

~ MINUTES ~
CALIFORNIA STATE LANDS COMMISSION
MEETING OF JUNE 28, 2010

COURTYARD BY MARRIOTT EMERYVILLE
5555 SHELLMOUND STREET
EMERYVILLE, CALIFORNIA 94608

APPEARANCES

COMMISSIONERS PRESENT

John Chiang, Controller, Chair (Cindy Aronberg, Alternate for State Controller, represented the Controller on Item 35)
Abel Maldonado, Lieutenant Governor
Cynthia Bryant, Chief Deputy Director for Policy, Department of Finance, represented Ana J. Matosantos, Director, Department of Finance

STAFF MEMBERS IN ATTENDANCE

Paul Thayer, Executive Officer
Curtis Fossum, Chief Counsel

REPRESENTING THE OFFICE OF THE ATTORNEY GENERAL

Joseph Rusconi, Deputy Attorney General

NOTE: A list of individuals making statements before the Commission and the entities they represent, along with the Executive Officer's Report, are included in a complete transcript of the proceedings, which is on file in the Sacramento offices of the Commission and posted on the Commission's website at www.slc.ca.gov. Also included on the website is the voting record of the meeting with the staff report for each agenda item linked to the respective consent, regular or informational item number. A link to a recorded Cal-Span.org webcast of the meeting is also available on the Commission's website. All of these items may be found under Most Popular Links / Previous Meetings, by date of the meeting.

**RECORD OF ACTION TAKEN BY THE
CALIFORNIA STATE LANDS COMMISSION
MEETING OF JUNE 28, 2010**

John Chiang called the meeting of the California State Lands Commission to order at 10:30 A.M. at the Courtyard by Marriott Emeryville, Marriott Room, 5555 Shellmound Street, Emeryville, California 94608; also present were Commissioner Abel Maldonado and Commissioner Alternate Cynthia Bryant.

The Chair welcomed Lt. Governor Maldonado to the Commission.

The Minutes of the April 6, 2010 meeting were approved as presented by a vote of 3-0.

EXECUTIVE OFFICER'S REPORT

Executive Officer Paul Thayer introduced two new Commission staff members: Cy Oggins, Chief of the Division of Environmental Planning and Management, and Brian Bugsch, Chief of the Land Management Division. Mr. Thayer also acknowledged the passing of Eve Bach, President of the Public Trust Group and her contributions and devotion to Public Trust issues. The Chair requested staff to bring a report to the Commission at its August meeting to review oil production operations in State waters and oil spill prevention activities both in State waters and as part of the Oil Spill Prevention program at oil terminal facilities. The Chair also requested staff investigate what further action, including regulations, might need to be strengthened so that the State can act promptly and effectively to prevent a spill. Lt. Governor Maldonado informed the Commission of a letter he had just received from Assembly Member Silva regarding cantilevered decks in Huntington Harbour. Staff explained the ongoing program of bringing under lease owners of adjacent land that had constructed decks overhanging the State owned Main and Midway Channels in Huntington Harbour.

CONSENT CALENDAR

Consent items C63 and C85 were removed from the agenda, to be heard at a later date. Consent Item 35 was moved to the Regular Calendar. Consent items C01-C34, C36-C62, C64-C84, C86 and C87 were approved as presented by a vote of 3-0.

REGULAR CALENDAR

(The items below appear in the order that they were heard and voted on.)

ITEM 88: The Commission was provided an informational update on 2010 legislative bills of interest. The Commission was asked to adopt staff's recommendation to oppose, unless amended, state legislation (SB 1039), pertaining to Port of San Diego trust revenues. Commission was also informed of a pending federal bill (S. 2921) regarding

desert lands in California including state school lands. Representatives of the City of National City and the San Diego Unified Port District also commented on the item before the Commission.

The motion to adopt the staff recommendation did not pass. The vote for approval was 1-0-2 (Lt. Governor and Finance abstained).

ITEM 89: A staff presentation was made requesting support of a resolution proposed by the Controller supporting the San Francisco Bay Improvement Act of 2010 (HR 5061).

The Commission approved the staff recommendation as presented by a vote of 2-0 (Finance abstained).

Item 90: A staff presentation was made asking the Commission to support nomination of San Francisco Bay Estuary as a Ramsar Wetland of International Importance by directing the Executive Officer to send a support letter to U.S. Fish and Wildlife Service. Ruth Gravanis, representing San Francisco Sierra Club spoke in support of staff's recommendation.

The Commission approved the staff recommendation as presented by a vote of 3-0.

Item 91: A staff presentation was made regarding consideration of a Boundary Line and Land Exchange Agreement involving certain parcels of land held in trust by the Port of Oakland located in the Oak Street to Ninth Avenue District and the former Oakland Army Base. Staff modified the staff report by clarifying the information describing the implementation and liability measures on pages 10 and 11. The 8th bullet point was stricken as duplicative and unnecessary given the 4th bullet point. In addition to the staff presentation, several members of the public, representing themselves and several groups, spoke in favor of and in opposition to the proposed agreement. A representative of the Port spoke in support.

The Commission approved the staff recommendation as presented by a vote of 3-0.

Item 92: A staff presentation was made regarding consideration of approval of a report to the Legislature entitled "21010 Assessment of the Efficacy, Availability and Environmental Impacts of Ballast Water Treatment Systems for Use in California Waters." Joe Angelo, representing INTERTANKO and John Berge, Vice President, Pacific Merchant Shipping Association spoke in opposition to certain elements of the report.

The Commission directed staff to bring back the report with clarifications regarding several issues at the August Commission meeting and to bring the Commission an additional interim update report in one year by a vote of 3-0.

Item 93: The staff provided the Commission an update on the status of several LADWP projects and proposed projects involving sovereign public trust lands at Owens Lake.

Martin Adams, representing LADWP, also presented information to the Commission on LADWP projects at Owens Lake.

As an informational item, no vote was taken.

Item 35: A staff presentation was made to the Commission regarding a proposal by the Port of San Diego to lease land from the State Lands Commission as part of a project to locate a floating restaurant on lands both within the Port's jurisdiction and the Commission's. Staff clarified that an earlier version of the staff report had mistakenly stated that approvals from the Corps of Engineers, Coastal Commission, Port District and Regional Water Quality Control Board had been obtained. The report was corrected to state that those approvals were required to be obtained as a condition of the lease. Irene McCormack representing the Port of San Diego spoke in support of staff's recommendation. Lee Strieb representing UNITE HERE spoke in opposition.

The Commission approved the staff recommendation as presented by a vote of 3-0.

The Commission meeting public session was adjourned at 1:13 P.M.

**STAFF AND PUBLIC ADDRESSING
THE FOLLOWING CALENDAR ITEMS
CALIFORNIA STATE LANDS COMMISSION MEETING**

June 28, 2010

ITEM 35 – SAN DIEGO UNIFIED PORT DISTRICT

Colin Connor, Assistant Chief, Land Management Division
Kenneth Foster, Public Land Management Specialist
Pamela Griggs, Senior Staff Counsel

- Irene McCormack, Assistant Vice President, Port of San Diego
- Lee Strieb, Director, New Development, UNITE HERE

REGULAR ITEM 88 – LEGISLATIVE UPDATE

Mario De Bernardo, Legislative Liaison/Staff Counsel

- Cruz Bustamante, representing National City
- Irene McCormack, Assistant Vice President, Port of San Diego
- Ron Morrison, Mayor, City of National City

REGULAR ITEM 90 – SAN FRANCISCO BAY ESTUARY

- Ruth Gravanis, representing San Francisco Sierra Club

REGULAR ITEM 91 – OAK TO NINTH

Jennifer Lucchesi, Senior Staff Counsel
Colin Connor, Assistant Chief, Land Management Division

- Andreas Cluver, Secretary/Treasurer, Alameda County Building and Construction Trades Council; Executive Board Member, Central Labor Council
- Michael Ghielmelti, President, Oakland Harbor Partners Signature Properties
- Ruth Gravanis, Public Trust Group
- Pamela Kershaw, Director of Commercial Real Estate, Port of Oakland
- Andy Nelson, Coordinator, Oak to Ninth Community Benefits Coalition
- Barbara Newcombe, representing self
- Judith Offer, representing self
- Joyce Roy, representing self

REGULAR ITEM 91 – OAK TO NINTH CONTINUED

- Naomi Schiff, representing self
- Sandy Threlfall, Executive Board Member, Public Trust Group
- Mariana Jeung Tran, representing self
- Tam Tran, representing self

REGULAR ITEM 92 – BALLAST WATER REPORT

Nicole Dobroski, Staff Environmental Scientist
Mauyra Falkner, Environmental Program Manager

- Joe Angelo, INTERTANKO (International Association of Independent Tanker Owners)
- John Berge, Vice President, Pacific Merchant Shipping Association

REGULAR ITEM 93 – OWENS LAKE

Colin Connor, Assistant Chief, Land Management Division

- Martin Adams, Director of Water Operations, Los Angeles Department of Water and Power

PUBLIC COMMENT

- Ruth Gravanis, Public Trust Group