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SPECIAL MEETING
STATE LANDS COMMISSION
STATE OF CALIFORNIA

STATE CAPITOL
ROOM 1145
SACRAMENTO, CALIFORNIA

FRIDAY, JULY 27, 1984
11:03 A.M.

ORIGINAL

Cathleen Slocum, C.S.R.
License No. 2822

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MEMBERS PRESENT

Lizabeth Rasmussen, Acting Chairperson, representing
Kenneth Corty, State Controller, Chairman

Clifford Allenby, representing Jesse R. Huff, Director
of Finance, Commissioner

MEMBERS ABSENT

Leo T. McCarthy, Lieutenant Governor, Commissioner

STAFF PRESENT

Claire Dedrick, Executive Officer

Blake Stevenson

Jack Rump

Lorna Buck, Secretary

ALSO PRESENT

Joe Rusconi, Deputy Attorney General

Jan Stevens, Deputy Attorney General

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PETERS SHORTHAND REPORTING CORPORATION

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P R O C E E D I N G S

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ACTING CHAIRPERSON RASMUSSEN: Okay, let's go.

EXECUTIVE OFFICER DEDRICK: Well, we have no minutes to approve or anything.

ACTING CHAIRPERSON RASMUSSEN: And no Executive Officer's Report?

EXECUTIVE OFFICER DEDRICK: No Executive Officer's Report. We just have two items for your action.

The first item is the City of Eureka's request for an authorization to enter into an exchange agreement to terminate sovereign title to that dog pound parcel that we discussed at the last Commission meeting. The City has been very cooperative, has been working closely with the staff and we're very content with the agreement as it stands. If you'd like more details on it, Blake and Joe and Mr. Stockwell are here.

ACTING CHAIRPERSON RASMUSSEN: Okay. Cliff, did you have any questions?

COMMISSIONER ALLENBY: No.

EXECUTIVE OFFICER DEDRICK: One thing I should do is introduce the chief negotiator for the City of Eureka, Jason Stockwell.

ACTING CHAIRPERSON RASMUSSEN: Hi, Jason.

MR. STEVENSON: Good work.

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1 ACTING CHAIRPERSON RASMUSSEN: We have a hot day
2 for you today.

3 EXECUTIVE OFFICER DEDRICK: So if you have any
4 questions, staff would be glad to answer them.

5 ACTING CHAIRPERSON RASMUSSEN: I don't have any
6 questions. I'm very happy that you all were able to come
7 to agreement.

8 COMMISSIONER ALLENBY: To work it out. That's
9 what we want to do.

10 ACTING CHAIRPERSON RASMUSSEN: I appreciate the
11 cooperation of the staff and the City very much.

12 MR. STOCKWELL: I definitely wanted to be here
13 today to clarify our position. I think I left you with
14 a wrong impression of our understanding and that was the
15 result of some very poor advice that we were getting from
16 our counsel. I have personally since the last meeting done
17 some research and talked to some other people and am
18 satisfied that from the beginning we should have been working
19 more with your staff and not trying to pioneer a new law
20 where there's no basis. You can look to that spirit of
21 cooperation for now on on this issue.

22 ACTING CHAIRPERSON RASMUSSEN: Thank you. I
23 appreciate that. I'm sure the feeling is mutual. Everyone's
24 happy.

25 Being no questions, Item 1 is approved then.

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1 Item Number -2.

2 EXECUTIVE OFFICER DEDRICK: Item 2 --

3 ACTING CHAIRPERSON RASMUSSEN: Is a two-parter.

4 EXECUTIVE OFFICER DEDRICK: -- is a two-parter,
5 as you say. Paramount Oil Company which has won two royalty
6 oil sale bids, one at Huntington Beach and one at Elwood
7 in Santa Barbara County, they went bankrupt. They went
8 into involuntary bankruptcy. I don't remember exactly when.
9 I've been so wrapped up in this thing for the last couple
10 of three weeks that my time's gone. At any rate, we were
11 very concerned that we would lose the revenue from those
12 sales which is somewhere in the area of \$6 million.

13 After a good deal of work and they finally went
14 into Chapter 11 and various things happened, we have found
15 two other companies who will take those assignments and
16 carry the liabilities to protect the State.

17 So the purpose of this is your approval of those
18 two assignments of royalty oil sale.

19 ACTING CHAIRPERSON RASMUSSEN: Do you have any
20 questions?

21 COMMISSIONER ALLENBY: No.

22 ACTING CHAIRPERSON RASMUSSEN: Can we approve
23 both of them?

24 EXECUTIVE OFFICER DEDRICK: Yes, you can.

25 ACTING CHAIRPERSON RASMUSSEN: Approve them. No

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problems. No questions. Thank you.

EXECUTIVE OFFICER DEDRICK: That is all the business I have.

ACTING CHAIRPERSON RASMUSSEN: Okay. Thanks.

[Thereupon the meeting of the State Lands Commission was recessed at 11:07 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 Special 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 2 day of August, 1984.

Cathleen Slocum
CATHLEEN SLOCUM
Certified Shorthand Reporter
License No. 2822

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