MINUTE ITEM
This Calendar Item No. 48
was approved as Minute Item
No. 48 by the State Lands
Commission by a vote of 3
to 2 at its 9/23/91
meeting.

CALENDAR ITEM

A)
) Statewide
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48

09/23/91
C 9146
W 23931
Kydland

AUTHORIZE AMENDING CONTRACT FOR PROFESSIONAL SERVICES
CONSULTANT FOR SCHOOL LANDS PLANNING

PARTY:

Lane, Pontius & Myers, Inc.
231 Sierra Vista Drive, Suite 200
Tucson, Arizona 85719

Currently before the United States Congress is the California Desert Lands Protection Bill (Bill) which will encompass approximately 327,000 acres of State-owned school land in the California desert. Two hundred seventy-four thousand (274,000) acres of these school lands are full fee parcels that have been recently appraised at approximately $36 million. An additional 53,000 acres of reserved mineral interests (mineral rights) that will be enclosed by the act have an undetermined value.

The Commission has been actively providing input to the development of the Act to protect the State's interests. The current Lehman bill contains language proposed by State Lands Commission (SLC) to offset the loss of the asset through land exchange with the Bureau of Land Management (BLM). SLC has proposed the exchange of the lands within the Desert Protection Area for lands owned by the BLM which provide Saline leases located at Searles Lake in northwestern San Bernardino County. It is estimated that these leases will yield approximately $3 million in revenue annually to the State and this only represents a portion of the lands required to equalize the value of the lands taken by the Bill. Other lands being considered for exchange include federal geothermal and oil and gas leases.

SLC entered into a $12,500 contract with Lane, Pontius & Myers, Inc. of Tucson, Arizona, to provide consultant services on this proposed legislation. Sole source approval was received from the California Department of General Services based on this firm's success in dealing with such land exchanges between the State of Arizona and the Federal Government.

Circumstances have arisen that change the term and cost of the contract. Congressional committee hearing schedules have been extended and attempts to negotiate satisfactory amendments to the Bill have taken longer than originally anticipated. These developments are expected to result in additional costs of $37,500 for consultants to analyze and draft changes suggested by the Congressional Committee, and an extension of the completion date to June 30, 1992.

The total contract amount would be $50,000.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.

2. AUTHORIZE AMENDMENT TO EXISTING CONTRACT TO PROVIDE CONSULTANT SERVICES ON PROPOSED FEDERAL LEGISLATION CONCERNING STATE SCHOOL LANDS.