SPECIAL MEETING
STATE LANDS COMMISSION
STATE OF CALIFORNIA

ORIGINAL

STATE CAPITOL
DEPARTMENT OF FINANCE
ROOM 1145
SACRAMENTO, CALIFORNIA

MONDAY, SEPTEMBER 11, 1989
9:00 A. M.

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MEMBERS PRESENT

Mr. Leo T. McCarthy, Lieutenant Governor, Chairman
Mr. James Tucker, Acting Commissioner, for
   Mr. Gray Davis, State Controller
Mr. LaFenus Stancell, Acting Commissioner, for
   Mr. Jesse R. Huff, Director of Finance

STAFF PRESENT

Ms. Claire T. Dedrick, Executive Officer
Mr. Robert Hight, Chief Counsel
Ms. Gail Moore, Secretary to the Commission
Mr. Daniel Cohen, Environmental Coordinator
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CHAIRMAN MC CARTHY: Welcome, everybody. This is the Public Hearing of the State Lands Commission. We would like to welcome Commissioner Stancell back from the difficult and stressful vacation that he was on.

(Laughter.)

CHAIRMAN MC CARTHY: Also we have Commissioner Tucker, and I am pleased to be here alive.

Let's start with number one -- no, we have the previous minutes?

EXECUTIVE OFFICER DEDRICK: Yes, we do.

CHAIRMAN MC CARTHY: We approve the previous minutes unanimously.

Let's start with number one.

EXECUTIVE OFFICER DEDRICK: Number one, the City of Palo Alto is a 49-year General Permit, Public Agency Use, for Recreational Development in Palo Alto near Embarcadero Way in Santa Clara County.

CHAIRMAN MC CARTHY: Any questions about this?

All right. That is approved.

Number two.

EXECUTIVE OFFICER DEDRICK: Item two is a 49-year General Lease, Right-of-Way-Use over a variety of parcels for a two-inch diameter fiber optic cable conduit, which crosses Cosumnes, Mokelumne and San Joaquin.
The blue document before you is the Environmental Impact Report.

We have also been asked to put into the record the comments and the answers to those comments of the Forest Service, which are available here.

Is there a problem?

CHAIRMAN MC CARthy: Not yet.

EXECUTIVE OFFICER DEDRICK: This is the item for which we scheduled the special meeting because these people have been waiting for the end of the circulation of this.

(Thereupon a short discussion was held off the record.)

EXECUTIVE OFFICER DEDRICK: If you have had a chance to review the findings and so forth which are in the calendar item, this is just the final --

CHAIRMAN MC CARthy: Is there anyone here to speak on this issue?

ACTING COMMISSIONER TUCKER: Who can answer questions?

EXECUTIVE OFFICER DEDRICK: Who can answer questions?

ACTING COMMISSIONER TUCKER: I mean from the State Lands Commission.

EXECUTIVE OFFICER DEDRICK: Dan Cohen, behind you.
ACTING COMMISSIONER TUCKER: In looking at the comments, there are comments like from Caltrans, where they question the point five acres, miles of impact.

EXECUTIVE OFFICER DEDRICK: Well, it's point --

ACTING COMMISSIONER TUCKER: 11-2, Response Letter Number 11, by District Biologist, questions how there could only be point five acre permanent disturbance for 317 miles of new pipelines with the clarification of point as needed.

ENVIRONMENTAL COORDINATOR COHEN: Yes.

ACTING COMMISSIONER TUCKER: What is the response on that?

ENVIRONMENTAL COORDINATOR COHEN: Well, I think they had a pipeline confused with what is actually taking place here. That is only point five acres because it is a shortened trench that is going to be involved. It's not a pipeline in a normal sense. It is a three-quarter-inch pipeline, actually a cable line.

ACTING COMMISSIONER TUCKER: So then the answer is that there is sufficient mitigation for the disturbance that is going to be caused?

ENVIRONMENTAL COORDINATOR COHEN: That is correct. Fish and Game issued a no-jeopardy determination on this project and considered the available mitigations in the form of compensation land.
ACTING COMMISSIONER TUCKER: Then there's later comments about, in 11-4 --

ENVIRONMENTAL COORDINATOR COHEN: Yes.

ACTING COMMISSIONER TUCKER: -- what plants listed on B-3 are now proposed or listed as federal endangered species?

ENVIRONMENTAL COORDINATOR COHEN: Yes. All the listed plants are going to be avoided. Extensive surveys were done on all the habitats of the endangered species, and in each case they will be avoided.

ACTING COMMISSIONER TUCKER: It's the same on 11-3, I think it is, 14-4, and maybe it's 14-2, they list a number of animals, including our good friend the Kangaroo Rat.

ENVIRONMENTAL COORDINATOR COHEN: That's correct. Again, Fish and Game, we have a letter on file from Fish and Game as to the no-jeopardy determination because of the avoidance of these endangered species.

ACTING COMMISSIONER TUCKER: And the blunt-noised leopard. Those are the ones that are in your backyard.

ACTING COMMISSIONER STANCELL: I noticed that. I saw a couple of them when I was on vacation.

ACTING COMMISSIONER TUCKER: Okay. So none of those are going to be impacted?

ENVIRONMENTAL COORDINATOR COHEN: None of those
are going to be impacted. There is going to be a Project
Biologist on site to insure that also.

ACTING COMMISSIONER TUCKER: Okay. How are
they doing the mitigation? What is the 50 acres? Is it
one place or is it --

ENVIRONMENTAL COORDINATOR COHEN: That's going
to be identified by Fish and Game.

ACTING COMMISSIONER TUCKER: Will it be one
place?

ENVIRONMENTAL COORDINATOR COHEN: It could be
a number of places.

ACTING COMMISSIONER TUCKER: And they will buy
property or they will restore property or what will they
do?

ENVIRONMENTAL COORDINATOR COHEN: Most likely,
buy it.

ACTING COMMISSIONER TUCKER: Okay. Thank you.

CHAIRMAN MC CARthy: Any questions?

ACTING COMMISSIONER STANCELL: No.

CHAIRMAN MC CARthy: Anyone else present wish to
ask a question or make a comment on this?

If not, the Commission unanimously accepts
the recommendations.

Next item.

EXECUTIVE OFFICER DEDRICK: Item four.
CHAIRMAN MC CARTHY: What --

EXECUTIVE OFFICER DEDRICK: Excuse me. Item three is off calendar.

CHAIRMAN MC CARTHY: Item three is off calendar. The counsel is here and does not wish to make a comment on this?

EXECUTIVE OFFICER DEDRICK: Apparently not.

CHAIRMAN MC CARTHY: All right. Thank you.

Item four.

EXECUTIVE OFFICER DEDRICK: Item four is the John Norton. This is a Title Settlement Agreement between the State and Norton over a parcel of land which once was the Colorado River.

The parcel is very much removed from the Colorado and this is a Kapiloff Land Bank Fund contribution of $73,500. And in this issue, you are also acting as Land Bank trustees, which Bob would have told you had I given him a chance.

CHAIRMAN MC CARTHY: Any questions?

All right. Approved.

EXECUTIVE OFFICER DEDRICK: Item five. This is to authorize the Executive Officer to contract for a consultant who is an expert in oil spill recovery and to assess the state's current capacity to respond effectively to a major oil spill.
CHAIRMAN MC CARTHY: Any questions on this item?

ACTING COMMISSIONER STANCELL: What is the funding source of this?

EXECUTIVE OFFICER DEDRICK: Either reimbursement or redirection from within the budget.

ACTING COMMISSIONER STANCELL: If it is redirection, what is it?

EXECUTIVE OFFICER DEDRICK: The only source of funds we have for redirection is salary savings.

(Thereupon a short discussion was held off the record.)

ACTING COMMISSIONER STANCELL: What is the impact of that?

EXECUTIVE OFFICER DEDRICK: Well, change the workload. We also have potential for reimbursement through two major EIR's which will probably be issued this year.

ACTING COMMISSIONER STANCELL: How much is that?

EXECUTIVE OFFICER DEDRICK: The EIR's?

ACTING COMMISSIONER STANCELL: What would be the value of reimbursement of that?

EXECUTIVE OFFICER DEDRICK: Oh, substantially more than a hundred thousand dollars. I mean those EIR's are going to be big ones.

They are the Gaviota Marine Terminal and the...
Union Terminal. And basically there is really no way that one could do those EIR's at this point without requiring the kind of information that that consultant can give us.

With the importance of oil spills today, and after the Valdez spill, our staff feels very strongly that we need to do, I guess, a cumulative impact report, so to speak, on tankering off the Pacific Coast and the ability to handle the spill.

I guess that's the wrong word to use, but I can't seem to find the right one.

ACTING COMMISSIONER STANCELL: So you need this, then?

EXECUTIVE OFFICER DEDRICK: We need the information, yes.

ACTING COMMISSIONER STANCELL: Before you get the EIR?

EXECUTIVE OFFICER DEDRICK: Before those EIR's, yes.

ACTING COMMISSIONER STANCELL: That's what I was getting at.

EXECUTIVE OFFICER DEDRICK: We either need it -- the way I am seeing it, frankly, is through reimbursement.

ACTING COMMISSIONER STANCELL: Thank you. I just wanted to go on record and make sure you are not
creating a hole in the budget and then coming back to
ask for additional resources.

EXECUTIVE OFFICER DEDRICK: For this particular
project, sir, I will not be asking for additional resources,
I do not believe.

ACTING COMMISSIONER STANZELL: Okay.

CHAIRMAN MC CARTHY: Any questions?

ACTING COMMISSIONER TUCKER: No.

CHAIRMAN MC CARTHY: All right. Approved.

Next item.

EXECUTIVE OFFICER DEDRICK: Item six is to
approve the use of funds from the Hazard Removal Account
to remove a derelict vessel that sunk at Isleton.

W. recently were authorized by the Legislature
to use -- the original legislation identified those
hazards which could be removed. As it happens, we came
under the budget on quite a few of those and had some
excess funds.

Phil Isenberg carried a bill to allow us to
use those excess funds for emergencies, whenever there is
an emergency.

This barge that sunk off Isleton is really
a public hazard because kids can get to it and it's really
a dangerous thing. That's what we would like to do with
this.
ACTING COMMISSIONER STANCELL: Do you have notification filed with the Legislature?

EXECUTIVE OFFICER DEDRICK: Pardon?

ACTING COMMISSIONER STANCELL: Do you have notification filed with the Legislature?

EXECUTIVE OFFICER DEDRICK: I don't remember.

CHIEF COUNSEL HIGHT: I don't believe so.

EXECUTIVE OFFICER DEDRICK: We have got a lot of work to do to sort the thing out and we also almost certainly are going to have to do an EIR on a portion of the work at any rate, at least a focused EIR.

CHAIRMAN MCCARTHY: Any other questions?

All right, approved.

The next item.

EXECUTIVE OFFICER DEDRICK: Item seven. This is a delegation of authority to execute a contract. We need to build a fence around that East Los Angeles prison site so we can manage it while awaiting its becoming approved.

Remember, the Legislature assigned us to be the curator agency between the acquisition of the property and the construction, the start of construction on the prison.

CHAIRMAN MCCARTHY: Any questions on this item?

ACTING COMMISSIONER TUCKER: What are we going
to do to clean it up besides --

EXECUTIVE OFFICER DEDRICK: Well, yes, we are
doing quite a few things. One thing we are doing is
carrying out leases in those buildings which are leasable
and we have quite a few. I can get you the report on it,
but I can't remember the exact details now.

But in addition to that, on the bare land, we are
cleaning that up and then we want to keep it fenced so that
it doesn't become a local trash dump again.

ACTING COMMISSIONER TUCKER: Right.

What is the estimate on when it will be cleaned
up?

EXECUTIVE OFFICER DEDRICK: I do not know. I
will have to get back to you on that.

ACTING COMMISSIONER TUCKER: Because I think
that's the point. Now that we are holding somebody else's
hot potato, I think that we should at least --

CHAIRMAN MC CARTHY: Try not to hold it too
long.

EXECUTIVE OFFICER DEDRICK: We would love not
to hold it very long.

ACTING COMMISSIONER TUCKER: Not to get it too
dirty before we give it to somebody else.

EXECUTIVE OFFICER DEDRICK: It is kind of a
mess now.
ACTING COMMISSIONER TUCKER: The fence is designed to keep the legislators out.

(Laughter.)

EXECUTIVE OFFICER DEDRICK: And assorted others.

(Laughter.)

EXECUTIVE OFFICER DEDRICK: And that's it.

CHAIRMAN MC CARthy: Any other thoughts on that? That's the end of the public session.

We are going to go into a private session now, so I'd like to thank all of you for attending, and let all of those who are authorized to stay for the private session, you should remain in the room, please.

(Thereupon the September 11, 1989 Special Meeting of the State Lands Commission was adjourned at 9:30 a.m.)
CERTIFICATE OF SHORTHAND REPORTER

I, RONALD J. PETERS, a Certified Shorthand Reporter of the State of California, hereby certify that I am a disinterested person herein; that I reported the foregoing Special 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 Special Meeting, nor in any way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 12th day of September, 1989.

Ronald J. Peters
Certified Shorthand Reporter
License Number 2780