

TRANSCRIPT OF
MEETING
of
STATE LANDS COMMISSION

Sacramento, California
January 24, 1963

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PARTICIPANTS:

THE COMMISSION:

Hon. Alan Cranston, Controller, Chairman
Hon. Glenn Anderson, Lieutenant Governor
Hon. Hale Champion, Director of Finance

Mr. F. J. Hortig, Executive Officer

OFFICE OF THE ATTORNEY GENERAL:

Mr. Paul Joseph, Deputy Attorney General

I N D E X

(In accordance with Calendar Summary)

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<u>ITEM CLASSIFICATION</u>	<u>ITEM ON CALENDAR</u>	<u>PAGE OF CALENDAR</u>	<u>PAGE OF TRANSCRIPT</u>
1 Call to order			
2 PERMITS, EASEMENTS, AND RIGHTS-OF-WAY -- NO FEE			
(a) U.S. Army Corps of Engineers	8	1	1
3 PERMITS, EASEMENTS, LEASES, RIGHTS-OF-WAY, FEE			
(a) R. W. Cypher	9	2	1 (Deferred)
(b) Percy Louise Jebson	1	9	1
(c) John E. & Josephine Twiford	18	11	1
(d) Willis & Marjorie Polley	19	12	2
(e) R.W. and Hazel Mae Sexton	20	13	2
(f) Harold O and Thelma E. Lind	2	14	2
(g) Magnolia Motor & Logging	6	15	2
(h) Magnolia Motor & Logging	7	16	2
(i) San Francisco Port Authority	12	17	2 (Deferred)
(j) Lindsey H. Spight	3	19	3
(k) Guy L. Weatherly	11	20	3
MOTION ON CLASSIFICATION 3 except (a) and (i) ---			3
4 CITY OF LONG BEACH			
(a) Pier E, Berth 121	5	22	3
5 Sale of 40 ac. Federal land in Trinity County to Milfred J. Vodjansky	14	25	4
6 Proposed Oil and Gas Lease, Santa Barbara County, Parcel 12-21		27	5

continued

I N D E X
(In accordance with Calendar Summary)
continued

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<u>ITEM CLASSIFICATION</u>	<u>ITEM ON CALENDAR</u>	<u>PAGE OF CALENDAR</u>	<u>PAGE OF TRANSCRIPT</u>
7 Authorization to enter agreement with City of Oceanside stipulating o.h.w.m.	10	28	7
8 Authorization to enter agreement with Beachlake Corporation on o.h.w.m.	17	33	8
9 Acceptance of 1958 Mean High Tide Line as boundary and authorization to approve stipulation in case of Archibald vs. State	16	37	9
10 Authorization to enter compromise settlement in case of Mendes et al vs. Boss et al.	13	45	10
11 Authorization to enter disclaimer in case of Willmars Land Co. vs. State of Calif.	15	46	13
12 Confirmation of transactions consummated by Executive Officer:	4		12
Reclamation Board		47	
Richfield Oil		47	
Signal Oil and Gas		48	
Dept. Water Resources		48	
13 INFORMATIVE: (a) Litigation	22	49	13
14 Confirmation date, time and place next meeting			20
DISCUSSION ON STATE OF CALIFORNIA-LONG BEACH WILMINGTON OIL DEVELOPMENT			14

I N D E X
(In accordance with Calendar Items)

	<u>ITEM ON CALENDAR</u>	<u>PAGE OF CALENDAR</u>	<u>PAGE OF TRANSCRIPT</u>
1			
2			
3	1	9	1
4	2	14	2
5	3	19	3
6	4	47	12
7	5	22	3
8	6	15	2
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13	11	20	3
14	12	17	2
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16	14	25	4
17	15	46	13
18	16	37	9
19	17	33	8
20	18	11	1
21	19	12	2
22	20	13	2
23	21	27	5
24	22	49	13
25	Next meeting		20
26	DISCUSSION ON STATE OF CALIF. - LONG BEACH WILMINGTON OIL DEVELOPMENT		14

1 MR. CRANSTON: The meeting will please come to
2 order. The first item is permits, easements, and rights-of-
3 way to be granted to public and other agencies at no fee
4 pursuant to statute.

5 Applicant (a) U. S. Army Corps of Engineers --
6 one-year permit to make test borings on State sovereign lands
7 of Lower Alkali Lake, Middle Alkali Lake, and Upper Alkali
8 Lake, Modoc County, in the interests of national defense.

9 GOV. ANDERSON: Move it.

10 MR. CHAMPION: Second.

11 MR. CRANSTON: Approval moved and seconded, and made
12 unanimously.

13 Item 3 -- Permits, easements, leases, and rights-of-
14 way issued pursuant to statutes and established rental poli-
15 cies of the Commission.

16 The Fish and Game Department has asked that item
17 (a) involving R. W. Cypher for a two-year prospecting permit
18 go over to the next meeting, and if there is no objection
19 that will be the order.

20 MR. HORTIG: The staff also recommends the deferment.

21 MR. CRANSTON: All right. Item (b) Percy Louise
22 Jebser -- two year prospecting permit for all minerals other
23 than oil and gas, at standard royalty rates, 160 acres State
24 school land, San Bernardino County;

25 Item (c) John E. Twiford and Josephine H. Twiford --
26 ten year lease, Lot 8, Fish Canyon cabin site, Los Angeles

1 County; annual rental \$65;

2 Item (d) Willis H. Polley and Marjorie D. Polley --
3 ten-year lease, Lot 18, Fish Canyon cabin site, Los Angeles
4 County, annual rental \$65;

5 Item (e) R. W. Sexton and Hazel Mae Sexton --
6 ten-year lease, Lot 6, Fish Canyon cabin site, Los Angeles
7 County, annual rental \$65;

8 Item (f) Harold O. and Thelma E. Lind -- Cancell-
9 tion of Ark Site Lease P.R.C. 757.1, Corte Madera Creek,
10 Marin County, effective May 12, 1961 and authorization to
11 make application to Board of Control for discharge of accounta-
12 bility for \$336 unpaid rental;

13 Item (g) Magnolia Motor and Logging Company, Inc. --
14 Termination of Lease P.R.C. 2097.1 effective November 30,
15 1962, and acceptance of quitclaim deed, submerged lands of
16 Klamath River, Humboldt County;

17 Item (h) Magnolia Motor and Logging Company, Inc. --
18 Termination of Lease P.R.C. 2105.1 effective November 30,
19 1962, and acceptance of quitclaim deed, submerged lands of
20 Klamath River, Humboldt County;

21 Item (i) San Francisco Port Authority

22 MR. HORTIG: Mr. Chairman,

23 MR. CRANSTON: That's the item to go over?

24 MR. HORTIG: At the request of the Port Authority.

25 MR. CRANSTON: At the request of the Port Authority,
26 the item will go over.

1 Item (j) Lindsey H. Spight, dba Diablo Communica-
2 tions Center -- Authorization for Executive Officer to
3 approve sublease to G and M Construcccion Company for period
4 not to exceed term of Lease P.R.C. 2364.2; State school lands,
5 Contra Costa County, to be used for a mobile repeater, trans-
6 mitter and receiver;

7 Item (k) Guy L. Weatherly -- Fifteen-year lease,
8 two parcels of State sovereign lands of Owens Lake, Inyo
9 County, containing 45.4 acres and 16.07 acres, annual rental
10 \$733.07; to be used for a road and for a processing site in
11 conjunction with Mineral Extraction Lease P.R.C. 2967.1.

12 Motion is in order for action on all items except
13 Items (a) and (i), which have been put over to the next
14 meeting.

15 GOV. ANDERSON: So move.

16 MR. CHAMPION: Second.

17 MR. CRANSTON: Approval is moved, seconded and
18 made unanimously.

19 Item 4 -- City of Long Beach: item (a) Pier E,
20 Berth 121, Filling and Paving, second phase, Addition Number
21 4; estimated subproject expenditure from January 24, 1963 to
22 termination of \$90,000, with \$38,700 or 43% estimated as
23 subsidence costs.

24 MR. CHAMPION: Move approval.

25 GOV. ANDERSON: Second.

26 MR. CRANSTON: Approval is moved, seconded and made
unanimously.

1 MR. CRANSTON: Item 5 -- Sale of forty acres vacant
 2 Federal land in Trinity County to occupant, Mildred J.
 3 Vodjansky, at \$6400 (appraised value). Mrs. Vodjansky has
 4 occupied property for several years and made improvements
 5 thereon under Federal mining laws. Attorney General's opin-
 6 ion indicated it would be improper to make a charge for the
 7 improvements.

8 GOV. ANDERSON: I don't understand this.

9 MR. HORTIG: Mr. Chairman and Governor Anderson,
 10 Mrs. Vodjansky occupied the property originally under a
 11 Federal mining claim -- which, as you gentlemen probably
 12 recognize, was a common situation in northern California.

13 Many of the mining claimants, who could not perfect
 14 the title to their land even though it had been in the family
 15 for many years or they had purchased it from people who had
 16 unperfected mining claims for many years, are now in position
 17 to perfect their title as a result of the Johnson Bill,
 18 Congressman Johnson's act; and the Bureau of Land Management
 19 can now convey lands to these people where they have been
 20 occupied, in fact.

21 Mrs. Vodjansky, on the contrary, as early as 1955,
 22 seeking to remedy an identical situation, applied to the
 23 State Lands Division for an exchange of Federal lands, so
 24 that the State would get the title to the land which she
 25 had occupied and on which she had built her home site and
 26 cultivated her vegetable plot, with the hope of buying the

1 land from the State.

2 The Bureau of Land Management has conveyed this
3 land to the State; the State Lands Commission can now sell
4 the land. This is one of the applications which was in
5 process before the moratorium on acceptance of applications,
6 pending completion of the study in connection with new
7 rules and regulations; and the only question is whether Mrs.
8 Vodjansky should be charged for the improvements on the
9 property -- and we have an opinion from the Attorney General's
10 Office written by Deputy Paul Joseph, who is here, if the
11 Commissioners have any questions.

12 MR. CRANSTON: Will you make a motion?

13 GOV. ANDERSON: Make the motion.

14 MR. CHAMPION: Second.

15 MR. CRANSTON: Moved, seconded, and approved
16 unanimously.

17 Item 6 -- Proposed Oil and Gas Lease, Santa Barbara
18 County - Parcel 12. Frank?

19 MR. HORTIG: This is a request for authorization
20 to advertise for bids on what constitutes the last remaining
21 unleased parcel of tide and submerged lands considered by
22 the State Lands Commission for lease offer between Point
23 Conception and the old Elwood Oil Field.

24 MR. CRANSTON: Approval of the leasing program is
25 up for motion.

26 MR. CHAMPION: Move approval.

1 GOV. ANDERSON: Second.

2 MR. CRANSTON: Approval is moved, seconded, made
3 unanmously.

4 Frank, do you have any comments on where we go from
5 here on the leasing program?

6 MR. HORTIG: Yes, sir, the Commission has heretofore
7 authorized the necessary reviews; public hearings, which were
8 not required to be held under the law, were held nevertheless
9 in Orange County; and the staff now has under study for recom-
10 mendation to the Commission in the immediate future an addi-
11 tional series of leases which will be considered for Orange
12 County, California.

13 GOV. ANDERSON: Is this what is commonly referred
14 to as the "third mile"?

15 MR. HORTIG: This includes the third mile.

16 GOV. ANDERSON: What area is this?

17 MR. HORTIG: All the area west of the westernmost
18 leases in Huntington Beach to the easternmost lease in Seal
19 Beach.

20 MR. CRANSTON: What is the prospective leasing
21 program?

22 MR. HORTIG: The first lease in Orange County
23 could be available to the Commission before the end of the
24 fiscal year. There are also two other parcels -- one, pos-
25 sibly, in Ventura County and another small parcel in Santa
26 Barbara County, which may be included in that schedule; but

1 for large areas and the continuation of the sequential bid
2 program, the next large series will be focused in Orange
3 County.

4 GOV. ANDERSON: What date do you think -- not
5 later than June?

6 MR. HORTIG: Actual recommendations to the Commis-
7 sion for advertising for offers will probably be available
8 to the Commission not later than the March meeting.

9 GOV. ANDERSON: That's for advertising; then, when
10 will the bids be received?

11 MR. HORTIG: In May or June; and then followed in
12 sequence by more parcels in Orange County. This is only as
13 to the first parcel in the sequence in Orange County, Governor.

14 MR. CRANSTON: This will permit continuing the stepped-
15 up program of development and bringing in additional income.

16 MR. HORTIG: Yes, sir. This is what it is being
17 designed to accomplish.

18 MR. CRANSTON: Are there any questions on this
19 point before we continue? (No response) If not, Item 7 --
20 Authorization for Executive Officer to enter into an agree-
21 ment with the City of Oceanside stipulating the ordinary high
22 water mark along the Gulf of Santa Catalina and fixing the
23 boundary between State tidelands and property owned by the
24 City of Oceanside within the City limits of Oceanside, San
25 Diego County.

26 MR. CHAMPION: Move approval.

1 GOV. ANDERSON: Second.

2 MR. CRANSTON: Approval is moved, seconded and
3 made unanimously.

4 GOV. ANDERSON: This, again, is strictly property
5 that is Oceanside's, with no other land involved?

6 MR. HORTIG: This is the ocean boundary between
7 the State tide and submerged lands and the uplands which,
8 within the scope of the agreement here being approved, are
9 controlled by the City of Oceanside. By reference to the
10 map following page 32, Governor, you see it is in two seg-
11 ments, with a break in the middle. The break in the middle
12 is the subject of the approval. The next agenda item
13 concerns the boundary between State property and the property
14 owned by the Beachlake Corporation. In both of these agree-
15 ments, the Commission will have established the boundary
16 line along the entire beach frontage, regardless of owner-
17 ship.

18 MR. CRANSTON: Item 8 -- Authorization for Execu-
19 tive Officer to enter into an agreement with Beachlake
20 Corporation, stipulating the ordinary high water mark along
21 the Gulf of Santa Catalina and fixing the boundary between
22 State tidelands and property owned by Beachlake Corporation
23 in the vicinity of Oceanside, San Diego County.

24 MR. CHAMPION: Move approval.

25 GOV. ANDERSON: Now, does this fill the gap com-
26 pletely? It doesn't look like it on the map.

1 MR. HORTIG: It is intended to. As you will note,
2 Governor, on the map following page 32, the break is on the
3 San Luis Rey River, and this is only diagrammatic; the
4 ownership is on the beach line.

5 GOV. ANDERSON: The actual line is

6 MR. HORTIG: The beach line should be longer.

7 GOV. ANDERSON: Second.

8 MR. CRANSTON: Approval is moved, seconded, made
9 unan. imously.

10 Item 9 - Acceptance of the 1958 Mean High Tide
11 Line, as surveyed by the Commission pursuant to Chapter 34,
12 Stats. 1954, 1st E.S., as the common boundary between
13 Patented Swamp and Overflowed Lands Survey No. 9, San Mateo
14 County, and the sovereign lands granted to the City of Red-
15 wood City pursuant to Chapter 1359, Stats. 1959 as amended,
16 and authorization for Executive Officer to approve proposed
17 stipulation in the case of Archibald vs. State, San Mateo
18 County Superior Court Case No. 102476.

19 MR. HORTIG: The recommended stipulation, Mr.
20 Chairman, is to resolve the question of a boundary problem
21 in which the State Lands Commission, by inheritance, got
22 into the situation twice: First, the Surveyor General's
23 Office in many years past sold swamp and overflowed lands,
24 the records of which the Lands Commission is now the custodian.
25 Also, the Legislature subsequently granted adjoining tide and
26 submerged lands to the City of Redwood City, with certain

1 supervisory responsibility and reversionary interests in the
2 State Lands Commission.

3 The boundary between the previously granted tide
4 and submerged lands and the previously sold swamp and over-
5 flowed lands is the subject of a title litigation and the
6 State Lands Division has established a boundary line which
7 is satisfactory to the Archibalds, successor in interest to
8 the swamp and overflowed lands, and the State, and the City
9 of Redwood City as the owners of the tide and submerged lands
10 adjoining.

11 It is the recommendation that this stipulation
12 accepting this line be authorized for approval. Deputy
13 Joseph again is counsel in this litigation, if there are
14 any further questions.

15 GOV. ANDERSON: I'll move it.

16 MR. CHAMPION: Second.

17 MR. CRANSTON: Approval is moved, seconded, made
18 unanimously.

19 Item 10 -- Authorization for Executive Officer to
20 request the Attorney General to enter into a compromise
21 settlement in the case of Mendes et al. vs. Boss et al.,
22 Sacramento County Superior Court Case No. 133,534, providing
23 for payment of \$1,000 to the State in consideration for the
24 State's disclaiming its right, title and interest, if any,
25 in the area which is the subject of the action.

26 MR. HORTIG: The particular action consists of the

1 question of just how much of a sand bar island in the Sacra-
2 mento River is in private ownership, whether a portion or
3 all of it. The State appears to have a claim to a possible
4 upstream segment thereof; but in order to clear title to the
5 present holders of the balance of the sand bar, the owner has
6 offered to compromise and pay the State a thousand dollars
7 in consideration of any title to the sand bar -- which is
8 adequate and the acceptance is recommended by the Office of
9 the Attorney General, rather than litigate and establish the
10 State's claim to an isolated sand bar in the Sacramento
11 River.

12 GOV. ANDERSON: Looking at this map here, this is
13 rather a long island.

14 MR. HORTIG: Yes.

15 GOV. ANDERSON: We are only talking about a portion
16 of the island?

17 MR. HORTIG: Essentially above the highway.

18 GOV. ANDERSON: Above the highway?

19 MR. HORTIG: Yes, sir.

20 GOV. ANDERSON: And what is the assessed valuation,
21 roughly?

22 MR. JOSEPH: I don't know. With respect to the
23 lower part of that island, there was some litigation some
24 years ago and there was quite a long litigation -- finally
25 compromised by taking one thousand dollars from the claimant
26 for the lower part of that island. Having established that

1 precedent, we are not in a very good position to claim title
2 to the other portion of the island. As to the appraised
3 value, I do not know.

4 MR. HORTIG: In relationship to the comparative
5 areas, the fact is the State disclaimed previously title to
6 a much larger portion of the island for a thousand dollars.

7 MR. JOSEPH: And the state of the title is ex-
8 tremely doubtful.

9 GOV. ANDERSON: What is the land being used for?

10 MR. JOSEPH: Recreation. There is a marina right
11 to the north, where there is that indentation from the river.

12 GOV. ANDERSON: This island is how long -- four
13 miles long?

14 MR. HORTIG: Four acres in the northern part.

15 MR. CRANSTON: Motion is in order.

16 MR. CHAMPION: Move approval.

17 GOV. ANDERSON: Second.

18 MR. CRANSTON: Approval is moved, seconded, made
19 unanimately.

20 Item 12 -- Confirmation of transactions consum-
21 mated by the Executive Officer pursuant to authority
22 confirmed by the Commission at its meeting on October 5, 1959.

23 MR. CHAMPION: Move approval.

24 GOV. ANDERSON: Second.

25 MR. HORTIG: I think you skipped Item 11.

26 MR. CRANSTON: Item 12 approved unanimately.

1 Item 11 -- Authorization for Executive Officer to
2 request the Attorney General in the case of Willmars Land Co.
3 vs. State of California, Sacramento County Superior Court
4 Case No. 139,795, to disclaim any State interest in the area
5 claimed by the plaintiff, in consideration of the plaintiff
6 disclaiming any interest in an area in the bed of the Sacra-
7 mento River.

8 MR. HORTIG: In this instance, Mr. Chairman, the
9 map following page 46 of the agenda, at the top, indicates
10 the location of a channel which was artificially dredged
11 across privately owned lands and which isolated in the Sacra-
12 mento River an area known as Long Island. The question has
13 arisen as to the ownership of the lands across which the
14 channel was dredged, quiet title action was filed. The
15 Commission was named in the quiet title action and the
16 Attorney General's Office recommends filing of a disclaimer
17 in this action.

18 MR. CRANSTON: Motion is in order.

19 MR. CHAMPION: Move approval.

20 GOV. ANDERSON: Second.

21 MR. CRANSTON: Approval is moved, seconded and
22 made unanimously.

23 Item 13 -- Informative only -- no Commission action
24 required.

25 MR. HORTIG: One new item of interest to the Com-
26 mission has been added by reason of service on the Chairman

1 and that is Item 6 reported on page 50, City of Coronada
2 and R. J. Townsend vs. San Diego Unified Port District, et
3 al. As the Commission will remember, legislation was adopted
4 at the last session of the Legislature for consideration of
5 establishing a unified port district for all lands in San
6 Diego Harbor, including those previously granted by the
7 State to the various municipalities; and in implementing
8 that statute, objection has been voiced by the City of
9 Coronada, who do not wish to be included in a unified port
10 district, who do not wish to transfer (as provided by statute)
11 lands previously granted to them to a unified port district.

12 Inasmuch as the Commission has both supervisory
13 and reversionary responsibility with respect to tide and
14 submerged lands, when the City of Coronada brought this
15 action the State Lands Commission was named a party defendant --
16 hearing to be at San Francisco January 29.

17 MR. CRANSTON: Any action required?

18 MR. HORTIG: No, sir -- just for your information
19 because it is new litigation not previously reported.

20 MR. CHAMPION: Our position is automatic.

21 MR. HORTIG: Yes, sir.

22 MR. CRANSTON: Confirmation of date, time and
23 place of next meeting.

24 Frank, do you have anything to report here for
25 Long Beach on their wishes re the Wilmington deal?

26 MR. HORTIG: No, sir. I can report on status.

1 The staff of the State Lands Commission and the
2 City of Long Beach and the Office of the Attorney General
3 are still burning the midnight oil on resolution of problems
4 of reflecting in the various forms of proposed contracts to
5 be considered by the Commission the appropriate and necess-
6 ary controls to permit the most effective development of
7 the east end of Long Beach to the best interests of the
8 State of California and the City of Long Beach.

9 The prime element in the timing of final conclu-
10 sion of such a report for presentation to the Commission
11 now is -- and not for purposes of fixing any responsibility,
12 but just in the sequence of timing -- the State Lands Divi-
13 sion staff is awaiting the requisite legal opinion from the
14 Office of the Attorney General as to what facets may be
15 considered by the Commission as a matter of policy, and
16 that all the elements that the staff will report are legally
17 properly founded and supported.

18 When that opinion is received, which it is esti-
19 mated will be shortly and could be by the beginning of next
20 week, whereas the staff has not seen it, we have a rough
21 estimate it will be something in the order of seventy to
22 one hundred pages in length. This, of necessity, is going
23 to require analysis because we are certain that there will
24 be elements stated therein where it will be pointed out that
25 the determination of the question is a policy one rather
26 than a legal one; and the staff will then have to determine

1 on what policy recommendation to make to the Commission,
2 drafting the agenda item. On an item of this order of
3 importance and tremendous magnitude, it is anticipated that
4 the Commissioners will of necessity require time to analyze
5 and absorb both the Attorney General's opinion, the staff
6 report, and such reports as the City of Long Beach wish to
7 make, and then be in a position to have a presentation of
8 recommendations, which the Commission can consider at pos-
9 sibly a special meeting.

10 Anticipating all of these actions can be completed,
11 recommendations can be formalized and brought to the Commis-
12 sion prior to the next regular meeting of the Commission --
13 which you gentlemen have confirmed for February 28th.

14 MR. CHAMPION: Let me ask: Which procedure do you
15 think is going to be more useful? The Commission undoubtedly
16 is going to have to spend some time looking at a proposal as
17 broad as this. The question is, do we benefit by having a
18 special hearing early in the process, or do we go over this
19 material at length before the hearing? In other words, it
20 seems to me we are going to end up probably having two meet-
21 ings on this thing -- one at which to hear everything and
22 then take some time to consider some of it, and then have
23 another meeting in which to act. I don't see this all being
24 done in one meeting of the Commission. I don't know what
25 the pleasure of the other members is.

26 MR. CRANSTON: That's certainly what I would think.

1 by next Monday. Then, certainly between seven and fourteen
2 days would not be excessive for and would be very minimum
3 for staff review; preparation of agenda item

4 MR. CHAMPION: How about in February?

5 MR. HORTIG: .. and distribution, which would bring
6 us on that calendar to a mid-February date for a meeting of
7 the nature supported by the type of data, the complete collec-
8 tion of data, that Mr. Champion suggested.

9 GOV. ANDERSON: Then would it be your thought at
10 that meeting to have it presented and hear people protest or
11 talk on it, but not for action at that time?

12 MR. CHAMPION: If I knew what everybody is going
13 to say at that meeting, that would be another matter; but I
14 don't think I could be prepared to act at that time.

15 MR. CRANSTON: No, I don't think any of us could.

16 MR. HORTIG: Mr. Sieroty presented a question that,
17 I think, the Commission should consider in connection with
18 this scheduling -- which is very much in point. Having
19 estimated a possible minimum need to mid-February to have an
20 agenda item that is prepared, that is fully supported, as
21 you suggested, then if industry, for example, should also be
22 heard on this subject, they must have an opportunity to review
23 this agenda item before they can make their presentation to
24 the Commission.

25 Again, we would be up against the same problem you
26 have just suggested: If you knew what was going to be said

1 I presume a that first meeting we may hear not only from
2 the staff and people representing Long Beach, but people
3 interested in that development from a variety of points of
4 view; and we will have to afford a full opportunity for
5 them to be heard and an opportunity for us to consider what
6 they say.

7 MR. CHAMPION: This is not a conventional bid
8 procedure and we have to look at it from the standpoint of
9 the way it is being handled by a person who is not an
10 agent.

11 MR. HORTIG: There is nothing conventional about
12 it, Mr. Champion, because what is under consideration is the
13 potential development of what may become the largest oil
14 field in the State of California. So there is no precedent --
15 a unique approach had to be developed to handle the situation
16 because there is no precedent.

17 MR. CHAMPION: Mr. Chairman, I'd like to suggest
18 we have a special meeting as soon as all the material is
19 ready and we can advise people they can appear before the
20 Board. As soon as that is possible, we might schedule a
21 special meeting.

22 MR. CRANSTON: Do you have any idea now when it
23 might be possible to have such a meeting?

24 MR. HORTIG: I can estimate for the Commission on
25 the following basis of assumptions: One, Attorney General's
26 opinion received and in hand and available for initial review

1 in the meeting, you could conclude; if industry knew what
2 was going to be in the agenda item, they could be prepared,
3 too. In this situation, the Commission might wish to allow
4 time for Long Beach, of course, and any other citizen who
5 wishes, to have an opportunity to make a review of the staff
6 report to the Commission, so that there can be the full range
7 of considered opinion brought to the Commission at the time
8 of this initial hearing.

9 MR. CHAMPION: Really, with the amount of time re-
10 quired here for you to prepare your analysis and for your
11 material to be in the hands of Long Beach, the industry, and
12 others, we really aren't talking about being able to do very
13 much before the time of our next meeting, or at least a few
14 days ahead of it -- certainly not before the middle of
15 February.

16 MR. CRANSTON: I wonder - - It seems to me it is
17 going to take that long - - Could we have a meeting, say, on
18 Thursday, February 21st, which would seemingly give adequate
19 time for everybody involved to have an opportunity to hear
20 what is coming.

21 MR. CHAMPION: And if it proves to be a very simple
22 matter, we will be in a position to act at the meeting there-
23 after; if not, we will have additional time.

24 MR. HORTIG: I think with the understanding that
25 the Commission is not committing itself to act by that
26 scheduling on the 28th, reserving to itself the option to

1 act, but not

2 MR. CHAMPION: Committing itself to act, but not
3 at that time....

4 MR. HORTIG: .. so that no one would draw this
5 conclusion, of course.

6 MR. CHAMPION: Well, the date suggested by the
7 Chairman is eminently satisfactory to me.

8 MR. HORTIG: We will certainly do everything to
9 meet that target date. Again, Mr. Chairman, if I may suggest
10 on behalf of the staff, as I said we will make every effort
11 to meet this as a target date; but we have, also, the same
12 problem Mr. Champion voiced earlier: If we knew what would
13 be contained in the Attorney General's opinion, we would be
14 well prepared.

15 MR. CRANSTON: So we can give some advance know-
16 ledge, let's schedule the meeting for February 21st, ten
17 o'clock, and hold the regular meeting on the 28th. I think
18 we better reserve the whole day of the 21st in case we have
19 many people who wish to express their viewpoints. So --
20 ten a.m. the 21st with the possibility of a full day, and
21 then again ten a.m. the 28th, when we hope we can act --
22 Sacramento in both cases.

23 MR. HORTIG: Of necessity.

24 MR. CRANSTON: If there is nothing further to
25 come before us, we now stand adjourned.

26 ADJOURNED 10:42 a.m.

CERTIFICATE OF REPORTER

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3 I, LOUISE H. LILLICO, reporter for the Office
4 of Administrative Procedure, hereby certify that the
5 foregoing twenty pages contain a full, true and correct
6 transcript of the shorthand notes taken by me in the
7 meeting of the STATE LANDS COMMISSION held at Sacramento,
8 California, on January 24, 1963.

9 Dated: Los Angeles, California, January 25, 1963.

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11 Louise H. Lillico
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