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MEETING
STATE LANDS COMMISSION
STATE OF CALIFORNIA

EMPLOYMENT DEVELOPMENT DEPARTMENT
ROOM 1098
722 CAPITOL MALL
SACRAMENTO, CALIFORNIA

ORIGINAL

THURSDAY, JUNE 5, 1991
4:20 P.M.

Nadine J. Parks
Shorthand Reporter

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P R O C E E D I N G S

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3 CHAIRMAN MC CARTHY: Welcome, ladies and
4 gentlemen. My apologies for the late beginning of the
5 State Lands Commission meeting.

6 Any amendments to the minutes of the last
7 meeting; if not, they're approved as read.

8 The consent calendar is before us. And that
9 consists of Items 1 through 7. None of them, Mr. Warren,
10 are pulled off the calendar? They all remain on?

11 MR. WARREN: All of them remain on.

12 CHAIRMAN MC CARTHY: All right. Thank you.
13 Without objection, the consent calendar is approved.

14 Let's go to Item No. 8.

15 ** MR. FOSSUM: Mr. Chairman, members of the
16 Commission, Item No. 8 presented to you is a proposed
17 land exchange agreement of property in the City of Long
18 Beach. The property involved is a strip of land, tide
19 and submerged land in the City of Long Beach. Those lands
20 were filled some time ago as part of the harbor that
21 exists in the City of Long Beach. In 1981, the city
22 redesigned some of their traffic patterns in the area and
23 severed a portion of the tidelands from adjacent properties
24 rendering it useless for purposes of the trust in that
25 area. At that same time, the city and the property owner

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1 across Seaside Way from the tidelands entered into a long-
2 term lease of the property. However, neither one of them
3 have put the property to use as yet.

4 What they have asked the State Lands Commission
5 to do -- because the city lacks authority under the
6 statute -- is to assist them in exchanging the tidelands
7 property for property that would be useful for the trust
8 that now lies adjacent to the trust property.

9 And if you'll look on Exhibit D in the packet,
10 you'll see the situation from the standpoint of how the
11 tidelands were severed from the adjacent property.

12 The exchange calls for Parcel 1 and Parcel 2,
13 which are presently tidelands, be transferred to the
14 State Lands Commission, and the State Lands Commission, under
15 the authority of the 6307 of the Public Resources Code,
16 would then exchange the lands that are depicted in Exhibit
17 C with Pike Properties. The city would then lease from
18 the State Lands Commission the Exhibit C land that the
19 State Lands Commission acquires, and would use them for
20 purposes of the public trust.

21 Because the relative value of the properties
22 are not equal, the Commission would be asking also, as the
23 Kapiloff Land Bank, and would be accepting a sum of
24 \$635,000 for purchase of trust property, which would be
25 beneficial to the present uses in the vicinity.

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1 CHAIRMAN MC CARTHY: Questions by members of
2 the Commission? We have one witness --

3 MR. CAMERON: (From the audience.) Only if
4 needed.

5 CHAIRMAN MC CARTHY: -- only if needed. Any
6 questions? Approved as recommended. Item 9.

7 EXECUTIVE OFFICER WARREN: Well, Mr. Kiley will
8 present Item No. 9. Mr. Kiley is Chief of our Land
9 Management and Conservation Division.

10 MR. KILEY: Mr. Chairman, members of the
11 Commission, this is a proposal by Homewood High and Dry
12 Marina to dredge 3500 cubic yards of material to achieve
13 a navigable depth of 6217 feet -- the navigable elevation,
14 6217 feet.

15 It's proposed to do some innovative construction
16 methods to prevent turbidity of the water in Lake Tahoe.

17 CHAIRMAN MC CARTHY: Any questions by members
18 of the Commission? Audience? Approved as recommended.

19 Item 10.

20 EXECUTIVE OFFICER WARREN: Mr. Hight will
21 present Items 10 and 11.

22 MR. HIGHT: Mr. Chairman, Item 10 is a one-year
23 removal of a salvage permit for the Department of Parks
24 and Recreation to salvage a clipper ship that sank in
25 about 1850 off the coast of Mendocino.

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1 CHAIRMAN MC CARTHY: Questions by members of
2 the Commission?

3 Anybody in the audience wish to comment on this
4 item?

5 If none, the recommendation is approved.

6 Item 11.

7 MR. HIGHT: Item 11, Mr. Chairman, is the
8 authorization for the cession of concurrent criminal
9 jurisdiction at Fort Irwin.

10 The Commission staff, pursuant to your
11 authorization last month, held a public hearing at Fort
12 Irwin, and there were no responses.

13 We would ask that you approve this item condi-
14 tioned upon receipt of approval from the County Board of
15 Supervisors, which we believe is coming. But it has not yet
16 been received.

17 CHAIRMAN MC CARTHY: Questions by members of
18 the Commission?

19 Anyone in the audience wish to speak on this
20 item?

21 The recommendation is approved.

22 That's all I have.

23 EXECUTIVE OFFICER WARREN: That concludes the
24 calendar, Mr. Chairman. We do have an executive session.
25 The executive session will be held in this room.

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1 CHAIRMAN MC CARTHY: I want to thank the members
2 of the audience who have attended the public session.

3 EXECUTIVE OFFICER WARREN: Mr. Chairman, I'm
4 sorry. I have a brief Executive Officer's report.

5 CHAIRMAN MC CARTHY: All right.

6 EXECUTIVE OFFICER WARREN: And I've been
7 advised by counsel that I should do that in the open
8 session. So, before we proceed with the --

9 CHAIRMAN MC CARTHY: The floor is yours.

10 EXECUTIVE OFFICER WARREN: I'll take just a
11 few minutes to add to my last report. The first is on the
12 cut. As you know, the agency absorbed a 10 percent
13 reduction for 90-91 and a 4 percent reduction for '91 and
14 '92, without changes in operations.

15 However, we have been advised that, besides
16 the current reductions for 91-92 and beyond, of up to
17 25 percent in the general fund agencies. If they
18 implemented a 25 percent cut for our agency, it would be more
19 than \$3 million, which would cause the termination of
20 roughly 50 Commission positions.

21 Our actions seek to make known to decision-
22 makers that the State Lands Commission is an exempt
23 agency based on its revenue collection responsibility.
24 Documentation is already prepared, which describes our
25 activities, and will be distributed tomorrow to the

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1 Governor, legislative leaders, and all other decision-
2 makers.

3 Secondly, insofar as our budget is concerned,
4 in the Senate and Assembly Budget Committees, the proposed
5 budget for the agency's oil spill prevention
6 responsibilities have been attacked by industry
7 representatives. It has been suggested that the 3 million
8 budgeted and approved by Finance should be reduced to
9 2.1 million based on some understanding that is held with
10 somebody during the course of the negotiations of the
11 bill.

12 The matter, I think, has been satisfactorily
13 addressed. But the item is in Conference Committee, as we
14 understand, presently. So we still have that before us.
15 We think we can successfully deflect that.

16 COMMISSIONER TECKER: I never heard of such an
17 agreement.

18 CHAIRMAN MC CARTHY: I haven't either.

19 EXECUTIVE OFFICER WARREN: Three, AB 350, which
20 would establish the parkway program, it was approved by
21 the Ways & Means Committee. I understand there was one
22 person who suggested it be put on suspense. But the
23 suggestion was not approved. So that bill is now on the
24 floor.

25 CHAIRMAN MC CARTHY: It's up on the floor right

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1 now. It's on call.

2 EXECUTIVE OFFICER WARREN: I wasn't aware of
3 that. I'll leave for there just as soon as this is over.

4 The Administration representatives have adopted
5 the program and its funding, and we're close to agreement.

6 On the Delta project, as you know, we released
7 the report this weekend, and a report on the appearance --
8 the report's release, and a presentation by the Chairman
9 to the Bay Estuary Conference sponsored by EPA is in the
10 folder before you.

11 I would like to take this opportunity to
12 congratulate the Project Manager, Elizabeth Patterson;
13 Dwight Sanders and his staff for the promptness with which
14 they prepared the report.

15 It will be based-- it will be used for further
16 action by this Commission on the Delta.

17 Fifthly. on the (unintelligible on tape), at
18 Senator Bradley's hearing in Sacramento recently, President
19 Pro Tem of the Senate David Roberti, and Assemblyman
20 Phil Isenberg, and others spoke in support of the proposal,
21 and said that that was the result of the Chairman's support
22 of this reclamation.

23 At Lake Tahoe, for public access, which is clearly
24 understood as a problem, I've been contacted by
25 Senator Boatwright. I've had past discussions with the

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1 Senator about this issue. As a result of our
2 conversations, he's agreed to propose that the State Lands
3 Commission, through Senator Davis -- that Senator Davis
4 include cease and desist authority for the State Lands
5 Commission in his bill, much like the Coastal Commission
6 has authority. Senator Davis' bill is in the Assembly.

7 Senator Boatwright and Senator McCorquodale have
8 repeated their willingness to propose to Jackie Speier,
9 Assemblywoman Speier, that her bill, which would provide --
10 which would allow us to use up to 50 percent of the
11 proposed new revenue for enforcement activities.

12 We have discussed cease and desist authority,
13 and Senator Boatwright suggested that we should go ahead
14 and tear the fences down. I said I'd be more comfortable
15 doing that if we had some cease and desist authority.
16 And with that, he volunteered to think about a separate
17 amendment.

18 On the terminal rents, we will have a proposal
19 for circulation to the Commissioners within seven days
20 setting forth a new rent -- a proposed new rental
21 structure for marine terminals.

22 That concludes my executive report, and we can
23 now go into executive session.

24 CHAIRMAN MC CARTHY: This concludes the end
25 of the public session, and we'll now go to the executive

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1 session.

2 Thank you for attending.

3 (Thereupon, the public session of
4 the State Lands Commission meeting
5 was adjourned at 4:30 p.m.)

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CERTIFICATE OF SHORTHAND REPORTER

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I, Nadine J. Parks, a shorthand reporter of the State of California, do hereby certify that I am a disinterested person herein; that the foregoing proceedings were transcribed from tape to the best of my ability into typewriting.

I further certify that I am not of counsel or attorney to any of the parties to said meeting, nor am I interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of May, 1992.


Nadine J. Parks
Shorthand Reporter