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**TRANSCRIPT OF
MEETING
of
STATE LANDS COMMISSION**

**LOS ANGELES, CALIFORNIA
January 26, 1966**

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STATE LANDS COMMISSION

MEETING OF
JANUARY 26, 1966

PARTICIPANTS:

THE STATE LANDS COMMISSION:

- Hon. Alan Cranston, Controller, Chairman
- Hon. Glenn M. Anderson, Lieutenant Governor
- Hon. Hale Champion, Director of Finance
- Mr. Frank J. Hortig, Executive Officer

OFFICE OF THE ATTORNEY GENERAL:

- Mr. Warren J. Abbott, Deputy Attorney General

APPEARANCE:

- Mr. John B. Gaskill
Ocean Fish Protective Association, Inc.

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

<u>ITEM CLASSIFICATION</u>	<u>ITEM ON</u>	<u>PAGE OF</u>	<u>PAGE OF</u>
	<u>CALENDAR</u>	<u>CALENDAR</u>	<u>TRANSCRIPT</u>

1	1 Call to order			
2	2 Confirmation of minutes of meetings 9/23, 10/21, 11/3/65			1
3	3 PERMITS, EASEMENTS, RIGHTS-OF-WAY, NO FEE:			
4	(a) Cardiff Marina Community Services District	22	1	1, 22
5	(b) Fairfield-Suisun Sewer Dis.	35	6	1
6	(c) City of Mill Valley	37	7	1, 6
7	(d) State Div. of Highways	2	11	2
8	(e) State Div. of Highways	5	13	3
9	(f) Twelfth U.S.Coast Guard Dis.	40	14	3
10	(g) County of San Diego on behalf of Cardiff Marina Community Services District	7	15	3
11	4 PERMITS, EASEMENTS, LEASES, RIGHTS-OF-WAY, FEE:			
12	(a) W. I. Cain	27	17	3
13	(b) Crown Zellerbach Corp.	23	18	3
14	(c) El Camino Boat Club, Inc.	32	19	3
15	(d) Kaiser Steel Corp.	19	20	3
16	(e) Pittsburgh Plate Glass Co.	25	21	3
17	(f) Zuckerman-Mandeville, Inc.	20	22	4
18	(g) Allied Properties	34	23	4
19	(h) Cliff House Properties	41	24	4

continued

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

1
2
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<u>ITEM CLASSIFICATION</u>	<u>ITEM ON</u>	<u>PAGE OF</u>	<u>PAGE OF</u>	<u>CALENDAR</u>	<u>CALENDAR</u>	<u>TRANSCRIPT</u>
4 PERMITS, EASEMENTS, LEASES, RIGHTS-OF-WAY, FEE continued:						
(i) Von der Werth, Inc.	21	26				4
(j) Standard Oil Co. of Calif.	6	27				4
(k) Philip D. Tripp and Richard M. Russell	33	28				4
(l) U. S. Borax & Chem. Co.	30	29				5
(m) Texaco Inc.	15	30				5
(n) Union Oil Co. of Calif.	39	31				5
(o) Standard Oil Co. of Calif. Western Operations, Inc., and Shell Oil Company	31	32				5
5 CITY OF LONG BEACH						
(a) Heim Bridge	14	33				6
(b) Cooperative Agreement for Water Injection Operations L.B. Unit & Parcel A, Fault Block VI, Ranger Zone	38	36				7
6 LAND SALES & WITHDRAWALS						
(a) Wm. R. & Alta Miller Modoc County	1	38				7
(b) Hugh L. Hubbard, Jr. Riverside County	3	39				7
(c) Union Lumber Company, Mendocino County	4	41				7
(d) Withholding from sale on behalf of Dept. Water Res. land in Glenn and Mendocino counties	9	42				8

continued

INDEX
(In accordance with Calendar Summary)

<u>ITEM CLASSIFICATION</u>	<u>ITEM ON</u>	<u>PAGE OF</u>	<u>PAGE OF</u>	
	<u>CALENDAR</u>	<u>CALENDAR</u>	<u>TRANSCRIPT</u>	
7	MINERAL LEASING AND LEASES			
(a)	Modified form of prospecting permit	43	43	8-Deferred
(b)	Modified form of prospecting permits for geothermal steam, etc	16	44	8-Deferred
(c)	Deccaxagon Corp and Ceaser Giannecchini	17	49	Deferred
(d)	Ceaser Giannecchini, et al	10	50	Deferred
(e)	Deccaxagon Corp.	11	54	Deferred
(f)	Offer of Parcel 32 for oil & gas lease Ventura County	12	58	16
(g)	Public review, City of Santa Barbara re offer for oil & gas lease of T&S lands surrounding San Miguel, Santa Rosa, and Santa Cruz Islands	45	60	16
8	APPROVAL OF BOUNDARY AGREEMENT			
(a)	Howard W. & Helen Brod	26	61	17
9	ADMINISTRATION			
(a)	Hearing in Sacramento re Federal Bldg. and U.S. courthouse	13	62	18
(b)	Acquisition by U.S. of Fed. Bldg & Ct. Hs., S.F.	44	63	18
(c)	Compromise agreement, Oil & Gas Easement 392.1	18	68	19
(d)	Service Agreement, County San Mateo, Ch. 1957/65	28	74	19

continued

I N D E X

(In accordance with Calendar Summary)

1
2
3
4
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11
12
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14
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<u>ITEM CLASSIFICATION</u>	<u>ITEM ON CALENDAR</u>	<u>PAGE OF CALENDAR</u>	<u>PAGE OF TRANSCRIPT</u>
9 ADMINISTRATION continued			
(e) Service Agreement City of Benicia, Ch. 2018/65	29	75	19
(f) Augmentation of agreement with DeGolyer & MacNaughton	36	76	19
(g) Proposed budget of State Lands Division	42	77	21
10 CONFIRMATION OF TRANSACTIONS BY EXECUTIVE OFFICER	8		22
Richfield Oil Corp.		87	
Shell Oil Co.		83,86	
Signal Oil & Gas Co.		85	
Standard Oil of Calif. Western Operations		84	
Union Oil Co. of Calif.		87	
11 INFORMATIVE - Litigation	46	88	30
12 NEXT MEETING			30
<u>SUPPLEMENTAL:</u>			
13 Oil & Gas Lease Tract 11, W.O. 5826	47	90	31
14 Ditto, W.O.5827, Tract 39	48	92	32
15 Report to Legislature re debris removal Clear Lake	49	94	32
16 Proposed oil and gas lease Ventura County, Parcel 27A	50	97	39
<u>UNCALENDARED:</u>			
24 Emeryville fill in San Francisco Bay			27
25 Tax problem at Long Beach			30

I N D E X
(In accordance with item numbers)

	<u>ITEM ON</u> <u>CALENDAR</u>	<u>PAGE OF</u> <u>CALENDAR</u>	<u>PAGE OF</u> <u>TRANSCRIPT</u>	<u>ITEM ON</u> <u>CALENDAR</u>	<u>PAGE OF</u> <u>CALENDAR</u>	<u>PAGE OF</u> <u>TRANSCRIPT</u>
1	1	38	7	45	60	16
2	2	11	2	46	88	30
3	3	39	7			
4	4	41	7			
5	5	13	3			
6	6	27	4			
7	7	15	3			
8	8	83	22			
9	9	42	8			
10	10	50	Deferred	47	90	31
11	11	54	Deferred	48	92	32
12	12	58	16	49	94	32
13	13	62	18	50	97	33
14	14	33	6			
15	15	30	5			
16	16	44	8-Deferred			
17	17	49	Deferred			
18	18	68	19			
19	19	20	3			
20	20	22	4			
21	21	26	4			
22	22	1	1, 22			
23	23	18	3			
24	24	not on calendar				
25	25	21	3			
26	26	61	17			
27	27	17	3			
28	28	74	19			
29	29	75	19			
30	30	29	5			
31	31	32	5			
32	32	19	3			
33	33	28	4			
34	34	23	4			
35	35	6	1			
36	36	76	19			
37	37	7	1, 6			
38	38	36	7			
39	39	31	5			
40	40	14	3			
41	41	24	4			
42	42	77	21			
43	43	43	8-Deferred			
44	44	63	18			

SUPPLEMENTAL ITEMS:

47	90	31
48	92	32
49	94	32
50	97	33

UNCALENDARED ITEMS:

Emeryville Fill in San Francisco Bay	27
Tax Problem Long Beach	30

NEXT MEETING: 30

1 JANUARY 26, 1966 - 9:45 A.M.

2
3 MR. CRANSTON: The meeting will please come to
4 order.

5 First item is confirmation of minutes of meetings of
6 September 23, 1965; October 21, 1965; and November 3, 1965.

7 GOV. ANDERSON: Move approval.

8 MR. CRANSTON: Second.

9 MR. CRANSTON: The matter before us is approval of
10 the minutes of the three meetings mentioned. Moved, seconded,
11 so ordered.

12 Item Classification 3 -- Permits, easements, and
13 rights-of-way to be granted to public and other agencies at
14 no fee, pursuant to statutes:

15 Applicant (a) Cardiff Marina Community Services
16 District -- (1) Issuance of 15-year lease, three parcels tide
17 and submerged lands oceanward of San Elija State Beach, San
18 Diego County, for a breakwater system to provide ocean access
19 for a proposed residential marina development, and (2) issu-
20 ance of five-year permit to deposit approximately 500,000
21 cubic yards of dredged material from the entrance channelway
22 on two parcels of State-owned tide and submerged lands.

23 (b) Fairfield-Suisun Sewer District -- Issuance of
24 49-year right-of-way easement, 0.044 acre tide and submerged
25 lands in Suisun Slough, Solano County, for a sewage pipeline.

26 (c) City of Mill Valley -- Termination of Use Permit

1 P.R.C. 2526.9 effective February 1, 1966, and issuance
2 replacement thereof of 49-year lease, 4.94 acres tide and sub-
3 merged lands of Richardson Bay, Marin County, for the place-
4 ment of moorings and use as a harbor entrance.

5 (d) State Division of Highways -- Issuance of six-
6 month right-of-entry permit over State school lands in San
7 Diego County, for purpose of taking test borings, constructing
8 equipment trails, and conducting surveys preliminary to con-
9 struction of a highway.

10 (e) State Division of Highways -- Extension of
11 term of Permit P.R.C. 3261.9 to June 1, 1966, covering loca-
12 tion of pile retards in the bed of the Klamath River, Del
13 Norte County.

14 (f) Twelfth U. S. Coast Guard District -- Issuance
15 of 49-year easement, 3.25 acres submerged land in the Pacific
16 Ocean, City and County of San Francisco, for an existing sub-
17 marine cable.

18 (g) County of San Diego on behalf of Cardiff Marina
19 Community Services District -- Issuance of permit to dredge
20 approximately 154,400 cubic yards of material from tide and
21 submerged lands at entrance to San Elijo Lagoon, San Diego
22 County, in connection with a marina development program, with
23 part of material to be deposited on the beach north of the
24 channel and part on the beach south of the channel.

25 GOV. ANDERSON: I move it.

26 MR. CHAMPION: Second.

1 MR. CRANSTON: Approval moved, seconded -- so
2 ordered.

3 Classification 4 -- Permits, easements, leases, and
4 rights-of-way issued pursuant to statutes and established
5 rental policies of the Commission:

6 (a) W. I. Cain -- Issuance of five-year recreational
7 minor-structure permit, 0.006 acre tide and submerged land in
8 the Gulf of Santa Catalina, Orange County, to construct a
9 pier -- total fee \$25.

10 (b) Crown Zellerbach Corporation -- Issuance of
11 five-year commercial minor-structure permit, tide and sub-
12 merged lands, San Joaquin River near Antioch, Contra Costa
13 County (to maintain four existing channel-marker day-beacons);
14 total rental, \$100.

15 (c) El Camino Boat Club, Inc. -- Issuance of 15-year
16 right-of-way easement, 0.054 acre tide and submerged lands in
17 Little Potato Slough, San Joaquin County, for installation of
18 a submarine electrical cable; total rental \$100.

19 (d) Kaiser Steel Corporation -- Issuance of permit
20 for period December 1, 1965 to November 30, 1966, .002 acre
21 submerged land in San Francisco Bay, San Mateo County, to
22 anchor a steel mooring buoy during erection of the San Mateo-
23 Hayward Bridge superstructure; total fee, \$50.

24 (e) Pittsburgh Plate Glass Company -- Issuance of
25 15-year lease, 0.096 acre sovereign lands in Owens Lake, Inyo
26 County, for an overhead electric power-line easement; total

1 rental, \$100.

2 (f) Zuckerman-Mandeville, Inc. -- Issuance of 15-year
3 lease, 0.138 acre tide and submerged land across the natural
4 bed of Connection Slough, San Joaquin County, for installation
5 of submarine cables for transmission of electrical energy;
6 total rental, \$100.

7 (g) Allied Properties -- Amendment of Lease P.R.C.
8 2954.1, Santa Barbara County, to correct the legal description
9 and to reduce the area of Parcel "B" thereof from 22.95 acres
10 to 5.051 acres, and to reduce the annual rental for Parcel "B"
11 from \$562.20 to \$123.75.

12 (h) Cliff House Properties -- Amendment of Lease
13 P.R.C. 742.1, San Francisco County, to effect a redefinition
14 of the legal description and a division of the leased land
15 into two parcels. No change in rental rate.

16 (i) Von der Werth, Inc. -- Approval of sublease to
17 Greenbae Yacht Harbor, Inc., of Lease P.R.C. 2362.1 covering
18 tide and submerged lands of Corte Madera Channel, Marin County,
19 for operation of a boat harbor.

20 (j) Standard Oil Company of California -- Approval
21 of assignment to Atlantic Oil Company and Newhall Land and
22 Farming Company, jointly, of an undivided 50% interest in
23 Lease P.R.C. 3361.1, covering an easement through subsurface
24 lands of Whiskey Slough, San Joaquin County.

25 (k) Philip D. Tripp and Richard M. Russell --
26 Termination of Lease P.R.C. 2989.2, covering Lot No. 46 of

1 Fish Canyon Sites, Los Angeles County, effective January 1,
2 1966. Annual rental of \$65 has been in default since
3 January 1, 1965.

4 (l) United States Borax and Chemical Company --
5 Rescission of two-year prospecting permit for all minerals
6 other than oil and gas on 640 acres State school lands, San
7 Bernardino County, in which all minerals are reserved to the
8 State. Applicant withdrew its application.

9 (m) Texaco Inc. -- Deferment of drilling require-
10 ments under Oil & Gas Lease P.R.C. 2955.1, Santa Barbara
11 County, through September 7, 1966, to gain additional time to
12 perform a review of a seismic survey currently being conducted
13 and to select the best possible drilling location.

14 (n) Union Oil Company of California -- Deferment of
15 drilling requirements under Oil & Gas Lease P.R.C. 2991.1,
16 Santa Barbara County, through September 13, 1966, in order to
17 evaluate information obtained from the last well.

18 (o) Standard Oil Company of California, Western
19 Operations, Inc., and Shell Oil Company -- Deferment of
20 drilling requirements under Oil & Gas Lease P.R.C. 2199.1,
21 Santa Barbara County, through October 4, 1966, to evaluate
22 well data and seismic data on seismic surveys conducted dur-
23 ing late summer and early fall of 1965.

24 GOV. ANDERSON: I move.

25 MR. CHAMPION: Second.

26 MR. CRANSTON: Approval is moved, seconded, so

1 ordered.

2 MR. HORTIG: Mr. Chairman, may I ask that the
3 Commission please return to Item 3(c), City of Mill Valley,
4 Use Permit for harbor purposes, and request that the resolu-
5 tion on page 7, which provides for uses described as: "for
6 the placement of moorings and use as a harbor entrance of the
7 following-described land...", be expanded to:

8 "... for the placement of moorings, bulkheading and
9 ancillary facilities in connection with the development of
10 the harbor entrance and related harbor purposes."

11 The necessity for this expanded utilization was re-
12 quested for the first time by telephone call from Mill Valley
13 at three p.m. yesterday afternoon, which is why it had not
14 been incorporated in the written agenda before you.

15 The expanded utilization is recommended by the staff
16 as the intended use of the Use Permit. It is, therefore,
17 recommended that the published resolution be adopted by the
18 Commission including the amendment I just proposed.

19 GOV. ANDERSON: Moved.

20 MR. CHAMPION: Second.

21 MR. CRANSTON: With that amendment, so ordered.

22 Classification 5 -- City of Long Beach (Pursuant to
23 Chapter 29/56, 1st E.S. and Chapter 138/64, 1st E.S.):

24 (a) Approval of costs proposed to be expended, in-
25 cluding subsidence remedial work, on the Heim Bridge (2nd
26 Phase) in the estimated amount of \$414,000 with \$161,200

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1 (38.9%) estimated as subsidence costs, for the period January
2 26, 1966 to termination.

3 (b) (1) Finding that the "Cooperative Agreement for
4 Water Injection Operations (Long Beach Unit and Parcel 'A',
5 Fault Block VI, Ranger Zone)" between the City of Long Beach
6 and the City of Long Beach acting in its capacity as Unit
7 Operator of the Long Beach Unit provides that any impairment
8 of the public trust for commerce, navigation or fisheries to
9 which the granted lands are subject is prohibited, and that
10 the agreement is in the public interest; and (2) approve the
11 Cooperative Agreement on behalf of the State.

12 GOV. ANDERSON: I move it.

13 MR. CHAMPION: Second.

14 MR. CRANSTON: Moved, seconded, and unanimously so
15 ordered.

16 6 -- Land sales and withdrawals (cleared with all
17 State agencies having a land-acquisition program):

18 (a) Authorization for sale to William R. and Alta
19 Miller of 640 acres State school lands in Modoc County, at
20 \$9600, the appraised value.

21 (b) Authorization for sale to Hugh L. Hubbard, Jr.
22 of 480 acres State school lands in Riverside County, at
23 \$22,010 (appraised value, \$12,000).

24 (c) Authorization for sale to Union Lumber Company
25 of 40 acres State school land in Mendocino County, at \$29,280
26 the appraised value.

1 (d) Authorization for withholding from sale for an
 2 additional two-year period or until December 28, 1967, pursu-
 3 ant to the request of the Resources Agency on behalf of the
 4 State Department of Water Resources, the E½ of NE½(sic)* of
 5 Section 16, T. 20 N., R. 5 W., M.D.M., Glenn County, and all
 6 of Section 16, T. 21 N., R. 11 W., M.D.M., Mendocino County,
 7 except that the request to withhold the E½ of NE½(sic)* of
 8 Section 16, T. 20 N., R. 6 W., M.D.M., Glenn County, is to be
 9 subject to outcome of the pending exchange application between
 10 the State Lands Commission and the U. S. Bureau of Land Manage-
 11 ment as authorized by resolution of the Commission adopted
 12 May 13, 1957.

13 GOV. ANDERSON: I move.

14 MR. CHAMPION: I'll second on the condition that it
 15 is as stated here, rather than as read by the Chairman.

16 MR. CRANSTON: I am not sure I am going to approve
 17 this. (Laughter) The motion is approved by two members,
 18 Governor Anderson and the Chairman.

19 7 -- Mineral leasing and leases:

20 (a) Approval and adoption of modified form of
 21 prospecting permit.

22 (b) Approval and adoption of modified form to be
 23 utilized for prospecting permits for geothermal steam and
 24 related products.

25 GOV. ANDERSON: Mr. Chairman, can I break in here?
 26 Do you have a telegram? Would you read this on that

1 item before we proceed?

2 MR. HORTIG: I proposed to do that, Governor
3 Anderson, because this is the appropriate point.

4 Patently, these items were prepared for considera-
5 tion by the Commission prior to receipt of this telegram,
6 which was transmitted by Senator Fred S. Farr, Chairman of
7 the Factfinding Committee on Natural Resources to each of the
8 members of the State Lands Commission.

9 Reading from the identical telegram, as I say
10 submitted to each member:

11 (Under date of January 25, 1966, Sacramento,
12 California)

13 "The Senate Natural Resources Committee staff
14 is meeting with the leaders of the geothermal
15 industry in Sacramento tomorrow, January 26th....

16 Parenthetically, we have two staff members in attendance at
17 this session today. It is running concurrently with the
18 State Lands Commission meeting.

19 MR. CHAMPION: Is this a public meeting or just a
20 staff meeting?

21 MR. HORTIG: It is available to the public, although
22 it is a technical session called by the Senate Factfinding
23 Committee on Natural Resources for drafting proposed legis-
24 lation.

25 Returning to the telegram:

26 "... preparatory to introducing legislation
of far-reaching significance in the geothermal
resources field. It would be appreciated by

1 "the Senate Committee on Natural Resources
2 if the State Lands Commission would hold up
3 action on geothermal permits or leases pend-
4 ing conclusion of the Committee's investiga-
5 tion and formulation of legislative policy.
6 Perhaps sufficient information will be avail-
7 able as a result of this workshop on proposed
8 legislation to aid the Commission in its
9 deliberations on this subject at its next
10 regular meeting.

11 Signed: Senator Fred S. Farr, Chairman
12 Factfinding Committee on
13 Natural Resources"

14 In light of this telegram and the meeting of the
15 Senate Factfinding Committee, it is recommended that action
16 be withheld, or consideration be withheld, on items (a) and
17 (b) on the agenda and the staff be directed to withhold the
18 processing until the report can be given to the Commission at
19 the next regular meeting -- withhold processing of any new
20 applications or pending applications for leases on geothermal
21 energy to the extent that the Commission is not already com-
22 mitted to complete action because of the status of the
23 processing of some of the applications that are already before
24 it and are fairly well along the road, and in which the per-
25 mittees or lessees could have some inchoate interest and
26 should have their processing completed.

27 For all of those permits and lease applications
28 which are still completely under the discretion of the Com-
29 mission, it would be recommended that staff be directed to
30 withhold further processing until a review of this matter has
31 been made in conjunction with the Factfinding Committee, and

1 a report at the next regular meeting of the Lands Commission
2 as to what further action should be taken.

3 GOV. ANDERSON: I see several items relating to geo-
4 thermal energy, other than the two you mention. In other
5 words, are you suggesting that we act on some and not act on
6 others?

7 MR. HORTIG: The others, sir, are authorizations
8 for issuance of permits where a permittee has met all of the
9 requirements and their application has been reviewed by the
10 Office of the Attorney General for ...

11 GOV. ANDERSON: Would it be too much to ask that
12 they be held up for another meeting?

13 MR. HORTIG: The applicants have all indicated that
14 they would object, and rightly so; that while they are desir-
15 ous of cooperating -- and, indeed, most of them are with this
16 meeting being held today for updating statutes in the geo-
17 thermal energy field -- they would prefer to go ahead under
18 existing statutes and proceed under existing permits of the
19 State Lands Commission while the legislation proceeds, rather
20 than wait until an indefinite date.

21 MR. CHAMPION: What was the position of the Committee?

22 MR. HORTIG: The position of the Committee or staff
23 would be that whatever were the moral or legal obligations of
24 the Commission, they would have to be met.

25 MR. CHAMPION: In other words, you communicated to
26 the staff the way you were recommending we proceed today...

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MR. HORTIG: Yes, sir.

MR. CHAMPION: ... and they did not object that we proceed through with those commitments? That is understood by the Senate staff?

GOV. ANDERSON: It doesn't say that here... "It would be appreciated by the Senate Committee on Natural Resources if the State Lands Commission would hold up action on geothermal permits or leases pending...."

I can understand why they would fake it under the present deal. They probably are satisfied or they wouldn't be applying now; but we might not be after this new legislation.

MR. CHAMPION: The thing I was trying to get clear with Frank is: Has this been discussed with the Committee?

MR. HORTIG: It has -- and I must say that these permits are not a matter of right under the law. The Commission may issue them....

MR. CHAMPION: That is not the question I am raising. The question I am raising is: Did the legislative committee or the staff in this discussion indicate that they were satisfied with the way you proposed to proceed today -- that is, that on any of those on which we had a commitment we would go ahead when we feel there is a moral commitment to proceed?

MR. HORTIG: They were informed that as to a limited number of applications pending, this might be the desirable or equitable process. This was not discussed at length, but

1 no objection was offered.

2 MR. CHAMPION: What are the issues at stake?

3 MR. HORTIG: Primarily - - Very simply, that the
4 only authority for issuing geothermal exploration permits and
5 leases in California today is the utilization of the basic
6 mineral leasing law, which in 1921 was designed to explore
7 for and mine gold; and adapting that statutory authorization
8 to administratively and effectively cover something as exotic
9 as geothermal energy obviously requires change.

10 MR. CHAMPION: I mean is anybody saying hold them
11 off because we haven't the right kind of permit, or are they
12 saying hold them off because we are doing something they may
13 not want us to do; and, if so, what is that?

14 MR. HORTIG: The principal industry problems are that
15 the requirements under existing law are so onerous as to make
16 the operation uneconomic, and this is one of the features that
17 is being looked at by the Senate Factfinding Committee.

18 MR. CHAMPION: That wouldn't be any reason to hold
19 them up.

20 MR. HORTIG: On the other hand, we have a number of
21 permits and leases that have been issued under these condi-
22 tions that are being objected to by developers of long-range
23 programs. Concurrently there is, in the Congress, Federal
24 legislation with respect to Federal leases with respect to
25 geothermal energy and the Senate Natural Resources Committee
26 has indicated that it might be desirable, and an impetus to

14
1 this industry in California, that there be some degree of
2 conformity so there isn't a penalty against State lands as
3 against Federal lands, or vice versa; and this will require
4 extensive modification in State law to bring it within about
5 the same frame of reference.

6 MR. CHAMPION: Let me ask this another way: Aside
7 from the question of the relations with the Committee, are we
8 proceeding with this jeopardizing any interest of the State
9 either in our view as to what might change or in the view of
10 the Committee as to what might change? From what you have
11 just said, it would appear to me that the changes are really
12 in the interests of the geothermal producers.

13 MR. HORTIG: On the other hand, in the interest of
14 terms which would probably provide an incentive, so that there
15 would be more active development than has been undertaken
16 before.

17 MR. CHAMPION: But we have before us some permits
18 let me put it another way. Why does the Committee ask us to
19 hold up while they are streamlining this? Is there something
20 else involved, other than the advantages to the geothermal
21 industry? In other words, are they wanting to help the people
22 going in to it, or do they think that we are doing something
23 wrong that would be a disadvantage to the State?

24 MR. HORTIG: The only disadvantage that could be
25 done -- it could be done more efficiently administratively
26 and it could be done under conditions which would provide a

1 better incentive and assure a more effective development in
2 California in terms of exploration for and production of geo-
3 thermal energy.

4 MR. CHAMPION: In other words, there isn't any
5 reason for the Committee or staff or the people who are seek-
6 ing these permits on which we have some commitments, - - there
7 isn't anything involved there that would be to the detriment
8 of the State if we do now proceed, either in your view or the
9 Committee's? Maybe in the over-all final development there
10 would be a better law.

11 MR. HORTIG: Only to the extent, of course, that if
12 additional permits and leases are issued and these things be-
13 come a matter of contract, there is so much less State land
14 available for exploration under any revised and hopefully
15 improved statutes.

16 MR. CHAMPION: Could we do it this way? Would this
17 be an acceptable substitute - - I don't really know the con-
18 ditions - - I would like to suggest this:

19 That we approve those to which we are now committed
20 subject to your clearing that action with the Committee, just
21 so we are sure we are not acting with any misunderstanding
22 here.

23 GOV. ANDERSON: I should prefer to wait until the
24 legislative committee has had its hearing and the Legislature
25 has had a chance to act on it before our next meeting. It
26 seems to me there isn't anything that couldn't be held open

1 for thirty days more and then we would actually know what
2 they mean about "far-reaching significance in the geothermal
3 resources field." I think if we act now, we might regret it.

4 MR. CHAMPION: What I suggest is that it be cleared
5 with the Committee -- that if they felt it could go through
6 without damage, it could go through; if not, it could be held
7 up. In other words, it leaves us in a flexible position to
8 go through with this if there is no damage.

9 MR. ABBOTT: Mr. Chairman, I'd like to call your
10 attention to what Mr. Hortig recommended. He recommended
11 that action be deferred on items 7(a) and (b) -- approval of
12 new permit forms. Items (c), (d) and (e), as I understand
13 them, are approval of prospecting permits with these new
14 forms. If you defer action on 7(a) and (b), your resolutions
15 on (c), (d) and (e) would have to be changed to approve exist-
16 ing forms or something else.

17 MR. HORTIG: Moratorium until the next meeting.

18 MR. CRANSTON: The decision is we will defer action
19 today and consider the matter at the next meeting.

20 Item (f) Authorization for Executive Officer to
21 offer 5,180 acres tide and submerged land in the Santa Barbara
22 Channel westerly of the City of Ventura, Ventura County, for
23 oil and gas lease -- Parcel 32.

24 (g) Authorization for Executive Officer to conduct
25 a public review at the City of Santa Barbara, Santa Barbara
26 County, in connection with the offer for oil and gas lease of

1 State-owned tide and submerged lands surrounding San Miguel,
2 Santa Rosa, and Santa Cruz Islands, Santa Barbara and Ventura
3 counties, with record of the review to be reported to the
4 Commission prior to the determination by the Commission as to
5 the specific lands to be offered for lease and as to the lease
6 form to be used in any offer of an oil and gas lease in said
7 area.

8 Motion is in order on items (f) and (g).

9 GOV. ANDERSON: This (g) is directly the result of
10 these communications we have been receiving from the Senator,
11 Assemblyman, and Supervisors calling for this particular
12 hearing?

13 MR. HORTIG: This is correct. While there is no
14 legal requirement that the staff do this, the staff is con-
15 sidering holding this hearing on its own motion.

16 GOV. ANDERSON: This is a meeting which the staff
17 will hold? The Commission doesn't have to be there, but is
18 welcome?

19 MR. HORTIG: Very welcome. You will have a
20 notification.

21 GOV. ANDERSON: You haven't set that?

22 MR. HORTIG: No.

23 GOV. ANDERSON: I move it.

24 MR. CHAMPION: Second.

25 MR. CRANSTON: Approved unanimously.

26 Item 8 -- approval of boundary agreement: (a)

1 Authorization for Executive Officer to execute an agreement
2 with Howard W. and Helen Brod, fixing the low water mark as the
3 permanent boundary between State submerged land and certain
4 described private lands along the left bank of Steinberger
5 Slough in San Mateo County.

6 Motion is in order.

7 GOV. ANDERSON: I move.

8 MR. CHAMPION: Second.

9 MR. CRANSTON: Moved, seconded, so ordered.

10 Classification 9 -- Administration:

11 (a) Authorization for Executive Officer to order
12 and conduct the requisite hearing in Sacramento on the appli-
13 cation for consent to acquisition by the United States of
14 property occupied by the Federal Building and United States
15 Courthouse in Sacramento.

16 (b) Finding that the acquisition by the United
17 States of the property at 450 Golden Gate Avenue, San Fran-
18 cisco, known as the Federal Building and United States Court-
19 house, is in the interest of the State, and (2) directing the
20 Executive Officer to file a certified copy of this finding
21 in the Office of the Secretary of State and to have a copy
22 recorded in the Office of the County Recorder of the City and
23 County of San Francisco.

24 MR. HORTIG: Mr. Chairman, the record should show
25 with respect to item (a) that the hearing will be held at
26 650 Capitol Avenue, Sacramento, California. This is a

1 requirement of the statute -- that unless the hearing is held
2 in either the Los Angeles or Sacramento office of the Commis-
3 sion, the actual street address of the location of the hearing
4 must be shown.

5 MR. CRANSTON: So ordered.

6 (c) Authorization for Executive Officer to execute
7 compromise agreement, subject to approval by the Governor,
8 determining that under the terms of Oil and Gas Easement
9 392.1, the reasonable price of the production from said ease-
10 ment at the well during the period June 1, 1963 to June 16,
11 1963, inclusive, was the price posted by the Standard Oil Com-
12 pany of California for the Huntington Beach Field for oil of
13 like gravity.

14 (d) Authorization for Executive Officer to execute
15 service agreement with the County of San Mateo for surveying
16 and platting services to be rendered the County pursuant to
17 the provisions of Chapter 1957/1965, at the Commission's
18 actual costs but not to exceed \$5500.

19 (e) Authorization for Executive Officer to execute
20 service agreement with the City of Benicia, Solano County,
21 for surveying and platting services to be rendered the City
22 pursuant to the provisions of Chapter 2018/1965, at the Com-
23 mission's actual costs but not to exceed \$5500.

24 (f) Authorization for Executive Officer to execute
25 an augmentation of the current agreement in the amount of
26 \$50,000 with DeGolyer & MacNaughton for the continuation of

1 their services as consultants through June 30, 1966, in con-
2 nection with the exploration, evaluation, development, and
3 related operations for the production of oil and gas from the
4 Long Beach Tidelands, subject to approval by the Department of
5 General Services.

6 I'd like to ask in that connection, Frank -- We
7 discussed at the time we made the contract with DeGolyer &
8 MacNaughton the probability of other contracts of a related
9 nature for other services in the course of the development of
10 this field, with the possibility that other firms be con-
11 sidered for those contracts. Where do we stand on that?

12 MR. HORTIG: The primary, basic problem having been
13 Mr. Cranston, that until adequate staff can be provided for
14 the Commission at Long Beach, the items of primary concern
15 are of necessity being evaluated and reported on by our con-
16 sultants.

17 As to the theoretical assignment of personnel to
18 come about on July 1st, 1965, the two top level positions to
19 be established, a manager and assistant manager of operations --
20 we are now informed there will be an eligible list for con-
21 sideration for appointment within about three weeks. This
22 means in February, rather than July last year.

23 Consequently, the existing consultant group has had
24 to be used in order to stay on top of the problem.

25 MR. CRANSTON: Frank, is there still the possibil-
26 ity or probability that in the course of time other consulting

1 work will be necessary and there will then be a decision as
2 to who will do the work?

3 MR. HORTIG: Yes, sir -- for the reason that the
4 contemplation or original purpose of the Commission was to
5 provide a staff and phase out the original consultant group;
6 and specialized consultant groups on specialist projects is
7 still the aim.

8 MR. CRANSTON: When does that occur?

9 MR. HORTIG: After the staff is on board. I am
10 pointing out we don't have the two top chiefs; we don't have
11 an eligible list for the two top chiefs yet. So we are still
12 living this hand to mouth existence until such time as the
13 organization can be actually staffed; and then we go over
14 into this distribution of consulting contracts of specialized
15 organizations as fits within their range of expertise.

16 MR. CRANSTON: Item (g) Approval of proposed budget
17 of the State Lands Division for the fiscal year 1966-67 in the
18 total amount of \$1,432,082, including \$103,167 for the case
19 United States v. California, and approval for the establish-
20 ment of twenty-four positions and the abolishment of three
21 positions

22 GOV. ANDERSON: Move.

23 MR. CHAMPION: I'll second with the understanding
24 that I am not involved in the action on (g).

25 MR. CRANSTON: The items are moved, seconded, and
26 approved unanimously.

1 MR. CRANSTON (continuing) Item 10 -- Confirmation
2 of transactions consummated by the Executive Officer pursuant
3 to authority confirmed by the Commission at its meeting of
4 October 5, 1959.

5 GOV. ANDERSON: Move it.

6 MR. CHAMPION: Second.

7 MR. CRANSTON: Moved, seconded, so ordered.

8 We have a request to re-open item 3(a) re the
9 Cardiff Marina Community Services District. Mr. Gaskill of
10 the Ocean Fish Protective Association is now here and wishes
11 to be heard. If there is no objection we will re-open that
12 item.

13 MR. GASKILL: Mr. Chairman, ladies and gentlemen, I
14 beg your indulgence. Other commission meetings that I have
15 attended -- customarily when an item was brought up, the
16 chairman called for any remarks from those in the gallery and
17 you will forgive me for not knowing your method of procedure.

18 MR. CRANSTON: We have a ten-second pause.

19 MR. GASKILL: Our concern in this matter is: What
20 will the dumping of the 500,000 cubic yards of dredged material
21 by the Cardiff Marina Community Services District and the
22 dumping of 154,400 cubic yards of material by the County of
23 San Diego do to the beaches and the immediate offshore waters
24 in this area?

25 I have totaled the footage on the calendar summary
26 listed for Parcels SL-4 and SL-5. The total footage on SL-4

1 is 2836 and 2500 feet; on level SL-5 it is 3821.66 feet.
2 The total yardage of approximately 650,000 cubic yards is a
3 tremendous amount of material.

4 If it is proposed to dump this on the beaches, it
5 is our opinion that as far as any public usage of the beaches
6 this land will no longer be of any particular benefit for
7 those who wish to use the beaches or such matters as that; if
8 on the other hand, it is going to be dumped immediately off-
9 shore, our concern is that the pollution will ruin whatever
10 surf fishing is available in this area.

11 In view of the fact that the land from approximately
12 San Onofre to Oceanside -- primarily encompassing the tide-
13 lands of Camp Pendleton -- has now been restricted for use by
14 the public, this additional loss of land will deprive the
15 people of the use of this; and I would like to know at this
16 time what the proposal is as far as the dumping of this
17 material is concerned.

18 MR. HORTIG: Mr. Chairman, if I may respond --
19 Before bringing this matter to the Commission with a recom-
20 mendation, the usual staff processing in depth was, of course
21 applied by the State Lands Division engineering staff, and
22 all the contingencies and reactions referred to by this gentle-
23 man were evaluated.

24 There are affirmative reports of approval also
25 from the U. S. Army Corps of Engineers and all of the State
26 agencies having corollary responsibilities within the

1 Resources Agency -- primarily the Division of Beaches and
2 Parks, who have approved the conduct of this operation under
3 the form of permit here authorized to be issued by the State
4 Lands Commission.

5 MR. CHAMPION: Well, the question is: How are they
6 going to do it? Is it going to be on the beaches, and has
7 Beaches and Parks said the beaches will still be usable? Or
8 are they going to be dumping offshore, and have the Fish and
9 Game people said there won't be any problem?

10 What, specifically, is the answer?

11 MR. HORTIG: Beaches and Parks have, of course,
12 been concerned as to the manner and depth of the dumping, and
13 the manner of dumping will be covered in a permit which will
14 be issued by the State Park Commission. There is also pro-
15 vision in the permit issued by the State Lands Commission for
16 a sand bypassing plant in the event sand by passing offshore
17 will be more desirable than on the beaches, so as to maintain
18 not only the extent but what Beaches and Parks feel is going
19 to be an augmented series of beaches.

20 Subject to those conditions, Beaches and Parks has
21 given its consent to this operation.

22 GOV. ANDERSON: What about Fish and Game?

23 MR. HORTIG: Fish and Game, in view of the fact
24 that this material is to be deposited on the beach itself,
25 have concluded that there is going to be a minimum of rolling
26 effect or any detrimental effect with respect to the offshore

1 fishing.

2 **GOV. ANDERSON:** When you go into a project like
3 this, in addition to our State people like Beaches and Parks
4 and Fish and Game, do you consult people like Federal Wild Life?

5 **MR. HORTIG:** Where there is a possible Federal inter-
6 est, the Department of Fish and Game, of course, consults with
7 and does cooperate with the U. S. Fish and Wild Life Service
8 additionally.

9 **GOV. ANDERSON:** Were they consulted in this case?

10 **MR. HORTIG:** I do not know. Fish and Game did not
11 feel that there was a Federal involvement or Federal problem.
12 In other words, the Fish and Wild Life Service of the Federal
13 Government does not enter into any consideration of a problem
14 that is solely within the jurisdiction of the State of Cali-
15 fornia as such; but every problem in connection with tide
16 and submerged lands -- and particularly on the ocean coast --
17 comes under the jurisdiction of the U. S. Corps of Engineers
18 and the Beach Erosion Control Board, and these agencies were
19 not only consulted but after this the U. S. Corps of Engineers
20 issued the permit.

21 **GOV. ANDERSON:** Their role is not concerned with
22 Fish and Wild Life. I wouldn't be a party to stopping this,
23 but I think when we come to something as important as this
24 we ought to make sure that all of these groups have been
25 contacted.

26 **MR. CHAMPION:** Isn't that the responsibility of

1 Fish and Game under these circumstances?

2 MR. HORTIG: Yes, sir.

3 MR. CHAMPION: They are supposed to work this out.
4 They are the ones that have the relationships involved and
5 they are supposed to be spokesmen for the other agencies.

6 MR. HORTIG: And the Resources Agency for the
7 agencies within the Resources Agency.

8 MR. CRANSTON: Mr. Gaskill, what is your reaction
9 to what has been said here as to the steps that have been
10 taken to clear this with government interests?

11 MR. GASKILL: I would say that it was adequately
12 covered.

13 However, to add an additional word to Mr. Hortig's
14 remarks, we were not contacted; and as far as any other
15 organization of private citizens who are concerned in matters
16 of conservation and preservation of such things, it is seldom
17 that we are contacted by State commissions.

18 We watch the newspaper and see if there is something
19 there that concerns us and if it does, we take time off from
20 work and come to the meetings and attempt to acquaint our-
21 selves as well as possible what what is actually going on,
22 in order to see if there is some place here or any other
23 commission hearing where we should take a stand.

24 MR. CRANSTON: Are your doubts about this particu-
25 lar project relieved by what Mr. Hortig said has been done to
26 check out the consequences of this project with the several

1 governmental agencies involved?

2 MR. GASKILL: Yes; in view of the fact that the
3 dredged material is obviously not going to be deposited in
4 the tidelands themselves but on the beaches, then there is no
5 problem as far as the ocean water itself is concerned. And
6 if they have, as Mr. Hortig stated, checked this matter com-
7 pletely with the Beaches and Parks Commission and they are
8 satisfied, then I too am satisfied.

9 Thank you.

10 MR. CRANSTON: Thank you very much for coming.

11 Frank, should the Bay Conservation and Development
12 matter come up this morning?

13 MR. HORTIG: At any time the Chairman wishes. I
14 can introduce it at this point.....

15 MR. CRANSTON: Let's do that.

16 MR. HORTIG: ... or, as new business, if you wish,
17 Mr. Chairman, to speak on the subject of the placing of fill
18 by the Town of Emeryville in San Francisco Bay - -

19 MR. CRANSTON: This matter is something that has
20 become of interest to the Commission.

21 Last week Frank Hortig represented the Commission
22 as the Bay Conservation and Development Commission, but I
23 asked him to read a letter from me in which I suggested that
24 the Bay Commission do two things: Ask the Town of Emeryville
25 to temporarily suspend its fill operations; and, secondly,
26 that its staff be advised to work with the Lands Commission

1 staff to investigate the feasibility of a joint injunction
2 suit in the event that Emeryville does not voluntarily sus-
3 pend the current fillings.

4 The Bay Conservation Commission approved both
5 motions.

6 This is the background of the situation:

7 Emeryville is hoping to build an island in San
8 Francisco Bay on granted submerged lands which it holds in
9 trust from the State. Every trustee has considerable lati-
10 tude in the development of its grant, but whatever it is
11 must be in the general statewide interest.

12 As originally proposed, the original project would
13 have been entirely or almost entirely residential. I, among
14 others, have spoken out in opposition that a residential
15 project could not be in the general statewide interest when
16 it is in the bay.

17 The City is revising its plans and they will come
18 to this Commission for review. That will be March first at
19 the earliest. This Commission may or may not approve the
20 plan and, if it does, there probably will be host of other
21 legal problems.

22 For example, the San Francisco Bay Conservation and
23 Development Commission might exert or seek to exert jurisdic-
24 tion at that point; or Emeryville might seek to press its now
25 dormant suit against the State. In any event, one way or the
26 other, this most unusual case might well go to the courts for

1 final decision.

2 Meanwhile, Emeryville is putting fill into the bay
3 for a causeway to give access to the proposed island -- and
4 because the Legislature has deemed unnecessary fill in San
5 Francisco Bay to be against the public interest, a position
6 with which I and I think the entire Commission concur -- I
7 feel it urgent that the filling operation be suspended until
8 this matter is resolved.

9 Accordingly, the Bay Conservation Commission has
10 formally asked the officials of the City of Emeryville to
11 voluntarily suspend their operation. I hope they will do so.
12 They will have an opportunity to do so next Monday night, when
13 I believe they have a council meeting.

14 Meanwhile, this Commission and the Bay Conservation
15 and Development Commission are investigating the feasibility
16 of a joint suit for a temporary injunction to halt the fill,
17 if necessary. I hope a suit will not be necessary, but we
18 must be prepared for that possibility.

19 The Lands Commission will not again meet for several
20 weeks and I believe that we should today grant stand-by author-
21 ity to the Attorney General to enter litigation against Emery-
22 ville on behalf of this Commission, if feasible and necessary
23 to stop continued fill.

24 GOV. ANDERSON: I move it.

25 MR. CHAMPION: Second.

26 MR. CRANSTON: Moved and seconded and, without

1 objection, so ordered.

2 Item 11 -- Informative only, no Commission action
3 required -- (a) Report on status of major litigation.

4 MR. HORTIG: For the record of the Commissioners
5 only -- no substantive changes since the last report except
6 for the deletion of an action which was stricken from the
7 calendar, which makes one piece less of litigation against
8 the Commission.

9 MR. CRANSTON: My notes and your notes seem not to
10 jibe as to the next Commission meeting. I see now the date
11 and place of the next meeting is Tuesday, March 1, in Sacramento.

12 MR. HORTIG: This was subsequently rearranged with
13 the secretaries of all Commissioners for Tuesday, March 1st.

14 MR. CRANSTON: Tuesday, March 1st -- what time?

15 MR. HORTIG: Two p.m.

16 MR. CRANSTON: Two p.m.?

17 MR. HORTIG: In Sacramento.

18 MR. CHAMPION: As a point of information, has this
19 Commission ever taken any formal action in connection with
20 the tax problems at Long Beach?

21 MR. HORTIG: No, sir.

22 MR. CHAMPION: It has not?

23 MR. HORTIG: No, sir.

24 MR. CHAMPION: Is the Commission familiar with this
25 general problem? What I would like to suggest is a staff
26 report, preliminary to asking the Lands Commission to take a

1 position on whether it would support legislation to deal with
2 that problem during the special session.

3 MR. CRANSTON: Well, there are ramifications that
4 we have to explore very carefully.

5 MR. CHAMPION: That is why I am asking at this time
6 for a staff report, so the whole matter can be laid before us.

7 MR. CRANSTON: Are there supplemental items?

8 MR. HORTIG: Yes sir, there are.

9 MR. CRANSTON: Item 13 -- Proposed subsurface oil
10 and gas lease, proprietary lands, reserved mineral rights,
11 Townlot Area, Long Beach Unit, Los Angeles County, W.O. 5826
12 (Tract No. 11).

13 MR. HORTIG: Mr. Chairman, bids were received on a
14 proposed subsurface oil and gas lease on a town lot owned by
15 the State of California within the Long Beach Unit area, in
16 which the minerals are under the jurisdiction of the State
17 Lands Commission.

18 As reported on page 91 of your supplement, the high
19 bidder was Signal Oil and Gas Company, offering a flat royalty
20 rate percentage of fifty-two percent, over the low bidder of
21 thirty-eight percent, and the proposed form of lease has been
22 approved as to legality by the Office of the Attorney General.

23 So it is recommended that the Commission authorize
24 the award of lease to Signal Oil and Gas Company in accord-
25 ance with that bid.

26 Similarly, the next item is on another town lot

1 owned by the State of California -- in one instance it is the
 2 site of the National Guard Armory -- and for this other site
 3 Signal Oil and Gas Company were the high bidders at fifty-two
 4 percent; and it is recommended that both leases be authorized
 5 for issuance in accordance with those bids.

6 MR. CRANSTON: You are talking now about Item 14?

7 GOV. ANDERSON: I move Item 13.

8 MR. CRANSTON: Item 13 is moved,...

9 MR. CHAMPION: Second.

10 MR. CRANSTON: ... seconded, and approved unani-
 11 mously.

12 Item 14 -- Proposed subsurface oil and gas lease,
 13 proprietary lands, Townlot Area, Long Beach Unit, Los Angeles
 14 County, W.O. 5827 (Tract No. 39).

15 GOV. ANDERSON: I move it.

16 MR. CHAMPION: Second.

17 MR. CRANSTON: Moved, seconded and approved
 18 unanimously.

19 15 -- Report to the State Legislature re debris
 20 removal and control at Clear Lake, pursuant to S.C.R. No. 16
 21 and A.C.R. No. 23, 1964 Special Legislative Session.

22 MR. HORTIG: Mr. Chairman, by separate resolutions,
 23 Senate Concurrent Resolution 16 and Assembly Concurrent Reso-
 24 lution 23, both adopted by the respective houses in the 1964
 25 Special Session, the Legislature called on the Lands Commis-
 26 sion to survey the low water mark of Clear Lake in Lake

1 County and make recommendations to the Legislature as to who
2 should be responsible for maintaining the lake bottom and a
3 further study to determine what action is necessary to remove
4 the debris that has accumulated and which will accumulate in
5 the future, and what the cost of that action would be.

6 It was also provided that this report be submitted
7 to the 1966 Session of the Legislature.

8 The draft of the staff report is attached, which it
9 is recommended be adopted by the Lands Commission as the re-
10 port pursuant to the requirements of the legislative resolu-
11 tions.

12 In summary, I think it can be stated the recommenda-
13 tion being that the State Lands Commission adopt the report,
14 including recommendations, prepared with respect to the
15 respective resolutions; that the Executive Officer be author-
16 ized to submit the report to the Legislature at the 1966
17 Session; and that the Executive Officer be authorized to
18 testify before such legislative committee or committees as
19 may be designated to act on the subject matter of the report.

20 The recommendations which have been incorporated in
21 the report and which have been proposed for approval by the
22 Commission are that the State Lands Commission be assigned
23 the responsibility by statute to institute a debris removal
24 program in Clear Lake. There is no existing authority to any
25 State agency.

26 MR. CHAMPION: What about the removal in park areas?

1 Is that done by Beaches and Parks?

2 MR. HORTIG: That is done by Beaches and Parks by
3 contract, and on an interstate lake, such as Lake Tahoe, there
4 is a concurrent responsibility exercised to a degree by the
5 U. S. Corps of Engineers.

6 But Clear Lake, as a typical example, is not navi-
7 gable waters of the United States, but navigable waters of the
8 State of California, and there are no parallel statutes with
9 respect to State authority; and yet, in view of the modifica-
10 tions of the theories, particularly relating to sovereign
11 immunity, there is a State responsibility in the area and no
12 authority to do anything about maintaining the area in a safe
13 condition -- and this is a vacuum that the Legislature is go-
14 ing to have to fill.

15 Second, that in the legislation assigning such
16 responsibility, it be clearly stated that the program be
17 limited to Clear Lake only; that the undertaking of a poten-
18 tial clearing of debris from Clear Lake shall not keep it from
19 being considered "unimproved" under Section 831.6 of the
20 Government Code; and that the work may be performed by State
21 employees or through private contracts.

22 Third, an initial sum of \$50,000 be appropriated by
23 the Legislature, to be used by the State Lands Commission as
24 it finds necessary and desirable for limited programs of debris
25 removal and control at Clear Lake.

26 Four -- that Section 6303.1 of the Public Resources

1 Code be amended by the addition of the words making it a mis-
2 demenor for anyone to deposit or cause to be deposited any
3 debris in the navigable waters, streams, lakes, sloughs, bays,
4 or estuaries -- which is not clear in the existing statutes.

5 Under Section 6303.1, if someone digs up the State's
6 sand or gravel from the water and hauls it away, why, this is
7 a violation of the law; but if he chooses to use the navigable
8 waters as a dumping ground, it isn't clear that there is any
9 statutory authority under which he can be prosecuted -- except
10 by the local District Attorney as an abatement of a public
11 nuisance, which is a cumbersome process.

12 Five, that the State Lands Commission be authorized
13 to investigate the possibility of a joint program between the
14 State and Lake County for debris removal and control. Such
15 program might include the use of prison labor.

16 Six, that the Legislature assign to the proper
17 legislative study committee the subject of debris control in
18 all the navigable waters of the State not falling within the
19 responsibility of the Federal Government, for the purpose of
20 developing a comprehensive program.

21 These are the findings that are in the report,
22 which it is recommended that the Commission adopt for trans-
23 mittal to the Legislature.

24 MR. CHAMPION: I don't agree with some of the recom-
25 mendations. I think we ought to make the report timely. I
26 would prefer to have the report submitted without the detailed

1 recommendations; that since this is a special session, which
2 has many major items before it, that we submit the report
3 without recommendations and thereby have more time to study
4 the problem.

5 What we are doing is committing ourselves to a
6 program in Clear Lake and recommending study of the rest of
7 them. It seems to me we should not be in that position.
8 Once we go into Clear Lake, there is a substantial commitment.

9 MR. HORTIG: Of course the Commission was already
10 placed in this position by the Legislature requesting us to
11 make a report on Clear Lake only.

12 MR. CHAMPION: We were not required to make recom-
13 mendations.

14 MR. HORTIG: Inferentially -- "... determine what
15 action is necessary to remove the debris that has accumulated
16 and accumulates in the future, and what the cost of that
17 action would be." This is the actual implementation and
18 accomplishment.

19 MR. CHAMPION: You have a number of undetermined
20 factors -- the possible use of prison labor. It seems to me
21 we ought to take it under advisement for study and to explore
22 these things without commitment.

23 MR. HORTIG: Would it be satisfactory in your view,
24 Mr. Champion, if we included only as the recommendation of the
25 Commission that the Legislature assign an appropriate legis-
26 lative study committee the subject of the total problem and

1 and staff's suggestions for possible consideration?

2 MR. CHAMPION: Subject to the opinions of the other
3 members of the Commission, I would like to see that include a
4 statement that dealing with Clear Lake independently would
5 jeopardize the proper subject of all like circumstances; and
6 therefore would recommend to the Legislature that it take the
7 Clear Lake matter and what has been reported on it, and in-
8 clude it in an over-all interim study, and we would cooperate
9 in '67.

10 GOV. ANDERSON: How did we handle Folsom Lake?

11 MR. CHAMPION: Beaches and Parks had a contract.
12 What we had was a recreational area which was not being used.

13 GOV. ANDERSON: Is this a normal procedure -- we
14 have a crisis and emergency action?

15 MR. CHAMPION: My recollection is not perfectly
16 clear, but did we seek appropriations on anything like this?

17 MR. HORTIG: There have been other cases. There
18 have been appropriations sought for clearance at Lake Tahoe
19 which have not survived the budgetary process. There have
20 been two appropriations to clear beaches in Santa Barbara
21 County, where funds were appropriated to the Lands Commission
22 for service contracts to clear derelicts and other debris.

23 GOV. ANDERSON: I feel if there is a critical issue
24 we should have a chance to study the whole thing. We are
25 involved with beaches, with interstate lakes, and lakes like
26 Clear Lake; and I would think if there should be a policy set

1 the Legislature would have to give it a lot of consideration.

2 In the meantime, we should do something on an emer-
3 gency basis for Clear Lake and not have it become a policy.

4 MR. CHAMPION: We couldn't do anything on an emer-
5 gency basis. It is not within our jurisdiction now. We don't
6 have any legislative authorization to keep Clear Lake in
7 operation.

8 GOV. ANDERSON: The moment we start getting into
9 clearing debris from lakes, we are going to get a lot of
10 action from cities.

11 MR. CHAMPION: If the State doesn't want this, no-
12 body else will.

13 MR. HORTIG: Under those circumstances, to be sure
14 that the staff completely understands and may carry out the
15 desire of the Commission, we would then even withhold our
16 stated recommendations or suggested recommendations until such
17 time as appropriate legislative committees might consider what
18 avenues there might be -- not as recommendations of the Com-
19 mission but as avenues of approach, in the meantime, submit
20 the factual report.

21 MR. CHAMPION: But we make a recommendation that
22 nothing be done except on an integrated basis.

23 MR. CRANSTON: What is the action?

24 MR. HORTIG: The adoption of the resolution that the
25 report, amended in accordance with this discussion, be sub-
26 mitted to the Legislature and that the Executive Officer be

1 authorized to testify before the appropriate committees.

2 GOV. ANDERSON: So move.

3 MR. CHAMPION: Second.

4 MR. CRANSTON: Moved, seconded, approved unanimously.

5 GOV. ANDERSON: To make my position clear, my feeling
6 is that the State has the responsibility to help in this field
7 whether it be lakes or streams, but I think it should be
8 uniform.

9 MR. CRANSTON: Finally, Item 16 -- Proposed oil and
10 gas lease, Ventura County - W.O. 6027 (Parcel 27A).

11 MR. HORTIG: Another parcel in the sequence of
12 sequential lease offers by the Lands Commission recommended
13 by the staff.

14 GOV. ANDERSON: I move it.

15 MR. CHAMPION: Second.

16 MR. CRANSTON: Moved, seconded, and unanimously
17 so ordered.

18 Once again, the next meeting of the Commission
19 will be Tuesday, March 1, 1966 at two p.m. in Sacramento.

20 If there is no further business to come before us,
21 we stand adjourned.

22
23 ADJOURNED 10:55 A.M.

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26

CERTIFICATE OF REPORTER

I, LOUISE H. LILICO, hereby certify that the foregoing thirty-nine pages contain a full, true and accurate transcript of the shorthand notes taken by me in the meeting of the STATE LANDS COMMISSION of the STATE OF CALIFORNIA at Los Angeles, California on January 26, 1966.

Dated: Los Angeles, California, January 27, 1966.

Louise H. Lilico

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