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MEETING
STATE OF CALIFORNIA
STATE LANDS COMMISSION

ORIGINAL

STATE CAPITOL
ROOM 447
SACRAMENTO, CALIFORNIA

THURSDAY, OCTOBER 26, 1989

10:10 A. M.

Ronald J. Peters
Certified Shorthand Reporter
License Number 2780

COMMISSION MEMBERS PRESENT

2 Honorable Leo T. McCarthy, Lieutenant Governor,
3 Chairman

4 Mr. Gray Davis, State Controller, represented by
5 Mr. James Tucker, Chief Deputy Controller

6 Mr. Jesse R. Huff, Director of Finance, represented by
7 Mr. LaFenus Stancell, Assistant Director

STAFF PRESENT

8
9 Ms. Claire T. Dedrick, Executive Officer

10 Mr. James F. Trout, Assistant Executive Officer

11 Mr. Robert C. Hight, Chief Counsel

12 Mr. W. M. Thompson, Chief, Long Beach

13 Mr. L. H. Grimes, Deputy Chief

ALSO PRESENT

14 Mr. Jan S. Stevens, Deputy Attorney General
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P R O C E E D I N G S

1
2 CHAIRMAN MC CARTHY: Well, Ladies and Gentlemen,
3 welcome to this meeting of the State Lands Commission.

4 On my right is Commissioner Jim Tucker,
5 representing Controller Gray Davis, and on my left is
6 Commissioner Stan Stancell, representing the Director of
7 Finance, Jesse Huff.

8 My name is Leo McCarthy.

9 I'd like to tell you first of all, the items that
10 are going to be pulled off the calendar so that those of
11 you who might be waiting for these items, we won't detain
12 you.

13 Consent Item Number 8, and then regular Calendar
14 Items 17, 18, 21, 22, 28, 30, 31, 33, 34 and 36.

15 We are also going to pull Item 37 off, but
16 first I want to ask our Chief Counsel, Robert Hight, to
17 make a statement on that matter before we do.

18 CHIEF COUNSEL HIGHT: Yes, Mr. Chairman.

19 We are asking you to pull Item Number 37, which
20 is consideration of a lease with Monterey Sand Company, at
21 their request.

22 They believe that they did not get adequate
23 notice pursuant to the 10-day notice requirement. Our
24 records indicate that we sent it.

25 Apparently, because of the earthquake problems,

1 they did not receive it.

2 As we agreed in the Executive Session, the
3 lease will be continued until December 15th.

4 CHAIRMAN MC CARTHY: Thank you.

5 Without objection, Item 37 will also be pulled
6 off calendar.

7 The minutes of the last meeting are approved
8 as presented.

9 The Consent Calendar is before the Commission.
10 Any further public comment on the Consent
11 Calendar?

12 By Members of the Commission?

13 If not, the Consent Calendar is approved
14 unanimously.

15 Now we will go to Item Number 12.

16 EXECUTIVE OFFICER DEDRICK: Item Number 12,
17 Mr. Chairman, deals with William May and Betty Lou May,
18 Applicants. This is approval of a five-year Recreational
19 Pier Permit for the construction and maintenance of a
20 pier and boatlift, and some mooring buoys at Lake Tahoe at
21 Meeks Bay in El Dorado County.

22 CHAIRMAN MC CARTHY: Any questions by Members of
23 the Commission or of the public?

24 It is approved as recommended.

25 Thirteen.

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1 EXECUTIVE OFFICER DEDRICK: Item 13, Moana
2 Beach Property Owners Association, Inc. This is another
3 Recreational Pier Permit, and in this case it is located
4 at McKinney Bay in Placer County.

5 CHAIRMAN MC CARTHY: Questions by Members of
6 the Commission or the public?

7 All right. That is approved as recommended.

8 Fourteen.

9 EXECUTIVE OFFICER DEDRICK: Item 14. This is
10 the Hansons, Dale and Margery. This is approval of a five-
11 year Recreational Pier Permit. The purpose of this permit
12 is to allow them to add new decking and retain an existing
13 mooring buoy.

14 CHAIRMAN MC CARTHY: Questions?

15 Approved as recommended.

16 Fifteen.

17 EXECUTIVE OFFICER DEDRICK: Item 15 is an
18 assignment from Shell Western to Chevron of a lease for
19 pipelines in Suisun Bay, Contra Costa County and Solano
20 County.

21 CHAIRMAN MC CARTHY: Questions by Member of the
22 Commission or the public?

23 Approved as recommended.

24 Sixteen.

25 EXECUTIVE OFFICER DEDRICK: Item 16. Again,

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1 this is an assignment from Shell Western to Chevron, also
2 for a right of way for the pipeline. This is near Ryer
3 Island in Solano County.

4 It is also approval of a 20-year replacement
5 lease for the earlier lease.

6 CHAIRMAN MC CARTHY: Questions by Members of the
7 Commission or the public?

8 Approved as recommended.

9 Nineteen.

10 EXECUTIVE OFFICER DEDRICK: Item 19, State
11 Lands Commission as a party. This is a Memorandum of
12 Understanding between the Forest Service and the State
13 Lands Commission dealing with an exchange of properties.

14 Primarily the State Lands' lands are of lower
15 value and are located primarily in the southern forests
16 surrounded by Forest Service land, and we will receive in
17 return for that an equal value in land, but smaller acreage,
18 primarily in Mendocino County, adjacent to lands already
19 owned by the Lands Commission.

20 CHAIRMAN MC CARTHY: All right.

21 Questions by Members of the Commission or the
22 public?

23 All right. Approved as recommended.

24 Number 20.

25 EXECUTIVE OFFICER DEDRICK: Item 20 is State

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1 Lands Commission. This is an authorization for an amendment
2 to Item 27 of the June 30, 1988 meeting.

3 At that time the Commission authorized a
4 deposit of \$448,000 into the School Land Bank Fund.
5 Subsequent review of the appraisals show that the property
6 acquired by the State was more valuable than we had
7 thought, and therefore the money to be deposited is
8 \$405,200, rather than \$448,000.

9 CHAIRMAN MC CARTHY: Any comments by Members
10 of the Commission or the public?

11 That is approved as recommended.

12 Item 23.

13 EXECUTIVE OFFICER DEDRICK: Item 23. This is
14 a Borrow Permit lease to the United States Department of
15 the Interior for armor rock for the Colorado River levees
16 in San Bernardino County.

17 CHAIRMAN MC CARTHY: Questions?

18 It is approved.

19 Item 24.

20 EXECUTIVE OFFICER DEDRICK: Twenty-four,
21 Union Oil Company of California.

22 This is Thermal Power Company and N. E. C.

23 This is an amendment to geothermal resources
24 leases in Lake and Mendocino Counties.

25 CHAIRMAN MC CARTHY: Questions by Members of the

1 Commission?

2 Approved.

3 Twenty-five.

4 EXECUTIVE OFFICER DEDRICK: Item 25 is a request
5 by Exxon Company for a two-year deferment of drilling of
6 an Oil and Gas Lease, Number 3499, in Santa Barbara County.

7 CHAIRMAN MC CARTHY: Questions?

8 All right. Approved.

9 Twenty-six.

10 EXECUTIVE OFFICER DEDRICK: Item 26. This is
11 the City of Long Beach, a request for the removal of a
12 10-cent bonus requirement to facilitate the sale by
13 Century Resources Development of interests in Tract 1 and
14 Tract 2 in the Long Beach Unit in Los Angeles County.

15 The removal of the bonus requirement is
16 dependant upon the Century Resources Development providing the
17 Commission with an acceptable, financially responsible
18 purchaser.

19 CHAIRMAN MC CARTHY: Questions.

20 All right. Approved.

21 Twenty-seven.

22 EXECUTIVE OFFICER DEDRICK: Item 27 is consent
23 by the City of Long Beach to the assignments to ARCO of
24 the interests of Texaco, Unocal and Shell in the Long
25 Beach Unit in Los Angeles County.

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1 CHAIRMAN MC CARTHY: Any questions?

2 All right. That is approved.

3 Twenty-nine.

4 EXECUTIVE OFFICER DEDRICK: Twenty-nine, the
5 first quarter status report on the 1989-'90 plan of
6 development and operations of the Long Beach Unit, Los
7 Angeles County.

8 CHAIRMAN MC CARTHY: Any questions?

9 Approved.

10 Thirty-two.

11 EXECUTIVE OFFICER DEDRICK: Thirty-two, the
12 City of Oak and, the Kumam Corporation.

13 This is a request for an extension of the final
14 date for recordation of a Settlement Agreement for property
15 in the City of Oakland, Alameda County, actually on Lake
16 Merced.

17 CHAIRMAN MC CARTHY: Any questions?

18 That is approved.

19 Thirty-five.

20 EXECUTIVE OFFICER DEDRICK: Thirty-five. This
21 is a Compromise Title Settlement Agreement between us and
22 the Bay Meadows Race Track.

23 This involves a deposit of \$32,500 in the
24 Sovereign Lands Trust, Commissioners. The agreement requires
25 that we attempt to find lands within the City of San Mateo

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1 upon which this Trust Fund could be spent but that that
2 requirement has a three-year limitation.

3 CHAIRMAN MC CARTHY: Any questions?

4 All right. That is approved.

5 Thirty-eight.

6 EXECUTIVE OFFICER DEDRICK: Thirty-eight, United
7 States Department of Interior, the National Oceanic and
8 Atmospheric Administration.

9 This is a Memorandum Agreement between State
10 Lands Commission and NOAA and Interior to perform a
11 natural resources damage assessment of damages resulting
12 from the deposit of DDT and PCB along the coast in the
13 vicinity of the City of Los Angeles.

14 CHAIRMAN MC CARTHY: Any questions?

15 That is approved.

16 That concludes the Commission hearing.

17 Thank you, Ladies and Gentlemen.

18 EXECUTIVE OFFICER DEDRICK: Thank you,
19 Mr. Chairman and thank you, Commissioners.

20 (Thereupon the October 26, 1989 Meeting
21 of the State Lands Commission was adjourned
22 at 10:20 a.m.)
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