MEMBERS PRESENT

Leo T. McCarthy, Lieutenant Governor, Chairman

Jim Tucker for Gray Davis, State Controller, Commissioner

LaFenus Stancell for Jesse R. Huff, Director of Finance, Commissioner

Staff Present:

Claire T. Dedrick, Executive Officer
James Trout, Assistant Executive Officer
Robert Hight, Chief Counsel
Jan Stevens, Deputy Attorney General
Gail Moore, Secretary to Commission
Lisa Lynn, Executive Secretary I
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PROCEEDINGS

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CHAIRMAN MC CARTHY: Welcome to this meeting of the State Lands Commission. On my left is Jim Tucker, sitting in for Controller Gray Davis. On my right is Stan Stancell from the Department of Finance, sitting in for Jesse Huff.

My name is Leo McCarthy.

I'm going to start by approving the minutes of the last Commission meeting. Are there any questions about those minutes? If not, they're unanimously approved.

We will begin with the adoption of the Consent Calendar. Any questions about any items on the Consent Calendar? We've pulled off Consent Item 19, as you remember.

In connection with the adoption of the Consent Calendar Item No. 3, I just wanted to make a couple of brief remarks.

In this 30-year lease item given for the operation of a marina, we have begun a new policy on this Commission. Henceforth, starting with this particular lease, all new leases granted by this Commission that include food service stands or operations within the lease being granted will be required to ban styrofoam containers, and also be required to package
or contain the food they prepare in materials that are biodegradable within two years.

We held a hearing in Los Angeles, and we received a good deal of testimony that suggested that plastics are doing a lot of damage to marine life along the coast and inland waterways. Plastics seem to have a long life, many of them 100 years. There are lots of things we will consider to try to address this problem. This is a modest beginning.

We have also sent a letter to Governor George Deukmejian today on behalf of Gray Davis and myself urging him to issue an Executive Order banning the use of styrofoam food containers by all State Government agencies and vendors.

If we set this kind of an example and keep pointing out the dangers of using styrofoam and other kinds of plastics, we can do some good in protecting the public and marine life, which has great economic as well as environmental value to the people of this State.

All right. Any questions about the Consent Calendar?

It is adopted.

We'll now move to Item 20.

EXECUTIVE OFFICER DEDRICK: Item 20, Mr. Chairman, is a denial of application for public service district lease to the Capistrano Bay Community
Service District in Orange County, Dana Point.

CHAIRMAN MC CARTHY: Any questions by members of the Commission? By members of the audience?

If not, Item 20 is approved. We're now on Item 25

EXECUTIVE OFFICER DEDRICK: Yes. The City of Avalon. Staff requests that you waive penalty and interest on charges assessed to the lease at Avalon due to a misunderstanding between the two staffs.

CHAIRMAN MC CARTHY: Any questions by members of the Commission or the audience?

If not, that's approved as requested.

26.

EXECUTIVE OFFICER DEDRICK: 26, Shasta-Trinity National Forest and the State Lands Commission. This is a request for authorization to execute an agreement between the Forest Service and State Lands to jointly finance the property appraisal for a future exchange of lands to consolidate our respective management/ownership.

CHAIRMAN MC CARTHY: Any questions by members of the Commission or the audience? That's approved as requested.

27.

EXECUTIVE OFFICER DEDRICK: 27 is a royalty oil sale at Orange County. The winning bid is from

PETERS SHORTHAND REPORTING CORPORATION
3336 BRADSHAW ROAD, SUITE 240
SACRAMENTO, CALIFORNIA 95827
TELEPHONE (916) 392-2345
Golden West Refining Company for 37.91 cents over the posted price.

CHAIRMAN MC CARTHY: Any questions by members of the Commission or the audience?

That's approved as requested. 28.

EXECUTIVE OFFICER DEDRICK: 28 is a request by the City of Long Beach for two portions of crude oil of a royalty oil sales contract. Staff recommends that the first segment, which has a bid price of 22 cents over the posted price be approved; but the segment, which has a bid price of only nine cents over the posted price, not be approved on the grounds that the State will make more money on its basic contract than we could on a nine-cent-over bid.

CHAIRMAN MC CARTHY: All right. Any questions by members of the Commission or the audience? All right. That recommendation is approved. 29.

EXECUTIVE OFFICER DEDRICK: 29 is Moss Landing Harbor District. This is the authorization of an amendment to two dredging permits at Moss Landing Harbor in Monterey County.

CHAIRMAN MC CARTHY: Questions by members of the Commission or the audience? The recommendation is approved.

Let's skip to Item 33.
EXECUTIVE OFFICER DEDRICK: Item 33, this is a request by the Grupe Development Company in Stockton for an approval of their boundaries for annexation and an annexation to the City of Stockton.

Staff recommends that the boundaries be approved, but that the annexation be dealt with at a later date.

CHAIRMAN MC CARTHY: Questions by members of the Commission or the audience?

COMMISSIONER TUCKER: Abstain on this.

CHAIRMAN MC CARTHY: All right. Mr. Tucker abstains. Questions by members of the audience? The recommendation is approved.

34.

EXECUTIVE OFFICER DEDRICK: 34, this is the approval of a compromise settlement agreement in the City of San Mateo with Jean Sperry involving 1.2 acres of land within the City of San Mateo.

CHAIRMAN MC CARTHY: Questions by members of the Commission?

EXECUTIVE OFFICER DEDRICK: Excuse me, Mr. Chairman. I failed to mention, you are, in this capacity, acting as trustees of the Sovereign Lands Trust as well as Commissioners.

CHAIRMAN MC CARTHY: All right. Questions by
members of the Trust? The Commission? Members of the audience?

All right. We approve this as trustees and Commissioners.

EXECUTIVE OFFICER DEDRICK: 35 is our request for approval of a modification to the lists and criteria as a result of an amendment to the old 884.

CHAIRMAN MC CARTHY: Questions by members of the Commission?

COMMISSIONER TUCKER: Does this need to be approved today?

EXECUTIVE OFFICER DEDRICK: I don't think so. Do you need to withdraw it for review?

COMMISSIONER TUCKER: Yes, I just got a copy, and I'd like to look at this.

EXECUTIVE OFFICER DEDRICK: We have no urgency.

CHAIRMAN MC CARTHY: All right. The matter is put over to the next meeting.

Thank you very much, ladies and gentlemen.

(Thereupon the meeting was adjourned at 11:40 a.m.)

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I, Nadine J. Parks, a shorthand reporter of the State of California, hereby certify that I am a disinterested person herein; that I reported the foregoing meeting of the State Lands Commission in shorthand writing, and thereafter caused my shorthand writing to be 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 set my hand this 27th day of April, 1989.

Nadine J. Parks
Shorthand Reporter