

STATE OF CALIFORNIA

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

APPEARANCES

Commissioners Present:

David Ackerman, Commission-Alternate for Mike Curb,
Lieutenant Governor
Susanne Morgan, Commission-Alternate for Mary Ann
Graves, Director of Finance
Carl D'Agostino, Commission-Alternate for Kenneth
Cory, State Controller

Staff Members in Attendance

William F. Northrop, Executive Officer
James F. Trout, Assistant Executive Officer
R. C. Hight, Chief Counsel
D. J. Everitts, Chief, Division of Energy and
Mineral Resources Development
W. M. Thompson, Chief, Division of Long Beach
Operations
D. E. Sande , Chief, Planning and Environmental
Coordination
A. D. Willard, Supervisor Mineral Resources Engineer
Rick O. Ludlow, Staff Counsel I

Representing the Office of the Attorney General

N. Gregory Taylor, Assistant Attorney General
Jan Stevens, Assistant Attorney General
Nancy Saggese, Deputy Attorney General

Re Minute Item 18:

Harold McCabe, Applicant

Re Minute Item 23:

Peter Angelillo, representing SRA/EIP
Dr. Pierre St. Amand, representing the Naval
Weapons Station
Bruce Ruebler, representing the Los Angeles
Department of Water and Power
Larry Mathews, representing the United States
Navy
Charles Fryxell, Air Pollution Control District
Great Basin Air Pollution Control District

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MINUTES OF THE STATE LANDS COMMISSION
MEETING OF

MAY 28. 1981

The regular meeting of the State Lands Commission was called to order by Acting Chairman Carl T. D'Agostino, representing Chairman Kenneth Cory at 10:05 a.m. in Room 2170, State Capitol.

Also present were David Ackerman, Commission-Alternate for Mike Curb, Lieutenant Governor and Susanne Morgan, Commission-Alternate for Mary Ann Graves, Director of Finance.

Note: Mr. D'Agostino did not vote.

The minutes of the meeting of April 29, 1981 were approved as presented.

EXECUTIVE OFFICER'S REPORT:

Mr. William F. Northrop's written report is attached as Exhibit "A".

STAFF REPORT:

Mr. R. S. Golden's written report is attached as Exhibit "B".

Attachments: Exhibits "A" and "B".

EXHIBIT "A"

EXECUTIVE OFFICER'S REPORT

BY

WILLIAM F. NORTHROP

MAY 28, 1981

LETTER OF PERMISSION/PACIFIC GAS AND ELECTRIC COMPANY

SD 81-5-14
PRC 6012

PACIFIC GAS AND ELECTRIC COMPANY HAS REQUESTED PERMISSION FROM THE COMMISSION TO INSTALL A 12 KV POWERLINE ACROSS THE OLD BED OF THE SACRAMENTO RIVER IN BUTTE COUNTY TO SERVE AN IRRIGATION PUMP ON AN ISLAND OWNED AND FARMED BY MR. JAI CHAND. THE POWERLINE IS NEEDED IMMEDIATELY IN ORDER TO AVOID A POTENTIAL CROP LOSS IN THIS LOCATION, AND PACIFIC GAS AND ELECTRIC REQUESTS A LETTER OF PERMISSION IN ORDER TO INSTALL THIS POWERLINE. THE COMPANY HAS APPLIED FOR A STANDARD RIGHT-OF-WAY LEASE FOR THIS FACILITY. STAFF REQUESTS THE COMMISSION'S AUTHORIZATION TO ISSUE A LETTER OF PERMISSION FOR THE INSTALLATION OF THIS POWERLINE PENDING THE NORMAL PROCESSING OF THE APPLICATION BY PACIFIC GAS AND ELECTRIC COMPANY FOR A FORMAL LEASE.

THEY HAVE ALSO APPLIED TO THE UNITED STATES ARMY CORPS OF ENGINEERS AND THE STATE RECLAMATION BOARD FOR PERMITS. STAFF ASSURES ME THAT THE DEPARTMENT OF FISH AND GAME AND BUTTE COUNTY HAVE NO CONCERNS.

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WESTERN STATES LAND COMMISSIONERS ASSOCIATION

W 1093

ON MAY 6-8 THE LEGISLATIVE COMMITTEE OF THE WESTERN STATES LAND COMMISSIONERS ASSOCIATION MET WITH SECRETARY OF INTERIOR JAMES WATT, BLM DIRECTOR BOB BURFORD AND VARIOUS CONGRESSIONAL REPRESENTATIVES. SOME OF THE ISSUES DISCUSSED INCLUDED ROYALTY ACCOUNTING FOR FLPMA, THE WINDFALL PROFITS TAX, BONUS BID AND 1/8 ROYALTY AND IN LIEU SELECTIONS. WITH REGARD TO IN LIEU SELECTIONS, HE FELT THAT THE EQUAL MINERAL VALUE PROBLEM COULD BE OVERCOME BY THE FEDS RETAINING A 50% ROYALTY ON EXCHANGE LANDS AND THE STATES RETAINING A 50% INTEREST IN LANDS TENDERED FOR EXCHANGE.

DIRECTOR BURFORD INDICATED HE FIRMLY BELIEVES IN THE BLOCK-UP CONCEPT OF BOTH FEDERAL AND STATE LANDS. HE WAS ALSO ANXIOUS TO SEE US PROCEED WITH THE MOU IN EXCHANGES. REGARDING MINERAL EXCHANGES THAT WERE IN QUESTION FOR EQUAL VALUE, HE PROPOSED THAT WE KEEP 50% OF MINERALS ON LAND SURRENDERED AND THE FEDS KEEP 50% OF MINERALS ON LANDS THAT THE STATES RECEIVED.

OVERALL, IT WAS THE CONSENSUS OF THE DELEGATION THAT THE MEETINGS WERE VERY POSITIVE.

WINDFALL PROFITS TAX

W 9603

IN ADDITION TO THE ABOVE, I MET TUESDAY WITH STAFF OF THE CALIFORNIA CONGRESSIONAL DELEGATION ON THE WINDFALL PROFITS TAX LEGISLATION STRATEGY. THE STAFF FELT THE OPPORTUNE TIME TO PRESS FOR THE RESOLUTION OF THIS ISSUE WOULD BE AS SOON AS THE BUDGET

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AND TAX CUT PROBLEMS HAVE BEEN RESOLVED AND THE CONGRESS CAN DIRECT ITS EFFORTS TO THIS SUBJECT.

LONG BEACH NOTICE OF PROBABLE VIOLATION

IB ADMIN.

DISCUSSIONS WERE ALSO HELD WITH THE DEPARTMENT OF ENERGY AND OUR WASHINGTON COUNSEL ON THE NOTICE OF PROBABLE VIOLATION ON PROPERTY DEFINITIONS FOR THE LONG BEACH UNIT. I WAS ADVISED THAT THIS MATTER IS NOW UNDER STUDY BY THE DECISION-MAKING AUTHORITY AND RESOLUTION SHOULD BE FORTHCOMING.

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EXHIBIT "B"

STAFF REPORT ON STATE COASTAL ZONE MATTERS

THERE ARE SEVERAL ITEMS OF INTEREST TO REPORT.

STATE COASTAL COMMISSION

W 9601

THE COMMISSION APPROVED THE JOINT RISK MANAGEMENT PLANS FOR THE PORTS OF LOS ANGELES AND LONG BEACH ON MAY 19. THE DEVELOPMENT OF THE RISK MANAGEMENT PLANS FOR HAZARDOUS SUBSTANCES WAS UNDERTAKEN IN RESPONSE TO THE DEVELOPMENT OF THE PORT MASTER PLANS UNDER THE COASTAL ACT. THIS COOPERATIVE PLANNING UNDERTAKEN BY THESE COMPETING PORTS WAS A MILESTONE AND SHOULD PROVIDE GREATER SAFETY TO ADJACENT HOMEOWNERS, PORT WORKERS AND THE ENVIRONMENT.

SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION

W 5762

THE BAY COMMISSION REVIEWED AND DISCUSSED OUR LAND BANK BILL (AB 1418) AND WITH SOME MINIMAL AMENDMENTS HAVE APPROVED A SUPPORT POSITION BY A VOTE OF 16-3.

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RECORD OF ACTION TAKEN BY THE
STATE LANDS COMMISSION
AT ITS MEETING OF MAY 28, 1981

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, 19, 20, 21, 22, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46 were adopted as resolutions of the Commission by unanimous vote.

Commission action on Calendar Items 23 and 36 are set forth on pages 1105, 1193.

Calendar Items 17 and 24 were withdrawn from the agenda prior to the meeting.

Commission on Calendar Item 18 was deferred.

Status of Major Litigation is set forth on page 1125.

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