

STATE OF CALIFORNIA
STATE LANDS COMMISSION

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ORIGINAL

JAMES F. PETERS, CSR, RPR
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APPEARANCES

COMMISSIONERS

Kathleen Connell, Chairperson

Cruz M. Bustamante, Member

B. Timothy Gage, Member, represented by
Annette Porini,

STAFF

Paul Thayer, Executive Director

Jack Rump, Chief Counsel

Barbara Dugal

Jim Frey

Kim Korhonen, Executive Secretary

Lynda Smallwood

ALSO PRESENT

Matt Rodriguez representing the Attorney General

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PROCEEDINGS

CHAIRPERSON CONNELL: Call the session to order.
May I have a roll call, please?

SECRETARY KORHONEN: Present we have Lieutenant Governor Bustamante, Controller Connell and Chief Deputy Director Annette Porini.

CHAIRPERSON CONNELL: Thank you. May I have approval of the minutes, please.

ACTING COMMISSIONER PORINI: Move approval.

COMMISSIONER BUSTAMANTE: Second.

CHAIRPERSON CONNELL: Minutes have been moved and approved.

Mr. Thayer, we are moving on to your Executive Officer's Report.

EXECUTIVE OFFICER THAYER: Kim, could you check the mikes. I think the board is turned off, the sound board.

Good morning, Madam Chair and Commissioners.
There's just a couple of items on the Executive Officer's Report.

First, I wanted to get back to you on a status report, the shell mounds issue. As you recollect this last fall in response to an approach from the Commercial Fishermen who were adversely affected by the Shell mounds in Santa Barbara, the Commission directed that the oil

1 company go out and provide two things, first, buoys,
2 lighted buoys, marking the Shell mounds, and to provide
3 additional satellite navigation gear for the fishermen to
4 help them avoid the Shell mounds.

5 At this point, the lighted buoys are in place.
6 An agreement was reached with Chevron to provide the GPS
7 equipment. So far, 16 fishermen have been provided. The
8 equipment has been installed on their boats. We did have
9 some additional conversations in the last month with one
10 of the fishermen down there who wanted some additional
11 flexibility, some additional opportunity to buy different
12 gear, that was more uniquely suited to his boat. Chevron
13 has agreed to do that and we think most of the --

14 CHAIRPERSON CONNELL: So Chevron is paying for
15 all of these expenses?

16 EXECUTIVE OFFICER THAYER: That is exactly right,
17 Madam Chair. So at this point, we think that's been
18 pretty well taken care of. There may be some residual
19 issues in terms of the qualifications for which fishermen
20 would receive the equipment, but we're continuing to work
21 on that.

22 The second aspect of --

23 CHAIRPERSON CONNELL: Are there any other
24 questions by Members of the Commission on that item?

25 COMMISSIONER BUSTAMANTE: Yes. Are you finished?

1 EXECUTIVE OFFICER THAYER: Yes.

2 COMMISSIONER BUSTAMANTE: The issue of doing a
3 sampling, a core sampling, was that ever done or is in the
4 process of?

5 EXECUTIVE OFFICER THAYER: Exactly. That's a
6 good question. We're entering into a study with the
7 Coastal Commission. We'll be doing this jointly. You,
8 the Commissioners here at the State Lands Commission, have
9 previously approved this. Request For Proposals went out.
10 We do have a winning bidder at this point that came in in
11 the last couple of weeks, L.A. Dewitt is the name of the
12 consultant. The work will start on that study, which will
13 include the core samples you're talking about on July
14 17th.

15 We expect that study to take about six months to
16 complete. So sometime around the first of next year that
17 study should come back. That will hopefully provide the
18 information so that this Commission, as well as the
19 Coastal Commission, can proceed unresolved in the Shell
20 mounds issue.

21 CHAIRPERSON CONNELL: Excellent.

22 EXECUTIVE OFFICER THAYER: The next item I wanted
23 to mention is that this Commission has been very involved
24 in ensuring that the school lands that are present at the
25 Elk Hills -- former Elk Hills Naval Petroleum Storage

1 Facility, that the State receives adequate compensation
2 for its ownership there.

3 An arrangement was worked out with the
4 administration in Washington, which provides for periodic
5 payments every year, but there's still something of a
6 budget fight to get that money. And I'm happy to report
7 that the next installment this year is an installment of
8 \$36 million. It has made it out of the Senate
9 Appropriations Committee, and we're hopeful and confident
10 that, at this point, the State will be able to receive
11 that money. That money is used for cost-of-living
12 increases for retired teachers.

13 The next item, we have a Prevention First
14 conference coming up in August. This is a conference that
15 the Commission has sponsored for every other year for
16 three or four sessions now. It's a two- or three-day
17 conference, and it highlights the progress that's being
18 made in preventing oil spills. The Commission is a real
19 leader in this. We're the primary sponsor.

20 We have fliers that give additional information
21 about that, that are in the back of the room for anybody
22 in the audience that's interested in learning more about
23 it. And I've sent letters to each of the Commissioners
24 asking them if they would like to participate. We, of
25 course, will make arrangements, if you want to do that.

1 CHAIRPERSON CONNELL: Mr. Thayer, I want to
2 applaud this effort by the Commission. We've been doing
3 this for a number of years, but I would just like to
4 emphasize that this is becoming an increasing concern, as
5 you know, now that we're at a point where we are trying to
6 determine how we're going to retire these oil platforms
7 off the coast of California.

8 And I think given the increased sensitivity and
9 public recognition of this matter, it would be helpful if
10 we could send a news release to the papers of California
11 letting them know that we're doing this conference. And
12 most of them have these sections that they publish on
13 weekends about public educational seminars. And I think
14 that would be very helpful.

15 I would like to bring it to the attention of all
16 the County Planning Offices throughout the coastal area of
17 California, up and down the coast. And perhaps they could
18 give it to their citizen advisory groups as well. Most of
19 them have formal citizen advisory groups that it could be
20 disseminated in that fashion.

21 And, of course, all of those who have appeared at
22 our Rigs to Reefs workshop should be automatically invited
23 to the conference so that we can assure that those who
24 have indicated a continuing interest in this matter are
25 kept informed.

1 EXECUTIVE OFFICER THAYER: Certainly.

2 CHAIRPERSON CONNELL: And of course, we are
3 posting it, I assume, on our web site?

4 EXECUTIVE OFFICER THAYER: It's already there.
5 Certainly, we'll do that.

6 The next item, you'll recall that there were
7 several people from the City of Long Beach, citizens and
8 representatives of several groups, to voice concerns, in
9 particular about the Queensway Bay Project, which is
10 ongoing in Long Beach. And the Commission responded by
11 directing that we hold a public workshop to gather
12 information about the situation there. And this workshop
13 has now been scheduled. Notices have gone out to those
14 people that have expressed interest. We'll make sure the
15 papers in Long Beach are aware of this as well. It's
16 scheduled for July 20th at 9:00 a.m., at the library
17 auditorium in the City of Long Beach. We also have
18 additional fliers that are in the back of the room if
19 there's anybody else in the audience who would like to
20 take home one of these.

21 We'll be collecting the information on the
22 concerns that people have in Long Beach. And then our
23 intent is to prepare a staff report analyzing whatever
24 issues come up and submitting that individually to the
25 Commissioners, along with a transcript of all the

1 comments, so that you'll be aware of exactly what people's
2 concerns are down there. And then the question before the
3 Commission, at that point, would be whether or not they
4 want to pursue this matter any further.

5 CHAIRPERSON CONNELL: I'm particularly interested
6 in the Long Beach matter, as you know, Mr. Thayer. And I
7 would hope that as we move through this issue that we find
8 new ways of bringing the City of Long Beach into this
9 discussion. I know there's been terrifically enlightened
10 leadership on the part of Mayor O'Neill and her
11 administration on this matter. And they have recently
12 contacted me about their interest in continuing to be
13 involved in this matter.

14 Wherever we have these efforts to do outreach, I
15 think we should always try to bring the local elected
16 officials into play at the end of the day. They are the
17 ones that have greater contact with these matters than we
18 do. So if you'd make sure that you involve Mayor O'Neill
19 and her staff, I'd appreciate it.

20 EXECUTIVE OFFICER THAYER: We'll do that. And
21 thank you very much for that. You should know that we
22 have invited the City to make a presentation at this
23 workshop to explain this project at the beginning. And
24 we'll be working closely with them on that.

25 Thank you.

1 The next item I wanted to report on is that the
2 Commission is sponsoring SB 2181. This is the bill that
3 would give us cease and desist authority, so that if there
4 was a problem with a potential oil spill in oil
5 off-loading operations in our prevention program, we would
6 have the ability to stop dangerous activities. It would
7 also give us the opportunity to deal with situations such
8 as we faced in some of our platforms.

9 That bill, I wanted to report, has passed out of
10 the Senate, and yesterday was passed out of the Assembly
11 Policy Committee of the Natural Resources Committee. So
12 we're making progress. There is some opposition from the
13 oil industry on this. I think that's unfortunate. We've
14 worked closely with them.

15 CHAIRPERSON CONNELL: What is the nature of their
16 opposition?

17 EXECUTIVE OFFICER THAYER: I think just generally
18 they would prefer the Commission did not have this
19 authority.

20 CHAIRPERSON CONNELL: Actually, it works to their
21 advantage. And I think other Members of the Commission
22 would agree with us in that matter. Obviously, we're
23 trying to make sure we identify it at the earliest
24 possible moment and mitigate the problem. They are the
25 ones who have been scarred by this tremendously negative

1 publicity, which has occurred every time we've had one of
2 these leaks and eruptions on any of these oil platforms.
3 This should be a wonderful opportunity for them to show
4 cooperation with us. Have they been testifying against
5 this bill in committee?

6 EXECUTIVE OFFICER THAYER: I believe they did
7 testify yesterday, yes.

8 CHAIRPERSON CONNELL: I would like to have the
9 names of those who have testified against this bill.
10 Maybe we can have conversations with them to help them
11 understand that this bill works in their favor. This is
12 something that they should be supportive of, certainly not
13 negating.

14 EXECUTIVE OFFICER THAYER: We'll provide that
15 information to all the Commissioners. And we may as well,
16 as the bill moves through the final parts of the process,
17 the legislative process, we may call on the Commissioners
18 individually for their assistance in making sure --

19 CHAIRPERSON CONNELL: Now, where is it now, in
20 the Assembly?

21 EXECUTIVE OFFICER THAYER: It's passed out of the
22 Assembly Policy Committee and will probably be next in the
23 Appropriations Committee, next the floor and then it would
24 go on to the Governor.

25 CHAIRPERSON CONNELL: What is the cost factor of

1 this bill?

2 EXECUTIVE OFFICER THAYER: I don't believe
3 there's any cost at all. It's just an enforcement tool.
4 We're not proposing to -- we're proposing to provide this
5 implementation or enforcement authority, but it would be
6 used by existing staff.

7 CHAIRPERSON CONNELL: Okay. So there is not a
8 financial matter?

9 EXECUTIVE OFFICER THAYER: No.
10 So, so far so good on that.

11 The last couple of items I wanted to point out
12 have to do with items that are presently on the consent
13 calendar on the Commission's agenda.

14 The first is I wanted to point out that there is
15 yet another quitclaim of an additional offshore oil lease.
16 This item is actually -- there are three lessees for one
17 lease. And two out of three have a quitclaim on your
18 agenda today.

19 CHAIRPERSON CONNELL: Which item is that, Mr.
20 Thayer?

21 EXECUTIVE OFFICER THAYER: That's Item 87,
22 Atlantic Richfield and Phillips Petroleum are quitclaiming
23 their interest in this lease. The last owner is Exxon
24 Mobil --

25 CHAIRPERSON CONNELL: Where is that located?

1 EXECUTIVE OFFICER THAYER: It's off of Santa
2 Barbara County.

3 CHAIRPERSON CONNELL: Have you notified Santa
4 Barbara?

5 EXECUTIVE OFFICER THAYER: Yes, we have.

6 There's one more lessee for this particular lease
7 that we need to get a quitclaim for and we're pursuing
8 that.

9 COMMISSIONER BUSTAMANTE: So we have only one
10 remaining?

11 EXECUTIVE OFFICER THAYER: Only one remaining out
12 of the three.

13 I also wanted to note that we have a final fiber
14 optic cable project on our consent calendar today, AT&T
15 that item is the last of --

16 CHAIRPERSON CONNELL: What item is that?

17 EXECUTIVE OFFICER THAYER: That item is number
18 16.

19 CHAIRPERSON CONNELL: I would like to pull that
20 off. I'd like to have discussion of that item.

21 EXECUTIVE OFFICER THAYER: We will do that. Then
22 I would defer further comment on that, other than to say
23 that this is the last of the original flesh of new
24 applications for fiber optic cables that we've received.
25 We have no other pending applications. So the next cable

1 to come to the Commission would probably be at least a
2 year off.

3 CHAIRPERSON CONNELL: Perfect.

4 EXECUTIVE OFFICER THAYER: Then the final thing I
5 wanted to mention -- well, two things. First, our next
6 Commission meeting we're expecting to meet in September.
7 We'd like to hold that in Sacramento if possible, but
8 certainly if the Commissioners' schedules require us in
9 Los Angeles, we can do that.

10 CHAIRPERSON CONNELL: Does anyone have problems
11 in September with the location of Sacramento?

12 Fine, we will be doing it in Sacramento then.

13 EXECUTIVE OFFICER THAYER: Okay. And then we'll
14 contact your offices to find a mutually agreeable date.

15 And then I need to note that unfortunately,
16 although it's turned out not too seriously, one of our
17 staff members was involved in an automobile accident on
18 the way to the airport to come down here, Dave Plummer,
19 who spent a lot of work on base closure issues and San
20 Francisco Bay issues.

21 Some of our staff have already talked to him
22 since the accident. He was hit from behind while he was
23 on the freeway. I think there was a fatality involved in
24 one of the other vehicles, but Dave's vehicle rolled
25 several times. He received some cuts.

1 CHAIRPERSON CONNELL: This is in Sacramento or
2 L.A.?

3 EXECUTIVE OFFICER THAYER: Sacramento. He was
4 going to fly down here this morning to be here for one of
5 the items, but we're all, you know -- we feel fortunate --

6 CHAIRPERSON CONNELL: Is he in the hospital?

7 EXECUTIVE OFFICER THAYER: He is, but he's
8 expected to be released today.

9 CHAIRPERSON CONNELL: All right. Could you give
10 that information to all the Commissioners. I'm sure we'll
11 want to be in contact with him.

12 EXECUTIVE OFFICER THAYER: We'll do that.

13 CHAIRPERSON CONNELL: He is in --

14 EXECUTIVE OFFICER THAYER: Sacramento.

15 CHAIRPERSON CONNELL: -- good condition?

16 EXECUTIVE OFFICER THAYER: My understanding is
17 that he received some stitches for some head wounds, but
18 that he will be released today, that it's not serious. He
19 actually spent, it was, late last night working on one of
20 the items on a final deal with some of the people who are
21 in here. So he's someone we really appreciate all of his
22 hard work. He's very dedicated.

23 CHAIRPERSON CONNELL: We will have to make sure
24 he appears at our September meeting in his, hopefully,
25 recovered state. And we will so honor him as a veteran of

1 the commute problem in California.

2 (Laughter.)

3 CHAIRPERSON CONNELL: For those of us who commute
4 that route daily, we understand the exposure that that
5 represents. I'm sorry that certainly affected one of our
6 members.

7 EXECUTIVE OFFICER THAYER: We'll get the
8 information and the particulars to your offices about him.

9 That wraps up the Executive Officer's Report.

10 CHAIRPERSON CONNELL: All right. I would then
11 like -- with the removal of the item which I indicated, I
12 would certainly call on members for a motion on the
13 consent calendar.

14 Is there anyone who wants to speak on the consent
15 calendar, first?

16 No one in the audience. All right, then I would
17 like a motion, if we could, to move the consent calendar.

18 ACTING COMMISSIONER PORINI: Move approval of the
19 Consent Calendar.

20 COMMISSIONER BUSTAMANTE: Second.

21 CHAIRPERSON CONNELL: Okay. It's been moved and
22 approved.

23 Mr. Thayer, we are now moving into the regular
24 agenda. Let's go to the regular calendar.

25 EXECUTIVE OFFICER THAYER: We now have two items.

1 And if the Commissioners are agreeable, I guess we could
2 take up El Toro, the first item, and then take up AT&T
3 after that.

4 We do have a staff presentation on El Toro, and
5 that will be given by -- this is a retrocession of police
6 and fire services from the federal government to the State
7 and local entities. And we do have a presentation being
8 made by Jim Frey, one of our staff members.

9 CHAIRPERSON CONNELL: Go ahead.

10 MR. FREY: Good morning, Madam Chair,
11 Commissioners. The Department of the Navy has requested
12 that you accept a retrocession of legislative jurisdiction
13 at the Marine Corps Air Station at El Toro. This is a
14 retrocession of partial legislative jurisdiction over a
15 portion of the lands at El Toro.

16 If you accept the retrocession, the State of
17 California and local government will have full legislative
18 jurisdiction over all of the lands comprising the base at
19 El Toro. California will have the opportunity and the
20 right to enact and enforce civil and criminal law there.

21 This request was first brought to you at your
22 December meeting in 1999. At that meeting, you heard
23 extensive testimony from your staff, the Navy, the
24 Department of Toxic Substances Control, Orange County and
25 many members of the public. DTSC, the Navy and Orange

1 County acknowledged the presence of toxic materials on the
2 base, and stated these substances were being cleaned up
3 through a program involving the Navy, DTSC and the Santa
4 Ana Regional Water Quality Control Board. We will update
5 you on the progress of these programs today.

6 Several groups, including the El Toro Reuse
7 Planning Authority, or ETRPA, earlier protested the
8 County's proposed conversion of the base to a cargo
9 aviation facility. ETRPA has now withdrawn their
10 objections and supports retrocession. The Commission also
11 heard testimony indicating that Orange County and the Navy
12 had entered into a renewable short-term lease for eight
13 areas of the base for various activities, including a
14 child care center, RV storage, a golf course, the
15 Officer's Club and horse stables.

16 Since 1999, December of 1999, a number of events
17 have occurred. In March, the voters of Orange County
18 passed Measure F, requiring a two-thirds majority vote on
19 the conversion of the property to a civilian airport.

20 Secondly, the US Navy has recently stated that it
21 will terminate its lease with Orange County for the
22 property unless there is a retrocession before July 1,
23 2000. Pending your action today, however, the Navy has
24 granted a 60-day extension to the lease. The County has
25 received protests because of the loss of the day care

1 center and the horse stables. A large number of public
2 citizens believe El Toro provides a number of valuable
3 opportunities to the community and that they should not be
4 lost.

5 On June 9th, 2000, ETRPA sent the Commission a
6 letter withdrawing its opposition to the retrocession,
7 because it no longer believes it is subject to CEQA. In
8 so doing, ETRPA cites the passage of Measure F and the
9 lack of aviation uses in the project description for the
10 draft EIR.

11 Finally, ETRPA notes that the Navy has indicated
12 that there will be no aviation-related uses of the
13 property without a NEPA document being prepared first. It
14 is important to note that in accepting the retrocession,
15 this will have no effect on the duty of the United States
16 to clean up the pollution at El Toro.

17 Under CERCLA, the Navy may not sell property on
18 which Toxic Substances have been stored for more than one
19 year and have been known to have been released until any
20 contamination has been cleaned up. Any sale of such a
21 property must contain a notice of the type and quantity of
22 the hazardous substances, notice of the time of storage,
23 release and disposal of the substances and a description
24 of the remedial action taken by the United States.

25 Further, the United States will include covenants

1 in the deeds that all remedial action necessary to protect
2 human health and the environment has been accomplished,
3 and that if further pollution or contamination is
4 discovered, the United States will take on itself the
5 obligation to clean it up.

6 The Navy is, of course, aware of these statutes
7 and will not convey the property until the cleanup is
8 finished. Orange County representatives have previously
9 indicated that the County will not take title to the
10 property until the cleanup has been accomplished.

11 DTSC reports that the Navy continues to cooperate
12 with it and the Santa Ana Regional Water Quality Control
13 Board in the cleanup of the property. In March 1999, DTSC
14 had identified some 883 locations of concern, 369 of which
15 required an investigation. In March of 2000, the number
16 of areas requiring further investigation had been reduced
17 to 271, approximately a 25 percent reduction.

18 Originally, there were 24 sites identified as
19 installation restoration program sites and classified as
20 contaminated. I believe that number has now been reduced
21 to 11. The cleanup program continues, but it will be
22 several years before it is completed. We have with us
23 today representatives from the Department of Toxic
24 Substances Control, the United States Navy and Orange
25 County. Each of them would like to address you about this

1 situation and how it can be dealt with.

2 I'd like to ask three speakers to precede the
3 general public, if I may. That is Jack Wells from the
4 United States Navy, John Scandura from the California
5 Department of Toxic Substances Control and Rob Richardson
6 from Orange County.

7 Mr. Wells.

8 CHAIRPERSON CONNELL: Mr. Wells, if you would
9 identify your affiliation, again, for the record, please.

10 MR. WELLS: Madam Chair, Members of the
11 Commission, my name is Jack Wells. I'm an attorney with
12 the Navy Base Closure Office in San Diego.

13 If I may, and I know it's perhaps a little bit
14 beyond my authority, but I'd like to make sure that
15 another Navy speaker has an opportunity to speak after I
16 do, and that is Dean Gould, who is the person who is
17 responsible for overseeing and coordinating the
18 environmental activities at El Toro.

19 CHAIRPERSON CONNELL: Certainly. Why don't you
20 continue, Mr. Wells.

21 MR. WELLS: The primary purpose of the Navy's
22 request for retrocession is that we would like to have the
23 ability to lease the property during the period of time
24 prior to the time that we're able to convey the property.

25 In order for us to do this, we need to be assured

1 that the public is going to be protected in its use of the
2 installation. Right now, the local law enforcement
3 authorities are not in a position to enforce the laws of
4 the State of California and the local jurisdictions that
5 relate to traffic, the environment, to safety and
6 everything else that the Sheriff's Department is
7 responsible for, ensuring that the citizens are adequately
8 protected.

9 So we have indicated that without retrocession
10 occurring that we're not going to be in a position to
11 further extend the interim use of the installation at El
12 Toro. And therefore, the property, the golf course and
13 the other facilities that have been mentioned by your
14 staff are not going to be available to the public. That's
15 going to hurt both the public and the Navy, because we
16 would like to see the facility in active use. It reduces
17 the requirements for protection and maintenance if that
18 occurs.

19 Now, regardless of whether retrocession takes
20 place or not, the Navy is committed, and, by law, is
21 obligated to continue its efforts to clean up the
22 hazardous substances that have been deposited at the
23 installation. And as was stated by your staff, we're not
24 going to be in a position to be able to convey the
25 property until that occurs, because of the requirements of

1 CERCLA.

2 And I'm not sure whether the Commission is aware
3 of this, but retrocession has been approved by the
4 Commission at other installations where the remedial
5 efforts of the Department of Defense are continuing. I
6 think one of those facilities was on your agenda today.
7 I'm not familiar with McClellan.

8 But in the case of the naval training center at
9 San Diego, retrocession took place several years ago. The
10 same is true for the Long Beach Naval Complex. And in
11 both instances, both at NTC in San Diego and at the Naval
12 Complex in Long Beach, the Department of the Navy is
13 continuing its efforts to clean up those two
14 installations. And retrocession really had no effect on
15 those efforts, but the local law enforcement officers are
16 in a position to enforce State and local laws at those two
17 installations.

18 With respect to the specifics of the
19 environmental cleanup at MCAS El Toro, I'd like to have
20 Dean Gould, who is the Base Realignment And Closure
21 Environmental Coordinator speak to you briefly about the
22 cleanup process. And if he could do so on my time, I
23 would appreciate it.

24 CHAIRPERSON CONNELL: Certainly. Mr. Gould, are
25 you prepared? Yes, could you step forward.

1 Mr. Wells, does that conclude your comments?

2 MR. WELLS: It does.

3 CHAIRPERSON CONNELL: Thank you.

4 MR. WELLS: And I'll be available to answer any
5 questions.

6 CHAIRPERSON CONNELL: Thank you, Mr. Wells, I
7 appreciate that.

8 Mr. Gould, could you give your name and
9 affiliation for the record, please?

10 MR. GOULD: Good morning, Madam Chair and Members
11 of the Committee, my name is Dean Gould and I'm the BRAC
12 Environmental Coordinator for Marine Corps Air Station El
13 Toro. And on behalf of the Navy, I'm here to speak to you
14 today to address the environmental impacts at El Toro.

15 A little bit more on the definition of my
16 position. Amongst other things, I'm primarily responsible
17 to represent the Department of the Navy to ensure that all
18 of our obligations are adhered to as outlined in the
19 Federal Facilities Agreement, and I'll get to that a
20 little bit more in just a moment, and that all applicable
21 requirements as outlined in CERCLA, RCRA and other
22 environmental law are, in fact, completed successfully for
23 the base.

24 The Federal Facilities Agreement that I have here
25 was entered into in 1990 on behalf of the Department of

1 the Navy and the three regulatory agencies of the U.S.
2 EPA, what was then DHS on behalf of what is now DTSC, and
3 the Regional Water Quality Control Board. Those parties
4 make up what is called the BCT, or BRAC Cleanup Team.

5 They entered into this agreement, it is legally
6 binding, that the Navy will see through all of the items
7 that are identified in this agreement and the methods for
8 which it will be done. Also, there is a schedule, as
9 Appendix A included in this agreement, which we are
10 legally bound to adhere to. Any deviation from that
11 schedule requires acceptance by the other three regulatory
12 agencies that make up the BRAC Cleanup Team.

13 As Mr. Wells had mentioned, there has been a good
14 deal of process, and also Mr. Frey. Just to bring you up
15 to today as to where we're at, we have 885, what are known
16 as, locations of concern on base. Those could be any
17 number of things from underground storage tanks to
18 Installation Remediation Program, IRP, sites, of which we
19 have 24, those being the most notable and so on.

20 Of the 885, 642 have been closed out as no
21 further action. And what that means is that we have gone
22 through the environmental process, the appropriate laws,
23 regulations and procedures and with the concurrence of the
24 appropriate regulatory agency or agencies, those sites
25 require no further action.

1 With regard to the Installation Remediation
2 Program, which seems to be of primary concern to many
3 people and rightfully so, eleven of those sites have been
4 closed out as no further action. And the remaining 13 we
5 are in various stages of progress, some are at the
6 remedial design stage, some where the actual remedy is
7 being designed, for other sites we are still conducting
8 further investigation. And all of this, once again, is
9 coordinated with the regulatory agencies.

10 COMMISSIONER BUSTAMANTE: We were just told of
11 the 24 sites, there were 11 sites remaining.

12 MR. GOULD: Eleven sites.

13 COMMISSIONER BUSTAMANTE: Is there 13 sites
14 remaining or 11 sites?

15 MR. GOULD: Eleven sites have received no further
16 action status, which leaves the remainder of 13 requiring
17 some sort of action.

18 CHAIRPERSON CONNELL: Well, where did we get to
19 the 24? I mean, you started with 85. You've closed out
20 642. My subtraction gives us 243. What subset is the 24
21 of the 243?

22 MR. GOULD: That 24 subset of the overall 885
23 locations of concern, those would be, what are called, the
24 IRP sites, or Installation Remediation Program sites.
25 Those are the sites that were originally identified in the

1 Federal Facilities Agreement and have since been amended
2 as the program has proceeded along.

3 I broke out those 24 from the 885 because those
4 are probably the largest issues that we have to deal with,
5 and those also are the critical path, both from time as
6 well as resources typically required to close those type
7 sites out.

8 CHAIRPERSON CONNELL: Well, what happens to the
9 remaining portion of the 243?

10 MR. GOULD: Those, too, will have to be closed
11 out. For example, the UST program, Underground Storage
12 Tanks, of which there were originally 401 of them on base,
13 333 have been closed out.

14 And to give an illustration that by closed out
15 that's not just an administrative action, 329 of those 333
16 have actually been physically removed from the base, so
17 there has been a good deal of actual physical work done on
18 the base between a variety of programs.

19 The balance of the 200 plus sites that you're
20 referring to are aboveground storage tanks, PCB
21 transformers, different types of accumulation areas, a
22 variety of locations.

23 CHAIRPERSON CONNELL: And what is your intent
24 regarding those sites?

25 MR. GOULD: The same thing that we have in our

1 program. That's a little bit different side of the house,
2 that is under the RCRA side, Resource Confirmation
3 Recovery Act, that we're trying to close those sites out,
4 but each one of them is also in our current program. And
5 on a month-to-month basis, you can see the progress that
6 is being made, and Mr. Frey alluded to an example of 25
7 percent of the most notable from the last time that we had
8 published our annual report.

9 CHAIRPERSON CONNELL: Do you have a timetable,
10 Mr. Gould, for closing out those remaining sites?

11 MR. GOULD: Yes. In the Federal Facilities
12 Agreement, that Appendix A outlines for the Installation
13 Restoration Program lists, the primary 24 sites and the
14 timetable for them. We will have -- we certainly expect
15 to have the remaining sites, that make up that 885, closed
16 out prior to the final IRP site. It would be roughly the
17 middle of 2005 would be the last IRP site we expect to
18 have closed out. By that time, we expect that the balance
19 of all the smaller RCRA sites would also be closed out at
20 that time.

21 CHAIRPERSON CONNELL: So the latest time would
22 be, what, 2005; is that correct?

23 MR. GOULD: That's correct.

24 CHAIRPERSON CONNELL: All right. Fine. I think
25 it's important for the audience's understanding to know

1 that there is a drop-dread date here that we're looking
2 at.

3 MR. GOULD: Absolutely.

4 CHAIRPERSON CONNELL: Did you wish to continue on
5 Mr. Gould?

6 MR. GOULD: Yes. To provide status for anyone
7 who is interested actually, we publish an annual plan that
8 was previously called the Base Closure Plan. It is now a
9 business plan. It is available to the public and it is
10 mailed out to a good number of individuals and agencies
11 right off the bat. And in that it outlines exactly what
12 our progress is over the past year and also projecting
13 what we will be doing for the upcoming years, such as a
14 means to communicate exactly where the program is at.

15 In addition to that, every other month we have,
16 what are known as, Restoration Advisory Board meetings.
17 That is a primary forum that we have to interact with the
18 public to exchange information with them as to where the
19 program is at, as well as receive input from them on their
20 reviews of documents or questions that they may have to
21 address them there.

22 CHAIRPERSON CONNELL: Good.

23 MR. GOULD: A couple of issues that I just want
24 to touch upon that they have received a fair amount of
25 press as of late. One is a study that was drafted on

1 behalf of the City of Irvine, which had come to the
2 conclusion that an amount of contaminated solvents on El
3 Toro had far exceeded what we had believed, up to that
4 point, our program -- actually from 8 to 80 times the
5 amount of contamination as to what our program had
6 previously identified.

7 That was given to us in early February. We were
8 briefed on it by consultants of the City of Irvine. And
9 since that time, we have met regularly with the regulatory
10 agencies. And as of May 31st, we briefed the public on
11 our findings of the internal review that we did of that
12 study and the conclusions that we reached. And in
13 conjunction with all three of the regular agencies, DTSC,
14 U.S. EPA, and the Regional Water Quality Control Board, we
15 published our findings that very limited additional action
16 will be required on site that we do not agree with the
17 estimated amounts of contaminated solvents that the Irvine
18 study had predicted. But there will be some very limited
19 additional on-site sampling as a result of it.

20 Another issue, radio nuclides has certainly been
21 high interest --

22 CHAIRPERSON CONNELL: Mr. Gould, you're going to
23 have to abbreviate your comments, because we have a number
24 of speakers at this point.

25 MR. GOULD: Yes, ma'am. I will pick up the pace.

1 Radio nuclides is also an issue of concern. Due to past
2 base practices where low-level radioactive waste could
3 have possibly been put into some of the landfills on base,
4 there is concern that it could possibly leave in the
5 landfills and contaminate the soil and groundwater.

6 We have conducted a study already to identify
7 whether or not there has been any leakage, if you will,
8 from the landfills. And we have the preliminary results,
9 which are very, very favorable, that there has not been.
10 However, we are going to continue with additional studies
11 including a basewide historical radiological assessment.

12 COMMISSIONER BUSTAMANTE: Are those landfills
13 lined?

14 MR. GOULD: Those are not lined, no.

15 COMMISSIONER BUSTAMANTE: So the chances of
16 something getting out are pretty good?

17 MR. GOULD: But we have not put our remedial
18 remedy in place, yet, for those landfills. We are just
19 now getting into the remedial design and we have not yet
20 implemented the remedial action to ensure that that type
21 of leakage does not occur and put in place the appropriate
22 monitoring wells to test for them. That is essentially
23 it.

24 COMMISSIONER BUSTAMANTE: Is one of the
25 remediations lining the landfills?

1 MR. GOULD: It would be premature for me to
2 discuss that because we have to get into the remedial
3 design of that and I --

4 COMMISSIONER BUSTAMANTE: When will that be
5 available?

6 MR. GOULD: Well, it depends on which landfill
7 you're referring to. Over the next two years, we will be
8 getting into the remedial design and remedial action,
9 which is actually putting the remedy into place for the
10 landfills.

11 That is essentially it, other than to say that I
12 certainly appreciate your time. And I did want to comment
13 that from last December up to present day, since this
14 issue has been tabled, this program has proceeded along
15 unchanged. And I would have to be factual in stating that
16 regardless of what decision you make regarding this issue
17 today, I do not foresee the environmental program changing
18 one way or the other, regardless of your decision.

19 We are bound legally by the agreements that are
20 already in place and that we have signed up to, and we
21 will make sure that we carry through.

22 CHAIRPERSON CONNELL: Thank you.

23 COMMISSIONER BUSTAMANTE: The one major change,
24 however, is that we have a lot more information in front
25 of us to know what you're doing.

1 MR. GOULD: Terrific. I'll be glad to give you
2 anything more you'd like.

3 CHAIRPERSON CONNELL: Did you have some
4 additional speakers?

5 MR. WELLS: Yes, Madam Chair, Mr. John Scandura
6 from the Department of Toxic Substances Control.

7 CHAIRPERSON CONNELL: Okay. We need to
8 abbreviate those comments. I'm going to ask each speaker
9 to stay to a three-minute time period. Let's go.

10 MR. SCANDURA: I'm John Scandura with the
11 Department of Toxic Substances Control. Many of my
12 remarks are going to overlap Mr. Frey's and Mr. Gould's
13 remarks, so I'm going to be abbreviating these. The
14 Department of Toxics, the Santa Ana Regional Water Quality
15 Control Board and the U.S. Environmental Protection Agency
16 are the regulatory agencies overseeing all the cleanup
17 activities out at the base.

18 It is correct that there are about 885 locations
19 on the base where contamination may have been present.
20 These locations breakdown into three categories. The
21 first category is your 24 historic contamination sites.
22 Your second category is your 425 underground and
23 aboveground storage tanks. And then your third category
24 is all these miscellaneous areas of concern, your 435 or
25 so sites ranging anywhere from paint lockers and a

1 single-piece PCB transformer to possible accumulation
2 areas.

3 The most significant sites are the historical
4 contamination sites, the so-called IRP sites, which you
5 heard earlier, and they include old landfills, explosives
6 demolition range, chemical disposal sites, and your
7 groundwater contamination.

8 It's correct, 11 of those 24 sites have been
9 designated no further action either because when they went
10 out there and investigated the sites they didn't find
11 contamination that was significant to warrant remediation
12 or actual removal action did take place. Remedies,
13 cleanup remedies, will be in place for all of the other
14 sites by the year 2005.

15 Certainly, the most difficult contamination to
16 address is going to be the groundwater contamination.
17 Just the nature of that kind of work can take years, if
18 not decades, to actually remove contaminants from
19 groundwater. And there's an awful lot of information that
20 we now have available about the groundwater, including
21 some very good information provided by the City of Irvine.

22 Dean alluded to the evidence of radiation in the
23 groundwater. A radiological study was performed to
24 identify possible areas where radiation may have been.
25 They found that 13 areas do require further investigation

1 and may require even remediation. And so that further
2 investigation work is going to take place this fall. The
3 Department of Health Services is actually going to be
4 overseeing that. And, certainly, I think the timetable
5 for any remediation for those sites may be within -- will
6 probably be within the next five.

7 I mentioned earlier about 425 or so above and
8 underground storage tanks. As of our current, our latest
9 date, of December 31st, 1999 indicates that about 75
10 percent of those sites, maybe a little bit more, have now
11 been closed out. By close out, either they went out and
12 removed the tanks and didn't find any leaks associated
13 with them or when they did find leaks, they went in there
14 and removed the contaminated soil and substances. Work on
15 the rest of those tanks should be finished by 2003.

16 And then I mentioned earlier about all the
17 miscellaneous areas, the 436 locations. These were
18 identified through aerial photograph searches, interviews
19 with former employees and base personnel, searches for
20 base records. To date, two-thirds of those locations have
21 been investigated and either found to not have
22 contamination as was previously suspected or they actually
23 went in there and took out the contaminants. And then the
24 rest of these locations should be addressed by the year
25 2003.

1 COMMISSIONER BUSTAMANTE: Now, the IRPs, those
2 that you indicate we have action dates of 2005 and we have
3 a fall study that's coming in to take place, that doesn't
4 mean that those things are going to be remediated by those
5 dates?

6 MR. SCANDURA: Yes.

7 COMMISSIONER BUSTAMANTE: It could take 20, 30
8 years to remediate some of those areas, correct?

9 MR. SCANDURA: For sites strictly with
10 groundwater contamination. Soil remediation, no, usually
11 it's something that can be accomplished within a matter of
12 months. If you have soil vapors in there, it could take
13 maybe a year.

14 COMMISSIONER BUSTAMANTE: You see the difference
15 between you and McClellan is that McClellan at least knows
16 its problems. And it's got a major activity in trying to
17 deal with their problems. We know exactly what's taking
18 place. They're in the process of cleaning it up. They
19 know it's going to be 20, 25 years to finish theirs, but
20 you don't have that here.

21 MR. SCANDURA: We have quite a bit already about
22 that.

23 COMMISSIONER BUSTAMANTE: Do you?

24 MR. SCANDURA: Yes. We have quite a bit about
25 contaminants out there.

1 COMMISSIONER BUSTAMANTE: It's not in this
2 report?

3 MR. SCANDURA: As far as?

4 EXECUTIVE OFFICER THAYER: We gathered some --

5 COMMISSIONER BUSTAMANTE: The groundwater issue.
6 Because you have a groundwater issue here that basically
7 says it's not applicable. You have a groundwater issue
8 here that says the estimated completion of cleanup is
9 2005. You have another groundwater issue that says -- and
10 we're talking about PCB. I know about PCB's and
11 pesticides. And you don't just sort of take those out of
12 the groundwater just because you want to or because you
13 remove a little soil.

14 MR. SCANDURA: That's correct.

15 COMMISSIONER BUSTAMANTE: And so it says
16 completion date of cleanup is 2005. Additional
17 groundwater soil, PCB's and contamination in another area.
18 Now, some of these are just a transformer issue, but some
19 of them are in something that's gone through several
20 layers of soil, could be in the groundwater at this point?

21 MR. SCANDURA: That's correct. Some of those
22 sites, the actual groundwater contamination plume, is much
23 smaller and much easier to clean up. The biggest problem
24 is going to be, what we call, the regional groundwater
25 plume. That's the plume of groundwater contaminants that

1 have gotten down into the deeper aquifer and they've
2 actually extended three miles.

3 COMMISSIONER BUSTAMANTE: But you've investigated
4 these. You understand exactly where these things are at
5 and you're moving.

6 MR. SCANDURA: Yes.

7 COMMISSIONER BUSTAMANTE: And you feel confident
8 in being able to remove them?

9 MR. SCANDURA: Yes.

10 COMMISSIONER BUSTAMANTE: Okay.

11 CHAIRPERSON CONNELL: Any other comments?
12 Annette, do you have a question?

13 ACTING COMMISSIONER PORINI: Well, just a brief
14 question. In your experience, do you think that this has
15 been a thorough examination of all of the possible
16 contamination sites on the base?

17 MR. SCANDURA: Yes. There's been 885 sites that
18 have been investigated and identified and explored. I
19 will say this, that given a base of this size, 4,000
20 acres, of which 2,500 acres where the actual air
21 operations took place, it takes an awful long time to be
22 able to go through all the records and interview employees
23 and identify areas. And that's why it's taken a good 15
24 years to come up with 880 sites.

25 There is the possibility in the next few years

1 that they could identify even more sites. It's just the
2 complexity of the beast with hundreds of buildings and
3 different locations out there. But my branch oversees
4 cleanups at all the bases in southern California as far
5 north as Vandenberg and Barstow, and Fort Irwin, and all
6 the way down into San Diego and this has been a very
7 thorough investigation. And we're continuing to sometimes
8 hound the military to make sure that they clean up to
9 State and local laws and regulations and protection of
10 public health and the environment.

11 CHAIRPERSON CONNELL: You know I have a question
12 in that regard. What will your role be if we move today
13 to retrocession?

14 MR. SCANDURA: Essentially, our role is going to
15 be unchanged. We're going to continue to oversee cleanup
16 of that site out there. By oversight, that means we're
17 going to be reviewing all the reports and commenting and
18 imposing requirements. Our staff is going to be out there
19 inspecting the work done by the Navy and verifying that
20 cleanup is adequate and continuing to ensure that they
21 comply with all the laws and regulations and requirements
22 necessary.

23 The one thing I do want to say, and one thing
24 that I am concerned about, and I don't want to say that
25 I'm an expert on retrocession or I understand the

1 retrocession issues completely, but I do understand that a
2 key element here is law enforcement authority and actually
3 having law enforcement presence out there. When the
4 Marines were on the base and when they had all their
5 civilian and military personnel out there, they took
6 tremendous precautions to make sure that all the hundreds
7 of monitoring wells and soil vapor probes that were out
8 there were protected and kept from vandalism and
9 tampering.

10 Likewise, they also made sure that all the
11 historical sites and the old landfills, people stayed out
12 of those areas. They kept them fenced and posted.

13 Since the military has moved out of there, it's
14 been my understanding that there's just been a minimal
15 presence of federal enforcement officers. I feel, by
16 having local enforcement officers out there, it will keep
17 vandals from going in there and tampering and destroying
18 monitoring wells. And these monitoring wells could cost
19 tens of thousands of dollars to install. And they can
20 yield hundreds of thousands of dollars worth of data.
21 They can also keep people out of areas that had not yet
22 undergone remediation, such as the landfills. The
23 landfills still need to be capped.

24 We've had reports of people going onto some of
25 those landfills. And I feel they need to be kept out of

1 there. When you don't have people out there patrolling,
2 people breach the fences. They steal the signs.

3 CHAIRPERSON CONNELL: So you feel we're at risk
4 in the interim period until we deal with retrocession,
5 that's basically what you're suggesting here?

6 MR. SCANDURA: That's correct.

7 CHAIRPERSON CONNELL: Thank you. I appreciate
8 your input.

9 Do you have a question?

10 Thank you.

11 Can we move on then. I believe we had one final
12 speaker before we move to the public and then we will move
13 to all members of the public.

14 Yes, please identify yourself.

15 MR. RICHARDSON: Good morning. I'm Rob
16 Richardson from the County Executive Office, Director of
17 Public Affairs. Good morning, Members of the Commission.
18 It's a pleasure to be here.

19 I'm here today on behalf of the Board of
20 Supervisors for Orange County. They have a board meeting
21 taking place this morning and wanted to take care of that,
22 so I apologize for them not being able to be here. There
23 are two members of their staff who are here from
24 Supervisor Spitzer's office and Supervisor Wilson's office
25 who are here today.

1 First of all, the Board of Supervisors is
2 unanimously in support of the Department of Navy's request
3 that retrocession be approved by your body today, and we
4 urge you to take that action. As Mr. Wells mentioned in
5 his preliminary comments here today, the County is engaged
6 in the community services program activity on the base
7 during this interim period of time.

8 The Navy had indicated to us that they required
9 that retrocession take place in order for a master lease
10 to be concluded with them for the ongoing use of the
11 civilian activities that take place at the base. They
12 have granted a 60-day extension of the bridge lease, so
13 that those civilian uses can continue in an uninterrupted
14 fashion. And in the interim period of time, county staff
15 is working with the Department of Navy to conclude a
16 master lease, which would be brought to the Board of
17 Supervisors probably as early as next month for approval
18 to go forward.

19 Additionally, we have representatives who are
20 here today from the Orange County Sheriff's Department.
21 And we presented a letter to your staff from the Sheriff's
22 Department, from Sheriff Mike Carona, indicating, again,
23 the Sheriff's strong support of this retrocession request.

24 CHAIRPERSON CONNELL: We all received that
25 letter.

1 MR. RICHARDSON: Okay. And so in owing to your
2 time today, I simply want to say, again, on half of the
3 County and the Board of Supervisors, the entire Board is
4 in support of this request. You have received a letter
5 from the Board Chairman on behalf of the entire board, and
6 you have also received letters from Supervisor Spitzer and
7 Supervisor Wilson as well.

8 And we urge your approval here today and support
9 the staff's recommendation.

10 CHAIRPERSON CONNELL: Thank you, Mr. Richardson,
11 and please give our appreciation to the Board for
12 communicating with us.

13 MR. RICHARDSON: Yes, Ma'am.

14 CHAIRPERSON CONNELL: It's always helpful to know
15 the position of local government on these matters.

16 MR. RICHARDSON: Thank you.

17 CHAIRPERSON CONNELL: Thank you. Now, I'm going
18 to move to members of the public. And before I do that,
19 may I just indicate all members of the public will have a
20 chance to speak on this item. We are going to go on the
21 basis of those who have submitted their requests to speak.
22 It is a rule of the Commission that we limit your comments
23 to three minutes. So as I identify you, I'm going to
24 identify three or four people at a time, so that we can
25 move forward in an orderly fashion. If you can just be

1 prepared to make your remarks, that would facilitate this
2 agenda.

3 I'm going to begin with, I believe it's, Gail
4 Reavis. Is Gail Reavis in the audience still?

5 Gail Reavis and then she will be followed by
6 Marcia Rudolph and then we've already had Rob Richardson,
7 so Lynne Dunn will be the third speaker.

8 MS. REAVIS: Thank you, Madam Chairman, but
9 Marcia and I have been members of the Restoration Advisory
10 Board, myself for six years and she --

11 CHAIRPERSON CONNELL: Would you identify
12 yourself, Gail, for the record.

13 MS. REAVIS: Gail Reavis of Mission Viejo. We
14 asked for ten minutes, is that possible?

15 We're members of the Restoration Advisory Board.

16 CHAIRPERSON CONNELL: We would ask that you keep
17 your comments to three, both of you each. If you'd like
18 to do a joint presentation, that will give you six.

19 MS. REAVIS: Okay. I'll do the best that I can.
20 I'd like to start out by saying a lot of things. One of
21 them is a picture is worth a thousand words. And as he
22 talks about the base and how the things that are on the
23 base have been cleaned up or will be cleaned up, this
24 plume that you're looking at, this toxic plume, is not on
25 the base. It's under the City of Irvine. And what we've

1 been told is that natural attenuation is the way to clean
2 it up and it will take 50 to 75 years. And that answers
3 one of your questions.

4 I wanted to bring up a lot of things. There was
5 a great article in the paper this morning from the Los
6 Angeles Times, Navy Seeks Limits On Its Cleanups At El
7 Toro. And it said in there that under the proposed
8 settlement signed by the Department of Justice this month,
9 the Navy would pay \$8 million of the \$35 million required
10 to clean up the three-mile wide tainted groundwater plume
11 in exchange for not being held responsible for any future
12 liability that could result from unknown contaminants.

13 So a lot of that stuff that you just heard from
14 Dean Gould is not true. They don't want to have
15 responsibility for things that they dig up later on.
16 They're specifically asking to be let off of that kind of
17 a commitment. And they're not going to pay for the
18 cleanup. They're already saying let me out of this I
19 don't like it very much.

20 I had an anecdote that I'll throw in here anyway,
21 even though I'm short on time. In New York City, when
22 they're having a trash strike, the way that they get rid
23 of their trash is to wrap it up in a pretty ribbon and bow
24 and set it on the front seat of the car and not lock the
25 doors.

1 That's what they're trying to do here. They want
2 us to take over their problems. And I'm sure the
3 Department of the Navy is having a big party over the
4 State of California accepting the environmental
5 responsibility for this.

6 I gave you a letter from Dr. Charles Bennett, who
7 was here last December. And the Members of the
8 Restoration Advisory Board, the members, the citizen
9 members, are still opposed to any retrocession based on
10 the cleanup issues. We've been hearing about radio
11 nuclides. The admission here today was that there are 13
12 areas that need to be further investigated. Areas that
13 have been previously closed are now open again.

14 And, again, Mr. Gould referred to what was on
15 site, they don't talk about anything at all about what's
16 off site, like what's drifted towards the Newport Backbay.

17 It's not about the horses. I know that we're
18 going to drag this out here today and we're going to have
19 the children and the horses. It's not about them. It's
20 about the liability of the State of California in future
21 cleanup and the liability of the County of Orange.

22 Now, I've already heard from some very high
23 sources here that your votes are in the bag. They
24 supposedly were in the bag the other way back in December
25 and that they're supposedly in the bag now. I think

1 that's a shame. We're willing to accept whatever it is
2 that you're going to do. But I hope, especially the
3 Lieutenant Governor would understand that the future,
4 financial concerns and responsibilities from all of the
5 taxpayers in the State of California are resting on this
6 right now and there are just too many unanswered
7 questions.

8 Last year you had decided to postpone a lot of
9 this because there were questions that were unanswered.
10 Those same questions, if that reasoning held any water
11 last December, still holds as much water today. Those
12 questions are not answered. In fact, things that we were
13 told had records of decision that were closed have since
14 been reopened.

15 I don't see that there's been a whole lot of work
16 going on with us to find out what's going on at these
17 meetings. We don't have a whole lot of faith in a lot of
18 the people that are coming to these meetings. Mr. Gould
19 has been in charge of the RAB for about two years. As I
20 said, I've been there for six and Marcia's been there for
21 at least eight. Not that we have anymore knowledge about
22 this, but we do have a lot of time going into this.

23 And I want to say Marcia and I, in particular, we
24 don't get paid a penny for this. We are not here looking
25 out for any better interests. I lived in Irvine for

1 years. This toxic plume is what brought me to this issue
2 in the first place. It is not about the airport. It is
3 not about the horses. It is about cleaning up that piece
4 of property to the highest possible standards, the ones
5 that we've been promised.

6 And we have no guarantees. We've been told that
7 it's going to cost millions to clean this base up, but we
8 don't see the check. And we know that there's been too
9 many other base closures where the Department of the Navy
10 has gone back and said gee, we don't have the money.
11 Somebody else is more important. That's already happened
12 at the Tustin Base closure, they're already coming up
13 short. They're already trying to work deals with the
14 Water District in saying we don't want to pay that kind of
15 money. There's a lot of games going on here and we, the
16 citizens of the Restoration Advisory Board, do not agree
17 with what's going on here in the toxic cleanup.

18 Please vote no for retrocession.

19 Thank you.

20 CHAIRPERSON CONNELL: I'm going to be asking Mr.
21 Gould to respond to some of these concerns.

22 MS. RUDOLPH: I'm sure his answers will be very
23 interesting.

24 CHAIRPERSON CONNELL: Marcia, go ahead.

25 MS. RUDOLPH: Good morning, Commissioners. My

1 name is Marcia Rudolph. I happen to be wearing one of my
2 other hats, which is Counsel Member of the City of Lake
3 Forest. Lake Forest is directly adjacent to the base and
4 adjacent to the City of Irvine, but I'm speaking to you
5 today as a member of the Restoration Advisory Board.

6 Since its first meeting in January of 1993, I
7 have been involved. I was community co-chair for two
8 years, and I am an active member. There have been over 44
9 official meetings of the Restoration Advisory Board and
10 countless numbers of subcommittee meetings. In fact,
11 there is a subcommittee meeting tomorrow night.

12 I have some serious, serious concerns about a
13 retrocession. I spoke to you in December, and at that
14 time recognized the fact that, you know, you are sitting
15 there with an awesome job of protecting the environment of
16 the State of California.

17 I think the Navy has done an awesome job. And
18 what they've done an awesome job of is putting together
19 pro-airport, anti-airport, the County, South County or
20 Orange County together to say please retrocess. They've
21 done it in the name of the people-friendly uses that are
22 currently on the base, the horse people, you know, the RV
23 storage, the commissary, the day care. Those things they
24 have pulled out a cheap violin. They've played it, and
25 they've said we're going to close this base, and all these

1 uses are going to have to go bye-bye.

2 They have said we just heard that we're going --
3 you know, if you don't do retrocession, we're going to
4 have people wandering into who knows, we don't know. We
5 haven't had any description of whether there's any
6 unexploded ordinance on the base yet, but, you know, we'll
7 be walking around on things that they shouldn't.

8 It's interesting to me that for the past year we
9 have had the uses continue on the base. It seems to me
10 that where there's a will, there's a way. My concern goes
11 back to the issues of the contamination on the base.

12 Things are different than they were in December.
13 We know more. Why do we know more? Because the
14 volunteers, such as myself and Dr. Bennett and Mrs.
15 Reavis, and several other members of the Restoration
16 Advisory Board, pick up those documents and do a forensic
17 review of what we see. We've got Mr. Gould and others who
18 have talked about the fact that we have no further action
19 records of decision. What if the no-further action
20 recommendation goes back to 1997, when, frankly, I saluted
21 the Navy and thought that they were the best thing since
22 sliced bread.

23 I no longer feel that way, I guess you've gotten
24 that feeling. Site 25 has a record of decision for no
25 further action. At Site 25 are three washes, Agua Chinon

1 Wash, the Borrego Canyon Wash, and the Bee Canyon Wash.
2 The Borrego Canyon Wash took a 500-year project flood
3 through El Nino.

4 What is very interesting is you've alluded to the
5 Irvine study, the solvent study, which we had a rebuttal
6 from the Navy. The Irvine Study has a bound document. It
7 has boxes of backup information. We were given six pages
8 of overheads and no backup information in the Navy's
9 rebuttal. Their rebuttal basically said, well, we didn't
10 use the sanitary sewer system, we put it all in the storm
11 drains. Where do the storm drains go? To the washes.
12 Where do the washes go? Backbay Newport Beach.

13 It seems to me that a no further action record of
14 decision on Site 25 certainly needs to be resurrected.
15 And that's one of the things that our group is going to be
16 trying to do.

17 It seems to me that retrocession and the issues
18 that you deal with that you were setup as sort of the
19 firewall, the last bastion, so to speak, of whether the
20 State wants to get involved in accepting and letting local
21 agencies accept land, and that environmental issues are
22 important to you. And I can tell from your agenda, your
23 consent calendar, they definitely are, from your
24 questioning they definitely are. I sympathize with the
25 issue that you're set into. It's the Navy that has put

1 you in this position, not the County of Orange, not the
2 horse people, not the people who want to keep their
3 services on that base. It is the Navy.

4 It seems to me that if the Navy is allowed to get
5 retrocession, the next step may be to walk away from their
6 cleanup responsibilities. And I think the article in the
7 newspaper this morning that indicates that they are not
8 interested in paying more than \$8 million, that they're
9 trying to offload the liability, gives us an indication
10 that they will also try to offload the liability of the
11 base as a whole.

12 It is a difficult task that you are set to having
13 to make a decision on. I wish there was an easy answer.
14 It seems to me that where there's a will, there's a way,
15 and the way should be some kind of interim bridge lease
16 that gets us a couple of years down the line so we really
17 find out what there is and we can really determine the
18 liability of the Navy, so that they really have to clean
19 it up and pay for it.

20 Thank you.

21 CHAIRPERSON CONNELL: Thank you.

22 Now, Mr. Gould, I want a quick and very
23 abbreviated response to these specific charges, because we
24 were more than generous with your time originally.

25 MR. GOULD: Certainly.

1 CHAIRPERSON CONNELL: Yes, there were a number of
2 charges. One was the failure of the Navy to adequately
3 clean up Site 25. I think there was a concern about your
4 continuing responsibilities should we vote for
5 retrocession today. Would you like to address both of
6 those?

7 MR. GOULD: Yes, I would. Concerning Site 25,
8 that was, in fact, part of a no-further action record of
9 decision in 1997, as correctly stated by Ms. Rudolph.
10 Sites that are closed out for no-further action, that is
11 after going through a very comprehensive CERCLA process,
12 there is the remedial investigation, a feasibility study,
13 there is a great deal of on-site field work, sampling and
14 testing that is done.

15 And with regards to that site, it was determined
16 that no further action was needed as proposed by the Navy
17 and as agreed upon by all three of the regulatory
18 agencies. Given the technical data that came back, if the
19 contaminants are not found there as a result of the
20 sampling and looking at the historical records and support
21 of that, then that is how the site was closed out. And it
22 is correct, that's the no-further action status of those
23 sites right now. And we feel very confident about that
24 today. We see no need to go back to those locations.

25 CHAIRPERSON CONNELL: And your comment about the

1 concern, I think, that was expressed by both speakers
2 about the Navy's lack of responsibility moving forward
3 post retrocession.

4 MR. GOULD: Post retrocession, that's an
5 interesting comment. As I mentioned earlier, the Federal
6 Facilities Agreement, which legally binds us to seeing
7 this program through, and also is outlined in the Base
8 Closure Plan or what is now the Business Plan, there is a
9 table in there which indicates that, to date, just on the
10 Installation Remediation Program, that is not taking into
11 account all the RCRA costs, the tank programs and so
12 forth, we have spent over \$85 million to date just on the
13 Installation Remediation Program. And we are budgeting an
14 additional, as published in March of 2000, an additional
15 \$74 million to complete the Installation Remediation
16 Program alone. So that does not sound to me like somebody
17 that is in a hurry to leave town.

18 ACTING COMMISSIONER PORINI: Can you respond to
19 the issue that was raised regarding the amount of money
20 that would go into the contamination cleanup of the
21 three-mile wide plume of tainted water.

22 MR. GOULD: I can comment very broadly on that.
23 That is an ongoing discussion right now between the
24 Department of Justice, who is negotiating on behalf of the
25 United States. And that negotiation is taking place with

1 the Irvine Ranch Water District and the Orange County
2 Water District. This particular issue has been going on
3 for approximately six years. And right now the
4 negotiations are actually getting very, very close to
5 closure. There are a couple of issues that have come up
6 recently that cause the water districts concern, being
7 radio nuclides, possibly, and MTBE. Working very closely
8 with them and as supported with our contractors and
9 regulatory agencies, we are conducting an additional round
10 of radio nuclide sampling specifically for the water
11 districts at the locations that we all agree upon to make
12 sure that that is not the case. They are going to do
13 their own independent study through the Lawrence-Livermore
14 Laboratory.

15 In addition to that, the Navy is going to conduct
16 what will now be a third round of sampling through the
17 laboratories at MIT. So with the first round and now
18 these two follow-on rounds, I feel very, very comfortable
19 about the radio nuclide issue being satisfactorily
20 addressed.

21 CHAIRPERSON CONNELL: I guess the question is who
22 pays for it?

23 MR. GOULD: Who pays for?

24 CHAIRPERSON CONNELL: The cleanup.

25 MR. GOULD: Well, it's a shared cost. I am not

1 able to get into the terms of the settlement agreement,
2 but I know that it is a shared cost. The bottom line
3 amount and the exact amount that will be split between the
4 parties, that is all part of the ongoing negotiation right
5 now. And if I'm not mistaken, I believe that
6 representatives from, at least, one of the water districts
7 are meeting with DOJ at the DOJ offices this week to
8 further negotiations on that.

9 CHAIRPERSON CONNELL: That is going to be the
10 decision of the water districts as to what they're willing
11 to give in that negotiation?

12 MR. GOULD: As a result of once we get this
13 technical data back concerning the radio nuclides, and
14 we'll have to explore the MTBE issue a bit further. Once
15 those have been technically addressed and the terms of the
16 settlement agreement, as agreed upon, it will have to be
17 in agreement between the water districts and the DOJ
18 before the deal can go ultimately through.

19 COMMISSIONER BUSTAMANTE: Staff, what part do we
20 play in this whole process or do we not play a role in
21 this at all?

22 EXECUTIVE OFFICER THAYER: Our only role at this
23 base has to do with who has jurisdiction for police, fire
24 and other municipal services. We don't have any land.
25 The State Lands Commission isn't managing the land that's

1 affected, that I know of, by any of this at the base. So
2 we have no participation in the toxics program because
3 that doesn't relate directly to the retrocession issues
4 that are there.

5 COMMISSIONER BUSTAMANTE: The Department of
6 Toxics, are they involved with this particular issue of
7 the plume?

8 EXECUTIVE OFFICER THAYER: They're here today. I
9 would prefer that they respond.

10 COMMISSIONER BUSTAMANTE: Toxics, are you here?

11 CHAIRPERSON CONNELL: They were here. He already
12 spoke. That was Mr. Scandura, is that right?

13 MR. SCANDURA: That's right.

14 COMMISSIONER BUSTAMANTE: You mentioned nothing
15 about this plume.

16 MR. SCANDURA: That was the regional groundwater
17 contamination plume. And understandably the Navy is
18 reluctant to talk about this, because there's settlement
19 negotiations going on. But what we have is a regional
20 groundwater contamination plume that's located directly
21 west of the base.

22 COMMISSIONER BUSTAMANTE: But it was estimated
23 that it would be maybe about a \$35-million cleanup.

24 MR. SCANDURA: Right.

25 COMMISSIONER BUSTAMANTE: That was prior to the

1 additional items that were being done.

2 MR. SCANDURA: The problem with this area of
3 groundwater out there is it's very high in salts,
4 pesticides, fertilizers, things from historical farming
5 operations. And so the \$35 million cost, as I understand
6 it, to actually cleanup all that groundwater out there, is
7 the portion of money that the water districts are going to
8 have to pay to remove all the salts, the TDS, the
9 fertilizers and those kinds of things.

10 And then roughly about the \$8 million to \$10
11 million number that you heard in the paper, that's the
12 Navy's share of putting an activated carbon unit onto the
13 water district's treatment plant to remove all the TCE out
14 of there.

15 Certainly, first of all, under CERCLA substances
16 like TDS and the applied pesticides and fertilizers --

17 COMMISSIONER BUSTAMANTE: What happens when they
18 find other activities or other kinds of contaminants that
19 are coming from the base, what happens to the \$8 million
20 to \$10 million cap of liability?

21 MR. SCANDURA: That is a part of the settlement
22 negotiations. I'm not familiar with it, other than I've
23 been told that there are contingencies in place in case
24 they do come up with other contaminants such as radiation
25 or MTBE or those other kinds of things.

1 I also understand that what the water districts
2 plan on doing is using reverse osmosis to remove all those
3 substances. Well, also reverse osmosis is quite effective
4 in removing radiation and also MTBE, so there's a lot of
5 people that feel that if the MTBE and radiation were to
6 reach the treatment system, then the reverse osmosis unit
7 would actually take it out.

8 But as far as, you know, does the Navy suddenly
9 start kicking in money for that, I mean that is a part of
10 the settlement negotiations. The key thing I wanted to,
11 you know, make sure of that the \$35 million is the total
12 cost of treating that entire aquifer to drinking water
13 standards and providing it to users, and that includes the
14 water district's cost of taking out the salts and --

15 CHAIRPERSON CONNELL: Which would have occurred
16 regardless of the other contamination, is what you're
17 suggesting?

18 MR. SCANDURA: Exactly.

19 CHAIRPERSON CONNELL: So they're portioning it?

20 MR. SCANDURA: Portioning it.

21 CHAIRPERSON CONNELL: Fairly typical.

22 MR. SCANDURA: That was something that wasn't
23 clear in the LA Times article.

24 ACTING COMMISSIONER PORINI: What will DTSC's
25 role be going forward since State Lands doesn't have a

1 role in terms of the environmental cleanup? DTSC
2 obviously is there now, what will your role be in the
3 future?

4 MR. SCANDURA: Correct. The plan is that before
5 the Navy can actually implement a remedy, what it has to
6 do is it has to produce a proposed plan that goes through
7 public review and comment. Then once they've responded to
8 comments they signed along with the regulatory agencies a
9 record of decision. And the current plan for remediating
10 the regional groundwater out, that is essentially this
11 shared -- this treatment plant operated by the water
12 district's shared cost with the Navy. That's the concept
13 that we're looking at for a cleanup plan for that.

14 And our job is going to be to make sure that this
15 cleanup plan complies with all the federal laws and
16 regulations of the procedural requirements, so we're going
17 to be involved in that. And then our agency, along with
18 the Water Board, is also going to be monitoring and
19 inspecting the actual construction of all the units, the
20 extraction wells, the treatment plant to make sure that
21 they've complied with the record of decision and other
22 kinds of things. So we're going to be actively involved
23 in that to make sure they meet all the standards.

24 CHAIRPERSON CONNELL: Regardless of any decision
25 we were to take today?

1 MR. SCANDURA: That's correct.

2 COMMISSIONER BUSTAMANTE: And does this \$35
3 million include well-head replacements?

4 MR. SCANDURA: That I don't know.

5 COMMISSIONER BUSTAMANTE: Because it cost a
6 million dollars in the city of Fresno to replace a well to
7 put the kind of well-head treatment on it that's necessary
8 to extract the DBCP and other kinds of contaminants in the
9 soil that come from historical farming and other kinds of
10 contaminants.

11 So I don't know if -- are you looking at once you
12 have to replace a well, is anybody, is the City or is the
13 Water District also included not just any kind of
14 remediation that's taking place, but also the replacement
15 of well heads that are no longer functional because of
16 total contamination?

17 MR. SCANDURA: I don't believe any well heads, at
18 least for drinking water, were actually lost because of
19 this TCE plume. I believe this is going to be for an
20 actual construction of a groundwater extraction well and
21 treatment unit from scratch. This is something the water
22 districts have been planning for 20 years.

23 They discovered the TCE when they were designing
24 this system. Dean, am I correct, no well heads are being
25 replaced?

1 MR. GOULD: Not to my knowledge.

2 COMMISSIONER BUSTAMANTE: Just one last comment,
3 the folks indicated that the Navy went back on its word in
4 Tustin. Are you familiar with the Tustin situation?

5 MR. SCANDURA: Yes. I'm trying to remember all
6 exactly what happened, but a lot of it actually related to
7 the City of Tustin's request to take title to the property
8 sooner rather than later, and I just don't have all the
9 details of that. But I don't believe it was all related
10 to the cleanup issues itself. Rather it had to do more
11 with the real estate type of issues of, you know, the Navy
12 transferring a piece of property over to the City of
13 Tustin, but I don't recall the cleanup issues as being,
14 you know, an integral part of that.

15 COMMISSIONER BUSTAMANTE: Well, your department
16 would be familiar with it if it happened, right?

17 MR. SCANDURA: Yes, we have heard about it. We
18 heard about it through the press, through some
19 conversations with the people from the City of Tustin.

20 COMMISSIONER BUSTAMANTE: But your review doesn't
21 bring up any toxic or groundwater contamination issues?

22 MR. SCANDURA: At Tustin we do have groundwater
23 contamination issues.

24 COMMISSIONER BUSTAMANTE: I mean issues that are
25 not being worked out with the Navy?

1 MR. SCANDURA: Right.

2 COMMISSIONER BUSTAMANTE: That are not being
3 worked out with the Navy?

4 MR. SCANDURA: No, I mean, we're basically
5 involved in all the groundwater contamination issues and
6 investigations, our Agency and the Water Board.

7 COMMISSIONER BUSTAMANTE: So you believe that
8 those other issues were real estate issues?

9 MR. SCANDURA: That was my recollection.

10 COMMISSIONER BUSTAMANTE: Okay.

11 CHAIRPERSON CONNELL: Fine. I appreciate your
12 being available to stay present, Mr. Scandura. We may
13 need you again.

14 Now, we are going to have Lynne Dunn, if we may
15 please. And Lynne has been very patient waiting.

16 Following Lynne we will have Jack Golden and the next
17 speaker following Jack will be Charles Griffin.

18 MS. DUNN: My name is Lynne Dunn and I'm from
19 Long Beach. Madam Chair and Commissioners, thank you for
20 giving us a chance to speak today.

21 I am a patron of the El Toro Marine Base stables.
22 I'm not as evil as the previous two speakers would make us
23 out to be. We care about cleanup just as much as they do.
24 However, we want to see that the stables remain. The
25 stables are home to 159 horses, a 4-H Club, a pony club

1 and a handicap riding club. These organizations will be
2 forced to close if retrocession of the jurisdiction is not
3 approved. This cannot happen. Orange County has lost
4 more than 30 percent of their publicly accessible horse
5 stables in the past three years.

6 Orange County cannot afford to lose yet another
7 recreational facility. The El Toro Stables has access
8 directly from public roads. It does not require entering
9 the base property and it does not have toxic waste on the
10 property.

11 Yet, we are threatened with losing this facility
12 if retrocession does not occur. This facility benefits
13 the residents of California. Local families can take
14 riding lessons, and with retrocession, equestrian
15 competitions will draw competitors from all over the
16 State. I urge you to approve retrocession of jurisdiction
17 today.

18 Thank you.

19 CHAIRPERSON CONNELL: Thank you.

20 COMMISSIONER BUSTAMANTE: Just so that you know
21 partial retrocession would do the same thing.

22 MS. DUNN: Okay, that would be great, too.

23 CHAIRPERSON CONNELL: Moving on. Mr. Golden.

24 MR. GOLDEN: Good morning, Madam Chair and
25 Members of the Commission. I'm Jack Golden, Deputy County

1 Counsel for the County of Orange.

2 Title 2 of the California Code of Regulations,
3 Section 2605 states that, "After all the evidence is
4 received, the State Lands Commission shall decide the
5 matter at its next regular meeting."

6 Your staff set a deadline last fall for written
7 information, testimony was received last fall and
8 testimony is being received today. You've also received
9 additional written information. We believe your
10 Commission is under a legal obligation to make a decision
11 today and not to cause any further delay with continuances
12 waiting for more information. We believe if you did delay
13 the matter further, you'd be violating your own
14 regulations.

15 The substantial evidence before you supports only
16 one outcome, and that's approval of retrocession. To
17 defer and delay until all toxics issues are resolved, when
18 such issues are subject to the jurisdiction of other
19 federal and State regulatory agencies, would be an abuse
20 of your discretion, so we ask that you do make a decision
21 today and that that decision be the approval of
22 retrocession.

23 Thank you.

24 CHAIRPERSON CONNELL: Thank you.

25 COMMISSIONER BUSTAMANTE: Thank you for reminding

1 us of our duty.

2 (Laughter.)

3 MR. GRIFFIN: I'm Charles Griffin from Newport
4 Beach and the first thing that I want to reiterate is
5 probably something that's obvious. And that is that first
6 I want to encourage you for retrocession.

7 And number two, what is obvious is that we need
8 an airport at El Toro. And the reason that we do and that
9 California needs it is that it's projected that there will
10 be probably 30 million annual passengers within the next
11 20 years, 30 million annual passengers.

12 And it takes roughly an hour to go to Los Angeles
13 or Ontario. And the average wage in today's wage is
14 roughly \$50 an hour, what you pay for a plumber or what
15 you pay for your mechanic on your car. And \$50 an hour
16 times 30 million, that's a billion and a half million
17 dollars a year that's lost to our California economy, a
18 billion and a half dollars a year.

19 And that does not take into account the cost of
20 traveling that hour, which is another \$25 an hour. So
21 that's another half a billion dollars a year. So you're
22 talking about \$2 billion a year lost to the economy of
23 California which could be utilized to help us be
24 competitive.

25 The other thing that is obvious and that is that

1 retrocession, of course, would, if it does not take place,
2 would be an obstruction to proceeding with the
3 Environmental Impact Reports and the conclusion of a
4 design of on airport that's appropriate there.

5 And as far as the contamination is concerned, I
6 notice that for McClellan Air Force Base, which you
7 approved today, that because of the contamination the
8 United States cannot convey any of the base properties to
9 Sacramento County until it is restored. Thus, Sacramento
10 County will take title to the property in piecemeal
11 fashion after each parcel has been cleaned up. Any
12 contamination discovered after conveyance will also be
13 removable by the United States. It is anticipated that
14 the last parcel will be conveyed in 2037, 37 years. And
15 that's something related to this ground plume.

16 Now, the ground plume is coming primarily from
17 the base, part of it from the southwest parcel of the
18 base. And that is across the railroad tracks from our
19 railroad station, our multi-mode transportation mode. And
20 if you look across the street from Hilton, you'll see a
21 facility called the United States Postal Service Post
22 Office, a distribution center, based here at LAX. A
23 similar one is next door to the Union Station where all
24 our checks are sorted and sent out to the appropriate
25 banks.

1 Now, that property, which is contaminated, very
2 well will likely end up to be the logical location for
3 such a distribution center by the United States Parcel
4 Service, which will be a United States government agency.
5 So that property probably will remain in title to the
6 United States government, and thus will remain responsible
7 for the contamination in that area for years to come, if
8 there is any.

9 And that's probably the main items that I wish to
10 bring to your attention. And I want to encourage you to
11 continue retrocession.

12 CHAIRPERSON CONNELL: Thank you, Mr. Griffin.
13 Now, the next three speakers will be, and I apologize if
14 I'm not getting this pronunciation correct, Seda
15 Yaghoubian.

16 MR. GRIFFIN: Can I say one more sentence, Ma'am,
17 I'm sorry.

18 CHAIRPERSON CONNELL: Yes.

19 MR. GRIFFIN: And that is that we have
20 legislation right now before the Senate, which you people
21 have in the State, controlling the Airport Land Use
22 Commission being funded -- and it's a mandated Commission
23 funded by the State -- by the County, which the present
24 legislation is to have it funded by the State. And it's
25 appropriate that that also gets passed, because that

1 certainly relates to preserving the land and the air space
2 leaving the land to the southwest.

3 CHAIRPERSON CONNELL: Thank you. Now, just a
4 moment, Seda, before you speak. Stephen Spernak will be
5 the second speaker, and Shelley Candelario.

6 Yes, Seda, how badly did I damage your name?

7 (Laughter.)

8 MS. YAGHOUBIAN: You did pretty good. Seda
9 Yaghoubian. Madam Chair, Members of the State Lands
10 Commission, good morning. I'm representing ETRPA today.
11 And I'm here to express our support for the retrocession
12 of partial jurisdiction for the former MCAS El Toro.

13 For several years the base has been home to
14 several community service facilities, which have provided
15 very needed services to the citizens of Orange County.
16 ETRPA has consistently supported these facilities and the
17 operations of those programs.

18 These community facilities are going to have to
19 cease operation if the State does not assume jurisdiction
20 on the property, and that there isn't a lease agreement
21 between the Department of the Navy and Orange County.

22 While ETRPA's central mission is to oppose a
23 commercial airport at El Toro and to promote a
24 non-aviation use for El Toro, the loss of these valuable
25 community facilities and services is not a good option for

1 us.

2 ETRPA is now confident that the overwhelming
3 passage of Measure F has practically eliminated the
4 possibility of any interim aviation use of El Toro. In
5 addition, the Department of the Navy has clearly stated
6 that any aviation use of El Toro would require a full
7 environmental review pursuant to the National
8 Environmental Policy Act.

9 Additionally, drafting Environmental Impact
10 Report 573, prepared by the County of Orange, does not
11 include any interim aviation uses as part of that
12 environmental documentation. Therefore, under these
13 circumstances, we believe that there is practically no
14 possibility of any interim aviation uses at El Toro.

15 We have discussed the details of our position in
16 that letter that we sent to you earlier this month, and we
17 would like to express our support for retrocession at this
18 point in time.

19 Thank you for your consideration.

20 CHAIRPERSON CONNELL: Thank you very much.

21 Stephen.

22 Is Shelley in the audience?

23 And following Shelley will be Cinnamon Gulley.

24 MR. SPERNAK: Good morning, Chairman and Members
25 of the Board. My name is Steve Spernak and I'm an

1 Executive Assistant to Orange County Supervisor Todd
2 Spitzer. It's my pleasure today to submit comments of
3 support from the Supervisor and encourage you to authorize
4 the retrocession of the base at MCAS El Toro to the
5 jurisdiction of the County of Orange.

6 Supervisor Spitzer, who is unable to attend due
7 to board obligations, submitted last week his three-page
8 letter of endorsement for your approval. Supervisor
9 Spitzer, although a proponent of non-aviation El Toro,
10 believes that the County can provide services and
11 resources to the community at this facility and continue
12 the good faith gesture, extended by the Navy, in their
13 master lease agreement listed on page two, paragraph two
14 of an attachment I have here for you.

15 It contracts that no aviation will take place on
16 the base during the term of the master lease. With this
17 non-aviation guarantee from the Navy and the continued
18 efforts by the County of Orange to continue coordinated
19 cleanup, remediation and restoration, Supervisor Spitzer
20 remains confident that this approval today will take us
21 one step closer to the final disposition of this property
22 for generations to come.

23 Thank you, again, on behalf of Supervisor Spitzer
24 and for your support of retrocession of the base today.

25 CHAIRPERSON CONNELL: Thank you.

1 Shelley.

2 And after Cinnamon we'll have Priscilla Barrett.

3 MS. CANDELARIO: Hi, Madam Chair and Members of
4 the Committee. I do support retrocession at MCAS El Toro
5 in Orange County. I'm here because without retrocession
6 our treasured natural open space for children, families,
7 horses, wildlife, in an increasingly urban Orange County,
8 may have to close down. And I am very for environmental
9 cleanup, and I appreciate your detailed attention to it,
10 but I don't feel retrocession will change that.

11 From what I've been hearing today, it does seem,
12 for one, it's the Navy's responsibility or whoever it is,
13 you know, policing the base or not. And the El Toro base
14 there is direct access and we are environmentally cleared,
15 as I understand it.

16 Also, I'm curious whether the settlements are to
17 do with, you know, changing what's acceptable or is it
18 just about money? I'm curious about that after hearing
19 this. And I'm also kind of interested, listening to this
20 today, that the open bases, why aren't they monitored in
21 this way, because there's -- this is wonderful, because
22 it's still going on when the bases are open, and it's nice
23 that it's finally being taken care of. I mean they're the
24 worst environmental offenders.

25 So, anyway, I feel that also from what I've seen,

1 like the Military Police, extremely detailed when they
2 were there. And it's really changed. It seems lax. I
3 think retrocession could help that.

4 Anyway, thank you very much.

5 CHAIRPERSON CONNELL: Thank you.

6 Cinnamon Gulley and you are joined by someone
7 today.

8 MS. GULLEY: This is my little sister, Celeste
9 and she's up here with me for support.

10 CHAIRPERSON CONNELL: Welcome, both of you.

11 MS. GULLEY: Thank you. My name is Cinnamon
12 Gulley and I'm a resident of Newport Beach.

13 Our family houses our horses at the El Toro
14 Stables. And I'm a 17-year old teenager. I just finished
15 my junior year in high school. And I know all of you have
16 been 17 at some point and you probably remember this --

17 CHAIRPERSON CONNELL: I skipped 17.

18 (Laughter.)

19 CHAIRPERSON CONNELL: I went from 16 to 18.

20 (Laughter.)

21 MS. GULLEY: With the exception of you, perhaps.

22 I'm sure you remember the stresses of being a
23 teenager. I'm getting ready to go into my senior year,
24 and so I've been, you know, worrying about college. And
25 this year I'm going to have to start applying and looking

1 for scholarships. And I play soccer, and I want to play
2 soccer at the collegiate level as well, so I'm doing my
3 extra curricular activities. I coach soccer, teach Tae
4 Kwon-Do, and do it myself.

5 And life is really stressed by trying to have a
6 social life and a family life as well. And the stables is
7 a place where I can go and kind of have my downtime and
8 have time for me to refocus. And I'm sure, I don't know
9 if any of you are horse owners, but I'm sure some of you
10 at least have pets and, you know, the effect that it has
11 on you. You know pets make you just kind of slow down and
12 take a minute, because you have to relax and you have to
13 give them a chance.

14 You know they're not judgmental of you. They
15 just want to be accepted and love you and be loved by you.
16 And so it's a nice place to go and just have that when you
17 just look at your horse and they just love you and you
18 just love them back. And the unique thing about the El
19 Toro Stables is there's the big open pasture in the back,
20 with trails and you can just go with your horse and really
21 experience the nature. Like I've seen vultures out there
22 and coyotes and, you know, the little bunnies and the
23 squirrels and everything. It's a place where you can go
24 and just relax and refocus and just be away from all the
25 stress.

1 As well, my little sister and I, there's eight
2 years difference between the two of us, so there's not a
3 lot of things that we share in common. But being out
4 there and having a chance to be at the stables with her is
5 a way that I feel I've been able to be a part of her life
6 that I wouldn't always otherwise have had the opportunity
7 to be, because it's something that we both have an
8 interest in and can do together. So I ask you to please
9 approve retrocession for us.

10 CHAIRPERSON CONNELL: Celeste, did you want to
11 make any comments?

12 MS. GULLEY: No.

13 (Laughter.)

14 CHAIRPERSON CONNELL: Thank you, both. We
15 appreciate it.

16 And, let's see, Priscilla Barrett.

17 MS. BARRETT: Good morning. For the record, my
18 name is Priscilla Barrett. I live in the city of Orange
19 and I'm here to represent the stables at El Toro.

20 Basically, everything I thought about saying has
21 already been said. I'm just requesting that you approve
22 retrocession, so that, at this point in time, we can
23 continue. And I don't know anybody that's here that can
24 address this issue that somehow we can separate the
25 stables from the environmental mess that's going on in El

1 Toro. Not that I don't want it cleaned up, but it seems
2 to me we always get dragged into the bigger picture. And
3 we really can exist independently and continue.

4 And I think that it's just very important to --
5 Orange County is becoming very unfriendly to horses, at
6 this point. Lot's of stables are closing down and people
7 need horses or some type of recreation in order to cope
8 with life as it is and stresses. And, in fact, I've had
9 several people say to me, it would be the horse which
10 people consider a luxury or it would be paying \$500 a
11 month for a psychiatrist. So I think overall it's a
12 better tradeoff than ending up in that situation. And
13 then health care, of course, is not considered a luxury,
14 but horses are, so that's unfortunate.

15 But anyway, I am requesting that you approve
16 retrocession at this point. And anyone who's out there
17 who can control this whole thing, let's keep the stables
18 open.

19 Thank you.

20 CHAIRPERSON CONNELL: Thank you. Now, we have
21 taken, I think, all of those who have asked in the public
22 to speak. We have the item before the Commission at this
23 point.

24 What is the pleasure of the Commissioners?

25 COMMISSIONER BUSTAMANTE: Madam Chair, the first

1 time that we went through this item, I felt that there was
2 a tremendous amount of information that wasn't here before
3 us. I believe that in asking staff to put together
4 information and for the Navy to come forward and tell us
5 exactly what's taking place, something similar to what
6 took place, as I mentioned earlier, at McClellan, gives us
7 a clearer understanding of what's taking place. Don't
8 just try to shove something down our throat.

9 Somehow retrocession is only something very, very
10 small, somehow retrocession doesn't mean a whole lot,
11 somehow retrocession, in terms of what we do, is a very,
12 very minor part of all that's taking place in the county.
13 Well, it may be a small thing, but it's the only thing
14 that, as one person said, is a firewall between the
15 federal government and local government. And it's an
16 important process to go through, so that the federal
17 government, in fact, comes before us and tells us exactly
18 what's taking place, giving us full disclosure.

19 And so I think that there has been a lot of that
20 that has taken place so far. There are issues that are
21 continuing to come up. And let me tell you, there are
22 going to be more. There are going to be a lot more things
23 that are going to come up. For anybody who thinks they've
24 got the final report in their hands, I'll tell you, you
25 are wrong. You are very wrong.

1 And the County and the City is -- you know, the
2 gentleman who made the compelling argument about \$2
3 billion, that is a compelling argument, truly a compelling
4 argument.

5 The issues that are brought up by the services,
6 those are compelling, but I don't think that they're as
7 compelling as an issue of trying to deal with the issues
8 of plumes and the kinds of public safety issues that are
9 engaged in this kind of a debate.

10 I think that as many have said already, even
11 those who want those services to continue, they're saying
12 we want these services, but we definitely want that
13 cleanup to take place as well. And I think that that
14 clearly demonstrates that we need to make sure that we're
15 going through our duty and we're making sure that the
16 Department of Toxics, the Navy and everybody else is on
17 their job and make sure that this thing, in fact, takes
18 place.

19 I think that there has been some progress. I
20 feel some confidence in what has taken place so far. And
21 so, Madam Chair, I'm willing to move retrocession.

22 CHAIRPERSON CONNELL: I will second that. And
23 Annette, I assume you will --

24 ACTING COMMISSIONER PORINI: Absolutely.

25 CHAIRPERSON CONNELL: We will then have a

1 unanimous support for retrocession.

2 (Applause.)

3 CHAIRPERSON CONNELL: I would like now to ask
4 that we schedule, if we can an update by you, Mr. Gould,
5 on where we are on this matter at the end of the year at
6 our end-of-the-year calendar. If you would come back and
7 update us on the progress that you're making. If you
8 would also update us on what agreement has been reached
9 with the Department of Justice. Even though we are
10 officially taking action today, we are continuing to be
11 interested as we are going to be facing this issue with
12 the Department of the Navy on other bases as we continue
13 our efforts forward.

14 COMMISSIONER BUSTAMANTE: And before we finish,
15 if the gentleman who came up here to tell us how to do our
16 job, if he could please submit his comments in writing,
17 I'd love to be able to review them before every single
18 meeting that I have.

19 MR. GOULD: To respond to your request. Yes, I'd
20 be glad to come back in coordination with your staff to
21 answer any questions that you may have on the status of
22 the program at year's end or from any point forward.

23 CHAIRPERSON CONNELL: Thank you. We are going to
24 take a five-minute break. Our reporter is about ready to
25 have broken wrists. We don't want to have a carpal tunnel

1 syndrome lawsuit here.

2 Thank you.

3 (Thereupon a brief recess was taken.)

4 CHAIRPERSON CONNELL: I'll call this meeting back
5 to order. We are now on, Mr. Thayer, I believe on the
6 matter of --

7 EXECUTIVE OFFICER THAYER: AT&T, I think, Madam,
8 was taken off of consent, C16. And we have a staff report
9 that we can give you.

10 Barbara Dugal.

11 MS. DUGAL: Good morning, Madam Chair and
12 Commissioners. I'll be presenting to you a brief overview
13 of the Japan-US fiber optic cable project that is before
14 you today.

15 The applicant for the Japan-US Cable Project is
16 AT&T. AT&T is a member of a multi-member consortium. And
17 they are responsible for obtaining all authorizations to
18 construct the Japan-US cable system.

19 Once the cable system is constructed, the
20 consortium will own the cable system. The proposed
21 project involves facilities in both Mendocino and San Luis
22 Obispo counties. In Mendocino County, the project
23 involves the construction of five steel conduits that will
24 extend approximately 3,200 feet seaward from AT&T's
25 existing onshore Point Arena Cable Station.

1 These conduits will be installed using the
2 horizontal directional drilling methods, which will allow
3 the conduits to be installed beneath the surface -- excuse
4 me, beneath the ground without disturbance to the surface.

5 Once this phase is complete, AT&T proposes to
6 install two new fiber optic cables and they have a sample
7 in front of you.

8 CHAIRPERSON CONNELL: Thank you.

9 MS. DUGAL: AT&T proposes to install two cables
10 in Point Arena and one cable into Morrow Bay. One cable
11 is designated as Segment 8. And if you have a map in
12 front you, you can see that. I can point to that.
13 Segment 8 will provide service directly from Point Arena
14 to Japan.

15 The other cable, which is designated as Segment
16 9, will provide a link from Point Arena to Morrow Bay.
17 AT&T proposes to install the Segment 9 cable into conduit
18 that is to be constructed by MFS Globenet. This conduit
19 was approved by the Commission on February 8th, 2000.

20 At that time, it was contemplated by MFS Globenet
21 and AT&T -- excuse me, that AT&T would use the empty
22 conduit to land the Segment 9 cable. Both parties
23 understood that any future cable would remain entirely
24 with the discretion of the Commission and would be subject
25 to compliance with the California Environmental Quality

1 Act. Once these cables are installed, there will be three
2 empty conduits at Point Arena. At this time, AT&T knows
3 of no future proposed cables at that site.

4 Additionally, pursuant to the Public Utility Code
5 Section 7901, telephone corporations may construct and
6 operate lines and equipment on any public road, highway or
7 navigable waters of the State without payment of rent,
8 provided that the lines and facilities do not interfere
9 with the public use.

10 In order to qualify for the rent-for-use of these
11 lands under Section 7901, an applicant must be authorized
12 to provide telecommunications services within California,
13 and the facilities must be operated for the purpose of
14 providing telecommunication services to the public.

15 Projects meeting the foregoing criteria are
16 entitled to rent free per month. Private carriers not
17 undertaking the duty to provide telecommunication services
18 to the public are not entitled to the rent-for-use of
19 public lands.

20 The cable landing license issue to AT&T by the
21 Federal Communications Commission for the Japan-US Cable
22 System states that it would be operated as a private
23 carrier. Therefore, staff has determined that a
24 rent-based lease is appropriate for AT&T's Japan-US Cable
25 Project.

1 I would now like to introduce Dwight Sanders with
2 the Planning Division. He will be presenting an overview
3 of the environmental process.

4 Thank you.

5 CHAIRPERSON CONNELL: Let me abbreviate this,
6 since I called it special, if I may. The reason I called
7 this special is that I am concerned that, as we look at
8 this new technology, fiber optic technology is just at the
9 very beginning of its journey forward. We are going to
10 have many, many more users, potentially, of this
11 technology and much more interest on the part of those who
12 wish to supply this service.

13 I am concerned that we do not have the entire
14 ocean wired with cables. Therefore, I personally would
15 like to see a moratorium imposed on any further actions
16 after we take action today on the AT&T matter. And I
17 would urge that our staff work cooperatively with the
18 Coastal Commission and other entities to try to come up
19 with a better understanding of what we're going to do in
20 the future regarding laying of these cables across the
21 oceans.

22 We've had three that I'm aware of that we've
23 dealt with just this year alone. We had Global Photon,
24 which went up and down the coast. We had Global
25 Crossings, which came across from abroad. We have this

1 one, which is the Japan-US Cable Project. We've already
2 had the China project. So those are four cases in point.

3 It seems to me that it is necessary to begin to
4 put emphasis on the need to do some further study, further
5 reflection, a greater effort at understanding where we go
6 long term with this effort, not five years out but 40 and
7 80 years out.

8 I do not want to be in a situation where we have
9 a Fishes to Fiber Program in the future without being
10 aware of what we're doing today.

11 (Laughter.)

12 CHAIRPERSON CONNELL: I mean this Commission has
13 inherited the Rigs to Reef program, because others have
14 taken action before us. And I'm not in anyway castigating
15 the actions that they took regarding the oil wells. That
16 was decisions that they made in their times. And if I had
17 been there, perhaps I would have made a different
18 decision, but nevertheless here we are.

19 I do not want us to be in a situation where we
20 are creating the next generation of issues that a future
21 Lands Commission has to deal with. So that is why I
22 called the item special.

23 I'd like you to comment, Mr. Thayer, on what we
24 can do in that regard.

25 EXECUTIVE OFFICER THAYER: Certainly, Madam Chair

1 and Members of the Commission. This is an issue which two
2 or three years ago, when we first were faced at the Lands
3 Commission with a lot of new applications, the four or
4 five you've mentioned, for new fiber optic projects, it
5 was clear that we could no longer continue the approach
6 that we've taken in the past. The Commission had approved
7 previous cables with a much more minor environmental
8 review, the Negative Dec, Negative Declaration, through
9 CEQA.

10 We bumped up the analysis to require
11 Environmental Impact Reports to look at some of these same
12 issues that are of concern to the Commission and some of
13 the outside observers. We've now returned back to what's
14 called a Mitigated Negative Dec, somewhere in between the
15 two. Because of the additional study, we think we've got
16 pretty much of a handle on it.

17 But nonetheless, the concerns that the
18 Commissioner, that the Chairwoman is mentioning today, and
19 I think the other Commissioners share, is something that's
20 of -- these concerns are common not only to this
21 Commission but to the Coastal Commission and other State
22 agencies.

23 We had a meeting last week of the relevant State
24 agencies at the Lands Commission. We're going to have
25 another one next week and try and examine some of the

1 issues you're talking about. We're going to construct a
2 grid of all of the issues that we've heard about that,
3 have been raised by environmental groups, by fishing
4 interests, by the cable companies and do a comprehensive
5 review on how the State is addressing these issues, so
6 that I think we will be able to return to you with the
7 kinds of information you're talking about.

8 It's also true, as I mentioned earlier, that we
9 have no pending applications before the Commission, so
10 this provides us with a window of opportunity to do this
11 to gather that additional information without adverse
12 impact, competitive impact to different companies.

13 CHAIRPERSON CONNELL: Do you think we might be
14 doing workshops?

15 EXECUTIVE OFFICER THAYER: We could certainly do
16 that. I think what we're doing at the moment with the
17 Resources Agency is to determine what our informational
18 needs are. We've certainly done workshops on each of
19 these environmental reviews for these individual cables up
20 and down the coast. I think for Global Photon, as many as
21 six, we gave opportunities for all these interest groups
22 to show up. In most of the cases, we've noticed them, but
23 there wasn't that much interest in them.

24 But we certainly want to reach out to the people
25 that are concerned about this and we will be looking for

1 opportunities to involve outside groups.

2 CHAIRPERSON CONNELL: Thank you. Are there any
3 other comments by Members of the Commission?

4 COMMISSIONER BUSTAMANTE: Any of the, either
5 Negative Decs modified or the EIR's, has there ever been
6 any issue that's been raised that is a negative in terms
7 of how, either the routes were taken or the actual
8 distribution of the cable or the cable itself, has
9 anything negative ever come up?

10 EXECUTIVE OFFICER THAYER: From the actual cable
11 upon habitat, we haven't found anything. I think --

12 COMMISSIONER BUSTAMANTE: Have we checked on just
13 the composition of it? I mean, does this disintegrate
14 over a period of years, do we know? Does the saltwater
15 disintegrate this and that disintegration of whatever that
16 is, does it then affect the ocean floor or anything else?

17 MR. SANDERS: That concern was also raised at the
18 Coastal Commission meeting.

19 COMMISSIONER BUSTAMANTE: I heard about that. In
20 fact, I heard a Commissioner say that he wouldn't put
21 anything in the ocean that he wouldn't put in his mouth.

22 (Laughter.)

23 MR. SANDERS: My fellow Commissioner Pedro Nava
24 made that remark and that was appropriately made at that
25 time.

1 There has been nothing examined there. Nothing
2 is coming out of examination within the documentation.
3 There are representatives, however, here from AT&T that
4 may be able to better address the material that is being
5 used as a tar-based material on the outer coating. And
6 perhaps, if a representative of AT&T is still here, they
7 might be able to get the Commissioner a better
8 understanding of that issue.

9 CHAIRPERSON CONNELL: Is anyone here from AT&T?
10 My concern was not on the immediacy of the
11 materials that we have before us today, Mr. Bustamante.
12 Mine is on the, perhaps, expansion and proliferation of
13 these items as we move forward. I mean if this, indeed,
14 becomes the way we're going to communicate in the future
15 as an alternative and a more attractive alternative than
16 the satellite, then I want to know how many thousands of
17 those cables are going to be laying out there in the
18 ocean.

19 It's the proliferation of these cables laying at
20 junctures throughout the ocean that concerns me. I can
21 see a situation where the entire ocean floor or segments
22 of these routes are going to be wired.

23 COMMISSIONER BUSTAMANTE: I understand that, but
24 I'm linear, so I need to start from here.

25 (Laughter.)

1 CHAIRPERSON CONNELL: I meant to a digital
2 thinking process here.

3 Go ahead, yes.

4 MR. DUNGAN: Michael Dungan with SAIC. I've
5 worked with the State Lands Commission staff on
6 preparation of the Mitigated Negative Dec for this
7 project.

8 And with SAIC the research we've done indicates
9 that the material is inert and insoluble and harmless in
10 the marine environment. There are observations made by
11 our biologists who did the marine survey work in Montana
12 De Oro and up at Manchester. The cables, within a fairly
13 short time, within a few years, based on this happening to
14 the TBC 5 cables become encrusted with marine
15 invertebrates and plants, basically in places where they
16 have been exposed. They become covered with organisms, so
17 there's nothing obviously harmful in the cable that we can
18 determine.

19 I've talked with AT&T engineers who report
20 pulling cables up that have been out there for 25 years,
21 and admittedly this is anecdotal, and they report that,
22 you know, they look the same except for being heavily
23 encrusted with critters that grow on them as a hard
24 substance.

25 CHAIRPERSON CONNELL: My Fish to Fiber thing is

1 not far off.

2 MR. DUNGAN: I didn't want to go there.

3 (Laughter.)

4 MR. DUNGAN: I'm sorry.

5 COMMISSIONER BUSTAMANTE: Cable to critters.

6 (Laughter.)

7 MR. DUNGAN: But, you know, as to long-term fate
8 of the materials, 25 to 50 years, I have to tell you, I
9 don't know.

10 CHAIRPERSON CONNELL: Thank you. Any other
11 comments by anyone?

12 Yes, Annette.

13 ACTING COMMISSIONER PORINI: I just wanted to ask
14 staff, you indicated that you're having some preliminary
15 conversations with the Resources Agency about cables, in
16 general, and that means that they are also looking at some
17 sort of study?

18 EXECUTIVE OFFICER THAYER: Yes. I think it's
19 probably preliminary to say that an additional study is
20 necessary. I think the first we're doing is we're pooling
21 the resources of all the different agencies. We may have
22 the information together already that will respond to
23 these concerns. But I think what the logical result, if
24 we find that we don't, is that we'll be looking for an
25 additional study. But I think the first step is let's

1 find out what we all know and see if we can resolve these
2 issues.

3 COMMISSIONER BUSTAMANTE: And the idea would be
4 to develop pathways and other kinds of things; is that
5 correct?

6 EXECUTIVE OFFICER THAYER: Exactly.

7 ACTING COMMISSIONER PORINI: So maybe as opposed
8 to a moratorium, at this point in time, maybe at our next
9 meeting in two months we could ask staff to come back and
10 give us a report on --

11 CHAIRPERSON CONNELL: Well, the only reason I
12 suggested the use of the word moratorium, is we have
13 nothing in the pipeline; isn't that correct?

14 EXECUTIVE OFFICER THAYER: That's right.

15 CHAIRPERSON CONNELL: So if you want me to
16 extract a different word other than moratorium, I would
17 just like to have a continual update. I just do not want
18 to continue to take actions into the future, have another
19 three or four of these permits hitting us next year and
20 find that we are not prepared to deal with these larger
21 issues, because I think we are setting a paradigm here in
22 this commission.

23 ACTING COMMISSIONER PORINI: I agree.

24 EXECUTIVE OFFICER THAYER: Well, if it meets the
25 Commissioners' concerns, what I could do is certainly give

1 you an update in the Executive Officer's report at the
2 next meeting. And then at some such time as the taskforce
3 reaches any conclusions, we'll have a fuller briefing that
4 we explain the conclusions they reached.

5 CHAIRPERSON CONNELL: That's correct. That would
6 be good. I'm comfortable. I'm willing to take a motion
7 to move the project forward today.

8 ACTING COMMISSIONER PORINI: I'll move approval
9 of this project.

10 COMMISSIONER BUSTAMANTE: I'll second.

11 CHAIRPERSON CONNELL: And I will, so that's a
12 unanimous motion. So we have now approved the AT&T Cable.

13 We are now, I believe, at the end of our formal
14 meeting.

15 I just want to make a comment. Mr. Al Willard is
16 going to be retiring from our agency after 40 years of
17 remarkable service. And I know he's going to receive his
18 resolution tomorrow, but I just wanted to personally, as a
19 Member of this Commission now for five and a half years,
20 extend my appreciation for the dedication that Mr. Willard
21 represents, and, in fact, the dedication that we see
22 represented throughout this Commission staff. It is a
23 pleasure to have this kind of support on this board and we
24 wish him well in his retirement.

25 EXECUTIVE OFFICER THAYER: I'll certainly pass on

1 the comments of the entire Commission to that effect. And
2 I think it's an example of the dedication, they didn't
3 wait, they went back to the office once it turned out none
4 of their items were coming off consent. That's why he's
5 not available.

6 (Laughter.)

7 CHAIRPERSON CONNELL: Hopefully, safely. We have
8 now completed our public calendar, and I will ask that
9 those who are not needed for the closed-door session
10 please exit at this moment.

11 Thank you.

12 (Thereupon the State Lands Commission meeting
13 was adjourned at 12:00 p.m.)
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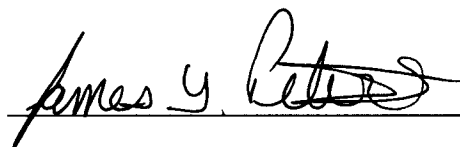
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I, JAMES F. PETERS, a Certified Shorthand Reporter of the State of California, and Registered Professional Reporter, do hereby certify:

That I am a disinterested person herein; that the foregoing State Lands Commission meeting was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California, and thereafter transcribed into typewriting.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of July, 2000.



JAMES F. PETERS, CSR, RPR

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