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SPECIAL MEETING
STATE LANDS COMMISSION
STATE OF CALIFORNIA

ORIGINAL

STATE CAPITOL
DEPARTMENT OF FINANCE
ROOM 1145
SACRAMENTO, CALIFORNIA

MONDAY, SEPTEMBER 11, 1989
9:00 A. M.

RONALD J. PETERS
Certified Shorthand Reporter
License Number 2780

PETERS SHORTHAND REPORTING CORPORATION

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SACRAMENTO, CALIFORNIA 95827
TELEPHONE (916) 362-2345

MEMBERS PRESENT

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Mr. Leo T. McCarthy, Lieutenant Governor, Chairman

Mr. James Tucker, Acting Commissioner, for
Mr. Gray Davis, State Controller

Mr. LaFenus Stancell, Acting Commissioner, for
Mr. Jesse R. Huff, Director of Finance

STAFF PRESENT

Ms. Claire T. Dedrick, Executive Officer

Mr. Robert Hight, Chief Counsel

Ms. Gail Moore, Secretary to the Commission

Mr. Daniel Cohen, Environmental Coordinator

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P R O C E E D I N G S

1
2 CHAIRMAN MC CARTHY: Welcome, everybody. This
3 is the Public Hearing of the State Lands Commission. We would
4 like to welcome Commissioner Stancell back from the difficult
5 and stressful vacation that he was on.

6 (Laughter.)

7 CHAIRMAN MC CARTHY: Also we have Commissioner
8 Tucker, and I am pleased to be here alive.

9 Let's start with number one -- no, we have
10 the previous minutes?

11 EXECUTIVE OFFICER DEDRICK: Yes, we do.

12 CHAIRMAN MC CARTHY: We approve the previous
13 minutes unanimously.

14 Let's start with number one.

15 EXECUTIVE OFFICER DEDRICK: Number one, the
16 City of Palo Alto is a 49-year General Permit, Public
17 Agency Use, for Recreational Development in Palo Alto
18 near Embarcadero Way in Santa Clara County.

19 CHAIRMAN MC CARTHY: Any questions about this?

20 All right. That is approved.

21 Number two.

22 EXECUTIVE OFFICER DEDRICK: Item two is a
23 49-year General Lease, Right-of-Way-Use over a variety
24 of parcels for a two-inch diameter fiber optic cable
25 conduit, which crosses Cosumnes, Mokelumne and San Joaquin.

1 The blue document before you is the Environmental
2 Impact Report.

3 We have also been asked to put into the record
4 the comments and the answers to those comments of the
5 Forest Service, which are available here.

6 Is there a problem?

7 CHAIRMAN MC CARTHY: Not yet.

8 EXECUTIVE OFFICER DEDRICK: This is the item for
9 which we scheduled the special meeting because these
10 people have been waiting for the end of the circulation
11 of this.

12 (Thereupon a short discussion was held
13 off the record.)

14 EXECUTIVE OFFICER DEDRICK: If you have had a
15 chance to review the findings and so forth which are in
16 the calendar item, this is just the final --

17 CHAIRMAN MC CARTHY: Is there anyone here to
18 speak on this issue?

19 ACTING COMMISSIONER TUCKER: Who can answer
20 questions?

21 EXECUTIVE OFFICER DEDRICK: Who can answer
22 questions?

23 ACTING COMMISSIONER TUCKER: I mean from the
24 State Lands Commission.

25 EXECUTIVE OFFICER DEDRICK: Dan Cohen, behind you.

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1 ACTING COMMISSIONER TUCKER: In looking at the
2 comments, there are comments like from Caltrans, where
3 they question the point five acres, miles of impact.

4 EXECUTIVE OFFICER DEDRICK: Well, it's point --

5 ACTING COMMISSIONER TUCKER: 11-2, Response
6 Letter Number 11, by District Biologist, questions how
7 there could only be point five acre permanent disturbance
8 for 317 miles of new pipelines with the clarification of
9 point as needed.

10 ENVIRONMENTAL COORDINATOR COHEN: Yes.

11 ACTING COMMISSIONER TUCKER: What is the response
12 on that?

13 ENVIRONMENTAL COORDINATOR COHEN: Well, I think
14 they had a pipeline confused with what is actually taking
15 place here. That is only point five acres because it is
16 a shortened trench that is going to be involved. It's not
17 a pipeline in a normal sense. It is a three-quarter-inch
18 pipeline, actually a cable line.

19 ACTING COMMISSIONER TUCKER: So then the answer
20 is that there is sufficient mitigation for the disturbance
21 that is going to be caused?

22 ENVIRONMENTAL COORDINATOR COHEN: That is correct.
23 Fish and Game issued a no-jeopardy determination on this
24 project and considered the available mitigations in the
25 form of compensation land.

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1 ACTING COMMISSIONER TUCKER: Then there's later
2 comments about, in 11-4 --

3 ENVIRONMENTAL COORDINATOR COHEN: Yes.

4 ACTING COMMISSIONER TUCKER: -- what plants
5 listed on B-3 are now proposed or listed as federal
6 endangered species?

7 ENVIRONMENTAL COORDINATOR COHEN: Yes. All the
8 listed plants are going to be avoided. Extensive surveys were
9 done on all the habitats of the endangered species, and
10 in each case they will be avoided.

11 ACTING COMMISSIONER TUCKER: It's the same on
12 14-3, I think it is, 14-4, and maybe it's 14-2, they
13 list a number of animals, including our good friend the
14 Kangaroo Rat.

15 ENVIRONMENTAL COORDINATOR COHEN: That's
16 correct. Again, Fish and Game, we have a letter on file
17 from Fish and Game as to the no-jeopardy determination
18 because of the avoidance of these endangered species.

19 ACTING COMMISSIONER TUCKER: And the blunt-noised
20 leopard. Those are the ones that are in your backyard.

21 ACTING COMMISSIONER STANCELL: I noticed
22 that. I saw a couple of them when I was on vacation.

23 ACTING COMMISSIONER TUCKER: Okay. So none
24 of those are going to be impacted?

25 ENVIRONMENTAL COORDINATOR COHEN: None of those

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1 are going to be impacted. There is going to be a Project
2 Biologist on site to insure that also.

3 ACTING COMMISSIONER TUCKER: Okay. How are
4 they doing the mitigation? What is the 50 acres? Is it
5 one place or is it --

6 ENVIRONMENTAL COORDINATOR COHEN: That's going
7 to be identified by Fish and Game.

8 ACTING COMMISSIONER TUCKER: Will it be one
9 place?

10 ENVIRONMENTAL COORDINATOR COHEN: It could be
11 a number of places.

12 ACTING COMMISSIONER TUCKER: And they will buy
13 property or they will restore property or what will they
14 do?

15 ENVIRONMENTAL COORDINATOR COHEN: Most likely,
16 buy it.

17 ACTING COMMISSIONER TUCKER: Okay. Thank you.

18 CHAIRMAN MC CARTHY: Any questions?

19 ACTING COMMISSIONER STANCELL: No.

20 CHAIRMAN MC CARTHY: Anyone else present wish to
21 ask a question or make a comment on this?

22 If not, the Commission unanimously accepts
23 the recommendations.

24 Next item.

25 EXECUTIVE OFFICER DEDRICK: Item four.

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CHAIRMAN MC CARTHY: What --

EXECUTIVE OFFICER DEDRICK: Excuse me. Item three is off calendar.

CHAIRMAN MC CARTHY: Item three is off calendar.

The counsel is here and does not wish to make a comment on this?

EXECUTIVE OFFICER DEDRICK: Apparently not.

CHAIRMAN MC CARTHY: All right. Thank you.

Item four.

EXECUTIVE OFFICER DEDRICK: Item four is the John Norton. This is a Title Settlement Agreement between the State and Norton over a parcel of land which once was the Colorado River.

The parcel is very much removed from the Colorado and this is a Kapiloff Land Bank Fund contribution of \$73,500. And in this issue, you are also acting as Land Bank trustees, which Bob would have told you had I given him a chance.

CHAIRMAN MC CARTHY: Any questions?

All right. Approved.

EXECUTIVE OFFICER DEDRICK: Item five. This is to authorize the Executive Officer to contract for a consultant who is an expert in oil spill recovery and to assess the state's current capacity to respond effectively to a major oil spill.

1 CHAIRMAN MC CARTHY: Any questions on this
2 item?

3 ACTING COMMISSIONER STANCELL: What is the funding
4 source of this?

5 EXECUTIVE OFFICER DEDRICK: Either reimbursement
6 or redirection from within the budget.

7 ACTING COMMISSIONER STANCELL: If it is redirection,
8 what is it?

9 EXECUTIVE OFFICER DEDRICK: The only source of
10 funds we have for redirection is salary savings.

11 (Thereupon a short discussion was
12 held off the record.)

13 ACTING COMMISSIONER STANCELL: What is the impact
14 of that?

15 EXECUTIVE OFFICER DEDRICK: Well, change the
16 workload. We also have potential for reimbursement through
17 two major EIR's which will probably be issued this year.

18 ACTING COMMISSIONER STANCELL: How much is that?

19 EXECUTIVE OFFICER DEDRICK: The EIR's?

20 ACTING COMMISSIONER STANCELL: What would be the
21 value of reimbursement of that?

22 EXECUTIVE OFFICER DEDRICK: Oh, substantially
23 more than a hundred thousand dollars. I mean those EIR's
24 are going to be big ones.

25 They are the Gaviota Marine Terminal and the

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1 Union Terminal. And basically there is really no way
2 that one could do those EIR's at this point without
3 requiring the kind of information that that consultant can
4 give us.

5 With the importance of oil spills today, and
6 after the Valdez spill, our staff feels very strongly that
7 we need to do, I guess, a cumulative impact report, so to
8 speak, on tankering off the Pacific Coast and the ability
9 to handle the spill.

10 I guess that's the wrong word to use, but I can't
11 seem to find the right one.

12 ACTING COMMISSIONER STANCELL: So you need this,
13 then?

14 EXECUTIVE OFFICER DEDRICK: We need the
15 information, yes.

16 ACTING COMMISSIONER STANCELL: Before you get the
17 EIR?

18 EXECUTIVE OFFICER DEDRICK: Before those EIR's,
19 yes.

20 ACTING COMMISSIONER STANCELL: That's what I was
21 getting at.

22 EXECUTIVE OFFICER DEDRICK: We either need it --
23 the way I am seeing it, frankly, is through reimbursement.

24 ACTING COMMISSIONER STANCELL: Thank you. I
25 just wanted to go on record and make sure you are not

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1 creating a hole in the budget and then coming back to
2 ask for additional resources.

3 EXECUTIVE OFFICER DEDRICK: For this particular
4 project, sir, I will not be asking for additional resources,
5 I do not believe.

6 ACTING COMMISSIONER STANCELL: Okay.

7 CHAIRMAN MC CARTHY: Any questions?

8 ACTING COMMISSIONER TUCKER: No.

9 CHAIRMAN MC CARTHY: All right. Approved.
10 Next item.

11 EXECUTIVE OFFICER DEDRICK: Item six is to
12 approve the use of funds from the Hazard Removal Account
13 to remove a derelict vessel that sunk at Isleton.

14 We recently were authorized by the Legislature
15 to use -- the original legislation identified those
16 hazards which could be removed. As it happens, we came
17 under the budget on quite a few of those and had some
18 excess funds.

19 Phil Isenberg carried a bill to allow us to
20 use those excess funds for emergencies, whenever there is
21 an emergency.

22 This barge that sunk off Isleton is really
23 a public hazard because kids can get to it and it's really
24 a dangerous thing. That's what we would like to do with
25 this.

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ACTING COMMISSIONER STANCELL: Do you have notification filed with the Legislature?

EXECUTIVE OFFICER DEDRICK: Pardon?

ACTING COMMISSIONER STANCELL: Do you have notification filed with the Legislature?

EXECUTIVE OFFICER DEDRICK: I don't remember.

CHIEF COUNSEL HIGHT: I don't believe so.

EXECUTIVE OFFICER DEDRICK: We have got a lot of work to do to sort the thing out and we also almost certainly are going to have to do an EIR on a portion of the work at any rate, at least a focused EIR.

CHAIRMAN MC CARTHY: Any other questions?

All right, approved.

The next item.

EXECUTIVE OFFICER DEDRICK: Item seven. This is a delegation of authority to execute a contract. We need to build a fence around that East Los Angeles prison site so we can manage it while awaiting its becoming approved.

Remember, the Legislature assigned us to be the curator agency between the acquisition of the property and the construction, the start of construction on the prison.

CHAIRMAN MC CARTHY: Any questions on this

item?
ACTING COMMISSIONER TUCKER: What are we going

1 to do to clean it up besides --

2 EXECUTIVE OFFICER DEDRICK: Well, yes, we are
3 doing quite a few things. One thing we are doing is
4 carrying out leases in those buildings which are leasable
5 and we have quite a few. I can get you the report on it,
6 but I can't remember the exact details now.

7 But in addition to that, on the bare land, we are
8 cleaning that up and then we want to keep it fenced so that
9 it doesn't become a local trash dump again.

10 ACTING COMMISSIONER TUCKER: Right.

11 What is the estimate on when it will be cleaned
12 up?

13 EXECUTIVE OFFICER DEDRICK: I do not know. I
14 will have to get back to you on that.

15 ACTING COMMISSIONER TUCKER: Because I think
16 that's the point. Now that we are holding somebody else's
17 hot potato, I think that we should at least --

18 CHAIRMAN MC CARTHY: Try not to hold it too
19 long.

20 EXECUTIVE OFFICER DEDRICK: We would love not
21 to hold it very long.

22 ACTING COMMISSIONER TUCKER: Not to get it too
23 dirty before we give it to somebody else.

24 EXECUTIVE OFFICER DEDRICK: It is kind of a
25 mess now.

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1 ACTING COMMISSIONER TUCKER: The fence is designed
2 to keep the legislators out.

3 (Laughter.)

4 EXECUTIVE OFFICER DEDRICK: And assorted others.

5 (Laughter.)

6 EXECUTIVE OFFICER DEDRICK: And that's it.

7 CHAIRMAN MC CARTHY: Any other thoughts on that?
8 That's the end of the public session.

9 We are going to go into a private session now,
10 so I'd like to thank all of you for attending, and let
11 all of those who are authorized to stay for the private
12 session, you should remain in the room, please.

13 (Thereupon the September 11, 1989 Special
14 Meeting of the State Lands Commission was
15 adjourned at 9:30 a.m.)

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