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MEETING

STATE LANDS COMMISSION

STATE OF CALIFORNIA

STATE CAPITOL

ROOM 447

SACRAMENTO, CALIFORNIA

ORIGINAL

THURSDAY, JULY 25, 1985

10:55 A.M.

Reported by:

Cathleen Slocum, C.S.R.
License No. 2822

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MEMBERS PRESENT

Lizabeth Rasmussen, Acting Chairperson
representing Kenneth Cory, State Controller
Nancy Ordway, representing Huff,
Director of Finance

MEMBERS ABSENT

Leo T. McCarthy, Lieutenant Governor

STAFF PRESENT

James Trout, Assistant Executive Officer
Robert Hight, Chief Counsel
Lance Kiley
Rick Ludlow
Jane Smith, Secretary

ALSO PRESENT

Jan Stevens, Deputy Attorney General

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P R O C E E D I N G S

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1
2
3 ACTING CHAIRPERSON RASMUSSEN: Meeting will
4 come to order, please.

5 Apologize for running a little late this
6 morning. We had some meetings that ran over.

7 The first item of business is confirmation of
8 the minutes.

9 COMMISSIONER ORDWAY: Motion.

10 ACTING CHAIRPERSON RASMUSSEN: Minutes are
11 confirmed.

12 The next item on the agenda is the report of
13 the Executive Officer.

14 MR. TROUT: You have that in front of you,
15 Madam Chairman. It's just a report on a couple of
16 things that last Commission meeting approval of one item
17 was conditioned on our checking with the Insurance Office
18 of General Services. We've done that and the amount of
19 the insurance was raised.

20 The other are requests for two letters of
21 permission for an item that's on this calendar and for
22 another one that will be on next month to meet dictated
23 windows of opportunity for working that they're required
24 to do some work in the Delta area within certain time lines.
25 So we ask your permission for that.

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1 ACTING CHAIRPERSON RASMUSSEN: All right.
2 Are there any questions from Commissioners? No questions.
3 You do need some action on that particular item, then?

4 MR. TROUT: No.

5 ACTING CHAIRPERSON RASMUSSEN: The next items
6 on the agenda are the Consent Agenda items. These are
7 items C1 through C19. Have any of these items been
8 removed from the calendar?

9 MR. TROUT: No items have been removed.

10 ACTING CHAIRPERSON RASMUSSEN: These are items
11 that have been deemed by the staff to be relatively non-
12 controversial and if anyone would like any item removed,
13 this is the time to speak and we will take it up on the
14 full agenda as a separate item. Otherwise, we will
15 approve the Consent Agenda as presented.

16 No questions?

17 COMMISSICNER ORDWAY: I move the Consent
18 Calendar.

19 ACTING CHAIRPERSON RASMUSSEN: It's been moved
20 and approved.

21 Consent Items C1 through C19. The next item
22 is Item 20 of the Regular Calendar.

23 MR. TROUT: This item is for a demonstration
24 project on the Sacramento River for bank protection.
25 It's a palisade type project and we recommend approval.

1 ACTING CHAIRPERSON RASMUSSEN: All right. I
2 have a request to speak here from Robert Manning on this
3 item.

4 MR. MANNING: I'm here to answer any questions
5 if you have any.

6 ACTING CHAIRPERSON RASMUSSEN: All right.
7 Thank you very much.

8 Are there any questions from Commissioners?

9 COMMISSIONER ORDWAY: Move the staff
10 recommendation.

11 ACTING CHAIRPERSON RASMUSSEN: All right.
12 The staff recommendation has been moved and is approved.
13 Item 21.

14 MR. TROUT: Item 21 is to add two accommodation
15 floats at the Isthmus Cove in Catalina Harbor at
16 Santa Catalina Island to accommodate dinghies during
17 the summer period.

18 ACTING CHAIRPERSON RASMUSSEN: All right. Any
19 questions?

20 21 is approved.

21 Item 22, please.

22 MR. TROUT: 22 in and of itself is a very
23 complicated transaction. But what this does is allow a
24 different financing organization to be part of the project
25 and we recommend approval.

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1 ACTING CHAIRPERSON RASMUSSEN: Any questions on
2 Item 22?

3 Item 22 is approved.

4 23.

5 MR. TROUT: 23 is approval by the Commission
6 for an expenditure of more than \$250,000 for the County of
7 Santa Barbara of tideland trust monies and we recommend
8 approval.

9 ACTING CHAIRPERSON RASMUSSEN: Any questions on
10 23? Item 23 is approved.

11 Item 24, please.

12 MR. TROUT: Item 24, Mr. Kiley can give a
13 presentation on, but first I'd like to read into the
14 record two letters that we have received. I have a small
15 problem. I have to find them. One letter was from the
16 Off-Highway Motor Vehicle Recreation Commission
17 supporting Mr. Thomas' proposed recreational site
18 development and the other is from the United States
19 Navy in opposition to the site. After Mr. Kiley's
20 presentation, there may be some people here besides
21 Mr. Thomas who would like to comment.

22 Gerry Hillier who is the Desert District
23 Manager for BLM would like to talk. The Bureau of
24 Land Management is opposed to the proposed transaction.
25 So with that I think maybe the best thing would be for

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1 Mr. Kiley to explain what the project is and we can take
2 it from there.

3 ACTING CHAIRPERSON RASMUSSEN: All right.
4 Thank you.

5 Mr. Kiley.

6 MR. KILEY: This is a proposal to develop a
7 recreational park on basically that portion of this
8 purple parcel which is south of the highway here, around
9 this ranger station. This is a State-owned parcel of
10 school land. The Algodones Desert or wilderness study
11 area is to the north, the Gecko Campground, which is
12 operated by the Bureau of Land Management is to the south,
13 Osborne County Park to the East, and this is a Navy
14 target range over here on this site. I'll let the Navy
15 speak to that issue.

16 The staff recommends denial of the permit based
17 on the objections of the BLM and the Navy.

18 ACTING CHAIRPERSON RASMUSSEN: All right.
19 Thank you. I do have four requests to speak. The first
20 is Phillbert Randy Thomas. Use the microphone and
21 identify yourself for the record, please.

22 MR. THOMAS: My name is Phillbert R. Thomas and
23 this thing all started in September --

24 ACTING CHAIRPERSON RASMUSSEN: You can sit
25 down if you like and be more comfortable.

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1 MR. THOMAS: -- when I called the Bureau of
2 Land Management and said I'd like to put in an RV park
3 in sand dunes, do you have a piece of property. They
4 said no, we don't, and I talked to Steve Johnson there.
5 He said no, we don't, but the State Lands Commission does,
6 gave me the telephone number, and the name of the person
7 to talk to.

8 I called them up, got an application, sent it
9 in. The application was accepted. Meanwhile when
10 Gerald Hillier from the Bureau of Land Management
11 found out what the project was and I went over to the
12 Bureau of Land Management in El Centro to get a copy of
13 the water report from the well on the property I was
14 informed by Barry Ashworth that, hey, don't you know we're
15 trying to run a campground just south of here and we
16 want to improve it and some day charge a fee to get in and
17 we won't tolerate your competition moving into the area.

18 So I talked to Don Reese. Don Reese says, well,
19 if they say that they're trying to get the land to stop
20 the project, we will recommend to the Commission that
21 it's not of our best interest to let the Government have
22 it and we'll back your proposal 100 percent. Meanwhile,
23 we got ahold of the Executive Officer and the Bureau of
24 Land Management in Sacramento. They told us they don't
25 care what we do to that property, they have no intentions

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1 for it, no use for it, do what you may.

2 Three days later Gerald Hillier sent some
3 executives over to the Lands Commission, talked to
4 Claire Dedrick and said we want to get that land, don't
5 process the application, and that's about where we are
6 right now.

7 The only reason they're trying to keep me out
8 of there is because they intend to develop their
9 campground and charge a fee for it and they don't want my
10 competition. For the State to let a piece of property
11 go to them for \$360 worth of desert land in a trade
12 and turn down approximately a million point six,
13 \$1,600,000 a year for the lease, is totally ridiculous.
14 That's over 10 percent of what you collect on all your
15 land now and to stop this project so that they don't
16 have to have the competition is ridiculous. For the
17 Navy to object to it is also ridiculous because it's
18 in a C zone and it's in a zone for unrestricted use.

19 ACTING CHAIRPERSON RASMUSSEN: Is that a
20 county designation, C zone?

21 MR. THOMAS: That's a Navy designation.
22 And after them telling me it's unrestricted, it's a
23 safe zone, now they're saying that, well, we don't want
24 you there. It's in a bad zone, but it also happens to
25 sit on the same property that the ranger station sits

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1 on. If it's not safe for my project to be there, it's
2 also not safe for the ranger station to be there or for
3 Highway 78. If it's not safe for the project, it's
4 also not safe for the highway and that should also be
5 removed. Common sense tells you that if it's safe for a
6 highway to go through there, it's safe for a project
7 to go through there.

8 MR. KILEY: I might point out that there is
9 a difference in density of use.

10 COMMISSIONER ORDWAY: I'm aware of the difference,
11 the fact that the highway is moving traffic as opposed
12 to individuals remaining on a parcel for a period of
13 time.

14 Have you talked with the Navy?

15 MR. THOMAS: No.

16 COMMISSIONER ORDWAY: Okay. Is the Navy
17 scheduled to speak?

18 ACTING CHAIRPERSON RASMUSSEN: Yes, I think
19 there is someone here.

20 Yes. Captain Emil Gram.

21 All right. Any other questions of Mr. Thomas?

22 MR. THOMAS: If you look at the area, if you
23 knew about the area, Gerald Hillier and the BLM can snow
24 you all they want because they've never been there and
25 don't know. But if you look on this map where the Gecko

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1 Park is, on a weekend there will be 10,000 people in that
2 area, 10,000 vehicles. In the Osborne area just on the
3 other side of Osborne Hill that's called competition
4 hill. Every night the entire, everyone who's there,
5 which is usually between 100 and 200,000 people, are in
6 that valley just two miles to the west, to the east of
7 the project, and to say that right there to have 100
8 to 200,000 people in the area is safe, but two miles
9 this way is not, is ridiculous.

10 Same way with the Gecko Campground south. If
11 this project isn't needed, why in 1986 are the BLM
12 building another campground just a half a mile south
13 of the one they have now? If this project isn't needed,
14 I'd say that that project isn't needed and what works
15 for one has to work for all. But the BLM hasn't seen
16 it that way. They think they can run a monopoly and
17 a no-competition situation there and this is the
18 United States free enterprise system. To let this go on
19 is ridiculousness.

20 ACTING CHAIRPERSON RASMUSSEN: All right.

21 Thank you.

22 Are there any other questions?

23 COMMISSIONER ORDWAY: What would be the
24 capacity of your RV?

25 MR. THOMAS: 4400 and that's been cut down

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1 from 5600.

2 COMMISSIONER ORDWAY: Okay.

3 ACTING CHAIRPERSON RASMUSSEN: But you estimated
4 that it would attract a lot more people than that because
5 you had some additional facilities?

6 MR. THOMAS: I don't think it will attract
7 more people than that. It's not bringing more people
8 into the area the way Gerald Hillier claims it is.
9 There's already 100 to 200,000 people there every weekend
10 during the season.

11 ACTING CHAIRPERSON RASMUSSEN: I thought you
12 had told me that it was going to attract quite a few
13 people.

14 MR. THOMAS: Just the people who are there.
15 There's not going to be any advertising for the place.
16 You'll see it and you'll go there because you are
17 there.

18 ACTING CHAIRPERSON RASMUSSEN: Do you have
19 any questions?

20 COMMISSIONER ORDWAY: Not right now.

21 ACTING CHAIRPERSON RASMUSSEN: All right.
22 Thank you, Mr. Thomas.

23 The next slip I have is for Gerald Hillier.
24 Hopefully he can answer some of the questions that have
25 been raised.

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1 MR. HILLIER: Good morning. My name is
2 Gerald Hillier. I'm District Manager for the Bureau of
3 Land Management, California Desert District, Bureau of
4 Land Management.

5 It's unfortunate that Mr. Thomas thinks that
6 I have launched into some kind of a personal vendetta
7 against him. Quite to the contrary, I don't doubt for
8 a moment his sincerity in proposing this project.

9 The Bureau of Land Management of course has
10 been interested in the management of the sand dunes
11 for off-highway vehicle recreation for a number of
12 years. Our first plan was prepared in 1972 and it was
13 shortly after that that we build the Gecko Road and
14 established a ranger station and established the first
15 primitive camps in the area.

16 Subsequently we have continued to plan and
17 expand, but concurrently we have received, we got into a
18 difference of opinion with some of the off-highway
19 groups relative to the use north of Highway 78. Noted
20 on the map on the plat is the Algodones Wilderness
21 study area, and during the California Desert Plan
22 effort in 1978 that was designated a study area and
23 in 1977 we closed it so as to protect rare plants within
24 the overall region. It was a multiple use trade-off
25 decision in which we made a decision to totally close

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1 and protect the area north of Highway 78 to ensure that
2 this area south of Highway 78 could remain an open
3 area, which in fact it has.

4 That decision was appealed and was finally
5 upheld by the Ninth Circuit Court of Appeals.

6 Subsequently the Bureau has fallen or I guess
7 you'd describe fallen on some hard times relative
8 to funding, but concurrently the State of California
9 has come to the aid of users and BLM and has financed
10 about a million and a half dollars of additions and
11 maintenance and work in the campgrounds south of
12 Highway 78, including resurfacing of the Gecko Road and
13 the Gecko Campground and has approved construction of
14 the small Roadrunner Camp which will house about 500
15 units.

16 The objective of our management has been
17 to primarily disperse users south of the area.

18 When I first heard of Mr. Thomas' proposal,
19 it was in the context of 5600 units and on review of it
20 I continued to question the various aspects of it.
21 One of the things of course is that it would place and
22 has modified some 4400 units at the junction of the
23 Gecko Road and Highway 78 and there has been a latent
24 demand to reopen the area north of Highway 78 by off-
25 road groups, and of course that has been opposed by

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1 wilderness groups and others, and there are other uses
2 of the public land which we have to manage the lands
3 for.

4 Our fear is that it will put several thousand
5 additional users into an area and increase an already
6 congested area when the management of the area basically
7 is aimed at dispersing the uses. This results in
8 safety hazards and a great deal of congestion and,
9 frankly, not a very good experience for many of the
10 users.

11 We have just finished scoping a redo of our
12 management plan. Some people did speak in favor of
13 some additional campgrounds and some additional
14 developments. The bulk of these were in the extreme
15 southern end of the area along Interstate 8 where there
16 are no facilities for users right now. At the same
17 time many users expressed a desire that facilities
18 be left primitive, that the area not become a
19 Disneyland and a number of other comments.

20 I will leave with the Commission the
21 Imperial Sand Dunes Planning Workbook that we used
22 for public comment and on about the 5th or, no,
23 beginning on page 14 of that are these public comments
24 from these various meetings in Riverside, Yuma, El Centro
25 and San Diego that we held and the summary of those

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1 public comments and I'll leave those with the Commission
2 staff.

3 Besides the congestion and the potential effect
4 on wilderness values north of the highway, of course the
5 Navy issue is new and I'll let the Navy speak to that.
6 They are here today.

7 Mr. Thomas alleges that we somehow fear
8 competition from a private enterprise development and I
9 have to categorically deny that. Quite to the contrary,
10 we recognize that the users through the Off-Highway Vehicle
11 Fund have supported development of a number of facilities
12 in the area and the maintenance thereof and have in fact
13 paid for those and it's been Bureau policy that we not charge
14 a fee for the use of these camping facilities, that we
15 already have camping, toilet and garbage facilities.
16 They do not totally meet the needs on very large
17 weekends such as Washington's Birthday, but they also sit
18 empty a good part of the year also. We do not charge a
19 fee. To the contrary, we feel or would suspect or would
20 offer that probably with a fee facility north of the
21 road that the government's, which I have to remind is a
22 State, cooperative State-Federal project, would probably
23 fail first and Mr. Thomas' might not fail at all and the
24 Commission very easily could get into a posture of having
25 to reflect on unfair competition from a non-fee area versus

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1 a fee area. You know, it's death on all of our parts in
2 terms of how that would finally materialize. We aren't
3 afraid of competition. In fact, we're not in a competitive
4 business. There are some commercial enterprises in the
5 area right now such as the Gecko Store that do offer some
6 facilities. There's a county facility at Osborne Park
7 a couple of miles to the east and we're not in this thing
8 to worry about competition. What we want to do is provide
9 for the users who use the area down there and provide for
10 all of the users who are interested in the management of
11 public lands.

12 COMMISSIONER ORDWAY: Does BLM have any plans
13 to expand beyond this 500 units that you spoke about?

14 MR. HILLIER: At the present time no. Back in
15 1977 when we got into the difficulty on the rare plants,
16 this actually even predated the wilderness issue. At that
17 time we intended to extend the Gecko Road completely south
18 through the dunes, and eventually make a hookup with
19 Interstate 8. Part of the settlement of that issue in-
20 volved a decision not only to close the north end of the
21 dunes, but not to extend the Gecko Road further south.
22 When we did wilderness inventory the central core of the
23 dunes was also designated a wilderness study area. Now,
24 it was not finally recommended as suitable for inclusion
25 in the National Wilderness System as part of the Desert Plan

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1 but I do know from talking to various interest groups that
2 there is and will be when the BLM wilderness bill finally
3 hits the floor of Congress, there will be a thrust by
4 some of the interest groups to include that central core
5 area in a wilderness proposal. We would oppose it, and
6 what the Congress does with it, I don't know. But in the
7 meantime, any extension of the Gecko Road I'm sure would
8 be fought by the environmental groups and so at the
9 present time we do not have any plans to extend that
10 road, certainly not until the wilderness review is finished
11 by the Congress sometime around 1990, 1991.

12 ACTING CHAIRPERSON RASMUSSEN: Any other
13 questions of Mr. Hillier at this time?

14 Thank you very much.

15 MR. HILLIER: Thank you.

16 ACTING CHAIRPERSON RASMUSSEN: The next person
17 is Paula Carrell, and we need your name and organization,
18 please.

19 MS. CARRELL: My name is Paula Carrell, and I'm
20 here to represent the Sierra Club this morning.

21 I don't need to repeat the points that
22 Mr. Hillier made. I guess that the Sierra Club's
23 primary concern from the desert activists in the area
24 is that basically they feel I think that use in that
25 area is at capacity at present and this would be

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1 exemplified by any existing impacts on the dunes that are
2 south of the highway. The dunes have been denuded,
3 compaction is obvious. It is a heavily used, and in some
4 people's minds, excessively used area. The fear is that
5 by putting this sizeable campground at the road junction
6 and immediately across the road from what is a BLM
7 recommended wilderness area, the north dunes, that it would
8 draw heavily increased use and there would be increased
9 trespass and other problems on the recommended wilderness
10 area north of the road.

11 The feeling is, the underlying feeling is that
12 the area is at capacity. If there is a need for
13 increased camping facilities, it should probably be as
14 Mr. Hillier suggested in the south off Highway 8 where
15 there is use now and there is no camping provided, but
16 not in this particular site.

17 The Club has supported a proposal for a land
18 exchange between the State and the BLM which would include
19 this property and thereby guarantee its protection and
20 possibly you could describe it as a buffer to the north
21 dunes area possibly. Those kinds of things I'm sure
22 will await the final action on the proposed BLM wilderness
23 as he mentioned in Congress in the ensuing years. And
24 possibly decisions on where increased camping should be
25 provided should also await Congress' action on the BLM

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1 wilderness decisions because then at that point we would
2 all have a better judgment on where we stand in reference
3 for appropriate use and appropriate campground siting in
4 the Imperial dunes area.

5 I can answer questions, although I'm not an
6 expert. I'm basically, because I work for the Sierra
7 Club in Sacramento, our desert activists called me and
8 said because you're in town, we hope you can be there.
9 I am not really an expert on the area. They've
10 mentioned for instance that they're concerned about the
11 rare and endangered plants in the north dunes area.
12 They neglected to give me the specific names. I understand
13 that I can get those from the Native Plants Society
14 and if the Commission would like that information, I can
15 get it for you, but I don't have it with me today.

16 ACTING CHAIRPERSON RASMUSSEN: All right.

17 Thank you. Any questions?

18 Thank you very much.

19 MS. CARRELL: Thank you.

20 ACTING CHAIRPERSON RASMUSSEN: The last person
21 I have a slip for is Captain Emil Gram from the Naval
22 Air Facility.

23 CAPTAIN GRAM: Good morning. I am Captain
24 Emil Gram, the Commanding Officer of the Naval Air
25 Facility located just east of El Centro.

1 COMMISSIONER ORDWAY: While you're checking
2 your map, one question of staff. What's the population
3 of the ranger station?

4 MR. KILEY: The population of the ranger
5 station itself?

6 Gerry.

7 MR. HILLIER: The question is what is the
8 population of the ranger station?

9 COMMISSIONER ORDWAY: Right.

10 MR. HILLIER: There is no permanent population
11 assigned. The rangers have residence and office space
12 in our El Centro office. They utilize the area on a
13 weekend basis and there can be as many as half a dozen
14 employees plus volunteers in the ranger station when
15 it's being used.

16 COMMISSIONER ORDWAY: Twenty-four hour coverage on
17 the weekend or sunrise-sunset?

18 MR. HILLIER: It's about 12 to 16 hours
19 coverage, but they also use it for a dormitory. So there
20 is occupancy 24 hours per day.

21 COMMISSIONER ORDWAY: On the weekends?

22 MR. HILLIER: Yes.

23 COMMISSIONER ORDWAY: Not during the week?

24 MR. HILLIER: On most weekends. There are
25 weekends obviously during the summer season during the

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1 three months which use is very minimal that there would
2 be nobody in there at all.

3 COMMISSIONER ORDWAY: Thank you.

4 ACTING CHAIRPERSON RASMUSSEN: Captain Gram.

5 CAPTAIN GRAM: My interest in this whole issue
6 is as the manager of the targets that the Navy has been
7 using for some 40 to 50 years in the Imperial Valley,
8 two of which are located on this chart, it's sort of
9 accurate, the Target 68 there.

10 There's another one just north of Highway 78
11 called Target 95. There's kind of a long shaggy dog
12 story to this, and I don't want to belabor it.

13 About 10 years ago the Navy became increasingly
14 interested in encroachment problems certainly around our
15 airports, populated areas, the obvious ones, but also in
16 areas where we have targets. There aren't many left in the
17 United States. There's some up around Fallon, Nevada,
18 that has made a lot of press interest in recent months.

19 In Imperial Valley we have this and some other
20 targets. I'm prepared to go into whatever detail you
21 might want.

22 Last year, the Navy felt so concerned about this
23 issue that we embarked upon a plan to withdraw some
24 325,000 acres of public land. The boundary of that
25 included what is now under proposal, the surrounding

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1 area of Parcel 36, where the proposed --

2 COMMISSIONER ORDWAY: Could you go to the map
3 and show us that?

4 CAPTAIN GRAM: Well, it goes on off to the side.
5 Again, the proposed withdrawal went out to this extreme.

6 COMMISSIONER ORDWAY: So it would include the
7 County park?

8 CAPTAIN GRAM: Yes. The intent was not to
9 curtail park usage, but it was to try to control growth.
10 Our concern is population density, pure and simple.
11 Like everything else, there has to be compromises. We're
12 concerned about public safety.

13 Depending on who you talk to, you could make
14 various arguments about what's safe and what's not safe.
15 We spent a lot of money and studied these problems rather
16 exhaustively. The net result of this withdrawal plan was
17 basically a three tiered organization of the land areas.
18 Now, the proposer here talked about the Zone C area.
19 Well, that's one of three zones that were identified in
20 the plan. There's A, B, and C. A being the area
21 immediately around the targets, the most hazardous;
22 B being somewhere in between; C being the least.

23 There was never any intent nor is it explicitly
24 spelled out that the C area is not hazardous. We have not
25 said that and we do not claim that. We are concerned in

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1 C zones that we have a very close control both on new
2 construction, because of the height limits -- aircraft
3 flying around these areas do not need to encounter new
4 hazards -- and also about population density.

5 The big difference in what the BLM has planned
6 and has in existence and what this proposal is is density
7 and we are very much opposed to that because we feel it
8 would only add an increased hazard to the population.
9 We walk a very delicate tightrope in protecting the public
10 safety. But we take it very seriously and we try to watch
11 it very closely so that we aren't unnecessarily endangering
12 the public.

13 We feel that a developed campground would clearly
14 be incompatible with what the Navy's needs are and I
15 would go so far as to say I think it's probably unnecessary.

16 The Gecko Campground and the surrounding areas
17 are unimproved and they're very transitory. To go in and
18 construct a permanent campground with the kinds of
19 improvements as proposed we feel would only encourage
20 more people to move into the area and is tantamount to
21 creating a city in there. That kind of encroachment would
22 create a huge amount of expense to the American taxpayer
23 and cause the Navy to lose this target. We feel we
24 cannot accept that and we ask that your indulgence please
25 to understand this problem and say the proposal.

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1 ACTING CHAIRPERSON RASMUSSEN: Thank you.
2 Any questions, comments?

3 CAPTAIN GRAM: I have more detailed charts here
4 that show the targets and be glad to leave these with you
5 if you, and you can glance at them at your leisure.

6 ACTING CHAIRPERSON RASMUSSEN: Thank you.
7 Are there any other comments or questions that
8 staff would like to make, any comments at this time?

9 MR. KILEY: Let me point out what the alternative
10 will be for the staff. The Bureau of Land Management
11 originally applied for an exchange involving this parcel
12 in 1983 which predates this current application. Because
13 of staffing limitations and the inability to prosecute
14 the exchange, it hasn't been prosecuted to date, but they
15 did have and in front of us in letter form an application
16 to go ahead and exchange this out with us. It's kind of
17 unfortunate that maybe the thing hadn't gotten exchanged
18 before this proposal ever came to us.

19 But that's the way things are. We will
20 probably go forward with the exchange in the event --

21 COMMISSIONER ORDWAY: In view of the recent
22 request of the Navy, what impact would that have on
23 BLM's request for an exchange?

24 MR. KILEY: The BLM would go forward with the
25 exchange. It fits in well with their plans.

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1 ACTING CHAIRPERSON RASMUSSEN: Any further
2 questions?

3 COMMISSIONER ORDWAY: Not right now.

4 ACTING CHAIRPERSON RASMUSSEN: I think we find
5 ourselves in a dilemma here of trying to maintain a
6 delicate balance between allowing people into enjoy
7 an area and yet protecting the area and the very reasons
8 that the people come in to use that area.

9 Are you ready to make a motion?

10 MR. THOMAS: May I have a chance to --

11 ACTING CHAIRPERSON RASMUSSEN: Mr. Thomas,
12 would you like to say something else?

13 MR. THOMAS: Yes. I'd like to show you this
14 map, BLM map of the area, that we can ride in and it's
15 unrestricted area and this is all you have right here.
16 That is the ranger station where the project is supposed
17 to be. That's Gecko Park and that's, this is what we
18 get to ride in. Competition hill is located right where
19 this little road right here is.

20 On the weekends is about the only time anyone
21 is here at all. The rangers, they said that the rangers
22 are here most weekends. Most weekends they are not there.
23 There may be four weekends out of the entire 10-month
24 season. This Roadrunner Park that holds 500 people has
25 approximately two to three thousand there on any given

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1 weekend. This holds approximately 5,000, has approximate-
2 ly 20,000 at any given weekend. Between the amount of
3 area that we have, this is unrestricted. The area that
4 this is in is unrestricted.

5 ACTING CHAIRPERSON RASMUSSEN: I'm not sure
6 that anyone would dispute that. I think that's part
7 of what they're saying.

8 MR. THOMAS: But in an unrestricted area,
9 how can they say that they want to restrict it and
10 I'll draw your attention to the letter that was sent
11 by the Off-Highway Commission where they were standing in
12 this --

13 ACTING CHAIRPERSON RASMUSSEN: Are you able
14 to get this? I think we need you at the microphone,
15 please.

16 MR. THOMAS: While the Off-Road Commission
17 is standing in the A Zone, not the C Zone, while bombs
18 were being dropped around them, it says right there in
19 their letter right here, one of the Navy's bomb sites in
20 the area, the proposed construction would fit into one
21 of the ABC zones. Most prudent people agree that the
22 Navy could delete the C category from their bomb site
23 as there is virtually no danger within the area.
24 I and other members of the Commission were privileged
25 to watch the Navy's bomb runs at one of our March

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1 meetings in El Centro. We were in an A Zone and were
2 not in danger. There's no conflict between the Park and
3 the Navy, and everything that the Navy just said here
4 telling you was complete ridiculousness.

5 As far as keeping us out of the area because
6 the area across the street is closed, the area across
7 the street is closed. The area that we're in is not
8 closed. The only reason for this is the Navy wants to
9 run a monopoly. That's the only reason, not the Navy,
10 but the Bureau of Land Management. If you look at all
11 the evidence that they've told you and if you knew, if
12 you'd been down there and seen what goes on, you'd know
13 that this was total ridiculousness. To give the land
14 to the government and take the California land out of
15 California and put it into the government so that they
16 can run a monopoly is ridiculousness, total
17 ridiculousness. And for them to get up here and say
18 that is ridiculousness.

19 ACTING CHAIRPERSON RASMUSSEN: Thank you,
20 Mr. Thomas.

21 Are you ready to make a motion?

22 COMMISSIONER ORDWAY: For me the most
23 convincing arguments are those of the Navy. I'll have
24 to admit that having been around military establishments
25 for parts of my life and because of the recent actions

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1 of the Navy in broadening their interests, I would move
2 to deny without prejudice the application.

3 ACTING CHAIRPERSON RASMUSSEN: I'll second
4 that. The item is approved per the staff's recommendation
5 and I hope that Mr. Thomas understands that he is free
6 to apply in some other area and I think that that is
7 a very reasonable alternative. That this is a project
8 that may be quite compatible in a different area.

9 MR. THOMAS: In an area where there is no
10 population --

11 ACTING CHAIRPERSON RASMUSSEN: Thank you
12 very much.

13 Let's move on to Item 25, please.

14 MR. TROUT: Item 25 is a 60-day --

15 MR. THOMAS: I'll spend my \$20 million in
16 Russia where I know there's no point in being energetic
17 and --

18 ACTING CHAIRPERSON RASMUSSEN: Continue,
19 please.

20 MR. TROUT: A 60-day extension of a letter
21 of authorization for Chevron to do some test boring in
22 Santa Barbara and we recommend approval.

23 COMMISSIONER ORDWAY: Motion.

24 ACTING CHAIRPERSON RASMUSSEN: It's been moved.
25 Item 25 is approved. Item 26, please.

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1 MR. TROUT: 26 is a dredging permit for
2 Leslie Salt Company, 20,000 cubic yards in China, Napa,
3 and Dutchman Sloughs in the Napa River. We recommend
4 approval.

5 ACTING CHAIRPERSON RASMUSSEN: Any questions
6 on 26?

7 26 is approved. Item 27.

8 MR. TROUT: Item 27 is a two-year extension
9 of a geothermal prospecting permit for Kennecott
10 Corporation. We can get into the details if you want,
11 but they're having difficulty in finding a buyer for
12 potential electricity. They are meeting all of the
13 requirements of the agreement with the Department of
14 Fish and Game. So we recommend approval of the extension.

15 ACTING CHAIRPERSON RASMUSSEN: Questions on
16 27?

17 27 is approved.

18 28.

19 MR. TROUT: Item 28 would authorize the
20 notification of GRI Corporation of a default under
21 seven different geothermal leases for reasons that have
22 something to do with the imp. of the perverse or
23 something. We have seven leases, but in two spots we
24 only have six. But the leases are 5819, 6114, 5862,
25 5999, 6080, 6081, and one other. But the key point that

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1 I'd like to add lease No. 5999 to the recommendation
2 so that the recommendation is complete and has all
3 seven leases in it.

4 We should like to point out that we have had
5 the best relationships with GRI Corporation. The fact
6 that they have not been able to meet their drilling
7 obligations results from circumstances both beyond
8 their control and our control. What we are proposing
9 that we do is take another look at the leasing of these
10 areas. It has to do with whether they can actually be
11 developed under the net profit amounts that are
12 currently in the leases. I think that we would like to
13 continue the relationships we've had with GRI. They
14 have been very cooperative. But we feel it's time to
15 bring this issue to a head.

16 Mr. Peter Hansen of GRI would like to make a
17 brief presentation. While he's coming up, I'd like to
18 tell you that this is a notice of default. The
19 corporation would have 30 days to cure that default
20 and the item would be back on the August calendar
21 either for actual termination of the leases or acknowl-
22 edgement that the defaults have been cured or for some
23 other kind of action that might be appropriate.

24 The corporation was not able to put on a full
25 presentation today because a number of their staff are

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1 in New York and they are looking forward to giving a more
2 detailed presentation to the Commission at the August
3 meeting, but Mr. Hansen said he would like the opportunity
4 to make a brief statement here.

5 ACTING CHAIRPERSON RASMUSSEN: All right.
6 Thank you very much.

7 We need your name and organization.

8 MR. HANSEN: I am Pete Hansen, President of
9 GRI Exploration Corporation.

10 As I've stated, I am President of GRI
11 Exploration Corporation, the lessee of record for the
12 seven State leases that we're talking about today at this
13 meeting.

14 For several months, representatives of
15 Geothermal Resources International, and its subsidiaries,
16 including GRI Exploration, have been attempting to resolve
17 certain issues with State Lands Commission staff members,
18 which, if resolved, would allow for development of the
19 seven State leases.

20 I am here to ask that the members of this
21 Commission become directly involved in evaluating our
22 position by giving us an opportunity to make our case
23 directly to you. We did not receive formal notice that
24 the staff had unilaterally terminated our negotiations
25 until we received notice of this calendar item on July 17th.

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1 We therefore had insufficient time to prepare a proper
2 presentation for you at this meeting.

3 We can make a clear, to the point presentation
4 to the Commissioners at its next regularly scheduled
5 meeting since a presentation, with the answers our
6 experts can provide to any questions you may have, should
7 give you the ability to make a more informed decision on
8 how to proceed with development of these State leases at
9 The Geysers area.

10 To that end, we request an extension of all
11 leases' drilling commitment dates for one month until
12 September 1st, and we further request that we be allowed
13 to make a presentation at the Commission's regularly
14 scheduled August meeting.

15 Thank you.

16 ACTING CHAIRPERSON RASMUSSEN: All right.

17 In essence, I think that the staff is recommending that
18 you be given 30 days. So I think we agree.

19 MR. TROUT: The difference is he is asking that
20 the permits be extended for 30 days. We are asking you
21 to approve sending out notices of default next week which
22 would put a 30-day time clock into operation. That would
23 not expire until after your next meeting and you would
24 clearly at that time have a chance to either extend them
25 further or to take such other action as you might deem

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1 appropriate.

2 COMMISSIONER ORDWAY: If we stuck a 30-day
3 clock with letters tomorrow, we would be able to at our
4 August meeting extend the lease?

5 MR. TROUT: That's my understanding. Now, the
6 30-day clock would not start running until August 1st.
7 The leases don't expire, I think some expire on the
8 1st and some on the 31st. So the letters would go out
9 on August 2nd and that would make it several days,
10 three or four days beyond the next scheduled Commission
11 meeting.

12 MR. HANSEN: If we did not have the Commission
13 vote on the extension of the drill by dates at this point
14 in time, I think it would put us in the position of
15 being in technical default as of the 1st of the month
16 coming up on the drill by dates.

17 So I believe we need a decision to give us an
18 automatic 30-day extension of the drill by dates at this
19 meeting for us to not be in technical default and present
20 our case. The Commission can always, at the next
21 scheduled meeting, put us in this position again if they
22 desire to do so.

23 COMMISSIONER ORDWAY: Could the attorneys
24 respond to that? I'm not sure --

25 MR. HIGHT: I don't think I understand your

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1 statement, sir. Could you go through that one more time?

2 MR. HANSEN: I'm saying that are you going to
3 vote at this point in time of giving us a 30-day
4 extension of the commencement of the drill by dates?

5 MR. HIGHT: No.

6 The proposed action would authorize a notice
7 as of the 1st and there would be no extension.

8 MR. HANSEN: But that automatically puts us in
9 a position of being in default.

10 ACTING CHAIRPERSON RASMUSSEN: On September
11 2nd.

12 MR. HANSEN: On the 1st of August. Is that
13 correct?

14 MR. HIGHT: Right.

15 MR. HANSEN: That's not the position we'd like to
16 be in, naturally. Is there any reason why we can't
17 get an extension, a 30-day extension of the drill by dates
18 at this meeting and not put us in that position of being
19 in default?

20 COMMISSIONER ORDWAY: Until the 1st of
21 September.

22 MR. HANSEN: Until the 1st of September. To
23 give us the opportunity to come before the Commission,
24 present our case and not be in that position of being
25 in default.

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1 COMMISSIONER ORDWAY: In technical default.

2 MR. HANSEN: Right.

3 ACTING CHAIRPERSON RASMUSSEN: You would have
4 the opportunity to make a presentation in August.

5 COMMISSIONER ORDWAY: Does that present a problem?

6 MR. HIGHT: Go ahead.

7 MR. TROUT: This is Rick Ludlow who is one of
8 our staff counsel who heads up the extractive development
9 side of the legal operation.

10 MR. LUDLOW: Basically the effect of this
11 notice is just what it is. It's basically a notice of
12 default. It does not terminate the leases. The
13 Commission at its next meeting can either continue the
14 process, could terminate the leases, or do something
15 else. It does not in effect --

16 COMMISSIONER ORDWAY: When do the leases
17 terminate now?

18 MR. LUDLOW: Right now --

19 COMMISSIONER ORDWAY: Right now.

20 MR. LUDLOW: Right now if they don't get an
21 extension, the leases will still be in effect. They do
22 not terminate of their own force and effect.

23 MR. HANSEN: Except we will be in default as
24 of the end of this month for not making the drill
25 commitment.

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1 MR. HIGHT: That's the intent of the letter.

2 COMMISSIONER ORDWAY: Just a minute.

3 MR. LUDLOW: So the leases don't terminate at
4 all.

5 They're not self-terminating leases.

6 COMMISSIONER ORDWAY: When do they automatically
7 go into default?

8 MR. LUDLOW: They will go into default at the
9 end of this month when they do not make the drill by
10 requirements, drilling requirements. That's why the
11 notice of default will go out, because they will then
12 be in default at that time.

13 COMMISSIONER ORDWAY: And what we're being
14 asked by Mr. Hansen is to extend that date one month.

15 MR. LUDLOW: So that they will not be in
16 default. What the other alternative would be to give
17 them a notice of default so that the Commission can
18 at that time, at the next meeting, terminate the leases
19 or extend them or do whatever you like then rather than
20 going through a notice of default procedure then.

21 ACTING CHAIRPERSON RASMUSSEN: So we have all
22 the options available to us really for the next meeting
23 and we can extend the lease, we can terminate it, we
24 can extend the period of time that we're giving them
25 to come into compliance, and they would have the

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1 opportunity at the August meeting to make a full
2 presentation --

3 MR. LUDLOW: Yes.

4 ACTING CHAIRPERSON RASMUSSEN: -- and whatever.

5 COMMISSIONER ORDWAY: Mr. Hansen seems to be
6 concerned, though, about going technically into default.

7 MR. HANSEN: Yes, I am concerned about that.
8 I don't think anybody wants to be put in that position.
9 I don't think it's necessary at this point in time to
10 put us in that position of working on a presentation
11 knowing we are in technical default. All right.

12 I would like to see us get an extension. There's
13 no reason why they cannot come up with this same
14 recommendation to authorize them to give us a default
15 notice in 30 days.

16 COMMISSIONER ORDWAY: Could I ask Moose to
17 respond to this point?

18 MR. TROUT: Yes, I'd like to have Mr. Thompson
19 express his feelings with regard to a 30-day extension
20 of the drilling requirements.

21 MR. THOMPSON: As far as the staff's concerned,
22 we'd like to put a time certain on this. GRI's
23 expressed to us a definite requirement that the
24 Commission must revise the lease commitments as they
25 originally accepted them or they would not meet these

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1 drilling requirements. So I would like to put a time
2 certain in that the drilling obligation period is closed.

3 COMMISSIONER ORDWAY: Given what was just said,
4 what does 30 days buy you?

5 MR. HANSEN: What does 30 days buy us?

6 COMMISSIONER ORDWAY: Yes.

7 MR. HANSEN: It buys us the time to work up a
8 presentation and not having this default hanging over
9 our heads during that period of time. All right? You
10 can always --

11 COMMISSIONER ORDWAY: But you're not going to
12 be able to comply in the next 30 days; is that correct?

13 MR. HANSEN: That's correct.

14 MR. THOMPSON: It's not their intent to comply
15 with the drilling obligation.

16 COMMISSIONER ORDWAY: Are you concerned that
17 we won't take you as seriously if we put out default
18 notices on the 2nd of August versus the 2nd of September?

19 MR. HANSEN: I'm saying there's a possibility
20 in my mind, maybe far reaching, very slim possibility,
21 that even though we've exhausted all of our approaches
22 to resolve these issues with the staff, that maybe after
23 a presentation to the Commissioners, some other solution
24 that no one's thought about could be brought up at that
25 meeting.

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1 COMMISSIONER ORDWAY: But putting out notices
2 on the 2nd of August doesn't preclude us from doing that.

3 MR. HANSEN: No, but you're still putting me in
4 that position of being in default and I don't want that.

5 MR. THOMPSON: As far as the staff's concerned,
6 we'd like to have a time certain. We'd like to have you
7 pull the pin on that grenade and hand it to GRI.

8 MR. HANSEN: That's fine. Let's do it 30
9 days from now. Let's get an extension and be able to
10 pull that pin 30 days from now.

11 ACTING CHAIRPERSON RASMUSSEN: The staff has
12 expressed that they have met with a great deal of
13 cooperation by GRI and that they've been very appreciative
14 of your efforts and I don't see any reason why between
15 now and the next Commission meeting that you might not
16 be able to make some progress.

17 COMMISSIONER ORDWAY: Does that mean you're
18 leaning toward a 30-day extension?

19 ACTING CHAIRPERSON RASMUSSEN: I'm leaning
20 toward the staff recommendation.

21 COMMISSIONER ORDWAY: Given that it doesn't
22 really change what we have the capabilities of doing
23 in August, I am also. You will not be taken any less
24 seriously.

25 MR. HANSEN: Correct.

1 COMMISSIONER ORDWAY: Nor will people work less
2 hard to see if there is a solution.

3 (Thereupon a discussion was held off
4 the record.)

5 COMMISSIONER ORDWAY: I'm also leaning with
6 staff because if there had been any way that it would
7 change how we handle ourselves at the August meeting,
8 then to me a 30-day extension would be appropriate.
9 But given that it does not change what we can do and what
10 our options would be at the August meeting, I am also
11 leaning towards the staff recommendation. You haven't
12 convinced me that something bad happens because of the
13 staff recommendation.

14 MR. HANSEN: Well, nothing bad happens except
15 if you put us in the position of technical default,
16 let's put it that way, as of August 31st or July 31st,
17 we want to present something to the Commission. You say
18 we can do that in a month. But we're still -- maybe
19 I am more concerned about this quote technical default
20 than I should be, but I think it's important enough to
21 know that we may have to, if I go back and tell our
22 people that this is what's happened and they say, well,
23 we haven't got a 30-day extension of the drill by date,
24 and so we are in default and the only way, or we will be
25 in default, we might just quit claim the leases prior

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1 to that time and not get into the position of being
2 in default. There is no reason to talk anymore.

3 COMMISSIONER ORDWAY: I guess my feeling is if
4 you and your company want to make the presentation before
5 this Commission in August, I know I speak for both of the
6 Commissioners here, not only will that not be a problem,
7 but I think we will look forward to it.

8 I don't see where the recommended action before
9 us really changes that a whole lot.

10 MR. HANSEN: It doesn't change your attitude
11 and my attitude towards resolving the issues and trying
12 to work on something, but we have something here that's
13 black and white that says Geothermal Resources Internation-
14 al is going to be in default on July 31st and I don't
15 want that to happen.

16 MR. HIGHT: The Commission has the ability at
17 the August meeting to cure that default or do any other
18 option and this action merely starts the time frame
19 running in which to clear up the problem one way or the
20 other.

21 MR. THOMPSON: The staff fully realizes that
22 we cannot terminate the lease. That's a Commission
23 action.

24 ACTING CHAIRPERSON RASMUSSEN: This may in
25 fact facilitate resolving the problems.

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1 COMMISSIONER ORDWAY: Otherwise it sounds like
2 it sits in limbo until it's over.

3 ACTING CHAIRPERSON RASUMSSEN: It may drag on.

4 COMMISSIONER ORDWAY: I will move the staff
5 recommendation.

6 ACTING CHAIRPERSON RASMUSSEN: And I will second
7 that.

8 Item 28 is approved as presented.

9 MR. HANSEN: Thank you.

10 ACTING CHAIRPERSON RASMUSSEN: Thank you very
11 much.

12 Item 29, please.

13 MR. TROUT: Is the issuance of a core drilling
14 and trenching permit for section of school lands
15 for gathering geologic and engineering information.
16 This had to do with the other application by the same
17 applicant for proposed toxic waste site. The Commission
18 a month or two ago put a moratorium on any permits for
19 actual toxic waste dump site leasing, but recommended
20 that we go ahead and allow Mr. Cullinan to go ahead with
21 these core drilling and trenching permits and this is
22 the permit. I think a representative of Mr. Cullinan is
23 here if you have questions.

24 Staff recommends approval of the permit.

25 COMMISSIONER ORDWAY: It's my understanding this

1 is data collection only.

2 MR. TROUT: That's right.

3 COMMISSIONER ORDWAY: I'll move --

4 MR. LAURIE: Robert Laurie. I'm prepared to
5 respond to questions.

6 ACTING CHAIRPERSON RASMUSSEN: Thank you very
7 much.

8 COMMISSIONER ORDWAY: I'll move Item 29.

9 ACTING CHAIRPERSON RASMUSSEN: All right.
10 Item 29 has been moved and approved.

11 Item 30, please.

12 MR. TROUT: Item 30 is consideration of the
13 description and consent to incorporation of the proposed
14 City of San Dieguito. This was on the Commission once
15 before. We most respectfully request or recommend that
16 you deny it again. There are considerable problems with
17 the annexation and problems with the incorporation of the
18 adjoining city of Carlsbad. We in the last day or two
19 got an amended legal description which may solve the
20 problem, but we're not sure enough to recommend it to
21 you today. We just request that you deny the, disapprove
22 the description and deny consent to the incorporation
23 at this time without prejudice. Allow our staff to
24 go ahead and work with them and try and get this thing
25 straightened out.

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1 COMMISSIONER ORDWAY: As long as it's understood
2 it's without prejudice, I'll move the recommendation.

3 MR. TROUT: That's the staff's position, yes.

4 ACTING CHAIRPERSON RASMUSSEN: 30 has been moved
5 and is approved.

6 Item 31, please.

7 MR. HIGHT: Item 31 is the application by the City
8 of Los Angeles for Commission approval of the description
9 and of any interest in the area for annexation of the
10 area Playa Vista to the City of Los Angeles.

11 ACTING CHAIRPERSON RASMUSSEN: I have one
12 question and that is on the recommendation number four;
13 is that an error, San Diego County?

14 MR. HIGHT: That's an error. We would like
15 to change San Diego to Los Angeles.

16 ACTING CHAIRPERSON RASMUSSEN: Now you know
17 that I really read these things, huh? Are there any
18 other questions on Item 31?

19 No questions.

20 MR. HIGHT: This is the approval of any
21 interest the Commission has in the area and we'll go
22 through it's normal LAFCO processes.

23 ACTING CHAIRPERSON RASMUSSEN: Fine. No other
24 questions or concerns? Item 31 is approved as presented
25 with the change noted.

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1 Item 32.

2 MR. HIGHT: Is the authorization to remove a
3 vessel from the Sacramento River near Rio Vista. We have
4 reason to believe that the vessel may have been moved
5 or is in the process of being moved, but we would like the
6 authorization.

7 COMMISSIONER ORDWAY: It's not the one we
8 burned yesterday?

9 ACTING CHAIRPERSON RASMUSSEN: No, we're going
10 to remove this one and not burn it, torch it.

11 MR. HIGHT: We're not going to torch it.
12 We're on a roll, but we won't torch this one.

13 ACTING CHAIRPERSON RASMUSSEN: Any questions on
14 Item 32?

15 COMMISSIONER ORDWAY: No.

16 ACTING CHAIRPERSON RASMUSSEN: Item 32 is
17 approved.

18 Item 33.

19 MR. HIGHT: Is the authorization to eject or
20 bring under lease a marina at the San Joaquin River near
21 Manteca.

22 ACTING CHAIRPERSON RASMUSSEN: Questions on 33?
23 None.

24 Item 33 is approved as presented.

25 Item 34.

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1 MR. TROUT: Item 34 is your approval for us
2 to go ahead and execute agreements to do studies
3 authorized by the Legislature between Point Arguello and
4 Point Sal. Primarily it's geophysical and geological
5 work to allow us to work with the federal government
6 on sharing EG revenues and to do some biological
7 characterization and cultural resource characterization
8 to see if there's any impacts of the federal off-shore
9 operations on the State tidelands.

10 ACTING CHAIRPERSON RASMUSSEN: Are there any
11 questions on Item 34? 34 is approved as presented and
12 Item 35 is our last item.

13 MR. HIGHT: This is an authorization to
14 enter into a contract with the firm of Juhl-Wohlleb
15 Associates to do planning for the area of Playa Vista.

16 ACTING CHAIRPERSON RASMUSSEN: Are there any
17 questions on Item 35?

18 COMMISSIONER ORDWAY: No.

19 ACTING CHAIRPERSON RASMUSSEN: No questions.
20 Item 35 is approved as presented.

21 Are there any other items of business to come
22 before the Commission?

23 MR. TROUT: The staff has no other items.

24 ACTING CHAIRPERSON RASMUSSEN: All right.
25 Thank you very much. The meeting is adjourned if I can

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1 find my hammer.

2 (Thereupon the meeting of the State
3 Lands Commission was adjourned at
4 11:45 a.m.)

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CERTIFICATE OF SHORTHAND REPORTER

1
2
3 I, CATHLEEN SLOCUM, a Certified Shorthand
4 Reporter of the State of California, do hereby certify:

5 That I am a disinterested person herein; that
6 the foregoing State Lands Commission meeting was reported
7 in shorthand by me, Cathleen Slocum, a Certified
8 Shorthand Reporter of the State of California, and there-
9 after transcribed into typewriting.

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

13 IN WITNESS WHEREOF, I have hereunto set my
14 hand this 13 day of August, 1985.

15
16
17 *Cathleen Slocum*
18 CATHLEEN SLOCUM
19 Certified Shorthand Reporter
20 License No. 2822
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