1 they felt they could operate the new city in $102 million
2 versus $136 million, or whatever it is the City spends.
3 In addition, we went a step further, and it was
4 very briefly addressed in the CFA. We had our consultant
5 analyze seven similar size cities in southern California
6 to determine what their operating expenses per capita were
7 and whether that fell within the parameters of what the
8 applicant's proposed budgetary operating costs would be,
9 and it fell within those parameters.
10 But here again, we didn't have the specifics
11 of -- beyond just general expenditure numbers regarding
12 police, fire, public municipal functions.
13 And last, but not least, please understand that
14 Cortese-Knox, the Government code that we, LAFCO, operate
15 under, provides that the local government agency has to
16 supply us with the information we've requested to process
17 an application. What was provided to us as we started
18 these processes were not factual expenditure or real
19 numbers, but actually budgetary numbers, what the City of
20 Los Angeles had budgeted for the whole city-wide operation
21 for the fiscal year 1999-2000.
22 Then we had to territorially break that down
23 within the harbor area and how much was collected in
24 revenue and budgeted to be collected in revenue and how
25 much was budgeted to be expended within that harbor area.

1 Like the State Controller, we have no audit
2 ability. We have no way of determining what the City
3 actually spent. So consequently we have a CFA that says,
4 "Hey, these are the City's budgeted numbers as to revenue
5 and expenditures." We don't know if they're real or not.
6 We have the applicant's proposal regarding how they think
7 they can operate the City. We've done some checking on
8 it. By way of example, the L.A. County Sheriff has
9 written us and indicated he could provide the police
10 services at a substantially lower amount than the City of
11 Los Angeles is doing, at the same level of service.
12 And we have the historical numbers of seven
13 similar sized cities.
14 So what I'm simply saying is, that the decision
15 of the Lands Commission as to whether to include or not
16 include the tidelands property, if you choose to make it
17 based upon financial feasibility and if you choose to make
18 it based upon the continuation of the municipal
19 jurisdictions under the land grant document, that can be
20 accomplished.
21 The lands grant provision language can be
22 accomplished in terms of conditions of approval that the
23 LAFCO Commission may impose. And the financial
24 feasibility is still an open question. LAFCO has not
25 addressed this issue yet. So it seems to me that another

1 logical alternative action by this Commission would be to
2 approve the inclusion of the port subject to the LAFCO
3 Commission making a finding of financial feasibility and
4 subject to adoption of certain terms and conditions.
5 I think that also --
6 CHAIRPERSON CONNELL: Let me see if I understand
7 what you're -- you're saying that we could -- an
8 alternative to the staff recommendation, which is
9 basically, Paul, to continue the operation of the port
10 under the existing city of Los Angeles' jurisdiction.
11 Larry, you're suggesting an alternative proposal would be
12 for this Commission to basically adopt an action that
13 would take a current port operation and make them within
14 the jurisdiction of a new city if and when it's formed if
15 LAFCO subsequently finds that new city financially viable.
16 MR. CALEMINE: And if LAFCO does not, then the
17 action of this Commission means nothing, that such an
18 action on your part would also solve a number of my other
19 problems.
20 CHAIRPERSON CONNELL: We're just muttering
21 between ourselves here. We're trying to figure out what
22 this all means.
23 COMMISSIONER BUSTAMANTE: I think a decision has
24 to be made here.
25 CHAIRPERSON CONNELL: I mean that's -- I mean,

1 I've got to tell you, I think we're getting perhaps a bit
2 Draconian in our thinking here. I mean this is becoming
3 so complex, it's almost a Rubik's cube for me, maybe
4 because I'm still jet-lagged from my foreign travels. I
5 mean what you would be suggesting by two is that we make a
6 rather significant policy decision of this board based on
7 confidence of a report we have yet to see from LAFCO and
8 an action we have yet to determine from LAFCO.
9 MR. CALEMINE: I have some more colors to add to
10 that cube.
11 CHAIRPERSON CONNELL: Please continue. This is
12 remarkable.
13 MR. CALEMINE: Well, I looked at that map and I
14 scratched my head because I've been pouring over maps for
15 the last three months trying to nail down a boundary, and
16 it's impossible. You know, do we use the 1849
17 tideland high water mark as the tidelands boundary as
18 proposed by the city attorney? Do we use the 1911
19 high-tide line, wherever the heck that was, which was the
20 grant document? Do we use the 1965, the date Cortese-Knox
21 was adopted as where that tidelands boundary is? Or do we
22 use the current? I don't know the answer to that. That's
23 a legal question, quite frankly.
24 Not to get away from other legal questions before
25 us: One, has this Commission acted in a timely fashion?

1 Two, is this Commission legally empowered to deal with the
2 detachment, as distinguished from an incorporation as it
3 says in the code? I don't have the answer to those.
4 We'll get those answers from our own legal counsel with
5 their direction to our Commission.
6 CHAIRPERSON CONNELL: Well, let me ask you a
7 question, Larry. And I maybe should know this answer in
8 my role as the State Controller, but I am losing sight of
9 it, what is the time element? What is that drop-dead date
10 that the LAFCO Commission has to keep in mind in order to
11 get this matter before the voters In November? Assuming
12 that that is, you know, the objective of LAFCO.
13 MR. CALEMINE: Well, I didn't bring my schedule
14 with me. But just off the top of my head from memory, the
15 drop-dead date for the Commission action on the harbor, I
16 believe is mid-May.
17 Let me back it up. That's the date we have
18 scheduled for the LAFCO Commission to make its final
19 determination and findings and resolution.
20 Then clearly we go into a period of protest
21 hearings -- rather a period of reconsideration, thirty
22 days; then we have some protest hearings. So I would say
23 the end of June is probably the drop-dead date. I know we
24 have to have everything prepared by the first of August in
25 order to meet the deadline --

1 CHAIRPERSON CONNELL: Okay. That was the date I
2 was seeking. It's the first of August.
3 MR. CALEMINE: Because we have to prepare a
4 ballot proposition if the Commission so approves.
5 CHAIRPERSON CONNELL: Right. I was just trying
6 to -- we're wandering through a number of questions in our
7 discussion here today on, you know, the myriad of options
8 and, you know, the information that would be forthcoming
9 or the information that would need to be secured in order
10 to make other decisions. And I was just wondering -- you
11 know, at some point we are within a lock-down period here
12 where information has to be presented, whether it's to us
13 or to LAFCO, and certainly presented to the voter.
14 COMMISSIONER BUSTAMANTE: If we vote today, I'm
15 going against this proposal for -- I can only make a
16 decision based on information I have before me and not
17 about something that I don't. So if the Board decides --
18 the Commission decides to move forward and vote, I think
19 the vote for me today is clear.
20 CHAIRPERSON CONNELL: Okay. Well, before we get
21 to a discussion of where we might be as individual
22 members, do we have any more questions of Larry before --
23 because we have a number of other people. I want to
24 respect the opportunity for them to speak as well.
25 COMMISSIONER BUSTAMANTE: He's confused us. And

1 I thank you.
2 (Laughter.)
3 ACTING COMMISSIONER PORINI: No questions.
4 CHAIRPERSON CONNELL: Okay. David Mathewson,
5 Director of Planning and Research for the Port of L.A.
6 MR. MATTHEWSON: Good morning, Commissioners.
7 David Mathewson, Director of Planning and Research, Port
8 of Los Angeles. Thank you for the opportunity to address
9 the Commission.
10 Now, the port is concerned that uncertainties may
11 arise with a dual jurisdiction over the port if the
12 submerged and tidelands and the upland portions of the
13 port are not solely located within the geographical
14 boundaries of the City of Los Angeles.
15 The dual jurisdictional concerns would be
16 relating to several areas, including land-use controls,
17 public safety, taxation, and the delivery of public
18 services for the port and its customers.
19 With regards to land-use controls, master
20 planning efforts at the port, the application of zoning
21 controls, and the issuance of coastal and building permits
22 may be impacted as a result of conflicting policies and
23 desires between the new city and the port. And this may
24 impact our ability to develop to accommodate maritime
25 commerce.

1 In regards to public safety, I would concur with
2 the comments made earlier by Councilmember Hahn regarding
3 the potential of our public safety and security at the
4 port being compromised as a result of dual jurisdictional
5 issues at the port.
6 Also, there are some legal uncertainties that we
7 have some issues with regarding the taxing authority of
8 the new city as it relates to the port properties;
9 particularly the assessment of any fees or taxes relating
10 to utilities or businesses or properties located within
11 the port could lead to -- clearly lead to some legal
12 disputes and could also affect our ability to remain
13 competitive with other ports up and down the U.S. West
14 Coast.
15 Finally, the port may also be forced to make
16 disproportionate expenditures for public services as a
17 result of the City's inability either to deliver services
18 at an adequate level or service.
19 CHAIRPERSON CONNELL: You're speaking of the new
20 city?
21 MR. MATTHEWSON: Yes, for the new city.
22 Or because the City has the inability to deliver
23 these services within, and achieve economies of scale in
24 delivering those services. So we clearly have some
25 concerns about the --

1 CHAIRPERSON CONNELL: Well, you know, maybe I can
2 offer some information in that regard. It's certainly my
3 understanding that the new city would be required under
4 the actions of LAFCO, at least it's our understanding, to
5 maintain the contractual relationship with the City of
6 L. A. And that we're not expecting in any of these
7 potential new cities that they're going to on day one
8 operate their own municipal services. That would not be
9 possible, and they would have to contract with the
10 existing city of Los Angeles.
11 Now, the conundrum I think Andrew and others are
12 addressing here from the City viewpoint is that there
13 appear to be limited resources to do that adequately, and
14 there are going to have to be some types of readjustments
15 within any budgetary allocation that a new city would have
16 in the harbor. And that is why Larry was addressing this
17 issue of whether some of the services might be provided by
18 alternative vendors, in this case, the Sheriff's Office.
19 But there obviously is the expectation that the
20 vast majority of services would be contracted out for the
21 transition period to the City of Los Angeles -- from the
22 City of Los Angeles, I could add.
23 MR. MATTHEWSON: I appreciate those comments.
24 But, again, we are concerned about readjustments and
25 reallocation of resources in order to provide services to

1 the port.

2 Clearly, the port's ability to accommodate
3 maritime commerce and trade results in significant
4 economic benefits, not only at the local level, but more
5 importantly statewide and nationwide.

6 If I could just clarify some of the staff
7 comments regarding those economic benefits. Those numbers
8 that he was citing really related just to the local and
9 regional impacts. Looking at the statewide impacts, which
10 this body should be looking at, the number of jobs created
11 as a result of port activities really are 330,000 jobs and
12 $11 billion in wages and almost $2 billion in state and
13 local tax revenues that occur statewide for the people of
14 the state of California as a result of the port's
15 operations.

16 The port as well as its partners have invested a
17 tremendous amount of capital and planning effort to
18 accommodate and facilitate maritime commerce through this
19 port. And it's the port's ability and reliability in
20 carrying out the trust mandate that's critical for
21 ensuring these continued economic benefits to the people
22 of the State of California.

23 And the potential uncertainty relating to this
24 dual jurisdictional issue is a concern of the port and to
25 our maritime partners in the trade and commerce area.

1 And lastly I would just like to add regarding
2 Exhibit B -- we're talking about the boundaries -- we have
3 some information, the port does, which we believe the
4 boundaries need to be adjusted accordingly for the
5 submerged areas as well as the upland areas.
6 CHAIRPERSON CONNELL: We're going to have to wrap
7 up your comments.
8 Are there any questions by members of the
9 Commission?
10 Then let us move on. And I'm going to be more
11 demanding. We're going to have to move through these
12 speakers more rapidly.
13 R. D. Kleist from Evergreen America Corporation.
14 Mr. Kleist, welcome.
15 MR. KLEIST: Good morning, members of the
16 Commission. My name is Bob Kleist -- Robert D. Kleist.
17 I'm representing Evergreen America Corporation, one of the
18 large tenants of the Port of Los Angeles. Historically,
19 the company has been at the Port of Los Angeles since it
20 started on the west coast.
21 I want also to compliment this Commission this
22 morning. I have a little history of involvement with the
23 Commission dating back to a man named Alan Cranston, who
24 was your predecessor.
25 COMMISSIONER CONNELL: And my mentor.

1 MR. KLEIST: And also Glen Anderson was the Lt.
2 Governor's predecessor at that time. And Hale Champion
3 was the Director of Finance.
4 I appeared, at that time, before the Commission
5 because there was a discussion about the development of
6 the Wilmington oil fields, as they were known. And the
7 Commission I believe made a very, very wise decision after
8 considering all of the possibilities in that.
9 Since that time I've had the opportunity to
10 appear before you in connection with the ballast water
11 issue a couple of years ago, and worked with the
12 Commission on the so-called Nexus lawsuit which took place
13 the past couple of years.
14 What I'd simply want to say is that these matters
15 of security and dual jurisdiction, if that should become a
16 problem, and the capacity of a new city are all very real.
17 And I personally, and our company is happy to know, that
18 all of them are being very seriously considered.
19 In my view, California in its wisdom established
20 the tidelands trust. And under that development, the Port
21 of Los Angeles has been developed into one of the world's
22 superior ports, working close by with the Port of Long
23 Beach next door, have developed the third largest port
24 complex in the entire world. And the possibilities for
25 the future are as good as they have been in the past.

1 The development of Terminal Island is something
2 that is very, very remarkable. Few people realize that
3 all of Terminal Island is manmade. And it has the
4 capacity for handling probably up to a total of at least
5 14, 15 million containers per year, not under its present
6 configuration, but as it's being developed and as the
7 infrastructure will have been developed.
8 And so there are just so many things that would
9 draw the attention of the world to what we're talking
10 about here today. And I want to commend the Commission
11 for taking this matter as seriously as it has. I wish --
12 as a director of what's known as the International
13 Visitors' Council of Los Angeles, I wish we could have a
14 video of this meeting to show to many of the foreign
15 visitors that we have coming to Los Angeles and of course
16 also to San Francisco. I wish they'd go to Sacramento
17 more often because they'd have an opportunity to see state
18 government is working well.
19 CHAIRPERSON CONNELL: Well, it might be best if
20 they didn't.
21 (Laughter.)
22 CHAIRPERSON CONNELL: I'm just teasing. This is
23 why we like to bring government to the people.
24 MR. KLEIST: And I just want to say very much
25 that you're doing exactly that. I commended you for it.

1 The world is watching the decision that you're going to
2 make with respect to this issue of the jurisdiction of the
3 Port of Los Angeles.
4 The port is looked upon around the world. The
5 company that I work for is based in Taiwan. It's really a
6 large conglomerate in addition to just a steamship
7 company. And they're watching very carefully, and
8 concerned with what is going to be done with respect to
9 the future of the Port of Los Angeles. And I urge you to
10 continue your exploration for it. And if there's anyone
11 in the steamship business who can be of any assistance to
12 you, I can pledge that we, as an industry, would provide
13 all the assistance that we possibly can.
14 CHAIRPERSON CONNELL: Thank you. I appreciate
15 your being here today.
16 Are there any questions of the Commission of the
17 speaker?
18 Fine. We will then move on to Janet Gunter.
19 And following Janet will be Timothy Parker.
20 We don't seem to be making a sufficient headway
21 here. Every time we finish a speaker, we have new
22 requests to speak.
23 All right. Moving on to Janet.
24 Identify yourself for the record, please.
25 MS. GUNTER: Yes, Janet Gunter. I'm a San Pedro

1 resident. I'm also a representative on the San Pedro
2 Peninsula Homeowners Coalition.
3 First of all, I would like to respond to our
4 councilwoman's remarks regarding security. I think it's
5 kind of ironic that the news radio just did a major expose
6 about the security that doesn't exist in the harbor at
7 present. And, in fact, since 9/11 there has not been any
8 additional staff port police hired. I think that that is
9 one of the major troubling issues. They have two
10 volunteers, senior citizens that were interviewed on the
11 radio, that go in a patrol boat at night, unarmed, with
12 flash lights, looking for any suspicious activity.
13 And, you know, one of the big concerns or one of
14 the major determinations I made is that if any one of us
15 as local residents were on the City council and met with
16 the federal authorities on this issue, we would absolutely
17 have volunteers, trained volunteers. We would have an
18 army of volunteers from the community that would certainly
19 feel the need to respond to this in a more effective and
20 efficient way.
21 I think that that is something that is -- it's a
22 direct analogy that you can look at and say, well, you
23 know, would we respond that way? No. But the City is 26
24 miles away, and it's an issue that doesn't concern them as
25 directly. It doesn't have the impact. And if our

1 community were aware of this, they would respond.
2 CHAIRPERSON CONNELL: May I just point out as a
3 state official -- and I certainly do not want to negate
4 the actions or role of the City of Los Angeles and its
5 council and mayor. I've got to tell you, the Port of Los
6 Angeles is critical to the economy of California and to
7 the identity of California. All of our ports are
8 important, but certainly the Port of Los Angeles is a
9 visible representation of the state in its foreign trade,
10 its ability to be -- the role that we play now, as you
11 probably are aware, Janet, Long Beach and L. A. have now
12 eclipsed New York as the number one import and export
13 arena for this country.
14 So it's crucial, not only for California, but for
15 the country. And we certainly should be heightening the
16 concern of the federal government and this administration,
17 the Bush administration, to the importance of protecting
18 our port. I can't imagine that they are not sensitive.
19 And if they're not, they need to be sensitized at an
20 immediate level to the importance of securing this port.
21 MS. GUNTER: And I agree with you completely and
22 I don't diminish the importance of the Port of Los
23 Angeles, or any other port for that matter. But I also
24 realize that six months have passed and we still don't see
25 any very strong proactive tendencies to secure the area

1 any better than it has been for a number of years now.
2 My comment, I'd like to get back to -- when San
3 Pedro and Wilmington were incorporated into the City of
4 Los Angeles, there were many, many promises made. San
5 Pedro and Wilmington were lured to this option
6 particularly by the opportunity of water and electricity;
7 the City of Los Angeles, of course, motivated only by
8 access and ownership of the harbor. The consolidation
9 contracts signed close to 100 years ago promises to
10 deliver not only the needed water and electricity, but
11 also to allow those communities surrendering this
12 tremendous asset to share in the great benefits that the
13 harbor offers.
14 Many decades later the communities of Wilmington
15 and San Pedro share only in the negative impacts of the
16 harbor. We have the most polluted -- diesel polluted air
17 in the state, and it's greatly increased our risk for lung
18 cancer and pulmonary disease. We're exposed to an
19 extensive terrorist situation, the possibility of
20 flammability from chemicals, and the beauty of our towns
21 have been decimated.
22 When my father arrived in Wilmington from Akron
23 in 1939, his letters reflected the prosperity and beauty
24 of this small port town. My mother soon moved to
25 Wilmington and my whole life has been spent in the harbor.

1 I have seen the deliberate decline of this part of the
2 City of Los Angeles over those years, which has
3 surrendered the integrity of lovely communities once
4 prosperous and healthy.
5 Secession offers the only hope of restoring that
6 integrity to these communities. It's frustrating that the
7 revised budget submitted by the Harbor Study Foundation
8 was not reviewed -- seriously reviewed before we came to
9 this meeting today.
10 We are no different than the communities of
11 Lomita, Carson or any other small town who can and do
12 exist on their own with reasonable and frugal planning.
13 We are interested in maximizing our potential on quality
14 of life issues. We are dedicated, hard working and
15 focused people. We will work hard to make sure that we
16 are not deprived of the things that we've been deprived of
17 in the past.
18 We need to be -- we need for our submerged lands
19 to be included in this separation. If not, this would be
20 a major slap in the face, another one, to a public who's
21 endured neglect and abuse by Los Angeles for many, many
22 years.
23 We urge you to do your very best to grant the
24 people of the harbor the right to include our submerged
25 lands and what is rightfully ours in the new study.

1 Thank you.
2 CHAIRPERSON CONNELL: Thank you.
3 Any comments from members of the Commission?
4 Thank you.
5 We will now move on to Timothy Parker. And the
6 next speaker after Tim Parker will be Dennis Dyer.
7 MR. PARKER: Good afternoon, members of the
8 Commission.
9 For over 75 years the Steamship Association of
10 Southern California has worked with the Port of Los
11 Angeles to develop the most dynamic infrastructure and
12 system of handling maritime cargo in the country.
13 Throughout the world I've seen what the
14 partnership of the port and the City really mean. It's
15 not just enough to say that you're from the Port of Los
16 Angeles. It's equally important to say you're from the
17 City of Los Angeles.
18 This valuable and economic resource is for the
19 entire region and for the entire country.
20 It requires skilled management developed over
21 many years. The city of Los Angeles and many business
22 interests in the port have built a close relationship to
23 skillfully manage this resource. As a result, the port is
24 a model of efficiency. It handles more cargo and less
25 acreage than any place in the country.

1 The businesses and the tenants of the port have
2 developed a strong relationship through port staff and
3 have a long history of cooperation with the City of Los
4 Angeles.
5 Together the City of Los Angeles and the port
6 tenants have worked closely to promote efficiency, safety,
7 and, yes, security for environmental improvements
8 throughout the port.
9 The Steamship Association of Southern California
10 is concerned whether the proposed new city would have the
11 capacity and capability to continue the success and to
12 effectively manage one of the largest and most important
13 seaports in the world.
14 The Steamship Association of Southern California
15 strongly supports maintaining the efficiency and
16 protecting the utilization of the port. We believe that
17 the port, as one of the most important economic resources
18 in the State, needs the solid strength of the City to
19 assure its future.
20 And as a final comment to some of the questions
21 regarding security: I'm on the Southern California Safety
22 and Security Committee, which is chaired by the captain of
23 the port, who very recently said that the Port of Los
24 Angeles he considers to be one of the safest ports in the
25 United States.

1 Thank you.
2 CHAIRPERSON CONNELL: Fine.
3 Let us move on. Dennis Dyer. And then we will
4 have Jo Ann Wysocki. I hope I'm not mutilating your name
5 too badly, Jo Ann.
6 MR. DYER: Yes. Good morning, Commissioners. My
7 name is Dennis Dyer. I live in San Pedro. I'm a resident
8 there. And there are three critical problems with the
9 staff write-up regarding this whole area, especially
10 organization.
11 First, it does correctly identify the army
12 disparity that exists in the harbor area.
13 Second, it demonstrates the staff's simplistic
14 view of the Cortese-Knox Act.
15 And, third, it presents only a very limited
16 analysis of the legal issues involved.
17 Another consideration I just realized when Mr.
18 Fossum was speaking, he made the statement that no voters
19 live on port property. That's absolutely false. There
20 are 400 -- at least 400 live-aboards living on boats in
21 that area. Okay.
22 Now, the disparity that is present in the harbor
23 area is a problem for all us. It's a problem for the
24 local government; it's a problem for the city; it's a
25 problem for the county; it's a problem for this

1 organization; it's a problem for the State. Something has
2 to be done.
3 But the solution is not to maintain the status
4 quo, as suggested by the staff. The basic problem is that
5 municipal policies needed in the harbor area will not work
6 in other parts of Los Angeles. You know, they don't have
7 very many supertankers cruising around, spewing out diesel
8 fumes in downtown L.A. Okay.
9 The time to address these problems is now,
10 because these problems are only going to get worse in the
11 future.
12 Now, there's a number of major legal issues to
13 deal with in this area, such as boundaries, property
14 ownerships, special reorganization, and many others.
15 Regarding city boundaries, staff correctly
16 recommends deferring these decisions to LAFCO.
17 But staff recommends -- your staff recommends
18 that LAFCO violate the law by creating a non-contiguous
19 city. Unfortunately, it's not illegal for you to
20 recommend that another agency break the law. It's illegal
21 for them to do so, or have the good sense not to, or to
22 ignore your recommendation.
23 Staff claims -- your staff claims that the bounds
24 of State Lands Commission authority is the tide line of
25 1911. This line is the true boundary for your authority

1 -- for your constitutional authority, but not for the
2 setting of a municipal boundary.
3 There is good case law authority from the
4 California Supreme Court to indicate that the tide-line
5 date for this boundary, the municipal boundary would be
6 the date the Cortese-Knox Act was adopted, not some
7 preceding that.
8 The tide-line date cannot be 1911 because the
9 critical issue in question is, what authority does the
10 Cortese-Knox Act give to you guys, the State Lands
11 Commission?
12 Now, also in an incorporation of a newly formed
13 city, one was, say, being formed out of just from county
14 territory, it would be absurd for you to recommend that
15 the municipal boundary be the tide line as it existed in
16 1911. No court in the country would support that.
17 Okay. Staff claims that you can consent to a
18 special reorganization. This is not precisely true.
19 Cortese-Knox states that no tide lines can be incorporated
20 into or annexed to. It doesn't say reorganize. It says
21 only incorporated into or annexed to a city.
22 Also, it says a city, not a city being organized.
23 Perhaps, you know, your consent is not even required in
24 this manner because you've already -- or some predecessor
25 organization of the State Lands Commission has already

1 consented to having that area incorporated into a city.
2 CHAIRPERSON CONNELL: Mr. Dyer, you need to wrap
3 up your comments, please.
4 MR. DYER: Okay. LAFCO has already consented to
5 hear you out anyway.
6 There are other legal issues besides the ones
7 I've identified. But according to county records, for
8 instance, port property is commingled with L. A. city
9 land. But in view of these many unaddressed legal
10 issues -- see, you guys have several options. Today, you
11 can vote on this item in accordance with what staff
12 recommends. Any such resolution from you, however, will
13 not be in conformance with the law; and, therefore, will
14 not binding upon LAFCO.
15 Thank you.
16 CHAIRPERSON CONNELL: Thank you.
17 And now, Jo Ann, how badly did I mutilate your
18 name?
19 MS. WYSOCKI: Wysocki, like Winsocki, the
20 football player.
21 CHAIRPERSON CONNELL: Thank you very much.
22 MS. WYSOCKI: Josephine Wysocki, first of three
23 signatures on the original petition to study the
24 feasibility of harbor city. Retired school teacher, 43
25 years, like -- in two cities. I used Google to get into

1 your web site. Secretary of the original homeowner group
2 trying for secession.
3 CHAIRPERSON CONNELL: I won't take it against
4 your time period here, Jo Ann. How did you find our web
5 site?
6 MS. WYSOCKI: I'm a librarian. I know it all.
7 (Laughter.)
8 CHAIRPERSON CONNELL: You need to talk to her,
9 Paul. She can be part of our focus group in the future.
10 Go ahead, Jo Ann.
11 MS. WYSOCKI: And unlike the Council person,
12 resident of the harbor area for 50 years.
13 San Fernando Valley and Hollywood are to be
14 congratulated. They want to be cities and they don't have
15 a harbor to deal with. Let's be honest about it, this
16 meeting is what it's all about, keeping control of Los
17 Angeles port under Los Angeles City.
18 I have serious concerns on this report. And I
19 did read it after I got it awfully wet.
20 On Page 4, third paragraph, quality and
21 reliability of municipal services. But all I keep hearing
22 are fire and port Police. There's only one fire station
23 in Wilmington. The other one is devoted to the port.
24 The police -- the port has its own police. And
25 our councilperson is going to have to remember that she is

1 quoted in the newspaper as saying sometimes there's not a
2 police car available in the harbor division.
3 Page 5, the last paragraph, cost savings. Cut
4 down the number of employees of the port building and you
5 will have some cuts -- some savings.
6 Page 6, trust and related park services. What
7 are park services when the City keeps on going away from
8 park land, in Wilmington in particular.
9 Page 7, mitigation of port development. In case
10 you haven't looked at that map, look. The street you're
11 thinking about is C Street. It's just been closed off on
12 the west end. And to close it off they had to take out a
13 residential area on the south side. All the feeder
14 streets that feed into C street are strictly residential.
15 This one, page 8, may levy tax on containers.
16 Okay, this has been said before but the word "empty" has
17 always been. And its missing from this report. Because
18 once those containers are filled, don't they become
19 interstate commerce? And I don't think any municipality
20 could interfere with that.
21 Page 8, description to port's operation could
22 lead to adverse impact on local, et cetera, et cetera.
23 Oh, don't kid yourself. Because of the importance of this
24 port, there's going to be found a way to work together;
25 unless you want to admit that the community of Wilmington,

1 in particular 60,000 people of all races, is to bear the
2 weight of the port's development.
3 Page 9, fourth paragraph, jurisdictional issues.
4 Okay, that's the American way. We sue if we don't like
5 you. Besides, it says something about the California
6 State Lands Commission planning and inability to write
7 something that will not have to be taken to court.
8 Lastly, let's not hear about the Port of Los
9 Angeles and the City of Los Angeles responding to
10 citizens' complaints. I'm president of a homeowners group
11 that is largely inactive. We have since 1985 taken part
12 in meetings, written comments, and it has gotten us like
13 very little, if anywhere.
14 And, please, don't let me hear about the port
15 having these committees. They knew who to pick on these
16 committees. I'm asking you, grant what the Harbor Study
17 Foundation is asking.
18 Mr. Bustamante, you're quite right. It isn't
19 just financial facts that you need.
20 And, Ms. Connell, I'd like to hope that I speak
21 for 18,000 people. It would have been nice to have held
22 this meeting in either San Pedro or Wilmington.
23 Thank you.
24 (Applause.)
25 CHAIRPERSON CONNELL: Nicholas Tonsich, President

1 of the L.A. Board of Harbor Commission. Are you still
2 here?
3 MR. TONSICH: Still here.
4 CHAIRPERSON CONNELL: You're to speak next.
5 MR. TONSICH: Thank you.
6 CHAIRPERSON CONNELL: Excellent. And then we'll
7 have Michael Podue.
8 MR. TONSICH: Madam Commissioner and fellow
9 Commissioners, there's a certain advantage to going on
10 later in the process, you get an opportunity to hear the
11 other persons' comments and perhaps put them in a little
12 perspective.
13 One thing that's evident from listening to
14 comments from the other persons who have spoken before me
15 is that there's certain amount of frustration that you can
16 tell from the community. I was born in San Pedro. My
17 grandfather immigrated to this country and established his
18 residence in San Pedro. So I'm very familiar with San
19 Pedro and its history and what its expectations are for
20 the future.
21 Part of this growth that the port has experienced
22 in the past and is projected for the future, as well as
23 the frustrations of the communities that surround the port
24 are this need for a balance. And I think the community
25 has spoken already in the sense that they've elected a

1 mayor from San Pedro. That mayor has expressed his
2 awareness of concern for San Pedro and Wilmington, has
3 appointed commissioners from that area. Three of the five
4 commissioners that are on the Board of Harbor
5 Commissioners are from that area.
6 So these commissioners have in turn implemented a
7 process under the guise of an entity called the port
8 Community Advisory Committee, in which many local members
9 from various community groups such as the San Pedro
10 Homeowners Association, other community neighborhood
11 councils, are part of this group. And their charge is to
12 review all past, present, and future Environmental Impact
13 Reports of the Board.
14 The budget -- the funding for this endeavor is
15 provided by the Board. The port will provide experts,
16 which are identified by this port Community Advisory
17 Committee. It will fund these experts to study these past
18 Environmental Impact Reports, so that any wrongs that the
19 community felt were achieved in the past by some type of a
20 quick review will now be readdressed by this group, and
21 recommendations will be provided to the Board of Harbor
22 Commissioners.
23 Additionally, the mayor has heard the people
24 surrounding the communities and requested that the Board
25 adopt a policy of no further net increase in air or

1 traffic emissions surrounding these communities.
2 That policy has been adopted by the Board of
3 Harbor Commissioners. And that will be the goal of the
4 port's growth at this time in the future. More emphasis
5 will be put on mitigation measures, so that the concerns
6 that have bred this secession movement will be addressed.
7 Mitigation members will be brought to the Board of Harbor
8 Commissioners, not just by the staff in the Harbor
9 Department, but by a committee of people who are -- live
10 within the community, who are members of neighborhood
11 groups within the community, who can bring these
12 mitigation members to the Board so they can be
13 implemented.
14 There was some talk about port security and the
15 ability of the port to address -- or this new city to
16 address port security in the future. That's a strong
17 concern because the port police currently do not have
18 crime labs, bomb squads, SWAT teams. And those are all
19 things that would have to be contracted for. It appears
20 as though the revenues to be generated from this new city
21 from the port is going to be relatively small. It's a
22 percentage -- my understanding is a percentage of the
23 property tax revenue that the port's charged.
24 I think there is a misconception within the
25 community that if we get the port within our city

1 boundaries, then we're going to be the benefactors of the
2 revenue that the port generates. And I think there was an
3 inability or not enough information has been disseminated
4 to the community that they'll still be subject to the
5 State Tidelands Trust, and the revenue available to the
6 new city will be relatively small compared to the new
7 costs it will have to bear in order to support such things
8 as port security. The port is sensitive to security. The
9 port has budgeted money and has implemented a program for
10 sea marshals, which are responsible for boarding vessels
11 25 miles out to and escorting them in to make sure that
12 there's no explosives or any improprieties in the
13 operation of the vessels as they approach the shore.
14 This is the National Guard station at the bottom
15 of the Vincent Thomas Bridge. There's -- I'm a member of
16 the port security task force, which is meeting today
17 between 11 and 1.
18 So there's a wide variety of things that are
19 being implemented.
20 I think one thing that is the utmost concern --
21 CHAIRPERSON CONNELL: You're going to have to
22 wrap up your comments.
23 MR. TONSICH: Yes.
24 The thing I think that's -- the point that needs
25 to be addressed and driven home is the impact and the

1 balance that the City hopes to achieve by its -- by the
2 port's operations on the state as a whole as opposed to
3 what a new city's intentions and goals may be relative to
4 the port activities. And that impact is crucial. As the
5 State Controller's audit indicated, the port projected
6 financial condition of the new city would ultimately
7 create a situation which is analogous to a landlord who
8 doesn't have money sufficient to maintain its properties.
9 I think we're all familiar with what happens to the decay
10 in a property and what impact it ultimately has.
11 Thank you very much for your time today.
12 CHAIRPERSON CONNELL: Thank you.
13 Michael Podue. And after Michael, we're going to
14 have Dennis Hagner.
15 MR. PODUE: Good morning, Madam Chair and
16 Honorable Commissioners.
17 My name's Michael Podue. I'm the Vice President
18 with the International Longshoreman and Warehouseman's
19 Union/Marine Clerks Association Local 63.
20 I've been asked by the membership to appear
21 before you today to put our concerns before the Commission
22 today of the Union.
23 I am also like many in here as well as
24 Commissioner Hahn and -- Chairwoman Hahn and many others
25 in the room today. I'm born and raised in San Pedro,

1 born in 1956 in San Pedro Peninsula Hospital. My children
2 still attend San Pedro High School.
3 The International Longshoreman and Warehouseman
4 Union in the Port of Los Angeles represent approximately
5 10,000 members; 6,000 full-time and 4,000 part-time
6 members in the Port of L.A.
7 The Port of Los Angeles I believe was
8 established, if my history is correct, some time in
9 December of 1907. Prior to that, the International
10 Longshoreman -- where you get the term "longshoreman" is
11 longshoreman waited along the shore for the vessels coming
12 into the port. And that's where the term "longshoreman"
13 came from, men waiting along the shore. Not long after
14 that, about -- less than 30 years later the International
15 Longshoreman's Union was established in this port.
16 The Port of Los Angeles is one of the busiest and
17 most successful seaports in the world. And that's in
18 direct connection working with the terminal operators, the
19 Port of L.A., and the International Longshoreman and
20 Warehouseman Union.
21 Our concern is that we would like to see the Port
22 of L. A. -- and I'll make it short. I had a lot here to
23 read, but I'm not going to read it all.
24 There's been well over -- I believe in the Port
25 of Los Angeles last year alone there was over 5 million

1 containers handled by the Port of Los Angeles. And the
2 Longshoreman -- the International Longshoreman and
3 Warehouseman Union directly handled those containers.
4 We would like to -- there's a fear -- and the
5 reason I'm here today is that last night at a membership
6 meeting the members asked me to come and present it before
7 you today. There's a fear that the infrastructure that's
8 been created by the City of Los Angeles and the Port of
9 L. A. will be impacted if this new city is allowed to
10 operate the port.
11 The membership wanted me to express to you that
12 we would like to show our support that the people that
13 created this great port, the City of Los Angeles and the
14 Port of Los Angeles, that the Port of L. A. stay in the
15 hands of the City.
16 Thank you.
17 CHAIRPERSON CONNELL: Thank you.
18 Dennis Hagner. Following Dennis we're going to
19 have Frank. And, Frank, I can't see your last name. I
20 think it's Fasullo.
21 MR. HAGNER: Good afternoon, Commissioners.
22 Thank you for allowing me --
23 CHAIRPERSON CONNELL: Identify yourself for the
24 record, please.
25 MR. HAGNER: I am Dennis Hagner. I am

1 representing the Engineers and Architects Association, the
2 largest civilian union in the City of Los Angeles. And I
3 represent the people that Jo Ann Wysocki would like to
4 fire.
5 We have looked very, very closely at all the
6 documents that have been produced on this issue up to last
7 week. And rather late in the game we came to the
8 conclusion that this whole issue raises serious concerns
9 for our members and the future of their employment, either
10 directly or indirectly through the general economic
11 impacts that this bifurcation of authority could lead to.
12 We also have people work down in the harbor.
13 We're very concerned about their security. This also
14 raises a concern. We've addressed those concerns in
15 comments to your staff, so I won't enumerate them.
16 But we do support the recommendation. We believe
17 that keeping the port whole is in the best interests of
18 not only our employees, but also the State.
19 Thank you very much.
20 CHAIRPERSON CONNELL: Thank you.
21 Now, Frank Fasullo. I hope that was a correct
22 pronunciation of your name.
23 MR. FASULLO: You did very well. Fasullo.
24 CHAIRPERSON CONNELL: Okay, great. Thank you.
25 MR. FASULLO: My comments are to Mr. Thayer's

1 best interests of California. How many times has the
2 State had to sue the City of Los Angeles over port
3 services?
4 I think that a new and smaller city without the
5 larger budget and needs would streamline all the facets
6 with less delays; and would not only be in the best
7 interests of all of California, but all the steamship
8 associations, too, which I've had the time to sit down and
9 talk at breakfast with a few of them and been able to
10 offer them, we believe, something much better and much
11 cheaper, at the same time while still making Los Angeles'
12 port the best and fastest growing port in the world.
13 With all respect to Mr. Fossum, his argument
14 is -- all I heard was just a bunch of "what ifs" and
15 "maybes," having nothing to do with the reality, but are
16 meant to keep Los Angeles in control; which Los Angeles is
17 still in control even if we do receive the tidelands.
18 There's nowhere in there saying we're going to
19 take control, or for our longshoreman friends that we're
20 going to manage the port. Nowhere. That's not what we're
21 asking for.
22 But we believe that we have been -- and the
23 public knows that Los Angeles has dealt with us and has
24 been doing business in our area in bad faith. If not, why
25 would at all ends of the City of Los Angeles is it

1 breaking up, if Los Angeles wasn't the landlord that was
2 alluded to earlier?
3 As to Ms. Hahn, I really like what she's doing in
4 our town. But it only is common knowledge or common sense
5 that we would want to, of course, keep the security in our
6 town at the highest rate that could possibly be. We live
7 there. We're in the surrounding areas there. I have
8 children that go to school there also.
9 But I have no political gains here. I'm not
10 looking for any money. Nobody's paying for me. We have
11 been involved in this, the Harbor Vote, for 13 years
12 because of the ineffect that Los Angeles has played with
13 the cries to our community. We're still crying out to
14 them. And at no time has our city council come and said,
15 "how can we fix the problem?" Instead, we've had to pass
16 major legislation, AB62, in order to get our first
17 amendment right to petition our government to get our tax
18 base.
19 If you guys vote against this right now, you will
20 be voting against our first amendment rights. If not
21 anything but giving us political -- another nail in the
22 coffin, so to speak, when these things are not true.
23 So in closing, I think that the $13 million plus
24 that these monies that are coming up that we don't have
25 the revenues for, they're dollars and cents that the --

1 that Los Angeles port pays for services rendered. That's
2 all. This is just all about the monies that they pay for
3 services rendered.
4 Thank you so much.
5 CHAIRPERSON CONNELL: Thank you. And, Frank, let
6 me just assure you that as the person who sat at the
7 negotiating table for the State of California to try to
8 resolve the removal of dollars from the trust fund by the
9 City of Los Angeles in that lawsuit, as you recall, that
10 we settled some year and a half ago, we certainly support,
11 as a Commission, the fact that there should be
12 availability of services in the harbor area.
13 And I think the continued persistence of the
14 Governor -- at that time was the Lieutenant Governor --
15 and myself in that regard, and subsequently Mr. Bustamante
16 in his role in the Commission is an indication the State
17 stands solidly behind the rights of the community of San
18 Pedro and Wilmington to have access to quality services
19 and to make sure that those dollars are spent within the
20 community, which was, of course, the intent of that entire
21 litigation and the subsequent resolution of it.
22 Can we have Molly Squire now. Is Molly still
23 hanging with us?
24 And I believe the next person will be Dan Miller.
25 DR. SQUIRE: I have my prepared 3 minute thing,

1 but I've been staring at this map all along, and I want to
2 show you a picture of the area I'm talking about.
3 That triangle right in there, right at the tip of
4 your harbor red line, that triangle between those two
5 bridges, those blocks.
6 I'm glad Commissioner Janice Hahn, who is also on
7 the Alameda Corridor Transportation Authority Committee,
8 is here, since we've contacted her office a couple of
9 times but she said she is helpless to do anything.
10 The Alameda corridor was exciting to all of the
11 businesses in this area. That's about nine blocks --
12 about nine blocks, at least, of businesses.
13 The 1991 Environmental Impact Report stated one
14 reason to vote for the project was the enhanced traffic
15 flow pattern promised for local businesses. Instead
16 August 16th the active board voted to take the whole
17 neighborhood. By the way, all those voters in there would
18 have been for seceding from L.A.
19 One friend of mine, who was bludgeoned in
20 February, is still only speaking in one-word sentences
21 now. That was at the property.
22 Most businesses were devastated. Not only were
23 they taken without an Environmental Impact Report, but
24 there was no relocation plan in place. I paid almost 500
25 bucks to get a copy of the Environmental Impact Report

1 made for this Alameda corridor section here, and it shows
2 that whole neighborhood is missing from it. They weren't
3 supposed to take it in the first place. They showed all
4 the bridges they were going to build to go into different
5 neighboring areas, and that's what the voters and the
6 state and whoever approves this thing voted to approve.
7 So they took these blocks without having them
8 shown on the Environmental Impact Report.
9 In this respect, okay, the California Code of
10 Regulations Title 25 states, "A project must cease if
11 there is no relocation planned." In this respect, an EIR.
12 In this respect it has acted unlawfully. There is federal
13 funding. And they must follow state and federal
14 standards.
15 Additionally, they are refusing to honor their
16 own grievance procedures, denying a hearing to those who
17 request a hearing for their administrative grievances.
18 One man has four grievances. They aren't all
19 about relocation money. They're about the problems due to
20 this. And the lawyers for ACTA are telling him you can't
21 have a hearing until you name a price for relocation.
22 In the meantime many, especially the Hansons and
23 the Mayfields, have been denied a penny of relocation
24 benefits even after submitting required bids months ago
25 for a self move. Their possessions are being held in

1 temporary storage. And ACTA's counsel has told them they
2 cannot remove the property unless they can take it out in
3 one day and also sign an invalid full release of all
4 claims against ACTA. They can't do it. It took the
5 moving and storage company three weeks to move tons of
6 equipment using semi-trucks and a team.
7 CHAIRPERSON CONNELL: Molly, may I just have the
8 jurisdiction of the Chair here for a moment? I apologize
9 for interrupting you.
10 I think the issue of the Alameda corridor is an
11 importance issue. Unfortunately, it is not within the
12 jurisdiction of this Commission, as I understand it.
13 Is that correct, Mr. Thayer?
14 EXECUTIVE OFFICER THAYER: That's correct. And
15 Dr. Squire has submitted a letter outlining the concerns
16 that she's now speaking of. I guess what I would propose,
17 and maybe as a way to dispose of this quickly, is that we
18 would attempt to ascertain what entities do have some
19 involvement of that, and forward this letter to those
20 entities.
21 CHAIRPERSON CONNELL: Yes. I think the concerns
22 that you were expressing, Dr. Squire, are certainly
23 legitimate, and we're not in any way trying to dismiss
24 them, but it is not the power of this Commission to really
25 address those. But I do think that we can give you some

1 assistance in identifying who. But I do believe it would
2 be the federal agencies responsible for this matter.
3 DR. SQUIRE: Thank you. I was referred here by
4 the Federal Railroad Administration, Washington DC.
5 CHAIRPERSON CONNELL: Why am I not surprised.
6 (Laughter.)
7 DR. SQUIRE. Well, I'm sorry. I didn't know
8 where to go.
9 CHAIRPERSON CONNELL: I don't mean to -- you
10 know, I'm not making light of your concerns.
11 DR. SQUIRE. Yeah, I know. If you were going for
12 governor today, I'd vote for you. Okay?
13 CHAIRPERSON CONNELL: Well, thank you, thank you.
14 I want you to know I'm not. Let me dispel that. Lest
15 there be any, you know, press in the room, I don't want
16 that rumor to trickle out. I'm supporting our candidate
17 for governor, Governor Gray Davis, if anyone has a
18 question of where my support is. But I thank you for
19 that.
20 And I share with you your frustration. I mean,
21 the Alameda corridor has been a mishandled operation from
22 its birth, and has disappointed many of us who are
23 residents of the area. It has accomplished many economic
24 objectives, but it has shown, I think, in many cases
25 insensitivity to the needs of the people in the

1 surrounding communities.

2 And I would urge you, Mr. Thayer, to make it a
3 priority to try to help Dr. Squire. And you could become
4 an advocate on the part of the Commission in making sure
5 that she is not railroaded, to use the word of the agency
6 that sent you over here, to yet another series of agencies
7 that don't have the jurisdiction to respond. I think we
8 are well aware of which jurisdictions can respond to those
9 matters, and we will allow our own experts in bureaucracy
10 to assist you in threading that needle.

11 DR SQUIRE: Thank you.

12 One comment. Alan Cranston endeared himself in
13 the early 1970s to everybody in the Huntington's Disease
14 Association when he got a girlfriend's mother her Social
15 Security and nobody else could. So if you're following in
16 his footsteps, I look forward to a resolution.

17 CHAIRPERSON CONNELL: Thank you. We will follow
18 it forward with you on that.

19 Now, Mr. Miller. And we have only, I believe,
20 one speaker after that, and that will be Frederick Markin.

21 MR. MILLER: Thank you, Commissioners. My name
22 is Dan Miller. I am a member of the project consultant
23 team for San Fernando Valley, Hollywood, and the harbor.

24 Our firm prepared the budget and the transition
25 plan that was alluded to earlier. Our firms that have

1 worked with these three communities with very few
2 exceptions have probably prepared all of the comprehensive
3 fiscal analysis that have been done statewide on new
4 cities. So we have a lot of background in this.
5 What I would want to stress today is the fact
6 that what was first alluded to by your staff was that
7 LAFCO had made a finding that this was not fiscally
8 viable. That is not the case. A consultant's report
9 submitted to LAFCO made those statements and based on a
10 number of assumptions.
11 Our plan -- our budget has also been submitted to
12 LAFCO, which contradicts a lot of those assumptions and
13 the methodologies that were used.
14 LAFCO in mid-May will take all this data, all the
15 reports, all the testimony, and at that time will make a
16 finding as to fiscal viability.
17 So I think it's premature to make any decision
18 today based on whether this community is going to be
19 fiscally viable or not. Those findings have not been --
20 what was referenced was one study that made -- came to
21 those conclusions.
22 I think the biggest difference that our study and
23 the CFA that was done by the consultants to LAFCO is that
24 they applied a 3.6 million population budget structure
25 and/or organization to a small community of 140,000. That

1 just does not work.
2 And, yes, as the councilwoman indicated, that
3 there will be a reduction in expenditures, a substantial
4 reduction in cost of those services, but not a reduction
5 in service. There will actually be an enhanced level of
6 service and at a reduced cost, so that makes it fiscally
7 viable. I think that's what we'll be presenting to LAFCO
8 in mid-May.
9 And based on all the testimony, at that point,
10 LAFCO will make a determination as to whether the Harbor
11 City is fiscally viable. So it's premature today for
12 anyone to get up and say a decision, a finding has been
13 made. And that basically is what the executive officer of
14 LAFCO also indicated, that no finding has been made. The
15 Commission based on LAFCO's staff's recommendations will
16 make that finding in mid-May or some time after that.
17 Thank you.
18 CHAIRPERSON CONNELL: Mr. Miller, may I ask, why
19 has there been such a delay in getting this fiscal
20 material, you know, put forward? We're now well into the
21 month of April. This matter has been, you know, certainly
22 debated and discussed for a period of time, almost years.
23 MR. MILLER: Our study and a transition plan in
24 the budget were submitted to LAFCO six months ago. The
25 study has been out there, and it's public knowledge. As

1 to who accessed that, either with your staff -- and we did
2 have contact with the State Controller's Office. And, as
3 you indicated, they were very limited in their analysis.
4 And he indicated he could not look at all these
5 other studies. So, yeah, it's common knowledge that this
6 document is out there. And LAFCO has that document. It
7 has been commented to by the City of L.A. It's been
8 discussed in all our negotiations on terms and conditions.
9 So it should be no surprise that the document exists. As
10 to who has tried to get access to it, I don't know.
11 Thank you.
12 CHAIRPERSON CONNELL: All right. Thank you.
13 Frederick Markin. Then we do now have another
14 additional speaker following Frederick.
15 Go ahead.
16 MR. MARKIN: Madam Chair, Members of the
17 Commission, my name is Fred Markin. I'm with the Los
18 Angeles City Attorney's Office representing the City of
19 Los Angeles.
20 CHAIRPERSON CONNELL: It's nice to see you again.
21 MR. MARKIN: Nice seeing you.
22 I'm not actually speaking either in favor or in
23 opposition despite the speaker form card which forced me
24 to make a choice. But I am -- I'm one of the speakers who
25 is prompted to speak by something I've heard today from

1 Mr. Calemine and now Mr. Miller. And it has to do with
2 this question of fiscal viability and the role -- the
3 prospective roles played by your Commission and LAFCO.
4 I think Mr. Calemine has said to you, and I think
5 Mr. Miller is supporting him in this regard, let LAFCO
6 make its determination. LAFCO has made no finding on
7 fiscal viability. This Commission -- so we ought to defer
8 to LAFCO.
9 I think there are at least two problems
10 associated with that. The first is this: This Commission
11 has its own independent responsibility. Act upon the
12 information and opinions before you. For you to defer to
13 LAFCO, I question firstly the legality of that, and you
14 ought to talk to your counsel. I think it's highly
15 inappropriate to essentially allow your decision to ride
16 upon some other agency's determination.
17 And the second problem is this: At least -- and
18 the point has been made that there are certain proposals
19 that have been studied. There's a comprehensive fiscal
20 analysis and there's a State Controller's review of that.
21 But there are other proposals that are in the works. At
22 least we have some idea with regard to the proposals that
23 have been evaluated as to what the conclusion is with
24 regard to fiscal viability.
25 A further proposal that may be considered by

1 LAFCO, which is a possibility, I guess, is unknown to you.
2 The question I think before you is, if there is some
3 revised proposal, some other design of government, let's
4 say, for the proposed Harbor City, how will it be equipped
5 to deliver fire service, police service, for the poor?
6 And that is entirely unknown. And so, essentially, what
7 you're doing is deferring to an analysis of something that
8 has yet to be devised. It's something certainly you
9 haven't analyzed.
10 So I think that on those two reasons, I think
11 that this Commission ought not to simply defer to LAFCO,
12 but rather make an assessment based upon the information
13 before you. And if you need more information, get more
14 information. But in any event, make that decision based
15 upon the information that's before you rather more
16 deferring to LAFCO on this important question.
17 Thank you very much.
18 CHAIRPERSON CONNELL: Thank you.
19 And I would like to call what I hope will be the
20 final speaker here today. Xavier Hermosilo. Am I saying
21 that anything close to -- my goodness, we have a patriotic
22 tie here today.
23 MR. HERMOSILO: You must be learning your Spanish
24 from Member Bustamante.
25 CHAIRPERSON CONNELL: Yes.

1 MR. HERMOSILO: Because it was excellent.
2 My name is Xavier Hermosilo, and I'm a life-long
3 resident of the port community of San Pedro. And I have
4 over the last -- well, giving my age away -- 30 years plus
5 been involved in segments of a call for secession, while
6 I was chief of staff to former Assemblyman Vincent Thomas,
7 who every year would introduce a piece of legislation to
8 secede San Pedro from the City of Los Angeles and --
9 unsuccessfully, I might add -- and his successor, Dr.
10 Jerry Filando (phonetically). One a democrat and one a
11 republican. And I worked for both.
12 And so this issue of secession, though its
13 present state is only about 13 years old, the roots go
14 back very, very deep.
15 And in looking at the staff report, there are a
16 number of issues that are of concern. But probably the
17 greater issue overall is this notion that -- you know,
18 we're caught between a rock and a hard place. We're
19 caught in a classic Catch 22, because while the proposal
20 is attacked as not being financially viable -- when we
21 proposed to prepare a city the size of a Carson or a
22 Torrance or Garden Grove, which is realistic, the State
23 Lands Commission staff comes back and says precisely
24 because of that you can't handle a port, because of the
25 costs. And Councilwoman Hahn has talked about, you know,

1 the port burning down and things like that. And certainly
2 after 911, the issue of security is one of paramount
3 concern.
4 But I would remind the Commission and staff that
5 the issue of fire protection and police protection of the
6 port is handled 75 percent by revenues generated by the
7 port already. And the notion that this new community
8 would impose an unreasonable or usury tax on cargo
9 containers, et cetera, I think is also fallacious in its
10 base because we have seen before, for example, that
11 outside regulatory agencies, including yourselves, slap
12 the City of Los Angeles on the wrist when they took $40
13 million and transferred it from the port revenues to the
14 City's general revenue.
15 CHAIRPERSON CONNELL: Sixty-eight million.
16 MR. HERMOSILO: It was sixty-eight. That was
17 with interest.
18 And so there are safeguards in place that would
19 prevent the kinds of horror stories that are presented
20 here as being contrary to the viability of this community
21 having control or some access or revenue sharing with the
22 Port of Los Angeles.
23 The other issues that have been raised in terms
24 of your staff report I think, you know, raise serious
25 questions about the depth of knowledge that some people

1 may have about how this can operate. And I think it
2 created unnecessarily some scare tactics that I think are
3 beneath this Commission and beneath the effort and the
4 Cortese-Knox Law that enables a secession to proceed as
5 far as it has.
6 CHAIRPERSON CONNELL: Excuse me just a moment.
7 Are we not getting a transmission of this at this
8 point? Are you still being able to record.
9 All right, fine. You adjusted.
10 I'm sorry. We were having a transmissional
11 problem. And I certainly believe we want to make sure we
12 have the recorded minutes of every speaker of this
13 meeting, as I anticipate that will be important in the
14 future.
15 So we are continuing to record?
16 Good. Thank you.
17 I'm sorry. Go Ahead.
18 MR. HERMOSILO: All right. I'll wrap up with
19 this. In looking at the background of the Commission's
20 report and the responses that the Harbor Study Foundation
21 has put together, I would ask you to the extent that it's
22 possible to remove politics from this and look into the
23 fact that the port communities of San Pedro, Wilmington,
24 and Harbor City, but predominantly San Pedro and
25 Wilmington, have tried for a number of years to work with

1 the Port of Los Angeles to deal with the issues of
2 environmental difficulties.
3 I think there's environmental justice issues, not
4 because the communities are of any particular minority
5 make up, but because of the fact that the port has been
6 unwilling to be responsive to this community even after
7 Mayor Hahn and his sister, Councilmember Hahn, created a
8 citizens' committee to look at a number of these issues
9 the port has been blatant and arrogant in its dismissal of
10 concerns of the community.
11 This is one of the largest reasons why these
12 communities have been seeking secession. It's one of the
13 largest reasons why these communities need to be able to
14 have an element of say-so in the continued development of
15 the port.
16 I am in the business of moving freight. I am in
17 the business -- I am the Executive Director of the NAFTA
18 Corridor Institute. And we're about the movement of
19 goods; we're not about the movement of stopping any growth
20 in the harbor. But we're also about the responsible
21 movement of goods. And we've had to turn to our
22 assemblyman, Al Lowenthal, to introduce legislation to,
23 for example, cover up the coke piles over on Terminal
24 Island because of the irresponsible way in which they were
25 handled by the Port of Los Angeles.

1 There are now lawsuits involving china shipping.
2 All of these involve port trust lands, and I think they go
3 straight to the heart of the inability of the City of Los
4 Angeles in the Port of Los Angeles as an administrative
5 body to be responsive in concern about the quality of life
6 issues and the health issues involved with the people of
7 San Pedro and Wilmington.
8 That is at the genesis of this request to the
9 State Lands Commission, that you please reconsider the
10 information that you have been given, that you look at
11 this as impartially as you can. And while I know that
12 there are people on this Commission, specifically you, Ms.
13 Connell, who ran for mayor of Los Angeles and perhaps may
14 have a personal feeling about that -- I love L.A. And I
15 say to you and to everybody here that Los Angeles is a
16 state of mind.
17 I have traveled all over the country and all over
18 the world in connection with my business, and I hear
19 people say I'm from L.A. whether they're from Orange
20 County or whether Ventura, because Los Angeles is Los
21 Angeles. And the fact that we choose to request revenues
22 and control -- participation control over the port as a
23 separate independent city does not mean that we don't like
24 L.A. or we despise L.A.
25 It's just that in 1910 when we became a part of

1 the City of Los Angeles, it was with some specific
2 understandings. And I don't want to go back 100 years to
3 agreements that have been broken since then. Although, I
4 do want to mention that in the progress that has been made
5 with the ports has been both to the benefit and detriment
6 and with the help of the people of San Pedro and
7 Wilmington.
8 And so I ask you to please, as you make your
9 deliberations on this matter, that you can consider that
10 we just want our house back, we want to have a say. We
11 let somebody come into our house, the City of Los Angeles,
12 a hundred years ago, and they have sullied it, they have
13 polluted it, they have over-occupied it. They have given
14 us absolutely no voice. And all we ask is to have a voice
15 in the future of our families, our kids, our businesses,
16 and the beautiful coast land to which we have virtually no
17 access, the only major city in the United States that has
18 significantly limited the access of its owners and people
19 to the tidelands for which you are entrusted and have the
20 power to entrust to a new organization. And we ask that
21 you look at this issue carefully.
22 And I'll close by saying this: In the field of
23 law -- and I know a couple of you are lawyers up there --
24 they say --
25 CHAIRPERSON CONNELL: Actually, none of us are

1 lawyers, which is a gift.
2 MR. HERMOSILO: None of you? Okay. I apologize.
3 CHAIRPERSON CONNELL: I pray every night that my
4 children will use their talents in a field that is not
5 litigious.
6 MR. HERMOSILO: Well, you know, as I go through
7 life, I can say that the only thing that I ever did
8 absolutely at the request of my mother was not to become a
9 lawyer because that would have taken her to her grave
10 earlier than --
11 CHAIRPERSON CONNELL: No offense to lawyers in
12 the audience of course, including my staff here at the
13 Lands Commission.
14 MR. HERMOSILO: No more lawyer jokes.
15 Let me just close by saying this: In looking at
16 the facts and the law in this situation, I am reminded of
17 an axiom often used in the legal field; and that is, if
18 you don't have the law on your side, argue the facts; and
19 if you don't have the facts on your side, argue the law.
20 Well, I will submit to you, members of the State
21 Lands Commission that in this particular case we have both
22 the law and the facts on our side, and we ask you to rule
23 in that vein.
24 Thank you very much.
25 CHAIRPERSON CONNELL: Thank you.

1 And before I ask for comments from my fellow
2 Commissioners, I want to thank all of the well-informed
3 and impassioned speakers that have come before us. I was
4 asked yesterday by a member of the media whether I was
5 walking into this meeting with any preconceived notions;
6 and I didn't. And I must tell you, I think this has been
7 one of the most educational exchanges we've had before
8 members of this Commission. I want to thank you all for
9 respecting the limited time that we've given you and the
10 other matters that occurred before this Commission that
11 you have had to patiently sit through.
12 I did ask the Attorney General to give some
13 thought -- attorney general's representative -- regarding
14 the legal issues that have been commented on during the
15 various speakers' discussions. And I'd like you to
16 identify yourself for the record and maybe give us your
17 sense of where we are on that.
18 DEPUTY ATTORNEY GENERAL HAGER: My name is Alan
19 Hager and I'm a Deputy Attorney General.
20 CHAIRPERSON CONNELL: Can everyone hear?
21 (Nos.)
22 CHAIRPERSON CONNELL: Okay. Let's see if we can
23 get a larger volume on the mic.
24 DEPUTY ATTORNEY GENERAL HAGER: How's that? Is
25 that better?

1 CHAIRPERSON CONNELL: Not really. Maybe you can
2 exchange with Paul.
3 DEPUTY ATTORNEY GENERAL HAGER: Is that better?
4 CHAIRPERSON CONNELL: Yes.
5 DEPUTY ATTORNEY GENERAL HAGER: Okay. I'm Alan
6 Hager. I'm a Deputy Attorney General. And you noted that
7 I smiled when you first propounded a question. And the
8 reason for the smile was that I really am not familiar
9 with the law that governs LAFCO. So I don't want to give
10 an opinion of what LAFCO can do. But I am familiar with
11 the law that governs the Commission. And let me say a few
12 things about that.
13 The law that we're talking about is a provision
14 in Government Code 56740. And the question that I have
15 is, can the Commission in making a decision under that
16 section condition what it does? It doesn't say that you
17 may. And I have grave concerns about making a decision
18 that is conditional.
19 Also, if you may excuse me for making a practical
20 comment, making a conditional decision is essentially a
21 loss of control. And also I am concerned, and this is --
22 what you are trying to do with respect to infringing upon
23 the role of the Legislature.
24 And here's another loss of control or legislative
25 problem. The legislature made the grant to the City of

1 Los Angeles. The legislature, if it wants to amend that
2 grant, may -- amends the grant and its relationship and
3 its control is with the City of Los Angeles.
4 Could LAFCO condition -- issue a condition so
5 that a new city is bound by whatever the Legislature may
6 choose to do in the future? I'm very concerned about
7 whether that could be done. And, you know, making a --
8 even if LAFCO could make a condition, could they condition
9 them -- could they condition the City -- the new Harbor
10 City to be bound by the present terms of the grant? But
11 of course the Legislature may, as it chooses, amend the
12 grant, change the grant in any other way.
13 And it seems like a loss of control. In order to
14 attain control, maybe the Legislature would have to say we
15 should address our concerns directly to the City, which
16 would be tantamount to transferring the grant from the
17 City of Los Angeles to the new city.
18 I just see that the idea of making a condition,
19 if it's by the Commission, is legally uncertain to me.
20 Whether it can be done by LAFCO creates all sorts of
21 questions that I think create a great deal of uncertainty
22 as to the legality of that.
23 CHAIRPERSON CONNELL: Well, then as Chair, I'm
24 going to ask that we limit our deliberation here today to
25 the issue before us. And the issue then before us upon

1 counsel of the Attorney General -- I thank you for that
2 wisdom -- is the staff recommendation and singular the
3 staff recommendation, so I will only take discussion
4 regarding that matter. We have staff recommendation
5 before us, and either we can choose to accept that or
6 reject that. But I don't think we want to start wandering
7 into areas where there is uncertain legal grounds,
8 conditioning action that we have now been advised might be
9 inappropriate.
10 Mr. Bustamante, do you have any thoughts that you
11 want to share with the public at this point? And then,
12 Ms. Porini, I will call on you as well.
13 COMMISSIONER BUSTAMANTE: Unlike you, Madam
14 Chair, I had my mind made up when I came here. I came
15 here with what I believed to be all the facts and the
16 audits. And having reviewed that information, came here
17 with what I believed to be a clear decision about what was
18 in the best interests of the State and tidelands.
19 I have to tell you, while I've been here and I've
20 been listening to the testimony, I find that there are
21 some issues that I just cannot allow to be let go. My
22 position, I don't believe, has changed at this point on
23 the staff recommendation. I will support the staff
24 recommendation.
25 However, the issues that have been addressed here

1 by the residents of San Pedro and Wilmington I believe are
2 significant. I think that our staff -- regardless of how
3 this goes, that the staff ought to make a -- and I'm
4 asking the staff to do a review of the environmental
5 problems as well as any environmental justice issues that
6 are affecting the communities of San Pedro and Wilmington
7 because of the port operations.
8 I want to have a list prepared within 90 days,
9 and have it come to the Commission in the meeting
10 following those 90 days. And I want to know exactly the
11 kinds of issues that are being talked about, because it is
12 outrageous that the port would be -- one of the largest
13 ports not only in this country, but in the world -- the
14 impacts of a community are such, and from what the
15 residents of this community are saying is that those
16 issues are not being addressed neither by the port nor the
17 City of Los Angeles. And I think that that's something
18 significant that we should review.
19 The second thing that came up that I'm very
20 concerned about, we've heard conflicting information about
21 this, is the security of the port. I'd like to know -- I
22 heard that there was a couple people with flashlights in
23 row boats in the Bay Area. And we've heard that the
24 number of police trips into this community are amazingly
25 low, if not some of the lowest in the nation.

1 I want to get to the bottom of those two major
2 issues, because even though I support the staff
3 recommendation, those are two major issues that affect
4 this community, that affect the port operations, that
5 affect the protection of both in terms of city fire and
6 police. And I want to have answers to those questions in
7 order to resolve them.
8 EXECUTIVE OFFICER THAYER: Okay.
9 CHAIRPERSON CONNELL: Thank you.
10 Annette.
11 ACTING COMMISSIONER PORINI: Well, my only
12 comment is that putting on my Department of Finance fiscal
13 hat, looking at the audit that the Controller did, and
14 looking at the information that's before us, because I
15 can't comment on other fiscal analysis that's not before
16 us or decisions that may be made in the future, I am in
17 support of staff's recommendation.
18 CHAIRPERSON CONNELL: Well, let me then offer my
19 perspective as well. As I said, I came into this meeting
20 with an open mind. I think it's my obligation when I sit
21 on the several dozen boards that I'm honored to represent
22 the people on, that I always come into a meeting with an
23 open mind. I try to educate myself ahead of time, but I
24 always listen attentively and hopefully respectfully to
25 the input.

1 I am increasingly troubled that some of the
2 information that needs to be before LAFCO has not had as
3 much review as perhaps is necessary. And I would like to
4 suggest that LAFCO as it moves forward in what has been a
5 truly arduous process -- and I do respect the works,
6 Larry, of your staff and your Commission. And having
7 partaken in just the very small segment of that, I know
8 how truly grueling that is, because my own staff committed
9 65 to 70 hours a week just to get the work done within our
10 restricted 45-day timetable. And we didn't even begin to
11 dent the surface.
12 But what has come out here today is clearly a
13 reflection that there is additional information that
14 members of the public and residents of the community would
15 like to have considered by LAFCO. And I certainly want to
16 urge LAFCO as it moves forward in this process. And Larry
17 is correct in saying that the final determination of
18 viability is not made by my office or by this Commission,
19 nor does any action that we may take today suggest that.
20 It is to be made officially by LAFCO.
21 So I would suggest that LAFCO try to integrate
22 some of the information that's been shared today that's
23 obviously been offered in both written and verbal form
24 before this Commission.
25 But I am also mindful of the fact that we have

1 very limited authority here on this Commission; that we
2 must really look at what the jurisdiction is of this
3 Commission and what the very focused responsibility is of
4 this Commission, and that is really the tidelands trust.
5 And in the tidelands trust the role that we have as
6 Commission is really to keep the interests of the State
7 and the port within that framework as we move forward.
8 And the material that has been presented by our staff, I
9 think, has been presented in their best efforts to look at
10 some of these issues.
11 I am not satisfied, however, that we are doing
12 all that we can to be an advocate for some of these
13 communities that are neighbors to the ports -- and we've
14 had this discussion, Paul, on many occasions --
15 whether it's in Oakland where we -- by the way, for those
16 of you who don't know, the people of Oakland feel just as
17 strongly about their community around that port as you do.
18 The Port of San Francisco is a little bit more
19 isolated, so we have the residential communities that are
20 impacted by the decisions of that port.
21 Certainly the Port of Long Beach -- when we meet
22 in Long Beach we have the engagement, the involvement,
23 appropriately. A lot of the communities there who feel as
24 strongly as you do about what's going on in their
25 community.

1 And we've already had that situation in San
2 Diego.
3 So I certainly would like to really discuss,
4 after we take action on the item before this Board today,
5 how we might move forward in trying to make sure that we
6 really insist on a partnership that -- not only here in
7 Los Angeles, but in Long Beach and San Diego and Oakland,
8 and San Francisco -- really moves forward this issue of
9 responsibility for quality of community.
10 And when we talk about representation in these
11 communities, I don't think it's adequate that the state
12 has to step in and be the advocate for the local
13 communities, in which we have done, I might add, prior to
14 the current leadership of Mayor Hahn and many members of
15 the city council including Councilwoman Janice Hahn. We
16 have had to assume that role because there has been an
17 absentee sense of support for the harbor and Wilmington.
18 And just as we are assuming that role in Rincon Island at
19 this point, I'd like to see us not have to be in that
20 role. I don't think it's necessarily the appropriate role
21 for the State.
22 And so I would like us to begin to examine how we
23 can begin to use our influence and our leverage as a
24 Commission to try to exact a higher level of involvement
25 of community residents on some of these issues.

1 I certainly share with you, Mr. Bustamante, some
2 of your concerns in that regard. But I am going to
3 support after much reflection today the staff
4 recommendation. So that will be unanimous support of the
5 staff recommendation.
6 I would like to be the maker of a motion though,
7 that at our meeting in September, to give you adequate
8 time, Mr. Thayer, that we review where we are going to be
9 in this wider issue. And I want to broaden it out. I
10 want it to be more than the issue of the harbor of Los
11 Angeles. I want to look at the five major harbors -- or
12 ports, excuse me, as we look at the State of California
13 and try to determine what kind of paradigm might be
14 developed, Mr. Thayer, to use the resources and the
15 influence and the legality that we represent in the State
16 Lands Commission to encourage and urge local jurisdictions
17 to be more respectful of the communities in which they are
18 operating their activities. And I think we have a second
19 and perhaps unanimous vote.
20 we have unanimous vote of the Commission in that
21 regard.
22 Are there any concluding comments that we need to
23 make on this matter? If not, I'd like to move to, I
24 think, the final matter before the Commission today.
25 COMMISSIONER BUSTAMANTE: I just want to be able

1 to make a final comment before the meeting adjourns.
2 CHAIRPERSON CONNELL: We now have concluded the
3 regular calendar. And there is a public comment period
4 which we always have at the end of our Commission hearing.
5 If there is anyone who would like to address the
6 Commission at this point, we are receptive to that.
7 Not seeing anyone who's moving forward to do
8 that -- yes.
9 MR. FASULLO: Frank Fasullo. I'd like to know
10 how you managed to have a unanimous decision when the
11 facts that were put in front of you say that you weren't
12 dealing with all the facts. Is this a totalitarian
13 government now or is this still a democratic thing and we
14 are -- you guys -- do you represent me or do you represent
15 yourselves or -- who do you represent here? That would be
16 my question. As a veteran, who do you represent? And I
17 just cannot believe that you just made a unanimous
18 decision knowing that you did not have all the
19 information.
20 Thank you.
21 CHAIRPERSON CONNELL: Mr. Bustamante.
22 You have another comment? Please.
23 MR. DYER: My name is Dennis Dyer. I assume that
24 your unanimous decision is that you are going -- that the
25 provisions as recommended to the Commission, that is the

1 provisions that are on page 11, are exactly the provisions
2 that you have thus passed and this is the exact wording.
3 CHAIRPERSON CONNELL: Mr. Thayer.
4 EXECUTIVE OFFICER THAYER: My interpretation of
5 the Commission's action was to adopt the staff recommended
6 action, which is spelled out in the staff report, yes.
7 MR. DYER: That's the last page of the staff
8 report.
9 EXECUTIVE OFFICER THAYER: Yes.
10 MR. DYER: And so that is the official action of
11 this Commission?
12 EXECUTIVE OFFICER THAYER: Yes.
13 MR. DYER: Very good. Thank you.
14 CHAIRPERSON CONNELL: Any further public comment?
15 If not, Mr. Bustamante.
16 COMMISSIONER BUSTAMANTE: Madam Chair and
17 Commissioners, as overseers to the San Diego port and to
18 their granted public trust tidelands, I think we need to
19 take a more active role to ensure that the San Diego Bay,
20 especially the south bay wildlife refuge, is protected
21 when a lessee is causing severe environmental damage.
22 It currently has an application into the regional
23 water board to renew their discharge permit, which is to
24 be voted on in May. The draft permit is far too lenient.
25 Among other things, it fails to establish several critical

1 discharge limits for copper, zinc, chlorine, and does not
2 establish a maximum temperature, a limit for water
3 discharge. It doesn't require any independent monitoring,
4 and it doesn't assess maximum impacts. There is no
5 requirement for mitigation on the impacts that are
6 assessed.
7 I would like to ask that the Commission consider
8 a motion to look into the issue and express the concerns
9 of these specific items via letter to both the port and to
10 the regional water control board.
11 CHAIRPERSON CONNELL: Ms. Porini.
12 ACTING COMMISSIONER PORINI: I would like to have
13 the staff -- I'm supportive. I'd like to have staff
14 prepare a letter and distribute it to members, if that's
15 acceptable.
16 COMMISSIONER BUSTAMANTE: Yes, the meeting of the
17 regional water board will be meeting in May, so we can't
18 wait until the next Commission meeting.
19 CHAIRPERSON CONNELL: Well, may I suggest that
20 what we do, since this is new information for the
21 Commission at the end of an extended morning, could we,
22 Mr. Thayer, try to put that in writing and circulate it
23 among Members of the Commission. And if Commission
24 Members are comfortable, then they will sign that letter
25 as individuals and as Commissioners.

1 EXECUTIVE OFFICER THAYER: Certainly, we could do
2 that. And our intent would be to try and get that out to
3 you by the end of next month.
4 MR. PARKER: Timothy Parker for the Steamship
5 Association. Page 11 of the report is not what you voted
6 upon, I believe. Page 11 would be, in effect, the
7 negative, not the positive. You voted actually to keep
8 the status quo. If you voted on 11, would that not have
9 changed everything?
10 COMMISSIONER BUSTAMANTE: We voted to keep the
11 status quo.
12 MR. PARKER: You voted to keep the status quo.
13 The gentleman who just asked you the question was
14 referring to Page 11. I think he was in error.
15 CHAIRPERSON CONNELL: No, actually Page 11 is the
16 action of the Commission.
17 Mr. Thayer.
18 EXECUTIVE OFFICER THAYER: Yes, that's correct.
19 And page 11 objects to the transfer --
20 MR. PARKER: Rejects --
21 EXECUTIVE OFFICER THAYER: Rejects it.
22 MR. PARKER: Thank you.
23 CHAIRPERSON CONNELL: Seeing that there is no
24 other business before this Commission, we stand adjourned.
25 Thank you.

(Thereupon the California State Lands Commission meeting adjourned at 1:30 p.m.)

1 CERTIFICATE OF REPORTER

2 I, JAMES F. PETERS, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:
5 That I am a disinterested person herein; that the
6 foregoing State Lands Commissioner meeting was reported in
7 shorthand by me, James F. Peters, a Certified Shorthand
8 Reporter of the State of California, and thereafter
9 transcribed into typewriting.
10 I further certify that I am not of counsel or
11 attorney for any of the parties to said meeting nor in any
12 way interested in the outcome of said meeting.
13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 25th day of April, 2002.
15
16
17
18
19
20
21
22 JAMES F. PETERS, CSR, RPR
23 Certified Shorthand Reporter
24 License No. 10063
25