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TRANSCRIPT OF
MEETING
of
STATE LANDS COMMISSION
SACRAMENTO, CALIFORNIA
December 17, 1964

PARTICIPANTS:

- Hon. Hale Champion, Director of Finance, Chairman
- Hon. Alan Cranston, Controller
- Mr. Alan Sieroty, Executive Secretary to Lieutenant Governor Anderson sat with the Commission in Governor Anderson's absence
- Mr. F. J. Hortig, Executive Officer

APPEARANCES:

- (In the order of their appearance)
- Mr. James Cairns, City Attorney for the City of Seal Beach
- Mr. Arthur Spaulding, Petroleum Administrator City of Los Angeles
- Mr. Harold A. Lingle, Chief Deputy City Attorney City of Long Beach

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

| <u>ITEM CLASSIFICATION</u> | <u>ITEM ON</u> <u>CALENDAR</u> | <u>PAGE OF</u> <u>CALENDAR</u> | <u>PAGE OF</u> <u>TRANSCRIPT</u> |
|---|-----------------------------------|-----------------------------------|-------------------------------------|
| 1 Call to order | | | |
| 2 Confirmation minutes of meeting August 18, 1964 | | | 1 |
| 3 PERMITS, EASEMENTS, RIGHTS-OF- WAY, NO FEE: | | | |
| (a) State of Calif. Fish & Game | 36 | 1 | 1 |
| (b) City of Larkspur | 3 | 2 | 1 |
| (c) City of Morro Bay | 43 | 3 | 1 |
| (d) County of Sacramento | 28 | 4 | 1 |
| (e) U.S. Dept of the Navy, Office of Naval Research | 37 | 5 | 1 |
| (f) City of Seal Beach | 24 | 6 | 2 |
| 4 PERMITS, EASEMENTS, LEASES AND RIGHTS-OF-WAY, FEE: | | | |
| (a) Associated Dredging Company | 34 | 7 | 3 |
| (b) " " " | 35 | 8 | 3 |
| (c) John R. Farrow | 30 | 9 | 3 |
| (d) Max Hoff | 12 | 10 | 4 |
| (e) Edward Kleim | 20 | 11 | 4 |
| (f) Lee R. Miller | 39 | 12 | 4 |
| MOTION ON ITEMS (a) through (f) | | | 4 |
| (g) Peter R & Margaret Mirande | 7 | 13 | 4 |
| (h) Joseph Morris | 1 | 14 | 4 |
| (i) Occidental Petroleum | 17 | 15 | 4 |
| (j) Pacific Gas & Elec. Co. | 9 | 16 | 4 |

continued

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

| <u>ITEM CLASSIFICATION</u> | <u>ITEM ON CALENDAR</u> | <u>PAGE OF CALENDAR</u> | <u>PAGE OF TRANSCRIPT</u> |
|--|-----------------------------|-----------------------------|-------------------------------|
| 4 PERMITS, EASEMENTS, LEASES AND RIGHTS-OF-WAY, FEE (continued) | | | |
| (k) Pacific Gas & Electric Co. | 14 | 17 | 5 |
| (l) " " " | 18 | 18 | 5 |
| (m) " " " | 19 | 19 | 5 |
| (n) " " " | 42 | 20 | 5 |
| (o) Richfield Oil Corporation | 15 | 21 | 5 |
| (p) " " " | 33 | 22 | 5 |
| (q) Sierra Talc Company | 4 | 24 | 6 |
| (r) Southern Pacific Pipe Lines | 8 | 25 | 6 |
| (s) Lindsey H. Spight dba Diablo Communications Center | 2 | 26 | 6 |
| (t) Valley Cities Investment Corp. and Albert Berger | 6 | 27 | 6 |
| MOTION ON (a) through (f) | | | 4 |
| MOTION ON (g) through (t) | | | 6 |
| 5 CITY OF LONG BEACH | | | |
| (a) Piers A and B | 23 | 29 | 6 |
| 6 LAND SALES AND EXCHANGES | | | |
| (a) County of Trinity | 29 | 32 | 7 |
| (b) Cancellation applic. Elizabeth Wilson and Thomas Buchanan Dugan etc. | 5 | 33 | 7 |
| (c) Pacific Gas & Elec. Co. | 21 | 34 | 7 |
| 7 OIL AND GAS LEASES | | | |
| (a) Parcel 24, Santa Barbara Co. | 38 | 36 | 3 |

continued

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

| <u>ITEM CLASSIFICATION</u> | <u>ITEM ON CALENDAR</u> | <u>PAGE OF CALENDAR</u> | <u>PAGE OF TRANSCRIPT</u> |
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| 8 PROPOSED ANNEXATIONS | | | |
| (a) City of San Buenaventura | 13 | 37 | 8 |
| (b) City of Huntington Beach | 26 | 38 | 8 |
| 9 LEGAL ACTIONS | | | |
| (a) Stipulation in Pacific Gas & Elec. Co. v. County of San Mateo, et al | 11 | 39 | 9 |
| (b) Status of Major Litigation | 44 | 40 | 9 |
| 10 BOUNDARY AGREEMENT - Nick and Ruth Katsaris, Surfside | 27 | 42 | 10 |
| 11 ADMINISTRATION | | | |
| (1) Approval of resolution of Board of Recreation & Park Commissioners of City of Los Angeles | 40 | 46 | 11-12 |
| MOTION ON (1) | | | 17 |
| (2) Public Hearing re exchange with Leslie Salt Co. | 10 | 48 | 11 |
| (3) Agreement with Colorado Boundary Commission | 16 | 49 | 11 |
| (4) Proposed budget 1965-55 | 22 | 50 | 12 |
| MOTION ON (1) | | | 17 |
| MOTION ON (2), (3), (4) | | | 12 |
| 12 Proposed Legislation | 32 | 53 | 20 |
| 13 Schedule of Meetings 1965 | 25 | 57 | 21 |
| 14 TRANSACTIONS OF EXEC. OFFICER | 31 | | 21 |
| Richfield Oil Corp. | | 59-60 | |
| Standard Oil Co. of Calif. | | 59 | |
| Union Oil Co. | | 60 | |

continued

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

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| | | | |
|-----------------|--|--|----|
| 15 Next meeting | | | 22 |
|-----------------|--|--|----|

SUPPLEMENTAL CALENDAR

16 CITY OF LONG BEACH

Construction of Sea
Scout Base

45

61

22

1

I N D E X

2

(In accordance with item numbers)

3

4

| | ITEM ON CALENDAR | PAGE OF CALENDAR | PAGE OF TRANSCRIPT | | ITEM ON CALENDAR | PAGE OF CALENDAR | PAGE OF TRANSCRIPT |
|----|---------------------|---------------------|-----------------------|---|---------------------|---------------------|-----------------------|
| 5 | 1 | 14 | 4 | : | 24 | 6 | 2 |
| 6 | 2 | 26 | 6 | : | 25 | 57 | 21 |
| 7 | 3 | 2 | 1 | : | 26 | 38 | 8 |
| 8 | 4 | 24 | 6 | : | 27 | 42 | 10 |
| 9 | 5 | 33 | 7 | : | 28 | 4 | 1 |
| 10 | 6 | 27 | 6 | : | 29 | 32 | 7 |
| 11 | 7 | 13 | 4 | : | 30 | 9 | 3 |
| 12 | 8 | 25 | 6 | : | 31 | 59 | 21 |
| 13 | 9 | 16 | 4 | : | 32 | 53 | 20 |
| 14 | 10 | 48 | 11 | : | 33 | 22 | 5 |
| 15 | 11 | 39 | 9 | : | 34 | 7 | 3 |
| 16 | 12 | 10 | 4 | : | 35 | 8 | 3 |
| 17 | 13 | 37 | 8 | : | 36 | 1 | 1 |
| 18 | 14 | 17 | 5 | : | 37 | 5 | 1 |
| 19 | 15 | 21 | 5 | : | 38 | 36 | 8 |
| 20 | 16 | 49 | 11 | : | 39 | 12 | 4 |
| 21 | 17 | 15 | 4 | : | 40 | 46 | 11,12 |
| 22 | 18 | 18 | 5 | : | 41 | not on calendar | |
| 23 | 19 | 19 | 5 | : | 42 | 20 | 5 |
| 24 | 20 | 11 | 4 | : | 43 | 3 | 1 |
| 25 | 21 | 34 | 7 | : | 44 | 40 | 9 |
| 26 | 22 | 50 | 12 | : | 45 (SUPPL) | 61 | 22 |
| | 23 | 29 | 6 | : | NEXT MEETING | | 22 |

1 MR. CHAMPION: The meeting will please come to
2 order. We have been furnished copies of the minutes of the
3 meeting of August 18, 1964. If there is no objection, they
4 will stand approved as submitted.

5 Permits, easements, and rights-of-way to be granted
6 to public and other agencies at no fee, pursuant to statute:

7 (a) State of California, Department of Fish and Game --
8 Permit for intermittent use during next ten years of 0.69 acre
9 in bed of San Joaquin River, San Joaquin County, for rock stor-
10 age (in conjunction with closure of Old River to facilitate
11 salmon migration and possibly to diminish erosion).

12 (b) City of Larkspur -- Ten-year renewal of Lease
13 P.R.C. 480.9, submerged lands in Corte Madera Creek, Marin
14 County. (Right-of-way easement used for maintenance of a
15 sewage force main.)

16 (c) City of Morro Bay -- Permit to dredge approxi-
17 mately 60,000 cubic yards of material and deposit same on
18 lands granted by State to County of San Luis Obispo. Opera-
19 tion will be beneficial to general navigation.

20 (d) County of Sacramento -- 49-year easement, 1.47
21 acres tide and submerged lands, Snodgrass Slough, Sacramento
22 County, for existing Twin Cities Road Bridge.

23 (e) U. S. Department of the Navy, Office of Naval
24 Research -- One-year extension of Permit P.R.C. 3087.9, for
25 conduct of experiments involving detonation of explosives
26 under water in Mono Lake, Mono County. (In the interest of

1 national defense.

2 (F) City of Seal Beach -- Approval of sublease and
3 sublease amendment and modification, under Lease P.R.C. 2348, 9,
4 Orange County, between City of Seal Beach and Seal Beach
5 Sportfishing, Inc.

6 MR. CRANSTON: I move approval.

7 MR. CHAMPION: Second.

8 MR. SIEROTY: Mr. Chairman, on the question of Seal
9 Beach, I know that Mr. Hortig has been working with the repre-
10 sentatives of Seal Beach to clarify that lease. Is there
11 anything we can point out as to the preservation of the right
12 of the public to go on the pier without any charge and use
13 the fishing facilities without any charge?

14 MR. CAIRNS: My name is James Cairns. I am the
15 City Attorney for the City of Seal Beach. Actually, paragraph
16 7, the paragraph to which you have referred, which reads,
17 "The lessee shall keep the entire pier open for the use of
18 the general public at all reasonable times," was intended
19 primarily to give the right to the sublessee to close it down
20 for brief periods of time in the event of storms or when work
21 had to be done for the protection of the public.

22 They had no intention to make a charge for access
23 for the right to fish. I think under the terms of the original
24 permit such charges would be prohibited, and the sublessee
25 takes, of course, subject to the terms of the original permit.
26 I think by law it is covered by the terms of the original

1 permit.

2 If the Commission should desire a change - - we
3 just heard of this possible problem this morning and we have
4 been sort of kicking around a lot of language - - we might
5 add: "There will be no charge to the public for access to
6 the pier including the right to fish therefrom."

7 MR. SIEROTY: I would like to see that.

8 MR. CHAMPION: Could we approve this, with the
9 addition by Mr. Hortig of the language to carry out the intent?

10 MR. CRANSTON: I so move.

11 MR. CHAMPION: I'll second that and that will be
12 added to the original motion. Is there any further question?
13 (No response) Stand approved.

14 Permits, easements, leases and rights-of-way issued
15 pursuant to statutes and established rental policies of the
16 Commission:

17 (a) Associated Dredging Company -- Amendment of
18 Lease P.R.C. 3123.1, tide and submerged lands, Petaluma River,
19 Sonoma County, by revision of present legal description.
20 Total area remains virtually the same, i.e., 9,388 acres in-
21 stead of original 9,385 acres.

22 (b) Associated Dredging Company -- Assignment of
23 Lease P.R.C. 3123.1, tide and submerged lands, Petaluma River,
24 Sonoma County, to Edward Halperin.

25 (c) John R. Farrow -- Five-year grazing lease, 640
26 acres school land, San Diego County. Annual rental \$25.60.

1 (d) Max Hoff -- Five-year minor structure permit,
2 0.018 acre State-owned land in bed of Lake Tahoe, Placer County,
3 for construction of private non-commercial rock-cribbed pier.
4 Total rental \$25.00.

5 (e) Edward Kleim -- Termination of Mineral Extraction
6 Lease P.R.C. 1444.1 in bed of Tuolumne River, Stanislaus
7 County, and authorization for acceptance of quitclaim, in
8 accordance with Section 17 of the lease.

9 (f) Lee R. Miller -- Extension through December 31,
10 1965, of Dredging Permit P.R.C. 2716.1, Corte Madera Creek,
11 Marin County. Permittee has been unable to employ a dredge.

12 MR. CRANSTON: I move approval.

13 MR. HORTIG: There are more.

14 MR. CHAMPION: I'll second and we will pick up the
15 remaining items in this category. Those will stand approved.

16 (g) Peter R. and Margaret Mirande -- Assignment of
17 Lease P.R.C. 2220.1, submerged land of Sacramento River,
18 Colusa County, to Darrell E. and Lenna V. Grimes.

19 (h) Joseph Morris -- Assignment of Lease P.R.C.
20 391.1, tide and submerged lands, Santa Monica Bay, Los Angeles
21 County, to Paradise Cove Land Company.

22 (i) Occidental Petroleum Company -- Termination of
23 Lease P.R.C. 3067.1, subsurface easement, tide and submerged
24 land in New York Slough, Contra Costa County, pursuant to
25 Section 19 of the lease. Lessee has found operation unfeasible.

26 (j) Pacific Gas and Electric Company -- 15-year lease,

1 0.41 acre tide and submerged lands of Miner Slough, Solano
2 County, for overhead wire crossing; annual rental \$13.57.

3 (k) Pacific Gas and Electric Company -- Ten-year
4 renewal of Lease P.R.C. 383.2, 6.68 acres State school land
5 Shasta and Trinity counties, for overhead powerline; total
6 rental \$882.

7 (l) Pacific Gas and Electric Company -- 49-year
8 easement, 0.123 acre sovereign land in bed of Sacramento
9 River, Sutter and Yolo counties (for 12 K.V. overhead power
10 transmission line); total rental \$285.18.

11 (m) Pacific Gas and Electric Company -- Ten-year
12 renewal of Lease P.R.C. 459.1, 1.0528 acres submerged lands,
13 San Joaquin River, Madera and Fresno counties; annual rental
14 \$33.08.

15 (n) Pacific Gas and Electric Company -- Ten-year
16 renewal of Lease P.R.C. 461.1, 1.38 acres submerged lands,
17 Sacramento River, Sacramento and Yolo counties; annual rental
18 \$63.00.

19 (o) Richfield Oil Corporation -- Deferment of drill-
20 ing requirements, Oil and Gas Lease P.R.C. 1466.1, Ventura
21 County, through June 30, 1965, to permit institution of
22 secondary recovery program to assure maximum recovery of oil.

23 (p) Richfield Oil Corporation -- Deferment of
24 drilling requirements, Oil and Gas Leases P.R.C. 308.1 and
25 P.R.C. 309.1, Santa Barbara County, through May 17, 1965 -
26 because of weather problems and unavailability of pulling
vessels.

1 (q) Sierra Talc Company -- Assignment of Mineral
2 Extraction Lease P.R.C. 11.2, Inyo County, to Cyprus Mines
3 Corporation.

4 (r) Southern Pacific Pipe Lines, Inc. -- Amendment
5 of Easement P.R.C. 1902.1, tide and submerged lands of Walnut
6 Creek, Contra Costa County, to delete restrictive wording and
7 permit construction and maintenance of additional 8-inch
8 pipeline.

9 (s) Lindsey H. Spight d.b.a. Diablo Communications
10 Center -- Sublease to N. W. Rettick, d.b.a. Moradco, of portion
11 of Lease P.R.C. 2364.2, for maintenance and operation of a
12 base station transmitting on 461.10 megacycles and receiving
13 on 468.05 megacycles.

14 (t) Valley Cities Investment Corporation and Albert
15 Berger -- 15-year lease, 0.478 acre tide and submerged lands
16 in Santa Barbara Channel, for construction of public pier for
17 swimming and fishing; annual rental \$238.32.

18 What is the pleasure of the board?

19 MR. CRANSTON: I move approval.

20 MR. CHAMPION: Second. Any further question? (No
21 response) Stand approved.

22 City of Long Beach -- Approvals required pursuant
23 to Chapter 29, 1956, First Extraordinary Session, and Chapter
24 138, 1964, First Extraordinary Session.

25 Are these the first approvals under the new law?

26 MR. HORTIG: No, sir. There were some composite

1 approvals at the last meeting.

2 MR. CHAMPION: Piers "A" and "B" -- Subsidence cost
3 determination as result of final audit, with credit due State
4 of \$460.18 for AFE No. 335; credit due State of \$2,457.49 for
5 AFE No. 370; credit due City of \$312.44 for AFE No. 405; and
6 no adjustment necessary for AFE No. 457; and authorization for
7 appropriate written instruments.

8 MR. CRANSTON: I move approval.

9 MR. CHAMPION: Second. Any question? (No response)
10 Stand approved.

11 Land Sales and Exchanges: All items here presented
12 have been reviewed by all State agencies having a land acqui-
13 sition program and, unless otherwise indicated, no interest has
14 been reported by those agencies in the lands proposed for sale
15 or exchange.

16 (a) Approve sale to County of Trinity of 31.23 acres
17 land in Trinity County, obtained under exchange transaction
18 with U. S. Bureau of Land Management, at appraised price of
19 \$20,551.79.

20 (b) Approve cancellation of application of Elizabeth
21 Wilson Dugan and Thomas Buchanan Dugan to purchase 347.40
22 acres federal land in Imperial County, for failure to meet
23 deposit requirements; and approve selection of said land on
24 behalf of the State.

25 (c) Approve selection of 65 acres federal land, San
26 Bernardino County, and authorize sale of said land to Pacific

1 Gas and Electric Company at appraised price of \$6500.00.

2 MR. CRANSTON: I move approval.

3 MR. CHAMPION: Second. Is there any question? (No
4 response) Stand approved.

5 Oil and Gas Leases: Authorize Executive Officer to
6 offer for oil and gas lease 4,290 acres tide and submerged
7 lands, Santa Barbara County, designated as W.O. 5424 (Parcel 24).

8 MR. CRANSTON: Move approval.

9 MR. CHAMPION: Second. Any question? (No response)
10 Stands approved.

11 Proposed annexations: (a) Authorize Executive
12 Officer to notify City Council of City of San Buenaventura:
13 (1) that present value of tide and submerged lands to be
14 annexed under proposed Pierpont Bay Addition No. 2 Annexation
15 is \$2,048,360; and (2) that map and legal description of the
16 boundaries of territory to be annexed comply with provisions
17 of Government Code Section 35014.

18 (b) Authorize Executive Officer to notify City
19 Council of City of Huntington Beach: (1) that present value
20 of tide and submerged lands to be annexed under proposed Bolsa
21 Chica State Park Annexation is \$5,550,000; and (2) that map and
22 legal description of boundaries of territory sought to be
23 annexed comply with provisions of Government Code Section 35014.

24 MR. CRANSTON: I move approval.

25 MR. CHAMPION: Second. Any question? (No response)
26 Stand approved.

1 Legal actions: (a) Authorize Executive Officer
2 execute stipulation in Pacific Gas and Electric Company v.
3 County of San Mateo, et al., San Mateo County Superior Court
4 No. 80503, extending the interim occupancy of certain State
5 lands by Pacific Gas and Electric Company to December 31, 1956.

6 MR. CRANSTON: I move approval.

7 MR. CHAMPION: Second. Any questions? (No response)
8 Stands approved.

9 Report on status of major litigation.

10 MR. HORTIG: This does not require any action by the
11 Commission. It is submitted here for the information of the
12 Commission.

13 MR. CHAMPION: Is there anything special?

14 MR. HORTIG: Only that the oral arguments in the
15 largest case pending on behalf of the State Lands Commission,
16 being the controversy with the United States of America over
17 tide and submerged lands beyond three miles from the mainland
18 and three miles landward of the offlying islands, was presented
19 last week by Special Assistant Attorney General and Deputies
20 Attorney General to the United States Supreme Court; and the
21 case is now under consideration of the United States Supreme
22 Court. There is no accurate prediction as to when the Court
23 will rule.

24 MR. CHAMPION: Is there any further filing of briefs
25 or is the whole matter under submission?

26 MR. HORTIG: The matter is now under submission and

1 subject to decision by the Court.

2 MR. CRANSTON: When would the decision be made?

3 MR. HORTIG: Before the end of the October term this
4 year -- which means by June 1965.

5 MR. CRANSTON: Is there no argument at the moment
6 as to where the boundary should be or where we consider it
7 should be?

8 MR. HORTIG: No; the argument is how to draw the
9 boundary, and also where the baseline is to draw the boundary --
10 whether three miles from the mainland or three miles from the
11 furthestmost rocks and reefs.

12 MR. CHAMPION: This will decide the issue finally?

13 MR. HORTIG: Hopefully. There is one alternative
14 by the Court, and this was suggested by the United States
15 Attorney General; and that is, that any decree by the Court
16 might require the appointment of a Special Master. This would
17 take a considerable amount of time to follow the judgment of
18 the Court before the administrative agencies would know what
19 the answer is as a practical matter.

20 MR. CRANSTON: Your comment in the agenda is, first,
21 whether the old case will be determined moot or is to be re-
22 activated.

23 MR. HORTIG: This is one of the contentions.

24 MR. CRANSTON: We are arguing that as well?

25 MR. HORTIG: That is correct.

26 MR. CHAMPION: Boundary Agreement: (a) Authorize

1 Executive Officer to execute agreement with Nick and Ruth
2 Katsaris fixing the Ordinary Low Water Mark as the common
3 boundary along a tidal waterway in the vicinity of Surfside,
4 Orange County, described in boundary agreement W.O. 5143, as
5 the permanent boundary between State submerged land and sub-
6 ject private lands along the tidal waterway.

7 MR. CRANSTON: Move approval.

8 MR. CHAMPION: Second. Any question? (No response)
9 Stands approved.

10 Administration:

11 Approve proposed resolution of Board of Recreation
12 and Park Commissioners of City of Los Angeles to lease, for
13 purpose of drilling for, producing, extracting, and removing
14 oil, gas, asphaltum, and other hydrocarbon substances from
15 those certain tide and submerged lands lying in Santa Monica
16 Bay, Los Angeles County, granted to the City of Los Angeles by
17 Legislative Grant described in Chapter 77, pages 88-90,
18 Statutes of 1917, as amended by Chapter 1513/1945, and more
19 particularly described as Exhibit A, Parcel 2, of the resolu-
20 tion submitted.

21 Authorize Executive Officer to conduct public hearing
22 during January 1965 in San Francisco Bay Area concerning pro-
23 posed exchange between State and Leslie Salt Co.

24 Authorize Executive Officer to execute an interagency
25 agreement with the Colorado River Boundary Commission, on be-
26 half of State Lands Commission as contractor, providing for

1 rendering of engineering, administrative, and other services
2 to the Boundary Commission for the 1964-65 fiscal year, at
3 Commission's actual costs, not to exceed \$7,000.

4 Approve proposed budget for 1965-66 fiscal year, in
5 total amount of \$1,100,067 (exclusive of additional costs for
6 operations under Chapter 138/64, First Extraordinary Session);
7 approve establishment of ten additional positions; approve
8 proposed budget for tidelands litigation, U.S. v. California,
9 for 1965-66 fiscal year, in total amount of \$314,028.

10 MR. GRANSTON: I move approval.

11 MR. SIEROTY: May I speak on the first item -- the
12 City of Los Angeles?

13 MR. CHAMPION: The second, third and fourth items
14 stand approved as submitted. There is no action on Number (1).

15 I might point out that while I am approving the
16 budget because we need two votes, this as usual does not com-
17 mit me to any further action.

18 Item (1) you want to speak on, Alan. Two, three
19 and four stand approved as submitted.

20 MR. SIEROTY: Yes, I wanted to spend a little bit
21 of time on this particular item because I think it is necess-
22 ary to distinguish this from the prior application. Art
23 Spaulding, the Petroleum Administrator, is here and he may
24 want to speak on this item and the application of the City.
25 I gave him a copy of a letter that was received by the Lieuten-
26 ant Governor this morning, a copy of which was sent to Mayor

1 Yorty. Maybe the best way to start this off is to read the
2 letter and Art can reply to the letter, as well as other
3 things he wants to bring to the attention of the Commission.
4 The letter is:

5 "Dear Lieutenant Governor Anderson:

6
7 It is our understanding that the State Lands
8 Commission will meet on December 17 to discuss the
9 tidelands oil drilling on and off the Venice
10 beaches.

11 At a meeting of the executive committee of
12 the Marina Area Chamber of Commerce today, a
13 motion was passed reiterating our stand on this
14 matter, as follows:

15 To protect our beautiful beaches which are
16 enjoyed by millions of people every summer, we
17 strongly urge that no oil drilling in the State
18 controlled area be permitted without stringent
19 guarantees.

20 All pumps should be submerged and invisible
21 from shore after the original drilling period of
22 one year.

23 All land installations should be underground,
24 silent, odorless, and landscaped.

25 We would appreciate being informed of the
26 outcome of the meeting.

Sincerely yours,

William A. Tickle
President
Marina Area Chamber of Commerce"

Before Art responds, I think he knows and certainly
those who have followed the Commission's action recently know
the action of the State Lands Commission in preserving the
esthetic and recreational attributes of our State; and I'd
like to point out that the Attorney General's opinion, I think,

1 is very fine in this respect, in that the Attorney General's
2 opinion goes into these considerations which we have been
3 interested in and I compliment the Attorney General for going
4 beyond what perhaps would be strictly necessary to bring
5 these matters of esthetics to our attention.

6 Also, I'd like to point out that the City of Los
7 Angeles has done a great deal in this respect, in terms of
8 maintaining esthetic considerations and I think our considera-
9 tion of this matter is not in any way to pick on Los Angeles
10 but almost the opposite. I think Art can point out some of
11 the things that are being done in Los Angeles, which we might
12 want to encourage other cities and counties to do.

13 MR. CHAMPION: In other words, I gather while this
14 question is being raised, there is no dissatisfaction on the
15 part of any members of the Commission about the proposal.

16 MR. SIEROTY: That is correct.

17 MR. HORTIG: Might I interpose at this point and to
18 follow up Mr. Sieroty's statement, the staff received one let-
19 ter from a property owner with respect to the matter under
20 consideration here today, with a request it be read into the
21 record. It is from Mr. Kurt Simon of 1825 Westbridge Road,
22 Los Angeles, California:

23 "From what I understand, the State Lands Commission
24 plans to meet December 17th to discuss the tideland
25 drilling on and off the Venice beaches. I am a
26 member of the Oil Committee and Venice Planning
Committee, and quite familiar with the many facets
of the matter. Besides, my partner and I own more
Venice ocean frontage than anyone.

1 " There are supposedly great oil deposits in
2 that area. Their recovery might benefit our
3 community but only if it is not done at the ex-
4 pense of our scenic beauty.

5 To protect our beautiful beaches, which
6 millions of people enjoy every summer, may I sug-
7 gest that no oil drilling be permitted in the
8 State-controlled area without stringent guarantees.
9 All pumps should be submerged and invisible from
10 shore after the original drilling period of one
11 year. This has been successfully done in Santa
12 Barbara by Shell Oil and in the Gulf of Mexico by
13 other firms.

14 All land installations should be underground,
15 silent, odorless, and landscaped.

16 The additional cost of such hidden pumps is
17 small compared to the value gained by preserving
18 the beauty of our shores.

19 Please inform the members of the committee
20 of my letter and let me know the outcome of the
21 meeting."

22 MR. HORTIG: (continuing) Now, on behalf of the
23 staff, I wish to point out to the Commission for the record
24 that the procedures recommended to the Commission for approval
25 fully meet the guarantees and tests which Mr. Simon proposed.
26 There is no proposal to place any equipment offshore, and all
land installations are proposed to be landscaped, underground,
silent, odorless, et cetera; and, therefore, for the record I
feel it would be very desirable for the Commission to have on
the record Mr. Spaulding's verification and comments with
respect to the proposed method of development.

MR. CHAMPION: Mr. Spaulding, the record is getting
pretty replete with reassurances, but if you would like to
add anything....

1 MR. SPAULDING: Yes. It would appear from the
2 tone of the letter there is some confusion as to what is pro-
3 posed by the City in Santa Monica Bay, judging from the word
4 "submerged." We have no intention of placing any installations
5 offshore. All drilling would take place on the upland area,
6 probably one of the parking lots which the Department of
7 Recreation manages along the ocean walk.

8 MR. CHAMPION: I think everybody has discussed
9 esthetics.

10 MR. SPAULDING: With the Commission's indulgence
11 I would like to show some of the pictures which we have of
12 our other urbanized drillsites within the City of Los Angeles,
13 which I think bear out the remarks made by Mr. Hortig that
14 we do indeed provide the guarantees Mr. Simon and others are
15 interested in.

16 Here, for example, are photographs taken of a
17 drillsite operated by the Union Oil Company at the corner of
18 Pico Boulevard and San Vicente Boulevard. This is what the
19 appearance is from the outside. Here are wells, which are
20 recessed in subterranean chambers, with a walkway on top.
21 Here is a photograph of the internal compound area. Here,
22 again, is a photographic view of the same complex maintained
23 by Union at this site. Perhaps there are some repetitious
24 photographs, but I do wish to impress you with the measures
25 the City of Los Angeles does take in establishing urbanized
26 drillsites, the tankage which the zoning administrator
authorizes.

1 We have a number of other photographs which perhaps
3 we might produce at your pleasure.

3 MR. CHAMPION: Thank you very much. I am fully
4 satisfied and I think the other Commissioners are. As a
5 matter of fact, we would like to compliment the City of Los
6 Angeles for its work in this regard.

7 MR. CRANSTON: Absolutely, and I move approval.

8 MR. CHAMPION: Second. Is there any further ques-
9 tion? (No response) Stand's approved.

10 MR. SIEROTY: Mr. Chairman, on a related subject --
11 it is not on the agenda, but I think it is important and I'd
12 like to raise it at this point -- I had the opportunity to
13 visit one of the submerged sites with Mr. Spaulding yesterday
14 and in our conversation he brought out something which I think
15 the Commission will be interested in.

16 The City of Los Angeles has an ordinance which re-
17 quires oil producers to remove derricks, I think it is thirty
18 days after the completion of a well, and in the City of Los
19 Angeles 99.9 per cent of all the derricks which are no longer
20 being used for drilling have been removed.

21 MR. SPAULDING: That is correct. I think there are
22 two derricks and I think we have a law suit to remove those.

23 MR. SIEROTY: That is not true in the County of Los
24 Angeles and other cities which have not taken the time, or
25 there hasn't been any pressure of some public-spirited citizen
26 to promote this. If you drive along LaBrea, you will find
many derricks which I am sure are no longer being used.

1 that particular well on which it sits, and I think the State
2 Lands Commission might want to explore what we could do to
3 encourage cities and counties to adopt an ordinance like this.

4 I don't think we have any direct power to do any-
5 thing, but I think if we could bring to cities and counties
6 the ordinance which Los Angeles has first, I think someone
7 might pick it up and it might be adopted in other areas.

8 MR. CHAMPION: Are the other areas on State leases?

9 MR. SIEROTY: No.

10 MR. CHAMPION: I would think it would be more appro-
11 priate for a legislative body to do this. We have a very
12 limited jurisdiction in expressing ourselves on properties we
13 have nothing to do with.

14 MR. SIEROTY: I don't think we have to - - we are
15 not taking any jurisdiction, but I think we could bring it to
16 the attention of other jurisdictions as to what this particular
17 ordinance provides, and perhaps other jurisdictions would
18 follow.

19 MR. SPAULDING: May I counterpoint Mr. Sieroty's
20 remarks with a statement of my own in connection with the
21 ordinance to which he refers? We in the City of Los Angeles
22 believe we have a unique arrangement by which mineral resources,
23 notably oil and gas, may be recovered, not only for the benefit
24 of the oil and gas industry but also the property owners within
25 the City. I think there is no other city that has a similar
26 code arrangement to the City of Los Angeles, and it has worked

1 with amazing effectiveness to date, I think, with very few
2 complaints coming now -- whereas originally there were a great
3 number of complaints at the outset. We have virtually no com-
4 plaints to speak of at this time.

5 MR. CHAMPION: Thank you very much, Mr. Spaulding.
6 I don't know whether any action is called for. Certainly, I
7 think the Lands Commission agrees if there are any derricks
8 not being used, if somebody would take them down we would be
9 delighted to see it done; but I don't know that there is any
10 formal action of the Commission in its proper official function
11 to do anything about it.

12 MR. CRANSTON: Alan, do you have any ideas how we
13 could do it? I certainly think it would be nice to stimulate
14 this, but we don't have the jurisdiction.

15 MR. SIEROTY: I think a letter with a copy of the
16 ordinance to cities and counties might bring this to their
17 attention.

18 MR. SPAULDING: May I suggest the League of California
19 Cities as the vehicle for such a communication?

20 MR. CHAMPION: We better include the County Super-
21 visors' Associations, Mr. Sieroty.

22 MR. CRANSTON: I suggest we have a letter prepared
23 by the staff and submitted for formal action.

24 MR. CHAMPION: Can you do that in your present
25 budget, Frank?

26 MR. HORTIG: If the vehicle for distribution should

1 be through the League of California Cities and the County
2 Supervisors' Association for further distribution, this would
3 only take two letters and we could do it within our present
4 budget.

5 MR. CHAMPION: Any further question on this matter?
6 (No response)

7 Item 12 -- Authorize Executive Officer to submit
8 proposed legislation for consideration during the 1965 Session
9 of the Legislature to provide for the addition and/or amendment
10 of Sections 6303.1, 6461, and 7361 of the Public Resources Code,
11 with the form of legislation to be drafted by the Office of
12 the Legislative Counsel.

13 Mr. Hortig, do you want to speak to that subject?

14 MR. HORTIG: Yes, sir. The three proposed amendments
15 and additions to the Public Resources Code, which are in sequence
16 on pages 53 to 56 of your agenda, relate to actions which it
17 is felt are desirable from the standpoint of clarifying the
18 administrative authority of the Commission to proceed under
19 the circumstances outlined in the proposed bills.

20 The proposed addition to Section 6303.1 is recom-
21 mended because the present law....

22 MR. CHAMPION: Mr. Hortig, let me interrupt in the
23 interest of time. Have the members of the Commission had a
24 chance to look these over? They are very technical in substance
25 and I don't think require policy consideration.

26 MR. CRANSTON: I move approval.

1 MR. CHAMPION: Stand approved. Approve schedule
2 of meetings of the State Lands Commission for the 1965
3 calendar year. Did we meet on any of the scheduled dates
4 last year?

5 MR. HORTIG: Yes, sir -- better than fifty per cent.

6 MR. CHAMPION: Well, I guess it is worth doing, then.
7 I have had no chance to look it over.

8 MR. CRANSTON: I'd like to change Thursday, June 24th.
9 I'd like to move it to Monday, June 21st in order to get it
10 closer to the end of the Legislature.

11 MR. SIEROTY: Do you know whether our office has
12 O.K.'d this?

13 MR. HORTIG: Yes, sir. These were cleared with
14 the secretaries and the calendars of each of the Commissioners.

15 MR. CHAMPION: With that amendment, as moved by Mr.
16 Cranston,

17 MR. SIEROTY: With some possible reservation. I
18 can't speak on the change to June 21st.

19 MR. CHAMPION: All right. We can take care of that.
20 Any further question? (No response) Stand approved.

21 Confirm transactions consummated by the Executive
22 Officer pursuant to authority confirmed by the Commission at
23 its meeting on October 5, 1959. Is there anything special
24 on that?

25 MR. HORTIG: There were no special items. They were
26 all extensions of previously authorized geological permits.

1 MR. CHAMPION: What is the pleasure of the Commission?

2 MR. CRANSTON: Second. Any question? (No response)

3 Stand approved.

4 Reconfirm date, time and place of January meeting of
5 the Commission - Thursday, January 28, 1965, at 10 a.m. in
6 Sacramento.

7 MR. CRANSTON: Move approval.

8 MR. CHAMPION: Second. Any further question?

9 (No response) Stands approved.

10 Supplemental Calendar Item -- City of Long Beach:
11 Determine that proposed expenditure by City of Long Beach, dated
12 October 21, 1964, of approximately \$229,845 for construction of
13 a Sea Scout Base at the Long Beach Marina, is in accordance
14 with provisions of Chapter 138/64, First Extraordinary Session.

15 I understand there have been some discussions with
16 the City Attorney about minor matters in the lease and that we
17 are in agreement; and subject to that agreement we are in a
18 position to proceed. Is that correct?

19 MR. LINGLE: Yes, sir, that is correct. I believe we
20 can work out a readjustment of the terms of the lease.

21 MR. CHAMPION: Since Mr. Sieroty has been working
22 with you and Mr. Hortig on this, perhaps we can leave it with
23 the approval of the Commission subject to the working out of
24 that language with the Executive Officer.

25 MR. LINGLE: Thank you.

26 MR. CRANSTON: Move approval.

1 MR. CHAMPION: Second. If there is no
2 further question, stands approved. If there is no further
3 business, the meeting stands adjourned.
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ADJOURNED 10:55 A.M.

CERTIFICATE OF REPORTER

I, LOUISE H. LILLICO, reporter for the Office of Administrative Procedure, hereby certify that the foregoing twenty-three pages contain a full, true, and accurate transcript of the shorthand notes taken by me in the meeting of the State Lands Commission held at Sacramento, California, on December 17, 1964.

Dated: Los Angeles, January 5, 1965.

Louise H. Lillico