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MEETING  
STATE OF CALIFORNIA  
STATE LANDS COMMISSION

ORIGINAL

STATE CAPITOL  
ROOM 447  
SACRAMENTO, CALIFORNIA

THURSDAY, OCTOBER 26, 1989

10:10 A. M.

Ronald J. Peters  
Certified Shorthand Reporter  
License Number 2780

COMMISSION MEMBERS PRESENT

2 Honorable Leo T. McCarthy, Lieutenant Governor,  
3 Chairman

4 Mr. Gray Davis, State Controller, represented by  
5 Mr. James Tucker, Chief Deputy Controller

6 Mr. Jesse R. Huff, Director of Finance, represented by  
7 Mr. LaFenus Stancell, Assistant Director

STAFF PRESENT

8  
9 Ms. Claire T. Dedrick, Executive Officer

10 Mr. James F. Trout, Assistant Executive Officer

11 Mr. Robert C. Hight, Chief Counsel

12 Mr. W. M. Thompson, Chief, Long Beach

13 Mr. L. H. Grimes, Deputy Chief

ALSO PRESENT

14 Mr. Jan S. Stevens, Deputy Attorney General

I N D E X

	<u>Page</u>
1	
2	
3	
4	Proceedings 1
5	Call to order 1
6	Confirmation of minutes of the
7	September 27, 1989 Meeting 2
8	<u>Consent Calendar</u>
9	Consent Calendar Items 1 through 11 passed as recommended 2
10	<u>Regular Calendar Items</u>
11	Item 12 2
12	Item 13 2
13	Item 14 3
14	Item 15 3
15	Item 16 3
16	Item 17 (Off Calendar)
17	Item 18 (Off Calendar)
18	Item 19 4
19	Item 20 4
20	Item 21 (Off Calendar)
21	Item 22 (Off Calendar)
22	Item 23 5
23	Item 24 5
24	Item 25 6
25	Item 26 6
	Item 27 6

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24  
25Page

Item 28 (Off Calendar)	
Item 29	7
Item 30 (Off Calendar)	
Item 31 (Off Calendar)	
Item 32	7
Item 33 (Off Calendar)	
Item 34 (Off Calendar)	
Item 35	7
Item 36 (Off Calendar)	
Item 37 (Off Calendar)	
Item 38	8
Adjournment	8
Certificate of Shorthand Reporter	9

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P R O C E E D I N G S

1  
2 CHAIRMAN MC CARTHY: Well, Ladies and Gentlemen,  
3 welcome to this meeting of the State Lands Commission.

4 On my right is Commissioner Jim Tucker,  
5 representing Controller Gray Davis, and on my left is  
6 Commissioner Stan Stancell, representing the Director of  
7 Finance, Jesse Huff.

8 My name is Leo McCarthy.

9 I'd like to tell you first of all, the items that  
10 are going to be pulled off the calendar so that those of  
11 you who might be waiting for these items, we won't detain  
12 you.

13 Consent Item Number 8, and then regular Calendar  
14 Items 17, 18, 21, 22, 28, 30, 31, 33, 34 and 36.

15 We are also going to pull Item 37 off, but  
16 first I want to ask our Chief Counsel, Robert Hight, to  
17 make a statement on that matter before we do.

18 CHIEF COUNSEL HIGHT: Yes, Mr. Chairman.

19 We are asking you to pull Item Number 37, which  
20 is consideration of a lease with Monterey Sand Company, at  
21 their request.

22 They believe that they did not get adequate  
23 notice pursuant to the 10-day notice requirement. Our  
24 records indicate that we sent it.

25 Apparently, because of the earthquake problems,

1 they did not receive it.

2 As we agreed in the Executive Session, the  
3 lease will be continued until December 15th.

4 CHAIRMAN MC CARTHY: Thank you.

5 Without objection, Item 37 will also be pulled  
6 off calendar.

7 The minutes of the last meeting are approved  
8 as presented.

9 The Consent Calendar is before the Commission.  
10 Any further public comment on the Consent  
11 Calendar?

12 By Members of the Commission?

13 If not, the Consent Calendar is approved  
14 unanimously.

15 Now we will go to Item Number 12.

16 EXECUTIVE OFFICER DEDRICK: Item Number 12,  
17 Mr. Chairman, deals with William May and Betty Lou May,  
18 Applicants. This is approval of a five-year Recreational  
19 Pier Permit for the construction and maintenance of a  
20 pier and boatlift, and some mooring buoys at Lake Tahoe at  
21 Meeks Bay in El Dorado County.

22 CHAIRMAN MC CARTHY: Any questions by Members of  
23 the Commission or of the public?

24 It is approved as recommended.

25 Thirteen.

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1 EXECUTIVE OFFICER DEDRICK: Item 13, Moana  
2 Beach Property Owners Association, Inc. This is another  
3 Recreational Pier Permit, and in this case it is located  
4 at McKinney Bay in Placer County.

5 CHAIRMAN MC CARTHY: Questions by Members of  
6 the Commission or the public?

7 All right. That is approved as recommended.

8 Fourteen.

9 EXECUTIVE OFFICER DEDRICK: Item 14. This is  
10 the Hansons, Dale and Margery. This is approval of a five-  
11 year Recreational Pier Permit. The purpose of this permit  
12 is to allow them to add new decking and retain an existing  
13 mooring buoy.

14 CHAIRMAN MC CARTHY: Questions?

15 Approved as recommended.

16 Fifteen.

17 EXECUTIVE OFFICER DEDRICK: Item 15 is an  
18 assignment from Shell Western to Chevron of a lease for  
19 pipelines in Suisun Bay, Contra Costa County and Solano  
20 County.

21 CHAIRMAN MC CARTHY: Questions by Member of the  
22 Commission or the public?

23 Approved as recommended.

24 Sixteen.

25 EXECUTIVE OFFICER DEDRICK: Item 16. Again,

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1 this is an assignment from Shell Western to Chevron, also  
2 for a right of way for the pipeline. This is near Ryer  
3 Island in Solano County.

4 It is also approval of a 20-year replacement  
5 lease for the earlier lease.

6 CHAIRMAN MC CARTHY: Questions by Members of the  
7 Commission or the public?

8 Approved as recommended.

9 Nineteen.

10 EXECUTIVE OFFICER DEDRICK: Item 19, State  
11 Lands Commission as a party. This is a Memorandum of  
12 Understanding between the Forest Service and the State  
13 Lands Commission dealing with an exchange of properties.

14 Primarily the State Lands' lands are of lower  
15 value and are located primarily in the southern forests  
16 surrounded by Forest Service land, and we will receive in  
17 return for that an equal value in land, but smaller acreage,  
18 primarily in Mendocino County, adjacent to lands already  
19 owned by the Lands Commission.

20 CHAIRMAN MC CARTHY: All right.

21 Questions by Members of the Commission or the  
22 public?

23 All right. Approved as recommended.

24 Number 20.

25 EXECUTIVE OFFICER DEDRICK: Item 20 is State

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1 Lands Commission. This is an authorization for an amendment  
2 to Item 27 of the June 30, 1988 meeting.

3 At that time the Commission authorized a  
4 deposit of \$448,000 into the School Land Bank Fund.  
5 Subsequent review of the appraisals show that the property  
6 acquired by the State was more valuable than we had  
7 thought, and therefore the money to be deposited is  
8 \$405,200, rather than \$448,000.

9 CHAIRMAN MC CARTHY: Any comments by Members  
10 of the Commission or the public?

11 That is approved as recommended.  
12 Item 23.

13 EXECUTIVE OFFICER DEDRICK: Item 23. This is  
14 a Borrow Permit lease to the United States Department of  
15 the Interior for armor rock for the Colorado River levees  
16 in San Bernardino County.

17 CHAIRMAN MC CARTHY: Questions?  
18 It is approved.  
19 Item 24.

20 EXECUTIVE OFFICER DEDRICK: Twenty-four,  
21 Union Oil Company of California.

22 This is Thermal Power Company and N. E. C.  
23 This is an amendment to geothermal resources  
24 leases in Lake and Mendocino Counties.

25 CHAIRMAN MC CARTHY: Questions by Members of the

1 Commission?

2 Approved.

3 Twenty-five.

4 EXECUTIVE OFFICER DEDRICK: Item 25 is a request  
5 by Exxon Company for a two-year deferment of drilling of  
6 an Oil and Gas Lease, Number 3499, in Santa Barbara County.

7 CHAIRMAN MC CARTHY: Questions?

8 All right. Approved.

9 Twenty-six.

10 EXECUTIVE OFFICER DEDRICK: Item 26. This is  
11 the City of Long Beach, a request for the removal of a  
12 10-cent bonus requirement to facilitate the sale by  
13 Century Resources Development of interests in Tract 1 and  
14 Tract 2 in the Long Beach Unit in Los Angeles County.

15 The removal of the bonus requirement is  
16 dependant upon the Century Resources Development providing the  
17 Commission with an acceptable, financially responsible  
18 purchaser.

19 CHAIRMAN MC CARTHY: Questions.

20 All right. Approved.

21 Twenty-seven.

22 EXECUTIVE OFFICER DEDRICK: Item 27 is consent  
23 by the City of Long Beach to the assignments to ARCO of  
24 the interests of Texaco, Unocal and Shell in the Long  
25 Beach Unit in Los Angeles County.

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1 CHAIRMAN MC CARTHY: Any questions?

2 All right. That is approved.

3 Twenty-nine.

4 EXECUTIVE OFFICER DEDRICK: Twenty-nine, the  
5 first quarter status report on the 1989-'90 plan of  
6 development and operations of the Long Beach Unit, Los  
7 Angeles County.

8 CHAIRMAN MC CARTHY: Any questions?

9 Approved.

10 Thirty-two.

11 EXECUTIVE OFFICER DEDRICK: Thirty-two, the  
12 City of Oak and, the Kumam Corporation.

13 This is a request for an extension of the final  
14 date for recordation of a Settlement Agreement for property  
15 in the City of Oakland, Alameda County, actually on Lake  
16 Merced.

17 CHAIRMAN MC CARTHY: Any questions?

18 That is approved.

19 Thirty-five.

20 EXECUTIVE OFFICER DEDRICK: Thirty-five. This  
21 is a Compromise Title Settlement Agreement between us and  
22 the Bay Meadows Race Track.

23 This involves a deposit of \$32,500 in the  
24 Sovereign Lands Trust, Commissioners. The agreement requires  
25 that we attempt to find lands within the City of San Mateo

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1 upon which this Trust Fund could be spent but that that  
2 requirement has a three-year limitation.

3 CHAIRMAN MC CARTHY: Any questions?

4 All right. That is approved.

5 Thirty-eight.

6 EXECUTIVE OFFICER DEDRICK: Thirty-eight, United  
7 States Department of Interior, the National Oceanic and  
8 Atmospheric Administration.

9 This is a Memorandum Agreement between State  
10 Lands Commission and NOAA and Interior to perform a  
11 natural resources damage assessment of damages resulting  
12 from the deposit of DDT and PCB along the coast in the  
13 vicinity of the City of Los Angeles.

14 CHAIRMAN MC CARTHY: Any questions?

15 That is approved.

16 That concludes the Commission hearing.

17 Thank you, Ladies and Gentlemen.

18 EXECUTIVE OFFICER DEDRICK: Thank you,  
19 Mr. Chairman and thank you, Commissioners.

20 (Thereupon the October 26, 1989 Meeting  
21 of the State Lands Commission was adjourned  
22 at 10:20 a.m.)  
23  
24  
25

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CERTIFICATE OF SHORTHAND REPORTER

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I, RONALD J. PETERS, a Certified Shorthand Reporter of the State of California, do hereby certify that I am a disinterested person herein; that I reported the foregoing State Lands Commission Meeting in shorthand and thereafter caused my shorthand writing to be transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said meeting, nor in any interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 30<sup>TH</sup> day of October, 1989.

  
Ronald J. Peters  
Certified Shorthand Reporter  
License Number 2780