

~ MINUTES ~
CALIFORNIA STATE LANDS COMMISSION
MEETING OF APRIL 5, 2019

**COUNTY OF MADERA
MAIN GOVERNMENT CENTER
BOARD OF SUPERVISORS CHAMBER
200 WEST 4TH STREET, 1ST FLOOR
MADERA, CALIFORNIA 93637**

APPEARANCES

COMMISSIONERS PRESENT

- Eleni Kounalakis, Lieutenant Governor
- Anne Baker, Deputy Controller and Alternate for State Controller Betty T. Yee
- Karen Finn, Chief Deputy Director and Alternate for Director of the Department of Finance Keely Bosler

STAFF MEMBERS IN ATTENDANCE

- Jennifer Lucchesi, Executive Officer
- Mark Meier, Chief Counsel

REPRESENTING THE OFFICE OF THE ATTORNEY GENERAL

- Andrew Vogel, Deputy Attorney General

NOTE: The final approved Minutes also include the Agenda and corresponding staff reports (incorporated into the draft Minutes by reference) approved as presented unless otherwise indicated in the Record of Action. A list of individuals making statements before the Commission and the entities they represent, along with the Executive Officer's Report, are included in a complete transcript of the proceedings, which is on file in the Sacramento offices of the Commission and posted on the Commission's website at www.slc.ca.gov. Also included on the website is the voting record of the meeting with the staff report for each agenda item linked to the respective consent, regular or informational item number. A link to a recorded Cal-span.org webcast of the meeting is also available on the Commission's website. All of these items may be found under Previous Meetings, by date of the meeting.

**RECORD OF ACTION TAKEN BY THE
CALIFORNIA STATE LANDS COMMISSION
MEETING OF APRIL 5, 2019**

Chair Eleni Kounalakis called the meeting of the California State Lands Commission to order at 1:18 P.M. at the County of Madera Government Center, Board of Supervisors Chambers, 200 West 4th Street, 1st Floor, Madera, California 93637; also present were Commissioner Alternate Anne Baker and Commissioner Alternate Karen Finn.

Confirmation of the Minutes of the February 4, 2019 and the special meeting of March 21, 2019 were approved as presented by a vote of 3-0 (Kounalakis–Yes; Baker–Yes; Finn–Yes).

EXECUTIVE OFFICER'S REPORT

Executive Officer Jennifer Lucchesi updated the Commission on the following items:

- **Update on Oil/Gas Decommissioning Projects:**
 - Platform Holly – The platform drilling equipment required to do the plugging and abandonment of the 30 wells on Holly continues to undergo needed repairs and equipment replacement. The rig repairs are still on schedule to be completed by mid-summer, with the plugging and abandonment operations beginning shortly thereafter.
 - The PRC 421 (beachfront) wells have had considerable work done to them and have been pressure tested in preparation for their safe abandonment. There were some delays due to last minute repairs and equipment not being delivered on time.
 - Rincon Island leases – Significant progress has been made on the Rincon Island Plug and Abandonment Project. Fifteen of the 25 wells located onshore have been plugged and abandoned. In February, work started to plug the 50 wells on Rincon Island itself. And as of today, four wells have been sealed. Work continues ahead of the planned schedule and under the planned budget. Staff anticipates commencing the CEQA process later this year to analyze options for the final disposition of the Island, causeway, and associated infrastructure.

- **Budget Hearings update:**
 - On March 27th, staff testified in front of the Assembly Budget Committee No. 3 on Resources and Transportation. The Committee evaluated the Commission's Fall Budget Change Proposals for inclusion in the Budget. Two proposals, Critical Business Technology Needs and School Lands Forest Inventory, were placed on the consent-only calendar and passed without further discussion.

The Committee then discussed the Commission's request for resources for the final stages of the SIRMS project. Assemblymember Vincent Fong asked about how the Commission approached the project, either by

RECORD OF ACTION (CONT'D)

purchasing off-the-shelf software or building a custom solution. Phil Schlatter explained that the Commission had purchased several off-the-shelf solutions and had woven them together to meet its needs. Assemblymember Fong and the Committee as a whole praised the Commission for keeping the project on-schedule and under-budget.

- Yesterday, Senate Budget Subcommittee No. 2 on Resources, Environmental Protection, Energy and Transportation placed the Critical Business Technology Needs and SIRMS proposals on the vote-only calendar and requested discussion of the School Lands Forest Inventory proposal. Discussion centered around understanding the definition of School Lands under the Commission's jurisdiction and the Commission's management of those lands, then moved to a brief overview of the Commission's plans for the forested lands. The Subcommittee then voted unanimously to approve the proposal.
- **The San Diego Ocean Planning Partnership**, a pilot project between the State Lands Commission and the Port of San Diego, announced the public release of its interactive Web Mapping Application next week, on Thursday, April 11th. The Web Mapping Application is a dynamic map of the State waters offshore San Diego County. It displays a variety of datasets related to public trust uses like commerce, navigation, fisheries, recreation, and environmental stewardship. Anyone can use it to explore and learn more about this ocean space. It can also serve as a helpful tool for increased coordination and communication between ocean users and resource managers. To access the map and find more information about the Partnership, visit the website www.sdoceanplanning.org.
- **Burlingame parcel – RFP update**. The Commission was updated on 410 Airport Boulevard, a vacant parcel in Burlingame, that was the subject of a Public Trust Needs Assessment. In October of last year, the Commission authorized staff to move forward with soliciting proposals for the development of the nine-and-a-half-acre site along the bayfront in Burlingame. Since that time staff has been preparing a Request for Proposals along with supporting information to publicize the availability and appropriate use of the site informed by the Public Trust Needs Assessment. Staff is working toward fine tuning and finalizing the Request for Proposals and hopes to release next month.

RECORD OF ACTION (CONT'D)

CONSENT CALENDAR

- Consent Items C41 and C51 were removed from consideration
- Consent Item C39 was moved to the Regular Calendar
- Consent Items C01-C38, C40, C42-C50, and C52-C66 were approved as presented by a vote of 3-0 (Kounalakis–Yes; Baker–Yes; Finn–Yes)

INFORMATIONAL CALENDAR

ITEM 67: was informational – no vote required

ITEM 68: was informational – no vote required

REGULAR CALENDAR

ITEM 69: A staff presentation was made to the Commission to consider supporting AB 926 (O'Donnell) in the 2019-20 legislative session to remove the \$300 million cap on the Oil Trust Fund, resuming monthly deposits of \$2 million from Long Beach oil operation revenues until the Fund reaches a balance that will cover the State's projected abandonment liabilities.

ITEM 69 – was approved as presented by a vote of 2-0 (Kounalakis–Yes; Baker–Yes; Finn–Abstained)

ITEM 70 – was removed from the agenda.

ITEM 71: A staff presentation was made to the Commission to consider supporting AB 467 (Boerner Horvath) in the 2019-20 legislative session that would require the California State Lands Commission, the California Coastal Commission, the Department of Parks and Recreation and the Department of Fish and Wildlife to include equal prize competition as a condition of any permit or lease authorizing a competitive event on lands under their jurisdiction.

ITEM 71 – was approved as presented by a vote of 2-0 (Kounalakis–Yes; Baker–Yes; Finn–Abstained)

ITEM 72: An informational presentation was made to the Commission by the San Joaquin River Conservancy's Executive Officer on the Conservancy's efforts to develop and manage the San Joaquin River Parkway, a planned 22-mile natural and recreational area extending from Friant Dam to Highway 99.

ITEM 72 – was informational – no vote required

RECORD OF ACTION (CONT'D)

ITEM 73: An informational staff presentation was made to the Commission regarding efforts to achieve meaningful public access to the coast at Hollister Ranch in Santa Barbara County.

ITEM 73 – was informational – no vote required

ITEM C39: A presentation was made to the Commission to consider an application for a General Lease – Public Agency Use, of sovereign land located in the San Joaquin River, adjacent to Assessor's Parcel Numbers 133-060-01 and 109-020-06, near Stockton, San Joaquin County; for the construction, use and maintenance of a fixed wall, gate structure, flood wall and bank protection.

ITEM C39 – was approved as presented by a vote of by a vote of 3-0 (Kounalakis–Yes; Baker–Yes; Finn–Yes)

(The State Lands Commission adjourned into closed session from 3:21 P.M. to 4:06 P.M., then resumed open session at 4:10 P.M.)

The Commission meeting public session was adjourned at 4:10 P.M.

**STAFF AND PUBLIC ADDRESSING
THE FOLLOWING STAFF REPORTS
APRIL 5, 2019**

ITEM C39

Marlene Schroeder, Public Land Management Specialist, Land Management Division, CSLC

- Dominick Gulli, Civil Engineer
- Shelli Gulli
- Chris Rendall-Jackson, Counsel for San Joaquin Area Flood Control Agency

ITEM 69

Sheri Pemberton, Chief of External Affairs and Legislative Liaison, CSLC

ITEM 71

Sheri Pemberton, Chief of External Affairs and Legislative Liaison, CSLC

ITEM 72

John Shelton, Executive Director, San Joaquin River Conservancy

- Tom Bohigian
- Brent McCaffrey, President, Tesoro Viejo, representing River Conservancy and Tesoro Viejo
- Julia O’Kane, Board Member, San Joaquin River Parkway and Conservation Trust
- Sharon Weaver, Executive Director, San Joaquin River Parkway and Conservation Trust

ITEM 73

Joseph Porter, Senior Boundary Determination Officer, Land Management Division, CSLC

Philip Schlatter, Informational Technician Supervisor, Information Services Division, CSLC

- Alison Madden, San Francisco Marinas for All

PUBLIC COMMENT

- Alison Madden, representing self and San Francisco Bay Marinas for All
- Christopher Stone, Director, San Francisco Bay Marinas for All, representing Docketown