MEMBERS PRESENT

Leo T. McCarthy, Lt. Governor, Acting Chairperson
John Jervis, representing Kenneth Corty, Controller
Nancy Ordway, representing Michael Franchetti, Director of Finance

MEMBERS ABSENT

NONE

STAFF PRESENT

Claire Dedrick, Executive Officer
James Trout, Assistant Executive Officer
Robert Hight, Chief Counsel
Lance Kiley
Mike Valentine
Jan Smith, Secretary

ALSO PRESENT

Jan Stevens, Deputy Attorney General

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Kenneth Dickerson, City Attorney
PROCEEDINGS

ACTING CHAIRPERSON McCarthy: Ladies and gentlemen, we were waiting for our third commissioner to arrive, but why don't we start with some items.

I first wanted to announce that the Commission, as a result of Executive Session discussion, has decided to postpone the receipt of bids on the Point Conception release sale over to November 18.

I'd like to indicate that two items are off calendar, Item 16 and Item 35. Continued until a meeting subsequently to be announced.

I'd like to mention that Item C13 has been taken off consent calendar, and we'll get to that in a moment. We're not there yet.

I'd like to call upon the Executive Officer for her report.

EXECUTIVE OFFICER DEDRICK: Mr. Chairman, the Executive Officer's Report is before you. Briefly, I've given a letter of permission to the Santa Clara Valley Water District and in advance of a routine permit for levee work at Alviso to protect the town from flooding and a letter of permission to Occidental Petroleum, Inc., to do some work on a pipeline in Butte Slough.

ACTING CHAIRPERSON McCarthy: Is there any
Executive Officer’s Report is accepted.

EXECUTIVE OFFICER DEDRICK: Thank you.

Minutes.

ACTING CHAIRPERSON McCarthy: Any question about the minutes of the last meeting?

They’re adopted.

Let’s turn to consent item, without any comment on any of the other consent items, Cl3 has been withdrawn at the request of Mr. Walter Harvey who wants to give some testimony on that item.

Without any objection from the Commissioners, the other consent items are adopted.

All right. Cl3, Mr. Harvey.

Good morning.

EXECUTIVE OFFICER DEDRICK: Would you give your name for the record, please.

MR. HARVEY: Yes. Walter Harvey.

I was here on another matter this morning and noticed Cl3 of some interest to the people that are along the riverway in the City of Sacramento. That you’re entertaining a commercial lease which I understand perhaps is a renewal lease situation. But I feel very definitely that this type of an item, at least in this case, ought to be postponed until the approval of the local agency...
or at least confirmation from a local agency that they are willing to grant such an approval is made. Now, I can attest only too well in my experiences leasing property from State Land along the river, what can occur if the local agencies do not wish to go along in the agreement.

I feel that it would be appropriate at least to have the concurrence of the local agency before you give a commercial lease in a primarily residential area now, at least to a facility that has no sewer, that has no sanitary facilities. A lease that has no parking facilities and has received major objections from surrounding neighborhood components along the river.

That's all I wish to say.

ACTING CHAIRPERSON McCARTHY: Thank you.

Ms. Dedrick, would you like to comment or have the staff comment?

EXECUTIVE OFFICER LEDRICK: Our Chief Counsel, Mr. Bob Hight, would like to comment.

MR. HIGHT: Mr. Chairman, this is not a new lease. This is an assignment of the existing lease. I can see no requirement for any governmental approval based upon the assignment.

MR. KILEY: Mr. Chairman, this lease does not expire until June 18th, 1991, under its terms. So this is just a routine assignment which would be approved as
a matter of course through any other type of lease. It doesn't have any impact on the lease terms whatsoever.

MR. HARVEY: So someone who is assigned this lease wants to use this property for some other reason. Don't they have to go through the local government to get the proper planning, zoning?

MR. HIGHT: That's correct.

MR. KILEY: The assignors and assignees here are basically the same people. One of the principals in the company has died and that is the reason for the assignment.

ACTING CHAIRPERSON McCarthy: And they have incorporated?

MR. KILEY: And they have incorporated, that's correct.

ACTING CHAIRPERSON McCarthy: So the assignment is from holding as individuals to --

MR. KILEY: Correct.

ACTING CHAIRPERSON McCarthy: -- officers and directors of the corporation?

MR. KILEY: Yes.

ACTING CHAIRPERSON McCarthy: Does that modify your testimony in any way?

MR. HARVEY: I don't know if it modifies the testimony at all, but certainly it seems that it would
be appropriate that maybe my testimony is out of order at this particular time, but perhaps in 1991.

[Laughter.]

ACTING CHAIRPERSON McCARTHY: Thank you.

Why don't we note that for the calendar.

[Laughter.]

MR. HARVEY: Would you send me a notice of that, too, please?

ACTING CHAIRPERSON McCARTHY: Be happy to. Thank you.

All right, without action, Item 13 is approved.

EXECUTIVE OFFICER DEDRICK: Mr. Chairman,

ACTING CHAIRPERSON McCARTHY: Item 14.

EXECUTIVE OFFICER DEDRICK: Item 14 is a litigation and title settlement agreement between the State and Cove Investment Company covering the development called Brickyard Cove in the City of Richmond.

ACTING CHAIRPERSON McCARTHY: Is your microphone on?

EXECUTIVE OFFICER DEDRICK: I don't know. Maybe I'm just not close enough to it. That better?

This table is very artistic, but somewhat small.

Dennis Eagan of the Attorney General's Office, who has negotiated the settlement, would like to comment.
MR. EAGAN: Two matters we'd like to bring to the Commission's attention. First, there will be a minor alteration in description in one part of the agreement area pursuant to recent discussions with private parties. Those areas that are shown as subdivision lots 6 and 14 in the agreement currently on file with the Commission will be replaced by descriptions which are substantially narrower in width. Such substitute areas are shown as lots J through O on Exhibit B to a consent decree which was filed in the case and titled United States of America versus Point Potrero, Case Number Civil C-74-2339-1MB, and that was a case in the United States District Court for the Northern District of California. Staff has reviewed the consent decree and has determined that the substitute descriptions can and will be prepared from the exhibit to the consent decree and that they will represent from the Commission's standpoint an improvement in this agreement.

One further matter. We have recently received in their final form the descriptions which are attached to the agreement. Those, of course, will be subject to final checking before the agreement is executed by the Executive Officer and, finally, the Commission staff will want to check final title reports and the pro forma title policies prior to execution.

ACTING CHAIRPERSON McCARTHY: Any questions
Anyone in the audience wish to testify on this matter? Any dissent?

Item 15 is approved.

Item 16. I'm sorry, that was Item 14.

Item 15.

MR. TROUT: Item 15, Mr. Chairman, is an assignment from Anza Shareholders' Liquidating Trust which is a liquidating entity for the Anza Pacific Corporation to a new group called Burlingame Group of two leases near the San Francisco Airport off of Bayshore Highway.

The real goal of this project is to develop some state land there and the Burlingame Group has been working with staff and with the City of Burlingame and BCDC to come up with an acceptable plan. We believe that the approval of a revised lease in the new development will be before the Commission either in October or November.

What you're doing here, ANZA Shareholders' Liquidating Trust, has to get out of business. They have to liquidate their assets. This is an assignment from them to the Burlingame Group. There's no change in the terms and conditions and we expect to be back with you, to you for approval of a significant development on these lands.

ACTING CHAIRPERSON McCARTHY: Any questions from the other Commissioners?
Anyone in the audience who wish to address this issue?

All right. Without dissent, Item 15 is approved.

Item 16.

EXECUTIVE OFFICER DEDRICK: Item 16 is off calendar, Mr. Chairman.

ACTING CHAIRPERSON McCARTHY: Ah, thank you.

Item 17.

EXECUTIVE OFFICER DEDRICK: This is an approval and authorization for the execution of a compromise title settlement agreement between the Commission and Cal-Pox, Incorporated, and it resolves titles to property bordering the Northgate Industrial Park in the City of San Rafael.

ACTING CHAIRPERSON McCARTHY: Any questions from Commissioners?

Anyone in the audience?

All right. The matter is approved as requested.

EXECUTIVE OFFICER DEDRICK: Item 18 --

ACTING CHAIRPERSON McCARTHY: 18.

EXECUTIVE OFFICER DEDRICK: Sorry.

ACTING CHAIRPERSON McCARTHY: It's all right.

EXECUTIVE OFFICER DEDRICK: -- is a ratification of expenditure by the Santa Barbara County for repair of the harbor. Storm damaged the barrier around the harbor.
in Santa Barbara County.

ACTING CHAIRPERSON McCARTHY: Any questions by Commissioners?

Anyone in the audience?

Item 18 is approved.

Item 19,

EXECUTIVE OFFICER DEDRICK: Item 19 is a deferment of drilling on ARCO leases 308, 309, and 3242 off Isla Vista in Santa Barbara County.

ACTING CHAIRPERSON McCARTHY: Any questions from Commissioners?

Anyone in the audience?

All right. Item 19 is approved.

Item 20.

EXECUTIVE OFFICER DEDRICK: It's a proposed sale of crude oil, royalty oil, from state oil and gas leases in Summerland and Carpinteria in Santa Barbara County.

ACTING CHAIRPERSON McCARTHY: Any questions from Commissioners?

Anyone in the audience?

Item 20 is approved.

EXECUTIVE OFFICER DEDRICK: This is a royalty oil sale from the Belmont offshore field in Orange County.
ACTING CHAIRPERSON McCarthy: Any questions?
Anyone in the audience?

Item 21 is approved.

EXECUTIVE OFFICER Dedrick: Item 22 is an approval of a six-month extension of the drilling term on a geothermal lease held by Aminoil in the Geysers in Sonoma County.

ACTING CHAIRPERSON McCarthy: Anyone have any questions?

Anyone in the audience?

That's approved as requested.

EXECUTIVE OFFICER Dedrick: 23 is an award of a royalty oil sales contract for $2.05 to who?

MR. Trout: Pacific Oasis.

EXECUTIVE OFFICER Dedrick: Pacific Oasis.

ACTING CHAIRPERSON McCarthy: That's a bit of an improvement from the last.

EXECUTIVE OFFICER Dedrick: The last two were a little better, but it's sure a lot better than it's been the preceding years. The last two sales were both Huntington Beach oil. The last one was 2.25 and the one before that 2.12. Prior to that I think the highest bid we ever had was like 97 cents. A year ago this time we
were receiving bids that were so low, four or five cents, that the Commission was turning them down.

ACTING CHAIRPERSON McCarthy: Okay. Any questions? Anyone in the audience wish to address this one?

That's approved as requested.

Item 24.

EXECUTIVE OFFICER DEDRICK: This is an award of a negotiated oil and gas lease with Chevron for plant drilling under Stockton State Hospital in San Joaquin County.

ACTING CHAIRPERSON McCarthy: Anyone?

Commissioners?

Mr. Lawrence Hirst.

You're representing Chevron, U.S.A. Would you come forward.

MR. HIRST: I'm just here to answer questions if the Commissioners have any.

ACTING CHAIRPERSON McCarthy: All right. Thank you.

Do the Commissioners have any questions?

I don't think we do.

The recommendation is approved.

Item 25.

EXECUTIVE OFFICER DEDRICK: This is approval
of the final report and closing statement of the '82-
'83 plan of development and operations and budget for
the Long Beach Unit in the Wilmington Fields in Los Angeles
County.

ACTING CHAIRPERSON McCARTHY: Any questions
from Commissioners?

Anyone in the audience wish to address 25?
If not, it's approved as requested.

EXECUTIVE OFFICER DEDRICK: This is a consent
by this Commission to the amendment to the City of Long
Beach Natural Gas Liquid Sales Contract.

ACTING CHAIRPERSON McCARTHY: Do you have any
questions?

Anybody in the audience on 26? No. 26 is
approved.

EXECUTIVE OFFICER DEDRICK: This is a notice
of intent by the City of Long Beach to spend $309,300 of
the tideland oil revenues to upgrade the lighting system
and refurbish the ceiling tiles in the Convention Center
Arena.

ACTING CHAIRPERSON McCARTHY: All right. Anybody
have any questions on the ceiling tiles?
Anybody in the audience?
Thank you. Approved as requested.

EXECUTIVE OFFICER DEDRICK: 28 is approval of
the title settlement agreement concerning lands in Redwood
City, San Mateo County.

ACTING CHAIRPERSON McCARTHY: Anybody in the
audience wish to testify?

I understand that a lot of discussions have
been going on between neighborhood groups and the city
down there. There are some problems worked out, although
there's still a division of opinion as to whether this
should go forward? This is the one?

EXECUTIVE OFFICER DEDRICK: The one I think
you're thinking of, Governor, is Number 32, which is the
City of Belmont.

ACTING CHAIRPERSON McCARTHY: All right.
Any questions on 28? If not, 28 is approved.

EXECUTIVE OFFICER DEDRICK: 29 is approval of
an extension to a compromise title settlement agreement
which the Commission approved in March. There are some
property situations that need to be settled that are taking
longer than we had predicted. There were a few hangups
with the State. So we need another, I think 90 days,
to complete the settlement agreement.

ACTING CHAIRPERSON McCarthy: One of the interested
parties, Mr. Salvatore Niosi is here. Did you wish to
testify, Mr. Niosi?

MR. NIOSI: No, sir.

ACTING CHAIRPERSON McCarthy: You just want
to let us know you're here for any questions. Thank you.

Any questions on 29?

All right. We'll approve that request.

30.

EXECUTIVE OFFICER Dedrick: 30 is an approval
by this Commission for staff to hold a hearing on retrocession
of jurisdiction at the Naval Radio Station, Imperial Beach,
California, at the application of the United States Navy.

ACTING CHAIRPERSON McCarthy: Any questions
from fellow Commissioners?

Anyone in the audience wish to comment?

All right. Request on 30 is approved.

31.

EXECUTIVE OFFICER Dedrick: This is a request
for approval by the City of Newport Beach for the
Commission to approve their proposed City Council
resolution for a proposal to let an oil field operating
contract. We have a joint powers agreement with the City
of Newport Beach.
ACTING CHAIRPERSON McCARTHY: Any questions?
Anybody in the audience on this issue?
31 is approved as requested.
32.
EXECUTIVE OFFICER DEDRICK: 32 is the approval of a compromise title settlement agreement between State Lands Commission and the City of Belmont. I think you have several people who will want to speak to this issue.

ACTING CHAIRPERSON McCARTHY: I have Mr. Steve Salkind, Mr. Tom Adams, and Mr. Kenneth Dickerson.

MR. BEZZANT: Would you add Bob Bezzant, Public Works Director, City of San Mateo.

ACTING CHAIRPERSON McCARTHY: Spell your name for us, Mr. Bezzant.

MR. BEZZANT: B-e-z-z-a-n-t, Bob Bezzant.

ACTING CHAIRPERSON McCARTHY: All right. Thank you, Mr. Bezzant.

Who would like to start on this?
Mr. Dickerson.

MR. DICKERSON: Yes, sir.

ACTING CHAIRPERSON McCARTHY: City Attorney, the City of Belmont.

MR. DICKERSON: I just want to inform the Commission that at a City Council meeting held last evening the City Council approved the agreement with the
modification suggested by your Commission staff by a four to zero vote. I happen to know that the fifth member of the City Council, who was not present, was also in favor of approval of the agreement.

There was no objection to the adoption of the agreement that was made at the Council meeting.

ACTING CHAIRPERSON McCarthy: You're saying that no citizens gave testimony at the public hearing?

MR. DICKERSON: That's correct. There were a couple of questions asked, but nobody got up and said that we object to the adoption of this agreement or talked against it.

ACTING CHAIRPERSON McCarthy: All right. Thank you. Have you finished your testimony?

Any questions of Mr. Dickerson?

All right. Did the Public Works Director wish to give any testimony?

MR. BEZZANT: Thank you, Mr. Chairman. My name is Bob Bezzant, Director of Public Works of San Mateo. We're the upstream beneficiaries, you might say, of O'Neill Slough. We have concern with, on the first page, that last paragraph which states: "To accomplish these goals, obstructions to the natural flow of water through O'Neill Slough, including a collapsed
culvert at the settlement parcel, will be removed unless"  
-- this unless part is the part we have concern with --  
"staff of the Commission: 1) is made aware of clear and  
convincing evidence that to do so would cause flooding  
of the existing roadbed of Highway 101; or 2) is informed  
by the Endangered Species Office of the United States  
Fish and Wildlife Service that to do so would result in  
the destruction of specific endangered species inhabiting  
properties adjacent to O'Neill Slough in the immediate  
vicinity of or on the settlement parcel."

The problem that San Mateo has is unique in  
that we have a lagoon that we operate there as a flood  
control catchment in the winter and there's a recreational  
lagoon in the summer. The circulation in that lagoon  
is from the head end of O'Neill Slough and then northward  
out to the bay on the tidal cycle, take water in on the  
incoming cycle and put it out on the outgoing cycle.  
That's inhibited at this present time by the culvert,  
the collapsed culvert. The culvert was installed by the  
City of Belmont in conjunction with the South County  
Disposal Area and the South County Disposal Area filled  
or with that culvert the culvert's corrugated members  
collapsed and it inhibits the intake of water in the summer.  
As a result, we suffer from the water quality degradation  
in the lagoon. We have worked with Mr. Valentine and
Belmont to the understanding that that would be removed and a bridge placed there so that there would be a free flow of water. At the present time at high tide there's a perhaps three-foot differential between the bayside and the upstream side as it were of the culvert. Obviously removing that impediment will allow the tide to come to full cycle and upstream of the present impediment. That, of course, will inundate the marsh that's adjacent to O'Neill Slough on the highest of high tides in the summer and winter. This, because of the restriction of the tide, there's been a certain habitation created that is different than what would have been had the culvert been removed.

Of course, that will impact that habitation. But at the same time if that culvert is not removed because the impact on habitation, then we are restricted from either discharging water in the wintertime from our catchment or taking a sufficient supply of water in the summer to establish water quality.

So we would suggest that that paragraph be amended to include the culvert will be removed so that we can be assured of a full access to the tidal cycle to take water in and in the summertime and, of course, to discharge water in the wintertime through that O'Neill Slough. In historic times that was the outlet for about, an area of Belmont and San Mateo, of about, oh, three or four miles
of catchment. It had been rearranged by the lagoon construction, but we want to discharge water out that south end with a pumping scheme that we have had and we've been inhibited if that culvert were not removed both from winter discharge of water and summer intake of water to ensure the water quality for recreation. So we'd ask for that amendment.

ACTING CHAIRPERSON McCarthy: Are you here speaking for the County of San Mateo?

EXECUTIVE OFFICER Dedrick: No, this is the City.

MR. BEZZANT: No, City.

ACTING CHAIRPERSON McCarthy: You're speaking for the City?

MR. BEZZANT: For the City.

COMMISSIONER Ordway: The City just approved it.

EXECUTIVE OFFICER Dedrick: This is the City of San Mateo. It's next door.

ACTING CHAIRPERSON McCarthy: Next door.

EXECUTIVE OFFICER Dedrick: They're upstream or downstream, I guess, but the plan was to end with O'Neill Slough.

Mr. Chairman, I think the reason that clause is in it is to protect the Commission from potential legal
problems. Mike Valentine who negotiated the entire agreement is here and I think perhaps you'd like to hear from him.

ACTING CHAIRPERSON McCARTHY: All right. Please.

MR. BEZZANT: The one thing I want to establish, we're in support of Belmont's activity that's going on. We'd like this one change to protect our activity. At the same time, we are in support of Belmont's activity, We don't want to be the spoiler in the case. Just need that little extra help.'

ACTING CHAIRPERSON McCARTHY: Perhaps you'd like to referece this --

[Laughter.]

ACTING CHAIRPERSON McCARTHY: -- City of San Mateo.

MR. VALENTINE: Mr. Chairman, Mike Valentine of the Commission staff.

The City of San Mateo's concerns were addressed by the agreement as drafted by removal of the obstruction and replace of that obstruction with a bridge. We're not willing to flood 101 to accomplish those goals for the City of San Mateo, however. The U.S. Fish and Wildlife Service is not particularly agreeable to us destroying any endangered species which may be found to exist on adjacent properties. Caltrans has made suggestions
to us which, if followed, they have said will not result
in flooding 101. So we don't think Caltrans is a problem.

A wildlife biologist from Fish and Wildlife
Service worked very closely with us on this transaction,
and she does not believe that it will result in the loss
of identified endangered species. She's here today if
the Commission has questions of her.

But we feel that the proposal to remove the
obstruction is proper only if there's not going to be
unreasonably adverse consequences either to the
transportation corridor there or to endangered species
on nearby properties. We don't believe those are going
to be problems, but we thought it would be prudent for
the protection of the Commission to include such a proviso.

MR. BEZZANT: Mr. Chairman, we have this kind
of a problem, that we can't maintain the water quality
of the lagoon. We have a biota that grows there in the
summer algae, bottom-rooted weeds. They collapse about
this time of the year as the sunlight is less and less
apparent in the day.

In dying, they consume the oxygen in that lagoon
and we have fish gills in there and we have some rather
large bass that rolled up on the top of the surface over
the last little while. So we have a problem in that
biological world that we are trying to take care of.
So we need that bit of help. It's kind of a trade-off, as it were, of biota spheres.

**ACTING CHAIRPERSON McCarthy:** Did this discussion occur prior to today, the City of San Mateo concerns?

**MR. VALENTINE:** I have been in contact with the City Engineer, the Director of Public Works, the City Attorney for San Mateo over the course of the last year and a half, and in discussions involving this transaction.

**ACTING CHAIRPERSON McCarthy:** And the comments just made by Director Bezzant that there were wildlife and biota threatened if this action were taken, is there an evaluation of that, whether that's a serious probability or not?

**MR. VALENTINE:** The thrust of the remarks as I received them during the course of this negotiation was that San Mateo's main concern had to do with water flow, water runoff in the winter, tide flow in the summer to allow algae to be essentially killed by the saltwater intrusion. We think we're going to be able to accomplish that, but we don't think it's worth giving up the store for.

**EXECUTIVE OFFICER Dedrick:** I think, Mr. Chairman, that it's apparent that solving San Mateo's problem is a desirable solution, but I do think that Mike
is right that we have to be prudent about it. Since we know of the possibility of these two problems with endangered species in the marsh and with Highway 101 and its ripple effect, I guess, I think it would be prudent of the Commission to retain that option in case one of those circumstances turned out to be something serious that we could not handle in any other way.

ACTING CHAIRPERSON McCARTHY: I understand, Mr. Valentine, you said you had discussed this with the U.S. Fish and Wildlife Service.

MR. VALENTINE: Yes, Mr. Chairman.

ACTING CHAIRPERSON McCARTHY: And a representative of that office is here?

MR. VALENTINE: Yes.

ACTING CHAIRPERSON McCARTHY: Who is that?

MR. VALENTINE: Karen Miller. She's a wildlife biologist.

ACTING CHAIRPERSON McCARTHY: We don't necessarily need to build a large crowd up here, Miss Miller, but would you just generally indicate whether you on behalf of your office confirmed that the value judgment made to give the greater protection to the fish and wildlife in the area that we're concerned about here if there are any wildlife.

MS. MILLER: My name is Karen Miller, and I
work for the Division of Ecological Services of the Fish and Wildlife Service. I've discussed this project with our Endangered Species Office which, I should say, would be the official representative for endangered species concerns.

They have told me that there is a past record of salt marsh harvest mice in the marsh adjacent to O'Neill Slough. So they have to assume that salt marsh harvest mice are there. However, because of that collapsed culvert in the slough, that area has not received full tidal action for a number of years and, as a result of that, there's a good deal of upland vegetation invading into the marsh and we also assume that they're probably are species such as rats and house mice getting into that marsh which are direct competitors with salt marsh harvest mice. Therefore, Endangered Species Office feels that salt marsh harvest mice are either not doing very well in the marsh or they may be gone altogether. They feel that introduction of full tidal action to that marsh would be beneficial to salt marsh harvest mice. If they're still there, it would help them.

There's been discussion about if there are no upland areas for the salt marsh harvest mice to escape to during high tide, the office suggested it be very simple just to build a very few islands of upland vegetation.
for them.

So, in summary, we do not feel at this point that there will be any adverse impact to salt marsh harvest mice as a result of opening that slough.

ACTING CHAIRPERSON McCARTHY: Any questions?

COMMISSIONER ORDWAY: So you're saying that they could take this out of the tidal action?

MS. MILLER: Yes. Salt marsh harvest mice like tidal wetlands.

COMMISSIONER ORDWAY: So you're supporting San Mateo's concern?

MS. MILLER: Yes, in essence.

EXECUTIVE OFFICER DEDRICK: Is Caltrans here?

MR. VALENTINE: No representative of Caltrans is here, Mr. Chairman. They did send us a letter making recommendations as to how the culvert should be repaired. The City has agreed to include those recommendations within the agreement. The City of Belmont, not the City of San Mateo.

ACTING CHAIRPERSON McCARTHY: Could we clarify something? The testimony I just heard was that the representative from U.S. Fish and Wildlife was supporting the City of San Mateo—

EXECUTIVE OFFICER DEDRICK: That is correct.
ACTING CHAIRPERSON McCARTHY: — testimony which would call for an amendment to what we have before us.

EXECUTIVE OFFICER DEDRICK: That's correct.

I was just looking to see whether there was a way; whether Caltrans was here and had some assurance that flooding 101 would not be a problem.

MS. MILLER: Right. As far as endangered species are concerned, we support the opening of that slough to tidal action. I cannot speak to flooding of Highway 101. Surely, the Fish and Wildlife Service would not support flooding of the freeway.

EXECUTIVE OFFICER DEDRICK: Why not?

[Laughter.]

EXECUTIVE OFFICER DEDRICK: Thank you, Karen.

MR. BEZZANT: We might suggest, Mr. Chairman, that that's subject to remedial action, that Caltrans has a budget and they could do some dyking along the edge if they've had subsidence. I'm not sure their elevation is there. But there's enough at stake in the biological world that I think that we could find a way to cut the baby, as it were, and we suggest that our position with the Fish and Wildlife Service is not inimical and there's a remedial course of action that Caltrans can take to make it fit, as it were.

ACTING CHAIRPERSON McCARTHY: Do you mind my
commenting on the millennium we may have reached when
the Director of Public Works comes to testify in defense
of the salt marsh harvest mice?

[Laughter.]

ACTING CHAIRPERSON McCARTHY: I think that should
be recorded for proper tidal action to protect the biota.

All right. A man for every issue. I don't
know if the City of Belmont had any specific comments
on that single point. They will have a chance to say
so again if they want to.

Have we heard from everybody of the officials
that are here that wanted to make comment? I know that
the citizen groups now want their time, their chance at
this.

Tom Adams, the Kuman Corporation.

Mr. Adams, did you wish to testify? Do you
want to listen for a while?

MR. ADAMS: If something comes up, I might want
to make a comment, but nothing at this point.

ACTING CHAIRPERSON McCARTHY: All right. Thank
you.

Now we have Steve Salkind. Are you all, Donald
Bomberger, Gary Orton, Lida Paetzke, are you all on the
same team? You're saying different things. Then let
me ask, are there any of you who are siding with the point
of view we've heard so far so we can hear this in some logical sequence.

Are you all objecting to what the official representatives here have asked us to do?

MR. SALKIND: There's a point of view that I have to express that stands by itself.

ACTING CHAIRPERSON McCARTHY: All right, Mr. Salkind.

MR. SALKIND: I'm here to ensure the Committee that there is a severe need for the fields that would be realized from this project. I am the area Director of AYSO Soccer in the South San Mateo County, encompasses from Belmont south through San Carlos, Redwood City, Menlo Park, Atherton. Since the school cutback situation in services, the volunteers such as myself have come in and filled in the gap I think quite admirably, especially in our area. Those of you who are acquainted with or may not be acquainted with the Rodiger Institute which just came out with their findings about a year ago about how one-third of all of our children are in trouble in school, trouble adapting to just staying seated very nicely in their chairs while not being given a proper amount of exercise. We have come forward in our organization, we have many volunteers, hundreds, who take care of 3500 children in the AYSO program alone. We are not just
the only one. There are of course Bobbysox, Little League, and others who have really picked up the number. Percentagewise we have in Belmont, just one category alone, are the six-seven-year-olds. This is the type of recruiting program that we're going into that we have a 196 in this year in instructional age, six-seven-year-olds involved in our program. That's quite impressive when you realize there are only 450 six-seven-year-olds in all of Belmont.

The point and the underlying point is my need is for more field space. We just don't have the tools. We're willing to take up the burden. We're willing to do the job. We don't want to be paid for it. We just ask that we have enough field space so that we can implement the program that we are willing to do as volunteers as we've been asked by our government to do. If you would just give us the tools, we'll be happy to do the job.

Thank you very much.

ACTING CHAIRPERSON McCARTHY: Any questions?
COMMISSIONER ORDWAY: I'm not clear what you're asking for.

MR. SALKIND: The approval of the project.

COMMISSIONER ORDWAY: As it exists or as it is proposed to be amended by San Mateo?

MR. SALKIND: Okay. I have come to present
the legitimate need of fields.

ACTING CHAIRPERSON McCARTHY: Let me see if I can simplify this. Your testimony has nothing to do with the amendment requested by the City of San Mateo.

MR. SALKIND: That is correct. That's why I say I stand alone.

ACTING CHAIRPERSON McCARTHY: You're requesting approval because this entire development would make available some playing fields for the youngsters you're concerned about in your program.

MR. SALKIND: That's correct.

ACTING CHAIRPERSON McCARTHY: All right. Thank you, Mr. Salkind.

Any questions?

Thank you very much.

Now, I have --

MR. DICKERSON: Mr. Chairman.

ACTING CHAIRPERSON McCARTHY: We'll give you a chance if you want. There might be other points raised by other --

MR. DICKERSON: I have a comment to make on the proposed amendment.

ACTING CHAIRPERSON McCARTHY: Well, we'll give you that opportunity. Suppose we just follow this and we'll pretend we're being logical and we'll follow this
in some sequence here.

Let me hear from the other citizen groups now.

Mr. Orton and Miss. Paetzke, Mr. Bomberger.

Is it Mr. Bamberger or Mr. Bomberger?

MR. BOMBERGER: Bomberger.

ACTING CHAIRPERSON MCCARTHY: Thank you, Mr.

Bomberger. Would you like to start?

MR. BOMBERGER: I also do not propose to address

the issue that has been raised by the City of San Mateo.

In part my presence here is so that Mr. Valentine will

not be disappointed.

[Laughter.]

MR. BOMBERGER: On May 17th, the State Lands

Commission held a public hearing in Belmont to discuss

the proposed settlement agreement. At that time there

was a subparcel that was not included in the agreement.

That parcel now lies east of the proposed road easement.

So, at that time we were not allowed to address the

disposition of that particular parcel. Because we were

not allowed to talk about it, we find that we have some

feelings that we are upset now to find that it is included

in the trust termination parcel of the proposed agreement.

MR. VALENTINE: If I may, Mr. Chairman, at the

time of the public meeting down in Belmont, the parcel

on the parcel plat sent out for the hearing notice conformed
to this configuration. The parcel which was subsequently added to the negotiations lies immediately adjacent and just to the east.

MR. BOMBERGER: Thank you.

ACTING CHAIRPERSON McCARTHY: And the gist of what you just said is what, that adequate notice was given on all the land considered part —

MR. VALENTINE: Well, my response, Mr. Chairman, would be the Commission had no obligation to hold a public meeting in the first place.

ACTING CHAIRPERSON McCARTHY: This Commission?

MR. VALENTINE: That's correct. At the beginning of the meeting it was indicated that if people wanted to address other properties in the area that were adjacent or near this proposed trust termination parcel, nobody would shout them down were my words.

ACTING CHAIRPERSON McCARTHY: Mr. Bomberger, was your point, so I understand it, that the issue of whether that piece of land was part of the hearing or not, that that is the cornerstone to your position on this issue?

MR. BOMBERGER: No, that is not the cornerstone. That's by way of introduction --

ACTING CHAIRPERSON McCARTHY: By way of introduction.
ACTING CHAIRPERSON McCARTHY: To the issue of adequacy of notice, if that should be an issue.

MR. BOMBERGER: No. I'm upset about that. When we started out in preparation for that hearing, we did not know that that was going to be a concern.

ACTING CHAIRPERSON McCARTHY: Go ahead.

MR. BOMBERGER: The cornerstone of my argument really is that we believe that rather than belonging in the trust termination parcel, that should remain in the public trust parcel of the agreement that is now being discussed. We have a number of reasons for that belief. If you look at the current trust termination parcel, except for this subparcel and two small subparcels which are identified I think on that map as 4 and 5, the rest of the lands are basically far removed from the waterway. They have been filled. They have had nonwater-related activities ongoing for a number of years. So it's not too hard to argue that they are not suitable for public trust use at this point.

Not only that, but in giving up those two little parcels 4 and 5 for the road easement, the State is going to receive titles to a parcel that is identified as number 10 on that exhibit which is down there next to O'Neill Slough. It's up in the top. So that in terminating the
public trust in those particular parcels, you're receiving a large piece of land. Furthermore, the subparcel that we're talking about, that little one up in the corner, is a very suitable piece of land for public trust use. It has a large area of wetlands on it now and if you go down there you'll find that it is currently being occupied by the Sea Scout group in Belmont.

EXECUTIVE OFFICER DEDRICK: Mr. Chairman, I think, if I understand this agreement properly, and I understand Mr. Bomberger properly, there's a confusion as to where the trust is actually being terminated. Mike, would you show the boundary, please.

MR. VALENTINE: The development line would stop here which is the edge of fill. The trust termination parcel is all fill, unengineered trash fill from the '30's, '40's and '50's. The development line is the edge of the wetland as staked by Commission staff and accompanied by Mrs. Miller from the Fish and Wildlife Service.

EXECUTIVE OFFICER DEDRICK: Mike, in the area that Mr. Bomberger is talking about where the Sea Scouts are located, not their building but the water area, in that area the trust is not being terminated; is that correct?

MR. VALENTINE: That's correct. The piers and boats are in the area in which the trust would not be
terminated. They have an old structure which is on the fill which is within the trust termination parcel.

MR. BOMBERGER: Basically what they lose is their access to that parcel.

EXECUTIVE OFFICER DEDRICK: But the wetlands themselves are not part of the termination?

MR. BOMBERGER: That is correct. But because of the public trust uses of the wetlands, we feel that it's suitable that they have a little place to get to it.

All right. But furthermore, because that particular parcel in the corner that was not being considered when we had the original, well, the part that was not considered when we had the public hearing was a larger piece.

MR. VALENTINE: Goes all the way down here.

MR. BOMBERGER: All right. The argument is as follows: At the time that we had our last public hearing on the overall development, there were no specific plans for that parcel. It was considered to be a parcel for future use. There are still no detailed plans for what is actually going to go along on that parcel.

The argument is that the development agreement or the termination agreement that you have for your consideration makes the final decision as to whether the
public trust is being served by the overall development plan a staff issue, that they are allowed to make the decision as to what's going to happen. Our point is that, because we do not know what is going to be in that corner, its future development, that denies the public the opportunity to comment on whether the uses that are proposed at sometime in the future are suitable for public trust. That's really what we're arguing about.

MR. VALENTINE: My response to that last point, Mr. Chairman, --

ACTING CHAIRPERSON McCARTHY: Instead of having an exchange, we can sum up points at the end, I think. Let's let Mr. Bomberger finish his testimony.

MR. BOMBERGER: Well, because of that we're recommending that that be left, that all of that site be left in the public trust parcel rather than the trust termination parcel.

ACTING CHAIRPERSON McCARTHY: Have you finished your testimony?

MR. BOMBERGER: Now I'm finished.

ACTING CHAIRPERSON McCARTHY: I'm sorry, why don't you comment, Mr. Valentine.

MR. VALENTINE: Mr. Chairman, this agreement would not cut off the public's right to comment. It would cut off the public's right to comment in this forum. What
they want to talk about is land use planning which is my understanding is the primary responsibility of the local officials and they would have every opportunity, I would assume, to comment before the Belmont City Council when the plan came up for review.

MR. BOMBERGER: That is correct, but that's not a public trust forum.

EXECUTIVE OFFICER DEDRICK: The exchange is between the State and the City of Belmont, Mr. Chairman. It's not with a private developer.

ACTING CHAIRPERSON MCCARTHY: All right. Thank you, Mr. Bomberger.

Any questions of Mr. Bomberger? Thank you very much.

Now I have Gary Orton and Lida Paetzke. Mr. Orton.

MR. ORTON: Thank you, Mr. Chairman. I'm glad to see the concern you showed over the salt marsh mouse. We have some concerns over the children who will be using the ball fields. Citizens for Orderly Growth recommended, also recommended that it's suitable to use that area for a ball field. As a matter of fact, we submitted a plan of our own to the Parks and Recreation Commission of the City of Belmont, who approved in concept much the same way they approved
in concept the current proposal for ball fields. We have not heard from the City Council although it was passed on to them.

As an aside, Mr. Chairman, Mr. Dickerson indicated that there were no objections to this agreement at the City Council meeting. I would like to indicate that I was given two minutes last night at 11:20 and summarily terminated any further comments that I could make at that meeting.

The City has known our position for months and months and months. The comment I am going to make to you and the rest of the Commission we made at the hearing held in Belmont in May. The Environmental Impact Report indicates that the carbon monoxide concentrations on the ball fields as proposed in this project will be excessive. There is an alternative and there is a method in which to reduce those carbon monoxide concentrations to acceptable levels. Those measures have not been taken in this proposal.

The way to do that, Mr. Chairman, and members of the Commission, is to reduce the amount of traffic on that access road. I think it's been the position of staff, and I'm sure I'll be corrected if I state this wrongly, and that it is not the function of this Commission to determine how much traffic will be on that road. I
disagree. I think you can set conditions. You can by the actions you take determine or limit the amount of traffic that will be on that road.

There was a further concern that we expressed at the hearing, and that was identified in the EIR, and that is of noise. That will be an extremely noisy place to play, and there were recommendations and alternatives mentioned in the EIR to correct that. It's basically to move the playing field as far away from Bayshore as you can. In our plan that we submitted to the Department of Parks and Recreation Commission, which they approved, in concept does that basically by putting the access road parallel and contiguous to Bayshore. Those concerns we expressed and they have fallen on deaf ears to be frank. We think that you as Commissioners in your trust duties should take these things into consideration in providing the best ball fields that we can for the children of Belmont.

ACTING CHAIRPERSON McCarthy: Thank you, Mr. Orton.

I've only sat on this Commission this year, but I've asked the question about the range of conditions that have been attached historically and why or why not and I don't think it's too encouraging. I want to say that this Commission ordinarily does not sit as the City Planning Commission.
MR. ORTON: I understand.

ACTING CHAIRPERSON McCARTHY: Or a Recreation and Park Commission. It tries to avoid introducing confusion into the different areas of authority that make decisions like this. I'm aware that we could try to expand our authority and condition a long list of things on any title, any exchanges of property.

MR. ORTON: You have made a condition as part of this agreement. I don't know if it was intended or not, but it talks about whether or not by the development plan whether the development plan will adversely affect the lands in which the State retains an ownership interest. That could be broadly construed; that could be narrowly construed. I suppose it could be broadly construed to say that the development plan that provides that traffic is going to be of a certain capacity is going to adversely affect the public trust lands. You have made a condition.

The question is: How is that going to be interpreted? At what point are we able to raise those issues?

ACTING CHAIRPERSON McCARTHY: I think perhaps what we're hearing is that the City Council didn't respond to you and the other citizens of Belmont the way that you thought they should in this overall development issue.
and understandably you're seeking whatever forum you might to try to prevail in your point of view. We have to make the judgment because we do have other citizens approaching us in a similar vein, whether or not it's fair on an overall basis without regard to any particular development proposal for us to become a city planning commission at an appellate level, if you will. There has been rather severe reluctance to adopt that approach by this Lands Commission for a number of years.

MR. ORTON: If I understand the tenor of your comments, I would like something for the record that indicates that other agencies that must approve this should not consider any approval that you might give an approval of these issues that we are discussing here.

ACTING CHAIRPERSON McCARTHY: I think that's clear that it's not. No. If it works one way, it certainly has to work the other way, too.

Thank you, Mr. Orton.

Now we have Miss Lida Paetzke.

MR. VALENTINE: If I may, Mr. Chairman, it's Lida Paetzke.

ACTING CHAIRPERSON McCARTHY: Lida. I have P-a-r-t-a-k-e. Oh, I'm sorry, P-a-e-t-z-k-e.

MS. PAETZKE: That's correct.

ACTING CHAIRPERSON McCARTHY: These are my old
glasses. They don't do the job as my new ones do. I'm sorry.

MS. PAETZKE: My name is Lida Paetzke. I live at 201 Carmelita in Belmont.

I had hoped to be able to, just like Mr. Orton and Mr. Bomberger, do the talking for Citizens for Ordery Growth today. But after hearing some responses, I felt I really want to express to you my objection, and I will try to be as logical as they are -- they're much more eloquent than I am -- to this agreement. My concern is the public trust. It was my understanding that that's what this Commission is all about.

I do not believe that it is in the interest of the public trust to use public trust land for a four-lane highway that will service a private development. That highway will also cut off the parcel that Mr. Bomberger referred to which I agree with him should remain in the public trust. It will be very difficult to find access to that if this is approved.

I also am concerned -- and I realize you don't want to hear it, but I'm going to say it anyway -- I have another environmental concern. Mr. Orton failed to mention the noise level that will exist on the playing fields if they are placed where they are now proposed.

ACTING CHAIRPERSON McCARTHY: Mr. Orton did
address that issue, but you're certainly welcome to also.

MS. PAETZKE: I didn't hear it. I would like
to reiterate for my own personal reasons. I have a son
who has a hearing loss. He has a difficult time enough
hearing on the other playing fields that we have now.
You put him down there and the only way you can communicate
with him is sign language.

I just would again like to say I am opposed
to some of the provisions in this proposed agreement.

Thank you.

ACTING CHAIRPERSON McCARTHY: Thank you. Any
questions?

Thank you very much.

Any other witnesses who wish to give testimony
on this matter at this time?

The City Attorney from Belmont here?

MR. DICKERSON: Yes, your Honor.

ACTING CHAIRPERSON McCARTHY: Why don't you
sit down.

I've never aspired to be a judge, but I would
never reject that appellation. Somehow it seems very
comfortable.

[Laughter.]

EXECUTIVE OFFICE DEDRICK: There is one other
witness, I think.
ACTING CHAIRPERSON McCarthy: We'll call on Mr. Adams in a minute. Go ahead, please.

MR. DICKERSON: I'd like to respond first to the amendment issue. The City of Belmont has no objection to opening up the slough and repairing the culvert. We have indicated this to the Commission staff. We are, of course, concerned about potential liability resulting from that action. If we were to flood the Bayshore Highway, the City would be exposed to potential liability. If there was a problem with destruction of endangered species, there could be a litigation problem there if the agencies that protect the endangered species were to obtain an injunction against the City prohibiting us from carrying out the contract. Within those parameters, we have no objection to opening up the slough as required. I think that the language that's in there simply serves as a safety valve in the event these problems arise. Of course, if the City of San Mateo is willing to indicate to the City of Belmont that we want you to open it up and we will sign an agreement and we'll hold you harmless from any claims or any damage caused by the opening up, there would be no problem. We haven't received that offer.

ACTING CHAIRPERSON McCarthy: Is the Director of Public Works authorized to sign that kind of an agreement?
[Laughter.]

ACTING CHAIRPERSON McCarthy: I don't know.

What does our staff think about this?

I don't want to let this go too far.

EXECUTIVE OFFICER Dedrick: It seems to me;

Mr. Chairman, that if the Fish and Wildlife Service --

I need to refer to an attorney. Is that an adequate

protection, the testimony of a biologist in this

Commission meeting that there is no harm to endangered

species there because that is a governing law? The other

thing is that it seems to me that it looks to me as if

the problem is solvable, but I just as a matter of prudence

think the Commission should not put itself in a position

where it could be liable for damage to a major highway

or damage to an endangered species. The odds are that

if both problems are solvable, the thing can be done and

in my own opinion it's a desirable thing to do. But I

would not like to see the Commission find itself down

the road with a problem, legal problem that could be

substantially expensive because you didn't leave yourself

a loophole at this stage, but it's entirely at your

discretion.

ACTING CHAIRPERSON McCarthy: What does that

mean? Are you recommending that we not go forward with

the amendment?
EXECUTIVE OFFICER DEDRICK: Yes, I am.

COMMISSIONER ORDWAY: Does the agreement as proposed allow both cities enough flexibility to be able to work together?

EXECUTIVE OFFICER DEDRICK: I think it does. Let me ask Mike specifically to address that point.

MR. VALENTINE: There's certainly nothing in the agreement which would preclude them from working out their problems in terms of planning for flood control.

COMMISSIONER ORDWAY: And also working on any potential problem that Caltrans will have or U.S. Fish and Wildlife Service?

MR. VALENTINE: That's right.

COMMISSIONER ORDWAY: So the agreement before us gives the cities the flexibility to accommodate both of their needs?

MR. VALENTINE: I believe it does. That was certainly the goal.

MR. BEZZANT: We seek that assurance as a city. We have not been willing to, let's say, ask for an injunction to require the culvert to be opened which is the alternate legal posture, let's say, to what Mr. Dickerson is proposing. We want to kind of work these things out, rather than proceed with an injunction.

ACTING CHAIRPERSON MCCARTHY: The courts are
too full anyway.

MR. BEZZANT: But if the agreement will not get in the way of our needs, as we cited, we're fully supportive of what Belmont wants to do there but we have this one little thing we need to work out. If they will accommodate us, then we're happy.

ACTING CHAIRPERSON McCARTHY: This is sort of a nebulous conversation. It's getting a bit erudite.

[Laughter.]

ACTING CHAIRPERSON McCARTHY: I don't even know whether there is any danger of flooding of this, assuming that this Commission even thinks this whole thing should go forward. We ought to establish that. Did the staff think on this specific point of saying: Well, this is all right, as long as the city of Belmont accept responsibility for any damages caused by --

MR. DICKERSON: City of San Mateo.

ACTING CHAIRPERSON McCARTHY: City of San Mateo.

MR. VALENTINE: Yes, Mr. Chairman. It was a major concern all along who would have the responsibility for any damages and by touching base with Caltrans --

ACTING CHAIRPERSON McCARTHY: Let me reword my statement. I'm sorry. I wasn't very clear.

Why don't we give San Mateo their way by putting in the amendment and saying this is fine. However, if
this leads to flooding of the highway and damages Belmont, then San Mateo can take care of the problem.

MR. BEZZANT: We figured out a position that would assist us there in the fact that that's an artificial constriction of a waterway and an injunction, why, it could be opened and restored to its natural condition. So I don't think we're concerned about what will happen when it's opened up. It's a return to nature.

ACTING CHAIRPERSON McCARTHY: Are you now arguing against the necessity of the amendment?

[Laughter.]

MR. BEZZANT: No, only to protect us, put the amendment in there, but make sure that San Mateo is mentioned in there as a beneficiary of that waterway, you know, and that the goal that you're attempting to reach there by requiring that that be removed is to also take care of San Mateo and not alone the salt marsh harvest mouse and, I should say, Caltrans, that we give some honorable mention, as it were, in there.

ACTING CHAIRPERSON McCARTHY: I don't think the Commission is inclined from what I just heard in both ears to go forward with this amendment at this time. You can have further discussions if you want. We don't know yet whether the Commission is going to go forward with the entire resolution.
MR. BEZZANT: Again, we don't want to play the spoiler, but we need to take care of our interests, you know.

ACTING CHAIRPERSON McCARTHY: I fully appreciate that, why you're here, and you're trying to fulfill your responsibility. This may be subject to some future comment if we act on the whole matter.

Did you have any further comments?

MR. DICKERSON: Yes, Mr. Chairman.

If you will indulge with me for a few more minutes, I have a few more comments I'd like to make in response to Mr. Bomberger in part and Mrs. Paetzke.

This agreement that's before the Commission for approval is a settlement agreement. The City of Belmont purchased this property from what was then known as the Division of Highways many years ago and we paid good money for it. The State Lands has claimed title to the same property. So when we're talking about leaving property in trust, we're not talking about, or taking property out of trust, we're not talking about an out-and-out gift from the State to the City. We are settling by this agreement our various claims to the property and avoiding litigation that would be expensive to both sides. Now, I'd like to point out to the Commission, if it doesn't already have this information, that the City has constructed
and operate a baseball field in this area for many years. We have never to my knowledge received any complaints about carbon monoxide and we have never received any complaints about noise. The park has been used by our Little League year after year and it's almost adjacent or right in the area where the new ball fields are to be constructed. So I would ask the Commission to take that into consideration and to weigh it against the testimony received today.

Thank you.

ACTING CHAIRPERSON MCCARTHY: Could I just, just briefly. I was a little bothered by Mr. Orton's comment that he only got a chance to testify two minutes at the end of a long council meeting last night. That's of course totally within the council's prerogative. But is that accurate?

MR. MOORE: May I comment on that? Bill Moore, Mayor of the City of Belmont.

ACTING CHAIRPERSON MCCARTHY: Yes, Mr. Moore. Why don't you come forward so that you can be heard.

MR. MOORE: It was suggested that this whole program is relatively new and that the City is trying to push something through very rapidly. In point of fact, this program has been talked about for some two and a half years, has tremendous support in the community,
Last night this agreement was agendized, came up very late. We had a very long agenda. Mr. Orton wanted to speak on it. We allowed him to speak at which point he asked several questions and got in an argument, if you will, with the city attorney. Because of the hour I didn't feel that an argument was appropriate. I asked him if he had any further questions. He did not have any direct questions. So we asked him if he wouldn't let us proceed with the business at hand. He did have an opportunity to comment. He did so. Any specific questions he wanted to ask, we were more than happy to listen to.

I might point out that when the State Lands Commission held hearings in Belmont, there was no negative reports, and Mike can comment on this. Everyone at that hearing that made comment was terribly supportive of the park concept, of the recreational concept, and of the development in general.

We have listened to this in Belmont to a fare-thee-well. I've said this before. Again, if the State Lands Commission would like to come down and manage Belmont, you're entitled to do that perhaps. We're doing the best we can. This has been a long program for two
years and, again, park and rec, planning, city council with tremendous community support and input.

ACTING CHAIRPERSON McCarthy: What do you pay?

[Laughter.]

MR. MOORE: Comes out to about 15 cents an hour.

[Laughter.]

COMMISSIONER Ordway: That's the same wages.

ACTING CHAIRPERSON McCarthy: Take it under submission.

[Laughter.]

ACTING CHAIRPERSON McCarthy: All right. Are you finished, Mr. Moore?

MR. MOORE: Yes. Thank you.

ACTING CHAIRPERSON McCarthy: Mr. Tom Adams.

MR. ADAMS: Thank you, Lieutenant Governor.

I'm Tom Adams. I'm a lawyer. I represent Kuman Corporation which proposes with the City of Belmont to develop the park in this area and to build a development on some adjacent property.

I don't want to take up much additional time.

I'd just like to make a brief comment. That is that I think, as is appropriate when there's competing concerns here, there have been long negotiations over this thing and I think that most of the things have been resolved in ways that are very favorable to the State. Your staff
has, I think, worked well to represent the State interest.

The current site is a garbage dump. It has a single ball field on it and very low-grade public uses. O'Neill Slough which is a public waterway is partially blocked. If this agreement is approved, several ball fields will be able to be constructed and there will be greatly enhanced public use of what is really a former garbage dump.

Assuming the problems with Caltrans and endangered species can be resolved, the culvert will be removed and O'Neill Slough will be opened up to free flow. Additionally, this development or this agreement contains a development line so that there can't be any intrusion on the banks close to the slough. So that the natural biological values of that area will be protected.

I think that this agreement will greatly enhance the public trust uses of this property over what they are now and over anything that would be possible without it. So we think that it greatly commends itself to you and would like to support it.

I'd be happy to answer any questions about any specific points, but generally that would be my testimony.

ACTING CHAIRPERSON McCarthy: Any questions of Mr. Adams?

Thank you, Mr. Adams.
MR. ADAMS: Thank you very much.

ACTING CHAIRPERSON McCARTHY: Does staff have any final point it wants to make before the Commission makes its decision?

EXECUTIVE OFFICER DEDRICK: I don't think so, Mr. Chairman.

ACTING CHAIRPERSON McCARTHY: What's the pleasure of the Commission?

COMMISSIONER ORDWAY: I'll move the agreement as presented by staff.

COMMISSIONER JERVIS: Second.

ACTING CHAIRPERSON McCARTHY: The Commission unanimously approves the recommendation of staff.

Item 33.

EXECUTIVE OFFICER DEDRICK: This is a ratification of the Executive Session action from last month for us to hire an expert witness on geophysical matters.

ACTING CHAIRPERSON McCARTHY: Any questions on Item 33?

Hearing none, approved.

EXECUTIVE OFFICER DEDRICK: This is permission to put out a notice of intent to contract for the preparation of a joint federal/state environmental document for the All-American pipeline which is currently proposed.
to run between Taft, California and Midland, Texas.

ACTING CHAIRPERSON McCARTHY: Any questions in the audience on Item 34?

All right, approved.

EXECUTIVE OFFICER DEDRICK: Item 35 is off calendar.

Item 35 is off calendar.

ACTING CHAIRPERSON McCARTHY: About time you made a mistake.

[Laughter.]

ACTING CHAIRPERSON McCARTHY: Oh, Item 35 is off calendar.

COMMISSIONER JERVIS: There's one more.

ACTING CHAIRPERSON McCARTHY: All right. That's right. Doggone it, I thought you made a mistake.

EXECUTIVE OFFICER DEDRICK: I'm sorry, Governor. I'll do my best.

36 is authority to execute an agreement for the lease of word processing equipment for Sacramento and Long Beach which we desperately need.

ACTING CHAIRPERSON McCARTHY: Any questions by Commissioners?

Anyone in the audience?
All right. Item 36 is approved.

That's the end of the agenda.

EXECUTIVE OFFICER DEDRICK: That's correct.

ACTING CHAIRPERSON MCCARTHY: Thank you. This Commission meeting is ended.

[Thereupon the State Lands Commission meeting was adjourned at 11:15 a.m.]

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CERTIFICATE OF SHORTHAND REPORTER

I, CATHLEEN SLOCUM, a Certified 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, Cathleen Slocum, 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 17th day of October, 1983:

CATHLEEN SLOCUM
Certified Shorthand Reporter
License No. 2822