

MEETING
STATE OF CALIFORNIA
LANDS COMMISSION

CAPITOL EVENT CENTER
SECOND FLOOR
1020 11TH STREET
SACRAMENTO, CALIFORNIA

TUESDAY, DECEMBER 6, 2016
10:03 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:

Ms. Betty T. Yee, State Controller, Chairperson

Mr. Gavin Newsom, Lieutenant Governor

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

STAFF:

Ms. Jennifer Lucchesi, Executive Officer

Mr. Colin Connor, Assistant Executive Officer

Mr. Mark Meier, Chief Counsel

Mr. Reid Boggiano, Public Land Management Specialist

Mr. Steve Curran, Senior Petroleum Drilling Engineer

Ms. Kim Lunetta, Administrative Assistant

ATTORNEY GENERAL:

Mr. Andrew Vogel, Deputy Attorney General

ALSO PRESENT:

Mr. Christopher Adams

Mr. Jonathan Bremer

Mr. Rob Caughlin, Surfrider

Mr. Francis Coats

Mr. Steve Cruz, San Mateo County

Ms. Jenn Eckerle, Environment California

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

ALSO PRESENT:

Mr. Jeffrey Essner, Hopkins Carley

Ms. Jason Giffen, Port of San Diego

Ms. Julie Graves

Mr. Kirk Hawkins, Hawkins Insurance Services, LLC

Mr. Mark Hennelly, California Waterfowl Association

Mr. Patrick Higgins, Audubon California

Senator Jerry Hill, 13th District

Ms. Angela Howe, Surfrider Foundation

Mr. Edmundo Larenas, Surfrider Foundation, San Mateo Chapter

Dr. Mary Larenas

Ms. Desiree Loggins, Audubon California

Mr. Bill Magavern, Coalition for Clean Air

Congressman Pete McCloskey, former Congressman

Mr. James Moore

Mr. Job Nelson, Port of San Diego

Ms. Kathryn Phillips, Sierra Club California

Mr. Robert Pierce

Ms. Lennie Roberts, Committee for Green Foothills

Ms. Victoria Rome, Natural Resources Defense Council

Ms. Judy Romines

Mr. Ron Romines

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

ALSO PRESENT:

Ms. Jennifer Savage, Surfrider Foundation

Mr. Roy Sturgen

Mr. Jeffrey Volberg, California Waterfowl Association

Mr. Michael Warburton, Public Trust Alliance

Ms. Anne Weinstein, Audubon California

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I 10:00 A.M. - OPEN SESSION	1
II CONFIRMATION OF MINUTES FOR THE MEETING OF OCTOBER 13, 2016	1
III EXECUTIVE OFFICER'S REPORT	2

Continuation of Rent Actions to be taken by the
Executive Officer pursuant to the Commission's
Delegation of Authority:

- Jane C Crable and Richard E Crable, Trustees
of the Jane C and Richard E Crable Living
Trust (Lessee): Continuation of annual rent
at \$268 per year for a General Lease -
Recreational and Protective Structure Use
located on sovereign land in the Sacramento
River, adjacent to 2145 Garden Highway,
near the city of Sacramento, Sacramento
County. (PRC 5029.1)

- Ski Run Marina, LLC, a Delaware limited
liability company (Lessee): Continuation
of minimum annual rent at \$4,912 per year
for a General Lease - Commercial Use
located on sovereign land in Lake Tahoe,
adjacent to 900 Ski Run Boulevard, city
of South Lake Tahoe, El Dorado County.
(PRC 8655.1).

- MCImetro Access Transmission Services LLC
(Lessee): Continuation of annual rent
at \$450 per year for a General Lease -
Right-of-Way Use located on sovereign
land in the Calaveras River, near Stockton,
San Joaquin County. (PRC 7950.1)

IV CONSENT CALENDAR C01-C63	2
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THE FOLLOWING ITEMS ARE CONSIDERED TO BE
NONCONTROVERSIAL AND ARE SUBJECT TO CHANGE AT ANY
TIME UP TO THE DATE OF THE MEETING.

LAND MANAGEMENT DIVISION

NORTHERN REGION

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- C01 JAY PRICE AND PAULA PRICE TRUSTEES OF THE JAY AND PAULA PRICE FAMILY TRUST DATED NOVEMBER 16, 2005 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Donner Lake, adjacent to 13615 Donner Pass Road, near the town of Truckee, Nevada County; for the use and maintenance of an existing pier previously authorized by the Commission; and an existing boat lift not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 8645.1; RA# 26715) (A 1; S 1) (Staff: S. Avila)
- C02 VERONA MARINA, INC., A CALIFORNIA CORPORATION (LESSEE/APPLICANT); T BANK, N.A. (SECURED-PARTY LENDER): Consider termination of Lease No. PRC 7766.1, a General Lease - Commercial Use; an application for a General Lease - Commercial Use; and execution of an Agreement and Consent to Encumbrancing of Lease No. PRC 7766.1, a General Lease - Commercial Use, of sovereign land located in the Sacramento River, adjacent to 6955 Garden Highway, near Nicolaus, Sutter County; for an existing commercial marina, known as Verona Marina. CEQA Consideration: categorical exemption. (PRC 7766.1; RA# 05316) (A 4; S 3) (Staff: M.J. Columbus)
- C03 ROBERT H. ZERBST AND ANNE K. ZERBST, TRUSTEES OF THE ZERBST 2003 FAMILY TRUST DATED MARCH 28, 2003 (LESSEE); GLENN A. JOHANSEN AND DEBORAH G. JOHANSEN (APPLICANT): Consider waiver of rent, penalty, and interest; termination of Lease No. PRC 7401.1, a General Lease - Recreational Use; and an 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# 32315) (A 1; S 1) (Staff: M.J. Columbus)
- C04 LYNNE G. COURTRIGHT, TRUSTEE OF LYNNE G. COURTRIGHT QUALIFIED PERSONAL RESIDENCE TRUST I DATED SEPTEMBER 16, 2005; LYNNE G. COURTRIGHT, TRUSTEE OF LYNNE G. COURTRIGHT QUALIFIED PERSONAL

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RESIDENCE TRUST II DATED SEPTEMBER 16, 2005;
 LYNNE G. COURTRIGHT, TRUSTEE OF LYNNE G.
 COURTRIGHT QUALIFIED PERSONAL RESIDENCE TRUST III
 DATED SEPTEMBER 16, 2005; LYNNE GAYLORD
 COURTRIGHT, TRUSTEE OF ERNEST L. COURTRIGHT
 QUALIFIED PERSONAL RESIDENCE TRUST II DATED
 SEPTEMBER 16, 2005; LYNNE GAYLORD COURTRIGHT,
 TRUSTEE OF ERNEST L. COURTRIGHT QUALIFIED
 PERSONAL RESIDENCE TRUST III DATED SEPTEMBER 16,
 2005; JAMES L. COURTRIGHT; AND MOLLY COURTRIGHT
 SHIELDS (APPLICANT): Consider application for a
 General Lease - Recreational Use, of sovereign
 land located in Lake Tahoe, adjacent to 4980 West
 Lake Boulevard, near Homewood, Placer County; for
 two existing mooring buoys. CEQA Consideration:
 categorical exemption. (PRC 7943.1; RA# 33315) (A
 1; S 1) (Staff: M.J. Columbus)

C05 KENT D. POWELL AND MARGARET JEAN POWELL, TRUSTEES
 OF THE KENT AND MARGARET POWELL FAMILY 1985
 REVOCABLE TRUST, ESTABLISHED JAN. 8, 1985
 (LESSEE): Consider an amendment of lease and
 revision of rent to Lease No. PRC 7597.1, a
 General Lease - Recreational Use, of sovereign
 land located in Donner Lake, adjacent to 14210
 South Shore Drive, near the town of Truckee,
 Nevada County; for an existing pier and
 appurtenant facilities. CEQA Consideration: not
 projects. (PRC 7597.1) (A 1; S 1) (Staff: M.J.
 Columbus)

C06 G. CRAIG SULLIVAN AND MAUREEN O'BRIEN SULLIVAN,
 TRUSTEES OF THE CRAIG AND MAUREEN SULLIVAN LIVING
 TRUST DATED MAY 27, 1992 (LESSEE): Consider an
 amendment of lease and revision of rent to Lease
 No. PRC 5401.1, a General Lease - Recreational
 Use, of sovereign land located in Lake Tahoe,
 adjacent to 5526 North Lake Boulevard, Carnelian
 Bay, Placer County; for an existing pier, boat
 lift, adjustable catwalk, and one mooring buoy.
 CEQA Consideration: not projects. (PRC 5401.1) (A
 1; S 1) (Staff: M.J. Columbus)

C07 PS TAHOE, LLC; WILLIAM E. HAGLER AND JEAN E.
 HAGLER, AS TRUSTEES OF THE HAGLER TRUST DATED
 JANUARY 28, 1975, FOR THE BENEFIT OF WILLIAM E.

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HAGLER AND JEAN E. HAGLER; JACK B. HAGLER AND ELIZABETH KOHL HAGLER, AS TRUSTEES OF THE HAGLER FAMILY TRUST UAD AUGUST 21, 2007; RICHARD W. HAGLER; AND KATHRYN HAGLER TAYLOR (LESSEE): Consider an amendment of lease and revision of rent to Lease No. PRC 6120.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8559 and 8565 Meeks Bay Avenue, near Tahoma, El Dorado County; for an existing joint-use pier and four mooring buoys. CEQA Consideration: not projects. (PRC 6120.1) (A 5; S 1) (Staff: M.J. Columbus)

C08 GERALD V. HANSEN AND KERRI A. HANSEN, AS CO-TRUSTEES OF THE GERALD AND KERRI HANSEN FAMILY TRUST CREATED BY THAT CERTAIN TRUST AGREEMENT MADE THE 7TH DAY OF JANUARY, 1997 (APPLICANT): Consider application for a General Lease . Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5330 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier, boat lift, ADA lift, and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 3071.1; RA# 03216) (A 1; S 1) (Staff: K. Connor)

C09 HANS COFFENG AND MARGARET COFFENG (LESSEE); TAHOE LIVING, LLC (APPLICANT): Consider acceptance of a quitclaim deed for Lease No. PRC 8659.9, a Recreational Pier Lease, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 7770 North Lake Boulevard, near Tahoe Vista, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 8659.1; RA# 38815) (A 1; S 1)(Staff: K. Connor)

C10 RONALD J. GUERRA AND RUSSEY J. GUERRA, TRUSTEES OF THE RONALD AND RUSSEY GUERRA REVOCABLE TRUST DATED DECEMBER 20, 1996 (APPLICANT): Consider application for a General Lease . Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5718 North Lake Boulevard, near Agate Bay, Placer County; for an existing pier, boat lift, and two mooring buoys. CEQA Consideration:

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categorical exemption. (PRC 4389.1; RA# 18915)
(A 1; S 1) (Staff: K. Connor)

- C11 TORI MCPHERSON KISTLER; DAVID KISTLER; TORI MCPHERSON KISTLER, AS CUSTODIAN OF COOPER HUNTER KISTLER UNDER THE UNIFORM TRANSFERS TO MINOR ACT; AND TORI MCPHERSON KISTLER AS CUSTODIAN OF SYDNEY MCPHERSON KISTLER UNDER THE UNIFORM TRANSFERS TO MINOR ACT (APPLICANT): Consider application for a General Lease . Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5230 West Lake Boulevard, near Homewood, Placer County; for two existing mooring buoys not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 26944; RA# 23915) (A 1; S 1) (Staff: K. Connor)
- C12 CARRION L.P., A CALIFORNIA PARTNERSHIP (LESSEE); ALLISON CALIFORNIA HOLDINGS, LLC, AN OHIO LIMITED LIABILITY COMPANY (APPLICANT): Consider acceptance of a quitclaim deed for Lease No. PRC 8509.1, a General Lease - Recreational Use, and an application for a General Lease . Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 184 Rim Drive, near Tahoe Vista, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 8509.1; RA# 05616) (A 1; S 1) (Staff: K. Connor)
- C13 DONALD RAY SCIFRES AND CAROL DIANE SCIFRES, CO-TRSUTEES OF THE DONALD RAY SCIFRES AND CAROL DIANE SCIFRES, 1984 REVOCABLE LIVING TRUST (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 740 West Lake Boulevard, Tahoe City, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 6383.1; RA# 03516) (A 1; S 1)(Staff: K. Connor)
- C14 JEFFREY POINT, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease . Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 9846 Pilot Circle, near Brockway,

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Placer County; for an existing pier, boathouse, appurtenant facilities, and one mooring buoy. CEQA Consideration: categorical exemption. (PRC 8131.1; RA# 03016) (A 1; S 1) (Staff: K. Connor)

- C15 JOHN H. BOTTOMLEY III AND MARION W. BOTTOMLEY, TRUSTEES (AND THEIR SUCCESSORS IN TRUST) OF THE BOTTOMLEY RESIDENTIAL TRUST U/A/D SEPTEMBER 24, 1997 (LESSEE): Consider an amendment of lease and revision of rent to Lease No. PRC 4483.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4694 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier, boat lift, and two mooring buoys. CEQA Consideration: not projects. (PRC 4483.1) (A 1; S 1) (Staff: N. Lee)
- C16 TODD W. LOCKWOOD AND KAREN SUE LOCKWOOD, TRUSTEES UNDER DECLARATION OF TRUST DATED SEPTEMBER 30, 1980 (LESSEE/APPLICANT): Consider application for an amendment to Lease No. PRC 3787.9, a Recreational Pier Lease, of sovereign land located in Lake Tahoe, adjacent to 6650 West Lake Boulevard, near Tahoma, Placer County; for an existing pier, boathouse with boat lift, and two mooring buoys, to add additional lessees and amend the Site and Location map. CEQA Consideration: not a project. (PRC 3787.9; RA# 22615) (A 1; S 1) (Staff: M. Schroeder)
- C17 CENTURYLINK COMMUNICATIONS, LLC (LESSEE): Consider revision of rent to Lease No. PRC 7800.1, a General Lease - Right-of-Way Use, of sovereign land located in various waterways in Sonoma, Napa, Marin, Solano, and Contra Costa Counties; for a fiber optic communication line. CEQA Consideration: not a project. (PRC 7800.1) (A 2, 4, 10, 11, 14; S 2, 3, 7) (Staff: M. Schroeder)
- C18 DAVID TENENBERG AND TRICIA GROSE TENENBERG, AS TRUSTEES OF THE TENENBERG FAMILY TRUST DATED JULY 7, 2015 (APPLICANT): Consider application for a General Lease . Recreational and Protective Structure Use, of sovereign land located in the Napa River, adjacent to 1800 Milton Road, city of

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Napa, Napa County; for an existing uncovered floating boat dock and appurtenant facilities previously authorized by the Commission and existing bank protection not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 7022.1; RA# 29215) (A 4; S 3) (Staff: M. Schroeder)

C19 PAUL D. FLORES AND MARILYN J. FLORES, TRUSTEES OF THE PAUL D. FLORES QUALIFIED PERSONAL RESIDENCE TRUST #1, DATED JUNE 9, 1999; PAUL D. FLORES AND MARILYN J. FLORES, TRUSTEES OF THE MARILYN J. FLORES QUALIFIED PERSONAL RESIDENCE TRUST #1, DATED JUNE 9, 1999; AND STEPHEN W. FRANKEL AND LYNN FRANKEL, TRUSTEES OF THE FRANKEL FAMILY REVOCABLE TRUST, DATED JANUARY 3, 1986 (LESSEE); PAUL D. FLORES AND MARILYN J. FLORES, TRUSTEES OF THE PAUL D. FLORES QUALIFIED PERSONAL RESIDENCE TRUST #1, DATED JUNE 9, 1999; PAUL D. FLORES AND MARILYN J. FLORES, TRUSTEES OF THE MARILYN J. FLORES QUALIFIED PERSONAL RESIDENCE TRUST #1, DATED JUNE 9, 1999 (ASSIGNOR); AND THOMAS P. JACKOVICS AND JUDIT M. JACKOVICS, TRUSTEES OF THE EGUNG LIVING TRUST DATED JUNE 27, 1991 (ASSIGNEE/APPLICANT): Consider application for the assignment of the interest in Lease No. PRC 4176.1, a General Lease . Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8669 and 8675 Beach Lane, near Rubicon Bay, El Dorado County; for an existing joint-use pier, boathouse with boat lift, breakwater, and four mooring buoys. CEQA Consideration: not a project. (PRC 4176.1;RA# 22415) (A 5; S 1) (Staff: M. Schroeder)

C20 CPN PIPELINE COMPANY (LESSEE): Consider revision of rent to Lease No. PRC 7602.1, a General Lease - Right-of-Way Use, of sovereign land located in the Sacramento River, near Knights Landing, adjacent to Yolo County APN 056-230-007 and Sutter County APN 34-220-028; for an existing natural gas pipeline. CEQA Consideration: not a project. (PRC 7602.1) (A 3, 4; S 3, 4) (Staff: M. Schroeder)

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- C21 BAY VIEW REFUSE SERVICE, INC., A CALIFORNIA CORPORATION (LESSEE): Consider an amendment of lease and revision of rent to Lease No. PRC 5300.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 32 Moana Circle, near Homewood, Placer County; for an existing pier and two mooring buoys. CEQA Consideration: not projects. (PRC 5300.1) (A 1; S 1) (Staff: J. Toy)

BAY/DELTA REGION

- C22 NEW HOPE LANDING MOBILE HOME PARK, LLC, A WYOMING LIMITED LIABILITY COMPANY (LESSEE); NEW HOPE LANDING RV PARK AND MARINA, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider termination of Lease No. PRC 6726.1, a General Lease - Commercial Use; and an application for a General Lease - Commercial Use, of sovereign land located in the Mokelumne River, adjacent to 13945 West Walnut Grove Road, near Thornton, San Joaquin County; for an existing commercial marina, known as New Hope Landing RV Park and Marina. CEQA Consideration: categorical exemption. (PRC 6726.1; RA# 02916) (A 13; S 5) (Staff: G. Asimakopoulos)
- C23 WILLIAM G. MCINERNEY (LESSEE/ASSIGNOR); ORION PRITCHARD (ASSIGNEE): Consider application for an assignment of Lease No. PRC 5925.1, a General Lease . Recreational and Residential Use, of sovereign land located in Mare Island Strait, adjacent to 39 Sandy Beach Road, near the city of Vallejo, Solano County; for a portion of an existing residence, deck, and appurtenant facilities. CEQA Consideration: not a project. (PRC 5925.1; RA# 07416) (A 14; S 3) (Staff: V. Caldwell)
- C24 PLAINS PRODUCTS TERMINALS LLC (ASSIGNOR); VALERO EAST BAY LLC (ASSIGNEE): Consider application for the assignment and revision of rent of Lease No. PRC 4769.1, a General Lease . Industrial Use, of filled and unfilled sovereign land located in Suisun Bay and Pacheco Slough, adjacent to Waterfront Road, near the city of Martinez,

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Contra Costa County; for an existing marine oil terminal and appurtenant facilities. CEQA Consideration: not projects. (PRC 4769.1; RA# 12416) (A 14; S 3) (Staff: V. Caldwell)

- C25 CHEVRON PRODUCTS COMPANY (LESSEE): Consider adoption of a Mitigated Negative Declaration, State Clearinghouse No. 2016082014, and a Mitigation Monitoring Program, for a General Lease - Industrial Use, of sovereign land located in the San Francisco Bay, at the Chevron Long Wharf Marine Oil Terminal in the city of Richmond, Contra Costa County; and consent for Chevron to commence the Long Wharf Maintenance and Efficiency Project, and for Marine Oil Terminal Engineering and Maintenance Standards compliance-related renovations. (PRC 8818.1; RA# 01814) (A 14; S 9) (Staff: V. Caldwell, S. Mongano, J. Fabel)
- C26 CALIFORNIA STATE LANDS COMMISSION AND PACIFIC GAS AND ELECTRIC COMPANY (PARTIES): Consider an Indemnification Agreement for a proposed natural gas pipeline to be co-located on the Bradshaw;|s Crossing Bridge, over sovereign land in the San Joaquin River, adjacent to River Island, City of Lathrop, San Joaquin County. CEQA Consideration: not a project. (W 27052; RA# 10116)(A 13; S 5) (Staff: A. Franzoia)
- C27 CITY OF FOSTER CITY (APPLICANT): Consider application for a General Lease-Dredging, of sovereign land located in Angelo Slough and Belmont Slough, City of Foster City, San Mateo County; to maintenance dredge a channel for the Foster City Lagoon intake structure. CEQA Consideration: Mitigated Negative Declaration, adopted by the City of Foster City, State Clearinghouse No. 2016052002, and adoption of a mitigation monitoring program. (W 26979; RA# 34015) (A 22; S 13) (Staff: A. Franzoia)
- C28 RHODIA INC. (LESSEE); ECO SERVICES OPERATIONS CORP (APPLICANT): Consider ratification of assignments; termination of Lease No. PRC 7660.1, General Lease - Right-of-Way Use and Lease No.

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PRC 8441.9, General Lease - Industrial Use; and an application for a General Lease - Industrial and Protective Structure Use, of filled and unfilled sovereign land located adjacent to 100 Mococo Road, in Peyton Slough and Carquinez Strait, city of Martinez, Contra Costa County; for an existing industrial facility, groundwater monitoring wells, capped remediated slough, appurtenant facilities, and wetland and marshland habitat. CEQA Consideration: categorical exemption. (PRC 7660.1, PRC 8441.9; RA# 08314) (A 14; S 3)(Staff: M. Hays)

C29 PETER C. MURPHY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Petaluma River, adjacent to #11 Murphy Lane, near the city of Novato, Marin County; for an existing walkway and fishing pier not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 27034; RA# 00916) (A 10; S 2) (Staff: J. Holt)

C30 ROBERT HODGE AND DARLENE HODGE, CO-TRUSTEES OF THE ROBERT AND DARLENE HODGE FAMILY TRUST UTA DATED MARCH 27, 2001 (LESSEE); HODGE RIVER PROPERTIES, LLC (APPLICANT): Consider termination of Lease No. PRC 6180.9, a Recreational Pier Lease, and an application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 3121 Garden Highway, near the city of Sacramento, Sacramento County; for an existing boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 6180.1; RA# 04216) (A 7; S 6) (Staff: J. Holt)

C31 CALIFORNIA STATE LANDS COMMISSION, TUOLUMNE RIVER PRESERVATION TRUST (PARTIES): Consider delegating authority to the Executive Officer to enter into an agreement with the Tuolumne River Preservation Trust, transfer funds for the removal of Dennett Dam, and consider an application for a General Lease . Other, of sovereign land, immediately downstream of the 9th Street Bridge, city of Modesto, Stanislaus County; for the removal of

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Dennett Dam and associated activities. CEQA Consideration: Mitigated Negative Declaration, adopted by the city of Modesto, State Clearinghouse No. 2016062030, and adoption of a mitigation monitoring program. (W 26795; RA# 09416) (A 21; S 12)(Staff: A. Abeleda, D. Cook, G. Kato)

- C32 RIVER VIEW MARINA, A LIMITED PARTNERSHIP (LESSEE): Consider revision of rent to Lease No. PRC 6015.1, a General Lease - Commercial Use, of sovereign land located in the Sacramento River, adjacent to 1801 Garden Highway, near Sacramento, Sacramento County; for an existing commercial marina. CEQA Consideration: not a project. (PRC 6015.1) (A 7; S 6) (Staff: J. Toy)
- C33 JOSEPH R. SUTTON, AS TRUSTEE OF THE JOSEPH R. SUTTON QUALIFIED PERSONAL RESIDENCE TRUST DATED APRIL 4, 2011, AND SUZETTE A. SUTTON, AS TRUSTEE OF THE SUZETTE A. SUTTON QUALIFIED PERSONAL RESIDENCE TRUST DATED APRIL 4, 2011 (APPLICANT): Consider application for a General Lease . Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 17456 Grand Island Road, near Walnut Grove, Sacramento County; for an existing fishing pier, floating boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (PRC 4783.1; RA# 21215) (A 11; S 3) (Staff: D. Tutov)
- C34 JOSEFINA E. JIMENEZ, TRUSTEE OF THE JOSEFINA E. JIMENEZ 2014 DECLARATION OF TRUST (APPLICANT): Consider application for a General Lease . Recreational and Protective Structure Use, of filled and unfilled sovereign land located in Tomales Bay, adjacent to 19485 State Route 1, Marin County; for an existing pier, filled land with a boathouse, retaining wall, and one mooring buoy not previously authorized by the Commission. CEQA Consideration: categorical exemption and Negative Declaration, adopted by the California State Lands Commission, State Clearinghouse No. 2012082074. (W 26946; RA# 16515)(A 10; S 2) (Staff: D. Tutov)

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- C35 SILVERKING OCEANIC FARMS, INC (LESSEE): Consider revision of rent to Lease No. PRC 5092.1, a General Lease - Industrial Use, of sovereign land located in the Pacific Ocean, offshore of Davenport Landing, Santa Cruz County; for concrete fishways and water intake lines. CEQA Consideration: not a project. (PRC 5092.1) (A 29; S 17) (Staff: D. Tutov)

CENTRAL/SOUTHERN REGION

- C36 JACK GRAHAM MERRITT AND SHARON LEE MERRITT AS TRUSTEES OF THE JACK GRAHAM MERRITT AND SHARON LEE MERRITT FAMILY TRUST, DATED DECEMBER 13, 1988 (LESSEE); JACK GRAHAM MERRITT AS TRUSTEE OF THE JACK GRAHAM MERRITT AND SHARON LEE MERRITT FAMILY TRUST, DATED DECEMBER 13, 1988 AS AMENDED ON JUNE 7, 1993 (LESSEE): Consider correction of prior authorization and revision of rent to Lease No. PRC 8966.1, a General Lease - Recreational and Protective Structure Use, of sovereign land located in Huntington Harbour, adjacent to 3502 Venture Drive, near Huntington Beach, Orange County; for an existing boat dock, access ramp, cantilevered deck, and bulkhead protection. CEQA Consideration: not a project. (PRC 8966.1; RA# 27815) (A 72; S 34) (Staff: S. Avila)
- C37 CLIFFORD L. WINGET, III, TRUSTEE OF THE CLIFFORD L. WINGET, III, FAMILY TRUST, DATED AUGUST 28, 2006 (APPLICANT): Consider an application for a General Lease - Recreational Use, of sovereign land located in Huntington Harbour, adjacent to 16732 Coral Cay Lane, in the city of Huntington Beach, Orange County; for an existing boat dock, access ramp, and cantilevered deck. CEQA Consideration: categorical exemption. (PRC 5746.1; RA# 01216) (A 72; S 34) (Staff: S. Avila)
- C38 ANTHONY BARTOLI AND ROSEMARY BARTOLI AS TRUSTEE OF THE ANTHONY BARTOLI AND ROSEMARY BARTOLI 2001 TRUST DATED APRIL 4, 2001 (APPLICANT): Consider application for a General Lease . Recreational Use, of sovereign land located in Huntington Harbour, adjacent to 16452 Malden Circle, Huntington Beach, Orange County; for an existing

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boat dock, access ramp, and cantilevered deck.
 CEQA Consideration: not a project. (PRC 3562.1;
 RA# 33915)(A 72; S 34) (Staff: S. Avila)

- C39 G.T. LANDING II CORP. (ASSIGNOR); LEVEL 3 COMMUNICATIONS, LLC (ASSIGNEE): Consider an application for an assignment, amendment, and revision of rent of Lease No. PRC 8151.1, a General Lease - Non Exclusive Right-of-Way Use, of sovereign land in the Pacific Ocean, offshore of the city of Grover Beach, San Luis Obispo County; for one existing steel conduit cable and one existing fiber optic cable. CEQA Consideration: assignment and rent review . not projects; amendment: Mitigated Negative Declaration, adopted by the California State Lands Commission, State Clearinghouse No. 2000011036. (PRC 8151.1; RA# 27113) (A 35; S 17) (Staff: S. Avila)
- C40 MASAO ISHIHAMA, TRUSTEE OF THE MASAO ISHIHAMA QUALIFIED PERSONAL RESIDENCE TRUST NO. 2 DATED MAY 28, 1998, AND ASAKO ISHIHAMA, TRUSTEE OF THE ASAKO ISHIHAMA QUALIFIED PERSONAL RESIDENCE TRUST NO. 2 DATED MAY 28, 1998 (LESSEE); JAMES C. RODRIGUEZ AND KELLY A. RODRIGUEZ, CO-TRUSTEES OF THE JAMES C. RODRIGUEZ AND KELLY A. RODRIGUEZ REVOCABLE TRUST DATED OCTOBER 13, 2006 (APPLICANT): Consider rescission of approval for Lease No. PRC 3572.1, and an application for a General Lease - Recreational Use, of sovereign land located in Huntington Harbour, adjacent to 16941 Bolero Lane, Huntington Beach, Orange County; for an existing boat dock, access ramp, and cantilevered deck. CEQA Consideration: categorical exemption. (PRC 3572.1;RA# 31315) (A 72; S 34) (Staff: S. Avila)
- C41 ERIK J. GAMM AND VALARIE S. GAMM (LESSEE): Consider application for an amendment of lease to Lease No. PRC 9209.1, a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Colorado River, adjacent to 1206 Beach Drive, City of Needles, San Bernardino County; for the construction, use, and maintenance of a boat dock and appurtenant

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- facilities. CEQA Consideration: categorical exemption. (PRC 9209.1; RA# 32415) (A 33; S 16) (Staff: R. Collins)
- C42 RONNIE R. RIDENOUR AND GEORGIA H. FROUSIAKIS (LESSEE): Consider revision of rent to Lease No. PRC 8967.1, a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Colorado River, adjacent to 1146 Beach Drive, City of Needles, San Bernardino County; for an existing boat dock, gangway, platform, stairs, and riprap bankline. CEQA Consideration: not a project. (PRC 8967.1) (A 33; S 16) (Staff: R. Collins)
- C43 KENNETH D. WHEAT AND EDITH J. WHEAT, AS CO-TRUSTEES OF THE WHEAT FAMILY TRUST, U/A DATED FEBRUARY 21, 2011 (ASSIGNOR/LESSEE); JEFFERY MARSDEN AND CHRISTINE MARSDEN (ASSIGNEE/APPLICANT): Consider application for the assignment of lease, amendment of lease, and revision of rent of Lease No. PRC 8997.9, a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Colorado River, adjacent to 1174 Beach Drive, City of Needles, San Bernardino County; for existing rock stairs with railing and riprap \ bankline; and the construction, use, and maintenance of an aluminum stairway and gangway with railing, and a floating walkway and boat dock. CEQA Consideration: categorical exemption. (PRC 8997.1; RA# 02016) (A 33; S 16) (Staff: R. Collins)
- C44 CITY OF LOS ANGELES DEPARTMENT OF WATER AND POWER (LESSEE/APPLICANT): Consider rescission of approval and termination of Lease No. PRC 4480.9, a General Lease - Public Agency Use and an application for a General Lease - Industrial Use, of sovereign land located in the Pacific Ocean, near the city of Santa Monica, Los Angeles County; for continued maintenance of a non-operational underwater electrode array; and construction of a new underwater electrode array. CEQA Consideration: categorical exemption, and Mitigated Negative Declaration, adopted by the

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Board of Water and Power Commissioners of the City of Los Angeles, State Clearinghouse No. 2010091044, and adoption of a mitigation monitoring program. (PRC 4480.9; RA# 31415) (A 50; S 26) (Staff: C. Hudson)

- C45 MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (APPLICANT): Consider amendment of Lease No. PRC 8651.9, a General Lease - Public Agency Use, of sovereign land located in the Pacific Ocean, near Dana Point, Orange County, for the removal of the existing test slant well and associated test facilities, and the continued maintenance of the existing outfall diffuser. CEQA Consideration: Mitigated Negative Declaration, adopted by the Municipal Water District of Orange County, State Clearinghouse No. 2008051050, and adoption of a mitigation monitoring program. (PRC 8651.9; RA# 10716) (A 73; S 36) (Staff: C. Hudson)
- C46 CALIFORNIA STATE LANDS COMMISSION: Authorize the Executive Officer to submit a letter of support for nomination of Owens Lake to the Western Hemisphere Shorebird Reserve Network, Owens Lake, Inyo County. CEQA Consideration: not a project. (W 27054) (A 26; S 8) (Staff: G. Kato, J. Mattox)
- C47 NEWPORT HARBOR YACHT CLUB (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Pacific Ocean, Moonstone Cove, Santa Catalina Island, Los Angeles County; for a pier, ramp, floating platform, and two mooring anchors. CEQA Consideration: categorical exemption. (PRC 6411.1; RA# 31815) (A 70; S 26) (Staff: L. Pino)

SCHOOL LANDS

- C48 CALIFORNIA BROADBAND COOPERATIVE, INC. (LESSEE): Consider revision of rent to Lease No. PRC 8971.2, a General Lease - Right-of-Way Use, of State-owned school land within a portion of Section 36, Township 1 South, Range 31 East, MDM, northeast of the unincorporated community of Benton Hot Springs, Mono County; for an existing buried fiber optic innerduct containing four

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microducts, one containing a single fiber optic line, and two buried concrete access vaults. CEQA Consideration: not a project. (PRC 8971.2) (A 5; S 8) (Staff: C. Hudson)

- C49 AMA DUAL SPORT DISTRICT 37 (LESSEE): Consider revision of rent to Lease No. PRC 8972.2, a General Lease - Right-of-Way Use, of State-owned school land located within Section 36, Township 31 South, Range 44 East, MDM, northwest of the city of Barstow, San Bernardino County; for an existing dirt road. CEQA Consideration: not a project. (PRC 8972.2) (A 33; S 16) (Staff: C. Hudson)
- C50 SOUTHERN CALIFORNIA EDISON COMPANY (LESSEE): Consider revision of rent to Lease No. PRC 8970.2, a General Lease - Right-of-Way Use, of State-owned school land within a portion of Section 36, Township 1 South, Range 31 East, MDM, northeast of the unincorporated community of Benton Hot Springs, Mono County; for an existing overhead 12 kV distribution line, fiber optic communication line, and wood poles. CEQA Consideration: not a project. (PRC 8970.2) (A 5; S 8)(Staff: C. Hudson)
- C51 CALIFORNIA HIGHWAY PATROL (LESSEE): Consider revision of rent to Lease No. PRC 8969.2, a General Lease - Right-of-Way Use, of State-owned school land located within a portion of Section 36, Township 7 North, Range 3 East, SBM, near the city of Barstow, San Bernardino County; for an unpaved access road. CEQA Consideration: not a project. (PRC 8969.2) (A 33; S 16) (Staff: C. Hudson)
- C52 NORTH BAJA PIPELINE, LLC (LESSEE): Consider revision of rent to Lease No. PRC 8378.2, a General Lease - Right-of-Way Use, of State-owned school land located within Section 16, Township 12 South, Range 20 East, SBM, near State Highway 78, Imperial County; for an existing natural gas pipeline. CEQA Consideration: not a project. (PRC 8378.2) (A 56; S 40) (Staff: C. Hudson)

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MINERAL RESOURCES MANAGEMENT

- C53 BURLINGAME BAY PARK HOTEL, LLC (APPLICANT): Consider an application for a Non-Exclusive Geological Survey Permit on filled tide and submerged lands adjacent to the San Francisco Bay, San Mateo County. CEQA Consideration: categorical exemption. (W 6005.170; RA# 06016) (A 22; S 13)(Staff: R. B. Greenwood)
- C54 ECOSYSTEMS MANAGEMENT ASSOCIATES, INC. (APPLICANT): Consider an application for a Non-Exclusive Geological Survey Permit on tide and submerged lands under the jurisdiction of the California State Lands Commission. CEQA Consideration: categorically exempt. (WP 9108; RA# 10616) (A & S: Statewide) (Staff: R. B. Greenwood)
- C55 GERALD W. BAUGHMAN (APPLICANT): Consider application for an extension of a mineral prospecting permit for minerals other than oil, gas, geothermal resources, sand, and gravel, Assessor's Parcel Number 009-140-007, administered by the Commission as trustee, containing approximately 480 acres of State-owned 100 percent reserved mineral interest school land, within Section 16, Township 5 North, Range 27 East, MDM, located about 15 miles northeast of the town of Bridgeport and north of Bodie State Historic Park, Mono County. CEQA Consideration: categorical exemption. (PRC 9145.2; RA# 05816) (A 5; S 8) (Staff: V. Perez)
- C56 ROBERT G. WETZEL (APPLICANT): Consider application for a prospecting permit for minerals other than oil, gas, geothermal resources, sand, and gravel, Assessor's Parcel Number 039-170-02, administered by the California State Lands Commission as trustee, on approximately 640 acres of fee-owned State school land, within Section 16, Township 22 South, Range 44 East, MDBM, located about 1 mile south of Ballarat, Inyo County. CEQA Consideration: categorical exemption. (W 40986; RA# 06616) (A 26; S 18) (Staff: R. Lee, V. Perez)

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MARINE ENVIRONMENTAL PROTECTION

- C57 CALIFORNIA STATE LANDS COMMISSION: Consider approval of the Legislative report titled "2017 Biennial Report on the California Marine Invasive Species Program." CEQA Consideration: not a project. (W 9777.234, W 9777.291) (A & S: Statewide) (Staff: C. Brown, C. Beckwith)
- C58 CALIFORNIA STATE LANDS COMMISSION: Consider delegating authority to the Executive Officer to enter into an agreement to support a study examining the effects of vessel hull husbandry and operational practices on nonindigenous species introduction risk. CEQA Consideration: categorical exemption. (W 9777.291,W 9777.234) (A & S: Statewide) (Staff: C. Scianni, C. Connor)
- C59 CALIFORNIA STATE LANDS COMMISSION: Consider adoption of regulations to amend regulatory definitions and the fee used to fund California's Marine Invasive Species Program under Article 4.5 of Title 2, Division 3, Chapter 1 of the California Code of Regulations. CEQA Consideration: categorical exemption. (W 9777.234)(A & S: Statewide) (Staff: N. Dobroski, P. Huber)

ADMINISTRATION

- 60 CALIFORNIA STATE LANDS COMMISSION, CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE, CALIFORNIA ENERGY COMMISSION, CALIFORNIA PUBLIC UTILITIES COMMISSION, CALIFORNIA COASTAL COMMISSION, OCEAN PROTECTION COUNCIL, BUREAU OF OCEAN ENERGY MANAGEMENT (PARTIES): Consider an agreement between the Parties relating to participation in the Bureau of Ocean Energy Management's Offshore Renewable Energy Task Force concerning potential renewable energy leasing for research and development on federal submerged lands on the Outer Continental Shelf offshore California. CEQA Consideration: not a project. (A & S: Statewide) (Staff: J. Lucchesi, J. Mattox)

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- 61 CALIFORNIA STATE LANDS COMMISSION: Consider charter approval, signatory, and member designation for participation on the West Coast Regional Planning Body pursuant to the U.S. National Ocean Policy. CEQA Consideration: not a project.(A & S: Statewide) (Staff: J. Mattox)

LEGAL

- C62 IA SACRAMENTO HOLDINGS, L.L.C., CITY OF SACRAMENTO, CALIFORNIA DEPARTMENT OF PARKS AND RECREATION, STATE LANDS COMMISSION (PARTIES): Consider an Amendment to the previously authorized Title Settlement and Land Exchange Agreement involving the Downtown Sacramento Railyards and certain nearby parcels along the Sacramento River, located in the City of Sacramento, Sacramento County. CEQA Consideration: statutory exemption.(AD 498; G 21-01; PRC 8597) (A 9; S 6) (Staff: K. Colson)

KAPILOFF LAND BANK TRUST ACQUISITIONS . NO ITEMS

EXTERNAL AFFAIRS

GRANTED LANDS

- C63 CALIFORNIA STATE LANDS COMMISSION AND CITY OF NEWPORT BEACH (GRANTEE): Consider approval of a record of survey depicting the location of a portion of the boundaries of legislative trust grant to the City of Newport Beach within the Semeniuk Slough portion of the former channel of the Santa Ana River, City of Newport Beach, Orange County. CEQA Consideration: not a project. (G 09-02)(A 74; S 37) (Staff: R. Boggiano, J. Porter)

LEGISLATION AND RESOLUTIONS . NO ITEMS

V INFORMATIONAL

- 64 CALIFORNIA STATE LANDS COMMISSION: Informational update on changes to the State's share of the Long Beach Unit's Net Profit Revenue pursuant to the Optimized Waterflood Agreement, Wilmington

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Oil Field, Los Angeles County. CEQA
Consideration: not applicable. (W 17168)
(A 70; S 33, 34) (Staff: E. Tajer,
J. Fabel)

VI REGULAR CALENDAR 65-72

- 65 CALIFORNIA STATE LANDS COMMISSION AND
MARTINS BEACH 1 LLC AND MARTINS BEACH 2
LLC (PARTIES) (INFORMATIONAL):
Informational report on the status of
negotiations to acquire a public access
easement to and along Martins Beach near
the city of Half Moon Bay, San Mateo
County, pursuant to Chapter 922, Statutes
of 2014. CEQA Consideration: not
applicable. (W 26830) (A 24; S 13)
(Staff: J. Lucchesi, C. Connor, K. Colson) 6
- 66 CALIFORNIA STATE LANDS COMMISSION AND THE
PORT OF LOS ANGELES (PARTIES): Consider a
Memorandum of Intent to memorialize the
Parties' commitment to expeditiously pursue
establishing a mechanism whereby the Port
of Los Angeles contributes \$250,000 per year
for ten years for enhancement and continued
adaptive management of the Bolsa Chica
Lowlands Restoration Project and pursue
the formation of a mitigation bank or other
method that allows the sale of eelgrass
mitigation credits, in exchange for
potential future mitigation credits
associated with the creation of eelgrass
habitat at the Bolsa Chica Lowlands. CEQA
Consideration: not a project. (W 025306)
(A 72; S 34) (Staff: J. Lucchesi, W. Hall) 70
- 67 CALIFORNIA STATE LANDS COMMISSION: Consider
a resolution supporting the federal
government's ban on new offshore oil and
gas development in the Outer Continental
Shelf offshore California and oppose any
attempts to modify the ban, and direct
staff to take any appropriate actions, on
behalf of the Commission, to ensure the ban
remains in place. CEQA Consideration: not a

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	project.(A & S: Statewide) (Staff: J. Lucchesi)	3
68	CALIFORNIA STATE LANDS COMMISSION: Consider directing staff to implement a framework of oversight to facilitate communication and progress on issues relating to air quality at the ports of Los Angeles and Long Beach. CEQA Consideration: not a project. (G 05-03, G 05-04) (A 70; S 28, 35) (Staff: J. Lucchesi, K. Colson)	72
69	CALIFORNIA STATE LANDS COMMISSION (INFORMATIONAL): Informational update on implementation of the Commission's 2016-2020 Strategic Plan. CEQA consideration: not applicable. (A & S: Statewide) (Staff: C. Connor, J. Lucchesi)	76
70	HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT (GRANTEE) (INFORMATIONAL): Informational update on the Humboldt Bay Harbor, Recreation and Conservation District legislative trust grant. CEQA consideration: not applicable. (G 04-03) (A 2; S 2) (Staff: R. Boggiano, S. Pemberton)	94
71	CALIFORNIA STATE LANDS COMMISSION (INFORMATIONAL): Informational report on the status of the inventory of offshore legacy wells at Summerland, Ellwood and Rincon areas, Santa Barbara, Ventura Counties. CEQA Consideration: not applicable. (W 26911) (A 37; S 19) (Staff: W. Scott, S. Curran, S. Blackmon)	120
72	CALIFORNIA STATE LANDS COMMISSION AND SAN DIEGO UNIFIED PORT DISTRICT (INFORMATIONAL): Informational presentation on a work plan framework for the State Lands Commission and the San Diego Unified Port District pilot planning effort for state-owned tidelands and submerged lands located in the Pacific Ocean offshore San Diego County. CEQA Consideration: not applicable.(A 78, 80; S 39, 40) (Staff: J. Mattox, S. Pemberton)	130

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VII PUBLIC COMMENT	144
VIII COMMISSIONERS' COMMENTS	144
IX 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:	61
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	
Seacliff Beach Colony Homeowners Association v. State of California, et al.	
SLPR, LLC, et al. v. San Diego Unified Port District, California State Lands Commission	
San Francisco Baykeeper v. California State Lands Commission	
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City of Santa Monica, et al. v. Philbin

City of Santa Monica, et al. v. Greene

City of Santa Monica, et al. v. Prager

Sierra Club et al. v. City of Los Angeles, et al.

United States v. Walker River Irrigation District, et al.

United States v. 1.647 Acres

Nowel Investment Company v. State of California; California State Lands Commission

Little Beaver Land Company, Inc. v. State of California

City of Goleta v. California State Lands Commission

World Business Academy v. California State Lands Commission

In re: Rincon Island Limited Partnership Chapter 11

San Francisco Baykeeper v. California State Lands Commission II

Martins Beach 1, LLC and Martins Beach 2, LLC v. Effie Turnbull-Sanders, 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.

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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).

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

2 CHAIRPERSON YEE: Good morning. I call this
3 meeting of the State Lands Commission to order. All
4 representatives of the Commission are present. I am State
5 Controller Betty Yee, and I'm joined today by Lieutenant
6 Governor Gavin Newsom, and also Eraina Ortega representing
7 the Department of Finance.

8 For the benefit of those in the audience, the
9 State Lands Commission manages State property interests in
10 over 5 million acres of land including mineral interests.
11 The Commission also has responsibility for the prevention
12 of oil spills and at marine oil terminals and offshore oil
13 platforms and for preventing the introduction of marine
14 invasive species into the California's marine waters.

15 Today, we will hear requests and presentations
16 involving the lands and resources within the Commission's
17 jurisdiction. The first item of business will be the
18 adoption of the minutes from the Commission's meeting of
19 October 13, 2016. May I have a motion to approve the
20 minutes?

21 COMMISSIONER NEWSOM: So moved.

22 CHAIRPERSON YEE: Moved by Lieutenant Governor
23 Newsom.

24 Second by --

25 ACTING COMMISSIONER ORTEGA: Second.

1 CHAIRPERSON YEE: -- Ms. Ortega.

2 Without objection, such will be the order.

3 Okay. Next order of business is the Executive
4 Officer's Report. Ms. Lucchesi, do we have anything?

5 EXECUTIVE OFFICER LUCCHESI: Actually, everything
6 that I would normally update the Commission on is an
7 agenda item on our calendar today, so I do not have an
8 Executive Officer's report today.

9 CHAIRPERSON YEE: All right. Very well. Thank
10 you.

11 Next order of business will be the adoption of
12 the consent calendar. Commissioners Newsom or Ortega, any
13 items that you would like to see removed from the consent
14 calendar?

15 COMMISSIONER NEWSOM: I don't have any.

16 ACTING COMMISSIONER ORTEGA: No.

17 CHAIRPERSON YEE: Seeing none. Is there a
18 motion?

19 EXECUTIVE OFFICER LUCCHESI: Actually --

20 CHAIRPERSON YEE: Oh, I'm sorry. Jennifer, I'm
21 sorry.

22 EXECUTIVE OFFICER LUCCHESI: I'd like to remove
23 some.

24 CHAIRPERSON YEE: Ms. Lucchesi, yes, you would.

25 EXECUTIVE OFFICER LUCCHESI: I'd like to remove C

1 7, C 28, C 29, C 60, and C 62 from the agenda. And those
2 will be considered at a later time.

3 CHAIRPERSON YEE: All right.

4 EXECUTIVE OFFICER LUCCHESI: And as far as I
5 know, we do not have any requests to move the any of the
6 continue items to our regular agenda.

7 CHAIRPERSON YEE: That's correct. Okay.

8 COMMISSIONER NEWSOM: Move the remainder of the
9 consent items.

10 CHAIRPERSON YEE: All right. We have a motion
11 by Commissioner Newsom to move the remainder of the
12 consent agenda.

13 ACTING COMMISSIONER ORTEGA: Second

14 CHAIRPERSON YEE: Second by Ms. -- or
15 Commissioner Ortega.

16 Without objection, such will be the order with
17 the noted items C 7, C 28, C 29, C 60, C 62 having been
18 removed from the consent agenda.

19 Okay. Let's see. Let me see.

20 I believe the next order of business, we're going
21 to just take a couple of many items out of order -- one
22 item out of order. Why don't we move to Item 67. And
23 that is the issue of the State Lands Commission and
24 drilling in federal waters.

25 Ms. Lucchesi, you want to introduce the issue?

1 EXECUTIVE OFFICER LUCCHESI: Right, right. So I
2 will be giving the staff very brief presentation on this.

3 Commission staff is recommending that the
4 Commission adopt the proposed resolution attached to your
5 staff report as Exhibit A supporting the federal
6 government's recent ban on new offshore oil and gas
7 development in the outer continental shelf offshore
8 California, and oppose any attempts to modify that ban,
9 and direct staff to take appropriate actions on behalf of
10 the Commission to ensure the ban remains in place.

11 The Outer Continental Shelf Act requires that the
12 federal government, through the Bureau of Ocean Energy
13 Management develop 5-year leasing programs for the outer
14 continental shelf of the United States. This -- BOEM just
15 recently issued its-5 year leasing plan, 2017 through
16 2022. And it does include a ban on offshore -- new
17 offshore oil and gas leasing in the federal waters
18 offshore California. Staff is recommending the Commission
19 adopt the resolution attached to your staff report.

20 Thank you.

21 CHAIRPERSON YEE: Thank you very much.

22 Commissioners?

23 Commissioner Newsom

24 COMMISSIONER NEWSOM: Yeah. No, I wasn't going
25 to say anything except to say, yeah, I think it's

1 important to be aggressive here and not passive and
2 compliment the President for stepping up and stepping in
3 right before his administration -- or rather his tenure
4 ends. And there's legitimacy in this resolution. It's
5 basically codifying what we've been doing for a decade,
6 and I think it's, what, the 11th or so resolution of its
7 type since -- well, in the last decade or two from this
8 Commission.

9 And under the circumstances, more important
10 perhaps than arguably ever. So I compliment the staff for
11 its consideration. And obviously, grateful to the Chair
12 for her support and leadership on this. And I think it
13 indeed is important for all of us that care about our
14 coast to assert this point of view. And I'm glad this
15 resolution is being sent, at least to some bureaucrat in
16 Washington D.C., and the Vice President and President's
17 office.

18 (Laughter.)

19 CHAIRPERSON YEE: Thank you, Commissioner Newsom.

20 Any other comments?

21 Thank you. No, it is very important this time,
22 now more than ever, for California to continue to be a
23 leading voice in this area. So with that, may I have a
24 motion?

25 COMMISSIONER NEWSOM: So moved.

1 CHAIRPERSON YEE: Motion by Commissioner Newsom
2 to adopt the resolution.

3 Second?

4 ACTING COMMISSIONER ORTEGA: Second.

5 CHAIRPERSON YEE: Second by Commissioner Ortega.

6 With objection, the resolution is adopted.

7 Thank you very much.

8 Out next item on the agenda, why don't we return
9 then back then to Item 65. Item 65 is an informational
10 report on the status of negotiations to acquire a public
11 access easement to and along Martins Beach In San Mateo
12 County. Let me have staff make the presentation. And
13 then we'll entertain comments from the Commissioners and
14 then we will go into public comment, okay?

15 EXECUTIVE OFFICER LUCCHESI: Excellent. Thank
16 you, Chair. I will be giving staff's presentation, and it
17 will be likewise short.

18 We have a number of members of the public that
19 wish to testify on this. And I think it's important to
20 get to their testimony as quickly as possible.

21 As the Commission knows, the State Lands
22 Commission was directed to try to negotiate acquisition of
23 a public access easement to and along Martins Beach. 2
24 years ago. The -- Senator Hill's bill gave us 1 year to
25 try to conclude those negotiations. We actually tried to

1 negotiate past that year period, in hopes that we could
2 reach an agreement with Martins Beach representatives.

3 As reflected in the staff report before you,
4 those negotiations have failed. We were unable to reach
5 an agreement with Martins Beach representatives. And, in
6 fact, in unequivocal terms they expressed that they were
7 unwilling to sell an access easement to the State, which
8 led us to today, and being able to report to the
9 Commission that staff feels that we have fulfilled the
10 direction in Senator Hill's bill, and unfortunately we
11 were not successful.

12 I do want to highlight that Martins Beach
13 representatives over the course of the last 2 years have
14 represented that they were open to 2 alternatives to an
15 access easement. One of those alternatives was an
16 agreement to allow access for a limited period of days in
17 the year, and those days would be based on the 2008 log
18 that was kept by Martins Beach representatives.

19 As stated in your staff report, staff does not
20 believe that's consistent with the intent of the specific
21 legislation directing staff -- the State Lands Commission
22 be involved in this. And frankly, we also don't think
23 it's consistent with the intent of providing comprehensive
24 public access to the beach at that location.

25 The second option, as we understand it, that

1 Martins Beach representatives are open to negotiating is a
2 sale of the entire 2 parcels in fee to the State. Again,
3 as stated in your staff report, staff does not believe
4 that that's consistent with the legislative directive.
5 And also, based on our 2 years of discussions, we also
6 don't think that it's -- we're not confident that we would
7 be able to reach an agreement on a price for the entire 2
8 parcels, given what we learned over the last 2 years.

9 So that's where we are. And I'll turn it back
10 over to the Chair at this point for any questions by the
11 Commissioners or to open it up to public comment.

12 CHAIRPERSON YEE: Great. Thank you, Ms.
13 Lucchesi.

14 Commissioner, any questions or comments?

15 Commissioner Newsom.

16 COMMISSIONER NEWSOM: Yeah. Thanks. Thank you.
17 Through the Chair, and, you know, I look forward to
18 hearing from everybody, but I want to just make a couple
19 comments before we do, and then we'll go into closed
20 session. And I hope we'll have the opportunity -- in
21 fact, we intend to report back out as it relates to some
22 of the legal strategies and opportunities here.

23 But I want to, first and foremost, compliment
24 you, our Executive Director, Jennifer, for your sincere
25 effort here. I was part of it. We shared many moments of

1 frustration. We were close on multiple occasions
2 expressing some optimism that we would find some
3 consensus, a compromise, an opportunity to resolve this.

4 But I want to assure the folks out here, this
5 is -- this has been an ongoing effort for years now,
6 starting I think, what, in December of '14, when we had
7 those initial conversations. And there is an aggressive
8 and assertive staff that I think shares the values that
9 will be expressed momentarily here, at least by members of
10 the public, that this property is -- has an attached
11 Public Trust that requires the kind of resolve, and
12 requires the kind of determination that this Commission
13 has been noted for for a 70- year history.

14 And I am -- you know, I'm glad we're getting to
15 this point. I compliment Senator Hill, who is here, for
16 helping steward this along, but we've now got to call the
17 question. I mean, we've been sued. We've been sued
18 personally, which, you know, doesn't -- I guess, if the
19 intent is to sue an agency and sue people personally, I
20 don't imagine that was to make people feel better --

21 (Laughter.)

22 COMMISSIONER NEWSOM: -- and more likely to try
23 to resolve this. You know, it didn't sit well. And, you
24 know, it's time for us, I get it, to step our game. But I
25 want folks to know that behind the scenes, we've been

1 assertive. And there's a lot of mythology out there.
2 Just because folks have been quietly negotiating. I get,
3 it you know, we're not living with periscope or, you know,
4 Tweeting everything every 24 hours.

5 (Laughter.)

6 COMMISSIONER NEWSOM: Some people may not be
7 aware of that, but I want to familiarize folks with that.
8 But, you know, this -- I get it, this has just gotten some
9 outside attention for good reason, and it's very important
10 to folks I know in this room and people watching.

11 And, you know, it's an important point in
12 history, I think, for this body as well, in terms of who
13 we are, what we represent, the Public Trust, and access.
14 These are core principles. It's why we exist as an
15 agency. So we've got to do our job here, and I recognize
16 that.

17 I want folks though to know as they assert their
18 point of view and express themselves as it relates to the
19 public comment, that we do have pending litigation, and
20 there are multiple avenues here and roots beyond just
21 quote unquote eminent domain, as profound and important as
22 that.

23 And that's a complicated process. And I hope
24 we'll have the chance to explain it beyond our closed
25 session strategies, which requires some confidentiality,

1 but explain it more publicly what it means, what it
2 doesn't mean, and what's attached to it, in terms of price
3 tag, not just time and energy.

4 But again, I want to just -- I want to
5 compliment -- I want to folks to know that the staff takes
6 this seriously, and has been aggressive and assertive, and
7 has done everything it can, I really believe that, in the
8 last 2 years to get to a resolution. And no one, trust me
9 at least on this side of the aisle, is happy that we're
10 where we are today. And we are going to assert ourselves,
11 I think, new strategy, and new resolve, and hopefully get
12 to some resolution soon on this.

13 I apologize. Thank you.

14 CHAIRPERSON YEE: No, no, no. No apologies.
15 Thank you Commissioner Newsom. Let me just also add my
16 thanks to the staff. And obviously, a very frustrating
17 situation. And unfortunately, the tenor of the
18 negotiations have not been frankly as serious and as
19 purposeful as I had hoped they would be with the parties
20 involved.

21 I can say that, and I have some confidence I'm
22 speaking for the Commission, that our commitment to public
23 access is unwavering, and particularly in this particular
24 situation. I also will say with my other hat on, as CFO
25 of the State, it's always about the money. And so we

1 are -- and I want to applaud Senator Hill for pursuing the
2 legislation to look at the -- where we're going to get the
3 sources of funding, should we proceed down the eminent
4 domain track, and also the County of San Mateo for some of
5 its initial commitment as well.

6 This is going to be resolved. I have confidence
7 in that. I also want to thank Surfrider and some of the
8 other parties that have been leaders in some of the other
9 actions on this matter. I think all of these moving parts
10 are actually going to get us to a good outcome. But I
11 want to -- we want to hear the testimony today that will
12 inform our thinking as we move into closed session after
13 we hear the public testimony.

14 But I am certainly one Commissioner, and I think
15 along with the Lieutenant Governor, and I won't speak for
16 the administration, who feel very committed to resolve
17 this, and it will be resolved to the favor of the public
18 of the State of California.

19 So with that, what I'd like to do is to call up
20 the speakers. I know that there might be some public
21 comments that will be duplicative, because we're all
22 passionate about this, and are certainly coming from the
23 same page in many respects. But what I'd like to do is to
24 call up Senator Hill, followed by Congressman McCloskey to
25 come forward.

1 If you will each take about 5 minutes, and then
2 each of the following speakers take 3 minutes, I think we
3 can get through this, and hopefully be armed with the
4 information that we need to have to make our decision in
5 closed session.

6 SENATOR HILL: Thank you very much Madam Chair,
7 and Commissioners.

8 CHAIRPERSON YEE: Good morning.

9 SENATOR HILL: And I want to echo the Lieutenant
10 Governor's comments. Over the last 2 years, and, I mean,
11 we have not seen a greater commitment from anyone related
12 to this issue than your staff. They've done a phenomenal
13 job, and the Commissioners have been involved at every
14 effort. So thank you very much for that effort, and the
15 commitment. And what we hear today is, I think, something
16 that we can all be excited about. So I appreciate that,
17 and the opportunity to address you today as well.

18 You know, when you think about the 3 court cases
19 that was mentioned, that the Lieutenant Governor
20 mentioned, and involving Martins Beach and the funding
21 questions, which I think is really the challenge that
22 we're faced with and that you're faced with, it's somewhat
23 overwhelming.

24 But what makes California so great, and what
25 makes our government so unique, is that we consistently

1 defend the public's rights. And just yesterday, the
2 California legislature, as you may have heard, took a very
3 strong position and made a clear statement against a
4 billionaire in Washington that we will protect the
5 interests and the rights of our residents and our
6 citizens.

7 And I think this Commission feels the same way,
8 that we will take -- hopefully, that California will take
9 a strong position and a leadership role to protect the
10 rights related to beach access for all residents and
11 citizens of California.

12 It's a crucial issue and something that I hear
13 continuously about from our residents. And please know
14 that you're not alone in this endeavor. As I mentioned,
15 we initiated legislation yesterday that I feel will be
16 able to appropriate some money for this effort. The
17 County Of San Mateo has indicated their willingness to
18 include and to contribute some funds for the purchase, as
19 well as some nonprofit land acquisition agencies that are
20 willing to, I believe, contribute and help us with this.

21 So it's a -- we -- the people who have traveled
22 here today, and they represent thousands across the State,
23 who are concerned of their Constitutional right to public
24 beach access in California. So we hope that you take a
25 proactive step today. And I feel encouraged by the early

1 comments that you will be, and we'll be excited with that.
2 California is really watching. I think they're watching
3 the precedent that could be set with this, and they want
4 to make sure that their rights are protected, and that the
5 precedent is set for future generations.

6 So thank you. I don't want to take more time,
7 because I really respect the job that you do, and the
8 commitment that you've made.

9 Thank you very much.

10 CHAIRPERSON YEE: Thank you, Senator.

11 Good morning Congressman.

12 CONGRESSMAN McCLOSKEY: Ladies and gentleman,
13 Madam Chairman, my name is Pete McCloskey. I'm a lawyer
14 with the firm Cotchett, Pitre & McCarthy. And I practiced
15 law in this State for 63 years, 58 of them as a
16 condemnation specialists, defending landowners against
17 condemnation actions by government agencies.

18 I want to ask you to pass a simple motion
19 directing and authorizing your staff to condemn the right
20 of way. And I would offer my pro bono services to Mr.
21 Meier to assist in the rather complicated proceedings of
22 the offer, the negotiations, the appraisals, and the
23 filing of the law suit.

24 They are complicated, but this is a historic
25 vote. It will be the first time in 78 years that this

1 commission will have exercised the power of condemnation.
2 It's a vote like -- it will be watched throughout
3 California. You remember that famous poem about they're
4 the far -- embattled farmer stood and fired that shot
5 heard around the world. Your vote today is going to be
6 heard around this State and the world.

7 And I -- as I say, I hope you pass a simple
8 motion to direct and authorize the condemnation of the
9 right of way. I think it's too much to go after the land.
10 If you pass that motion, I, for one, will pledge to work
11 with every environmental group in this State to raise the
12 money to fund it. Thank you.

13 CHAIRPERSON YEE: Thank you very much. All
14 right. Let me call up the next series of speakers in the
15 order of sign in. Kathryn Phillips with Sierra Club
16 California, followed by Jonathan Bremer, and Judy and Jeff
17 Romines.

18 Good morning.

19 MR. PHILLIPS: Hi. Thank you. Kathryn Phillips
20 with Sierra Club California. I think everything that
21 needs to be said has been said. And I'm pleased to hear
22 the conversation from Mr. Newsom and Ms. Yee. So I just
23 want to reiterate what is probably obvious by me being up
24 here, and that is that we support continuing with this
25 condemnation proceeding to ensure that that beach, Martins

1 Beach, becomes accessible to the public again.

2 Thank you.

3 CHAIRPERSON YEE: Thank you. Mr. Bremer.

4 MR. BREMER: Hello. My name is Jonathan Bremer.
5 I've worked as an engineer for Tesla Motors for the last 6
6 years. I moved to Half Moon Bay back in 2011 and began my
7 love affair with the coast.

8 I'm not a lawyer and don't understand all the
9 intricacies of law applicable to Martins Beach, but I do
10 know that California has had a long history of protecting
11 the coast side as a public resource. Khosla has used his
12 immense wealth and team of lawyers to circumvent the laws
13 that protect public access To Martins Beach, and all the
14 while using the laws that serve his interest to
15 intimidate, or even have individuals such as myself,
16 charged with criminal trespass.

17 I believe that the State Lands Commission should
18 purchase the road in order to protect the public resource
19 for generations. Although, there are other legal
20 arguments that could restore access to the beach, whether
21 prescriptive, dedication, or constitutional, all of these
22 arguments work through the court systems, where Khosla's
23 wealth and legal team give him a clear advantage.

24 Khosla needs to be held accountable to the intent
25 of our laws, and shown that you can't buy your way out of

1 legal responsibility. We wouldn't be here today if Khosla
2 was willing to work towards an amicable solution. We
3 should save the coast -- excuse me. We should save the
4 costs required to fight these lengthy legal battles, and
5 guarantee access for the public once and for all.

6 Thank you.

7 CHAIRPERSON YEE: Thank you, Mr. Bremer.

8 Judy Romines.

9 MS. ROMINES: Hello. My name is Judy Romines --

10 CHAIRPERSON YEE: I'm sorry.

11 MS. ROMINES: -- and I'm a resident of Woodside,
12 and have lived in California all my life. I believe in
13 the right of Californians to enjoy their beaches and
14 shorelines. And I believe it is really a sacred right.

15 Martins Beach is one of those special places on
16 the San Mateo coast that has been enjoyed for years by my
17 family and my friends. In fact, one of those friends is a
18 landscape painter, who loves Martins Beach. And this is
19 one of her paintings of that place -- that special place.

20 I urge you not to let this one wealthy investor
21 prevent my family and my friends, and most of all the
22 public, from enjoying this beach and this special place.

23 And in addition, it should be of great concern to
24 the landowner that the gated entrance blocks speedy access
25 for emergency service to anyone who is on that beach, any

1 surfer, child, person who reaches that beach, and is not
2 able to be reached, should an event occur.

3 I urge you to consider all the -- and exercise
4 your power of eminent domain to preserve access to the
5 beach or to use any other powers that you can. I am sorry
6 this is a financial -- become a financial event. I don't
7 think that should even be a matter in preserving access to
8 California's beaches.

9 Thank you.

10 CHAIRPERSON YEE: Thank you.

11 Good morning.

12 MR. ROMINES: Good morning, Madam Chair. And
13 thank you to the Commission for the opportunity to speak
14 on this important issue. My name is Ron Romines. I'm a
15 almost 50-year resident of San Mateo County, former
16 council member and Mayor of Woodside. My family and I,
17 one of the reasons we've stayed in San Mateo County so
18 long is we enjoy the coast, the beaches, the many special
19 places along our coastline. Although not the most
20 remarkable in California, it's a precious resource,
21 indeed.

22 As you're well aware, the right of the people to
23 enjoyment and use of this shoreline, the tidelands, the
24 beaches was guaranteed to the public long before
25 California adopted its Field Code in 1872. And that right

1 is really rendered meaningless if the wealthy can acquire
2 coastal property and close access to the public.

3 I submit that it appears that that's precisely
4 what Mr. Khosla intended when we acquired this property.
5 I mean, astute investors by Mr. Khosla don't spend
6 millions of dollars without doing their homework. And he
7 was certainly well aware of the public's use of this
8 property before he purchased this property.

9 And his foreclosing access appears to be a
10 calculated move to prevent that, and unfortunately
11 threatens a precedent which goes well beyond the use of
12 Martins Beach.

13 I was actually prompted to come today by an
14 article in our local daily journal, which quoted a blog
15 post by one of Mr. Khosla's principals -- principal
16 attorneys, which states the following:

17 "This case is misunderstood and fundamentally
18 about the right to close a business or change parking on
19 private property".

20 Now, I believe that's an insult to the
21 Commission. I believe it's an insult to the people. And
22 unfortunately, I think it reflects an attitude of disdain
23 by the owners about what's at stake here. I mean,
24 clearly, what's at stake is whether great wealth trumps
25 the right of the public to access of a precious resource

1 in California.

2 I believe this cannot stand, and I urge you to
3 exercise your power of eminent domain and take whatever
4 steps are necessary to preserve public access to Martins
5 Beach.

6 Thank you.

7 CHAIRPERSON YEE: Thank you, Mr. Romines.

8 Okay. Next, we have Steve Cruz, and then let me
9 ask the representatives from surfrider to come up
10 together. You may want to coordinate your testimony.
11 Angela Howe, Jennifer Savage, Edmund Larenas and Rob
12 Caughlin.

13 Good morning.

14 MR. CRUZ: Good morning. Steve Cruz on behalf of
15 the San Mateo County Board of Supervisors.

16 I'd first like to thank Senator Hill for his
17 efforts to try to restore access to Martins Beach. We've
18 been long supportive of those efforts, including SB 968.
19 And we're hopeful that this Commission will be able to see
20 that through.

21 Also, I want to appreciate the work of the
22 Commission itself, and staff, and your work in trying to
23 negotiate this. As you know, Martins Beach is located San
24 Mateo opportunity. And since it's closure, we've heard
25 from a number of residents concerned about that.

1 We -- as referenced by Commissioner Yee and
2 Senator Hill, in fact, we are willing to continue to
3 provide resources in an effort to maintain the road, if
4 and when we can secure access, and willing to, you know,
5 partner with -- with the State, and other efforts to
6 actually secure that.

7 So we wanted to make sure that that, in fact, is
8 known. We believe the law is clear, you know, the Coastal
9 Act, providing access, and not allowing individuals to
10 close off that.

11 And so we, again, I want to thank Senator Hill
12 for his efforts and hopeful for a good outcome from this
13 commission.

14 Thank you.

15 CHAIRPERSON YEE: Thank you, Mr. Crews.

16 Okay. Let me have Ms. Howe and Ms. Savage come
17 forward, please.

18 (Thereupon an overhead presentation was
19 presented as follows.)

20 MS. SAVAGE: Can I do it with this?

21 Okay. These always -- it always makes me
22 nervous.

23 Hi. Jennifer Savage, Surfrider Foundation,
24 California Policy Manager.

25 First, thank you to you and your staff for your

1 steadfast commitment to this issue.

2 Oh, what am I doing?

3 Oh, there.

4 --o0o--

5 MS. SAVAGE: Martins Beach is more than just
6 another beautiful pocket beach on California's coast.
7 It's a place full of meaning. Martins Beach represents so
8 much to so many people. Visiting Martins Beach is
9 intertwined in family histories, both local and from
10 elsewhere. Up until the current property owner bought the
11 land, the story on -- the story of Martins Beach was a
12 happy one.

13 --o0o--

14 MS. SAVAGE: But then Mr. Khosla opted to take
15 Martins Beach away. He did this despite California's
16 Coastal Act guarantying beach access to all people, not
17 just those with apparently limitless financial resources.

18 When called out on his unfair and illegal
19 behavior, he has, for years, instead treated the Coastal
20 Act, and thereby the people who depend on it, like a joke.
21 First, he asked a ridiculous price for the easement, then
22 refused to even consider an easement, then filed an
23 utterly frivolous lawsuit against those individuals trying
24 to protect and serve the public interest.

25 --o0o--

1 MS. SAVAGE: You know, when people talk about
2 Martins Beach now, their feelings are one of frustration
3 as sadness and anxiety. They're worried they'll never
4 have it back, that they'll never be able to stretch a
5 blanket out on the sand for their family picnic.

6 I hear this echoed in the way, since the
7 Presidential election, that we've heard a lot about the
8 anxiety felt across the State and the country. People are
9 really worried about losing their rights. All kinds of
10 once guaranteed rights are now at risk. The threats to
11 our shared environment a greater than they've been in a
12 long while. People wonder who will uphold the American
13 values of freedom and equality.

14 In reaction, your colleagues in the State
15 legislature have taken a strong stance, pledging to
16 protect human rights and uphold social justice in
17 California. Governor Brown and the State of California
18 will stay strong when it comes to confronting climate
19 change.

20 Martins Beach may seem like a small thing in this
21 big world of battles, but it's a huge thing to thousands
22 of your constituents and to Californians whose right to
23 access the coast up and down the State must not be
24 impeded.

25 Defending the people from the billionaires who

1 would take from them has become the leading narrative of
2 our times. In the case of Martins Beach, eminent domain
3 is the last resort. It's also the logical next step for
4 those who would be champions of the Public Trust.

5 --o0o--

6 MS. SAVAGE: California's coast must not become a
7 playground for only the very rich. What you do today sets
8 a precedent for what the State Lands Commission is willing
9 to do. We ask you to stand up for us. We're again
10 grateful for your stewardship, and we'd like you to go
11 forward with eminent domain.

12 Thank you.

13 CHAIRPERSON YEE: Thank you very much.

14 Ms. Howe.

15 MS. HOWE: Good morning, Honorable Commissioners.
16 Thank you for your time in addressing this important
17 issue.

18 --o0o--

19 MS. HOWE: My name is Angela Howe. I'm the legal
20 director for surfrider foundation. As an attorney working
21 on this issue for almost 6 years, I know that now is the
22 time to act. The State Lands Commission has full
23 authority under law to use eminent domain. As your staff
24 pointed out in their staff report, Section 6210.9 allows
25 the Commission to condemn a right of way or easement

1 across privately owned land to provide access to Public
2 Trust lands when no public access is otherwise available.

3 This almost uniquely describes the case of
4 Martins Beach, which surrounded by cliffs on either side,
5 and Martins Beach Road is the one path down to the beach.

6 --o0o--

7 MS. HOWE: The statutory right exists decades
8 before Senator Hill's legislation SB 968 that passed the
9 legislature. It provides that the Commission can, in the
10 name of the State, acquire by purchase, lease, gift,
11 exchange, or if all negotiations fail, which they appear
12 to have here, by condemnation. Public access is a right
13 enshrined by the California Constitution and the Coastal
14 Act.

15 The Coastal Act, Public Resources Code, section
16 30001.5(c), the legislature declared the goals of the
17 State for the coastal zone are to maximize public access
18 to and along the coast, and maximize public recreational
19 opportunities in the coastal zone.

20 If you guys didn't know that Martins Beach is
21 actually an area when the local surf team has gone to
22 practice before the gates were shut in 2010.

23 The current injustice breaches an important
24 provision of the California Constitution, Article 10,
25 section 4 that guarantees the citizenry public right of

1 way to the State's navigable waters.

2 --o0o--

3 MS. HOWE: Currently, the gates are still locked,
4 even though surfrider has been successful at lower court,
5 the court ordered that the gates be opened. They're only
6 sporadically. We don't when they'll be open. And the
7 public has no assurance of when they can get down to the
8 beach. That's why we request the Commission to act today
9 and with expediency.

10 This is the subject of 3 lawsuits, as you guys
11 pointed out, one coastal -- Khosla just recently filed
12 against the California Coastal Commissioners in their
13 personal capacity, their alternates in their personal
14 capacity, of course, you all, and the County Planning
15 Commissioner.

16 Mr. Khosla clearly has the resources and appears
17 to have the intention to litigate this to the U.S. Supreme
18 Court. The public could be looking at another decade of
19 litigation before there's certainty around this access.
20 One of his main theories in these lawsuits have been a
21 taking of private property.

22 However, as you know, the use of condemnation
23 with just compensation is a clear right of the government
24 that avoids a takings battle altogether. Now is the time
25 to act, and the issue has been put squarely before the

1 State Lands Commission.

2 --o0o--

3 MS. HOWE: We ask that the Commission today act
4 in the interest of the Public Trust. We know the will of
5 the community. You've heard from the local community
6 today. There's been an uproar and a multi-year campaign
7 to get this access open. It's the will of the people of
8 California. We've had thousands of people send petitions
9 through Surfrider alone. It's been the interests of
10 on-line comments and forums, community meetings, et
11 cetera. It's also the will of the State Assembly, State
12 Senate, and the Governor in passing SB 968 to direct the
13 State Lands Commission to act on this.

14 So we ask that you be leaders of the State and
15 stand up to powerful forces and dutifully administer the
16 Public Trust for the good of all people.

17 --o0o--

18

19 MS. HOWE: Finally, Surfrider Foundation
20 respectfully requests that you report out on the
21 Commission's decision today, if made, since there is a
22 clear issue of public importance, and to allow for
23 increased agency transparency. This is a moment to send a
24 signal to all those who would like to privatize the beach
25 and to say that California's coast is not for sale, and

1 that California leaders will stand up with public
2 beachgoers.

3 Thank you.

4 CHAIRPERSON YEE: Thank you very much.

5 Good morning.

6 MR. LARENAS: Good morning. Thank you for giving
7 me the opportunity to speak. I think I'm not going to
8 read my prepared statement, because all the speakers
9 before me said it very well, and so did you.

10 I think what I'll do is I'll tell you a little
11 bit about how we started with this. My name is Ed
12 Larenas. I'm chair of the local chapter of the Surfrider
13 Foundation in San Mateo County.

14 I'll wait for my slides.

15 We wrote Mr. Khosla a letter. And we said, "Dear
16 Mr. Khosla, perhaps you don't understand the value of this
17 beach to the local community and to California at large.
18 We would love to work with you to continue to provide
19 public access to this beach. And in return, we will work
20 with you to maximize the public benefit to you and your
21 family. Please work with us, and you will leave a legacy
22 for your family".

23 What we got in return was a letter saying we'll
24 see you in court. Thank you very much.

25 --o0o--

1 MR. LARENAS: Sorry. There you go.

2 This is what the public sees now.

3 --o0o--

4 --o0o--

5 --o0o--

6 MR. LARENAS: I take these pictures randomly as I
7 go up and down the coast, either looking for waves or going
8 to visit my 93-year old mom in Santa Cruz.

9 --o0o--

10 MR. LARENAS: That's what we get.

11 So I would like to say to you, don't let a
12 billionaire bully the people of California and take what
13 is rightfully there's. Use the authority given to you by
14 the people of California exactly for this purpose.
15 Purchase a public access easement to Martins Beach. The
16 people of California will love you for it, and they will
17 be respect you for it. And I know you know that.

18 Thank you.

19 CHAIRPERSON YEE: Thank you very much.

20 Good morning.

21 MR. CAUGHLIN: Good morning. Thank you for
22 listening to us this morning. My name is Robert Caughlin.
23 All the surfers here know me as Bird Legs.

24 (Laughter.)

25 MR. CAUGHLIN: I started surfing at Martins Beach

1 when Dwight David Eisenhower was President.

2 (Laughter.)

3 MR. CAUGHLIN: In the 1970s, I wrote my first
4 article for Surfer Magazine on coastal protection. In the
5 1980s, I had the honor of serving as the first President
6 of the Surfrider Foundation for 6 years and helped get the
7 organization started. I'm so proud of what they've done
8 in the last 32 years.

9 Why is access to Martins Beach so important,
10 people have asked? I say for the same reason that having
11 access to Yosemite is important. It's a California
12 treasure.

13 The -- perhaps if the Coastal Commission had been
14 stronger at the beginning and started fining Vinod Khosla
15 the \$11,000 a day penalty for violating the law, he would
16 have been more cooperative and less dismissive and abusive
17 to you when he was in these negotiations. I know that
18 Forbes Magazine said he had the ability to pay that
19 \$11,000 a day penalty for 406 years.

20 The -- in a recent interview I saw that Mr.
21 Khosla said he was standing on a principle. Well, I
22 suppose the principle he thinks he's standing on is the
23 sacrosanct value of property rights. I want to remind Mr.
24 Khosla that when the Declaration of Independence was
25 written, the first draft said, we are endowed by our

1 creator with certain unalienable rights, and among those
2 are life, liberty, and the pursuit of property.

3 That was the original draft.

4 Benjamin Franklin objected and said, no, property
5 is a concept. It's an artificial concept. It's not an
6 unalienable right. And Thomas Jefferson agreed, and they
7 changed it, in an historic edit, to be life, liberty, and
8 the pursuit of happiness.

9 In my life, the pursuit of happiness has been
10 pursuing and catching and writing about 50,000 waves. And
11 I'd like to be able to continue to do that, and take my
12 grandkids there, and make it available to the public.

13 Vinod Khosla is trying to cut out Article 10,
14 Section 4 of the California Constitution. I think he
15 wants to have a private beach, he can move back next to
16 Donald Trump in Mar-a-Lago in Florida, or New Jersey next
17 the Chris Christie, where they have that kind of
18 situation.

19 Recently, Warren Beatty came out with a new movie
20 about a loopy billionaire named Howard Hughes. It was
21 called, "Rules Don't Apply". I think the same issue is
22 here. We hope you'll stand up to Khosla and remember that
23 when dealing with a bully, as everybody knows, the best
24 thing that you can do is punch them in the nose.

25 Thank you.

1 (Laughter.)

2 (Applause.)

3 CHAIRPERSON YEE: Thank you very much.

4 Let me call up the next group of speakers. Kirk
5 Hawkins, Robert Pierce, and Christopher Adams.

6 Good morning.

7 MR. HAWKINS: Good morning. Thank you for your
8 time today. I would like to thank Senator Jerry Hill for
9 his efforts, Chair Yee, Lieutenant Gavin Newsom, staff.
10 There are --

11 CHAIRPERSON YEE: Will you introduce yourself for
12 the record, please?

13 MR. HAWKINS: Yes. And I'm Kirk Hawkins, third
14 generation Californian. My family has coastal property in
15 both north and Southern California. My son and I, who's
16 17, count beach days. How many days can we get our toes
17 in the sand, whether you surf or skim.

18 I was -- I took the kids to Martins Beach this
19 weekend, and we stood at the gates. I had an easier time
20 explaining to them how someone of wealth is trying to take
21 control of a situation. The one that didn't understand is
22 my surfboard. We have been talking daily about why the
23 surfboard can't go there, and the surfboard does not
24 understand, but that is something that we'll work on.

25 What I would like to share is this. I love

1 California, I love the coast, and I believe you have an
2 opportunity to establish a point of reference. The rights
3 of citizens to access coastal zones that are, or have
4 been, public in nature, versus the rights of citizens to
5 purchase property and set boundaries that exclude people.

6 I offer, as an example, the great State of
7 Hawaii, in my opinion, gives the best example of property
8 ownership that secures property ownership along the coast
9 while preserving access routes to coastal areas and water
10 access, to the point of making these trails historical
11 significance. You can walk through the Ritz-Carlton to
12 get to your favorite beach. In fact, they have to allow
13 for parking. It's part of the Aloha way. It's not that
14 far off. We might want to take a look at Hawaii gets
15 along.

16 But what is our goal? And I believe our goal is
17 to have access to coastal areas, shared resources, and
18 that property ownership must abide by laws and zoning
19 restrictions.

20 And lastly, what was intended use? Can we not
21 grandfather areas Yosemite, the coast that we have shared,
22 and the owners as there is continued wealth growing in
23 California. California is for sale, and the money is
24 going to buy it. So if we don't protect it now, it's
25 going away.

1 And the last thing that I'll offer is every time
2 I go to Safeway, I donate to something, the veterans, some
3 cancer research, a dollar or 3. Thank God for right now I
4 have the ability to. I would donate every time to the
5 Coastal Commission. To the Chair, you could talk to
6 Safeway, every check-out would add a dollar to the fees,
7 and I would gladly go to Safeway more.

8 Thank you.

9 (Laughter.)

10 CHAIRPERSON YEE: Thank you very much.

11 Mr. Pierce.

12 MR. PIERCE: Thank you for the chance to talk to
13 the Board. And congratulations on your hard work. I know
14 you've been our champion.

15 I've taught history for 45 years at Foothill
16 College.

17 CHAIRPERSON YEE: Will you introduce yourself.

18 MR. PIERCE: Oh, I'm Robert Pierce. I'm emeritus
19 professor of history.

20 CHAIRPERSON YEE: Thank you.

21 MR. PIERCE: And so I take a little historical
22 view of things. And Rob Caughlin thank you for your short
23 history lesson, as usual, marked with humor.

24 (Laughter.)

25 MR. PIERCE: My great grandfather came out here

1 right after the civil where he served as an officer in the
2 Union Army. And, of course, was seduced by the State,
3 fell in love with it, never went back to New York. He
4 lived on Mott Street. He was an Irish cop. You'd like
5 that Governor -- or Lieutenant Governor Newsom.

6 And we've been here ever since. My dad, however,
7 was the other side of the tracks. And he was an Okie from
8 Oklahoma and came out in '29. He also never went back,
9 except to be buried in the green hills of Oklahoma. So
10 we're pretty deeply involved in this State.

11 And like many of you in this room, I have a
12 passionate love affair with this State, and I think you've
13 been hearing that. This is not just an issue about one
14 beach, but about our national or our State treasure.

15 I had a personal experience in Saint Petersburg a
16 couple years ago. I was over there doing some research,
17 and one of the things we were going to see was a huge park
18 in the middle of the city, which was very famous. As we
19 went to it, we saw there a padlock across it. And
20 everybody was kind of shocked, because it was kind of
21 tour. And they were saying, well, gee, we don't know
22 what's going on here. I thought to myself, I know what's
23 going on here. Some Oligarch has rented this park -- has
24 gotten this public park and is now using.

25 And sure enough, here came the limos. And it was

1 a bridal party. And goodbye public. Too bad you can't
2 use the park. It's now a part of the wedding party of
3 someone of magnificent wealth. And that certainly drove
4 the point home to me that we can't allow this to happen in
5 California.

6 And one last point, in the recent election, there
7 was a lot of talk that somehow the Democratic party lost
8 track of the blue collar worker and of the average working
9 man and woman. And I can see that this is a shot at least
10 that's going to be heard, I hope, nationally that the
11 California Democratic party has never lost sight of that.
12 And this is an issue that's going to stand for the average
13 person who can have access to a public access beach.

14 Thank you very much.

15 CHAIRPERSON YEE: Thank you.

16 Christopher Adams.

17 MR. ADAMS: I'm Christopher Adams, and I live in
18 Berkeley, not in San Mateo county. But every year since
19 before my daughter was born, we have gone to Martins Beach
20 at least once. My daughter is now 37. I now have a
21 grandson. My grandson has never been to Martins Beach. I
22 hope that he will soon be able to.

23 I worked for 30 years for the University of
24 California for the Board of Regents. One of the things
25 that I did in my job many times was to write agenda items

1 to take to the Board for their meetings involving property
2 transactions.

3 During those 30 years, I never once took an
4 action item to them regarding eminent domain. So I'm very
5 aware that this is a very serious, a very unusual, and a
6 very challenging task that you have set before you. I
7 respect you for taking it on. I wish you luck. I hope my
8 grandson will be at Martins Beach soon.

9 Thank you.

10 CHAIRPERSON YEE: Thank you, Mr. Adams.

11 Let me have the next group of speakers come
12 forward. Julie Graves, Michael Warburton, and Jenn
13 Eckerle.

14 MS. GRAVES: I'm Julie Graves. I'm a long-term
15 resident of Albany in Alameda County, and I also am very
16 grateful for the -- for what we've heard about your
17 efforts to do -- to reopen Martins Beach.

18 I'm here to tell you that this is really a State
19 resource, you know that, and not just a local resource.
20 For 30 years, my family, including my children from
21 toddlerhood, to my elderly mother have -- along with a
22 group of East Bay families have made it -- has made an
23 autumn pilgrimage to Martins Beach.

24 Our kids went off to college when they grew up,
25 but for this fall weekend they have often come back from

1 hundreds or even thousands of miles away to return to
2 Martins Beach.

3 And suddenly 6 years ago, the big welcoming sign
4 by the highway was painted over, and the road was blocked
5 with a locked gate. You can't -- perhaps, you can imagine
6 our surprise and chagrin about this, having seen the
7 beautiful pictures of this remarkable beach. We've
8 continued our October picnics, but we're like wandering
9 pilgrims. We have -- Martins Beach is unique, in that it
10 has spectacular cliffside scenery, and yet you can
11 drive -- you could drive right down to the level of the
12 sand on the road that is now in contention, so people
13 that, like my mother, who is now 93 years old, and to
14 families burdened with babies and toddlers, not to mention
15 picnic baskets, were able to access the beach.

16 The surfers can -- can, with a big effort, take
17 their boards down there. But my four-generation family
18 has been unable to access the beach since then.

19 Believe me, we have tried to find an alternative
20 beach. We've tried up and down Marin County and San Mateo
21 County, all the way from Bean Hollow up to Muir Beach to
22 place that we could gather our generations and enjoy the
23 wild and natural coast of California.

24 And there's no other beach that has this kind of
25 scenery, and has this kind of access. There are steep

1 stair cases, many of them unfortunately eroded, and
2 clamoring across rocky declines that don't work.

3 This October, after a picnic at Montara Beach,
4 which my mother was excluded from there was a steep
5 staircase there, we -- some of us went down to Martins
6 Beach, walked all the way down from the road. It can
7 still be accessed by walking around the gate. Now, it's
8 not easy. I'm now 69 years old, and it's -- we were -- we
9 hadn't seen the beach for several years, and we were
10 overwhelmed by the beauty of the surf, and the amazing
11 shark fin rock that has been pictured here.

12 A great blue heron was stalking in the little
13 creek and flew away as we approached and went to the top
14 of that rock and stayed there for the half hour that we
15 were able to spend on the beach enthralled.

16 I -- we were swept with longing and nostalgia for
17 this unique spot. I'm getting old enough now, so that if
18 the little road is not reopened, at least to allow us to
19 drop off elders and babies at the bottom, even if we don't
20 park down by the beach, I may never see Martins Beach
21 again, and certainly my mother, who's 93, will not.

22 So we urge you to go forward with what sounds
23 like your conviction, and we're -- which we are thrilled
24 to hear about, to get real access for those who can't hike
25 down a long staircase or over rocky cliffs to this beach.

1 I want to point out the existing road mostly
2 parallels what appears to be the far north edge of the
3 property and it veers slightly into switch-backs away from
4 this edge at the steep part where it navigates what would
5 otherwise be a cliff. By no means does it penetrate into
6 the main part of the private property owned by Khosla,
7 where currently there are many small houses occupied and
8 where this billionaire owner might some day wish to build
9 a lavish secluded retreat.

10 He could still do that and let -- have -- let the
11 public have access to their precious heritage of the
12 beach, because the road does not invade the main part of
13 the property.

14 You know, there are billionaires --

15 CHAIRPERSON YEE: Ms. Graves, your time has
16 expired. If you could summarize your -- the rest of your
17 comments.

18 MS. GRAVES: All right. I've just got on
19 paragraph. There are 124 billionaires in California we're
20 told as of today. There are 39 million other citizens of
21 California, and we would like to see the beach restored to
22 the 100 percent.

23 The famous American poet Langston Hughes wrote,
24 "justice delayed is justice denied".

25 Please go forward with your actions now to open

1 Martins Beach to all of us who are its rightful owners and
2 its protectors.

3 Thank you very much.

4 CHAIRPERSON YEE: Thank you, Ms. Graves.

5 MR. WARBURTON: Michael Warburton. I'm executive
6 director of a nonprofit called the Public Trust Alliance.
7 And what we do is sometimes we intervene when
8 constitutional agencies don't take up their Public Trust
9 responsibilities. The State Lands Commission is one that
10 has begun to do things the way it's supposed to. The
11 Public Trust Doctrine is extremely important, and we
12 emphasize advocacy of Public Trust rights, and values for
13 adapting responsibly and reasonably to climate change.

14 Because, you know, this eminent domain
15 consideration, I sympathize with you, but a lot of people
16 don't know that public rights are indeed deeper. This
17 Benjamin Franklin bit and Jefferson, they actually cared
18 about human rights. And those have to trump money,
19 because money is being very irresponsible right now.

20 I think Mr. Hill knows very well that I spend my
21 time arguing in front of the Public Utilities Commission
22 about Public Trust responsibilities as the State of
23 California. And some utilities want to make a lot of
24 money and they are doing it in violation of the Public
25 Trust responsibilities.

1 And there's, a long history of lawyers who have
2 made a lot of money, and they get social position. We've
3 also had rulings like Dred Scott. And another one sort of
4 in that vein is one called Summa Corporation written by
5 Justice Rehnquist. It might have been argued by Zoe Beard
6 and Warren Christopher, but the racist goods were
7 delivered by Justice Rehnquist.

8 Twenty years ago, I was working on not
9 privatizing the land because of the conversion of military
10 bases. And I wrote a retired judge. And he wrote me, he
11 said -- this is 20 years ago -- "I share your apprehension
12 over the erosion of the Public Trust doctrine, but have
13 had real trouble generating any confidence that as our
14 political system continues to degenerate into a mere
15 formula for enriching those rich enough to pay for further
16 enrichment, that there is any real hope".

17 It said, Best Bill Newsom. That was a judge who
18 knew about the Public Trust, and I think his son does too.

19 (Laughter.)

20 COMMISSIONER NEWSOM: No pressure.

21 CHAIRPERSON YEE: Thank you, Mr. Warburton.

22 MS. ECKERLE: Good morning, Chair Yee and members
23 of the Commission. I'm Jen Eckerle. I'm an ocean policy
24 consultant with Environment California.

25 I just want to start by saying that we urge the

1 Commission to exercise its eminent domain authority to
2 restore public access to Martins Beach. And I'm just
3 going to spend the rest of my testimony giving another
4 story about a resident who has a lot of history at Martins
5 Beach. Her name is Marilyn Barcello. And I'm going to
6 share her stories.

7 So Martins Beach is Marilyn's favorite beach in
8 the world, and the only one her family went to for over
9 120 years. Her husband's family has been going to Martins
10 Beach as far back as anyone can remember. Marilyn's
11 grandfather went there, his parents took him there. He
12 died around 1973 at the age of 81. Marilyn's mother is 93
13 and her parents took her there when she was a child.

14 Her mother at 93 is still as sharp as a tack.
15 She spoke at the Coastal Commission meeting last year of
16 her life-long experience being able to go to Martins
17 Beach. Marilyn herself is 69 now and remembers going
18 there since she was a small child. Her mother's
19 grandchildren, Marilyn's nephews and nieces and their
20 children have all been going there, until, as Marilyn puts
21 it, the gate got locked by some rich guy, so unkind.

22 Marilyn asks, doesn't the public deserve
23 continued access to this beach based on precedent?

24 I wouldn't think it would hurt someone to share
25 the beach with people who absolutely love it and have been

1 respectful of it for so many years. We all miss Martins
2 Beach. It was our family meeting ground.

3 The answer to Marilyn's question is yes. The
4 public not only deserves continued access to Martins
5 Beach, and all beaches in California, but is guaranteed
6 the right of access under the Coastal Act. When the
7 property owner put up that gate barring Marilyn and her
8 family and all families from accessing public access
9 lands, he rejected one California's most important and
10 defining laws, a law that is inherently inside of -- on
11 the side of the people.

12 The property owner has had years to do the right
13 thing and has failed to negotiate in good faith. Now,
14 it is up to you to stand up for people like Marilyn and
15 her family. Eminent domain is fully within your scope as
16 a State agency charged with protecting the Public Trust.
17 And we ask you to make a decision today to pursue eminent
18 domain and share that decision with the public once you
19 make it.

20 Thank you so much for your time and your
21 leadership.

22 CHAIRPERSON YEE: Thank you, Ms. Eckerle.

23 All right. Let me call up the next group of
24 speakers. Victoria Rome, James Moore, Lennie Roberts, and
25 Mary Larenas, I believe.

1 MS. ROME: I'm Victoria Rome. I'm with the
2 Natural Resources Defense Council or NRDC. We have
3 approximately 380,000 members of on-line activists here in
4 California. And I just want to thank you and the other
5 State officials for supporting the public's right of
6 access to the coast and to this beach. And I'm not a
7 surfer, but we do support our friend's at Surfrider in the
8 surfing community. I do have 2 boys, who need a lot of
9 exercise. And our family's ability to access California's
10 beautiful ocean and coast is one of many reasons that we
11 decided to settle here in California, and make this our
12 home, and just thank you, and support this item.

13 CHAIRPERSON YEE: Thank you very much.

14 Good morning.

15 MR. MOORE: Thank you very much. My name is
16 James Moore. I live in Palo Alto. I was born in Palo
17 Alto. Martins Beach is a part of our family history. I
18 first visited it 86 years ago when my parents and
19 grandparents took me as an infant for family picnics. As
20 a boy, I can remember running along the breach getting
21 Cracker Jack candy at the store, and jumping from the
22 swings in front of the store.

23 During The Depression, my -- when food -- during
24 The Depression, any food source was important to the
25 welfare of our family. My father and uncle fished for

1 smelt with a 2-manned net. When they ran back from the
2 surf and flipped the catch on the sand, we kids picked up
3 the flopping fish and popped them into a gunnysack.

4 Back home in Palo Alto, I had the job of cleaning
5 the fish with scissors after which my mother fried them
6 for dinner.

7 (Laughter.)

8 NATIONAL CITY MAYOR MORRISON: During the war,
9 when gas was rationed, we were thrilled when a trip could
10 be managed to the beach. The family trips continued with
11 my daughters who would always look forward to an outing at
12 Martins Beach. With the years passing, we noted how the
13 rock arch in the headland on the north end of the beach
14 was finally destroyed by marine erosion. You've noticed
15 that the illustrations we've seen only show the stumps of
16 that arch.

17 As my parents aged, the family tradition was to
18 have Thanksgiving dinner with turkey and mince pie at the
19 picnic tables on the beach.

20 I'm a research scientist and it's clear that
21 visits to Martins Beach fostered my interest in the sea.
22 I have made 50 dives, most deeper than 1,000 feet in deep
23 diving submarines to explore the ocean floor. I have
24 participated in more than 20 oceanographic cruises mapping
25 the exclusive economic zone of the United States.

1 Using scuba gear I made the first movie of molten
2 lava flowing on the seafloor where it produced pillow
3 lava. This film has inspired many students in the field
4 of ocean science.

5 It is not fair and proper that billionaire Khosla
6 should fence off Martins Beach for his own enjoyment and
7 exclude the rest of us from this beautiful pocket beach.

8 Thank you.

9 CHAIRPERSON YEE: Thank you very much.

10 Good morning.

11 MS. ROBERTS: Good morning, commissioners. I'm
12 Lennie Roberts. I'm legislative advocate for Committee
13 for Green Foothills. We were founded in 1962 by Wallace
14 Stegner and 24 others in Palo Alto. And for the last 38
15 years, I've been their advocate in San Mateo County, which
16 includes Martins Beach.

17 So it's -- I just want to support all the
18 comments that you've heard from the public, and note that
19 the Coastal Commission has received, I think, over 200
20 individual testimonials from people who have used the
21 beach over their -- over generations, families.

22 So I want to especially thank your Commission for
23 all your historic work confirming and supporting the
24 Public Trust Doctrine and public access. Kent Dedrick and
25 Claire Dedrick were very involved in both State Lands

1 Commission and Committee for Green Foothills work over the
2 years.

3 So we urge you, of course, that -- to move
4 forward on comprehensive public access, and we hope to
5 hear of your -- take whatever action you decide to take as
6 appropriately as soon as possible.

7 Thank you.

8 CHAIRPERSON YEE: Thank you very much.

9 Good morning.

10 DR. LARENAS: Good morning. I'm Dr. Mary
11 Larenas, and I'm very happy to be here. My doctorate is
12 in psychology. I've worked many years with the elderly
13 and with disabled individuals. And I work with a lot of
14 families. You wonder why am I bringing this up? What has
15 this got to do with Martins Beach?

16 Well, we've already heard some great testimony
17 how this beach, in particular, is accessible for the
18 elder, for families, for people -- individuals with
19 disabilities. It's one of the few beaches on the coast
20 where you can actually drive all the way down and step out
21 onto the sand. And I can tell you when you speak to
22 somebody who is 93, and they can go and step on the sand,
23 that is huge to them. That means the world to them. That
24 means their world has opened up and still there and
25 available. They don't have sit in a car and look out a

1 window.

2 So what I'm here to just request that when we --
3 you have a very, very difficult decision to make. I don't
4 think anyone in this room would like to be in your
5 position. But when we think about access to Martins
6 Beach, I think historically it's been shown that it's
7 there. People have gone down there, and they've created
8 beautiful memories, which will help them as they age.
9 They hold these memories. And our coastline, as a
10 psychologist I can tell you going out, looking at the
11 ocean, that is the best antidepressant, the best
12 anti-anxiety medicine out there, and it's free.

13 Anybody who can get to the coast, you look out at
14 that water, and it's amazing. They've done neurological
15 research, where they've actually looked at brain patterns
16 and which parts of your brain light up. They show a
17 person, a bunch of buildings, all dark, they show them the
18 ocean and things are lighting up all over the place.

19 So when we think of what Mr. Khosla's idea of
20 purchasing Martins Beach and then blocking off this
21 particular access may not be that important, but I can
22 tell you there are hundreds and hundreds of people who've
23 already been there, and who would like to go there, who
24 love to go down there and get their little brains lit up.

25 (Laughter.)

1 DR. LARENAS: And so when you consider everything
2 that you've heard today, please think of the fact that
3 it's not for just us able-bodied. We need to consider
4 families. We need to consider those people with
5 disabilities, people in wheelchairs, people who have to --
6 may not have all their limbs which work well, and for the
7 elderly. Please consider those individuals as well, not
8 just these little surfers that can sneak down there and
9 walk that 3 miles down to the beach.

10 Thank you.

11 (Laughter.)

12 CHAIRPERSON YEE: Thank you very much. Thank
13 you.

14 All right. Let me now have our last 2 speakers
15 come forward. I believe it's Jeffrey Essner and Ron
16 Sturgen

17 MR. ESSNER: Good morning. I'm Jeff Essner. I
18 represent Martins Beach Vinod Khosla. If I could, may I
19 make a submission to you. We didn't get much notice of
20 this proceeding, and I just want to make sure the
21 documents I give you are part of the record.

22 CHAIRPERSON YEE: Sure. Please feel -- hand it.

23 MR. ESSNER: I'm not sure how many copies you
24 want. I made enough for the 4 of you.

25 CHAIRPERSON YEE: Okay. Please.

1 MR. ESSNER: So this is one, two, three, and
2 four.

3 So again, my name is Jeff Essner, and I'm
4 speaking against the proposal. I represent Martins Beach
5 and Vinod Khosla. And I've heard a lot said today about
6 Mr. Khosla, most not very flattering. Let me first start
7 out by saying that Mr. Khosla is a philanthropist. He's
8 made --

9 (Laughter.)

10 MR. ESSNER: You can laugh, but he's made a
11 giving pledge. And that giving pledge, he's agreed to
12 give away half of his wealth, which is probably more money
13 than any of us in this room will ever earn. He's giving
14 it away to charity, and for the public benefit. That is a
15 serious commitment that Mr. Khosla is making for the
16 benefit of the public, for the State of California, and
17 the world.

18 Mr. Khosla is also environmentalist, and you can
19 laugh about that too.

20 (Laughter.)

21 CHAIRPERSON YEE: I'm going to ask the audience
22 to please refrain from comment. Let's be respectful to
23 all speakers. Mr. Khosla is an innovator of green energy.
24 He's got green energy funds. And he has made a commitment
25 to green energy innovation.

1 Mr. Khosla is also a man of principle. And this
2 dispute, as one of the speakers has correctly
3 characterized, is a dispute concerning principle, because
4 Mr. Khosla is unwilling to be coerced into giving up a
5 vested constitutional property right that the courts have
6 already ruled there is no constitutional right to access
7 across Mr. Khosla's property. That's why we're here
8 talking about whether or not the State wants to exercise
9 its power of eminent domain.

10 There is no constitutional right to cross Mr.
11 Khosla's property. Our courts have already ruled on that,
12 the lower court, and the court of appeal.

13 The issue of public access to Martins Beach is a
14 property right that should be left to the interpretation
15 of our court systems. The political drama that we see
16 playing out is a drama that's been manufactured by the
17 media, the State, and has become political fodder for
18 politicians.

19 The State Lands Commission is now considering
20 spending millions of dollars of taxpayer money, money it
21 admits that it doesn't have, to solve an issue made of
22 whole cloth. There are real and significant issues facing
23 our State today. So the question must be asked, is this
24 the way the State of California wants to spend its money?
25 Does it want to help subsidize UC education? Does it want

1 to help cloth, feed, and house the homeless? What does
2 the State of California want to spend its money on?

3 Is the State prepared to spend tens of millions
4 of dollars to buy coastal access to this one piece of
5 property?

6 This Commission must decide whether those dollars
7 need to be spent by exercising the power of eminent
8 domain. By the way, it says I have no time --

9 CHAIRPERSON YEE: I'll allow 2 more minutes for
10 you.

11 MR. ESSNER: Thank you.

12 The property owner has offered to continue the
13 practice of allowing paid public access on most days that
14 demand exists, based on the historical record, but
15 suddenly that's not enough. Opportunistic politicians,
16 and no offense, like Mr. Hill --

17 (Laughter.)

18 MR. ESSNER: -- have seized the --

19 (Laughter.)

20 CHAIRPERSON YEE: Mr. Essner, please.

21 MR. ESSNER: Thank you. It's a little
22 distracting.

23 CHAIRPERSON YEE: Well, let's -- this is not
24 testimony for name calling. Let's stick to the point,
25 please.

1 MR. ESSNER: -- have used this issue to raise
2 millions of dollars. The issue is entirely manufactured.
3 For decades, the owners of Martins Beach have allowed paid
4 public access to its private property on terms the
5 property owner saw fit, just like any other private
6 property owner in the county.

7 There were no issues. Nobody complained that
8 more access needed to provide -- to be provided when the
9 prior owners had the property.

10 When my clients purchased the property, however,
11 the rules changed. Suddenly, the State decided it wanted
12 to dictate the days, times, and terms on which the
13 property owner could operate its business. The State
14 demanded access 365 days a year, instead of the family's
15 historical practice of when it was economical and
16 convenient as per the sworn testimony in trial.

17 Refusing to cede its rights to the State, the
18 property owner has been locked in a legal battle related
19 to the property for years, and access to Martins Beach has
20 been limited. The State created this issue, and is now
21 prepared to spend millions of dollars to address an issue
22 that does not exist.

23 Should the State choose to move forward with
24 eminent domain, the cost to acquire the property will be
25 significant. An analysis prepared by the Assembly

1 committee on the -- for appropriations, concluded that the
2 fund to raise the property would exceed tens of millions
3 of dollars. The acquiring entity would be required to pay
4 not only for the cost of the easement, but for the
5 severance damages to the remainder of the property.

6 There is minimal true historical demand for the
7 access to the property. The previous owner sold the
8 property, as per his sworn testimony, because demand for
9 access to the beach had been declining for years.

10 After purchasing the property, my client
11 continued to allow permissive access for 2 seasons.
12 However, during that time, there were less than 15
13 occasions where more than 10 cars came down the road and
14 paid for access.

15 The publicity surrounding the dispute has
16 elevated the focus on the property, and has generated a
17 false sense that there's a strong interest in access to
18 the beach through this particular property. Years of
19 records support this conclusion. Is this the best and
20 highest use of State funds among the many issues facing
21 this State?

22 If the State wishes to use this money to acquire
23 additional recreational access to the beaches, is Martins
24 Beach the best choice, given there was little demand when
25 the beach was open, and the cost of property access was 10

1 bucks. Now, the State is facing a cost of 10 million
2 bucks or more.

3 The Coastal Commission, after extensive public
4 hearings to implement the 1972 Coastal Zone Conservation
5 Initiative did not include Martins Beach in its list of
6 high priority public recreational access recommendations.
7 The State had an opportunity to buy the property when the
8 real estate prices were much lower, but chose not to do
9 so.

10 This speaks to the State's assessment of the need
11 before all the hoopla in the media started. Respectfully,
12 we request that this panel -- this Commission not exercise
13 its discretion and -- in voting to condemn this property.
14 Thank you.

15 CHAIRPERSON YEE: Thank you.

16 MR. ESSNER: I appreciate the extra time.

17 CHAIRPERSON YEE: Thank you.

18 MR. ESSNER: And if you have any questions, I'm
19 happy to answer them.

20 CHAIRPERSON YEE: Not at this time.

21 MR. ESSNER: Thank you.

22 CHAIRPERSON YEE: Thank you.

23 Ron Sturgen, please.

24 MR. STURGEN: Good morning.

25 CHAIRPERSON YEE: Good morning.

1 MR. STURGEN: Commissioners, Madam President.

2 My name is Ron Sturgen. I live in San Gregorio.
3 I, in conjunction with my partner, lease a ranch, which is
4 just a hop, skip, and a jump down the road from Martins
5 Beach. We raise beef cattle on the ranch, and also for
6 the last 40 years we have operated a private beach access.

7 Paid public access to the beach over a road on
8 our ranch is allowed on the days and times deemed
9 appropriate by us. We carefully patrol the property and
10 enforce the days and hours of operation that we establish.

11 The use of eminent domain that is being
12 contemplated here today is not about the rights of just
13 one landowner. This decision will have repercussions on
14 property owners and the public across the State. The
15 actions of State agencies in this case is discouraging
16 private property owners up and down the coast from
17 allowing any type of permissive access to their property.
18 The message you are sending is that if a property owner
19 ever starts allowing permissive access, they can never
20 change the days, the times, or hours of operation. And if
21 they do so, they will risk the -- they will risk losing
22 their property to the State.

23 This is not the law in our State or our country.
24 Regardless of what some now claim, Martins Beach has
25 always been private property. And it has always been

1 operated on terms that the property owner deemed
2 appropriate.

3 I forget to breathe. I've to take some breaths.

4 I know the Deeney family, and I know the lengths
5 they went to in order to maintain and enforce their
6 private property rights. They posted signs, patrolled the
7 property, and kicked off any and all trespassers. Over
8 the years, use of the beach, as you heard, diminished
9 significantly, and the Deeneys decided to sell the
10 property. I watched this all play out since the early
11 seventies.

12 The controversy surrounding Martins Beach has
13 created a false sense that it is a highly used or a highly
14 demand beach. This is not the case. For at least the
15 past decade, Martins Beach has not been a busy or popular
16 beach. It would not be a good use of State funds to
17 acquire an easement across Martins Beach property for the
18 few who would choose to use it. A vote in favor of
19 eminent domain in this circumstance would destabilize long
20 established property expectations throughout the State,
21 and would decrease the willingness of property owners to
22 allow permissive access to their properties on the coast.

23 I urge you to vote against the exercise of
24 eminent domain. Thank you.

25 CHAIRPERSON YEE: Thank you very much, Mr.

1 Sturgen.

2 Are there other members of the public who wish to
3 speak who have not signed up?

4 Okay. Comments by Commissioners?

5 COMMISSIONER NEWSOM: Just a procedural one
6 through the Chair.

7 CHAIRPERSON YEE: Yes, please.

8 COMMISSIONER NEWSOM: What is -- so when are
9 we -- the closed session we're entering into that now or
10 are we waiting till the end of --

11 CHAIRPERSON YEE: We're going to convene in
12 closed session immediately.

13 COMMISSIONER NEWSOM: Immediately after this.

14 CHAIRPERSON YEE: Yes.

15 Jennifer -- Ms. Lucchesi.

16 EXECUTIVE OFFICER LUCCHESI: Yes. If it's the
17 will of the Commission, we can close-out public session,
18 convene in closed session. We can move upstairs to our
19 closed session room, and then we can reopen the public
20 meeting when closed session concludes.

21 CHAIRPERSON YEE: Okay.

22 COMMISSIONER NEWSOM: That's great. Okay. Thank
23 you.

24 CHAIRPERSON YEE: Very well. Then why don't we
25 have the Commission now recess into closed session.

1 (Off record: 11:22 a.m.)

2 (Thereupon the meeting recessed
3 into closed session.)

4 (On record: 12:19 p.m.)

5 (Thereupon the meeting reconvened
6 open session.)

7 CHAIRPERSON YEE: All right. Let us reconvene in
8 open session the Meeting of the State Lands Commission.
9 The Commission met in closed session. And, Ms. Lucchesi,
10 you have a report.

11 EXECUTIVE OFFICER LUCCHESI: Right.

12 The Commission, in closed session, directed staff
13 to report back to the Commission on the specific steps for
14 formally initiating eminent domain proceedings relating to
15 public access to and along Martins Beach in San Mateo
16 County. Specifically, staff was directed to report back
17 on the specific process elements associated with
18 condemnation, options, timeliness, resources needed, and
19 implications relevant to the 3 pending lawsuits.

20 It is important to note that the Commission has
21 not voted whether to initiate condemnation in this
22 particular circumstance, and that this is not a
23 predetermination to condemn. The Commission has asked for
24 additional information on what the specific process
25 elements are.

1 The Commission also authorized and directed staff
2 to post on its website, within a week's time, the
3 appraisal that was conducted by staff for the purposes of
4 negotiating an -- the acquisition of the access easement
5 consistent with State law.

6 It's also important to note that as the public
7 reads that appraisal, that appraisal was conducted under
8 the umbrella of being a negotiated acquisition, and
9 therefore the standard of that appraisal was fair market
10 value. That is opposed to a condemnation appraisal, which
11 is based on highest probable price.

12 That concludes my report.

13 CHAIRPERSON YEE: Thank you, Ms. Lucchesi.

14 Comments, Commissioners?

15 Yes.

16 COMMISSIONER NEWSOM: Thank you.

17 Through the Chair, just a quick question. I
18 mean, is there anything that precludes us from sharing
19 that number today or do you prefer to wait and explain the
20 basis to which we came up with that number?

21 EXECUTIVE OFFICER LUCCHESI: No, I'm happy to
22 state what staff offered to Martins Beach representatives
23 for the purposes of negotiating an acquisition. That
24 number was \$360,000 for an easement to and along Martins
25 Beach. That was based on an appraisal conducted by one of

1 the Commission staff who is a licensed MAI appraisal. And
2 the data methodology and assumptions will all be included
3 in the appraisal report that will be on our website.

4 COMMISSIONER NEWSOM: And I appreciate sharing
5 that publicly, because I imagine a lot of people are
6 wondering what that number is. And, of course, good
7 people can disagree, but you made the point, an important
8 point, that is not the highest probable price.

9 EXECUTIVE OFFICER LUCCHESI: That's correct.

10 COMMISSIONER NEWSOM: So it's a very -- that
11 number is very distinct from a number that likely will
12 come out of a process to analyze an eminent domain
13 process. Look, thank you, everybody, for being here and
14 sharing your point of view. And you know, to the degree
15 it got a little personal, that's always unfortunate. But
16 those that tempered their point of view, I'm grateful, and
17 not finger pointing, and taking personal shots on either
18 side.

19 This is an interesting -- we had a very animated
20 conversation. I won't share the details, because that's
21 the point of privilege.

22 (Laughter.)

23 COMMISSIONER NEWSOM: But I will say, you know,
24 this raises a specter of a lot of questions. I mean, you
25 know, looking at the highest and best use of an eminent

1 domain process and access. Access is broadly defined.
2 It's defined by this agency as its core purpose. I mean,
3 this is an access organization in many respects. And the
4 question is using State resources what's the best and
5 highest use in terms of providing that access?

6 As someone who is very passionate about the
7 Americans with Disability Act, that's a question we're
8 offered and asked all the time. And we have many State
9 buildings that do not provide basic access to the
10 disability community. What's the highest and best use.

11 And so this was part of a consideration, and is
12 part of a consideration as it relates to an eminent domain
13 proceeding. And we -- you know, I think, there's
14 legitimate questions as who's accessing. And it was an
15 interesting conversation we had. I thought it was quite
16 interesting as it relates to the sort of -- despite time
17 of life, but this youthfulness of a surfer versus, you
18 know, this notion of a 93-year old mind expanding as their
19 feet touch the stand. And who -- again, who are we
20 providing that access to. And so it led to a lot of
21 interesting considerations.

22 So a long-winded point, but I think an important
23 one, as it relates to the deep issue of eminent domain and
24 condemnation. But what you just heard from the Executive
25 Director is -- you know, this is -- we've -- we're --

1 we're entering the next phase here. And we are leaning
2 in. We are not happy about this impasse, and we are
3 resolved to do something about it.

4 And the question today in front of us was not an
5 action item. It was an information item. So as a
6 consequence, those -- though I got a lot of letters
7 saying, you know, I'm looking forward to you taking action
8 today. There is no action in front of us. You have to
9 calendar that action. It has to be noticed.

10 But what we are directing staff to do is create,
11 in essence, a work plan and to put together a framework to
12 begin the process, now that we're asking the question what
13 does eminent domain look like? What does condemnation
14 proceeding look like? Is it the condemnation of a right
15 of a way? Is it a broader condemnation? What does it
16 look like?

17 We are now moving in that direction with earnest.
18 And this does not preclude ongoing negotiations. It
19 certainly does not do anything to put sand in the gears of
20 the criminal -- or the legal system as it relates to the
21 pending lawsuits, which could resolve this more quickly
22 than we could through a process of eminent domain, and
23 certainly hope that's the case.

24 But what you're hearing today is this Commission
25 is moving forward with very comprehensive analysis of what

1 this would look like and what is required of us.

2 The question of where the money comes from is an
3 open-ended question. And we certainly are open to
4 anyone's direction, advice, counsel, and contribution.

5 (Laughter.)

6 COMMISSIONER NEWSOM: And certainly Jerry Hill,
7 the Senator, has his ideas in a general fund
8 appropriation. Others have suggested we look privately.
9 And we certainly have the mechanism to which we can create
10 a platform and take receipt of any private contributions
11 to move this process along.

12 But we have an appraisal process that we have to
13 go through. There's the prospect of an environmental
14 analysis that would be required before we even take action
15 on an eminent domain proceeding. There are legitimate
16 questions that need to be resolved. But I hope you hear
17 from us. We are resolved to provide public access to this
18 public resource. That is our purpose, that is our goal,
19 that is our resolve. And I'm very, very grateful to have
20 the colleagues up here that share that perspective. And
21 if there's anything you take away here today, it should be
22 that we are moving aggressively in that direction.

23 Thank you, Madam Chair.

24 CHAIRPERSON YEE: Thank you, Commissioner Newsom.
25 Let me just add to that, and thank you to my colleagues

1 for this direction to the staff. The appraisal that you
2 just heard Ms. Lucchesi provide is only being provided
3 because negotiations have ceased. And so the direction
4 that we're giving staff is essentially to look at our next
5 steps. The fact of the matter is before we can even take
6 an action on initiating eminent domain proceedings, there
7 are a lot of required elements that need to be fulfilled,
8 and that is what we are asking the staff to outline for
9 us, and to bring back to us. And this is something that I
10 hope that as we learn more about what those required
11 elements are, that we also will have a little bit more
12 clear picture about the pending litigation.

13 There are lots of ways to get to, I think, where
14 we need to go. And I started at the outset talking about
15 the funding. And I'm sorry that money always has to be a
16 deciding consideration, but I will make a commitment to
17 work with Senator Hill on looking at how we can perhaps
18 have a bill that could bring some flexibility with respect
19 to how we might want to think about obtaining funding for
20 where we ultimately want to go.

21 Okay.

22 COMMISSIONER NEWSOM: And just, Madam Chair --

23 CHAIRPERSON YEE: Yes, please.

24 COMMISSIONER NEWSOM: -- one final point. And
25 it's a public point, made privately ad nauseam to Mr.

1 Khosla, let's negotiate this thing and get this thing
2 done. I mean, stop standing behind the courts, and all
3 this legalese. And, you know, deep down, he's got to know
4 the right thing to do. I get principle. There's 2
5 principles that are resolved here on both sides. And, you
6 know, I'd just like to think we can move past this and
7 move quickly and expeditiously. I know -- you know, I
8 mean, that may be just nonsensical idea -- you know, I
9 mean, idealistic.

10 But I hope Mr. Khosla hears, we're stepping it
11 up. I mean, we're not backing off. You know, you're
12 going to sue us? Fine. You can have every right to sue
13 us. But all you did was just further our resolve to move
14 this thing forward.

15 And, you know, this is a -- there is a sense this
16 is a new day, and I think you heard that in the public
17 opinion. I mean, there's a different kind of level of
18 response to the world we're living in. And it doesn't
19 inure to, you know, just sticking your foot in the sand
20 and not being flexible. It's not going to end up well, I
21 think, for anybody.

22 And so I just -- I say that, because I just --
23 I'd like to see this -- like anyone would, I imagine all
24 of us would, see this damn thing resolved in our life
25 times, not over the course of the next 3, 4 damn year --

1 oh, and not that I'm anticipating anyone losing their life
2 in the next few years.

3 (Laughter.)

4 COMMISSIONER NEWSOM: But I'm hopeful all of us
5 will be here for a resolution. But nonetheless, none of
6 this precludes ongoing negotiations.

7 CHAIRPERSON YEE: Yes, Ms. Lucchesi.

8 EXECUTIVE OFFICER LUCCHESI: If I --

9 CHAIRPERSON YEE: Please.

10 EXECUTIVE OFFICER LUCCHESI: I'm sorry. One
11 thing Commissioner Newsom said made me want to just step
12 in and make some clarifications based on some of the media
13 reports over the last couple of days about ex parte
14 communications with the Commission. So just for the
15 record and to clarify, the State Lands Commission is a
16 quasi-legislative body, as opposed to other State
17 regulatory agencies that are quasi-judicial.

18 What that means is that the Commission does not
19 have any ex parte communication restrictions on it, in
20 terms of restricting or reporting out your communications
21 with members of the public on any particular action items,
22 or informational items for that matter. That is relevant
23 to this Martins Beach issue. It's also relevant to the
24 majority of the items that come before you.

25 So just for the record, and to be clear, the

1 State Lands Commission does not have ex parte
2 communication restrictions on it like other regulatory
3 bodies in the State do.

4 CHAIRPERSON YEE: Thank you.

5 COMMISSIONER NEWSOM: I personally appreciate
6 that clarification. Thank you.

7 (Laughter.)

8 CHAIRPERSON YEE: Thank you.

9 Other comments, Commissioners?

10 Okay. Hearing none, that concludes that matter.
11 Thank you very much.

12 Okay. Our next item I believe is Item 66. And
13 this relates to the Port of Los Angeles funding for Bolsa
14 Chica.

15 Ms. Lucchesi.

16 EXECUTIVE OFFICER LUCCHESI: Great. Yes. So I
17 will also be introducing and presenting this item. As the
18 Commission has, over the past year and a half, had
19 numerous items before it relating to the funding
20 challenges that the State faces in continuing to manage
21 the Bolsa Chica Wetlands in Orange County.

22 As part of our efforts to secure permanent
23 funding, we have been looking at a variety of sources.
24 It's analogous to looking under the sofa kitchen --
25 cushions.

1 (Laughter.)

2 EXECUTIVE OFFICER LUCCHESI: We have, under the
3 direction of Commissioner Yee, been working with the Port
4 of Los Angeles to establish a mechanism by which the Port
5 would contribute money to the continued management of the
6 Bolsa Chica wetlands in exchange for Eelgrass mitigation
7 credits.

8 We aren't at that specific point yet, but what
9 this items does is set forth a Memorandum of Intent
10 between the Commission and the Port of Los Angeles that
11 they will commit to funding -- contributing \$2.5 million
12 to the continued management of Bolsa Chica, and the State
13 Lands Commission will commit to pursuing development of an
14 Eelgrass mitigation bank or some mechanism associated to
15 help facilitate the accounting of those credits.

16 The Eelgrass at Bolsa Chica is actually above and
17 beyond what was expected. So staff believes those are
18 unassigned mitigation credits and we think that that
19 provides an excellent opportunity to secure private
20 funding to help manage these public wetlands.

21 So staff recommends that the Commission authorize
22 staff to enter into this Memorandum of Intent in
23 accordance with the staff report and recommendation in
24 front of you.

25 CHAIRPERSON YEE: All right. Thank you, Ms.

1 Lucchesi. Very much appreciate the leadership of you and
2 your staff, and also to the Port of Los Angeles.
3 Obviously, very involved with the initial restoration
4 project along with the Port of Long Beach, and really
5 appreciate it's ongoing commitment. I think this is a
6 step that will encourage other funding to come along, and
7 again, pretty much modeled under the original construct,
8 which is to really provide this financial assistance in --
9 with mitigation credits in mind for the ongoing work of
10 the port.

11 Any comments by Commissioners?

12 COMMISSIONER NEWSOM: Well done.

13 CHAIRPERSON YEE: Okay. If not, is there a
14 motion?

15 ACTING COMMISSIONER ORTEGA: So moved.

16 COMMISSIONER NEWSOM: Second.

17 CHAIRPERSON YEE: Motion by Commissioner
18 Eraina -- Commissioner Eraina? -- Commissioner Ortega,
19 seconded by Commissioner Newsom.

20 Without objection, that motion carries. Thank
21 you.

22 Okay. Our next item is Item 68.

23 EXECUTIVE OFFICER LUCCHESI: Chair Yee --

24 CHAIRPERSON YEE: Yes.

25 EXECUTIVE OFFICER LUCCHESI: -- I will also be

1 introducing and presenting this item.

2 Like I said at the beginning of the meeting,
3 these are all items that I would have reported on in my
4 Executive Officer's report.

5 So Item 68 asks the Commission to direct staff to
6 implement an oversight framework to facilitate
7 communication and progress on issues relating to air
8 quality at the Ports of Los Angeles and Long Beach. As
9 you may remember at our August meeting at the Port of Los
10 Angeles, the Commission heard an informational
11 presentation by staff, and by the Port of Los Angeles on
12 the management of their legislatively granted Public Trust
13 Lands.

14 As part of those presentations and receiving
15 testimony from various members of the public, including
16 Congressional representatives, the Commission asked staff
17 to come back to the Commission with a proposal to
18 facilitate coordination and communication relating to air
19 quality issues at the Ports of Long Beach and Los Angeles.

20 This proposal staff believes implements that
21 direction and staff asks that the Commission direct staff
22 to implement this oversight framework.

23 CHAIRPERSON YEE: Excellent. Thank you.

24 Comments, Commissioners?

25 Okay. First, Ms. Lucchesi, thank you. I think

1 it's important that the Commission's legal staff is the
2 point of contact for this effort. So I appreciate the
3 leadership in that regard, but also, you know, just with
4 both ports very appreciative of the consideration of
5 community input, which is very, very critical with
6 respect to air quality impacts.

7 And I'm hopeful that once this framework is in
8 place, and it can facilitate further communication with
9 all parties, that we can actually start to get to the
10 business of addressing some of the port transportation
11 issues that are so critical to the operations. So very
12 much appreciate it.

13 This is an action item, I believe. So this is an
14 action?

15 EXECUTIVE OFFICER LUCCHESI: Yes.

16 CHAIRPERSON YEE: Okay. So the action would be
17 to adopt -- to direct staff to implement the framework for
18 oversight and as was just described.

19 COMMISSIONER NEWSOM: So moved.

20 CHAIRPERSON YEE: Okay. Approved by Commissioner
21 Newsom.

22 ACTING COMMISSIONER ORTEGA: Second.

23 CHAIRPERSON YEE: Second by Commissioner Ortega.

24 Without objection, such will be the board.

25 Thank you.

1 Okay. Item 69.

2 EXECUTIVE OFFICER LUCCHESI: Chair Yee, I am very
3 sorry. We did have a public comment --

4 CHAIRPERSON YEE: Oh, I'm sorry.

5 EXECUTIVE OFFICER LUCCHESI: -- on that
6 particular item.

7 CHAIRPERSON YEE: Sixty-eight. Okay. Let me
8 call them up.

9 EXECUTIVE OFFICER LUCCHESI: Mr. Bill Magavern,
10 if he's still in the audience.

11 Okay. Thank you.

12 CHAIRPERSON YEE: Okay. Now, we'll move to Item
13 69.

14 EXECUTIVE OFFICER LUCCHESI: No harm, no foul.
15 (Laughter.)

16 EXECUTIVE OFFICER LUCCHESI: According to his
17 speaker's slip --

18 CHAIRPERSON YEE: No, thank you. No, you're
19 right.

20 EXECUTIVE OFFICER LUCCHESI: -- it did say he was
21 in support of the action item.

22 CHAIRPERSON YEE: Okay. Very good. All right.
23 Item 69 related to the Commission's strategic plan.

24 There's Bill Magavern.

25 Actually, did you want --

1 COMMISSIONER NEWSOM: You already won your case.

2 (Laughter.)

3 CHAIRPERSON YEE: Yeah, Item 68 on the --

4 MR. MAGAVERN: My apologies.

5 CHAIRPERSON YEE: That's okay.

6 MR. MAGAVERN: Thank you. I literally ran back,
7 but just wanted to briefly thank the --

8 (Mr. Magavern out of breath.)

9 (Laughter.)

10 MR. MAGAVERN: -- the Commissioners -- I thank
11 the Commissioners and the staff for taking some oversight
12 over the air quality issues at our ports, which are
13 clearly important economic drivers for the State, but also
14 a source of a lot of the air pollution problems we have,
15 especially in the south coast region. And we want to help
16 them make the transition to zero -- zero emission
17 technologies.

18 So thank you very much. We look forward to
19 continuing to work with you.

20 CHAIRPERSON YEE: Great. Thank you.

21 All right. Item 69.

22 (Laughter.)

23 CHAIRPERSON YEE: This relates to the
24 Commission's strategic plan.

25 Good afternoon.

1 (Thereupon an overhead presentation was
2 presented as follows.)

3 ASSISTANT EXECUTIVE OFFICER CONNOR: Okay. Good
4 afternoon, Commissioners. My name is Colin Connor. Im
5 the Assistant Executive Officer. And I'm here to provide
6 an update to the Implementation of the Commission's 2016
7 to 2020 strategic plan.

8 As you know, the Commission adopted the Strategic
9 plan at its December 18th, 2000 meeting. I believe it was
10 here as a matter of fact. The adopted plan is the result
11 of extensive stakeholder input and collaboration. It
12 enables the Commission to adapt to emerging challenges,
13 such as climate change and sea level rise, while creating
14 a framework to effectuate the Commission's mission and
15 vision shown here on this slide.

16 --o0o--

17 ASSISTANT EXECUTIVE OFFICER CONNOR: I'm sure
18 you're all familiar with it.

19 CHAIRPERSON YEE: Pull your microphone down.

20 ASSISTANT EXECUTIVE OFFICER CONNOR: Sure.

21 --o0o--

22 ASSISTANT EXECUTIVE OFFICER CONNOR: The next
23 slide is the strategic goals. The adopted strategic plan
24 contains 4 strategic goals which are there. And again,
25 I'm sure you're familiar with.

1 Since the adoption of the strategic plan, staff
2 has developed an internal implementation plan that
3 identifies the lead division and staff champion, as well
4 as the participating divisions for all key actions and
5 targeted outcomes.

6 --o0o--

7 ASSISTANT EXECUTIVE OFFICER CONNOR: And that's
8 what this is here. The plan identifies the approximate
9 time during the 2016-2020 strategic plan period for
10 implementation of each targeted outcome. This is the
11 sample page. And on the right-hand side of it you can see
12 the time frame. It's 2016 to 2020. And identified within
13 the blocks are lead divisions and the supporting
14 divisions.

15 Some targeted outcomes may be completed in a
16 single year while others are anticipated to take multiple
17 years or will be implemented over the course of the entire
18 plan period.

19 The staff champions will monitor progress through
20 the use of tracking sheets for each of the targeted
21 outcomes. And this is a sample tracking sheet. It's got
22 a lot of detail there, which I won't go into.

23 --o0o--

24 ASSISTANT EXECUTIVE OFFICER CONNOR: There are
25 136 targeted outcomes. As of this Commission meeting, 7

1 are complete, 109 are in progress, 20 have not yet
2 started, and none have been deferred.

3 --o0o--

4 ASSISTANT EXECUTIVE OFFICER CONNOR: Now, I'd
5 like to go over some of the Commission's notable
6 accomplishments in 2016. The staff report contains many
7 additional notable accomplishments, but in the interests
8 of time, I'm just going to go over the more prominent
9 ones.

10 --o0o--

11 ASSISTANT EXECUTIVE OFFICER CONNOR: Let's start
12 with some numbers. So the Commission had 5 meetings
13 before this one in 2016, and heard 360 items. Most of the
14 action items fell under Strategy 1.1, which is to deliver
15 the highest levels of public health and safety in the
16 protection, preservation, and responsible economic use of
17 the lands and resources under the Commission's
18 jurisdiction.

19 Many of these same items were -- also included
20 Strategy 1.3, which regards public use and access to and
21 along the State's inland and coastal waterways. The next
22 most common strategies addressed in the Commission's
23 actions were Strategies 2.2, ensure timely receipt of
24 revenues and royalties, an 2.1, optimize returns for the
25 responsible development and use of State lands and

1 resources.

2 Now, let's move on to dollars.

3 --o0o--

4 ASSISTANT EXECUTIVE OFFICER CONNOR: From January
5 through October, the Commission generated over \$69 million
6 in revenue, and net profits. Most of the revenue, 46.7
7 million, is from oil and gas royalties and net profits, of
8 which 30.7 is from the Long Beach Unit and West Wilmington
9 fields. This is down from this time last year, due to
10 continued low oil prices. Overall, oil and gas revenues
11 are down 35 percent from this time last year.

12 As you can see, the next biggest category is
13 surface leasing. The revenue generated by the
14 Commission's activities is almost double its budget of
15 37.5 million. With 232 authorized positions, the total
16 revenue generated by the Commission equates to over
17 \$297,000 per person.

18 --o0o--

19 ASSISTANT EXECUTIVE OFFICER CONNOR: And this is
20 where much of the money goes. I would just call out that
21 the last one, the \$970,000 that goes to Lake Tahoe. I
22 think we're all proud of that.

23 The next thing I'd like to touch on is oil spill
24 prevention.

25 --o0o--

1 ASSISTANT EXECUTIVE OFFICER CONNOR: From January
2 through October, Commission staff monitored 52 percent of
3 all oil transfers conducted at marine oil terminals in the
4 State. This represents an improvement over the 47 percent
5 monitored in 2015. During this period, over 589 million
6 barrels of product were transferred at marine oil
7 terminals. Each barrel is 42 gallons. Only 55.1 barrels
8 were spilled during these transfers. As you can see, this
9 is an almost infinitesimally small percentage of the oil
10 transferred.

11 Additionally, staff conducted 71 spot and annual
12 inspections and completed review of 20 MOTEMS audits
13 reports thus far in 2016.

14 --o0o--

15 ASSISTANT EXECUTIVE OFFICER CONNOR: The Marine
16 Invasive Species Program, or MISP, has also had success
17 this year. The program is charged with moving the State
18 towards eliminating the discharge of non-indigenous
19 species into the waters of the State. Through November
20 8th, California ports received 7,854 qualifying arrivals,
21 that is vessels of 300 gross registered tons or more
22 capable of carrying ballast water.

23 Of these, 1,955 arrivals were inspected for
24 compliance with the Marine Invasive Species Act. These
25 inspections, as well as increased enforcement and outreach

1 efforts, have led to a decrease in non-compliant
2 discharges for the third year in a row, with the number of
3 incidents dropping from 10 in the first quarter of this
4 year to 5 in the third quarter.

5 --o0o--

6 ASSISTANT EXECUTIVE OFFICER CONNOR: As you can
7 see from this -- excuse me. As you can see from this
8 slide, the Commission made significant progress in its
9 enforcement and compliance actions in 2016. The first
10 item involves the Broad Beach Revetment and Beach
11 Replenishment Project in Malibu that the Commission
12 approved at its August 2016 meeting.

13 The third bullet encompasses 127 Commission
14 actions for new leases for previously unauthorized
15 facilities, or bringing holdover leases current and
16 collecting late rent. Bullets 4 and 5 are the results of
17 audits of oil and gas leases performed by staff of the
18 Mineral Resources Management Division.

19 --o0o--

20 ASSISTANT EXECUTIVE OFFICER CONNOR: And
21 strategic partnerships. As you are aware, the Commission
22 already partners with a number of federal and State
23 agencies. The Commission is also a signatory to various
24 cooperative interagency agreements with State and federal
25 agencies, such as the agreement for implementation of the

1 California Network of Marine Protected Areas, the
2 agreement for development of the Desert Renewable Energy
3 Conservation Plan, and the San Francisco Bay Dredge
4 Materials Management Office.

5 In 2016, the Commission entered into the
6 following collaborations and partnerships, all relating to
7 the Commission's overall mission to provide the people of
8 California with effective stewardship of lands and
9 waterways and resources -- excuse me, resources entrusted
10 to its care through preservation, restoration,
11 enhancement, and responsible development and the promotion
12 of public access.

13 --o0o--

14 ASSISTANT EXECUTIVE OFFICER CONNOR: That
15 concludes my presentation. I just want to reiterate that
16 this is just a sampling of the notable achievements that
17 we had -- that the Commission has had in 2016. I'm
18 available to answer any of your questions.

19 Thank you.

20 CHAIRPERSON YEE: All right. Thank you very
21 much.

22 Comments?

23 Commissioner Newsom.

24 COMMISSIONER NEWSOM: I just -- I mean, not to
25 belabor this. What -- one thing I didn't see is in terms

1 of the number of things, actions, items you're taking,
2 things that you've deferred, et cetera, is that against
3 some predetermined metric in terms of goals, meaning are
4 you actually achieving what you anticipated in terms of
5 those actions items? I didn't see that on the first
6 slide.

7 ASSISTANT EXECUTIVE OFFICER CONNOR: Well, with
8 respect to actions, a lot of the actions are driven by
9 applications that are submitted to us so that we can -- we
10 can't really target how many applications we're going to
11 get in a given year. We typically, I believe, get about
12 400 applications per year.

13 Our goal is to always try and process in a timely
14 Manner. That being said, it typically takes several
15 months to bring them before the Commission.

16 COMMISSIONER NEWSOM: Right. I guess I'm just
17 trying -- from our perspective -- I mean, I enjoyed the
18 presentation. I'm just trying to see how we can be, you
19 know, feel like we have anything to say related to it.

20 (Laughter.)

21 COMMISSIONER NEWSOM: Add some value here, right.
22 I guess that's the word.

23 (Laughter.)

24 EXECUTIVE OFFICER LUCCHESI: Well, I think the --
25 one of -- I think maybe what you're asking about is our

1 targeted outcomes metrics, which was 136 -- the strategic
2 plan --

3 COMMISSIONER NEWSOM: Right.

4 EXECUTIVE OFFICER LUCCHESI: -- that the
5 Commission adopted included 136 targeted outcomes, all
6 dispersed under the various -- the four strategic goals.

7 What we have as an exhibit to our staff report is
8 a matrix that outlines all of those targeted outcomes --

9 COMMISSIONER NEWSOM: Right.

10 EXECUTIVE OFFICER LUCCHESI: -- and where
11 we -- what the current progress is being made, pending, in
12 progress, not yet started. And internally, we have goals
13 about when we'd like to see those completed. Obviously,
14 our end goal is 2020 when we come back to the Commission
15 with a new strategic plan.

16 I will say that I believe we've completed 7 of
17 our 136 targeted outcomes. That doesn't seem like a lot.

18 COMMISSIONER NEWSOM: Right.

19 EXECUTIVE OFFICER LUCCHESI: We are kind of in
20 the ramp-up mode right now. So we hope, by this time next
21 year, that number will have tripled, frankly.

22 COMMISSIONER NEWSOM: Got it.

23 EXECUTIVE OFFICER LUCCHESI: And our goal is
24 ultimately by 2020 to complete all 136 of those targeted
25 outcomes. And if we can't complete a couple of those,

1 have solid reasons why those weren't -- we weren't able to
2 be achieved.

3 COMMISSIONER NEWSOM: Yeah. And just from our
4 perspective, what I'd like to be able to do, if there is
5 sort of trends here or pending issues that we can be
6 helpful and supportive in terms of addressing whatever
7 road blocks that you have in order to be able to achieve
8 them. And, I mean, I guess that's the whole idea here is
9 just sort of the opportunity for us to be your champion in
10 terms of navigating some of the bureaucratic road blocks
11 you may be experiencing, even if it's between other public
12 agencies, or whatever the issues may be.

13 EXECUTIVE OFFICER LUCCHESI: I certainly
14 appreciate that. I think all of our staff appreciates
15 that offer to assist. And maybe what I could offer is at
16 our February meeting, come back to the Commission with
17 a this-is-what-we-hope-to-achieve report, and maybe an
18 assessment of what we think is practical of achieving
19 next -- this next year, given our existing resources, and
20 what could be achievable by the end of next year, if we
21 had help in various ways.

22 COMMISSIONER NEWSOM: Yeah, that would be
23 helpful.

24 EXECUTIVE OFFICER LUCCHESI: Okay.

25 COMMISSIONER NEWSOM: Something along those lines

1 would be, I think --

2 EXECUTIVE OFFICER LUCCHESI: I'm happy to commit
3 to that, and that would be very helpful for us as well.

4 CHAIRPERSON YEE: Good. No, that's a point well
5 taken, Commissioner Newsom, because the -- it could be
6 that there are tools that might be helpful to you, that we
7 can help secure for you to get to the goal a little bit
8 better.

9 I wanted to just thank the staff. I mean,
10 obviously, I thought the report was really elegant in
11 terms of how it was laid out, and obviously speaks to a
12 lot of buy-in with -- throughout the organization with
13 respect to meeting the goals.

14 One suggestion I wanted to just make, and that is
15 this was a very stakeholder-driven process to get to the
16 strategic plan. And perhaps what might be appropriate,
17 and I would actually ask that you take a look at whether
18 we can do this some time earlier next year, is to
19 reconvene the stakeholders, and to provide that progress
20 update, and see -- I mean, we have many partners --

21 COMMISSIONER NEWSOM: That's a good idea.

22 CHAIRPERSON YEE: -- who are part of the
23 stakeholder community, including our ports, and perhaps
24 there are some steps that they can help take in addition
25 to help what we're doing to meet our goals as well.

1 Okay.

2 EXECUTIVE OFFICER LUCCHESI: Certainly, I will do
3 that.

4 CHAIRPERSON YEE: Great. Thank you. We'd be
5 happy to help with that.

6 ASSISTANT EXECUTIVE OFFICER CONNOR: Thank you.

7 CHAIRPERSON YEE: All right.

8 EXECUTIVE OFFICER LUCCHESI: I will just notice I
9 can't seem to find it in front of me right now, but we
10 did --

11 CHAIRPERSON YEE: There is one speaker.

12 EXECUTIVE OFFICER LUCCHESI: -- have a speaker on
13 this.

14 CHAIRPERSON YEE: Francis Coats, if you're still
15 in the audience.

16 Please come forward.

17 MR. COATS: Thank you. I'm Francis Coats. I'm a
18 retired State attorney from Sutter County. And I've been
19 following the Public Trust discussion and the strategic
20 plan. I was at the strategic plan meetings. And I was
21 looking at the matrix and it's clear that there's been no
22 progress on public access to the rivers, or the river
23 banks, or the coast as far as the strategic -- that's
24 visible to the public.

25 And the strategic plan talked about a

1 transparent, open process, working cooperatively with the
2 public, and cooperatively with State agencies on these
3 issues. And right now, nothing has happened. And it
4 doesn't take that long to write a letter to State agencies
5 reminding them that they're subject to the Public Trust
6 law, and that they must consider the public right to use
7 the rivers when they take actions which get in the way of
8 access.

9 And, you know, you've seen the San Francisco
10 Baykeepers versus State Lands case, that they have to
11 consider the access. They have to avoid, whenever
12 feasible, interfering with that access. They have to do
13 this in a public transparent way. They have to make a
14 documented record of it, and preserve that record for
15 potential judicial review.

16 It doesn't take a year to write a letter to them
17 reminding them that they're subject to those obligations.
18 It doesn't take a year to remind them that they're subject
19 to 6210.4 and 6210.5 of the Public Resources Code that
20 says that they're supposed to reserve an easement whenever
21 they sell land on or near a river, and they're supposed to
22 reserve an easement anytime they reserve -- they sell land
23 that provides access to other State land.

24 So actually, I have prepared remarks, so I'll get
25 back on track.

1 One is, of course, this is a constitutional level
2 right. We, the people, believe at the same level as we
3 believe in free speech and things like that, that
4 recreation in the open is necessary to a Democratic
5 society.

6 The case law on this says so, so I'm not -- this
7 isn't my idea. This is basically law of the State.

8 Let's keep going.

9 You could have a simple form letter, and remind
10 other State agencies that they happen to have to let
11 people be on their land and cross their land to go
12 fishing. Article -- Section 25, article 1 of the State
13 Constitution happens to say that State agencies have to
14 let the public cross their land. And according to case
15 interpretation into the 1990s, not prisons, not jails, not
16 mental hospitals, but, in general, general publicly-owned
17 land, not public land in terms of sovereign, some special
18 word, but land that happens to be owned by the public,
19 they have to let the public cross that land to go fishing.
20 It's a self-implementing part of the Constitution.

21 They can never sell land without reserving to the
22 people the absolute right to fish on or from that land.
23 They can never make it a crime to cross onto public land
24 to go fishing. It makes it a little bit bizarre, because
25 it means if I'm bird watching, it doesn't apply, but if

1 I'm carrying a fishing pole, they're stuck. But that's an
2 important thing to tell State agencies that they don't
3 have any choice. The Department of Fish and Wildlife has
4 an easement that provides access to the Abbott Lake unit
5 of the Feather River Wildlife area in Sutter County. They
6 have about a half mile easement that crosses from the
7 public highway to the edge of the wildlife area.

8 They're discouraging the public from using it.
9 They're hiding that it exists. And if you call them, they
10 tell you you're not supposed to use it, but they won't say
11 that in writing or in public.

12 CHAIRPERSON YEE: Mr. Coats?

13 MR. COATS: That blocks your access to the river.

14 CHAIRPERSON YEE: Mr. Coats?

15 MR. COATS: They have absolutely no reason to be
16 telling the public they can't use that publicly-held
17 easement for access to the river.

18 CHAIRPERSON YEE: Mr. Coats --

19 MR. COATS: Yeah.

20 CHAIRPERSON YEE: Let me just tell you your time
21 has expired. Do you have testimony you want to submit to
22 the Commission?

23 MR. COATS: I've submitted written testimony --

24 CHAIRPERSON YEE: Okay. Any additional?

25 MR. COATS: -- a day or two ago. You'll have it.

1 CHAIRPERSON YEE: All right. We have that.

2 MR. COATS: And I'd really appreciate it if you
3 could get around to telling the State agencies, like DWR,
4 Central Valley Flood, Department of Parks and Wildlife --
5 Parks and Recreation, Department of Fish and Wildlife that
6 they have to deal with the same Public Trust Doctrine you
7 have to deal with out of San Francisco Baykeepers.

8 They're blowing it off, and we're losing access
9 every day. I've got a laundry list of situations in which
10 Department of Water Resources and/or Central Valley has
11 given away public access to the river, because it was
12 convenient to them --

13 CHAIRPERSON YEE: Okay. We -- thank you.

14 MR. COATS: -- and leaving the public without
15 access.

16 CHAIRPERSON YEE: Thank you.

17 MR. COATS: Thank you very much.

18 CHAIRPERSON YEE: Ms. Lucchesi.

19 EXECUTIVE OFFICER LUCCHESI: I want to just
20 respond in a couple of general ways. The Commission over
21 the past year has approved a number of leases,
22 particularly in Lake Tahoe and the Bay-Delta area that
23 include terms that promote and facilitate public access to
24 the State's navigable rivers and lakes. That is a big
25 bulk of how we are complying with that particular

1 strategic goal and strategic outcome. We've also had a
2 lot of effort devoted to public access at Martins Beach.
3 We also work very closely with our regulatory partners in
4 securing public access to our coastline and Lake Tahoe
5 through the Coastal Commission and the Tahoe Regional
6 Planning Agency.

7 More specific to I think a lot of the concerns
8 that Mr. Coats raised, which are valid concerns, are staff
9 is in the process -- and this is reflected both in the
10 strategic plan and in our implementation matrix, staff is
11 in the process of developing a comprehensive public access
12 guideline document that will hopefully layout in a clear
13 comprehensive way to everybody that's interested the legal
14 rights of the public to access rivers, lakes, and the
15 coast.

16 We've been working closely with the Attorney
17 General's office on that guideline document, trying to put
18 the final touches on the draft. Our plan is to release
19 that draft guideline document next year for public review
20 and comment, including from public agencies and
21 individuals citizens, and, of course, access advocacy
22 groups. And take those comments back improve the draft
23 document and bring it to the Commission sometime later
24 next year for approval and adoption.

25 Kind of the bigger picture with that is to have a

1 more legally focused document that local jurisdictions,
2 like district attorney's offices can use, when trying to
3 protect the public's rights of access, but then also have
4 a more publicly accessible and public facing brochure
5 document that is easily transferred to our website and
6 mobile devices, but also that the public doesn't have to
7 read through pages and pages of legalese to understand
8 what their rights are.

9 That's our vision that I think speaks to the
10 concerns Mr. Coats raised about educating State, federal,
11 local agencies and members of the public about the
12 public's rights.

13 CHAIRPERSON YEE: That's terrific. Thank you.
14 Thank you. So, Mr. Coats, stay tuned, but also just know
15 that a lot has been done with respect to our lease review
16 and approvals as well with respect to the issue of public
17 access.

18 Thank you.

19 All right. Let's see, our next item, I believe,
20 is Item 70, is that correct, related to the Humboldt Bay
21 Harbor Recreation and Conservation District.

22 And have staff present the issue.

23 PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO: Good
24 afternoon, Commissioners.

25 CHAIRPERSON YEE: Good afternoon.

1 PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO: This
2 is, I think, the wrong one.

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

5 PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO: The
6 Humboldt Bay Harbor Recreation and Conservation District
7 is the trustee of sovereign tide and submerged lands
8 granted by the legislature in 1970.

9 --o0o--

10 PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO:

11 Those lands encompass all sovereign lands located
12 within and adjacent to Humboldt Bay, except for land that
13 was previously granted to the cities of Eureka and Arcata.

14 The District's granted lands include river,
15 sloughs, estuaries, and the land overlying waters of
16 what's commonly known as Humboldt Bay.

17 These granted lands are held in trust for the
18 people of California and must be for Public Trust
19 purposes. The Commission represents the statewide public
20 interest to ensure that local trustees operate their trust
21 grants in conformance with the Constitution, granting
22 statutes, and the Public Trust Doctrine.

23 The District operates under the authority of the
24 California Harbors and Navigation Code and is governed by
25 a 5-person elected Board of Commissioners.

1 --o0o--

2 PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO:

3 Humboldt Bay is California's second largest
4 natural bay and has a wide variety of unique habitats.
5 The bay is home to approximately half of California's
6 Eelgrass population, and supports hundreds of species of
7 fish, marine birds, algae, and numerous marine mammals.
8 Humboldt Bay also has one of the State's highest rates of
9 aquaculture production.

10 The District oversees and promotes many port
11 development projects and programs. These include
12 dredging, retention and improvement of commercial fishing
13 facilities, improvements of maritime facilities, shoreline
14 protection projects, mariculture and aquaculture. The
15 District also has ongoing involvement in various
16 conservation activities around Humboldt Bay.

17 These include managing 3 wildlife areas,
18 educational outreach, and assisting in biological research
19 projects around the bay, including native Eelgrass.

20 --o0o--

21 PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO: In
22 September of 2004, the district acquired Redwood Terminal
23 and Berth one, formerly the Louisiana Pacific dock.
24 Various improvements to the property served commercial
25 customers, such as oyster farmers and commercial

1 fishermen, repurposing and rehabilitating the site to once
2 again become part of the bay's working waterfront.

3 --o0o--

4 PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO:

5 Redwood terminal number 2, which just opened a
6 couple of months ago is located on a portion of the former
7 Freshwater Tissue property, a long-time Humboldt Bay
8 landmark that's commonly known as the Samoa pulp mill.

9 Freshwater Tissue ceased its operations in 2008.
10 The District, after purchasing the site for \$1, took on
11 the responsibility for disposal of the hazardous wastes,
12 which were at the brink of overflowing into nearby
13 Humboldt Bay.

14 The District facilitated EPA cleanup and
15 removed -- included removing 3 million gallons of acids,
16 removing 30 steel and plastic tanks, and 10,000 tons of
17 caustic sludge.

18 --o0o--

19 PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO: The
20 terminal includes docks and buildings with 220,000 square
21 feet of warehouse space, a 30 million gallon per day
22 treatment system, and 1.5 miles of ocean outfall pipe.
23 Three aquaculture companies Coast Seafoods, Taylor
24 Shellfish, and Hog Island are leasing space and expanding
25 and installing nurseries to grow oyster seed stock at

1 Terminal 2.

2 --o0o--

3 PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO: The
4 District owns and operates approximately 50 acres at the
5 Woodley Island Marina that contains 237 berths and is the
6 largest marina in Humboldt Bay. The marina serves
7 commercial and recreational vessels and encompasses a 25
8 acre wildlife sanctuary.

9 The District also owns and operates the Fields
10 Landing Boat Yard. Other recreational endeavors include
11 the Humboldt Bay Water Trail and the Shelter Cove boat
12 launching facility.

13 --o0o--

14 PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO:

15 Currently, about 70 percent of the State's fresh
16 water oysters come from Humboldt Bay. The California
17 legislature recognized the Bay's economic and cultural
18 importance in 2009, when it was designated the Oyster
19 Capital of California. There are 2 significant proposed
20 aquaculture projects involving Public Trust lands in
21 Humboldt.

22 The first project known as the pre-permitting
23 project was proposed by the District and involves
24 permitting aquaculture in 3 areas of submerged lands
25 within the Bay. Due to the time and money it takes to

1 Obtain and aquaculture permit, the regulatory process is a
2 significant deterrent to commercial expansion. The
3 purpose of the pre-permitting approach is that the
4 District, instead of individual growers, will obtain the
5 aquaculture permits, then in turn lease the pre-permitted
6 areas to private growers, reducing the cost and time
7 involved in the regulatory process.

8 In February, 2016, the District certified a Final
9 EIR for the proposed project. The district anticipates
10 generating hundreds of thousands of dollars in additional
11 revenue annually. The pre-permitting project limits the
12 project area to areas of subtidal lands eliminating
13 impacts to the Eelgrass.

14 --o0o--

15 PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO: The
16 second aquaculture project is the Coast Seafoods Company
17 Shellfish aquaculture permit renewal and expansion
18 project. Coast Seafoods currently cultures nearly 300
19 acres of oysters in Humboldt Bay. The company is
20 proposing to expand its oyster aquaculture by another 622
21 acres. The project would be located on sovereign Public
22 Trust resources, including dense and patchy Eelgrass
23 habitat, shorebird and mudflat habitat.

24 The District, as the lead agency, previously
25 released a Draft EIR in October 2015. Numerous comments

1 were submitted from State and federal agencies,
2 non-governmental organizations, tribes, local governments,
3 and citizens. Many of the comments expressed opposition
4 and concerns about the project, including concerns that
5 the project would result in significant impacts to
6 Eelgrass and waterfowl.

7 The District reconsidered the project's design
8 and mitigation measures and circulated a revised Draft EIR
9 in July 2016. Commission staff commented on the
10 recirculated draft EIR stating that the project continued
11 to present unacceptably high adverse impacts to local and
12 regional Public Trust resources.

13 Coast Seafoods has reviewed the comments from
14 Commission staff and from other State, federal, and local
15 entities. Recently, Coast Seafoods circulated additional
16 information regarding another project alternative they
17 have been developing.

18 The alternative proposal attempts to address the
19 concerns that the overall proposal is too big, and focuses
20 on areas of existing culture. The company met with
21 permitting agencies on December 1st to discuss the overall
22 project strategy and Eelgrass impacts analysis.

23 It's staff's understanding that Coast Seafoods
24 will be convening meetings with non-regulatory agency
25 stakeholders in the near future to discuss this potential

1 alternative proposal.

2 And that concludes staff's report. I'm available
3 for any questions.

4 CHAIRPERSON YEE: Very well.

5 Ms. Lucchesi, did you have further comment?

6 EXECUTIVE OFFICER LUCCHESI: Not at this point.

7 CHAIRPERSON YEE: Okay.

8 EXECUTIVE OFFICER LUCCHESI: I may after hearing
9 testimony and receiving questions from the Commissioners.

10 CHAIRPERSON YEE: Okay. Very well. All right.
11 Lets call up the public speakers on this item. We have, I
12 believe, Mark Hennelly from the California Waterfowl
13 Association, Desiree Loggins with Audubon Society, as well
14 as Anna Weinstein, and Jeff Volberg.

15 Please.

16 MR. HENNELLY: Hi. I'm Mark Hennelly with
17 California Waterfowl Association.

18 I'm going to cede my time over to Anna with
19 Audubon, if that's all right?

20 CHAIRPERSON YEE: All right. Please.

21 Thank you.

22 MR. HENNELLY: Thank you.

23 CHAIRPERSON YEE: Good afternoon.

24 MS. WEINSTEIN: There's a PowerPoint. Thank you
25 very much. Thank you.

1 CHAIRPERSON YEE: Introduce yourself for the
2 record.

3 MS. WEINSTEIN: Yes, I will. Yes. Thank you.

4 CHAIRPERSON YEE: Thank you.

5 MS. WEINSTEIN: I'm Anna Weinstein. I'm with the
6 National Audubon Society in California. And I am
7 co-presenting with Mark Hennelly, who seems to have
8 disappeared. Mark, come back up.

9 (Laughter.)

10 MS. WEINSTEIN: And I'm also representing the
11 Redwood Regional Audubon Society, which is based in
12 Eureka, and we have been communicating with Commission
13 staff on this issue, as they've turned attention to
14 reviewing Humboldt Bay, harbor districts, and aquaculture
15 proposals within the bay, as you just heard the from
16 report.

17 And we just first want to say, we really, really
18 appreciate this attention that the staff have put into
19 this. It's been very thoughtful and thorough. And we
20 also appreciate the opportunity to share our thoughts
21 today.

22 And we're going to get right to the point. We
23 have some slides for you to consider, and support our
24 points. Our objective here is to summarize the problem as
25 we see it, and also, more importantly, to share solutions

1 that preserves and builds jobs, while protecting the
2 Public Trust, and it represents a collaborative solution
3 that works for everybody up in the bay.

4 So if you would please proceed with the
5 presentation. Thank you.

6 --o0o--

7 MS. WEINSTEIN: That's Okay.

8 Thank you.

9 Okay. So back-up one slide, please. And then is
10 this the advancer?

11 MR. LLOYD: Yes, it is.

12 MS. WEINSTEIN: Okay. So here's the arrow.
13 Okay.

14 --o0o--

15 MS. WEINSTEIN: Okay. So the logos here, the
16 Black Brant Group and California Waterfowl, and Audubon
17 California are collaborating on these comments today.

18 And so the Humboldt Bay is actually quite small.
19 We have a comparison here of San Francisco Bay. So
20 Humboldt Bay, both north and south bay, about 60 miles
21 long up to 12 miles wide at its widest point. Sorry,
22 that's San Francisco Bay.

23 Humboldt Bay is up to 14 miles long, up to 4
24 miles wide. So up there in the north bay at the top of
25 the picture, it's up to 4 miles wide and it's about 6

1 miles long. So we're talking about a pretty small area
2 compared with something many of us are more familiar with,
3 San Francisco Bay.

4 --o0o--

5 MS. WEINSTEIN: And the staff report did a good
6 job of summarizing some of the important resource values
7 in Humboldt Bay, so we're going to just very briefly
8 summarize those right now. It does include Eelgrass,
9 which is a habitat area of particular concern under
10 Magnuson-Stevens Conservation Act and the Pacific Fishery
11 Management Council has pointed that out in several letters
12 to the harbor district that Eelgrass is what's called a
13 HAPC, Habitat Area of Particular Concern that warrants
14 extra special consideration under various fishery
15 management plans, salmon, ground fish, and coastal pelagic
16 species

17 Humboldt Bay is one of the 3 most important
18 estuaries for shorebirds on the west coast, supporting
19 very large global populations of shorebirds and
20 waterbirds. It's the second of -- or third most important
21 site for Pacific Herring in California, which is a key
22 forage species. Now, being protected by the State of
23 California through a Fishery Management Plan. And of
24 course Dungeness Crab, which is a huge economic engine for
25 the north coast ports. Tens of millions of dollars when

1 crab season is open generated for north coast ports.

2 --o0o--

3 MS. WEINSTEIN: And a very, very special species
4 in Humboldt Bay is Pacific black brant. This is the key
5 west coast migratory site for Pacific black brant. My
6 colleague is very knowledgeable about this, in being a
7 hunter himself. This is the most important -- the only
8 important site remaining in California to hunt brant.
9 This is a very old and cherished tradition.

10 On your left, you see Stan and Steve who built
11 those scull boats and hunt together. And these
12 individuals, as well as many -- dozens of other hunters
13 have weighed in very heavily expressing support for
14 protecting Eelgrass and brant habitat in the bay.

15 And brant are an Eelgrass obligate. They must
16 have Eelgrass where they're migrating. I

17 --o0o--

18 MS. WEINSTEIN: I wanted to -- we wanted to make
19 sure that the Commissioners saw what the aquaculture looks
20 like in Arcata Bay. And so the inset, it's very small,
21 but this is an inset of Coast Seafoods existing
22 operations. This is culture on longline, oysters grown on
23 longline.

24 On your left, you see Eelgrass beds. These are
25 dense Eelgrass beds defined as 80 percent or more Eelgrass

1 cover. On your right, you see 2.5 space culture on
2 longline oyster mariculture. And Eelgrass is much, much
3 reduced. On average -- there's great variability, but on
4 average very, very dramatically reduced in areas of oyster
5 mariculture, especially at these tighter longline
6 spacings. But even at larger spacings that Coast is now
7 proposing, or one of the aquaculture proponents is now
8 processing, there's still very, very dramatic loss of
9 Eelgrass between 40 to 60 percent loss.

10 --o0o--

11 MS. WEINSTEIN: Here's another image of the
12 operations in the bay.

13 --o0o--

14 MS. WEINSTEIN: Here, is -- this is an important
15 point. There's quite a lot of -- and it hasn't been
16 documented the exact acreage, but Coast Seafoods, which is
17 the primary grower in the bay right now, there's a lot of
18 derelict and abandoned areas where they haven't taken out
19 PVC pipes, as they're supposed to by their 2006 permit.
20 And that creates a lot of navigational hazards for hunters
21 and people trying to use the bay recreationally. And
22 despite lots of complaints, that hasn't been remediated.

23 --o0o--

24 MS. WEINSTEIN: So there -- actually, the staff
25 report talked about 2 proposals, Coast Seafoods and the

1 pre-permitting. And, in fact, there's really -- there's
2 really 3, and the harbor district -- the pre-permitting is
3 actually 2, you know, subproposals.

4 So, first, is Coast Seafoods. And as you heard
5 from your staff report, there's 300 existing farmed acres.
6 And Coast Seafoods most recent public proposal is another
7 622, so 922 acres, which would be about 25 percent of the
8 bay's -- the north bay's tidelands. So a very large
9 Imprint, which would actually double aquaculture footprint
10 in California.

11 The company has made a lot of -- has been
12 recently writing intimidating and threatening letters. I
13 personally watched them threaten Pacific Fishery
14 Management Council habitat committee members for what they
15 said was illegal allegations about law and policy around
16 Eelgrass. This has been a source of consternation for
17 agency staff and is making a protracted conflict likely
18 around these proposals.

19 Secondly, is a harbor district. And this is
20 quite different, because as your staff reported,
21 there's -- the idea is to actually make it easier for
22 small- and mid-sizes growers to grow in the bay. And we
23 see that as extremely reasonable, but unfortunately the
24 air has been taken out of the room with Coast Seafoods.
25 And the Harbor District proposal has not moved along, the

1 intertidal proposal has not moved along.

2 There was a subtidal proposal that was -- is now
3 closed to being permitted and that will create more jobs,
4 and will not impact -- and we did not oppose it, because
5 it's properly sited. And the delays with the Harbor
6 District pre-permitting has hurt small- to medium-sized
7 growers that want some opportunity.

8 Thirdly, there some private individuals, at least
9 one, applying for permits to have oyster forms.

10 Coast Seafoods current proposal is a patchwork.
11 All those colors are all proposed or existing oyster
12 growing areas. So it's quite a large area within Arcata
13 Bay just for one company alone.

14 And at the same time, you know, that the Harbor
15 District has been struggling to manage all these different
16 proposals including their own, there's actually a very
17 high functioning system within the Department of Fish and
18 Wildlife, and Fish and Game Commission for managing
19 aquaculture.

20 It's a very good program. They have staff for
21 managing permits, applications, administering them, and
22 managing day-to-day operations with -- and hand-in-hand
23 the growers. And this functions very well with a high
24 level of public transparency, protection of Public Trust
25 resources, profitability, level playing field for small-

1 to mid-sized growers.

2 --o0o--

3 MS. WEINSTEIN: And so the cost of that State
4 management program as of 2011, primarily aquaculture
5 coordinator, 2 of them, marine shellfish health program,
6 legal counsel, licensing, accounting, et cetera is -- it
7 was -- in 2011, it was just over \$100,000.

8 And so there would be some additional costs to
9 the State for managing aquaculture in Humboldt Bay. That
10 could be mitigated through costs -- through funding
11 mechanisms. That needs to be explored. But the point is,
12 there is a existing high-functioning structure with staff.
13 Whereas the Harbor District has no full-time resource
14 staff. They have 2 contractors, right now, and they are
15 not able to address aquaculture in a marine spatial
16 planning framework in the way the State can.

17 --o0o--

18 MS. WEINSTEIN: This is a slide full of words.
19 But essentially, we've laid out here, and this can be
20 looked at later, if anyone is interested. Why the Harbor
21 District is a lead agency is -- poses a lot of challenges
22 and is creating conflicts with agencies and NGOs, and also
23 small- to medium-sized growers.

24 There's some very, very strong advantages to
25 having the State as a lead agency, just like it is

1 everywhere else in State, Tomales Bay. Everyone else with
2 aquaculture with very small exceptions is managed by the
3 State in a way that's very high functioning.

4 --o0o--

5 MS. WEINSTEIN: And so to sum, we think that
6 consistency with State management of aquaculture would be
7 ideal for Humboldt Bay. It would generate jobs in
8 aquaculture and fisheries, jobs, and hunting and bird
9 watching. It would support recreational -- recreation,
10 hunting, and bird watching, and many other types of
11 recreation.

12 It's -- it would be more fair, transparent, and
13 end up in cost savings in aquaculture management and would
14 protect those Public Trust resources and access to bay
15 Public Trust resources.

16 So we suggest 2 next steps in a problem-solving
17 solution-oriented, you know, framework.

18 --o0o--

19 MS. WEINSTEIN: First is for the Commission to
20 ask its staff to continue its engagement by evaluating
21 mechanisms for ensuring statewide consistency in
22 aquaculture management, and report back at your February
23 meeting with an action item for the Commission to consider
24 around that.

25 Secondly, and we'd be happy -- very happy to take

1 part in this is convene a solution-oriented transparent
2 inclusive task force with 20 or less members to make it
3 functional to inform a transition to statewide
4 consistency. And this task force will evaluate how this
5 transition would work to ensure benefits for all, jobs,
6 fairness, protection of resources, and cost efficiencies
7 for the Harbor District and the State and federal
8 agencies.

9 And so Mr. Hennelly, do you have anything to add?
10 I think we have a little additional time.

11 MR. HENNELLY: Thank you. I think you covered
12 it. I mean, our -- the main resources we are concerned
13 with are the brant, and which is California's only sea
14 goose and the Eelgrass. The brant, if they don't have
15 Eelgrass to forage on, they are not going to make it back
16 to their wintering grounds in Alaska. They have to travel
17 thousands of miles to get -- or, excuse me, their breeding
18 grounds. They have to travel thousands of miles over the
19 ocean to do that. We're afraid that not only could this
20 result then, if there's not enough food, in direct
21 mortality to brant, but over time you're going to see
22 their breeding numbers go down. So that's our really our
23 focus is on that bird. It's a very special bird to us.

24 Thank you.

25 CHAIRPERSON YEE: Thank you very much.

1 Are there other speakers on this item?

2 Okay. Please come forward.

3 MR. HIGGINS: I'm Pat Higgins. You should have
4 it.

5 CHAIRPERSON YEE: Yes, I have you right here.
6 Thank you.

7 Good afternoon.

8 MR. HIGGINS: Thank you very much for this
9 opportunity to address the State Lands Commission. I am
10 Patrick Higgins, Chairman of the Humboldt Bay Harbor
11 Recreation and Conservation District. And I was elected
12 in 2007. And I ran against the guy who wanted to make
13 Humboldt Bay an international port with 100-foot high
14 hammerhead cranes. I have a history myself as a
15 consulting fisheries biologist and an environmental
16 advocate.

17 But it's interesting being elected. It makes me
18 very practical in this regard. And so it's interesting
19 now to see, you know, our body characterizes lacking
20 capacity construed as overly biased towards development.
21 In fact, we have pulled back from our international
22 shipping ambitions and from heavy industrial development
23 that would despoil the bay.

24 We now favor light industry development,
25 ecotourism, and really fostering development that's

1 compatible with the health of the bay.

2 So the proposal by Coast, which goes through us
3 for review, is one that is being currently and actively
4 debated. And it's an accommodation to maintaining Public
5 Trust values has been miscast here, because Coast has
6 backed down from 600 to 276. And so the -- they're going
7 to keep people off of the bay grounds that are in
8 competition with hunters during hunting season, so forgo
9 harvest opportunities. They're going to stay out of the
10 eastern part of northern Humboldt Bay where there's
11 currently no development.

12 The entire south bay, oh, that's right, it's a
13 marine protected area. Half the bay is completely off
14 limits. They're making great strides, both -- you know,
15 this stuff used to be done on the bottom of the bay, and
16 then they go along and harvest and dig up the mud. You
17 know, it was tremendously destructive. And so there's
18 been a major breakthrough in terms like lessening the
19 effects on Eelgrass. Their current proposal avoids
20 Eelgrass. They're going to space the things more widely
21 so they shade Eelgrass less.

22 Gosh, I wish my tone wasn't like this.

23 But, you know, it's a little exasperating for me,
24 because this is natural capital. And, you know, so it's
25 something where I believe that it's inherently compatible

1 with development in the bay. And to see it as
2 characterized as incompatible and to suggest that the
3 Harbor District's authority should be usurped and that you
4 guys should take a more active role is actually -- I don't
5 think we need it.

6 You know, and I think that, at present, you know,
7 we spent \$200,000 of headwaters economic development
8 funding, and \$100,000 of Harbor District capital. And
9 we've now been 6 years at trying to get a permit for
10 aquaculture. We're still vexed.

11 So now, we're going to just do subtidal. We're
12 not going to do anything -- you know, we aren't proposing
13 anything at present because of the confusion over Coast,
14 but I believe that we can -- you know, this is like come
15 to Humboldt it's another thing to identify us with. It's
16 the oysters. It's -- and it's a direct translation of the
17 health of the bay. And these are good jobs that will be
18 stable. All of these companies that are coming in are
19 generally, you know, family run and very principled.

20 And so, you know, I think it's fully mitigated at
21 this point, and I don't think your further involvement is
22 necessary. And I really appreciate the opportunity to
23 discuss this with you.

24 And we are open, and at present, we are really
25 capably served by consultants in lieu of staff on a cost

1 efficiency basis. We are rebuilding the Redwood Term 2 to
2 create hundreds of jobs, more than the pulp mill. We've
3 gotten rid of 3 million gallons of toxic liquors. And,
4 you know, so we're -- you know, we're really a force of
5 good for the bay. We are no longer -- should be -- we be
6 perceived as at all contrary to the mission of Public
7 Trust protection and enhancement of the bay. And never --
8 you know, it's, like, I got elected. It's, like, yeah, I
9 want to help the economy. I want to foster sustainability
10 in Humboldt County, but not at the expense of the health
11 of the bay. And I was elected to 2 to 1 in 2007.

12 So my last election 12 votes. You can call me
13 Landslide Pat.

14 (Laughter.)

15 MR. HIGGINS: Any questions?

16 CHAIRPERSON YEE: No. Thank you, Mr. Higgins.

17 MR. HIGGINS: Thank you very much.

18 CHAIRPERSON YEE: Staff response to any of the
19 suggestions for next steps by some of the --

20 EXECUTIVE OFFICER LUCCHESI: Of course. Yes.

21 I have one other speaker form. Do we not --

22 CHAIRPERSON YEE: I do not.

23 EXECUTIVE OFFICER LUCCHESI: Jeffrey Volberg, did
24 we already call that person?

25 CHAIRPERSON YEE: I think I called them up

1 together. Oh, please come forward, Mr. Volberg. Thank
2 you.

3 MR. VOLBERG: Actually, everything I had to say
4 was covered by --

5 CHAIRPERSON YEE: Presented.

6 MR. VOLBERG: -- Ms. Weinstein and Mr. Hennelly,
7 so I'll pass on speaking.

8 CHAIRPERSON YEE: Thank you.

9 EXECUTIVE OFFICER LUCCHESI: Okay. I must have
10 missed that. I'm sorry about that.

11 EXECUTIVE OFFICER LUCCHESI: That's all right.

12 A couple of things. This is an informational
13 item for the Commission. As you know, we try to take
14 opportunities, when they present themselves, to educate
15 and inform about the Commission's estates 70 plus
16 legislative grantees of Public Trust Lands. I think at
17 everyone of our Commission meetings this year and last
18 year, we gave an informational report on one or more of
19 our legislative trustees, including San Francisco,
20 Oakland, L.A., Long Beach, San Diego.

21 So in that context, this is the information that
22 we're presenting for the Humboldt Bay District -- Harbor
23 District.

24 There is -- there are, as you heard from members
25 of Audubon and other entities, some concerns about pending

1 projects, particularly Coast Seafoods. Staff has been
2 very involved and engaged in reviewing that particular
3 proposal on a number of different levels, including now
4 being involved in meetings with other regulatory and
5 resource agencies to both assist the Harbor District and
6 Coast Seafoods in ensuring that the ultimate project
7 proposal is one that respects and enhances Public Trust
8 resources.

9 We're also working very closely with Audubon and
10 other resource nonprofits that have some concerns about
11 the way that that project may be proposed at the end of
12 the day and analyzed.

13 This is no different than how we interact with a
14 number of our trustees up and down the State. The
15 Commission has oversight authority over the management of
16 the these Trust Lands and resources. And as our resources
17 allow us to, we try to engage to ensure that compliance
18 with the Trust, with our legislative grants, and with
19 other laws and regulations in partnerships with our sister
20 State, local, and federal agencies.

21 In terms of the specific requests to look into a
22 more consistent statewide oversight of the -- of
23 aquaculture, the State Lands Commission actually does not
24 have authority to lease its lands for aquacultural
25 purposes. The legislature specifically granted that

1 authority to the Fish and Wildlife Commission. So they
2 exercised the State's discretion in authorizing leasing
3 for aquaculture purposes.

4 The rub -- or the -- the area of jurisdiction is
5 different in legislatively granted lands. There, the
6 legislature has granted all right and title to those local
7 jurisdictions for management purposes, including
8 aquaculture. So that's why Humboldt is different than
9 other areas of like Tomales Bay, where Fish and Wildlife
10 issues leases.

11 So what I'm trying to say in all that is the Fish
12 and Wildlife Commission really needs to be part of this
13 discussion in terms of taking a look at the overall
14 structure of consistency as it relates to aquaculture in
15 the State of California. We can certainly look into that
16 further and gather information and report back to the
17 Commission on what we've learned, in terms of the
18 statewide aquaculture leasing program, what works, what
19 doesn't work, and what the differences are between the
20 State's lands versus lands that have been legislatively
21 granted.

22 I'm a little hesitant to commit to do that by
23 February, given other workload priorities. But at some
24 point in the near future, I'm happy to report back to the
25 Commission on that.

1 And then in terms of the other requests for a
2 task force, I think that's a little premature at this
3 point. We are -- as the Harbor Commissioner stated, we
4 are actively engaged in reviewing the Coast Seafoods
5 project, and I would also like the opportunity to continue
6 staff's engagement on that and report back to the
7 Commission at the appropriate time on the results of how
8 that's going, as it relates to the evolution of their
9 project.

10 CHAIRPERSON YEE: Very well. Thank you.

11 Comments, Commissioners?

12 No, I would concur with you. I mean, I think we
13 have a little jurisdictional issue here, but I think
14 having a look certainly from our perspective with respect
15 to the statewide leasing program would be welcome. But I
16 would agree with you, that that is something that we
17 couldn't do within a short period of time, so -- and
18 perhaps maybe bringing that back in terms of what that
19 could look like would be helpful.

20 And I would just say with respect to the project,
21 let's continue engagement. I appreciate Commissioner
22 Higgins being here. But certainly, we will oversee those
23 discussions. And whatever will present themselves as an
24 opportunity for deeper engagement by the Commission, we
25 will do so. But I think it's -- the parties need to

1 continue and try to work through some of these issues and
2 negotiate.

3 Other thoughts on this?

4 Okay. So why don't we proceed in that way.

5 EXECUTIVE OFFICER LUCCHESI: Okay.

6 CHAIRPERSON YEE: Okay. Great. Thank you.

7 Appreciate all the speakers on this item.

8 Okay. Next item, I believe, is Item 71.

9 EXECUTIVE OFFICER LUCCHESI: That's right. This
10 is another informational report on the status of our
11 inventory of legacy wells. We will have a very brief
12 presentation by Mr. Curran, but our staff report is very
13 comprehensive about the status of that, and what we plan
14 for the future.

15 (Thereupon an overhead presentation was
16 presented as follows.)

17 SENIOR PETROLEUM DRILLING ENGINEER CURRAN: Good
18 afternoon, Chairperson Yee and Commissioners. I'm Steve
19 Currant from Minerals Resource Management Division down in
20 Long Beach, Senior Petroleum Drilling Engineer. And I'm
21 just going to give you a snapshot of where we're at in the
22 legacy well project on the inventory mainly. We have a
23 lot more to present later, and we're in the middle of a
24 very comprehensive report on that.

25 If you'd go to the first slide. Oh, I have to

1 use your little slide thing.

2 --o0o--

3 SENIOR PETROLEUM DRILLING ENGINEER CURRAN: Okay.
4 The -- I'm only going to talk about the Category 1 legacy
5 wells. They're all located in these 3 areas, Ellwood,
6 Summerland onshore, and basically very close offshore, and
7 Rincon fields in Santa Barbara County, Ventura County.

8 --o0o--

9 SENIOR PETROLEUM DRILLING ENGINEER CURRAN: If
10 you'd look, we're going to go over Summerland first. If
11 you look at the Summerland legacy wells, they're all
12 located where the piers are where you see we do all the
13 Becker work, and we've done the Becker assessment. And
14 these, it looks like more than 190. There are 190 legacy
15 wells in Summerland that are under State jurisdiction --
16 State Lands jurisdiction, but there's another double that
17 amount that are upland for the DOG, so I'm going to show
18 you that map next.

19 The ones that are encircled with the red hashed
20 line are under State Lands jurisdiction. And all the ones
21 outside that are upland wells that are underneath the
22 DOGGR jurisdiction.

23 --o0o--

24 SENIOR PETROLEUM DRILLING ENGINEER CURRAN: I'm
25 going to show you some early pictures. These are all

1 turn-of-the-century pictures. If you look at any of the
2 construction that goes parallel to the beach, those are
3 designated as wharves. And anything those goes out
4 perpendicular to the beach, those are the piers, and this
5 is all Summerland.

6 --o0o--

7 SENIOR PETROLEUM DRILLING ENGINEER CURRAN:

8 Here's another picture, turn of the century,
9 1900.

10 --o0o--

11 SENIOR PETROLEUM DRILLING ENGINEER CURRAN: Here
12 is another picture showing the railroad -- the Southern
13 Pacific Railroad. Now, during that time, right at the
14 turn of the century, they built the Treadwell Pier and
15 they connected the Southern Pacific Railroad L.A. portion
16 all the way to San Francisco. They took all the
17 locomotives and converted them from coal to oil, so they
18 became oil powered locomotives. That's where this became
19 so important, because this was the fuel depo using the
20 Summerland oil.

21 --o0o--

22 SENIOR PETROLEUM DRILLING ENGINEER CURRAN: Now,
23 current times. Here's a 2014 picture -- early 2014
24 picture of the Becker Well on the beach. This is what you
25 see when it surfaces.

1 --o0o--

2 SENIOR PETROLEUM DRILLING ENGINEER CURRAN: Here
3 is a typical day in Summerland on -- with a fly over in
4 September of 2015. A personal plane with a good camera
5 that was on the way to the polo field. This is where --
6 this is sheening you see from the wells, and, of course,
7 the natural seeps.

8 --o0o--

9 SENIOR PETROLEUM DRILLING ENGINEER CURRAN:
10 Here's another fly-over picture in March of 2016.
11 So we don't have a lot of aerial views, but it's pretty
12 consistent. You can see it on the clear days.

13 --o0o--

14 SENIOR PETROLEUM DRILLING ENGINEER CURRAN: Okay.
15 This one is a little harder to see, but this is looking
16 from the shore right in. And you can see the oil -- free
17 oil in the waves. So this as they're breaking on the
18 beach. And that's from that sheening that you see
19 offshore. And this is consistent all the time.

20 --o0o--

21 SENIOR PETROLEUM DRILLING ENGINEER CURRAN: Okay.
22 So in 2015 in August, they actually closed the beach.
23 County of Santa Barbara Public Health Department closed
24 the beach for several days, and then posted this public
25 health advisory. It's still out there today.

1 --o0o--

2 SENIOR PETROLEUM DRILLING ENGINEER CURRAN: They
3 have other signs that are permanent out there to warn
4 people about oil on the beach and the hazards.

5 --o0o--

6 SENIOR PETROLEUM DRILLING ENGINEER CURRAN: Okay.
7 So the plan forward is we're finishing -- we're in the
8 process of the EIR for the Becker Well abandonment, and
9 then we're going to perform that abandonment.

10 Concurrently, what we're doing is continuing research of
11 drilling and abandonment practices as it relates to the
12 legacy wells, in that time frame, doing some public and
13 private partnerships for aerial surveying and for targeted
14 diving. That includes magnetometry to locate the wells.

15 An updated bathymetry survey, so that we can
16 prepare for barge access, because everything is going to
17 be done from the marine side, not the beach side. And
18 then with the exception of all that, we're still looking
19 for the remainder of the funding for the Becker Well.
20 We're a little bit over half funded.

21 --o0o--

22 SENIOR PETROLEUM DRILLING ENGINEER CURRAN:
23 That's it.

24 EXECUTIVE OFFICER LUCCHESI: Thank you, Steve.
25 Just -- I want to take just a step back and give the macro

1 level on all of this.

2 CHAIRPERSON YEE: Thank you.

3 EXECUTIVE OFFICER LUCCHESI: Last year, the
4 Commission directed staff to start conducting an inventory
5 of the legacy wells. Shortly thereafter, Senator Jackson
6 introduced a bill that would have legislatively
7 established our legacy well abandonment and coastal hazard
8 abandon and remediation program in the Commission, along
9 with a continuous appropriation of a certain amount of
10 funds, and a direction to conduct the inventory as well as
11 conduct some seep studies.

12 Governor Brown ended up vetoing that bill with
13 the direction to the Commission and to the Department of
14 Conservation that we develop that inventory and
15 information in a little bit more comprehensive way to help
16 better inform the need for funding and the prioritization.

17 So this informational staff report is the
18 culmination of staff's work on conducting that inventory
19 of legacy wells. We are also in the process of putting
20 together a more kind of formal report with table of
21 contents and everything that goes along about the staff's
22 effort to -- efforts to conduct this inventory.

23 I just have to digress a second to give a huge
24 shout out to our staff Steve, Walter, our staff in our
25 Long Beach offices, along with Seth Blackmon our attorney

1 for their work on comprehensively developing this
2 inventory. So we're hoping to put that into a more formal
3 report for ease of use.

4 The Becker Well, while a separate project, and
5 has been fully funded thanks to the administration and the
6 legislature, that is a separate effort by the Commission,
7 but it's an incredibly important pilot project that will
8 also -- the information gathered both in terms of leading
9 up to the environmental review, and also as we move into
10 the actual abandonment project, will help inform, I think,
11 any future efforts to establish this well remediation and
12 coastal hazard program in the Commission with the
13 appropriate funding.

14 So the Becker Well, while a separate project by
15 the Commission, is -- can essentially be seen as a pilot
16 project to help this gather information for a broader look
17 at a more comprehensive program. So we just wanted to
18 provide that information to the Commission, and update you
19 on the status of that.

20 CHAIRPERSON YEE: Great. Thank you, Ms.
21 Lucchesi.

22 Yes, Commissioner Ortega.

23 ACTING COMMISSIONER ORTEGA: I just have a
24 question about what we know about the -- so all the black
25 dots. You know, I remember the Becker presentation where

1 there's the photos of the actual well casing, I guess it
2 is, sticking out of the sand.

3 EXECUTIVE OFFICER LUCCHESI: Right.

4 ACTING COMMISSIONER ORTEGA: So are there
5 different levels of knowledge known about those different
6 spots, and then kind of thinking about how you would -- if
7 you -- if you had unlimited resources to come up with a
8 plan of how to address them. Anyway.

9 EXECUTIVE OFFICER LUCCHESI: Yes. Yeah, of
10 course, that's a great question. Can we pull up the last
11 slide of Steve's presentation. So the research that staff
12 has done thus far has basically been a document paper
13 record research effort. We've not only searched through
14 all of our many thousands of records, we also searched
15 through the publicly available records kept by DOGGR, and
16 we've also looked at records at museums, libraries, other
17 entities with historical knowledge and documents to help
18 form this basic paper research effort to identify the
19 inventory, and categories of legacy wells.

20 The next step -- the last slide of this
21 presentation, I'm sorry.

22 The next step, along with continuing to search
23 for additional records, is to do a -- to get out there
24 more physically and identify more specifically where these
25 wells are located, and find out which ones are actually

1 leaking as well.

2 And so that's what you're seeing when we talk
3 about aerial surveys, targeted diver surveys with
4 magnetometry. That's to kind of, no pun intended, dive
5 deeper to get additional site-specific information on
6 those particular wells.

7 Until we can do that, we can't come up with a
8 plan to remediate. We can't even prioritize those wells.
9 So there's -- we're trying to take this in incremental
10 steps, based on what funding is available. The first step
11 is to get physical information about the location of the
12 well, is it actively leaking, what information can we find
13 more about that particular well, and then prioritize it
14 accordingly

15 ACTING COMMISSIONER ORTEGA: So forgive me if I
16 should know this --

17 EXECUTIVE OFFICER LUCCHESI: No.

18 ACTING COMMISSIONER ORTEGA: -- but for this
19 kind of multi-phased project, are there different elements
20 that are budgeted out? How much would you need to do kind
21 of each step of the process?

22 EXECUTIVE OFFICER LUCCHESI: We hope to get to
23 that point.

24 ACTING COMMISSIONER ORTEGA: Okay.

25 EXECUTIVE OFFICER LUCCHESI: We're in the middle

1 of doing that right now.

2 ACTING COMMISSIONER ORTEGA: Okay.

3 EXECUTIVE OFFICER LUCCHESI: And we're also --
4 Steve has established some great relationships with some
5 local nonprofits down in this area that are very
6 interested in helping to raise money to help fund some of
7 these research efforts. So we're trying to leverage those
8 relationships to help fund some of these. And, in fact,
9 some of that may be coming to fruition early next year and
10 we'll continue to update the Commission.

11 ACTING COMMISSIONER ORTEGA: Thank you.

12 CHAIRPERSON YEE: Great. Thank you, Commissioner
13 Ortega.

14 Ms. Lucchesi, let me suggest, after consulting
15 with some of the organizations locally, that perhaps the
16 Commission may want to think about submitting a spring
17 finance letter for the next step. These -- the magnitude
18 of this is actually quite startling. And obviously,
19 wanting to get to a level of understanding of what we're
20 actually dealing with with the physical assessments of the
21 wells.

22 This presents some potentially significant public
23 health hazards. And I think, given this is a State
24 responsibility, that we should continue to be diligent
25 about getting the resources we need to pursue --

1 EXECUTIVE OFFICER LUCCHESI: Of course.

2 CHAIRPERSON YEE: -- first steps.

3 Okay. Thank you.

4 Any other comments?

5 Okay. Thank you for the update, really
6 appreciate the great work. Thank you.

7 Our next item is Item 72. And this relates to
8 the workplan framework between the State Lands Commission,
9 the San Diego Unified Port District.

10 EXECUTIVE OFFICER LUCCHESI: That's right.

11 CHAIRPERSON YEE: And, Ms. Lucchesi, you want to
12 introduce what we have first?

13 EXECUTIVE OFFICER LUCCHESI: Yes. Yeah.
14 Actually, we have our 2 Sea Grant Fellows are going to be
15 giving this presentation, Patrick and Maren.

16 CHAIRPERSON YEE: Excellent.

17 EXECUTIVE OFFICER LUCCHESI: They are coming up
18 on their -- the end term of their Sea Grant Fellowship.
19 And before they begin, I just have to express how grateful
20 we are, as a staff, for their commitment, dedication, and
21 frankly, the substantive work that they've done for the
22 Commission, particularly as it relates to not only the San
23 Diego pilot planning effort. You see me and Jennifer
24 Mattox a lot relating to this particular effort. It's
25 Patrick and Maren doing most of the work frankly.

1 And they've also spearheaded our internal staff
2 training and process development for including climate
3 change and sea level rise analysis into our project review
4 applications, and really educating our entire staff from
5 the macro-level of climate change and sea level rise all
6 the way down to analyzing specific applications.

7 You know, in sum, these are rock stars. And we
8 are just so incredibly grateful that they were able to
9 spend a year with us. And we, along with the Commission
10 and the public, will benefit from their work for years to
11 come.

12 CHAIRPERSON YEE: Great. Thank you. Thank you.
13 Welcome. And thank you so much for the terrific work.

14 Please introduce for the record.

15 (Thereupon an overhead presentation was
16 presented as follows.)

17 MR. MULCAHY: Good afternoon, Commissioners. My
18 name is Patrick Mulcahy.

19 MS. FARNUM: I'm Maren Farnum.

20 MR. MULCAHY: And as Jennifer said, we're the
21 2016 California State Sea Grant Fellows with the State
22 Lands Commission here.

23 MR. MULCAHY: And we're here to present Item 72,
24 the workplan for the State Lands Commission and the San
25 Diego Unified Port District pilot planning effort for the

1 State-owned tidelands and submerged lands located in the
2 Pacific Ocean offshore of San Diego County.

3 In October, the State Lands Commission and the
4 San Diego Port Commissioners approved a Memorandum of
5 Agreement between the 2 parties that signified the
6 beginning of the planning process. The purpose of the
7 project is to create a science-based decision-support
8 framework to improve collaborative management of the San
9 Diego offshore lands.

10 At its October meeting, the Commission directed
11 staff to create a workplan to outline how the project
12 would achieve this goal.

13 --o0o--

14 MR. MULCAHY: The workplan and subsequent efforts
15 will be centered on 5 planning principles illustrated
16 here. These principles of commerce, environmental
17 sustainability, fisheries, navigation, and recreation and
18 public access are founded in the Commission's and the
19 Port's land and resource management responsibilities under
20 the Public Trust Doctrine.

21 Furthermore, the Commission and the Port are
22 committed to developing a framework that respects and
23 adheres to the foundational values of fostering
24 collaboration, providing for environmental protection and
25 enhancement, embracing opportunity, and relying upon

1 robust science.

2 --o0o--

3 MR. MULCAHY: The workplan, which is included as
4 Exhibit A in your staff report outlines 3 progressive
5 phases that will collectively take 4 years to complete.
6 The first phase will focus on engaging stakeholders and
7 the public to define the planning boundary and gather data
8 relevant to the planning area.

9 The second phase will strive to analyze the
10 information gathered and develop a management framework
11 and a spatial analysis tool.

12 The third phase will see the public release and
13 implementation of the spatial analysis tool. The
14 collaborative partnership between the Commission and the
15 Port will continue on into the future beyond the
16 conclusion of phase 3, so that the parties may monitor,
17 evaluate and adapt the tool and management practices to
18 meet present and future needs and challenges.

19 --o0o--

20 MR. MULCAHY: Staff expects to complete the 3
21 phases in 4 years beginning in 2017 and concluding in
22 2020. This expectation is based upon the resources
23 available, the party's prior experience and planning
24 efforts, and similar projects undertaken in other coastal
25 regions of the United States.

1 Each phase will culminate in a report or tool
2 that will assess the overall progress of the project and
3 identify next steps for subsequent phases.

4 --o0o--

5 MS. FARNUM: Thanks, Pat.

6 The first phase will set the stage for the
7 development of the decision support framework. Phase 1 is
8 expected to take 12 to 18 months beginning in January
9 2017, very soon.

10 Because this effort aims to be stakeholder
11 driven, the establishment of a public engagement framework
12 will be a top priority at the onset, and will build upon
13 the preliminary outreach Commission and Port staff have
14 already begun. Federal, State, tribal, and local
15 governments, as well as representatives from the U.S.
16 military, academia, industry, the fishing and
17 environmental communities, along with the general public
18 will be invited to participate in the planning process.

19 One of the first tasks of Phase 1 will be to
20 define the planning area boundaries, based on input from
21 stakeholders. Together, the interested stakeholders and
22 planning partners will identify key marine resource
23 sectors and areas of interest or concern, as well as the
24 vision, goals, and objectives for the overall framework
25 and outline appropriate steps to meet them.

1 Staff will convene a number of working groups to
2 facilitate these discussions and efforts. Phase 1 will
3 also be the key information and data gathering phase with
4 staff establishing a dynamic data portal and data
5 protocols and protections.

6 The work from phase 1 will be captured in a
7 summary assessment report that will inform phases 2 and 3.

8 --o0o--

9 MS. FARNUM: The second phase will focus on the
10 evaluation and analysis of the data collected in phase 1
11 to create the decision support tool set for improved
12 marine resource management. The tool set will consist of
13 an on-line GIS-based spatial analysis tool, and an
14 accompanying framework report. This phase is expected to
15 take 18 to 24 months, beginning immediately after the
16 completion of phase 1.

17 Staff and the working groups will use the data
18 collected in phase 1 to evaluate existing uses and
19 conditions, project future conditions, and identify areas
20 of resource sector conflicts, and opportunities for
21 compatible use. This analysis will include consideration
22 of ecosystem benefits and services, our Public Trust
23 responsibilities, and key environmental stressors, such as
24 climate change impacts and pollution.

25 This information will be made publicly available

1 through the intuitive, accessible, and highly visual
2 spatial analysis tool.

3 --o0o--

4 MS. FARNUM: The third and final phase of the
5 project will be to implement the functional use of the
6 decision support tool. So after the release of the tool
7 for public use, the partners will rely on their
8 stakeholder collaborators to assist with an extensive
9 outreach and training program to familiarize marine
10 resource users and managers with the elements of the tools
11 and the ways in which it can serve their information
12 decision support needs.

13 After its release, the tool will continue to be
14 improved and evaluated based on stakeholder feedback, as
15 well as integrate new information relating to emerging
16 uses, conditions, and environmental stressors as they
17 become available.

18 Support for the tool will be provided by the
19 parties and continue past the conclusion of this planning
20 process.

21 This planning effort will be founded on robust
22 and extensive stakeholder participation and collaboration
23 throughout the entire planning process. The framework
24 developed under the partnership will ensure meaningful
25 public participation, public accountability and

1 transparency, independent decision making, and the
2 science-based process for adaptive management.

3 Thank you. And we are available to take your
4 questions.

5 CHAIRPERSON YEE: Thank you very much for the
6 great presentation.

7 Questions, members?

8 Comments?

9 Okay. We have a number of speakers for this
10 item. Let me call them up. We have Jenn Eckerle from
11 Environment California. And then I believe from the Port
12 of San Diego, we have both Mrs. Giffen & Nelson. Please
13 come forward.

14 MS. ECKERLE: Good afternoon, Chair Yee, members
15 of the Commission. I'm Jenn Eckerle, ocean policy
16 consultant with Environment California.

17 I also want to say thank you to Patrick and Maren
18 for all of their really hard work and you guys are going
19 to be missed. I look forward to seeing where you wind up
20 next.

21 I just wanted to express my happiness to see that
22 there's a real focus on stakeholder participation and
23 involvement that's very welcome. And we are looking
24 forward to making sure that our colleagues are aware of
25 the process and are engaged. We also really appreciate

1 the focus on integrating science, and having that be a
2 really strong framework for the progress going forward.
3 So I just wanted to say thanks for that.

4 CHAIRPERSON YEE: Thank you.

5 Good afternoon.

6 MR. NELSON: Good afternoon, Chair Yee,
7 Lieutenant Governor Newsom, Commissioner Ortega. My name,
8 for the record, is Job Nelson. I'm the Assistant VP for
9 External Relations for the Port of San Diego.

10 I apologize that I wasn't able to be with you at
11 your October meeting, but I was a mile away shepherding
12 the MOA on the other side through that board meeting.

13 (Laughter.)

14 MR. NELSON: So I'm happy today that I actually
15 get to be here in person. So today, we're talking about
16 launching a process that is not only innovative, but it
17 goes to the core of your strategic plan, and our strategic
18 plan. And I was here a year ago as we were taking up that
19 strategic plan. I was part of your stakeholder group.

20 Our new CEO, Randa Coniglio, has pushed her
21 leadership team to adopt a new vision statement. We do
22 the greatest good by doing remarkably well.

23 And that's what we -- we think that vision also
24 drives this process as we move forward. We are going to
25 do the greatest good for the people of California, both

1 now and in the future, by doing planning remarkably well.

2 And so how do we go about doing that?

3 Well, we -- first, we keep our mission in mind.
4 And you saw that laid out very nicely in terms of the
5 presentation. We've enjoyed working with your Sea Grant
6 Fellows. We have some coming on board ourselves to help
7 us shepherd this process through, but keeping the mission
8 in mind. And we spell out that mission both in our
9 legislative mandate in the Public Trust Doctrine, 2, as
10 was mentioned just previously by the speaker, good
11 science.

12 None of us wants to create a scenario that later
13 on we look back on and say why didn't we think about that.
14 And we do that through good science.

15 And then third, through extensive stakeholder
16 outrage. A pilot by definition is new, and new ideas
17 require thoughtful discourse. And we've already started
18 that discourse, not only with your staff, but with some of
19 the stakeholders. We just had a really long meeting the
20 other day with the Navy to talk about some of the things
21 that they already have going on. And it was long, but it
22 was productive, and we want to make sure that this is done
23 right.

24 The Port of San Diego remains not only committed
25 to this process, but also to doing it remarkably well.

1 And Jason and I, on behalf of Randa, will be the 2 leading
2 this process on behalf of the Port of San Diego. And we
3 believe that when we complete this process, we're going to
4 have something of which we can all be proud.

5 And so with that, I'll turn it over to Jason.

6 MR. GIFFEN: Great. Thanks very much, Job. Good
7 afternoon, Chairperson Yee, Commissioners.

8 Like Job said, my name is Jason Giffen. As his
9 companion, I oversee the Port's planning and green port
10 programs. I'd just like to echo Job's and Randa's support
11 for this item, and specifically thank Chairperson Yee, as
12 well as Anne Baker for helping us and visiting recently in
13 San Diego with us.

14 We're very grateful for the support of the
15 Commission and your staff and everyone else that has
16 already been mentioned, as far as supporting the
17 advancement of ocean planning in San Diego's offshore
18 waters.

19 San Diego has a long tradition of being a leader
20 in the blue economy, whether it be our commitment to
21 fisheries, public access and recreation, environmental
22 stewardship, commerce, or navigation. And our region and
23 the Port's leadership has been steadfast, but this
24 commitment doesn't happen by chance.

25 We are the birthplace of Naval aviation, a hub

1 for a growing cluster of blue technology entrepreneurs,
2 and pioneers in adaptive natural resource management for a
3 reason.

4 Leaders and stakeholders in the region have been
5 strategic and collaborative on these ideas, while never
6 losing sight of what makes San Diego Bay and our
7 surroundings great. It's a high quality of life, an
8 unbridled entrepreneurial spirit, and a passion for
9 leading scientific research and, of course, a very engaged
10 and passionate public.

11 So as we embark on our workplan in the coming
12 year, we will collect information across all levels of
13 government. Job mentioned the Navy. We've also been in
14 discussions this week with the National Ocean Service.
15 And with that work amongst a broad coalition of
16 stakeholders and agencies, we're already beginning to
17 receive some very positive responses in terms of this
18 proactive planning approach.

19 We're excited to explore opportunities like
20 mitigation banking, carbon sequestration, blue technology
21 research and development, fisheries and fisheries
22 enhancement, just to name a few.

23 So with the beginning of the process, we're eager
24 to start. We're talked a lot about Sea Grant Fellows. We
25 don't have ours yet, because this is going to be -- 2017

1 os going to be our inaugural year. We've had the
2 privilege of working with State Lands staff and Patrick
3 and Maren.

4 And I also want to say we met Rhys and Alicia
5 that were in the Lieutenant Governor's office when they
6 were on a recent visit to San Diego. So we're going to
7 not just double down, we're going to triple down. We've
8 got 3 Sea Grant Fellows that are going to be helping us in
9 San Diego on this as well as many other efforts.

10 So thanks for your continued support and we look
11 forward to more dialogue on this in 2017.

12 CHAIRPERSON YEE: Great. Thank you so much.

13 Comments, Commissioners?

14 First, let me just say, thank you for the
15 tremendous work.

16 Could I get the 2 Sea Grant Fellows to come
17 forward again.

18 Would you mind telling us what you will be doing
19 when your fellowship ends?

20 MR. MULCAHY: That's what our parents keep asking
21 us.

22 (Laughter.)

23 MS. FARNUM: We are both still actively looking
24 for work and applying to lots of great opportunities here
25 in Sacramento and all over the State, so --

1 CHAIRPERSON YEE: Okay. Great. Well, I just
2 wanted to point out, we have a great employer in the Port
3 of San Diego that's here.

4 (Laughter.)

5 CHAIRPERSON YEE: And I also wanted to
6 congratulate Jenn Eckerle who is heading over here to be
7 the Executive Director of the Ocean Protection Council.
8 So I think it's one big family that sticks together to do
9 this work. So we hope to see you still involved in this.

10 MS. FARNUM: Thank you. We've had an amazing
11 experience. So we just want to thank all of the staff and
12 you as the Commissioners as well.

13 CHAIRPERSON YEE: Congratulations on this great
14 work. Thank you. Thank you.

15 MR. MULCAHY: Thank you.

16 MS. FARNUM: Thank you.

17 CHAIRPERSON YEE: And just on the project
18 generally, I have to say that just setting foot in San
19 Diego, the excitement over this is palpable. The idea
20 that we can have a stakeholder driven scientific-based
21 process in trying to deal with some of these issues is
22 just really tremendous and hopefully will be a model for
23 other parts of the country and the world. So thank you.
24 Thank you.

25 All right. Other comments, members, on this?

1 Okay. Lets see, I believe the next item on the
2 agenda is public comment, is that right?

3 EXECUTIVE OFFICER LUCCHESI: That's correct. I
4 don't have any speaker slips in front of me for public
5 comment

6 CHAIRPERSON YEE: I don't either.

7 Are there any members of the public who wish to
8 address the Commission?

9 Okay.

10 Seeing none.

11 Commissioners, further comments?

12 Okay. I think we've had a full meeting. Thank
13 you.

14 With that, and with extension of wishes of Happy
15 Holidays, we are adjourned.

16 Thank you all very much.

17 (Thereupon the California State Lands

18 Commission meeting adjourned at 1:58 p.m.)

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 12th day of December, 2016.

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