

~ MINUTES ~
CALIFORNIA STATE LANDS COMMISSION
MEETING OF JUNE 19, 2014

HOLIDAY INN CAPITOL PLAZA
300 J STREET
SACRAMENTO, CALIFORNIA 95814

ADDITIONAL SITE TO OBSERVE AND TESTIFY

HOTEL MAYA
700 QUEENSWAY DRIVE
LONG BEACH, CALIFORNIA 90802

APPEARANCES

COMMISSIONERS PRESENT

- Alan Gordon, Deputy Controller and Alternate for Controller John Chiang (Sacramento)
- Kevin Schmidt, Policy Director and Alternate for Lieutenant Governor Gavin Newsom (Sacramento)
- Eraina Ortega, Chief Deputy Director and Alternate for Director of the Department of Finance Michael Cohen (Sacramento)

STAFF MEMBERS IN ATTENDANCE

- Jennifer Lucchesi, Executive Officer (Sacramento)
- Mark Meier, Chief Counsel (Sacramento)
- Sharron Scheiber, Staff Counsel (Long Beach)
- Reid Boggiano, Public Land Management Specialist (Long Beach)

REPRESENTING THE OFFICE OF THE ATTORNEY GENERAL

- Joseph Rusconi, Deputy Attorney General (Sacramento)

NOTE: A list of individuals making statements before the Commission and the entities they represent, along with the Executive Officer's Report, are included in a complete transcript of the proceedings, which is on file in the Sacramento offices of the Commission and posted on the Commission's website at www.slc.ca.gov. Also included on the website is the voting record of the meeting with the staff report for each agenda item linked to the respective consent, regular or informational item number. A link to a recorded Cal-Span.org webcast of the meeting is also available on the Commission's website. All of these items may be found under Previous Meetings, by date of the meeting.

**RECORD OF ACTION TAKEN BY THE
CALIFORNIA STATE LANDS COMMISSION
MEETING OF JUNE 19, 2014**

Chair Alan Gordon called the meeting of the California State Lands Commission to order at 10:01 A.M. at the Holiday Inn Capitol Plaza, California Room, 300 J Street, Sacramento, California 95814; also present were Commissioner Alternate Kevin Schmidt and Commissioner Alternate Eraina Ortega.

The Minutes of the June 2, 2014 Special Teleconference Meeting were approved by a vote of 2-0 (Ortega and Schmidt).

EXECUTIVE OFFICER'S REPORT

Executive Officer Jennifer Lucchesi updated the Commission on the following items:

- Commission staff is working with the Bureau of State Audits (BSA) to conduct a follow-up review of the Commission's leasing practices. In 2011, BSA conducted a comprehensive audit. The current review is narrower in review and scope, focusing on whether the Commission has improved its leasing practices. The findings from this follow-up review should be released in July or August of this year.
- At the February and April meetings, concerns were expressed about the length and complexity of the Commission's general lease terms for recreational pier leases. In response to those concerns, staff has completed a simpler, shorter, transparent, and easier-to-read pier lease. Commission staff will start utilizing the new lease language beginning in August.
- The appointment of Dave Brown as the new Assistant Executive Officer of the Commission was announced. Mr. Brown previously served as the Commission's Chief of Administrative and Information Services Division.

CONSENT CALENDAR

- Consent items C17, C59 and C72 were removed from consideration.
- Consent Items C01-C16, C18-C58, C60-C71, and C73-C89 were approved as presented by a vote of 2-0 (Ortega and Schmidt).

INFORMATIONAL

ITEM 90: A legislative update concerning state and federal bills that are relevant to the California State Lands Commission:

The item was informational – no vote required.

RECORD OF ACTION CONTINUED

REGULAR CALENDAR

(The Items below appear in the order presented.)

ITEM 92: A staff presentation was made to the Commission to consider whether to direct Commission staff to perform a financial audit of the City of Redondo Beach's management of legislatively-granted tide and submerged lands. After hearing testimony from the City of Redondo Beach and the public, the Commission approved the item as amended – directing staff to review and analyze the cost allocation plan that was approved by the City in March 2009 consistent with Alternative 2 as described in the staff report, without the use of the anticipated 30 hours of audit staff time.

Item 92 – was approved as amended by a vote of 2-0 (Schmidt and Ortega)

ITEM 91: A staff presentation was made to the Commission for review of an existing revocable permit issued by the Port of Los Angeles to Rancho LPG Holdings LLC for use of a railroad spur located within the legislative trust grant to the Port of Los Angeles. After hearing testimony from the public, the Commission approved the item as amended – directing Commission staff to continue to work with the Port of Los Angeles on the revocable permit issues associated with the Rancho LPG facility, and also to agendaize this issue at a future Commission meeting pending additional information received by staff regarding, but not limited to, insurance, parental guarantees, and other issues associated with the Rancho LPG facility.

Item 91 – was approved as amended by a vote of 2-0 (Gordon and Ortega)

(The State Lands Commission adjourned into closed session from 12:56 P.M. to 1:27 P.M., then adjourned back into open session at 1:32 P.M.)

The Commission meeting public session was adjourned at 1:33 P.M.

**STAFF AND PUBLIC ADDRESSING
THE FOLLOWING CALENDAR ITEMS
JUNE 19, 2014**

ITEM 91

Kathryn Colson, Staff Attorney, Legal Division, CSLC

Sacramento Location:

- Ron Conrow, Rancho LPG Holdings
- Janet Gunter, Member, San Pedro Peninsula Homeowners United
- Chuck Hart, San Pedro Peninsula Homeowners United
- Noel Weiss, representing self
- Rudy Svorinich, Consultant, Rancho LPG Services

Long Beach Location:

- Skip Baldwin, Chair, Wilmington Citizens Committee
- Rex Beum, representing self
- Peter Burmeister, Member, San Pedro Homeowners Association
- Brian Campbell, City Councilmember, Rancho Palos Verdes
- Nancy Ceballos, Deputy Chief of Staff, Board President Dr. Richard Vladovic, LAUSD
- Bonnie Christensen, San Pedro Homeowners Association
- Kit Fox, Senior Administrative Analyst, City of Rancho Palos Verdes
- Patty Goble, representing self
- Cynthia Gonyea, representing self
- Justin Houterman, Los Angeles Deputy City Attorney
- Toni Martinovich, representing self
- David Mathewson, Interim Deputy Executive Director, Port of Los Angeles
- Anthony Patchett, Retired Assistant Deputy District Attorney
- David Rivera, Vice President, San Pedro Peninsula Homeowners United
- Connie Rutter, representing self
- Alfred Sattler, Sierra Club, Palos Verdes-South Bay Regional Group
- Dorota Starr, representing self
- John Winkler, representing self
- Kathleen Woodfield, Vice President, San Pedro Peninsula Homeowners Coalition
- Darlene Zavalney, Board Member, NW San Pedro neighborhood Council

STAFF AND PUBLIC ADDRESSING CONT'D

ITEM 92

Sheri Pemberton, Chief, External Affairs Division, CSLC

Sacramento Location:

- Pete Carmichael, Waterfront and Economic Development Director, City of Redondo Beach

Long Beach Location:

- Marcie Guillermo, representing self
- Gary Ohst, representing self

PUBLIC COMMENT

- Tsvi Achler, representing self
- Lee Callister, Redwood Creek Association
- Orlene Chartain, Docktown resident
- Francesca Fambrough, representing self
- James Jonas, representing self
- Linda Lovenbury, representing self
- Alison Madden, Docktown resident
- Tania Solé, representing self