COMMISSION MEMBERS:

Mr. Gavin Newsom, Lieutenant Governor, Chairperson, also represented by Mr. Kevin Schmidt

Mr. Michael Cohen, Director of Department of Finance, represented by Ms. Eraina Ortega

Ms. Betty T. Yee, State Controller

STAFF:

Ms. Jennifer Lucchesi, Executive Officer

Mr. Dave Brown, Assistant Executive Officer

Ms. Pam Griggs, Assistant Chief Counsel

Mr. Brian Bugsch, Chief, Land Management Division

Ms. Steve Curran, Petroleum Drilling Engineer

Ms. Jennifer DeLeon, Environmental Program Manager, Division of Environmental Planning and Management

Ms. Grace Kato, Public Land Management Specialist

Ms. Sheri Pemberton, Chief, External Affairs and Legislative Liaison

ATTORNEY GENERAL:

Mr. Joe Rusconi, Deputy Attorney General

ALSO PRESENT:

Mr. Roger Bloom, Bolsa Chica Land Trust

Ms. Molly Burdick-Whipp, Bolsa Chica Conservancy
APPEARANCES CONTINUED

ALSO PRESENT:

Ms. Shirley Dettloff, Amigos de Bolsa Chica
Ms. Jenna Driscoll, Santa Barbara Channelkeeper
Dr. Lee Heller
Ms. Hillary Hauser, Heal the Bay
Ms. Fran Farina, Sierra Club
Ms. Julie Riley, City of Los Angeles
1:30 P.M. - CLOSED SESSION: AT ANY TIME DURING THE MEETING THE COMMISSION MAY MEET IN A SESSION CLOSED TO THE PUBLIC TO CONSIDER THE FOLLOWING PURSUANT TO GOVERNMENT CODE SECTION 11126:

A. LITIGATION.
THE COMMISSION MAY CONSIDER PENDING AND POSSIBLE LITIGATION PURSUANT TO THE CONFIDENTIALITY OF ATTORNEY-CLIENT COMMUNICATIONS AND PRIVILEGES PROVIDED FOR IN GOVERNMENT CODE SECTION 11126(e).

1. THE COMMISSION MAY CONSIDER MATTERS THAT FALL UNDER GOVERNMENT CODE SECTION 11126(e)(2)(A):

- California State Lands Commission v. City and County of San Francisco
- Seacliff Beach Colony Homeowners Association v. State of California et al.
- SLPR, LLC et al. v. San Diego Unified Port District, State Lands Commission
- San Francisco Baykeeper v. State Lands Commission
- Keith Goddard v. State of California
- Sportsman's Paradise v. California State Lands Commission
- California State Lands Commission v. Lee Stearn
- City of Santa Monica et al. v. Nugent
- City of Santa Monica et al. v. Ornstein
2. **THE COMMISSION MAY CONSIDER MATTERS THAT FALL UNDER GOVERNMENT CODE SECTION 11126(e)(2)(B) or (2)(C).**

**B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS.**

THE COMMISSION MAY CONSIDER MATTERS THAT FALL UNDER GOVERNMENT CODE SECTION 11126(c)(7) – TO PROVIDE DIRECTIONS TO ITS NEGOTIATORS REGARDING PRICE AND TERMS FOR LEASING OF REAL PROPERTY.

1. Provide instructions to negotiators regarding entering into a new lease of state land for the Broad Beach Restoration Project, City of Malibu, Los Angeles County. Negotiating parties: Broad Beach Geologic Hazard Abatement District, State Lands Commission; Under negotiation: price and terms.

**C. OTHER MATTERS.**

THE COMMISSION MAY CONSIDER MATTERS THAT FALL UNDER GOVERNMENT CODE SECTION 11126(e)(2)(B) or (2)(C). THE COMMISSION MAY ALSO CONSIDER PERSONNEL ACTIONS TO APPOINT, EMPLOY, OR DISMISS A PUBLIC EMPLOYEE AS PROVIDED IN GOVERNMENT CODE SECTION 11126(a)(1).
CONFIRMATION OF MINUTES FOR THE MEETING OF JUNE 29, 2015

EXECUTIVE OFFICER'S REPORT

Continuation of Rent Actions to be taken by the CSLC Executive Officer pursuant to the Commission's Delegation of Authority:

- Harold M. Messmer, Jr. and Marcia N. Messmer, Trustees of the Messmer Family Trust U/D/T dated October 1, 1993 (Lessee): Continuation of annual rent at $1,395 per year for a General Lease - Recreational Use located on sovereign land in Lake Tahoe adjacent to 4440 North Lake Boulevard, near Carnelian Bay, Placer County. (PRC 4380.1)

CONSENT CALENDAR C01-C78

THE FOLLOWING ITEMS ARE CONSIDERED TO BE NON-CONTROVERSIAL AND ARE SUBJECT TO CHANGE AT ANY TIME UP TO THE DATE OF THE MEETING.

LAND MANAGEMENT DIVISION

NORTHERN REGION

C01 DELMAR JACK KENDALL AND REBECCA L. KENDALL AS TRUSTEES OF THE JACK AND REBECCA KENDALL 2005 FAMILY TRUST DATED AUGUST 26, 2005 (LESSEE); TAHOE LIVING, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider termination of Lease No. PRC 8980.9, a General Lease - Recreational Use, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 7728 North Lake Boulevard, near Tahoe Vista, Placer County: for two existing mooring buoys. CEQA Consideration: termination - not a project; lease - categorical exemption. (PRC 8980.1; RA# 32114) (A 1; S 1) (Staff: M.J. Columbus)

C02 DUME VIEW, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4570...
North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier with boat slip, boat lift, and two mooring buoys previously authorized by the Commission; and an existing boat hoist and sundeck with stairs not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 3695.1; RA# 40214) (A 1; S 1) (Staff: M.J. Columbus)

C03 EDWARD R. FRAZER, TRUSTEE OF THE EDWARD R. FRAZER FAMILY TRUST (E.R.F.'s S.P.), DATED OCTOBER 2, 2002 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4796 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier, portion of a cabin, boat lift, and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 5177.1; RA# 31314) (A 1; S 1) (Staff: M.J. Columbus)

C04 HUGH W. HARRIS AS TRUSTEE OF THE HWH TRUST AND MURIEL M. HARRIS AS TRUSTEE OF THE MMH REVOCABLE TRUST (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5050 West Lake Boulevard, near Homewood, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 6713.1; RA# 33414) (A 1; S 1) (Staff: M.J. Columbus)

C05 KANIGO PIER ASSOCIATION, INC. (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to Assessor's Parcel Numbers 097-073-041 and 097-073-044, near Homewood, Placer County; for an existing pier and six existing mooring buoys not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 26645; RA# 15112) (A 1; S 1) (Staff: M.J. Columbus)

C06 LAWRENCE JOSEPH GANNON AND PATRICIA ANNE GANNON, TRUSTEES OF THE GANNON FAMILY TRUST DECLARATION OF LIVING TRUST DATED DECEMBER 9, 2005 (LESSEE): Consider application for an amendment to Lease No. PRC 5624.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8754 Brockway Vista Avenue, near Kings Beach, Placer County; for an existing pier, boat lift, and one mooring buoy. CEQA
Consideration: not a project. (PRC 5624.1; RA# 32514) (A 1; S 1) (Staff: M.J. Columbus)

C07 MICHAEL J. CORLEY AND LORI B. CORLEY, TRUSTEES OF THE CORLEY LIVING TRUST DATED 11/13/90 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 7175 West Lake Boulevard, near Tahoma, El Dorado County; for one existing mooring buoy previously authorized by the Commission and one existing mooring buoy not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 7402.1; RA# 26914) (A 5; S 1) (Staff: M.J. Columbus)

C08 MICHAEL SHUMATE AND GAIL SHUMATE (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8371 Meeks Bay Avenue, near Tahoma, El Dorado County; for an existing pier and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 7316.1; RA# 32014) (A 5; S 1) (Staff: M.J. Columbus)

C09 PARKE H. HAFNER AND SARAH C. HAFNER, AS TRUSTEES OF THE PARKE H. AND SARAH C. HAFNER FAMILY TRUST; CAROL C. SLEETH AND BOYD C. SLEETH; THOMAS B. CLIFFORD AND SARAH C. CLIFFORD; KATHERINE J. CLIFFORD (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Donner Lake, adjacent to 14376 South Shore Drive, near the town of Truckee, Nevada County; for an existing pier. CEQA Consideration: categorical exemption. (PRC 7532.1; RA# 34114) (A 1; S 1) (Staff: M.J. Columbus)

C10 SHE'S SUCH A LADY, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (LESSEE): Consider amendment of lease and revision of rent to Lease No. PRC 4852.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 221 Paradise Flat Lane, near Rubicon Bay, El Dorado County; for an existing pier, boat lift, swim float, and two mooring buoys. CEQA Consideration: not projects. (PRC 4852.1) (A 5; S 1) (Staff: M.J. Columbus)
C11 YOLO SUTTER BOAT CLUB, INC., A CALIFORNIA CORPORATION (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 42750 Front Street near Knights Landing, Yolo County; for two uncovered single-berth floating boat docks and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 5629.1; RA# 33514) (A 4; S 3) (Staff: M.J. Columbus)

C12 DOROTHY MARIE PROWELL, AS TRUSTEE OF THE RESIDUAL TRUST UNDER THE PROWELL FAMILY TRUST DATED NOVEMBER 19, 1991 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8857 Rubicon Drive, near Tahoma, El Dorado County; for one existing mooring buoy. CEQA Consideration: categorical exemption. (PRC 6832.1; RA# 35814) (A 5; S 1) (Staff: S. Kreutzburg)

C13 ERIC P. WENTE AND AREL S. WENTE, TRUSTEES OF THE ERIC AND AREL WENTE LIVING TRUST DATED JULY 19, 1999; PHILIP R. WENTE AND JULIE A. WENTE, TRUSTEES OF THE PHILIP AND JULIE WENTE LIVING TRUST DATED 7/19/99; AND BUXTON L. LAYTON, III AND CAROLYN WENTE, TRUSTEES OF THE BUXTON AND CAROLYN LAYTON TRUST DATED 12/15/99 (LESSEE); PEC TAHOE PROPERTIES, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider termination of Lease No. PRC 7634.9, a Recreational Pier Lease; and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 7181 West Lake Boulevard, near Tahoma, El Dorado County; for an existing pier and one mooring buoy. CEQA Consideration: termination - not a project; lease - categorical exemption. (PRC 7634.1; RA# 25914) (A 5; S 1) (Staff: S. Kreutzburg)

C14 JOHN KERSTEN KRAFT AND SUSAN KRAFT, TRUSTEE, OR SUCCESSOR TRUSTEE(S) THERETO, OF THE KRAFT FAMILY TRUST, UNDER TRUST AGREEMENT DATED APRIL 22, 2008 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2470 West Lake Boulevard, near Sunnyside, Placer County; for an existing pier, boat
C15 MARK ALAN HOGAN, FAMILY ADMINISTRATIVE TRUSTEE OF THE HOGAN FAMILY TRUST (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2624 West Lake Boulevard, near Tahoe City, Placer County; for an existing pier, boathouse with boat lift, and one mooring buoy previously authorized by the Commission; and an existing sundeck with stairs not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 3203.1; RA# 27814) (A 5; S 1) (Staff: S. Kreutzburg)

C16 PETER MARTIN GLICK AND LYNNE MARY GLICK, TRUSTEES OF THE GLICK REVOCABLE TRUST; MICHAEL D. GLICK AND BARBARA J. GLICK, TRUSTEES OF THE GLICK FAMILY LIVING TRUST DATED MARCH 7, 2003 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 849 Stateline Avenue, city of South Lake Tahoe, El Dorado County; for an existing pier and one mooring buoy. CEQA Consideration: categorical exemption. (PRC 3544.1; RA# 27814) (A 5; S 1) (Staff: S. Kreutzburg)

C17 ROBERT E. CHALLEY, TRUSTEE OF THE CHALLEY 1990 REVOCABLE TRUST (APPLICANT): Consider application for a General Lease - Recreational Use of sovereign land located in Lake Tahoe, adjacent to 2300 Sunnyside Lane, near Tahoe Pines, Placer County; for an existing pier, boat lift, and two existing mooring buoys previously authorized by the Commission; and one existing freshwater intake pipeline not previously authorized by the Commission. CEQA consideration: categorical exemption. (PRC 6685.1; RA# 34914) (A 1; S 1) (Staff: S. Kreutzburg)

C18 STEPHEN MILLHAM AND ANN FERRELL MILLHAM (LESSEE); MARC METCALF AND DEBORAH METCALF, AS TRUSTEES OF THE METCALF FAMILY TRUST UNDER AGREEMENT DATED NOVEMBER 15, 2012 (APPLICANT): Consider termination of Lease No. PRC 8081.9, a Recreational Pier Lease, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3334 Edgewater Drive, near Tahoe City, Placer County; for
two existing mooring buoys. CEQA Consideration: termination - not a project; lease - categorical exemption. (PRC 8081.1; RA# 31614) (A 1; S 1) (Staff: S. Kreutzburg)

C19 WILLIAM ECCLES HAYWARD; HOPE HAYWARD, AS TRUSTEE OF THE HOPE HAYWARD 2009 REVOCABLE TRUST DATED JUNE 17, 2009; AND WENDY ANN HAYWARD, TRUSTEE OF THE WENDY ANN HAYWARD 2012 IRREVOCABLE TRUST (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5602 North Lake Boulevard, Carnelian Bay, Placer County; for an existing pier, gantry with boat hoist, and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 4148.1; RA# 31414) (A 1; S 1) (Staff: S. Kreutzburg)

C20 SUZI BERENS, VICTORIA A. SKAGGS, AND MERRIAM LEWIS, AS TRUSTEE OF THE MERRIAM E. LEWIS LIVING TRUST DATED MAY 28, 2004 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3725 Idlewild Way, near Homewood, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 8607.1; RA# 26314) (A 1; S 1) (Staff: S. Kreutzburg)

C21 WALT S. HOEFLER AND MARY R. HOEFLER, OR THEIR SUCCESSORS, AS TRUSTEES UNDER AN AGREEMENT OF REVOCABLE TRUST DATED DECEMBER 23, 1980, AND AS AMENDED (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8349 Meeks Bay Avenue, near Meeks Bay, El Dorado County; for an existing pier, boat lift, and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 7868.1; RA# 37414) (A 5; S 1) (Staff: S. Kreutzburg)

C22 KELLY F. CRANE (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Petaluma River, adjacent to 5636 Lakeville Highway, Lakeville, Sonoma County; for an existing uncovered floating boat dock, appurtenant facilities, and shed previously authorized by the Commission and an existing storage building and deck
C23 ANTHONY S. BARTH AND ROBYN A. BARTH (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Donner Lake, adjacent to 14550 South Shore Drive, near the town of Truckee, Nevada County; for the extension of an existing pier not previously authorized by the Commission and installation of two jet-ski lifts. CEQA consideration: categorical exemption. (PRC 5694.1; RA# 16809) (A 10; S 3) (Staff: N. Lee)

C24 CITY OF CORNING (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the Sacramento River, downstream of the Woodson Bridge, near the city of Corning, Tehama County; for existing bank protection. CEQA Consideration: categorical exemption. (PRC 8076.9; RA# 21113) (A 3; S 4) (Staff: M. Schroeder)

C25 COUNTY OF SONOMA (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the Russian River, adjacent to Assessor's Parcel Numbers 097-130-015, 021; 096-170-007; and 096-140-021, near the city of Sebastopol, Sonoma County; for an existing vehicular bridge known as the Moscow Road Bridge. CEQA Consideration: categorical exemption. (PRC 3348.9; RA# 27714) (A 2; S 2) (Staff: M. Schroeder)

C26 EDWARD GOHL (LESSEE); JULIA E. BURT AND K. RANDALL BURT, TRUSTEES OF THE BURT FAMILY TRUST, U.D.T. DATED MARCH 25, 2003 (APPLICANT): Consider acceptance of a quitclaim deed for Lease No. PRC 3592.1, a General Lease - Recreational Use, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4760 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier and one mooring buoy. CEQA Consideration: quitclaim ¡V not a project; lease - categorical exemption. (PRC 3592.1; RA# 37914) (A 1; S 1) (Staff: M. Schroeder)
C27  GEA HOLDINGS, L.L.C., AN IOWA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5970 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 8599.1; RA# 11614) (A 1; S 1) (Staff: M. Schroeder)

C28  HENRIS INVESTMENTS, LP (LESSEE/SUBLESSOR); LIND MARINE OPERATIONS (FORMERLY JERICo PRODUCTS, INC.) (SUBLESSEE): Consider revision of rent to Lease No. PRC 532.1, a General Lease - Industrial Use, and approval of a sublease, of sovereign land located in the Petaluma River, adjacent to Assessor's Parcel Numbers 019-220-036 and 019-220-004, near the city of Petaluma, Sonoma County; for a loading pier with dolphins and off-loading dock for sand and gravel. CEQA Consideration: not projects. (PRC 532.1; RA# 17614) (A 10; S 3) (Staff: M. Schroeder)

C29  JAY L. VERKLER AND TAMIKO K. VERKLER AS TRUSTEES OF THE VERKLER FAMILY DONNER LAKE CABIN REVOCABLE TRUST, DATED 22 DEC 2012; AND DENA E. GAHERTY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Donner Lake, adjacent to 14530 South Shore Drive, near the town of Truckee, Nevada County; for reconstruction of an existing pier not previously authorized by the Commission and installation of two jet-ski lifts. CEQA Consideration: categorical exemption. (W 8670.34; RA# 37814) (A 1; S 1) (Staff: M. Schroeder)

Boulevard, near Homewood, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 8621.1; RA# 02914) (A 1; S 1) (Staff: M. Schroeder)

C31 WSC INVESTORS, LLC (LESSEE); HOMEOWOOD VILLAGE RESORTS, LLC (SUBLESSEE): Consider amendment and revision of rent to Lease No. PRC 8052.1, a General Lease - Commercial Use of sovereign land located in Lake Tahoe, adjacent to 5160 West Lake Boulevard, near Homewood, Placer County. CEQA Consideration: not projects. (PRC 8052.1) (A 1; S 1) (Staff: M. Schroeder)

C32 EUREKA READY MIX CONCRETE COMPANY, INC. (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in the Eel River, adjacent to Assessor's Parcel Numbers 201-221-009, 201-261-001, 106-221-001, 106-221-003, 106-221-004, and 106-221-005 near Fortuna, Humboldt County; for a seasonal bridge. CEQA Consideration: California Coastal Commission Coastal Development Permit No. 1-15-0204. (PRC 7988.1; RA# 20013) (A 1; S 2) (Staff: B. Terry)

C33 FRANKLIN PECK AND RONALD MEIDINGER, DBA GRIMES BOAT LANDING (APPLICANT): Consider application for a General Lease - Commercial Use, of sovereign land located in the Sacramento River, adjacent to Assessor's Parcel Numbers 019-110-019 and 019-110-021, near Grimes, Colusa County, for a commercial marina consisting of three existing floating boat docks with ramps previously authorized by the Commission, and one existing floating boat dock with ramp and one boat hoist not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 3309.1; RA# 30914) (A 4; S 4)(Staff: B. Terry)

C34 LELAND ROCK (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in the Van Duzen River, adjacent to Assessor Parcel Number 201-261-009, near Alton, Humboldt County; for two seasonal bridges. CEQA Consideration: California Coastal Commission Coastal Development Permit No. 1-15-0205. (PRC 7989.1; RA# 29014) (A 1; S 2) (Staff: B. Terry)
C35 LIND MARINE INCORPORATED (APPLICANT): Consider application for a General Lease - Industrial Use, of sovereign land located in the Petaluma River, adjacent to Assessor's Parcel Number 007-700-006, near the city of Petaluma, Sonoma County; for an existing dock and dolphin pilings. CEQA Consideration: categorical exemption. (PRC 6695.1; RA# 04114) (A 10; S 3) (Staff: B. Terry)

C36 MERCER-FRASER COMPANY (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in the Eel River, adjacent to Assessor's Parcel Number 200-341-005, near Fortuna, Humboldt County; for a seasonal bridge. CEQA Consideration: California Coastal Commission Coastal Development Permit No. 1-09-0277. (PRC 7760.1; RA# 29114) (A 1; S 2) (Staff: B. Terry)

C37 MERCER-FRASER COMPANY (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in the Eel River, adjacent to Assessor's Parcel Numbers 106-041-015, 200-352-006, and 200-352-009, near Fortuna, Humboldt County; for a seasonal bridge. CEQA Consideration: California Coastal Commission Coastal Development Permit No. 1-09-0277. (PRC 7797.1; RA# 29214) (A 1; S 2) (Staff: B. Terry)

BAY/DELTA REGION

C38 GILBERT RAY LABRIE (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Georgiana Slough, adjacent to 14315 River Road, near Walnut Grove, Sacramento County; for an existing uncovered floating boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 5279.1; RA# 40114) (A 11; S 3) (Staff: G. Asimakopoulos)

C39 GREGORY A. CRUZ AND GLADYS CRUZ, TRUSTEES, OR THEIR SUCCESSORS IN TRUST, UNDER THE CRUZ FAMILY TRUST, DATED JUNE 29, 1984, AND ANY AMENDMENTS THERETO (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in Georgiana Slough, adjacent to 17071 Terminous Road, near the city of Isleton,
Sacramento County; for an existing covered single-berth floating boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (PRC 8628.1; RA# 26514) (A 11; S 3) (Staff: G. Asimakopoulos)

C40 JAY MICHAEL UHALT AND MARLA M. UHALT, CO-TRUSTEES OF THE JAY AND MARLA UHALT 1998 TRUST (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 18075 State Highway 160, near the city of Rio Vista, Sacramento County; for an existing uncovered single-berth floating boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 8626.1; RA# 38114) (A 11; S 3) (Staff: G. Asimakopoulos)

C41 MAN WAH WONG AND BAO LING YU (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 17420 Grand Island Road, on Long Island, near Walnut Grove, Sacramento County; for an existing uncovered fixed platform pier and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 4785.1; RA# 42514) (A 11; S 3) (Staff: G. Asimakopoulos)

C42 MICHAEL D. POWELL AND KIRSTEN M. POWELL, TRUSTEES OF THE POWELL LIVING TRUST DATED AUGUST 9, 2007 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in Steamboat Slough, adjacent to 14811 Grand Island Road, on Grand Island, near Walnut Grove, Sacramento County; for an existing uncovered floating boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (PRC 8612.1; RA# 38214) (A 11; S 3) (Staff: G. Asimakopoulos)

C43 GEORGIA-PACIFIC GYPSUM, LLC (APPLICANT): Consider adoption of a Mitigated Negative Declaration, State Clearinghouse No. 2015062045, adoption of a Mitigation Monitoring Program, acceptance of a Quitclaim Deed for Lease No. 1589.1, and an application for a General Lease - Industrial Use, of filled and unfilled sovereign land, located in the San Joaquin River,
adjacent to 801 Minaker Drive, Antioch, Contra Costa County; for existing industrial docking and offloading facilities and ancillary improvements previously authorized by the Commission; and removal, installation, and repair of industrial wharf components not previously authorized by the Commission. (PRC 1589.1; RA# 14400) (A 11, 15; S 7) (Staff: V. Caldwell)

C44 HANS ERIC EIDE AND LEONETTE PRINCE EIDE, AS TRUSTEES OF THE EIDE FAMILY TRUST, 2003 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Petaluma River, adjacent to 124 Harbor Drive, near the city of Novato, Marin County, for an existing uncovered floating boat dock, walkway, ramp, platform deck, and shed. CEQA Consideration: categorical exemption. (PRC 3542.1; RA# 07314) (A 10; S 2) (Staff: V. Caldwell)

C45 HUDSON BAY PARK PLAZA LLC (ASSIGNOR); BURLINGAME BAY, LLC, A DELAWARE LIMITED LIABILITY COMPANY (ASSIGNEE): Consider application for the assignment of Lease No. PRC 6127.1, a General Lease - Commercial Use, of filled and partially filled tidelands in San Francisco Bay, adjacent to the Sanchez Channel and Burlingame Lagoon, Burlingame, San Mateo County; for an existing landscaped segment of the San Francisco Bay Trail including paved walkways, bike trails, viewing areas, benches, trash containers, and commercial parking. CEQA Consideration: not a project. (PRC 6127.1; RA# 20614) (A 22; S 13) (Staff: A. Franzoia)

C46 PACIFIC GAS AND ELECTRIC COMPANY (LESSEE): Consider application for an amendment to Lease No. PRC 5438.1D, a General Lease - Right-Of-Way Use, of sovereign land located in Hog Slough, near Lodi, San Joaquin County; to abandon in place an existing six-inch diameter natural gas transmission line. CEQA Consideration: categorical exemption. (PRC 5438.1D; RA# 38814) (A 13; S 5) (Staff: A. Franzoia)

C47 DELTA GAS GATHERING, INC. (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in Miner Slough, Ryer
Island, Solano County; for an existing six-inch diameter natural gas pipeline. CEQA Consideration: categorical exemption. (PRC 7832.1; RA# 28914) (A 11; S 3) (Staff: A. Franzoa)

C48 CARMICHAEL WATER DISTRICT (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the American River, between Carmichael and the city of Rancho Cordova, Sacramento County; for the removal of a 33-inch diameter abandoned water pipeline, related structures, and culvert not previously authorized by the Commission, and the construction, use, and maintenance of a 30-inch diameter water pipeline, culvert, stream restoration, and bank protection. CEQA Consideration: Mitigated Negative Declaration, adopted by the Carmichael Water District, State Clearinghouse No. 2015022027, and adoption of a Mitigation Monitoring Program. (W 26851; RA# 27314) (A 8; S 4) (Staff: W. Hall)

C49 PRESTON SCOTT MCCASKILL (APPLICANT): Consider acceptance of a quitclaim deed for Lease PRC 6936.9, a General Lease - Recreational and Protective Structure Use, and an application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in Steamboat Slough, adjacent to 13890 Grand Island Road, near Walnut Grove, Sacramento County; for an existing uncovered floating dock, appurtenant facilities, and bank protection. CEQA Consideration: quitclaim ¡V not a project; lease - categorical exemption. (PRC 6936.1; RA# 38014) (A 11; S 3) (Staff: W. Hall)

C50 COUNTY OF SAN JOAQUIN AND CITY OF RIVERBANK (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the Stanislaus River at the Santa Fe Road crossing, near the city of Riverbank; San Joaquin and Stanislaus Counties; for an existing vehicular bridge. CEQA Consideration: categorical exemption. (PRC 3449.9; RA# 20414) (A 12; S 5) (Staff: M. Hays)

C51 EL CAMINO BOAT CLUB, INC. (LESSEE): Consider revision of rent to Lease No. PRC 3440.1, a General Lease - Recreational, Protective Structure, and
Right-of-Way Use, of sovereign land located in Little Potato Slough, adjacent to Assessor's Parcel Number 069-030-15, between Bouldin Island and Terminous Tract, San Joaquin County; for an armored submarine electric cable, fishing pier, and bank protection. CEQA Consideration: not a project. (PRC 3440.1) (A 13; S 5) (Staff: N. Lavoie)

C52 KEITH HILLEN AND MARY HILLEN (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 5307 Garden Highway, near the city of Sacramento, Sacramento County; for an existing single-berth floating boat dock, appurtenant facilities, and bank protection not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 4777.1; RA# 13213) (A 7; S 6) (Staff: N. Lavoie)

CENTRAL/SOUTHERN REGION

C53 DOS CUADRAS OFFSHORE RESOURCES (DCOR), LLC (LESSEE): Consider revision of rent to Lease No. PRC 3394.1, a General Lease - Right-of-Way Use, of sovereign land located in the Pacific Ocean, San Pedro Bay near the city of Seal Beach, Orange County; for four existing pipelines and one electrical conduit. CEQA Consideration: not a project. (PRC 3394.1) (A 72; S 34) (Staff: R. Collins)

C54 HUNTINGTON MARINA ASSOCIATION (LESSEE): Consider revision of rent to Lease No. PRC 3288.1, a General Lease - Recreational Use, of sovereign land located in Huntington Harbour, adjacent to Assessor's Parcel Numbers 178-581-02, -03, -04, and -05, City of Huntington Beach, Orange County; for 24 existing boat docks with dinghy docks and 24 access ramps. CEQA Consideration: not a project. (PRC 3288.1) (A 72; S 34) (Staff: R. Collins)

C55 PAUL S. AISEN AND MINDY L. AISEN (APPLICANT): Consider application for a General Lease - Protective Structure Use, of sovereign land located in the Pacific Ocean, adjacent to 301 Pacific Avenue, City of Solana Beach, San Diego County; for use and maintenance of an existing 35-foot seawall. CEQA
Consideration: categorical exemption. (PRC 8190.1; RA# 39714) (A 78; S 39) (Staff: R. Collins)

C56 TERRY AND DALE LINGENFELDER FAMILY TRUST (APPLICANT): Consider application for a General Lease - Protective Structure Use, of sovereign land located in the Pacific Ocean, adjacent to 309 Pacific Avenue, City of Solana Beach, San Diego County; for use and maintenance of an existing 35-foot seawall not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 26873; RA# 39614) (A 78; S 39) (Staff: R. Collins)

C57 CALIFORNIA DEPARTMENT OF TRANSPORTATION (PERMITTEE): Consider amendment of a Public Agency Permit No. PRC 4402 and Right-of-Way Maps pursuant to Section 101.5 of the Streets and Highways Code and Section 6210.3 of the Public Resources Code, for sovereign land used for the Ventura Freeway, State Highway 101, near Seaciff, Ventura County. CEQA Consideration: categorical exemption. (PRC 4402.9) (A 37; S 19) (Staff: K. Colson, D. Simpkin)

C58 SOCAL HOLDING, LLC (APPLICANT): Consider application for a General Permit - Sand Removal Use, on sovereign land within the tidal inlet of the Bolsa Chica Lowlands Restoration Project area, near the intersection of Pacific Coast Highway and Seapoint Avenue, near the City of Huntington Beach, Orange County, for the removal of up to 10 cubic yards of sand annually. CEQA Consideration: categorical exemption. (PRC 8873.9; RA# 00415) (A 74; S 37) (Staff: W. Hall)

C59 SFPP, L.P., A DELAWARE LIMITED PARTNERSHIP (LESSEE): Consider revision of rent to Lease No. PRC 8214.1, a General Lease - Right-of-Way Use, of sovereign land located in the Kings River, south of the city of Kingsburg, Tulare County; for an abandoned petroleum pipeline attached to the Union Pacific Railroad Bridge and an out-of-service petroleum pipeline under the Kings River. CEQA Consideration: not a project. (PRC 8214.1) (A 26; S 14) (Staff: C. Hudson)
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C60 AQUARIUM OF THE PACIFIC (APPLICANT):
Consider application for a General Lease - Other, of sovereign and granted land located in the Pacific Ocean, adjacent to Santa Catalina Island and the city of Rancho Palos Verdes, Los Angeles County; to collect up to 1,000 pounds of assorted rocks annually. CEQA Consideration: categorical exemption. (W 26871; RA# 39314) (A 70, 66; S 26) (Staff: D. Simpkin)

C61 CITY OF LOS ANGELES DEPARTMENT OF WATER AND POWER (LADWP) (APPLICANT/LESSEE): Consider amendment to Lease No. PRC 8079.9, a General Lease - Public Agency Use, to construct and maintain 3.6 square miles of dust control and transition 1.8 square miles of existing dust control on the bed of Owens Lake, Inyo County. CEQA Consideration: Environmental Impact Report, certified by the Los Angeles Department of Water and Power, State Clearinghouse No. 2014071057, and adoption of a Mitigation Monitoring Program and Statement of Findings. (PRC 8079.9; RA# 23714) (A 26; S 8) (Staff: D. Simpkin)

C62 EDWARD LEROY CLARK, JR., TRUSTEE OF THE ED CLARK FAMILY TRUST DATED SEPTEMBER 8, 2010 (LESSEE): Consider revision of rent to Lease No. PRC 4094.1, a General Lease - Recreational Use, of sovereign land located in Huntington Harbour, adjacent to 17061 Bolero Lane, City of Huntington Beach, Orange County; for a boat dock, access ramp, boat lift, and cantilevered deck. CEQA Consideration: not a project. (PRC 4094.1) (A 72; S 34) (Staff: D. Simpkin)

C63 SAN DIEGO UNIFIED PORT DISTRICT (LESSEE): Consider revision of rent and an application for an encumbrancing agreement by Sunroad Harbor Island as sublessee under Lease No. PRC 8876.1, a General Lease - Commercial Use of sovereign land within San Diego Bay, in the City of San Diego, San Diego County; for a portion of a floating barge and appurtenant structures to be used as a restaurant facility. CEQA Consideration: not projects. (PRC 8876.1; RA# 38914) (A 78; S 39) (Staff: D. Simpkin)
INDEX CONTINUED PAGE

C64 SANTA CATALINA ISLAND COMPANY
(APPLICANT/SUBLESSOR); CATALINA BOATYARD, INC.
(SUBLEESSEE): Consider application for a General Lease - Commercial Use, and approval of a sublease of sovereign land located at Pebbly Beach, Santa Catalina Island, Los Angeles County; for an existing concrete ramp. CEQA Consideration: sublease - not a project; lease - categorical exemption. (PRC 7332.1; RA# 21114) (A 70; S 26) (Staff: D. Simpkin)

SCHOOL LANDS

C65 PACIFIC GAS AND ELECTRIC COMPANY (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of State indemnity school land located in a portion of Section 26 and 27, Township 9 North, Range 2 East, SBM, near the unincorporated community of Newberry Springs, San Bernardino County; for one existing high pressure gas transmission line, blow-off line, and communication line. CEQA Consideration: categorical exemption. (PRC 7526.2; RA# 15014) (A 33; S 16) (Staff: C. Hudson)

C66 SOUTHERN CALIFORNIA EDISON COMPANY (LESSEE): Consider revision of rent to Lease No. PRC 5970.2, a General Lease - Right-of-Way Use, of State school land within a portion of Section 36, Township 5 South, Range 15 East, SBM, near Desert Center, Riverside County; for a 500 kV overhead electrical transmission line. CEQA Consideration: not a project. (PRC 5970.2) (A 56; S 28) (Staff: C. Hudson)

C67 VERIZON CALIFORNIA, INC. (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of State indemnity school land located in a portion of Section 26, Township 9 North, Range 2 East, near the unincorporated community of Newberry Springs, San Bernardino County; for an existing underground communication line. CEQA Consideration: categorical exemption. (PRC 7522.2; RA# 16011) (A 33; S 16) (Staff: C. Hudson)

C68 BUREAU OF LAND MANAGEMENT AND CALIFORNIA STATE LANDS COMMISSION, ACTING AS TRUSTEE OF THE SCHOOL LANDS BANK FUND (PARTIES): Consider authorization of the acceptance of a Clear List from the Bureau of Land Management, and the execution and recordation of the
Certificate of Acceptance and Consent to Recording for indemnity-selected school lands located near the intersection of Interstate 15 and L Street in the City of Barstow, San Bernardino County. CEQA Consideration: statutory exemption. (S 7845; W 26860) (A 33; S 16) (Staff: J. Porter, W. Crunk) 80

MINERAL RESOURCES MANAGEMENT

C69 eTRAC, INC. (APPLICANT): Consider an application for a three-year Non-Exclusive Geophysical Survey Permit to conduct low-energy geophysical surveys on tide and submerged lands under the jurisdiction of the California State Lands Commission. CEQA Consideration: Mitigated Negative Declaration, State Clearinghouse No. 2013072021, and adoption of a Mitigation Monitoring Program. (W 6005.157; RA# 00515) (A & S: Statewide) (Staff: R. B. Greenwood)

C70 WEST BASIN MUNICIPAL WATER DISTRICT (APPLICANT): Consider an application for a survey-specific Non-Exclusive Geophysical Survey Permit to conduct a low-energy geophysical survey using a weight drop on tide and submerged lands offshore El Segundo under the jurisdiction of the California State Lands Commission. CEQA Consideration: categorical exemption. (W 6005.158; RA# 01415) (A 62; S 28) (Staff: R. B. Greenwood)

C71 SAN JOAQUIN AREA FLOOD CONTROL AGENCY (APPLICANT): Consider an application for a permit to conduct a Non-Exclusive Geological Survey in the Smith Canal, San Joaquin County. CEQA Consideration: categorical exemption. (W 6005.159; RA# 01515) (A 13; S 5) (Staff: R. B. Greenwood)

C72 U.S. BORAX INC. (APPLICANT): Consider acceptance of a partial Quitclaim Deed of State Mineral Extraction Lease No. PRC 5464.1, Owens Lake, Inyo County. CEQA Consideration: not a project. (PRC 5464.1) (A 26; S 8) (Staff: V. Perez)

MARINE FACILITIES - NO ITEMS

ADMINISTRATION - NO ITEMS

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INDEX CONTINUED

C73 2808 LAFAYETTE PROPERTY, LLC, CITY OF NEWPORT BEACH, CALIFORNIA STATE LANDS COMMISSION (PARTIES): Consider a Boundary Line Agreement, involving real property in and adjacent to Newport Bay at 2808 Lafayette Avenue, city of Newport Beach, County of Orange. CEQA Consideration: statutory exemption. (G 09-02.11) (A 74; S 37) (Staff: R. Boggiano, J. Rader)

C74 MARIN AUDUBON SOCIETY AND CALIFORNIA STATE LANDS COMMISSION (PARTIES): Consider acceptance of a donation by the Marin Audubon Society of a common law Public Trust Easement involving Assessor Parcel Numbers 023-040-06, 023-040-10, and 023-040-11 in the city of Corte Madera, Marin County and exercise of said easement by the California State Lands Commission for the restoration of wetlands and wildlife habitat and public access at certain upland areas of the subject property. CEQA Consideration: categorical exemption. (W 26876) (A 10; S 2) (Staff: L. Calvo, J. Rader)

C75 UNITED STATES DEPARTMENT OF THE INTERIOR NATIONAL PARK SERVICE (PARTY): Consider Cession of Concurrent Criminal Jurisdiction pursuant to Government Code section 126 at Redwood National Park, Del Norte and Humboldt Counties; Whiskeytown National Recreation Area, Shasta County; Lava Beds National Monument, Siskiyou and Modoc Counties; Pinnacles National Park, Monterey and San Benito Counties; Devil's Postpile National Monument, Madera County; Pt. Reyes National Seashore and Muir Woods National Monument, Marin County; Portion of Golden Gate National Recreation Area, Marin County; and Portion of Golden Gate National Recreation Area, San Francisco County. CEQA Consideration: not a project. (W 20902.1, W 20902.2, W 20902.3, W 20902.5, W 24191, W 26213; FJ0108.1, FJ0112.1; RA# 01715) (A 1, 2, 6, 12, 13, 25, 28; S 1, 2, 3, 4, 8, 12, 14, 15) (Staff: J. Frey)

C76 PETER JAY PHILBIN, TRUSTEE OF THE PETER JAY PHILBIN TRUST DATED DECEMBER 7, 1995; KATHLEEN ROOT PHILBIN; CALIFORNIA STATE LANDS COMMISSION; DEPARTMENT OF PARKS AND RECREATION; AND CITY OF SANTA MONICA (PARTIES): Consider approval of a boundary line agreement involving certain real property in and adjacent to Santa Monica State Beach, Los Angeles
County. CEQA Consideration: statutory exemption.
(AD 648, W 503.2077) (A 50; S 26) (Staff: S. Haaf)

C77 JONATHAN G. ORNSTEIN AND LISA A. ORNSTEIN, INDIVIDUALS AND TRUSTEES OF THE ORNSTEIN FAMILY TRUST DATED APRIL 6, 2005; CALIFORNIA STATE LANDS COMMISSION; DEPARTMENT OF PARKS AND RECREATION; AND CITY OF SANTA MONICA (PARTIES):
Consider approval of a boundary line agreement involving certain real property in and adjacent to Santa Monica State Beach, Los Angeles County. CEQA Consideration: statutory exemption.
(AD 649, W 503.2074) (A 50; S 26)
(Staff: S. Haaf)

KAPILOFF LAND BANK TRUST ACTIONS - NO ITEMS

EXTERNAL AFFAIRS

GRANTED LANDS

C78 COUNTY OF ORANGE (GRANTEE): Review the proposed acquisition of real property by the County of Orange for a temporary vessel storage facility located outside the boundary of the legislatively granted sovereign land in the County of Orange. CEQA Consideration: not a project. (G 09-00) (A 73; S 36)
(Staff: R. Boggiano)

LEGISLATION AND RESOLUTIONS - SEE REGULAR CALENDAR

VI. INFORMATIONAL

79 CALIFORNIA STATE LANDS COMMISSION:
Legislative report providing information and a status update concerning state and federal legislation relevant to the California State Lands Commission. CEQA Consideration: not a project. (A & S: Statewide)
(Staff: S. Pemberton, M. Moser)
VII. REGULAR CALENDAR 80-84

80  CALIFORNIA STATE LANDS COMMISSION: Consider authorizing Commission staff or its agents to conduct investigation and assessment activities regarding the Summerland Field Becker Onshore Well, Summerland Beach, Santa Barbara County. CEQA Consideration: categorical exemption(s). (W 26911) (A 35; S 18) (Staff: S. Curran, S. Blackmon) 15

81  CALIFORNIA STATE LANDS COMMISSION: Consider adopting an oppose unless amended position on SB 399 (Hall) that would amend the statutory trust grant to the City of Los Angeles to expand the maximum lease term the City may enter into to 75 years by including a right of renewal capped at 25 years. CEQA Consideration: not a project. (A & S: Statewide) (Staff: S. Pemberton) 56

82  CALIFORNIA STATE LANDS COMMISSION (INFORMATIONAL): Update on Draft Commission Strategic Plan and opportunities for public comment. CEQA Consideration: not applicable. (A & S: Statewide) (Staff: J. Lucchesi, D. Brown, C. Oggins) 87


84  CALIFORNIA STATE LANDS COMMISSION (INFORMATIONAL): Report on the status of the Bolsa Chica Lowlands Restoration Project near the city of Huntington Beach, Orange County. CEQA Consideration: not a project. (W 025306A; RA#: X 9702) (A 72; S 34) (Staff: D. Brown) 103

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PROCEDINGS

CHAIRPERSON NEWSOM: All right. I call this meeting of the State Lands Commission to order. All the representatives of the Commission are present. I'm Lieutenant Governor Gavin Newsom. I'm joined today by State Controller Betty Yee and by Eraina Ortega representing the Department of Finance.

For the benefit of the one or two of you that may have no idea where you are or why you're here, the State Lands Commission manages State property. We have property interests in over five million acres of land, including mineral interests. The Commission has responsibility for the prevention of oil spills at marine oil terminals, and for the prevention or -- and offshore oil platforms and preventing the introduction of marine invasive species into the California marine waters.

Today, we'll hear requests and presentations involving the lands and resources within the Commission's jurisdiction, which is also questionable. We may get a little carried away with things that aren't in our jurisdiction. It's our prerogative.

(Laughter.)

CHAIRPERSON NEWSOM: Now, we will adjourn. And this is what I didn't want to do to you all. I thought -- because I'm imagine some of you are here for the consent
calendar and you thought you'd get out of here quickly. But all of this is a point of frustration to you, because we are now going to go into closed session, because there's something critically important that we need to discuss before we get to that consent calendar, which begs the question why you got here early, why you sat down and got comfortable, because now we're going to have to ask you to leave.

EXECUTIVE OFFICER LUCCHESI: Actually, sir, we will be able to move into a separate room, so everybody can stay.

CHAIRPERSON NEWSOM: And that was until just seconds ago --

(Laughter.)

CHAIRPERSON NEWSOM: -- I was told that you get to stay, and the rest of us get to leave. And we will do our best to get back as quickly as possible. So enjoy the time away from us.

(Off record: 1:36 PM)

(Thereupon the meeting recessed into closed session.)

(Thereupon the meeting reconvened open session.)

(On record: 1:57 PM)

CHAIRPERSON NEWSOM: All right. Well, I'll call this meeting back to order. Ms. Lucchesi, is there
anything you'd like to report coming out of the closed session?

EXECUTIVE OFFICER LUCCHESI: Not at this time.

Thank you.

CHAIRPERSON NEWSOM: All right. Well, the first item of business is the adoption of the minutes from the Commission's meeting on June 29th, 2015.

Is there a motion to approve the minutes?

COMMISSIONER YEE: So moved.

ACTING COMMISSIONER ORTEGA: Second.

CHAIRPERSON NEWSOM: Without objection.

And the next item or order of business is Executive Officer's report.

Ms. Lucchesi, do you have anything you wish to report?

EXECUTIVE OFFICER LUCCHESI: I do. I have a couple of things I'd like to report on. First is our Martin's Beach -- the status of our Martin's Beach negotiations. Discussions and exchange of information between State Lands staff and the Martin's Beach, LLC representatives are progressing. We hope to complete our appraisal of the property interest for public access within the next couple of weeks. From there, we will make an offer to Martin's Beach, LLC to acquire a public access easement consistent with Senator Hill's legislation.
In addition, I participated in a Martin's Beach public workshop hosted by the Surfrider's Foundation last month. The forum was held in Pacifica. The Coastal Commission Executive Director Charles Lester also participated along with Surfrider's representatives. The purpose of the workshop was to solicit opinions from the beach-going community about restoring public access at Martin's Beach.

It is anticipated that the Surfrider's Foundation will be providing a summary of those comments and opinions received to the State Lands Commission and the Coastal Commission in the near future. And with that information, it will help us frame what kind of public access, to what extent, what kind of amenities are of interest to the public. And that will help in our negotiations.

CHAIRPERSON NEWSOM: Just so -- and I know it's almost an unfair question to editorialize, and that -- sort of your sentiments. You feel some optimism that we're going to get to a place where we can --

EXECUTIVE OFFICER LUCCHESI: That's a very difficult question to answer.

CHAIRPERSON NEWSOM: Yeah, all right.

EXECUTIVE OFFICER LUCCHESI: I am -- I'm optimistic that we're still talking --
CHAIRPERSON NEWSOME: Yeah. Well, that's encouraging.

EXECUTIVE OFFICER LUCCHESI: -- and we're still exchange information, particularly as it relates to our appraisal process.

CHAIRPERSON NEWSOM: Right.

EXECUTIVE OFFICER LUCCHESI: We asked for a lot of information in helping us develop -- to develop the appraisal that we're currently in the process of completing. And they were open to providing that to us over the course of the past month and a half or so, so that gives me hope.

CHAIRPERSON NEWSOM: So there's some exchange. That's good.

EXECUTIVE OFFICER LUCCHESI: Yes. Yeah.

CHAIRPERSON NEWSOM: Good. Excellent.

And there's a -- and just a -- and just a reminder, there's nothing prescriptive from the legislature in terms of timeline or is there?

EXECUTIVE OFFICER LUCCHESI: There is. The -- senator Hill's bill, the statute gave us a year to conduct those negotiations and acquire a public access easement. After that year, it authorized the State Lands Commission --

CHAIRPERSON NEWSOM: A trigger, yeah.
EXECUTIVE OFFICER LUCCHESI: -- to pursue eminent domain. And that's a decision that the Commission will have to make early next year, if we aren't able to reach a negotiated agreement on that question.

CHAIRPERSON NEWSOM: Yeah. And just for the public's edification, it should be noted that those negotiations were ongoing well before the legislation was actually adopted and passed.

EXECUTIVE OFFICER LUCCHESI: Yes, that's correct.

CHAIRPERSON NEWSOM: So it's -- you know, we've been at this for some time.

EXECUTIVE OFFICER LUCCHESI: Yes, we have.

Next, I just want to provide a brief update on the Refugio oil spill. The Refugio oil spill occurred three months ago today. And the unified command reports that clean up -- the clean-up effort is about 98 percent complete. The spill initially resulted in the closure of several beaches and fisheries. Fisheries reopened on June 29th, and the last of the closed beaches, Refugio State Beach, opened on July 17th.

One of the ongoing challenges in the response is determining if the -- that tar balls that have been noted along the coast in this area are related to the oil spill from the pipeline. The oil spill happened in an area where natural seeps of crude oil occur and cause tar balls
on the beaches in the region.

OSPR conducted an analysis of 44 tar balls collected in a two-day beach survey in July across a four-county area, and identified only one sample that was from the -- that was consistent with the oil that was the subject of this spill. So again, that leads you to believe that the majority of those tar balls are from natural seeps occurring in the area.

While the details on environmental impacts and wildlife damages won't be known until further studies and analysis are done, officials report that nearly 200 birds and more than 100 mammals were found dead in the spill area, and approximately 60 each of the birds and mammals were recovered alive and treated by volunteer organizations and wildlife rehabilitation centers.

Commission staff continue to participate in the Natural Resources Damage Assessment process. The goal of the NRDA is to examine the natural resource injuries from the oil spills and other pollution events to quantify the injuries and to both restore the injured resources and compensate the public for the lost interim ecological benefits and uses of those resources. So we'll continue to update the Commission on that process, as necessary.

Next, I want to just mention a quick announcement of the Tomales Bay Mooring Program in marine -- in Marin
County. The California State Lands Commission and the Greater Farallones National Marine Sanctuary recently launched the Tomales Bay Mooring Program.

Tomales Bay is an inlet of the Farallones Marine Sanctuary in Marin County and has received many designations and protections by local, State, national, and international agencies for the conservation and sustainable use of its waters for economic, cultural, scientific, and recreational purposes.

Tomales Bay is a bio -- is a major biological community that supports a diversity of habitats, including Eelgrass beds. It is also a valued and sacred resources -- resource for boaters in the area. The intent of this program is to allow moorings while protecting sensitive habitat and wildlife from mooring use damage, and also improving water quality.

The State Lands Commission and the greater Farallones National Marine Sanctuary developed the mooring program after soliciting input from community stakeholders over the past 10 years. And I believe last year the Commission authorized this mooring program. The program allows moorings in appropriate locations and ameliorates illegal and improper moorings. It also establishes various criteria for moorings. Again, this is a huge public outreach effort, and an example of successful
collaboration with our sister federal agencies in striking that balance between protecting the natural resources and facilitating the boater recreational experience out there.

And finally, a bitter sweet announcement. Joe Rusconi, our long-time friend and colleague, and Deputy Attorney General will be retiring next week, and this is actually his last meeting with the State Lands Commission, and I just want to say a couple words about Joe.

He actually started with the State Lands Commission as a graduate legal assistant in 1977, and later, as a staff counsel, moving to the Attorney General's office in 1980. He has -- since 1977, Joe has represented the State of California and the Commission in litigation involving public lands and navigable waters, including, and specifically tidal and boundary issues, aimed at protecting the State's interest. He has also represented the Coastal Commission and the Bay Conservation Development Commission, and many other Natural Resource Agencies in the State.

His -- some highlights of his work included working to protect historic ship wrecks and artifacts and gold off the Northern California coast in the Brother Jonathan case, obtaining tens of millions of dollars in damages for sand illegally taken from San Francisco Bay, facilitating the protection and enhancement of open space
areas, bike trails, walking and jogging paths at the
Candlestick Hunters Point development in San Francisco,
including securing $50 million in improvements and
dedicated operations and maintenance funding for
Candlestick Park State Recreation area, and also
protecting the waterfronts in Eureka and Oakland for the
benefit of all Californians.

On a personal note, Joe -- his dedication to the
State Lands Commission and to the AG's office and to the
public is really that of a quiet but confident advocacy,
that has created an extremely effective and enjoyable
partnership between the Commission, the Commission staff
and the AG's office. It's incredibly unique the
relationship that the Commission has with the Attorney
General's office, in terms of our collaboration and
working together to achieve what's in the best interests
of the State.

And Joe has not only protected the public's
rights in the lands and resources that the Commission is
charged with protecting, but has also been an extremely
strong advocate for the Commission in defending and
asserting its jurisdiction and authority. He's also
served as an incredible mentor to Commission staff, not
only our staff attorneys, including me, but also to our
other land agents and other staff in our agency. He's an
incredible resource. And as I think that you'll agree, he's also provided invaluable advice and support to the Commission in making your decisions.

We are going to miss our dear friend and colleague, but wish him the best, him and his wife, in his retirement and all the adventures that come with it. And I will note that right behind you, Lieutenant Governor, is a resolution that the Commission members have signed for him outlining in much more articulate and beautiful words all the sentiments that I just said.

But I want to acknowledge and congratulate Joe on his 38 years with the State of California, and particularly what he's meant to the Commission and Commission staff.

So thank you, Joe.

(Applause.)

CHAIRPERSON NEWSOM: Well, Joe, unless you have something to say --

(Laughter.)

CHAIRPERSON NEWSOM: -- I know -- do you have anything? Can we put you on the spot.

EXECUTIVE OFFICER LUCCHESI: And if I could, it would be wonderful to get a -- yeah, a picture with all the Commissioners and Mr. Rusconi.

CHAIRPERSON NEWSOM: This is more interesting.
Congrats. Well done. You want to say anything?

DEPUTY ATTORNEY GENERAL RUSCONI: Well, I'm --

CHAIRPERSON NEWSOM: Say something.

(Laughter.)

DEPUTY ATTORNEY GENERAL RUSCONI: I really hadn't prepared any words, so I'm -- thank you very much for the acknowledgments. However, I've always believed that representing this Commission was not for your benefit or for my -- well it was for the people's benefit. It wasn't for my benefit. And I've enjoyed every single day. I am a fierce advocate for the tide and submerged lands that are owned by the people of the State of California. And I have enjoyed the litigation. I've enjoyed the negotiations. I've enjoyed every single person and Commissioner that I've had the pleasure to work with. And thank you so very much.

CHAIRPERSON NEWSOM: I believed you up until that last comment.

(Laughter.)

DEPUTY ATTORNEY GENERAL RUSCONI: But I think I'll stop now before I break down, so thank you.

CHAIRPERSON NEWSOM: That's great. You've been fabulous. You are fabulous. And we were talking -- you wonder what's -- what do they talk about in closed session. We talked about, you know -- well, we didn't get
into exactly what kind of fishing you'll be doing, but we talked about fishing. And I'm confident we're not going to see the last of you, Joe, but thank you for your stewardship, your passion, your dedication, and devotion to, as you said, public and the Public Trust literally and figuratively.

And you are all those things Jennifer said. And I've had the privilege the last five years to make those words not so rhetorical and rote, but for me they're quite real. So Congratulations on an extraordinary career to date, and thank you on behalf all the Commissions past and present for your incredible work.

DEPUTY ATTORNEY GENERAL RUSCONI: Thank you.

CHAIRPERSON NEWSOM: Thank you.

COMMISSIONER YEE: I won't take it personally that as the new member of the Commission that you are now deciding to retire.

(Laughter.)

COMMISSIONER YEE: But I did want to just also present a resolution from the State Controller's office. You've worked with many of our staff, and we just have such respect for you. And I can't think of one person who really is kind of the unsung quiet hero behind the scenes, that has done so much to protect and enhance, and just really ensure the good stewardship of our public lands and
waterways. So congratulations, and your contributions
will -- really do leave a lasting legacy.

DEPUTY ATTORNEY GENERAL RUSCONI: Thank you,
Controller.

CHAIRPERSON NEWSOM: Good. And because they're
not longer ours, they're yours, let's just hand these
over.

(Laughter.)

CHAIRPERSON NEWSOM: All right. Anything else,
Jennifer?

EXECUTIVE OFFICER LUCCHESI: That concludes my
report. Thank you very much.

CHAIRPERSON NEWSOM: All right. Thanks. Well,
the next order of business is the adoption of the consent
calendar. I know that there may be a few items from the
Commission itself that we'd like pulled, and I know, Ms.
Lucchesi, you have a number of items. Ms. Yee, you have
an item that you'd like to pull?

COMMISSIONER YEE: I do. I believe Items C 61
and C 68 were my two items.

CHAIRPERSON NEWSOM: Great. 61 and 68. And
Jennifer, you've got a number of items as well, correct.

EXECUTIVE OFFICER LUCCHESI: Yes. So I'd like to
remove items C 05, C 22, C 28, C 35, and C 76 from the
agenda, and those will be considered at a later date. And
just to confirm C 61 and C 68 will be moved from the consent agenda to the regular agenda.

COMMISSIONER YEE: Correct. Thank you.

CHAIRPERSON NEWSOM: Great. Perfect.

Is there anyone that is here that wishes to speak on any items remaining on the consent calendar or those items that we're punting to a later date?

Seeing none. We'll move to a vote.

Is there a motion to approve the consent calendar?

COMMISSIONER YEE: So moved.

ACTING COMMISSIONER ORTEGA: Second.

CHAIRPERSON NEWSOM: Moved, seconded. Without objection.

We'll move forward with the next order of business, which is the regular calendar. Item number 80, is to consider the authorization of the Commission staff to conduct investigations and assessments and activity regarding the Summerland Field Becker onshore well in Santa Barbara County. I know we have a staff presentation.

EXECUTIVE OFFICER LUCCHESI: Steve Curran of our Long Beach staff will be presenting.

(Thereupon an overhead presentation was presented as follows.)
CHAIRPERSON NEWSOM: Fabulous. Excellent. Thank you, sir.

PETROLEUM DRILLING ENGINEER CURRAN: Good afternoon, Honorable Commissioners and -- our Chair and Commissioners. My name is Steve Curran. I'm a Petroleum Drilling Engineer with the engineers group in Long Beach. I've been around a long time as well since the early eighties.

Summerland Oil Field is an interesting project. You all have it on your screens, I'm assuming.

CHAIRPERSON NEWSOM: Yeah, I've got it right here.

PETROLEUM DRILLING ENGINEER CURRAN: You won't see the little pointer, but I'm going to kind of navigate anyway.

CHAIRPERSON NEWSOM: Perfect.

PETROLEUM DRILLING ENGINEER CURRAN: All right. The Summerland Oil Field and the Summerland Offshore Oil Field are inactive oil fields in Santa Barbara County, about four miles east of the City of Santa Barbara, within and next to the unincorporated community of Summerland.

First developed in the 1890s and richly productive into the early 20th century, the Summerland Oil Field was the location of the world's first offshore oil wells. Drilled from --
CHAIRPERSON NEWSOM: World or the U.S.?

PETROLEUM DRILLING ENGINEER CURRAN: In the world.

CHAIRPERSON NEWSOM: The world.

PETROLEUM DRILLING ENGINEER CURRAN: It competed with the Nobel brothers over in the Black Sea region, where the Nobel prize comes from.

CHAIRPERSON NEWSOM: Fascinating.

PETROLEUM DRILLING ENGINEER CURRAN: You can read that in Alan Grossbard's literature article that wrote. And we -- I think we're going to have that on our website. Or not on our website, we'll have a link where you can read that. It's a very interesting history.

CHAIRPERSON NEWSOM: Yeah, amazing.

PETROLEUM DRILLING ENGINEER CURRAN: So drilled from piers in 1896 -- as early as 1896. The field was the first significant field to be developed in Santa Barbara County produce 3.18 million barrels of oil during its 50 year life span, finally being abandoned in 1939/40 time period.

Another nearby oil field, entirely offshore, discovered in 1957 was named the Summerland Offshore Oil Field, and produced from two drilling platforms in the Santa Barbara channel before being abandoned in 1996.

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PETROLEUM DRILLING ENGINEER CURRAN: Okay. So we're going to talk about the history and background, of course, previous remediation efforts, the 1993 well work abandonments -- well abandonment work, the leaking Becker onshore well, the Summerland Beach site maps, the current status, the equipment we'll use for the project, and the investigation and assessment we're proposing.

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PETROLEUM DRILLING ENGINEER CURRAN: Here's a picture of the piers as they stood in the Summerland Field along the beach in 1906, the top photograph, and then the same view in 2009. You can see that everything is physically gone. There's still remnants, but they're underground or under the beach sand and in the water.

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PETROLEUM DRILLING ENGINEER CURRAN: Okay. Here's a picture of the coastline. This is a Google Earth picture that shows the approximate location of Summerland Beach piers, the coastline view, red represents the field boundaries, and the offshore unit has two platforms indicated, Platform Hilda and Hazel operated by Chevron. They were actually installed in 1958 and 1960 and removed in 1996. The offshore field produced about 28 million barrels of oil, so 10 times the amount that the onshore did.
PETROLEUM DRILLING ENGINEER CURRAN: This is zooming with another Google Earth photo on the Summerland onshore field, showing the location of all the piers that were installed at the turn of the century. That's the 20th century, so that was active between 1896 and 1920s.

PETROLEUM DRILLING ENGINEER CURRAN: This is a DOG field map that shows all the little black dots and Xs show the abandoned wells. And if you look at the straight lines that come out into the ocean, those are the piers that the wells were drilled off. And the Becker pier is highlighted in yellow, and is indicated with blue writing. And you can see the red dot shows the approximate location of the Becker onshore well. The Treadwell Pier is -- was the first pier built and extended out into the ocean almost a quarter of a mile, 1,230 feet.

As of the DOG annual report of 1915, 364 wells were completed on the piers and the upland areas. And two million barrels of oil have been produced. Only one well produced 100 barrels a day for six months, and then declined three to four barrels a day. A typical good well during that time period would be 10 to 12 barrels a day and rapidly decline to one or two. You have to understand that pre-1901, there was no rotary drilling yet it was
still cable tool drilling, with -- rotary drilling didn't come in until 1901 with spindletop. So this was, "There Will Be Blood", status, if you saw the opening of that movie, only offshore.

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PETROLEUM DRILLING ENGINEER CURRAN: This is another Google Earth photo that just shows where the Becker Pier would be and the onshore well and Treadwell Pier in today's Google Earth aerial view.

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PETROLEUM DRILLING ENGINEER CURRAN: This is the DOG location map showing -- it doesn't show the piers, but it shows the abandoned wells. And you can see where the piers were and it also shows the Becker Well. This is where we have our accurate GPS coordinates.

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PETROLEUM DRILLING ENGINEER CURRAN: Okay. The Becker onshore well was drilled at the turn of the century. The leaking well casing was actually uncovered in 1994 in a USGS survey, and excavation work that I'll go over in a few slides. The well is located at the onshore end of the Becker -- where the Becker Pier existed. The conditions for seeing the Becker Well on the beach, that's oil surface on the beach, is low tides, usually in the storm season when the beach sand is uncovered, because a
lot of times it's five to eight feet under the cover of the sand, and it's seasonal. You see it more in the spring and the fall months. And the frequency can be as much as 10 to 15 days per year.

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PETROLEUM DRILLING ENGINEER CURRAN: Okay. We've done a lot of work in Summerland over the years. So the past efforts to remediate will start in the fifties. A survey was done and a map was created with 90 well casings and pile remnants. In 1968, 60 wells were plugged with surface plugs. It was the Summerland clean-up project. In the 70s, Treadwell 10 was reabandoned and five other wells were also abandoned and three well heads removed. In the 80s, Treadwell 17 was abandoned and a seep inspection done.

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PETROLEUM DRILLING ENGINEER CURRAN: In the 90s, we did the well abandonment project for three shore-side wells, and you're going to see the equipment we use for that shortly. And then in 1994, we did a two-phased study with the U.S. Coast Guard. Phase one was -- well, let me go into why we did the study. We did the study because all the new roads that are current for Summerland and the old piers didn't sync well.

So what we wanted to do was a survey like an
old-time survey that would tie the existence of the old
piers with the new roads, and have everything where it
would GPS accurately, so we could locate everything
accurately. So in addition to that, we did diving, we did
bathymetric surveys, and we used magnetometers to look for
any kind of metal casings or wellheads within the project
area where all these old piers were. So that was phase
one, and we created maps from that. It also indicated
where the seeps were. We gridded and dived. And it was
like a two-week process.

So phase two, we identified nine critical targets
that needed further excavation, where we would actually go
in with divers or go in on land with equipment and dig
around as far as we could, five or six, and uncover what
we've got and identify it.

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PETROLEUM DRILLING ENGINEER CURRAN: Okay. From
2000 to current, Fairweather now InterAct, was
commissioned by the Summerland Foundation to do a project
to assess the Treadwell 10 well. Then Alan Grossbard did
his literature historical review of the Summerland Field
and the Treadwell 10 well and published a paper on that, a
40-page paper, which is a very good read.

Fairweather Pacific then prepared -- was
of the number 10 well. And they submitted that remediation plan to us, but it involved new leasing and new drilling and it just didn't -- it was not approved, because it was over -- it wasn't really the money. It was just that we didn't feel like drilling or relief well next to the Treadwell well would solve the probably, since we already drilled 412 wells back at the turn of the century. You could look at those as 412 relief wells. So I don't see where one more would solve it, not for $2 million. So we declined that offer. We're still working with that scenario though.

Oil emissions from nearshore and onshore Summerland final report by UCSB, Department of Fish and Game, and OSPR and NOAA studies, there's a report out in 2007. There's been a lot of reporting of the area. We still have periodic sightings of oil on the Summerland Beach from the Becker onshore well.

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PETROLEUM DRILLING ENGINEER CURRAN: So here's a cross section from the 1907 USGS report. And it's across the Oxnard Pier which is pretty close to the Becker Pier. And it shows in the green our oil sands. And you can see -- if you look to the left of your slide, you can see where it outcrops in the water on the ocean floor. That's a natural seep. Okay. Then you can see where it outcrops
onshore. Those are oil sands in the green.

And so this is the conundrum of the summer field -- or the Summerland, you know, onshore field is that we've got seeps mixed in with legacy wells that are improperly abandoned and some of the wells have seeped or leaked in the past, and the seeps are always active. Less active sometimes, but more active a lot more lately.

So the oil sands are at a very shallow depth, 500 feet or less. And they range from 120 -- they range -- they can range up to 125 feet from the surface. Some of the oil formations lack adequate trapping mechanism, and shown in the green, of course, and it outcrops onshore and offshore. That causes natural seeps.

Upper Miocene and lower Pliocene, this is the Fernando formation is oil-bearing sand. As a rule, the sands get deeper as you move southward. And I don't think it's southward the way that the shoreline. It would be eastward and westward, the way we're oriented in Summerland. So closer to Becker Pier is shallower. If you move down -- let's -- I'll recategorize it. As you move down coast, it gets deeper. As you move up coast, it gets shallower.

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PETROLEUM DRILLING ENGINEER CURRAN: Okay. The 1993 work I told you about, where we did the three inshore
wells. We've got a winching system that we constructed on
the beach, so that we could move this big surf sled I'm
going to show you, which is actually a mobile platform.
So we could put that in the surf zone and actually move it
onto the beach and get to these wells to abandon them.

So you can see the first picture to the left
we're driving pilings to set the base for the winch. And
then we're setting up the winch apron. And all that
substructure and the winch is set up, so that we can tie a
towing line to it, and you'll see what happens next.

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PETROLEUM DRILLING ENGINEER CURRAN: This is the
platform was built. It's the SSV1 surf sled. It's about
16 feet high and it was set so that you could put a
production rig on it -- a production work-over rig, and
actually do the work in the surf zone.

So it's being outfitted here Port Hueneme with
pontoonso that we can tow it out.

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PETROLEUM DRILLING ENGINEER CURRAN: This next
photograph shows that it's in tow, and then now it's in
position off shore, an you can see the winching line is
connected, and we're starting to tow it in where we want
into the Summerland Beach area. So this platform was way
too heavy and way too large to bring down to the beach.
It has to be a marine operation to actually get it there
to do the work.

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PETROLEUM DRILLING ENGINEER CURRAN: So this is the surf sled. Now, it's being -- that's the barge in the background. And then in the foreground is actually the platform, and it's in minus 22 tide there. And you can see that as it touches down on the beach floor, it actually has sleds on the bottom of it, so when it hits the bottom, then you start winching it in like a sled, like a toboggan kind of, like a huge toboggan. So there it shows it in place there in like five or eight feet of, you know, surf zone.

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PETROLEUM DRILLING ENGINEER CURRAN: And then here it is on the inshore part where it's getting ready for abandonment work on the onshore wells, but they're still on the beach. So that's the kind of equipment spread we're looking at in 1993. We spent $863,000 to abandon three wells. And those wells were visibly leaking, so it did do a lot of good.

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PETROLEUM DRILLING ENGINEER CURRAN: Okay. Our continued efforts. We do weekly inspections of the Summerland area, and daily monitoring of the beach area.
A partnership was formed after an August 13th, 2013 meeting with State, county, and local representatives, UCSB, and the Summerland Citizens Group.

What came out of that meeting was a standardized reporting form for Summerland incidents. And anyone can use the form and report -- it's on our website, and can use that form to report any kind of incidents at Summerland specifically, that's oiling of the beach, that's the Becker Well, that's odors. It covers a wide range. And they've been using that quite often, and we maintain the database, the MRMD group. And we've done that as a mechanism to show that the problem out there is consistent and it's ongoing.

So over the last two years, there have been 30 incident reports. We have all that database available. And the most recent Becker onshore well occurrence, which would be oil on the beach specific to Becker at its GPS site was April 29th. Now, remember, these incident reports cover oiling of the beach and specific to Becker. So it covers the whole range, all of Summerland Beach.

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PETROLEUM DRILLING ENGINEER CURRAN: I'll show you some sightings next. Here's oil on the beach in 2011, where it's really manifested itself at low tide, and is showing fresh oil. That's the Becker location.
PETROLEUM DRILLING ENGINEER CURRAN: This is Summerland Beach in late June of 2015. We suspect this kind of oiling is only a month after the Refugio spill, so this could be re-oiling from the Refugio spill.

But the next slide --

PETROLEUM DRILLING ENGINEER CURRAN: -- is typical of Summerland seep activity and any kind of leaking well, because it's fresh, it's foamy, and it's right there as the tide comes in. It hasn't been weathered. There's not tarballs. This indicates seeps that are very near to the shore.

PETROLEUM DRILLING ENGINEER CURRAN: There's a -- by the way, there's a lot of that in Summerland and a lot more lately in the last six months. Okay. So to the project. I want you to note that the high tide water access is a problem. So the high tide water level is right there where the cobblestones are close to the bluff. You see here that low tide, you can barely see the cobble stones in the background, way back, a couple hundred feet. So there's the Becker Well manifested at low, low tide in February of 2014.
PETROLEUM DRILLING ENGINEER CURRAN: Now, for staging of the equipment, we're going to use the primary access will be south about a half a mile away from the project area, because there's a straight shot paved road, a county road, that goes right down to the beach, and there's a county parking lot area there and a big enough area for turnaround, and it doesn't really impact the beachgoers very much.

The secondary access is Lookout Park. So I'm going to show you some closer pictures of that.

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PETROLEUM DRILLING ENGINEER CURRAN: So you see the primary access. You can see the cars parked along the -- this is in the high season, but it's a straight shot down to the beach. And you see the secondary access is right down from the Lookout Beach parking lot. So that causes a few impacts. If you have bigger equipment, it's hard to make that little hairpin turn on the sand and get it on there without getting stuck. So you could probably get a backhoe down, but not a bigger piece of equipment.

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PETROLEUM DRILLING ENGINEER CURRAN: So the current status, the natural oil seeps remain active. They represent a majority of the oil to the surface. There's limited access to the beach in the surf zone. More often
and more oiling of Summerland in the last two years.

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PETROLEUM DRILLING ENGINEER CURRAN: Okay. The investigation and assessment phase. This is what we're proposing. We're going to use the county beach south access road. We're going to move onto the beach at the low tide cycle. Probably two or two and a half hours before the low-tide cycle we'll stage and move on the beach. We'll excavate the onshore Becker well at the low-tide cycle, uncover the well casing, and take GPS measurements of the well casing itself, because right now we just have GPS measurements of the oil and the sand, which is -- which could be five or six fight higher, and it could have migrated. There's all kinds of things. So we want to get the actual well itself and get that accurate GPS location.

We want to excavate down alongside it, assess the condition of the metal, take circumference readings, sizes, see if we're able to weld on it. If we're not, maybe we'll be able to clamp on it. We basically want to assess it, so that we can bring it up to a working level to where we can get into it, and start plugging it with cement and abandon it in the next phase.

So we'll mark it, we'll stake it, we'll set a buoy out there, so that it can be found again and that
will be pretty permanent, and then we'll take any action we need to contain and clean up any oil seepage from it, because we will have a little bit of oil while we're doing this. And it will look like a real mess, but it will wash away and fill-in in one day. So we'll have absorb pads, and we'll have caution tape. We'll keep people away from it.

All this is going to happen within about a four to five hour time period, because these low-tide cycles that we're in are some of the lowest of the year. And the high-tide cycles are the highest of the year. So when the tide comes in it's with a vengeance. So this is what we're going to do.

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PETROLEUM DRILLING ENGINEER CURRAN: And we've given ourselves two days. We've got a contingency date. So we'll try it one day, learn what we can. If we need a second day, we'll get out and do it again.

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PETROLEUM DRILLING ENGINEER CURRAN: That's all I have.

Any questions comments?

I think we have a lot of interest for --

CHAIRPERSON NEWSOM: Yeah, no, I have a number of people that wish to speak to this. And I imagine there
may be questions.

    Anything, Jennifer, you want to add or amplify anything as relates to this?

EXECUTIVE OFFICER LUCCHESI: No, just -- not specifically just that we're asking the Commission to authorize staff to conduct, locate, excavate, and assess the Becker Well.

CHAIRPERSON NEWSOM: And the financing for this, the costs were borne by?

EXECUTIVE OFFICER LUCCHESI: We have -- we have some surplus funds out of the Oil Spill Prevention Fund that we'll be utilizing to do this initial assessment. I will also add that this would be the first step in able to develop a specific project description that then will help us develop the environmental document to assess the actual remediation of this well. And so our goal is really to pursue all the entitlements that are necessary to properly abandon this, and then pursue funding for the actual abandonment.

CHAIRPERSON NEWSOM: Right. Any questions at this moment or we want to take public comment?

COMMISSIONER YEE: A couple questions. Thank you for the presentation.

PETROLEUM DRILLING ENGINEER CURRAN: Yes.

COMMISSIONER YEE: I think this probably begs the
question how many other sites are similar like this, if we
know? And would it make sense, given this, to think about
doing a survey, so we have a sense of how big the problem
is?

PETROLEUM DRILLING ENGINEER CURRAN: Okay. At
this time, in the Summerland area, there is one well that
would be similar to this well. It's located more
offshore. It's more of a challenge. It's been reentered
four times. That's the Treadwell 10 well. It currently
has a big slab of cement over the top from the last time
they reentered and tried to abandon it. They've kind of
had failed to attempts. That one leaks a little bit of
oil, about a cup to a liter a day when it's active. And
that's the only other known well in Summerland leaking at
this time. That's from the dive surveys. But our dive
surveys go all the way back to 1995. So it -- we haven't
any grid diving or anything out there in a long time, 20
years.

EXECUTIVE OFFICER LUCCHESI: What -- if I may
just add too, there is no comprehensive study out there
looking at all of these legacy wells. There's not a lot
of records on these, obviously, or they're incomplete
records.

We are starting to look at what that kind of
study would take from a resources perspective, both in
terms of funding and staff time, and then also look at what kinds of information avenues we would pursue to be able to do such a comprehensive study. So if there isn't any objection from the Commission, we will continue looking into that and try to develop a proposal for your consideration at a future meeting to develop that comprehensive study of those legacy wells off the coast.

COMMISSIONER YEE: Yeah, I would really support that. And once we have that study, also think about other partners that want to engage in that.

EXECUTIVE OFFICER LUCCHESI: Of course. We're always thinking about that.

COMMISSIONER YEE: Great. Thank you.

CHAIRPERSON NEWSOM: Great. Good. Well, I've got four speakers. And we'll ask -- jump on up. Fran Farina, followed by Jenna Driscoll, and Dr. Heller and then Hillary Hauser.

And you can come in any order. Come on up and thank you for your time. And those are the only four I have. Anyone else who wishes to speak to this item, if they could just help -- if they could fill out a form and we'll get right to you.

MS. FARINA: Thank you, Mr. Chair.

CHAIRPERSON NEWSOM: Thank you.

MS. FARINA: I'm Fran Farina with the Santa
Barbara group of the Sierra Club. And you should have received a letter from us dated August the 10th signed by our chair Katie Davis. And I note Katie described Summerland as a stunning beach, a popular spot for tourists and locals alike, and a wonderful coastal community.

What she doesn't tell you is that she grew up in Summerland and has known it for decades. The current condition is extremely discouraging for all of us in the area. And we do want to express our appreciation that action is finally being taken. We have been working for a considerable amount of time to get State Lands Commission to pay attention to this issue, and we are appreciative of it.

I would say Summerland Beach is the first beach I walked on when I moved into Santa Barbara County. And what is unique about it is that unlike Malibu, the houses aren't cheek to jowl. Most of it is a very natural setting. It has free parking. It is easily accessible. There is a grass area with picnic tables, if that's all you want to do. You can stroll down the ramp that you saw in one of Mr. Curran's slides, and then start walking on the beach.

And but for the smell or stench of the oil, not to mention the Cafe Au Lait foam that you see coming up,
the farther away you get, the more eastward you walk on
the beach, the more delightful it is. And it's gorgeous
scenery. Our concern that we have is it is heavily
visited by not only locals in the area but tourists. And
as we saw today before we drove down here, children play
on this sand. They dig in it. Dogs run on it. And so
it's heavily used, and we would like it to be as safe as
possible. So thank you to staff for paying attention.

And as far as legacy wells go, this is an
outstanding area. Thank you, Commissioner Yee. It needs
your attention. And there is a desperate need for money,
because we have been told for the last two years that we
don't have money, and by the way you're a low priority.

So thank you.

CHAIRPERSON NEWSOM: So is that -- I was going to
ask you, what's been -- how long have you been actively
pursuing our action on this?

MS. FARINA: I've personally been involved for
more than two years on this now. And you'll hear from Dr.
Heller for a longer period of time.

CHAIRPERSON NEWSOM: But the argument has been we
don't have the resources?

MS. FARINA: Constantly.

CHAIRPERSON NEWSOM: Got it. Okay. Interesting.

Thank you. Thank you.
Dr. Heller.

DR. HELLER: I brought you some visual aids.

Chairman Newsome and Commissioners thank you for your time today. I've been working on this issue since 2011 when Steve and I and some other people ended up standing at the site of the Becker Wellhead, where it had been seen leaking in an extreme low tide.

These are two samples of beach water I took yesterday, so we'd have as current a look as possible. This is East Beach in Santa Barbara, a couple of miles west. This is the water at Summerland Beach. And that's after all the oils have settled.

This is sand with oil in it. I will be happy to pass it if you want to have a look, but the stench is pretty disgusting. And I have to brush off my hands because they're now covered in oil.

And these are pictures that I took yesterday. When I went to get the sample of oily water from Summerland from Beach, I tried to stay out of it, because it's a dark, foamy, disgusting brown. And unfortunately a surge came up and hit my leg. And after just one strike of water my leg was covered in oil. I'll leave these for you.

The foam yesterday looked like this. It's a dark brown. And the residue that you saw in the previous
pictures that Mr. Curran showed you was present.

Conditions at Summerland Beach have been deteriorating significantly since four years ago. So four years ago your staff came to the Board of Supervisors and made a presentation, that gist of which was we know this wellhead is leaking, we know it needs remediation, there's no money, sorry. So we sat tight as residents of the area. Two years ago conditions worsened further after there was an earthquake in the area. We suspect that that was the cause.

A meeting of stakeholders was held that Mr. Currant referred to. And the decision was to try to gather data to find a funding source. We were kind of hoping the Coast Guard would step up. In the last five to six months conditions have deteriorated so far that people should not be in this beach and I will no longer go to this beach. And I bought my house in Summerland 12 years ago, because I was a daily beach user, and had already been a beach user for seven years. And I thought it was stupid to commute from Santa Barbara to a beach I was walking every day.

I see families with children swimming in this water every day. I go up and warn them about conditions. I'm not wearing a uniform, so they think I'm just some crazy lady on the beach who's maybe a little bit obsessive
about the environment. This stench is intolerable. After about five minutes, you'll get a headache and nauseated. County environmental health has studies that indicate there is motor oil and diesel in the water. They're exceeding some tolerances for recreational users, and we're working with the county on a beach closer plan. It's really time to address this, so I am grateful for your time and attention and hope that you will vote to authorize this action.

CHAIRPERSON NEWSOM: Here, here. I appreciate it, Doctor. Thank you.

Jenna -- Ms. Driscoll, thank you.

MS. DRISCOLL: Hi. My name is Jenna Driscoll. And I'm the watershed and marine program associate for Santa Barbara Channelkeeper, a nonprofit that works to protect and restore the Santa Barbara channel and its watersheds.

And I wanted to thank the State Lands Commission and staff for choosing to look into this issue more thoroughly and address seeps in the Summerland area. However, we do hope that you take a little bit further action to completely address the issue.

First of all, we'd love to see a more detailed oil spill contingency plan adopted for this project. The project description is a little vague. I appreciated
hearing that there would be absorption pads and things in
the presentation today, but we'd like to see a more
detailed plan. In case some accident happens, it would be
a shame to see another oil spill in our area after the
recent Refugio spill as well.

And we are particularly excited to hear
Commissioner Lee's(sic) comments about doing a more
thorough analysis of the area. The presentation earlier
today did describe a 2007 study that was more recent than
the 1994 surveys. And that study did point to a couple
other wells that may be predominant seeps in the area that
may need to be taken another look at.

They also describe how conditions vary from time
of day, based on tides to different times of year over
across years. And conditions seem to change constantly.
So perhaps just one day looking at the Becker Well might
not be enough to determine the full potential impact, but
we hope that enough is done to fully reabandon that well.
And it's clear that seismic conditions and decomposing
plug materials consistently change the seepage system.

So there may be other wells not even identified
in the 1994 or 2007 studies that may now be seeping oil as
well. So we feel that additional assessment is necessary.
So we'd love to see more resources dedicated to that
issue.
So ultimately we're definitely in support of the staff recommendation to move this issue forward and investigate the Becker Well, and hope that you'll pursue more action in the future. Thanks.

CHAIRPERSON NEWSOM: Excellent. Thank you very much. Ms. Hauser.

Hillary Hauser.

MS. HAUSER: Oh.

CHAIRPERSON NEWSOM: Oh, sorry.

MS. HAUSER: If I don't understand you, I'm a little hard of hearing. Thank you, Chair Newsom and members of the Commission. I'm Hillary Hauser from Heal the Ocean in Santa Barbara.

And I sent you all a letter on Friday about what we want to offer to this problem. And what it is is potential private funding to clean up Summerland Beach, cap the offending well, not only Becker, but Treadwell 10, and others. We've -- I've spoken with your staff, Mr. Curran, Mr. Blackmon about what we want to do.

We've been working very successfully with consultants like RMC Water L.A. and Dudek to access State bond money for a clean water project. We are ourselves have received Proposition 50 funding for a wastewater outfall project.

We have a potential source of big funding through
Proposition 1. That money train is in town, coming to town. And we've hired Dudek to put to us a proposal that I submitted to you with our letter. We've identified the offshore oil contractor to do the clean-up work. They are -- who can cap these wells. Aqueossubsea who worked with InterAct who's an agency -- your contractor, and has worked with your staff and State Lands. They have offices in Louisiana and Ventura. They know Summerland. They have all the maps. They have the studies. They also have been supporters of Heal the Ocean for ages.

So we talked to them about this. Yes, they can do it, about how much. And we contracted with Dudek to make us a draft proposal. And Heal the Ocean would be the project lead, so that we don't get into the project -- the problem of RFPs and is a private funded project.

Our request is simple, and you -- would you please ask staff, Ms. Curran and Mr. Blackmon, to organize a working group which would consist of them, the State Lands staff, the Aqueos representative, us, Dudek, representatives from Assemblyman Das Williams office, who yesterday said they have identified other pots of money.

The idea is to strategize the role of everyone, get the Dudek proposal finalized and submitted for all the money that's needed to tackle this problem once and for all. Five million, 10 million, we need to know what it
is. And if we all sit around the table and strategize to redo the proposal, see what the match is for State Lands, they can handle CEQA and so forth, so on.

And that's what we would like to offer and would ask you to ask staff to organize a working group.

Thank you.

CHAIRPERSON NEWSOM: All right. Thank you very much. Thank you.

Anyone else wish to speak to this item?

Seeing no one else, we'll close public comment.

Why don't we come back up and reflect. I know that a number of things were -- I mean, not the least of which this idea of a scoping group. Your thoughts on that. This concern around a detailed plan if a more serious accident happens. That's more than just yellow tape, I imagine. And, you know, just general reflections on -- I'm curious, you know, I learn from the past. And I don't want to belabor it, because I know we're finally reconciling it and taking action today.

But, you know, you sense the frustration that it took this long. And you made a compelling argument, so it begs the question why did it take so long? Though you did argue in the last 24 months things have gotten a little more acute. Perhaps, that's a rationale.

But none other, I'm curious why it took so long?
Was money an excuse or the real problem, two? And what your reflective thoughts are on the public testimony?

EXECUTIVE OFFICER LUCCHESI: If I may, I would like to answer some of those.

CHAIRPERSON NEWSOM: Perfect.

EXECUTIVE OFFICER LUCCHESI: And then Steve can answer that -- answer your questions that I'm not able to.

On the funding source, to actually abandon the well will cost a significant amount of money. And that isn't something that we have as surplus in our current budget. So we have been looking and trying to take advantage of opportunities to seek funds to do that, and we have not been successful.

So the fact that we didn't have the money and the resources is a very real issue. And the reason why we haven't been able to --

CHAIRPERSON NEWSOM: But that wasn't -- that wasn't a reason not to do what we're doing in the interim, which is this phase, right?

EXECUTIVE OFFICER LUCCHESI: That's correct. And it -- just in the recent past couple of months, again, because the situation has become more acute, taken a fresh look at what we actually can do as a Commission in terms of trying to get the ball started rolling on this. And that's I think just a fresh look at it.
CHAIRPERSON NEWSOM: And the cost of this roughly, is this a couple hundred thousand?

EXECUTIVE OFFICER LUCCHESI: Anywhere between 20 and 30 thousand dollars.

CHAIRPERSON NEWSOM: Twenty and thirty thousand, so I get a sense of it.

EXECUTIVE OFFICER LUCCHESI: Yeah, for this initial assessment. And so again, we tried to take a step back and say what can we do now given our current budget, and given the -- what we have to use. And that was why -- what led us to this Commission meeting with this proposal.

CHAIRPERSON NEWSOM: And would you estimate, if we did expand the scope, you'd estimate a similar cost. So I imagine perhaps more expensive, because it's farther out Treadwell number 10 to look at broadening that scope. Would that -- I mean, is that within the --

PETROLEUM DRILLING ENGINEER CURRAN: Very expensive.

CHAIRPERSON NEWSOM: Very expensive.

PETROLEUM DRILLING ENGINEER CURRAN: Not within the scope of this. This has a very short fuse and time frame.

CHAIRPERSON NEWSOM: This is more modest.

PETROLEUM DRILLING ENGINEER CURRAN: But what Hillary talks about would be a phase 2 assessment, where...
actually we start to get in the water with diving surveys
and other stuff, because those are the -- if -- Treadwell
10 is definitely offshore, so -- it's in 17 feet of water.
It requires that surf sled or temporary piers or marine
operation, which gets exponentially more expensive when
you talk about abandonment.

So when you look at the three wells that we did
in 1993, we looked at 863,000, even with the surf sled,
which cost, at that time to fabricate, $250,000, all
engineered and certified and done, that sled is no longer
available. It was cut up for scrap back in early the
2000s. So we would have to look at just -- the Becker
Well, since it approaches a million dollars when you talk
about doing one of those wells even in shore like this,
what happens is we thought that since the funds -- it's a
big project to get approved to go up through the State and
anywhere else.

So we thought that by breaking it off into
smaller steps, and it would -- we'd have more of a chance,
like the assessment, then the environmental, and get
engineering project-specific, because we feel like we can
do this one from the beach, which makes the cost go down a
lot. We don't have to go from the bluff. We don't have
to do it from a barge or the crane. We can build
temporary piers.
And it would fall under the million range, so --
but that's just the Becker Well. That's nothing else.
That doesn't include Treadwell 10. Treadwell 10 has
proposal from the year 2002, with InterAct Group, which
was then Fairweather of, I believe, two and a half million
or thereabouts. I'd have to look at the study. And that
was project specific just to Treadwell 10. So these are
expensive projects.

CHAIRPERSON NEWSOM: Right. Anything else,
Jennifer, on that?

EXECUTIVE OFFICER LUCCHESI: I will -- I just
want to add too, and Steve can certainly speak to this,
and I'd also ask him to speak to the oil spill contingency
plan associated with this project and potentially commit
to making sure that we are covering all of our bases, but
what I want to just also highlight for the Commission is
that there is the Becker onshore well that, based on
everything we know, is leaking, and then you have the
Treadwell Well offshore, but what's also incredibly
important to acknowledge, is that there are a lot of
natural seeps happening out there in this area too.

So -- and that's something that we can't
necessarily, at this time given our existing resources, or
ever engineer around. So it's important to note that
there are definitely some leaking wells, but then there is
also some natural seeps that contribute to the degraded resources at the beach there.

PETROLEUM DRILLING ENGINEER CURRAN: The difference between the seeps in Summerland and the seeps out further at Coal Oil Point and South Ellwood is they're located way offshore. They're in 242 of water. So the oil weathers a lot before it comes up. The gas never really reaches the surface. And what happens is it stays offshore most of the time as a sheen out near Platform Holly.

These are very close to shore, within 100 yards. Some of them are within 150 feet. So as that oil bubbles up and gas bubbles up, it immediately impacts the shore. It's brought in with the tide. So that's the difference. Much smaller amounts, but, you know, under a barrel when you include all of them being very active at one time, but if you stick a barrel of oil in the water close to shore in Summerland, it's a mess.

CHAIRPERSON NEWSOM: So this idea of a detailed plan a little bit more prescriptive, specific, more transparent, I imagine you support that.

PETROLEUM DRILLING ENGINEER CURRAN: Yes. Anything.

CHAIRPERSON NEWSOM: Will provide that information --
PETROLEUM DRILLING ENGINEER CURRAN: Yes.

CHAIRPERSON NEWSOM: -- and make sure it's readily available and reviewed?

PETROLEUM DRILLING ENGINEER CURRAN: Well, I think that what I would like to see since the 2007 and the 1995 study, especially if we get an El Niño year, it's going to be kind of exciting out there, because these things are recharged from --

EXECUTIVE OFFICER LUCCHESI: Relatively.

PETROLEUM DRILLING ENGINEER CURRAN: -- the hillside where they have groundwater effects that recharge these shallow reservoirs. So if we're going to see anything leak, the El Niño year is when things start leaking, more prolifically, and it's when all the hazards manifest themselves because the beaches are scoured and all the beach sand is taken out in the storm. So we get a -- it's a much more exciting year for us, after an El Niño.

So I think that we can -- the diving we'll get into the diving part as we look at what we've got. We need to catalogue the legacy well problem as a whole. Most of it is in Santa Barbara County. I would say 80 to 90 percent is in Santa Barbara County. It encompasses Ellwood, and it encompasses Summerland. We have a little bit down in the Huntington Beach area, but most of that
townlot area and is onshore.

So these pre-1940 wells, 1930 wells with -- some of them have no records, some of them have sketchy records. They -- most of them don't have proper abandonments, especially not to today's standards, are in that area that I told you about in Santa Barbara County. It's well worth it to pursue it.

ACTING COMMISSIONER ORTEGA: If I can ask a questions. On the '93 effort, the $863,000, was that general fund or was that some sort of special fund or...

EXECUTIVE OFFICER LUCCHESI: Do you remember?

PETROLEUM DRILLING ENGINEER CURRAN: I would have to look at --

EXECUTIVE OFFICER LUCCHESI: Dave, do you remember?

PETROLEUM DRILLING ENGINEER CURRAN: That was with Jack O'Connell at the time, and I want to say OSPAF.

EXECUTIVE OFFICER LUCCHESI: Maybe OSPAF funding.

PETROLEUM DRILLING ENGINEER CURRAN: I believe it was OSPAF, yes.

EXECUTIVE OFFICER LUCCHESI: We can certainly check into that for you, and update the Commission and work out the details.

PETROLEUM DRILLING ENGINEER CURRAN: That got special funding and was fast-tracked, yeah. We can look
at that. We've got the records on that, so we did those abandonments, those three inshore abandonments.

EXECUTIVE OFFICER LUCCHESI: The only thing -- oh, I'm sorry.

COMMISSIONER YEE: No. I was just curious. Is there any harm in just kind of putting the plan together about how we would assess the magnitude of this problem? I'm just concerned that as we're responding to them, as they become a problem, it just seems like we're not being the most proactive about identifying where we may have issues.

EXECUTIVE OFFICER LUCCHESI: Oh, in terms of researching the legacy wells --

COMMISSIONER YEE: Right, the broader issue.

EXECUTIVE OFFICER LUCCHESI: -- in Santa Barbara and Huntington Harbor?

We don't see a problem with starting that research now. I think as we start defining the parameters of that comprehensive study, we may run into additional challenges associated with staff resources and funding --

COMMISSIONER YEE: Sure.

EXECUTIVE OFFICER LUCCHESI: -- but certainly we are pursuing that now in terms of setting up those parameters.

COMMISSIONER YEE: Yeah.
EXECUTIVE OFFICER LUCCHESI: And we also, to the point of our last speaker, Ms. Hauser, we will certainly be looking to leverage our partnerships with UCSB, and Heal the Ocean, and other entities that are also very engaged in this issue to see if we can partner to not only address Summerland, and I will commit that we will work with Ms. Hauser and other groups to pursue a broader project at Summerland or at least research that, and especially if there's other funding outside of the State, outside of State funds that we could be using, and also in terms of developing that more comprehensive legacy well study.

COMMISSIONER YEE: I appreciate that. And Mr. Chairman, I never want to see us in a position of just always having to reject pursuing any work because of lack of resources. And I think we have an obligation to at least identify and assess the magnitude of resources that may be necessary.

CHAIRPERSON NEWSOM: Amen. Yeah, that's, to me, a no-brainer. And I know the hesitation. I know a State agency, you know, the school district issue, they know there's a lead problem, but they don't really want to know. You know, because if they know, then all of a sudden everyone is going to be great, and we don't have the money. And so it's a little cat and mouse. You know,
so -- you know, anyway.

But, you know, we talk about government and how difficult it is, I mean, we kind of look in the mirror. We are government, so let's streamline it, make it easier, make it quicker and faster, and we can find resources by being more resourceful and connecting some dots here.

But, you know, I think it's pretty obvious and compelling this can't be the California coast. It can't be Santa Barbara's coast. It's on watch. It's our problem. We inherited it. It doesn't matter. We're accountable. So I appreciate your pushing us to expand the scope.

And those 20, 30 thousand dollars, I know the scoping is one thing, but I think it's well within our capacity of creativity. So I couldn't encourage that more. I appreciate that.

And you've answered the question about, you know, being able to leverage resources and get folks together, and affirmative. And I appreciate your point about making sure our mitigation, particularly in Gorilla El Niño or how everyone is describing, if we're out there and things are a little more exciting, as you say --

(Laughter.)

CHAIRPERSON NEWSOM: -- that we've got some contingency and mitigation, that's a little bit more extensive and transparent. I think that's good. Any
other comments?

I mean, this is a pretty easy one, from my perspective.

PETROLEUM DRILLING ENGINEER CURRAN: In closing --

CHAIRPERSON NEWSOM: I guess the question for us, there's no CEQA triggering, there's no one out there suggesting there is at this scoping stage, right?

EXECUTIVE OFFICER LUCCHESI: Well, we -- in the recommended authorization, we do have a CEQA finding, as we do with all of our authorizations. But we -- but like you said, we think this is, as you've heard and received letters for, we have not received any opposition towards this effort.

CHAIRPERSON NEWSOM: Yeah. Good.

PETROLEUM DRILLING ENGINEER CURRAN: In closing, we have -- I don't want you to get the idea that we've never looked at the legacy problem.

CHAIRPERSON NEWSOM: I appreciate it. Yeah.

PETROLEUM DRILLING ENGINEER CURRAN: It's the ongoing problem that we're dealing with every day, every month, every year. We've done a lot of study in the Ellwood area for the 421 Project. So we've brought that before you, of the two or three wells that we're really worried about that could start leaking. We did extensive
well records review on 70 different wells now. They're a little bit newer than these legacy wells, because they fall into the 1920, '30, '40, time frame, so at least we have records to review.

These ones that are at the turn of the century, a lot of them we have no records, so -- and but we do have records for some -- from the 1906 time frame on. So we're in the process of digging through all those records and getting mechanical diagrams. Did they get abandoned? How did they get abandoned? Did they get walked away from?

You know all the status of them.

CHAIRPERSON NEWSOM: Amazing. Well, if anyone wants to know what a world likes like in unfettered free market, look at those old photographs.

EXECUTIVE OFFICER LUCCHESI: Correct.

CHAIRPERSON NEWSOM: For those that don't believe in regulation. You know, I think we made an argument in favor of it. Any additional thoughts or comments?

COMMISSIONER YEE: Do you need a motion?

EXECUTIVE OFFICER LUCCHESI: Just to conclude, staff asks for an aye vote from the Commission on this item.

CHAIRPERSON NEWSOM: Is there a motion to approve?

COMMISSIONER YEE: Yeah, I'll move to authorize
the investigation.

    ACTING COMMISSIONER ORTEGA: I'll second.

    CHAIRPERSON NEWSOM: Second.

     Without objection. Thank you very much.

     Appreciate the presentation, and the public comment.

     Thank you all.

     The next item is -- what are we at, 81, to

     consider the adoption -- adopting and -- well, I don't

     know what it is, SB 399, right?

     (Laughter.)

     CHAIRPERSON NEWSOM: It's Hall's. We're going to

     do it or not do it. It's a confusing one, even though

     it's obvious, right, because we're acting not to do

     something even though we are rejecting the recommendation.

     But you're going to explain all this.

     EXECUTIVE OFFICER LUCCHESI: Yes. Sheri

     Pemberton of our staff.

     EXTERNAL AFFAIRS DIVISION CHIEF PEMBERTON: Yes.

     Thank you.

     This item, SB 399, involves legislation that

     addresses Public Trust Lands at the legislature granted to

     the City of L.A. decades ago, subject to certain

     conditions. And the Commission has residual oversight

     authority over all of these granted lands, including the

     lands granted to the City of L.A.
The statutory grant to the city limits the maximum lease term to 50 years. As is the case with most other grants, other than a provision in general law that limits lease terms for tide and submerged lands to 66 years, unless a grant states otherwise.

This particular bill is sponsored by Los Angeles City Council Member Buscaino who's trying to facilitate redevelopment at the San Pedro area along the waterfront, and in particular the ports of call area, which is a old seaside village that was developed in 1963 and mainly restaurants and souvenir type shops. And the staff -- Commission staff we recognize and support the need to redevelop this area and want to work with the Council Member's office and the city to make that successful.

The concern we have with the bill as written is that it allows a right of renewal of 25 years in addition to the 50 years for the maximum lease term, which we feel is 75 years, and is too long for sovereign lands subject to the Public Trust.

There's a number of reasons why we think that. We think shorter lease terms are preferable for waterfront lands that are impressed with the Trust. Old leases don't always reflect current Trust needs, and old lease provisions don't also keep pace with the evolution of the landlord tenant law and modern land management practices,
such as sea level rise, climate change. So reassessing that uses and the conditions is important.

We also understand that part of the reason for the bill is a report from the L.A. Economic Development Commission that looked at all of the publicly owned real estate in San Pedro and identified challenges with the lease limit of 50 years for the San Pedro area. And the report, which we -- in the staff report, we noted that we weren't able to obtain a copy. We did earlier this week. It's more of a memo that talks more broadly about the development of the San Pedro area, but also addresses the lease terms for tidelands and notices that in San Francisco and San Diego they're limited to a 66-year lease term.

So our suggestion to the author's office was to amend the bill to limit the maximum lease term to 66 years. Late yesterday, the author's staff let us know that they're amenable to that amendment, and so they're working on language to do that.

With that commitment, we would recommend that the Commission adopt a support, if amended, position. And if, for whatever reason, the author doesn't move forward with that amendment, we would ask for authorization to continue the -- or for staff to oppose the bill. But we do have a commitment from the author to take that amendment. So our
recommendation is to adopt a support, if amended, position.

CHAIRPERSON NEWSOM: Excellent. Good to hear about that latest development. Yeah. Yeah.

Any anybody here to speak to this item? You guys make ample arguments in favor of that action. And I appreciate the recommendation. And if there's any questions, we'll indulge them. If not, is there a motion to approve with this latest --

ACTING COMMISSIONER ORTEGA: I'll be abstaining. We generally abstain from legislation.

CHAIRPERSON NEWSOME: Right.

COMMISSIONER YEE: I'll move the support.

CHAIRPERSON NEWSOM: So with the 66 versus the 75 contingent, we'll do that without objection. To the extent -- we don't have to call roll with an abstention, do we? Or we can just move and second it.

EXECUTIVE OFFICER LUCCHESI: It would be preferable if I called roll.

CHAIRPERSON NEWSOM: Call roll. My gosh.

(Laughter.)

CHAIRPERSON NEWSOM: Madam Executive Officer, please call the roll.

EXECUTIVE OFFICER LUCCHESI: Thank you. Commissioner Yee?
COMMISSIONER YEE: Aye.

EXECUTIVE OFFICER LUCCHESI: Commissioner Ortega?

ACTING COMMISSIONER ORTEGA: Abstain.

EXECUTIVE OFFICER LUCCHESI: And Chair Newsom?

CHAIRPERSON NEWSOM: Yes, aye, aye, aye, aye, aye.

Excellent. Thank you.

Item number 61, is consider amendment of the existing lease to the Los Angeles Department of Water and Power involving the Bed of Owens Lake. This will be an interesting staff presentation. I've already enjoyed the private one. Thank you.

(Thereupon an overhead presentation was presented as follows.)

PUBLIC LAND MANAGEMENT SPECIALIST KATO: Good afternoon, Commissioners. My name is Grace Kato. I'm a Public Land Manager with the Commission's Land Management Division. I'm here to present information on Calendar Item 61.

The City of Los Angeles, through its Department of Water and Power, has applied to the Commission to authorize an amendment to lease number PRC 8079.9 for the construction, use, and maintenance of dust control measures on the dry lakebed of Owens Lake. Do I do this on my own?

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PUBLIC LAND MANAGEMENT SPECIALIST KATO: Owens Lake is located at the terminus of the Owens Valley in Inyo County, and is approximately 110 square miles in size.

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PUBLIC LAND MANAGEMENT SPECIALIST KATO: The lake is currently dry, but as recently as the early 1900s, the lake was up to 50 feet deep in places. Freight vessels operated on the lake conveying material from local mining operations. A steam boat carried cargo across its broad expanse. Early settlers diverted water from the Owens River to grow crops and irrigate pasture for livestock. Wildlife, waterfowl, and local residents depended on and benefited from Owens Lake. The lake was an important feeding and resting stop for millions of waterfowl each year.

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PUBLIC LAND MANAGEMENT SPECIALIST KATO: In 1908, the city commenced construction of an aqueduct to divert water from the Owens River north of Owens Lake. After completion of the Los Angeles aqueduct in 1913, the lake level rapidly declined. By 1930, the lake was virtually dry with only a small brine pool remaining, which exists still to this day.

The United States Environmental Protection Agency
has designated the southern part of the Owens Valley as a serious nonattainment area for particulate matter or dust, less than or equal to 10 microns in diameter, which is approximately one-tenth the diameter of a human hair.

Dust season runs from October 1st through June 30th. The diversion of water has led to dust storms carrying away as much as 3.6 million metric tons of dust from the dry lakebed each year causing respiratory problems for the residents of the Owens Valley.

PUBLIC LAND MANAGEMENT SPECIALIST KATO: The Great Basin Unified Air Pollution Control District's purpose is to enforce federal, State, and local air quality regulations, and ensure that federal and State air quality standards are met within their district.

The district determined that dust emissions from the dry lakebed of Owens Lake are responsible for causing the air in the Owens Valley PM10 planning area to exceed the national ambient air quality standards that water diversions -- that water diversions by the city caused Owens Lake to become dry and the lakebed to be in a condition that produces dust. The district has the authority to issue orders to the city to control dust emissions.
PUBLIC LAND MANAGEMENT SPECIALIST KATO: The district has approved the city to implement three types of
dust control on the lakebed. And you can see here there's
shallow flooding, managed vegetation, and gravel cover.

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PUBLIC LAND MANAGEMENT SPECIALIST KATO: On June
14th, 1999, the Commission authorized the issuance of
lease number PRC 8079.9 a general lease to a public agency
for the city for a period of 20 years. Since that time,
the Commission has authorized 15 amendments to this lease
for the construction, operation, and maintenance of
additional components of dust control.

On December 30th, 2014, the Sacramento Superior
Court approved a stipulated judgment against the city
which settled a number of issues, including the
requirement to complete the Owens Lake Dust Control
Project.

As part of that stipulated judgment, the city is
required to complete the Owens Lake Dust Control Project
phase 9 and 10 by December 31st of 2017. Upon completion,
the total of 48.6 square miles of dust control will be
placed on the lakebed. As a contingency, the district may
order the city to implement an additional 4.8 square miles
of dust control at anytime after January 1st of 2016.

The 4.8 square miles of contingency would require
an additional amendment and authorization by the Commission. Neither the Commission, nor the California Department of Fish and Wildlife are a party to this stipulated judgment and are therefore not bound by the terms.

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PUBLIC LAND MANAGEMENT SPECIALIST KATO: The city is now requesting an amendment to the lease to authorize Owens Lake Dust Control Project, phase 9 and 10. The phase 9 and 10 project, as proposed, consists of 3.62 square miles of new dust control in 17 dust control -- new dust control areas, and 1.8 squares miles of transitional dust control in one existing dust control area.

The 3.62 square miles of new dust control will include 0.24 square miles of managed vegetation, 0.54 square miles of shallow flooding, and 2.83 square miles of gravel cover. The transition area would be converted from 1.82 square miles of shallow flooding to a combination of shallow flooding and gravel cover.

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PUBLIC LAND MANAGEMENT SPECIALIST KATO: The city has stated that it must significantly reduce its delivery of water to the lake for dust control in order to meet its expected delivery demands for the years to come. The city has proposed reducing overall water use on the lake by at
least 50 percent through implementation of the Owens Lake Master project.

The city has also stated that each project it proposes prior to completion of this master project process must be water neutral or reduce overall water use. Commission staff notes that when originally proposed in 2013, the city based the 50 percent reduction target on an estimated delivery of 95,000 acre feet per year to the lake for dust control purposes.

Despite implementation of a number of additional dust control projects on the lake since that time, the reported annual use on the lake has decreased significantly with only 60,700 acre feet projected for 2015-2016 year.

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PUBLIC LAND MANAGEMENT SPECIALIST KATO: In September 2014, the Commission approved the 15th amendment to the lease, which authorized DWP to transition 11 dust control areas from shallow flooding to tillage with best available control measure BACM, or TWBB. The city estimated this saved approximately 8,500 acre feet of water per year.

In July of 2015, the district approved a variance which would allow DWP to delay fall season application of water on two dozen shallow flood cells by three months,
which would save between 7,000 and 9,000 acre feet per year, if it were to be fully implemented.

The Commission and Department of Fish and Wildlife staff are still evaluating the terms of the variance and its impacts. This slide shows the water savings on the lake, if the variance were only partially implemented. If the phase 9, 10 project were to be implemented without transitioning T18 South, the increase in water use would be about 1,778 acre feet per year, because of the shallow flooding on some of the new dust control areas.

This table illustrates that the amount of increase in the context of a significant amount of water savings, the Commission has either authorized is currently -- or is currently evaluating.

These projects, when viewed together with the previous slide showing the reduction of overall water use in the past few years in the neighborhood of 20,000 acre feet, shows that the water necessary for phase 9 and 10 is relatively small by comparison. Staff believes that the potential adverse impacts to the wildlife values on T18 South outweigh the use of water, at least for the moment.

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PUBLIC LAND MANAGEMENT SPECIALIST KATO: Both the Commission and Department of Fish and Wildlife staff
expressed concerns about T18 South during public comment on the city's phase 9, 10 EIR, and requested the DWP evaluate alternatives that would transition lower value -- lower value shallow flood cells instead of T18 South in order to achieve their desired water neutrality for this project.

DWP declined this recommendation, indicating that it selected T18 South because it would be logistically easier. This graphic from DWP's 2014 Owens Lake report shows that T18 South is high in both diversity and abundance numbers. While there are more than a dozen cells in the lower left-hand corner that are both low in diversity and overall use.

Commission staff believes that these cells should be prioritized for transition before T18 South is considered.

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PUBLIC LAND MANAGEMENT SPECIALIST KATO: In closing, staff recommendation is to authorize the amendment of lease 80.8 -- 8079.9, a general lease -- public agency use to amend the land use or purpose, the authorized improvements, the special provisions, and the land description, as proposed, excluding transition of dust control T18 South, and delegate to the Commission's Executive Officer to review and approve the transfer or
title of control of artifacts -- archeological artifacts and paleontological resources, and to mitigate for the loss of potential enhancement of Public Trust values on the 2.83 square miles of Owens Lake to be covered by gravel. And in consideration of the lease amendment recommend that the city be required to deposit $700,000 in Kapiloff Land Bank Fund for any lawful purpose related to Owens Lake or adjacent real property, pursuant to the Kapiloff Land Bank Act.

And this concludes my presentation. I'll be available for any questions.

CHAIRPERSON NEWSOM: All right. And I know we have a representative of the city attorney from Los Angeles who wishes to speak, which, Commissioners, with your indulgence, maybe we should just jump right into that, and then we'll have a better context.

Ms. Riley. Julie Riley. Thank you.

What say you to that augmented presentation?

(Laughter.)

MS. RILEY: Good afternoon.

CHAIRPERSON NEWSOM: What's the feelings of your agency?

MS. RILEY: I'm Julie Riley. I work for the Los Angeles City Attorney's office, and I'm housed at the Department of Water and Power. And thank you for hearing
this. And I particularly want to thank your staff for getting this on this agenda today. We've -- we may not always agree on everything, but they have worked with us to make sure that this item is before you today.

We do agree that we started exporting water from the Owens Valley 100 years ago, and the values of --

CHAIRPERSON NEWSOM: Acknowledged science and fact. Thank you.

(Laughter.)

MS. RILEY: The values of 1900 are -- you know, not the values of people today. And Los Angeles has taken responsibility over the past 15 years for the consequences of the export of that water, the diversion of Owens River water.

We have had several years of back and forth litigation with the local air regulator, and we reached a historic agreement last year, 2014, with the assistance of the Governor's office and mediating our dispute. It's true we did not have all of the other stakeholders as parties to this judgment, and we always knew that your agencies would maintain your discretion to authorize, you know, certain land use.

We have approximately 35 square miles of shallow flooding out on Owens Lake right now that is controlling dust. There are smaller areas for managed vegetation and
for gravel, which are the only other two primary dust control measures. And there is a new emerging dust control measure called tillage with BACM back-up, which is tilled rows. And that seems to be a promising way of conserving water. And that was -- that was one of the primary achievements of this stipulated judgment with Great Basin was to -- to get bookends on the city's responsibility for dust control. And they looked at their -- all of their scientific data, and to find ways to cooperate together to conserve water.

And it's something that we, as a water agency, of course, have a high priority on dealing with. And we know that in the changing climate of California and the south west, we need to be able to do more with less. We need to be able to meet our environmental mitigation obligations with less water, without wasting water, and without needlessly affecting the bird habitat that has emerged, especially in the last 15 years since those artificial ponds have existed. You know, it has become a national audubon area of, I think it's, special concern or something. It has become, you know, an area that birds flock to.

So we are here today to ask your Commission to approve the staff's recommendation, despite the fact that this will require us to use about 1,700 acre feet of
water, which is the water supply for about 18,000 people
to control dust on that area, because we need to get this
project completed on time. We have court requirements.
And we think that we have an opportunity to work with your
staff to, we hope, convince them that there is a way to
transition this other area, this area T18 South, in a
manner that would be acceptable to both the biologists
here at State Lands Commission and the Department of Fish
and Wildlife.

We appreciate that your staff came to you with
two recommendations. I know that they did not want to --
you know, it would not be their preferred alternative to
bring to you something that they were not recommending,
but we appreciate that they were giving you two options.
We think that the terms of the alternative recommendation
are something that we would need a bit more time to
digest. We -- the implications of. The requirements of
the alternative recommendation seems to have duplicative
mitigation obligations on the city that could eat up any
of the water savings that we would have by transitioning
the area of T18 South.

I might be getting too much into the weeds on
that part there. But -- so I guess, you know, in sum, we
are here asking for your approval of the staff
recommendation, and we would hope to have some direction
to us or something that we could come back to you to talk
about how we could implement transitioning more of the
water.

CHAIRPERSON NEWSOM: So what I'm hearing from you
it's not what you want, but you're willing to accept,
subject to your confidence that we're not an ideological
agency and we'll continue to work with you, so you can
maintain the timeline, which is even more potent and
powerful, in terms of your needs --

MS. RILEY: The time line is --

CHAIRPERSON NEWSOM: -- and even that 1,700 plus
acre feet, which you feel could be used for other things.

MS. RILEY: And we -- yes. We also think that we
have a path forward as far as our future relationship with
your staff and with this Commission on managing the
habitat at Owens Lake through the Owens Lake Master
Project. And we would be happy actually to have maybe a
separate presentation on that, at some point, to how
multi-disciplined this could be addressed.

CHAIRPERSON NEWSOM: All right. So, Jennifer,
just how do you reflect? I mean, obviously you heard what
you wanted to hear, I imagine --

(Laughter.)

CHAIRPERSON NEWSOM: -- that your recommendation
is supported. But anything you want to further amplify?
EXECUTIVE OFFICER LUCCHESI: The only thing I would say is that we appreciate LADWP's position on supporting staff's recommendation here. We understand that that was a hard challenging conclusion to come to. We also understand that they had to review our staff report and recommendation in a pretty short period of time before today's meeting. We certainly worked towards getting that information out with enough time to talk about these things, but as Ms. Riley said, we are committed to continuing our very strong working relationship with DWP on trying to find a balanced solution to dust control and protecting the Public Trust values out on the lake. And we will continue to work towards a resolution on T18 South, as well as their variance requests and their master project.

CHAIRPERSON NEWSOM: Yeah. Okay. Any additional comments or thoughts or questions?

COMMISSIONER YEE: Yes. Comments, I guess, Mr. Chairman. I think there's still a lot of questions about really how this is all going to proceed and hopefully get to the outcome that we want, but -- and I'm prepared to take action today.

I'm a little concerned about the increased water usage and I was actually prepared to come in today before this whole thing started with removing the T18 South to
talk about how we can have some assurance that we're going
to deal with the habitat mitigation issues and everything
kind of attendant to just kind of getting to the outcome
that we want.

So I guess I'm just looking for some assurances
along the way that we're going to have all these issues
addressed. And I think the city is desirous of an action
by the Commission today, but I would just like to see kind
of more, I guess, checkpoints along the way or just
monitoring, in terms of how I get there.

EXECUTIVE OFFICER LUCCHESI: I can certainly
continue to provide updates to the Commission on our
discussions with the city, and, of course, our discussions
in collaboration with Fish and Wildlife staff on T18
South, on their variance request, and then also on the
master project to continue to check in with the Commission
on the progress that were being made with anticipated
dates on when we may bring a decision for the Commission
to consider making on future lease amendments.

COMMISSIONER YEE: Yeah, that would give me more
comfort just so we know that these issues aren't going to
be just falling off.

EXECUTIVE OFFICER LUCCHESI: Of course, of
course.

ACTING COMMISSIONER ORTEGA: Just a clarifying
question. So, Jennifer, when you briefed me on the background on this before, one of the concerns about the T18 South was that some of the habitat mitigation is maybe not tested or proven. And I was not clear on whether the part that's being included now would result in any further information on that for a future discussion. So will we learn anything from this part of the recommendation that is going forward?

EXECUTIVE OFFICER LUCCHESI: So staff's recommendation is to approve the project -- the Commission approved the project and lease amendment, but exclude T18 South. I'm not exactly sure how the discussions will go in terms of our differing views on the habitat values of T18 South, but I'm sure that we will work towards understanding each other's perspectives and positions on that.

I will say Jennifer DeLeon is our Senior Staff Scientist and Manager working on Owens Lake. And so she can certainly speak to the habitat values at T18 South and our proposed monitoring requirements and the alternative authorization. But the key, I think, point is that when the city was developing the phase 9, 10 project, they were using a Habitat Suitability Model to help assess the potential impacts to habitat out on the lake. And that was a model that was developed in consultation with Fish
and Wildlife staff and with Commission science --
scientists. But the key point to remember is that that
hasn't been validated yet. It's a theoretical model. And
I think that's our concern.

ACTING COMMISSIONER ORTEGA: Yeah, that's the
question that I'm trying to get at is will -- with this --
the recommendation that's before us, will we have any
further -- will we have any information at a future
discussion about potential other projects out there, or
would we have had to include T18 South?

CHAIRPERSON NEWSOM: You want to have that
discussion, I imagine?

ACTING COMMISSIONER ORTEGA: Yeah.

MS. RILEY: We are finalizing a contract with a
third-party to validate the model. And I'm not sure the
time frame of -- that should be done in a relatively quick
period of time. And I think that that would be something
that State Lands Commission and Fish and Wildlife staff
would be very interested in having completed. So there
would be kind of a fall-back plan, if the birds don't
reappear.

ACTING COMMISSIONER ORTEGA: Okay.

EXECUTIVE OFFICER LUCCHESI: And if I may --

CHAIRPERSON NEWSOM: Yeah. No, I was just going
to ask up. Perfect. Yeah. Thank you.
EXECUTIVE OFFICER LUCCHESI: -- can I invite
Jennifer DeLeon on up to speak to this issue.

ENVIRONMENTAL PROGRAM MANAGER DeLEON: Hi. Thank
you. Jennifer DeLeon, Environmental Program Manager with
the Environmental Planning and Management Division.

I think what I'm hearing you ask is whether or
not the dust control on the, I think 17, new dust control
areas involved in phase 9 and 10 will offer some insight
into testing the Habitat Suitability Model. And it won't,
because those are new dust control areas.

The areas that you have previously authorized for
transition from one dust control method, which is shallow
flood, to this sort of hybrid or a mixture of gravel,
shallow flood, a little vegetation, it looks pretty. It's
like a little mosaic. It's esthetically a little bit
better.

The idea behind it is that even though you're
reducing the total amount of water, you're creating a more
varied structure that maintains habitat value, if not
total water amount. So that was authorized our sort of
test case of about three plus square miles was authorized
for the Phase 7A project. I believe that was Amendment 14
just before the tillage BACM back-up amendment.

So what we were looking at with that is that
that's an opportunity to see how the transition habitat
functions compare whether or not the birds are really using that area the way you might expect them to. The Habitat Suitability Model measures only non-biological parameters, water depth, water salinity, seasonal water availability, and a variety of other things that we think, if we keep these items in an optimal range, that's what the birds prefer.

And so there’s an expectation if you have all those measurements in place, your habitat is valuable. So the validation that our staff and Fish and Wildlife staff is looking for is to see whether those are the right parameters, whether they need to be adjusted, and whether or not actual bird use reflects what you thought that it would using your model. So it's the phase 7A that's really the test that we're looking for.

ACTING COMMISSIONER ORTEGA: Great.

ENVIRONMENTAL PROGRAM MANAGER DeLEON: I think that's where you were going with that.

ACTING COMMISSIONER ORTEGA: That answers my question, yes.

CHAIRPERSON NEWSOM: And, you know, may I suggest, because I remember a number of years ago, we had a very comprehensive overview of Owens Lake. And it's so timely now, because it goes to the core of all the trade-offs and challenges that we all face. And so I do
very much appreciate Ms. Riley your representation of your support of this with the hope and expectation, and caveats attached, that we can find some common ground moving forward.

You've got two agencies that are a little more skeptical, as you've acknowledged, not just us, but Fish and Wildlife, and some work to do in that respect, but with appreciation of the enormous burden placed on you to balance needs, and inheriting this sort of historic calamity of sorts, this, you know, sort of human -- well, I won't go into editorializing.

But perhaps we could do a shortened -- I remember that was a long presentation a couple years back. Unless we cut it off, it would still be going on, not that -- but maybe we can do a hybrid that can be a little more focused on some of these more granular issues that both of you are facing, as I imagine you would love to educate us a little bit more from your perspective, not just from State Lands' perspective. Perhaps we can get that on the calendar in the next few months.

EXECUTIVE OFFICER LUCCHESI: Yeah. Certainly, we will -- yeah, we will certainly do that.

CHAIRPERSON NEWSOM: That could very helpful to all of us in shaping the discussion going forward.

EXECUTIVE OFFICER LUCCHESI: We will certainly
work on putting that on that informational item in collaboration with the city and hopefully with Fish and Wildlife for either the October or December meeting.

CHAIRPERSON NEWSOM: Yeah, I think it would be helpful. I'd love to get their perspective in this mix as well, so it's not again just coming from our vantage point.

EXECUTIVE OFFICER LUCCHESI: Of course.

CHAIRPERSON NEWSOM: Excellent. Well, in the spirit of their support of your recommendations and the comments that were made, is there any additional public comment?

Seeing none. We'll close public comment.

Are there any additional comments from the Commission?

Is there a motion to support the recommendation?

ACTING COMMISSIONER ORTEGA: I'll move approval.

COMMISSIONER YEE: Second.

CHAIRPERSON NEWSOM: And without objection that will be the direction of this Commission. And thank you all very much. Thanks for taking the time to be up here.

And we'll move to the next item, which is Item 68, if I've got it right, which is Bureau of Land Management indemnity regarding selected school lands located in Barstow. And I know we have a staff
presentation, eager staff presentation

(Thereupon an overhead presentation was presented as follows.)

LAND MANAGEMENT DIVISION CHIEF BUGSCH: Good afternoon, Commissioners. There's a PowerPoint, but I'll get going anyway. My name is Brian Bugsch I'm the Chief of the Land Management Division. Today, I'll be presenting on Calendar Item C 68.

As you are aware, the Commission manages two types of lands, sovereign lands and school lands. This will be speaking towards school lands. School lands -- just as a little background. School lands were granted to the State of California by the federal government under the Act of March 3, 1853 and consisted of the 16th and 36th sections of land in each township throughout the State.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH:

Originally, in 1853, the Commission was granted 5.5 million acres of school lands. About 90 percent of these lands were sold off over the first 100 years of Statehood. Today, the Commission currently manages approximately 462,000 acres of school lands held in fee ownership by the State and additional reserve mineral interests on approximately 900 -- or 790,000 acres of
school lands, where the surface estate had been sold.

On this map, you can't really see it, but most of the lands are all up there. We call this the measles map, and you can see where those little red dots is where it's located, where we still own.

There were exceptions to the granting of school land. These lands included lands reserved for public use, lands already taken by private land claims, and lands known to be mineral in character. In these cases, the State was given an opportunity to select replacement lands from the United States in lieu of a Section 16 or 36. These replacement lands are now known as indemnity school lands or lieu lands. The State currently has outstanding claims for about 51,000 acres of indemnity school lands, and that's the subject of this item.

Under the School Land Bank Act of 1984, the School Land Bank Fund was established and school lands were placed in trust to be managed for the benefit of the State Teachers' Retirement System. The Commission was designated as the trustee of the Trust and managers -- and manages the fund to provide revenue to CalSTRS.

In the last fiscal year, activities on school lands generated a net value of $8.7 million primarily through geothermal and oil and gas leases. In today's requested action, to acquire these federal lands as
indemnity school lands will enhance the Commission's ability to generate revenue for CalSTRS.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: On July 15th, 2014, the Bureau of Land Management notified the Commission that certain federally owned lands in the city of Barstow were being declared surplus and therefore would be available for selection as indemnity school lands.

On August 21st, 2014, they Executive Officer replied to the notice from the BLM and indicated the Commission's interest in acquiring these lands. An indemnity land selection application was submitted to BLM on May 11th of this year 2015. The subject land consists have 43.75 acres, more or less, of which approximately 41.25 acres is vacant commercial land located within the boundaries of the Spanish Trail Specific Plan, and approximately 2.5 acres is a vacant residential lot.

The Spanish Trail Specific Plan is a redevelopment project approved by the city council in February 2015 as part of the update to the city's general plan.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: Known as the Shoppes at Spanish Trail, this planned commercial development includes two hotels, several big box retail
stores, various small retail shops, and several highway commercial retail pads.

The development is expected to provide an economic stimulus to the city by boosting the local employment base and increasing city tax revenues. Staff has been working with city officials and the developers of the plan regarding the future of the property. After it is acquired, the Commission -- or after it is acquired by the Commission.

Staff intends to pursue a course of action that will ensure the best possible financial returns to the School Land Bank Fund and CalSTRS, while also facilitating the successful development of the overall project. So this slide here kind of shows the Spanish Trail Specific Plan, or -- where the development is going to be and then where the acquisition parcel that we're looking at and our other State lands that we currently own.

So the action we're asking for today, the formal acceptance by the State

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: So the action we're asking for today, the formal acceptance by the State of the federal lands in necessary for the recordation of the federal Clear List, which is the action in the indemnity selection process that vests title in the
State. And staff is requesting authorization to accept
and record the Clear List subject to its issuance by BLM.

So that's the action. And that concludes my report, and I'm available for questions.

CHAIRPERSON NEWSOM: All right. Questions.

COMMISSIONER YEE: Mr. Chairman, thank you. I had actually asked for this to be pulled off consent. These don't, I think, happen very often. And so I just thought it was unique. And certainly anything that's a revenue generator for CalSTRS we're always very happy to see that, but also I appreciate the stewardship overseeing the successful development.

Thank you.

ACTING COMMISSIONER ORTEGA: My question is really I think about process. So BLM approaches the State Lands Commission and says these lands are available. Do you then engage in a process of determining whether any revenue can be generated from acquiring them? Like, what's the thought process on whether to accept or say no thank you or --

LAND MANAGEMENT DIVISION CHIEF BUGSCH: Yeah, I think they put a lot of lands up for surplus at different times. This one we evaluated, identified the value of that, and we wanted to claim that. As I think I said earlier in the thing, there's about 51,000 acres that
we're entitled to at some point. So every once in a while, they'll put stuff up for surplus, and it will be available. We kind of get the first pick at that, if we want it, and then we go through this process to actually put in and actually request and claim it. That's what we're doing here

EXECUTIVE OFFICER LUCCHESI: And in this particular situation, when they originally put lands up for surplus, we're looking at not only revenue potential given what else is going on in the vicinity, but also any liability that we may be taking on as part of that acquisition.

In this particular case, it was kind of a no-brainer to start this process, because of the efforts that the city had already begun in terms of trying to redevelop this area. And, in fact, that's really the key to this accepting the Clear List -- or excuse me, accepting title to these lands through this action is the -- kind of the first step in continuing our negotiations with the City of Barstow to figure out how to deal with all of the State School Lands holdings in their Spanish Trail development.

And what we're looking at now is kind of a mixture of sale, which those proceeds would go into the School Land Bank Fund for future acquisitions, and kind of
long-term leasing or another mechanism to ensure a constant steady revenue source to CalSTRS. So we're looking at that mixture.

But the Commission's job as trustee of the Land Bank Fund and these school lands is to make money for CalSTRS, and so that's the lens that we view these surplus lands that BLM is offering through.

CHAIRPERSON NEWSOM: Excellent. Any additional comments?

COMMISSIONER YEE: No.

CHAIRPERSON NEWSOM: All right. Any public comment?

Seeing none. We'll close public comment. Is there a motion to approve?

COMMISSIONER YEE: I'll move to adopt the staff recommendation.

ACTING COMMISSIONER ORTEGA: Second.

CHAIRPERSON NEWSOM: And second. Without objection. Thank you.

We can move to Item number 82. It's an informational update of our strategic plan.

(Thereupon an overhead presentation was presented as follows.)

EXECUTIVE OFFICER LUCCHESI: Dave Brown our Assistant Executive Officer will be giving a short
presentation on the strategic plan, again, just to
summarize kind of where we're at. The real purpose of
this item is to provide an opportunity for the public to
provide comments to the Commission directly on the
strategic plan. Dave will be able to share that we have
received some comments, written through our email --
through the email address that we've set up for this.

CHAIRPERSON NEWSOM: Good. Dave, maybe we can
just jump in there, because we've done a number of updates
and presentations on this. And I don't have any public
speakers, at least that filled out forms. If I'm wrong,
please do that.

What have been -- what's been the feedback? What
have you witnessed?

ASSISTANT EXECUTIVE OFFICER BROWN: Well, we have
had some feedback. We did an email account. We mailed
out postcards to all of our lessees, and all of our
partners and so on. We have received some email traffic,
not very much. I think we've gotten 28 messages. A
predominance of those were from Huntington Harbor and
Tahoe residents wanting us to repeal SB 152.

CHAIRPERSON NEWSOM: All right. As part of a
strategic plan, maybe yeah.

(Laughter.)

ASSISTANT EXECUTIVE OFFICER BROWN: But there
have also been a few thoughtful comments about the Public Trust, maintaining public access, and those sorts of things. It's been pretty light so far. We haven't had as much traffic as we would hope.

CHAIRPERSON NEWSOM: Right. And are you -- I mean, I know we're scheduled, what, for October completion adoption?

EXECUTIVE OFFICER LUCCHESI: We were anticipating adoption -- consideration and adoption of the plan by the Commission in December.

CHAIRPERSON NEWSOM: In December.

EXECUTIVE OFFICER LUCCHESI: Yeah. October our meeting location is scheduled to be in San Diego, so we were hoping to offer the opportunity for the public to comment from that region. And then our December meeting location is scheduled to be in Sacramento, and that's where we were --

CHAIRPERSON NEWSOM: For final adoption. And is it broadly drafted now? I mean, how far along are you?

ASSISTANT EXECUTIVE OFFICER BROWN: We have the, what we consider, the final draft posted to the website.

CHAIRPERSON NEWSOM: Yeah, so it's pretty much done, what we've seen. Okay.

So just a couple -- I have some comments. And I don't -- you know, I don't want to belabor. You know, I
did read what was drafted. And there's some areas, and I appreciate all this effort, that I just -- I hope we can get a little more -- and at peril -- because I understand a strategic plan should be just that. It's not a detailed, nuanced, prescriptive plan that sort of ties one's hands. It's about flexibility.

But some of the broader principles I just feel that we need to be a little bit more aggressive, on the transparency side, on the open government side, on the engagement side. I think we pay a little bit lip service. And I'm not suggesting -- this is not an attack or indictment of the importance of the process or the work that's been done to date, but I feel like -- I mean, it -- peril of you lashing out at me privately, because you'll probably be too generous to do it publicly, I feel like we're paving over the old cow path with a lot of the language.

I've kind of seen this plan before. I've seen it all the time, and it's nice, but it's not enlivening. It's bureaucratic. It's wonderful, but it's dull. And I don't want to be dull here. We're better than that. I think, you know, something that's a little -- got a little more zest a little more -- you know, and I started writing. I mean I literally was sitting there -- I won't advertise which coffee shop down the block, but a well
known chain.

(Laughter.)

CHAIRPERSON NEWSOM: And I was just literally writing. I was thinking, you know, where is the aggressiveness on incentivizing civic participation, where is the language around that? Where is the -- you know, where is more robust language on open government, you know, talking about high value -- you know, you've heard me talk about machine readable, downloadable open data sets. You know, where -- are we -- are we evangelists for open data?

I don't feel that reading the strategic plan. I think we talk about transparency, which is nice, you know, accountability, transparency, and collaboration. You know, I'm a fanatic when it comes to IT procurement. We should be an agency that gets it, and gets it done differently. You know, you understand this, because you inherited one of the great debacles in American history, not California history, $371 million payroll system upgrade. I'm on the UC Regents. We almost topped you, because we've gone through a similar procurement disaster.

I think there's things when we talk about technology, it's again it's like a check box, but not a different iteration, a different framework of how we can digitize our workflow in a way that meets people where
they are. I mean we're living in a world where everyone
is conditioned by Amazon. They have different
expectations than 1(800) numbers at the DMV. I use that
just cause it's a cliche, though my DMV still has a 1(800)
number on the sign out front being advertised.

I mean, I know you're not advertising a 1(800)
number, but we do advertise -- we talk about websites, but
it's traditional. We talk about collaboration in a --
just, you know, a check box way, as opposed to a more
deliberative way. And, you know, for me, that's sort of
organizing around interest. We talk about the four or
five agencies that we collaborate with, but what about a
strategic plan to really dive deeply into different
business processing, in terms of customer engagement,
which is civic engagement, around these interests and
around these broader principles?

So, you know, I wrote those out. I don't want to
belabor, but, you know, I sort of -- my headlines were
digital by default, organized around user interests,
smaller, quicker, better, which goes to the IT framework,
which is frequent, more digital experimentation versus
large-scale procurements, which if you're going to do a
strategic plan, let's not make the mistakes of almost
every other State agency in terms of that.

There's $2 billion since 2001, $2 billion, of
project overruns in terms of budgets, since 2001, literally evaporated, just gone, just burned up in the State government. It's one of the great scandals that no one seems to really care about, because it's complicated, and there's no accountability. Two billion dollars of government money,

If it was any other -- you know, if it was -- you know, if it was State Parks spent and wasted two billion, everyone would stop the presses, but on the procurement side we don't.

So these are just opportunities I think with a strategic plan to lean into the world, not only we're living in, but the world we're entering into, and all the white waters of change we expect.

So, you know, again, I wrote these things out. I'd love to give them to you. I don't mean to be critical, because I know this can come across as critical, because I really do appreciate all the work that's gone into this, but I don't want to miss the opportunity, if that was. I was concerned that may be the final draft, but I know it's not final, but maybe this is my public comment.

(Laughter.)

CHAIRPERSON NEWSOM: And so if we can just sit down and see if we can -- let's make this something -- you
know, let's make this something everybody else goes wow, what the heck did they just do? That's not a strategic plan that literally no human being has ever read, because, well, we did a strategic plan in the audit. We said we already had a strategic plan. It collects dust. You have 21 comments.

Let's get people riled up, saying what the heck do you mean by a digitizing process? What's going on State Lands -- or Coastal Commission says no that -- why don't you -- I want to get 250 comments next time or 2,000, because people are nervous that we're going to do things a little differently. So let's be disruptive here, all right? That's the point.

EXECUTIVE OFFICER LUCCHESI: Will do.
CHAIRPERSON NEWSOM: Yes. So that's the spirit, disruption.

(Laughter.)

ASSISTANT EXECUTIVE OFFICER BROWN: I would like to make my public comment.
CHAIRPERSON NEWSOM: God bless you, man.

(Laughter.)

ASSISTANT EXECUTIVE OFFICER BROWN: Since we put that plan together, we have had several epiphanies in our conduct of our business, and particularly as it -- excuse me, as it has to do with technology.
We have got a strategic direction now. We're trying -- I've been working with your staff trying to get SharePoint, which we can't get right now through the State.

CHAIRPERSON NEWSOM: Right.

ASSISTANT EXECUTIVE OFFICER BROWN: But I think we're on a very good trajectory to do a lot of that. We've got possible projects with Fresno State and CSU Northridge to digitize some of our things. They're willing to go out and secure grants for us, and assist us. So there's been a lot of really good things happening.

CHAIRPERSON NEWSOM: I love it. Let's back it up with language in this plan --

ASSISTANT EXECUTIVE OFFICER BROWN: I get you.

CHAIRPERSON NEWSOM: -- that codifies the work you're already doing. And I am aware -- Kevin is sitting right there. And I'm very grateful for all the outreach and sincerity coming from staff on moving in this direction. You guys -- I mean, I would argue you're on the leading edge, but we've got work to do, to set the pace.

ASSISTANT EXECUTIVE OFFICER BROWN: Way ahead of that pack is not that far ahead.

CHAIRPERSON NEWSOM: Yeah. No, I get it. I get it. Amen. So I just -- you know, we have an opportunity
here. And so that's the editorial. And I appreciate the
spirit of your response and the work as well.

ASSISTANT EXECUTIVE OFFICER BROWN: Thank you.
CHAIRPERSON NEWSOM: So, sorry guys.
COMMISSIONER YEE: No, that's a great comment.
CHAIRPERSON NEWSOM: That's what happens after a
large cup of coffee.

(Laughter.)

COMMISSIONER YEE: Mr. Chairman?
CHAIRPERSON NEWSOM: Any other -- anyone here to
speak to this item?

No.

Any other comments?

COMMISSIONER YEE: I'll just comment. And I
really appreciate your comments, Mr. Chairman. I think
one of the things I always look for in a strategic plan is
just really how we can be aspirational, right. And I
think one of the things that's really been, I guess that's
hurt the Commission is just not having adequate resources.
And we heard it again today that it's held us back, but I
don't want it to hold back our thinking about where we
need to go.

CHAIRPERSON NEWSOM: Here, here.

COMMISSIONER YEE: And, I mean, I think I feel
like, as a member of the Commission, that I want to
advance proposals for additional resources where it's warranted. And I also think that we have a tremendous leadership role that we can assume. We do a lot in partnership, but I think we uniquely have -- I see lots of opportunities for leadership. And it's -- you know, all of the challenges that we face, all of the risks that we're trying to mitigate, I think we've done well under a limited resource environment. But the goal of a strategic plan is to think, you know, really aspirationally about how we get out ahead of this, and really think about, in an ideal world, how can we provide that leadership.

And certainly with the types of challenges that we're facing, it's really kind of an all decks on hand(sic) kind of, you know, reality right now, but we could really be the leader with respect to, you know, just managing a lot of that. So I hope we see that in the plan.

I am very happy to be joining you in actually convening one of the stakeholder meetings to get input on the plan in several weeks. So hopefully, we will get more of that. But I do think if we don't allow ourselves to even speak the language, we're going to get back what we, you know, pretty much have pegged as our goal. And right now, it's a goal that's of a reality that hopefully will be in the past, but that we really are thinking more
broadly because our risks are pretty great, if we don't do so.

CHAIRPERSON NEWSOM: You've reminded me of a wonderful Michelangelo quote -- that's what happens when you're Lieutenant Governor with Jerry Brown, you start reading up about -- usually, I go to Archemedes or something, Plutarch, a little renaissance. But Michelangelo had a wonderful quote that said, the biggest risk in life is not that we aim too high and miss it, it's that we aim too low and reach it, which is, I think, the spirit of your comments, which I liked a lot.

So in the words of Michelangelo, maybe we'll just begin, that's our preamble, Michelangelo. Loosely translated, by the way, not literal.

Anything else? You don't want anything to do with our comments. I get it.

(Laughter.)

CHAIRPERSON NEWSOM: Smart.

(Laughter.)


Item 83, another informational briefing on tribal consultation, which is also very good and important and grateful for the work that's been done on this.
(Thereupon an overhead presentation was presented as follows.)

ENVIRONMENTAL PROGRAM MANAGER DeLEON: Hello, again. Good afternoon.

CHAIRPERSON NEWSOM: Hello.

ENVIRONMENTAL PROGRAM MANAGER DeLEON: I'm Jennifer DeLeon. I'm with the Environmental and Planning Management Division, an Environmental Program Manager. Thank you for hearing this item today. I'm very excited to tell you about what we're doing.

California's rich cultural legacy includes millennia of Native American use of State Lands. Native American tribes have used the lands, waterways, and resources currently under the Commission's jurisdiction to support their culture and way of life. This means that important cultural resources, artifacts, and sacred sites are sometimes located on the lands that the Commission manages.

To better preserve California's tribal heritage, Commission staff is developing a tribal consultation policy. This informational briefing provides an overview of the State level context, the expected themes of the policy, and the proposed process for developing, reviewing, and approving the policy.

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ENVIRONMENTAL PROGRAM MANAGER DeLEON: So development of this policy by the Commission is timely for a number of reasons. In 2011, Governor Brown issued an Executive Order, which expressed the State's commitment to strengthening and sustaining effective relationships between the State and tribes.

This order, included establishing a Governor's tribal advisor, and also directed State agencies to encourage communication and consultation with tribes, including allowing meaningful tribal input into decisions affecting tribal resources and communities.

Following this, in 2014, the legislature passed and the Governor signed a bill amending several California Environmental Quality Act provisions related to tribal consultation. These provisions describe a required notification and consultation process to ensure that tribal recommendations and alternatives and mitigation measures are considered and incorporated early enough in the process to be meaningful.

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ENVIRONMENTAL PROGRAM MANAGER DeLEON: And I will also say that development of this policy is consistent with the draft strategic plan, specifically action 3.2.2, and the targeted outcome for strategy 3.2 of maximizing coordination and collaboration with other agencies and
California Indian tribes. So we are trying to put our lip
service into actual practice.

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ENVIRONMENTAL PROGRAM MANAGER DeLEON: Commission
staff seeks to develop a policy that meets the five
guidelines it has identified as integral to successful
consultation. These include mutual education, mutual
respect, maintaining confidentiality, and timely, open,
frequent communication.

These five focal areas were identified by
reviewing existing consultation policies, and also by
consulting with several tribal liaisons with other
departments within the California Natural Resources Agency
with whom we frequently coordinate.

The policy would also assist Commission staff
with implementing its AB 52 responsibilities, and give
tribal communities a tool for understanding how to access
the Commission and its staff when they have questions and
concerns.

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ENVIRONMENTAL PROGRAM MANAGER DeLEON: In terms
of process, staff is proposing a 60-day public and tribal
review period, within which we would schedule a minimum of
two tribal consultation workshops, tentatively one in
Northern California and one in Southern California,
potentially a third one in Sacramento. We would strive to
locate the workshops in areas to maximize participation
and convenience for interested attendees, because we do
want to show that we understand that travel can be
expensive. And taking time often, staff members and
tribal members are not paid for doing this, and we want to
make it as convenient as possible.

Our notification would be pursuant to the native
American Heritage Commission's list of federally
recognized and non-federally recognized tribes, as well as
notification to any other members or communities that ask
to be placed on the list. We've actually already
generated interest via this informational item on the
consultation policy. We have -- I've had a couple of
phone calls from tribal members asking about what it is,
how can they participate, how can they get notification,
and also asking if they could share the information on
their Facebook page.

So in this proposed process timeline, we expect
to put it out some time in early October, complete public
review and our consultation outreach workshops within a
60-day period, come back and give you an update as to
preliminary feedback in December, and then bring -- you
know, revise based on comments and bring a proposed final
for your consideration sometime in early to mid-2016.
So thank you for the opportunity, and I can answer any questions, if you like.

CHAIRPERSON NEWSOM: That's great. Well done. Important. We can argue long overdue, but I'm glad we're here. And is there any public comment?

I didn't get a card.
I don't see any public comment.

We'll close public comment. Any -- you know, I'm certainly very supportive and appreciate the timeline and the engagement and the effort.

Any comments?
Is there no -- is there -- it's just information.
EXECUTIVE OFFICER LUCCHESI: Yes, that's correct.
CHAIRPERSON NEWSOM: Nothing really to adopt.
EXECUTIVE OFFICER LUCCHESI: No action to be taken.

CHAIRPERSON NEWSOM: So keep at it. Well done. And we'll look forward to the feedback in the final product.

With that, I think we have one additional item left, Item number 84 on the agenda, which is an informational report as well.

ASSISTANT EXECUTIVE OFFICER BROWN: I'm back.
CHAIRPERSON NEWSOM: Thank you.
ASSISTANT EXECUTIVE OFFICER BROWN: Dave Brown,
Assistant Executive Officer with the Commission. And I'm here to give you, at this point in the day hopefully, a brief update on what's happening at Bolsa Chica and a little history for your new Commissioners.

(Thereupon an overhead presentation was presented as follows.)

ASSISTANT EXECUTIVE OFFICER BROWN: This is entitled the good, the bad, and the ugly.

(Laughter.)

ASSISTANT EXECUTIVE OFFICER BROWN: You probably have -- can guess what the ugly is.

The Bolsa Chica Restoration Project is in Huntington Beach. It's between Huntington Beach and Sunset Beach. It's comprised of about 1,200 acres.

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ASSISTANT EXECUTIVE OFFICER BROWN: And this is a picture in 1873. The low lands of Bolsa Chica once contained about 2,700 acres of wetlands, according to government surveys. These wetlands were part of a vital coastal ecosystem, and were used historically and extensively by both native and migrating birds. They were also a nursery for juvenile marine fishes. Native Americans resided in the area for centuries.

The wetlands, however, were unsuitable for farming, and remained undeveloped through the early 20th
Century. Today, more than 90 percent of California's coastal wetlands' systems have been destroyed due to development of coastal wetlands, like the low lands of Bolsa Chica.

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ASSISTANT EXECUTIVE OFFICER BROWN: In about 1900, the wetlands were acquired by a hunting club. The ocean water flow was blocked off and the area diked and divided into numerous ponds to facilitate waterfowl hunting. A clubhouse was built on the Bolsa Chica mesa and hunting continued until 1950 when oil was discovered.

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ASSISTANT EXECUTIVE OFFICER BROWN: By 1960, most of the land in the area was committed to oil production. In the early 1970s, the surface owner began efforts to develop residential housing in the upper part of the lowlands. Eventually, only about 1,200 acres of the gap remained without housing. There was a 5,800 unit housing plan, and then -- was then proposed and for the undeveloped, area including a major thoroughfare across the wetlands. This proposal was unpopular with local environmentalists and open-space advocates. Many of these folks questioned whether the wetlands might actually be owned by the State.

State Lands Commission and the Attorney General's
Office undertook a study of the title and the character of the land. As a result, the Commission asserted State ownership over a significant amount of this land. In 1973, an agreement was reached where the State received 320 acres. And that was -- get the pointer here -- in the bottom -- woops.

Help me.

(Laughter.)

ASSISTANT EXECUTIVE OFFICER BROWN: Is there a pointer on this?

There it is.

Let's back it up. And this area right down here was the 320 acres, and it was leased to the Department of Fish and Game at the time.

This agreement, while beneficial, did not satisfy the concerns over development in the area in the minds of the activists. They persisted in efforts to thwart development and preserve the wetlands. They actually -- they actively lobbied against development with the county, Coastal Commission, and others.

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ASSISTANT EXECUTIVE OFFICER BROWN: A series of development plans were offered, but each fell short of preserving all of the undeveloped land. Lawsuits were filed, delays achieved, and plans were stymied. State and
federal agencies discussed ways of preserving and protecting the land.

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ASSISTANT EXECUTIVE OFFICER BROWN: Things were at a standstill until it became known that the Ports of Long Beach and Los Angeles were in need of mitigation credits in order to proceed with their further port development, mostly expanded intermodal facilities that required a large amount of fill in San Pedro Bay.

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ASSISTANT EXECUTIVE OFFICER BROWN: Here's the good. In 1996, eight State and federal agencies, the U.S. Army Corps of Engineers, U.S. Fish and Wildlife, U.S. EPA, National Marine Fisheries, California State Lands Commission, California Resources Agency, and the Coastal Conservancy, and the Department of Fish and Game all signed an MOU to develop the Bolsa Chica Lowlands.

This is a picture of it in pre-restoration. It was basically just an old oil field. This is the 1973 parcel down here that was leased to the Department of Fish and Wildlife.

The CSLC acquired 947 acres of land up here for the project, and the Fish and Wildlife Service managed the construction project.

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ASSISTANT EXECUTIVE OFFICER BROWN: Between 2004 and '06, a large full tidal basin was built along with a bridge, ocean inlet, and muted tidal areas with water control features to enhance habitat. In August of 2006, the tidal waters once again flowed into the Bolsa Chica lowlands for the first time in 100 years.

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ASSISTANT EXECUTIVE OFFICER BROWN: Here we have the completed restoration. You see the -- oops -- the full tidal area. These are nesting sites here, here, and there's one back up over here. And this entire area is part of the project. This area out here is still an active oil field.

The Bolsa Chica Lowlands Restoration Project is the largest coastal wetlands restoration project in the history of Southern California involving a new tidal inlet.

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ASSISTANT EXECUTIVE OFFICER BROWN: Now for the good. The good. There was an MOA signed in '97 with all the agencies I talked about. We got $66 million from the ports to start the project, and it's been a stunning biological success.

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ASSISTANT EXECUTIVE OFFICER BROWN: The project
currently is home to 22 endangered, rare, or species of concern, and has been designated as critical habitat for the Western Snowy Plover.

Here, we have clockwise from the upper left a Snowy Plover family, brent geese, California least turn, a sea lion enjoying a snack in the full tidal basin, and a Belted Kingfisher.

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ASSISTANT EXECUTIVE OFFICER BROWN: Here we have the endangered Belding's Savannah Sparrows in the upper left fighting for territory, a peregrine falcon after a successful hunt. We had a green sea turtle go into the pocket marsh last year. This was a picture taken. And also the Ridgeway's Rail is back in the Bolsa. This is the light-footed clapper rail, which we thought had left the area, but it's back now.

In addition to the wildlife, the Bolsa Chica Lowlands today also provides a valuable public resource. Educational groups, nonprofit organizations, and the general public frequent the site throughout the year for photography, hike, fish in designated areas, and just to enjoy the wetland open space.

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ASSISTANT EXECUTIVE OFFICER BROWN: The bad. The $66 million dollars in funding wasn't enough.
Fortunately, the Port needed more mitigation credits, and so we were able to secure another 34 million.

The 25 -- we received 25 million in Prop 40 and 50 from the Coastal Conservancy and the Wildlife Conservation Board. Back when things used to make interest, we earned about $24 million in interest for a total funding of $151 million. While these sources provided sufficient funds for construction, the long-term maintenance and operation needs were not fully addressed.

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ASSISTANT EXECUTIVE OFFICER BROWN: Here are the project costs. Acquisition of the 947 acres, 26 million; agency work and documentation, EIR, all that, 5.5. We bought out and abandoned several wells by the operator, at that time, ERRA Energy. We bought the oil in place, so their future -- they were indemnified for their future loss. And all construction contracts were 86 million.

There was an operation and maintenance endowment of 15 million, and there was a 1.5 million set-aside for the future full tidal.

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ASSISTANT EXECUTIVE OFFICER BROWN: Past examples of how full system tidal restorations were funded. There's another one down in Batiquitos Lagoon. And that one was a pay-as-you-go. So the agency seeking the
credits is on the hook for future operation and
maintenance. In Bolsa Chica, through whatever
negotiations took place back in the late nineties, it was
a pay and walk. So once the ports paid, they were allowed
to walk, and they are not on the hook for any future
liabilities.

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ASSISTANT EXECUTIVE OFFICER BROWN: Now, it gets
a little ugly. Interest from the Surplus Money Investment
Fund, where all these millions were placed, has been at
less than one percent since 2009. Right now, it's less
than a quarter of a percent, and we're not earning any
money at all. It kind of defeats the point of an
endowment.

Additional costs have been incurred as the
management of the project continues. The delineation and
clean up of non-oil related contaminants was much higher
than anticipated. There were also site conditions that
caused certain costs to exceed original estimates.
There's been significant adaptive management measures that
have also been required, including grouting of the water
control features, installation of a pump to manage water
during storm events and repairs to overlooks and roads.

There's also maintenance of the ground and water
barrier system. The bankruptcy of the former landowner
resulted in the loss of reimbursement for contaminant clean-up costs incurred during construction. However, the dredging for inlet management, while contemplated in the original design, has proven to be the most significant cost.

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ASSISTANT EXECUTIVE OFFICER BROWN: Here is a cartoon, if you will, of the ocean entrance. And we have a natural drift of sand going in the southerly direction, and it mostly wants to come around this corner and go right into the inlet. They did a beach replenishment project up at Sunset Beach, and two years later, all their sand was in Bolsa Chica.

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ASSISTANT EXECUTIVE OFFICER BROWN: This is Bolsa after the connection in January of 2007. Remember, it was open in August of 2006. You can see down in the corner here, there's already an accumulation of sand.

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ASSISTANT EXECUTIVE OFFICER BROWN: In 2008 there's a further accumulation. We've actually got a little peninsula sticking out there now.

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ASSISTANT EXECUTIVE OFFICER BROWN: And in December of 2008, right before we started dredging for the
first time, it was almost cutoff from the ocean.

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ASSISTANT EXECUTIVE OFFICER BROWN: This is an overhead of the aerial of the dredging in 2009. You see that little finger sticking across right there, that's not supposed to be there. That's all sand that has come in from the ocean.

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ASSISTANT EXECUTIVE OFFICER BROWN: So the implications of no dredging. There's a subdivision behind, if you recall the project, that is at or below sea level. During the construction, a 30-foot barrier wall was put in the ground to prevent salt water intrusion into the subdivision.

Monitoring wells straddled the barrier on either side, and we actually have a pump to reduce the level of the groundwater in that area. This may put the neighborhoods at risk, if we were to not dredge. We found when we don't dredge, the level of the future full tidal -- or the full tidal basin stays high and it raises the ground level in the Bolsa Chica, which then could inundate at some point in time if we don't maintain that barrier into the neighborhood.

Even more at risk is the on-site oil operations within the project area. If the inlet sedimentation
reduces tidal action of the system, and sufficient water cannot flow out of the system, a significant storm event may put the oil operation at risk of flooding. And then that would result in some oil spill and other things.

 Failure to dredge regularly will eventually result in blockage of the ocean entrance. This will lead to degradation of the habitat and the full tidal basin as well as the muted tidal areas. With no exchange of water with the sea, the oxygen levels in the water will eventually be depleted resulting in a catastrophic failure of the system reducing it to anaerobic decay.

 There will be a fish die off and eventual release of any carbon that was in the form of methane. The failure of this wetlands system due to inlet closure will not only be counterproductive to the carbon sequestration values of wetlands, but also significant loss California's goal of our restoring coastal wetlands.

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ASSISTANT EXECUTIVE OFFICER BROWN: So the solution. We've got to find someway to replenish the maintenance and operation account, and we need to lower the cost of inlet maintenance.

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ASSISTANT EXECUTIVE OFFICER BROWN: Right now, the inlet -- the first two episodes of the inlet
maintenance were 3 million and 4.4 million respectively. We didn't one in 2009 and another one in 2011. So that's -- it wouldn't take it very long to eat into the entire $15 million endowment. So we've got come up with a few solutions.

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ASSISTANT EXECUTIVE OFFICER BROWN: On the O&M replenishment options, we're looking into grants, bonds, possibly cap-and-trade funds, and mitigation credits from other projects. All these options, however, the regulatory agencies, or the granting agencies, all these options favor the establishment of new wetlands. There's no money for operations and maintenance of existing wetlands.

If they aren't that, then they are one time. Grants and bonds are typically one time. What we need is a continuous source of funding.

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ASSISTANT EXECUTIVE OFFICER BROWN: We're looking at ways of reducing the dredging costs. We're dredging strategically now lower volumes to maintain the flows. You've extended the contract over several dredging episodes to reduce mobilization and de-mobilization costs. We're also exploring some non-traditional methods to mobilize the sand on the outgoing tide or inhibit sand
movement into the inlet.

So these are our annual funding needs going forward. There's about $5 million in the O&M account right now, and another 2.5 million in future full tidal. Our overall needs per year are about 1.5 million. We have the Department of Fish and Wildlife on-site management at 300,000, the dredging is nominally about 900,000, project management for that is about 100,000, and then we have an oncall maintenance contractor to take care of the roads and the erosion and everything else that occurs about 200,000.

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ASSISTANT EXECUTIVE OFFICER BROWN: So that's my presentation. I'm here for questions.

ACTING CHAIRPERSON SCHMIDT: Commissioners, anything?

Let's open it up for public comment. We have four speakers, and we'll start with Roger Bloom.

MR. BLOOM: Good afternoon, Chairman, Commissioners, Staff.

My name is Roger Bloom. I'm a resident of Huntington Beach. I'm also on the Board of the Bolsa Chica Land Trust. And I was going to open up by welcoming you to Orange County, but since we're number 84 and last on the agenda, that doesn't seem quite appropriate. So
let me just say, check-out time is 4:30. Please lock up
and get the lights on your way out. Thank you.

    (Laughter.)

    MR. BLOOM: As we all know, Bolsa Chica is a
vital sanctuary along the Pacific Flyway. And after
decades of struggle, as outlined, the tidal basin has now
been restored to functioning habitat, nesting grounds, and
fertile waters have replaced fallow fields.

    It's a great success story. And the Land Trust
applauds the dedicated work of this Commission and the
Department of Fish and Wildlife in achieving it. It was
no easy task. The Land Trust is proud to work closely
with Fish and Wildlife to help enhance and maintain the
Bolsa Chica.

    And we look forward to growing old together and
watching new generations of western snowy plover take
wing, and new generations of residents and visitors
enjoying nature's spectacle in the Bolsa Chica.

    We urge the Commission to continue to support the
Lowlands Restoration Project in efforts to secure
sustainable funding going forward. The State has made
considerable investment in Bolsa Chica, and it has gotten
considerable return. But that investment needs continued
care or it could be lost altogether.

    The Bolsa Chica is too precious to lose. It's too
important to fault and neglect, too beautiful to suffer from lack of funding. We certainly hope -- we sincerely hope the Commission will be able to secure the needed funding and the Land Trust stands ready to assist in any way that we can.

Thank you for your time and consideration.

ACTING CHAIRPERSON SCHMIDT: Thank you.

And then I have two speaker cards, Molly Burdick-Whipp is listed on both with Grace Adams. Did you want to cede time to one or the other, or do you both want to speak.

MS. BURDICK-WHIPP: Hi there. My name is Molly Burdick-Whipp, and I'm the staff biologist at the Bolsa Chica Conservancy. We're a small nonprofit, private organization that operates at the Bolsa Chica Wetlands Interpretive Center on the northern edge of the ecological reserve.

The Conservancy's primary mission is to inspire all generations to gain a better understanding of coastal resources and watersheds, and to learn how deeply connected we are to this resource, and what our responsibilities are to care for it.

As you know, we lease a small portion of the reserve where our interpretive center is located on the northwest corner of Bolsa Chica. At our 1,400 square foot
facility, we have served more than half a million people, that includes students, visitors, volunteers over the last 25 years.

Bolsa Chica is an outstanding educational resource, as well as a great recreational spot for birders, artists, outdoor enthusiasts, as well as a fertile learning ground for those who care about the science behind it.

In addition, we partner with Department of Fish and Wildlife to oversee restoration of dune, upper salt marsh, and coastal sage scrub habitats at the reserve. We deploy thousands of volunteers to pick up trash, remove invasive plants, propagate and install plants -- native plants that enhance the area’s ecological value, both to wildlife and to humans.

While the Bolsa Chica Lowlands Restoration has certainly created expanded habitats for wildlife, it has also provided expanded natural services that are beneficial to humans. Just last week, we learned that 68 species of fish use the full tidal basin, restored and opened in 2006, while the neighboring inner and outer Bolsa bays have more than 50 species of fish.

If one relates this increasing number of species that use Bolsa Chica to EPA estimates on percentage of commercially marketed fish, the number is pretty
staggering. The EPA says that more than 50 -- excuse me, 75 percent of our commercial fish are wetland dependent, which is a huge number.

As a coastal habitat that receives tidal flow, there are many other functions, such as natural water purification, storage, and flood control that are beneficial, not just to wildlife, but to humans as well.

So for all of these reasons, the Conservancy supports continued funding to maintain and manage this important resource. We are happy to partner with the State Lands Commission to examine and determine ways to secure long-term sustainable funds to manage the Bolsa Chica Lowlands Restoration, and the reserve as a whole.

Thank you.

ACTING CHAIRPERSON SCHMIDT: Thank you.

Final speaker, Shirley Dettloff.

MS. DETTLOFF: Good afternoon, members of the Commission. My name is Shirley Dettloff. I'm a former Mayor of the City of Huntington Beach, and also a former member of the State Coastal Commission. Today, I'm representing the Amigos de Bolsa Chica. And I want to thank the Commission for your long-standing support and help in saving the Bolsa Chica Wetlands.

Forty years ago, when the world was just beginning to realize the importance of their natural
resources, and when the word environmentalist was relatively new, a group of Huntington Beach citizens thought that it was important to save the Bolsa Chica Wetlands, the Amigos de Bolsa Chica.

The Amigos appeared before hundreds of governmental bodies starting with Orange County, Huntington Beach, Sacramento, and Congress to make sure that everyone understood the importance of saving this invaluable resource.

Having achieved the goal of saving the wetlands, we worked with the State in restoring Bolsa Chica, which meant turning once the second largest oil field in the State of California to a highly functioning and diversified wetlands.

Now, I believe it is our responsibility, as well as the State's, to make sure that we can maintain this important State resource. This will take money. And I hope you will be able, as a Commission, to be a positive influence in making sure that funding is available, so that Bolsa Chica will be here for future generations.

Your staff member gave an excellent presentation in telling you the reasons why we now need funding for Bolsa Chica. I think it's important that we have spent millions of dollars to restore wetlands up and down the State of California. And now to lose those wetlands would
be something that the State would never recover from.

And so I think the methods that were presented to you earlier by your staff member, things that are now being considered, are things that I hope the Commission will look at very carefully. One of the important ones, and one that I am very supportive of, is the fact that when agencies throughout the State, especially the State Coastal Commission, has the requirement for mitigation funds when they approve a project.

Right now, most of those funds go for establishing new wetlands or establishing new resource areas, but not much consideration has been given to being allowed to give money to maintain those resources we have already saved. And I think this is a very important consideration, and a very new thought process that must be accepted by the State of California and those agencies and I hope they will do so.

I have a long and very personal relationship with the State Lands in that I worked for almost 40 years with Jim Trout, who represented State Lands very well. We had many meetings in Orange County, in Sacramento, and in Washington D.C. And Jim Trout always represented the interests of State Lands very well.

So I hope that this relationship that we have had for many, many years can continue, and that we can make
sure that our children will be able to enjoy what we are enjoying and that we will be able to restore the additional 400 acres that is still in oil production at Bolsa Chica. But when that oil has been used up, and that -- and that we can acquire the land -- we have acquired it, but when we can restore that land, that we will be able to do so, because the funding will be available.

And I thank you.

ACTING CHAIRPERSON SCHMIDT: Thank you for your comments.

Ms. Lucchesi, what's the next order of business?

EXECUTIVE OFFICER LUCCHESI: Public comment.

ACTING CHAIRPERSON SCHMIDT: Does anybody in the public wish to speak?

Without seeing anybody. Commissioners, any comments or questions?

COMMISSIONER YEE: Can I just go back to the prior item for a moment. I wasn't sure if you were looking for anything from us on that or was it purely informational?

EXECUTIVE OFFICER LUCCHESI: No, it was -- that was an informational item just to give a status update and some history on our involvement -- this Commission's involvement in the Bolsa Chica Wetlands Restoration.
Project, and also just to identify the challenges that we are working on now to resolve.

COMMISSIONER YEE: Just a question. In any of the analyses that have been done to date, has there been a sea level rise analysis done of the project?

EXECUTIVE OFFICER LUCCHESI: Dave will answer that.

ASSISTANT EXECUTIVE OFFICER BROWN: Pam might be better. There was a sea level rise analysis that was done in the original planning. I don't know if it's been -- it maybe could use some updating, but yes, it was considered in the original construction plan.

COMMISSIONER YEE: Okay. I ask only because if there were recent analysis, that might actually be a beginning point to talk about how we might want to look at some of the challenges mid-term and long-term. Okay.

EXECUTIVE OFFICER LUCCHESI: Certainly.

We -- and, Dave, you can speak a little bit to this, in terms of our ongoing involvement in the steering committee that is focused on ensuring the proper management, especially in light of changing environmental circumstances. And so that is certainly a topic that we will make sure gets some focus.

ASSISTANT EXECUTIVE OFFICER BROWN: Yeah. We have a steering committee that's made up of -- the
regulars National Marine Fisheries, Fish and Wildlife Service, Corps of Engineers, State Lands Commission, Fish and Game, Resources Agency, and EPA are also members. And am I forgetting anybody, Pam?

ASSISTANT CHIEF COUNSEL GRIGGS: Coastal Conservancy.

ASSISTANT EXECUTIVE OFFICER BROWN: Coastal Conservancy. And we meet on a about an every-other-month basis in Bolsa Chica, and review what's going on. We have our manager from Department of Fish and Wildlife report to us, you know, the status of all the critters and everything else. We meet with the oil company on that same frequency. If they have any questions, they -- California Resources is there now. ERRA was there before. Both companies have been very responsible stewards of the wetlands. And we just make sure that the money is spent appropriately, but we've also had to deal with a lot of challenges there as well.

And we're right now the -- one of the primary objectives of the Committee is to try to find some alternative funding. You know, we've been looking for projects up and down the coast that may need mitigation credits. We have -- there have been solicitations that have been put out for the big water bond through several of the agencies, and we're going to be pursuing some of
those, but we need to find, at some point, a sustainable source of funds. It's somewhat expensive to maintain that. It's 1,200 acres, so...

ACTING CHAIRPERSON SCHMIDT: Any other questions?

With that, that concludes our meeting.

(Thereupon the California State Lands Commission meeting adjourned at 4:29 PM)
CERTIFICATE OF REPORTER

I, JAMES F. PETERS, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing California State Lands Commission meeting was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California;

That the said proceedings was taken before me, in shorthand writing, and was thereafter transcribed, under my direction, by computer-assisted transcription.

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 31st day of August, 2015.

JAMES F. PETERS, CSR
Certified Shorthand Reporter
License No. 10063