Began: 10:35
End: 11:35

Present: W Harvey
C Calloway

SUMMARY

MEETING OF THE STATE LANDS COMMISSION
STATE CAPITOL, ROOM 447
SACRAMENTO, CALIFORNIA

KENNETH CORY, STATE CONTROLLER, CHAIRMAN
LEO T. McCARTHY, LIEUTENANT GOVERNOR, COMMISSIONER
JESSE R. HUFF, DIRECTOR OF FINANCE, COMMISSIONER

THURSDAY - MAY 23, 1985

9:30 A.M. - CLOSED SESSION. "CONSIDERATION OF POSSIBLE AND PENDING LITIGATION. THESE MATTERS WILL BE DISCUSSED IN A SESSION CLOSED TO THE PUBLIC, PURSUANT TO ATTORNEY-CLIENT PRIVILEGES, (SACRAMENTO NEWSPAPER GUILD V. SACRAMENTO COUNTY BOARD OF SUPERVISORS (1968) 263 CAL. APP. 2D 41, 53-58.)"

10:00 A.M. - OR THEREAFTER UPON ADJOURNMENT OF THE CLOSED SESSION - PUBLIC MEETING (OPEN SESSION).

ORDER OF BUSINESS

I. CONFIRMATION OF MINUTES FOR THE MEETING OF APRIL 25, 1985.

II. REPORT OF THE EXECUTIVE OFFICER.

III. CONSENT CALENDAR C1-C16. THE FOLLOWING ITEMS ARE CONSIDERED TO BE NON-CONTROVERSIAL. ANYONE WISHING TO ADDRESS AN ITEM ON THE CONSENT CALENDAR MAY COME FORWARD AND STATE THEIR NAME FOR THE RECORD.

C1. A) ROBERT M. DONOVAN; B) GEORGE J. KARABEDIAN; C) ELMER D. HILL; D) JOHN P. MENDONCA, SR.; E) WILFRED C. FREDERIKSEN; F) LYMAN DAVID WRIGHT; G) BERNARD W. PROWELL (PARTIES): Approval of seven Recreational Pier Permits: Three at Huntington Harbour, Orange County; two at Sacramento River, Sacramento County; one at Lake Tahoe, Placer County; and one at Lake Tahoe, El Dorado County. (Omand; WP 3175, WP 3080, W 20171, W 23578, WP 3250, WP 3695, W 23027)

C2. CALIFORNIA STATE DEPARTMENT OF TRANSPORTATION (APPLICANT): Approval of a General Permit - Public Agency Use, tide and submerged land located in the Sacramento River, Glenn and Butte Counties. (Omand; WP 440)

C3. A) MR. AND MRS. RALPH MOFFITT; B) ALBERT D. GIOVANNONI (LESSEES): Approval of two Rent Reviews/Continuations: one in Colusa County and one in Napa County. (Suetta; PRC 3933, PRC 5822)

C4. GERALDINE G. O'CONNOR (APPLICANT): Approval of a ten-year General Permit - Recreational Use, tide and submerged land located in the San Joaquin River at Mossdale Trailer Park, San Joaquin County. (Gordon; W 23468)

C5. DEPARTMENT OF FOOD AND AGRICULTURE (APPLICANT): Approval of a ten-year General Permit - Public Agency Use, school land located at Vidal Junction in San Bernardino County. (Bjornsen, WP 2161)

C6. ALVIN STULTS, dba CLIFF'S MARINA (APPLICANT): Approval of a 20-year General Lease - Commercial Use, tide and submerged land located in the Sacramento River, south of Freeport, Sacramento County. (Maricle; WP 3264)

C7. MCI TELECOMMUNICATIONS CORPORATION (APPLICANT): Approval of a General Lease - Right-of-Way sovereign lands located in four waterways in Sacramento, San Joaquin, and Alameda Counties. (Maricle; W 23579)

C8. CITY OF SACRAMENTO AND SACRAMENTO WATER FESTIVAL ASSOCIATION (APPLICANTS): Approval of a one month and 23 day General Permit - Public Agency Use, tide and submerged land located in the Sacramento River, City of Sacramento, Sacramento County. (Maricle; W 21741)

C9. CLAY L. AND SANDRA K. OVERSON (APPLICANTS): Approval of a six-year General Lease - Grazing Use, school land located in northeastern San Bernardino County. (Reese, Fong; WP 6072)

C10. CHARLES A. MITCHELL, JR. (APPLICANT): Approval of an Amendment to a General Lease - Grazing Use, school land located in northeastern San Bernardino and southeastern Inyo Counties. (Reese; Fong; WP 6072)

C11. JACK PRINCE (APPLICANT): Approval of a ten-year Agricultural Lease, school land located in S1/2 NW1/4 and SW1/4, Section 10, T8S R11E, SBM Riverside County. (Jones, S.; W 23539)

C12. SAN DIEGO GAS AND ELECTRIC COMPANY (APPLICANT): Authorize the Amendment of a ten-year General Lease - Industrial Use, tide and submerged land in the Pacific Ocean adjacent to Carlsbad State Beach, San Diego County. (Townsend; WP 932)

Y=Yes N=No A=Abstain						VOTE		
Amended	Deferred	Pulled	Considered - No Action Taken	Informational Only - No Action Taken	Approved as Presented	Controller	Lt. Governor	Director of Finance
					✓	Y		Y
					✓	Y		Y
					✓	Y		Y
					✓	Y		Y
					✓	Y		Y
					✓	Y		Y
					✓	Y		Y
					✓	Y		Y
					✓	Y		Y
					✓	Y		Y
		✓						
					✓	Y		Y

*See Attached

Y=Yes N=No A=Abstain

Amended*	Deferred	Pulled	Considered - No Action Taken	Informational Only - No Action Taken	Approved as presented	VOTE: Controller	VOTE: Lt. Governor	VOTE: Director of Finance	
					✓	Y		Y	C13. CHEVRON U.S.A., INC. (LESSEE): Approval of an Amendment to a General Lease - Right-of-Way Use, tide and submerged land in the Gulf of Santa Catalina, Orange County. (Townsend, PRC 6417)
					✓	Y		Y	C14. THE BOATHOUSE IN LOCKE, INC. AND FRANK SCHMIEDEL (APPLICANTS): Approval of a 25-year General Lease - Commercial Use, tide and submerged land located in the Sacramento River, Sacramento County. (Grimmett; W 20866)
		✓							C15. LESLIE SALT COMPANY (APPLICANT): Approval of a three-year Dredging Permit, tide and submerged land located in China, Napa and Dutchman Sloughs and the Napa River, Napa and Solano Counties. (Graber; W 23495)
					✓	Y		Y	C16. CORBIN J. ROBERTSON (LESSEE); QUINTANA PETROLEUM CORPORATION (OPERATOR): Acceptance of Quitclaim of State Oil and Gas Lease, Kern County. (Hamilton; PRC 6669)
									IV. REGULAR CALENDAR ITEMS 17-45.
									17. SANTA CATALINA ISLAND COMPANY; SOUTHERN CALIFORNIA EDISON COMPANY (PARTIES): Consideration of proposed settlement of title and boundary issues involving parcels of filled tide and submerged lands between Jewfish Point and Abalone Point, and at Empire Landing, at Santa Catalina Island, Los Angeles County. (Sekelsky, J.; Louie; W 23344, SLL 130)
				✓		Y		Y	18. RIVER VIEW MARINA (LESSEE): Approval of a minor amendment - Commercial Use, tide and submerged land located in Sacramento County. (Maricle; PRC 6015)
✓						Y		Y	19. THE PEBBLE BEACH COMPANY (LESSEE): Approval of an Amendment to a General Lease - Recreational Use, coastal tide and submerged land situated in Carmel Bay at Stillwater Cove, Monterey County. (Townsend; PRC 2714)
✓						Y		Y	20. STATE OF ARIZONA, ARIZONA STATE LANDS COMMISSION (APPLICANT): Approval of a 49-year General Permit - Public Agency Use, submerged sovereign lands in the bed of the Colorado River in Yuma County, Arizona. (Scott, A.; W 20750)
✓						Y		Y	21. JOHN R. CULLINAN (APPLICANT): Denial of application for core hole drilling to test the suitability of a section of school land in the Panamint Valley, Inyo County. (Gorfain; Reese; Sekelsky, J.; W 23450)
	✓								22. CITY OF HUNTINGTON BEACH (APPLICANT): Approval of a 25-year General Lease - Public Agency Use, tide and submerged land located in the Huntington Harbour Main Channel, City of Huntington Beach, Orange County. (Townsend; W 23550)
✓						Y		Y	23. AL EAMEC (APPLICANT): Deny an application for the continued use of a floating residence at Georgiana Slough, Andrus Island, Sacramento County. (Maricle; WP 3289)
✓						Y		Y	24. CHEVRON U.S.A., INC. (APPLICANT): Approval of a Letter of Authorization to drill a test bore on tide and submerged lands located north of Point Conception, Santa Barbara County. (Lipphardt; W 23489)
				✓		Y		Y	25. ROBERT HALLMARK AND CITY OF TRINIDAD (LESSEES): Approval of Authorization to execute a Supplementary Letter of Understanding pertaining to rental charges on General Lease - Commercial Use, and Approval of Termination of a General Lease - Public Agency Use and Approval of Issuance of a four-year General Lease - Public Agency Use tide and submerged land located in Trinidad Bay, Humboldt County. (Suetta; PRC 745, PRC 5254)
				✓		Y		Y	26. UNION OIL COMPANY OF CALIFORNIA (LESSEE): Approval of one Geothermal Lease on State school lands on the west side of the Salton Sea, Imperial County. (Graber; W 23353)
				✓		Y		Y	27. UNION OIL COMPANY OF CALIFORNIA (APPLICANT): Acceptance of a Quitclaim Deed for a Geothermal Lease at The Geysers Geothermal Steamfield, Lake County. (Hoagland; PRC 6079)
				✓		Y		Y	28. CITY OF LONG BEACH (PARTY): Approval of Ninth Modification of the 1984-1985 Plan of Development and Operations and Budget, Long Beach Unit, Wilmington Oil Field, Los Angeles County. (Lammers; W 17082)
				✓		Y		Y	29. EDGINGTON OIL COMPANY (LESSEE): Award of Royalty Oil Sales Contract, State Oil and Gas Leases, for a term of 20 months, Huntington Beach Field, Orange County. The highest bonus bid was $0.795 per barrel over the base price. (Tanner; W 9603.39, PRC 6497)

*See Attached

Regarding Calendar Item 19: Approved with the non-substantial amendments to Exhibit A requested by the Pebble Beach Company.

Regarding Calendar Item 20: Add Recommendation 3 which states:
3. WAIVER FEES ASSOCIATED WITH THIS TRANSACTION.

Regarding Calendar Item 21: Recommendation 1 is deleted. Recommendations 2 and 3 New Recommendation 1 which states:
1. DIRECT STAFF TO RETURN AT THE JUNE MEETING WITH A RECOMMENDATION FOR GRANTING APPROVAL OF A CORE HOLE DRILLING PERMIT INCLUDING APPROPRIATE CONDITIONS.

Y=Yes N=No A=Abstain

Amended*	Deferred	Pulled	Considered-No Action Taken	Informational Only-No Action Taken	Approved as Presented	VOTE: Controller	VOTE: Lt. Governor	VOTE: Director of Finance	
					✓	Y		Y	30. CHAMPLIN PETROLEUM COMPANY (LESSEE): Award of Royalty Oil Sales Contract, State Oil and Gas Leases, for a term of 18 months, Huntington Beach Field, Orange County. The highest bonus bid was $0.733 per barrel over the base price. (Tanner; W 9603.40, PRC 6536)
					✓	Y		Y	31. CAL-JET, INC. (LESSEE): Award of Royalty Oil Sales Contract, State Oil and Gas Leases, for a term of 18 months, Rincon Oil Field, Ventura County. The highest bonus bid was $0.35 per barrel over the base price. (Tanner; W 9603.41, PRC 6535)
✓						Y		Y	32. MacMILLAN RING FREE OIL COMPANY (LESSEE): Award of Royalty Oil Sales Contract, State Oil and Gas Leases, for a term of 14 months, Carpinteria-Summerland Offshore Fields, Santa Barbara County. The highest bonus bid was $0.816 above the base price. (Tanner; W 9603.42, PRC 6532)
					✓	Y		Y	33. CHAMPLIN PETROLEUM COMPANY (LESSEE): Award of Royalty Oil Sales Contract, State Oil and Gas Leases, for a term of 15 months, South Elwood Offshore Field, Santa Barbara County. The highest bonus bid was $0.989 per barrel over the base price. (Tanner; W 9603.43, PRC 6533)
					✓	Y		Y	34. HUNTWAY REFINING COMPANY (APPLICANT): Award of Royalty Oil Sales Contract, State Oil and Gas Leases, for a term of 1[illegible] months, South Elwood Offshore Field, Santa Barbara County. The highest bonus bid was $1.33 per barrel over the base price. (Tanner; W 9603.43, PRC 6534)
					✓	Y		Y	35. CITY OF LONG BEACH (PARTY): Notice of intent by the City of Long Beach, Los Angeles County, to spend $128,500 of its tideland oil revenues, for Downtown Marina parking lot modifications. (Naughton; W 10400)
					✓	Y		Y	36. CITY OF LONG BEACH (PARTY): Approve subsidence costs for vertical and horizontal measurements and studies in the City of Long Beach Harbor District, Los Angeles County. (Naughton; W 10401)
					✓	Y		Y	37. GRANT-NORPAC, INC. (PERMITTEE): Approval of Geophysical Survey Permit for proprietary lands under the jurisdiction of the State Lands Commission, Solano County. (Livenick; W 6005)
					✓	Y		Y	38. HERSHEY OIL CORPORATION (PERMITTEE): Approval of Geophysical Survey Permit for proprietary lands under the jurisdiction of the State Lands Commission, Grizzly Island, Solano County. (Livenick; W 6005)
					✓	Y		Y	39. SOUTHERN DESERT GOLD CORPORATION (APPLICANT): Approval of a Prospecting Permit for minerals other than oil, gas, geothermal resources, sand and gravel, Riverside County. (Pelka; WP 6187)
					✓	Y		Y	40. NORRIS OIL COMPANY (LESSEE): Amendment of royalty on gas payment provision of State Oil and Gas Leases, Ventura County. (Hamilton; W 40458, PRC 410, PRC 429, PRC 1166)
		✓							41. PETER UCCELLI dba PETES HARBOR AND STATE LANDS COMMISSION (PARTIES): Proposed authorization request for authorization to settle litigation as authorized and directed by Chapter 447, Statutes of 1983, San Mateo County. (Grimes; W 503.1112)
		✓							42. CAMPEAU DEVELOPMENT (APPLICANT): Request for authorization to enter Exchange Agreement settling title to approximately 15,000 sq. ft. of property in San Francisco, San Francisco County. (Horton, Stevenson; W 23604, AD 26)
					✓	Y		Y	43. CITY OF OCEANSIDE v. LUSARDI, et al., SAN DIEGO SUPERIOR COURT NO. N 24540 (PARTIES): Authorization to file a disclaimer on behalf of the State Lands Commission in City of Oceanside v. Lusardi, et al., San Diego County. (Hadly; W 503.1363)
					✓	Y		Y	44. JEROME I. ANOLIK (ASSIGNOR); WELLS AND BENNETT REALTORS A CALIFORNIA PARTNERSHIP (ASSIGNEE): Approval of the Assignment of a General Permit - Recreational Use, submerged land located in Placer County. (Hadly; WP 5177)
					✓	Y		Y	45. UNITED STATES AIR FORCE AND MATHER AIR FORCE BASE (APPLICANTS): Approval of a retrocession of partial jurisdiction and establishment of proprietary jurisdiction over a portion of Mather Air Force Base, Sacramento County. (Frey; W 23403)

*See Attached

Regarding Calendar Item 23: Issue a 2 year permit with the understanding that staff is directed to develop a report on which the Commission could adopt a formal state policy with respect to the issue of residential use of State land.

Regarding Calendar Item 24: Letter of Authorization dates changed from May 28, 1985 and July 30, 1985 to June 6, 1985 and July 31, 1985, respectively.

Regarding Calendar Item 32: Approved provided that MacMillan submit on or before June 6, 1985, a security bond in the amount of $160,000 to guarantee performance under the contract for the period June 6, 1985 to December 31, 1985, and further that the letter-of-credit required under the contract will be submitted on or before November 1, 1985.