

MEETING
STATE OF CALIFORNIA
LANDS COMMISSION

CITY OF NEWPORT BEACH
COUNCIL CHAMBERS
100 CIVIC CENTER DRIVE
NEWPORT BEACH, CALIFORNIA

WEDNESDAY, AUGUST 19, 2015
1:34 P.M.

JAMES F. PETERS, CSR
CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 10063

A P P E A R A N C E S

COMMISSION MEMBERS:

Mr. Gavin Newsom, Lieutenant Governor, Chairperson, also represented by Mr. Kevin Schmidt

Mr. Michael Cohen, Director of Department of Finance, represented by Ms. Eraina Ortega

Ms. Betty T. Yee, State Controller

STAFF:

Ms. Jennifer Lucchesi, Executive Officer

Mr. Dave Brown, Assistant Executive Officer

Ms. Pam Griggs, Assistant Chief Counsel

Mr. Brian Bugsch, Chief, Land Management Division

Ms. Steve Curran, Petroleum Drilling Engineer

Ms. Jennifer DeLeon, Environmental Program Manager, Division of Environmental Planning and Management

Ms. Grace Kato, Public Land Management Specialist

Ms. Sheri Pemberton, Chief, External Affairs and Legislative Liaison

ATTORNEY GENERAL:

Mr. Joe Rusconi, Deputy Attorney General

ALSO PRESENT:

Mr. Roger Bloom, Bolsa Chica Land Trust

Ms. Molly Burdick-Whipp, Bolsa Chica Conservancy

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Ms. Shirley Dettloff, Amigos de Bolsa Chica

Ms. Jenna Driscoll, Santa Barbara Channelkeeper

Dr. Lee Heller

Ms. Hillary Hauser, Heal the Bay

Ms. Fran Farina, Sierra Club

Ms. Julie Riley, City of Los Angeles

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I 1:30 P.M. - CLOSED SESSION: AT ANY TIME DURING
THE MEETING THE COMMISSION MAY MEET IN A SESSION
CLOSED TO THE PUBLIC TO CONSIDER THE FOLLOWING
PURSUANT TO GOVERNMENT CODE SECTION 11126: 2

A. LITIGATION.
THE COMMISSION MAY CONSIDER PENDING AND
POSSIBLE LITIGATION PURSUANT TO THE
CONFIDENTIALITY OF ATTORNEY-CLIENT
COMMUNICATIONS AND PRIVILEGES PROVIDED FOR
IN GOVERNMENT CODE SECTION 11126(e).

1. THE COMMISSION MAY CONSIDER MATTERS THAT
FALL UNDER GOVERNMENT CODE SECTION
11126(e)(2)(A):

California State Lands Commission v.
City and County of San Francisco

Defend Our Waterfront v. California
State Lands Commission et al.

Seacliff Beach Colony Homeowners
Association v. State of California
et al.

SLPR, LLC et al. v. San Diego Unified
Port District, State Lands Commission

San Francisco Baykeeper v. State Lands
Commission

Keith Goddard v. State of California

Sportsman's Paradise v. California
State Lands Commission

California State Lands Commission v.
Lee Stearn

City of Santa Monica et al. v.
Nugent

City of Santa Monica et al. v.
Ornstein

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City of Santa Monica et al. v. Bader
City of Santa Monica et al. v. Levy
City of Santa Monica et al. v. Philbin
City of Santa Monica at al. v. Greene
City of Santa Monica et al. v. Prager
Sierra Club et al. v. City of Los
Angeles et al.

2. THE COMMISSION MAY CONSIDER MATTERS
THAT FALL UNDER GOVERNMENT CODE SECTION
11126(e)(2)(B) or (2)(C).

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS.
THE COMMISSION MAY CONSIDER MATTERS THAT
FALL UNDER GOVERNMENT CODE SECTION
11126(c)(7) - TO PROVIDE DIRECTIONS TO ITS
NEGOTIATORS REGARDING PRICE AND TERMS FOR
LEASING OF REAL PROPERTY.

1. Provide instructions to negotiators
regarding entering into a new lease of
state land for the Broad Beach
Restoration Project, City of Malibu,
Los Angeles County. Negotiating
parties: Broad Beach Geologic Hazard
Abatement District, State Lands
Commission; Under negotiation: price
and terms.

C. OTHER MATTERS.
THE COMMISSION MAY CONSIDER MATTERS THAT
FALL UNDER GOVERNMENT CODE SECTION
11126(e)(2)(B) or (2)(C). THE COMMISSION
MAY ALSO CONSIDER PERSONNEL ACTIONS TO
APPOINT, EMPLOY, OR DISMISS A PUBLIC
EMPLOYEE AS PROVIDED IN GOVERNMENT CODE
SECTION 11126(a)(1).

II OPEN SESSION

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III	CONFIRMATION OF MINUTES FOR THE MEETING OF JUNE 29, 2015	3
IV	EXECUTIVE OFFICER'S REPORT	3

Continuation of Rent Actions to be taken by the CSLC Executive Officer pursuant to the Commission's Delegation of Authority:

- Harold M. Messmer, Jr. and Marcia N. Messmer, Trustees of the Messmer Family Trust U/D/T dated October 1, 1993 (Lessee): Continuation of annual rent at \$1,395 per year for a General Lease - Recreational Use located on sovereign land in Lake Tahoe adjacent to 4440 North Lake Boulevard, near Carnelian Bay, Placer County. (PRC 4380.1)

V	CONSENT CALENDAR C01-C78	14
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THE FOLLOWING ITEMS ARE CONSIDERED TO BE NON-CONTROVERSIAL AND ARE SUBJECT TO CHANGE AT ANY TIME UP TO THE DATE OF THE MEETING.

LAND MANAGEMENT DIVISION

NORTHERN REGION

C01 DELMAR JACK KENDALL AND REBECCA L. KENDALL AS TRUSTEES OF THE JACK AND REBECCA KENDALL 2005 FAMILY TRUST DATED AUGUST 26, 2005 (LESSEE); TAHOE LIVING, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider termination of Lease No. PRC 8980.9, a General Lease - Recreational Use, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 7728 North Lake Boulevard, near Tahoe Vista, Placer County: for two existing mooring buoys. CEQA Consideration: termination - not a project; lease - categorical exemption. (PRC 8980.1; RA# 32114) (A 1; S 1) (Staff: M.J. Columbus)

C02 DUME VIEW, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4570

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North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier with boat slip, boat lift, and two mooring buoys previously authorized by the Commission; and an existing boat hoist and sundeck with stairs not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 3695.1; RA# 40214) (A 1; S 1) (Staff: M.J. Columbus)

C03 EDWARD R. FRAZER, TRUSTEE OF THE EDWARD R. FRAZER FAMILY TRUST (E.R.F.; S S.P.), DATED OCTOBER 2, 2002 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4796 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier, portion of a cabin, boat lift, and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 5177.1; RA# 31314) (A 1; S 1) (Staff: M.J. Columbus)

C04 HUGH W. HARRIS AS TRUSTEE OF THE HWH TRUST AND MURIEL M. HARRIS AS TRUSTEE OF THE MMH REVOCABLE TRUST (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5050 West Lake Boulevard, near Homewood, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 6713.1; RA# 33414) (A 1; S 1) (Staff: M.J. Columbus)

C05 KANIGO PIER ASSOCIATION, INC. (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to Assessor's Parcel Numbers 097-073-041 and 097-073-044, near Homewood, Placer County; for an existing pier and six existing mooring buoys not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 26645; RA# 15112) (A 1; S 1) (Staff: M.J. Columbus)

C06 LAWRENCE JOSEPH GANNON AND PATRICIA ANNE GANNON, TRUSTEES OF THE GANNON FAMILY TRUST DECLARATION OF LIVING TRUST DATED DECEMBER 9, 2005 (LESSEE): Consider application for an amendment to Lease No. PRC 5624.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8754 Brockway Vista Avenue, near Kings Beach, Placer County; for an existing pier, boat lift, and one mooring buoy. CEQA

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Consideration: not a project. (PRC 5624.1; RA# 32514)
(A 1; S 1) (Staff: M.J. Columbus)

C07 MICHAEL J. CORLEY AND LORI B. CORLEY, TRUSTEES OF THE CORLEY LIVING TRUST DATED 11/13/90 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 7175 West Lake Boulevard, near Tahoma, El Dorado County; for one existing mooring buoy previously authorized by the Commission and one existing mooring buoy not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 7402.1; RA# 26914) (A 5; S 1) (Staff: M.J. Columbus)

C08 MICHAEL SHUMATE AND GAIL SHUMATE (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8371 Meeks Bay Avenue, near Tahoma, El Dorado County; for an existing pier and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 7316.1; RA# 32014) (A 5; S 1) (Staff: M.J. Columbus)

C09 PARKE H. HAFNER AND SARAH C. HAFNER, AS TRUSTEES OF THE PARKE H. AND SARAH C. HAFNER FAMILY TRUST; CAROL C. SLEETH AND BOYD C. SLEETH; THOMAS B. CLIFFORD AND SARAH C. CLIFFORD; KATHERINE J. CLIFFORD (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Donner Lake, adjacent to 14376 South Shore Drive, near the town of Truckee, Nevada County; for an existing pier. CEQA Consideration: categorical exemption. (PRC 7532.1; RA# 34114) (A 1; S 1)(Staff: M.J. Columbus)

C10 SHE'S SUCH A LADY, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (LESSEE): Consider amendment of lease and revision of rent to Lease No. PRC 4852.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 221 Paradise Flat Lane, near Rubicon Bay, El Dorado County; for an existing pier, boat lift, swim float, and two mooring buoys. CEQA Consideration: not projects. (PRC 4852.1) (A 5; S 1) (Staff: M.J. Columbus)

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C11 YOLO SUTTER BOAT CLUB, INC., A CALIFORNIA CORPORATION (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 42750 Front Street near Knights Landing, Yolo County; for two uncovered single-berth floating boat docks and appurtenant facilities. CEQA Consideration: categorical exemption.(PRC 5629.1; RA# 33514) (A 4; S 3) (Staff: M.J. Columbus)

C12 DOROTHY MARIE PROWELL, AS TRUSTEE OF THE RESIDUAL TRUST UNDER THE PROWELL FAMILY TRUST DATED NOVEMBER 19, 1991 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8857 Rubicon Drive, near Tahoma, El Dorado County; for one existing mooring buoy. CEQA Consideration: categorical exemption. (PRC 6832.1; RA# 35814) (A 5; S 1) (Staff: S. Kreutzburg)

C13 ERIC P. WENTE AND AREL S. WENTE, TRUSTEES OF THE ERIC AND AREL WENTE LIVING TRUST DATED JULY 19, 1999; PHILIP R. WENTE AND JULIE A. WENTE, TRUSTEES OF THE PHILIP AND JULIE WENTE LIVING TRUST DATED 7/19/99; AND BUXTON L. LAYTON, III AND CAROLYN WENTE, TRUSTEES OF THE BUXTON AND CAROLYN LAYTON TRUST DATED 12/15/99 (LESSEE); PEC TAHOE PROPERTIES, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider termination of Lease No. PRC 7634.9, a Recreational Pier Lease; and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 7181 West Lake Boulevard, near Tahoma, El Dorado County; for an existing pier and one mooring buoy. CEQA Consideration: termination - not a project; lease - categorical exemption. (PRC 7634.1;

RA# 25914) (A 5; S 1) (Staff: S. Kreutzburg)

C14 JOHN KERSTEN KRAFT AND SUSAN KRAFT, TRUSTEE, OR SUCCESSOR TRUSTEE(S) THERETO, OF THE KRAFT FAMILY TRUST, UNDER TRUST AGREEMENT DATED APRIL 22, 2008 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2470 West Lake Boulevard, near Sunnyside, Placer County; for an existing pier, boat

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lift, and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 4171.1; RA# 33114) (A 1; S 1) (Staff: S. Kreutzburg)

C15 MARK ALAN HOGAN, FAMILY ADMINISTRATIVE TRUSTEE OF THE HOGAN FAMILY TRUST (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2624 West Lake Boulevard, near Tahoe City, Placer County; for an existing pier, boathouse with boat lift, and one mooring buoy previously authorized by the Commission; and an existing sundeck with stairs not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 3203.1; RA# 32614) (A 1; S 1)(Staff: S. Kreutzburg)

C16 PETER MARTIN GLICK AND LYNNE MARY GLICK, TRUSTEES OF THE GLICK REVOCABLE TRUST; MICHAEL D. GLICK AND BARBARA J. GLICK, TRUSTEES OF THE GLICK FAMILY LIVING TRUST DATED MARCH 7, 2003 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 849 Stateline Avenue, city of South Lake Tahoe, El Dorado County; for an existing pier and one mooring buoy. CEQA Consideration: categorical exemption. (PRC 3544.1; RA# 27814) (A 5; S 1) (Staff: S. Kreutzburg)

C17 ROBERT E. CHALLEY, TRUSTEE OF THE CHALLEY 1990 REVOCABLE TRUST (APPLICANT): Consider application for a General Lease - Recreational Use of sovereign land located in Lake Tahoe, adjacent to 2300 Sunnyside Lane, near Tahoe Pines, Placer County; for an existing pier, boat lift, and two existing mooring buoys previously authorized by the Commission; and one existing freshwater intake pipeline not previously authorized by the Commission. CEQA consideration: categorical exemption. (PRC 6685.1; RA# 34914) (A 1; S 1) (Staff: S. Kreutzburg)

C18 STEPHEN MILLHAM AND ANN FERRELL MILLHAM (LESSEE); MARC METCALF AND DEBORAH METCALF, AS TRUSTEES OF THE METCALF FAMILY TRUST UNDER AGREEMENT DATED NOVEMBER 15, 2012 (APPLICANT): Consider termination of Lease No. PRC 8081.9, a Recreational Pier Lease, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3334 Edgewater Drive, near Tahoe City, Placer County; for

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two existing mooring buoys. CEQA Consideration: termination - not a project; lease - categorical exemption. (PRC 8081.1; RA# 31614) (A 1; S 1) (Staff: S. Kreutzburg)

C19 WILLIAM ECCLES HAYWARD; HOPE HAYWARD, AS TRUSTEE OF THE HOPE HAYWARD 2009 REVOCABLE TRUST DATED JUNE 17, 2009; AND WENDY ANN HAYWARD, TRUSTEE OF THE WENDY ANN HAYWARD 2012 IRREVOCABLE TRUST (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5602 North Lake Boulevard, Carnelian Bay, Placer County; for an existing pier, gantry with boat hoist, and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 4148.1; RA# 31414) (A 1; S 1) (Staff: S. Kreutzburg)

C20 SUZI BERENS, VICTORIA A. SKAGGS, AND MERRIAM LEWIS, AS TRUSTEE OF THE MERRIAM E. LEWIS LIVING TRUST DATED MAY 28, 2004 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3725 Idlewild Way, near Homewood, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 8607.1; RA# 26314) (A 1; S 1) (Staff: S. Kreutzburg)

C21 WALT S. HOEFLER AND MARY R. HOEFLER, OR THEIR SUCCESSORS, AS TRUSTEES UNDER AN AGREEMENT OF REVOCABLE TRUST DATED DECEMBER 23, 1980, AND AS AMENDED (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8349 Meeks Bay Avenue, near Meeks Bay, El Dorado County; for an existing pier, boat lift, and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 7868.1; RA# 37414) (A 5; S 1) (Staff: S. Kreutzburg)

C22 KELLY F. CRANE (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Petaluma River, adjacent to 5636 Lakeville Highway, Lakeville, Sonoma County; for an existing uncovered floating boat dock, appurtenant facilities, and shed previously authorized by the Commission and an existing storage building and deck

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with shed not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 5694.1; RA# 16809) (A 10; S 3) (Staff: N. Lee)

C23 ANTHONY S. BARTH AND ROBYN A. BARTH (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Donner Lake, adjacent to 14550 South Shore Drive, near the town of Truckee, Nevada County; for the extension of an existing pier not previously authorized by the Commission and installation of two jet-ski lifts. CEQA consideration: categorical exemption. (W 8670.35; RA# 39014) (A 1; S 1) (Staff: M. Schroeder)

C24 CITY OF CORNING (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the Sacramento River, downstream of the Woodson Bridge, near the city of Corning, Tehama County; for existing bank protection. CEQA Consideration: categorical exemption. (PRC 8076.9; RA# 21113) (A 3; S 4) (Staff: M. Schroeder)

C25 COUNTY OF SONOMA (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the Russian River, adjacent to Assessor's Parcel Numbers 097-130-015, 021; 096-170-007; and 096-140-021, near the city of Sebastopol, Sonoma County; for an existing vehicular bridge known as the Moscow Road Bridge. CEQA Consideration: categorical exemption. (PRC 3348.9; RA# 27714) (A 2; S 2) (Staff: M. Schroeder)

C26 EDWARD GOHL (LESSEE); JULIA E. BURT AND K. RANDALL BURT, TRUSTEES OF THE BURT FAMILY TRUST, U.D.T. DATED MARCH 25, 2003 (APPLICANT): Consider acceptance of a quitclaim deed for Lease No. PRC 3592.1, a General Lease - Recreational Use, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4760 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier and one mooring buoy. CEQA Consideration: quitclaim ;V not a project; lease - categorical exemption. (PRC 3592.1; RA# 37914) (A 1; S 1) (Staff: M. Schroeder)

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C27 GEA HOLDINGS, L.L.C., AN IOWA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5970 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 8599.1; RA# 11614) (A 1; S 1)(Staff: M. Schroeder)

C28 HENRIS INVESTMENTS, LP (LESSEE/SUBLESSOR); LIND MARINE OPERATIONS (FORMERLY JERICO PRODUCTS, INC.) (SUBLESSEE): Consider revision of rent to Lease No. PRC 532.1, a General Lease - Industrial Use, and approval of a sublease, of sovereign land located in the Petaluma River, adjacent to Assessor's Parcel Numbers 019-220-036 and 019-220-004, near the city of Petaluma, Sonoma County; for a loading pier with dolphins and off-loading dock for sand and gravel. CEQA Consideration: not projects. (PRC 532.1; RA# 17614)(A 10; S 3) (Staff: M. Schroeder)

C29 JAY L. VERKLER AND TAMIKO K. VERKLER AS TRUSTEES OF THE VERKLER FAMILY DONNER LAKE CABIN REVOCABLE TRUST, DATED 22 DEC 2012; AND DENA E. GAHERTY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Donner Lake, adjacent to 14530 South Shore Drive, near the town of Truckee, Nevada County; for reconstruction of an existing pier not previously authorized by the Commission and installation of two jet-ski lifts. CEQA Consideration: categorical exemption. (W 8670.34; RA# 37814) (A 1; S 1) (Staff: M. Schroeder)

C30 LELAND F. PORTEOUS AND MARY L. PORTEOUS, TRUSTEES OF THE LELAND AND MARY PORTEOUS REVOCABLE TRUST CREATED AUGUST 18, 1997; LELAND F. PORTEOUS AND MARY L. PORTEOUS; GEORGE J. SORNBORGER AND MARGARET E. SORNBORGER, TRUSTEES OF THE GEORGE AND MARGARET SORNBORGER FAMILY TRUST DATED OCTOBER 12, 1987; ROBERT M. DIEL AND JOAN S. DIEL (FORMERLY KNOWN AS JOAN E. DIEL); AND ROBERT M. DIEL AND JOAN S. DIEL (FORMERLY KNOWN AS JOAN E. DIEL), TRUSTEES OF THE ROBERT MANN DIEL AND JOAN S. DIEL REVOCABLE FAMILY TRUST DATED FEBRUARY 28, 1996 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3275 West Lake

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Boulevard, near Homewood, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 8621.1; RA# 02914) (A 1; S 1) (Staff: M. Schroeder)

C31 WSC INVESTORS, LLC (LESSEE); HOMEWOOD VILLAGE RESORTS, LLC (SUBLESSEE): Consider amendment and revision of rent to Lease No. PRC 8052.1, a General Lease - Commercial Use of sovereign land located in Lake Tahoe, adjacent to 5160 West Lake Boulevard, near Homewood, Placer County. CEQA Consideration: not projects. (PRC 8052.1) (A 1; S 1) (Staff: M. Schroeder)

C32 EUREKA READY MIX CONCRETE COMPANY, INC. (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in the Eel River, adjacent to Assessor's Parcel Numbers 201-221-009, 201-261-001, 106-221-001, 106-221-003, 106-221-004, and 106-221-005 near Fortuna, Humboldt County; for a seasonal bridge. CEQA Consideration: California Coastal Commission Coastal Development Permit No. 1-15-0204. (PRC 7988.1; RA# 20013) (A 1; S 2) (Staff: B. Terry)

C33 FRANKLIN PECK AND RONALD MEIDINGER, DBA GRIMES BOAT LANDING (APPLICANT): Consider application for a General Lease - Commercial Use, of sovereign land located in the Sacramento River, adjacent to Assessor's Parcel Numbers 019-110-019 and 019-110-021, near Grimes, Colusa County, for a commercial marina consisting of three existing floating boat docks with ramps previously authorized by the Commission, and one existing floating boat dock with ramp and one boat hoist not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 3309.1; RA# 30914) (A 4; S 4)(Staff: B. Terry)

C34 LELAND ROCK (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in the Van Duzen River, adjacent to Assessor Parcel Number 201-261-009, near Alton, Humboldt County; for two seasonal bridges. CEQA Consideration: California Coastal Commission Coastal Development Permit No. 1-15-0205. (PRC 7989.1; RA# 29014) (A 1; S 2) (Staff: B. Terry)

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C35 LIND MARINE INCORPORATED (APPLICANT): Consider application for a General Lease - Industrial Use, of sovereign land located in the Petaluma River, adjacent to Assessor's Parcel Number 007-700-006, near the city of Petaluma, Sonoma County; for an existing dock and dolphin pilings. CEQA Consideration: categorical exemption. (PRC 6695.1; RA# 04114) (A 10; S 3) (Staff: B. Terry)

C36 MERCER-FRASER COMPANY (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in the Eel River, adjacent to Assessor's Parcel Number 200-341-005, near Fortuna, Humboldt County; for a seasonal bridge. CEQA Consideration: California Coastal Commission Coastal Development Permit No. 1-09-0277. (PRC 7760.1; RA# 29114) (A 1; S 2)(Staff: B. Terry)

C37 MERCER-FRASER COMPANY (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in the Eel River, adjacent to Assessor's Parcel Numbers 106-041-015, 200-352-006, and 200-352-009, near Fortuna, Humboldt County; for a seasonal bridge. CEQA Consideration: California Coastal Commission Coastal Development Permit No. 1-09-0277. (PRC 7797.1;RA# 29214) (A 1; S 2) (Staff: B. Terry)

BAY/DELTA REGION

C38 GILBERT RAY LABRIE (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Georgiana Slough, adjacent to 14315 River Road, near Walnut Grove, Sacramento County; for an existing uncovered floating boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 5279.1; RA# 40114) (A 11; S 3) (Staff: G. Asimakopoulos)

C39 GREGORY A. CRUZ AND GLADYS CRUZ, TRUSTEES, OR THEIR SUCCESSORS IN TRUST, UNDER THE CRUZ FAMILY TRUST, DATED JUNE 29, 1984, AND ANY AMENDMENTS THERETO (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in Georgiana Slough, adjacent to 17071 Terminous Road, near the city of Isleton,

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Sacramento County; for an existing covered single-berth floating boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (PRC 8628.1; RA# 26514) (A 11; S 3) (Staff: G. Asimakopoulos)

C40 JAY MICHAEL UHALT AND MARLA M. UHALT, CO-TRUSTEES OF THE JAY AND MARLA UHALT 1998 TRUST (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 18075 State Highway 160, near the city of Rio Vista, Sacramento County; for an existing uncovered single-berth floating boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 8626.1; RA# 38114) (A 11; S 3) (Staff: G. Asimakopoulos)

C41 MAN WAH WONG AND BAO LING YU (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 17420 Grand Island Road, on Long Island, near Walnut Grove, Sacramento County; for an existing uncovered fixed platform pier and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 4785.1; RA# 42514) (A 11; S 3) (Staff: G. Asimakopoulos)

C42 MICHAEL D. POWELL AND KIRSTEN M. POWELL, TRUSTEES OF THE POWELL LIVING TRUST DATED AUGUST 9, 2007 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in Steamboat Slough, adjacent to 14811 Grand Island Road, on Grand Island, near Walnut Grove, Sacramento County; for an existing uncovered floating boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (PRC 8612.1; RA# 38214) (A 11; S 3) (Staff: G. Asimakopoulos)

C43 GEORGIA-PACIFIC GYPSUM, LLC (APPLICANT): Consider adoption of a Mitigated Negative Declaration, State Clearinghouse No. 2015062045, adoption of a Mitigation Monitoring Program, acceptance of a Quitclaim Deed for Lease No. 1589.1, and an application for a General Lease - Industrial Use, of filled and unfilled sovereign land, located in the San Joaquin River,

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adjacent to 801 Minaker Drive, Antioch, Contra Costa County; for existing industrial docking and offloading facilities and ancillary improvements previously authorized by the Commission; and removal, installation, and repair of industrial wharf components not previously authorized by the Commission. (PRC 1589.1; RA# 14400) (A 11, 15; S 7) (Staff: V. Caldwell)

C44 HANS ERIC EIDE AND LEONETTE PRINCE EIDE, AS TRUSTEES OF THE EIDE FAMILY TRUST, 2003 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Petaluma River, adjacent to 124 Harbor Drive, near the city of Novato, Marin County, for an existing uncovered floating boat dock, walkway, ramp, platform deck, and shed. CEQA Consideration: categorical exemption. (PRC 3542.1; RA# 07314) (A 10; S 2) (Staff: V. Caldwell)

C45 HUDSON BAY PARK PLAZA LLC (ASSIGNOR); BURLINGAME BAY, LLC, A DELAWARE LIMITED LIABILITY COMPANY (ASSIGNEE): Consider application for the assignment of Lease No. PRC 6127.1, a General Lease - Commercial Use, of filled and partially filled tidelands in San Francisco Bay, adjacent to the Sanchez Channel and Burlingame Lagoon, Burlingame, San Mateo County; for an existing landscaped segment of the San Francisco Bay Trail including paved walkways, bike trails, viewing areas, benches, trash containers, and commercial parking. CEQA Consideration: not a project. (PRC 6127.1; RA# 20614) (A 22; S 13) (Staff: A. Franzoia)

C46 PACIFIC GAS AND ELECTRIC COMPANY (LESSEE): Consider application for an amendment to Lease No. PRC 5438.1D, a General Lease - Right-Of-Way Use, of sovereign land located in Hog Slough, near Lodi, San Joaquin County; to abandon in place an existing six-inch diameter natural gas transmission line. CEQA Consideration: categorical exemption. (PRC 5438.1D; RA# 38814) (A 13; S 5) (Staff: A. Franzoia)

C47 DELTA GAS GATHERING, INC. (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in Miner Slough, Ryer

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Island, Solano County; for an existing six-inch diameter natural gas pipeline. CEQA Consideration: categorical exemption. (PRC 7832.1; RA# 28914) (A 11; S 3)(Staff: A. Franzoia)

C48 CARMICHAEL WATER DISTRICT (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the American River, between Carmichael and the city of Rancho Cordova, Sacramento County; for the removal of a 33-inch diameter abandoned water pipeline, related structures, and culvert not previously authorized by the Commission, and the construction, use, and maintenance of a 30-inch diameter water pipeline, culvert, stream restoration, and bank protection. CEQA Consideration: Mitigated Negative Declaration, adopted by the Carmichael Water District, State Clearinghouse No. 2015022027, and adoption of a Mitigation Monitoring Program. (W 26851; RA# 27314) (A 8; S 4) (Staff: W. Hall)

C49 PRESTON SCOTT MCCASKILL (APPLICANT): Consider acceptance of a quitclaim deed for Lease PRC 6936.9, a General Lease - Recreational and Protective Structure Use, and an application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in Steamboat Slough, adjacent to 13890 Grand Island Road, near Walnut Grove, Sacramento County; for an existing uncovered floating dock, appurtenant facilities, and bank protection. CEQA Consideration: quitclaim ;V not a project; lease - categorical exemption.(PRC 6936.1; RA# 38014) (A 11; S 3) (Staff: W. Hall)

C50 COUNTY OF SAN JOAQUIN AND CITY OF RIVERBANK (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the Stanislaus River at the Santa Fe Road crossing, near the city of Riverbank; San Joaquin and Stanislaus Counties; for an existing vehicular bridge. CEQA Consideration: categorical exemption. (PRC 3449.9; RA# 20414) (A 12; S 5)(Staff: M. Hays)

C51 EL CAMINO BOAT CLUB, INC. (LESSEE): Consider revision of rent to Lease No. PRC 3440.1, a General Lease - Recreational, Protective Structure, and

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Right-of-Way Use, of sovereign land located in Little Potato Slough, adjacent to Assessor's Parcel Number 069-030-15, between Bouldin Island and Terminous Tract, San Joaquin County; for an armored submarine electric cable, fishing pier, and bank protection. CEQA Consideration: not a project. (PRC 3440.1) (A 13; S 5)(Staff: N. Lavoie)

C52 KEITH HILLEN AND MARY HILLEN (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 5307 Garden Highway, near the city of Sacramento, Sacramento County; for an existing single-berth floating boat dock, appurtenant facilities, and bank protection not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 4777.1; RA# 13213) (A 7; S 6) (Staff: N. Lavoie)

CENTRAL/SOUTHERN REGION

C53 DOS CUADRAS OFFSHORE RESOURCES (DCOR), LLC (LESSEE): Consider revision of rent to Lease No. PRC 3394.1, a General Lease - Right-of-Way Use, of sovereign land located in the Pacific Ocean, San Pedro Bay near the city of Seal Beach, Orange County; for four existing pipelines and one electrical conduit. CEQA Consideration: not a project. (PRC 3394.1) (A 72; S 34) (Staff: R. Collins)

C54 HUNTINGTON MARINA ASSOCIATION (LESSEE): Consider revision of rent to Lease No. PRC 3288.1, a General Lease - Recreational Use, of sovereign land located in Huntington Harbour, adjacent to Assessor's Parcel Numbers 178-581-02,-03, -04, and -05, City of Huntington Beach, Orange County; for 24 existing boat docks with dinghy docks and 24 access ramps. CEQA Consideration: not a project. (PRC 3288.1) (A 72; S 34) (Staff: R. Collins)

C55 PAUL S. AISEN AND MINDY L. AISEN (APPLICANT): Consider application for a General Lease - Protective Structure Use, of sovereign land located in the Pacific Ocean, adjacent to 301 Pacific Avenue, City of Solana Beach, San Diego County; for use and maintenance of an existing 35-foot seawall. CEQA

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Consideration: categorical exemption. (PRC 8190.1; RA# 39714) (A 78; S 39) (Staff: R. Collins)

C56 TERRY AND DALE LINGENFELDER FAMILY TRUST
(APPLICANT): Consider application for a General Lease - Protective Structure Use, of sovereign land located in the Pacific Ocean, adjacent to 309 Pacific Avenue, City of Solana Beach, San Diego County; for use and maintenance of an existing 35-foot seawall not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 26873; RA# 39614) (A 78; S 39) (Staff: R. Collins)

C57 CALIFORNIA DEPARTMENT OF TRANSPORTATION
(PERMITTEE): Consider amendment of a Public Agency Permit No. PRC 4402 and Right-of-Way Maps pursuant to Section 101.5 of the Streets and Highways Code and Section 6210.3 of the Public Resources Code, for sovereign land used for the Ventura Freeway, State Highway 101, near Seacliff, Ventura County. CEQA Consideration: categorical exemption. (PRC 4402.9) (A 37; S 19) (Staff: K. Colson, D. Simpkin)

C58 SOCAL HOLDING, LLC (APPLICANT): Consider application for a General Permit - Sand Removal Use, on sovereign land within the tidal inlet of the Bolsa Chica Lowlands Restoration Project area, near the intersection of Pacific Coast Highway and Seapoint Avenue, near the City of Huntington Beach, Orange County, for the removal of up to 10 cubic yards of sand annually. CEQA Consideration: categorical exemption. (PRC 8873.9; RA# 00415) (A 74; S 37) (Staff: W. Hall)

C59 SFPP, L.P., A DELAWARE LIMITED PARTNERSHIP
(LESSEE): Consider revision of rent to Lease No. PRC 8214.1, a General Lease - Right-of-Way Use, of sovereign land located in the Kings River, south of the city of Kingsburg, Tulare County; for an abandoned petroleum pipeline attached to the Union Pacific Railroad Bridge and an out-of-service petroleum pipeline under the Kings River. CEQA Consideration: not a project. (PRC 8214.1) (A 26; S 14) (Staff: C. Hudson)

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C60 AQUARIUM OF THE PACIFIC (APPLICANT): Consider application for a General Lease - Other, of sovereign and granted land located in the Pacific Ocean, adjacent to Santa Catalina Island and the city of Rancho Palos Verdes, Los Angeles County; to collect up to 1,000 pounds of assorted rocks annually. CEQA Consideration: categorical exemption. (W 26871; RA# 39314) (A 70, 66; S 26) (Staff: D. Simpkin)

C61 CITY OF LOS ANGELES DEPARTMENT OF WATER AND POWER (LADWP) (APPLICANT/LESSEE): Consider amendment to Lease No. PRC 8079.9, a General Lease - Public Agency Use, to construct and maintain 3.6 square miles of dust control and transition 1.8 square miles of existing dust control on the bed of Owens Lake, Inyo County. CEQA Consideration: Environmental Impact Report, certified by the Los Angeles Department of Water and Power, State Clearinghouse No. 2014071057, and adoption of a Mitigation Monitoring Program and Statement of Findings. (PRC 8079.9; RA# 23714) (A 26; S 8) (Staff: D. Simpkin)

60

C62 EDWARD LEROY CLARK, JR., TRUSTEE OF THE ED CLARK FAMILY TRUST DATED SEPTEMBER 8, 2010 (LESSEE): Consider revision of rent to Lease No. PRC 4094.1, a General Lease - Recreational Use, of sovereign land located in Huntington Harbour, adjacent to 17061 Bolero Lane, City of Huntington Beach, Orange County; for a boat dock, access ramp, boat lift, and cantilevered deck. CEQA Consideration: not a project. (PRC 4094.1) (A 72; S 34) (Staff: D. Simpkin)

C63 SAN DIEGO UNIFIED PORT DISTRICT (LESSEE): Consider revision of rent and an application for an encumbrancing agreement by Sunroad Harbor Island as sublessee under Lease No. PRC 8876.1, a General Lease - Commercial Use of sovereign land within San Diego Bay, in the City of San Diego, San Diego County; for a portion of a floating barge and appurtenant structures to be used as a restaurant facility. CEQA Consideration: not projects. (PRC 8876.1; RA# 38914) (A 78; S 39) (Staff: D. Simpkin)

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C64 SANTA CATALINA ISLAND COMPANY
(APPLICANT/SUBLESSOR); CATALINA BOATYARD, INC.
(SUBLESSEE): Consider application for a General Lease
- Commercial Use, and approval of a sublease of
sovereign land located at Pebble Beach, Santa Catalina
Island, Los Angeles County; for an existing concrete
ramp. CEQA Consideration: sublease - not a project;
lease - categorical exemption. (PRC 7332.1; RA# 21114)
(A 70; S 26) (Staff: D. Simpkin)

SCHOOL LANDS

C65 PACIFIC GAS AND ELECTRIC COMPANY (APPLICANT):
Consider application for a General Lease -
Right-of-Way Use, of State indemnity school land
located in a portion of Section 26 and 27, Township 9
North, Range 2 East, SBM, near the unincorporated
community of Newberry Springs, San Bernardino County;
for one existing high pressure gas transmission line,
blow-off line, and communication line. CEQA
Consideration: categorical exemption. (PRC 7526.2; RA#
15014)(A 33; S 16) (Staff: C. Hudson)

C66 SOUTHERN CALIFORNIA EDISON COMPANY (LESSEE):
Consider revision of rent to Lease No. PRC 5970.2, a
General Lease - Right-of-Way Use, of State school land
within a portion of Section 36, Township 5 South,
Range 15 East, SBM, near Desert Center, Riverside
County; for a 500 kV overhead electrical transmission
line. CEQA Consideration: not a project. (PRC 5970.2)
(A 56; S 28) (Staff: C. Hudson)

C67 VERIZON CALIFORNIA, INC. (APPLICANT): Consider
application for a General Lease - Right-of-Way Use,
of State indemnity school land located in a portion of
Section 26, Township 9 North, Range 2 East, near the
unincorporated community of Newberry Springs, San
Bernardino County; for an existing underground
communication line. CEQA Consideration: categorical
exemption. (PRC 7522.2; RA# 16011) (A 33; S 16)
(Staff: C. Hudson)

C68 BUREAU OF LAND MANAGEMENT AND CALIFORNIA STATE
LANDS COMMISSION, ACTING AS TRUSTEE OF THE SCHOOL
LANDS BANK FUND (PARTIES): Consider authorization of
the acceptance of a Clear List from the Bureau of Land
Management, and the execution and recordation of the

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Certificate of Acceptance and Consent to Recording for indemnity-selected school lands located near the intersection of Interstate 15 and L Street in the City of Barstow, San Bernardino County. CEQA Consideration: statutory exemption. (S 7845; W 26860) (A 33; S 16) (Staff: J. Porter, W. Crunk)

80

MINERAL RESOURCES MANAGEMENT

C69 eTRAC, INC. (APPLICANT): Consider an application for a three-year Non-Exclusive Geophysical Survey Permit to conduct low-energy geophysical surveys on tide and submerged lands under the jurisdiction of the California State Lands Commission. CEQA Consideration: Mitigated Negative Declaration, State Clearinghouse No. 2013072021, and adoption of a Mitigation Monitoring Program. (W 6005.157; RA# 00515) (A & S: Statewide) (Staff: R. B. Greenwood)

C70 WEST BASIN MUNICIPAL WATER DISTRICT (APPLICANT): Consider an application for a survey-specific Non-Exclusive Geophysical Survey Permit to conduct a low-energy geophysical survey using a weight drop on tide and submerged lands offshore El Segundo under the jurisdiction of the California State Lands Commission. CEQA Consideration: categorical exemption. (W6005.158; RA# 01415) (A 62; S 28) (Staff: R. B. Greenwood)

C71 SAN JOAQUIN AREA FLOOD CONTROL AGENCY (APPLICANT): Consider an application for a permit to conduct a Non-Exclusive Geological Survey in the Smith Canal, San Joaquin County. CEQA Consideration: categorical exemption. (W 6005.159; RA# 01515) (A 13; S 5) (Staff: R. B. Greenwood)

C72 U.S. BORAX INC. (APPLICANT): Consider acceptance of a partial Quitclaim Deed of State Mineral Extraction Lease No. PRC 5464.1, Owens Lake, Inyo County. CEQA Consideration: not a project. (PRC 5464.1) (A 26; S 8) (Staff: V. Perez)

MARINE FACILITIES - NO ITEMS

ADMINISTRATION - NO ITEMS

LEGAL

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C73 2808 LAFAYETTE PROPERTY, LLC, CITY OF NEWPORT BEACH, CALIFORNIA STATE LANDS COMMISSION (PARTIES): Consider a Boundary Line Agreement, involving real property in and adjacent to Newport Bay at 2808 Lafayette Avenue, city of Newport Beach, County of Orange. CEQA Consideration: statutory exemption. (G 09-02.11) (A 74; S 37) (Staff: R. Boggiano, J. Rader)

C74 MARIN AUDUBON SOCIETY AND CALIFORNIA STATE LANDS COMMISSION (PARTIES): Consider acceptance of a donation by the Marin Audubon Society of a common law Public Trust Easement involving Assessor Parcel Numbers 023-040-06, 023-040-10, and 023-040-11 in the city of Corte Madera, Marin County and exercise of said easement by the California State Lands Commission for the restoration of wetlands and wildlife habitat and public access at certain upland areas of the subject property. CEQA Consideration: categorical exemption. (W 26876) (A 10; S 2)(Staff: L. Calvo, J. Rader)

C75 UNITED STATES DEPARTMENT OF THE INTERIOR NATIONAL PARK SERVICE (PARTY): Consider Cession of Concurrent Criminal Jurisdiction pursuant to Government Code section 126 at Redwood National Park, Del Norte and Humboldt Counties; Whiskeytown National Recreation Area, Shasta County; Lava Beds National Monument, Siskiyou and Modoc Counties; Pinnacles National Park, Monterey and San Benito Counties; Devil's Postpile National Monument, Madera County; Pt. Reyes National Seashore and Muir Woods National Monument, Marin County; Portion of Golden Gate National Recreation Area, Marin County; and Portion of Golden Gate National Recreation Area, San Francisco County. CEQA Consideration: not a project. (W 20902.1, W 20902.2, W 20902.3, W 20902.5, W 24191, W 26213; FJ0108.1, FJ0112.1; RA# 01715) (A 1, 2, 6, 12, 13, 25, 28; S 1, 2, 3, 4, 8, 12, 14, 15) (Staff: J. Frey)

C76 PETER JAY PHILBIN, TRUSTEE OF THE PETER JAY PHILBIN TRUST DATED DECEMBER 7, 1995; KATHLEEN ROOT PHILBIN; CALIFORNIA STATE LANDS COMMISSION; DEPARTMENT OF PARKS AND RECREATION; AND CITY OF SANTA MONICA (PARTIES): Consider approval of a boundary line agreement involving certain real property in and adjacent to Santa Monica State Beach, Los Angeles

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County. CEQA Consideration: statutory exemption.
(AD 648, W 503.2077) (A 50; S 26) (Staff: S. Haaf)

C77 JONATHAN G. ORNSTEIN AND LISA A. ORNSTEIN,
INDIVIDUALS AND TRUSTEES OF THE ORNSTEIN FAMILY
TRUST DATED APRIL 6, 2005; CALIFORNIA STATE
LANDS COMMISSION; DEPARTMENT OF PARKS AND
RECREATION; AND CITY OF SANTA MONICA (PARTIES):
Consider approval of a boundary line agreement
involving certain real property in and adjacent
to Santa Monica State Beach, Los Angeles County.
CEQA Consideration: statutory exemption.
(AD 649, W 503.2074) (A 50; S 26)
(Staff: S. Haaf)

KAPILOFF LAND BANK TRUST ACTIONS - NO ITEMS

EXTERNAL AFFAIRS

GRANTED LANDS

C78 COUNTY OF ORANGE (GRANTEE): Review the
proposed acquisition of real property by the
County of Orange for a temporary vessel storage
facility located outside the boundary of the
legislatively granted sovereign land in the
County of Orange. CEQA Consideration: not a
project. (G 09-00) (A 73; S 36)
(Staff: R. Boggiano)

LEGISLATION AND RESOLUTIONS - SEE REGULAR CALENDAR

VI. INFORMATIONAL

79 CALIFORNIA STATE LANDS COMMISSION:
Legislative report providing information and a
status update concerning state and federal
legislation relevant to the California State
Lands Commission. CEQA Consideration: not a
project.(A & S: Statewide)
(Staff: S. Pemberton, M. Moser)

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VII. REGULAR CALENDAR 80-84

80 CALIFORNIA STATE LANDS COMMISSION: Consider authorizing Commission staff or its agents to conduct investigation and assessment activities regarding the Summerland Field Becker Onshore Well, Summerland Beach, Santa Barbara County. CEQA Consideration: categorical exemption(s). (W 26911) (A 35; S 18) (Staff: S. Curran, S. Blackmon) 15

81 CALIFORNIA STATE LANDS COMMISSION: Consider adopting an oppose unless amended position on SB 399 (Hall) that would amend the statutory trust grant to the City of Los Angeles to expand the maximum lease term the City may enter into to 75 years by including a right of renewal capped at 25 years. CEQA Consideration: not a project. (A & S: Statewide) (Staff: S. Pemberton) 56

82 CALIFORNIA STATE LANDS COMMISSION (INFORMATIONAL): Update on Draft Commission Strategic Plan and opportunities for public comment. CEQA Consideration: not applicable. (A & S: Statewide) (Staff: J. Lucchesi, D. Brown, C. Oggins) 87

83 CALIFORNIA STATE LANDS COMMISSION (INFORMATIONAL): Informational briefing concerning tribal consultation and the development of a Commission tribal consultation policy. CEQA Consideration: not a project. (A & S: Statewide)(Staff: J. DeLeon) 98

84 CALIFORNIA STATE LANDS COMMISSION (INFORMATIONAL): Report on the status of the Bolsa Chica Lowlands Restoration Project near the city of Huntington Beach, Orange County. CEQA Consideration: not a project. (W 025306A; RA#: X 9702) (A 72; S 34) (Staff: D. Brown) 103

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IX COMMISSIONERS' COMMENTS 123

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1 P R O C E E D I N G S

2 CHAIRPERSON NEWSOM: All right. I call this
3 meeting of the State Lands Commission to order. All the
4 representatives of the Commission are present. I'm
5 Lieutenant Governor Gavin Newsom. I'm joined today by
6 State Controller Betty Yee and by Eraina Ortega
7 representing the Department of Finance.

8 For the benefit of the one or two of you that may
9 have no idea where you are or why you're here, the State
10 Lands Commission manages State property. We have property
11 interests in over five million acres of land, including
12 mineral interests. The Commission has responsibility for
13 the prevention of oil spills at marine oil terminals, and
14 for the prevention or -- and offshore oil platforms and
15 preventing the introduction of marine invasive species
16 into the California marine waters.

17 Today, we'll hear requests and presentations
18 involving the lands and resources within the Commission's
19 jurisdiction, which is also questionable. We may get a
20 little carried away with things that aren't in our
21 jurisdiction. It's our prerogative.

22 (Laughter.)

23 CHAIRPERSON NEWSOM: Now, we will adjourn. And
24 this is what I didn't want to do to you all. I thought --
25 because I'm imagine some of you are here for the consent

1 calendar and you thought you'd get out of here quickly.
2 But all of this is a point of frustration to you, because
3 we are now going to go into closed session, because
4 there's something critically important that we need to
5 discuss before we get to that consent calendar, which begs
6 the question why you got here early, why you sat down and
7 got comfortable, because now we're going to have to ask
8 you to leave.

9 EXECUTIVE OFFICER LUCCHESI: Actually, sir, we
10 will be able to move into a separate room, so everybody
11 can stay.

12 CHAIRPERSON NEWSOM: And that was until just
13 seconds ago --

14 (Laughter.)

15 CHAIRPERSON NEWSOM: -- I was told that you get
16 to stay, and the rest of us get to leave. And we will do
17 our best to get back as quickly as possible. So enjoy the
18 time away from us.

19 (Off record: 1:36 PM)

20 (Thereupon the meeting recessed
21 into closed session.)

22 (Thereupon the meeting reconvened open session.)

23 (On record: 1:57 PM)

24 CHAIRPERSON NEWSOM: All right. Well, I'll call
25 this meeting back to order. Ms. Lucchesi, is there

1 anything you'd like to report coming out of the closed
2 session?

3 EXECUTIVE OFFICER LUCCHESI: Not at this time.
4 Thank you.

5 CHAIRPERSON NEWSOM: All right. Well, the first
6 item of business is the adoption of the minutes from the
7 Commission's meeting on June 29th, 2015.

8 Is there a motion to approve the minutes?

9 COMMISSIONER YEE: So moved.

10 ACTING COMMISSIONER ORTEGA: Second.

11 CHAIRPERSON NEWSOM: Without objection.

12 And the next item or order of business is
13 Executive Officer's report.

14 Ms. Lucchesi, do you have anything you wish to
15 report?

16 EXECUTIVE OFFICER LUCCHESI: I do. I have a
17 couple of things I'd like to report on. First is our
18 Martin's Beach -- the status of our Martin's Beach
19 negotiations. Discussions and exchange of information
20 between State Lands staff and the Martin's Beach, LLC
21 representatives are progressing. We hope to complete our
22 appraisal of the property interest for public access
23 within the next couple of weeks. From there, we will make
24 an offer to Martin's Beach, LLC to acquire a public access
25 easement consistent with Senator Hill's legislation

1 directing us to do so.

2 In addition, I participated in a Martin's Beach
3 public workshop hosted by the Surfrider's Foundation last
4 month. The forum was held in Pacifica. The Coastal
5 Commission Executive Director Charles Lester also
6 participated along with Surfrider's representatives. The
7 purpose of the workshop was to solicit opinions from the
8 beach-going community about restoring public access at
9 Martin's Beach.

10 It is anticipated that the Surfrider's Foundation
11 will be providing a summary of those comments and opinions
12 received to the State Lands Commission and the Coastal
13 Commission in the near future. And with that information,
14 it will help us frame what kind of public access, to what
15 extent, what kind of amenities are of interest to the
16 public. And that will help in our negotiations.

17 CHAIRPERSON NEWSOM: Just so -- and I know it's
18 almost an unfair question to editorialize, and that --
19 sort of your sentiments. You feel some optimism that
20 we're going to get to a place where we can --

21 EXECUTIVE OFFICER LUCCHESI: That's a very
22 difficult question to answer.

23 CHAIRPERSON NEWSOM: Yeah, all right.

24 EXECUTIVE OFFICER LUCCHESI: I am -- I'm
25 optimistic that we're still talking --

1 CHAIRPERSON NEWSOME: Yeah. Well, that's
2 encouraging.

3 EXECUTIVE OFFICER LUCCHESI: -- and we're still
4 exchange information, particularly as it relates to our
5 appraisal process.

6 CHAIRPERSON NEWSOM: Right.

7 EXECUTIVE OFFICER LUCCHESI: We asked for a lot
8 of information in helping us develop -- to develop the
9 appraisal that we're currently in the process of
10 completing. And they were open to providing that to us
11 over the course of the past month and a half or so, so
12 that gives me hope.

13 CHAIRPERSON NEWSOM: So there's some exchange.
14 That's good.

15 EXECUTIVE OFFICER LUCCHESI: Yes. Yeah.

16 CHAIRPERSON NEWSOM: Good. Excellent.

17 And there's a -- and just a -- and just a
18 reminder, there's nothing prescriptive from the
19 legislature in terms of timeline or is there?

20 EXECUTIVE OFFICER LUCCHESI: There is. The --
21 senator Hill's bill, the statute gave us a year to conduct
22 those negotiations and acquire a public access easement.
23 After that year, it authorized the State Lands
24 Commission --

25 CHAIRPERSON NEWSOM: A trigger, yeah.

1 EXECUTIVE OFFICER LUCCHESI: -- to pursue eminent
2 domain. And that's a decision that the Commission will
3 have to make early next year, if we aren't able to reach a
4 negotiated agreement on that question.

5 CHAIRPERSON NEWSOM: Yeah. And just for the
6 public's edification, it should be noted that those
7 negotiations were ongoing well before the legislation was
8 actually adopted and passed.

9 EXECUTIVE OFFICER LUCCHESI: Yes, that's correct.

10 CHAIRPERSON NEWSOM: So it's -- you know, we've
11 been at this for some time.

12 EXECUTIVE OFFICER LUCCHESI: Yes, we have.

13 Next, I just want to provide a brief update on
14 the Refugio oil spill. The Refugio oil spill occurred
15 three months ago today. And the unified command reports
16 that clean up -- the clean-up effort is about 98 percent
17 complete. The spill initially resulted in the closure of
18 several beaches and fisheries. Fisheries reopened on June
19 29th, and the last of the closed beaches, Refugio State
20 Beach, opened on July 17th.

21 One of the ongoing challenges in the response is
22 determining if the -- that tar balls that have been noted
23 along the coast in this area are related to the oil spill
24 from the pipeline. The oil spill happened in an area
25 where natural seeps of crude oil occur and cause tar balls

1 on the beaches in the region.

2 OSPR conducted an analysis of 44 tar balls
3 collected in a two-day beach survey in July across a
4 four-county area, and identified only one sample that was
5 from the -- that was consistent with the oil that was the
6 subject of this spill. So again, that leads you to
7 believe that the majority of those tar balls are from
8 natural seeps occurring in the area.

9 While the details on environmental impacts and
10 wildlife damages won't be known until further studies and
11 analysis are done, officials report that nearly 200 birds
12 and more than 100 mammals were found dead in the spill
13 area, and approximately 60 each of the birds and mammals
14 were recovered alive and treated by volunteer
15 organizations and wildlife rehabilitation centers.

16 Commission staff continue to participate in the
17 Natural Resources Damage Assessment process. The goal of
18 the NRDA is to examine the natural resource injuries from
19 the oil spills and other pollution events to quantify the
20 injuries and to both restore the injured resources and
21 compensate the public for the lost interim ecological
22 benefits and uses of those resources. So we'll continue
23 to update the Commission on that process, as necessary.

24 Next, I want to just mention a quick announcement
25 of the Tomales Bay Mooring Program in marine -- in Marin

1 County. The California State Lands Commission and the
2 Greater Farallones National Marine Sanctuary recently
3 launched the Tomales Bay Mooring Program.

4 Tomales Bay is an inlet of the Farallones Marine
5 Sanctuary in Marin County and has received many
6 designations and protections by local, State, national,
7 and international agencies for the conservation and
8 sustainable use of its waters for economic, cultural,
9 scientific, and recreational purposes.

10 Tomales Bay is a bio -- is a major biological
11 community that supports a diversity of habitats, including
12 Eelgrass beds. It is also a valued and sacred
13 resources -- resource for boaters in the area. The intent
14 of this program is to allow moorings while protecting
15 sensitive habitat and wildlife from mooring use damage,
16 and also improving water quality.

17 The State Lands Commission and the greater
18 Farallones National Marine Sanctuary developed the mooring
19 program after soliciting input from community stakeholders
20 over the past 10 years. And I believe last year the
21 Commission authorized this mooring program. The program
22 allows moorings in appropriate locations and ameliorates
23 illegal and improper moorings. It also establishes
24 various criteria for moorings. Again, this is a huge
25 public outreach effort, and an example of successful

1 collaboration with our sister federal agencies in striking
2 that balance between protecting the natural resources and
3 facilitating the boater recreational experience out there.

4 And finally, a bitter sweet announcement. Joe
5 Rusconi, our long-time friend and colleague, and Deputy
6 Attorney General will be retiring next week, and this is
7 actually his last meeting with the State Lands Commission,
8 and I just want to say a couple words about Joe.

9 He actually started with the State Lands
10 Commission as a graduate legal assistant in 1977, and
11 later, as a staff counsel, moving to the Attorney
12 General's office in 1980. He has -- since 1977, Joe has
13 represented the State of California and the Commission in
14 litigation involving public lands and navigable waters,
15 including, and specifically tidal and boundary issues,
16 aimed at protecting the State's interest. He has also
17 represented the Coastal Commission and the Bay
18 Conservation Development Commission, and many other
19 Natural Resource Agencies in the State.

20 His -- some highlights of his work included
21 working to protect historic ship wrecks and artifacts and
22 gold off the Northern California coast in the Brother
23 Jonathan case, obtaining tens of millions of dollars in
24 damages for sand illegally taken from San Francisco Bay,
25 facilitating the protection and enhancement of open space

1 areas, bike trails, walking and jogging paths at the
2 Candlestick Hunters Point development in San Francisco,
3 including securing \$50 million in improvements and
4 dedicated operations and maintenance funding for
5 Candlestick Part State Recreation area, and also
6 protecting the waterfronts in Eureka and Oakland for the
7 benefit of all Californians.

8 On a personal note, Joe -- his dedication to the
9 State Lands Commission and to the AG's office and to the
10 public is really that of a quiet but confident advocacy,
11 that has created an extremely effective and enjoyable
12 partnership between the Commission, the Commission staff
13 and the AG's office. It's incredibly unique the
14 relationship that the Commission has with the Attorney
15 General's office, in terms of our collaboration and
16 working together to achieve what's in the best interests
17 of the State.

18 And Joe has not only protected the public's
19 rights in the lands and resources that the Commission is
20 charged with protecting, but has also been an extremely
21 strong advocate for the Commission in defending and
22 asserting its jurisdiction and authority. He's also
23 served as an incredible mentor to Commission staff, not
24 only our staff attorneys, including me, but also to our
25 other land agents and other staff in our agency. He's an

1 incredible resource. And as I think that you'll agree,
2 he's also provided invaluable advice and support to the
3 Commission in making your decisions.

4 We are going to miss our dear friend and
5 colleague, but wish him the best, him and his wife, in his
6 retirement and all the adventures that come with it. And
7 I will note that right behind you, Lieutenant Governor, is
8 a resolution that the Commission members have signed for
9 him outlining in much more articulate and beautiful words
10 all the sentiments that I just said.

11 But I want to acknowledge and congratulate Joe on
12 his 38 years with the State of California, and
13 particularly what he's meant to the Commission and
14 Commission staff.

15 So thank you, Joe.

16 (Applause.)

17 CHAIRPERSON NEWSOM: Well, Joe, unless you have
18 something to say --

19 (Laughter.)

20 CHAIRPERSON NEWSOM: -- I know -- do you have
21 anything? Can we put you on the spot.

22 EXECUTIVE OFFICER LUCCHESI: And if I could, it
23 would be wonderful to get a -- yeah, a picture with all
24 the Commissioners and Mr. Rusconi.

25 CHAIRPERSON NEWSOM: This is more interesting.

1 Congrats. Well done. You want to say anything?

2 DEPUTY ATTORNEY GENERAL RUSCONI: Well, I'm --

3 CHAIRPERSON NEWSOM: Say something.

4 (Laughter.)

5 DEPUTY ATTORNEY GENERAL RUSCONI: I really hadn't
6 prepared any words, so I'm -- thank you very much for the
7 acknowledgments. However, I've always believed that
8 representing this Commission was not for your benefit or
9 for my -- well it was for the people's benefit. It wasn't
10 for my benefit. And I've enjoyed every single day. I am
11 a fierce advocate for the tide and submerged lands that
12 are owned by the people of the State of California. And I
13 have enjoyed the litigation. I've enjoyed the
14 negotiations. I've enjoyed every single person and
15 Commissioner that I've had the pleasure to work with. And
16 thank you so very much.

17 CHAIRPERSON NEWSOM: I believed you up until that
18 last comment.

19 (Laughter.)

20 DEPUTY ATTORNEY GENERAL RUSCONI: But I think
21 I'll stop now before I break down, so thank you.

22 CHAIRPERSON NEWSOM: That's great. You've been
23 fabulous. You are fabulous. And we were talking -- you
24 wonder what's -- what do they talk about in closed
25 session. We talked about, you know -- well, we didn't get

1 into exactly what kind of fishing you'll be doing, but we
2 talked about fishing. And I'm confident we're not going
3 to see the last of you, Joe, but thank you for your
4 stewardship, your passion, your dedication, and devotion
5 to, as you said, public and the Public Trust literally and
6 figuratively.

7 And you are all those things Jennifer said. And
8 I've had the privilege the last five years to make those
9 words not so rhetorical and rote, but for me they're quite
10 real. So Congratulations on an extraordinary career to
11 date, and thank you on behalf all the Commissions past and
12 present for your incredible work.

13 DEPUTY ATTORNEY GENERAL RUSCONI: Thank you.

14 CHAIRPERSON NEWSOM: Thank you.

15 COMMISSIONER YEE: I won't take it personally
16 that as the new member of the Commission that you are now
17 deciding to retire.

18 (Laughter.)

19 COMMISSIONER YEE: But I did want to just also
20 present a resolution from the State Controller's office.
21 You've worked with many of our staff, and we just have
22 such respect for you. And I can't think of one person who
23 really is kind of the unsung quiet hero behind the scenes,
24 that has done so much to protect and enhance, and just
25 really ensure the good stewardship of our public lands and

1 waterways. So congratulations, and your contributions
2 will -- really do leave a lasting legacy.

3 DEPUTY ATTORNEY GENERAL RUSCONI: Thank you,
4 Controller.

5 CHAIRPERSON NEWSOM: Good. And because they're
6 not longer ours, they're yours, let's just hand these
7 over.

8 (Laughter.)

9 CHAIRPERSON NEWSOM: All right. Anything else,
10 Jennifer?

11 EXECUTIVE OFFICER LUCCHESI: That concludes my
12 report. Thank you very much.

13 CHAIRPERSON NEWSOM: All right. Thanks. Well,
14 the next order of business is the adoption of the consent
15 calendar. I know that there may be a few items from the
16 Commission itself that we'd like pulled, and I know, Ms.
17 Lucchesi, you have a number of items. Ms. Yee, you have
18 an item that you'd like to pull?

19 COMMISSIONER YEE: I do. I believe Items C 61
20 and C 68 were my two items.

21 CHAIRPERSON NEWSOM: Great. 61 and 68. And
22 Jennifer, you've got a number of items as well, correct.

23 EXECUTIVE OFFICER LUCCHESI: Yes. So I'd like to
24 remove items C 05, C 22, C 28, C 35, and C 76 from the
25 agenda, and those will be considered at a later date. And

1 just to confirm C 61 and C 68 will be moved from the
2 consent agenda to the regular agenda.

3 COMMISSIONER YEE: Correct. Thank you.

4 CHAIRPERSON NEWSOM: Great. Perfect.

5 Is there anyone that is here that wishes to speak
6 on any items remaining on the consent calendar or those
7 items that we're punting to a later date?

8 Seeing none. We'll move to a vote.

9 Is there a motion to approve the consent
10 calendar?

11 COMMISSIONER YEE: So moved.

12 ACTING COMMISSIONER ORTEGA: Second.

13 CHAIRPERSON NEWSOM: Moved, seconded. Without
14 objection.

15 We'll move forward with the next order of
16 business, which is the regular calendar. Item number 80,
17 is to consider the authorization of the Commission staff
18 to conduct investigations and assessments and activity
19 regarding the Summerland Field Becker onshore well in
20 Santa Barbara County. I know we have a staff
21 presentation.

22 EXECUTIVE OFFICER LUCCHESI: Steve Curran of our
23 Long Beach staff will be presenting.

24 (Thereupon an overhead presentation was
25 presented as follows.)

1 CHAIRPERSON NEWSOM: Fabulous. Excellent. Thank
2 you, sir.

3 PETROLEUM DRILLING ENGINEER CURRAN: Good
4 afternoon, Honorable Commissioners and -- our Chair and
5 Commissioners. My name is Steve Curran. I'm a Petroleum
6 Drilling Engineer with the engineers group in Long Beach.
7 I've been around a long time as well since the early
8 eighties.

9 Summerland Oil Field is an interesting project.
10 You all have it on your screens, I'm assuming.

11 CHAIRPERSON NEWSOM: Yeah, I've got it right
12 here.

13 PETROLEUM DRILLING ENGINEER CURRAN: You won't
14 see the little pointer, but I'm going to kind of navigate
15 anyway.

16 CHAIRPERSON NEWSOM: Perfect.

17 PETROLEUM DRILLING ENGINEER CURRAN: All right.
18 The Summerland Oil Field and the Summerland Offshore Oil
19 Field are inactive oil fields in Santa Barbara County,
20 about four miles east of the City of Santa Barbara, within
21 and next to the unincorporated community of Summerland.

22 First developed in the 1890s and richly
23 productive into the early 20th century, the Summerland Oil
24 Field was the location of the world's first offshore oil
25 wells. Drilled from --

1 PETROLEUM DRILLING ENGINEER CURRAN: Okay. So
2 we're going to talk about the history and background, of
3 course, previous remediation efforts, the 1993 well work
4 abandonments -- well abandonment work, the leaking Becker
5 onshore well, the Summerland Beach site maps, the current
6 status, the equipment we'll use for the project, and the
7 investigation and assessment we're proposing.

8 --o0o--

9 PETROLEUM DRILLING ENGINEER CURRAN: Here's a
10 picture of the piers as they stood in the Summerland Field
11 along the beach in 1906, the top photograph, and then the
12 same view in 2009. You can see that everything is
13 physically gone. There's still remnants, but they're
14 underground or under the beach sand and in the water.

15 --o0o--

16 PETROLEUM DRILLING ENGINEER CURRAN: Okay.
17 Here's a picture of the coastline. This is a Google Earth
18 picture that shows the approximate location of Summerland
19 Beach piers, the coastline view, red represents the field
20 boundaries, and the offshore unit has two platforms
21 indicated, Platform Hilda and Hazel operated by Chevron.
22 They were actually installed in 1958 and 1960 and removed
23 in 1996. The offshore field produced about 28 million
24 barrels of oil, so 10 times the amount that the onshore
25 did.

1 still cable tool drilling, with -- rotary drilling didn't
2 come in until 1901 with spindletop. So this was, "There
3 Will Be Blood", status, if you saw the opening of that
4 movie, only offshore.

5 --o0o--

6 PETROLEUM DRILLING ENGINEER CURRAN: This is
7 another Google Earth photo that just shows where the
8 Becker Pier would be and the onshore well and Treadwell
9 Pier in today's Google Earth aerial view.

10 --o0o--

11 PETROLEUM DRILLING ENGINEER CURRAN: This is the
12 DOG location map showing -- it doesn't show the piers, but
13 it shows the abandoned wells. And you can see where the
14 piers were and it also shows the Becker Well. This is
15 where we have our accurate GPS coordinates.

16 --o0o--

17 PETROLEUM DRILLING ENGINEER CURRAN: Okay. The
18 Becker onshore well was drilled at the turn of the
19 century. The leaking well casing was actually uncovered
20 in 1994 in a USGS survey, and excavation work that I'll go
21 over in a few slides. The well is located at the onshore
22 end of the Becker -- where the Becker Pier existed. The
23 conditions for seeing the Becker Well on the beach, that's
24 oil surface on the beach, is low tides, usually in the
25 storm season when the beach sand is uncovered, because a

1 lot of times it's five to eight feet under the cover of
2 the sand, and it's seasonal. You see it more in the
3 spring and the fall months. And the frequency can be as
4 much as 10 to 15 days per year.

5 --o0o--

6 PETROLEUM DRILLING ENGINEER CURRAN: Okay. We've
7 done a lot of work in Summerland over the years. So the
8 past efforts to remediate will start in the fifties. A
9 survey was done and a map was created with 90 well casings
10 and pile remnants. In 1968, 60 wells were plugged with
11 surface plugs. It was the Summerland clean-up project.
12 In the 70s, Treadwell 10 was reabandoned and five other
13 wells were also abandoned and three weel heads removed.
14 In the 80s, Treadwell 17 was abandoned and a seep
15 inspection done.

16 --o0o--

17 PETROLEUM DRILLING ENGINEER CURRAN: In the 90s,
18 we did the well abandonment project for three shore-side
19 wells, and you're going to see the equipment we use for
20 that shortly. And then in 1994, we did a two-phased study
21 with the U.S. Coast Guard. Phase one was -- well, let me
22 go into why we did the study. We did the study because
23 all the new roads that are current for Summerland and the
24 old piers didn't sync well.

25 So what we wanted to do was a survey like an

1 old-time survey that would tie the existence of the old
2 piers with the new roads, and have everything where it
3 would GPS accurately, so we could locate everything
4 accurately. So in addition to that, we did diving, we did
5 bathymetric surveys, and we used magnetometers to look for
6 any kind of metal casings or wellheads within the project
7 area where all these old piers were. So that was phase
8 one, and we created maps from that. It also indicated
9 where the seeps were. We gridded and dived. And it was
10 like a two-week process.

11 So phase two, we identified nine critical targets
12 that needed further excavation, where we would actually go
13 in with divers or go in on land with equipment and dig
14 around as far as we could, five or six, and uncover what
15 we've got and identify it.

16 --o0o--

17 PETROLEUM DRILLING ENGINEER CURRAN: Okay. From
18 2000 to current, Fairweather now InterAct, was
19 commissioned by the Summerland Foundation to do a project
20 to assess the Treadwell 10 well. Then Alan Grossbard did
21 his literature historical review of the Summerland Field
22 and the Treadwell 10 well and published a paper on that, a
23 40-page paper, which is a very good read.

24 Fairweather Pacific then prepared -- was
25 commissioned to prepare another report for the remediation

1 of the number 10 well. And they submitted that
2 remediation plan to us, but it involved new leasing and
3 new drilling and it just didn't -- it was not approved,
4 because it was over -- it wasn't really the money. It was
5 just that we didn't feel like drilling or relief well next
6 to the Treadwell well would solve the probably, since we
7 already drilled 412 wells back at the turn of the century.
8 You could look at those as 412 relief wells. So I don't
9 see where one more would solve it, not for \$2 million. So
10 we declined that offer. We're still working with that
11 scenario though.

12 Oil emissions from nearshore and onshore
13 Summerland final report by UCSB, Department of Fish and
14 Game, and OSPR and NOAA studies, there's a report out in
15 2007. There's been a lot of reporting of the area. We
16 still have periodic sightings of oil on the Summerland
17 Beach from the Becker onshore well.

18 --o0o--

19 PETROLEUM DRILLING ENGINEER CURRAN: So here's a
20 cross section from the 1907 USGS report. And it's across
21 the Oxnard Pier which is pretty close to the Becker Pier.
22 And it shows in the green our oil sands. And you can
23 see -- if you look to the left of your slide, you can see
24 where it outcrops in the water on the ocean floor. That's
25 a natural seep. Okay. Then you can see where it outcrops

1 onshore. Those are oil sands in the green.

2 And so this is the conundrum of the summer
3 field -- or the Summerland, you know, onshore field is
4 that we've got seeps mixed in with legacy wells that are
5 improperly abandoned and some of the wells have seeped or
6 leaked in the past, and the seeps are always active. Less
7 active sometimes, but more active a lot more lately.

8 So the oil sands are at a very shallow depth, 500
9 feet or less. And they range from 120 -- they range --
10 they can range up to 125 feet from the surface. Some of
11 the oil formations lack adequate trapping mechanism, and
12 shown in the green, of course, and it outcrops onshore and
13 offshore. That causes natural seeps.

14 Upper Miocene and lower Pliocene, this is the
15 Fernando formation is oil-bearing sand. As a rule, the
16 sands get deeper as you move southward. And I don't think
17 it's southward the way that the shoreline. It would be
18 eastward and westward, the way we're oriented in
19 Summerland. So closer to Becker Pier is shallower. If
20 you move down -- let's -- I'll recategorize it. As you
21 move down coast, it gets deeper. As you move up coast, it
22 gets shallower.

23 --o0o--

24 PETROLEUM DRILLING ENGINEER CURRAN: Okay. The
25 1993 work I told you about, where we did the three inshore

1 wells. We've got a winching system that we constructed on
2 the beach, so that we could move this big surf sled I'm
3 going to show you, which is actually a mobile platform.
4 So we could put that in the surf zone and actually move it
5 onto the beach and get to these wells to abandon them.

6 So you can see the first picture to the left
7 we're driving pilings to set the base for the winch. And
8 then we're setting up the winch apron. And all that
9 substructure and the winch is set up, so that we can tie a
10 towing line to it, and you'll see what happens next.

11 --o0o--

12 PETROLEUM DRILLING ENGINEER CURRAN: This is the
13 platform was built. It's the SSV1 surf sled. It's about
14 16 feet high and it was set so that you could put a
15 production rig on it -- a production work-over rig, and
16 actually do the work in the surf zone.

17 So it's being outfitted here Port Hueneme with
18 pontoons so that we can tow it out.

19 --o0o--

20 PETROLEUM DRILLING ENGINEER CURRAN: This next
21 photograph shows that it's in tow, and then now it's in
22 position off shore, an you can see the winching line is
23 connected, and we're starting to tow it in where we want
24 into the Summerland Beach area. So this platform was way
25 too heavy and way too large to bring down to the beach.

1 It has to be a marine operation to actually get it there
2 to do the work.

3 --o0o--

4 PETROLEUM DRILLING ENGINEER CURRAN: So this is
5 the surf sled. Now, it's being -- that's the barge in the
6 background. And then in the foreground is actually the
7 platform, and it's in minus 22 tide there. And you can
8 see that as it touches down on the beach floor, it
9 actually has sleds on the bottom of it, so when it hits
10 the bottom, then you start winching it in like a sled,
11 like a toboggan kind of, like a huge toboggan. So there
12 it shows it in place there in like five or eight feet of,
13 you know, surf zone.

14 --o0o--

15 PETROLEUM DRILLING ENGINEER CURRAN: And then
16 here it is on the inshore part where it's getting ready
17 for abandonment work on the onshore wells, but they're
18 still on the beach. So that's the kind of equipment
19 spread we're looking at in 1993. We spent \$863,000 to
20 abandon three wells. And those wells were visibly
21 leaking, so it did do a lot of good.

22 --o0o--

23 PETROLEUM DRILLING ENGINEER CURRAN: Okay. Our
24 continued efforts. We do weekly inspections of the
25 Summerland area, and daily monitoring of the beach area.

1 A partnership was formed after an August 13th, 2013
2 meeting with State, county, and local representatives,
3 UCSB, and the Summerland Citizens Group.

4 What came out of that meeting was a standardized
5 reporting form for Summerland incidents. And anyone can
6 use the form and report -- it's on our website, and can
7 use that form to report any kind of incidents at
8 Summerland specifically, that's oiling of the beach,
9 that's the Becker Well, that's odors. It covers a wide
10 range. And they've been using that quite often, and we
11 maintain the database, the MRMD group. And we've done
12 that as a mechanism to show that the problem out there is
13 consistent and it's ongoing.

14 So over the last two years, there have been 30
15 incident reports. We have all that database available.
16 And the most recent Becker onshore well occurrence, which
17 would be oil on the beach specific to Becker at its GPS
18 site was April 29th. Now, remember, these incident
19 reports cover oiling of the beach and specific to Becker.
20 So it covers the whole range, all of Summerland Beach.

21 --o0o--

22 PETROLEUM DRILLING ENGINEER CURRAN: I'll show
23 you some sightings next. Here's oil on the beach in 2011,
24 where it's really manifested itself at low tide, and is
25 showing fresh oil. That's the Becker location.

1 --o0o--

2 PETROLEUM DRILLING ENGINEER CURRAN: This is
3 Summerland Beach in late June of 2015. We suspect this
4 kind of oiling is only a month after the Refugio spill, so
5 this could be re-oiling from the Refugio spill.

6 But the next slide --

7 --o0o--

8 PETROLEUM DRILLING ENGINEER CURRAN: -- is
9 typical of Summerland seep activity and any kind of
10 leaking well, because it's fresh, it's foamy, and it's
11 right there as the tide comes in. It hasn't been
12 weathered. There's not tarballs. This indicates seeps
13 that are very near to the shore.

14 --o0o--

15 PETROLEUM DRILLING ENGINEER CURRAN: There's a --
16 by the way, there's a lot of that in Summerland and a lot
17 more lately in the last six months. Okay. So to the
18 project. I want you to note that the high tide water
19 access is a problem. So the high tide water level is
20 right there where the cobblestones are close to the bluff.
21 You see here that low tide, you can barely see the cobble
22 stones in the background, way back, a couple hundred feet.
23 So there's the Becker Well manifested at low, low tide in
24 February of 2014.

25 --o0o--

1 PETROLEUM DRILLING ENGINEER CURRAN: Now, for
2 staging of the equipment, we're going to use the primary
3 access will be south about a half a mile away from the
4 project area, because there's a straight shot paved road,
5 a county road, that goes right down to the beach, and
6 there's a county parking lot area there and a big enough
7 area for turnaround, and it doesn't really impact the
8 beachgoers very much.

9 The secondary access is Lookout Park. So I'm
10 going to show you some closer pictures of that.

11 --o0o--

12 PETROLEUM DRILLING ENGINEER CURRAN: So you see
13 the primary access. You can see the cars parked along the
14 -- this is in the high season, but it's a straight shot
15 down to the beach. And you see the secondary access is
16 right down from the Lookout Beach parking lot. So that
17 causes a few impacts. If you have bigger equipment, it's
18 hard to make that little hairpin turn on the sand and get
19 it on there without getting stuck. So you could probably
20 get a backhoe down, but not a bigger piece of equipment.

21 --o0o--

22 PETROLEUM DRILLING ENGINEER CURRAN: So the
23 current status, the natural oil seeps remain active. They
24 represent a majority of the oil to the surface. There's
25 limited access to the beach in the surf zone. More often

1 and more oiling of Summerland in the last two years.

2 --o0o--

3 PETROLEUM DRILLING ENGINEER CURRAN: Okay. The
4 investigation and assessment phase. This is what we're
5 proposing. We're going to use the county beach south
6 access road. We're going to move onto the beach at the
7 low tide cycle. Probably two or two and a half hours
8 before the low-tide cycle we'll stage and move on the
9 beach. We'll excavate the onshore Becker well at the
10 low-tide cycle, uncover the well casing, and take GPS
11 measurements of the well casing itself, because right now
12 we just have GPS measurements of the oil and the sand,
13 which is -- which could be five or six feet higher, and
14 it could have migrated. There's all kinds of things. So
15 we want to get the actual well itself and get that
16 accurate GPS location.

17 We want to excavate down alongside it, assess the
18 condition of the metal, take circumference readings,
19 sizes, see if we're able to weld on it. If we're not,
20 maybe we'll be able to clamp on it. We basically want to
21 assess it, so that we can bring it up to a working level
22 to where we can get into it, and start plugging it with
23 cement and abandon it in the next phase.

24 So we'll mark it, we'll stake it, we'll set a
25 buoy out there, so that it can be found again and that

1 will be pretty permanent, and then we'll take any action
2 we need to contain and clean up any oil seepage from it,
3 because we will have a little bit of oil while we're doing
4 this. And it will look like a real mess, but it will wash
5 away and fill-in in one day. So we'll have absorb pads,
6 and we'll have caution tape. We'll keep people away from
7 it.

8 All this is going to happen within about a four
9 to five hour time period, because these low-tide cycles
10 that we're in are some of the lowest of the year. And the
11 high-tide cycles are the highest of the year. So when the
12 tide comes in it's with a vengeance. So this is what
13 we're going to do.

14 --o0o--

15 PETROLEUM DRILLING ENGINEER CURRAN: And we've
16 given ourselves two days. We've got a contingency date.
17 So we'll try it one day, learn what we can. If we need a
18 second day, we'll get out and do it again.

19 --o0o--

20 PETROLEUM DRILLING ENGINEER CURRAN: That's all I
21 have.

22 Any questions comments?

23 I think we have a lot of interest for --

24 CHAIRPERSON NEWSOM: Yeah, no, I have a number of
25 people that wish to speak to this. And I imagine there

1 may be questions.

2 Anything, Jennifer, you want to add or amplify
3 anything as relates to this?

4 EXECUTIVE OFFICER LUCCHESI: No, just -- not
5 specifically just that we're asking the Commission to
6 authorize staff to conduct, locate, excavate, and assess
7 the Becker Well.

8 CHAIRPERSON NEWSOM: And the financing for this,
9 the costs were borne by?

10 EXECUTIVE OFFICER LUCCHESI: We have -- we have
11 some surplus funds out of the Oil Spill Prevention Fund
12 that we'll be utilizing to do this initial assessment. I
13 will also add that this would be the first step in able to
14 develop a specific project description that then will help
15 us develop the environmental document to assess the actual
16 remediation of this well. And so our goal is really to
17 pursue all the entitlements that are necessary to properly
18 abandon this, and then pursue funding for the actual
19 abandonment.

20 CHAIRPERSON NEWSOM: Right. Any questions at
21 this moment or we want to take public comment?

22 COMMISSIONER YEE: A couple questions. Thank you
23 for the presentation.

24 PETROLEUM DRILLING ENGINEER CURRAN: Yes.

25 COMMISSIONER YEE: I think this probably begs the

1 question how many other sites are similar like this, if we
2 know? And would it make sense, given this, to think about
3 doing a survey, so we have a sense of how big the problem
4 is?

5 PETROLEUM DRILLING ENGINEER CURRAN: Okay. At
6 this time, in the Summerland area, there is one well that
7 would be similar to this well. It's located more
8 offshore. It's more of a challenge. It's been reentered
9 four times. That's the Treadwell 10 well. It currently
10 has a big slab of cement over the top from the last time
11 they reentered and tried to abandon it. They've kind of
12 had failed to attempts. That one leaks a little bit of
13 oil, about a cup to a liter a day when it's active. And
14 that's the only other known well in Summerland leaking at
15 this time. That's from the dive surveys. But our dive
16 surveys go all the way back to 1995. So it -- we haven't
17 any grid diving or anything out there in a long time, 20
18 years.

19 EXECUTIVE OFFICER LUCCHESI: What -- if I may
20 just add too, there is no comprehensive study out there
21 looking at all of these legacy wells. There's not a lot
22 of records on these, obviously, or they're incomplete
23 records.

24 We are starting to look at what that kind of
25 study would take from a resources perspective, both in

1 terms of funding and staff time, and then also look at
2 what kinds of information avenues we would pursue to be
3 able to do such a comprehensive study. So if there isn't
4 any objection from the Commission, we will continue
5 looking into that and try to develop a proposal for your
6 consideration at a future meeting to develop that
7 comprehensive study of those legacy wells off the coast.

8 COMMISSIONER YEE: Yeah, I would really support
9 that. And once we have that study, also think about other
10 partners that want to engage in that.

11 EXECUTIVE OFFICER LUCCHESI: Of course. We're
12 always thinking about that.

13 COMMISSIONER YEE: Great. Thank you.

14 CHAIRPERSON NEWSOM: Great. Good. Well, I've
15 got four speakers. And we'll ask -- jump on up. Fran
16 Farina, followed by Jenna Driscoll, and Dr. Heller and
17 then Hillary Hauser.

18 And you can come in any order. Come on up and
19 thank you for your time. And those are the only four I
20 have. Anyone else who wishes to speak to this item, if
21 they could just help -- if they could fill out a form and
22 we'll get right to you.

23 MS. FARINA: Thank you, Mr. Chair.

24 CHAIRPERSON NEWSOM: Thank you.

25 MS. FARINA: I'm Fran Farina with the Santa

1 Barbara group of the Sierra Club. And you should have
2 received a letter from us dated August the 10th signed by
3 our chair Katie Davis. And I note Katie described
4 Summerland as a stunning beach, a popular spot for
5 tourists and locals alike, and a wonderful coastal
6 community.

7 What she doesn't tell you is that she grew up in
8 Summerland and has known it for decades. The current
9 condition is extremely discouraging for all of us in the
10 area. And we do want to express our appreciation that
11 action is finally being taken. We have been working for a
12 considerable amount of time to get State Lands Commission
13 to pay attention to this issue, and we are appreciative of
14 it.

15 I would say Summerland Beach is the first beach I
16 walked on when I moved into Santa Barbara County. And
17 what is unique about it is that unlike Malibu, the houses
18 aren't cheek to jowl. Most of it is a very natural
19 setting. It has free parking. It is easily accessible.
20 There is a grass area with picnic tables, if that's all
21 you want to do. You can stroll down the ramp that you saw
22 in one of Mr. Curran's slides, and then start walking on
23 the beach.

24 And but for the smell or stench of the oil, not
25 to mention the Cafe Au Lait foam that you see coming up,

1 the farther away you get, the more eastward you walk on
2 the beach, the more delightful it is. And it's gorgeous
3 scenery. Our concern that we have is it is heavily
4 visited by not only locals in the area but tourists. And
5 as we saw today before we drove down here, children play
6 on this sand. They dig in it. Dogs run on it. And so
7 it's heavily used, and we would like it to be as safe as
8 possible. So thank you to staff for paying attention.

9 And as far as legacy wells go, this is an
10 outstanding area. Thank you, Commissioner Yee. It needs
11 your attention. And there is a desperate need for money,
12 because we have been told for the last two years that we
13 don't have money, and by the way you're a low priority.
14 So thank you.

15 CHAIRPERSON NEWSOM: So is that -- I was going to
16 ask you, what's been -- how long have you been actively
17 pursuing our action on this?

18 MS. FARINA: I've personally been involved for
19 more than two years on this now. And you'll hear from Dr.
20 Heller for a longer period of time.

21 CHAIRPERSON NEWSOM: But the argument has been we
22 don't have the resources?

23 MS. FARINA: Constantly.

24 CHAIRPERSON NEWSOM: Got it. Okay. Interesting.
25 Thank you. Thank you.

1 Dr. Heller.

2 DR. HELLER: I brought you some visual aids.
3 Chairman Newsome and Commissioners thank you for your time
4 today. I've been working on this issue since 2011 when
5 Steve and I and some other people ended up standing at the
6 site of the Becker Wellhead, where it had been seen
7 leaking in an extreme low tide.

8 These are two samples of beach water I took
9 yesterday, so we'd have as current a look as possible.
10 This is East Beach in Santa Barbara, a couple of miles
11 west. This is the water at Summerland Beach. And that's
12 after all the oils have settled.

13 This is sand with oil in it. I will be happy to
14 pass it if you want to have a look, but the stench is
15 pretty disgusting. And I have to brush off my hands
16 because they're now covered in oil.

17 And these are pictures that I took yesterday.
18 When I went to get the sample of oily water from
19 Summerland from Beach, I tried to stay out of it, because
20 it's a dark, foamy, disgusting brown. And unfortunately a
21 surge came up and hit my leg. And after just one strike
22 of water my leg was covered in oil. I'll leave these for
23 you.

24 The foam yesterday looked like this. It's a dark
25 brown. And the residue that you saw in the previous

1 pictures that Mr. Curran showed you was present.

2 Conditions at Summerland Beach have been
3 deteriorating significantly since four years ago. So four
4 years ago your staff came to the Board of Supervisors and
5 made a presentation, that gist of which was we know this
6 wellhead is leaking, we know it needs remediation, there's
7 no money, sorry. So we sat tight as residents of the
8 area. Two years ago conditions worsened further after
9 there was an earthquake in the area. We suspect that that
10 was the cause.

11 A meeting of stakeholders was held that Mr.
12 Currant referred to. And the decision was to try to
13 gather data to find a funding source. We were kind of
14 hoping the Coast Guard would step up. In the last five to
15 six months conditions have deteriorated so far that people
16 should not be in this beach and I will no longer go to
17 this beach. And I bought my house in Summerland 12 years
18 ago, because I was a daily beach user, and had already
19 been a beach user for seven years. And I thought it was
20 stupid to commute from Santa Barbara to a beach I was
21 walking every day.

22 I see families with children swimming in this
23 water every day. I go up and warn them about conditions.
24 I'm not wearing a uniform, so they think I'm just some
25 crazy lady on the beach who's maybe a little bit obsessive

1 about the environment. This stench is intolerable. After
2 about five minutes, you'll get a headache and nauseated.

3 County environmental health has studies that
4 indicate there is motor oil and diesel in the water.
5 They're exceeding some tolerances for recreational users,
6 and we're working with the county on a beach closer plan.
7 It's really time to address this, so I am grateful for
8 your time and attention and hope that you will vote to
9 authorize this action.

10 CHAIRPERSON NEWSOM: Here, here. I appreciate
11 it, Doctor. Thank you.

12 Jenna -- Ms. Driscoll, thank you.

13 MS. DRISCOLL: Hi. My name is Jenna Driscoll.
14 And I'm the watershed and marine program associate for
15 Santa Barbara Channelkeeper, a nonprofit that works to
16 protect and restore the Santa Barbara channel and its
17 watersheds.

18 And I wanted to thank the State Lands Commission
19 and staff for choosing to look into this issue more
20 thoroughly and address seeps in the Summerland area.
21 However, we do hope that you take a little bit further
22 action to completely address the issue.

23 First of all, we'd love to see a more detailed
24 oil spill contingency plan adopted for this project. The
25 project description is a little vague. I appreciated

1 hearing that there would be absorption pads and things in
2 the presentation today, but we'd like to see a more
3 detailed plan. In case some accident happens, it would be
4 a shame to see another oil spill in our area after the
5 recent Refugio spill as well.

6 And we are particularly excited to hear
7 Commissioner Lee's(sic) comments about doing a more
8 thorough analysis of the area. The presentation earlier
9 today did describe a 2007 study that was more recent than
10 the 1994 surveys. And that study did point to a couple
11 other wells that may be predominant seeps in the area that
12 may need to be taken another look at.

13 They also describe how conditions vary from time
14 of day, based on tides to different times of year over
15 across years. And conditions seem to change constantly.
16 So perhaps just one day looking at the Becker Well might
17 not be enough to determine the full potential impact, but
18 we hope that enough is done to fully reabandon that well.
19 And it's clear that seismic conditions and decomposing
20 plug materials consistently change the seepage system.

21 So there may be other wells not even identified
22 in the 1994 or 2007 studies that may now be seeping oil as
23 well. So we feel that additional assessment is necessary.
24 So we'd love to see more resources dedicated to that
25 issue.

1 So ultimately we're definitely in support of the
2 staff recommendation to move this issue forward and
3 investigate the Becker Well, and hope that you'll pursue
4 more action in the future. Thanks.

5 CHAIRPERSON NEWSOM: Excellent. Thank you very
6 much. Ms. Hauser.

7 Hillary Hauser.

8 MS. HAUSER: Oh.

9 CHAIRPERSON NEWSOM: Oh, sorry.

10 MS. HAUSER: If I don't understand you, I'm a
11 little hard of hearing. Thank you, Chair Newsom and
12 members of the Commission. I'm Hillary Hauser from Heal
13 the Ocean in Santa Barbara.

14 And I sent you all a letter on Friday about what
15 we want to offer to this problem. And what it is is
16 potential private funding to clean up Summerland Beach,
17 cap the offending well, not only Becker, but Treadwell 10,
18 and others. We've -- I've spoken with your staff, Mr.
19 Curran, Mr. Blackmon about what we want to do.

20 We've been working very successfully with
21 consultants like RMC Water L.A. and Dudek to access State
22 bond money for a clean water project. We are ourselves
23 have received Proposition 50 funding for a wastewater
24 outfall project.

25 We have a potential source of big funding through

1 Proposition 1. That money train is in town, coming to
2 town. And we've hired Dudek to put to us a proposal that
3 I submitted to you with our letter. We've identified the
4 offshore oil contractor to do the clean-up work. They
5 are -- who can cap these wells. Aqueossubsea who worked
6 with InterAct who's an agency -- your contractor, and has
7 worked with your staff and State Lands. They have offices
8 in Louisiana and Ventura. They know Summerland. They
9 have all the maps. They have the studies. They also have
10 been supporters of Heal the Ocean for ages.

11 So we talked to them about this. Yes, they can
12 do it, about how much. And we contracted with Dudek to
13 make us a draft proposal. And Heal the Ocean would be the
14 project lead, so that we don't get into the project -- the
15 problem of RFPs and is a private funded project.

16 Our request is simple, and you -- would you
17 please ask staff, Ms. Curran and Mr. Blackmon, to organize
18 a working group which would consist of them, the State
19 Lands staff, the Aqueos representative, us, Dudek,
20 representatives from Assemblyman Das Williams office, who
21 yesterday said they have identified other pots of money.

22 The idea is to strategize the role of everyone,
23 get the Dudek proposal finalized and submitted for all the
24 money that's needed to tackle this problem once and for
25 all. Five million, 10 million, we need to know what it

1 is. And if we all sit around the table and strategize to
2 redo the proposal, see what the match is for State Lands,
3 they can handle CEQA and so forth, so on.

4 And that's what we would like to offer and would
5 ask you to ask staff to organize a working group.

6 Thank you.

7 CHAIRPERSON NEWSOM: All right. Thank you very
8 much. Thank you.

9 Anyone else wish to speak to this item?

10 Seeing no one else, we'll close public comment.

11 Why don't we come back up and reflect. I know
12 that a number of things were -- I mean, not the least of
13 which this idea of a scoping group. Your thoughts on
14 that. This concern around a detailed plan if a more
15 serious accident happens. That's more than just yellow
16 tape, I imagine. And, you know, just general reflections
17 on -- I'm curious, you know, I learn from the past. And I
18 don't want to belabor it, because I know we're finally
19 reconciling it and taking action today.

20 But, you know, you sense the frustration that it
21 took this long. And you made a compelling argument, so it
22 begs the question why did it take so long? Though you did
23 argue in the last 24 months things have gotten a little
24 more acute. Perhaps, that's a rationale.

25 But none other, I'm curious why it took so long?

1 Was money an excuse or the real problem, two? And what
2 your reflective thoughts are on the public testimony?

3 EXECUTIVE OFFICER LUCCHESI: If I may, I would
4 like to answer some of those.

5 CHAIRPERSON NEWSOM: Perfect.

6 EXECUTIVE OFFICER LUCCHESI: And then Steve can
7 answer that -- answer your questions that I'm not able to.

8 On the funding source, to actually abandon the
9 well will cost a significant amount of money. And that
10 isn't something that we have as surplus in our current
11 budget. So we have been looking and trying to take
12 advantage of opportunities to seek funds to do that, and
13 we have not been successful.

14 So the fact that we didn't have the money and the
15 resources is a very real issue. And the reason why we
16 haven't been able to --

17 CHAIRPERSON NEWSOM: But that wasn't -- that
18 wasn't a reason not to do what we're doing in the interim,
19 which is this phase, right?

20 EXECUTIVE OFFICER LUCCHESI: That's correct. And
21 it -- just in the recent past couple of months, again,
22 because the situation has become more acute, taken a fresh
23 look at what we actually can do as a Commission in terms
24 of trying to get the ball started rolling on this. And
25 that's I think just a fresh look at it.

1 CHAIRPERSON NEWSOM: And the cost of this
2 roughly, is this a couple hundred thousand?

3 EXECUTIVE OFFICER LUCCHESI: Anywhere between 20
4 and 30 thousand dollars.

5 CHAIRPERSON NEWSOM: Twenty and thirty thousand,
6 so I get a sense of it.

7 EXECUTIVE OFFICER LUCCHESI: Yeah, for this
8 initial assessment. And so again, we tried to take a step
9 back and say what can we do now given our current budget,
10 and given the -- what we have to use. And that was why --
11 what led us to this Commission meeting with this proposal.

12 CHAIRPERSON NEWSOM: And would you estimate, if
13 we did expand the scope, you'd estimate a similar cost.
14 So I imagine perhaps more expensive, because it's farther
15 out Treadwell number 10 to look at broadening that scope.
16 Would that -- I mean, is that within the --

17 PETROLEUM DRILLING ENGINEER CURRAN: Very
18 expensive.

19 CHAIRPERSON NEWSOM: Very expensive.

20 PETROLEUM DRILLING ENGINEER CURRAN: Not within
21 the scope of this. This has a very short fuse and time
22 frame.

23 CHAIRPERSON NEWSOM: This is more modest.

24 PETROLEUM DRILLING ENGINEER CURRAN: But what
25 Hillary talks about would be a phase 2 assessment, where

1 actually we start to get in the water with diving surveys
2 and other stuff, because those are the -- if -- Treadwell
3 10 is definitely offshore, so -- it's in 17 feet of water.
4 It requires that surf sled or temporary piers or marine
5 operation, which gets exponentially more expensive when
6 you talk about abandonment.

7 So when you look at the three wells that we did
8 in 1993, we looked at 863,000, even with the surf sled,
9 which cost, at that time to fabricate, \$250,000, all
10 engineered and certified and done, that sled is no longer
11 available. It was cut up for scrap back in early the
12 2000s. So we would have to look at just -- the Becker
13 Well, since it approaches a million dollars when you talk
14 about doing one of those wells even in shore like this,
15 what happens is we thought that since the funds -- it's a
16 big project to get approved to go up through the State and
17 anywhere else.

18 So we thought that by breaking it off into
19 smaller steps, and it would -- we'd have more of a chance,
20 like the assessment, then the environmental, and get
21 engineering project-specific, because we feel like we can
22 do this one from the beach, which makes the cost go down a
23 lot. We don't have to go from the bluff. We don't have
24 to do it from a barge or the crane. We can build
25 temporary piers.

1 And it would fall under the million range, so --
2 but that's just the Becker Well. That's nothing else.
3 That doesn't include Treadwell 10. Treadwell 10 has
4 proposal from the year 2002, with InterAct Group, which
5 was then Fairweather of, I believe, two and a half million
6 or thereabouts. I'd have to look at the study. And that
7 was project specific just to Treadwell 10. So these are
8 expensive projects.

9 CHAIRPERSON NEWSOM: Right. Anything else,
10 Jennifer, on that?

11 EXECUTIVE OFFICER LUCCHESI: I will -- I just
12 want to add too, and Steve can certainly speak to this,
13 and I'd also ask him to speak to the oil spill contingency
14 plan associated with this project and potentially commit
15 to making sure that we are covering all of our bases, but
16 what I want to just also highlight for the Commission is
17 that there is the Becker onshore well that, based on
18 everything we know, is leaking, and then you have the
19 Treadwell Well offshore, but what's also incredibly
20 important to acknowledge, is that there are a lot of
21 natural seeps happening out there in this area too.

22 So -- and that's something that we can't
23 necessarily, at this time given our existing resources, or
24 ever engineer around. So it's important to note that
25 there are definitely some leaking wells, but then there is

1 also some natural seeps that contribute to the degraded
2 resources at the beach there.

3 PETROLEUM DRILLING ENGINEER CURRAN: The
4 difference between the seeps in Summerland and the seeps
5 out further at Coal Oil Point and South Ellwood is they're
6 located way offshore. They're in 242 of water. So the
7 oil weathers a lot before it comes up. The gas never
8 really reaches the surface. And what happens is it stays
9 offshore most of the time as a sheen out near Platform
10 Holly.

11 These are very close to shore, within 100 yards.
12 Some of them are within 150 feet. So as that oil bubbles
13 up and gas bubbles up, it immediately impacts the shore.
14 It's brought in with the tide. So that's the difference.
15 Much smaller amounts, but, you know, under a barrel when
16 you include all of them being very active at one time, but
17 if you stick a barrel of oil in the water close to shore
18 in Summerland, it's a mess.

19 CHAIRPERSON NEWSOM: So this idea of a detailed
20 plan a little bit more prescriptive, specific, more
21 transparent, I imagine you support that.

22 PETROLEUM DRILLING ENGINEER CURRAN: Yes.
23 Anything.

24 CHAIRPERSON NEWSOM: Will provide that
25 information --

1 PETROLEUM DRILLING ENGINEER CURRAN: Yes.

2 CHAIRPERSON NEWSOM: -- and make sure it's
3 readily available and reviewed?

4 PETROLEUM DRILLING ENGINEER CURRAN: Well, I
5 think that what I would like to see since the 2007 and the
6 1995 study, especially if we get an El Niño year, it's
7 going to be kind of exciting out there, because these
8 things are recharged from --

9 EXECUTIVE OFFICER LUCCHESI: Relatively.

10 PETROLEUM DRILLING ENGINEER CURRAN: -- the
11 hillside where they have groundwater effects that recharge
12 these shallow reservoirs. So if we're going to see
13 anything leak, the El Niño year is when things start
14 leaking, more prolifically, and it's when all the hazards
15 manifest themselves because the beaches are scoured and
16 all the beach sand is taken out in the storm. So we get
17 a -- it's a much more exciting year for us, after an El
18 Niño.

19 So I think that we can -- the diving we'll get
20 into the diving part as we look at what we've got. We
21 need to catalogue the legacy well problem as a whole.
22 Most of it is in Santa Barbara County. I would say 80 to
23 90 percent is in Santa Barbara County. It encompasses
24 Ellwood, and it encompasses Summerland. We have a little
25 bit down in the Huntington Beach area, but most of that

1 townlot area and is onshore.

2 So these pre-1940 wells, 1930 wells with -- some
3 of them have no records, some of them have sketchy
4 records. They -- most of them don't have proper
5 abandonments, especially not to today's standards, are in
6 that area that I told you about in Santa Barbara County.
7 It's well worth it to pursue it.

8 ACTING COMMISSIONER ORTEGA: If I can ask a
9 questions. On the '93 effort, the \$863,000, was that
10 general fund or was that some sort of special fund or...

11 EXECUTIVE OFFICER LUCCHESI: Do you remember?

12 PETROLEUM DRILLING ENGINEER CURRAN: I would have
13 to look at --

14 EXECUTIVE OFFICER LUCCHESI: Dave, do you
15 remember?

16 PETROLEUM DRILLING ENGINEER CURRAN: That was
17 with Jack O'Connell at the time, and I want to say OSPAF.

18 EXECUTIVE OFFICER LUCCHESI: Maybe OSPAF funding.

19 PETROLEUM DRILLING ENGINEER CURRAN: I believe it
20 was OSPAF, yes.

21 EXECUTIVE OFFICER LUCCHESI: We can certainly
22 check into that for you, and update the Commission and
23 work out the details.

24 PETROLEUM DRILLING ENGINEER CURRAN: That got
25 special funding and was fast-tracked, yeah. We can look

1 at that. We've got the records on that, so we did those
2 abandonments, those three inshore abandonments.

3 EXECUTIVE OFFICER LUCCHESI: The only thing --
4 oh, I'm sorry.

5 COMMISSIONER YEE: No. I was just curious. Is
6 there any harm in just kind of putting the plan together
7 about how we would assess the magnitude of this problem?
8 I'm just concerned that as we're responding to them, as
9 they become a problem, it just seems like we're not being
10 the most proactive about identifying where we may have
11 issues.

12 EXECUTIVE OFFICER LUCCHESI: Oh, in terms of
13 researching the legacy wells --

14 COMMISSIONER YEE: Right, the broader issue.

15 EXECUTIVE OFFICER LUCCHESI: -- in Santa Barbara
16 and Huntington Harbor?

17 We don't see a problem with starting that
18 research now. I think as we start defining the parameters
19 of that comprehensive study, we may run into additional
20 challenges associated with staff resources and funding --

21 COMMISSIONER YEE: Sure.

22 EXECUTIVE OFFICER LUCCHESI: -- but certainly we
23 are pursuing that now in terms of setting up those
24 parameters.

25 COMMISSIONER YEE: Yeah.

1 EXECUTIVE OFFICER LUCCHESI: And we also, to the
2 point of our last speaker, Ms. Hauser, we will certainly
3 be looking to leverage our partnerships with UCSB, and
4 Heal the Ocean, and other entities that are also very
5 engaged in this issue to see if we can partner to not only
6 address Summerland, and I will commit that we will work
7 with Ms. Hauser and other groups to pursue a broader
8 project at Summerland or at least research that, and
9 especially if there's other funding outside of the State,
10 outside of State funds that we could be using, and also in
11 terms of developing that more comprehensive legacy well
12 study.

13 COMMISSIONER YEE: I appreciate that. And Mr.
14 Chairman, I never want to see us in a position of just
15 always having to reject pursuing any work because of lack
16 of resources. And I think we have an obligation to at
17 least identify and assess the magnitude of resources that
18 may be necessary.

19 CHAIRPERSON NEWSOM: Amen. Yeah, that's, to me,
20 a no-brainer. And I know the hesitation. I know a State
21 agency, you know, the school district issue, they know
22 there's a lead problem, but they don't really want to
23 know. You know, because if they know, then all of a
24 sudden everyone is going to be great, and we don't have
25 the money. And so it's a little cat and mouse. You know,

1 so -- you know, anyway.

2 But, you know, we talk about government and how
3 difficult it is, I mean, we kind of look in the mirror.
4 We are government, so let's streamline it, make it easier,
5 make it quicker and faster, and we can find resources by
6 being more resourceful and connecting some dots here.
7 But, you know, I think it's pretty obvious and compelling
8 this can't be the California coast. It can't be Santa
9 Barbara's coast. It's on watch. It's our problem. We
10 inherited it. It doesn't matter. We're accountable. So
11 I appreciate your pushing us to expand the scope.

12 And those 20, 30 thousand dollars, I know the
13 scoping is one thing, but I think it's well within our
14 capacity of creativity. So I couldn't encourage that
15 more. I appreciate that.

16 And you've answered the question about, you know,
17 being able to leverage resources and get folks together,
18 and affirmative. And I appreciate your point about making
19 sure our mitigation, particularly in Gorilla El Niño or
20 how everyone is describing, if we're out there and things
21 are a little more exciting, as you say --

22 (Laughter.)

23 CHAIRPERSON NEWSOM: -- that we've got some
24 contingency and mitigation, that's a little bit more
25 extensive and transparent. I think that's good. Any

1 other comments?

2 I mean, this is a pretty easy one, from my
3 perspective.

4 PETROLEUM DRILLING ENGINEER CURRAN: In
5 closing --

6 CHAIRPERSON NEWSOM: I guess the question for us,
7 there's no CEQA triggering, there's no one out there
8 suggesting there is at this scoping stage, right?

9 EXECUTIVE OFFICER LUCCHESI: Well, we -- in the
10 recommended authorization, we do have a CEQA finding, as
11 we do with all of our authorizations. But we -- but like
12 you said, we think this is, as you've heard and received
13 letters for, we have not received any opposition towards
14 this effort.

15 CHAIRPERSON NEWSOM: Yeah. Good.

16 PETROLEUM DRILLING ENGINEER CURRAN: In closing,
17 we have -- I don't want you to get the idea that we've
18 never looked at the legacy problem.

19 CHAIRPERSON NEWSOM: I appreciate it. Yeah.

20 PETROLEUM DRILLING ENGINEER CURRAN: It's the
21 ongoing problem that we're dealing with every day, every
22 month, every year. We've done a lot of study in the
23 Ellwood area for the 421 Project. So we've brought that
24 before you, of the two or three wells that we're really
25 worried about that could start leaking. We did extensive

1 well records review on 70 different wells now. They're a
2 little bit newer than these legacy wells, because they
3 fall into the 1920, '30, '40, time frame, so at least we
4 have records to review.

5 These ones that are at the turn of the century, a
6 lot of them we have no records, so -- and but we do have
7 records for some -- from the 1906 time frame on. So we're
8 in the process of digging through all those records and
9 getting mechanical diagrams. Did they get abandoned? How
10 did they get abandoned? Did they get walked away from?
11 You know all the status of them.

12 CHAIRPERSON NEWSOM: Amazing. Well, if anyone
13 wants to know what a world likes like in unfettered free
14 market, look at those old photographs.

15 EXECUTIVE OFFICER LUCCHESI: Correct.

16 CHAIRPERSON NEWSOM: For those that don't believe
17 in regulation. You know, I think we made an argument in
18 favor of it. Any additional thoughts or comments?

19 COMMISSIONER YEE: Do you need a motion?

20 EXECUTIVE OFFICER LUCCHESI: Just to conclude,
21 staff asks for an aye vote from the Commission on this
22 item.

23 CHAIRPERSON NEWSOM: Is there a motion to
24 approve?

25 COMMISSIONER YEE: Yeah, I'll move to authorize

1 the investigation.

2 ACTING COMMISSIONER ORTEGA: I'll second.

3 CHAIRPERSON NEWSOM: Second.

4 Without objection. Thank you very much.

5 Appreciate the presentation, and the public comment.

6 Thank you all.

7 The next item is -- what are we at, 81, to
8 consider the adoption -- adopting and -- well, I don't
9 know what it is, SB 399, right?

10 (Laughter.)

11 CHAIRPERSON NEWSOM: It's Hall's. We're going to
12 do it or not do it. It's a confusing one, even though
13 it's obvious, right, because we're acting not to do
14 something even though we are rejecting the recommendation.
15 But you're going to explain all this.

16 EXECUTIVE OFFICER LUCCHESI: Yes. Sheri
17 Pemberton of our staff.

18 EXTERNAL AFFAIRS DIVISION CHIEF PEMBERTON: Yes.
19 Thank you.

20 This item, SB 399, involves legislation that
21 addresses Public Trust Lands at the legislature granted to
22 the City of L.A. decades ago, subject to certain
23 conditions. And the Commission has residual oversight
24 authority over all of these granted lands, including the
25 lands granted to the City of L.A.

1 The statutory grant to the city limits the
2 maximum lease term to 50 years. As is the case with most
3 other grants, other than a provision in general law that
4 limits lease terms for tide and submerged lands to 66
5 years, unless a grant states otherwise.

6 This particular bill is sponsored by Los Angeles
7 City Council Member Buscaino who's trying to facilitate
8 redevelopment at the San Pedro area along the waterfront,
9 and in particular the ports of call area, which is a old
10 seaside village that was developed in 1963 and mainly
11 restaurants and souvenir type shops. And the staff --
12 Commission staff we recognize and support the need to
13 redevelop this area and want to work with the Council
14 Member's office and the city to make that successful.

15 The concern we have with the bill as written is
16 that it allows a right of renewal of 25 years in addition
17 to the 50 years for the maximum lease term, which we feel
18 is 75 years, and is too long for sovereign lands subject
19 to the Public Trust.

20 There's a number of reasons why we think that.
21 We think shorter lease terms are preferable for waterfront
22 lands that are impressed with the Trust. Old leases don't
23 always reflect current Trust needs, and old lease
24 provisions don't also keep pace with the evolution of the
25 landlord tenant law and modern land management practices,

1 such as sea level rise, climate change. So reassessing
2 that uses and the conditions is important.

3 We also understand that part of the reason for
4 the bill is a report from the L.A. Economic Development
5 Commission that looked at all of the publicly owned real
6 estate in San Pedro and identified challenges with the
7 lease limit of 50 years for the San Pedro area. And the
8 report, which we -- in the staff report, we noted that we
9 weren't able to obtain a copy. We did earlier this week.
10 It's more of a memo that talks more broadly about the
11 development of the San Pedro area, but also addresses the
12 lease terms for tidelands and notices that in San
13 Francisco and San Diego they're limited to a 66-year lease
14 term.

15 So our suggestion to the author's office was to
16 amend the bill to limit the maximum lease term to 66
17 years. Late yesterday, the author's staff let us know
18 that they're amenable to that amendment, and so they're
19 working on language to do that.

20 With that commitment, we would recommend that the
21 Commission adopt a support, if amended, position. And if,
22 for whatever reason, the author doesn't move forward with
23 that amendment, we would ask for authorization to continue
24 the -- or for staff to oppose the bill. But we do have a
25 commitment from the author to take that amendment. So our

1 recommendation is to adopt a support, if amended,
2 position.

3 CHAIRPERSON NEWSOM: Excellent. Good to hear
4 about that latest development. Yeah. Yeah.

5 Any anybody here to speak to this item?

6 You guys make ample arguments in favor of that
7 action. And I appreciate the recommendation. And if
8 there's any questions, we'll indulge them. If not, is
9 there a motion to approve with this latest --

10 ACTING COMMISSIONER ORTEGA: I'll be abstaining.
11 We generally abstain from legislation.

12 CHAIRPERSON NEWSOME: Right.

13 COMMISSIONER YEE: I'll move the support.

14 CHAIRPERSON NEWSOM: So with the 66 versus the 75
15 contingent, we'll do that without objection. To the
16 extent -- we don't have to call roll with an abstention,
17 do we? Or we can just move and second it.

18 EXECUTIVE OFFICER LUCCHESI: It would be
19 preferable if I called roll.

20 CHAIRPERSON NEWSOM: Call roll. My gosh.

21 (Laughter.)

22 CHAIRPERSON NEWSOM: Madam Executive Officer,
23 please call the roll.

24 EXECUTIVE OFFICER LUCCHESI: Thank you.

25 Commissioner Yee?

1 COMMISSIONER YEE: Aye.

2 EXECUTIVE OFFICER LUCCHESI: Commissioner Ortega?

3 ACTING COMMISSIONER ORTEGA: Abstain.

4 EXECUTIVE OFFICER LUCCHESI: And Chair Newsom?

5 CHAIRPERSON NEWSOM: Yes, aye, aye, aye, aye.

6 Excellent. Thank you.

7 Item number 61, is consider amendment of the
8 existing lease to the Los Angeles Department of Water and
9 Power involving the Bed of Owens Lake. This will be an
10 interesting staff presentation. I've already enjoyed the
11 private one. Thank you.

12 (Thereupon an overhead presentation was
13 presented as follows.)

14 PUBLIC LAND MANAGEMENT SPECIALIST KATO: Good
15 afternoon, Commissioners. My name is Grace Kato. I'm a
16 Public Land Manager with the Commission's Land Management
17 Division. I'm here to present information on Calendar
18 Item 61.

19 The City of Los Angeles, through its Department
20 of Water and Power, has applied to the Commission to
21 authorize an amendment to lease number PRC 8079.9 for the
22 construction, use, and maintenance of dust control
23 measures on the dry lakebed of Owens Lake.

24 Do I do this on my own?

25 --o0o--

1 PUBLIC LAND MANAGEMENT SPECIALIST KATO: Owens
2 Lake is located at the terminus of the Owens Valley in
3 Inyo County, and is approximately 110 square miles in
4 size.

5 --o0o--

6 PUBLIC LAND MANAGEMENT SPECIALIST KATO: The lake
7 is currently dry, but as recently as the early 1900s, the
8 lake was up to 50 feet deep in places. Freight vessels
9 operated on the lake conveying material from local mining
10 operations. A steam boat carried cargo across its broad
11 expanse. Early settlers diverted water from the Owens
12 River to grow crops and irrigate pasture for livestock.

13 Wildlife, waterfowl, and local residents depended
14 on and benefited from Owens Lake. The lake was an
15 important feeding and resting stop for millions of
16 waterfowl each year.

17 --o0o--

18 PUBLIC LAND MANAGEMENT SPECIALIST KATO: In 1908,
19 the city commenced construction of an aqueduct to divert
20 water from the Owens River north of Owens Lake. After
21 completion of the Los Angeles aqueduct in 1913, the lake
22 level rapidly declined. By 1930, the lake was virtually
23 dry with only a small brine pool remaining, which exists
24 still to this day.

25 The United States Environmental Protection Agency

1 has designated the southern part of the Owens Valley as a
2 serious nonattainment area for particulate matter or dust,
3 less than or equal to 10 microns in diameter, which is
4 approximately one-tenth the diameter of a human hair.

5 Dust season runs from October 1st through June
6 30th. The diversion of water has led to dust storms
7 carrying away as much as 3.6 million metric tons of dust
8 from the dry lakebed each year causing respiratory
9 problems for the residents of the Owens Valley.

10 --o0o--

11 PUBLIC LAND MANAGEMENT SPECIALIST KATO: The
12 Great Basin Unified Air Pollution Control District's
13 purpose is to enforce federal, State, and local air
14 quality regulations, and ensure that federal and State air
15 quality standards are met within their district.

16 The district determined that dust emissions from
17 the dry lakebed of Owens Lake are responsible for causing
18 the air in the Owens Valley PM10 planning area to exceed
19 the national ambient air quality standards that water
20 diversions -- that water diversions by the city caused
21 Owens Lake to become dry and the lakebed to be in a
22 condition that produces dust. The district has the
23 authority to issue orders to the city to control dust
24 emissions.

25 --o0o--

1 PUBLIC LAND MANAGEMENT SPECIALIST KATO: The
2 district has approved the city to implement three types of
3 dust control on the lakebed. And you can see here there's
4 shallow flooding, managed vegetation, and gravel cover.

5 --o0o--

6 PUBLIC LAND MANAGEMENT SPECIALIST KATO: On June
7 14th, 1999, the Commission authorized the issuance of
8 lease number PRC 8079.9 a general lease to a public agency
9 for the city for a period of 20 years. Since that time,
10 the Commission has authorized 15 amendments to this lease
11 for the construction, operation, and maintenance of
12 additional components of dust control.

13 On December 30th, 2014, the Sacramento Superior
14 Court approved a stipulated judgment against the city
15 which settled a number of issues, including the
16 requirement to complete the Owens Lake Dust Control
17 Project.

18 As part of that stipulated judgment, the city is
19 required to complete the Owens Lake Dust Control Project
20 phase 9 and 10 by December 31st of 2017. Upon completion,
21 the total of 48.6 square miles of dust control will be
22 placed on the lakebed. As a contingency, the district may
23 order the city to implement an additional 4.8 square miles
24 of dust control at anytime after January 1st of 2016.

25 The 4.8 square miles of contingency would require

1 an additional amendment and authorization by the
2 Commission. Neither the Commission, nor the California
3 Department of Fish and Wildlife are a party to this
4 stipulated judgment and are therefore not bound by the
5 terms.

6 --o0o--

7 PUBLIC LAND MANAGEMENT SPECIALIST KATO: The city
8 is now requesting an amendment to the lease to authorize
9 Owens Lake Dust Control Project, phase 9 and 10. The
10 phase 9 and 10 project, as proposed, consists of 3.62
11 square miles of new dust control in 17 dust control -- new
12 dust control areas, and 1.8 squares miles of transitional
13 dust control in one existing dust control area.

14 The 3.62 square miles of new dust control will
15 include 0.24 square miles of managed vegetation, 0.54
16 square miles of shallow flooding, and 2.83 square miles of
17 gravel cover. The transition area would be converted from
18 1.82 square miles of shallow flooding to a combination of
19 shallow flooding and gravel cover.

20 --o0o--

21 PUBLIC LAND MANAGEMENT SPECIALIST KATO: The city
22 has stated that it must significantly reduce its delivery
23 of water to the lake for dust control in order to meet its
24 expected delivery demands for the years to come. The city
25 has proposed reducing overall water use on the lake by at

1 which would save between 7,000 and 9,000 acre feet per
2 year, if it were to be fully implemented.

3 The Commission and Department of Fish and
4 Wildlife staff are still evaluating the terms of the
5 variance and its impacts. This slide shows the water
6 savings on the lake, if the variance were only partially
7 implemented. If the phase 9, 10 project were to be
8 implemented without transitioning T18 South, the increase
9 in water use would be about 1,778 acre feet per year,
10 because of the shallow flooding on some of the new dust
11 control areas.

12 This table illustrates that the amount of
13 increase in the context of a significant amount of water
14 savings, the Commission has either authorized is
15 currently -- or is currently evaluating.

16 These projects, when viewed together with the
17 previous slide showing the reduction of overall water use
18 in the past few years in the neighborhood of 20,000 acre
19 feet, shows that the water necessary for phase 9 and 10 is
20 relatively small by comparison. Staff believes that the
21 potential adverse impacts to the wildlife values on T18
22 South outweigh the use of water, at least for the moment.

23 --o0o--

24 PUBLIC LAND MANAGEMENT SPECIALIST KATO: Both the
25 Commission and Department of Fish and Wildlife staff

1 expressed concerns about T18 South during public comment
2 on the city's phase 9, 10 EIR, and requested the DWP
3 evaluate alternatives that would transition lower value --
4 lower value shallow flood cells instead of T18 South in
5 order to achieve their desired water neutrality for this
6 project.

7 DWP declined this recommendation, indicating that
8 it selected T18 South because it would be logistically
9 easier. This graphic from DWP's 2014 Owens Lake report
10 shows that T18 South is high in both diversity and
11 abundance numbers. While there are more than a dozen
12 cells in the lower left-hand corner that are both low in
13 diversity and overall use.

14 Commission staff believes that these cells should
15 be prioritized for transition before T18 South is
16 considered.

17 --o0o--

18 PUBLIC LAND MANAGEMENT SPECIALIST KATO: In
19 closing, staff recommendation is to authorize the
20 amendment of lease 80.8 -- 8079.9, a general lease -
21 public agency use to amend the land use or purpose, the
22 authorized improvements, the special provisions, and the
23 land description, as proposed, excluding transition of
24 dust control T18 South, and delegate to the Commission's
25 Executive Officer to review and approve the transfer or

1 title of control of artifacts -- archeological artifacts
2 and paleontological resources, and to mitigate for the
3 loss of potential enhancement of Public Trust values on
4 the 2.83 square miles of Owens Lake to be covered by
5 gravel. And in consideration of the lease amendment
6 recommend that the city be required to deposit \$700,000 in
7 Kapiloff Land Bank Fund for any lawful purpose related to
8 Owens Lake or adjacent real property, pursuant to the
9 Kapiloff Land Bank Act.

10 And this concludes my presentation. I'll be
11 available for any questions.

12 CHAIRPERSON NEWSOM: All right. And I know we
13 have a representative of the city attorney from Los
14 Angeles who wishes to speak, which, Commissioners, with
15 your indulgence, maybe we should just jump right into
16 that, and then we'll have a better context.

17 Ms. Riley. Julie Riley. Thank you.

18 What say you to that augmented presentation?

19 (Laughter.)

20 MS. RILEY: Good afternoon.

21 CHAIRPERSON NEWSOM: What's the feelings of your
22 agency?

23 MS. RILEY: I'm Julie Riley. I work for the Los
24 Angeles City Attorney's office, and I'm housed at the
25 Department of Water and Power. And thank you for hearing

1 this. And I particularly want to thank your staff for
2 getting this on this agenda today. We've -- we may not
3 always agree on everything, but they have worked with us
4 to make sure that this item is before you today.

5 We do agree that we started exporting water from
6 the Owens Valley 100 years ago, and the values of --

7 CHAIRPERSON NEWSOM: Acknowledged science and
8 fact. Thank you.

9 (Laughter.)

10 MS. RILEY: The values of 1900 are -- you know,
11 not the values of people today. And Los Angeles has taken
12 responsibility over the past 15 years for the consequences
13 of the export of that water, the diversion of Owens River
14 water.

15 We have had several years of back and forth
16 litigation with the local air regulator, and we reached a
17 historic agreement last year, 2014, with the assistance of
18 the Governor's office and mediating our dispute. It's
19 true we did not have all of the other stakeholders as
20 parties to this judgment, and we always knew that your
21 agencies would maintain your discretion to authorize, you
22 know, certain land use.

23 We have approximately 35 square miles of shallow
24 flooding out on Owens Lake right now that is controlling
25 dust. There are smaller areas for managed vegetation and

1 for gravel, which are the only other two primary dust
2 control measures. And there is a new emerging dust
3 control measure called tillage with BACM back-up, which is
4 tilled rows. And that seems to be a promising way of
5 conserving water. And that was -- that was one of the
6 primary achievements of this stipulated judgment with
7 Great Basin was to -- to get bookends on the city's
8 responsibility for dust control. And they looked at
9 their -- all of their scientific data, and to find ways to
10 cooperate together to conserve water.

11 And it's something that we, as a water agency, of
12 course, have a high priority on dealing with. And we know
13 that in the changing climate of California and the south
14 west, we need to be able to do more with less. We need to
15 be able to meet our environmental mitigation obligations
16 with less water, without wasting water, and without
17 needlessly affecting the bird habitat that has emerged,
18 especially in the last 15 years since those artificial
19 ponds have existed. You know, it has become a national
20 audubon area of, I think it's, special concern or
21 something. It has become, you know, an area that birds
22 flock to.

23 So we are here today to ask your Commission to
24 approve the staff's recommendation, despite the fact that
25 this will require us to use about 1,700 acre feet of

1 water, which is the water supply for about 18,000 people
2 to control dust on that area, because we need to get this
3 project completed on time. We have court requirements.
4 And we think that we have an opportunity to work with your
5 staff to, we hope, convince them that there is a way to
6 transition this other area, this area T18 South, in a
7 manner that would be acceptable to both the biologists
8 here at State Lands Commission and the Department of Fish
9 and Wildlife.

10 We appreciate that your staff came to you with
11 two recommendations. I know that they did not want to --
12 you know, it would not be their preferred alternative to
13 bring to you something that they were not recommending,
14 but we appreciate that they were giving you two options.
15 We think that the terms of the alternative recommendation
16 are something that we would need a bit more time to
17 digest. We -- the implications of. The requirements of
18 the alternative recommendation seems to have duplicative
19 mitigation obligations on the city that could eat up any
20 of the water savings that we would have by transitioning
21 the area of T18 South.

22 I might be getting too much into the weeds on
23 that part there. But -- so I guess, you know, in sum, we
24 are here asking for your approval of the staff
25 recommendation, and we would hope to have some direction

1 to us or something that we could come back to you to talk
2 about how we could implement transitioning more of the
3 water.

4 CHAIRPERSON NEWSOM: So what I'm hearing from you
5 it's not what you want, but you're willing to accept,
6 subject to your confidence that we're not an ideological
7 agency and we'll continue to work with you, so you can
8 maintain the timeline, which is even more potent and
9 powerful, in terms of your needs --

10 MS. RILEY: The time line is --

11 CHAIRPERSON NEWSOM: -- and even that 1,700 plus
12 acre feet, which you feel could be used for other things.

13 MS. RILEY: And we -- yes. We also think that we
14 have a path forward as far as our future relationship with
15 your staff and with this Commission on managing the
16 habitat at Owens Lake through the Owens Lake Master
17 Project. And we would be happy actually to have maybe a
18 separate presentation on that, at some point, to how
19 multi-disciplined this could be addressed.

20 CHAIRPERSON NEWSOM: All right. So, Jennifer,
21 just how do you reflect? I mean, obviously you heard what
22 you wanted to hear, I imagine --

23 (Laughter.)

24 CHAIRPERSON NEWSOM: -- that your recommendation
25 is supported. But anything you want to further amplify?

1 EXECUTIVE OFFICER LUCCHESI: The only thing I
2 would say is that we appreciate LADWP's position on
3 supporting staff's recommendation here. We understand
4 that that was a hard challenging conclusion to come to.
5 We also understand that they had to review our staff
6 report and recommendation in a pretty short period of time
7 before today's meeting. We certainly worked towards
8 getting that information out with enough time to talk
9 about these things, but as Ms. Riley said, we are
10 committed to continuing our very strong working
11 relationship with DWP on trying to find a balanced
12 solution to dust control and protecting the Public Trust
13 values out on the lake. And we will continue to work
14 towards a resolution on T18 South, as well as their
15 variance requests and their master project.

16 CHAIRPERSON NEWSOM: Yeah. Okay. Any additional
17 comments or thoughts or questions?

18 COMMISSIONER YEE: Yes. Comments, I guess, Mr.
19 Chairman. I think there's still a lot of questions about
20 really how this is all going to proceed and hopefully get
21 to the outcome that we want, but -- and I'm prepared to
22 take action today.

23 I'm a little concerned about the increased water
24 usage and I was actually prepared to come in today before
25 this whole thing started with removing the T18 South to

1 talk about how we can have some assurance that we're going
2 to deal with the habitat mitigation issues and everything
3 kind of attendant to just kind of getting to the outcome
4 that we want.

5 So I guess I'm just looking for some assurances
6 along the way that we're going to have all these issues
7 addressed. And I think the city is desirous of an action
8 by the Commission today, but I would just like to see kind
9 of more, I guess, checkpoints along the way or just
10 monitoring, in terms of how I get there.

11 EXECUTIVE OFFICER LUCCHESI: I can certainly
12 continue to provide updates to the Commission on our
13 discussions with the city, and, of course, our discussions
14 in collaboration with Fish and Wildlife staff on T18
15 South, on their variance request, and then also on the
16 master project to continue to check in with the Commission
17 on the progress that were being made with anticipated
18 dates on when we may bring a decision for the Commission
19 to consider making on future lease amendments.

20 COMMISSIONER YEE: Yeah, that would give me more
21 comfort just so we know that these issues aren't going to
22 be just falling off.

23 EXECUTIVE OFFICER LUCCHESI: Of course, of
24 course.

25 ACTING COMMISSIONER ORTEGA: Just a clarifying

1 question. So, Jennifer, when you briefed me on the
2 background on this before, one of the concerns about the
3 T18 South was that some of the habitat mitigation is maybe
4 not tested or proven. And I was not clear on whether the
5 part that's being included now would result in any further
6 information on that for a future discussion. So will we
7 learn anything from this part of the recommendation that
8 is going forward?

9 EXECUTIVE OFFICER LUCCHESI: So staff's
10 recommendation is to approve the project -- the Commission
11 approved the project and lease amendment, but exclude T18
12 South. I'm not exactly sure how the discussions will go
13 in terms of our differing views on the habitat values of
14 T18 South, but I'm sure that we will work towards
15 understanding each other's perspectives and positions on
16 that.

17 I will say Jennifer DeLeon is our Senior Staff
18 Scientist and Manager working on Owens Lake. And so she
19 can certainly speak to the habitat values at T18 South and
20 our proposed monitoring requirements and the alternative
21 authorization. But the key, I think, point is that when
22 the city was developing the phase 9, 10 project, they were
23 using a Habitat Suitability Model to help assess the
24 potential impacts to habitat out on the lake. And that
25 was a model that was developed in consultation with Fish

1 and Wildlife staff and with Commission science --
2 scientists. But the key point to remember is that that
3 hasn't been validated yet. It's a theoretical model. And
4 I think that's our concern.

5 ACTING COMMISSIONER ORTEGA: Yeah, that's the
6 question that I'm trying to get at is will -- with this --
7 the recommendation that's before us, will we have any
8 further -- will we have any information at a future
9 discussion about potential other projects out there, or
10 would we have had to include T18 South?

11 CHAIRPERSON NEWSOM: You want to have that
12 discussion, I imagine?

13 ACTING COMMISSIONER ORTEGA: Yeah.

14 MS. RILEY: We are finalizing a contract with a
15 third-party to validate the model. And I'm not sure the
16 time frame of -- that should be done in a relatively quick
17 period of time. And I think that that would be something
18 that State Lands Commission and Fish and Wildlife staff
19 would be very interested in having completed. So there
20 would be kind of a fall-back plan, if the birds don't
21 reappear.

22 ACTING COMMISSIONER ORTEGA: Okay.

23 EXECUTIVE OFFICER LUCCHESI: And if I may --

24 CHAIRPERSON NEWSOM: Yeah. No, I was just going
25 to ask up. Perfect. Yeah. Thank you.

1 EXECUTIVE OFFICER LUCCHESI: -- can I invite
2 Jennifer DeLeon on up to speak to this issue.

3 ENVIRONMENTAL PROGRAM MANAGER DeLEON: Hi. Thank
4 you. Jennifer DeLeon, Environmental Program Manager with
5 the Environmental Planning and Management Division.

6 I think what I'm hearing you ask is whether or
7 not the dust control on the, I think 17, new dust control
8 areas involved in phase 9 and 10 will offer some insight
9 into testing the Habitat Suitability Model. And it won't,
10 because those are new dust control areas.

11 The areas that you have previously authorized for
12 transition from one dust control method, which is shallow
13 flood, to this sort of hybrid or a mixture of gravel,
14 shallow flood, a little vegetation, it looks pretty. It's
15 like a little mosaic. It's esthetically a little bit
16 better.

17 The idea behind it is that even though you're
18 reducing the total amount of water, you're creating a more
19 varied structure that maintains habitat value, if not
20 total water amount. So that was authorized our sort of
21 test case of about three plus square miles was authorized
22 for the Phase 7A project. I believe that was Amendment 14
23 just before the tillage BACM back-up amendment.

24 So what we were looking at with that is that
25 that's an opportunity to see how the transition habitat

1 functions compare whether or not the birds are really
2 using that area the way you might expect them to. The
3 Habitat Suitability Model measures only non-biological
4 parameters, water depth, water salinity, seasonal water
5 availability, and a variety of other things that we think,
6 if we keep these items in an optimal range, that's what
7 the birds prefer.

8 And so there's an expectation if you have all
9 those measurements in place, your habitat is valuable. So
10 the validation that our staff and Fish and Wildlife staff
11 is looking for is to see whether those are the right
12 parameters, whether they need to be adjusted, and whether
13 or not actual bird use reflects what you thought that it
14 would using your model. So it's the phase 7A that's
15 really the test that we're looking for.

16 ACTING COMMISSIONER ORTEGA: Great.

17 ENVIRONMENTAL PROGRAM MANAGER DeLEON: I think
18 that's where you were going with that.

19 ACTING COMMISSIONER ORTEGA: That answers my
20 question, yes.

21 CHAIRPERSON NEWSOM: And, you know, may I
22 suggest, because I remember a number of years ago, we had
23 a very comprehensive overview of Owens Lake. And it's so
24 timely now, because it goes to the core of all the
25 trade-offs and challenges that we all face. And so I do

1 very much appreciate Ms. Riley your representation of your
2 support of this with the hope and expectation, and caveats
3 attached, that we can find some common ground moving
4 forward.

5 You've got two agencies that are a little more
6 skeptical, as you've acknowledged, not just us, but Fish
7 and Wildlife, and some work to do in that respect, but
8 with appreciation of the enormous burden placed on you to
9 balance needs, and inheriting this sort of historic
10 calamity of sorts, this, you know, sort of human -- well,
11 I won't go into editorializing.

12 But perhaps we could do a shortened -- I remember
13 that was a long presentation a couple years back. Unless
14 we cut it off, it would still be going on, not that -- but
15 maybe we can do a hybrid that can be a little more focused
16 on some of these more granular issues that both of you are
17 facing, as I imagine you would love to educate us a little
18 bit more from your perspective, not just from State Lands'
19 perspective. Perhaps we can get that on the calendar in
20 the next few months.

21 EXECUTIVE OFFICER LUCCHESI: Yeah. Certainly, we
22 will -- yeah, we will certainly do that.

23 CHAIRPERSON NEWSOM: That could very helpful to
24 all of us in shaping the discussion going forward.

25 EXECUTIVE OFFICER LUCCHESI: We will certainly

1 work on putting that on that informational item in
2 collaboration with the city and hopefully with Fish and
3 Wildlife for either the October or December meeting.

4 CHAIRPERSON NEWSOM: Yeah, I think it would be
5 helpful I'd love to get their perspective in this mix as
6 well, so it's not again just coming from our vantage
7 point.

8 EXECUTIVE OFFICER LUCCHESI: Of course.

9 CHAIRPERSON NEWSOM: Excellent. Well, in the
10 spirit of their support of your recommendations and the
11 comments that were made, is there any additional public
12 comment?

13 Seeing none. We'll close public comment.

14 Are there any additional comments from the
15 Commission?

16 Is there a motion to support the recommendation?

17 ACTING COMMISSIONER ORTEGA: I'll move approval.

18 COMMISSIONER YEE: Second

19 CHAIRPERSON NEWSOM: And without objection that
20 will be the direction of this Commission. And thank you
21 all very much. Thanks for taking the time to be up here.

22 And we'll move to the next item, which is Item,
23 if I've got it right, 68, which is Bureau of Land
24 Management indemnity regarding selected school lands
25 located in Barstow. And I know we have a staff

1 presentation, eager staff presentation

2 (Thereupon an overhead presentation was
3 presented as follows.)

4 LAND MANAGEMENT DIVISION CHIEF BUGSCH: Good
5 afternoon, Commissioners. There's a PowerPoint, but I'll
6 get going anyway. My name is Brian Bugsch I'm the Chief
7 of the Land Management Division. Today, I'll be
8 presenting on Calendar Item C 68.

9 As you are aware, the Commission manages two
10 types of lands, sovereign lands and school lands. This
11 will be speaking towards school lands. School lands --
12 just as a little background. School lands were granted to
13 the State of California by the federal government under
14 the Act of March 3, 1853 and consisted of the 16th and
15 36th sections of land in each township throughout the
16 State.

17 --o0o--

18 LAND MANAGEMENT DIVISION CHIEF BUGSCH:

19 Originally, in 1853, the Commission was granted
20 5.5 million acres of school lands. About 90 percent of
21 these lands were sold off over the first 100 years of
22 Statehood. Today, the Commission currently manages
23 approximately 462,000 acres of school lands held in fee
24 ownership by the State and additional reserve mineral
25 interests on approximately 900 -- or 790,000 acres of

1 school lands, where the surface estate had been sold.

2 On this map, you can't really see it, but most of
3 the lands are all up there. We call this the measles map,
4 and you can see where those little red dots is where it's
5 located, where we still own.

6 There were exceptions to the granting of school
7 land. These lands included lands reserved for public use,
8 lands already taken by private land claims, and lands
9 known to be mineral in character. In these cases, the
10 State was given an opportunity to select replacement lands
11 from the United States in lieu of a Section 16 or 36.
12 These replacement lands are now known as indemnity school
13 lands or lieu lands. The State currently has outstanding
14 claims for about 51,000 acres of indemnity school lands,
15 and that's the subject of this item.

16 Under the School Land Bank Act of 1984, the
17 School Land Bank Fund was established and school lands
18 were placed in trust to be managed for the benefit of the
19 State Teachers' Retirement System. The Commission was
20 designated as the trustee of the Trust and managers -- and
21 manages the fund to provide revenue to CalSTRS.

22 In the last fiscal year, activities on school
23 lands generated a net value of \$8.7 million primarily
24 through geothermal and oil and gas leases. In today's
25 requested action, to acquire these federal lands as

1 indemnity school lands will enhance the Commission's
2 ability to generate revenue for CalSTRS.

3 --o0o--

4 LAND MANAGEMENT DIVISION CHIEF BUGSCH: On July
5 15th, 2014, the Bureau of Land Management notified the
6 Commission that certain federally owned lands in the city
7 of Barstow were being declared surplus and therefore would
8 be available for selection as indemnity school lands.

9 On August 21st, 2014, they Executive Officer
10 replied to the notice from the BLM and indicated the
11 Commission's interest in acquiring these lands. An
12 indemnity land selection application was submitted to BLM
13 on May 11th of this year 2015. The subject land consists
14 have 43.75 acres, more or less, of which approximately
15 41.25 acres is vacant commercial land located within the
16 boundaries of the Spanish Trail Specific Plan, and
17 approximately 2.5 acres is a vacant residential lot.

18 The Spanish Trail Specific Plan is a
19 redevelopment project approved by the city council in
20 February 2015 as part of the update to the city's general
21 plan.

22 --o0o--

23 LAND MANAGEMENT DIVISION CHIEF BUGSCH: Known as
24 the Shoppes at Spanish Trail, this planned commercial
25 development includes two hotels, several big box retail

1 State. And staff is requesting authorization to accept
2 and record the Clear List subject to its issuance by BLM.

3 So that's the action. And that concludes my
4 report, and I'm available for questions.

5 CHAIRPERSON NEWSOM: All right. Questions.

6 COMMISSIONER YEE: Mr. Chairman, thank you. I
7 had actually asked for this to be pulled off consent.
8 These don't, I think, happen very often. And so I just
9 thought it was unique. And certainly anything that's a
10 revenue generator for CalSTRS we're always very happy to
11 see that, but also I appreciate the stewardship overseeing
12 the successful development.

13 Thank you.

14 ACTING COMMISSIONER ORTEGA: My question is
15 really I think about process. So BLM approaches the State
16 Lands Commission and says these lands are available. Do
17 you then engage in a process of determining whether any
18 revenue can be generated from acquiring them? Like,
19 what's the thought process on whether to accept or say no
20 thank you or --

21 LAND MANAGEMENT DIVISION CHIEF BUGSCH: Yeah, I
22 think they put a lot of lands up for surplus at different
23 times. This one we evaluated, identified the value of
24 that, and we wanted to claim that. As I think I said
25 earlier in the thing, there's about 51,000 acres that

1 we're entitled to at some point. So every once in a
2 while, they'll put stuff up for surplus, and it will be
3 available. We kind of get the first pick at that, if we
4 want it, and then we go through this process to actually
5 put in and actually request and claim it. That's what
6 we're doing here

7 EXECUTIVE OFFICER LUCCHESI: And in this
8 particular situation, when they originally put lands up
9 for surplus, we're looking at not only revenue potential
10 given what else is going on in the vicinity, but also any
11 liability that we may be taking on as part of that
12 acquisition.

13 In this particular case, it was kind of a
14 no-brainer to start this process, because of the efforts
15 that the city had already begun in terms of trying to
16 redevelop this area. And, in fact, that's really the key
17 to this accepting the Clear List -- or excuse me,
18 accepting title to these lands through this action is
19 the -- kind of the first step in continuing our
20 negotiations with the City of Barstow to figure out how to
21 deal with all of the State School Lands holdings in their
22 Spanish Trail development.

23 And what we're looking at now is kind of a
24 mixture of sale, which those proceeds would go into the
25 School Land Bank Fund for future acquisitions, and kind of

1 long-term leasing or another mechanism to ensure a
2 constant steady revenue source to CalSTRS. So we're
3 looking at that mixture.

4 But the Commission's job as trustee of the Land
5 Bank Fund and these school lands is to make money for
6 CalSTRS, and so that's the lens that we view these surplus
7 lands that BLM is offering through.

8 CHAIRPERSON NEWSOM: Excellent. Any additional
9 comments?

10 COMMISSIONER YEE: No.

11 CHAIRPERSON NEWSOM: All right. Any public
12 comment?

13 Seeing none. We'll close public comment.

14 Is there a motion to approve?

15 COMMISSIONER YEE: I'll move to adopt the staff
16 recommendation.

17 ACTING COMMISSIONER ORTEGA: Second.

18 CHAIRPERSON NEWSOM: And second. Without
19 objection. Thank you.

20 We can move to Item number 82. It's an
21 informational update of our strategic plan.

22 (Thereupon an overhead presentation was
23 presented as follows.)

24 EXECUTIVE OFFICER LUCCHESI: Dave Brown our
25 Assistant Executive Officer will be giving a short

1 presentation on the strategic plan, again, just to
2 summarize kind of where we're at. The real purpose of
3 this item is to provide an opportunity for the public to
4 provide comments to the Commission directly on the
5 strategic plan. Dave will be able to share that we have
6 received some comments, written through our email --
7 through the email address that we've set up for this.

8 CHAIRPERSON NEWSOM: Good. Dave, maybe we can
9 just jump in there, because we've done a number of updates
10 and presentations on this. And I don't have any public
11 speakers, at least that filled out forms. If I'm wrong,
12 please do that.

13 What have been -- what's been the feedback? What
14 have you witnessed?

15 ASSISTANT EXECUTIVE OFFICER BROWN: Well, we have
16 had some feedback. We did an email account. We mailed
17 out postcards to all of our lessees, and all of our
18 partners and so on. We have received some email traffic,
19 not very much. I think we've gotten 28 messages. A
20 predominance of those were from Huntington Harbor and
21 Tahoe residents wanting us to repeal SB 152.

22 CHAIRPERSON NEWSOM: All right. As part of a
23 strategic plan, maybe yeah.

24 (Laughter.)

25 ASSISTANT EXECUTIVE OFFICER BROWN: But there

1 have also been a few thoughtful comments about the Public
2 Trust, maintaining public access, and those sorts of
3 things. It's been pretty light so far. We haven't had as
4 much traffic as we would hope.

5 CHAIRPERSON NEWSOM: Right. And are you -- I
6 mean, I know we're scheduled, what, for October completion
7 adoption?

8 EXECUTIVE OFFICER LUCCHESI: We were anticipating
9 adoption -- consideration and adoption of the plan by the
10 Commission in December.

11 CHAIRPERSON NEWSOM: In December.

12 EXECUTIVE OFFICER LUCCHESI: Yeah. October our
13 meeting location is scheduled to be in San Diego, so we
14 were hoping to offer the opportunity for the public to
15 comment from that region. And then our December meeting
16 location is scheduled to be in Sacramento, and that's
17 where we were --

18 CHAIRPERSON NEWSOM: For final adoption. And is
19 it broadly drafted now? I mean, how far along are you?

20 ASSISTANT EXECUTIVE OFFICER BROWN: We have the,
21 what we consider, the final draft posted to the website.

22 CHAIRPERSON NEWSOM: Yeah, so it's pretty much
23 done, what we've seen. Okay.

24 So just a couple -- I have some comments. And I
25 don't -- you know, I don't want to belabor. You know, I

1 did read what was drafted. And there's some areas, and I
2 appreciate all this effort, that I just -- I hope we can
3 get a little more -- and at peril -- because I understand
4 a strategic plan should be just that. It's not a
5 detailed, nuanced, prescriptive plan that sort of ties
6 one's hands. It's about flexibility.

7 But some of the broader principles I just feel
8 that we need to be a little bit more aggressive, on the
9 transparency side, on the open government side, on the
10 engagement side. I think we pay a little bit lip service.
11 And I'm not suggesting -- this is not an attack or
12 indictment of the importance of the process or the work
13 that's been done to date, but I feel like -- I mean, it --
14 peril of you lashing out at me privately, because you'll
15 probably be too generous to do it publicly, I feel like
16 we're paving over the old cow path with a lot of the
17 language.

18 I've kind of seen this plan before. I've seen it
19 all the time, and it's nice, but it's not enlivening.
20 It's bureaucratic. It's wonderful, but it's dull. And I
21 don't want to be dull here. We're better than that. I
22 think, you know, something that's a little -- got a little
23 more zest a little more -- you know, and I started
24 writing. I mean I literally was sitting there -- I won't
25 advertise which coffee shop down the block, but a well

1 known chain.

2 (Laughter.)

3 CHAIRPERSON NEWSOM: And I was just literally
4 writing. I was thinking, you know, where is the
5 aggressiveness on incentivizing civic participation, where
6 is the language around that? Where is the -- you know,
7 where is more robust language on open government, you
8 know, talking about high value -- you know, you've heard
9 me talk about machine readable, downloadable open data
10 sets. You know, where -- are we -- are we evangelists for
11 open data?

12 I don't feel that reading the strategic plan. I
13 think we talk about transparency, which is nice, you know,
14 accountability, transparency, and collaboration. You
15 know, I'm a fanatic when it comes to IT procurement. We
16 should be an agency that gets it, and gets it done
17 differently. You know, you understand this, because you
18 inherited one of the great debacles in American history,
19 not California history, \$371 million payroll system
20 upgrade. I'm on the UC Regents. We almost topped you,
21 because we've gone through a similar procurement disaster.

22 I think there's things when we talk about
23 technology, it's again it's like a check box, but not a
24 different iteration, a different framework of how we can
25 digitize our workflow in a way that meets people where

1 they are. I mean we're living in a world where everyone
2 is conditioned by Amazon. They have different
3 expectations than 1(800) numbers at the DMV. I use that
4 just cause it's a cliché, though my DMV still has a 1(800)
5 number on the sign out front being advertised.

6 I mean, I know you're not advertising a 1(800)
7 number, but we do advertise -- we talk about websites, but
8 it's traditional. We talk about collaboration in a --
9 just, you know, a check box way, as opposed to a more
10 deliberative way. And, you know, for me, that's sort of
11 organizing around interest. We talk about the four or
12 five agencies that we collaborate with, but what about a
13 strategic plan to really dive deeply into different
14 business processing, in terms of customer engagement,
15 which is civic engagement, around these interests and
16 around these broader principles?

17 So, you know, I wrote those out. I don't want to
18 belabor, but, you know, I sort of -- my headlines were
19 digital by default, organized around user interests,
20 smaller, quicker, better, which goes to the IT framework,
21 which is frequent, more digital experimentation versus
22 large-scale procurements, which if you're going to do a
23 strategic plan, let's not make the mistakes of almost
24 every other State agency in terms of that.

25 There's \$2 billion since 2001, \$2 billion, of

1 project overruns in terms of budgets, since 2001,
2 literally evaporated, just gone, just burned up in the
3 State government. It's one of the great scandals that no
4 one seems to really care about, because it's complicated,
5 and there's no accountability. Two billion dollars of
6 government money,

7 If it was any other -- you know, if it was -- you
8 know, if it was State Parks spent and wasted two billion,
9 everyone would stop the presses, but on the procurement
10 side we don't.

11 So these are just opportunities I think with a
12 strategic plan to lean into the world, not only we're
13 living in, but the world we're entering into, and all the
14 white waters of change we expect.

15 So, you know, again, I wrote these things out.
16 I'd love to give them to you. I don't mean to be
17 critical, because I know this can come across as critical,
18 because I really do appreciate all the work that's gone
19 into this, but I don't want to miss the opportunity, if
20 that was. I was concerned that may be the final draft,
21 but I know it's not final, but maybe this is my public
22 comment.

23 (Laughter.)

24 CHAIRPERSON NEWSOM: And so if we can just sit
25 down and see if we can -- let's make this something -- you

1 know, let's make this something everybody else goes wow,
2 what the heck did they just do? That's not a strategic
3 plan that literally no human being has ever read, because,
4 well, we did a strategic plan in the audit. We said we
5 already had a strategic plan. It collects dust. You have
6 21 comments.

7 Let's get people riled up, saying what the heck
8 do you mean by a digitizing process? What's going on
9 State Lands -- or Coastal Commission says no that -- why
10 don't you -- I want to get 250 comments next time or
11 2,000, because people are nervous that we're going to do
12 things a little differently. So let's be disruptive here,
13 all right? That's the point.

14 EXECUTIVE OFFICER LUCCHESI: Will do.

15 CHAIRPERSON NEWSOM: Yes. So that's the spirit,
16 disruption.

17 (Laughter.)

18 ASSISTANT EXECUTIVE OFFICER BROWN: I would like
19 to make my public comment.

20 CHAIRPERSON NEWSOM: God bless you, man.

21 (Laughter.)

22 ASSISTANT EXECUTIVE OFFICER BROWN: Since we put
23 that plan together, we have had several epiphanies in our
24 conduct of our business, and particularly as it -- excuse
25 me, as it has to do with technology.

1 We have got a strategic direction now. We're
2 trying -- I've been working with your staff trying to get
3 SharePoint, which we can't get right now through the
4 State.

5 CHAIRPERSON NEWSOM: Right.

6 ASSISTANT EXECUTIVE OFFICER BROWN: But I think
7 we're on a very good trajectory to do a lot of that.
8 We've got possible projects with Fresno State and CSU
9 Northridge to digitize some of our things. They're
10 willing to go out and secure grants for us, and assist us.
11 So there's been a lot of really good things happening.

12 CHAIRPERSON NEWSOM: I love it. Let's back it up
13 with language in this plan --

14 ASSISTANT EXECUTIVE OFFICER BROWN: I get you.

15 CHAIRPERSON NEWSOM: -- that codifies the work
16 you're already doing. And I am aware -- Kevin is sitting
17 right there. And I'm very grateful for all the outreach
18 and sincerity coming from staff on moving in this
19 direction. You guys -- I mean, I would argue you're on
20 the leading edge, but we've got work to do, to set the
21 pace.

22 ASSISTANT EXECUTIVE OFFICER BROWN: Way ahead of
23 that pack is not that far ahead.

24 CHAIRPERSON NEWSOM: Yeah. No, I get it. I get
25 it. Amen. So I just -- you know, we have an opportunity

1 here. And so that's the editorial. And I appreciate the
2 spirit of your response and the work as well.

3 ASSISTANT EXECUTIVE OFFICER BROWN: Thank you.

4 CHAIRPERSON NEWSOM: So, sorry guys.

5 COMMISSIONER YEE: No, that's a great comment.

6 CHAIRPERSON NEWSOM: That's what happens after a
7 large cup of coffee.

8 (Laughter.)

9 COMMISSIONER YEE: Mr. Chairman?

10 CHAIRPERSON NEWSOM: Any other -- anyone here to
11 speak to this item?

12 No.

13 Any other comments?

14 COMMISSIONER YEE: I'll just comment. And I
15 really appreciate your comments, Mr. Chairman. I think
16 one of the things I always look for in a strategic plan is
17 just really how we can be aspirational, right. And I
18 think one of the things that's really been, I guess that's
19 hurt the Commission is just not having adequate resources.
20 And we heard it again today that it's held us back, but I
21 don't want it to hold back our thinking about where we
22 need to go.

23 CHAIRPERSON NEWSOM: Here, here.

24 COMMISSIONER YEE: And, I mean, I think I feel
25 like, as a member of the Commission, that I want to

1 advance proposals for additional resources where it's
2 warranted. And I also think that we have a tremendous
3 leadership role that we can assume. We do a lot in
4 partnership, but I think we uniquely have -- I see lots of
5 opportunities for leadership. And it's -- you know, all
6 of the challenges that we face, all of the risks that
7 we're trying to mitigate, I think we've done well under a
8 limited resource environment. But the goal of a strategic
9 plan is to think, you know, really aspirationally about
10 how we get out ahead of this, and really think about, in
11 an ideal world, how can we provide that leadership.

12 And certainly with the types of challenges that
13 we're facing, it's really kind of an all decks on
14 hand(sic) kind of, you know, reality right now, but we
15 could really be the leader with respect to, you know, just
16 managing a lot of that. So I hope we see that in the
17 plan.

18 I am very happy to be joining you in actually
19 convening one of the stakeholder meetings to get input on
20 the plan in several weeks. So hopefully, we will get more
21 of that. But I do think if we don't allow ourselves to
22 even speak the language, we're going to get back what we,
23 you know, pretty much have pegged as our goal. And right
24 now, it's a goal that's of a reality that hopefully will
25 be in the past, but that we really are thinking more

1 broadly because our risks are pretty great, if we don't do
2 so.

3 CHAIRPERSON NEWSOM: You've reminded me of a
4 wonderful Michelangelo quote -- that's what happens when
5 you're Lieutenant Governor with Jerry Brown, you start
6 reading up about -- usually, I go to Archemedes or
7 something, Plutarch, a little renaissance. But
8 Michelangelo had a wonderful quote that said, the biggest
9 risk in life is not that we aim too high and miss it, it's
10 that we aim too low and reach it, which is, I think, the
11 spirit of your comments, which I liked a lot.

12 So in the words of Michelangelo, maybe we'll just
13 begin, that's our preamble, Michelangelo. Loosely
14 translated, by the way, not literal.

15 Anything else? You don't want anything to do
16 with our comments. I get it.

17 (Laughter.)

18 CHAIRPERSON NEWSOM: Smart.

19 (Laughter.)

20 CHAIRPERSON NEWSOM: Okay. Seeing no more public
21 comment. Yeah, no, I get it. Right. Yeah, exactly.

22 Thank you very much for the update.

23 Item 83, another informational briefing on tribal
24 consultation, which is also very good and important and
25 grateful for the work that's been done on this.

1 (Thereupon an overhead presentation was
2 presented as follows.)

3 ENVIRONMENTAL PROGRAM MANAGER DeLEON: Hello,
4 again. Good afternoon.

5 CHAIRPERSON NEWSOM: Hello.

6 ENVIRONMENTAL PROGRAM MANAGER DeLEON: I'm
7 Jennifer DeLeon. I'm with the Environmental and Planning
8 Management Division, an Environmental Program Manager.
9 Thank you for hearing this item today. I'm very excited
10 to tell you about what we're doing.

11 California's rich cultural legacy includes
12 millennia of Native American use of State Lands. Native
13 American tribes have used the lands, waterways, and
14 resources currently under the Commission's jurisdiction to
15 support their culture and way of life. This means that
16 important cultural resources, artifacts, and sacred sites
17 are sometimes located on the lands that the Commission
18 manages.

19 To better preserve California's tribal heritage,
20 Commission staff is developing a tribal consultation
21 policy. This informational briefing provides an overview
22 of the State level context, the expected themes of the
23 policy, and the proposed process for developing,
24 reviewing, and approving the policy.

25 --o0o--

1 ENVIRONMENTAL PROGRAM MANAGER DeLEON: So
2 development of this policy by the Commission is timely for
3 a number of reasons. In 2011, Governor Brown issued an
4 Executive Order, which expressed the State's commitment to
5 strengthening and sustaining effective relationships
6 between the State and tribes.

7 This order, included establishing a Governor's
8 tribal advisor, and also directed State agencies to
9 encourage communication and consultation with tribes,
10 including allowing meaningful tribal input into decisions
11 affecting tribal resources and communities.

12 Following this, in 2014, the legislature passed
13 and the Governor signed a bill amending several California
14 Environmental Quality Act provisions related to tribal
15 consultation. These provisions describe a required
16 notification and consultation process to ensure that
17 tribal recommendations and alternatives and mitigation
18 measures are considered and incorporated early enough in
19 the process to be meaningful.

20 --o0o--

21 ENVIRONMENTAL PROGRAM MANAGER DeLEON: And I will
22 also say that development of this policy is consistent
23 with the draft strategic plan, specifically action 3.2.2,
24 and the targeted outcome for strategy 3.2 of maximizing
25 coordination and collaboration with other agencies and

1 California Indian tribes. So we are trying to put our lip
2 service into actual practice.

3 --o0o--

4 ENVIRONMENTAL PROGRAM MANAGER DeLEON: Commission
5 staff seeks to develop a policy that meets the five
6 guidelines it has identified as integral to successful
7 consultation. These include mutual education, mutual
8 respect, maintaining confidentiality, and timely, open,
9 frequent communication.

10 These five focal areas were identified by
11 reviewing existing consultation policies, and also by
12 consulting with several tribal liaisons with other
13 departments within the California Natural Resources Agency
14 with whom we frequently coordinate.

15 The policy would also assist Commission staff
16 with implementing its AB 52 responsibilities, and give
17 tribal communities a tool for understanding how to access
18 the Commission and its staff when they have questions and
19 concerns.

20 --o0o--

21 ENVIRONMENTAL PROGRAM MANAGER DeLEON: In terms
22 of process, staff is proposing a 60-day public and tribal
23 review period, within which we would schedule a minimum of
24 two tribal consultation workshops, tentatively one in
25 Northern California and one in Southern California,

1 potentially a third one in Sacramento. We would strive to
2 locate the workshops in areas to maximize participation
3 and convenience for interested attendees, because we do
4 want to show that we understand that travel can be
5 expensive. And taking time often, staff members and
6 tribal members are not paid for doing this, and we want to
7 make it as convenient as possible.

8 Our notification would be pursuant to the native
9 American Heritage Commission's list of federally
10 recognized and non-federally recognized tribes, as well as
11 notification to any other members or communities that ask
12 to be placed on the list. We've actually already
13 generated interest via this informational item on the
14 consultation policy. We have -- I've had a couple of
15 phone calls from tribal members asking about what it is,
16 how can they participate, how can they get notification,
17 and also asking if they could share the information on
18 their Facebook page.

19 So in this proposed process timeline, we expect
20 to put it out some time in early October, complete public
21 review and our consultation outreach workshops within a
22 60-day period, come back and give you an update as to
23 preliminary feedback in December, and then bring -- you
24 know, revise based on comments and bring a proposed final
25 for your consideration sometime in early to mid-2016.

1 So thank you for the opportunity, and I can
2 answer any questions, if you like.

3 CHAIRPERSON NEWSOM: That's great. Well done.
4 Important. We can argue long overdue, but I'm glad we're
5 here. And is there any public comment?

6 I didn't get a card.

7 I don't see any public comment.

8 We'll close public comment. Any -- you know, I'm
9 certainly very supportive and appreciate the timeline and
10 the engagement and the effort.

11 Any comments?

12 Is there no -- is there -- it's just information.

13 EXECUTIVE OFFICER LUCCHESI: Yes, that's correct.

14 CHAIRPERSON NEWSOM: Nothing really to adopt.

15 EXECUTIVE OFFICER LUCCHESI: No action to be
16 taken.

17 CHAIRPERSON NEWSOM: So keep at it. Well done.
18 And we'll look forward to the feedback in the final
19 product.

20 With that, I think we have one additional item
21 left, Item number 84 on the agenda, which is an
22 informational report as well.

23 ASSISTANT EXECUTIVE OFFICER BROWN: I'm back.

24 CHAIRPERSON NEWSOM: Thank you.

25 ASSISTANT EXECUTIVE OFFICER BROWN: Dave Brown,

1 Assistant Executive Officer with the Commission. And I'm
2 here to give you, at this point in the day hopefully, a
3 brief update on what's happening at Bolsa Chica and a
4 little history for your new Commissioners.

5 (Thereupon an overhead presentation was
6 presented as follows.)

7 ASSISTANT EXECUTIVE OFFICER BROWN: This is
8 entitled the good, the bad, and the ugly.

9 (Laughter.)

10 ASSISTANT EXECUTIVE OFFICER BROWN: You probably
11 have -- can guess what the ugly is.

12 The Bolsa Chica Restoration Project is in
13 Huntington Beach. It's between Huntington Beach and
14 Sunset Beach. It's comprised of about 1,200 acres.

15 --o0o--

16 ASSISTANT EXECUTIVE OFFICER BROWN: And this is a
17 picture in 1873. The low lands of Bolsa Chica once
18 contained about 2,700 acres of wetlands, according to
19 government surveys. These wetlands were part of a vital
20 coastal ecosystem, and were used historically and
21 extensively by both native and migrating birds. They were
22 also a nursery for juvenile marine fishes. Native
23 Americans resided in the area for centuries.

24 The wetlands, however, were unsuitable for
25 farming, and remained undeveloped through the early 20th

1 Century. Today, more than 90 percent of California's
2 coastal wetlands' systems have been destroyed due to
3 develop of coastal wetlands, like the low lands of Bolsa
4 Chica

5 --o0o--

6 ASSISTANT EXECUTIVE OFFICER BROWN: In about
7 1900, the wetlands were acquired by a hunting club. The
8 ocean water flow was blocked off and the area diked and
9 divided into numerous ponds to facilitate waterfowl
10 hunting. A clubhouse was built on the Bolsa Chica mesa
11 and hunting continued until 1950 when oil was discovered.

12 --o0o--

13 ASSISTANT EXECUTIVE OFFICER BROWN: By 1960, most
14 of the land in the area was committed to oil production.
15 In the early 1970s, the surface owner began efforts to
16 develop residential housing in the upper part of the
17 lowlands. Eventually, only about 1,200 acres of the gap
18 remained without housing. There was a 5,800 unit housing
19 plan, and then -- was then proposed and for the
20 undeveloped, area including a major thoroughfare across
21 the wetlands. This proposal was unpopular with local
22 environmentalists and open-space advocates. Many of these
23 folks questioned whether the wetlands might actually be
24 owned by the State.

25 State Lands Commission and the Attorney General's

1 Office undertook a study of the title and the character of
2 the land. As a result, the Commission asserted State
3 ownership over a significant amount of this land. In
4 1973, an agreement was reached where the State received
5 320 acres. And that was -- get the pointer here -- in the
6 bottom -- woops.

7 Help me.

8 (Laughter.)

9 ASSISTANT EXECUTIVE OFFICER BROWN: Is there a
10 pointer on this?

11 There it is.

12 Let's back it up. And this area right down here
13 was the 320 acres, and it was leased to the Department of
14 Fish and Game at the time.

15 This agreement, while beneficial, did not satisfy
16 the concerns over development in the area in the minds of
17 the activists. They persisted in efforts to thwart
18 development and preserve the wetlands. They actually --
19 they actively lobbied against development with the county,
20 Coastal Commission, and others.

21 --o0o--

22 ASSISTANT EXECUTIVE OFFICER BROWN: A series of
23 development plans were offered, but each fell short of
24 preserving all of the undeveloped land. Lawsuits were
25 filed, delays achieved, and plans were stymied. State and

1 federal agencies discussed ways of preserving and
2 protecting the land.

3 --o0o--

4 ASSISTANT EXECUTIVE OFFICER BROWN: Things were
5 at a standstill until it became known that the Ports of
6 Long Beach and Los Angeles were in need of mitigation
7 credits in order to proceed with their further port
8 development, mostly expanded intermodal facilities that
9 required a large amount of fill in San Pedro Bay.

10 --o0o--

11 ASSISTANT EXECUTIVE OFFICER BROWN: Here's the
12 good. In 1996, eight State and federal agencies, the U.S.
13 Army Corps of Engineers, U.S. Fish and Wildlife, U.S. EPA,
14 National Marine Fisheries, California State Lands
15 Commission, California Resources Agency, and the Coastal
16 Conservancy, and the Department of Fish and Game all
17 signed an MOU to develop the Bolsa Chica Lowlands.

18 This is a picture of it in pre-restoration. It
19 was basically just an old oil field. This is the 1973
20 parcel down here that was leased to the Department of Fish
21 and Wildlife.

22 The CSLC acquired 947 acres of land up here for
23 the project, and the Fish and Wildlife Service managed the
24 construction project.

25 --o0o--

1 ASSISTANT EXECUTIVE OFFICER BROWN: Between 2004
2 and '06, a large full tidal basin was built along with a
3 bridge, ocean inlet, and muted tidal areas with water
4 control features to enhance habitat. In August of 2006,
5 the tidal waters once again flowed into the Bolsa Chica
6 lowlands for the first time in 100 years.

7 --o0o--

8 ASSISTANT EXECUTIVE OFFICER BROWN: Here we have
9 the completed restoration. You see the -- oops -- the
10 full tidal area. These are nesting sites here, here, and
11 there's one back up over here. And this entire area is
12 part of the project. This area out here is still an
13 active oil field.

14 The Bolsa Chica Lowlands Restoration Project is a
15 the largest coastal wetlands restoration project in the
16 history of Southern California involving a new tidal
17 inlet.

18 --o0o--

19 ASSISTANT EXECUTIVE OFFICER BROWN: Now for the
20 good. The good. There was an MOA signed in '97 with all
21 the agencies I talked about. We got \$66 million from the
22 ports to start the project, and it's been a stunning
23 biological success.

24 --o0o--

25 ASSISTANT EXECUTIVE OFFICER BROWN: The project

1 currently is home to 22 endangered, rare, or species of
2 concern, and has been designated as critical habitat for
3 the Western Snowy Plover.

4 Here, we have clockwise from the upper left a
5 Snowy Plover family, brent geese, California least turn, a
6 sea lion enjoying a snack in the full tidal basin, and a
7 Belted Kingfisher.

8 --o0o--

9 ASSISTANT EXECUTIVE OFFICER BROWN: Here we have
10 the endangered Belding's Savannah Sparrows in the upper
11 left fighting for territory, a peregrine falcon after a
12 successful hunt. We had a green sea turtle go into the
13 pocket marsh last year. This was a picture taken. And
14 also the Ridgeway's Rail is back in the Bolsa. This is
15 the light-footed clapper rail, which we thought had left
16 the area, but it's back now.

17 In addition to the wildlife, the Bolsa Chica
18 Lowlands today also provides a valuable public resource.
19 Educational groups, nonprofit organizations, and the
20 general public frequent the site throughout the year for
21 photography, hike, fish in designated areas, and just to
22 enjoy the wetland open space.

23 --o0o--

24 ASSISTANT EXECUTIVE OFFICER BROWN: The bad. The
25 \$66 million dollars in funding wasn't enough.

1 Fortunately, the Port needed more mitigation credits, and
2 so we were able to secure another 34 million.

3 The 25 -- we received 25 million in Prop 40 and
4 50 from the Coastal Conservancy and the Wildlife
5 Conservation Board. Back when things used to make
6 interest, we earned about \$24 million in interest for a
7 total funding of \$151 million. While these sources
8 provided sufficient funds for construction, the long-term
9 maintenance and operation needs were not fully addressed.

10 --o0o--

11 ASSISTANT EXECUTIVE OFFICER BROWN: Here are the
12 project costs. Acquisition of the 947 acres, 26 million;
13 agency work and documentation, EIR, all that, 5.5. We
14 bought out and abandoned several wells by the operator, at
15 that time, ERRA Energy. We bought the oil in place, so
16 their future -- they were indemnified for their future
17 loss. And all construction contracts were 86 million.

18 There was an operation and maintenance endowment
19 of 15 million, and there was a 1.5 million set-aside for
20 the future full tidal.

21 --o0o--

22 ASSISTANT EXECUTIVE OFFICER BROWN: Past examples
23 of how full system tidal restorations were funded.
24 There's another one down in Batiquitos Lagoon. And that
25 one was a pay-as-you-go. So the agency seeking the

1 credits is on the hook for future operation and
2 maintenance. In Bolsa Chica, through whatever
3 negotiations took place back in the late nineties, it was
4 a pay and walk. So once the ports paid, they were allowed
5 to walk, and they are not on the hook for any future
6 liabilities.

7 --o0o--

8 ASSISTANT EXECUTIVE OFFICER BROWN: Now, it gets
9 a little ugly. Interest from the Surplus Money Investment
10 Fund, where all these millions were placed, has been at
11 less than one percent since 2009. Right now, it's less
12 than a quarter of a percent, and we're not earning any
13 money at all. It kind of defeats the point of an
14 endowment.

15 Additional costs have been incurred as the
16 management of the project continues. The delineation and
17 clean up of non-oil related contaminants was much higher
18 than anticipated. There were also site conditions that
19 caused certain costs to exceed original estimates.
20 There's been significant adaptive management measures that
21 have also been required, including grouting of the water
22 control features, installation of a pump to manage water
23 during storm events and repairs to overlooks and roads.

24 There's also maintenance of the ground and water
25 barrier system. The bankruptcy of the former landowner

1 resulted in the loss of reimbursement for contaminant
2 clean-up costs incurred during construction. However, the
3 dredging for inlet management, while contemplated in the
4 original design, has proven to be the most significant
5 cost.

6 --o0o--

7 ASSISTANT EXECUTIVE OFFICER BROWN: Here is a
8 cartoon, if you will, of the ocean entrance. And we have
9 a natural drift of sand going in the southerly direction,
10 and it mostly wants to come around this corner and go
11 right into the inlet. They did a beach replenishment
12 project up at Sunset Beach, and two years later, all their
13 sand was in Bolsa Chica.

14 --o0o--

15 ASSISTANT EXECUTIVE OFFICER BROWN: This is Bolsa
16 after the connection in January of 2007. Remember, it was
17 open in August of 2006. You can see down in the corner
18 here, there's already an accumulation of sand.

19 --o0o--

20 ASSISTANT EXECUTIVE OFFICER BROWN: In 2008
21 there's a further accumulation. We've actually got a
22 little peninsula sticking out there now.

23 --o0o--

24 ASSISTANT EXECUTIVE OFFICER BROWN: And in
25 December of 2008, right before we started dredging for the

1 first time, it was almost cutoff from the ocean.

2 --o0o--

3 ASSISTANT EXECUTIVE OFFICER BROWN: This is an
4 overhead of the aerial of the dredging in 2009. You see
5 that little finger sticking across right there, that's not
6 supposed to be there. That's all sand that has come in
7 from the ocean.

8 --o0o--

9 ASSISTANT EXECUTIVE OFFICER BROWN: So the
10 implications of no dredging. There's a subdivision
11 behind, if you recall the project, that is at or below sea
12 level. During the construction, a 30-foot barrier wall
13 was put in the ground to prevent salt water intrusion into
14 the subdivision.

15 Monitoring wells straddled the barrier on either
16 side, and we actually have a pump to reduce the level of
17 the groundwater in that area. This may put the
18 neighborhoods at risk, if we were to not dredge. We found
19 when we don't dredge, the level of the future full
20 tidal -- or the full tidal basin stays high and it raises
21 the ground level in the Bolsa Chica, which then could
22 inundate at some point in time if we don't maintain that
23 barrier into the neighborhood.

24 Even more at risk is the on-site oil operations
25 within the project area. If the inlet sedimentation

1 reduces tidal action of the system, and sufficient water
2 cannot flow out of the system, a significant storm event
3 may put the oil operation at risk of flooding. And then
4 that would result in some oil spill and other things.

5 Failure to dredge regularly will eventually
6 result in blockage of the ocean entrance. This will lead
7 to degradation of the habitat and the full tidal basin as
8 well as the muted tidal areas. With no exchange of water
9 with the sea, the oxygen levels in the water will
10 eventually be depleted resulting in a catastrophic failure
11 of the system reducing it to anaerobic decay.

12 There will be a fish die off and eventual release
13 of any carbon that was in the form of methane. The
14 failure of this wetlands system due to inlet closure will
15 not only be counterproductive to the carbon sequestration
16 values of wetlands, but also significant loss California's
17 goal of our restoring coastal wetlands.

18 --o0o--

19 ASSISTANT EXECUTIVE OFFICER BROWN: So the
20 solution. We've got to find some way to replenish the
21 maintenance and operation account, and we need to lower
22 the cost of inlet maintenance.

23 --o0o--

24 ASSISTANT EXECUTIVE OFFICER BROWN: Right now,
25 the inlet -- the first two episodes of the inlet

1 maintenance were 3 million and 4.4 million respectively.
2 We didn't one in 2009 and another one in 2011. So
3 that's -- it wouldn't take it very long to eat into the
4 entire \$15 million endowment. So we've got come up with a
5 few solutions.

6 --o0o--

7 ASSISTANT EXECUTIVE OFFICER BROWN: On the O&M
8 replenishment options, we're looking into grants, bonds,
9 possibly cap-and-trade funds, and mitigation credits from
10 other projects. All these options, however, the
11 regulatory agencies, or the granting agencies, all these
12 options favor the establishment of new wetlands. There's
13 no money for operations and maintenance of existing
14 wetlands.

15 If they aren't that, then they are one time.
16 Grants and bonds are typically one time. What we need is
17 a continuous source of funding.

18 --o0o--

19 ASSISTANT EXECUTIVE OFFICER BROWN: We're looking
20 at ways of reducing the dredging costs. We're dredging
21 strategically now lower volumes to maintain the flows.
22 You've extended the contract over several dredging
23 episodes to reduce mobilization and de-mobilization costs.
24 We're also exploring some non-traditional methods to
25 mobilize the sand on the outgoing tide or inhibit sand

1 movement into the inlet.

2 So these are our annual funding needs going
3 forward. There's about \$5 million in the O&M account
4 right now, and another 2.5 million in future full tidal.
5 Our overall needs per year are about 1.5 million. We have
6 the Department of Fish and Wildlife on-site management at
7 300,000, the dredging is nominally about 900,000, project
8 management for that is about 100,000, and then we have an
9 oncall maintenance contractor to take care of the roads
10 and the erosion and everything else that occurs about
11 200,000.

12 --o0o--

13 ASSISTANT EXECUTIVE OFFICER BROWN: So that's my
14 presentation. I'm here for questions.

15 ACTING CHAIRPERSON SCHMIDT: Commissioners,
16 anything?

17 Let's open it up for public comment. We have
18 four speakers, and we'll start with Roger Bloom.

19 MR. BLOOM: Good afternoon, Chairman,
20 Commissioners, Staff.

21 My name is Roger Bloom. I'm a resident of
22 Huntington Beach. I'm also on the Board of the Bolsa
23 Chica Land Trust. And I was going to open up by welcoming
24 you to Orange County, but since we're number 84 and last
25 on the agenda, that doesn't seem quite appropriate. So

1 let me just say, check-out time is 4:30. Please lock up
2 and gets the lights on your way out. Thank you.

3 (Laughter.)

4 MR. BLOOM: As we all know, Bolsa Chica is a
5 vital sanctuary along the Pacific Flyway. And after
6 decades of struggle, as outlined, the tidal basin has now
7 been restored to functioning habitat, nesting grounds, and
8 fertile waters have replaced fallow fields.

9 It's a great success story. And the Land Trust
10 applauds the dedicated work of this Commission and the
11 Department of Fish and Wildlife in achieving it. It was
12 no easy task. The Land Trust is proud to work closely
13 with Fish and Wildlife to help enhance and maintain the
14 Bolsa Chica.

15 And we look forward to growing old together and
16 watching new generations of western snowy plover take
17 wing, and new generations of residents and visitors
18 enjoying nature's spectacle in the Bolsa Chica.

19 We urge the Commission to continue to support the
20 Lowlands Restoration Project in efforts to secure
21 sustainable funding going forward. The State has made
22 considerable investment in Bolsa Chica, and it has gotten
23 considerable return. But that investment needs continued
24 care or it could be lost altogether.

25 The Bolsa Chica is too precious to lose. It's too

1 important to fault and neglect, too beautiful to suffer
2 from lack of funding. We certainly hope -- we sincerely
3 hope the Commission will be able to secure the needed
4 funding and the Land Trust stands ready to assist in any
5 way that we can.

6 Thank you for your time and consideration.

7 ACTING CHAIRPERSON SCHMIDT: Thank you.

8 And then I have two speaker cards, Molly
9 Burdick-Whipp is listed on both with Grace Adams. Did you
10 want to cede time to one or the other, or do you both want
11 to speak.

12 MS. BURDICK-WHIP: Hi there. My name is Molly
13 Burdick-Whipp, and I'm the staff biologist at the Bolsa
14 Chica Conservancy. We're a small nonprofit, private
15 organization that operates at the Bolsa Chica Wetlands
16 Interpretive Center on the northern edge of the ecological
17 reserve.

18 The Conservancy's primary mission is to inspire
19 all generations to gain a better understanding of coastal
20 resources and watersheds, and to learn how deeply
21 connected we are to this resource, and what our
22 responsibilities are to care for it.

23 As you know, we lease a small portion of the
24 reserve where our interpretive center is located on the
25 northwest corner of Bolsa Chica. At our 1,400 square foot

1 facility, we have served more than half a million people,
2 that includes students, visitors, volunteers over the last
3 25 years.

4 Bolsa Chica is an outstanding educational
5 resource, as well as a great recreational spot for
6 birders, artists, outdoor enthusiasts, as well as a
7 fertile learning ground for those who care about the
8 science behind it.

9 In addition, we partner with Department of Fish
10 and Wildlife to oversee restoration of dune, upper salt
11 marsh, and coastal sage scrub habitats at the reserve. We
12 deploy thousands of volunteers to pick up trash, remove
13 invasive plants, propagate and install plants -- native
14 plants that enhance the area's ecological value, both to
15 wildlife and to humans.

16 While the Bolsa Chica Lowlands Restoration has
17 certainly created expanded habitats for wildlife, it has
18 also provided expanded natural services that are
19 beneficial to humans. Just last week, we learned that 68
20 species of fish use the full tidal basin, restored and
21 opened in 2006, while the neighboring inner and outer
22 Bolsa bays have more than 50 species of fish.

23 If one relates this increasing number of species
24 that use Bolsa Chica to EPA estimates on percentage of
25 commercially marketed fish, the number is pretty

1 staggering. The EPA says that more than 50 -- excuse me,
2 75 percent of our commercial fish are wetland dependent,
3 which is a huge number.

4 As a coastal habitat that receives tidal flow,
5 there are many other functions, such as natural water
6 purification, storage, and flood control that are
7 beneficial, not just to wildlife, but to humans as well.

8 So for all of these reasons, the Conservancy
9 supports continued funding to maintain and manage this
10 important resource. We are happy to partner with the
11 State Lands Commission to examine and determine ways to
12 secure long-term sustainable funds to manage the Bolsa
13 Chica Lowlands Restoration, and the reserve as a whole.

14 Thank you.

15 ACTING CHAIRPERSON SCHMIDT: Thank you.

16 Final speaker, Shirley Dettloff.

17 MS. DETTLOFF: Good afternoon, members of the
18 Commission. My name is Shirley Dettloff. I'm a former
19 Mayor of the City of Huntington Beach, and also a former
20 member of the State Coastal Commission. Today, I'm
21 representing the Amigos de Bolsa Chica. And I want to
22 thank the Commission for your long-standing support and
23 help in saving the Bolsa Chica Wetlands.

24 Forty years ago, when the world was just
25 beginning to realize the importance of their natural

1 resources, and when the word environmentalist was
2 relatively new, a group of Huntington Beach citizens
3 thought that it was important to save the Bolsa Chica
4 Wetlands, the Amigos de Bolsa Chica.

5 The Amigos appeared before hundreds of
6 governmental bodies starting with Orange County,
7 Huntington Beach, Sacramento, and Congress to make sure
8 that everyone understood the importance of saving this
9 invaluable resource.

10 Having achieved the goal of saving the wetlands,
11 we worked with the State in restoring Bolsa Chica, which
12 meant turning once the second largest oil field in the
13 State of California to a highly functioning and
14 diversified wetlands.

15 Now, I believe it is our responsibility, as well
16 as the State's, to make sure that we can maintain this
17 important State resource. This will take money. And I
18 hope you will be able, as a Commission, to be a positive
19 influence in making sure that funding is available, so
20 that Bolsa Chica will be here for future generations.

21 Your staff member gave an excellent presentation
22 in telling you the reasons why we now need funding for
23 Bolsa Chica. I think it's important that we have spent
24 millions of dollars to restore wetlands up and down the
25 State of California. And now to lose those wetlands would

1 be something that the State would never recover from.

2 And so I think the methods that were presented to
3 you earlier by your staff member, things that are now
4 being considered, are things that I hope the Commission
5 will look at very carefully. One of the important ones,
6 and one that I am very supportive of, is the fact that
7 when agencies throughout the State, especially the State
8 Coastal Commission, has the requirement for mitigation
9 funds when they approve a project.

10 Right now, most of those funds go for
11 establishing new wetlands or establishing new resource
12 areas, but not much consideration has been given to being
13 allowed to give money to maintain those resources we have
14 already saved. And I think this is a very important
15 consideration, and a very new thought process that must be
16 accepted by the State of California and those agencies and
17 I hope they will do so.

18 I have a long and very personal relationship with
19 the State Lands in that I worked for almost 40 years with
20 Jim Trout, who represented State Lands very well. We had
21 many meetings in Orange County, in Sacramento, and in
22 Washington D.C. And Jim Trout always represented the
23 interests of State Lands very well.

24 So I hope that this relationship that we have had
25 for many, many years can continue, and that we can make

1 sure that our children will be able to enjoy what we are
2 enjoying and that we will be able to restore the
3 additional 400 acres that is still in oil production at
4 Bolsa Chica. But when that oil has been used up, and
5 that -- and that we can acquire the land -- we have
6 acquired it, but when we can restore that land, that we
7 will be able to do so, because the funding will be
8 available.

9 And I thank you.

10 ACTING CHAIRPERSON SCHMIDT: Thank you for your
11 comments.

12 Ms. Lucchesi, what's the next order of business?

13 EXECUTIVE OFFICER LUCCHESI: Public comment.

14 ACTING CHAIRPERSON SCHMIDT: Does anybody in the
15 public wish to speak?

16 Without seeing anybody. Commissioners, any
17 comments or questions?

18 COMMISSIONER YEE: Can I just go back to the
19 prior item for a moment. I wasn't sure if you were
20 looking for anything from us on that or was it purely
21 informational?

22 EXECUTIVE OFFICER LUCCHESI: No, it was -- that
23 was an informational item just to give a status update and
24 some history on our involvement -- this Commission's
25 involvement in the Bolsa Chica Wetlands Restoration

1 Project, and also just to identify the challenges that we
2 are working on now to resolve.

3 COMMISSIONER YEE: Just a question. In any of
4 the analyses that have been done to date, has there been a
5 sea level rise analysis done of the project?

6 EXECUTIVE OFFICER LUCCHESI: Dave will answer
7 that.

8 ASSISTANT EXECUTIVE OFFICER BROWN: Pam might be
9 better. There was a sea level rise analysis that was done
10 in the original planning. I don't know if it's been -- it
11 maybe could use some updating, but yes, it was considered
12 in the original construction plan.

13 COMMISSIONER YEE: Okay. I ask only because if
14 there were recent analysis, that might actually be a
15 beginning point to talk about how we might want to look at
16 some of the challenges mid-term and long-term. Okay.

17 EXECUTIVE OFFICER LUCCHESI: Certainly.

18 We -- and, Dave, you can speak a little bit to
19 this, in terms of our ongoing involvement in the steering
20 committee that is focused on ensuring the proper
21 management, especially in light of changing environmental
22 circumstances. And so that is certainly a topic that we
23 will make sure gets some focus.

24 ASSISTANT EXECUTIVE OFFICER BROWN: Yeah. We
25 have a steering committee that's made up of -- the

1 regulars National Marine Fisheries, Fish and Wildlife
2 Service, Corps of Engineers, State Lands Commission, Fish
3 and Game, Resources Agency, and EPA are also members. And
4 am I forgetting anybody, Pam?

5 ASSISTANT CHIEF COUNSEL GRIGGS: Coastal
6 Conservancy.

7 ASSISTANT EXECUTIVE OFFICER BROWN: Coastal
8 Conservancy. And we meet on a about an every-other-month
9 basis in Bolsa Chica, and review what's going on. We have
10 our manager from Department of Fish and Wildlife report to
11 us, you know, the status of all the critters and
12 everything else. We meet with the oil company on that
13 same frequency. If they have any questions, they --
14 California Resources is there now. ERRA was there before.
15 Both companies have been very responsible stewards of the
16 wetlands. And we just make sure that the money is spent
17 appropriately, but we've also had to deal with a lot of
18 challenges there as well.

19 And we're right now the -- one of the primary
20 objectives of the Committee is to try to find some
21 alternative funding. You know, we've been looking for
22 projects up and down the coast that may need mitigation
23 credits. We have -- there have been solicitations that
24 have been put out for the big water bond through several
25 of the agencies, and we're going to be pursuing some of

1 those, but we need to find, at some point, a sustainable
2 source of funds. It's somewhat expensive to maintain
3 that. It's 1,200 acres, so...

4 ACTING CHAIRPERSON SCHMIDT: Any other questions?

5 With that, that concludes our meeting.

6 (Thereupon the California State Lands
7 Commission meeting adjourned at 4:29 PM)

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1 C E R T I F I C A T E O F R E P O R T E R

2 I, JAMES F. PETERS, a Certified Shorthand
3 Reporter of the State of California, do hereby certify:

4 That I am a disinterested person herein; that the
5 foregoing California State Lands Commission meeting was
6 reported in shorthand by me, James F. Peters, a Certified
7 Shorthand Reporter of the State of California;

8 That the said proceedings was taken before me, in
9 shorthand writing, and was thereafter transcribed, under
10 my direction, by computer-assisted transcription.

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

14 IN WITNESS WHEREOF, I have hereunto set my hand
15 this 31st day of August, 2015.

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20 

21
22
23 JAMES F. PETERS, CSR
24 Certified Shorthand Reporter
25 License No. 10063