

MINUTE ITEM

This Calendar Item No. C10 was approved as Minute Item No. 10 by the State Lands Commission by a vote of 2 to 0 at its 12/20/84 meeting.

MINUTE ITEM

10

12/20/84
W 23412
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SALVAGE PERMIT

Calendar Item C10 was moved to the regular calendar. During consideration of Calendar Item 10 attached, Dwight Sanders, Chief of Research and Planning, indicated the receipt of several letters expressing concern and opposition to the proposed adoption of a Negative Declaration.

Staff would respond in writing to the concerns raised in the various letters received by the Commission.

Mr. Sanders stated that the Negative Declaration had been circulated to the State Office of Historic Preservation and the State Archaeologist without adverse comments or concerns from either agency. Nonetheless, specific changes were made in the permit to ensure the involvement of such agencies prior to and during the project and to ensure the protection of any historic resources found.

Mr. Sanders therefore stated that it was staff's belief that the letter and spirit of the California Environmental Quality Act and the State Antiquities Legislation had been satisfied and a Negative Declaration was the appropriate environmental document.

There being no further discussion and, upon motion duly made and carried, the resolution in Calendar Item 10 was approved as presented by a vote of two to zero.

Attachment: Calendar Item 10

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CALENDAR ITEM

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SALVAGE PERMIT

APPLICANT: Spacecraft Engineering Co., Inc.
2320 Washington Boulevard
Venice, California 90291
Attn: Mr. Dale Newman, President

AREA, TYPE LAND AND LOCATION: 37.6 acres, exposed lake bed, Owens Lake,
vicinity of Swansea, Inyo County.

LAND USE: Salvage of silver and artifacts from a sunken
vessel, or vessels, at Owens Lake.

TERMS OF PROPOSED PERMIT:

Initial period: One year beginning January 1,
1985.

Public liability insurance: Combined single
limit coverage of \$300,000.

CONSIDERATION: \$940 land rent, and 25 percent of the net
salvage value of \$25,000 or less, and 50
percent of the net value in excess of \$25,000.
Said sum shall be due on the first of the month
following the sale and bear interest at the
rate of 12 percent per annum, if not paid
within 15 days of the due date.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:
Filing fee and processing costs have been
received.

CALENDAR ITEM NO. C10 (CONT'D)

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
- B. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6.

AB 884: 01/13/85.

OTHER PERTINENT INFORMATION:

I. Project Description

This project involves the potential salvage of a vessel known to be carrying precious bullion which is believed to have sunk between 1863 and 1865.

The salvage operations will include the conduct of various seismic testing procedures, using various sophisticated measurement devices and equipment. Such tests will not involve any use of explosives.

Based on the results of the tests, three core holes, each 12 feet or less in diameter, will be excavated. The holes will be dug to a depth of 40 to 50 feet, but may extend to a depth of 90 feet, and will have casings installed.

The holes will be excavated by initially dozing the surrounding site to a depth of approximately 10 feet and further to the proposed depth by use of mechanical shovel.

The project site will be backfilled and restored upon completion of this operation. The site is exposed, dry sovereign land, originally the water-covered lake bed of Owens Lake. It was made dry when the lake's feeder streams were diverted for water supplies to southern California.

II. Disposition of Recovered Materials

All items removed from the site will be inspected and appraised by competent appraisers. From all that is sold on the open market, or kept by the Permittee, the State

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CALENDAR ITEM NO. C.1.0 (CONT'D)

will be compensated according to the terms of the Salvage Permit. For any items retained by the State, the Permittee will be credited against percentage rentals otherwise due the State.

III Environmental Data

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15025), the staff has prepared a Proposed Negative Declaration identified as EIR ND, State Clearinghouse No. 84072307. Such Proposed Negative Declaration was prepared and circulated for public review pursuant to the provisions of CEQA.

Based upon the Initial Study, the Proposed Negative Declaration, and the comments received in response thereto, there is no substantial evidence that the project will have a significant effect on the environment. (14 Cal. Adm. Code 15074(b))

IV This activity involves lands which have NOT been identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. However, the Commission has declared that all tide and submerged lands are "significant" by nature of their public ownership (as opposed to "environmental significant"). Since such declaration of significance is not based upon the requirements and criteria of P.R.C. 6370, et seq., use classifications for such lands have not been designated. Therefore, the finding of the project's consistency with the use classification as required by 2 Cal. Adm. Code 2954 is not applicable.

APPROVALS OBTAINED:
None.

FURTHER APPROVALS REQUIRED:
None.

CALENDAR ITEM NO. C-10 (CONT'D)

EXHIBITS: A. Land Description.
 B. Location Map.
 C. Negative Declaration.

IT IS RECOMMENDED THAT THE COMMISSION:

1. CERTIFY THAT A NEGATIVE DECLARATION, EIR NO 370, STATE CLEARINGHOUSE NO. 84072307, WAS PREPARED FOR THIS PROJECT PURSUANT TO THE PROVISIONS OF THE CEQA AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
2. DETERMINE THAT THE PROJECT, AS APPROVED, WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
3. AUTHORIZE ISSUANCE TO SPACECRAFT ENGINEERING CO., INC. OF A ONE-YEAR SALVAGE PERMIT BEGINNING JANUARY 1, 1985; IN CONSIDERATION OF \$940 LAND RENT, AND 25 PERCENT OF THE NET SALVAGE VALUE OF \$25,000 OR LESS, AND 50 PERCENT OF THE NET SALVAGE VALUE IN EXCESS OF \$25,000; SAID SUM TO BE DUE ON THE FIRST OF THE MONTH FOLLOWING THE SALE AND BEAR INTEREST AT THE RATE OF 12 PERCENT PER ANNUM, IF NOT PAID WITHIN 15 DAYS OF THE DUE DATE; PROVISION OF PUBLIC LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF \$200,000; FOR THE SALVAGE OF PRECIOUS BULLION AND ARTIFACTS OF HISTORICAL AND ARCHEOLOGICAL VALUE ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

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EXHIBIT "A"

LAND DESCRIPTION

W 23412

A parcel of land in the bed of Owens Lake in Inyo County, California described as follows:

The North 1000 feet of the South 2000 feet of the East 2000 feet of projected Section 26, T16S, R37E, MDM.

Excepting that portion of land lying within Lake Land Location 304.

END OF DESCRIPTION

PREPARED JULY 11, 1984 BY BOUNDARY AND TITLE UNIT.

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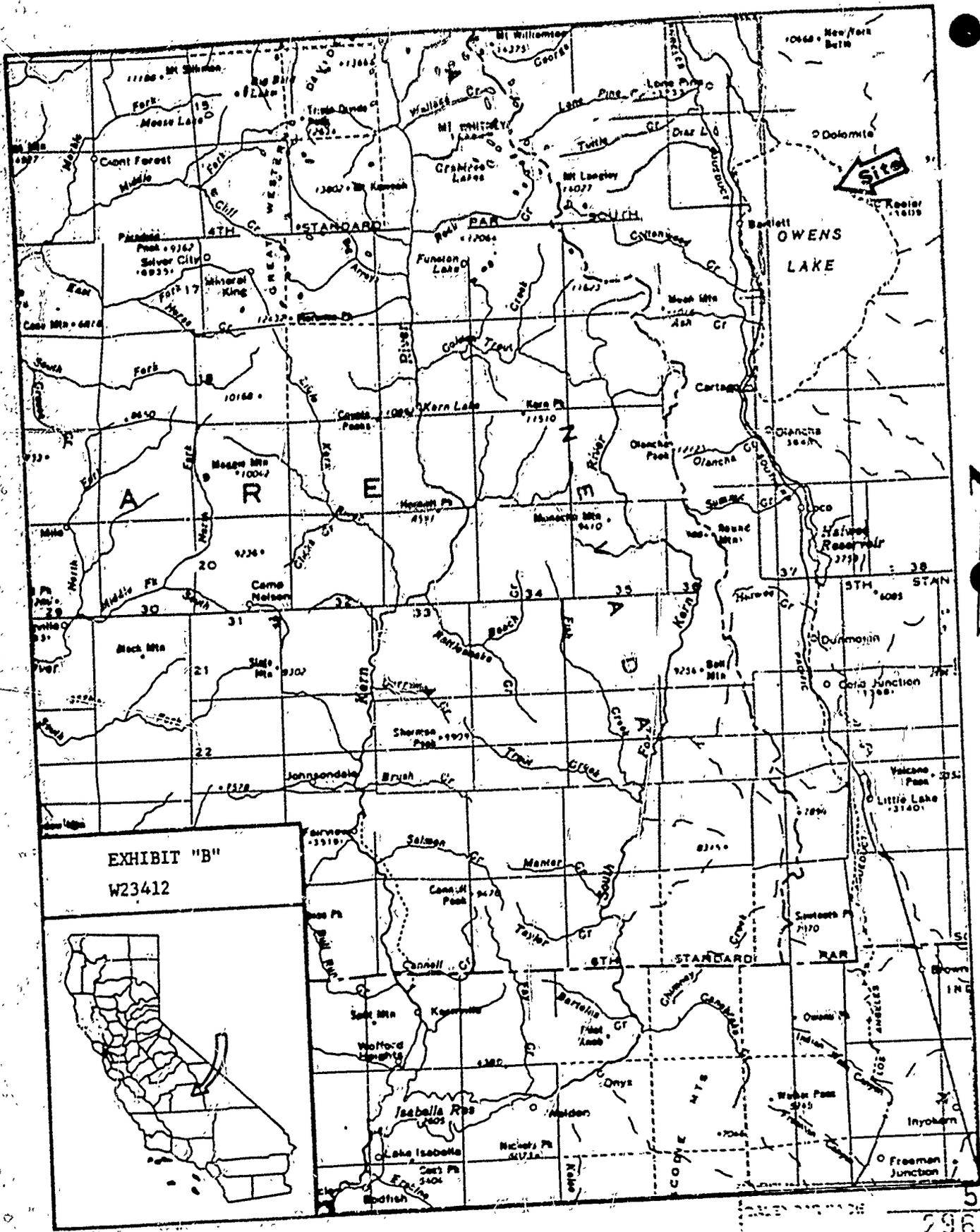


EXHIBIT "B"
W23412



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PROPOSED NEGATIVE DECLARATION

EIR ND 370

File Ref.: W 23412

SCH#: 84072307

Project Title: Salvage Operation - Owens Lake

Project Proponent: Spacecraft Engineering Company, Inc.

Project Location: In the bed of Owens Lake in Projected Section 26, T. 16 S., R. 37 E.,
M.D.M., approximately 3 miles northwesterly of the Town of Keeler,
Inyo County.

Project Description: Salvage of a 1863-1865 sinking of a vessel believed to have
been carrying precious bullion.

Contact Person: Ted T. Fukushima

Telephone: (916) 322-7813

This document is prepared pursuant to the requirements of the California
Environmental Quality Act (Section 21000 et seq., Public Resources Code),
the State CEQA Guidelines (Section 15000 et seq., Title 14, California
Administrative Code), and the State Lands Commission regulations (Section
2901 et seq., Title 2, California Administrative Code).

Based upon the attached Initial Study, it has been found that:

the project will not have a significant effect on the environment.

mitigation measures included in the project will avoid potentially
significant effects.

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DATE	2/26/83

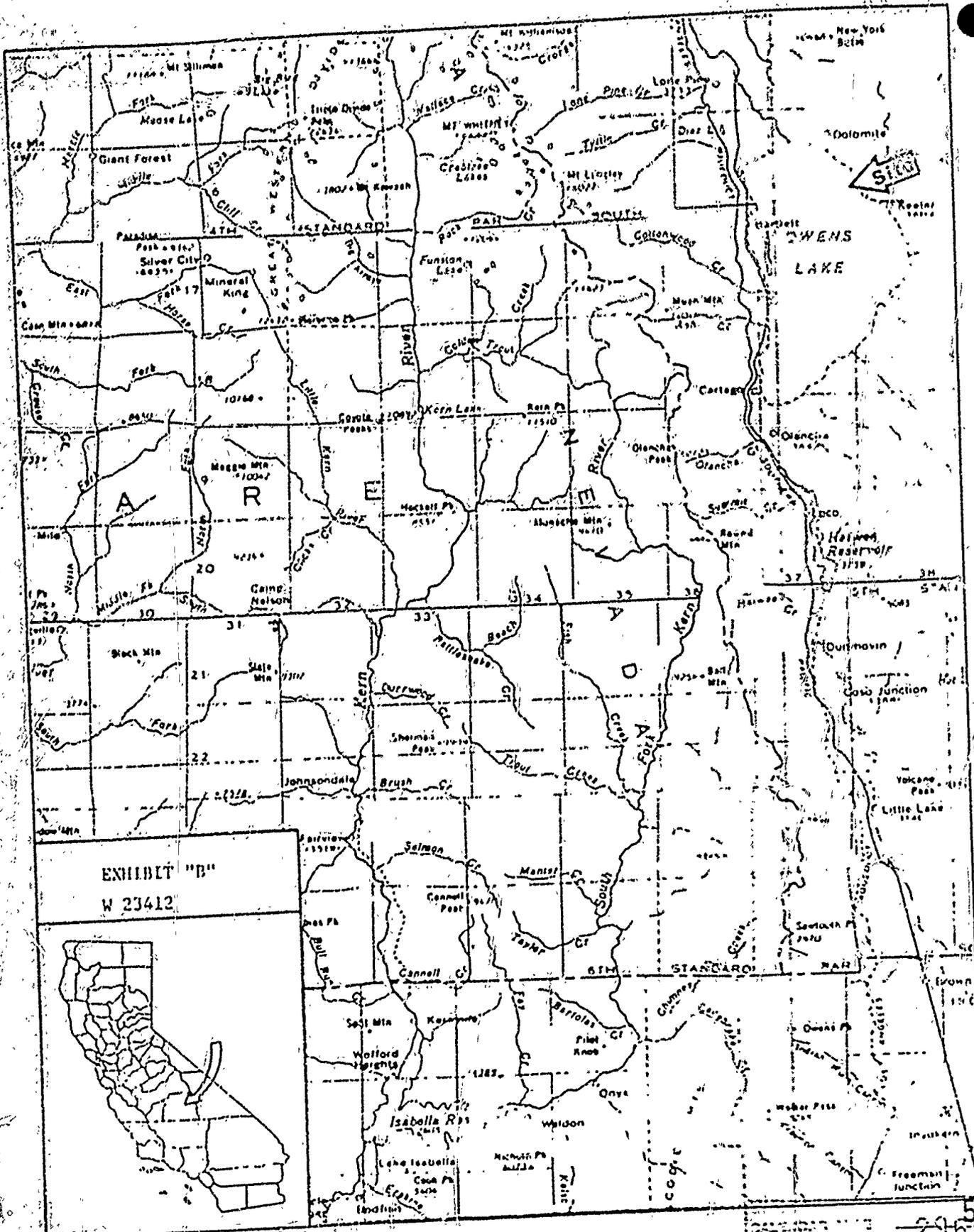


EXHIBIT "B"
W 23412



File: W 23412

PROJECT DESCRIPTION

This project involves the potential salvage of a vessel known to be carrying precious bullion which is believed to have sunk between 1863 and 1865.

The salvage operations will include the conduct of various seismic testing procedures using various sophisticated measurement devices and equipment. (Such tests will not involve any use of explosives.)

Based on the results of such tests, three core holes, each 12 feet or less in diameter, will be excavated. The holes will be dug to a depth of 40 to 50 feet, but may extend to a depth of 90 feet, and will have casings installed.

The holes will be excavated by initially dozing the surrounding site to a depth of approximately 10 feet and further to the proposed depth by use of mechanical shovel.

The project site will be backfilled and restored upon completion of this operation.

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ENVIRONMENTAL IMPACT ASSESSMENT FORM - Part I
(To be completed by applicant)
FORM 09.3(11/87)

A. GENERAL INFORMATION

1. Name, address, and telephone number:

a. Applicant
Spacecraft Engineering Co., Inc.
2320 Washington Blvd.
Venice, California 90291
(213) 822-4095

b. Contact person if other than applicant:

Dale Newman
Mike Harrell

(213) 822-4095

2. a. Project location: (Please reference to nearest town or community and include county)

Owens Lake Bed of the New York/Butte & Keller
Quadrangle Map between coordinates 117° 56' 25 Sec and 117° 54' 47
and 36° 30' 55" and 36° 29' 25"

b. Assessor's parcel number: Sections 27, 26, 34, 35 (T16S, R37E, MDM)

3. Existing zoning of project site: None OS-40 (Open Space - 40 acre minimum lot size)

4. Existing land use of project site: None

5. Future use of site: Salvage operation - See attached

6. Other permits required: Unknown

B. PROJECT DESCRIPTION

1. For building construction projects, complete "ATTACHED NFA".

*2. For non-building construction projects: Describe fully, the proposed activity, its purpose and intended use, etc. For mineral prospecting permits, include the number of test holes, size of holes, amount of material to be removed, surface area of disturbance, hole locations, depth of holes, etc. Attach plans or other drawings if necessary.
(See attached)

C. ENVIRONMENTAL SETTING

1. Describe the project site as it exists before the project, including information on topography, soil stability, plants and animals, and any cultural, historical, or scenic aspects. Describe any existing structures on the site, and the use of the structures.
2. Describe the surrounding properties, including information on plants and animals and any cultural, historical, or scenic aspects. Indicate the type of land use (residential, commercial, etc.), intensity of land use (one-family, apartment houses, shops, department stores, etc.), and scale of development (height, frontage, set-back, rear yard, etc.).

D. ENVIRONMENTAL IMPACT ASSESSMENT

Answer the following questions by placing a check in the appropriate box. Discuss all items checked "yes" or "maybe". (Attach additional sheets as necessary)

Will the project involve:

YES MAYBE NO

- | | | | |
|--|--------------------------|--------------------------|-------------------------------------|
| 1. a change in existing features of any bays, tidelands, beaches, lakes, or hills, or substantial alteration of ground contours? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. a change in scenic views or vistas from existing residential areas or public lands or roads? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 3. a change in pattern, scale, or character of the general area of project? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4. a significant effect on plant or animal life? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5. significant amounts of solid waste or litter? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 6. a change in dust, ash, smoke, fumes, or odors in the vicinity? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 7. a change in ocean, bay, lake, stream, or ground water quality or quantity, or alteration of existing drainage patterns? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 8. a change in existing noise or vibration levels in the vicinity? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 9. construction on filled land or on slope of 10 percent or more? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 10. use or disposal of potentially hazardous materials, such as toxic or radioactive substances, flammables, or explosives? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 11. a change in demand for municipal services (police, fire, water, sewage, etc.)? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 12. an increase in fossil fuel consumption (electricity, oil, natural gas, etc.)? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 13. a larger project or a series of projects? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

E. CERTIFICATION

I hereby certify that the statements furnished above and in the attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief.

Date: May 7, 1984

Signature: Dale Newman

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ENVIRONMENTAL IMPACT ASSESSMENT CHECKLIST - PART II

File Ref.: W 23412

Form 13.20 (7/82)

BACKGROUND INFORMATION

A. Applicant: Spacecraft Engineering Co., Inc.
2320 Washington Blvd.
Venice, CA 90291

B. Checklist Date: 7 / 20 / 84

C. Contact Person: Ted T. Fukushima
Telephone: (916) 322-7313

D. Purpose: To locate and recover precious bullion from a vessel which sank around 1863 to 1865.

E. Location: In the bed of Owens Lake within the projected Section 26, T.16 S., R.37 E., H.D.M., approximately 3 miles northwesterly of the Town of Keeler, Inyo County.

F. Description: This project involves the salvage of the 1863 - 1865 sinking of a vessel known to be carrying precious bullion. (see attachment for detailed description)

G. Persons Contacted: see ATTACHMENT "A"

II. ENVIRONMENTAL IMPACTS. (Explain all "yes" and "maybe" answers)

- | | Yes | Maybe | No |
|--|-----|-------|----|
| A. <i>Land.</i> Will the proposal result in: | | | |
| 1. Unstable earth conditions or changes in geologic substructures? | | | x |
| 2. Disruptions, displacements, compaction, or overcovering of the soil? | | | x |
| 3. Change in topography or ground surface relief features? | | | x |
| 4. The destruction, covering, or modification of any unique geologic or physical features? | | | x |
| 5. Any increase in wind or water erosion of soils, either on or off the site? | | | x |
| 6. Changes in deposition or erosion of beach sands, or changes in siltation, deposition or erosion which may modify the channel of a river or stream or the bed of the ocean or any bay, inlet, or lake? | | | x |
| 7. Exposure of all people or property to geologic hazards such as earthquakes, landslides, mudflows, or future of similar hazards? | | | x |

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	Yes	Maybe	No
B Air Will the proposal result in:			
1. Substantial air emissions or deterioration of ambient air quality?			X
2. The creation of objectionable odors?			X
3. Alteration of air movement, moisture or temperature, or any change in climate, either locally or regionally?			X
C Water Will the proposal result in:			
1. Changes in the currents, or the course or direction of water movements, in either marine or fresh waters?			X
2. Changes in absorption rates, drainage patterns, or the rate and amount of surface water runoff?			X
3. Alterations to the course or flow of flood waters?			X
4. Change in the amount of surface water in any water body?			X
5. Discharge into surface waters, or in any alteration of surface water quality, including but not limited to temperature, dissolved oxygen or turbidity?			X
6. Alteration of the direction or rate of flow of ground waters?			X
7. Change in the quantity of ground waters, either through direct additions or withdrawals, or through interception of an aquifer by cuts or excavations?			X
8. Substantial reduction in the amount of water otherwise available for public water supplies?			X
9. Exposure of people or property to water-related hazards such as flooding or tidal waves?			X
10. Significant changes in the temperature, flow or chemical content of surface thermal springs?			X
D Plant Life Will the proposal result in:			
1. Change in the diversity of species, or number of any species of plants (including trees, shrubs, grass, crops, and aquatic plants)?			X
2. Reduction of the numbers of any unique, rare or endangered species of plants?			X
3. Introduction of new species of plants into an area, or in a barrier to the normal replenishment of existing species?			X
4. Reduction in acreage of any agricultural crop?			X
E Animal Life Will the proposal result in:			
1. Change in the diversity of species or numbers of any species of animals (birds, land animals including reptiles, fish and shellfish, benthic organisms, or insects)?			X
2. Reduction of the numbers of any unique, rare or endangered species of animals?			X
3. Introduction of new species of animals into an area, or result in a barrier to the migration or movement of animals?			X
4. Deterioration to existing fish or wildlife habitat?			X
F Noise Will the proposal result in:			
1. Increase in existing noise levels?	X		
2. Exposure of people to severe noise levels?			X
G Light and Glare Will the proposal result in:			
1. The production of new light or glare?			X
H Land Use Will the proposal result in:			
1. A substantial alteration of the present or planned land use of an area?			X
I Natural Resources Will the proposal result in:			
1. Increase in the rate of use of any natural resources?			X
2. Substantial depletion of any nonrenewable resources?			X

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J. Risk of Upset Does the proposal result in

Yes Maybe No

- 1. A risk of an explosion or the release of hazardous substances (including, but not limited to, oil, pesticides, chemicals, or radiation) in the event of an accident or upset conditions?
- 2. Possible interference with emergency response plan or an emergency evacuation plan?

K. Population Will the proposal result in:

- 1. The alteration, distribution, density, or growth rate of the human population of the area?

L. Housing Will the proposal result in:

- 1. Affecting existing housing, or create a demand for additional housing?

M. Transportation/Circulation Will the proposal result in:

- 1. Generation of substantial additional vehicular movement?
- 2. Affecting existing parking facilities, or create a demand for new parking?
- 3. Substantial impact upon existing transportation systems?
- 4. Alterations to present patterns of circulation or movement of people and/or goods?
- 5. Alterations to waterborne, rail, or air traffic?
- 6. Increase in traffic hazards to motor vehicles, bicyclists, or pedestrians?

N. Public Services Will the proposal have an effect upon, or result in a need for new or altered governmental services in any of the following areas:

- 1. Fire protection?
- 2. Police protection?
- 3. Schools?
- 4. Parks and other recreational facilities?
- 5. Maintenance of public facilities, including roads?
- 6. Other governmental services?

O. Energy Will the proposal result in:

- 1. Use of substantial amounts of fuel or energy?
- 2. Substantial increase in demand upon existing sources of energy, or require the development of new sources?

P. Utilities Will the proposal result in a need for new systems, or substantial alterations to the following utilities:

- 1. Power or natural gas?
- 2. Communication systems?
- 3. Water?
- 4. Sewer or septic tanks?
- 5. Storm water drainage?
- 6. Solid waste and disposal?

Q. Human Health Will the proposal result in:

- 1. Creation of any health hazard or potential health hazard (excluding mental health)?
- 2. Exposure of people to potential health hazards?

R. Aesthetics Will the proposal result in:

- 1. The obstruction of any scenic vista or new open to the public, or will the proposal result in the creation of an aesthetically offensive site open to public view?

S. Recreation Will the proposal result in:

- 1. An impact upon the quality or quantity of existing recreational opportunities?

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T. Cultural Resources

Yes May/No

- 1. Will the proposal result in the alteration of or the destruction of a prehistoric or historic archeological site? Yes May No
- 2. Will the proposal result in adverse physical or aesthetic effects to a prehistoric or historic building, structure, or object? Yes May No
- 3. Does the proposal have the potential to cause a physical change which would affect unique ethnic cultural values? Yes May No
- 4. Will the proposal restrict existing religious or sacred uses within the potential impact area? Yes May No

U. Mandatory Findings of Significance

- 1. Does the project have the potential to degrade the quality of the environment, reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory? Yes May No
- 2. Does the project have the potential to achieve short term, to the disadvantage of long-term, environmental goals? Yes No
- 3. Does the project have impacts which are individually limited, but cumulatively considerable? Yes No
- 4. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly? Yes No

DISCUSSION OF ENVIRONMENTAL EVALUATION (See Comments Attached)

A1, 2, & 3 : The excavation of the 3 core holes would have an impact on these items. However, they should be of relatively short duration since the area would be restored as much as possible to its original state.

F1: The equipment used for the excavation of the core holes will have a short term impact as to increase in the noise levels.

U2 : The operation could have an adverse impact on cultural resources should the "vessel" be deemed to be of historical value.

U2: Same as U2 above.

V. PRELIMINARY DETERMINATION

On the basis of this initial evaluation

- I find the proposed project **COULD NOT** have a significant effect on the environment, and a **NEGATIVE DECLARATION** may be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet have been added to the project. A **NEGATIVE DECLARATION** will be prepared.
- I find the proposed project **MAY** have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT STATEMENT** is required.

Date: 8 / 21 / 84

For the State Land Commission

PROJECT NO.	62
PROJECT FILE	2971

PERSONS CONTACTED

Ann Geraghty - Air Resources Board
Dennis O'Bryant - Department of Conservation
Loretta Allen - Native American Heritage Commission
Nick del Cioppo - Office of Historic Preservation
James M. Doyle - Department of Parks and Recreation
Tom Dayak - Caltrans-District 9
John Huddleson - State Water Resources Control Board
Roy C. Hampson - Regional Water Quality Control Board - Lahontan Region - Victorville
F.A. Worthley - Department of Fish and Game
Ted Hilton - Inyo County Planning Department
Cheryl Coleman - Big Pine Reservation
Paul Chavez - Bishop Reservation
Vernon Miller - Fort Independence Reservation
Reddeen Naylor - Lone Pine Reservation
Patti Wermuth - Kernville
Great Basin Unified Air Pollution Control District - Bishop