

1 TRANSCRIPT OF
2 MEETING
3 of
4 STATE LANDS COMMISSION
5 LOS ANGELES, CALIFORNIA
6 APRIL 28, 1960 - 9 A.M.

7 PARTICIPANTS:

8 THE COMMISSION:

9 Messrs. Glenn M. Anderson, Lieutenant Governor, Chairman
10 Alan Cranston, Controller
11 John S. Carr, Director of Finance

12 F. J. Kortig, Executive Officer

13 Fred Zweiback, Executive Secretary to
14 Lieutenant Governor Anderson

15 OFFICE OF THE ATTORNEY GENERAL

16 Mr. Jay L. Shavelson, Deputy Attorney General

17 APPEARANCES:

18 Mr. H. E. Ridings, Jr.
19 President, Board of Harbor Commissioners
20 City of Long Beach

21 Mr. Francis C. Whelan, Attorney-at-Law
22 Representing Adrienne C. Burke

23 Mr. R. W. Ragland, Vice President
24 Richfield Oil Corporation
25
26

I N D E X
(IN ACCORDANCE WITH CALENDAR SUMMARY)

ITEM CLASSIFICATION	ITEM ON CALENDAR	PAGE OF CALENDAR	PAGE OF TRANSCRIPT
1 Confirmation of minutes meeting February 25, 1960...			1
2 <u>Special order of business:</u> Long Beach tide and sub-merged lands boundary determination	42	1	1
MOTION ON ITEM CLASSIFICATION 2			4 and 5
3 <u>Permits, easements, rights-of-way - no fee:</u>			
(a) Fish and Game, Dept.	31	2	5
(b) Mono, County of	3	3	5
(c) Stanislaus and Merced, Counties of	2	4	5
4 <u>Permits, easements, leases, rights-of-way, fee:</u>			
(a) Brooks, A. R.	14 through 17	5 through 12	6
(b) Ferguson, Kenneth F.	18	13	6
(c) Newbury, Carl and Mehaffey, L. A.	43	15	7
(d) Pacific Gas & Electric			
(1) Mayberry Slough	7	16	7
(2) San Joaquin River	8	17	7
(3) Sacramento River	9	18	8
(4) San Joaquin River	10	19	7
(5) " "	11	20	8
(6) Sacramento River	12	21	8
Pacific Lighting			
(7) Colorado River	13	22	8

- continued -

I N D E X
(IN ACCORDANCE WITH CALENDAR SUMMARY)
- continued -

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

<u>ITEM CLASSIFICATION</u>	<u>ITEM ON CALENDAR</u>	<u>PAGE OF CALENDAR</u>	<u>PAGE OF TRANSCRIPT</u>
4 <u>Permits, etc., fee contd.</u>			
(e) Pullman Building Co.	22	23	8
(f) Shell Oil Company	33	24	9
(g) Socony Mobil Oil	46	25	9
(h) Texaco, Inc.	29	27	9
MOTION ON CLASSIFICATION 4			10
5 <u>City of Long Beach Projects</u>			
(a) Armed Services YMCA	39	28	10
(b) Mitchell Ave. Rd. & RR.	39	28	10
(c) Pier D, Berths 28-31	40	31	10
(d) Pier A, Berth 5, etc.	40	31	10
MOTION ON CLASSIFICATION 5			12
6 <u>Sales of vacant State school lands</u>			
(a) Burke, Adrienne C.	36	33	}
(b) " " "	37	34	
(c) East, William H.	38	35	
(d) Fentzling, Alfred and Tomme Fentzling	4	36	
(e) Frommness, Leo E.	25	37	
(f) Hooper, Harry S. and Warren A. Tinsley	32	38	
(g) Olson, William J.	5	39	
(h) Semenza, John F.	41	40	
(i) Smith, Eugene	26	41	
(j) Steele, G. Kelton	24	42	
7 <u>Sale of vacant State school land in Inyo County - Adrienne C. Burke - NW 1/4 Sec. 36, T 6 S, R 36 E.....</u>			
	45	44	13
MOTION ON ITEM CLASSIFICATION 7			20

- continued -

I N D E X
(IN ACCORDANCE WITH CALENDAR SUMMARY)
-continued-

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

<u>ITEM CLASSIFICATION</u>	<u>ITEM ON CALENDAR</u>	<u>PAGE OF CALENDAR</u>	<u>PAGE OF TRANSCRIPT</u>
8 <u>Authorization to proceed with publication of notices re leases for extraction oil and gas - Santa Barbara County ..</u>	35	48	20
MOTION ON PUBLIC HEARINGS			27
MOTION ON ITEM CLASSIFICATION 8 ...			28
9 <u>Authorization to offer for lease for oil extraction:</u>			
(a) Pacific Cement & Agg.	19	49	28
(b) Granite Const. Co.	20	50	28
(c) Seaside Sand & Gravel	30	51	28
10 <u>Authorization for cancellation Fish Canyon leases, etc.</u>	21	52	30
11 <u>Approval of Maps</u>			
(a) Tolay Creek	6	54	31
(b) Mill Valley, City of	23	55	31
(c) Napa River etc.	27	56	31
12 <u>Authorizations to execute stipulations for judgment</u>			
(a) Schultz, et al vs. State	28	57	32
(b) Crocker Land vs. State	44	59	32
13 <u>Confirmation of transactions consummated by Ex. Officer</u>	1		
Bidwell, Floyd M.		62	}
Highways, Division of		61	
Gallagher, James A. and Mary		61	
San Leandro, City of		62	

-continued-

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

I N D E X
(IN ACCORDANCE WITH CALENDAR SUMMARY)
-continued-

<u>ITEM CLASSIFICATION</u>	<u>ITEM ON CALENDAR</u>	<u>PAGE OF CALENDAR</u>	<u>PAGE OF TRANSCRIPT</u>
14 <u>Authorization to execute contract for research on index of lands under jurisdiction of U. S.</u>	48	63	33
MOTION ON ITEM CLASSIFICATION 14.....			37
15 <u>Report on exercise of option Standard Oil Agreement for Easement 415.1 - Rio Vista</u>	34	65	37
16 <u>Report on major litigation</u>	47	66	41
17 <u>Confirmation of time and place - May meeting</u>			42
<u>Time and Place June meeting</u>			43
18 <u>Informative - 1960 Special Session Legislation</u>	49	Supp.	41

I N D E X

(BY ITEM ON CALENDAR)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

<u>ITEM ON CALENDAR</u>	<u>PAGE OF CALENDAR</u>	<u>PAGE OF TRANSCRIPT</u>	:	<u>ITEM ON CALENDAR</u>	<u>PAGE OF CALENDAR</u>	<u>PAGE OF TRANSCRIPT</u>
1	61	33	:	41	40	12
2	4	5	:	42	1	1
3	3	5	:	43	15	7
4	36	12	:	44	59	32
5	39	12	:	45	44	13
6	54	31	:	46	25	9
7	16	7	:	47	66	41
8	17	7	:	48	63	33
9	18	8	:	49	Supp.	41
10	19	7	:			
11	20	8	:			
12	21	8	:			
13	22	8	:			
14	5	6	:	Confirmation of		
15	7	6	:	time and place		
16	9	6	:	of May meeting		42
17	11	6	:			
18	13	6	:			
19	49	28	:	Time and place		
20	50	28	:	of June meeting		43
21	52	30	:			
22	23	8	:			
23	42	12	:			
24	37	12	:			
25	41	12	:			
26	56	31	:			
27	57	32	:			
28	27	10	:			
29	51	28	:			
30	2	5	:			
31	38	12	:			
32	24	9	:			
33	65	37	:			
34	48	20	:			
35	33	12	:			
36	34	12	:			
37	35	12	:			
38	28	10	:			
39	31	10	:			

1 GOV. ANDERSON: The meeting of the State Lands
2 Commission will come to order.

3 First item on the agenda is the confirmation of the
4 minutes of the meeting of February 25th. Is there a motion
5 to dispense with the reading?

6 MR. CARR: So move.

7 MR. CRANSTON: Second.

8 GOV. ANDERSON: Moved and seconded - so ordered.

9 Item 2 is the special order of business -- Long
10 Beach tide and submerged lands boundary determination, pursuant
11 to Chapter 2000/57. Mr. Hortig?

12 MR. HORTIG: Mr. Chairman, as your agenda item notes,
13 the Commission continued consideration of the specific problem
14 to its next scheduled meeting as of March 24th, the next
15 scheduled meeting being today. Representatives of the City
16 of Long Beach have been informed that the boundary matter is
17 to be considered today and representatives of the City of Long
18 Beach are present with us. The Chairman may wish to call upon
19 the City of Long Beach initially for report of status on this
20 matter.

21 GOV. ANDERSON: Who is representing the City of
22 Long Beach today in this matter?

23 MR. RIDINGS: Gentlemen, I am H. E. Ridings, Jr.,
24 president of the Board of Harbor Commissioners of the City.
25 I have been asked to appear in behalf of the City and ask for
26 another continuation of the matter.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

I am happy to report that progress is being made rapidly toward unitization of Fault Block IV, since all the personnel connected in the Unit II and III organizations are now free to devote their time to this. As recently as yesterday, in a management meeting of Fault Block IV considerable progress has been made toward unitization.

To bring this matter to a head at this time would cause a serious and very definite problem towards finishing the unitization in Fault Blocks IV and V and, in consequence, the solving of the problems needing correction. It seems to me to be of great importance to complete the unitization of Fault Blocks IV and V in order to complete the subsidence control program and we are very fearful to bring this matter to a head prior to unitization, or prior to the time the major details have been agreed upon in complete detail by the management committees of the two fault blocks, would be disastrous to the accomplishment of this goal -- which I think is shared in by all of those present.

In addition, there will be a meeting of the House Appropriations Committee in Washington next Tuesday for appropriations on construction work of a subsidence remedial nature in the Long Beach Naval Shipyard; and we very definitely think this would cause very considerable misunderstanding and confusion in Washington if this were brought to a head now rather than at a later date.

On behalf of the subsidence correction program and

3
1 the efforts toward unitization, we sincerely plead that you
2 lay it over again until we are able to bring these matters
3 much closer to a conclusion than we are at this time.

4 GOV. ANDERSON: Thank you. Anyone else from the
5 City of Long Beach? (No response) If not, from the Attorney
6 General's office?

7 MR. SHAVELSON: My name is Jay Shavelson, Deputy
8 Attorney General. There is nothing further on the Long Beach
9 boundary problem that our office has to report. I came down
10 here in case any of the members of the Commission had any
11 questions on this, but the status quo is the same as it was
12 at the last meeting and many meetings before that.

13 GOV. ANDERSON: Are there any questions from members
14 of the Commission? Any comments?

15 MR. CARR: I'd like to ask Mr. Shavelson -- have the
16 negotiations between the Attorney General's office and the
17 City of Long Beach ceased entirely or are they going on at all?
18 Has there been any communication between the Attorney General's
19 office and the City of Long Beach since the last time this
20 was laid over?

21 MR. SHAVELSON: No sir, we haven't actually heard
22 from the City of Long Beach for a number of months.

23 MR. CARR: Has either side made a suggestion or a
24 proposition to the other side? Whose turn is it to speak at
25 the present time?

26 MR. SHAVELSON: I think it's the turn of the City.

4
1 We had carried on a long process of complicated negotiations
2 and I think we had in general terms worked out --- made
3 definite progress towards a settlement; and then it's my
4 understanding that the City Council was not interested in a
5 settlement of that nature, and since that time we haven't
6 heard from the City. So I think it's up to the City at this
7 point to come up with any possible proposal.

8 MR. CARR: Mr. Chairman, I think the fact that the
9 State of California is represented by this Commission in this
10 matter and has cooperated up to this time with the City to
11 some profit -- we can look back at the fact that progress has
12 been made so far at least partly due to the fact that we have
13 gone along with the City of Long Beach in helping them solve
14 their problems and in giving them time to work them out --
15 I don't know what Mr. Ridings had in mind, or what the City
16 of Long Beach has in mind as a further extension at this time;
17 I think the fact that we have got this Chapter 2000/57, which
18 definitely constitutes a mandate to the State Lands Commis-
19 sion to arrive at a solution of this tidelands boundary indi-
20 cates that this cannot go on forever; but I would move that
21 we grant another thirty-day extension.

22 MR. CRANSTON: I second the motion.

23 GOV. ANDERSON: It has been moved and seconded.
24 Any further discussion? If not, all in favor of the motion?
25 (Unanimous "Aye") Passed unanimously. Thank you.

26 MR. HORTIG: Mr. Chairman

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

GOV. ANDERSON: Mr. Hortig.

MR. HORTIG: Are we correct, Mr. Carr, in the assumption that in general terms your motion can be considered as to be a deferment to the next meeting of the Lands Commission in the event that should not be thirty days?

MR. CARR: Pardon me, Mr. Hortig, I meant that to be the next scheduled meeting.

GOV. ANDERSON: If there is no objection, that will be so ordered.

Item 3 on the agenda is permits, easements, and rights-of-way to be granted to public and other agencies at no fee, pursuant to statute; and the first applicant is the Fish and Game department, application (a); applicant (b) - - if there are any comments you wish to make on these, let me know or I will go right through them - - applicant (b) - County of Mono; applicant (c) - County of Stanislaus and Merced.

MR. HORTIG: For the benefit of the Commission, none of the foregoing three items have any record protests or any objections from any parties relevant to the proposed types of operations contemplated under the permits to be granted.

GOV. ANDERSON: Is there a motion?

MR. CRANSTON: I move approval.

MR. CARR: Second.

GOV. ANDERSON: It has been moved and seconded, carried unanimously, that all items of Classification 3 be approved.

1 Item 4 on the agenda -- Permits, easements, leases,
2 and rights-of-way issued pursuant to statutes and established
3 rental policies of the Commission. The first application,
4 applicant (a) is A. R. Brooks; applicant (b) Kenneth F.
5 Ferguson. Mr. Hortig?

6 MR. HORTIG: Mr. Chairman, the calendar item on
7 pages 13 and 14, and specifically on page 13, refers to 120
8 acres in the southeast quarter of a specific Section 16.
9 These 120 acres are a portion only of the southeast quarter
10 and, therefore, it is desired that the record indicate that
11 the specific portion of the southeast quarter referred to is
12 the west half, and the west half of the east half of the
13 southeast quarter.

14 GOV. ANDERSON: Where will that show?

15 MR. HORTIG: That will show on line 3, page 13; and
16 in the body of the recommendation, approximately the center
17 word, the reference is to the southeast quarter. The specific
18 portions of the southeast quarter will be there detailed.
19 The full southeast quarter would contain 160 acres, but only
20 120 acres of vacant State school land are available, in fact,
21 in the southeast quarter. The 120-acre reference in the item
22 is correct.

23 GOV. ANDERSON: So that would read in the third line -
24 how would that be?

25 MR. HORTIG: It would read: "Vacant State school
26 lands in the west half and west half of the east half of the

1 southeast quarter."

2 GOV. ANDERSON: The west half of the east half?

3 MR. HORTIG: The west half and the west half of the
4 east half of the southeast quarter. This sounds cumbersome
5 but this is the standard form of legal description on portions
6 of regular sections

7 GOV. ANDERSON: (To reporter) Do you have that
8 clear in there?

9 REPORTER: Yes, I have.

10 GOV. ANDERSON: Item (c) Carl Newbury and L. A.
11 Mehaffey.

12 Under item (d) we have several individual items:
13 First one is Mayberry Slough, near Antioch, in Sacramento
14 County; and then item (2) under this - San Joaquin River at
15 Stockton - - I have a request from Senator Short that items
16 (2) and (4) be delayed.

17 MR. HORTIG: As you have indicated, Senator Short
18 has requested that these matters, items (2) and (4) specifi-
19 cally, be taken off calendar to the end that they may be re-
20 scheduled in an area adjacent to San Joaquin County and to the
21 end that Senator Short and those people interested in these
22 applications may receive notice. From further conversation
23 with Senator Short, if the deferment be to the next State
24 Lands Commission meeting in Sacramento this would be satis-
25 factory for Senator Short's purposes. This is so recommended.

26 GOV. ANDERSON: It is all right that we have the

1 understanding that Items (2) and (4) will be delayed to our
2 next meeting in Sacramento.

3 So we will skip Item (2) and (4) , and go to
4 Item (3) - Sacramento River, and Item (5) - San Joaquin River,
5 east of Antioch; (6) is Sacramento River, southeast of Red
6 Bluff in Tehama County; and (7) Colorado River in San Ber-
7 nardino County.

8 Then we have Item (e) Pullman Building Company - -
9 MR. HORTIG: For the benefit of the Commission,
10 the Small Craft Harbors Commission were informed of the con-
11 sideration of this application on March 10, 1960. They have
12 not indicated any disapproval.

13 As Mr. Carr will recall, at his suggestion the
14 staff did arrange for liaison, for the Small Craft Harbors
15 Commission's review of all potential boat harbor and boat
16 landing operations, on the basis that they will be informed
17 in advance and if there are to be any objections they will
18 be presented at the meeting at which the item will be con-
19 sidered. There has not been any objection to this item.

20 MR. CARR: Mr. Chairman, I think in view of the fact
21 the Small Craft Harbors Commission's capacity, their finances,
22 are limited; and inasmuch as there is a great deal of demand
23 for facilities of this kind, that whenever responsible private
24 parties are willing and able to meet the conditions I would
25 be in favor of approving this. Just as a way of comment, I
26 think it is a good thing to encourage these things, as we have

9
1 previously said, but I do think Small Craft Harbors should
2 be contacted.

3 GOV. ANDERSON: Any further comment?

4 MR. HORTIG: No sir.

5 GOV. ANDERSON: (f) is the Shell Oil Company and
6 then (g) is the Socony Mobil Oil Company, and (h) is the
7 Texaco Incorporated.

8 MR. CRANSTON: May I ask, in regard to (f), are
9 there any safeguards, Frank, that are necessary or feasible
10 in the protection of the beaches, etcetera? I presume nothing
11 like that is involved in their exploration, but ~~is there any~~
12 safeguard?

13 MR. HORTIG: Safeguards are not only necessary but
14 are included in both the permits as issued by the State Lands
15 Commission, Mr. Controller, and in the fact that there is in
16 continuance attendance on board, during any exploration opera-
17 tions, an inspector of the State Lands Division -- to be sure
18 that the safeguards are being employed and the terms and con-
19 ditions of the permit are being complied with.

20 GOV. ANDERSON: Do you notify the counties in each
21 of these cases?

22 MR. HORTIG: Not in the case of our geological permits,
23 Mr. Chairman. The procedure which has been established and
24 followed by the Lands Commission for years, with satisfaction
25 expressed on the part of the counties, has been to be certain
26 to notify the counties of geophysical exploration operations

1 which will use explosives. Geological operations are conducted
2 from boats, the operations of which are no more obnoxious to
3 onshore activities than the passing of a fishing boat or any
4 kind of boat.

5 GOV. ANDERSON: Then a motion will be in order to
6 approve all of those items under Item 4 on the agenda, ex-
7 cluding those two that Senator Short requested be held over
8 to our next meeting in Sacramento.

9 MR. CRANSTON: So move.

10 MR. CARR: Second.

11 GOV. ANDERSON: Moved and seconded. If there is
12 no objection, passed unanimously.

13 Item Classification Number 5 is the City of Long
14 Beach projects -- approval required pursuant to Chapter 29/56,
15 the First Extraordinary Session, and the first project is
16 (a) the Armed Services Buildings Purchase. Mr. Hortig?

17 MR. HORTIG: Mr. Chairman, Item (a) and Item (b)
18 obviously relate to the standard type of application for
19 advance approval of preliminary expenditures relating to the
20 projects to be undertaken by the City of Long Beach in its
21 subsidence remedial operations -- the amounts ultimately to
22 be allowed as subsidence deductions to be determined by final
23 engineering review and accounting review by the State Lands
24 Commission when the projects are actually completed.

25 Items (c) and (d) represent approvals desired for
26 completed projects, in which the completed final amounts

1 allowable for subsidence deduction have been determined, where
2 the final engineering audit and review has been completed,
3 and the amounts listed are recommended for approval as final
4 subsidence deductions for these specifically enumerated
5 projects.

6 MR. CRANSTON: I move approval.

7 GOV. ANDERSON: Of all four items -- (a), (b), (c),
8 and (d)?

9 MR. CRANSTON: Yes.

10 MR. CARR: I'd like to ask one question before
11 seconding Mr. Cranston's motion. What is the anticipated
12 total cost of these two projects for which this request is
13 made for the beginning expenditures?

14 MR. HORTIG: Actually, Mr. Carr, we are not even
15 reasonably certain of the estimated total cost. This is
16 actually why there is a requirement for preliminary engineering
17 in order to arrive at the point where contract estimates can
18 be prepared, at which time for the first time we will have a
19 realistic estimate of the total cost of the project.

20 MR. CARR: What is the scope of the projects?

21 MR. HORTIG: In the case of Item (a), of course,
22 this is to construct a new Armed Services Y.M.C.A. Building
23 to replace that which is no longer habitable and usable by
24 reason of subsidence; and in the case of the Mitchell Avenue
25 Road and Railroad, it is one of the series of projects which
26 the Harbor Department has heretofore undertaken of raising

1 subsided streets and railroad elevations up to a future safe
2 elevation. Both types of operations as to their general
3 intent qualify under Chapter 29, 1956 in principle and have
4 been so qualified by legal counsel in the office of the
5 Attorney General.

6 MR. CARR: I second the motion, Mr. Chairman.

7 GOV. ANDERSON: Mr. Carr seconds the motion, moved
8 by Mr. Cranston. No objection, it is passed unanimously, on
9 items (a), (b), (c), and (d) under Item Classification Number 5.

10 Item Classification Number 6 -- the sales of vacant
11 State school lands. The first applicant is applicant (a) -
12 Adrienne C. Burke; applicant (b) - Adrienne C. Burke; appli-
13 cant (c) - William H. East; applicant (d) - Alfred Fentzling
14 and Tommee Fentzling; applicant (e) is Leo E. Frooness;
15 applicant (f) - Harry S. Hooper and Warren A. Tinsley; appli-
16 cant (g) - William J. Olson; applicant (h) - John F. Semenza;
17 applicant (i) is Eugene Smith; and applicant (j) is G. Kelton
18 Steele. Any comments?

19 MR. HORTIG: As the recommendations show, each item
20 equaled or exceeded the appraised value advertised as accept-
21 able for the sales, and the sales are recommended.

22 MR. CRANSTON: I move approval.

23 GOV. ANDERSON: It has been moved

24 MR. CARR: Second.

25 GOV. ANDERSON: .. and seconded by Mr. Carr -- passed
26 unanimously.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

GOV. ANDERSON (continuing) Item 7 is the sale of vacant State school lands in Inyo County at appraised cash price of \$3,200 to Adrienne C. Burke and rejection of her application for the northwest quarter of Section 36. Mr. Hortig, would you discuss this?

MR. HORTIG: Yes, Mr. Chairman, and in consideration of supplemental information received from interested agencies and users of portions of the land included in the application and original publication, and also in consideration of recent (up to late yesterday afternoon) discussions and further review of the legal requirements with the office of the Attorney General, it appears that the only legal and equitable recommendation which the staff can present to the Commission today is an amendment of what is on the prepared agenda before you -- in the sense that the protection of the State's interests in these lands, it appears, can be fully clarified only in the event that the pending application for purchase be rejected by the Lands Commission, which it is within the province of the Lands Commission to do; and, conversely, that this recommendation is justified in view of the fact that the type of title that could now be conveyed by the State Lands Commission as of this date is not actually the type of title that was contemplated at the time of publication and offer of this land for sale, and actually there might be a question of equity of even offering it to the bidder at this time in view of the fact that what can be offered and the

1 title that could be conveyed is not that on which the bidder
2 submitted a bid.

3 Therefore, it is recommended that with respect to
4 the pending purchase application for the northwest quarter of
5 Section 36, Township 6 South, Range 36 East, Mt. Diablo Meridian,
6 the sole bid of Mrs. Adrienne C. Burke be rejected; and that
7 the Lands Commission authorize the withdrawal of the specific
8 land from the vacant land list of the State of California
9 pending clarification of the title status.

10 GOV. ANDERSON: How long would this take?

11 MR. HORTIG: A matter of a minimum of thirty, and
12 possibly sixty days, until the land could be recommended to
13 be restored to the vacant land list for sale -- with all of
14 the problems of the State agencies and other trespassing occu-
15 pants of the land.

16 GOV. ANDERSON: That doesn't seem to be the fault
17 of the person making the application. That all seems to be
18 the fault of the State in allowing this land to be trespassed
19 upon.

20 MR. HORTIG: We can only agree with you completely,
21 Mr. Chairman.

22 MR. WHELAN: May I be heard before the Commission
23 rules? My name is Francis C. Whelan. I am representing the
24 applicant, Adrienne C. Burke. With respect to the statement
25 of Mr. Hortig, I would like to point out that we have on
26 several occasions stated, either in writing or orally, that we

1 would eliminate from the application in a manner that would
2 take care of the State's interests in this, the maintenance
3 station lands as well as the highway itself, if the highway
4 itself isn't expressly excepted by the terms of the application
5 inasmuch as the application states it is subject to any ease-
6 ments that have been granted for a right-of-way and there has
7 certainly been a dedication of this highway long since.

8 As far as these other encroachers are concerned, we
9 don't have any desire to create any inequitable situations as
10 far as they are concerned and we notified the Lands Commission
11 staff in writing several weeks ago that we would grant, enter into
12 binding agreements - - that I would consider binding in the
13 interests of Adrienne C. Burke -- to grant to these utilities
14 the easements conforming to their present usage.

15 We also advised this college, which has been using
16 a ditch and an underground pipeline, that we would grant them
17 easements and enter into a binding agreement which would give
18 them that right. In other words, Adrienne C. Burke is not
19 attempting in any way to gouge these people.

20 Several weeks ago I talked to Mr. Smith, Public
21 Land Officer, and I wrote him about I would be willing to
22 discuss the matter of entering into these binding agreements
23 with these people who are thus encroaching, and was advised
24 that I would probably be hearing from him. I have never heard
25 anything from him.

26 Now, it seems to me that the applicant here is

1 entitled to proceed, that we could put this matter over until
2 the next calendar date, and in the meantime these things
3 could be eliminated. I don't think that there is any problem
4 about protecting the interests of the State, and there is no
5 problem about giving to these people rights which, actually,
6 they have not had up to the present time; but there is no
7 problem about doing this. There is no reason why that could
8 not be done and the application entertained at a later date
9 by the Commission without rejection.

10 MR. CARR: Mr. Chairman, this Deep Springs College
11 has been, I believe, on this location for over fifty years
12 and while they may not have legally determined their rights
13 to this right-of-way or what not -- I think the point brought
14 up by Mr. Hortig as to the necessity of having the legal
15 question settled first, rather than after the sale, seemed
16 rather important to me. I think that rather than proceed
17 with the sale and then settle the legal questions later, it
18 would be better to follow his suggestion and clear these legal
19 matters up first. That would be my comment.

20 MR. HORTIG: Mr. Chairman, in furtherance of the
21 thought as expressed by Mr. Carr, the practical solution as
22 he recommended is the one that the staff came to after a con-
23 sideration of all the legal complications that are inherent
24 in any of the tentative procedures that Mr. Whelan outlined.

25 I might also point out that during the course of
26 the consideration of this item Mr. Whelan has had conferences

1 both with the balance of the staff group and with myself. I
2 think all of the staff were fully aware of the proposals on
3 behalf of his client and he was aware that the staff was so
4 aware; so I wanted to point out that I don't believe because
5 of the last statement, that he had not heard the last time
6 around from Mr. Smith, that there were any reservations in Mr.
7 Whelan's mind, although he can speak on that -- that he was
8 fully aware of all the problems the staff had under considera-
9 tion.

10 MR. WHELAN: Might I make my remark more clear? I
11 meant I had not heard from these people who wished to be
12 protected in their use, in their parts of the State lands. I
13 was ready and willing to hear from them. I actually didn't
14 know what the identity of the college was until receiving this
15 calendar item.

16 MR. HORTIG: Concurrently, the State Lands Commis-
17 sion did hear from all these people who were desirous of
18 protecting their rights, and this does bring to mind the
19 question that might be the only alternative, I believe, to
20 the recommendation which the staff has made here this morning --
21 which, if the Chairman please, I would like to put to Mr.
22 Whelan as a question.

23 Mr. Whelan, would your client consent to allowing
24 the State Lands Commission to grant all easements and rights
25 of whatever type as requested by all the present occupants of
26 subject land before the State sells the land to the applicant?

1 MR. WHELAN: Now, may I just make this one statement?
 2 I do not know the exact amount of easements requested. I
 3 believe I have heard that the Deep Springs College wants a
 4 twenty-foot easement for an existing ditch line. I may be
 5 wrong about this -- but a twenty-foot easement for an existing
 6 ditch line, which I am informed is four feet, approximately
 7 four to six feet in width. Now, I know that I discussed this
 8 feature, I believe it was with the attorney for the Deep
 9 Springs College; and I said an easement for maintenance of
 10 the existing ditch, for egress and ingress for maintenance of
 11 the existing ditch, would protect them on their right to go
 12 on the land, even though they are using more than the existing
 13 ditch itself. But I frankly see no reason why the easement
 14 should be twenty feet in width, which would mean my client
 15 would have to build a twenty-foot bridge instead of a culvert.
 16 I see no reason why, if we are sure they are reasonable ease-
 17 ments I am sure that is perfectly all right and that can be
 18 done.

19 I don't know how wide the easements are by the
 20 utilities. I understand in that area -- I talked to Mr.
 21 Davis, who told me they are frequently twenty-five or a
 22 hundred feet. I don't know if they are seeking a three hundred
 23 easement or what the amount is. If I could have some statement
 24 on that, I could give a firm answer to that.

25 MR. GARR: Mr. Chairman, I think that the staff
 26 recommendations are reasonable and I think that they could be

1 carried out without prejudicing the rights or interests of
2 your clients whatsoever. May I ask what the hurry is?

3 MR. WHELAN: May I say I believe I think there is a
4 serious question as to whether or not this land can be with-
5 drawn from sale and then restored and give any prior rights
6 to my applicant.

7 GOV. ANDERSON: Can we delay action upon this and
8 still protect Mrs. Burke?

9 MR. HORTIG: By not rejecting the application, the
10 application and the purchase application of Mrs. Burke will
11 still be up for consideration by the Commission.

12 MR. WHELAN: I believe the way the question Mr.
13 Hortig put to me can be answered satisfactorily -- if we could
14 put this matter over and not reject it, but just giving us time
15 to do what he has suggested.

16 GOV. ANDERSON: How about deferring it to next meet-
17 ing and letting you and Mr. Whelan work out these problems?

18 MR. HORTIG: We would be most happy to work on it
19 with our legal counsel.

20 GOV. ANDERSON: Isn't that - -

21 MR. CARR: I think so. I think it is useless to
22 discuss these things here, but when it comes to ditch mainten-
23 ance, you can't maintain a four-foot ditch from a four-foot
24 easement. You can't run a boat up the ditch -- you have to
25 have machinery. I don't know how deep the ditch is at Deep
26 Springs College. I do know some people who have graduated from

1 Deep Springs College and they have an interest in Deep
2 Springs College; and if anybody has prior rights around here
3 I think it is Deep Springs College, but I think you could
4 work it out.

5 MR. WHELAN: I think an easement for egress and
6 ingress gives you that right.

7 MR. GARR: I wouldn't vote affirmatively on this
8 unless I am satisfied these people -- they may be encroachers,
9 but I think it has been in good faith; so I think if you could
10 work it out, Mr. Chairman, I think that's a good solution.

11 GOV. ANDERSON: How about a motion to defer to next
12 meeting? That will protect Mrs. Burke's rights.

13 MR. CRANSTON: So move.

14 MR. GARR: Second.

15 GOV. ANDERSON: Moved and seconded this item be
16 deferred to our next meeting, carried unanimously.

17 Next item is Item Number 8 -- authorization for
18 Executive Officer to proceed with publication of notices that
19 the Commission intends to consider offering leases for the
20 extraction of oil and gas from the area of tide and submerged
21 lands not included in existing State oil and gas leases lying
22 between the westernmost State oil and gas lease in the Elwood
23 Field and Point Conception, Santa Barbara County, and extending
24 seaward three nautical miles. Mr. Hortig?

25 MR. HORTIG: As the Commission will recall, in an
26 informative discussion at the last regular meeting, it was

1 reported that a suggestion had been received from the Shell
2 Oil Company that the Commission consider offering for oil and
3 gas lease under the Public Resources Code something on the
4 order of thirty-seven thousand acres of tide and submerged
5 lands offshore in Santa Barbara County, to be leased pursuant
6 to competitive public bidding.

7 The statutes require -- and specifically, Section
8 6873.2, Public Resources Code -- that before offering any
9 tide or submerged land area for an oil and gas lease, the
10 Commission shall publish notice thereof, and any affected city
11 or county may, within thirty days after the publication of
12 such notice, request in writing to the Commission that a hear-
13 ing be held with respect thereto. The Commission in its dis-
14 cretion and irrespective of any such request may hold such
15 hearing as it shall determine.

16 Therefore, it is recommended that the Commission
17 authorize the Executive Officer to proceed with the publication
18 of the notice required by Section 6873.2 of the Public Resources
19 Code that the Commission intends to consider offering leases
20 for the extraction of oil and gas from the area of tide and
21 submerged lands not included in existing State oil and gas
22 leases lying between the westernmost State oil and gas lease
23 in the Elwood Field and Point Conception, Santa Barbara County,
24 and extending seaward three nautical miles.

25 Up to this point, the recommendation for authorization
26 is to provide the authorization to comply with procedural