

STATE OF CALIFORNIA

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

APPEARANCES

Commissioners Present:

Kenneth Cory, State Controller, Chairman
Roy Bell, Deputy Director of Finance,
Alternate for Commissioner Richard T. Silberman
Director of Finance

Staff Members in Attendance:

William F. Northrop, Executive Officer
James F. Trout, Assistant Executive Officer
R. C. Hight, Chief Counsel
D. J. Everitts, Chief, Extractive Development - State
Leases
D. K. Hayward, Deputy Chief, Extractive Development -
Long Beach Operations
L. H. Grimes, Deputy Chief, Division of Land Management
and Conservation
Diane Jones, Secretary

Representing the Office of the Attorney General:

Jan Stevens, Assistant Attorney General

Re Minute Item 21:

Jack Alderson, Chief Executive Officer, Humboldt Bay
Harbor Recreation and Conservation District
Jeremiah Scott, Atty., Humboldt Bay Harbor Recreation
and Conservation District
Thomas Paul Pratte, representing Western Surfing
Association
Douglas Galati, representing Dead Man's Defense
Committee

Re Minute Item 37:

George Rodda, representing Management Engineering, Inc.

Re Minute Item 40:

Kenneth Williams, representing Petro-Lewis

MINUTES OF THE STATE LANDS COMMISSION

MEETING OF
JUNE 5, 1979

The regular meeting of the State Lands Commission was called to order by Chairman Kenneth Cory at 10:03 a.m. in Room 102, 1020 N Street, Sacramento, CA 95814. Also present was Commission-Alternate Roy M. Bell, Deputy Director of Finance, representing Richard T. Silberman, Director of Finance.

The minutes of the meeting on April 26, 1979 were approved as presented.

EXECUTIVE OFFICER'S REPORT:

Mr. William F. Northrop's written reports are attached as Exhibit "A".

Mr. James F. Trout, Assistant Executive Officer, requested the guidance of the Commission as to whether or not the staff should be charging processing fees to public agencies. It is the staff's feeling these charges are justified because it costs the Commission staff time and effort for which the Commission receives no revenue, but the affected public agencies do not agree. The staff's main concern in not charging these fees is that it could be interpreted as the Commission subsidizing activities done primarily for the benefit of these agencies, and not the public as a whole.

The Commission agreed with the staff's position whereby Mr. Trout indicated the staff would return with a calendar item for the Commission's approval setting forth the procedure to be used. Mr. Trout's written report is attached as Exhibit "B".

Attachments: Exhibits "A" and "B".

CALENDAR PAGE

MINUTE PAGE

785

EXHIBIT "A"

EXECUTIVE OFFICER'S REPORT

By

WILLIAM E. NORTHROP
JUNE 5, 1979

GOVERNOR'S SAFETY AND REHABILITATION PROGRAM (PERS)

THE COMMISSION'S STAFF RECEIVED TWO SAFETY AWARDS FROM THE GOVERNOR'S SAFETY AND REHABILITATION PROGRAM. THE FIRST AWARD WAS A PLAQUE SIGNIFYING A ZERO FREQUENCY RATE FOR DISABLING INJURIES DURING THE 1978 CALENDAR YEAR. THIS AWARD WAS GIVEN TO ONLY NINE OTHER DEPARTMENTS IN THE STATE. THE COMMISSION ALSO RECEIVED A TROPHY FOR RANKING SECOND IN THE FREQUENCY OF INJURY CATEGORY FOR DEPARTMENTS WITH LESS THAN 500,000 EMPLOYEE HOURS ANNUALLY. THE STAFF WAS HONORED TO RECEIVE THESE AWARDS ON BEHALF OF THE COMMISSION AND WILL TRY TO MAINTAIN THE EXCELLENT RECORD ACHIEVED DURING THE PAST YEAR.

CHARGES TO PUBLIC AGENCIES (W 5125.4)

THERE ARE ON TODAY'S CALENDAR FIVE ITEMS INVOLVING VARIOUS PUBLIC AGENCIES. THIS IS NOT TYPICAL -- THERE USUALLY ARE MANY MORE SUCH ITEMS. PUBLIC AGENCY PERMITS CAN BE STATE PROJECTS INVOLVING BOTH GENERAL FUND APPROPRIATIONS AND SPECIAL FUNDS. LOCAL AGENCY PROJECTS CONSIDERED OFTEN RANGE FROM THOSE HAVING BROAD BASED USER GROUPS TO ONES WITH NEARLY EXCLUSIVE BENEFIT SERVING A DISCRETE SEGMENT OF THE PUBLIC.

MOST OF THESE AGENCIES FEEL THAT ALL FILING FEES, PROCESSING COSTS AND RENTAL PAYMENTS SHOULD BE WAIVED. WAIVER OF

RENTAL IS NOT ALLOWABLE FOR USE OF SCHOOL LANDS. FOR SOVEREIGN LANDS, HOWEVER, THE COMMISSION HAS CONSIDERABLE DISCRETION. FILING FEES ARE REQUIRED FOR EACH APPLICATION BY SECTIONS 6221 AND 6502 OF THE PUBLIC RESOURCES CODE. BY REGULATION THE COMMISSION HAS ESTABLISHED \$25 AS THE FILING FEE. UNDER CONDITIONS OF SIGNIFICANT PUBLIC BENEFIT, STAFF HAS OFTEN RECOMMENDED WAIVER OF THESE FILING FEES FOR PUBLIC AGENCIES.

PROCESSING COSTS, COMMONLY CALLED EXPENSE DEPOSITS, ARE COLLECTED TO RECOVER THE COSTS FOR PROCESSING PROJECTS WHERE NO RENTAL WILL BE PRODUCED. AUTHORITY TO CHARGE FOR PROCESSING IS IN SECTION 6218 OF THE PUBLIC RESOURCES CODE. MOST PUBLIC PROJECTS FALL INTO THE RENT-FREE CATEGORY. AGAIN, NEARLY ALL PUBLIC AGENCIES OBJECT TO PAYING FOR THIS PROCESSING. IN MOST CASES WHERE THE BENEFIT IS OF A LIMITED NATURE -- FOR EXAMPLE, A LOCAL SEWER DISTRICT OUTFALL -- STAFF ATTEMPTS TO COLLECT THE PROCESSING COSTS. USUALLY THIS REQUIRES A MAJOR INVESTMENT OF TIME GIVEN THE GENERAL RELUCTANCE OF PUBLIC AGENCIES TO PAY.

RENTAL FEES ARE GENERALLY NOT ASSESSED PUBLIC AGENCIES WHERE A STATEWIDE PUBLIC BENEFIT EXISTS. IT IS A RARE OCCASION WHEN ANY PUBLIC AGENCY WILL AGREE THAT THEY ARE NOT PROVIDING SOME STATEWIDE BENEFIT. CONSISTENT TREATMENT IS JUSTIFIED FOR PUBLIC AGENCIES UNDER SIMILAR CIRCUMSTANCES. NOT CHARGING APPROPRIATE FEES RESULTS IN AN APPARENT GENERAL FUND SUBSIDY OF SPECIAL FUND STATE AGENCIES AND TO LOCAL GOVERNMENTS HAVING LIMITED SCOPE OF PUBLIC SERVICE.

STAFF PROPOSES THAT FILING FEES BE COLLECTED FROM ALL PUBLIC AGENCIES AND THAT PROCESSING COSTS BE ASSESSED SPECIAL

FUND STATE AGENCIES AND LIMITED-USE LOCAL AGENCIES. RENTAL FEES ALSO WOULD BE CHARGED LOCAL AGENCIES PROVIDING ONLY LIMITED PUBLIC BENEFIT AND FOR THOSE LOCAL PROJECTS WHICH PRODUCE REVENUE IN EXCESS OF OPERATING COSTS. IF THIS POLICY IS ACCEPTABLE TO THE COMMISSION, STAFF WILL IMPLEMENT IT INCLUDING ANY REVISIONS NECESSARY TO THE ADMINISTRATIVE CODE. A FORMAL CALENDAR ITEM TO DO THIS WOULD BE INCLUDED FOR A SUBSEQUENT MEETING.

GEOHERMAL REGULATORY HEARINGS (W 6325.5)

PUBLIC HEARINGS ON PROPOSED AMENDMENTS TO ARTICLE 4.1 OF THE ADMINISTRATIVE CODE RELATING TO EXPLORATION FOR AND DEVELOPMENT OF GEOHERMAL RESOURCES FROM STATE-OWNED LANDS WERE HELD MAY 16 IN SACRAMENTO AND MAY 17 IN LAKEPORT, LAKE COUNTY. THERE WERE RELATIVELY FEW COMMENTS TO THE PROPOSED REGULATORY CHANGES AND MOST OF THOSE CENTERED ON CLARIFICATION OF THE NEW PROCEDURES CONTAINED IN THE LEGISLATION. AS A RESULT OF THOSE HEARINGS AND COMMENTS, STAFF IS NOW MAKING SOME CLARIFYING MODIFICATIONS, AND WE HOPE TO HAVE THE FINAL REGULATIONS BEFORE YOU FOR ADOPTION AT THE MEETING SCHEDULED FOR JUNE 27.

EXHIBIT "B"

STAFF REPORT ON THE

STATE COASTAL COMMISSION
JUNE 5, 1979

TODAY, THE STATE COASTAL COMMISSION IS EXPECTED TO (W 9601)
APPROVE A TWO-YEAR \$75,000 CONTRACT TO THE STATE LANDS COMMISSION,
FOR THE PURPOSE OF CONDUCTING PUBLIC TRUST DETERMINATION WORK
IN COASTAL AREAS, WHERE THEY WOULD ASSIST IN THE PREPARATION OF
LOCAL COASTAL PROGRAMS. THIS CONTRACT IS EXPECTED TO FUND TWO
PROFESSIONAL POSITIONS IN OUR OFFICES, AND IS FASHIONED AFTER OUR
CONTRACT WITH THE U. S. FISH AND WILDLIFE SERVICE.

ALSO TODAY THE COMMISSION WILL BE CONSIDERING AND
POSSIBLY VOTING ON THE PROPOSED SAN FRANCISCO WASTEWATER SYSTEM.
THE PROPOSED SYSTEM WILL REPLACE OUTMODED FACILITIES IN THE
CITY AND COUNTY OF SAN FRANCISCO AND IS DESIGNED TO MEET
CURRENT WASTEWATER DISCHARGE STANDARDS.

PORTIONS OF THE SYSTEM INVOLVING STATE LANDS INCLUDE AN
OCEAN OUTFALL AND THE DEPOSITION OF SAND DREDGED FROM THE TRUNKLINE
ALIGNMENT ALONG THE GREAT HIGHWAY ONTO THE BEACH. IN ADDITION,
FUTURE REVETMENT TO PROTECT THE GREAT HIGHWAY OR THE WESTSIDE
TRANSPORT FACILITY (TRUNKLINE) MAY ALSO REQUIRE STATE LANDS
COMMISSION APPROVAL. ALTHOUGH THE CONSTRUCTION OF THE OVERALL
SYSTEM IS EMBROILED IN SUBSTANTIAL LOCAL CONTROVERSY, THIS
CONTROVERSY DOES NOT INVOLVE THE PROPOSED ACTIVITIES ON STATE LANDS
AT THIS TIME.

STAFF EXPECTS THAT SAN FRANCISCO'S APPLICATION FOR A (W 21056)
66-YEAR GENERAL PERMIT FOR THE SYSTEM'S OCEAN OUTFALL WILL BE
CALENDARED FOR YOUR CONSIDERATION AT YOUR NEXT MEETING.

CALENDAR PAGE

MINUTE PAGE

793

RECORD OF ACTION TAKEN BY THE
STATE LANDS COMMISSION
AT ITS MEETING OF JUNE 5, 1979

During the meeting, the recommendations of the staff relative to Calendar Items C1, C2, C3, C4, C5, C6, C7, C8, C9, C10, C11, C12, C13, C14, C15, C16, C17, C18, C19, C20, 22, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 38, 39, 41 and 42 were adopted as resolutions of the Commission by unanimous vote.

Commission action on Calendar Items 24, 37 and 40 is set forth on pages 899, 942 and 952.

Commission action on Calendar Item 21 was deferred.

CALENDAR PAGE	_____
MINUTE PAGE	794