

STATE OF CALIFORNIA

Minutes of the Meeting of the
State Lands Commission
Sacramento, California

August 21, 1975

A regular meeting of the State Lands Commission was called to order by Chairman Kenneth Cory in Room 2170, State Capitol, Sacramento, California, at 10:03 a.m. on Thursday, August 21, 1975.

Present: Kenneth Cory, State Controller, Chairman--
left during consideration of Calendar
Item 8 and was replaced by his alternate
Carl J. D'Agostino, Chief Deputy Controller
Mervyn M. Dymally, Lieutenant Governor,
Commissioner--became Chairman during
consideration of Calendar Item 8
Roy M. Bell, Director of Finance, Commissioner

Staff Members in Attendance:

William F. Northrop, Executive Officer
Robert C. Hight, Staff Counsel
W. M. Thompson, Manager, Long Beach Operations
D. J. Everitts, Manager, Energy and Mineral
Resources Development
Leslie H. Grimes, Supervising Land Agent
Luella Kunkle, Secretary

Also in Attendance:

Representing the Office of the Attorney General

N. Gregory Taylor, Deputy Attorney General

Representing the Office of the State Controller

Keith Seegmiller, Assistant Controller

Appearances:

Re Minute Item 10 - Amendment of Lease PRC 3409; Sam Martini

Sam Martini, the applicant

M. L. Beutler, President, Bethel Island
Municipal Improvement District

Re Minute Item 14 - Request for Approval of Gas Sales
Agreement; Standard Oil Company of California and Pacific
Gas and Electric Company

E. J. Taaffe, representing Standard Oil Company
of California

T. N. Finical, Jr., representing Standard Oil
Company of California

EXECUTIVE OFFICER'S REPORT

During the Executive Officer's report, Mr. William F. Northrop reported on the following items:

1. Stratigraphic information - employment of Exploration Services, Inc. CF-155
2. Status report on the Commission's deferment of action at the July 24, 1975, meeting concerning terminating a lease with Decon Corporation WP 3376
3. Status report on the Commission's deferment of action at the July 24, 1975, meeting concerning cession of concurrent jurisdiction with the United States National Parks Service W 20902
4. Negotiations with the City of Long Beach regarding outstanding accounting problems involving several million dollars
5. Geothermal Subcommittee Expansion

Mr. Northrop requested that the present geothermal subcommittee be expanded in scope to include alternate sources of energy. The Commission, therefore, authorized that the designation of the present Geothermal Subcommittee be changed to the Subcommittee on Alternate Energy Sources

Mr. Northrop's written comments are attached as Exhibit "A" and by reference made a part hereof.

Attachment:
Exhibit "A" (2 pages)

EXHIBIT "A"

STATE LANDS COMMISSION MEETING

August 21, 1975

EXECUTIVE OFFICER'S REPORT
by

William F. Northrop

Mr. Chairman, I have a few informational items describing the staff's progress in several pending areas of concern:

1. STRATIGRAPHIC INFORMATION

The private drilling firm of Exploration Services Co., Inc., has been employed by the U. S. Geological Survey to conduct stratigraphic drilling in the Outer Continental Shelf 91 miles offshore the City of San Diego.

Based upon discussions with the Governor's Office and the Executive Officer, the firm, in a letter agreement dated August 1, 1975, has offered to disclose to the Commission, on a confidential basis, any information obtained. The Division has reviewed this agreement and is negotiating the confidential bases with the drilling firm. In the event the firm accepts the changes proposed by the Division, this matter will be brought back to you for approval next month.

2. DECON TERMINATION

Last month's agenda included an item on termination of a lease with Decon Corporation. On your instructions, this item was put over providing Decon stipulated, by July 31, 1975, not to build on the subject site. Decon has so stipulated and the proposed termination is now being reviewed by the staff and the Office of the Attorney General.

3. CESSION OF CONCURRENT JURISDICTION

At last month's Commission meeting, you considered an item which would give the National Park Service cession of concurrent jurisdiction to certain national parks.

As you will recall, this item was put over pending staff discussion with the various counties involved, as instructed by you. The staff has now scheduled such meetings with the various counties. I will report back to you next month on the outcome of these meetings.

4. LONG BEACH NEGOTIATIONS

For a number of months now we have been attempting to resolve several outstanding accounting problems relating to Long Beach oil operations. Several millions of dollars are involved. Negotiations with the City presently appear to be at an impasse. However, I will be meeting with John Mansell, the City Manager of Long Beach, on Friday of this week to get a determination of the City's position on these matters. I will also report to you on this meeting at a later date.

5. GEOHERMAL SUBCOMMITTEE EXPANSION

In our land-blocking program, the staff finds that there are areas that could adapt themselves to alternate energy sources other than geothermal. Therefore, the staff would find it helpful if the present geothermal subcommittee could be expanded to include alternate energy sources and, perhaps, be entitled "Subcommittee on Alternate Energy Sources".