

MEETING
STATE OF CALIFORNIA
LANDS COMMISSION

HOLIDAY INN CAPITOL PLAZA
CALIFORNIA ROOM
300 J STREET
SACRAMENTO, CALIFORNIA

MONDAY, JUNE 29, 2015
9:57 A.M.

JAMES F. PETERS, CSR
CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 10063

A P P E A R A N C E S

COMMISSION MEMBERS:

Mr. Gavin Newsom, Lieutenant Governor, Chairperson,
represented by Mr. Kevin Schmidt

Mr. Michael Cohen, Director of Department of Finance,
represented by Ms. Eraina Ortega

Ms. Betty T. Yee, State Controller, also represented by
Ms. Anne Baker

STAFF:

Ms. Jennifer Lucchesi, Executive Officer

Mr. Dave Brown, Assistant Executive Officer

Mr. Mark Meier, Chief Counsel

Mr. Reid Boggiano, Public Land Management Specialist

Mr. Brian Bugsch, Chief, Land Management Division

Ms. Jennifer DeLeon, Environmental Program Manager,
Division of Environmental Planning and Management

Ms. Sheri Pemberton, Chief, External Affairs and
Legislative Liaison

ATTORNEY GENERAL:

Mr. Joe Rusconi, Deputy Attorney General

ALSO PRESENT:

Mr. Greg Bombard, Avalon Freight Services

Mr. Martin Curtin

Mr. Jared Ficker, Santa Catalina Island Company

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Mr. Michael Garabedian, Committee for 245 Million Acres

Mr. Pablo Garza, The Nature Conservancy

Mr. Jason Giffen, Port of San Diego

Mr. Job Nelson, Port of San Diego

Mr. Daniel Reidy, Catalina Freight Line

Mr. Geoffrey Rusack, Santa Catalina Island Company

Mr. Ricky Russell, California Coastkeeper Alliance

Ms. Sue Vang, Californians Against Waste

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I 10:00 A.M. - CLOSED SESSION: AT ANY TIME DURING THE MEETING THE COMMISSION MAY MEET IN A SESSION CLOSED TO THE PUBLIC TO CONSIDER THE FOLLOWING PURSUANT TO GOVERNMENT CODE SECTION 11126: 1

A. LITIGATION.
THE COMMISSION MAY CONSIDER PENDING AND POSSIBLE LITIGATION PURSUANT TO THE CONFIDENTIALITY OF ATTORNEY-CLIENT COMMUNICATIONS AND PRIVILEGES PROVIDED FOR IN GOVERNMENT CODE SECTION 11126(e).

1. THE COMMISSION MAY CONSIDER MATTERS THAT FALL UNDER GOVERNMENT CODE SECTION 11126(e)(2)(A):

California State Lands Commission v. City and County of San Francisco

Defend Our Waterfront v. California State Lands Commission et al.

Seacliff Beach Colony Homeowners Association v. State of California et al.

SLPR, LLC et al. v. San Diego Unified Port District, State Lands Commission

San Francisco Baykeeper v. State Lands Commission

Keith Goddard v. State of California

Sportsman's Paradise v. California State Lands Commission

California State Lands Commission v. Lee Stearn

City of Santa Monica et al. v. Nugent

City of Santa Monica et al. v. Ornstein

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City of Santa Monica et al. v. Bader
City of Santa Monica et al. v. Levy
City of Santa Monica et al. v. Philbin
City of Santa Monica at al. v. Greene
City of Santa Monica et al. v. Prager
Sierra Club et al. v. City of Los Angeles et al.

2. THE COMMISSION MAY CONSIDER MATTERS THAT FALL UNDER GOVERNMENT CODE SECTION 11126(e)(2)(B) or (2)(C).

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS. THE COMMISSION MAY CONSIDER MATTERS THAT FALL UNDER GOVERNMENT CODE SECTION 11126(c)(7) - TO PROVIDE DIRECTIONS TO ITS NEGOTIATORS REGARDING PRICE AND TERMS FOR LEASING OF REAL PROPERTY.

1. Provide instructions to negotiators regarding entering into a new lease of state land for the Broad Beach Restoration Project, City of Malibu, Los Angeles County. Negotiating parties: Broad Beach Geologic Hazard Abatement District, State Lands Commission; Under negotiation: price and terms.

C. OTHER MATTERS. THE COMMISSION MAY CONSIDER MATTERS THAT FALL UNDER GOVERNMENT CODE SECTION 11126(e)(2)(B) or (2)(C). THE COMMISSION MAY ALSO CONSIDER PERSONNEL ACTIONS TO APPOINT, EMPLOY, OR DISMISS A PUBLIC EMPLOYEE AS PROVIDED IN GOVERNMENT CODE SECTION 11126(a)(1).

II OPEN SESSION

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III CONFIRMATION OF MINUTES FOR THE MEETING OF APRIL 23, 2015	2
IV EXECUTIVE OFFICER'S REPORT	62
V CONSENT CALENDAR C01-C93 THE FOLLOWING ITEMS ARE CONSIDERED TO BE NON-CONTROVERSIAL AND ARE SUBJECT TO CHANGE AT ANY TIME UP TO THE DATE OF THE MEETING.	2

LAND MANAGEMENT DIVISION
NORTHERN REGION

- C01 HUTCHENS FAMILY LIMITED PARTNERSHIP, A CALIFORNIA LIMITED PARTNERSHIP (APPLICANT): Consider rescission of approval of Lease No. PRC 8147.1, a General Lease - Recreational Use, acceptance of payment, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8405 Meeks Bay Avenue, near Tahoma, El Dorado County; for an existing pier, boat lift, and one existing mooring buoy previously authorized by the Commission and one existing mooring buoy not previously authorized by the Commission. CEQA Consideration: rescission and acceptance of payment - not projects; lease - categorical exemption. (PRC 8147.1; RA# 10011) (A 5; S 1)(Staff: M.J. Columbus)

- C02 LILA L. SCHIFFNER (LESSEE); DENNIS CORNELL AND CHARLENE NIIZAWA (APPLICANT): Consider termination of Lease No. PRC 6935.9, a Recreational Pier Lease, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 95 Chipmunk Street, near Kings Beach, Placer County; for one existing mooring buoy. CEQA Consideration: termination - not a project; lease - categorical exemption. (PRC 6935.1; RA# 27014) (A 1; S 1)(Staff: M.J. Columbus)

- C03 MERDDYN E. BENARD AND MARK E. BENARD, TRUSTEES OF THE MARK BENARD AND MERDDYN BENARD FAMILY TRUST DATED JULY 1, 1994 (APPLICANT): Consider application for a General Lease - Recreational

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Use, of sovereign land located in Donner Lake, adjacent to 14822 South Shore Drive, near the town of Truckee, Nevada County; for an existing pier. CEQA Consideration: categorical exemption. (PRC 8538.1; RA# 27514) (A 1; S 1)
(Staff: M.J. Columbus)

C04 MOANA BEACH PROPERTY OWNERS ASSOCIATION, INC. (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to Assessor's Parcel Number 098-191-011, near Homewood, Placer County; for an existing pier. CEQA Consideration: categorical exemption. (PRC 7354.1; RA# 26614) (A 1; S 1) (Staff: M.J. Columbus)

C05 REED A. SAMMET AND CYNTHIA A. SAMMET (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Albion River, adjacent to 33601 Albion Ridge Road, near Albion, Mendocino County; for an existing boat dock previously authorized by the Commission, and an existing shed and two wooden posts not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 3939.1; RA# 05409) (A 2; S 2)
(Staff: M.J. Columbus)

C06 T. GARY ROGERS AND KATHLEEN TUCK ROGERS, CO-TRUSTEES OF THE ROGERS LPRP LEGACY TRUST DATED MARCH 31, 2007 AND T. GARY ROGERS AND KATHLEEN TUCK ROGERS, CO-TRUSTEES OF THE ROGERS REVOCABLE TRUST DATED DECEMBER 31, 1981 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 1390 West Lake Boulevard, near Tahoe City, Placer County; for an existing pier, boat lift, and two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 6714.1; RA# 26114) (A 1; S 1)
(Staff: M.J. Columbus)

C07 URBANA TAHOE TC, LLC (LESSEE), CAPITALSOURCE, A DIVISION OF PACIFIC WESTERN BANK (SECURED-PARTY LENDER): Consider application for an Agreement and Consent to Encumbrancing of Lease No. PRC

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- 3981.1, a General Lease - Commercial Use, of sovereign land located in Lake Tahoe, adjacent to 3411 Lake Tahoe Boulevard, city of South Lake Tahoe, El Dorado County; for an existing commercial marina known as Timber Cove Lodge Marina. CEQA Consideration: not a project. (PRC 3981.1; RA# 35614) (A 5; S 1)
(Staff: M.J. Columbus)
- C08 WALLACE AND JANET BREUNER, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4990 West Lake Boulevard, near Homewood, Placer County; for an existing pier and one mooring buoy. CEQA Consideration: categorical exemption. (PRC 4140.1; RA# 30514)
(A 1; S 1) (Staff: M.J. Columbus)
- C09 GUSTAV E. AHLSTROM, TRUSTEE OF THE GUSTAV E. AHLSTROM REVOCABLE TRUST DATED OCTOBER 13, 2000 (LESSEE); DALE DARLING AND JUDY DARLING (APPLICANT): Consider termination of Lease No. PRC 6902.9, a General Lease - Recreational and Protective Structure Use, and an application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 32946 South River Road, near Clarksburg, Yolo County; for an existing uncovered floating boat dock, appurtenant facilities, and bank protection. CEQA Consideration: termination - not a project; lease - categorical exemption. (PRC 6902.1; RA# 17414)
(A 4; S 3)(Staff: S. Kreutzburg)
- C10 MATTHEW W. SHELTON AND KELLEY M. SHELTON, AS TRUSTEES OF THE SHELTON FAMILY REVOCABLE TRUST, DATED DECEMBER 22, 1997 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Donner Lake, adjacent to 14594 South Shore Drive, near the town of Truckee, Nevada County; for an existing pier not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 26849;RA# 27114) (A 1; S 1)
(Staff: S. Kreutzburg)

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- C11 PETER R. CHRISTL AND DANA A. CHRISTL, TRUSTEES OF THE CHRISTL FAMILY TRUST DATED FEBRUARY 17, 2006 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2845 West Lake Boulevard, near Tahoe City, Placer County; for two existing mooring buoys not previously authorized by the Commission. CEQA consideration: categorical exemption. (W 26199; RA# 28614) (A 1; S 1)(Staff: S. Kreutzburg)
- C12 ROBERT WAGNER, TRUSTEE AND MELISSA WAGNER, TRUSTEE OF THE WAGNER FAMILY TRUST DATED MAY 22, 1990 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 1950 West Lake Boulevard, near Tahoe City, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 7930.1; RA# 25614) (A1; S1) (Staff: S. Kreutzburg)
- C13 ROBERT H. ZERBST AND ANNE K. ZERBST, TRUSTEES OF THE ZERBST 2003 FAMILY TRUST DATED MARCH 28, 2003 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2600 West Lake Boulevard, near Tahoe City, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 7401.1; RA# 28414) (A 1; S 1) (Staff: S. Kreutzburg)
- C14 ROBERT R. MYRMEL AND CAROLYN J. MYRMEL (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8144 Brockway Vista Avenue, near Kings Beach, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 8428.1; RA# 18811) (A 1; S 1) (Staff: S. Kreutzburg)
- C15 ROLAND A. VON METZSCH AND CHRISTINE WENTE VON METZSCH, TRUSTEES OF THE CHRISTINE AND ROLAND VON METZSCH FAMILY TRUST DATED OCTOBER 11, 2010, AND ERIC P. WENTE, TRUSTEE OF THE CHRISTINE AND

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ROLAND VON METZSCH 2012 IRREVOCABLE TRUST (LESSEE): Consider an amendment of lease to Lease No. PRC 5598.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2220 Sunnyside Lane, near Tahoe City, Placer County; for an existing pier, open-sided boathouse, two boat hoists, and two mooring buoys. CEQA consideration: not a project. (PRC 5598.1; RA# 30014) (A 1; S 1)
(Staff: S. Kreutzburg)

- C16 SHELDON J. KAPHAN, TRUSTEE OF THE SHELDON J. KAPHAN REVOCABLE TRUST OF 2000, DATED DECEMBER 19, 2000 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3095 Jameson Beach Road, city of South Lake Tahoe, El Dorado County; for an existing pier and one mooring buoy. CEQA Consideration: categorical exemption. (PRC 3505.1; RA# 28114) (A 5; S 1)
(Staff: S. Kreutzburg)
- C17 SUSAN M. IRWIN AND KEITH D. IRWIN (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Donner Lake, adjacent to 13870 South Shore Drive, near the town of Truckee, Nevada County; for an existing pier. CEQA Consideration: categorical exemption. (PRC 7741.1; RA# 16814) (A 1; S 1)
(Staff: S. Kreutzburg)
- C18 WILLIAM STANTON SUTTON AND MARILYN LEIGH SUTTON, TRUSTEES OF THE SUTTON FAMILY TRUST DATED DECEMBER 5, 1980 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4523 West Lake Boulevard, near Tahoe Pines, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 5510.1; RA# 24614) (A 1; S 1)
(Staff: S. Kreutzburg)
- C19 ASPEN EXPLORATION CORPORATION (LESSEE): Consider waiver of rent, penalty, and interest and termination of Lease No. PRC 8569.1, a General Lease - Right-of-Way Use, of sovereign land

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located in the Feather River, adjacent to Assessor's Parcel Numbers 34-150-001 and 34-150-008, near Verona, Sutter County; for an existing natural gas pipeline abandoned in place. CEQA Consideration: termination and waiver of rent, penalty, and interest - not projects; pipeline abandonment - categorical exemption. (PRC 8569.1; RA# 05810) (A 3; S 4) (Staff: N. Lee)

C20 ALBERT D. GIOVANNONI, TRUSTEE OF THE ALBERT D. GIOVANNONI TRUST, DATED JULY 3, 1991 (LESSEE): Consider revision of rent to Lease No. PRC 5822.1, a General Lease - Commercial Use, of sovereign land located in the Napa River, adjacent to Assessor's Parcel Number 047-261-007, near the city of Napa, Napa County; for a commercial concrete boat launching ramp, gangway, and two floating docks. CEQA Consideration: not a project. (PRC 5822.1) (A 4; S 3) (Staff: M. Schroeder)

C21 BRENDA JOHNSON, TRUSTEE OF THE BRYTE JOHNSON AND BRENDA JOHNSON 1995 LIVING TRUST DATED MAY 19, 1995; NANCY M. JOHNSON, TRUSTEE OF THE JERRY JOHNSON MARITAL DEDUCTION QTIP TRUST, ESTABLISHED NOVEMBER 7, 1994; NANCY M. JOHNSON, AND SUCCESSORS IN TRUST, AS TRUSTEE OF THE JOHNSON QUALIFIED PERSONAL RESIDENCE TRUST TAHOE, DATED AUGUST 1, 2012; AND GERALD REID JOHNSON III AND MARY BRYTE JOHNSON, TRUSTEES OF THE JERRY AND NANCY JOHNSON RESIDUAL TRUST, CREATED NOVEMBER 7, 1994 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3975 Bellevue Avenue, near Homewood, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 7400.1; RA# 20714) (A 1; S 1) (Staff: M. Schroeder)

C22 CALIFORNIA DEPARTMENT OF PARKS AND RECREATION (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in Pine Creek, within Section 22, Township 22 North, Range 1 West, MDM, near the

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city of Chico, Butte County; for removal of an existing boat launching ramp and construction of a new boat launching ramp and appurtenant facilities. CEQA Consideration: Mitigated Negative Declaration, adopted by the California Department of Boating and Waterways, State Clearinghouse No. 2012042027, and adoption of a Mitigation Monitoring Program. (W 26617; RA# 18814) (A 3; S 4)(Staff: M. Schroeder)

- C23 CARL E. BEST, TRUSTEE OF THE WHITNEY BEST TRUST, CREATED UNDER THE SHELBY E. BEST REVOCABLE TRUST, DATED AUGUST 25, 1998; SCOTT R. BEST; WHITNEY L. BEST; AND TRACY DEMETRE (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3590 West Lake Boulevard, near Tahoe Pines, Placer County; for an existing pier and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 4230.1; RA# 20314) (A 1; S 1) (Staff: M. Schroeder)
- C24 DANNY GIOVANNONI, THOMAS GIOVANNONI, AND REBECCA GIOVANNONI (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Napa River, adjacent to 1234 Milton Road, city of Napa, Napa County; for an existing deck, uncovered floating boat dock, appurtenant facilities, and bank protection not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 26834; RA# 21914) (A 4; S 3) (Staff: M. Schroeder)
- C25 GARY W. CHANEY AND LORALEE D. CHANEY, TRUSTEES OF THE CHANEY FAMILY TRUST OF 1998 U.D.T. DATED JULY 7, 1998, DBA THE CHANEY HOUSE (APPLICANT): Consider application for a General Lease - Commercial Use, of sovereign land located in Lake Tahoe, adjacent to 4725 West Lake Boulevard, near Homewood, Placer County; for an existing pier and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 4285.1; RA# 17114) (A 1; S 1) (Staff: M. Schroeder)

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- C26 HUMBOLDT REDWOOD COMPANY, LLC, A DELAWARE LIMITED LIABILITY COMPANY (LESSEE): Consider revision of rent to Lease No. PRC 7171.1, a General Lease - Right-of-Way Use, of sovereign land located in the Eel River, adjacent to Assessor's Parcel Number 205-351-18, near the town of Scotia, Humboldt County; for a seasonal bridge. CEQA Consideration: not a project. (PRC 7171.1) (A 2; S 2) (Staff: M. Schroeder)
- C27 JAMES VOGT (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Napa River, adjacent to 1230 Milton Road, city of Napa, Napa County; for an existing uncovered single-berth floating boat dock, deck, and appurtenant facilities previously authorized by the Commission, and eight existing pilings and bank protection not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 6745.1; RA# 21310) (A 4; S 3) (Staff: M. Schroeder)
- C28 JOHN H. SCULLY, TRUSTEE OF THE JOHN H. SCULLY LIVING TRUST, DATED OCTOBER 1, 2003 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 1360 West Lake Boulevard, Tahoe City, Placer County; for an existing pier, boat lift, and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 7380.1; RA# 12314) (A 1; S 1) (Staff: M. Schroeder)
- C29 LAKESIDE PIER ASSOCIATION (LESSEE): Consider amendment and revision of rent to Lease No. PRC 6851.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to Assessor's Parcel Number 016-091-47, near Meeks Bay, El Dorado County; for an existing pier. CEQA Consideration: not projects. (PRC 6851.1) (A 5; S 1) (Staff: M. Schroeder)
- C30 MARC KENNETH ROOS AND KATHERINE COTSWORTH ROOS, TRUSTEES OF THE ROOS FAMILY REVOCABLE LIVING TRUST AGREEMENT DATED JUNE 22, 2005 (LESSEE):

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Consider revision of rent to Lease No. PRC 8872.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2985 West Lake Boulevard, near Homewood, Placer County; for an existing mooring buoy. CEQA Consideration: not a project. (PRC 8872.1) (A 1; S 1)(Staff: M. Schroeder)

C31 MATTHEW ADRIAN YOUNG AND PAMELA DIANE THOMPSON YOUNG, TRUSTEES OF THE YOUNG FAMILY TRUST DATED MAY 16, 2013 (APPLICANT): Consider rescission of approval of Lease No. PRC 8456.1, a General Lease - Recreational Use, and an application for a General Lease - Recreational Use, of sovereign land located in the Napa River, adjacent to 1308 Milton Road, city of Napa, Napa County; for an existing uncovered floating boat dock and appurtenant facilities. CEQA Consideration: rescission - not a project; lease - categorical exemption. (PRC 8456.1; RA# 30612) (A 4; S 3) (Staff: M. Schroeder)

C32 MERRILL D. MARTIN, TRUSTEE OF THE MERRILL D. MARTIN QUALIFIED PERSONAL RESIDENCE TRUST-II, U/T/A DATED FEBRUARY 11, 2011; AND LILLIAN Z. MARTIN, TRUSTEE OF THE LILLIAN Z. MARTIN QUALIFIED PERSONAL RESIDENCE TRUST-II, U/T/A DATED FEBRUARY 11, 2011 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3085 Jameson Beach Road, city of South Lake Tahoe, El Dorado County; for an existing pier. CEQA Consideration: categorical exemption. (PRC 4320.1; RA# 22214) (A 5; S 1) (Staff: M. Schroeder)

C33 NORTH STATE PROPERTY INVESTMENTS, INC., A NEVADA CORPORATION (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Napa River, adjacent to 1546 Milton Road, city of Napa, Napa County; for an existing uncovered floating boat dock, appurtenant facilities, and installation of decking surface not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 26806; RA# 14514) (A 4; S 3) (Staff: M. Schroeder)

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- C34 NORTH TAHOE WATERSPORTS, INC. (APPLICANT): Consider application for a General Lease - Commercial Use, of sovereign land located in Lake Tahoe, adjacent to 8400 North Lake Boulevard, Kings Beach, Placer County; for five existing mooring buoys not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 26837; RA# 09614) (A 1; S 1) (Staff: M. Schroeder)
- C35 SAMOA PACIFIC CELLULOSE, LLC (LESSEE); HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT (APPLICANT/SUBLESSOR); DG FAIRHAVEN POWER, LLC (SUBLESSEE): Consider termination of Lease No. PRC 3186.1, a General Lease - Right-of-Way Use, an application for a General Lease - Right-of-Way Use, and approval of a sublease, of sovereign land located in the Pacific Ocean, adjacent to Assessor's Parcel Number 401-111-006, near Samoa, Humboldt County; for an existing effluent outfall pipeline. CEQA Consideration: termination and sublease - not projects; lease - categorical exemption. (PRC 3186.1; RA# 23013, 24508) (A 2; S 2) (Staff: M. Schroeder)
- C36 SIMPSON PAPER COMPANY (APPLICANT): Consider termination of Lease No. PRC 3929.1, a General Lease - Right-of-Way Use, and an application for a General Lease - Right-of-Way Use, of sovereign land located in the Pacific Ocean, adjacent to Assessor's Parcel Number 401-121-007, near the city of Eureka, Humboldt County; for two existing non-operational effluent outfall pipelines. CEQA Consideration: termination - not a project; lease - categorical exemption. (PRC 3393.1, PRC 3929.1; RA# 13714) (A 2; S 2) (Staff: M. Schroeder)
- C37 CHAMBERS LANDING PARTNERSHIP, A CALIFORNIA GENERAL PARTNERSHIP (LESSEE): Consider revision of rent to Lease No. PRC 5499.1, a General Lease - Commercial Use, of sovereign land located in Lake Tahoe, adjacent to 6500 West Lake Boulevard, near Homewood, Placer County; for a commercial pier and bar/clubhouse. CEQA Consideration: not a project. (PRC 5499.1) (A 1; S 1) (Staff: B. Terry)

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- C38 FLEUR DU LAC ESTATES ASSOCIATION (LESSEE): Consider revision of rent to Lease No. 6454.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4000 West Lake Boulevard, near Homewood, Placer County; for two existing sheet pile piers with breakwater and floating boat slips; one steel sheet pile jetty and breakwater; a portion of a boathouse; submerged remnants of wood pile jetties; and maintenance dredging. CEQA Consideration: not a project. (PRC 6454.1) (A 1; S 1)
(Staff: B. Terry)
- C39 INNEX CALIFORNIA, INC., A TEXAS CORPORATION (LESSEE): Consider revision of rent to Lease No. PRC 8472.1, a General Lease - Right-of-Way Use, of sovereign land located in the Eel River, near Alton, Humboldt County; for a natural gas pipeline. CEQA Consideration: not a project. (PRC 8472.1) (A 2; S 2)(Staff: B. Terry)
- C40 LAKESIDE PARK ASSOCIATION (LESSEE): Consider application for an amendment to Lease No. PRC 5883.1, a General Lease - Commercial and Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4041 Lakeshore Boulevard, city of South Lake Tahoe, El Dorado County; to include a one-time maintenance dredging. CEQA Consideration: categorical exemption.
(PRC 5883.1; RA# 30314) (A 5; S 1)
(Staff: B. Terry)
- C41 NORTH TAHOE CRUISES, INC. (LESSEE): Consider revision of rent to Lease No.PRC 8663.1, a General Lease - Commercial Use, of sovereign land located in Lake Tahoe, adjacent to 950 North Lake Boulevard, near Tahoe City, Placer County; for the commercial operation of the "Tahoe Gal" tour boat. CEQA Consideration: not a project. (PRC 8663.1) (A 1; S 1) (Staff: B. Terry)
- C42 REID W. DENNIS AND MARGARET E. DENNIS, TRUSTEES, OR SUCCESSOR TRUSTEES, UNDER THE REID AND MARGARET DENNIS LIVING TRUST U/A/D JULY 7, 1989 (LESSEE); DAVID A. OLSON AND LYNN D. OLSON, AS

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TRUSTEES OF THE OLSON FAMILY TRUST AS AMENDED AND RESTATED IN 2001, DATED JANUARY 3, 2001 (APPLICANT): Consider acceptance of a quitclaim deed for Lease No. PRC 7277.1, a General Lease - Recreational Use, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 1340 West Lake Boulevard, near Tahoe City, Placer County; for an existing pier, two boathouses, three boat lifts, and one boat hoist. CEQA Consideration: quitclaim - not a project; lease - categorical exemption. (PRC 7277.1; RA# 33614) (A 1; S 1) (Staff: B. Terry)

C43 RESERVATION RANCH dba SHIP ASHORE, A GENERAL PARTNERSHIP (APPLICANT): Consider application for a General Lease - Other, of sovereign land located in the Smith River, adjacent to Assessor's Parcel Numbers 102-170-03, 102-170-05, and 102-010-35, near Crescent City, Del Norte County; for existing pilings and remnant pilings, deck, boat ramp, breakwater, fill area, concrete abutment, and riprap. CEQA consideration: categorical exemption. (PRC 5284.1; RA# 05412) (A 4; S 1) (Staff: B. Terry)

C44 SDC TAHOE CITY, LLC (LESSEE): Consider an amendment of lease and revision of rent to Lease No. PRC 3495.1, a General Lease - Commercial Use, of sovereign land located in Lake Tahoe, adjacent to 950 North Lake Boulevard, near Tahoe City, Placer County; for an existing commercial pier. CEQA Consideration: not a project. (PRC 3495.1) (A 1; S 1) (Staff: B. Terry)

C45 TAHOE DONNER ASSOCIATION (LESSEE): Consider an amendment to Lease No. PRC 4909.1, a Non-Commercial Lease, of sovereign land located in Donner Lake, adjacent to 12915 and 12993 Donner Pass Road, near the town of Truckee, Nevada County; to adjust lease area, and revise rent and exhibits. CEQA Consideration: categorical exemption. (PRC 4909.1; RA# 25414) (A 1; S 1)(Staff: B. Terry)

BAY/DELTA REGION

- C46 GEORGE E. ONG AND JENNIE Y. ONG; THOMAS NG AND KAY T. NG; AND TOMOYUKI YOKOMIZO (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in Steamboat Slough, adjacent to 3415 Snug Harbor Drive, on Ryer Island, near Walnut Grove, Solano County; for an existing wood deck, uncovered floating boat dock, appurtenant facilities, and bank protection not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 26858; RA# 30714) (A 11; S 3)(Staff: G. Asimakopoulos)
- C47 JOSEPH E. UPHAM AND MARY B. UPHAM (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 85 Edgewater Drive, near the city of Rio Vista, Solano County; for an existing wood deck, uncovered floating boat dock, appurtenant facilities, bulkhead, and bank protection not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 26859; RA# 30814) (A 11; S 3) (Staff: G. Asimakopoulos)
- C48 KATHERINE J. DAVIS (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in Steamboat Slough, adjacent to 3426 Snug Harbor Drive, on Ryer Island, near Walnut Grove, Solano County; for an existing wood deck, uncovered floating boat dock, appurtenant facilities, and bank protection not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 26848; RA# 27214) (A 11; S 3)(Staff: G. Asimakopoulos)
- C49 KEITH E. LINDSEY AND LELA LINDSEY, TRUSTEES OF THE KEITH AND LELA LINDSEY FAMILY TRUST DATED APRIL 24, 1996 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in Steamboat Slough, adjacent to 13944 Grand Island Road, on Grand Island, near Walnut Grove,

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- Sacramento County; for an existing uncovered floating boat dock, appurtenant facilities, boat launch ramp, and bank protection. CEQA Consideration: categorical exemption. (PRC 7929.1; RA # 30414) (A 11; S 3)
(Staff: G. Asimakopoulos)
- C50 PATRICK J. ROONEY AND JULIE E. ROONEY, AS TRUSTEES OF THE ROONEY 2012 LIVING TRUST DATED SEPTEMBER 24, 2012 (APPLICANT): Consider termination of Lease No. PRC 8790.9, a General Lease - Recreational and Protective Structure Use, and an application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 6825 Garden Highway, near the city of Sacramento, Sacramento County; for an existing uncovered single-berth floating boat dock, appurtenant facilities, and bank protection previously authorized by the Commission; and a boat lift, jet-ski float, electric utility outlet not previously authorized by the Commission, and the construction of a proposed gable roof structure. CEQA Consideration: termination - not a project; lease - categorical exemption. (PRC 8790.1; RA# 31114) (A 7; S 6)
(Staff: G. Asimakopoulos)
- C51 RAYMOND F. BRANT AND ANN L. BRANT, TRUSTEES OF THE RAYMOND F. AND ANN L. BRANT TRUST DATED DECEMBER 22, 1992 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 17400 Grand Island Road, on Long Island, near Walnut Grove, Sacramento County; for an existing floating boat dock, walkway, covered pier, and ramp previously authorized by the Commission; and a boat hoist, not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 4763.1; RA# 35114) (A 11; S 3)
(Staff: G. Asimakopoulos)
- C52 RIO VIENTO RV PARK, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational

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Use, of sovereign land located in the Sacramento River, adjacent to 4460 West Sherman Island Road, on Sherman Island, near the city of Rio Vista, Sacramento County; for three existing pedestrian access ramps. CEQA Consideration: categorical exemption. (PRC 8578.1; RA # 29414) (A 11; S 3) (Staff: G. Asimakopoulos)

C53 RIO VIENTO RV PARK, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to Assessor's Parcel Number 158-0080-013, on Sherman Island, near the city of Rio Vista, Sacramento County; for an existing uncovered T-shaped floating boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 8579.1; RA# 29514) (A 11; S 3) (Staff: G. Asimakopoulos)

C54 4D FAMILY FARM, LLC (APPLICANT): Consider application for a General Lease -Recreational Use, of sovereign land located in the Sacramento River, adjacent to 14087 Isleton Road, Andrus Island, Sacramento County, to construct a floating boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (W 26829; RA# 20214) (A 11; S 3) (Staff: A. Franzoia)

C55 DARRYL D. WILLIAMS AND ANNA M. WILLIAMS (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 6401 Garden Highway, near the city of Sacramento, Sacramento County; for the use and maintenance of an existing single-berth floating boat dock and appurtenant facilities previously authorized by the Commission; and use and maintenance of a boat lift and two utility conduits not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 7675.1; RA# 28514) (A 7; S 6) (Staff: A. Franzoia)

C56 DELTA GAS GATHERING, INC. (APPLICANT): Consider application for a General Lease - Right-of-Way

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Use, of sovereign land located in Miner Slough, Ryer Island, Solano County; for an existing natural gas pipeline. CEQA Consideration: categorical exemption. (PRC 7832.1; RA# 289714) (A 11; S 3) (Staff: A. Franzoia)

C57 E.I. DUPONT DE NEMOURS AND COMPANY (ASSIGNOR); THE CHEMOURS COMPANY FC, LLC (ASSIGNEE): Consider application for the assignment of Lease, No. PRC 1725.1, General Lease - Right-of-Way Use, as amended, of sovereign land located in the San Joaquin River adjacent to 6000 Bridgehead Road, near the city of Oakley, Contra Costa County; for the decommissioning and removal of an existing outfall pipeline. CEQA Consideration: not a project. (PRC 1725.1; RA# 29714) (A 11; S 7) (Staff: A. Franzoia)

C58 JANET V. BROWNLEE, TRUSTEE OF THE BROWNLEE FAMILY TRUST (APPLICANT): Consider termination of Lease No. 6879.1, a General Lease - Recreational and Protective Structure Use, and an application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 2847 Garden Highway, near the city of Sacramento, Sacramento County; for an existing uncovered floating boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (PRC 6879.1; RA# 28514) (A 7; S 6) (Staff: A. Franzoia)

C59 SILVER PAVILION HOME OWNERS' ASSOCIATION (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in Corte Madera Creek, adjacent to 679-695 South Eliseo Drive, near Greenbrae, Marin County; for an existing four-slip floating dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (PRC 4647.1; RA# 14414) (A 10; S 2) (Staff: A. Franzoia)

C60 DENICE A. DERICCO REVOCABLE TRUST (APPLICANT): Consider an application for a General Lease - Recreational Use, of sovereign land located in

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the Sacramento River, adjacent to 4075 Garden Highway, near the city of Sacramento, Sacramento County; for an existing covered floating dock and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 5126.9; RA# 24010) (A 7; S 6)(Staff: W. Hall)

C61 OMP/I&G CREEKSIDE INVESTORS, LLC (LESSEE); UNION SANITARY DISTRICT (APPLICANT): Consider termination of Lease No. PRC 9118.1, for a General Lease - Right-of-Way Use; and an application for a General Lease - Public Agency Use, of sovereign land located in Penetencia (Scott) Creek, adjacent to APN 519-0820-002-13, city of Fremont, Alameda County; for an existing sewer pipeline and steel casing. CEQA consideration: termination - not a project; lease - categorical exemption. (PRC 9118.9; RA# 09213) (A 25; S 10) (Staff: W. Hall)

C62 RON EDWARDSON (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to APN 142-0110-014, near Walnut Grove, Sacramento County; for three existing steel pilings. CEQA Consideration: categorical exemption. (PRC 8484.1; RA# 27413) (A 11; S 3) (Staff: W. Hall)

C63 SUSAN R. WYCKOFF (ASSIGNOR); AUBURN HAMER, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (ASSIGNEE): Consider application for the assignment of Lease No. PRC 7645.1, General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 1210 2nd Avenue, near Walnut Grove, Sacramento County; for an existing uncovered floating boat dock and appurtenant facilities. CEQA Consideration: not a project. (PRC 7645.1;RA# 24214) (A 11; S 3) (Staff: M. Schroeder)

CENTRAL/SOUTHERN REGION

C64 JAMES HOYT O'NEAL AND NANCY DEE BARDEN O'NEAL, TRUSTEES OF THE O'NEAL FAMILY TRUST AGREEMENT DATED JUNE 21, 2001 (LESSEE): Consider revision

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of rent to Lease No. PRC 8182.1, a General Lease - Protective Structure Use, of sovereign land located in the Pacific Ocean below 211 Pacific Avenue, city of Solana Beach, San Diego County; for an existing sea cave/notch infill and seawall. CEQA Consideration: not a project. (PRC 8182.1) (A 78; S 39)(Staff: R. Collins)

C65 RIO BUENA VISTA HOMEOWNERS' ASSOCIATION (LESSEE): Consider an amendment to Lease No. PRC 9122.9, a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Colorado River, for an existing concrete stairway with railing and riprap bank line, adjacent to Lots 37, 38, and a portion of Lot 39, Tract No. 15640, Amended Map Book 261, Pages 88-94, city of Needles, San Bernardino County; to amend the land description. CEQA consideration: not a project. (PRC 9122.9) (A 33; S 16) (Staff: R. Collins)

C66 SAN SIMEON COMMUNITY SERVICES DISTRICT (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the Pacific Ocean, offshore from the town of San Simeon, San Luis Obispo County; for an existing outfall pipeline. CEQA Consideration: categorical exemption.(PRC 5208.9; RA# 00714) (A 35; S 17) (Staff: R. Collins)

C67 SOUTHERN CALIFORNIA GAS COMPANY (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in the historic bed of the Colorado River, in the City of Blythe, Riverside County; for three existing and one abandoned gas transmission pipelines and a portion of a fenced regulator station. CEQA Consideration: categorical exemption. (PRC 3642.1; RA# 29411) (A 56; S 28) (Staff: R. Collins)

C68 MARTIN RESORTS, INC. (APPLICANT): Consider application for a General Lease - Protective Structure Use, of sovereign land located in the Pacific Ocean adjacent to 2411, 2555, 2575, and 2651 Price Street, in the city of Pismo Beach, San Luis Obispo County; for existing shoreline

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protective structures, portions of a retaining wall, and sand fill. CEQA Consideration: categorical exemption. (PRC 4698.1; RA# 03612) (A 35; S 17) (Staff: K. Foster)

- C69 PORTOFINO COVE CONDOMINIUM ASSOCIATION (APPLICANT): Consider termination of a General Permit - Recreational Use and authorization for a General Lease - Other, of sovereign land located in the Bolsa Chica Channel, adjacent to 16291 Countess Drive, Huntington Beach, Orange County; for public access and a parking lot. CEQA Consideration: termination - not a project; lease - categorical exemption. (PRC 6966.9; RA# 36014) (A 72; S 34) (Staff: A. Franzoia)
- C70 CITY OF HUNTINGTON BEACH (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located within the Bolsa Chica Lowlands Restoration Project area, Orange County; for temporary construction staging and access, and for the construction, use, and maintenance of two water pipelines. CEQA Consideration: categorical exemption. (W 26784; RA# 01514)(A 74; S 37) (Staff: W. Hall)
- C71 SAN DIEGO GAS & ELECTRIC COMPANY (LESSEE): Consider revision of rent to Lease No. PRC 8895.1, a General Lease - Right-of-Way Use, of sovereign land in and adjacent to the San Dieguito River, near the city of Del Mar, San Diego County; for an existing natural gas pipeline. CEQA Consideration: not a project. (PRC 8895.1) (A 78; S 39) (Staff: C. Hudson)
- C72 SOUTHERN CALIFORNIA GAS COMPANY (LESSEE): Consider revision of rent to Lease No. PRC 8896.1, a General Lease - Right-of-Way Use, of sovereign land in and adjacent to the San Dieguito River, near the city of Del Mar, San Diego County; for an existing natural gas pipeline. CEQA Consideration: not a project. (PRC 8896.1) (A 78; S 39) (Staff: C. Hudson)
- C73 CHEVRON ENVIRONMENTAL MANAGEMENT COMPANY (APPLICANT): Consider application for a General

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Lease - Industrial Use, of sovereign land located in the Pacific Ocean, Estero Bay, near the city of Morro Bay, San Luis Obispo County; for two existing non-operational petroleum pipelines and one existing wastewater pipeline. CEQA Consideration: categorical exemption. (PRC 8100.1; RA# 31006) (A 35; S 17) (Staff: A. Scott)

C74 CATALINA ISLAND CONSERVANCY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located at White's Cove, Santa Catalina Island, Los Angeles County; for the replacement, use, and maintenance of a fixed recreational pier and the continued use and maintenance of a float and two mooring string lines. CEQA Consideration: categorical exemption. (PRC 6439.1; RA# 05714) (A 70; S 26) (Staff: D. Simpkin)

C75 CITY OF LOS ANGELES DEPARTMENT OF WATER AND POWER (APPLICANT): Consider application for an Archaeological Investigation Permit for Phase II Testing and Evaluation of sites on sovereign land located on the dry lake bed of Owens Lake, Inyo County, for the Owens Lake Dust Mitigation Program (Phase 9). CEQA Consideration: categorical exemption. (PRC 8943.9, RA# 35414) (A 26; S 8) (Staff: D. Simpkin)

C76 CITY OF SANTA BARBARA (LESSEE/APPLICANT): Consider termination of Lease No. PRC 4942.1, a General Lease - Public Agency Use, and an application for a General Lease - Public Agency Use, of sovereign land located in the Pacific Ocean, city of Santa Barbara, Santa Barbara County; for an existing outfall pipeline and an abandoned outfall pipeline. CEQA Consideration: termination - not a project; lease - Environmental Impact Reports and Addendum, adopted by the city of Santa Barbara, State Clearinghouse Nos. 9010859 and 91121020. (PRC 4942.1; RA# 35914) (A 37; S 19) (Staff: D. Simpkin)

C77 ERNIE W. QUIJADA, JR. AND DIANE G. QUIJADA (APPLICANT): Consider termination of Lease No.

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PRC 5625.1, a General Lease - Recreational Use, and an application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Main Channel of Huntington Harbour, adjacent to 16671 Carousel Lane, Huntington Beach, Orange County; for an existing boat dock, access ramp, bulkhead protections, and replacement of a cantilevered deck. CEQA Consideration: termination - not a project; lease and deck replacement - categorical exemption. (PRC 5625.1; RA# 31214) (A 72; S 34) (Staff: D. Simpkin)

C78 PEBBLE BEACH COMPANY (LESSEE): Consider revision of rent to Lease No. PRC 2714.1, a General Lease - Recreational Use, of sovereign land located in Stillwater Cove, Carmel Bay, Monterey County; for an existing multi-use pier. CEQA consideration: not a project. (PRC 2714.1) (A 29; S 17) (Staff: D. Simpkin)

C79 U.S. BORAX, INC. (LESSEE): Consider revision of rent to Lease No. PRC 3511.1, a General Lease - Right-of-Way Use, of sovereign land in the bed of Owens Lake, Inyo County; for an existing road and drainage ditches. CEQA Consideration: not a project. (PRC 3511.1) (A 26; S 8) (Staff: D. Simpkin)

SCHOOL LANDS

C80 JANELLE RACINE (LESSEE); JOHN D. VAN SANT AND SELBY L. VAN SANT (APPLICANT): Consider termination of Lease No. PRC 4541.2, a General Lease - Right-of-Way Use, and an application for a General Lease - Right-of-Way Use, of State school land located in a portion of Section 36, Township 9 North, Range 22 East, SBM, near the city of Needles, San Bernardino County; for an existing roadway and utility access. CEQA Consideration: termination - not a project; lease - categorical exemption. (PRC 4541.2; RA# 23314) (A 33; S 16) (Staff: C. Hudson)

C81 PACIFIC GAS AND ELECTRIC COMPANY (APPLICANT): Consider application for a General Lease -

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Right-of-Way Use, of State school land located in a portion of Section 16, Township 28 South, Range 41 East, MDM, near the unincorporated community of Searles, San Bernardino County; for two existing natural gas pipelines. CEQA Consideration: categorical exemption. (PRC 1531.2; RA# 16114)(A 33; S 16) (Staff: C. Hudson)

C82 THE REGENTS OF THE UNIVERSITY OF CALIFORNIA (LESSEE): Consider revision of rent to Lease No. PRC 8646.2, a General Lease - Public Agency Use, of State indemnity school land located in a portion of Section 4, Township 11, South, Range 10 East, SBM, near Salton City, Imperial County; for two laser strainmeter facilities, one overhead power line, and an unimproved dirt road. CEQA Consideration: not a project. (PRC 8646.2) (A 56; S 40) (Staff: C. Hudson)

C83 SOUTHERN CALIFORNIA GAS COMPANY (LESSEE): Consider revision of rent to Lease No. PRC 1801.2, a General Lease - Right-of-Way Use, of eight parcels of State school lands in portions of Section 36, Township 10 North, Range 13 East, SBM; Section 36, Township 10 North, Range 14 East, SBM; Section 16, Township 7 North, Range 1 East, SBM; Section 16, Township 7 North, Range 10 East, SBM; Section 16, Township 7 North, Range 13 East SBM; Section 16, Township 7 North, Range 21 East, SBM; near the city of Twentynine Palms and Section 16, Township 8 North, Range 20 East; and Tract 41, Township 8 North, Range 20 East, SBM, near the city of Needles, San Bernardino County; for two existing natural gas pipelines and an unpaved access road. CEQA Consideration: not a project. (PRC 1801.2)(A 33; S 16) (Staff: C. Hudson)

C84 THE UNITED STATES OF AMERICA (APPLICANT): Consider authorization of the sale and issuance of a patent to the United States of America for 2,563 acres, more or less, of State school lands and State indemnity school lands located west and south of the Marine Corps Air Ground Combat Center, San Bernardino County and authorization to enter into a memorandum of agreement with the

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United States of America for future access to explore and develop the mineral estate. CEQA Consideration: sale and issuance of a patent - CEQA Supplement to an Environmental Impact Statement (EIS) (State Clearinghouse No. 2014081010); and adoption of Findings and Statement of Overriding Considerations; memorandum of agreement - not a project. (SA 5767; RA# 15213) (A 33; S 18) (Staff: J. Porter, W. Crunk, G. Pelka)

84

MINERAL RESOURCES MANAGEMENT

- C85 TE CONNECTIVITY LTD. (APPLICANT): Consider an application for a permit to conduct a Non-Exclusive Geophysical Survey on tide and submerged lands under the jurisdiction of the California State Lands Commission. CEQA Consideration: Mitigated Negative Declaration, State Clearinghouse No. 2013072021, and adoption of a Mitigation Monitoring Program. (W 6005.153; RA# 33914) (A 35; S 17)(Staff: R. B. Greenwood)
- C86 BAY MARINE SERVICES, LLC (APPLICANT): Consider an application for a permit to conduct a Non-Exclusive Geophysical Survey on tide and submerged lands under the jurisdiction of the California State Lands Commission. CEQA Consideration: Mitigated Negative Declaration by the State Lands Commission, State Clearinghouse No. 2013072021, and adoption of a Mitigation Monitoring Program. (W 6005.154; RA# 34614) (A & S: Statewide) (Staff: R. B. Greenwood)
- C87 GLOBAL MARINE SYSTEMS, LIMITED (APPLICANT): Consider an application for a permit to conduct a Non-Exclusive Geophysical Survey on tide and submerged lands under the jurisdiction of the California State Lands Commission. CEQA Consideration: Mitigated Negative Declaration, State Clearinghouse No. 2013072021, and adoption of a Mitigation Monitoring Program. (W 6005.155; RA# 34714) (A & S: Statewide) (Staff: R. B. Greenwood)

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- C88 MARINE APPLIED RESEARCH & EXPLORATION
(APPLICANT): Consider an application for a permit to conduct a Non-Exclusive Geophysical Survey on tide and submerged lands under the jurisdiction of the California State Lands Commission. CEQA Consideration: Mitigated Negative Declaration, State Clearinghouse No. 2013072021, and adoption of a Mitigation Monitoring Program. (W 6005.156; RA# 36714) (A & S: Statewide) (Staff: R. B. Greenwood)
- C89 CALIFORNIA RESOURCES ELK HILLS, LLC (APPLICANT): Consider acceptance of the full Quitclaim Deed of Negotiated Subsurface (no surface use) Oil and Gas Lease No. PRC 8884.1, Kern County. CEQA Consideration: not a project. (PRC 8884.1) (A 32; S 18) (Staff: N. Heda)
- C90 IMPERIAL WELLS POWER LLC (APPLICANT): Consider an application for an amendment of a State Geothermal Resources Lease on behalf of the California Department of Fish and Wildlife for non-surface occupancy of State Proprietary Land within the Wister Waterfowl Management Area, Salton Sea Geothermal Field, Imperial County. CEQA Consideration: not a project. (PRC 9116.0; RA# 32314)(A 56; S 40) (Staff: V. Perez)

MARINE FACILITIES - NO ITEMS

ADMINISTRATION - NO ITEMS

LEGAL

- C91 CALIFORNIA STATE LANDS COMMISSION (PARTY): Consider approval of a Temporary Addendum to the 1997 Memorandum of Understanding between the City of Los Angeles, the County of Inyo, the California Department of Fish and Wildlife; the State Lands Commission, the Owens Valley Committee, and the Sierra Club, for a one-time, temporary modification to requirements related to the flow of water to the Owens River Delta Habitat Area to allow one-time temporary drought relief to mitigate severe local water supply consequences. CEQA Consideration: statutorily exempt. (W 26264) (A 26; S 8) (P. Griggs)

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- C92 CALIFORNIA STATE LANDS COMMISSION (PARTY):
Consider approval of a Temporary Modification of
the July 11, 2007, Stipulation and Order
implementing the 1997 Memorandum of Agreement's
permanent baseflow criteria and monitoring
regimen for Lower Owens River Project to allow
one-time temporary drought relief to mitigate
severe local water supply consequences. CEQA
Consideration: statutorily exempt. (503-1921) (A
26; S 8) (P. Griggs)

KAPILOFF LAND BANK TRUST ACTIONS - NO ITEMS

EXTERNAL AFFAIRS

GRANTED LANDS

- C93 CALIFORNIA STATE LANDS COMMISSION: Consider
relieving the City of Martinez from a requirement
to transmit 20% of the revenue generated from its
granted lands to the state. CEQA Consideration:
not a project. (G02-02)(A 11, 14; S 7)
(Staff: R. Boggiano)

LEGISLATION AND RESOLUTIONS - SEE REGULAR CALENDAR

VI INFORMATIONAL

- 94 CALIFORNIA STATE LANDS COMMISSION:
Legislative report providing information
and a status update concerning state and
federal legislation relevant to the
California State Lands Commission. CEQA
Consideration: not a project.
(A & S: Statewide) (Staff: S. Pemberton,
M. Moser)

VII. REGULAR CALENDAR

- 95 CALIFORNIA STATE LANDS COMMISSION
(INFORMATIONAL): Initial release of Draft
Commission Strategic Plan and opportunities
for public comment. CEQA Consideration:
not applicable. (A & S: Statewide)
(Staff: J. Lucchesi, D. Brown, C. Oggins)

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96	CALIFORNIA STATE LANDS COMMISSION: Consider supporting AB 1323 (Frazier) that would facilitate the removal and disposal of dilapidated vessels that are unseaworthy and incapable of being made seaworthy from state waterways, public beaches, and state tidelands or submerged lands. CEQA Consideration: not a project. (A & S: Statewide) (Staff: S. Pemberton)	24
97	CALIFORNIA STATE LANDS COMMISSION: Consider supporting AB 888 (Bloom) that would prohibit the sale of personal care products in California that contain plastic microbeads on and after January 1, 2020. CEQA Consideration: not a project. (A & S: Statewide) (Staff: S. Pemberton)	25
98	SANTA CATALINA ISLAND COMPANY (APPLICANT/SUBLESSOR); CATALINA FREIGHT LINE, INC. (SUBLESSEE); AVALON FREIGHT SERVICES, LLC (SUBLESSEE): Consider termination of Lease No. PRC 7378.1, a General Lease - Commercial Use, and an application for a General Lease - Commercial Use, and approval of subleases, of sovereign land located at Pebbly Beach, Santa Catalina Island, Los Angeles County; for an existing concrete freight barge landing. CEQA Consideration: termination and subleases - not projects; lease - categorical exemption. (PRC 7378.1; RA# 20914) (A 70; S 26) (Staff: D. Simpkin)	35
	VIII PUBLIC COMMENT	49
	IX COMMISSIONERS' COMMENTS	62
	Adjournment	86
	Reporter's Certificate	87

1 P R O C E E D I N G S

2 ACTING CHAIRPERSON SCHMIDT: I'd like to call
3 the meeting of the State Lands Commission to order. All
4 representatives of the Commission are present. I'm Kevin
5 Schmidt representing the Lieutenant Governor. I'm joined
6 today by Controller Betty Yee and Eraina Ortega
7 representing Department of Finance.

8 For the benefit of those in the audience, the
9 State Lands Commission manages State property interests in
10 over five million acres of land, including mineral
11 interests. The Commission also has responsibility for
12 prevention of oil spills at marine terminals and off-shore
13 oil platforms and preventing the introduction of marine
14 invasive species into California marine waters.

15 Today, we will hear requests and presentations
16 involving the lands and resources within the Commission's
17 jurisdiction. We will now adjourn to closed session.
18 Will the public please clear the room.

19 (Off record: 9:58 AM)

20 (Thereupon the meeting recessed
21 into closed session.)

22 (On record: 10:22 AM)

23 ACTING CHAIRPERSON SCHMIDT: I call this meeting
24 back to order. Ms. Lucchesi, is there anything to report
25 from closed session?

1 EXECUTIVE OFFICER LUCCHESI: No.

2 ACTING CHAIRPERSON SCHMIDT: I'd like to move
3 Item 95 to the front of the calendar, the strategic plan.

4 EXECUTIVE OFFICER LUCCHESI: Yes, of course. Do
5 you want to have that now or do you want to do the minutes
6 and the consent item first or do -- okay.

7 ACTING CHAIRPERSON SCHMIDT: First item of
8 business would be the adoption of the minutes from the
9 Commission meeting of April 23rd, 2015.

10 May I have a motion to approve the minutes.

11 COMMISSIONER YEE: So moved.

12 ACTING COMMISSIONER ORTEGA: Second.

13 EXECUTIVE OFFICER LUCCHESI: And a vote?

14 ACTING CHAIRPERSON SCHMIDT: Yep. Next order of
15 business is adoption of consent calendar.

16 COMMISSIONER YEE: I'll move the consent
17 calendar.

18 ACTING COMMISSIONER ORTEGA: Second.

19 ACTING CHAIRPERSON SCHMIDT: All right. Let's go
20 ahead.

21 EXECUTIVE OFFICER LUCCHESI: So I think
22 we'll -- so if I understand the Chair correctly we want to
23 move the Item C95 to the beginning of the meeting,
24 continue on with the regular agenda items, and then have
25 my Executive Officer's report at the end.

1 ACTING CHAIRPERSON SCHMIDT: Perfect.

2 EXECUTIVE OFFICER LUCCHESI: Okay. Did we do --
3 I'm sorry. You were moving so fast, Commissioner Schmidt.
4 The consent calendar

5 ACTING CHAIRPERSON SCHMIDT: Moved.

6 COMMISSIONER YEE: Adopted.

7 EXECUTIVE OFFICER LUCCHESI: Okay. I needed to
8 pull a couple items from that.

9 (Laughter.)

10 EXECUTIVE OFFICER LUCCHESI: They are notified on
11 our agenda. So I would like to move Items C 56 and C 88.
12 And it appears that we have two items that the public
13 wished to speak if it was taken off consent, C 68 is
14 being -- or excuse me, C 68 and C 84 are being kept on the
15 consent agenda. So I think we're good to go. So if we
16 could have the vote now.

17 ACTING CHAIRPERSON SCHMIDT: So we're voting to
18 move consent with pulling off those items?

19 EXECUTIVE OFFICER LUCCHESI: Yes. Yes. 56 and
20 88.

21 ACTING CHAIRPERSON SCHMIDT: Do I have a motion?

22 COMMISSIONER YEE: Yeah, so moved.

23 ACTING COMMISSIONER ORTEGA: Second.

24 EXECUTIVE OFFICER LUCCHESI: Great. Thank you.

25 ACTING CHAIRPERSON SCHMIDT: Yep.

1 EXECUTIVE OFFICER LUCCHESI: All right. Then I
2 think we'll start with the strategic plan.

3 MR. GARABEDIAN: A point of inquire. I was the
4 one who asked for the consent for item taking of 84, is
5 there going to be a hearing later?

6 EXECUTIVE OFFICER LUCCHESI: It was not taken off
7 of consent.

8 MR. GARABEDIAN: So is there a chance to speak to
9 that later?

10 EXECUTIVE OFFICER LUCCHESI: No. If you -- I'm
11 sorry. I read your comment as only wanting to speak if it
12 was taken off consent. So, no, if you want to speak to
13 it, we'll need to pull it off of the consent.

14 MR. GARABEDIAN: Well, I asked for it on that
15 form to come off consent.

16 EXECUTIVE OFFICER LUCCHESI: Okay. I'm sorry.
17 We must have read it wrong. So we will need to pull C 84
18 and move it to the regular agenda.

19 ACTING CHAIRPERSON SCHMIDT: Okay.

20 MR. GARABEDIAN: Thank you.

21 EXECUTIVE OFFICER LUCCHESI: Yeah. We're going
22 to have to revote on that.

23 ACTING CHAIRPERSON SCHMIDT: All right. Pull C
24 84. Do I have a motion?

25 COMMISSIONER YEE: So moved.

1 ACTING COMMISSIONER ORTEGA: Second.

2 EXECUTIVE OFFICER LUCCHESI: Okay.

3 ACTING CHAIRPERSON SCHMIDT: Good to go.

4 EXECUTIVE OFFICER LUCCHESI: All right. So the
5 next item of business is going to be the informational
6 update on the Commission's draft strategic plan. Dave
7 Brown our Executive -- Assistant Executive Officer will be
8 providing that report.

9 ASSISTANT EXECUTIVE OFFICER BROWN: Good morning,
10 Mr. Chair and Commissioners. Do I have a PowerPoint over
11 there, Steve?

12 EXECUTIVE ASSISTANT LUNETTA: Ninety-five.

13 (Thereupon an overhead presentation was
14 presented as follows.)

15 ASSISTANT EXECUTIVE OFFICER BROWN: There we go.

16 This is the staff's first presentation of the
17 strategic plan to the Commission. I'm going to go over a
18 basic outline of how it's structured and what we have done
19 as far as outreach and so on, and we'll kind of take it
20 from there.

21 So next slide, please.

22 --o0o--

23 ASSISTANT EXECUTIVE OFFICER BROWN: So the first
24 thing we started with in our strategic plan is a mission
25 statement and a vision statement. And our mission

1 statement, this is the staff's mission statement, is the
2 State Lands Commission serves the people of California in
3 the stewardship of the lands, waterways, and resources
4 entrusted to its care, through protection, preservation,
5 restoration, and economic development. And our vision to
6 carry out that is that the State Lands Commission is
7 committed to a sustainable public land management and
8 balanced resource protection for the benefit of current
9 and future generations.

10 Next slide, please.

11 --o0o--

12 ASSISTANT EXECUTIVE OFFICER BROWN: We centered
13 the strategic plan around three strategic goals, one of
14 operational excellence, accountability and transparency,
15 and that of public engagement.

16 Next slide, please.

17 --o0o--

18 ASSISTANT EXECUTIVE OFFICER BROWN: Do I have a
19 thing here?

20 We've stated our values in the plan, and I've
21 briefly put them one word values here. They're fleshed
22 out a little bit more in the plan, but those values are
23 integrity, transparency, we're solution oriented, we use
24 objectivity and science in making our decisions, we
25 provide leadership and public land management,

1 accountability to the people of California, collaboration
2 with our fellow agencies and the public, we are a
3 fiduciary, in that we act as a trustee of those resources,
4 we seek to balance the use of those resources for
5 environmental protection and economic development, and
6 that we value our staff resources as the source of getting
7 these things done.

8 --o0o--

9 ASSISTANT EXECUTIVE OFFICER BROWN: Our goals and
10 strategic actions. This is kind of a recap of where we're
11 at. We want to affirm transparency through a strong and
12 active and engaged public process in the Commission's
13 practices and operations. We're very fortunate to have
14 the Commission where we can vet all of our decisions in a
15 public place, and we feel that it is one of our greatest
16 strengths. We want to provide the highest level of safety
17 and environmental protection for the lands and resources
18 under the Commission's jurisdiction. We have two oil
19 spill programs, as you know, one for marine terminals and
20 offshore platforms, plus our land management program, and
21 we hold that responsibility very highly.

22 We want to ensure that current and future uses of
23 the sovereign lands are consistent with Public Trust
24 principles. Public Trust pretty much drives every
25 decision that we make.

1 We want to enhance revenues from sustainable use
2 in development of those State lands, whether it be the
3 extraction of non-renewable resources, renewable
4 resources, or the use of the surface of those lands. And
5 we want to increase development -- investment to develop
6 and retain qualified and committed staff. This has become
7 more challenging over the past few years, but it's one of
8 our goals.

9 --o0o--

10 ASSISTANT EXECUTIVE OFFICER BROWN: Within the
11 plan itself -- oops. What did I do? Here we go.
12 Operator error.

13 Under operational excellence, I've listed the
14 strategies that we have articulated in the plan. Each one
15 of these strategies is further fleshed out in the plan
16 through guiding principles -- excuse me -- through key
17 actions and targeted outcomes. So we want to provide the
18 highest level of public health, safety, and protection,
19 ensure consistency with Public Trust values, expand public
20 use and access, and address climate change, sea level
21 rise, greenhouse gas emissions, and water conservation.

22 --o0o--

23 ASSISTANT EXECUTIVE OFFICER BROWN: And
24 accountability and transparency. We want to ensure that
25 we're optimizing the returns on the use of public

1 resources. We want to ensure that we're collecting those
2 resources in a timely manner. We want to leverage
3 technology to improve our processes, and our transparency
4 through open data, and having all of our decisions on
5 line. And we want to align our budget and policy
6 initiatives and staff resources with the priorities of the
7 Commission and the State.

8 --o0o--

9 ASSISTANT EXECUTIVE OFFICER BROWN: Public
10 engagement, our third area. We want to foster
11 relationships and engage the public, legislative grantees,
12 Commission lessees and potential applicants, and the
13 regulated community. We also want to maximize
14 coordination and collaboration with other agencies and our
15 California Indian Tribes.

16 This is a sample of a page in the strategic plan
17 where you see the key actions and targeted outcomes.
18 These targeted outcomes are going to be used in our
19 evaluation of our managers going forward as well. So we
20 will be developing a matrix, and we will be holding our
21 managers accountable to achieving those goals.

22 --o0o--

23 ASSISTANT EXECUTIVE OFFICER BROWN: Outreach as
24 far as this plan itself, the draft plan is posted on our
25 website. We sent out 2,700 postcards to our various

1 mailing lists. We sent out 1,800 emails to those parties
2 that are subscribed to our various listservs, an exact
3 target. And there are also going to be opportunities for
4 public comment at this meeting, August in Los Angeles, and
5 October in San Diego.

6 This is a sample of the postcard that was sent
7 out to the public, which lists our website and the
8 opportunities for public engagement at the future
9 Commission meetings.

10 And with that, I'm prepared to take any
11 questions.

12 COMMISSIONER YEE: Thank you for the report. And
13 I just appreciate the amount of work that went into
14 pulling this draft document together. And I think it's a
15 good memorialization of certainly the mission of the
16 Commission, as well as I think a good balance of really
17 highlighting the challenges and also opportunities that
18 the Commission has to -- going forward. So it's actually
19 a really live document from that perspective. So I
20 appreciate that.

21 My question has to do with the feasibility of
22 doing some targeted outreach for specific stakeholder
23 input. I think as we have made this available and are
24 entertaining public comment during our regularly scheduled
25 meetings, I would venture to say that there are parts of

1 this document where certain stakeholders will have more of
2 a particular interest. And I just wanted to kind of get
3 your sense about the feasibility of conducting some of
4 those, or whether individual Commissioners can actually go
5 out and try to seek some of that, so that we can try to
6 make this even more robust should there be issues that
7 arise?

8 EXECUTIVE OFFICER LUCCHESI: So, we are -- as
9 Dave showcased, we have tried to spread this document
10 among various different stakeholder groups through email
11 and mailings to try to reach as many stakeholders as
12 possible. With that said, we are happy to meet -- as a
13 staff, meet with any group of stakeholders that may be
14 interested in getting a little bit more in depth on
15 certain aspects of the strategic plan. And as it relates
16 to individual Commissioners, reaching out to talk with
17 various stakeholder groups that -- I highly encourage
18 that.

19 We -- as you know with the Bagley-Keene Act and
20 all the requirements associated with public meetings, we
21 found, as a staff, that our regularly scheduled Commission
22 meetings would be a great opportunity for the public to be
23 able to present directly to the Commission as a unified
24 body, but there's nothing that prohibits Commissioners
25 from individually reaching out to various stakeholder

1 groups to get kind of that more on one -- one-on-one
2 discussion going on about any particular details of the
3 strategic plan.

4 COMMISSIONER YEE: Thank you.

5 ACTING CHAIRPERSON SCHMIDT: Is there anybody in
6 the public that would like to speak on this matter?

7 EXECUTIVE OFFICER LUCCHESI: Yeah, we have what I
8 see as three requests to speak on this that should be
9 right in front of you. It's item 95, Kevin.

10 ACTING CHAIRPERSON SCHMIDT: Yes.

11 Jason Giffen.

12 MR. GIFFEN: Good morning, Chairman,
13 Commissioners. My name is Jason Giffen. I come to you
14 today from the Port of San Diego, where I serve as the
15 director of environmental land-use management. In the
16 audience with me is also Job Nelson, our chief policy
17 advisor and officer for the Port.

18 First, I'd just like to commend the Commission
19 and the staff for moving forward with drafting the draft
20 strategic plan. We went through a very similar effort at
21 the Port of San Diego several years ago with, what we
22 call, our compass strategic plan. That has served as the
23 foundation for our Commissioners and staff to make solid
24 policy decisions, as well as have good discourse on a lot
25 of the topics that we have to decide and bring forward to

1 our Commission.

2 First off, I'd like to point out that we have a
3 great deal of support for the initiation of this effort,
4 similar to what we've done at the Port of San Diego. And
5 in particular, we're enthusiastic about some of the
6 guiding principles that you've -- that the staff just went
7 through in their presentation.

8 In particular, under guiding principles and
9 values, the focus on objectivity and science, leadership,
10 accountability, collaboration, the fiduciary
11 responsibility and balance are all things that we think
12 are extremely important, especially as we embrace on some
13 topics that we're all going to have to work together to
14 solve, whether it be related to climate change and sea
15 level rise or many of the other challenges that we deal
16 with on State tidelands.

17 Something else that the staff is particularly
18 interested in. We thought it was unique how you took a
19 SWOT Analysis, but you turned it into a SCOT analysis
20 looking both at challenges and threats. When you look at
21 the 12 challenges listed and the 10 threats that are
22 listed, we think that as a trustee agency we can work
23 quite closely on trying to reach some common ground on
24 achieving success on meeting some of those challenges and
25 threats that we're going to focus on in the future.

1 I also would like to point out in terms of the
2 strategic goals laid out in the draft plan, we look at
3 that as an opportunity again for some -- for building
4 collaboration and solving some problems of mutual
5 interest. We especially like the fact that there's going
6 to be a focus on additional guidance for waterfront
7 redevelopment projects to ports and harbor districts and
8 other grantees and applicants with their waterfront
9 development.

10 We also look forward to collaborating with
11 agencies and other private entities to increase public
12 access to and along sovereign lands, especially as the
13 Port of San Diego is going through an integrated planning
14 effort to update our comprehensive port master plan
15 amendment.

16 Finally, I'd just like to close and say we look
17 forward to participating in some of your future meetings.
18 And your staff has been terrific in already reaching out
19 to us and telling us a little bit about the strategic
20 plan. And we look forward to and are excited that you're
21 going to have a hearing down in San Diego, where we can
22 also participate there. So thank you very much.

23 ACTING CHAIRPERSON SCHMIDT: Thank you.

24 Next up Michael Garabedian -- Garabedian.

25 MR. GARABEDIAN: I have four items for

1 yourselves.

2 Michael Garabedian here representing the
3 Committee for 245 Million Acres. That's basic the surface
4 land BLM manages. Two basic points I'd like to bring to
5 your attention to think about here.

6 First of all, what I handed out shows the -- it's
7 a few years old, but it shows the remaining areas of
8 natural vegetation in the United States. As you can see,
9 California's largest remaining area is the Mojave Desert
10 and the other surrounding deserts. And to us potentially
11 it looks like the State Lands Commission is the only
12 agency that might really be able to sink its teeth into
13 desert land protection. We don't have a desert commission
14 as such. So that's our first point. I may come back to
15 it a little bit.

16 The other main point has to do with the 16 and 36
17 sections that we originally got from the federal
18 government, about 70 percent or so which are gone,
19 probably through very good programs, I assume. We would
20 like to see you consider as part of your strategy keeping
21 some of those 16 and 36s when they would facilitate the
22 State having some participation in some leverage in some
23 strategic advantage for surrounding desert lands. I think
24 that's a critical thing that the criteria you've been
25 using that that should be added to it.

1 The major second point really is about the
2 Commission's use of science. The best kind of case study
3 we know, and I can hand this out, is the Desert Renewable
4 Energy Conservation Plan. I have a few of these, the
5 structure for the plan.

6 The proposed structure has independent science
7 review panels you'll see down on the right side, State
8 Lands Commission at the top. The two independent science
9 review panels they found have basically found that the
10 DRECP flunked science. What needs to be done is science
11 needs to be infused into the process.

12 And you mentioned science in your strategic plan
13 in a couple places, like marine and a couple others.
14 Science needs to be an integral part of the strategy and
15 implementation of the other parts, and we look forward
16 to -- you know, a chance to meet with you and discuss
17 that.

18 And for one example of the needed science, I'll
19 turn to the renewable solar development that's going like
20 wildfire across our desert, fractioning the entire desert
21 ecosystem without initially looking at the ecology, and
22 what the desert needs -- what the Mojave needs to maintain
23 its ecological integrity.

24 So solar projects have 10 characteristics, which
25 science is not being looked at in adequate detail or at

1 all by the Energy Commission or the Bureau of Land
2 Management. They enhance global warming, because they
3 eliminate solar absorption into the soil into the plants
4 and they increases the solar heat rise into the area and
5 atmosphere.

6 They eliminate greenhouse gas reducing and
7 absorbing biological soil crusts, these organisms that
8 oxygenated the earth a couple billion years ago, and are
9 found -- biological soil crusts are found from the Nevada
10 basing and range to the coastal scrub. They reduce
11 evaporation from the soil surface. They increase dust in
12 the atmosphere. They're holding down the desert as some
13 people put it.

14 As the scientists with the Berkeley Lab Trent
15 Northern says -- he says the biological soil crusts are
16 like a leaf covering the surface of the desert,
17 photosynthesizing away. They destroy the basin and range
18 diurnal circulation and food, the ecological food web
19 between the great basins we're filling with these projects
20 and the mountain, and foraging, and nutrient flow, and so
21 forth between the mountains and playas, and slopes, the
22 slopes of these amazingly different kinds of shrubbery in
23 the Mojave.

24 They use or block transpiration. They require
25 associated structures, paving roads. They require water

1 and energy to mine for and manufacture and transport the
2 facilities and so forth. Some of them, especially
3 the -- now, the experimental solar gathering towers, like
4 Ivanpah, which is originally a failed technology, require
5 energy to start up, natural gas in that case.

6 But ultimately, this fracturing of the desert
7 destabilizes our ecosystems and our biomes. And we need
8 that science, and I hope you can add that to your
9 strategy.

10 ACTING CHAIRPERSON SCHMIDT: Thank you.

11 MR. GARABEDIAN: Thank you.

12 ACTING CHAIRPERSON SCHMIDT: And I encourage you
13 to also submit written comments throughout the process if
14 you don't think we're addressing what you think should be
15 addressed.

16 MR. GARABEDIAN: Thank you. I look forward to
17 that.

18 ACTING CHAIRPERSON SCHMIDT: Ricky Russell.

19 MR. RUSSELL: Good morning, Chair, Commissioners.
20 Ricky Russell with California Coastkeeper Alliance. The
21 California Coastkeeper Alliance represents California's 12
22 water keeper organizations who are California's on the
23 water pollution watchdogs fighting for swimmable,
24 fishable, and drinkable waters from San Diego to the
25 Oregon border.

1 I thank the Commission for the opportunity to
2 comment on the draft strategic plan, and would also like
3 to note that my comments are on behalf of Jenn Eckerle of
4 the Natural Resources Defense Council.

5 Regarding the draft strategic plan, my comments,
6 CCKA and NRDC would like to voice support for the
7 incorporation of California's marine protected areas into
8 Commission planning and leasing practices. MPAs are a
9 vital coastal resource, and significant investment by
10 California's environmental government and fishing
11 communities.

12 And they are already showing success in terms of
13 the rebound of species, such as rockfish, and increased
14 opportunities for California's recreational community and
15 businesses and commercial fishing fleets.

16 In addition, we would like to voice support for
17 strategies that address sea level rise through project
18 analysis and decision making processes in this -- in the
19 Commission's strategic plan. And finally, we would like
20 to see a strategic plan that strongly includes
21 comprehensive oversight and guidance to ensure protection
22 of California's Public Trust values.

23 Thank you.

24 ACTING CHAIRPERSON SCHMIDT: Thank you.

25 Pablo Garza.

1 MR. GARZA: Good morning. Pablo Garza with The
2 Nature Conservancy. And thank you for accommodating me.
3 I was running over from the office when I saw you guys get
4 to this item.

5 But first off, The Nature Conservancy is a
6 nonprofit organization that has been working in California
7 and around the world to protect the lands and waters on
8 which all life depends for over 50 years.

9 We have a history of partnering with the State
10 Lands Commission. We're both partners at the Cosumnes
11 River Preserve here in Sacramento County, as well as work
12 with you at the Dye Creek Preserve in Northern California.

13 And I just want to -- principally, I want to
14 commend the Commission for undertaking this plan and this
15 effort. We've reviewed -- done an initial review of the
16 draft, and I think we're very encouraged by what's in
17 there. We think given the scope of the Commission and the
18 lands you manage, it's really important to have this
19 document and plan in place.

20 I'll focus -- we'll -- we intend to submit
21 written comments -- more detailed written comments as you
22 go through this process. But I would focus first on --
23 you know, two pieces that really stand out is the planning
24 for the impacts of climate change, particularly in the
25 coastal zone. The Commission has already demonstrated

1 leadership in this area with AB 691. And I think this is
2 really imperative to analyze where sea level rise -- what
3 resources and infrastructure will be impacted, and plan to
4 prepare accordingly. We also appreciate the emphasis and
5 priority on natural infrastructure. This is using coastal
6 wetlands and other -- and the natural ecological features
7 to, you know, prepare to buffer storm surges or sea level
8 rise. And we're really -- you know, think that is very
9 encouraging.

10 And the second piece I would focus on is, you
11 know, the renewable energy. The plan talks about the
12 effort in the desert, the DRECP. We've been a stakeholder
13 in that process as well, and really support the
14 Commission's efforts to consolidate lands to -- you know,
15 to enable appropriately cited renewable energy projects,
16 so that we can meet our aggressive goals for renewable
17 energy in the State.

18 And with that, I'll end my comments there. Thank
19 you for the opportunity and we look forward to working
20 with the Commission and stakeholders as the plan is, you
21 know, finalized and implemented.

22 ACTING CHAIRPERSON SCHMIDT: Thank you. I
23 believe that's everybody who submitted a card. If there's
24 anybody else that would like to speak, come forward?

25 Otherwise, this is non-voting.

1 EXECUTIVE OFFICER LUCCHESI: That's correct.

2 ACTING CHAIRPERSON SCHMIDT: So we will just move
3 on to regular calendar unless the Commissioners have any
4 after-thoughts.

5 COMMISSIONER YEE: Mr. Chairman, just a couple,
6 if I could.

7 First of all, thank you for moving this up on the
8 agenda. I wanted to not lose sight of where this
9 Commission has been relative to our own internal
10 resources. And I think one of the greatest things about
11 this Commission is just how well we work in partnership,
12 and how sought out we are with respect to being really
13 active participants in the numerous partnerships in which
14 we're engaged.

15 But I think moving forward, we have just some
16 tremendous challenges that would suggest that this
17 Commission could be definitely in a leadership role with
18 respect to the ongoing focus on climate change
19 particularly sea level rise. And I appreciated the public
20 comment with respect to science. And hopefully, as we
21 move forward that we continue to keep a focus on our own
22 internal capacity and our ability to really have the staff
23 resources with the expertise that can provide the ongoing
24 leadership in these areas.

25 This Commission has done a great job of really

1 doing so much with very few resources for so long, that I
2 hope that this can really be an opportunity for us to
3 think more in advance and certainly more proactively with
4 respect to the types of expertise and just the capacity
5 that this Commission needs to have going forward.

6 So I appreciate the document from that
7 perspective as well, and I just wanted to make that
8 comment. I mean, the work of this Commission is
9 remarkable. But when I think about how few people it
10 takes to really do what's in front of us, it's quite
11 daunting, and then with the challenges added on top of
12 that, I hope it does open up a conversation about how we
13 can further deepen our capacity to meet the challenges.

14 ACTING CHAIRPERSON SCHMIDT: Okay. All right.
15 Let's move on to regular calendar. Jennifer, can you
16 clarify which we actually pulled off? I know we did a
17 couple motions there.

18 (Laughter.)

19 EXECUTIVE OFFICER LUCCHESI: We pulled off Item
20 sixty --

21 ACTING CHAIRPERSON SCHMIDT: Eight.

22 EXECUTIVE OFFICER LUCCHESI: -- eight. No, but
23 we're going to -- we're going to start -- we'll move 68 to
24 the end of the regular calendar. We're going to move on,
25 if it pleases the Commission, to Item 96, which is to

1 consider supporting AB 1323.

2 ACTING CHAIRPERSON SCHMIDT: Perfect.

3 EXECUTIVE OFFICER LUCCHESI: And excuse me, we
4 pulled C 84. I'm sorry.

5 EXECUTIVE OFFICER LUCCHESI: So Sheri Pemberton
6 will be presenting -- she will make it very quick.

7 (Laughter.)

8 EXTERNAL AFFAIRS DIVISION CHIEF PEMBERTON: I
9 will.

10 Thank you. Sheri Pemberton. This calendar item
11 recommends that the Commission support AB 1323 by Assembly
12 Member Frazier. The purpose of the bill is to try to
13 remove abandoned vessels and parts thereof that are
14 polluting the waterways. There's no opposition. It's
15 supported by numerous different boating organizations.
16 And we feel it would help give public agencies the
17 authority to more quickly deal with these vessels and
18 parts thereof, and improve the marine environment. So we
19 recommend that the Commission take a support position on
20 AB 1323.

21 COMMISSIONER YEE: I'll move the support
22 position.

23 ACTING COMMISSIONER ORTEGA: And I will be
24 abstaining on this item.

25 ACTING CHAIRPERSON SCHMIDT: Second. So good.

1 EXECUTIVE OFFICER LUCCHESI: So 2 to 0. Thank
2 you.

3 ACTING CHAIRPERSON SCHMIDT: Yep.

4 EXTERNAL AFFAIRS DIVISION CHIEF PEMBERTON: And
5 the next item is also to recommend that the Commission
6 take a support position on legislation. It's AB 888 by
7 Assembly Member Richard Bloom. And it would phase out the
8 use of plastic micro beads and personal care products by
9 2020, because they often don't get trapped in the
10 wastewater process. And they go out into the marine
11 environment in the waterways. So we think it will help
12 lessen the amount of plastic pollution in the marine
13 environment that's under the Commission's jurisdiction,
14 and recommend a support position

15 EXECUTIVE OFFICER LUCCHESI: We actually have two
16 public commenters on this one.

17 ACTING CHAIRPERSON SCHMIDT: Ricky, if you want
18 to come back up, and also Sue Vang.

19 EXECUTIVE OFFICER LUCCHESI: And while we're
20 waiting, I just want to add in that because these are
21 legislative items and Commissioner Ortega typically
22 abstains, and because of the specific voting requirements
23 when both Commissioners are represented by alternates,
24 only one of those Constitutional offices can vote, so
25 that's why we're rushing to get the legislative items

1 considered by the Commission, before Commissioner Yee has
2 to leave.

3 (Laughter.)

4 ACTING CHAIRPERSON SCHMIDT: Ricky.

5 MR. RUSSELL: Ricky Russell, California
6 Coastkeeper Alliance. Coastkeeper Alliance urges the
7 Commission to support AB 888, which we see as a timely and
8 very needed legislation by Assembly Member Bloom to
9 address the harmful impacts of marine plastics in the
10 marine environment. As our network has scientists on the
11 ground throughout California, there's hardly an area where
12 we haven't seen or documented the pervasive impacts of
13 microplastics and microplastic pollution in the marine
14 environment.

15 And we believe this legislation seeks to address
16 impacts of microplastics in a timely way that is
17 protective of the coastal economy, public health, and the
18 ecosystem.

19 Thank you.

20 ACTING CHAIRPERSON SCHMIDT: Thank you.

21 Sue, if you'd like to come up.

22 MS. VANG: Good morning. Sue Vang with the
23 environmental group Californians Against Waste. We've
24 been working from the past 37 years on waste and recycling
25 issues in California. We are pleased to be a sponsor of

1 this bill, and I'm also speaking today on behalf of
2 California -- of Clean Water Action, which is another
3 sponsor of the bill. I want to thank you for the
4 opportunity to comment, and we urge your support.

5 This is a bill that is addressing a problem
6 that's prevalent in our waterways. Scientists are
7 estimating 471 million plastic microbeads are ending up in
8 the San Francisco Bay alone every day. So we urge your
9 support.

10 Thank you.

11 ACTING CHAIRPERSON SCHMIDT: Thank you. Do I
12 have a motion?

13 COMMISSIONER YEE: So moved to have Commission
14 support.

15 ACTING CHAIRPERSON SCHMIDT: Second.

16 We're good.

17 EXECUTIVE OFFICER LUCCHESI: All right

18 ACTING COMMISSIONER ORTEGA: I will abstain.

19 EXECUTIVE OFFICER LUCCHESI: So the vote is 2 to
20 0.

21 ACTING CHAIRPERSON SCHMIDT: And now we'll go
22 back to C 68.

23 EXECUTIVE OFFICER LUCCHESI: We were going to --
24 I can move right on to Item 98 or we can jump to C 84. If
25 it's the -- it's the Chair's pleasure.

1 ACTING CHAIRPERSON SCHMIDT: Let's do C 84 and
2 get it out of here.

3 EXECUTIVE OFFICER LUCCHESI: Okay. C 84 we'll
4 have Brian Bugsch, our Chief of our Land Management
5 Division making a brief presentation on staff.

6 LAND MANAGEMENT DIVISION CHIEF BUGSCH: Hi. I'm
7 Brian Bugsch, Chief of the Land Management Division. This
8 will be very brief. Just to refresh your recollection,
9 this is the -- C 84 is for the sale of seven school lands
10 parcels which totals 2,563 acres to the United States of
11 America, Department of Defense. It is an expansion of the
12 Marine Corps Air Ground Combat Center at 29 Palms.

13 So we're selling these parcels. These parcels,
14 or lands, are part of a mixed-use area that's also being
15 used by State Parks for an Off Highway Vehicle area for 10
16 months out of the year, and two months out of the year
17 will be used for combat purses. So it's part of this
18 larger expansion area.

19 We are just selling the surface rights for these
20 lands. We're reserving all the mineral rights and we also
21 have a Memorandum of Agreement regarding access to one of
22 these parcels for the Los Padres mine, so these parcels
23 are being sold. And one other thing to keep in mind about
24 this is that, I mean, ultimately the U.S. could condemn
25 these areas as well.

1 So we're going through this transaction. It will
2 result in a gain to the School Land Bank Fund of \$806,000.
3 And I think that summarizes most of this. We have a
4 Jennifer DeLeon that can get up to address anything
5 dealing with the environmental dimensions of this, if
6 that's the focus of these.

7 ACTING CHAIRPERSON SCHMIDT: Thank you. Do you
8 have any questions or you want me to call public comment?

9 Michael, you want to come speak on public
10 comment?

11 MR. GARABEDIAN: Thank you for having this
12 opportunity to address this issue. I'm here today to
13 represent a friend I made in junior high school, Roosevelt
14 Junior High in San Francisco in 1959 David Morafka. David
15 Morafka died unfortunately I believe because the Cal State
16 Dominguez was unable to manage its heating and ventilation
17 system properly and he was basic -- the reason he died was
18 because of the toxic chemicals circulated into his office,
19 and where we worked.

20 A couple years ago, David became -- his name was
21 used for the newest Desert Tortoise, the Morafka Tortoise.
22 They split off, *gopherus agassizii* and now we have
23 *gopherus morafkai*.

24 I have to make a caveat. I haven't seen the
25 lands in question in this case. I wasn't involved in the

1 extensive environmental review at the federal level with
2 tens of thousands of comments and things like that. So
3 I'm here -- I haven't talked to your staff in advance,
4 which -- because I was only looking at this last night.
5 So I'm not actually qualified to discuss the project
6 itself, but I am going to bring up the question of science
7 with, first of all, one question. I have one question,
8 maybe to answer now or later.

9 But I couldn't figure out if the ORVs that are
10 going to be permitted in this area will be permitted for
11 the first time on the four square miles of State Lands in
12 question? That's a question basically.

13 My comment has to do with the 150 to 700 Desert
14 Tortoises that are expected to perish, and then that the
15 addition a ORV use will diminish them further.
16 Apparently, the entire project involves the largest
17 relocation of Desert Tortoises in history, a massive
18 project. And so my science question here, very kind of
19 basic, what -- has the Commission looked at the science in
20 this case?

21 Specifically, is their science peer-reviewed
22 science that let's us know about the relocation and other
23 mitigation that's being done here. I'm not bringing up a
24 CEQA issue. I'm bringing up a science issue that may or
25 may not be addressed in CEQA. The critical issue for the

1 Commission as I see it, and that I hope the Commission
2 will be able to tell me, is how good the science is that's
3 being -- that will affect these tortoises?

4 And, of course, reserving -- reserving mineral
5 rights and the other -- the 10 months of ORV use, it seems
6 logical to me that you should be also assuring that there
7 was science peer-reviewable science done on this change,
8 and how it affects Desert Tortoises on the State Lands
9 that will be resold.

10 And we support -- we think that one source of
11 science could be for you to use the universities and the
12 university sciences who you have a certain relationship
13 with historically to bring that kind of information to
14 bear in the UC Granite's Research Station, and the
15 different -- the Riverside campus, in particular, has been
16 doing a lot of good desert work.

17 And that's what we would hope is happening. We
18 don't think you should let this area go without having
19 that kind of science involvement. And I do want to say I
20 am aware of the military's participation in the Desert
21 Renewable Energy Conservation Plan and also that they have
22 efforts to protect Desert Tortoises. The military isn't
23 here -- isn't an issue here. The issue for us is the
24 science.

25 ACTING CHAIRPERSON SCHMIDT: Thank you.

1 MR. GARABEDIAN: Thank you.

2 ACTING CHAIRPERSON SCHMIDT: Jennifer, is staff
3 prepared to answer any of the questions posed.

4 EXECUTIVE OFFICER LUCCHESI: Yes. Senior
5 Environmental Scientist, Jennifer DeLeon -- Environmental
6 Program Manager, Jennifer DeLeon can answer those
7 questions.

8 ENVIRONMENTAL PROGRAM MANAGER DeLEON: Good
9 morning.

10 ACTING CHAIRPERSON SCHMIDT: Good morning,
11 Jennifer.

12 ENVIRONMENTAL PROGRAM MANAGER DeLEON: Thank you
13 for the excellent points that you have brought up. Happy
14 to answer them. So the question from the Commissioners is
15 just to respond generally to the comments?

16 So the Department of Defense prepared,
17 circulated, and then approved an Environmental Impact
18 Statement under the National Environmental Policy Act.
19 That document went through the entire public process, was
20 considered, was approved.

21 The Commission's task then was to, as provided in
22 CEQA, to review that previously prepared federal document
23 and to make a determination whether process and
24 substantively that could serve to comply with CEQA, which
25 we did.

1 In terms of the impacts to Desert Tortoise and
2 the offroad vehicle use, so that entire area has been used
3 historically by offroad vehicles. There are no fences or
4 signs to distinguish when they're on BLM property versus
5 when they're on the school lands property. So we suspect
6 that there was some amount of use by offroad vehicles on
7 our parcels.

8 So it's not new. The agreement that was made for
9 the 10 months and two months, the original proposal was to
10 have the entire area be an exclusive use for the training
11 center, because of the recreational impacts. The
12 Department of Defense came to a compromise with the
13 interests of the offroad vehicles, and came to the
14 10-month/two-month compromise.

15 Does that answer that part of the question?

16 ACTING CHAIRPERSON SCHMIDT: Yep.

17 ENVIRONMENTAL PROGRAM MANAGER DeLEON: So this is
18 not new OHV use, and, in fact, the OHV use is expected to
19 decrease somewhat, as compared to current use.

20 In terms of Desert Tortoise, the 154 to 714 adult
21 tortoises is for the entire expansion area. Our seven
22 parcels comprise only about 2,500 acres of that, I think,
23 12,000 or more total acres being brought in.

24 The -- in 2007, there was a biological opinion
25 issued under the federal Endangered Species Act, and also

1 an adoption of an integrated resources -- Integrated
2 Natural Resources Management Plan. That has been followed
3 since that time for the 29 Palms training center and will
4 be applied then -- expanded to apply to the new training
5 area that's being added.

6 So for our purposes when we went through our
7 review and public process, we looked at those measures, we
8 looked at that Integrated Resources Management Plan, we
9 consulted with both the -- informally, with both the
10 federal Fish and Wildlife Service, as well as California
11 Department of Fish and Wildlife, and in doing that
12 analysis, determined that the Integrated Natural Resources
13 Management Plan met our concerns to the extent feasible.

14 In preparing this for you, we have also prepared
15 findings and a Statement of Overriding Considerations
16 because we do recognize that the impacts to Desert
17 Tortoise are significant and unavoidable, but that the
18 overall benefit of the project outweighs the significant
19 impacts to Desert Tortoise.

20 ACTING COMMISSIONER ORTEGA: Mr. Chair, I'm
21 satisfied with staff's response to the concerns, so I
22 would move approval of item C 84.

23 ACTING CHAIRPERSON SCHMIDT: Second.
24 Unanimous.

25 EXECUTIVE OFFICER LUCCHESI: Can we have a vote?

1 ACTING CHAIRPERSON SCHMIDT: Oh, sorry.

2 Second.

3 ACTING COMMISSIONER BAKER: All in favor?

4 ACTING CHAIRPERSON SCHMIDT: Aye.

5 ACTING COMMISSIONER ORTEGA: Aye.

6 EXECUTIVE OFFICER LUCCHESI: There can only be
7 two votes.

8 Thank you.

9 ACTING CHAIRPERSON SCHMIDT: I'll abstain.

10 EXECUTIVE OFFICER LUCCHESI: Okay. So the
11 Controller's office, Commissioner Baker and Commissioner
12 Ortega voting.

13 Great.

14 The next item is Item 98 of the regular agenda.
15 And this is to consider termination and issuance of a
16 general lease - commercial use for land located at Pebbly
17 Beach in Santa Catalina Island.

18 And Brian Bugsch of our Land Management Division
19 will be giving staff's presentation

20 (Thereupon an overhead presentation was
21 presented as follows.)

22 LAND MANAGEMENT DIVISION CHIEF BUGSCH: Good
23 morning, Commissioners. My name is Brian Bugsch. I'm
24 Chief of the Land Management Division. I'm here to
25 present information on Calendar Item C 98, which is Santa

1 Catalina Island Company.

2 On March 27th, 1990, the Commission authorized a
3 26 year general lease - commercial use to the Santa
4 Catalina Island Company for maintenance of a freight barge
5 landing located at Pebbly Beach on Santa Catalina Island.
6 The Commission also authorized a sublease for freight
7 operations to Jack Finnie, president of Catalina Freight
8 Line. The lease and the sublease both expire on March
9 21st 2016.

10 --o0o--

11 LAND MANAGEMENT DIVISION CHIEF BUGSCH: The
12 concrete freight ramp provides for loading and unloading
13 of freight from freight barge vessels and handles
14 virtually all freight traffic for Catalina Island.
15 Currently, there appears to be no other options available
16 for delivering freight to the island without significant
17 infrastructure investments. Potential land available for
18 development of an alternative freight lining appears to be
19 extremely limited at best

20 --o0o--

21 LAND MANAGEMENT DIVISION CHIEF BUGSCH: Beginning
22 in 2011, the Island Company initiated a Request for
23 Proposal process to select a new freight operator
24 following the expiration of their current lease. The RFP
25 stated that one carrier would be selected. The RFP was

1 sent to eight freight operators and five responded with
2 their proposals. Of the five respondents, three finalists
3 were selected.

4 --o0o--

5 LAND MANAGEMENT DIVISION CHIEF BUGSCH:

6 Catalina -- the current operator, Catalina
7 Freight Line, Avalon Freight Services, or AFS, and Curtin
8 Maritime. In November 2013, the Island Company selected
9 AFS as their new freight operator beginning in April 2016.

10 --o0o--

11 LAND MANAGEMENT DIVISION CHIEF BUGSCH: AFS and

12 Curtin have filed applications with the California Public
13 Utilities Commission for a Certificate of Public
14 Convenience and Necessity, or CPCN, to become vessel
15 common carriers between Catalina Island and the mainland.

16 --o0o--

17 LAND MANAGEMENT DIVISION CHIEF BUGSCH: The

18 CPUC -- this is the current status. The CPUC has merged
19 the two applications and issued a schedule for its
20 proposed decision. A public hearing was held in Catalina
21 in early June. The main hearing will be held in Los
22 Angeles in mid-July.

23 The proposed decision on the CPCNs is scheduled
24 to be released in October, and the ruling by the -- and a
25 ruling by the CPUC on the proposed decision is scheduled

1 for a meeting in November 2015. The antitrust section of
2 the California Attorney General's office has also received
3 a complaint from California -- Catalina Freight, and is
4 investigating the merits of that complaint. There is no
5 time line for completion of the AG's investigation at this
6 point.

7 --o0o--

8 LAND MANAGEMENT DIVISION CHIEF BUGSCH: As you
9 know, this item was heard at the April 23rd Commission
10 meeting in San Francisco. At that meeting, the Commission
11 voted to defer the item until the June 29th meeting today.

12 Since our last Commission meeting in April, the
13 Commission staff has met separately with the Island
14 Company, with Curtin Maritime, and Catalina Freight.
15 Staff has also spoken with and consulted with the CPUC
16 staff.

17 --o0o--

18 LAND MANAGEMENT DIVISION CHIEF BUGSCH: Debate
19 surrounds whether or not there is a need for multiple
20 freight carriers and whether or not the facility can
21 accommodate multiple freight carriers. The CPUC is best
22 equipped to answer questions surrounding competition and
23 may or may not choose to address these issues to some
24 degree in their proposed decision. It remains to be seen.

25 As you know, the Island Company has requested

1 that the existing lease be terminated, and a new general
2 lease - commercial use be issued for the continued use and
3 maintenance of a concrete freight barge landing. They've
4 also requested to continue the current sublease to
5 Catalina Freight Line through March 31st, 2016, and
6 approval of a new sublease to Avalon Freight Services for
7 10 years beginning April 1st, 2016.

8 Staff recommends that the Commission approve the
9 lease and sublease as requested by the Island Company. We
10 also recommend that you direct staff to defer executing
11 the lease documents until staff has received a copy of the
12 CPCN from -- authorizing the proposed sublessee, Avalon
13 Freight Services.

14 Should the CPUC decision substantively affect the
15 terms of the Commission's authorization as it relates to
16 the lease and the sublease, staff will return to the
17 Commission for further authorization. That concludes --
18 concludes the staff report. I believe there are
19 representatives from the applicant and the other
20 interested parties here to provide comments.

21 EXECUTIVE OFFICER LUCCHESI: Yeah. We actually
22 have five requests to speak.

23 ACTING CHAIRPERSON SCHMIDT: Okay. Let's roll
24 into that and then Commissioners can bring Brian up, if we
25 have further questions.

1 Daniel Reidy, Catalina Freight Line.

2 MR. REIDY: Thank you, Commissioners. I am
3 Daniel Reidy, representing Catalina Freight Line. We're
4 the current and long-time sublessee of the dock in the
5 adjacent waters at the Pebbly Beach dock that are part of
6 the sovereign lands of the State.

7 The matter before you is really all about the
8 subleases. There never was any real question over whether
9 the State's master lease with the Santa Catalina Island
10 Company, the uplands property owner, would be extended
11 with a new long-term master lease. The Island Company is
12 probably not really arguing here about the rent or the
13 insurance coverage or the surety bond, but our particular
14 interest here is that we want to compliment the Commission
15 staff on its staff report.

16 I think they did a good job of looking into the
17 issues, updating it since the last meeting. And while we
18 would have preferred that the staff's recommendations
19 include a condition approving shared use of the docking
20 facility, along the lines of the one proposed by Curtin
21 Maritime, we appreciate the inclusion of three items that
22 are in the staff report.

23 On page two, they talk about the general terms of
24 the proposed lease. And in the third subsection on page
25 two requiring amendments or terminations of subleases that

1 have to be brought back to the Commission prior to
2 execution for review and approval. That's important to
3 us, because if AFS does not get its certificate on time or
4 is denied, we don't want our new sublease to expire on the
5 31st. It would just be dead. You know, we'd want the
6 opportunity that it has to be amended it would come back
7 and it could be amended or extended.

8 Number two, there's a requirement in the staff
9 report added to authorization number 4 that if the
10 California Public Utilities Commission denies the issuance
11 of Avalon Freight Services request for a Certificate of
12 Public Convenience and Necessity, then the Island Company
13 needs to come back here to the Commission to deal with
14 this lease and sublease issue.

15 And then as the last bullet point was there, the
16 directions to staff in authorization number 5 in the staff
17 report to defer executing the authorized lease and
18 sublease documents until the Commission has actually
19 received a copy of that Certificate of Public Convenience
20 and Necessity from the PUC approving AFS to be able to
21 transport freight to Catalina Island.

22 And then if the Commission's decision substant --
23 they call it substantively affects the terms of the
24 subleases, staff will return to the Commission for further
25 authorization. What could happen is that the California

1 PUC could arrange some condition that there be shared
2 usage of the dock. And that then would be different from
3 just the way it's done now. And so this is the door that
4 opens that possibility.

5 So Catalina Freight Line urges the Commission to
6 adopt the staff report's recommended action without
7 deleting or amending these three critical conditions that
8 I have focused on.

9 Thank you.

10 ACTING CHAIRPERSON SCHMIDT: Thank you.

11 Martin Curtin, do you want to come up?

12 MR. CURTIN: Chairman, commissioners, good
13 morning. Thank you so much for taking the time and State
14 Lands staff. Very informative going through this whole
15 process. I'm pretty much in direct agreement with Mr.
16 Reidy. I truly appreciate the time and effort that
17 everyone took digging into this issue and getting to --
18 getting to the point where you guys are at now.

19 I feel that the last item here, number 5, really
20 is what needs to take place, and it really keeps the
21 public's interest in the forefront, and let's the PUC
22 decide what's going to happen with freight to Catalina.
23 So I thank you guys and I respectfully request that you
24 maintain the staff report as it reads.

25 Thank you.

1 ACTING CHAIRPERSON SCHMIDT: Thank you so much.

2 So I have a number of speaking slips from
3 Catalina Island Company. I don't know if you want to
4 chose order. Jared is on top, if you want to.

5 MR. FICKER: And I think we can keep it brief.
6 Chairman Schmidt and members of the Commission, thank you
7 for taking the time. As you all well aware, this item
8 was -- let me get this up here a little bit.

9 Again, Jared Ficker with -- on behalf of Santa
10 Catalina Island Company. I want to make a few points. As
11 you're well aware, this item was continued from April, and
12 it afforded us some time. And I thank the staff and the
13 Commissioners. I had an opportunity to meet with each of
14 you, and meet -- and the staff provided a generous amount
15 of time, which was traditionally a fairly routine item,
16 this lease renewal.

17 And I think the process worked well, the
18 additional time afforded us an opportunity to look at the
19 issues surrounding this lease, and proposed sublease. We
20 are in full and strong support of the staff
21 recommendation. I do want to make a couple clarifying
22 points related to the language in this and the comments of
23 some of the other proponents for freight operations on the
24 island.

25 The Santa Catalina Island Company owns a small

1 freight yard. And the subject matter -- and I think I do
2 have a slide that I just want to reiterate and show, if
3 that could be brought up.

4 (Thereupon an overhead presentation was
5 presented as follows.)

6 MR. FICKER: Thank you. While that's being
7 brought up, this freight yard is a fairly small facility.
8 You can see it here, and it was essentially referred to in
9 the staff's report before. The subject matter related to
10 the State Lands Commission is not the yard itself, but
11 rather the ramp. And if you could fast forward a few of
12 the slides, we'll show and demonstrate.

13 I do think the pictures are actually informative.
14 The freight ramp area is the subject area for the lease.
15 And it's actually only a portion of that. We can continue
16 on the slides.

17 So this is the top of the ramp looking out.

18 Keep going.

19 --o0o--

20 MR. FICKER: That's the ramp as it goes into the
21 water.

22 Keep going.

23 --o0o--

24 MR. FICKER: That's the warehouse facility that
25 is not subject to this lease area, but part of the Santa

1 Catalina Island Company's property.

2 And keep going.

3 --o0o--

4 MR. FICKER: And again, more of the warehouse.

5 --o0o--

6 MR. FICKER: And then this picture in particular,
7 I think demonstrates kind of the subject matter that we're
8 looking at. The ramp essentially extends below mean high
9 tide, and that is the subject matter area for which we're
10 seeking a lease and a sublease before the State Lands
11 Commission. So it's really kind of half of the ramp area.

12 I will remind the Commission and as I've said in
13 some meetings, there are other ramps and other facilities
14 on the island. The other applicants that were interested
15 and applied to be the sole provider of the use of the
16 Catalina freight facility that the Island Company owns
17 were aware that this was for a sole lease.

18 The other ramps that could be used on the island
19 have not been pursued by any of those providers. So while
20 we are absolutely in support of the staff's
21 recommendation --

22 --o0o--

23 MR. FICKER: -- you know freight service is a
24 critical operation on that island. We selected Avalon
25 Freight Service because they were the highest scoring

1 proposal. We anticipate them being approved by the CPUC
2 at the end of the year. And thank you for taking action
3 today. And this will help ensure a very smooth transition
4 for freight on Catalina Island.

5 And then I just want to make the one final note
6 on the conditions of what the CPUC might take as action.
7 Should this come back and the CPUC won if Avalon Freight
8 Service is not approved or if they provide direction about
9 other providers getting approved or having separate
10 certificates on the island, we are still the upland
11 landowner of the freight yard facility that we have. We
12 have no interest in becoming the Port of Avalon.

13 It's a very small facility. There are a number
14 of additional considerations related to the environment,
15 particularly barges coming over not full and the
16 additional greenhouse gas and emissions that occur in
17 essentially an air basin that is class one.

18 So those would be all things that would need to
19 be looked at. And I think they are part of the scope in
20 consideration of multiple providers at the CPUC. And I
21 think your staff accurately portrayed that those are
22 issues that are going to be taken up there.

23 We thank you for your time, and the staff really
24 did take a lot of time, and I appreciate all of you taking
25 time working with us.

1 Thank you.

2 ACTING CHAIRPERSON SCHMIDT: Thank you.

3 Jeffrey Rusack, would like to speak or second his
4 comments.

5 MR. RUSACK: I'm here for any questions. That's
6 why I put a speaker's slip in, but I'm fine.

7 ACTING CHAIRPERSON SCHMIDT: Okay. And then
8 finally, Greg Bombard

9 MR. BOMBARD: Good morning, Commissioners. My
10 name is Greg Bombard. I'm president of Avalon Freight
11 Services. I want to thank you for offering me the
12 opportunity to participate in this today. We strongly
13 support the staff's recommendation.

14 Avalon Freight service was awarded the RFP for
15 freight service to and from Catalina Island. We were
16 selected through a process of the Santa Catalina Island
17 Company. It was a very competitive process. Since we
18 were awarded that RFP, we've spent nearly -- well, we've
19 invested nearly \$12 million in infrastructure that needs
20 to go along with this process, that is a new warehouse,
21 a -- barges -- a new barge, and a landing craft. All of
22 these are being worked on as we speak.

23 We broke ground in June 2nd on the building, so
24 we're moving forward. We've gone through all the CEQA
25 processes for that building and the area that we're

1 building the new facility into, and that is in the Port of
2 L.A.

3 And by your approving this measure today, allows
4 us to move forward on a smooth transition, which is only
5 nine months away. All of our opportunities are moving
6 forward. We're on schedule, and we look forward to moving
7 forward and making a smooth transition for everyone
8 involved, the shippers as well as the community.

9 Avalon Freight Services is the only one with a
10 long-term lease at both ends through the Santa Catalina
11 Island Company but also the Port of L.A. The rest of them
12 were on a month-to-month at this point. So we want to
13 thank the staff. We think they did a superb job in coming
14 up with these findings, and we appreciate the time here
15 today, and we hope to see you move forward on this.

16 Thank you very much.

17 ACTING CHAIRPERSON SCHMIDT: Thank you.

18 Any comments, Commissioners?

19 ACTING COMMISSIONER BAKER: Move adoption.

20 ACTING COMMISSIONER ORTEGA: I will second the
21 motion. And I also just want to say thank you to the
22 staff, because where we started at the last meeting, it's
23 pretty remarkable that the time that everyone, including
24 the parties involved, put into it brought a recommendation
25 here that everyone could support. So I'm happy to second

1 the motion.

2 ACTING COMMISSIONER BAKER: I'd like to add that
3 on behalf of the Controller who, as you may remember, felt
4 strongly that we should take the additional 60 days to
5 take a look at this. And I know it was a concern to a
6 number of the parties in this that we were doing that, but
7 I think we ended up with a -- in a good place in an issue
8 that I know was of concern to a lot of people. And we're
9 grateful to the staff in particular for doing that. So
10 thank you.

11 EXECUTIVE OFFICER LUCCHESI: Can we have a vote?

12 ACTING CHAIRPERSON SCHMIDT: So we have a motion
13 and a second.

14 ACTING COMMISSIONER ORTEGA: Aye.

15 ACTING COMMISSIONER BAKER: Aye.

16 ACTING CHAIRPERSON SCHMIDT: And I have to
17 abstain, just so the public know, but I would vote yes had
18 this come my way.

19 (Laughter.)

20 ACTING CHAIRPERSON SCHMIDT: Next order of
21 business is our Executive Officer's report.

22 EXECUTIVE OFFICER LUCCHESI: Yeah. And if I may
23 just offer. It appears that we only have one request for
24 public comment. And I notice that it's from the Port of
25 San Diego staff who flew all the way up here.

1 ACTING CHAIRPERSON SCHMIDT: Yeah, let's do it.

2 EXECUTIVE OFFICER LUCCHESI: So we can certainly
3 take public comment if it pleases the Commission, so
4 that --

5 ACTING CHAIRPERSON SCHMIDT: Yeah, let's do it,
6 public comment.

7 EXECUTIVE OFFICER LUCCHESI: -- they can
8 hopefully catch an earlier flight.

9 ACTING CHAIRPERSON SCHMIDT: Would the
10 representatives of the port like to come forward. I know
11 there's a couple on the slip. State your name for the
12 record.

13 MR. NELSON: Thank you. I'm Job Nelson, chief
14 policy advisor for the Port of San Diego and I'm joined by
15 Jason Giffen. And we have made it to a point -- we have
16 made it a point as kind of an organization that we want to
17 have even more of a collaborative relationship with State
18 Lands Commission than we already had, which I think was
19 pretty good. And so we have made it kind of an effort
20 over the last year to make multiple trips up here to meet
21 with staff, but also now to meet with you. And I will say
22 that your staff has been great. They've come down and met
23 with us as well. We thought we'd take just a little bit
24 of time this morning to tell you about a few items.

25 First, the results of our latest economic impact

1 study, and second to talk about an important issue that is
2 coming at Coastal Commission. And so we'll kind of cover
3 both of those. Jason will cover the second one.

4 So if we can bring up the PowerPoint.

5 (Thereupon an overhead presentation was
6 presented as follows.)

7 MR. NELSON: So just to give you an idea, every
8 few years, we do a economic impact study to determine the
9 kind of economic impact that we're having on the San Diego
10 region. And so this is just a quick presentation of some
11 of these reports.

12 So go ahead and go to the next slide.

13 --o0o--

14 MR. NELSON: So just a couple of key findings.
15 The Port in 2013 created \$4.4 million in direct economic
16 impact. I think that's this one. Most of that 1.9 was in
17 tours and commercial, and 2.5 in maritime and industrial.
18 We are also directly responsible with our port tenants for
19 about 33,000 jobs.

20 --o0o--

21 MR. NELSON: When you look at the total economic
22 impact, which includes the induced and indirect
23 multipliers, that climbs to \$7.6 billion for the region,
24 which is a significant amount. We looked at it. We would
25 be the largest employer in the region, if you were to add

1 all those totals by far. And that also accounts for over
2 58,000 jobs for the San Diego region.

3 --o0o--

4 MR. NELSON: And we're growing in an extremely
5 fast clip. Job growth increased. It's at nine percent
6 increase over 2011, and economic growth increased by eight
7 percent. To put that in perspective, job growth
8 county-wide was 4.7 percent over the same period of time.
9 So we're growing at almost twice the pace of the rest of
10 the region.

11 --o0o--

12 MR. NELSON: So I thought I would break down how
13 we're doing in some specific sectors of interest in terms
14 of what we're doing with trustees lands that we've been
15 entrusted with.

16 So first, in terms of our two maritime cargo
17 terminals - excuse me - we generated almost half a billion
18 dollars in total impact in 2013 and 2,800 jobs. I would
19 point out that our maritime and maritime industrial jobs
20 are good middle class paying jobs. The average salary for
21 one of these jobs is \$72,000 a year. To put that in
22 perspective county-wide, the average job is about \$55,000
23 a year. So it -- they're well above the median for the
24 county. We've also added -- just recently, we added a
25 contract with Mitsubishi, and we're going through an EIR

1 of our 10th avenue marine terminal optimization plan,
2 which could quadruple output over the next 30 years.

3 --o0o--

4 MR. NELSON: In terms of the convention center,
5 it continues to do well. And I should point out the
6 convention visitor's spending is higher on average and
7 spins out sales tax that benefits State and local
8 government. And I think we need to all be thinking about
9 how the State can make it easier to fund expansions moving
10 forward.

11 You'll see the San Diego Convention Center all
12 over the news in the upcoming weeks Comic-Con rolls into
13 town. They're already starting to show up in costumes.

14 (Laughter.)

15 --o0o--

16 MR. NELSON: Spiderman has let himself go. I
17 will tell you that, having been there last year.

18 In terms of cruise industry impacts, it's coming
19 back, but we're still -- we're still hurting. It's both a
20 lack of interest in Mexico, as well as just continuing to
21 recover in terms of the economy. We've added a Disney
22 line, but we're still seeing a slight decrease, but it's
23 starting to pick up.

24 --o0o--

25 MR. NELSON: And last, I'll close, before turning

1 it over to Jason, with real estate. We had a big year in
2 terms of real estate. We signed 21 new agreements. We
3 did a major option development on Lane Field South, which
4 is a second major hotel that's coming on board. We broke
5 ground on Marriott Hall, which is almost like a mini
6 convention center right next to the convention center,
7 added multiple restaurants, and we also implemented smart
8 meters all over the Port, which is already paying off.
9 We're seeing more turnover, which means more people are
10 visiting the Port, and it's generating additional revenue.

11 To put that all in perspective, last year we
12 processed 175 CEQA determinations with a seven day
13 average, which is pretty extreme when you think about both
14 the number and then how quickly we're able to turn them
15 around.

16 And with that, I'm going to bring up Jason Giffen
17 who's our director of environmental land use management.

18 --o0o--

19 MR. GIFFEN: Great. Thanks, Joe. Chairman,
20 Commissioners, good to see you again. I just want to
21 briefly follow-up on what Joe focused on to talk a little
22 bit about some of our environmental stewardship,
23 environmental initiatives. What we've been really
24 focusing on the last couple years is really focusing on
25 reducing our carbon footprint. We were the first Port to

1 complete our climate action plan. And that was quite a
2 milestone both for us and also for the region.

3 We initially were looking at moving forward with
4 doing both mitigation planning for reducing our carbon
5 footprint, as well as adaptation and dealing with
6 resiliency. We realize at the time it was a little bit
7 too much to bite off, so we decided to bifurcate those.

8 With now our climate action plan completed, we're
9 beginning now to start focusing on climate adaptation and
10 resiliency, looking at the issue with most of our local
11 partners, whether they be stakeholders, government
12 agencies, or the suite of academic universities and
13 institutions we have in San Diego, Scripps Institute of
14 Oceanography to name one.

15 The one item I would like to bring up to you
16 today is something we've been following pretty closely
17 since last February, which is the Coastal Commission's
18 draft sea level policy guidance document.

19 They've gone through two drafts of the document.
20 At the last Board -- at their last Commission meeting in
21 June, they presented the latest draft, which is our for
22 public review. The public comment period is due July 2nd
23 and the Port definitely plans on submitting a written
24 comment letter on that. And then it has -- that item was
25 continued from the Commission to their August 12th through

1 14th meeting, which is going to be held down in Chula
2 Vista California in San Diego County.

3 I just want to take a few moments, because there
4 is a focus on -- in the document to deal with the
5 extensive amount of local coastal plans throughout the
6 region and throughout the State, and we want to make sure
7 that there is deservedly so enough focus on port master
8 plans as well. Like I said, we're going to be moving
9 forward with writing a detailed letter. We've spoken to
10 your staff already about some of our initial concerns, and
11 we just thought it would be prudent and appropriate just
12 to bring up some of the items for you to consider.

13 First off, the draft document seems to be a
14 little bit unclear on its intent and how it should be used
15 in the context of port master plans. The document uses
16 terms like the local coastal process, and refers to other
17 plan documents. However, the guidance is, we think right
18 now, local coastal planning specific and does not equally
19 account for Port policies as defined in Chapter 8 of the
20 Coastal Act.

21 --o0o--

22 MR. GIFFEN: So we're recommending some more port
23 specific guidance be include in this document.
24 Additionally, the guidance document from our perspective
25 does not provide enough port-specific guidance to help us

1 adequately respond to the requirements of AB 691 that was
2 passed a couple years ago.

3 We also believe that the focus that needs to be
4 addressed by folks on this from a cumulative impacts
5 perspective needs to have a regional approach and requires
6 interagency focus. When you go down the lowest common
7 denominator looking at an individual jurisdiction
8 responsible for a local coastal plan, that seems a little
9 bit different than the situation we faced at the Port of
10 San Diego, which is a unified port made up of six
11 members -- sorry, five member cities, as well as close
12 relationships with other stakeholders throughout the
13 region.

14 We have been a member of the San Diego Regional
15 Climate Collaborative. And it's venues like that that we
16 think we can collaboratively work to find solutions for
17 adaptation of resilience planning, especially given that
18 an urban working port is very different than our precious
19 coastal resources up and down -- up and down the
20 California coast, and we think it deserves a little bit of
21 credence to be treated and looked at a little bit
22 differently than specifically local coastal plans.

23 A few more points, the list of grant
24 opportunities in the document still only focuses on local
25 coastal plans. An endeavor like this to update a port

1 master plan is equally challenge, and we would appreciate
2 some additional support financially equal to some of the
3 other jurisdictions going through this process.

4 At this point, the guidance document also puts a
5 great deal of responsibility on local -- on local
6 authorities and property owners. To solve the issue of
7 climate change and address resiliency, we think it's going
8 to have to take a collaborative effort both between the
9 Port, our member cities, and all of the 600 plus tenants
10 that make up the Port of San Diego.

11 And we think that that burden should be explained
12 and equal -- and held equally in the guidance document. A
13 couple other comments I just want to point out. As we go
14 through this process of updating our planning documents
15 and dealing with adaptation and resiliency, it's important
16 to distinguish how we're going to be moving forward with
17 processing coastal development permits. What happens in
18 the meantime as far as how we're going to be planning for
19 our development projects on a case-by-case basis versus
20 what we need to be planning for in the mid- and long-term?
21 So some clarity on that issue also would be needed.

22 A couple other items I just want to briefly
23 comment on are related to the adaptation strategies that
24 are identified in the draft document, the adaptation --
25 one adaptation strategy recommends and LCP update

1 development siting and design standards to avoid,
2 minimizing, and reduce risks from coastal hazards and
3 extreme events.

4 We would recommend as part of that strategy that
5 we also look comprehensively at whether or not it's
6 appropriate to update the building code. So when we
7 typically have extreme events that we're responding to,
8 whether it is related to disaster planning or wildfires or
9 flooding, typically the building code follows. I would
10 suspect as we start looking at sea level rise and
11 adaptation planning, the California Building Code could be
12 a useful tool in helping provide guidance for individual
13 projects.

14 Just a couple more comments before I wrap-up.
15 There's an entire section -- chapter called legal issues.
16 And in that, we think that there should be some more
17 guidance that clearly distinguishes how the guidance would
18 apply to new and existing development, especially for
19 coastal-dependent uses. We recommend adding a distinction
20 between noncoastal-dependent uses, in front of new
21 development, when describing new development is not
22 allowed on the shoreline.

23 We recommend adding also clarifications that
24 distinguish between coastal-dependent uses that are
25 related to natural resources and coastal resources that

1 are tied to operations fundamental to a port. That
2 clarification seems to not be equal throughout the
3 document.

4 Finally in closing, I just would like to point
5 out that we think that sound science is obviously going to
6 be critical in us moving forward and setting up the
7 appropriate guidance document to help us make informed
8 public policy decisions. And, at this point, there's some
9 inconsistencies between planning for maximum sea level
10 rise scenarios in the document versus what we need to be
11 doing based on the best science available. We have some
12 good partners in San Diego. I mentioned the Scripps
13 Institute of Oceanography, as well as U.S. Navy and other
14 academic Institutions where we're looking at scenario
15 based planning. And we need to have a little bit more
16 flexibility in documents like this, so we can address the
17 issue head on, but also have it be flexible enough for us
18 to accommodate continued economic growth and development
19 while also living up to our environmental stewardship
20 responsibilities in San Diego Bay.

21 So that concludes both mine and Joe's
22 presentation this morning.

23 ACTING CHAIRPERSON SCHMIDT: Thank you. Any
24 comments, Commissioners?

25 ACTING COMMISSIONER BAKER: Yeah. I was watching

1 the last Coastal Commission meeting where they were taking
2 comments and heard the Port of San Diego's testimony. And
3 Jennifer, I'd like to make sure -- I know you've been
4 doing this, but I'd like to put it on the record that for
5 the Lands Commission staff to work with the ports, not
6 only San Diego but the other grantees, to assist them in a
7 dialogue with the Coastal Commission staff to make sure --
8 you know, climate is new to everybody.

9 And the flexibility we're all looking for along
10 with this sort of uncertainty about how this is all going
11 to work, I think requires us to be creative in some of our
12 solutions and not to overpanic on all sides.

13 And I'd like to request that you work with those
14 key stakeholders and grantees to help facilitate that
15 dialogue to make sure that we all move forward in a
16 positive, you know, way, and not dig in too early. So I'd
17 like to request that you do that as we go forward.

18 EXECUTIVE OFFICER LUCCHESI: Certainly. As you
19 mentioned, we've already started engaging in that
20 discussion between the Port and Coastal Commission staff,
21 and we'll certainly expand that to our other trustee
22 ports.

23 And I just want to also recognize that this type
24 of facilitation that the Commission through its staff, and
25 the benefits derived from that, to helping our trustees

1 resolve issues and address concerns, is exactly what I
2 think Controller Yee was talking about and acknowledging
3 when discussing our strategic plan -- draft strategic
4 plan.

5 And it's a real, I think, asset that the
6 Commission thinks in this way, and directs staff to
7 implement that balancing efforts and facilitating
8 discussion and problem solving. So certainly, we will do
9 that. And I'll be happy to report back at the August
10 commission meeting.

11 ACTING CHAIRPERSON SCHMIDT: Thank you.

12 Is there anybody else in the public that did not
13 fill out a speaker's slip that would like to talk at this
14 time?

15 All right. With that, Jennifer, would you like
16 to deliver your Officer's report?

17 EXECUTIVE OFFICER LUCCHESI: Yes. So I'll
18 briefly mention two items in my Executive Officer's
19 report, and then we actually have two presentations. So
20 we'll -- I'll mention those two brief items, and then
21 we'll move on to Sheri Pemberton who will actually
22 showcase the Commission's new website, and then I will
23 conclude by updating the commission on the Refugio oil
24 spill and also provide some context to our own safety and
25 environmental programs relating to offshore oil and gas

1 facilities.

2 So first, just my commission report on Martin's
3 Beach and the negotiations that have been occurring since
4 the beginning of this year. Staff met with
5 representatives of Martin's Beach on May 12th to continue
6 negotiations for an acquisition of a public access
7 easement or right of way. Currently, staff is in the
8 process of preparing an appraisal to be used in the
9 negotiations.

10 The second item I want to just briefly touch on
11 is on June 16th Commission staff sent a letter to the City
12 of Newport Beach who is a grantee of the Commission
13 requesting the opportunity to discuss with the city their
14 proposed modifications to the mooring permit policies and
15 fee structures for facilities located on legislatively
16 granted tidelands and submerged lands.

17 Specifically, we were seeking more information
18 about the proposed revisions to the mooring facility rent
19 and permit conditions. The city did defer action on the
20 mooring rents, and lease conditions, and we're looking
21 forward to discussions with city staff on that effort of
22 theirs. I'd actually like to start with our website
23 update, if that's okay. Sorry about that.

24 So Sheri Pemberton is our Chief of our External
25 Affairs Division who's been leading this effort, along

1 with a number of our staff that spans across our agency in
2 a number of divisions. And Sheri will certainly
3 acknowledge those staff members that have really done the
4 work in terms of modernizing and updating our website.

5 So, Sheri.

6 EXTERNAL AFFAIRS DIVISION CHIEF PEMBERTON: Thank
7 you, Jennifer. We just have a very brief PowerPoint. But
8 I am really excited about the new website that we've been
9 working on over the past year.

10 The impetus for this was the realization that our
11 current website had kind of grown a little bit stale and
12 antiquated and kind of cluttered. And we realized that
13 there's a lot of information -- really fascinating
14 information that people want that we didn't have on our
15 website.

16 So the other thing that was the impetus is our
17 website was kind of organized by divisions, so users would
18 have to know what division to look under to find
19 information. So if you wanted information about the
20 coastal hazard removal program, for example, you had to
21 know to look under the Mineral Resources and Management
22 Division page.

23 Thank you.

24 --o0o--

25 EXTERNAL AFFAIRS DIVISION CHIEF PEMBERTON: And

1 I'm not quite sure -- there we go.

2 So this is -- this shows you the current page and
3 then the new proposed page on the right. So there's just
4 a few slides.

5 --o0o--

6 EXTERNAL AFFAIRS DIVISION CHIEF PEMBERTON: This
7 is an example of our interactive school lands map that we
8 put on the new website that allows people to search and
9 find specific information about all of our school lands.

10 Just to kind of go on to another example. If you
11 wanted information about our Low Energy Geophysical Survey
12 Program, you'd have to go -- you'd have to know to look
13 under the Division of Environmental Management. And then
14 it often required numerous links to get to -- or numerous
15 clicks to get to a link and frequently sought information
16 like how to apply for a lease or a permit was sometimes
17 challenging to find.

18 --o0o--

19 EXTERNAL AFFAIRS DIVISION CHIEF PEMBERTON: So
20 this is just kind of a brief snapshot and it shows some of
21 the shortened navigation paths in the new website. So
22 what we kind of did, just for context too is we rebuilt
23 the website from the ground up. We redesigned all the
24 pages, revised the tab structure and updated and rewrote
25 virtually all of the information with the objective of

1 kind of a clean, user-friendly, and modern website with
2 text that was more relaxed in tone and easier to
3 understand, while also having links to more in-depth
4 information, so we could help people who wanted kind of
5 quick information and then those who wanted more in-depth
6 information.

7 --o0o--

8 EXTERNAL AFFAIRS DIVISION CHIEF PEMBERTON: And
9 this is an example, just to clarify, the current
10 navigation for the Low Energy Geophysical Permit Program.
11 Just as an example, you have to go through all these
12 links. And now, you can just go through two links and you
13 find the information.

14 --o0o--

15 EXTERNAL AFFAIRS DIVISION CHIEF PEMBERTON: And
16 then this is our -- another example for the granted lands
17 statutes navigation and how it's much shorter.

18 So the new site also uses the newest State
19 template. It's mobile device friendly and incorporates a
20 lot of modern features like the interactive GIS map that I
21 showed you for our school lands.

22 We also have a lot of new content about land
23 classifications and water boundaries and land titles. And
24 that might sound kind of nerdy, but it's really
25 fascinating information about the lands and resources that

1 are really foundational to California and that the
2 Commission oversees.

3 And there are also really unique areas of law and
4 policy that our staff has a lot expertise and historical
5 knowledge about. So we have really interesting and
6 hard-to-find historical information that previously we
7 didn't have on our website that now we've pushed out and
8 made available so the public can benefit from it.

9 And just -- I think that's maybe the last slide,
10 but that's just a couple more examples of the new pages.

11 --o0o--

12 EXTERNAL AFFAIRS DIVISION CHIEF PEMBERTON:

13 That's the land classification page, the water
14 boundaries page --

15

16 --o0o--

17 EXTERNAL AFFAIRS DIVISION CHIEF PEMBERTON: --

18 and that's it for the slides. But this is just
19 the biggest endeavor we've undertaken with our website I
20 think ever. And we think it's a really huge improvement
21 and really beneficial to the public. And we also want to,
22 in the future, weave in more pictures and information to
23 kind of warm up and enliven the pages. So we just think
24 this is kind of Phase 1 and we'll keep building from here.

25 And just to wrap-up, I just wanted to say, it's

1 really been, as Jennifer said, kind of a team effort. And
2 I just wanted to give special recognition and thanks to
3 some of our staff who were instrumental in developing the
4 new website. Kristin Schwartz of our staff who's here in
5 the audience. And she did an outstanding job. She did
6 all the programming from the ground up and advised on
7 layout and content placement, and just demonstrated
8 tremendous thoughtfulness and dedication. So she really
9 deserves a lot of credit for the new website.

10 And also, Jessica Rader of our staff was really
11 instrumental. She provided a lot of the historical
12 information, land title information, and contributed just
13 her excellent writing skills. So she did a great job too.

14 And just last Michaela Moser of our staff, who
15 was amazingly efficient and smart and really helped
16 organize the content as well. So that's it. If you have
17 any questions, happy to answer them.

18 ACTING CHAIRPERSON SCHMIDT: (Shakes head.)

19 EXECUTIVE OFFICER LUCCHESI: And if there's any,
20 as you think about the presentation that was given, and I
21 think we've provided you with the test site to access and
22 play around with our new website, please give us -- send
23 us any suggestions or comments. We're certainly always
24 happy to improve upon what we've already done. We know
25 that we will continue to improve the website, and we'll be

1 similarly asking that of any of the visitors to our
2 website to make any suggestions.

3 So I just want to -- even though, I didn't hear
4 all the presentation, I want to probably just emphasize
5 the fact that as was stated by the Controller when talking
6 about the strategic plan, the State Lands Commission, its
7 Commission members, its staff, we are a huge resource that
8 dates back before the State of California became part of
9 the union. We have a tremendous amount of historical
10 information.

11 We also have a tremendous amount of professional
12 expertise on staff, whether it's relating to water
13 boundaries, surveying, legal expertise, our Minerals
14 Resources Management Division, our Marine Facilities
15 Division with their expertise in spill prevention and just
16 the history of oil and gas production in California.

17 And then along with our Environmental Planning
18 and Management Division, who does just stellar work on all
19 of our CEQA documents. All of that was, I think, very
20 hard to find for the modern user on our old website. Now,
21 that's at your fingertips, and all that information is
22 readily available. So a member of the public can peruse
23 through that website and go as deep into that rabbit hole
24 of information as they want to very easily. So thank you
25 very much.

1 EXECUTIVE OFFICER LUCCHESI: So last but not
2 least, we wanted to take this opportunity to provide the
3 Commission with an update on the Refugio oil spill,
4 particularly in the context of our own -- of our own oil
5 and gas leasing, as well as our oil spill prevention
6 programs.

7 (Thereupon an overhead presentation was
8 presented as follows.)

9 EXECUTIVE OFFICER LUCCHESI: So I will move
10 quickly through this, given that we're at the end of the
11 meeting.

12 So on May 19th, 2015, approximately 101,000
13 gallons of crude oil was released from a ruptured pipeline
14 near Refugio Beach in Santa Barbara county. Of the
15 101,000 gallons released, approximately 21,000 gallons
16 reached the Pacific Ocean. As of June 22nd operations
17 continue with a focus shifting from clean up to
18 environmental restoration.

19 This slide shows that the pipeline is operated by
20 All American -- by Plains All American and consists of
21 approximately 122 miles of pipeline between Las Flores
22 Canyon to the Emidio pump station. Then moving on from
23 that -- moving on from that -- maybe this isn't working.

24 --o0o--

25 EXECUTIVE OFFICER LUCCHESI: Oh, there we go.

1 Going east, the pipeline runs a little over 1,000
2 miles between the Emidio pump station to west Texas. So
3 this portion of the pipeline that ruptured is obviously a
4 portion of a very large system of pipelines transferring
5 petroleum products to the middle of the State and at a
6 point at line -- oh, excuse me, 1903 is when that pipeline
7 actually has been approved for to transport gas.

8 --o0o--

9 EXECUTIVE OFFICER LUCCHESI: This is a regional
10 overview of where the ruptured pipeline occurred in the
11 context of the existing oil and gas infrastructure and
12 facilities in Santa Barbara County. So you can see where
13 the Plains All American Pipeline rupture occurred
14 approximately in the context of Platform Holly, which is a
15 State lease operated by Venoco. And that oil is
16 transferred to the EOF, and then gets moved into the
17 Plains All American Pipeline there. There's also three
18 federal platforms that produce oil and gas that also feed
19 into this pipeline at this location.

20 --o0o--

21 EXECUTIVE OFFICER LUCCHESI: Again, just another
22 shot to provide context and background of this approximate
23 spill location, and less than a half a mile away from the
24 Refugio State Beach, which obviously saw I think the most
25 impact from the spill.

1 --o0o--

2 EXECUTIVE OFFICER LUCCHESI: Again, another
3 aerial shot looking at where the pipeline ruptured and the
4 oil that spilled out that stayed on site basically, and
5 then where the culvert openings were that transported that
6 oil out into the Pacific ocean.

7 --o0o--

8 EXECUTIVE OFFICER LUCCHESI: The agencies
9 responsible for response and for initiating the unified
10 command center are -- is the responsible party Plains All
11 American Pipeline, the U.S. Coast Guard, the United States
12 Environmental Protection Agency, California Department
13 Fish and Wildlife, and the California Office of Spill
14 Prevention and Response, and the Santa Barbara Office of
15 Emergency Management.

16 I will also note that as soon as State Lands
17 Commission staff became aware of the spill, we sent our
18 inspectors up to the site to assist in any way, but
19 primarily to start the learning process of what went wrong
20 and how we can improve our program based on the lessons
21 learned there.

22 --o0o--

23 EXECUTIVE OFFICER LUCCHESI: Just a couple of
24 pictures showing the clean-up activities at Refugio Beach.

25 --o0o--

1 EXECUTIVE OFFICER LUCCHESI: The oil spill
2 impacts as of June 21st, there are approximately 192 dead
3 birds and 103 dead mammals. There are three marine
4 protected areas impacted by the spill, as well as
5 recreational impacts that amounted to the closure of
6 Refugio Beach and El Capitan State Beaches and camp
7 grounds.

8 There was also some impacts to the Refugio Beach
9 underwater park, which is actually under lease from the
10 State Lands Commission. And, of course, there was
11 approximately 138 square miles of fishing grounds closed
12 to commercial fishing because of those impacts.

13 On Friday, June 6, El Capitan State Beach was
14 opened to the public, but Refugio State Beach remains
15 closed.

16 --o0o--

17 EXECUTIVE OFFICER LUCCHESI: Then just some very
18 disturbing pictures of the impacts to the wildlife,
19 because of the spill.

20 --o0o--

21 EXECUTIVE OFFICER LUCCHESI: So we are currently
22 in the middle of the Natural Resource Damage Assessment
23 process. And this is basically just shows a brief summary
24 of the phases of an oil spill response that includes
25 understanding where the source came from and notification,

1 and the red, and that's located at Refugio Beach, is where
2 there's still active intense clean-up activities going on.

3 --o0o--

4 EXECUTIVE OFFICER LUCCHESI: Based on preliminary
5 assessments, the pipeline failure appears to be from
6 external corrosion. In May 2015, smart pig inspection
7 results are still under review and results from that have
8 not been released. The failure section of the pipeline
9 was sent to an independent lab in Ohio for testing and
10 analysis. And our staff is monitoring the results of
11 that, and is in contact with all of our partners at the
12 various agencies, State and federal, involved in that
13 analysis and review.

14 --o0o--

15 EXECUTIVE OFFICER LUCCHESI: While -- oh, excuse
16 me. I think it's important to note that the pipeline and
17 Hazardous Materials Safety Administration, the federal
18 agency overseeing the review and analysis of the failed
19 pipeline research and analysis effort has issued a
20 corrective action order and has since amended it. And
21 basically this slide lists those corrective actions that
22 are required of Plains to both understand better how --
23 why and how the pipeline failed, and then also to lay out
24 the plan forward to potentially returning it to service.

25 So I think what's interesting about this slide

1 too is just the amount of days that it's going to take to
2 get through some of these analyses before we have a better
3 understanding of what went wrong.

4 --o0o--

5 EXECUTIVE OFFICER LUCCHESI: So while the State
6 Lands Commission does not have jurisdiction over the
7 portion of the All American Plains Pipeline that was the
8 source of the spill, the Commission does have jurisdiction
9 over various oil and gas pipelines offshore, onshore, and
10 at marine oil terminals. We also have a number of oil and
11 gas leases that are active that involve offshore
12 facilities like platforms and mad-made islands.

13 So as such, we have a pipeline integrity program.
14 There are 12 oil and gas pipelines from State facilities
15 that our program regulates. We also have 24 oil and gas
16 pipelines from federal facilities that are subject to a
17 Memorandum of Agreement with federal and State agencies to
18 help monitor and inspect those pipelines.

19 --o0o--

20 EXECUTIVE OFFICER LUCCHESI: Our integrity
21 management -- pipeline integrity management program looks
22 at various aspects of external corrosion control, internal
23 corrosion control, and it also provides for pipeline
24 inspections. So it's a very comprehensive program.

25 We also have requirements relating to time frames

1 on when our lessee is to provide reports about
2 inspections, and what those reports are supposed to
3 include, and also safety equipment and procedures dealing
4 with our oil and gas production facilities for high and
5 low pressure shut-in sensors, automatic shut-in valves and
6 other safety control system.

7 I will say that our Long Beach staff, both in our
8 Minerals Management -- Minerals Resources Management
9 Division and in our Marine Facilities Division have highly
10 skilled professional engineers and other analysts that
11 dedicate their professional lives to ensuring that the
12 State's offshore facilities that are under our
13 jurisdiction are being operated in the most safe and
14 environmentally protective manner. And so these programs
15 are being implemented by our engineers and our analysts
16 working in those divisions. And I'll get into that in a
17 bit.

18 --o0o--

19 EXECUTIVE OFFICER LUCCHESI: We also have
20 platforms and associated facilities' inspection program.
21 And this really focuses on the oversight of 23 offshore
22 oil and gas leases, 16 of which are actively producing.
23 These include four offshore platforms and one man-made
24 island located in State waters.

25 Additionally, the Commission oversees the

1 development and production at the Long Beach Unit, which
2 includes four man-made islands and the West Wilmington
3 Unit all offshore Long Beach.

4 The State Lands Commission has a comprehensive
5 inspection and safety and pollution auditing program that
6 monitors all safety and pollution prevention components.
7 Our staff witnesses monthly testing and inspection of the
8 safety systems, inspects the spill prevention and response
9 equipment to ensure compliance with regulations, and
10 confirms that the oil and gas resources produced are
11 measured accurately.

12 Comprehensive safety audits are conducted on each
13 offshore and onshore facility every five years to verify
14 the adequacy of the design and condition of the facility,
15 their ability to function properly, and the lessee's level
16 of commitment to safety.

17 Our platform structural inspection program also
18 makes sure that the platform itself remains safe and
19 follows a comprehensive schedule of inspections for that
20 purpose.

21 --o0o--

22 EXECUTIVE OFFICER LUCCHESI: You can see here
23 some of the inspection activities, including inspection of
24 required safety devices and royalty verification tasks.
25 Our inspection program, and this is what we're very proud

1 of, frankly, that our inspection provides a frequent
2 presence for ongoing compliance ensuring reliability of
3 safety systems and safe operations.

4 The safety audit, while occurring less frequently
5 but is a very -- and this is the one that occurs every
6 five years, is more comprehensive and detail oriented,
7 looking at facility condition, adequacy of design and
8 hazard analysis, as well as assessing the use of safety
9 management programs by the lessees to address human
10 factors involved with the safety culture at these
11 facilities.

12 --o0o--

13 EXECUTIVE OFFICER LUCCHESI: Our inspectors
14 working from field offices in Huntington Beach and Goleta
15 are the eyes and ears of the Division, and they're the
16 primary contacts with the operators of the State
17 platforms. They conduct routine visual inspections of
18 these facilities, assist and witness the monthly testing
19 of the required safety systems, and verify that this
20 facility remains in conformance with the approved plans.

21 --o0o--

22 EXECUTIVE OFFICER LUCCHESI: The Commission also
23 has regulatory jurisdiction over the State's 58 marine oil
24 terminals. At these marine oil terminals, the
25 Commission's jurisdiction commences at the first pipeline

1 connection with a ship or barge, and the Commission's
2 jurisdiction ends at the first valve out of containment
3 built around the storage tank, typically less than a mile
4 in length. From that point inland, the State Fire Marshal
5 takes over in terms of regulating those pipelines.

6 --o0o--

7 EXECUTIVE OFFICER LUCCHESI: We have various
8 regulations, which include standards for pipeline
9 integrity management and emergency shut-down procedures.

10 --o0o--

11 EXECUTIVE OFFICER LUCCHESI: Our last -- our last
12 division that involves pipelines is our Land Management
13 Division, and we have a number of leases for pipelines
14 that cross waterways, rivers, and such throughout this
15 State. And so as you can see, it involves -- our Land
16 Management Division manages and issues leases for
17 pipelines that involve thousands of crossings throughout
18 the State. When the Commission staff is developing its
19 recommendations in negotiating its leases for
20 consideration by the Commission, we are going through a
21 detailed engineering review of the design and installation
22 of these pipelines, we're ensuring the compliance with
23 applicable regulatory requirements, and any inspection
24 requirements and additional State Lands design and
25 operation safety measures are detailed as lease conditions

1 in the lease document.

2 --o0o--

3 EXECUTIVE OFFICER LUCCHESI: So there are -- I
4 want to conclude that the Commission's oil spill
5 prevention programs have been extremely successful. And I
6 just want to throw out some numbers for your
7 consideration. Between 2010 and 2015, there have been
8 three billion -- a little over three billion gallons of
9 oil produced and only five gallons spilled.

10 That equates to -- and this is where the math
11 loses me, but about -- there's about 11 zeros between the
12 decimal point and one percent between there that's
13 actually spilled into the marine environment. At our
14 marine oil terminals between 2010 and 2015, approximately
15 148,000 gallons -- or excuse me billion gallons of oil
16 were transferred across those 58 marine oil terminals. Of
17 that, only 6,100 gallons of oil were spilled.

18 I want to just compare and contrast that to a
19 recent NOAA report talking about natural oil seeps. And
20 in Southern California, according to NOAA, on an annual
21 basis, about five million gallons of natural seeps occur
22 in the Southern California area.

23 So from a natural seep, you're looking at five
24 million seeps -- five million gallons of oil compared to
25 the success of our safety and spill prevention programs.

1 You can kind of put it in context.

2 However, with that said, even a gallon of oil
3 spilled into the marine environment is unacceptable. And
4 Commission staff is currently evaluating its oil spill
5 prevention programs to identify opportunities for
6 improvement, including research and analysis of emerging
7 technologies to assist both staff and our lessees in
8 preventing and detecting leaks in pipeline and facility
9 vulnerabilities.

10 We are also looking at our current regulatory
11 efforts to incorporate lessons learned from this Refugio
12 incident across all divisions in our Resources Management
13 Division, our Marine Facilities Division, and our Land
14 Management Division.

15 And finally, we are also looking internally in
16 how our divisions interact with each other, given where
17 our expertise on these types of issues lie, and how we can
18 better facilitate communication and collaboration
19 between -- internally to ensure that the recommendations
20 for lease conditions, including inspection timelines and
21 that sort of thing coming before you, are appropriately
22 safeguarding California's marine environment, as well as
23 ensuring that our lease compliance efforts are being
24 enforced and implemented as comprehensively as possible.

25 So that concludes my report. I'm happy to answer

1 any questions. And I will also take note that we have a
2 significant amount of staff members in the audience from
3 each of these divisions where their expertise in how they
4 spend their days in and out are to prevent oil spills from
5 happening in the marine waters.

6 Thank you.

7 ACTING CHAIRPERSON SCHMIDT: Thank you. And
8 those numbers speak for themselves of the job you're
9 doing. A couple questions.

10 One is the regulations we apply at State Lands to
11 our leases, are those shared and adopted by other
12 regulatory bodies in California or is everybody operating
13 under different regulations?

14 EXECUTIVE OFFICER LUCCHESI: In terms of whether
15 there's any overlap in the regulations and how those
16 regulations are implemented with other sister State
17 agencies, there may very well be some overlap. We are
18 actually in the process of looking at where our -- just
19 confirming our regulatory jurisdiction versus other State
20 agencies' jurisdiction. But I will say, generally
21 speaking, when it comes to offshore oil and gas
22 production, our standards are more stringent than some of
23 our sister agencies as it relates to oil production.

24 ACTING CHAIRPERSON SCHMIDT: And that's I think
25 where I was getting at and the fact that if we are doing

1 such a good job and other agencies don't have these
2 regulations, how do we help facilitate stronger
3 regulations at sister agencies? And is that something
4 staff can work on or is that something that has to come
5 more from a Commissioner level working with partners in
6 the Governor's office and some of the heads of those
7 different departments?

8 EXECUTIVE OFFICER LUCCHESI: Yeah. I would
9 recommend that staff take a stab at that, especially to
10 identify and confirm where those gaps may lie, and then
11 also take a stab at facilitating those discussions. And
12 I'd be happy to report back the status of those to the
13 Commission for the Commission's decision on how to move
14 forward from there.

15 ACTING CHAIRPERSON SCHMIDT: That would be great.
16 The other thing that maybe you could report back,
17 and you touched on it, was best available technology. And
18 that's of interest to the Lieutenant Governor with regard
19 to is there any technology out there, even
20 pre-commercialization, that could better assist us going
21 forward? And with that said, are there partnerships --
22 and you can tell me I'm completely wrong, but could we
23 work with maybe pre-commercialized products as almost a
24 testing agency, so people can advance that technology
25 quicker, and if that opportunity exists?

1 And obviously, you don't have to answer it today,
2 but maybe next meeting come back and report it, if that
3 exists or if I'm just making it up.

4 (Laughter.)

5 EXECUTIVE OFFICER LUCCHESI: I'd be happy to do
6 that. What I would like to propose to the Commission, and
7 if -- if I could be given a little bit more flexibility
8 than the next Commission meeting, but at one of the next
9 Commission meetings this year, come back with a formal
10 staff report with a list of recommendations relating to
11 all the different areas I mentioned in my presentation, in
12 terms of revised regulations, research and analysis into
13 emerging technologies that we could potentially leverage
14 on a number of different platforms, as well as some
15 internal improvements, bring that back after we've had a
16 chance to review the conclusions of the pipeline failure
17 analysis and results, and be able to build that into
18 recommendations for improving our own programs and
19 actually make that a formal staff report with formal
20 recommendations for your consideration on all those
21 different avenues?

22 ACTING COMMISSIONER BAKER: I'd like to add one
23 other one to that. You know, the Fire Marshal's office,
24 it was reported, turned back the responsibility, you know,
25 for some of the reporting, because they didn't have the

1 funds to hire competitively for someone of a senior status
2 to recruit to do the job they needed to do.

3 You suggested on occasion we've had some of those
4 same difficulties. And I would urge you to include that
5 as part of that report that you bring back.

6 EXECUTIVE OFFICER LUCCHESI: I will certainly do
7 that.

8 ACTING CHAIRPERSON SCHMIDT: Thank you.

9 Any other comments?

10 ACTING COMMISSIONER ORTEGA: (Shakes head.)

11 ACTING CHAIRPERSON SCHMIDT: All right. Well,
12 with that, that concludes our meeting

13 EXECUTIVE OFFICER LUCCHESI: Great. Thank you.
14 (Thereupon the California State Lands
15 Commission meeting adjourned at 12:12 PM)

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1 C E R T I F I C A T E O F R E P O R T E R

2 I, JAMES F. PETERS, a Certified Shorthand
3 Reporter of the State of California, do hereby certify:

4 That I am a disinterested person herein; that the
5 foregoing California State Lands Commission meeting was
6 reported in shorthand by me, James F. Peters, a Certified
7 Shorthand Reporter of the State of California;

8 That the said proceedings was taken before me, in
9 shorthand writing, and was thereafter transcribed, under
10 my direction, by computer-assisted transcription.

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

14 IN WITNESS WHEREOF, I have hereunto set my hand
15 this 10th day of July, 2015.

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23 JAMES F. PETERS, CSR
24 Certified Shorthand Reporter
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