

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

MEETING  
STATE LANDS COMMISSION

STATE CAPITOL  
ROOM 2170  
SACRAMENTO, CALIFORNIA

ORIGINAL

THURSDAY, JANUARY 24, 1980  
10:00 A.M.

MEMBERS PRESENT

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

Mr. Kenneth Cory, State Controller, Chairperson  
Mr. David Ackerman, Representing the Lieutenant Governor  
Mr. Roy M. Bell, Representing the Director of Finance

STAFF PRESENT

Mr. William F. Northrop, Executive Officer  
Mr. Robert C. Hight, Chief Counsel  
Mr. Leslie H. Grimes  
Mr. Wilbur M. Thompson  
Mr. Donald J. Everitts  
Ms. Diane Jones

ALSO PRESENT

Mr. Jan Stevens, Attorney General's Office

I N D E X

	<u>Page</u>
1	
2	
3	1
4	
5	2
6	2
7	2
8	
9	5
10	6
11	6
12	
13	7
14	7
15	7
16	
17	8
18	8
19	8
20	8
21	10
22	10
23	10
24	11
25	

		iv
1	Calendar Item 34	11
2	Calendar Item 35	13
3	Calendar Item 36	14
4	Calendar Item 37	15
5	Calendar Item 38 -- Off Calendar	
6	Calendar Item 39	16
7	Calendar Item 40	17
8	Calendar Item 41	17
9	Calendar Item 42	17
10	Calendar Item 43	18
11	Adjournment	19
12	Certificate of Reporter	20
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

**PETERS SHORTHAND REPORTING CORPORATION**

7700 COLLEGE TOWN DRIVE, SUITE 209  
SACRAMENTO, CALIFORNIA 95828  
TELEPHONE (916) 383-3601

P R O C E E D I N G S

--oOo--

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CHAIRPERSON CORY: For the Executive Officer report, you have --

EXECUTIVE OFFICER NORTHROP: Mr. Chairman and Members, I have no report this morning.

CHAIRPERSON CORY: Pardon?

EXECUTIVE OFFICER NORTHROP: I have no report this morning.

CHAIRPERSON CORY: You have no report. Okay. Staff report on State Coastal Commission.

EXECUTIVE OFFICER NORTHROP: Mr. Chairman, it will be covered in the calendar item in the calendar.

CHAIRPERSON CORY: Okay. The consent calendar. For those in the audience, the items preceded by the initial "C", which are items C1 through 16, will be taken up in a group unless somebody in the audience has some objection to the proposed staff recommendation. Are there any questions from the Commissioners?

MR. ACKERMAN: None.

CHAIRPERSON CORY: None from the audience? Without objection, the consent calendar --

MR. BELL: Wasn't one taken off -- or was it?

EXECUTIVE OFFICER NORTHROP: No, we didn't pull 16. We left it on.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CHAIRPERSON CORY: C1 through 16 are approved as presented.

Item 17? We have an informative item, something from the City of Vallejo. Mr. MacDonell.

MR. MacDONELL: Thank you.

CHAIRPERSON CORY: What would you like to inform us of?

MR. MacDONELL: Yes, sir. May I address you?

CHAIRPERSON CORY: Yes. Go. We're in a hurry.

MR. MacDONELL: I'd like to have about three to five minutes, if I may.

CHAIRPERSON CORY: You've got five.

MR. MacDONELL: Thank you, sir.

CHAIRPERSON CORY: Don't waste them.

MR. MacDONELL: For the record my name is Ted MacDonell. I'm City Manager of the City of Vallejo. And I have passed out to the Members of the Commission a letter with some exhibits attached on a request for transfer of tideland grant restrictions. In way of background, the City of Vallejo is involved in a rather extensive redevelopment and revitalization program of our central business district and waterfront area. We have developed land to implement that revitalization program and we are well on the way to accomplishing our objectives.

One of the problems that we ran into in carrying

1 out our program was that we have a considerable amount of  
2 subsidized housing surrounding the central business district  
3 area, and we were looking for a better mix of economic scale  
4 so that we could attract some high-income folks into the  
5 downtown and help in the revitalization in that manner.  
6 We have plans developed, and included in those plans are  
7 two areas for high-cost housing.

8 One of the areas is adjacent to our municipal marina.  
9 I'm not sure if you're familiar with Vallejo, but it's near  
10 the causeway at Mare Island. It is unfilled land that we  
11 acquired in about 1959. We went along blissfully on our way  
12 because we had acquired the land from the railroad and we  
13 felt it was not encumbered with the tideland grant restric-  
14 tions. However, in discussion with your staff, we find that  
15 the land was in fact encumbered and that we could not develop  
16 it for residential use. This put us in a quandary because we  
17 had gone down -- quite a ways down the way with the developers  
18 to provide condominiums on the site.

19 The City Attorney advises that it was in fact  
20 encumbered by the tideland grant and that we could not, as  
21 it was, develop it for residential use. The City Attorney  
22 suggested to the City Council that we get legislative relief  
23 to remove the tideland grant restrictions from the filled  
24 land as was done by previous legislation in 1925 with some  
25 of the areas of Vallejo.

**PETERS SHORTHAND REPORTING CORPORATION**

7700 COLLEGE TOWN DRIVE, SUITE 209  
SACRAMENTO, CALIFORNIA 95826  
TELEPHONE (916) 383-3101

1           The land is about 350 feet from the water and is  
 2 actually no longer usable for fishing, navigation, and  
 3 commerce. We discussed that with your staff, and the staff  
 4 suggested that, perhaps, rather than seeking legislative  
 5 relief that there was a possibility of effecting a trade  
 6 of tideland conditions from the 12 acres in question to some  
 7 other site in or around the City of Vallejo that would be  
 8 acceptable. We sat down with your staff, looked at possible  
 9 alternatives, and came up with a site that is being acquired  
 10 by the County of Vallejo called Dillon Point, which is  
 11 adjacent to Bonicia State Recreation Area along Highway 780.  
 12 There's some 85 acres in that site.

13           We felt, in consultation with your staff, that that  
 14 site would be an excellent location to transfer the conditions  
 15 of the tideland grant and that we would therefore be able  
 16 to free the 12-acre site adjacent to our marina and proceed  
 17 with our development plans.

18           So I'm here today to ask you if you would approve  
 19 such a suggestion, and if so, if you would authorize your  
 20 staff to work with the staff of the City of Vallejo to work  
 21 out the details of such an exchange. I'd be most happy to  
 22 answer any questions that you might have.

23           CHAIRPERSON CORY: I don't think we're in a  
 24 position to approve the exchange. I think we can refer it to  
 25 the staff for them to do appraisals and have the Attorney



1 General look at the legal work, but the basic concept of  
2 making an exchange -- as long as the dollar value is there --  
3 is, as I understand the law, in fact, your only way out.  
4 I don't think legislation could solve your problem. Am I  
5 correct in that -- I'm looking at the attorneys -- that if the  
6 trust is there, we cannot give it up. We can only exchange  
7 out of it.

8 MR. STEVENS: That's exactly right, Mr. Chairman.  
9 Transfer may be possible subject to the equal value test and  
10 some other considerations. And we'd like to take a look at  
11 it and work with you. It may be necessary to have a statute  
12 to facilitate the transfer, but we can make that decision  
13 in a very short time.

14 MR. MacDONELL: We appreciate your consideration.

15 CHAIRPERSON CORY: Well, without objection, we'll  
16 refer it to the staff and hopefully they can work it out. But  
17 I wanted to make that point clear: you don't have an "either/  
18 or" option, unfortunately. You only have an exchange option  
19 or amending the Constitution, not a statute.

20 MR. MacDONELL: Okay.

21 CHAIRPERSON CORY: Okay?

22 MR. MacDONELL: Thank you for your consideration.

23 CHAIRPERSON CORY: Thank you, and you just made it.

24 MR. MacDONELL: Very good.

25 CHAIRPERSON CORY: Item 18, Contra Costa Sanitation

**PETERS SHORTHAND REPORTING CORPORATION**

7700 COLLEGE TOWN DRIVE, SUITE 209  
SACRAMENTO, CALIFORNIA 95826  
TELEPHONE (916) 383-3601

1 District, approval of a 49-year permit. Is there anybody  
2 in the audience on item 49 (sic)? Any questions from  
3 Commissioners?

4 Without objection, it will be approved as presented.

5 Item 19, Fresno Metropolitan Flood Control District,  
6 49-year general permit. Anybody in the audience on this  
7 item? Questions from the Commissioners?

8 Without objection, item 19 will be approved as  
9 presented.

10 Item 20, Department of Fish and Game, approval of  
11 permit in Yolo County. Anybody in the audience on this item?  
12 Questions from Commissioners?

13 Without objection --

14 EXECUTIVE OFFICER NORTHROP: Twenty-one is off  
15 calendar.

16 CHAIRPERSON CORY: -- will be approved as presented.

17 EXECUTIVE OFFICER NORTHROP: Twenty-one is off  
18 calendar.

19 CHAIRPERSON CORY: Twenty-one is off calendar.

20 Item 22 is a 20-year general lease, commercial use, Whiskey  
21 Slough, San Joaquin County, for Harold and Carol Taylor.  
22 Anyone in the audience on this item? Questions from  
23 Commissioners?

24 Without objection it will be -- oops!

25 MR. TAYLOR: Mr. Taylor.

**PETERS SHORTHAND REPORTING CORPORATION**

7700 COLLEGE TOWN DRIVE, SUITE 209  
SACRAMENTO, CALIFORNIA 95826  
TELEPHONE (916) 383-3801

1 CHAIRPERSON CORY: You're happy with the proposed  
2 lease?

3 MR. TAYLOR: Yes.

4 CHAIRPERSON CORY: Okay. Without objection,  
5 approved as presented.

6 Item 23, 4-Jay Investment, Lessee, wants to revise  
7 the lease in Sutter County near Verona. Is there anybody  
8 in the audience on this item? Any questions from  
9 Commissioners?

10 Without objection, the amendment is approved as  
11 presented.

12 Item 24, Anza Shareholders' Liquidating Trust  
13 would like to assign B.D.S. Corporation -- and the paperwork's  
14 in order, staff, on this one?

15 EXECUTIVE OFFICER NORTHROP: Yes, it is,  
16 Mr. Chairman.

17 CHAIRPERSON CORY: Any questions from anybody in  
18 the audience? Any questions from Members here?

19 Okay. Without objection, item 24 assignment is  
20 approved as presented.

21 Item 25, Addie McKay, approval of a patent on a  
22 patent that was issued in --

23 EXECUTIVE OFFICER NORTHROP: In the late 1800's.

24 CHAIRPERSON CORY: -- the late 1800's. Is there  
25 any question from anyone in the audience? Commissioners?

**PETERS SHORTHAND REPORTING CORPORATION**

7700 COLLEGE TOWN DRIVE, SUITE 209  
SACRAMENTO, CALIFORNIA 95828  
TELEPHONE (916) 383-3601

1 Without objection, item 25 will be approved as  
2 presented.

3 Item 26 is off calendar.

4 Item 27, Valley Nitrogen -- this is to permit the  
5 staff to take necessary steps to recover the -- against a  
6 bond for removal of a pier. Is there anybody in the audience  
7 on this item? Questions from Commissioners?

8 Without objection, 27 will be approved as presented.

9 Item 28, Golden Shore Professional Building and  
10 the City of Long Beach, determination of a 50-year lease  
11 on a 0.1 acre and --

12 EXECUTIVE OFFICER NORTHROP: 0.124 acres.

13 CHAIRPERSON CORY: Okay, 0.124. That's in keeping  
14 with Gray's comment the other day of 14.07 percent.

15 (Laughter.)

16 CHAIRPERSON CORY: -- for a dollar per year for  
17 ingress and egress out of a development in the port area in  
18 Long Beach. Any questions by anybody in the audience?

19 Without objection, 28 will be approved as presented.

20 Item 29, informative on a reforestation --

21 EXECUTIVE OFFICER NORTHROP: Mr. Chairman --

22 CHAIRPERSON CORY: Les?

23 EXECUTIVE OFFICER NORTHROP: Mr. Chairman, Les  
24 Grimes, our number one forester, will make the presentation.

25 MR. GRIMES: This is just an informative calendar

1 item on the status of our Reforestation Project as it winds  
2 down. June 30th is the cutoff date.

3 Last year we planted 386 acres. This year we plan  
4 to plant 315 (sic) acres more for a total of 697 acres. This,  
5 of course, included site preparation and clearing with  
6 various hand and mechanical means. We achieved survival which  
7 is good in most instances. A couple of parcels were pretty  
8 bad, like up in the Forks of Salmon where the topography is  
9 straight up and down and rocky. Overall, we had a weighted  
10 average of survival of 73.3 percent. Seventy percent is  
11 considered totally acceptable.

12 CHAIRPERSON CORY: I take it Mr. Brown Thumb Grimes  
13 didn't do it. He had some help with some green thumbs?

14 MR. GRIMES: I stayed in the office.

15 (Laughter.)

16 CHAIRPERSON CORY: I think that's a very worthwhile  
17 program and you're to be seriously commended on the work --  
18 on the reforestation. Hopefully, if they're handing out  
19 federal money, this is a good place to put it as opposed to  
20 some of the other --

21 MR. GRIMES: I hope we can keep going on it too.

22 MR. ACKERMAN: Was this all federal funds?

23 MR. GRIMES: Yes. It was through -- it was federal  
24 funds administered through EDD. It was a combination social  
25 program as well as an "improve the natural resources" thing.

**PETERS SHORTHAND REPORTING CORPORATION**

7700 COLLEGE TOWN DRIVE, SUITE 209  
SACRAMENTO, CALIFORNIA 95826  
TELEPHONE (916) 333-3601

1 We were required to use CCC labor, and we had to use high --  
2 labor-intensive projects. And there's nothing more labor-  
3 intensive than planting trees.

4 CHAIRPERSON CORY: If you talk to B. T., tell him  
5 that I'm convinced that with that hook, he ought to be able  
6 to dig a hole and throw one in rather efficiently, even on  
7 the rocky terrain.

8 (Laughter.)

9 CHAIRPERSON CORY: Okay. Thank you, Les.

10 Item 30, sale of royalty oil. Mr. Northrop?

11 EXECUTIVE OFFICER NORTHROP: This is authorization  
12 to go to competitive bid for our statewide royalty.

13 CHAIRPERSON CORY: Okay. Anybody in the audience  
14 on this item? Without objection, authorization is granted  
15 as requested.

16 Item 32 (sic), assignment of Extractive Lease  
17 in the Owens bed from Morrison & Weatherly, Lake Minerals  
18 Corporation. Is there anybody in the audience on this item?  
19 Any questions from Commissioners?

20 Without objection, it is approved as presented.

21 Item 32, mineral extraction lease, five-year lease  
22 on 513 acres of submerged land in Alcatraz. This is a sand  
23 and gravel extraction. Any questions? Anybody in the  
24 audience on this item?

25 Without objection, item 32 will be approved as

**PETERS SHORTHAND REPORTING CORPORATION**

7700 COLLEGE TOWN DRIVE, SUITE 209  
SACRAMENTO, CALIFORNIA 95826  
TELEPHONE (916) 383-5801

1 presented.

2 Item 33, Orange County Environmental Management  
3 Agency wants to reimburse the state for \$9,100 for a geologic  
4 consulting service in the oil and gas operations in Bolsa  
5 Chica. Anybody in the audience on this item?

6 Without objection --

7 MR. BELL: Strongly approve.

8 MR. ACKERMAN: That's good.

9 CHAIRPERSON CORY: Okay. Approved as presented.

10 Thirty-four, City of Long Beach crude oil sell-off.

11 This is the one that we have a telegram on. Powerine is  
12 concerned that they have a buyer-seller relationship and  
13 don't want to lose the oil, but they don't want to pay us  
14 what other people are willing to pay us.

15 EXECUTIVE OFFICER NORTHROP: They're going to have  
16 that option, that opportunity, for 15 days.

17 CHAIRPERSON CORY: They'll have an opportunity  
18 what, to match?

19 EXECUTIVE OFFICER NORTHROP: To match, right.  
20 They'll have a 15-day opening in which to match.

21 MR. BELL: But their contract no longer is valid?

22 CHAIRPERSON CORY: The contract allows us to take  
23 it and sell off. They are contending that DOE regs preclude  
24 us from having the option. And our indication from DOE  
25 indicates that we do have the option. Okay?

1 The place to resolve that --

2 MR. BELL: They still have right of refusal.

3 CHAIRPERSON CORY: They still have right of refusal,  
4 and what we're really arguing over is money.

5 MR. BELL: Yes.

6 EXECUTIVE OFFICER NORTHROP: It's a dollar.

7 MR. ACKERMAN: If they choose not to exercise that  
8 right, do they have any recourse through any legal action?

9 EXECUTIVE OFFICER NORTHROP: They could take --

10 MR. ACKERMAN: Would that stop the sell-off?

11 EXECUTIVE OFFICER NORTHROP: Probably. If they got  
12 an injunction, they probably would.

13 Bob, do you want to address that?

14 MR. TROUT: Yes, Mr. Ackerman. If they got an --  
15 they can do various things, but one would be to try to get  
16 an injunction to prevent the sell-off. The other would be  
17 just a money-damages suit. I don't know what option they  
18 would take.

19 MR. BELL: It's just personal property, isn't it,  
20 we're talking about?

21 MR. TROUT: Yes.

22 MR. BELL: It's not real property.

23 MR. ACKERMAN: Is there a very high likelihood of  
24 that?

25 MR. TROUT: We don't know at this point.

**PETERS SHORTHAND REPORTING CORPORATION**

7700 COLLEGE TOWN DRIVE, SUITE 209  
SACRAMENTO, CALIFORNIA 95826  
TELEPHONE (916) 383-3601



1 MR. ACKERMAN: This is consistent with all other --

2 CHAIRPERSON CORY: Yes. I understand their side  
3 of it: they'd rather get it at the lower price. But if they  
4 disagree with that, it seems to me one or the other of us  
5 should go to court.

6 EXECUTIVE OFFICER NORTHROP: Our Washington counsel  
7 has talked to DOE and has an indication from DOE that we're  
8 proceeding correctly. I had asked Alan Hager to come  
9 up this morning, because he had a conversation with our  
10 Washington counsel and it was a concern of his. However,  
11 he wasn't able to make the plane. I did talk to him, and  
12 he felt that we should go through with it because it was in  
13 line with the conversation that Mr. Lamont had in Washington.

14 MR. ACKERMAN: Okay, so moved.

15 CHAIRPERSON CORY: Without objection then, 34,  
16 approval as presented.

17 Item 35. This is --

18 EXECUTIVE OFFICER NORTHROP: This allows us to  
19 offer up --

20 CHAIRPERSON CORY: This is offering another  
21 increment of crude oil for sale. Anybody --

22 EXECUTIVE OFFICER NORTHROP: This is Tract One.

23 CHAIRPERSON CORY: Tract One. The other was  
24 Parcel A.

25 EXECUTIVE OFFICER NORTHROP: Parcel A.

**PETERS SHORTHAND REPORTING CORPORATION**

7700 COLLEGE TOWN DRIVE, SUITE 209  
SACRAMENTO, CALIFORNIA 95826  
TELEPHONE (916) 383-3501

1 CHAIRPERSON CORY: Okay. But this one is just  
2 authorizing the sale. The other, the sale --

3 EXECUTIVE OFFICER NORTHROP: Yeah. We've got to  
4 bring it back for the award.

5 CHAIRPERSON CORY: Without objection, 35 is  
6 approved as presented.

7 Item 36 authorizing of a closing of accounts for  
8 '78, subsidence in the City of Long Beach. Anybody in the  
9 audience on this item? Questions from Commissioners?

10 MR. ACKERMAN: This just about brings us up to date,  
11 doesn't it, on subsidence?

12 EXECUTIVE OFFICER NORTHROP: Yes. We are current  
13 now.

14 Mr. Thompson, this brings us current, doesn't it?

15 MR. THOMPSON: Yes. This is the last --

16 MR. BELL: It brings us up to June 30, '79, so  
17 that's pretty close.

18 MR. THOMPSON: Last month we closed all the  
19 projects that we finished through that particular time,  
20 plus the annuals through '78, and this takes us through '79.  
21 This was one of the conditions when this was approved in  
22 June of 1978 that we come back and close these promptly,  
23 so we didn't get in this clear-back-to-1956 issue.

24 CHAIRPERSON CORY: Okay. Without objection, item  
25 36 is approved as presented.

1           Item 37, fourth modification of the budget. Any  
2 questions from the Commissioners? Anybody in the audience  
3 on this item? Everybody understands where we are on the  
4 budget?

5           MR. THOMPSON: Now again this is a calculated risk  
6 because this is not exactly a proven technique because of  
7 our depth. That's why it's called an unconventional steam-  
8 drive. This is a project over 2500 feet in depth. In the  
9 San Joaquin Valley normally you steam-drive at a shallower  
10 depth.

11          MR. BELL: Is this also for slant drilling?

12          MR. THOMPSON: Well, slant drilling does have  
13 some complications in the stress in the casing and things  
14 like that. Again, this is one of the unknowns -- whether  
15 we can really do this -- and this is why we're doing it on  
16 a test basis. But in this particular case, because of  
17 the front-end-loading tertiary regulations, you're allowed  
18 to take part of your lower-tier oil and reclassify it  
19 to upper-tier to take some of the risk out of this. So  
20 this is helpful in this project -- approximately fifty  
21 percent.

22           There has to be some kind of incentive like this,  
23 because this is a questionable project. There's no guarantee  
24 this project will work. In this particular case if we can  
25 do it at 50 percent dollars, it will ease the pain a little.

1 CHAIRPERSON CORY: As we're doing this, remember  
2 he's our uncle, not our dad.

3 (Laughter.)

4 MR. THOMPSON: And again, as far as the  
5 augmentation for the drilling rigs, we're going to use these  
6 rigs pretty extensively for the next four or five years,  
7 so it's necessary to keep them in repair. And this is an  
8 analogy of going to a solid state versus a vacuum tube-type  
9 deal, as far as a converter. In one case before, we had to  
10 actually use an electric motor-driven converter to drive  
11 an AC motor to drive a DC converter. Now we do it with a  
12 solid state conversion-type deal, so it's much more  
13 efficient. The last two rigs we bought have been of this  
14 type, so we're trying to get the other rigs converted.

15 CHAIRPERSON CORY: Okay. Without objection, item  
16 37 is approved as presented.

17 Item 38 is off calendar.

18 Item 39, litigation settlement with PG&E in the  
19 litigation we have in the San Francisco Bay near Baumberg,  
20 Alameda County. And this is a settlement with an easement  
21 for PG&E and they're out of the case, and everybody seems  
22 to be happy.

23 Anybody in the audience on this?

24 Without objection, item 39, the proposed settle-  
25 ment, is approved as presented by staff.

1 Item 40, we want to authorize a disclaimer on 0.8  
2 acres in -- where?

3 EXECUTIVE OFFICER NORTHROP: Colusa County.

4 CHAIRPERSON CORY: Colusa County. Anybody in the  
5 audience on this?

6 Without objection, item 40 is approved as  
7 presented.

8 Item 41, approval of Geothermal Lease Form. This  
9 is the lease. Is there anybody in the audience on this  
10 item? Any questions?

11 MR. ACKERMAN: Simple English.

12 MR. BELL: This is the one where you can almost  
13 understand.

14 CHAIRPERSON CORY: Almost. Almost. He sits  
15 there smirking.

16 MR. ACKERMAN: I understand we tackle the pros-  
17 pecting permits next.

18 (Laughter.)

19 CHAIRPERSON CORY: Okay. Without objection,  
20 item 41 is approved as presented.

21 Item 42 is a request to solicit bids for the --  
22 this is the seeps in Santa Barbara --

23 EXECUTIVE OFFICER NORTHROP: Really what it is  
24 is Everitts wants to take a submarine ride.

25 (Laughter.)

1 CHAIRPERSON CORY: Anybody in the audience on this  
2 item?

3 Without objection from the Commissioners, item  
4 42 will be approved as presented.

5 Item 43, an amendment to the Lobel, Novins &  
6 Lamont contract. Are there any questions from the  
7 Commissioners?

8 MR. BELL: We could take some time on this depend-  
9 ing on --

10 CHAIRPERSON CORY: Where's the pool?

11 (Laughter.)

12 CHAIRPERSON CORY: Questions from anybody in the  
13 audience on this item?

14 MR. ACKERMAN: I have a comment. I'll help  
15 Mr. Northrop out a little bit here.

16 This brings up the point, I think, of all the work  
17 that our Chairman has done through the last several months  
18 concerning the windfall profits legislation in Washington.  
19 On behalf of myself, and I know Mr. Bell, we would like to  
20 commend Ken for all the work he's done on this. His  
21 lobbying, I think, single-handedly has turned a few votes  
22 around and has been very instrumental for California and our  
23 revenue picture.

24 MR. BELL: I'd like to second your comment. I  
25 think Ken has done an adequate job.

**PETERS SHORTHAND REPORTING CORPORATION**

7700 COLLEGE TOWN DRIVE, SUITE 209  
SACRAMENTO, CALIFORNIA 95828  
TELEPHONE (916) 383-3601

1 (Laughter.)

2 MR. ACKERMAN: By a vote of two to one?

3 (Laughter.)

4 CHAIRPERSON CORY: Adequacy was established. I  
5 may have to use that in the next campaign.

6 (Laughter.)

7 CHAIRPERSON CORY: Without objection, we will  
8 approve the contract, because those are the foot soldiers  
9 who really made it possible.

10 With that -- no more business to come before  
11 the Commission -- we stand adjourned.

12 (Thereupon the meeting of the State  
13 Lands Commission was adjourned.)

14 --000--


CERTIFICATE OF SHORTHAND REPORTER

1  
2  
3 I, PAUL D. RAMSHAW, a Certified Shorthand Reporter  
4 of the State of California, do hereby certify:

5 That I am a disinterested person herein; that  
6 the foregoing State Lands Commission transcript was prepared  
7 under my supervision from a tape recording of the hearing  
8 and not from my shorthand notes.

9 I further certify that I am not of counsel or  
10 attorney for any of the parties to said hearing, nor in  
11 any way interested in the outcome of said hearing.

12 IN WITNESS WHEREOF, I have hereunto set my hand  
13 this <sup>8th</sup> day of February, 1980.

14  
15  
16  
17  
18   
19 PAUL D. RAMSHAW  
20 Certified Shorthand Reporter  
21 License No. 3434  
22  
23  
24  
25

PETERS SHORTHAND REPORTING CORPORATION

7700 COLLEGE TOWN DRIVE, SUITE 209  
SACRAMENTO, CALIFORNIA 95826  
TELEPHONE (916) 383-3601