MEETING
STATE OF CALIFORNIA
STATE LANDS COMMISSION

STATE CAPITOL
ROOM 447
SACRAMENTO, CALIFORNIA

THURSDAY, OCTOBER 26, 1989
10:10 A. M.

Ronald J. Peters
Certified Shorthand Reporter
License Number 2780
COMMISSION MEMBERS PRESENT

Honorable Leo T. McCarthy, Lieutenant Governor, Chairman

Mr. Gray Davis, State Controller, represented by Mr. James Tucker, Chief Deputy Controller

Mr. Jesse R. Huff, Director of Finance, represented by Mr. LaFenus Stancell, Assistant Director

STAFF PRESENT

Ms. Claire T. Dedrick, Executive Officer

Mr. James F. Trout, Assistant Executive Officer

Mr. Robert C. Hight, Chief Counsel

Mr. W. M. Thompson, Chief, Long Beach

Mr. L. H. Grimes, Deputy Chief

ALSO PRESENT

Mr. Jan S. Stevens, Deputy Attorney General
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PROCEEDINGS

CHAIRMAN MCCARTHY: Well, Ladies and Gentlemen, welcome to this meeting of the State Lands Commission.

On my right is Commissioner Jim Tucker, representing Controller Gray Davis, and on my left is Commissioner Stan Stancell, representing the Director of Finance, Jesse Huff.

My name is Leo McCarthy.

I'd like to tell you first of all, the items that are going to be pulled off the calendar so that those of you who might be waiting for these items, we won't detain you.

Consent Item Number 8, and then regular Calendar Items 17, 18, 21, 22, 28, 30, 31, 33, 34 and 36.

We are also going to pull Item 37 off, but first I want to ask our Chief Counsel, Robert Hight, to make a statement on that matter before we do.

CHIEF COUNSEL HIGHT: Yes, Mr. Chairman.

We are asking you to pull Item Number 37, which is consideration of a lease with Monterey Sand Company, at their request.

They believe that they did not get adequate notice pursuant to the 10-day notice requirement. Our records indicate that we sent it.

Apparently, because of the earthquake problems,
they did not receive it.

As we agreed in the Executive Session, the lease will be continued until December 15th.

CHAIRMAN MC CARTHY: Thank you.

Without objection Item 37 will also be pulled off calendar.

The minutes of the last meeting are approved as presented.

The Consent Calendar is before the Commission.

Any further public comment on the Consent Calendar?

By Members of the Commission?

If not, the Consent Calendar is approved unanimously.

Now we will go to Item Number 12.

EXECUTIVE OFFICER DEDRICK: Item Number 12, Mr. Chairman, deals with William May and Betty Lou May, Applicants. This is approval of a five-year Recreational Pier Permit for the construction and maintenance of a pier and boatlift, and some mooring buoys at Lake Tahoe at Meeks Bay in El Dorado County.

CHAIRMAN MC CARTHY: Any questions by Members of the Commission or of the public?

It is approved as recommended.

Thirteen.
EXECUTIVE OFFICER DEDRICK: Item 13. Moana Beach Property Owners Association, Inc. This is another Recreational Pier Permit, and in this case it is located at McKinney Bay in Placer County.

CHAIRMAN MC CARTHY: Questions by Members of the Commission or the public?

All right. That is approved as recommended.

Fourteen.

EXECUTIVE OFFICER DEDRICK: Item 14. This is the Hansons, Dale and Margery. This is approval of a five-year Recreational Pier Permit. The purpose of this permit is to allow them to add new decking and retain an existing mooring buoy.

CHAIRMAN MC CARTHY: Questions?

Approved as recommended.

Fifteen.

EXECUTIVE OFFICER DEDRICK: Item 15 is an assignment from Shell Western to Chevron of a lease for pipelines in Suisun Bay, Contra Costa County and Solano County.

CHAIRMAN MC CARTHY: Questions by Member of the Commission or the public?

Approved as recommended.

Sixteen.

EXECUTIVE OFFICER DEDRICK: Item 16. Again,
this is an assignment from Shell Western to Chevron, also for a right of way for the pipeline. This is near Ryer Island in Solano County.

It is also approval of a 20-year replacement lease for the earlier lease.

CHAIRMAN MC CARTHY: Questions by Members of the Commission or the public?

Approved as recommended.

Nineteen.

EXECUTIVE OFFICER DEDRICK: Item 19, State Lands Commission as a party. This is a Memorandum of Understanding between the Forest Service and the State Lands Commission dealing with an exchange of properties.

Primarily the State Lands' lands are of lower value and are located primarily in the southern forests surrounded by Forest Service land, and we will receive in return for that an equal value in land, but smaller acreage, primarily in Mendocino County, adjacent to lands already owned by the Lands Commission.

CHAIRMAN MC CARTHY: All right.

Questions by Members of the Commission or the public?

All right. Approved as recommended.

Number 20.

EXECUTIVE OFFICER DEDRICK: Item 20 is State
Lands Commission. This is an authorization for an amendment to Item 27 of the June 30, 1988 meeting.

At that time the Commission authorized a deposit of $448,000 into the School Land Bank Fund. Subsequent review of the appraisals show that the property acquired by the State was more valuable than we had thought, and therefore the money to be deposited is $405,200, rather than $448,000.

CHAIRMAN MC CATHY: Any comments by Members of the Commission or the public?

That is approved as recommended.

Item 23.

EXECUTIVE OFFICER DEDRICK: Item 23. This is a Borrow Permit lease to the United States Department of the Interior for armor rock for the Colorado River levees in San Bernardino County.

CHAIRMAN MC CATHY: Questions?

It is approved.

Item 24.

EXECUTIVE OFFICER DEDRICK: Twenty-four, Union Oil Company of California.

This is Thermal Power Company and N. E. C. This is an amendment to geothermal resources leases in Lake and Mendocino Counties.

CHAIRMAN MC CATHY: Questions by Members of the
Commission?

Approved.

Twenty-five.

EXECUTIVE OFFICER DEDRICK: Item 25 is a request by Exxon Company for a two-year deferment of drilling of a Oil and Gas Lease, Number 3499, in Santa Barbara County.

CHAIRMAN MC CARTHY: Questions?

All right. Approved.

Twenty-six.

EXECUTIVE OFFICER DEDRICK: Item 26. This is the City of Long Beach, a request for the removal of a 10-cent bonus requirement to facilitate the sale by Century Resources Development of interests in Tract 1 and Tract 2 in the Long Beach Unit in Los Angeles County.

The removal of the bonus requirement is dependant upon the Century Resources Development providing the Commission with an acceptable, financially responsible purchaser.

CHAIRMAN MC CARTHY: Questions.

All right. Approved.

Twenty-seven.

EXECUTIVE OFFICER DEDRICK: Item 27 is consent by the City of Long Beach to the assignments to ARCO of the interests of Texaco, Unocal and Shell in the Long Beach Unit in Los Angeles County.
CHAIRMAN MC CARTHY: Any questions?

All right. That is approved.

Twenty-nine.

EXECUTIVE OFFICER DEDRICK: Twenty-nine, the first quarter status report on the 1989-'90 plan of development and operations of the Long Beach Unit, Los Angeles County.

CHAIRMAN MC CARTHY: Any questions?

Approved.

Thirty-two.

EXECUTIVE OFFICER DEDRICK: Thirty-two, the City of and, the Kumam Corporation.

This is a request for an extension of the final date for recordation of a Settlement Agreement for property in the City of Oakland, Alameda County, actually on Lake Merced.

CHAIRMAN MC CARTHY: Any questions?

That is approved.

Thirty-five.

EXECUTIVE OFFICER DEDRICK: Thirty-five. This is a Compromise Title Settlement Agreement between us and the Bay Meadows Race Track.

This involves a deposit of $32,500 in the Sovereign Lands Trust, Commissioners. The agreement requires that we attempt to find lands within the City of San Mateo...
upon which this Trust Fund could be spent but that that
requirement has a three-year limitation.

CHAIRMAN MC CARThY: Any questions?

All right. That is approved.

Thirty-eight.

EXECUTIVE OFFICER DEDRICK: Thirty-eight, United
States Department of Interior, the National Oceanic and
Atmospheric Administration.

This is a Memorandum Agreement between State
Lands Commission and NOAA and Interior to perform a
natural resources damage assessment of damages resulting
from the deposit of DDT and PCB along the coast in the
vicinity of the City of Los Angeles.

CHAIRMAN MC CARThY: Any questions?

That is approved.

That concludes the Commission hearing.

Thank you, Ladies and Gentlemen.

EXECUTIVE OFFICER DEDRICK: Thank you,
Mr. Chairman and thank you, Commissioners.

(Thereupon the October 26, 1989 Meeting
of the State Lands Commission was adjourned
at 10:20 a.m.)
CERTIFICATE OF SHORTHAND REPORTER

I, RONALD J. PETERS, a Certified Shorthand Reporter of the State of California, do hereby certify that I am a disinterested person herein; that I reported the foregoing State Lands Commission Meeting in shorthand 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 interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 30th day of October, 1989.

[Signature]

Ronald J. Peters
Certified Shorthand Reporter
License Number 2780