving the levee, rather than waiting for 30 more days of additional deterioration at sort of the height of the season—if she is willing to stipulate that these questions are unresolved, and when we get the fact situation, you know, she may not have the buoys there; it may be the reclamation district that has to have the buoys there. But it seems like the buoys need to be there.

Am I missing something, some legal point or practice?

MR. TROUT: We have two attorneys here to talk to the legal points.

MR. STEVENS: I'd like to hear some more about the transaction itself, because I just became aware on Monday that there were problems of the upland ownership and, also, problems with the public grants.

CHAIRPERSON CORY: What I'm wondering about is,
the reason we were on an emergency basis going to do something was to preserve levees, as I understand it. Everybody is beating up the levees. Shouldn't we take steps to solve that problem, regardless of who owns the property? I'm sorry Mrs. Peck, I can't hold your brief in arguing whether you own the property or not. I just don't know. But the levees should be preserved for whoever has the property.

MRS. PECK: May I add?

CHAIRPERSON CORY: Yes.

MRS. PECK: Why did I just learn of this so suddenly? Monday when that article came out in the paper—and I read it in the second page; it took a whole page of the Bee. In the middle column, that's what upset me right there. When I called Walt Riley about it he admitted that he hadn't checked to see if these boaters are moored and indeed tied up on my property. I walked that entire property that very morning and they were all tied up there, as they usually are.

Now, I don't know if he looked to see, or if somebody just gave him that word. There may be two people there in that whole slough that are just anchored out, if they are. No way. I can ask anybody in this room to come out and look any time and they are tied up there.

I know how they make their accesses. You have to be a Tarzan and Jane, honest to God, to get up where they do,
because they are too lazy to get in a dinghy and go to a
dock.

MS. SMITH: How did the staff make a determination
that the emergency existed?

MR. TROUT: There was a field inspection and, also,
you can see from the pictures the situation that's existing
there now. In some cases the people climbing the levee have
sloughed it away to the point it's right at the edge of the
highway. And you can see in the pictures some very large
vessels. I think one of them is in excess of 50 feet long,
just tied up to a relatively small tree.

What the emergency permit would do would be to
allow Mrs. Peck to install moorings in Steamboat Slough.
In effect, what it would do is compel the boaters using that
area to see Mrs. Peck to pay her for her costs related to
those buoys and tie up to those buoys and not to the upland.
That's what's contemplated in the permit.

MR. MCCAUSLAND: It reads in the background section
of the calendar item, "Applicant proposes to install floating
docks, mooring buoys, and access stairways at selected
locations along applicant's upland and provide waste
removal."

Is your current facility on the river side or the
slough side of the drawbridge?

MRS. PECK: On both.
MR. MCCAUSSLAND: Both sides of the property?

MRS. PECK: Yes. Now, if this is true—I also have a beach there, and two years ago I spent $43,000 putting a new retainer wall in there and docking. Am I now to understand that I don't own that, either? Or the area where the landing is? I don't understand what's going on here.

MS. SMITH: Are the facilities that are going to be installed temporary or permanent facilities?

MR. MCCAUSSLAND: They float.

MS. SMITH: They are easily taken out?

MR. TROUT: As to the state lands, they would be relatively easily removed. They would be a floating structure and some buoys which would just be fastened to the bottom of the slough.

The background, of course, indicates that Mrs. Peck is planning to do some things to the levee, which is not under the Commission's jurisdiction.

MS. SMITH: And you've indicated that Mrs. Peck is going to be charging people for the use of these facilities that will be installed?

MR. TROUT: Yes, but she is also going to be paying the Commission for the use of this at the same time. But she will have incurred some costs in putting those floats and buoys in there.

MR. MCCAUSSLAND: What are the legal ramifications
of us having a stipulation in the permit that allows her to
recover her costs? It's hard to—well, with that number of
boats, maybe we should pay for the full cost of the instal-
lation; I don't know. And yet, if in fact there was a
question as to the legitimacy of our putting mooring
facilities on this land, that any excess funds collected
would accrue to the reclamation district for levee mainte-
nance in that area. And if it turned out that the title
to the land was hers, the money would be hers.

MRS. PECK: May I add, I was going through a lot
of soul searching because just to look down that slough is
something to see. There aren't many areas left like that.
It's taken a lot of struggle and a lot of money on my
family's part to keep it that way, and, I mean, spent their
lives doing it. That's why I'm very emotional about that,
maybe. But so be it.

Why I finally came to the conclusion that the
dockage was the only way is because you cannot get these
people to cooperate. They are in my lumber pile, and all
the stairs, they have a free vacation down there. I don't
understand. Right is right and wrong is wrong. Common
sense does not allow me to feel that these people should be
allowed that privilege all the time. And besides, they are
in your produce; they are in your fields; they get free
water; sneak the garbage on you; walk the dogs; and this
goes on and on.

The only way—the only way to protect the area that is so bad is to dock it, because it will make them keep off and keep them confined in an area without just going hog wild. I have had problems with some of them; so, what do they do? They go across the road where there are new owners. We have spent years and years there. We are working on great-grandchildren. But we have a lot of new people. They'll say, "Hey, gee, we didn't know this place was for free. Isn't it neat?" I've had them tell me that. I wish I had one.

MR. MCCAUSSLAND: Even before I knew that there was a Lucille Peck, I have been somewhat appalled at the mooring practices that I've seen when I drive along that road. I happen to like to drive that road; I don't have a boat that would go down it. I agree that you have a very serious problem; and today we're trying to find out if there is some ground that we could pursue as a Commission that would protect us from our legal exposure, because our staff has advised us that whatever we allow you today may be subject to successful legal challenge by other parties. Whatever we allow you to do should cover as many of the bets as possible.

MRS. PECK: I appreciate that.

MS. SMITH: Does the staff honestly believe that
they can research and resolve all the legal issues involved in this matter before next month's meeting? Or is this something that's going to take you two or three months to take care of and Mrs. Peck is going to have to wait around with all her nightmares and worries and everything?

Because my preference is—and I understand the position you're in, Mrs. Peck—but I don't want to further complicate your life by making a decision today to vote to approve this. I would prefer to postpone this for a month with the understanding that the staff come back in with all the title issues resolved, having researched the matter thoroughly.

MR. TROUT: Miss Smith, I think I can—

MS. SMITH: If that's not possible, then perhaps I'm prepared to make a different decision.

MR. TROUT: I think I can assure you that the title situation can be resolved within the month. The other problem that both Mr. Stevens and I mentioned regarding implied dedication, I hesitate to make any kind of commitment on. But as to the title of the immediate abutting area, the area underlying the levee, I can assure you that problem can be resolved.

MS. SMITH: But what about the second problem?

MR. STEVENS: I think a preliminary investigation could be made by then which would pretty much indicate
whether there are rights or there are not. I know we could give it a priority and provide assistance immediately in this next week to the Commission staff for that purpose. It should receive priority.

MS. SMITH: How long would it take to install the facilities?

MRS. PECK: It depends on what we're allowed to do. I know that it's crucial to have some stairways there, garbage pads—that has to come first on that criteria. And somehow there has to be a method—and we have gone through many, many different ideas—we think if there is some sort of floating line out in the water to keep them from getting access to that shore. I'm telling you, it is bad; it is very bad.

MS. SMITH: If we had approved your request today, when would the facilities have been installed?

MRS. PECK: We would have started almost immediately.

MS. SMITH: You have already found a contractor?

MRS. PECK: That's right.

CHAIRPERSON CORY: What does "almost immediately" mean?

MRS. PECK: The plans are drawn. All the plans for stairways; that has to come first. We have to have time to get everything in order; that has to come first before
we can do anything else. And then we were going to work
the dockage in stages. It's going to cost a lot of money,
let's face it. I'm not happy about it; but to me that is
the only solution down there now. There simply isn't
another way.

CHAIRPERSON CORY: But the time frame of providing
those temporary mooring facilities, would they be in place
within two weeks or--

MRS. PECK: We were going to work that out with
the State Lands, so I don't think we came to a total
conclusion there.

MR. TROUT: I think there are two things that
need to be clarified.

One is that the upland facilities do not require
the consent of the Commission. And the installation of the
buoys and the floats in the water will require a permit
from the Corps of Engineers. I don't know whether Mrs. Peck
or her agent have applied for that permit or not.

MS. SMITH: Has it been granted? Has your
application been approved by the Corps of Engineers?

MRS. PECK: I think they were contemplating the
results of this meeting today.

EXECUTIVE OFFICER NORTHROP: You have filed an
application with the Corps?

MRS. PECK: Yes.
MR. MCCAUSLAND: I'd like to note for the record that the next tentative scheduled meeting of this Commission is the day before Labor Day weekend, which would not quite, but come close, to representing the close of the summer season on the slough. There will be a lot of people out there later than that. I don't think we would see any mooring facilities this season.

CHAIRPERSON CORY: What would be the cost of the temporary mooring facilities?

MRS. PECK: I think we're talking of probably each unit, a hundred-foot unit--or was it 40 feet? I guess it was a 40-foot unit. It would cost at least $3500 to $4200 each. So, we're talking about a lot of money. That could be done in increments, and given a period of several years to get that in order--it takes time; you just don't go out there without thought and, you know--but we know about where they should be placed, and it would be a tremendous thing down there. I hate to see it, but--

CHAIRPERSON CORY: I'm having trouble putting--our calendar item was for a six-month emergency letter permit. And that implies to me that we are doing something on a temporary basis to provide adequate mooring as opposed to people tying up to trees and destroying the levee. And your response to me seems to imply a rather phased development of a marina.
MRS. PECK: That's true. I was surprised to see the six-month business in the letter I had gotten, too. Because I wondered then just what the thought was behind it, or if somebody had made a mistake. That's not what I had in the back of my mind or thought was understood.

MR. TROUT: Mrs. Peck's long-term plans would require the preparation of an environmental impact report and a full analysis. The thrust of the staff's presentation and proposal here was to—because Mrs. Peck is interested in doing things to protect and preserve the environment, the staff felt that the need was immediate. If that vegetation and the levee is to be protected during the heavy summer season, it needs to be done now. A long-term marina development with an EIR is something that would require six to nine months to put all the way through. So that is a long-range thing. What we've been looking at is simply the short-term protection of the environment as shown in those pictures.

MR. MCCAUSSLAND: There was no mention in the calendar item that there would be any fees associated with the use of these mooring facilities. But, Mr. Trout, you mentioned earlier in your oral presentation that there would be these fees. Is that in fact the case?

MR. TROUT: The contemplation in the emergency permit that the staff was recommending is that Mrs. Peck be
allowed to charge sufficient fees to recover her costs. We at this point did not envision that this would be a profit-making thing; but she should be allowed to recover her costs.

MS. SMITH: What did you anticipate as your projected income from the charges and the fees that you would charge?

MRS. PECK: We have no way of knowing at this point. That's what we'd discussed with everybody at State Lands.

MS. SMITH: One other question: That is, had you applied for a county building permit?

MRS. PECK: No.

MS. SMITH: Would you need one?

MRS. PECK: I don't see why. There won't be any buildings or anything. The only building per se would be-- I don't think you need one for that because all we're doing is providing stairways down there, which are costly, too. We are talking about $1100 or $1200 for each access; and then the cost of the moorings themselves and the piling that has to be driven down there.

MS. SMITH: I might be under some misunderstanding, but it's my understanding that you would probably need one and it would take a couple of weeks for you to get that. If the use of this area is only going to be heavily used for the next month or so, by the time you got your county building...
permit the heavy-use season would be almost over.

MRS. PECK: I don't see any need for that with this project.

MS. SMITH: Is there counsel here who knows?

MR. STEVENS: I think you might check with the building department or the county counsel. I can't speak for them; but it's my general understanding that anything, including a strengthening system, requires a building permit in that county.

MRS. PECK: Okay then, why aren't the boaters required to get one when they come down and build their own accesses on that levee, and have for years?

MR. STEVENS: Upland trespasses are illegal, and presently the sheriff's department should have jurisdiction for those things and should be able to protect you. The Commission can't really protect against what the people do on the upland above the river. That's a crime that should be covered by the existing laws.

CHAIRPERSON CORY: I don't see how we can solve your problem. The temporary solution which I was thinking of and I think Mr. McCausland was thinking of would subject you to serious financial exposure that I don't think you could endure, or you shouldn't be willing to. The 30-day delay is apparently essential, because I think the only thing we could do is say, "Yeah, if you want to proceed at
your own risk." But if we find out you don't own it, the true upland owner is--

MRS. PECK: Well, if I don't own that, how will I recoup my tax money and all that over all these years?

MS. SMITH: Get a good lawyer.

CHAIRPERSON CORY: Good luck.

MRS. PECK: Then everybody on that delta doesn't own a thing out there.

CHAIRPERSON CORY: No, there are serious questions as to what anyone owns in the delta. That is a serious problem and, unfortunately, it is due to years of a lack of full vigor being extended both in terms of budget process and others to the State Land Commission to protect the public interests. The courts have from time to time held that if the State doesn't pursue its rights that you can't by that device give up public title. But in this particular case it appears to be title exists in a title document of some sort that should be in the title search of your property that there is some instrument has been recorded giving some title to the reclamation district. That has to be ascertained. It's a question of fact, and at least at that portion of it we're dealing with some sort of a recorded document.

I guess that's what you found in the files, Jim; is that correct?
MR. TROUT: Yes.

MRS. PECK: Was it my data that I had given you, Jim, or did someone go down to the County Recorder's and check out the record?

MR. TROUT: We used both sources of material.

MRS. PECK: Well, I'm really, really surprised.

MR. TROUT: I'd like to have it clear. We are not stating that the owner is the reclamation district. We have found a document which would appear to indicate that the reclamation district is the record owner of the land under the levee. If that is true, then Mrs. Peck is not the littoral or abutting owner and, therefore, there are other conditions relating to permits. From that standpoint that's something that needs to be clarified.

MRS. PECK: Do you have that document with you today? I'd like to see it.

MR. TROUT: No, I don't.

CHAIRPERSON CORY: Somebody will get a copy of that document to you. What they are talking about is the land under the levee itself.

MRS. PECK: Right from what? From the county road down to the water's edge? Is that what you're talking about, Jim?

CHAIRPERSON CORY: Maybe the full levee.

MR. TROUT: The entire levee, right. The levee
from waterward to andward ho.

MRS. PECK: I can't believe this.

MR. MCCAUSLAND: Mr. Trout, are you familiar with the document, or did someone on our staff look at the document?

MR. TROUT: The staff has looked at it. I have not actually seen the document myself.

MR. MCCAUSLAND: So, do you know what kind of document it is? Is it a conveyance to the reclamation district, or is it--

MR. TROUT: My understanding is--and the material is available in Sacramento. The staff would be fully ready to sit down with Mrs. Peck tomorrow and go over the document with her. But my understanding is that in that stretch the upland owner conveyed the underlying fee to the reclamation district. That's what was reported to me relating to this calendar item.

MR. MCCAUSLAND: Well take that as basically hearsay at this point.

MRS. PECK: Is that common?

MR. TROUT: Yes. Sometimes they have reserved—in many cases the property owners go together, formed a reclamation district, and each of them deeded the necessary property to the reclamation district, reserving access rights to themselves to get to the water for pumps and various other
kinds of things. It is my understanding that is the form of document we are talking about. However, Mr. Grimes, Mr. Scott—who you met with in the office—will be happy to take you through the steps with our title and engineering people tomorrow, if you wish, and we can attempt to work that part of it out.

MRS. PECK: I'm afraid everybody on the delta is in trouble, then. I just can't understand this. Because suddenly we come up with this, and for over a hundred years, almost 150 years, nobody has heard of it.

CHAIRPERSON CORY: It is possible that actions that people took 100 or 150 years ago have implications today that they didn't contemplate. Those reclamation districts in many cases have been used as if they were private ownership instead of the public agencies that they are. And that can be the case.

MRS. PECK: Well, I may be wrong, but I feel that there is something unusual going on. It's very funny that since Monday, since that little paper made its little appearance to the public, that suddenly this issue has come up. Mr. Riley's coming out to my place and we're going to go down there together. He's going to write another story. But it is not factual.

I don't know what I'm going to do at this point, but it sounds to me like I need an attorney. I will tell
you something. The mess it's created down there is a shame. It's an absolute shame. That has been going on like this for so long and no help, and why, then, were we allowed to fight so hard so many years, spend so many thousands of dollars to preserve that, and now somebody is saying, "Hey, you don't own that."

To me, I'm thinking right now there has to be some pressure group; something's going on here and I want some proven facts. But I hope we're not climbing into a hornet's nest with everybody out in my area. Because if I'm in trouble this way, who's going to reimburse me for all my expense all these years, and my tax money? Am I allowed to pay taxes on property now that I find out I don't own?

CHAIRPERSON CORY: That's possible.

MRS. PECK: Talk about--I can't believe it. You can get a heart attack at what goes on out there, you try so hard to preserve that fine, lovely area. It means so much, and it always has, to my family.

MS. SMITH: Mrs. Peck, is this the first application you've made to the Commission for a permit?

MRS. PECK: Yes.

MS. SMITH: And this problem has existed for how many years?

MRS. PECK: The problem has existed--it's gotten so bad when you find people who ignore just basic respect for
somebody's property. I don't know if it's individually owned or what. The people abusing it in this manner and enjoying it for free—there is something wrong. Why are these people allowed to come down and spend months down there having such a good time on everybody else's expense? I have to work hard. I work very, very hard, and I don't mean just doing general things that normal women maybe do on the average. I'm out there slugging it out, and I have a tough row to hoe. If I have this problem now—I think it's a shame, but somebody made a great big error here. I just can't believe that this summer is going to go on one more time with no help. When you know those problems existed, you cry out for it; you spend your own money; and it's still allowed to exist. They tie up there three, four, five abreast in that slough. It makes no sense to me. Absolutely no sense.

And just because they are yacht people or—I have nothing personally against them. I am appalled at their behavior, that's all. I live in the country, and maybe I'm blessed in one way, because I wouldn't dare go to my next door neighbor's field and take tomatoes or corn or anything else. This is the mutual respect we all have. But there is something wrong when some groups are allowed to behave in that manner. It's irresponsible and it's cruel.
I have nothing more to say. Thank you for listening to me.

CHAIRPERSON CORY: Thank you, Mrs. Peck.

The item will be on the calendar for next month.

MS. SMITH: We have postponed this matter until then. Mr. Trout, I hope the staff will contact Mrs. Peck and begin working with her on the problems here.

MR. TROUT: I would like to point out, Miss Smith, that we attempted to contact Mrs. Peck yesterday morning and see if we couldn't get her into the office yesterday afternoon to resolve the problem. Unfortunately, we were unable to get hold of her. To that extent the staff does extend our apologies that she found out about it very late last night and we haven't had a chance to go over it.

MR. MCCAUSLAND: Let me suggest to staff, if this is going over a month--this discussion became fairly far ranging. I think we may not be talking about a project that's easily covered by an emergency permit. So, if you are going to recommend to us next month that we grant an emergency permit, you should have very good grounds for doing so.

MS. SMITH: That's why I asked on what basis did they find that an emergency existed.

CHAIRPERSON CORY: The next item on the agenda is recognition of a couple of volunteers who were working in
conjunction with the State Lands Commission staff: Dr. Kent Dedrick and Admiral Frank Higbee.

EXECUTIVE OFFICER NORTHROP: Mr. Chairman, if I may, the work of the Commission has received a lot of benefit from Dr. Dedrick. He has volunteered a great many hours of his time and he's been putting in a full day at the Commission office. He does have a small consultant contract with the Attorney General's office, but it in no way covers the time he has contributed to the Commission. Dr. Dedrick brings in many years of practical experience from the San Francisco Bay marsh, tide, and submerged areas in which he is as concerned as our previous witness was about the scenic areas of the San Francisco Bay.

His broad scientific and educational background has been a great help to the staff. Dr. Dedrick has majored in chemistry and physics in college and has advanced degrees obtained in physical and theoretical sciences.

He has worked for Stanford and Stanford Research.

In a like manner, Admiral Frank Higbee, who is no stranger to the Members of this panel, as he was a witness in our tanker hearings over a year ago. He has extensive expertise in marine terminal operations. He is a veteran of 33 years of active sea duty. He was a port warden, and a very effective one, for the City of Los Angeles, in which we saw the oxygen content of some cannery areas support fish
life because of his work.

He has been responsible for regulations concerning the behavior of vessels and for fire prevention. Both were published.

Admiral Higbee will be working tomorrow with the tanker task force.

At this time the staff recommend that these gentlemen be given volunteer status with the Commission.

CHAIRPERSON CORY: Government can formalize everything to the point where we need a bureaucracy, can't we?

As I understand it, I am to administer an oath of office for somebody to volunteer. That's amazing. If the two people are willing to--

Kent, Admiral Higbee--these things are very awkward. I've never understood how to do it when I've been required to take them on occasion. I'm supposed to repeat the words, and there is a blank where you're supposed to put in your own name and I won't say anything. Just so you know how it works. There is sometimes a real problem of matching up how it fits together with your memory and mine, because I have an advantage. I have it all written out, and you don't. Can you remember which is which?

(Thereupon Mr. Kent Dedrick and Admiral Frank David Higbee repeated the following oath administered by the Chairman of the
California State Lands Commission to serve as volunteers for the Commission.)

"I, Kent Dedrick/Frank David Higbee do solemnly swear that I will support and defend the Constitution of the United States and the State of California against all enemies, foreign and domestic. I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California. I take this obligation freely and without any mental reservation or purpose of evasion. And I will well and faithfully discharge the duties upon which I am about to enter."

CHAIRPERSON CORY: I thank you gentlemen very much. May I present you your certificates, which are to help you realize the psychic income you will receive.

(Laughter.)

CHAIRPERSON CORY: We are going to be printing them up for some of the state employees to tide them over in these times of strife.

(Laughter.)

MS. SMITH: Thank you.

MR. MCCausLAND: Thank you very much.

CHAIRPERSON CORY: Thank you both for all you've
done for the people of California. I mean that from the bottom of my heart.

MR. DEDRICK: I certainly want to thank the Commission for the vigorous and far-reaching work they have done in the past few years. And the staff are wonderful people. I think there is a tremendously important mission that you have, protecting all the minerals and forests and tide land trust resources. I think the public trust resource is something that very few people in the state, perhaps, understand as well as a lot of us in this room; and that the responsibility of this Commission and this wonderful staff is to uphold that, and I'm very happy with the work.

ADMIRAL HIGBEE: I can say I'm happy to go along with that. There is much work to be done, and I'm heartened by the fact that your Commission is resolute in its purpose to try to get it done properly.

Thank you.

CHAIRPERSON CORY: Thank you very much.

MS. SMITH: Thank you.

MR. MCCAUSLAND: Thank you, gentlemen.

CHAIRPERSON CORY: Item 22 is off calendar.

Item 23 is maintenance of a dredging permit for one year to remove 20,000 cubic yards from Belmont Slough in the Foster City Lagoon System.

Does anybody in the audience want to comment on
this item?

Without objection, Item 23 will be approved as presented.

Item 24, mineral development.

EXECUTIVE OFFICER NORTHROP: Mr. Chairman, the Attorney General has some language to add to this item.

MR. STEVENS: Yes. Mr. Chairman and Members, we would like to recommend that an additional condition be imposed upon the calendar item which would, in effect, add to Paragraph 2 the words, "provided appropriate steps are taken to insure that no diminution in the value of the State's interest shall be made as a result thereof."

And the reason we suggested that additional language which would give the Executive Officer discretion to insure the State's interests are protected, is that when we give up the right of entry to minerals on a parcel of this sort, it is conceivable that the owner of the fifteen-sixteenths mineral interests remaining could take the position that the State's interests to the minerals, should minerals be discovered, was lapsed because of our lack of an independent entry right. We could cover this either by agreement with the owner of the remaining minerals or by the retention of some kind of entry right in this agreement.

CHAIRPERSON CORY: Questions from Members?

MS. SMITH: What are we getting for quit claiming
our interests or entry right?

MR. STEVENS: Essentially, we are giving up our right to surface entry on this particular property.

CHAIRPERSON CORY: But what are we getting is the question.

MS. SMITH: What are we getting in exchange?

CHAIRPERSON CORY: There has to be a finite answer to that. It has to be either something or nothing.

EXECUTIVE OFFICER NORTHROP: Nothing is the answer. Because we are doing some core holes to make sure that we have no mineral interests in the first 500 feet.

CHAIRPERSON CORY: Why do we want to do this?

MR. HIGHT: To allow the subdivider to subdivide. It's the subdivider who is the surface owner. The Commission has a one-sixteenth mineral interest.

EXECUTIVE OFFICER NORTHROP: We have a one-sixteenth of a mineral interest. Fifteen-sixteenths are held by other parties.

MS. SMITH: And you're retaining the one-sixteenth?

CHAIRPERSON CORY: We are retaining the mineral rights, but giving up the surface entry?

MR. HIGHT: Yes.

MS. SMITH: Which is valuable?

MR. STEVENS: At present it's my understanding we don't know if there is any value to the minerals that may
be discovered later on. But there is an interest there.

MS. SMITH: But the entry right that we're
bargaining for here is of value to the person requesting that
we quit claim our interests. All I'm asking is, normally
do we just give this away or do we have some form of
consideration that we receive?

MR. STEVENS: I don't think the normal policy--I
think Mr. Everitts will speak to that, but I think the
additional language would insure that we get something in
exchange which would preserve any interests we found later
on.

MR. EVERITTS: This is only about the second one
we have done since the Commission has had the right or power
to do that. This is only a one-sixteenth, and it's our
considered opinion that there are no mineral values. The
one-sixteenth is of minimal value because we couldn't mine
the one-sixteenth without the other fifteen-sixteenths.
So, we concluded that we weren't giving up anything.
We are working on a couple of them that will have some value,
and we will have to have some consideration.

CHAIRPERSON CORY: How big?

MR. HIGHT: Seventy-two acres.

The applicant has paid all expenses of the
Commission's investigation.

CHAIRPERSON CORY: In terms of the Attorney
General, if the finding of fact or the probability of mineral deposits is sufficiently different, so we aren't going to get blind-sighted on the future ones by saying, "Well, you treated that citizen thusly by not charging for giving up that right--"

MR. STEVENS: I think that's really why we're suggesting this additional language. We wanted to make sure that the State doesn't lose any interest. In effect, we would be asking him to give up something in exchange for the quit claim, to give up the right to claim that because we've lost our surface entry right our remaining interest in the minerals was worthless.

MS. SMITH: I can accept that part. I just don't understand why we give up our surface entry rights for nothing. Because they are not worth anything; right?

CHAIRPERSON CORY: Right.

EXECUTIVE OFFICER NORTHRUP: And if they are worth something after the core holes, we can take a different tack. But right now we feel that they are worth nothing.

MR. MCCAUSSLAND: With respect to the letter, how much of the property--

MR. EVERITTS: We already made a mineral survey; we have cored it; we have examined it. There is about a maximum of three foot of dirt covering over metamorphic rocks which just aren't going to produce anything. They are
nonmineral.

MR. MCCAUSSLAND: You don't look very excited about it.

EXECUTIVE OFFICER NORTHROP: I think we are going to have several of these coming up before the Commission in months ahead.

CHAIRPERSON CORY: Actually, it's the Lost Dutchman Mine you're overlooking, you realize that?

EXECUTIVE OFFICER NORTHROP: We have some coming up in Nevada City which well could be areas of concern.

MS. SMITH: I would like them to repeat the amendment.

MR. STEVENS: To paragraph 2 on page 156 would be added the words "provided that appropriate steps are taken to insure that no diminution in the value of the State's interests shall be made as a result thereof."

CHAIRPERSON CORY: Didn't you use to work for legislative counsel?

MR. STEVENS: No. I used to draft bills now and then.

(Laughter.)

MS. SMITH: So we are retaining an interest, then, a one-sixteenth?

MR. STEVENS: This would, in effect, give us some bargaining scope, and we could cover it either by retaining...
a limited right of reentry, or by simply getting an agreement from the owner of the fifteen-sixteenths that in no event would this be taken into consideration to reduce the value of our interests.

MR. MCCAUSSLAND: How big is this piece of property?

MS. SMITH: Seventy-two acres.

MR. MCCAUSSLAND: And who owns the property adjacent thereto? Is it in the public domain or is it private?

MS. SMITH: Who is the subdivider? What are they doing with the land?

MR. EVERITTs: The name is in there. They're building single-family residences, 206. It's about halfway between Redding and Shasta Lake, that type of area.

MR. MCCAUSSLAND: Do you want a Commission home, a retreat on the property?

MS. SMITH: It depends on where it will be. Of course not.

CHAIRPERSON CORY: What's the wish of the Commission?

MS. SMITH: With that amendment, just so it's specifically clear that we're not giving up our interests for nothing.

CHAIRPERSON CORY: Without objection, with the amendment, Item 24 will be approved.
Item 25, review of Long Beach operations and current crude oil prices and their interrelationship with fiscal year expenditures in the Long Beach unit.

MR. THOMPSON: Back in April when you approved the '78-'79 plan budget for the Long Beach unit, we were a little uncertain of the future oil prices, but we put together a budget that assumed we would get crude oil price increases. You asked us to review it in June, and at that time we were still uncertain as to crude oil price increases. They have now happened.

(Indicating on graphed charts.) This shows for 18 gravity crude in Wilmington what has happened. This is actual prices paid at the lower tier. You see the price increase here. This allows the same price increase by the federal government. Same thing for upper tier. Came up here, was price-controlled and rolled back. Rolled back here; ceiling price increases were allowed here. Now we have a price increase here.

For lower tier we have increased for this particular gravity 56 cents a barrel. We, for the month of June, are at 16 cents below ceiling. For upper tier we have come up 97 cents, and we are now 8 cents below ceiling. There have been no additional postings for the month of July, even though there are additional ceiling price increases of 7 cents a month through the next few months for upper tier.
and 3 cents for lower tier.

Now, there is a large potential for even increasing the slope of this increase because it's allowable by--this is a federally allowed law, a Congressional action, with the composite price of all domestic crude which will follow this trend. This is the actual trend where they are. Right now we are about 90-some cents below what is allowed. And this, again, is Secretary Schlesinger of the D.O.E. holding back on granting this particular deal, trying to get the rest of the package together.

CHAIRPERSON CORY: The recent comments by Carter about either restricting in one form or another by Presidential action the importation of crude oil, is that interrelated to that in any way?

MR. THOMPSON: I really don't know, because he talked about trying to get it to world price and to control imports. And I believe Congress stripped his authority to put import tax on. I don't know how the import, how he could restrict the imports. I don't know whether he still has that power or not. And to get to world prices I believe this is part of his package of taking and adding some kind of an equalization tax, which would be an increment above to take it to world price, but would not come back to the producer.

Now, in essence, what we have done since you
approved additional increments to the budget back in 1977 and increased these expenditures here, we have been able to reverse this trend of decline in the Long Beach unit. We are now producing about seven or eight thousand barrels a day more than following this line.

So, in essence, we have forecast $60 million revenue this year if we were to receive ceiling price. Now, we are not quite there; but we have had another thing happen that will still allow us to make $60 million. Because of Proposition 13 Initiative, the Jarvis-Gann, we will pay less ad valorem taxes in the Long Beach unit this year.

CHAIRPERSON CORY: That's why all the State police voted for it. They knew they were going to pick up that money.

(Laughter.)

MR. THOMPSON: I prefer not to comment on that.

So, in essence, the staff would recommend that we not reduce the budget at this point or change the plan. Admittedly, we are not at the ceiling price, but we should make a fair amount of revenue. We think if we take the present amount of budget money and, again, concentrate as much as possible on producing the maximum amount of upper tier properties, for which we are getting over $10.50, compared to the five-dollar oil, and just make that particular emphasis and priority to maximize the revenue, that would
be our recommendation.

This doesn't require any action. It's just more or less a policy indication of where we are going.

CHAIRPERSON CORY: Okay.

Item 26, you want approval of specification forms inviting bids on a selloff of the 8 percent of which parcel?

EXECUTIVE OFFICER NORTHROP: Of the L.B.O.D. parcel. Mr. Chairman, we feel that we have verbal indication from several companies and written indication from one that they would be willing to bid this difference between the black and green for that approximately—what, 1200 barrels a day?

MR. THOMPSON: Yes.

EXECUTIVE OFFICER NORTHROP: For that portion for a one-year period.

MR. THOMPSON: We are now about 16 cents below that on that particular amount of oil.

CHAIRPERSON CORY: Is there anybody in the audience on this item? It seems to me we ought to get the highest price we can for it.

MR. THOMPSON: What you're approving here is the form of the contract and such. And we have put in a September 1st date in here. If it were possible to get this, it would probably require a special Lands Commission meeting sometime in the first week of August.
EXECUTIVE OFFICER NORTHROP: City of Long Beach is here today and are going to move on it this afternoon, if the Commission approves it.

MR. THOMPSON: This was on the city council's agenda yesterday, and was approved by the city council yesterday.

MS. SMITH: There is no prerequisite or anything that we have an offer from a third party before we send out an invitation for bids?

EXECUTIVE OFFICER NORTHROP: No, there is no prerequisite.

MR. THOMPSON: We have an indication from one party that has written to us that they would bid.

EXECUTIVE OFFICER NORTHROP: If we didn't have some feeling that there would be a bid, we wouldn't push for a bid; but we have a feeling that there is a bid.

The Department of Energy allows CORCO, the Commonwealth Utility of Puerto Rico, to export up to 50,000 barrels a day of residual fuel oil; and the price of the shipping is to be paid by a reduction entitlement. So, the incentive there is to do Puerto Rico a favor as well.

MR. THOMPSON: They tried to sell us off in September of last year and we had no offers at that time. We tried again in May and this export consideration was just coming up at that time. So at that time we held it over till
now. What will happen here is, if we don't get further crude oil price increases this spread is going to increase month by month.

MS. SMITH: All right.

CHAIRPERSON CORY: Without objection, Item 26 approval is granted as requested.

Item 27, we want to file a disclaimer in the United States of America versus 43.92 acres of land, more or less, in the Central Court of California. Tell us about this one.

MR. HIGHT: Mr. Chairman, this is a federal condemnation for the Casitas Reservoir project, and the Commission has no interest in the property that's being condemned.

CHAIRPERSON CORY: Questions by Commissioners?
Without objection, it will be approved.

Item 28, authorization to file a disclaimer in the City of Sacramento versus Artz & Cook, et al.

MR. HIGHT: The City of Sacramento is condemning some land to realign the Garden Highway, and this is sufficiently upland from any claim the Commission would have on the Sacramento River.

CHAIRPERSON CORY: Any questions from Commissioners?
Without objection, Item 28 is approved.

Item 29, any questions on 29?
Without objection, Item 29 is approved as presented.

Item 30, authorization for litigation to protect the interests in the Yuba River. The Yuba River Sand Company?

MR. HIGHT: Yes, Mr. Chairman. The Yuba River Sand Company is currently dredging from the Yuba River and blocking public access for fishermen and recreational use on the river. It is the desire of the staff to have the authorization to sue them if necessary. Hopefully, we can settle this through compromise.

CHAIRPERSON CORY: Compromise? No, we win, don't we?

MR. HIGHT: Right. Without litigation. Compromise without litigation.

CHAIRPERSON CORY: Well, we can settle it, but there is nothing to compromise, is there?

MR. HIGHT: No.

CHAIRPERSON CORY: Okay. I just wanted to make sure we understood that.

MS. SMITH: How much money are we losing?

MR. HIGHT: We don't have an exact figure of the volume of sand they're taking; but we understand it's in excess of 100,000 cubic yards a year. So, at 25 cents a yard--
CHAIRPERSON CORY: Five grand. Is there some way that a person that does this gets to pay a little extra for his free enterprise spirit? It seems to me that if you just go in and get what they were going to have to pay anyway, you are giving substantial encouragement to everybody to go out and try to rip it off.

MR. HIGHT: We'll ask for punitive damages.

EXECUTIVE OFFICER NORTHRUP: Mr. Chairman, I think one of the criticisms that the Joint Committee on Public Domain have of the State Lands Commission is the fact that when these happen--Staff has been recently instructed in the last several years to look for punitive damages in these areas.

MR. HIGHT: Mr. Everitts has reminded me of a section in the law which provides that the Commission can receive a hundred percent in addition to the actual damages.

MR. MCCAUSSLAND: I'm glad Mr. Everitts happened to remind you of that.

CHAIRPERSON CORY: Don, be careful or the bar association will file a complaint against you.

MR. HIGHT: I practice engineering, too.

CHAIRPERSON CORY: I would be willing to go to court on what he said; but I wouldn't walk across your bridge.

(Laughter.)
CHAIRPERSON CORY: Without objection, authorization is granted.

Item 31.

MR. TROUT: Mr. Chairman, Item 31 is a through-put lease for sand and gravel.

MS. SMITH: Why are you waiving the first year's rent?

MR. MCCAUSSLAND: They need to figure out how to measure.

MS. SMITH: There has to be a reason.

MR. TROUT: Bob, do you have an answer? I don't have the answer to that question.

MS. SMITH: Postpone the item until they can come up with an answer.

MR. TROUT: Oh, I remember. They wanted a low-level crossing. There was some objection because it would block boaters. So they are going to have to go back to the drawing boards and they can't actually use it. They are going to a high bridge and we felt that the first year's rental would be an incentive to them.

MS. SMITH: But they have to use a higher bridge, anyway? They have a choice, or are they just installing a high bridge for the public's benefit?

MR. TROUT: They are doing it for the public benefit, but I think Fish and Game would make them do it.
But by using the high bridge they are not going to be able to make the crossing as originally intended. It's going to take longer to do it.

MS. SMITH: But they would be required legally to install the high bridge?

MR. HIGHT: I think the Commission could require that as a condition of the permit.

CHAIRPERSON CORY: But you're saying that they will not be able to utilize it or get any benefit out of the first year? That's the reason they're waiving it?

They're saying, if I am interpreting what you're saying correctly, "Go ahead. You got your license, but the payment and the benefit will coincide."

MR. TROUT: That's correct. They didn't want to get started on the design of the high bridge until they were certain they had a lease.

EXECUTIVE OFFICER NORTHROP: This is really the first time we have done this concept of through-put across a bridge.

MS. SMITH: That's why you're waiving it.

MR. TROUT: We may have a through-put on a brussel sprout ranch before we're through.

(Laughter.)

MR. McCausland: Let's make sure we understand why we want to extend this thing forever and ever. I mean, we
once had discussions of applying throughput to wheeling-type situations, but this is more of a wheeling than I had in mind.

MR. TROUT: This is fairly common practice, both in terms of areas where quarries are crossing private land and in the removal of timber where timber is crossing private land.

CHAIRPERSON CORY: Would you enunciate a little clearer. Who is crossing private land?

MR. TROUT: It is common practice for private parties in allowing a person from a quarry to cross private land to charge them on the basis of the volume moved. It's also very common practice in forestry where someone needs to cross your land bringing logs out of the forest, to charge on a board-foot basis.

MR. McCausland: Now you know why people complain about government all the time. We are it.

CHAIRPERSON CORY: It's the only way we can finance 13, though.

MS. SMITH: I abstain.

CHAIRPERSON CORY: The record will show that Item 31 was approved, two votes and one abstention.

The status of major litigation.

MR. STEVENS: The Murphy case I think the Commission is familiar with. We have an opinion from the
Court of Appeals to the effect that the public trust still exists with respect to the submerged and tide lands on the Berkeley waterfront, contrary to the opinion of the lower court judge. It represents an impressive reaffirmation, I think, of the public trust doctrine and a real step forward in our resolution of the Berkeley waterfront litigation.

CHAIRPERSON CORY: That was what, the First?

MR. STEVENS: Yes, this was the First Judicial District, a unanimous opinion, I believe. We don't know whether a hearing will be requested of the State Supreme Court as yet.

United States versus California, five to three the U. S. Supreme Court ruled that the state owns the strip around the Channel Islands National Monument, in accordance with our contentions.

In Donner Lake, we are now litigating the navigability of that lake, and expect to have a hearing next month in the Superior Court in Nevada County on that question. This, of course, will determine the future of the mountain lake program, generally, because the lake is fairly representative of the other lakes to which the state claims sovereign ownership.

With respect to the high water issue generally--

CHAIRPERSON CORY: Did the Court conclude that it's not navigable? Does that mean that people who are
running boats there have to stop?

MR. STEVENS: What the people, the upland owners, could contend would be that they own to the center, much as a pie is sliced.

CHAIRPERSON CORY: But the issue of navigability, though, it seems to me that boats do navigate that lake. What is there to litigate?

MR. STEVENS: Well, the contention of the land owners' association up there is that it is not navigable for title purposes; meaning, it was not commercially navigable in 1850 when California was admitted to the Union.

CHAIRPERSON CORY: Were we admitted during the winter when it was frozen, or what?

MR. STEVENS: There are enough cases going both ways using this federal test of commercial navigability so that at least there is a question that has to be litigated.

CHAIRPERSON CORY: What is that test? That's what I'm searching for. Is it whether or not somebody actually did in fact float commercial boats on it before?

MR. STEVENS: That's right. That is the line of cases which are being asserted by the other side. We are taking the position that it was susceptible to commercial navigation at that time that title passed to California. And there is another line of cases to that effect. But at present the Nevada County Superior Court is still coping
with that question.

The State of Nevada claims to high water at Lake Tahoe, and it has been sued by a group of landowners in the Incline Village area in the Nevada courts. So there are a series of cases now affecting the high water issue at Lake Tahoe.

We expect to argue the high water issue with respect to Tahoe in the Court of Appeals this fall. The final brief will be due next month in our appeal from the preliminary injunction there.

In Lake County the same issue has been raised, and the trial court there will set the matter for hearing next month. So we expect to get some fairly expeditious decisions which we hope will be at the appellate level in the next month or so on this issue.

With respect to the Colorado River boundary, the Supreme Court has put over until next term its decision on whether or not to take our request that they adjudicate the state's boundary on the Colorado.

In California versus Nevada, we are filing a reply this week to Nevada's contention that they own a substantial area of California on the southeastern boundary below Lake Tahoe, as well as in the north. We are denying that contention.

I believe that pretty much—oh, yes, there is one
other. The Superior Court in El Dorado County has entered a judgment validating the El Dorado County ordinance which purports to prohibit rafting on the river on the grounds that it's an environmental protection measure; and we'll be taking an expedited appeal on that. In the meantime we have agreed with the County there will be no enforcement of that ordinance until the appellate court rules on the question.

CHAIRPERSON CORY: Any other items to come before the Commission?

MR. MCCAUSSLAND: Do they moor their rafts on the river, or do they pull them up on the banks?

MR. STEVENS: Many of these issues have arisen on the South Fork of the American.

CHAIRPERSON CORY: Our next meeting is Thursday, August 31, at 10:00 a.m. in Sacramento.

I'd like to thank Monterey for its usual hospitality. This is a very pleasant community to visit. I'm glad to be here. Thanks for the use of the hall. Thank you, staff, for everything.

Meeting is adjourned.

(Thereupon the meeting of the State Lands Commission was adjourned at 11:50 a.m.)
CERTIFICATE OF SHORTHAND REPORTER

I, NANCY L. ROLLER, a Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing State Lands Commission Meeting was reported in shorthand by me, Nancy L. Roller, and thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said meeting, nor in any way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of August, 1978.

Nancy L. Roller, C.S.R.
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