

STATE OF CALIFORNIA

Minutes of the meeting of 5/27/82
of the State Lands Commission
Sacramento, California

APPEARANCES

Commissioners Present

Kenneth Cory, State Controller, Chairman
David Ackerman, Commission-Alternate for Mike Curb,
Lieutenant Governor
Susanne Morgan, Commission-Alternate for Mary Ann
Graves, Director of Finance

Staff Members in Attendance

Claire T. Dedrick, Executive Officer
James F. Trout, Assistant Executive Officer
R. C. Hight, Chief Counsel
R. S. Golden, Chief, Division of Land Management
and Conservation
D. J. Everitts, Chief, Division of Energy and
Mineral Resources Development
W. M. Thompson, Chief, Division of Long Beach
Operations
D. E. Sanders, Chief, Planning and Environmental
Coordination
A. D. Willard, Supervisor Mineral Resources Engineer
Leslie H. Grimes, Deputy Chief, Division of Land
Management and Conservation

Representing the Office of the Attorney General

N. Gregory Taylor, Assistant Attorney General
Jan Stevens, Assistant Attorney General
Alan V. Hager, Deputy Attorney General
Dennis Eagan, Deputy Attorney General

CALENDAR PAGE

MINUTE PAGE

1150

MINUTES OF THE STATE LANDS COMMISSION
MEETING OF

5/27/82

The regular meeting of the State Lands Commission was called to order by Chairman Kenneth Cory, State Controller, at 10:35 a.m. in the State Capitol, Room 447, Sacramento, California.

Also present were David Ackerman, representing Mike Curb, Lieutenant Governor, Commissioner, and Susanne Morgan, representing Mary Ann Graves, Director of Finance, Commissioner.

The minutes of the meeting of 4/27/82 were approved as presented.

EXECUTIVE OFFICER'S REPORT:

Attached as Exhibit "A".

STAFF REPORT ON COASTAL MATTERS:

Attached as Exhibit "B".

CALENDAR PAGE

MINUTE PAGE

1151

MAY 27, 1982

EXECUTIVE OFFICER'S REPORT

BY

CLAIRE T. DEDRICK

LETTER OF PERMISSION - PACIFIC TELEPHONE AND TELEGRAPH CO. PRC 4965.9

A LETTER OF PERMISSION WAS GRANTED TO PACIFIC TELEPHONE AND TELEGRAPH CO. IN ADVANCE OF A ROUTINE PERMIT, TO ENTER UPON SUBMERGED LAND IN WALKER CREEK, MARIN COUNTY, TO RELOCATE A TELEPHONE CONDUIT 80 FEET WEST OF THE PRESENT LEASE USE AREA. THE CONDUIT MUST BE RELOCATED PRECEDING CONSTRUCTION SCHEDULED FOR JUNE 1, 1982 BY CALTRANS FOR A NEW BRIDGE OVER WALKER CREEK ON HIGHWAY 1. DEPARTMENT OF FISH AND GAME HAS PLACED RESTRICTIVE TIME LIMITS ON CALTRANS FOR STREAMBED WORK THEREBY PRECLUDING PACIFIC TELEPHONE AND TELEGRAPH CO. TIME TO OBTAIN A PERMIT.

THEY HAVE AGREED TO APPLY FOR A PERMIT.

STAFF ASSURES ME THAT THIS IS A CATAGORICAL EXEMPTION BECAUSE IT INVOLVES A MINOR ALTERATION IN THE CONDITION OF LAND AND WATER. AUTHORITY: 14 CAC, DIV. 5, SEC. 15104.

CALENDAR PAGE

MINUTE PAGE

1152

ENGINEERING SALARIES

STAFF MET WITH DEPARTMENT OF PERSONNEL ADMINISTRATION (DPA) STAFF ON MAY 24, 1982, AND PRESENTED THE COMMISSION'S PROPOSAL FOR SALARY REALIGNMENT FOR THE ENGINEERING CLASSES. THE PROPOSAL REPRESENTS AN AVERAGE INCREASE OF \$600 TO \$900 FOR OUR ENGINEERING CLASSES, EQUATING TO APPROXIMATELY A 22% RAISE FOR EACH CLASS. THIS LEVEL, IF APPROVED, WOULD BE VIRTUALLY THE SAME AS EQUIVALENT CLASSES WITH THE CITY OF LONG BEACH, DEPARTMENT OF OIL PROPERTIES.

WE HAVE REQUESTED DPA STAFF TO MEET FACE-TO-FACE WITH OUR ENGINEERING STAFF TO ALLOW FOR STAFF COMMENTS AND QUESTIONS. WE ALSO AGREED TO ARRANGE FOR DPA STAFF TO MEET WITH ONE OR TWO PRIVATE INDUSTRY EMPLOYEES IN THE LONG BEACH AREA TO ASSESS SALARY COMPARISONS.

DPA WILL RESPOND TO OUR PROPOSAL ON FRIDAY, MAY 28, 1982.

ATTACHMENT (PROPOSED SALARY RANGES)

CALENDAR PAGE	
MINUTE PAGE	1153

State Lands Commission Proposed Salary Ranges for Petroleum Engineering Classes

Classification	Current SLC Salaries*	Comparable LB City Salaries*	Percent Difference	Step Difference	Proposed SLC Salaries*	Proposed Step Increase
1 Chief Extractive Develop. Prog	4979	5879	18.1%	3.5	5885	3.5
4 Asst. Chief Extrac. Dev. Prog	4524	5634	24.5%	4.6	5346	1.5
8 Chief Reservoir Engineer	3566	4998	40.2%	7.1	4632	5.5
9 Chief Petroleum Engineer						
10 Supv. Mineral Resources Engr.						
13 Chief Research & Development	3398	4725	39.1%	6.0	4211	4.5
14 Chief Geologist						
15 Petro. Reservoir Engr.						
18 Petro. Drilling Engr.	3093	4452	43.9%	7.7	3827	4.5
19 Petro. Production Engr.						
21 Petro. Geologist						
22 Engineering Geologist (Subsidence)	2684	3503	30.5%	5.0	3319	4.5
23 Sr. Mineral Resources Engr.						
24 Assoc Mineral Resources Engr.						
27						
28 Sr Geological Drafting Tech	2028	2979	46.9%	3.2	2879	7.5
31						
32 Geological Drafting Tech	1762	2697	53.1%	9.1	2501	7.5
33						
34 Petroleum Production Insp II	2124	2341	10.2%	2.1	2332	2.0
35						
36						
37 Petroleum Production Insp I	1935	2228	15.1%	3.0	2124	2.0
38						
39						
40						
41						
42 Asst. Petroleum Production Insp	1685	2205	11.9%	5.8	1848	2.0
43						
44						
45						
46						
47						

DRILLING ACTIVITIES IN SANTA BARBARA CHANNEL PRC 308; PRC 309

ITEM 56 REQUESTS AUTHORIZATION FROM THE COMMISSION TO SOLICIT BIDS AND TO AWARD A CONTRACT FOR CONTINUING HELICOPTER SERVICES FOR OBSERVING DRILLING AND PRODUCING ACTIVITIES OFFSHORE. ACTIVITY IS EXPECTED TO INCREASE SUBSTANTIALLY DUE TO RESUMPTION OF DRILLING FROM MOBILE DRILLING STRUCTURES ON STATE LANDS FOR THE FIRST TIME SINCE THE PLATFORM "A" BLOWOUT ON THE FEDERAL OCS.

THAT ACTIVITY HAS BEEN STARTED NEAR COAL OIL POINT OFFSHORE ELWOOD BY ATLANTIC RICHFIELD COMPANY AND IS EXPECTED TO ACCELERATE AS OUR VARIOUS LESSEES FINALIZE THEIR PERMITTING PROCESS. (THE COMMISSION AUTHORIZED ARCO TO RESUME DRILLING IN 1975.) ARCO HAS JUST RECEIVED FINAL AUTHORIZATION FROM THE COASTAL COMMISSION, AND THE DRILLING VESSEL JAVA SEA MOVED ON LOCATION ON MAY 9. PROJECTED TOTAL DEPTH IS 4800', CURRENTLY THE WELL HAS BEEN DRILLED TO A DEPTH OF 1765'. COINCIDENTALLY, AN OIL-SPILL DRILL HAS BEEN CALLED TODAY BY THE STATE AT THE WELL SITE. PERSONNEL FROM THE STATE LANDS COMMISSION, THE COASTAL COMMISSION, DEPARTMENT OF FISH AND GAME, AND THE COAST GUARD WILL BE PRESENT TO OBSERVE. THE COMMISSION'S CONTRACT HELICOPTER WILL PARTICIPATE IN THE DRILL.

ANOTHER RELATED PROJECT IS CURRENTLY NEARING AN INTERESTING STAGE. FAIRLY LARGE AMOUNTS OF POLLUTANTS ARE EMITTED TO THE ATMOSPHERE DURING DRILLING OPERATIONS, AND LESSEES ARE REQUIRED TO MITIGATE THOSE EMISSIONS. VARIOUS NON-INNOVATIVE METHODS

EXECUTIVE OFFICER'S REPORT
PAGE 4

HAVE BEEN DISCUSSED IN THE PAST, BUT ARCO HAS "BIT THE BULLET" AND IS CONSTRUCTING TWO LARGE STEEL "TENTS" IN VALLEJO TO SET ON THE OCEAN FLOOR IN OVER 200' OF WATER NEAR THE WELL BEING DRILLED TO CAPTURE A LARGE NATURAL SEEP THAT IS CURRENTLY ESTIMATED TO BE PRODUCING OVER SIX TONS/DAY OF REACTIVE HYDROCARBONS. THE "TENTS" STAND 50 FEET HIGH, AND WILL COVER AN AREA 100' x 200'. TOTAL WEIGHT OF THE STEEL IN THE STRUCTURE WILL BE 650 TONS. IN ADDITION THE STRUCTURE WILL BE WEIGHTED WITH 322 TONS OF CONCRETE BLOCKS, AND 20 TONS OF SACRIFICIAL ANODES. THE TENTS ARE 65% COMPLETE, AND ARE EXPECTED TO BE LOADED OUT OF VALLEJO ABOUT JULY 15, AND WILL BE IN PLACE ON BOTTOM APPROXIMATELY ONE WEEK LATER. THEY ARE EXPECTED TO BE OPERATIONAL BY THE END OF AUGUST.

CALENDAR PAGE

MINUTE PAGE

1156

EXHIBIT B
STAFF REPORT ON COASTAL MATTERS

W 503.1091
W 9601

THE STATE COASTAL COMMISSION HAS ASKED THE STATE LANDS COMMISSION TO INTERVENE IN A LAW SUIT IN SOUTH LAGUNA, COUNTY OF ORANGE, IN AN AREA KNOWN AS THE "1000 STEPS" SINCE THIS CASE MAY INVOLVE ISSUES OF PUBLIC TRUST, PUBLIC ACCESS EASEMENTS, AND FEE OWNERSHIP OF THE STATE. THIS ITEM APPEARS AS CALENDAR ITEM NO. 48 ON TODAY'S AGENDA WITH STAFF RECOMMENDATION THAT THIS COMMISSION HAVE THE ATTORNEY GENERAL AND STAFF TAKE SUCH STEPS AS NECESSARY TO PROTECT PUBLIC RIGHTS AT THIS LOCATION.

ON WEDNESDAY, MAY 19, 1982 THE STATE COASTAL COMMISSION MEETING IN SANTA BARBARA HELD A PUBLIC HEARING ON THE STATE LANDS COMMISSION ENVIRONMENTAL IMPACT REPORT ON THE EFFECTS OF LEASING FOR OIL EXPLORATION AND DEVELOPMENT ON STATE TIDELANDS BETWEEN POINT CONCEPTION AND POINT ARGUELLO. THE HEARING LASTED ONE HOUR AND CONSISTED OF TESTIMONY WHICH FOR THE MOST PART, HAD ALREADY BEEN PRESENTED AT THE PUBLIC HEARINGS HELD BY THIS COMMISSION IN SANTA BARBARA ON APRIL 30 AND MAY 15, 1982. QUESTIONS FROM THE COMMISSIONERS GENERALLY REFLECTED THEIR LACK OF FAMILIARITY WITH LEGAL REQUIREMENTS SURROUNDING OIL LEASING OF STATE TIDELANDS. THESE QUESTIONS WILL BE ANSWERED AT THE TIME COASTAL STAFF REPORTS BACK TO THE COASTAL COMMISSION.

NON-SUBSTANTIVE REVISION 11/8/82

CALENDAR PAGE

MINUTE PAGE

1157

RECORD OF ACTION TAKEN BY THE
STATE LANDS COMMISSION
AT ITS MEETING OF 5/27/82

During the meeting, the recommendations of the staff relative to Calendar Items C1, C2, C3, C4, C5, C6, C7, C8, C9, C10, C11, C12, C13, C14, C15, C17, C18, C19, C20, C21, C22, C23, 25, 26, 27, 28, 29, 30, 32, 33, 34, 35, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 54, 56 and 57 were adopted as resolutions of the Commission by unanimous vote.

Commission action on Calendar Items C16, 31, 36 and 55 are set forth on pages 1224, 1289, 1322 and 1438.

Calendar Items 24, 40, 52 and 53 were withdrawn from the agenda prior to the meeting.

Status of Major Litigation is set forth on page 1443.

CALENDAR PAGE	1158
MINUTE PAGE	