

~ MINUTES ~
CALIFORNIA STATE LANDS COMMISSION
MEETING OF AUGUST 17, 2017

**PORT OF SAN DIEGO ADMINISTRATION BUILDING
BOARD ROOM – 1ST FLOOR
3165 PACIFIC HIGHWAY
SAN DIEGO, CALIFORNIA 92101**

**ADDITIONAL SITE TO OBSERVE AND TESTIFY
PORTS O' CALL WATERFRONT DINING
BRIDGEVIEW BALLROOM – 2ND FLOOR
1200 NAGOYA WAY, BERTH 76
SAN PEDRO, CALIFORNIA 90731**

APPEARANCES

COMMISSIONERS PRESENT

- Gavin Newsom, Lieutenant Governor (Rhys Williams, Chief of Staff and Alternate, participated for items 83, 85, 86, and Public Comment)
- Betty T. Yee, State Controller
- Eraina Ortega, Chief Deputy Director and Alternate for Director of the Department of Finance Michael Cohen

STAFF MEMBERS IN ATTENDANCE

- Jennifer Lucchesi, Executive Officer
- Mark Meier, Chief Counsel

REPRESENTING THE OFFICE OF THE ATTORNEY GENERAL

- Andrew Vogel, 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 Previous Meetings, by date of the meeting.

**RECORD OF ACTION TAKEN BY THE
CALIFORNIA STATE LANDS COMMISSION
MEETING OF AUGUST 17, 2017**

Chair Gavin Newsom called the meeting of the California State Lands Commission to order at 1:10 P.M. at the Port of San Diego Administration Building, Board Room, 3165 Pacific Highway, San Diego, California 92101; also present were Commissioner Betty Yee and Commissioner Alternate Eraina Ortega.

The Minutes of the June 22, 2017 meeting were approved by a vote of 3-0 (Newsom-Yes; Yee-Yes; Ortega-Yes).

EXECUTIVE OFFICER'S REPORT

Executive Officer Jennifer Lucchesi updated the Commission on the following items:

- In July, Commission staff sent two letters to the federal government, one supporting our national marine sanctuaries and marine national monuments, and opposing any efforts by the federal government to make changes to those that would have negative impacts on the benefits that providing. Commission staff also transmitted the Commission's resolution that it adopted opposing the President's America-First Offshore Energy Strategy.
- Update on the San Diego Ocean Planning Project and Partnership effort:
 - The San Diego Ocean Planning Partnership is midway through phase one. Commission staff is holding one-on-one stakeholder engagement meetings and continuing to gather sector-level data for use in the interactive spatial tool staff will be developing in phase two.
 - In July Commission staff attended a dedicated work session at the Port of San Diego that included a briefing with the Navy and site visits.
 - Harbor Police took staff on a comprehensive tour of the bay, and surrounding waters where Commission staff was able to witness the variety of water-related activities on the bay, from sail boats to Coast Guard Cutters, jet skis to giant sport fishing rigs, and learned about a number of pressing challenges that law enforcement faces in providing a safe space for all of these different users.
 - Commission staff has set up a website for this effort:
www.sdoceanplanning.org.
- We are in the final four weeks of the California legislative session, the first half of a two-year session starts on Monday, August 21st. There are several bills pending that impact the Commission.
 - AB 1472 (Limón) – The Commission supported AB 1472 which was recently vetoed by the Governor. This bill would have specified the factors the Commission may consider when deciding whether to assign or transfer an oil or gas lease.

RECORD OF ACTION CONTINUED

- Martins Beach – the first district court of appeals in San Francisco ruled 3-0 holding that the owners of Martins Beach must apply for a coastal development permit with the Coastal Commission, or San Mateo County, before closing down access. The court also rejected the owner’s argument the trial injunction requiring the owners to allow public access was a, per se, taking of owner’s private property. On July 14th, Martins Beach LLC filed a motion for summary judgment, which is scheduled to be heard September 27th. Senator Hill’s bill, SB 42, would create a Martins Beach subaccount in the Commission’s Kapiloff Land Bank Fund to acquire public access to Martins Beach. The bill is currently in the Assembly Appropriations Committee.
- Offshore oil and gas leases update:
 - Platform Holly and the Venoco bankruptcy – as described in detail at the Commission’s June meeting, staff negotiated a temporary reimbursement agreement in late April 2017 to ensure qualified Venoco personnel would remain on Platform Holly and Ellwood Onshore facility. This agreement was set to expire on June 20th, but has been extended twice and is now set to expire on August 31, 2017. Staff issued a statement of interest for prospective engineering consultants to conduct the operation and maintenance of Platform Holly to secure the facilities as well as the Ellwood Onshore facility, and the Commission’s other offshore lease, the Ellwood Beach Oil and Gas Piers lease, and also to perform plugging and abandonment activities on these leases.
 - Rincon Island – Rincon Island Limited Partnership filed for bankruptcy in Texas on August 8, 2016. Commission staff has been an active participant protecting the State’s interest in the bankruptcy proceeding. The court appointed a Chapter 11 trustee. That bankruptcy trustee is negotiating a contract with the contractor to come out onto the island to secure the island and continue operation and maintenance. It’s anticipated that Rincon’s bankruptcy protection will be lifted October 31, 2017.
 - Commission staff is working closely with DOGGR, Department of Conservation, and OSPR on both of these efforts to ensure that the Commission is protecting public health and safety.
- Update on the State’s Marine Invasive Species Program:
 - There is federal legislation, \ known as the Vessel Incidental Discharge Act (VIDA), which would preempt the State’s authority to address vessel discharges and imperil California’s efforts to prevent invasive species from being released into State waters. Commission staff has been working with Senator Feinstein’s office, Senator Harris’s office, and the staff of Senate Commerce, Science, and Transportation Committee to ensure the Commission’s priorities, which are State enforcement authority, fee authorization, and real-time access to vessel reporting information are included the eventual VIDA bill.

RECORD OF ACTION CONTINUED

- On April 20th, the Commission approved the biofouling management regulation aimed at preventing the introduction of non-indigenous species from vessels arriving at California ports. These biofouling regulations are the result of seven years of consultation, collaboration, and discussions with the shipping industry, scientific, public, and regulatory stakeholders.

CONSENT CALENDAR

- Consent Items C53 was removed from consideration.
- Consent Items C01-C52 and C54-C74 were approved as presented by a vote of 3-0 (Newsom-Yes; Yee-Yes; Ortega-Yes).

INFORMATIONAL CALENDAR

- Item 76 – was informational – no vote required.
- Item 77 – was informational – no vote required.
- Item 78 – was informational – no vote required.
- Item 79 – was informational – no vote required.

REGULAR CALENDAR

(items appear in order heard)

ITEM 81: A staff presentation was made to the Commission to consider the settlement agreement with CEMEX concerning the sand mining lapis sand plant located in the City of Marina in Monterey County.

Item 81 – was approved as presented by a vote of 3-0 (Newsom-Yes; Yee-Yes; Ortega-Yes).

ITEM 82: A staff presentation was made to the Commission to consider certification of a Final Environmental Impact Report; adoption of Findings, Statement of Overriding Considerations, and Mitigation Monitoring Program for the Becker and Legacy Wells Abandonment and Remediation Project; consider delegating authority to the Executive Officer to solicit bids, award and execute agreements for the implementation of the project, located in Santa Barbara County.

Item 82 – was approved as presented by a vote of 3-0 (Newsom-Yes; Yee-Yes; Ortega-Yes).

ITEM 80: An informational staff presentation was made to the Commission on issues related to a Revocable Permit issued by the Port of Los Angeles to Rancho LPG Holdings LLC for use of a railroad spur located within the Legislative Trust Grant to the Port of Los Angeles, in the City of Los Angeles, Los Angeles County.

Item 80 – was informational – no vote required.

RECORD OF ACTION CONTINUED

ITEM 84 – A staff presentation was made to the Commission to consider delegating authority to the Executive Officer to execute the Memorandum of Agreement between the Parties, to collaborate in seeking and implementing grant funding for the Bolsa Chica Lowlands Restoration Project.

Item 84 – was approved as presented by a vote of 3-0 (Newsom-Yes; Yee-Yes; Ortega-Yes).

ITEM 83: A presentation was made to the Commission by the Center for Ocean Solutions on a reported entitled “The Public Trust Doctrine: A Guiding Principle for Governing California’s Coast Under Climate Change.

Item 83 – was informational – no vote required.

ITEM 85 – A staff presentation was made to the Commission to consider execution of a Memorandum of Understanding among the member agencies of the Marine Protected Area Statewide Leadership Team, Marine Protected Area Collaborative Network staff, and Marine Protected Area Collaborative Network member, relating to advancing management of California’s Marine Protected Area Network.

Item 85 – was approved as presented by a vote of 3-0 (Williams-Yes; Yee-Yes; Ortega-Yes)

ITEM 86 – An informational staff presentation was made to the Commission relating to the Commission’s Environmental Justice Policy Public Outreach and Development

Item 86 – was informational – no vote required.

(The State Lands Commission adjourned into closed session from 5:57 P.M. to 6:38 P.M., then resumed open session at 6:41 P.M.)

The Commission meeting public session was adjourned at 6:42 P.M.

**STAFF AND PUBLIC ADDRESSING
THE FOLLOWING CALENDAR ITEMS
AUGUST 17, 2017**

ITEM 80

Kathryn Colson, Senior Staff Attorney, Legal Division, CSLC

- Leo Bellamonte
- Ron Conrow, Western District Manager, Rancho LPG
- Janet Gunter
- Jack Hedge, Director, Port of Los Angeles
- Noel Weiss

San Pedro:

- Caney Arnold, candidate for State Assembly, District 66
- Peter K. Burmeister, San Pedro resident, San Pedro Peninsula Homeowners United
- Stacey Dahlquist, teacher
- Chuck Hart, President, San Pedro Peninsula Homeowners United
- Gwendolyn Henry, stakeholder
- John Lang, Treasurer, SSCA
- Bobbi Lisk, store owner in Port O' Call
- Jesse N. Marquez, Executive Director, Coalition for a Safe Environment
- Toni Martinovich, citizen, San Pedro Peninsula Homeowners United
- Flavio Merrado, GIS Analyst, CFASE
- Gayle McLaughlin, Former Mayor of Richmond, California
- Aaron Mi, representing self
- Pat Nave, representing self
- John Papadakis, LA Harbor, Watts Economic Development Corporation
- Anthony G. Patchett, Law Offices of Anthony G. Patchett, representing San Pedro Peninsula Homeowners United and Tongva Ancestral Territorial Nation
- Peter Joseph Rosenwald, South Coast Interfaith Council
- Connie Rutter, Retired Environmental Professional, San Pedro Peninsula Homeowners United
- Carl Southwell, President, Risk and Policy Institute, San Pedro Peninsula Homeowners United
- Peter Warren, representing SPPC
- Robert A. West, home owner
- Jayme Wilson, representing Deputy Supervisor Hahn
- Kathleen Woodfield, Vice President, San Pedro Peninsula Homeowners Coalition
- Brian Yassallo, CEO, Law ARC

STAFF AND PUBLIC ADDRESSING CONTINUED

ITEM 81

- Mike Egan, Executive Vice President, Cemex
- Lisa Haage, Chief of Enforcement, California Coastal Commission
- Aaron McLendon, Deputy Chief of Enforcement, California Coastal Commission/City of Marina
- Jennifer Savage, California Policy Manager, Surfrider Foundation

ITEM 82

Steve Curran, Senior Petroleum Drilling Engineer, Mineral Resources and Management Division, CSLC

Eric Gillies, Assistant Division Chief, Division of Environmental Planning and Management, CSLC

- Jennifer Savage, California Policy Manager, Surfrider Foundation

ITEM 83

Don Gourlie, Center for Ocean Solutions at Stanford

- Philip Gibbons, Port of San Diego

ITEM 85

Jennifer Mattox, Science Policy Advisor and Tribal Liaison, CSLC

- Calla Allison, Director, Director, MPA Collaborative Network
- Zack Plopper, Conservation Director, San Diego County, MPA Collaborative
- Jennifer Savage, California Policy Manager, Surfrider Foundation

PUBLIC COMMENT

San Diego:

- Paloma Aguire, Coastal and Marine Director, Wild
- Nina Babiarz, Board Member, Public Watchdogs – a 501(c)3 Nonprofit
- Serge Dedina, Mayor of Imperial Beach
- Marcela Graudins, Executive Director, Azul
- Katie Gherard, MPA Program Coordinator, Wildcoast
- Mandy Sackett, California Policy Coordinator, Surfrider Foundation
- Jennifer Savage, California Policy Manager, Surfrider Foundation