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**TRANSCRIPT OF  
MEETING  
of  
STATE LANDS COMMISSION**

**SACRAMENTO, CALIFORNIA**

**JULY 20, 1965**

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PARTICIPANTS:

THE STATE LANDS COMMISSION:

Hon. Glenn M. Anderson, Lieutenant Governor, Chairman

Hon. Alan Cranston, Controller

Hon. Hale Champion, Director of Finance, ABSENT --  
represented by Mr. John P. Sheehan, Chief  
Deputy Director of Finance

Mr. F. J. Hortig, Executive Officer

APPEARANCES:

(In the order of their appearance)

ALL APPEARANCES IN CONNECTION WITH SUPPLEMENTAL  
CALENDAR ITEM 13:

Mr. John W. Ross, Jr., Attorney  
representing Fair Oaks property owners

Dr. G. A. Fricker, resident of Fair Oaks

Mr. James W. Malcolm, Landscape Architect,  
Department of Parks and Recreation  
County of Sacramento

Mr. Stanley R. Andrus, Engineer, resident  
of Fair Oaks

Mr. Chandler Ide, Vice President and Secretary  
of Natomas Company

Mr. Leon D. Collins, District Manager of  
Pacific Cement and Aggregates

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(In accordance with Calendar Summary)

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1 JULY 20, 1965 - 2:45 P.M.

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

5 The secretary will make note that all the members  
6 are present; Mr. Champion is represented by his Deputy.

7 In deference to the fact that I understand a large  
8 number of the people in the audience are here on the supple-  
9 mental item, number 13, pertaining to the bridge over the  
10 American River, if there is no objection we will take that  
11 item up first.

12 The first item, then, will be Supplemental Item  
13 Number 13, to authorize right-of-entry permit for the con-  
14 struction, maintenance, and use of a haul-road bridge over  
15 the American River, Sacramento County.

16 Mr. Hortig, how do you want to handle that? Are  
17 there people on both sides who wish to testify?

18 MR. HORTIG: There are people from both sides  
19 present, Mr. Chairman, and if there are questions raised I  
20 am sure both would want to testify. If I might suggest, I  
21 believe a rapid reading of the agenda item which you have  
22 before you, which outlines the physical and legal factors  
23 involved, would set the stage so that everyone could be  
24 discussing the same point from both sides of view.

25 Natomas Company, a California corporation, is the  
26 holder of fee title to lands located on both sides of the

1 American River in Sacramento County lying adjacent to and  
2 westerly of the Fair Oaks Bridge on Sunrise Avenue in Fair  
3 Oaks. The State and the Natomas Company have conflicting  
4 claims as to the title to the bed of the American River in  
5 this area.

6 There are extensive gravel deposits on the north  
7 side of the river (the remnants of placer mining operations)  
8 which the Natomas Company and Pacific Cement and Aggregates,  
9 Incorporated, wish to transport to a crushing and washing  
10 plant on the south side of the river -- the location of  
11 which is shown on a site map in your calendar, Mr. Chairman  
12 and Commissioners. This plant has been in operation since  
13 1914 and the contract for extraction of gravel from Natomas  
14 lands by the predecessor to Pacific Cement and Aggregates  
15 has been in effect since 1929.

16 The Natomas Company, apparently unaware of the  
17 State's title claim, had proceeded with plans through a con-  
18 tract with Pacific Cement and Aggregates to reconstruct a  
19 bridge which was constructed originally in 1956 over the  
20 American River to facilitate the transport of the gravel  
21 from its property on the north bank to its property on the  
22 south bank. With the exception of the bridge crossing of  
23 approximately one hundred fifty feet of State land, the  
24 entire operation on both sides of the river would be con-  
25 fined to lands owned by the Natomas Company, who, paren-  
26 thetically, are under a contract for operation to Pacific

1 Cement and Aggregates.

2 There would be no transport of materials from the  
3 operation over any dedicated street, county road or public  
4 highway.

5 At the time of writing this agenda item, it was  
6 approximately thirty property owners, but it looks like this  
7 number may have increased - - but approximately thirty  
8 property owners on the north side of the river have regis-  
9 tered a protest with the Sacramento County Board of Super-  
10 visors and the County Planning Department, citing the nui-  
11 sance of noise, dust, and fumes. The protestants reside in  
12 single-family dwellings set back on a 175-foot bluff which  
13 overlooks the proposed operation and located a minimum of  
14 700 feet from the haulage road.

15 This group has stated that a crossing would be  
16 more acceptable 1,500 feet downstream from the existent  
17 bridge support location. The relocation route suggested by  
18 the opponents would cross land under option to the Sacra-  
19 mento County Park and Recreation Department, which depart-  
20 ment would oppose such a relocated route.

21 The Natomas Company and its lessee do not favor a  
22 downstream location because it would entail about \$63,000  
23 additional cost. This would be in addition to an already  
24 incurred construction penalty by the Natomas lessee, Pacific  
25 Aggregates, of \$4,000 because of delay in obtaining the  
26 easement from the State.

1           The applicant has stated that all reasonable  
2 control -- and this is the applicant for right-of-entry  
3 permit to cross the American River -- will be exercised to  
4 keep noise and dust to a minimum pursuant to Sacramento  
5 County operation authorizations. All such authorizations  
6 have been concurred in and are the subject of an opinion  
7 by the County Counsel of the County of Sacramento that all  
8 requirements to be met on behalf of the county control condi-  
9 tions have been met by the State's applicant for this cross-  
10 ing permit. The controls which have been offered are as  
11 follows:

- 12           1. All equipment will be muffled.
- 13           2. All equipment will be rubber-tired.
- 14           3. The roads will be sufficiently watered.
- 15           4. Work will be restricted to eight hours per day;  
16           no weekend, holiday, or night work.
- 17           5. Trees will not be harmed.

18           Additionally, the Reclamation Board -- this is the  
19 State Reclamation Board -- and the U. S. Army Corps of  
20 Engineers have approved the project, with definite specifi-  
21 cations and requirements, which will result in connection with  
22 the removal and grading of the area in an actually improved  
23 area after the operations are completed.

24           The County of Sacramento, through the Department  
25 of Public Works and County Counsel, as I stated previously,  
26 has expressed the opinion that the Natomas Company has

1 fulfilled all county requirements to proceed with the project.

2 The bridge will consist of a superstructure and  
3 decking to be erected on existing steel-pile bents (rather  
4 than wood-pile) and will be approximately 250 feet long and  
5 20 feet wide, of which approximately 150 feet will cross  
6 State land; and, patently, the other 50 feet on either side  
7 is on the Natomas Company's own land.

8 In view of the project schedule and the fact that  
9 the Company was unaware of the State's title claim until  
10 recently, a request has been made for a temporary right-of-  
11 entry permit to allow the applicant to proceed with the  
12 project. The permit would be issued subject to terms and  
13 conditions of a right-of-way easement retroactive to the  
14 date of issuance of the permit. The permit and easement  
15 would be issued without prejudice to the title claims of the  
16 Natomas Company to the bed of the American River, and, simi-  
17 larly, without prejudice to the title claims of the State of  
18 California to the same portion of the same bed of the same  
19 river.

20 Now, it must be stressed that the problem of the  
21 residents in the area -- who have both contacted their legis-  
22 lative representatives and who were represented at the last  
23 meeting of the State Lands Commission by counsel and who  
24 have reported in interviews by a land agent of the State  
25 Lands Division staff -- stems from the concern and the feel-  
26 ing, as reported earlier, that the approvals by the Sacramento

1 County Board of Supervisors and the County Planning Depart-  
2 ment are not proper; that there should be additional county  
3 controls as a minimum; and therefore, I must stress the  
4 fact that the problem that these people have is not the  
5 question of whether the State Lands Commission authorizes a  
6 right-of-entry permit over 150 feet of the river, but as to  
7 the nature of the conduct of the operations under county  
8 controls and the problem, therefore, is one that is primarily  
9 if not wholly only within the cognizance of the local county  
10 jurisdictional boards.

11 Under these circumstances, it is recommended that  
12 the State Lands Commission authorize the Executive Officer  
13 to grant to the Natomas Company a two-year right-of-entry  
14 permit for the construction of a haul-road bridge over the  
15 American River adjacent to and westerly of the Fair Oaks  
16 Bridge in Sacramento Courty; preliminary to the negotiation  
17 of a right-of-way easement with standard terms and condi-  
18 tions retroactive to date of issuance of the permit. The  
19 permit is to be without prejudice to title claims to the bed  
20 of the American River by either party.

21 GOV. ANDERSON: Has this been fully heard before  
22 the Board of Supervisors and before the Planning Commission?

23 MR. HORTIG: It has not been heard, Mr. Chairman,  
24 for the reason that the County Counsel in written opinion,  
25 of which we have a copy, reported to the Board of Supervisors  
26 that there was no need for a hearing on a permit, and I

1 quote from the letter from the Office of the County Counsel  
2 on May 14, 1965 to Mr. A. L. Kiefer, Director of the Depart-  
3 ment of Public Works of the County of Sacramento, "Re: Zone  
4 Non-Conforming Use," the conclusion, the opinion, and I  
5 quote in full -- and this is the opinion of the Office of  
6 the Sacramento County Counsel, John B. Heinrich, County  
7 Counsel, signed by Thomas A. Darling, Deputy County Counsel:

8 "In our opinion use of all of the land covered  
9 by the lease, including the park located north  
of the American River along the right bank ....

10 and I might add there that these are the identical lands  
11 that are under discussion here for access by the desired  
12 right-of-way easement from the State Lands Commission - -

13 "... use of all of these lands for the purpose  
14 of harvesting rock and gravel constitutes a  
15 legal use, which has been in existence since  
prior to the existence of any county ordinance  
requiring a use permit for such use.

16 "On this basis, harvesting of rock and gravel  
17 from the property north of the river is a con-  
18 tinuation of a pre-existing legal use, which  
19 may be continued without obtaining the permit  
normally required by the regulations of the  
F (Flood) Zone for the establishment or en-  
largement of such use."

20 The Commission will recall representation by the  
21 counsel for the protestants to this issue at the last meet-  
22 ing, stating lack of agreement with this viewpoint and the  
23 need to discuss further and get clarification from or seek  
24 an injunction against the County of Sacramento.

25 For this reason again -- and this is simply  
26 another stress -- the problem is one to be resolved by the

1 local governing agencies of the control of the operation,  
 2 which is not changed or aided or abetted or altered in any  
 3 manner by the consideration of the Commission issuing a  
 4 right-of-way easement for a bridge, except that it makes the  
 5 proposed operation economically more feasible.

6 I might state, for the benefit of the Commission,  
 7 with reference to the original bridge construction in 1956,  
 8 the bridge was constructed in order to provide an effective  
 9 haul road to haul material for construction of McClellan  
 10 Air Force Base out the north side of the river and across  
 11 the country. If this bridge permit were not authorized by  
 12 the Lands Commission as it is now being applied for, without  
 13 evaluating the additional economic burden, it must be as-  
 14 sumed that the Natomas Company and its lessee could physic-  
 15 ally and legally provide for hauling from the north bank of  
 16 the American River out over city streets and county roads  
 17 and public highways, and of necessity through residential  
 18 areas, in order to get this material to their existing oper-  
 19 ating plant, rather than the method that has been suggested  
 20 here -- under which all of the material would stay on  
 21 Natomas Company property, to be hauled only over private  
 22 roads and would not approach any residences and would not  
 23 use any of the existing city streets, county roads, or  
 24 public highways.

25 Actually, the proposed method of operation would  
 26 appear to be advantageous from the standpoint of minimizing

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adverse impact in connection with the adjoining residential use of the area.

GOV. ANDERSON: Now, I asked over the phone, I believe, about a letter I had received from Senator Rodda, a letter that he had received from Doctor Geoffrey Fricker, and suggesting this other route across the river that I think you referred to. At least I want to make this a matter of record.

In here, he says going downstream further, another bridge would cost \$140,000 instead of \$100,000. That's the one you said would cost \$63,000 more. Is that the same bridge?

MR. HORTIG: That would be approximately the same location. There is no bridge there. It is a proposal to locate a new bridge at an alternate site.

GOV. ANDERSON: You said that site would have the opposition of the county government itself because that bridge would find itself placed in the center of a proposed park and proposed lake.

MR. HORTIG: This is correct, sir, and if I may read from the report ....

GOV. ANDERSON: I want to make this letter from Senator Rodda a matter of the record.

MR. HORTIG: Right. ... a report by the land agent for the State Lands Division, who I requested make a field inspection and review, and who also interviewed

1 residents in the area; and I might add I double-checked this  
2 report personally -- I was in the field, over its entire  
3 area, all of yesterday morning personally.

4 It was pointed out in the conduct of this investi-  
5 gation that the alternate route, as has been proposed both at  
6 the last meeting of the Lands Commission and in the letter  
7 directed to your attention by Senator Rodda, aside from any  
8 increased costs of placement and operation for the State's  
9 applicant, this alternate route would have to go through a  
10 parcel of land which is currently under option to the Sacra-  
11 mento County Park and Recreation Department, and it was  
12 represented that the Park Department would oppose such a  
13 relocation.

14 To verify this, we contacted Mr. Pond, the Direc-  
15 tor of Parks for the Sacramento County Park and Recreation  
16 Department, who categorically substantiated that the Depart-  
17 ment would be opposed to any location other than the one  
18 proposed in the application to the State Lands Commission  
19 for the subject bridge.

20 GOV. ANDERSON: Does anyone wish to comment?

21 MR. ROSS: Yes.

22 GOV. ANDERSON: Please identify yourself for the  
23 record.

24 MR. ROSS: My name is John Ross and I am an attor-  
25 ney representing the Fair Oaks property owners.

26 Mr. Chairman and members of the Planning Commission,

1 I spoke here at the last meeting; and, as I understand the  
2 situation, there are some things that Mr. Hortig mentioned  
3 that seem to be different than what I have.

4 For instance, this alternate route down there that  
5 they speak of would not cost \$63,000; it would be about  
6 \$40,000, and it was said it would undoubtedly be compensated  
7 because people wouldn't be trespassing across there and for  
8 the good will of the people involved.

9 I also understand that the County of Sacramento -  
10 while Mr. Hortig said Mr. Pond objected to it, I understand  
11 that Mr. Pond did not object to it. I think some of these  
12 people have talked to him here and I understand that he does  
13 not object to it as long as the land can come back to the  
14 county, so they can use it a few years from now. So I sin-  
15 cerely feel he doesn't object to that.

16 As to the County Counsel's opinion, I think some  
17 of these things may not be pertinent to the Commission here,  
18 because that was on the application for the land use permit  
19 which this body would have nothing to do with.

20 These people are quite upset over this situation  
21 because the County Counsel's office has rendered an opinion  
22 which deprives them of an opportunity to be heard. We are  
23 here with the hope that we can at least express an opinion  
24 here.

25 Mr. Heinrich, the County Counsel - - as I mentioned  
26 last time I have a letter here; I have a letter wherein

1 subsequent to his opinion he asked me what I thought. I  
2 said, "John, that is the first time in my life you asked me  
3 for an opinion on your opinion. You usually hand it out  
4 and say, 'here it is.'"

5 John and I are good friends -- the County Counsel  
6 and I -- but I think he wasn't too sure of himself.

7 The report Mr. Hortig read assumes that some nui-  
8 sance will be caused to these people there and that is what  
9 we are entirely complaining about now -- that is, not en-  
10 tirely, but substantially what we are saying is this opera-  
11 tion is going to create a nuisance there, and I think his  
12 report would indicate that.

13 Would you gentlemen like to hear from Doctor  
14 Fricker? I think he was mentioned in that report.

15 GOV. ANDERSON: How much time would you need?

16 MR. ROSS: Just a few minutes -- and one other  
17 gentleman I'd like to have you hear from.

18 Gentlemen, this is Doctor Fricker.

19 GOV. ANDERSON: Will you identify yourself, Doctor?

20 DR. FRICKER: I am a private physician at Sacra-  
21 mento, but a resident of Fair Oaks for the past fifteen  
22 years and representing thirty families, approximately, who  
23 live in the two bluff areas which will be affected by the  
24 rock and gravel operation.

25 The thing I would like to stress predominantly,  
26 which hasn't been mentioned so far, is the fact that the

1 area below our homes has been a swimming and beach area, not  
2 only for our residents but the residents of the whole area,  
3 for thirty or forty years. There are upwards of three or  
4 four hundred people that utilize this area weekly.

5 For instance, there were a tremendous load of  
6 boaters that took off last weekend in their kayaks. It is a  
7 known place for congregating for activities of this sort and  
8 is used by many residents of the entire area. According to  
9 the American River Association, who I think you have a letter  
10 from there, they feel it is the most important beach area  
11 right at the present time on the whole American River.

12 This whole beach area will be destroyed by this  
13 levee and this road that will be built in this area, and I  
14 can show you that on a map which I have or photographs I  
15 have, if you care to see it.

16 This is our primary complaint -- that this area  
17 will be destroyed for a period of six or seven years.

18 Now, the road which we propose -- which will go  
19 across the river on the other side and go down approximately  
20 a third or fifth mile below -- would not destroy this beach  
21 area at all. It will give the gravel company a more direct  
22 access to the tailing, and it will not give the noise and  
23 dust which the former road would do, because the former road  
24 the one which the gravel company proposes -- is one third of  
25 the distance to the homes than the other; and if you figure  
26 the noise increases the square of the distance, there is

1 approximately nine times the noise to be gained as compared  
2 to our proposal.

3 I think from an engineering standpoint it is very  
4 important to have this as far away as possible; but from the  
5 main standpoint, it will destroy this area for use by the  
6 swimmers and for fisherman and for people that picnic in  
7 this area. We feel it is important that this be considered.

8 If you have not read the letter which came from the  
9 American River Association, I would appreciate that that  
10 could be read into the record at this time. It is not a very  
11 long letter and, if possible, could I read that -- because  
12 this does not give the standpoint of the residents in the  
13 area; it speaks not at all about how we feel about the noise  
14 and dust, but only about the thirty-one hundred members of  
15 the association and how they feel about the destruction of  
16 this beach area.

17 I don't know when Mr. Hortig spoke to Mr. Pond ....

18 MR. HORTIG: July 9th.

19 DR. FRICKER: Since then I have talked to him and  
20 he has stated this would be a good thing. He would like very  
21 much to exchange the road and would gladly give the right of  
22 this crossing down the stream in exchange for the maintenance  
23 of the beach area which is up here, and which they have in-  
24 corporated in their plans for the future in the county. I  
25 am sure he would be glad to do this. He told me he would be  
26 here.

1 GOV. ANDERSON: Is Mr. Pond in the audience?

2 MR. MALCOLM: No, sir; he is not. I am repre-  
3 senting the Department of Parks and Recreation of the county.

4 GOV. ANDERSON: Did they change their mind? You  
5 are representing Mr. Pond?

6 MR. MALCOLM: I am Jim Malcolm with the County  
7 Department of Parks and Recreation. Mr. Pond was unable to  
8 attend because of a schedule conflict.

9 GOV. ANDERSON: Has there been a change in policy  
10 from what Mr. Pond originally told Mr. Hortig?

11 MR. MALCOLM: I believe we have about three dif-  
12 ferent proposals going here. Officially, we have recognized  
13 the original proposal by the applicant, since this has worked  
14 into the option of record which we hold from the Natomas Com-  
15 pany. Incidentally, the County is the holder of the option,  
16 not the Department of Parks and Recreation.

17 The alternate proposal as of today, to the best  
18 of my understanding of Mr. Pond's directions, was not accept-  
19 able from the Park Department's point of view. Our recom-  
20 mendation on that to the Board of Supervisors would have to  
21 be a negative one.

22 GOV. ANDERSON: Is there a second alternate now?

23 MR. MALCOLM: We have two proposals so far -- one  
24 in process ...

25 GOV. ANDERSON: The one in process we have right  
26 now?

1 MR. MALCOM: You have the copy of the letter from  
2 the American River Association, which presents, I believe,  
3 a third proposal.

4 MR. HORTIG: That we have not heard yet.

5 MR. MALCOLM: So as of this moment we have two  
6 proposals.

7 DR. FRICKER: It is really not a third proposal;  
8 it is actually the same as the residents' proposal.

9 MR. CRANSTON: Which one does the County support?

10 MR. MALCOLM: Officially, the County supports the  
11 original proposal because this was not anticipated....

12 MR. CRANSTON: Then you haven't changed from July  
13 9th at all, then?

14 MR. MALCOLM: Officially, no. However, there is  
15 some new information which we would, if they asked for a  
16 recommendation, have to modify our original recommendation.  
17 If I could just take a minute to explain - - I am kind of  
18 in the horns of a dilemma speaking for Mr. Pond.

19 GOV. ANDERSON: Maybe we better get the Doctor's  
20 testimony first.

21 DR. FRICKER: The letter from Mr. Harold Severaid  
22 was written on July 15th:

23 "Mr. Leon B. Collins, District Manager  
24 Pacific Cement and Aggregates, Inc.  
25 16th and A Streets  
26 Sacramento, California

Dear Mr. Collins:

It has come to our attention that there

1 "is a feasible alternative to your plan to  
2 re-bridge the American River using the existing  
3 old pilings immediately below the Sunrise  
4 Bridge. Our Board of Directors discussed this  
5 matter in detail last Monday evening and passed  
6 a resolution unanimously directing me to send  
7 a 'goodwill' request to you indicating our  
8 thoughts on this matter.

9 " We understand that you have already can-  
10 celled the public's right of access to this  
11 most popular and heaviest used recreational  
12 area along the entire river. We do not oppose  
13 your proposed gravel removal from the north  
14 bank. Nor do we question either your right or  
15 the need to restrict public access at the site  
16 of your new haul road and bridge.....

17 MR. CRANSTON: What is the cancellation of the  
18 public right you refer to?

19 DR. FRICKER: The cancellation would be the new  
20 bridge which the cement company proposes.

21 MR. CRANSTON: You said something about already  
22 canceling a right.

23 DR. FRICKER: Yes. For several years, I under-  
24 stand, they have not actually given any right to the county  
25 or to anybody to use this area. It has been used as a mat-  
26 ter of public domain, I guess.

MR. HORTIG: Public trespassing.

MR. CRANSTON: They presumably, then, have the  
right to prohibit the public from using the beach.

DR. FRICKER: That's correct. (continuing with  
letter):

"... However, withdrawal of the area under  
consideration would, we feel, be contrary  
to the public interest and thus innately  
harmful to the good public image which your

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"company has maintained over the years.

" Therefore, on behalf of our 3176 members and 109 co-sponsoring organizations, the Board of Directors of SARA would like both to request and to propose an alternate solution to this problem which we are confident will meet the requirements and self interests of all parties concerned. We propose that you again renew your permit for public access to the park lands surrounding the old bridge pilings in exchange for a right of way easement with the County bordering the downstream edge of the existing settling pond. This presupposes your continued use of your existing haul road to the starting point of the new easement and the construction of a totally new bridge leading directly into the area of your proposed operations on the right bank.

" Such an arrangement would not bespoil the area formerly leased to the Fair Oaks Park District, and would cause a minimum amount of damage and tree cutting in the new downstream area. Even more importantly, using this location for your new haul road would place it at the very upstream edge of heavy recreational usage of the County's American River Parkway South. Thus, recreation foot traffic across your new haul road would be at a minimum at this point.

" We are quite aware that this alternative would cost your company upwards of \$40,000 more than to rebuild your old bridge. However we feel this is in the long run a relatively small sum to pay for a continuing community goodwill when measured and prorated against the decade of time under consideration, and the millions of dollars worth of products which you will haul over it. Then a decade hence this bridge can continue to serve the public good by eventually tying together the two sides of the parkway at this point.

" Please give serious thought to this proposal. We feel it would repay your company several times over not only in goodwill but in a reduction of trespass traffic and

" enforcement costs which might well result from bisecting the popular downstream park site adjacent to the Sunrise Bridge.

Very sincerely yours,

J. Harold Severaid  
President and Chairman  
Board of Directors "

6 MR. HORTIG: Mr. Chairman, if I might suggest,  
7 representatives of the Natomas Company, to whom this letter  
8 was directed, are here; and, of course, this proposal is a  
9 series of negotiations -- if it has gone that far -- as be-  
10 tween the Association and the Natomas Company; and I am sure  
11 they would want to respond as to the status of those nego-  
12 tiations.

13 If I might, before you call on them, however,  
14 stress for the record some points which have both been made  
15 by counsel and by Dr. Fricker.

16 They keep bouncing around between estimates of  
17 \$63,000 and \$40,000. It must be stressed these are cer-  
18 tainly not cost estimates based on existing bids, but on  
19 reasonable engineering estimates, number one; plus the con-  
20 struction at a new location is only part of the total cost  
21 of a revised operation, in that a further downstream loca-  
22 tion would involve additional operating and haulage costs  
23 for the material also.

24 So, over the life of the contract, it can be esti-  
25 mated that the possible additional costs would be \$63,000  
26 rather than the forty to forty-five thousand at the present

1 location for which there is an application, and for which,  
2 as you have heard, is the only location to which the County  
3 of Sacramento has given official approval.

4 In the interim, while all these negotiations are  
5 going on, unless there be an immediate motion for further  
6 study while all the parties work out all of these problems,  
7 as pointed out -- the one month delay to study this problem  
8 since last month has already caused the payment of penalties  
9 for delay in construction contracts of \$4,000, and these  
10 penalties are accumulating ever now as the Commission is  
11 deliberating on this problem.

12 With that as a preface, I think it would be help-  
13 ful to the Commission to hear from the representatives of  
14 the Natomas Company and Pacific Cement and Aggregates.

15 GOV. ANDERSON: Don't you think Dr. Fricker could  
16 conclude first?

17 MR. HORTIG: I had assumed he had.

18 DR. FRICKER: Our plan is the same as the American  
19 River Association plan.

20 MR. ROSS: I think there is one other gentleman...

21 DR. FRICKER: Mr. Andrus, one of our residents,  
22 would like to say a few words about the noise and dust  
23 problem.

24 MR. ANDRUS: My name is Stanley Andrus. I am a  
25 resident of Fair Oaks, plus I am an engineer with Aerojet;  
26 and I would like to substantiate what Dr. Fricker has stated --

1 that is, the noise level that would be experienced by the  
2 two roads would be in the terms of the square of the dis-  
3 tance. You can see visually the relative location, as drawn  
4 in red, at the existing haul road is approximately three  
5 times the distance on the bluff side that the P.C.A. pro-  
6 posed road would be. This would result in roughly three  
7 squares or nine times the sound level that would result to  
8 the residents on the bluff by this new location.

9 Now, many of these residents have heard the sound  
10 level from the trucks that have been hauling over the years.  
11 This has been improved some by the incorporation of mufflers.  
12 However, these heavy Euclid hauling machines are noisy, and  
13 the noise would certainly be heard on the bluff.

14 I would like to point out one other thing, which  
15 is not an engineering point, which has not been pointed out  
16 at this time; and that is, as a resident raising small  
17 children, we have a boy five and a smaller one, they will  
18 play on the bluff and undoubtedly be on this haul road --  
19 rightly or wrongly. It is the type of thing that is diffi-  
20 cult to stop. The trucks hauling on the opposite side of  
21 the river would be away from the children, the residential  
22 area and the potential danger to children. That is, to the  
23 property owner, of extreme concern.

24 GOV. ANDERSON: This beach area that will be  
25 destroyed -- this is the same area that the aggregate company  
26 has withdrawn the right for the people to use anyway?

1 MR. ANDRUS: Yes, sir.

2 GOV. ANDERSON: So the people can't use this beach  
3 area anyway?

4 MR. ANDRUS: I believe this is a legal interpreta-  
5 tion. However, it is not enforced -- the people do use this  
6 beach daily.

7 GOV. ANDERSON: Also there was some comment made -  
8 I had been told this hauling away would improve this area.  
9 You told me that, Frank?

10 MR. HORTIG: This is correct; and, as a matter of  
11 fact, it is to accomplish an improvement in the area or is a  
12 necessary requirement in the specifications for approval of  
13 the project by both the Reclamation Board and the U. S. Corps  
14 of Engineers -- improving the area, both as to its recrea-  
15 tional potential ultimately, as well as for flood control  
16 and to assure there will be a minimization of flood damage  
17 to the foot of the bluff on top of which these residents  
18 exist.

19 So from a pure land use and land management plan,  
20 the sum total of the project would be an over-all improvement  
21 of the lands which are at the base of the bluff and which  
22 are being used in trespass by the general public as beach  
23 area at the present time and have been for many years, as  
24 has been stated; but they would be improved as to recrea-  
25 tional potential, provided the owner wished to devote them  
26 to this in the future, and they certainly would be improved

1 as to flood protection potential as against the base of the  
2 bluff because of the requirement of the Corps of Engineers  
3 to assure that this protection is achieved in the course of  
4 removing this gravel from the privately owned lands of the  
5 Natomas Company.

6 GOV. ANDERSON: Do you agree that this would im-  
7 prove or damage the land -- this removal of the piles of  
8 rock?

9 MR. ANDRUS: The removal of the rock we are not  
10 arguing against or for. We are arguing the point on the loca-  
11 tion of the road, and I am in no position to discuss the  
12 merits of whether the land would be improved or harmed by  
13 this. We are only discussing or contesting the location of  
14 the access road to accomplish this.

15 GOV. ANDERSON: Let's hear the gentleman from the  
16 County -- Mr. Malcolm. Then we will hear the gentleman from  
17 Natomas.

18 MR. MALCOLM: Mr. Chairman, as I was trying to ex-  
19 plain -- The comment was just made that the proposal put  
20 forth by the property owners on the bluff and the proposal  
21 just read are the same proposal. They may be now, but as of  
22 the time we reviewed it, this was not the case; so I have to  
23 stand by the fact that there are three alternate proposals,  
24 as I understand them.

25 Officially, the County of Sacramento through its  
26 Board of Supervisors has, in fact, adopted the original

1 proposal because it is built into the option on the property.

2 GOV. ANDERSON: There has never been a public hear-  
3 ing of any kind on it?

4 MR. MALCOLM: I am sorry -- I don't believe so, but  
5 I can't speak for sure; I don't know. As to the other two  
6 proposals, our department is not empowered to make a decision  
7 on behalf of the County. The Board of Supervisors would  
8 have to make the decision. Our department is in the position  
9 of recommending to the Board on the desirability of alterna-  
10 tives, if requested by the Board.

11 As of now, considering the three alternatives --  
12 although, frankly, I don't know how the Natomas Company feels  
13 on the third alternative because I have had no indication;  
14 this letter is apparently from S.A.R.A. to Natomas Company  
15 or P.C.A., I don't know -- I have a copy of it myself -- and  
16 I have no knowledge of how P.C.A. feels on it.

17 So our feeling is this: Either of these two pro-  
18 posals represents potential damage to the parkway, the area  
19 under our option. Now, the third proposal has a condition  
20 on this area we talked about, the swimming beach. If this  
21 could be tied back and let the public use it again by moving  
22 the haul road and bridge downstream, and if the haul road  
23 could be worked out in such a way that there was minimum dam-  
24 age to our proposed parkway, then we would be inclined to  
25 give a favorable recommendation to the Board.

26 The reasoning behind this is that for years this

1 area that was mentioned has been operated as a public swim-  
2 ming facility by permit from the Natomas Company, on a year  
3 to year agreement.

4 GOV. ANDERSON: I thought you said they were all  
5 trespassing?

6 MR. MALCOLM: I believe this year to year agree-  
7 ment was discontinued because of this construction.

8 GOV. ANDERSON: Then the trespass is recent?

9 MR. CRANSTON: The contract has expired.

10 MR. MALCOLM: I believe it was year to year and  
11 how formal or informal it was, I don't know.

12 GOV. ANDERSON: As a park group, you wouldn't be  
13 supporting a beach area? That isn't part of your system.  
14 In other words, I am wondering why you would be fighting for  
15 the beach area.

16 MR. MALCOLM: In effect, I am. The area is under  
17 the Board of Supervisors.

18 GOV. ANDERSON: Will there be another beach devel-  
19 oped as a result of this to take the place of the one elim-  
20 inated, under your plan?

21 MR. MALCOLM: We don't have that permanent plan  
22 on the parkway, but I would assume under the original pro-  
23 posal we are going to lose some nice beach area, under the  
24 application before you.

25 MR. CRANSTON: Would the fact of our denying a  
26 permit stop this work at all? Isn't that what you said  
earlier?

1 MR. HORTIG: As I said, there is a strong presump-  
2 tion that while it might impose an additional economic bur-  
3 den, there is another way to get this gravel out on the north  
4 side; and that is to reconstitute the old McClellan Field  
5 haul road and come out on the public streets and public high-  
6 way, right through the residential area on top of the bluff,  
7 right to the top of the Sunset Ridge -- rather than concen-  
8 trate the total operation on privately owned lands and stay  
9 out of the public streets.

10 MR. ROSS: I just want to mention that that argu-  
11 ment of Mr. Hortig could very easily be done away with by  
12 the County because I don't believe the County would be in-  
13 clined to let them carry those trucks through there.

14 MR. HORTIG: Again, a County question -- and not  
15 before the Lands Commission.

16 GOV. ANDERSON: Can we hear from the Natomas  
17 representative, then?

18 MR. IDE: Briefly - - My name is Chandler Ide and  
19 I am Vice President of the Natomas Company.

20 I think the summary before you quite adequately sets  
21 forth the main points, but I would like to just briefly com-  
22 ment upon one feature, and that is whether or not the Natomas  
23 Company had canceled any rights to use the beach.

24 Now, first of all, this land is owned by Natomas.  
25 Years ago it was under year-to-year lease to the people in  
26 Fair Oaks. We have not had any lease arrangements within

1 recent years, but we have allowed the public to use it over  
2 the years; and the proposed haul road and bridge would reduce  
3 somewhat the size of this beach area available during the  
4 period of the road's operation, but would not eliminate it  
5 altogether.

6 I think in all fairness it should be recognized  
7 that the existence of this beach as a public facility is a  
8 matter of Natomas Company's good will toward the community  
9 and none of the aggregates are going to be removed from the  
10 beach, so they will then be available in toto again when the  
11 operation is completed.

12 One other point, for the record, we do not favor  
13 the alternative location that has been suggested.

14 GOV. ANDERSON: The recent one put in by the  
15 American River Association?

16 MR. IDE: The two alternate locations -- princi-  
17 pally for the same reasons that would apply to the first one;  
18 the item of cost is important.

19 GOV. ANDERSON: I was looking -- May I see the  
20 map again? You can probably remember it better than I can,  
21 but it looks to me -- Frank, will you help me here a minute?  
22 All of these tailings -- is all of this here and all this  
23 here going to be brought down across the stream?

24 MR. HORTIG: Here is the Sunset Bridge, Citrus Road,  
25 in Fair Oaks. This is the American River. The proposed  
26 alternate would be at this location.

1 GOV. ANDERSON: It looks like it is farther down.

2 MR. HORTIG: In other words, the first alternative  
3 proposal is to relocate 1,500 feet down. Here is the exist-  
4 ing bridge, which is proposed to be reconstructed. Here is  
5 this parcel to the Park Department, who are willing to have,  
6 as a condition of conveyance here, a small part of the haul  
7 road across this corner, rather than extending the haul road  
8 down to here on the old road and then across the river, which  
9 would put the road right through the proposed laguna area of  
10 the park.

11 (Further explanation by Mr. Hortig inaudible at times  
12 to reporter, due to volume of noise from audience)

13 MR. HORTIG: (continuing) All the other proposal  
14 said was to go farther downstream than the present existing  
15 bridge, in order to get the crossing and the haulage removed  
16 from this area. Obviously, there are going to have to be  
17 trucks working this close.

18 GOV. ANDERSON: The work is going to begin at this  
19 end and they are going to work all the way down to the bridge?

20 MR. HORTIG: To this area, and the last to be re-  
21 moved will probably be from that corner and then this road  
22 would be abandoned as far as removing gravel along this  
23 existing road.....This area has been completed previously  
24 and this is in process of being deeded as a public gift by  
25 the Natomas Company to the County Park Department for devel-  
26 opment for recreation, and the Park Department has had dis-  
cussions with the Natomas Company of the possibility of

1 adding that area to the park area. Where it is now, you  
2 have to be practically an Alpinist to climb over this.  
3 This stretch will not be affected, will have no gravel re-  
4 moved, but would be hazardous, patently being within the  
5 Natomas property line, with high speed gravel trucks going by.

6 MR. CRANSTON: Eight hours a day.

7 MR. HORTIG: Eight hours a day; not on weekends or  
8 holidays.

9 GOV. ANDERSON: (To Mr. Ide) He answered the  
10 question I was going to ask you.

11 MR. IDE: I wanted to ask just one question, if I  
12 might, and that is: Should the Commission grant the request  
13 as to the recommendation which has been read, would this  
14 two-year right-of-entry be extended at the end of that time  
15 for an additional period? There would be no point in cross-  
16 ing the river with a bridge if it were only going to last  
17 two years; and I am not familiar with the terms....

18 GOV. ANDERSON: It looks like only two years.

19 MR. HORTIG: It is two years and there is a title  
20 problem to be determined. Then there is a requirement that  
21 the Natomas Company would require a permit from the state,  
22 after having made that determination, and a standard form  
23 of right-of-way easement, as is authorized under the rules  
24 and regulations of the State Lands Commission, would be  
25 issued at the prescribed standard rental rates for the  
26 period of time required by the Natomas Company and its lessee

1 to conduct the operation.

2 GOV. ANDERSON: But this wouldn't necessarily mean  
3 it would go beyond the two years, unless it came before the  
4 Lands Commission to approve or disapprove.

5 MR. HORTIG: This is correct.

6 MR. IDE: This does not seem to me to be a satis-  
7 factory or practical approach, because unless there were  
8 assurance, assuming that the State's title were established  
9 and assuming that the standard conditions, whatever they are,  
10 were met -- if the Commission then had the right to reverse  
11 itself and deny the permit, we would be in an impossible posi-  
12 tion. So I would think the practical thing would be to take  
13 action now one way or the other, that makes this feasible  
14 for the life of the operation or not at all. That is the  
15 only way we could do it.

16 MR. HORTIG: On the original application of the  
17 Natomas Company, it was pointed out there was this problem  
18 of title dispute and the Natomas Company representatives did  
19 not desire to enter into a firm permit and commit themselves  
20 to the payment of the normal rentals, and so forth. So, as  
21 a matter of accommodation and cooperation and in order to  
22 give both sides an opportunity to determine on what grounds  
23 a full right-of-way easement should be issued, it was recom-  
24 mended that this right-of-entry permit be issued in order  
25 that your organization, who made application, could proceed  
26 forthwith with the construction of the bridge without having

1 to wait for a determination of the title problems.

2 MR. IDE: But we are not raising a question as to  
3 the title. The matter was raised by the State, not as to  
4 title but it came about quite informally. We assumed we had  
5 secured all necessary permits. We had the Federal Govern-  
6 ment's clearance; we had the clearance of four State agencies  
7 and clearance from the County. Then, at a rather late date,  
8 it came to our attention, much to our surprise, that the  
9 State Lands Commission required an application for a permit.

10 This was all the more surprising because a bridge  
11 had been placed across the river only four years ago and no  
12 application was necessary.

13 So we made an application for a temporary permit  
14 to operate the bridge during the period this operation would  
15 continue, without prejudice to either side's position as to  
16 title.

17 MR. HORTIG: This is exactly what is being pro-  
18 cessed, but it is obvious that if an indeterminate-period  
19 temporary permit would be issued, there probably would never  
20 be any determination of the title problem; so it is incumbent  
21 upon the State of California and the Natomas Company to  
22 determine if a permit is necessary, in fact; and if it is  
23 necessary, in fact, it will be issued by the State Lands  
24 Commission.

25 MR. IDE: Assuming the Natomas Company has title,  
26 then we don't need a permit from the State. If, in this

1 two-year period, one of two things happened -- one, it has  
2 title, or two, the State has title -- in the latter event, I  
3 assumed the permit would be granted. If the State is deter-  
4 mined to be owner, then would the permit be so granted, or  
5 is the question of the bridge to come up again?

6 MR. HORTIG: No. If a permit is needed because, in  
7 fact, the State has proved its claim to the bed of the Ameri-  
8 can River, then a standard permit would be issued with  
9 standard rentals prescribed for such a type of easement and  
10 for the number of years which the Natomas Company and the  
11 P.C.A. were estimating necessary for the bridge maintenance  
12 for the full conduct of the operation.

13 GOV. ANDERSON: But it would then be voted on by  
14 the then constituted Lands Commission and they could turn it  
15 down.

16 MR. HORTIG: They could. It isn't a warranty that  
17 new conditions could not arise nor that the Commission at  
18 that time could not consider new conditions.

19 GOV. ANDERSON: We normally do take the recommenda-  
20 tion of our staff, but we do have to vote on it. As a mat-  
21 ter of fact, we have a long agenda consisting of this kind  
22 of item this afternoon. I just do not want you to think it  
23 is automatic.

24 MR. IDE: I had assumed it was automatic provided  
25 we met the standard terms and conditions and paid certain  
26 rentals.

1 MR. HORTIG: Upon resolution of these problems,  
2 the staff recommendation would be that such an additional  
3 and new easement be granted; and beyond that, of course, the  
4 staff is in no position to commit the Commission, as the  
5 Chairman pointed out.

6 The only other alternative I hesitate to suggest  
7 on this is that we suspend operations until the problem is  
8 resolved and then start all over with a new application. I  
9 did not gather from your representatives that this approach  
10 would be desired by either your company or your lessee.

11 MR. IDE: No, the title question might drag out  
12 five years. This is important not only to the company, but  
13 to the State of California, and the Mining Bureau of the  
14 State of California publishes bulletins to facilitate this  
15 kind of operation and, therefore, we want to get the show on  
16 the road.

17 MR. HORTIG: Therefore this procedure was designed  
18 to do that, to get the show on the road, and to give us an  
19 opportunity to get the legal questions resolved while the  
20 lessee is operating.

21 GOV. ANDERSON: Do you have any other persons who  
22 wish to appear?

23 MR. COLLINS: I represent Pacific Cement and  
24 Aggregates, in case there are any questions I might answer.

25 MR. CRANSTON: Mr. Chairman, when Mr. Ross appeared  
26 to oppose this application at the last session, this was the

1 first we knew there was opposition, and it was at my request  
2 that we delayed the matter and asked the staff to explore  
3 the situation and learn more about it.

4 The present Lands Commission has done more than any  
5 previous Commission to seek to preserve the resources and  
6 beaches of California and to protect citizens from harass-  
7 ment wherever possible.

8 I am afraid that in this situation we have been  
9 asked to intervene in something we do not have the right to  
10 intervene in; and I think one thing we have to be careful  
11 about is government stepping in where government does not  
12 have the right to step in. This is a county matter -- a  
13 planning and zoning matter.

14 We have been asked to consider matters such as the  
15 use of a beach, to which the owner has a right to deny access  
16 for use, which it is now done, and where there is no govern-  
17 mental jurisdiction applying for the use of the beach.

18 For these reasons, and based on the fact we really  
19 do not have the right to take other action here, I move  
20 approval of the staff recommendation here.

21 MR. SHEEHAN : I'll second it.

22 GOV. ANDERSON: It has been moved and seconded.

23 Any further comment? (No response) Carried unanimously.

24 Going to Item Number 2 -- Permits, easements, and  
25 rights-of-way to be granted to public and other agencies at  
26 no fee, pursuant to statutes. Consideration is the public

1 benefit:

2 (a) City of Coronado -- Easement over 1.123 acres  
3 sovereign land, San Diego County (for construction and main-  
4 tenance of a street to provide public access to a beach area.

5 (b) Pacific Telephone and Telegraph Company --  
6 Approval of three locations for submerged communications  
7 cables across ungranted tide and submerged lands: (1) Piper  
8 Slough, vicinity of Franks Tract; (2) False River, vicinity  
9 of Franks Tract, Contra Costa County; (3) Goodyear Slough,  
10 Solano County.

11 (c) Department of Parks and Recreation, Division  
12 of Beaches and Parks -- 49-year permit for construction,  
13 operation and maintenance of a ferry slip, 0.177 acre tide  
14 and submerged land in bed of Piper Slough near its confluence  
15 with False River, Contra Costa County.

16 (d) Sonoma County Flood Control and Water Conser-  
17 vation District -- 49-year easement for construction of part  
18 of flood-control channel, 0.431 acre sovereign land in bed  
19 of old channel of Petaluma Creek near City of Petaluma,  
20 Sonoma County.

21 (e) U. S. Department of the Interior, Bureau of  
22 Reclamation -- 49-year easement, 100 feet wide, across aban-  
23 doned bed of the Colorado River, San Bernardino County, for  
24 construction of a ditch to divert water over sovereign land.

25 MR. CRANSTON: Move approval.

26 MR. SHEEHAN: Second.

1           GOV. ANDERSON: Moved and seconded, carried  
2 unanimously.

3           Item 3 -- Permits, easements, leases, and rights-  
4 of-way issued pursuant to statutes and established rental  
5 policies of the Commission.

6           (a) Lazaro Gorrindo -- Five-year grazing lease,  
7 1,280 acres school land, Inyo County; annual rental \$12.80.

8           (b) Lyle V. Platt -- Permit to dredge approximately  
9 1200 cubic yards material from bed of the Sacramento River,  
10 Sacramento County. Royalty rate, nine cents per cubic yard.  
11 Material to be used as fill on applicant's upland property.

12           (c) Eugene Sully Hancock, Jr. -- Two-year prospect-  
13 ing permit for geothermal energy and mineral waters, in 285  
14 acres submerged land underlying Clear Lake, Lake County.

15           (d) Charles Crocker -- Two-year prospecting permit  
16 for minerals other than oil and gas, on 32.52 acres lieu land,  
17 Monterey County.

18           (e) Welles Whitmore, III, and Margaret Whitmore --  
19 Ten-year sublease to Neal J. Dahl and Theresa Dahl, under  
20 Lease P.R.C. 2826.1, tide and submerged lands of Napa River,  
21 Solano County.

22           (f) A. M. Coker (deceased) -- Assignment from Coker  
23 Construction, Inc., of partial interest in oil and gas leases  
24 P.R.C. 2205.1 and P.R.C. 2207.1, Santa Barbara County.

25           MR. CRANSTON: I move approval.

26           MR. SHEEHAN: Second.

1           GOV. ANDERSON:   And carried unanimously.

2           Item 4 -- City of Long Beach -- Pursuant to Chap-  
3           ter 29/56, First Extraordinary Session, and Chapter 138/64,  
4           First Extraordinary Session:

5           (a) Determine that proposed expenditure under  
6           revised plans by the City from its share of tideland oil  
7           revenues of approximately \$1,790,000 for construction of  
8           further developments of Marine Stadium West is in accordance  
9           and conformance with provisions of Chapter 138/64, First  
10          Extraordinary Session.

11          (b) Approve proposed estimated expenditure by the  
12          City from July 20, 1965 to termination of: (1) \$14,630,000  
13          for entrance channel bridge structure; and (2) \$4,090,000  
14          for supplemental cost of west approach of entrance channel  
15          bridge. The total expenditure will be \$18,720,000 (with a  
16          total of \$2,503,700, or 13.4%, estimated as subsidence costs).

17          MR. SHEEHAN: Move approval.

18          MR. CRANSTON: Second.

19          GOV. ANDERSON: Carried unanimously.

20          Item 5 -- Mineral Leases: (a) (1) Find that pro-  
21          visions relating to repressuring, subsidence and pooling set  
22          out in proposed order between the City of Los Angeles, acting  
23          through its Board of Harbor Commissioners, and the Zephyr  
24          Oil Company, are in the public interest; (2) approve pro-  
25          posed Order for Extension of Permit under Order No. 2472  
26          held by Zephyr Oil Company, for a further term of ten years

1 beginning January 10, 1963, and the modification to provide  
2 for water flooding, subsidence control, and a program for in-  
3 creasing oil production; and (3) authorize Executive Officer  
4 to execute and issue approval of assignment of said permit  
5 from Zephyr Oil Company to Humble Oil & Refining Company.

6 (b) Authorize Executive Officer to execute a com-  
7 pensatory royalty agreement with Occidental Petroleum Corpora-  
8 tion covering lands included in the Lathrop Gas Field, San  
9 Joaquin County.

10 (c) Authorize Executive Officer to issue an Oil  
11 and Gas Lease to Lennart G. Erickson, d.b.a. Vista Petroleum  
12 Company (the only bidder) for approximately 272 acres tide  
13 and submerged lands in Solano County designated as W.O. 5611  
14 in consideration of cash-bonus payment of \$4,220.

15 MR. CRANSTON: I move approval.

16 MR. SHEEHAN: Second.

17 GOV. ANDERSON: Carried unanimously.

18 6 -- Administration -- (a) Authorize Executive  
19 Officer to initiate procedures for consideration of amendment  
20 of Section 2004, California Administrative Code, Title 2,  
21 Division 3, Rules and Regulations of the State Lands Com-  
22 mission.

23 (b) Authorize Executive Officer to execute inter-  
24 agency agreement providing for technical and accounting ser-  
25 vices by State Lands Commission to the Reclamation Board,  
26 relating to revenues from gas leases located in the areas of

1 Rio Vista and Colusa, for the 1965-66 fiscal year, at a cost  
2 not to exceed \$2500.

3 MR. SHEEHAN: So move.

4 MR. CRANSTON: Second.

5 GOV. ANDERSON: Carried unanimously.

6 7. Annexations: (1) Authorize Executive Officer to  
7 notify the City Council of the City of San Clemente that  
8 present value of tide and submerged lands proposed to be  
9 annexed under San Clemente Annexation No. 13 is \$49,800,000,  
10 and that map and legal description of the boundaries of the  
11 territory to be annexed must comply with provisions of Govern-  
12 ment Code Section 35014.

13 MR. CRANSTON: Move approval.

14 MR. SHEEHAN: Second.

15 GOV. ANDERSON: Carried unanimously.

16 MR. HORTIG: Mr. Chairman, may I request that item  
17 8(a), which you are about to come to, be deferred for con-  
18 sideration at a later meeting?

19 GOV. ANDERSON: No objection, so ordered.

20 Item (b) Authorize Executive Officer to execute  
21 boundary agreement between the State, Moss Landing Harbor  
22 District, Mary E. Sandholdt, and Lucile Ferguson, along the  
23 Ordinary High Water Mark of the Old Salinas River and Mon-  
24 terey Bay, Monterey County.

25 MR. SHEEHAN: So move.

26 MR. CRANSTON: Second.

1 GOV. ANDERSON: Carried unanimously.

2 9 -- Confirmation transactions consummated by the  
3 Executive Officer pursuant to authority confirmed by the Com-  
4 mission at its meeting on October 5, 1959.

5 MR. CRANSTON: So move.

6 MR. SHEEHAN: Second.

7 GOV. ANDERSON: Carried unanimously.

8 Item 10 -- Informative only, no commission action  
9 required -- Report on the status of major litigation.

10 MR. HORTIG: There are no significant changes.  
11 This is a continuing status report, Mr. Chairman, and there  
12 have been no new developments nor significant additions to  
13 litigation since the last report to the Commission.

14 GOV. ANDERSON: Number 11 -- Approval of issuance  
15 by Mountain Copper Company, Limited, to Bigge Drayage Co.  
16 of sublease under Lease P.R.C. 563.1, Contra Costa County,  
17 for purpose of erecting a temporary pier.

18 MR. CRANSTON: Move approval.

19 MR. SHEEHAN: Second.

20 GOV. ANDERSON: Carried unanimously.

21 Before we take the last item, I believe you have  
22 something?

23 MR. SHEEHAN: Do you want to read these, Mr.  
24 Chairman? -- two additional calendar items.

25 GOV. ANDERSON: Salary of Executive Officer -  
26 Personnel: The Department of Finance (Exempt Pay Section)

1 has revised the salary range for the position Executive  
2 Officer from \$1,351 - \$1,642 to \$1,419 - \$1,724 effective  
3 July 1, 1965.

4 Item No. 277.1, Chapter 757/65 provided for com-  
5 parable salary increases for classes in State civil service,  
6 also effective July 1, 1965.

7 It is recommended that the Commission approve the  
8 new pay range established by the Department of Finance for  
9 the position of Executive Officer, State Lands Commission,  
10 as of July 1, 1965 and the assignment of the Executive  
11 Officer to the maximum salary range step, effective July 1,  
12 1965.

13 MR. SHEEHAN: So move.

14 MR. CRANSTON: Second.

15 GOV. ANDERSON: Mr. Cranston seconded. Any  
16 opposition, Frank?

17 MR. HORTIG: No, sir.

18 GOV. ANDERSON: Carried unanimously.

19 Calendar item: Salary of Executive Officer -  
20 Personnel: As a result of the passage of Chapter 138, Stat-  
21 utes of 1964, and the requirements thereof for increased  
22 responsibilities in the development of the Long Beach Unit,  
23 the over-all administration of the Wilmington Oil Field, and  
24 increased work load requirements of the State Lands Division,  
25 it is recommended that the salary of the Executive Officer  
26 be established at a new level commensurate with these added

1 responsibilities. In order to accomplish this action, the  
2 following resolution is proposed:

3 "The State Lands Commission acting pursuant to  
4 Section 6103 of the Public Resources Code, hereby resolves  
5 that the salary of the Executive Officer, State Lands Com-  
6 mission, be set at \$22,812 per annum effective July 1, 1965  
7 subject to approval by the Director of Finance."

8 That's the same thing -- only the other way around.

9 MR. SHEEHAN: Move.

10 MR. CRANSTON: Second.

11 GOV. ANDERSON: Carried unanimously.

12 MR. HORTIG: Thank you, gentlemen.

13 Mr. Chairman, may I report in conformance with the  
14 organization study by the Department of Finance, which the  
15 State Lands Commission considered and requested, and re-  
16 quested that we seek budget implementation at the meeting  
17 in April 1965, we have been successful in adding to the Com-  
18 mission's staff, effective the first of July, an Assistant  
19 Executive Officer for Administration, Mr. Richard Golden,  
20 at the table here, who I wish to introduce to the Commission.

21 We now have on the Commission's staff an Assistant  
22 Executive Officer for Engineering, to which position Mr.  
23 Pfeil has been re-assigned, and one for Administration, now  
24 occupied by Mr. Golden.

25 MR. SHEEHAN: Are we permitted to interrogate Mr.  
26 Golden as to his qualifications? I don't know the gentleman.

1 MR. HORTIG: I'll help you.

2 GOV. ANDERSON: Anything further before the last  
3 item? (No response).

4 The last item is to reconfirm the date, time and  
5 place of the next Commission meeting -- Thursday, August 26,  
6 1965, in Los Angeles, at ten a.m. No objection, so ordered.

7 We are adjourned.

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ADJOURNED 3:55 P.M.

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