APPEARANCES

Cruz Bustamante, Chairperson, represented by Lorena Gonzalez (via telephone)

Steve Westley, State Controller, represented by Cindy Aronberg (via telephone)

Donna Arduin, Finance Director, represented by Fred Klass (via telephone)

STAFF

Paul Thayer, Executive Officer (via telephone)
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ACTING CHAIRPERSON ARONBERG: Let's go ahead and call this meeting of the State Lands Commission to order. All of the representatives of the Commission are present; is that true?

ACTING COMMISSIONER KLASS: Correct.

ACTING CHAIRPERSON ARONBERG: I am Cindy Aronberg, Deputy Controller for the California State Controller Steve Westly, and I'm joined today on a teleconference line by Lorena Gonzalez, deputy to Lieutenant Governor Cruz Bustamante and Fred Klass, representing the Department of Finance.

For the benefit of anyone in the audience at any of the teleconference locations, the State Lands Commission administers property owned by the State, as well as its mineral interests. And today we'll hear a very small number of proposals concerning the leasing and management of these properties.

The first item of business is the adoption of the minutes from the Commission's last meeting.

Is there a motion to approve the minutes?

ACTING COMMISSIONER GONZALEZ: I'll move the minutes to be approved.

ACTING COMMISSIONER KLASS: I don't think we can do it because I don't think I was there.
ACTING CHAIRPERSON ARONBERG: Okay. Then we can't do the minutes, because only Lorena or I can vote with you.

EXECUTIVE OFFICER THAYER: We'll just wait for the next meeting on that.

ACTING COMMISSIONER KLASS: That's all right. There's no reason I can't vote on them. I'll move the minutes.

ACTING CHAIRPERSON ARONBERG: All in favor?

(Ayes.)

ACTING CHAIRPERSON ARONBERG: Opposed?

Without hearing any opposition, the motion carries and the minutes are adopted.

The next item of business, I think we'll just let Paul Thayer handled, which is the consent calendar.

Go ahead, Mr. Thayer.

EXECUTIVE OFFICER THAYER: Yes. The reason for this special meeting is because the assignment of Tiki Lagun ran into some problems. It had been previously approved by the Commission, but with an expiration date. There were several different financing possibilities and the final one wasn't resolved until just two or three weeks ago.

By delaying until our August 17th meeting, the resolution of this and the encumbrance of the lease for that financing, it would have incurred an additional cost to the applicant. And so we're having this special meeting to be
the full-service Commission that we are and approve this prior to the August 17th meeting. It's the Commission's desire.

And so this item is the primary item, we have four other items listed. We'll need to remove Item C-2, the applicant being Tyson and Hilary Shower, because there has been some objection from their next-door neighbor and we'll hear that item most likely at the August 17th meeting. And so that leaves Items 1, 3, 4, and 5 on the consent calendar for being the sole items for consideration.

ACTING COMMISSIONER KLASS: I'd like to move the consent calendar with the staff's recommendation.

ACTING CHAIRPERSON ARONBERG: I'll second.

All in favor?

(Ayes.)

ACTING CHAIRPERSON ARONBERG: Opposed?

The motion carries.

Excuse me. I'm going to back up a bit and make sure there's no one in the audience at any teleconference location who wishes to speak on any of these items from the consent calendar?

Okay. Hearing none, then that motion carries again.

EXECUTIVE OFFICER THAYER: I should say there's nobody --
ACTING CHAIRPERSON ARONBERG: Okay. Alan's okay with that.

EXECUTIVE OFFICER THAYER: I should mention that there's nobody but staff at our location, I don't know about the other locations.

ACTING CHAIRPERSON ARONBERG: And not here.

Lorena?

ACTING COMMISSIONER GONZALEZ: No, nobody here.

ACTING CHAIRPERSON ARONBERG: Okay, great.

And Fred you're separate in Sacramento, right?

ACTING COMMISSIONER KLASS: That's right.

ACTING CHAIRPERSON ARONBERG: The Tiki Lagun people did not appear personally?

EXECUTIVE OFFICER THAYER: Right.

ACTING CHAIRPERSON ARONBERG: Interesting. Okay.

EXECUTIVE OFFICER THAYER: We had told the person who had the concerns about Item 2 that we would take it off, and so she indicated she probably wouldn't come.

ACTING CHAIRPERSON ARONBERG: Okay, great. Well, is there any more business before the Commission, Mr. Thayer?

EXECUTIVE OFFICER THAYER: There is not.

ACTING CHAIRPERSON ARONBERG: Okay. Then by acclamation, let's adjourn.

(Thereupon the meeting was concluded at 10:11 a.m.)
CERTIFICATE OF SHORTHAND REPORTER

I, MICHAEL J. MAC IVER, a Shorthand Reporter, do hereby certify that I am a disinterested person herein; that I reported the foregoing State Lands Commission proceedings in shorthand writing; that I 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 State Lands Commission proceedings, or in any way interested in the outcome of said State Lands Commission proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of July 2004.

[Signature]

Michael J. Mac Iver
Shorthand Reporter