APPEARANCES

Nancy Ordway, representing Jesse R. Huff, Director of Finance, Commissioner
Acting Chairwoman

Susan Wallace, representing Leo T. McCarthy, Lieutenant Governor, Chairman

Jim Tucker, representing Gray Davis, State Controller, Commissioner

Staff Present:

Claire Dedrick, Executive Officer
Robert C. Hight, Counsel
Jan Stevens, Attorney General's Office
Jane Smith
Lorna Burke
# INDEX

<table>
<thead>
<tr>
<th>Item</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceedings</td>
<td>1</td>
</tr>
<tr>
<td>Item 1</td>
<td>1</td>
</tr>
<tr>
<td>Item 2</td>
<td>1</td>
</tr>
<tr>
<td>Adjournment</td>
<td>2</td>
</tr>
<tr>
<td>Reporter's Certificate</td>
<td>3</td>
</tr>
</tbody>
</table>
PROCEEDINGS

ACTING CHAIRWOMAN ORDWAY: I'll open the May 6th meeting of the State Lands Commission, a quorum being present. The first item?

EXECUTIVE OFFICER DEDRICK: Both 1 and 2 -- the first item is an assignment of the existing lease from Texaco Trading and Transportation, Inc. to Gaviota Terminal Company, an extension of that lease for a period that would terminate when Item 2 is --

ACTING CHAIRWOMAN ORDWAY: For the record, prior to the discussion of Item 1, Susan Wallace will be sitting in a voting capacity for the Lieutenant Governor; Jim Tucker will be sitting in a nonvoting capacity for the Controller.

Question on Item 1? Motion?

MS. WALLACE: Motion.

ACTING CHAIRPERSON ORDWAY: Without objection;

Item 2?

EXECUTIVE OFFICER DEDRICK: Item 2 is a four-year lease for Gaviota Terminal assigned by Texaco at Gaviota.

ACTING CHAIRPERSON ORDWAY: Pleasure of the Commission on Item 2? Motion?

MS. WALLACE: Move.

ACTING CHAIRPERSON ORDWAY: Without questions or
objection, Item 2 is approved.

Any further business?

EXECUTIVE OFFICER DEDRICK: None.

ACTING CHAIRWOMAN ORDWAY: Without any further business, the meeting is adjourned.

(Thereupon the regular meeting of the State Lands Commission was adjourned at 9:15 a.m.)
CERTIFICATE OF SHORTHAND REPORTER

I, Nadine J. Parks, a shorthand reporter of the State of California, do hereby certify that I am a disinterested person herein; that the foregoing meeting of the State Lands Commission was reported in shorthand by me, Nadine J. Parks, 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 18th day of May, 1987.

Nadine J. Parks
Shorthand Reporter

PETERS SHORTHAND REPORTING CORPORATION
3336 BRADSHAW ROAD, SUITE 240
SACRAMENTO, CALIFORNIA 95827
TELEPHONE (916) 362-2345