

MEETING  
STATE OF CALIFORNIA  
LANDS COMMISSION

SHERATON GATEWAY LOS ANGELES HOTEL  
SAN CLEMENTE ROOM  
6101 WEST CENTURY BOULEVARD  
LOS ANGELES, CALIFORNIA

FRIDAY, AUGUST 23, 2019  
1:00 P.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. Eleni Kounalakis, Lieutenant Governor, Chairperson

Ms. Betty T. Yee, State Controller

Ms. Keely Bosler, Director of Department of Finance,  
represented by Ms. Gayle Miller

STAFF:

Ms. Jennifer Lucchesi, Executive Officer

Mr. Colin Connor, Assistant Executive Officer

Mr. Mark Meier, Chief Counsel

Ms. Jalal Abadi, Petroleum Resources Engineer, Mineral  
Resources Management Division

Ms. Pamela Griggs, Assistant Chief Counsel

Ms. Grace Kato, Assistant Chief, Land Management Division

Mr. Philip Schlatter, Informational Technician Supervisor,  
Information Services Division

ATTORNEY GENERAL:

Mr. Andrew Vogel, Deputy Attorney General

ALSO PRESENT:

Mr. Brett Balint, Therica

Ms. Eva Cicora

Mr. Chris Clarke, National Parks Conservation Association

Mr. Stewart Cushman

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

ALSO PRESENT:

Mr. Garry George, National Audubon Society

Mr. Bob Grundstrom, California Resources Corporation

Ms. Janet Gunter, San Pedro Peninsula Homeowners United

Dr. Joe Lyou, Coalition for Clean Air

Mr. Jesse Marquez, Coalition for a Safe Environment

Ms. Marisa Mitchell, Intersect Power

Mr. John Monsen

Mr. Antoine Peiffer, Principle Power, Inc.

Mr. Gene Seroka, Port of Los Angeles

Mr. Robert van de Hoek

Mr. Noel Weiss

Mr. Mike Young, California League of Conservation Voters

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I 1:00 PM - Open Session	1
II Confirmation of Minutes for the June 28, 2019 meeting	2
III Executive Officer's Report Continuation of Rent Actions to be taken by the Executive Officer pursuant to the Commission's Delegation of Authority - no items.	2
IV Consent Calendar 01-74 The following items are considered to be noncontroversial and are subject to change at any time up to the date of the meeting.	16

Land Management

Northern Region

- 01 BRUCK-MCLAIN PROPERTIES, A GENERAL PARTNERSHIP; GARY R. SITZMANN AND LINDY LOU SITZMANN, CO-TRUSTEES OF THE JENNIFER B. LAVIS 2010 IRREVOCABLE TRUST U/A/D JUNE 25, 2010; AND GARY R. SITZMANN AND LINDY LOU SITZMANN, CO-TRUSTEES OF THE MATTHEW M. SITZMANN 2010 IRREVOCABLE TRUST U/A/D JUNE 25, 2010 (APPLICANT): Consider acceptance of a lease quitclaim deed for Lease No. PRC 3368.1, a General Lease - Recreational Use, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 6960 West Lake Boulevard, Assessor's Parcel Numbers 098-210-026 and 098-210-027, near Tahoma, Placer County; for the removal and reconstruction of an existing pier and appurtenant facilities, installation of a boat lift, removal of one existing mooring buoy, and use and maintenance of three existing mooring buoys. CEQA Consideration: categorical exemptions. (PRC 3368.1; RA# 15318) (A 1; S 1) (Staff: M.J. Columbus)
- 02 BST III OWNERS ASSOCIATION, INC. (APPLICANT/LESSEE); BROCKWAY SPRINGS RECREATION AREA (SUBLESSEE): Consider application for General Lease - Recreational Use, and approval of a sublease, of sovereign land located in Lake Tahoe, adjacent to 9680 Brockway Springs Drive, near Brockway, Placer County; for an existing pier with floating dock and gangway, hot springs deck and breakwater, swim area with swim line and float, and 15 mooring buoys. CEQA Consideration: categorical

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- exemption. (PRC 1691.1; RA# 08717) (A 1; S 1) (Staff: A. Franzoia)
- 03 ROBERT BUCCOLA (LESSEE): Consider amendment of lease and revision of rent to Lease No. PRC 8420.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2169 Cascade Road, near South Lake Tahoe, El Dorado County; for an existing pier and boat lift. CEQA Consideration: not a project. (PRC 8420.1) (A 5; S 1) (Staff: J. Toy)
- 04 STEVE CHADARIS AND JANNINE CHADARIS (LESSEE); JOHN GRANT LEWIS AND SHAINI LEWIS (APPLICANT): Consider acceptance of a lease quitclaim deed for Lease No. PRC 7991.9. a General Lease - Recreational and Protective Structure Use, and application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 10005 Garden Highway, near Verona, Sutter County; for an existing covered boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (PRC 7991.1; RA# R33617) (A 3; S 4) (Staff: J. Toy)
- 05 STEPHEN RICHARD COMBS AND CATHERINE BOURCHARD COMBS, TRUSTEES OF THE SRCCBC FAMILY TRUST U/D/T DATED OCTOBER 5, 1996 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3344 Edgewater Drive, near Tahoe City, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (PRC 8308.1; A2085; RA# 27818) (A 1; S 1) (Staff: N. Lee)
- 06 COUNTY OF GLENN (LESSEE): Consider amendment to Lease No. PRC 6739.9, a General Permit - Public Agency Use, of sovereign land located in the Sacramento River, near Butte City, Glenn County; to allow maintenance dredging at the Butte City Boat Launch. CEQA Consideration: categorical exemption. (PRC 6739.9; RA# 20318) (A 3; S 4) (Staff: S. Avila)
- 07 COUNTY OF SONOMA (LESSEE): Consider amendment to Lease No. PRC 9166.9, a General Lease - Public Agency Use, of sovereign land located in the Russian River, near Santa Rosa, Sonoma County; for the Wohler Road Bridge Seismic Retrofit Project. CEQA Consideration: Mitigated Negative Declaration, adopted by Sonoma County, State Clearinghouse No. 2014082054. (PRC 9166.9; A2123; RA# 32718) (A 2; S 2) (Staff: A. Franzoia)

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- 08 MAX W. DAY AND ALVENA V. DAY AS TRUSTEES OF THE DAY FAMILY TRUST ESTABLISHED FEBRUARY 16, 1999; AND 4775 WEST LAKE BLVD, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4760 West Lake Boulevard, near Homewood, Placer County; for an existing joint-use pier, boathouse with boat lift, and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 4866.1; RA# 23818) (A 1; S 1) (Staff: J. Toy)
- 09 TAMARA A. FRITZ, AS TRUSTEE OF THAT CERTAIN DECLARATION OF TRUST DATED JULY 3, 2006, AS AMENDED, AS ESTABLISHED BY TAMARA A. FRITZ (LESSEE); GOLDEN RANGE LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider termination of a General Lease - Recreational Use, Lease No. PRC 4918.9, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2360 Sunnyside Lane, near Tahoe City, Placer County; for an existing pier, boat lift, and two mooring buoys previously authorized by the Commission; and for two existing freshwater intake pipelines with electrical conduits and pumps not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 4918.1; A2094; RA# 28218) (A 1; S 1) (Staff: S. Avila)
- 10 JEFFREY H. HILLER AND STEPHEN S. HILLER (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 6850 and 6860 West Lake Boulevard, near Tahoma, Placer County; for an existing pier, marine railway, three boat lifts, and four mooring buoys. CEQA Consideration: categorical exemption. (PRC 5113.1; A1051; RA# 29318) (A 1; S 1) (Staff: S. Avila)
- 11 LUCKY BLUFF, LLC (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 9115 State Highway 89, near Rubicon Bay, El Dorado County; for an existing pier, boat lift, and two mooring buoys. CEQA Consideration: categorical exemption. (PRC 7279.1; RA# 19318) (A 5; S 1) (Staff: S. Avila)
- 12 SIENNA PARTNERS, LLC; LEE J. SCHWEICHLER, TRUSTEE OF THE ANN W. SCHWEICHLER QUALIFIED PERSONAL RESIDENCE TRUST, DATED SEPTEMBER 10, 2009; AND ANN W. SCHWEICHLER, TRUSTEE OF THE LEE J. SCHWEICHLER

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- QUALIFIED PERSONAL RESIDENCE TRUST, DATED SEPTEMBER 10, 2009 (LESSEE): Consider rescission of approval and issuance of an amendment to Lease No. PRC 6819.1, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8375 and 8381 Meeks Bay, near Meeks Bay, El Dorado County; for four existing mooring buoys and a sundeck with safety railings; and reconstruction of an existing pier and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 6819.1; RA# 21118) (A 5; S 1) (Staff: M.J. Columbus)
- 13 SUNNYSIDE LANE, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (LESSEE); GOLDEN RANGE LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider waiver of rent, penalty, and interest; termination of a General Lease - Recreational Use, Lease No. PRC 3813.1; and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2340 Sunnyside Lane, near Tahoe City, Placer County; for an existing pier, two boat slips, and two mooring buoys previously authorized by the Commission; and for two existing freshwater intake pipelines with electrical conduits and pumps not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 3813.1; A2091; RA# 28118) (A 1; S 1) (Staff: S. Avila)
- Bay / Delta Region
- 14 237 NORTH FIRST STREET HOLDINGS, LLC (APPLICANT): Consider application for a General Lease - Other, of filled sovereign land located in the historic bed of the Guadalupe River, adjacent to Highway 237 and the Guadalupe River, San Jose, Santa Clara County; for cleanup and maintenance of existing open space. CEQA Consideration: categorical and statutory exemption. (A2060; RA# 25718) (A 25; S 10) (Staff: M. Schroeder)
- 15 COLIN BOONE ARNOLD AND VICTORIA LYNN ARNOLD, TRUSTEES OF THE ARNOLD FAMILY REVOCABLE TRUST, DATED AUGUST 23, 1994 (LESSEE): Consider revision of rent to Lease No. PRC 7231.1, a General Lease - Recreational and Protective Structure Use of sovereign land located in the Sacramento River, adjacent to 2851 Garden Highway, near Sacramento, Sacramento County; for an existing covered boat dock, appurtenant facilities, and bank protection. CEQA Consideration: not a project. (PRC 7231.1) (A 7; S 6) (Staff: D. Tutov)

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- 16 BANK OF THE WEST, SUCCESSOR BY MERGER WITH UNION SAFE DEPOSIT BANK, SUCCESSOR TRUSTEE OF THE VIVIAN CERNA PRINCE TRUST DATED DECEMBER 31, 1982 (LESSEE); SANDY MAWHSUAN CHU AND MIKE CHIALI CHU (APPLICANT): Consider termination of Lease No. PRC 8999.1, a General Lease - Recreational and Protective Structure Use, waiver of rent, penalty, and interest, and application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the historic bed of the San Joaquin River, adjacent to 13 Atherton Island, Stockton, San Joaquin County; for an existing boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (PRC 8999.1; RA# 09817) (A 13; S 5) (Staff: J. Holt)
- 17 JACK M. BERTMAN, MD, TRUSTEE OF THE JACK M. BERTMAN, MD INC., PROFIT SHARING PLAN AND TRUST (ASSIGNOR); JANET MAE BLACK (ASSIGNEE): Consider assignment of Lease No. PRC 9254.1, a General Lease - Recreational Use, of sovereign land located in Corte Madera Creek, adjacent to 35 Greenbrae Boardwalk, near Larkspur, Marin County; for an existing deck, boat dock and appurtenant facilities. CEQA Consideration: not a project. (PRC 9254.1; A2071; RA# 26618) (A 10; S 2) (Staff: D. Tutov)
- 18 BRIDGE MARINA YACHT CLUB (LESSEE): Consider revision of rent to Lease No. PRC 3820.1, a General Lease - Recreational Use of sovereign land located in the San Joaquin River, adjacent to 20 Fleming Lane, in Antioch (Parcel A-1), and in Dutch Slough adjacent to an unnamed island identified as Assessor Parcel Number 037-191-016 (Parcel A-2), Contra Costa County; for an existing yacht club house, boat dock and covered platform. CEQA Consideration: not a project. (PRC 3820.1) (A 11; S 7) (Staff: N. Lavoie)
- 19 BURLINGAME POINT, LLC (LESSEE): Consider rescission of approval and authorization of an agreement and consent to encumbrancing of Lease No. PRC 9084.1, a General Lease - Recreational, Protective Structure, and Other Use, of sovereign land adjacent to San Francisco Bay in Burlingame, San Mateo County; for reconstruction of a portion of the San Francisco Bay Trail, new construction of a public access driveway, and interim improvements to Fisherman's Park including public parking. CEQA Consideration: not a project. (PRC 9084.1; RA# 16518) (A 22; S 13) (Staff: A. Franzoia)

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- 20 C&H SUGAR COMPANY (LESSEE): Consider continuation of rent for Lease No. PRC 7659.1, a General Lease - Industrial Use, of sovereign land adjacent to 830 Loring Avenue in the Carquinez Strait, Crockett, Contra Costa County; for a sugar refinery, dock, and outfall pipelines. CEQA Consideration: not a project. (PRC 7659.1) (A 14; S 3) (Staff: N. Lavoie)
- 21 MICHAEL J. CHILELLI AND CYNTHIA L. CHILELLI (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 2281 Garden Highway, Sacramento, Sacramento County; for two existing pilings and bank protection. CEQA Consideration: categorical exemption. (PRC 5140.1; RA# 31912) (A 7; S 6) (Staff: M. Schroeder)
- 22 JAMES C. CHRISTIE AND SALLY A. CHRISTIE, TRUSTEES OF THE CHRISTIE FAMILY TRUST, DATED APRIL 19, 2006 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 13850 State Highway 160, near Walnut Grove, Sacramento County; for an existing covered boat dock, appurtenant facilities and bank protection. CEQA Consideration: categorical exemption. (PRC 7418.1; A2112; RA# 29718) (A 11; S 3) (Staff: D. Tutov)
- 23 CITY OF SACRAMENTO (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the American River near Sacramento, Sacramento County; for fish habitat restoration. CEQA Consideration: Mitigated Negative Declaration, adopted by the City of Sacramento, State Clearinghouse No. 2019069088 and adoption of a Mitigation Monitoring Program. (A2197; RA# 2019036) (A 6, 8; S 1) (Staff: D. Tutov)
- 24 CITY OF SACRAMENTO (LESSEE/SUBLESSOR); HORNBLOWER YACHTS, INC., DIVERSIFIED RESTAURANT CONCEPTS dba RIVER CITY QUEEN, AND SAC BREW BOAT, LLC (SUBLESSEES): Consider amendment of one sublease and endorsement of two subleases under Lease No. PRC 7001.1, a General Lease - Public Agency Use, of sovereign land located in the Sacramento River, between the "I" Street Bridge and the Tower Bridge, Sacramento, Sacramento County; for riverfront commercial use. CEQA Consideration: not a project. (PRC 7001.1; A2074; RA# 34017) (A 7; S 6) (Staff: M. Schroeder)

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- 25 COMCAST OF CALIFORNIA XII, LLC (LESSEE): Consider revision of rent to Lease No. PRC 9163.1, a General Lease - Right-of-Way Use, of sovereign land in the Tuolumne River, at the Carpenter Road Bridge, adjacent to Assessor's Parcel Numbers 017-021-001, 017-026-023, 037-037-001, and 056-026-032, Modesto, Stanislaus County; for an existing fiber optic cable inside a conduit. CEQA Consideration: not a project. (PRC 9163.1) (A 21; S 12) (Staff: N. Lavoie)
- 26 CHRISTOPHER CULLY AND RAYLENE CULLY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 6981 Garden Highway, near Sacramento, Sacramento County, for an existing dock and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 8847.1; A2055; RA# 26318) (A 7; S 6) (Staff: J. Holt)
- 27 DONALD G. DOPKINS AND JANET N. DOPKINS, CO-TRUSTEES OF THE DOPKINS FAMILY TRUST DATED FEBRUARY 21, 1997 (ASSIGNOR); SHANNON CLEMENCE (ASSIGNEE): Consider assignment of Lease No. PRC 9313.1, a General Lease - Recreational and Residential Use, of sovereign land located in Mare Island Strait, adjacent to 46 Sandy Beach Road, near Vallejo, Solano County; for a portion of an existing residence, deck, and appurtenant facilities. CEQA Consideration: not a project. (PRC 9313.1; A2078; RA# 27718) (A 14; S 3) (Staff: D. Tutov)
- 28 NATHAN FORAN (APPLICANT): Consider application for a General Lease - Residential, Recreational, Protective Structure Use, of sovereign land located in Corte Madera Creek, adjacent to 20 Lucky Drive, near Greenbrae, Marin County; for an existing dock, ramp, and appurtenant facilities previously authorized by the Commission; and a portion of an existing residence, deck, and bank protection not previously authorized by the Commission; and the proposed construction of a dock extension. CEQA Consideration: categorical exemption. (PRC 8474.1; A1059; RA# 29518) (A 10; S 2) (Staff: V. Caldwell)
- 29 LARRY FRANK GORHAM AND LINDA JEAN GORHAM, AS TRUSTEES OF THE LARRY F. GORHAM AND LINDA J. GORHAM REVOCABLE FAMILY TRUST, DATED JANUARY 25, 1994 (LESSEE): Consider revision of rent to Lease No. PRC 8561.1, a General Lease - Recreational Use, of sovereign land in the Sacramento River, adjacent to 13840 State Highway

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- 160, Walnut Grove, Sacramento County; for a boat dock and appurtenant facilities. CEQA Consideration: not a project. (PRC 8561.1) (A 11; S 3) (Staff: N. Lavoie)
- 30 KEITH HILLEN AND MARY HILLEN (LESSEE); DANETTE S. SMITH AND MICHAEL D. SMITH (APPLICANT): Consider acceptance of a lease quitclaim deed for Lease No. PRC 4777.1, a General Lease - Recreational and Protective Structure Use, and an application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 5307 Garden Highway, near Sacramento, Sacramento County; for an existing boat dock, appurtenant facilities, and bank protection previously authorized by the Commission, and an existing boat lift not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 4777.1; A2116; RA# 30118) (A 7; S 6) (Staff: G. Asimakopoulos)
- 31 JOSEPH J. KALINE AND NORMA F. KALINE, AS TRUSTEES UNDER THE LIVING TRUST AGREEMENT OF JOSEPH J. KALINE AND NORMA F. KALINE DATED AUGUST 1, 2006 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Petaluma River, adjacent to 25 Havenwood Road, near Novato, Marin County; for an existing pier, ramp, and boat dock. CEQA Consideration: categorical exemption. (PRC 3583.1; A2099; RA# 28618) (A 10; S 2) (Staff: J. Holt)
- 32 TIMOTHY J. LAUGHLIN, TRUSTEE OF THE TIMOTHY J. LAUGHLIN TRUST UNDER DECLARATION OF TRUST DATED MAY 13, 1998 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 5295 Garden Highway, near Sacramento, Sacramento County; for an existing covered boat dock with boat slip, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (PRC 7612.1; RA# 23018) (A 7; S 6) (Staff: J. Holt)
- 33 MILLBRAE HIGHLANDS CO., L.P. (LESSEE): Consider revision of rent to Lease No. PRC 5211.1, a General Lease - Recreational Use, of sovereign land in Corte Madera Creek, adjacent to 1005 South Eliseo Drive, near Greenbrae, Marin County; for an existing boat dock. CEQA Consideration: not a project. (PRC 5211.1) (A 10; S 2) (Staff: N. Lavoie)

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- 34 MICHAEL R. OCHOA, AS TRUSTEE OF THE MICHAEL R. OCHOA LIVING TRUST, U/A DATED MARCH 24, 2016 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 3071 Garden Highway, near Sacramento, Sacramento County; for an existing boat dock, appurtenant facilities, and bank protection previously authorized by the Commission, and the use and maintenance of an existing boat dock cover, boat lift, and electric and water utility conduits not previously authorized by the Commission. CEQA Consideration: categorical exemption. (PRC 5377.1; A2044; RA# 24118) (A 7; S 6) (Staff: G. Asimakopoulos)
- 35 SAN JOAQUIN DELTA POWER SQUADRON (LESSEE): Consider revision of rent to Lease No. PRC 5212.1, a General Lease - Recreational and Protective Structure Use, of sovereign land located in the historic bed of the San Joaquin River, adjacent to Headreach Island, Stockton, San Joaquin County; for an existing boat dock, ramp, ten pilings, one concrete pad with a wooden platform and patio roof, one concrete pad with barbecue grills, built-in bench, retaining wall, and three speed control signs. CEQA Consideration: not a project. (PRC 5212.1) (A 13; S 5) (Staff: J. Holt)
- 36 SANTA FE PACIFIC PARTNERS, L.P. (SFPP), OPERATING PARTNERS TO KINDER MORGAN ENERGY PARTNERS, L.P. (LESSEE): Consider continuation of rent for Lease No. PRC 8486.1 a General Lease - Right-of-Way Use, of sovereign land located in various rivers, sloughs and creeks, as well as San Francisco Bay and the Carquinez Strait, Contra Costa and Solano Counties; for two petroleum pipelines. CEQA Consideration: not a project. (PRC 8486.1) (A 11, 14; S 3, 7) (Staff: N. Lavoie)
- 37 BRUCE J. SEVIER AND GAYLE E. LEA SEVIER, TRUSTEES, THE BRUCE AND GAYLE SEVIER FAMILY TRUST OF 2008, DATED FEBRUARY 3, 2009 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 7283 Garden Highway, near Sacramento, Sacramento County; for an existing boat dock, boat lift, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (PRC 7768.1; RA# 22918) (A 7; S 6) (Staff: G. Asimakopoulos)

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- 38 PAUL SMITH (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Tomales Bay, adjacent to 18863 State Route 1, Marin County; for an existing mooring buoy not previously authorized by the Commission. CEQA Consideration: Negative Declaration, adopted by the California State Lands Commission, State Clearinghouse No. 2012082074. (W 27231; RA# 28815) (A 10; S 2) (Staff: D. Tutov)
- 39 TOM STOCKL (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Tomales Bay, adjacent to 18863 State Route 1, Marin County; for an existing mooring buoy not previously authorized by the Commission. CEQA Consideration: Negative Declaration, adopted by the California State Lands Commission, State Clearinghouse No. 2012082074. (W 27228; RA# 34515) (A 10; S 2) (Staff: D. Tutov)
- 40 ROBERT E. SUTHERLAND AND BETTY J. SUTHERLAND (LESSEE): Consider amendment of Lease No. PRC 9183.1, a General Lease - Recreational and Protective Structure Use, of sovereign land located in Steamboat Slough, adjacent to 3404 Snug Harbor Drive, on Ryer Island, near Walnut Grove, Solano County; to modify the lease area and authorized improvements. CEQA Consideration: categorical exemption. (PRC 9183.1; A2167) (A 11; S 3) (Staff: V. Caldwell)

Central / Southern Region

- 41 ACTION ZIPLINE, INC. DBA ACTION FLYBOARDING (LESSEE): Consider acceptance of a lease quitclaim deed and termination of Lease No. PRC 9343.1, a General Lease - Commercial Use, of sovereign land located in the Pacific Ocean, near Frog Rock, Santa Catalina Island, Los Angeles County; for an existing boat dock and six anchors. CEQA Consideration: not a project. (PRC 9343.1; RA# 18017) (A 70; S 26) (Staff: D. Simpkin)
- 42 STEVEN DOUGLAS ATKINSON AND CHERI VIOLET ATKINSON, TRUSTEES OF THE ATKINSON FAMILY TRUST UNDER DECLARATION OF TRUST DATED JULY 18, 1993 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Main Channel of Huntington Harbour adjacent to 16702 Coral Cay Lane, Huntington Beach, Orange County; for an existing boat dock, access ramp, and cantilevered

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- deck not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 27021; A2083; RA# 21418) (A 72; S 34) (Staff: L. Pino)
- 43 BRADLEY B. LLC (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Main Channel of Huntington Harbour adjacent to 16712 Coral Cay Lane, Huntington Beach, Orange County; for an existing boat dock, access ramp, and two cantilevered decks. CEQA Consideration: categorical exemption. (PRC 5702.1; A2061; RA# 25818) (A 72; S 34) (Staff: L. Pino)
- 44 CABRILLO POWER I LLC (LESSEE): Consider revision of rent to Lease No. PRC 932.1, a General Lease - Beach Nourishment Use, of sovereign land located in the Pacific Ocean, adjacent to Carlsbad State Beach and Agua Hedionda Lagoon, Carlsbad, San Diego County; for placement of suitable dredge materials. CEQA Consideration: not a project. (PRC 932.1) (A 76; S 36) (Staff: K. Foster)
- 45 CAYUCOS SANITARY DISTRICT (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the Pacific Ocean at Estero Bay, near Morro Bay, San Luis Obispo County; for the installation of a wastewater outfall pipeline and diffuser. CEQA Consideration: Mitigated Negative Declaration, adopted by Cayucos Sanitary District, State Clearinghouse No. 2016041078, and adoption of a Mitigation and Monitoring Program. (A2103; RA# 28918) (A 35; S 17) (Staff: C. Hudson)
- 46 CHEVRON ENVIRONMENTAL MANAGEMENT COMPANY (LESSEE): Consider application for acceptance of a partial lease quitclaim deed and amendment to Lease No. PRC 8100.1, a General Lease - Industrial Use, of sovereign land located in the Pacific Ocean, at Estero Bay, near Morro Bay, San Luis Obispo County; for the transfer and reuse of Load Line 2 to Cayucos Sanitary District. CEQA Consideration: not a project. (PRC 8100.1; RA# 31006) (A 35; S 17) (Staff: C. Hudson)
- 47 CHEVRON PRODUCTS COMPANY, A DIVISION OF CHEVRON USA, INC. (APPLICANT): Consider application for a General Lease - Industrial Use, of sovereign land located in the Pacific Ocean, Santa Monica Bay, near El Segundo, Los Angeles County; for an existing wastewater outfall pipeline. CEQA Consideration: categorical exemption. (PRC 1915.1; RA# 10118) (A 62; S 26) (Staff: D. Simpkin)

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- 48 THOMAS CHOW (LESSEE); JIA-PEIR WANG AND YUEH-CHIN-HSU WANG, CO-TRUSTEES OF THE WANG FAMILY TRUST DATED FEBRUARY 15, 1996 (APPLICANT): Consider termination of Lease No. PRC 5742.1, a General Lease - Recreational Use; and application for a General Lease - Recreational Use, of sovereign land located in the Main Channel of Huntington Harbour adjacent to 16722 Coral Cay Lane, Huntington Beach, Orange County; for an existing boat dock, access ramp, and cantilevered deck. CEQA Consideration: categorical exemption. (PRC 5742.1; RA# 13218) (A 72; S 34) (Staff: K. Connor)
- 49 IRENE WINIFRED COOPER (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Midway Channel of Huntington Harbour adjacent to 3522 Gilbert Drive, Huntington Beach, Orange County; for an existing boat dock, access ramp, and cantilevered deck. CEQA Consideration: categorical exemption. (PRC 3247.1; A2143; RA# 32318) (A 72; S 34) (Staff: L. Pino)
- 50 DEAN EDWARD DAUGER, TRUSTEE OF THE ALAN B. DAUGER QUALIFIED PERSONAL RESIDENCE TRUST DATED MAY 20, 1999, FBO DEAN EDWARD DAUGER; AND DEAN EDWARD DAUGER, TRUSTEE OF THE MARLENE CHENG DAUGER QUALIFIED PERSONAL RESIDENCE TRUST DATED MAY 20, 1999, FBO DEAN EDWARD DAUGER (APPLICANT): Consider rescission of approval, and issuance of a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Main Channel of Huntington Harbour, adjacent to 3582 Venture Drive, Huntington Beach, Orange County; for an existing boat dock, access ramp, cantilevered deck, and bulkhead protection. CEQA Consideration: categorical exemption. (PRC 8284.1; RA# 26016) (A 72; S 34) (Staff: K. Connor, B. Johnson)
- 51 FREEPORT-MCMORAN OIL & GAS, LLC (LESSEE): Consider continuation of rent for Lease No. PRC 6911.1, a General Lease - Right-of-Way Use, of sovereign land in the Pacific Ocean, near Point Pedernales, Santa Barbara County; for an existing oil pipeline, gas pipeline, wastewater pipeline, and a power cable serving Platform Irene in federal waters. CEQA Consideration: not a project. (PRC 6911.1) (A 35; S 19) (Staff: K. Foster)
- 52 GILL RANCH STORAGE, LLC (ASSIGNOR); SENSА HOLDINGS, LLC (APPLICANT): Consider assignment and amendment of Lease No. PRC 8863.1, a General Lease - Right-of-Way Use, of sovereign land located in the San Joaquin

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- River and Fresno Slough, near Mendota, Fresno and Madera Counties; for a natural gas pipeline. CEQA Consideration: not a project. (PRC 8863.1; A2062; RA# 25918) (A 5, 31; S 12) (Staff: R. Collins)
- 53 LOS ANGELES COUNTY FLOOD CONTROL DISTRICT (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land in the Pacific Ocean, near Pacific Palisades, Los Angeles County; for two existing concrete box culverts. CEQA Consideration: categorical exemption. (PRC 4216.9; A2063; RA# 26018) (A 50; S 26) (Staff: K. Connor)
- 54 MERCED IRRIGATION DISTRICT (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the Merced River adjacent to 4567 Merced Falls Road, Snelling, Merced County; for the proposed Merced River Floodplain Restoration Project. CEQA Consideration: Mitigated Negative Declaration, adopted by the Merced Irrigation District, State Clearinghouse No. 2019039146, and adoption of a Mitigation Monitoring Program. (A2025; RA# 24518) (A 24; S 12) (L. Pino)
- 55 CHRISTOPHER M. OWENS (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Midway Channel of Huntington Harbour, adjacent to 3565 Courtside Circle, Huntington Beach, Orange County; for an existing boat dock, access ramp, and cantilevered deck not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W 27005; A2065; RA# 26218) (A 72; S 34) (Staff: K. Connor)
- 56 PARADISE COVE LAND COMPANY, LLC (APPLICANT): Consider application for a General Lease - Commercial Use, of sovereign land located in the Pacific Ocean at Paradise Cove, Malibu, Los Angeles County; for an existing pier. CEQA Consideration: categorical exemption. (PRC 391.1; RA# 11718) (A 50; S 27) (Staff: D. Simpkin)
- 57 STEVEN RAMELOT, AS TRUSTEE OF THE STEVEN RAMELOT FAMILY TRUST, U/A DATED JULY 6, 2012 (LESSEE): Consider amendment of Lease No. PRC 3086.1, a General Lease - Recreational Use, of sovereign land located in the Main Channel of Huntington Harbour adjacent to 16442 Malden Circle, Huntington Beach, Orange County; for removal and replacement of a dock. CEQA Consideration: categorical exemption. (PRC 3086.1; RA# 17717) (A 72; S 34) (Staff: L. Pino)

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- 58 SAN PEDRO BAY PIPELINE COMPANY (LESSEE): Consider revision of rent and bonding to Lease No. PRC 5636.1, a General Lease - Right-of-Way Use, of sovereign land located in the Pacific Ocean, near Huntington Beach and Seal Beach, Orange County; for an existing oil pipeline. CEQA Consideration: not projects. (PRC 5636.1) (A 70, 72, 74; S 33, 34, 37) (Staff: L. Pino)
- 59 VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in Burton Mesa Ecological Reserve, near Lompoc, Santa Barbara County; for two existing water storage tanks, water pipeline, and an access road. CEQA Consideration: categorical exemption. (PRC 7611.1; RA# 17218) (A 35; S 19) (Staff: R. Collins)

School Lands

- 60 CITY OF LOS ANGELES, DEPARTMENT OF WATER AND POWER (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of State-owned school land within a portion of Section 36, Township 2 South, Range 31 East, MDM, near Bishop, Mono County; for an existing electrical transmission line and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 4645.2; A2077; RA# 27518) (A 5; S 8) (Staff: C. Hudson)
- 61 IP ATHOS, LLC, AND IP ATHOS II, LLC (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of State-owned school land located in Section 16, Township 5 South, Range 16 East, SBM, northeast of Desert Center, Riverside County; for construction, use and maintenance of overhead and underground electrical transmission lines and circuits, underground fiber optic cables and an unpaved access road. CEQA Consideration: Environmental Impact Report, certified by Riverside County, State Clearinghouse No. 2018051021, and adoption of a Mitigation Monitoring Program and Statement of Findings. (A2030; RA# 25018) (A 56; S 28) (Staff: J. Porter)
- 62 SOUTHERN CALIFORNIA GAS COMPANY (LESSEE): Consider continuation of rent for Lease No. PRC 8836.2 a General Lease - Right-of-Way Use, of 17.88 acres, more or less, of State school land located on two parcels in portions of Section 16, Township 5 North, Range 15

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East and Section 36, Township 3 North, Range 12 East, SBM, near Twentynine Palms, San Bernardino County; for an existing natural gas pipeline, two block valves, and one cathodic protection rectifier. CEQA Consideration: not a project. (PRC 8836.2) (A 33; S 16) (Staff: K. Foster)

Mineral Resources Management

- 63 CPN WILD HORSE GEOTHERMAL, LLC (LESSEE): Consider amendment to Lease No. PRC 8844.2, Assessor's Parcel Numbers 117-210-010 and 117-220-007, containing approximately 400 acres of State 100 percent reserved mineral interest in State school lands located within portions of Sections 33, 34, and 35, Township 12 North, Range 9 West, MDBM, in The Geysers geothermal field, Sonoma County. CEQA Consideration: Mitigated Negative Declaration, adopted by Sonoma County, State Clearinghouse Nos. 2009042009 and 2009042013. (PRC 8844.2, A2148; RA# 32818) (A 2; S 2) (Staff: N. Saito)
- 64 IP ATHOS, LLC (APPLICANT): Consider application for a modification of the State's Right of Surface Entry on approximately 234.25 acres of State reserved mineral interest in State school land, Assessor's Parcel Numbers: 811-180-003, 004, 005, and 811-180-024, Riverside, County. CEQA Consideration: not a project. (W 40999; RA# 16418) (A 56; S 28) (Staff: R. Lee)
- 65 LINCOLN GOLD US CORP. (APPLICANT): Consider application for a prospecting permit for precious metals and minerals other than oil, gas, geothermal resources, or sand and gravel for Assessor's Parcel Number 050-320-018, containing approximately 607.52 acres of State fee-owned school land, located within Section 16, Township 15 South, Range 21 East, SBM, Imperial County. CEQA Consideration: categorical exemption. (W 41001; RA# 25318) (A 56; S 40) (Staff: R. Lee)
- 66 MADERA COUNTY PUBLIC WORKS DEPARTMENT (APPLICANT): Consider application for a Non-Exclusive Geological Survey Permit on sovereign lands located in the San Joaquin River, Madera County. CEQA Consideration: Environmental Impact Report, certified by the Madera County Department of Public Works, State Clearinghouse No. 2018031001. (W 6005.195; RA# 201912) (A 5; S 12) (Staff: R. B. Greenwood)

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- 67 RASCAL LITHIUM LLC (APPLICANT): Consider application for a prospecting permit for lithium and minerals other than oil, gas, geothermal resources, or sand and gravel, Assessor's Parcel Number 039-270-01, containing approximately 520 acres of State fee-owned school land, located within Section 16, Township 23 South, Range 44 East, MDM, approximately 8 miles south of Ballarat, Inyo County. CEQA Consideration: categorical exemption. (PRC 9390.2; RA# 19218) (A 26; S 8) (Staff: V. Perez)

Marine Environmental Protection - no items

Administration

- 68 CALIFORNIA STATE LANDS COMMISSION (PARTY): Consider authorizing the Executive Officer to execute an agreement on behalf of the Commission with West Publishing Corporation dba West, a Thomson Reuters Business, for an online and print legal research subscription. CEQA Consideration: not a project. (C2019028) (A & S: Statewide) (Staff: T. Cowgill, M. Neal)

Legal

- 69 CALIFORNIA STATE LANDS COMMISSION (PARTY): Consider approval of proposed additions, as modified and after a 15-day comment period, to the California Code of Regulations, title 2, division 3, chapter 1, article 2.9.1-Permits for Geophysical Surveys. CEQA Consideration: Mitigated Negative Declaration and Addendum, adopted by the California State Lands Commission (CSLC MND No. 751) State Clearinghouse No. 2013072021, and a categorical exemption. (W 30177) (A & S: Statewide) (Staff: K. Keen, J. Fabel)
- 70 CALIFORNIA STATE LANDS COMMISSION (PARTY): Consider amending the Commission's Comprehensive Delegation of Authority to: authorize the Executive Officer to authorize certain lease assignments, approve rent revisions, and add the Assistant Chief, Administrative Services Division to the delegation of authority; modify criteria for granting letters of non-objection; and make other modifications to the Commission's 2015 amended Comprehensive Delegation of Authority. CEQA

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- Consideration: not a project. (W 9301) (A & S: Statewide) (Staff: E. Kennedy)
- 71 CALIFORNIA STATE LANDS COMMISSION, TODD SPEER, JERRY DEAN STAKE (PARTIES): Consider taking title to and authorizing staff to remove and dispose of abandoned vessel Vamanos located on state sovereign land in the Sacramento River, adjacent to 14031 Highway 160, Walnut Grove, Sacramento County. CEQA Consideration: categorical exemption. (I 1263) (A 11; S 3) (Staff: A. Kershen, V. Caldwell, M. Schroeder)
- 72 UNITED STATES DEPARTMENT OF VETERANS AFFAIRS (PARTY): Consider Cession of Concurrent Criminal Jurisdiction pursuant to California Government Code section 126 over lands at the Veterans Affairs San Diego Healthcare System at 3350 La Jolla Village Drive, San Diego, San Diego County. CEQA Consideration: not a project. (FJ 0137.37) (A 78; S 39) (Staff: P. Huber)

Kapiloff Land Bank Trust Acquisition - no items

External Affairs

Granted Lands

- 73 CITY OF LONG BEACH (TRUSTEE): Review proposed tideland oil revenue expenditures in an amount not to exceed \$6,702,011 by the City of Long Beach for seven capital improvement projects located on or adjacent to legislatively granted sovereign lands in the City of Long Beach, Los Angeles County. CEQA Consideration: not a project. (G 05-03) (A 70; S 33) (Staff: M. Moser)
- 74 SAN DIEGO UNIFIED PORT DISTRICT (TRUSTEE): Review the proposed expenditure of tidelands funds, in an amount not to exceed \$6,000,000, by the San Diego Unified Port District to lease off-tidelands office space in the City of San Diego, San Diego County. CEQA Consideration: categorical exemption. (G 10-08) (A 78, 79, 80; S 39, 40) (Staff: R. Boggiano)

V. Informational

- 75 CALIFORNIA STATE LANDS COMMISSION: Legislative Report providing information and a status update concerning state legislation relevant to the Commission. CEQA

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	Consideration: not applicable. (A & S: Statewide) (Staff: S. Pemberton)	
VI.	Regular Calendar 76-79	
76	PORT OF LOS ANGELES (TRUSTEE) (INFORMATIONAL): Informational presentation by the Port of Los Angeles. CEQA Consideration: not applicable. (A 64, 70; S 35) (Staff: J. Lucchesi)	18
77	SOCAL HOLDINGS, LLC (LESSEE) (INFORMATIONAL): Informational status update on the terms of the agreement amending State Oil and Gas Lease Nos. PRC 91, PRC 163, PRC 425, PRC 426, and PRC E-392, to reduce idle well counts, create a sinking fund, and modify the price-based sliding scale royalty, Huntington Beach Oil Field, Orange County. CEQA Consideration: not a project. (A 72, 74; S 34, 37) (Staff: J. Abedi, J. Fabel).	75
78	IP RENEWABLE ENERGY HOLDINGS LLC, A DELAWARE LIMITED LIABILITY COMPANY, AND IDEOL S.A., A FRENCH LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Other, of sovereign land located in the Pacific Ocean, between the Vandenberg State Marine Reserve and Point Conception State Marine Reserve, near Lompoc, Santa Barbara County, for scientific data collection including the installation, use, and maintenance of a buoy. CEQA Consideration: categorical exemption. (A2152; RA# 2019005) (A 35, 37; S 19) (Staff: S. Meshkati, G. Kato)	44
79	CALIFORNIA STATE LANDS COMMISSION (INFORMATIONAL): Informational presentation on the Commission's Online System for Customer Applications and Records (OSCAR) system. CEQA Consideration: not applicable. (A & S: Statewide) (Staff: P. Schlatter; G. Kato)	81
VII	Public Comment	90
VIII	Commissioners' Comments	119
IX	Closed Session At any time during the meeting the Commission may meet in a session of Government Code section 11126, part of the Bagley-Keene Open Meeting Act.	119

## A. Litigation.

The Commission may consider pending and possible litigation pursuant to the confidentiality of attorney-client communications and privileges provided under Government Code section 11126, subdivision (e).

1. The Commission may consider pending and possible matters that fall under Government Code section 11126, subdivision (e)(2)(A), concerning adjudicatory proceedings before a court, an administrative body exercising its adjudicatory authority, a hearing officer, or an arbitrator, to which the Commission is a party. Such matters currently include the following:

Baywood, LLC and California State Lands  
Commission v. DOES

California Coastkeeper Alliance, California  
Coastal Protection v. California State Lands  
Commission

California State Lands Commission v. Signal Hill  
Service, Inc.; DOES 1-100

Eugene Davis v. State of California and  
California State Lands Commission  
In re: Rincon Island Limited Partnership  
Chapter 7

In re: Venoco, LLC, Bankruptcy Chapter 11

In re: PG&E Corporation and Pacific Gas and  
Electric Company, Bankruptcy Chapter 11

Madden v. City of Redwood City

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

Oakland Bulk and Oversized Terminal, LLC v. City  
of Oakland

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Owens Valley Committee v. City of Los Angeles,  
Los Angeles Department of Water and Power, et al.

Public Watchdogs v. California State Lands  
Commission

Safe Embarcadero for All v. State ex rel. State  
Lands Commission, City and County of San  
Francisco

San Francisco Baykeeper, Inc. v. State Lands  
Commission

San Joaquin River Exchange Contractors Water  
Authority v. State of California; State Lands  
Commission

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

SOS Donner Lake v. State of California, et al

State of California v. International Boundary and  
Water Commission, et al.

State Lands Commission v. Plains Pipeline, L.P.,  
et al.

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

2. The Commission may consider matters that fall  
under Government Code section 11126,  
subdivision (e)(2)(b), under which;

a. A point has been reached where, in the  
opinion of the Commission, on the advice of  
its legal counsel, based on existing facts  
and circumstances, there is a significant  
exposure to litigation against the  
Commission, or

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- b. Based on existing facts and circumstances, the Commission is meeting only to decide whether a closed session is authorized because of a significant exposure to litigation against the Commission.
- 3. The Commission may consider matters that fall under Government Code section 11126, subdivision (e)(2)(C), where, based on existing facts and circumstances, the state body has decided to initiate or is deciding whether to initiate litigation.

B. Conference with real property negotiators.  
The Commission may consider matters that fall under Government Code section 11126, subdivision (c)(7), under which, prior to the purchase sale, exchange, or lease of real property by or for the Commission, the directions may be given to its negotiators regarding price and terms of payment for the purchase, sale, exchange, or lease. At the time of publication of this Agenda, it is not anticipated that the Commission will discuss any such matters; however, at the time of the scheduled meeting, a discussion of any such matter may be necessary or appropriate.

C. Other matters.

The Commission may also consider personnel actions to appoint, employ, or dismiss a public employee as provided for in Government Code section 11126(A)(1).

Adjournment	120
Reporter's Certificate	121

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

1  
2 CHAIRPERSON KOUNALAKIS: I call this meeting of  
3 the State Lands Commission to order. All the  
4 representatives of the Commission are present or on their  
5 way.

6 (Laughter.)

7 CHAIRPERSON KOUNALAKIS: I am Lieutenant Governor  
8 Eleni Kounalakis. I'm joined today by Deputy Controller  
9 for Environmental Policy Anne Baker, and Gayle Miller will  
10 be here momentarily representing the Department of  
11 Finance.

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

20 Today, we will hear requests and presentations  
21 involving the lands and resources within the Commission's  
22 jurisdiction. We recognize that the lands we manage have  
23 been inhabited for thousands of years by California's  
24 native people and take seriously our trust relationship  
25 with these sovereign governments.

1 Today, our gratitude goes to the Tongva people,  
2 who have inhabited the lands on which we sit and who have  
3 fished these coastal waters for countless generations.

4 The first item of business will be the adoption  
5 of the minutes from the Commission's meeting of June 28th,  
6 2019.

7 ACTING COMMISSIONER BAKER: So moved.

8 CHAIRPERSON KOUNALAKIS: I'll second.

9 Any objection?

10 Seeing none.

11 Motion passes.

12 The next order of business is the Executive  
13 Officer's reports -- report. Ms. Lucchesi, may we have  
14 that report.

15 EXECUTIVE OFFICER LUCCHESI: Yes. Good  
16 afternoon, Chair, Commissioners. There are a number of  
17 items I want to update the Commission on.

18 First is the legislative update, particularly  
19 with the couple of bills that the Governor has signed that  
20 the State Lands Commission either sponsored or impacts the  
21 Commission.

22 First, on July 30th, the Governor signed AB 585  
23 into law, which is a bill the Commission sponsored. AB  
24 585 makes a series of changes related to oil and gas lease  
25 liability and decommissioning. These include specifying

1 the factors the Commission may consider when deciding  
2 whether to approve an oil or gas lease assignment or  
3 transfer, and defining -- providing a definition of an  
4 assignee.

5           Clari -- the bill also clarifies and codifies  
6 when a lessee or operator accrues decommissioning  
7 liabilities. It requires a notarized affidavit of  
8 liability for decommissioning of production facilities and  
9 related infrastructure, and an agreement to start  
10 decommissioning within six months.

11           It makes failure to comply with decommissioning  
12 deadlines a misdemeanor. And it requires that oil and gas  
13 lease assignments and transfers are recorded in the county  
14 where the land is located.

15           And finally, it also clarifies when the State of  
16 California undertakes plugging and abandonment and  
17 decommissioning operations to protect public health and  
18 safety, that that is an appropriate use of its police  
19 power.

20           Essentially the purpose of AB 585 is to reduce or  
21 eliminate the State's future financial liability for  
22 decommissioning oil and gas infrastructure associated with  
23 our offshore oil and gas less -- leases, increase  
24 transparency and ensure that all lessees fulfill the  
25 contractual decommissioning obligations in their leases.

1           On July 31st, the Governor signed SB 307 into  
2 law. SB 307 would condition a water transfer from a  
3 groundwater basin under land in the Mojave Desert on State  
4 Lands Commission's finding that the transfer will not  
5 adversely affect the natural or cultural resources,  
6 including groundwater resources or habitat of certain  
7 federal and State Lands.

8           The bill applies to groundwater basins under  
9 desert lands in the vicinity of a National Monument,  
10 National Preserve, National Park, State or federal  
11 wilderness area, or State lands. Both bills take effect  
12 on January 1st, 2020.

13           Next, I want to update the Commission and members  
14 of the public on our work decommissioning Piers 421 and  
15 Platform Holly.

16           Relating to Platform Holly, the platform drilling  
17 equipment required to do the plugging and abandonment of  
18 30 wells on the platform is currently being tested and the  
19 last few modifications are being worked on. All  
20 unnecessary production equipment from the platform's top  
21 deck have been removed. The equipment to begin the  
22 plugging and abandonment work is being delivered to the  
23 platform, and a new work boat from the Gulf of Mexico has  
24 arrived and is going through training for the operations.

25           Everything remains on schedule to commence the

1 plugging and abandonment of the wells on Platform Holly by  
2 October, once DOGGR approves the procedures and the well  
3 plans.

4           As it relates to the beachfront wells Piers 421,  
5 everything was shut in after the oil -- the small oil  
6 discharge on May 28th, while the team was preparing for  
7 the final abandonment plug at the top of the well. Since  
8 that time, the Commission's agents for cored the soil  
9 inside the large caissons and found no free oil.

10           At an extreme low tide on July 3rd, the  
11 Commission's agents excavated the beach sand next to the  
12 caissons under the watchful eye of the Unified Command and  
13 found no path for oil to leak out of or from under the  
14 caisson structure.

15           However, when the excavator hit the bedrock about  
16 six feet to the west of the caisson, which is the same  
17 fractured Monterey Formation that produces most of the oil  
18 offshore in the Santa Barbara Channel, oil was observed  
19 coming out of the rock.

20           The consensus of those on scene was that there  
21 was a conduit in the natural fracture system of the rock  
22 allowing for the discharge of the oil to the surface. Lab  
23 results showed that the collected oil had the same  
24 characteristics as the prior discharge. The Commission's  
25 engineers and agents have developed a program to finish

1 sealing that one well, and any connection it may have to  
2 natural fractures in the bedroom.

3           The well plan has recently been approved by  
4 DOGGR. The Unified Command is still overseeing the  
5 process, and there will be mitigation measures in place at  
6 the well site and on the beach to minimize the potential  
7 of any further discharges as we finish the capping of the  
8 well. We hope to begin the final phase and complete this  
9 well in the very near future.

10           And finally, as it relates to the Ellwood Onshore  
11 Facility, no new operations have been done or planned at  
12 this time. Currently, the facility is only in service for  
13 support of Platform Holly that is supplying the platform  
14 with required utilities for electric and gas services.

15           I want to update the Commission on our next  
16 favorite decommissioning project, Rincon Island. Our well  
17 abandonment contractor continues to make steady and  
18 impressive progress in abandoning the offshore and onshore  
19 wells at the former Rincon leases. Offshore, 20 of the 50  
20 offshore wells have been cemented back to the mudline,  
21 which is six wells ahead of the plan.

22           Onshore, 23 of the 25 wells have been abandoned.  
23 The onshore well abandonment count is three wells ahead of  
24 schedule. And these wells do not include two non-State  
25 wells that have been abandon within the compound by our

1 contractor. These private wells were abandoned using  
2 funds made available by DOGGR.

3 Overall, the well progress is six wells ahead of  
4 schedule and project costs are approximately \$1.9 million  
5 under our forecasted plan, which was at \$18.5 million  
6 actual. So we continue to make significant progress on  
7 the decommissioning of the wells relating to the Rincon  
8 Island leases, which is really a testament to our  
9 contractor out there, and our team at the State Lands  
10 Commission, as well as our partnerships at our sister  
11 State agencies as we move forward on this project.

12 Speaking of State Liability protections, I did  
13 want to give a brief update to the Commission on our work  
14 to continue to increase the State liability protections  
15 relating to our oil and gas leases, both onshore and  
16 offshore

17 Over the past couple years, staff has been  
18 working closely with our leases to -- lessees to guarantee  
19 that they have provided adequate financial security that  
20 will ensure that its lease abandonment and decommissioning  
21 obligations are fully funded.

22 An informational staff report and presentation is  
23 calendared as Staff Report number 77 today, and is a  
24 review of the Commission's work with our lessee,  
25 California Resources Corporation, towards securing lessee

1 funding for its Huntington Beach Field lease abandonment  
2 obligations.

3           We have also been working very closely with our  
4 other lessees in the West Montalvo Field to increase the  
5 bond, as well as increasing our bond requirements for our  
6 Northern California gas leases. So we're making  
7 significant progress along all those lines based on the  
8 lessons learned most recently with Platform Holly and  
9 Rincon Island.

10           And it's also through these lessons learned that  
11 the -- that we worked on the development and the  
12 Commission's sponsored AB 585. So this is an entire  
13 package that the Commission has been leading over the past  
14 couple years to really beef up the State's liability  
15 protections.

16           Next, I want to update the Commission on  
17 Hollister Ranch and public access to the coastline there.  
18 On July 30th, the Coastal Conservancy executed a contract  
19 for \$50,000 with a firm to implement phase 1, the public  
20 engagement process, in the development of a contemporary  
21 public access plan for Hollister Ranch. This firm has  
22 also brought in highly respected professional public  
23 engagement represent -- representatives to facilitate the  
24 engagement process.

25           On July 31st, our four-agency team, Coastal

1 Commission, State Lands Commission, Coastal Conservancy,  
2 and State Parks participated in the tour of the five  
3 Hollister Ranch beaches. And it include -- the tour  
4 included about 20 agency staff, two staff from the County  
5 of Santa Barbara and a number of Hollister Ranch  
6 homeowners, and the consultant's team members.

7           It was essentially a listen and learn tour for  
8 our agency staff from the Hollister Ranch representatives  
9 about the land management, including cattle grazing,  
10 efforts and constraints, and the public access programs  
11 currently in place, such as local school access programs  
12 for tide pool exploration.

13           We also held a post-tour meeting among the agency  
14 representatives to debrief on the tour and start to  
15 discuss in more detail next steps for moving forward on  
16 developing the contemporary plan.

17           August 29th is the kick-off meeting with our  
18 consultant and the agency team in San Diego to initiate  
19 the phase 1 public access outreach element. And from  
20 there, we will continue the public engagement and planning  
21 process until June 2022 -- 2020, which is essentially our  
22 time frame.

23           State Parks has committed \$300,000 for the phase  
24 2 planning process. And the Coastal Conservancy will seek  
25 authorization at their October Board meeting to use those

1 State Park funds for the contract.

2 And then finally, just as a reminder, when the  
3 contemporary Hollister Ranch Access Plan draft is  
4 completed, it will be submitted to the Coastal Commission  
5 for consideration.

6 ACTING COMMISSIONER BAKER: Okay. I always  
7 require training.

8 When do you think we will hold the public  
9 outreach sessions in Santa Barbara County? I mean, it's  
10 been a while. We've been waiting. You know, consultant  
11 got hired, so do we have any sense of when we'll do that?

12 EXECUTIVE OFFICER LUCCHESI: Yeah. I don't have  
13 specific dates, but I think what we're aiming for is later  
14 this year, fall, winter, early next year to start the  
15 process.

16 ACTING COMMISSIONER BAKER: Okay.

17 ACTING COMMISSIONER MILLER: Thank you, Madam  
18 Chair. Just a word on the bonding and the financial  
19 stability that the Commission is trying to create. Just  
20 from the Department of Finance, we're really grateful for  
21 the efforts. And obviously, the Platform Holly and the  
22 bankruptcy that followed has put all the liability on  
23 State, when really it does belong to those platforms. So  
24 we're really grateful that you're talking this holistic  
25 approach and considering what the future bonding amount

1 should be. So thank you to you and your team for doing  
2 that and taking it seriously.

3 EXECUTIVE OFFICER LUCCHESI: Thank you.

4 I do have one additional item to update the  
5 Commission on, and then I'd like to also take a moment to  
6 be able to acknowledge our Chief Counsel Mark Meier, who's  
7 retiring.

8 So, first, I did want to provide the Commission  
9 an update on our -- the vacant parcel the Commission owns  
10 in Burlingame and the RFP process that we're currently  
11 proceeding with.

12 So as you remember, staff released the request  
13 for propose -- project proposals on May 22 and the  
14 submittal deadline was July 26th. We've received three  
15 project proposals and staff is in the process of  
16 completing their initial screening, along with the  
17 advisory panel beginning their evaluation process.

18 Once the advisory panel is done reviewing,  
19 evaluating, and scoring the proposals, they will move onto  
20 the oral interview and the award process. We hope to have  
21 a recommendation before the Commission at the October or  
22 December meeting relating to that parcel.

23 And so if there's -- are there any other  
24 questions on the Executive Officer's report, before I move  
25 on to Mark

1           CHAIRPERSON KOUNALAKIS: Any other questions or  
2 comments?

3           Thank you very much, Ms. Lucchesi.

4           The next order of business will be the adoption  
5 of the consent calendar. Can -- oh, of course, except for  
6 that I really don't think he should retire.

7           (Laughter.)

8           CHAIRPERSON KOUNALAKIS: And, you know, he might  
9 be retiring from State Lands, but he's definitely like not  
10 retiring. There's something else in the works I'm sure,  
11 but, of course, please proceed.

12           EXECUTIVE OFFICER LUCCHESI: Yeah, of course.

13           So these retirements are always so bitter sweet,  
14 because it's so wonderful when somebody like Mark, who has  
15 dedicated his entire career to serving the people of  
16 California. He's served the State Lands Commission for  
17 over 35 years. And so to be able to celebrate and  
18 acknowledge everything that he's accomplished and what  
19 he's meant to the Commission, to staff, to the State of  
20 California is really an honor to do so.

21           But it's also incredibly sad, selfishly, because  
22 we don't want to see him go. And it's going to be an  
23 adjustment for our team -- our staff team and I think it  
24 will also be an adjustment for the Commissioners who have  
25 come to rely on his sound advice and support in the

1 decisions that you make.

2           So I just wanted to briefly reacknowledge Mark's  
3 dedication to the State Lands Commission. When he first  
4 started at the Commission, he focused a lot on tidal  
5 settlements and land exchanges in the Bay Area, but  
6 quickly -- because he was so good at what he did, quickly  
7 got pulled into the oil and gas leasing operations, as  
8 well as, as the Commission was reinventing itself in the  
9 early 1990s, where -- when it received a lot of new  
10 responsibilities from Lempert-Keene-Seastrand Oil Spill  
11 Prevention and Response Act, and where we had to develop  
12 and create a whole new program to monitor oil transfers at  
13 oil terminals, ensuring that those oil terminals were  
14 seismically safe, developing and standing up the State's  
15 Marine Invasive Species Program, the wizard behind the  
16 curtain was Mark.

17           He was intimately involved in various drafts of  
18 both the Lempert-Keene Act and the Marine Invasive Species  
19 Act, as well as a critical player and foundational support  
20 in creating those divisions and those programs within the  
21 State Lands Commission.

22           So we've had a couple of parties for him so far,  
23 of course. And what I -- the general consensus around  
24 staff is over the last couple years, we've been embarking  
25 on a lot of new initiatives, which has been really

1 exciting, a lot of work. But what I like to remind staff  
2 and the folks that have been celebrating Mark over the  
3 past couple weeks is he was actually at the forefront of  
4 significant new initiatives the Commission was taking on  
5 in the early 1990s, and really, like I said, reinvented  
6 the Commission 30 years ago to be a more stronger and  
7 effective player in preventing, not just oil spills, but  
8 all types of pollution events in State waters.

9           So with that, I just want to congratulate Mark,  
10 thank him for his years of service and loyalty to the  
11 people of California, and we're going to miss him very  
12 much.

13           Thank you.

14           (Applause.)

15           CHAIRPERSON KOUNALAKIS: So, Mark, I'd also like  
16 to congratulate you and thank you for your incredible  
17 public service and service to this Commission. I suspect  
18 you've seen quite a few chairs of this Commission come and  
19 go. And in the seven months that I've had the privilege  
20 of chairing it, it is absolutely evident both your  
21 extraordinary depth and understanding of the issues that  
22 you deal with at this -- at the Commission, which are  
23 varied, and new things come up all the time, but also just  
24 your deep commitment to the mission of the Commission, and  
25 the -- the mission of stewarding California lands.

1           It is evident that underneath the capability was  
2 a real dedication that was based and is based on your  
3 passion for service and passion for ensuring that our  
4 lands are stewarded appropriately for the next generation  
5 and beyond. So thank you. You will be very much missed.  
6 And at the same time, your legacy will live on for a long  
7 time.

8           Do other Commissioners -- would you like to say  
9 something?

10           ACTING COMMISSIONER BAKER: You know, four and a  
11 half years ago, the Controller and I joined this merry  
12 band of whatever we are. And you were always the one that  
13 provided the balance, and the seriousness, and the  
14 framework. And it would be fair to say that we stretched  
15 you a little on that, maybe. But I can't tell you how  
16 much we appreciated it. And so on behalf of Controller  
17 Yee, I want to thank you for everything you've done. And  
18 I want to see the pictures from all the trips you told me  
19 earlier you're going to be taking in retirement. I'm glad  
20 you're healthy enough to do that.

21           (Laughter.)

22           ACTING COMMISSIONER MILLER: From a -- you know,  
23 my boss is the previous Chair of State Lands Commission,  
24 and long before I got to sit in this seat, people spoke  
25 about you and what a huge asset you were, along with the

1 rest of the State Lands Commission, and how you moved  
2 issues of really protecting our State forward when nobody  
3 else did, and it wasn't even something that people were  
4 thinking about.

5 So I think that the legacy you leave speaks for  
6 itself and it's really remarkable, so thank you for your  
7 service. And we all have something to look up to and live  
8 up to, so thank you very much.

9 CHAIRPERSON KOUNALAKIS: Don't be a stranger.

10 (Laughter.)

11 EXECUTIVE OFFICER LUCCHESI: So if it's okay with  
12 the Chair and the Commissioners, we do have a resolution  
13 that we -- I would love to get a picture of Mark with the  
14 Commissioners up on the dais.

15 CHAIRPERSON KOUNALAKIS: He's not even staying  
16 for the whole thing? Can't do it after?

17 (Laughter.)

18 EXECUTIVE OFFICER LUCCHESI: I've also been  
19 joking he has a bit of senioritis around the office.

20 (Laughter.)

21 CHAIRPERSON KOUNALAKIS: Of course, let's do  
22 that.

23 (Thereupon pictures were taken.)

24 CHAIRPERSON KOUNALAKIS: All right. The next  
25 order of business will be the adoption of the consent

1 calendar.

2           Commissioners Baker and Miller, are there any  
3 items you would like removed from the consent calendar?

4           Okay.

5           ACTING COMMISSIONER BAKER: Move adoption.

6           CHAIRPERSON KOUNALAKIS: Ms. Lucchesi, if you  
7 would indicate which items, if any, have been removed from  
8 the consent calendar?

9           EXECUTIVE OFFICER LUCCHESI: Yes. From the  
10 consent agenda, we are -- we have removed item 1, 2, 8,  
11 56, and 70. And those will be removed from the agenda and  
12 considered at another meeting.

13           CHAIRPERSON KOUNALAKIS: Okay. Is there anyone  
14 in the audience who wishes to speak on any item remaining  
15 on the consent calendar?

16           Okay. If not, we'll go ahead and proceed with  
17 the vote.

18           Motion?

19           ACTING COMMISSIONER BAKER: So moved.

20           ACTING COMMISSIONER MILLER: Second.

21           CHAIRPERSON KOUNALAKIS: Any objection?

22           If not, motion passes unanimously.

23           ACTING COMMISSIONER MILLER: Madam Chair, can I  
24 just make on comment on Item 14 on the agenda, just the  
25 Governor has an executive order to obviously increase

1 housing across the state. And we've been working a lot on  
2 that, and just again more kudos to the Coastal Commission  
3 in terms of their willingness to really consider the  
4 problems. And I think this lease goes a long way in  
5 helping with that. So thank you very much.

6 EXECUTIVE OFFICER LUCCHESI: Thank you.

7 CHAIRPERSON KOUNALAKIS: Okay. The next order of  
8 business will be the regular calendar.

9 Item 76 is an informational presentation by the  
10 Port of Los Angeles. May we have the presentation?

11 EXECUTIVE OFFICER LUCCHESI: Yes. I'd like to  
12 introduce Port Director Gene Seroka on behalf of the Port  
13 of Los Angeles to present to the Commission.

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

16 LA PORT DIRECTOR SEROKA: Good afternoon, Madam  
17 Chair, Commissioners, members of the public, distinguished  
18 guests, and State Lands staff.

19 My name is Gene Seroka. I'm the Executive  
20 Director at the Port of Los Angeles. Today, I'll share an  
21 update with you the port's activities in our areas of  
22 business, community, and environment.

23 --o0o--

24 LA PORT DIRECTOR SEROKA: To begin, in our close  
25 of our fiscal year just on June 30th, we set for the third

1 consecutive year a record for cargo movement at the Port  
2 of Los Angeles, making us the largest port in the western  
3 hemisphere. But looking behind these numbers, we see the  
4 story that's being told today with the tariff war between  
5 the United States and China. And while China business  
6 accounts for approximately 50 percent of all the work that  
7 we do at the port, that business is down substantially due  
8 to the tariffs, including what was launched today on the  
9 retaliatory side by China against us.

10 In addition to being hurt on imports from China  
11 ranging from footwear, to textiles, the clothing that we  
12 wear, 50 percent of all of the cargo imported through our  
13 port goes into the manufacturing stream here in the United  
14 States. And these are exactly the companies and the types  
15 of jobs that we are trying to make more competitive. Yet,  
16 we're impacting their business greatly. And as reported  
17 this morning by some financial media interests, our  
18 manufacturing community is now showing signs that it, by  
19 itself, as a business segment is going into recession.

20 --o0o--

21 LA PORT DIRECTOR SEROKA: On the export side,  
22 we've been hurt in three major areas that are very  
23 important to the state of California: the agricultural  
24 sector, recyclables, and heavy machinery. The cargo  
25 down -- the cargo to China is down by more than 22 percent

1 nationwide, and we are mirroring that here in the state of  
2 California.

3           While business is up in other sectors, in other  
4 geographies, we are losing business at a pace of 2 and a  
5 half to 1 today. So for every new container we earn to a  
6 new marketplace, we're losing 2 and a half from our  
7 existing book of business.

8           The largest growth segment for the port today are  
9 empty containers moving back to Asia for the next round of  
10 imports.

11                           --o0o--

12           LA PORT DIRECTOR SEROKA: Overall, 98 percent of  
13 Chinese imported goods are affected by tariffs, which are  
14 being paid for by the American importer. And 55 percent  
15 of all goods moving through the Port are now taxed by this  
16 unfortunate and ill-advised trade policy.

17                           --o0o--

18           LA PORT DIRECTOR SEROKA: We continue to work  
19 diligently to help support our customers in new markets,  
20 and that's why we've been able to stay ahead of the curve  
21 somewhat due to a very aggressive marketing campaign and  
22 incentive policies to bring more cargo through our port.

23           And quite simply stated, the loss of cargo means  
24 the loss of jobs here in our state. We account today for  
25 1 in 9 jobs in our 5-county Southern California area.

1 That's more than a million people that go to work every  
2 day based on the efforts that we at the port put forth.

3 Second on the environment, in November of 2017,  
4 the Ports of Long Beach and Los Angeles Harbor Commissions  
5 approved an updated Clean Air Action Plan. This was  
6 called for by the Port of Los Angeles because we had  
7 delivered --

8 --o0o--

9 LA PORT DIRECTOR SEROKA: -- or exceeded on all  
10 of our emissions reductions promises to the community 6  
11 years ahead of schedule. And we thought with the advanced  
12 technologies that were being supported and our sheer  
13 distinction as the environmental leader worldwide from a  
14 port's perspective that we wanted to renew and revamp our  
15 commitments to the community.

16 So within that, we updated the Clean Air Action  
17 Plan, as well as a new Clean Truck Program that will not  
18 only go after further reduction of source categories of  
19 emissions, but also getting after decarbonization or the  
20 reduction of greenhouse gases. Very much in line with the  
21 State's initiatives.

22 And one of the most exciting areas that we're  
23 working on right now is a hydrogen fuel cell concept  
24 that's zero emissions, designed and developed by Toyota  
25 Motor Manufacturing. This was put forward as an

1 opportunity to do a test protocol with the assistance of a  
2 ZANZEFF Grant from the State of California, which partners  
3 up Toyota, Kenworth heavy-duty truck manufacturing, Shell  
4 Oil, who is getting into alternative and renewable fuels,  
5 as well as the Ports of Hueneme and Los Angeles.

6 This was a \$41 million grant to test the  
7 viability of the hydrogen fuel cell developments in  
8 heavy-duty trucking. You may know the Toyota Mirai, as a  
9 passenger vehicle. Similar technology is being developed  
10 for these heavy-duty trucks. So we'll have some good test  
11 criteria to evaluate and see how quickly we can get to  
12 commercialization of these vehicles and the filling  
13 stations that are going to be necessary to help support  
14 them.

15 We're also working very closely with the South  
16 Coast Air Quality Management District to develop an MOU  
17 underpinning the Clean Air Action Plan with specific  
18 targets and goals for our emissions reductions plans and  
19 the migration to near zero and zero-emissions technology.

20 You may also know that the cornerstone of this  
21 Clean Air Action Plan are commitments by both Mayors of  
22 Los Angeles and Long Beach to have zero emissions port  
23 technology on our marine terminals by the year 2030, and  
24 heavy-duty trucks being zero emissions by the year 2035.  
25 I can assure you no other port in the world is going to

1 these heights to clean the air.

2 --o0o--

3 LA PORT DIRECTOR SEROKA: Further, we're working  
4 on waterfront development for public access. We, in 2015,  
5 at the Port of Los Angeles developed what we believe to be  
6 the nation's first public access investment plan, where 10  
7 percent of our operating income matched by in-kind funds  
8 for ongoing maintenance and repair are committed to our  
9 public access program.

10 This is a commitment of nearly \$400 million over  
11 the next decade to build and revamp our waterfront for the  
12 enjoyment of our people who visit, as well as our local  
13 residents. And our concepts are -- are pretty  
14 straightforward, to build, activate, and attract  
15 businesses of both the private sector as well as the  
16 visiting community.

17 And last year, our estimate on visitors was some  
18 three million people coming to our waterfront. Driven, in  
19 fact, also by our cruise developments, every vessel that  
20 comes in on the cruise side of our business means \$1  
21 million to our local economy within a 2-mile radius of the  
22 port. These are our restaurants, small shops, businesses,  
23 and hotels that really rely on that type of traffic from a  
24 passenger side and we'll continue to develop in that area.

25 --o0o--

1           LA PORT DIRECTOR SEROKA: We're working  
2 specifically on areas to bring more people down to the  
3 waterfront, so we are in the progress of starting  
4 construction early 2020 on the revamped ports of call, now  
5 called the San Pedro Public Market, which will offer  
6 retail, dining, and entertainment experience. And further  
7 AltaSea, which is our marine biology research center, will  
8 begin construction this November on its first phase of  
9 project. And it's estimated that we'll bring a thousand  
10 new jobs through AltaSea's marine research into the San  
11 Pedro, Wilmington, and Harbor gateway areas.

12                           --o0o--

13           LA PORT DIRECTOR SEROKA: Coastal Development  
14 Permit number 18-25, you may recall that this was the AP  
15 Moller terminal initiative to begin modernization of its  
16 marine terminal project at the Port of Los Angeles. On  
17 July 11th of this year, the Harbor Commission at the Port  
18 of L.A. approved the coastal development permit, which  
19 increased conduits for electrical battery charging  
20 stations, racks for refrigerated cargo containers, and  
21 fencing to work towards a perimeter delivery system  
22 lessening the time the truckers have to wait to get their  
23 shipments.

24           On July 19th, Los Angeles Mayor Eric Garcetti  
25 announced that an agreement had been reached between the

1 International Longshore Warehouse Union and the company to  
2 put forward new training mechanisms to get their  
3 membership up to speed on training with this new  
4 technology for maintenance and repair, as well as  
5 operational activities.

6           On August 7th, after the necessary period of  
7 time, the CDP became valid and the Los Angeles City  
8 Council, along with the Mayor's office and the Council  
9 Legislative Analyst's Office are working on the  
10 development of a blue ribbon committee to study the  
11 effects of automation on employment. What I can tell you  
12 is that with the two automated facilities that exist, one  
13 each in Los Angeles and Long Beach, and the cargo growth  
14 that we have brought to the Port, we have hired 1,000  
15 registered longshoremen and 5,000 apprentices, or casuals  
16 as we call them, over the last 18 months.

17           So even in the face of automation, it is my  
18 opinion that we will continue to need these great and  
19 skilled workers, and those job opportunities will continue  
20 to grow, even as technology becomes more prevalent in our  
21 industry.

22           And we believe that even with these advances on  
23 the technological side, the workers should not be left  
24 behind. So we will continue to move in this direction of  
25 training, reskilling, and upskilling our longshore labor

1 workforce.

2 --o0o--

3 LA PORT DIRECTOR SEROKA: And that concludes my  
4 presentation for this afternoon.

5 CHAIRPERSON KOUNALAKIS: Comments from  
6 Commissioners or questions?

7 CHAIRPERSON KOUNALAKIS: There it is. You got  
8 it.

9 ACTING COMMISSIONER BAKER: No training. We're  
10 just not going to let me try this again.

11 (Laughter.)

12 ACTING COMMISSIONER BAKER: Gene, I want to thank  
13 you for your report. As you know, the Controller has had  
14 a deep and abiding interest in the air quality issues.  
15 And I'm -- as someone reminded me last night, the Port is  
16 the remaining biggest polluter in the largest, you know,  
17 bad air basin in the world. And so while it doesn't sound  
18 very nice, we hope you continue to work on this one  
19 seriously, and not let it -- you know, if we're headed  
20 into a bad economy time or anything else, not to let the  
21 commitments to doing this drop, because I think public  
22 health at the end of the day, you know, is a major  
23 concern. And we urge you to continue to work as  
24 aggressively as you can on this.

25 LA PORT DIRECTOR SEROKA: We agree with you a

1 thousand percent and that effort will maintain the highest  
2 level of priority. What we're being asked of ourselves  
3 today is something that no one else has ever done.  
4 Technology is in nascent stages, but we have the  
5 willingness to be that first participant, not only drawing  
6 out regulations, but our partnerships and relationships  
7 are also very important to us. Getting closer to the  
8 manufacturing community and the tiered suppliers to show  
9 what type of customer we could be is also very important  
10 to how this is operating.

11 We continue to run a mayoral-nominated committee  
12 at the Port of Los Angeles that reports to me directly,  
13 including community members to come up with these better  
14 ideas, use relationships, and networks to bring folks to  
15 the table to push this to commercialization as fast as we  
16 possibly can. You have our commitment.

17 ACTING COMMISSIONER BAKER: That's great. And  
18 I'll share it with the Controller, who --

19 LA PORT DIRECTOR SEROKA: Please.

20 ACTING COMMISSIONER BAKER: -- as you know, has a  
21 interest in this.

22 LA PORT DIRECTOR SEROKA: That's right.

23 ACTING COMMISSIONER BAKER: I want to also ask  
24 you about you just submitted your sea level rise report.  
25 Can you give us, you know, sort of your thoughts on that

1 and how that went from your perspective?

2 LA PORT DIRECTOR SEROKA: Yeah. We took that  
3 issue very seriously at the Controller's request as well.  
4 And if I'm not mistaken, we were one of the first to  
5 tender that report to the Controller's office.

6 And we look forward to working with the  
7 consultant on how widely we can reach the State of  
8 California with some of the best practices that have been  
9 outlined. Generally speaking, from an engineering  
10 standpoint, we look to be in very good shape. But this  
11 study has gone out 100 years. And when we pass the turn  
12 of the 22nd century, we have to look towards that end in  
13 the design and development of the Port from a bricks and  
14 mortar standpoint.

15 I like where we're at from a seismic perspective  
16 as well, which, as we know, also has deep ties to sea  
17 level rise in the event of a potential tsunami. So by and  
18 large, I feel comfortable with where we're at right now,  
19 but there is much more work to do to protect our shores,  
20 our gateway, and in the event of a natural disaster, this  
21 port can be used to get supplies and medicine to people  
22 who are affected. And we need to keep our eye on that  
23 ball.

24 ACTING COMMISSIONER BAKER: On the sea level  
25 rise, let me add that both -- you may be aware of this.

1 The Coastal Commission is making noises on moving forward  
2 on sort of an infrastructure coastal plan. You know, we  
3 backed them off a couple years ago when they were doing  
4 their first sea level rise guidance, but now they're going  
5 to come for the industrial sector.

6 We're hoping to take some of what we've found in  
7 our study and share that with them and hopefully influence  
8 some of how that can go forward. And also, the Ocean  
9 Protection Council has raised its head and said they're  
10 very interested in how this goes as well. So those are  
11 sort of new -- new fronts that you maybe didn't have to  
12 deal with before, but I think are coming fast.

13 Thank you.

14 LA PORT DIRECTOR SEROKA: Well, we don't want to  
15 do too much repetitive work with varying interests, but we  
16 are happy to serve as a resource to the Coastal Commission  
17 which -- with whom we have a great relationship and others  
18 as they embark on this important work.

19 CHAIRPERSON KOUNALAKIS: Thank you, Commissioner  
20 Baker for those insightful comments.

21 I would just like to thank you for coming down  
22 and giving this presentation. The public must have as  
23 much access as possible to information about the port  
24 activities, both the work that you're doing to combat the  
25 environmental impacts of such a large industrial

1 operation, and also, frankly, the economic benefits of  
2 having a port like this in our state, the number of jobs  
3 that are associated with the port, and the movement of  
4 goods through our state and across the country.

5           And this is really important, particularly right  
6 now, when the federal government, which has jurisdiction  
7 over trade, is engaged in negotiations over the trade  
8 regime, both in the Pacific Rim and beyond, that really  
9 impact us here in California. And I know that the ports  
10 work very hard to be a good partner, a great partner with  
11 local communities and with the State to address the  
12 challenges, particularly pollution and air pollution, but  
13 also to interact with the local environment, have public  
14 access, and, of course, jobs. So the more of this that  
15 you do being out in the public, talking about the work  
16 that you do, and the issues that you engage in, the  
17 better.

18           And I'm sure that we're going to be talking a lot  
19 more in the coming months and probably years about the way  
20 that this change in that federal trade regime is impacting  
21 us in California.

22           So thank you.

23           LA PORT DIRECTOR SEROKA: Thank you.

24           CHAIRPERSON KOUNALAKIS: Any questions, staff?

25           EXECUTIVE OFFICER LUCCHESI: I think we do have a

1 public comment slip.

2 CHAIRPERSON KOUNALAKIS: Oh. My apologies. Yes,  
3 we do. Right now I have one speaker signed up to speak.  
4 If there's anyone else, please give Kim your speaker card.

5 Joe Lyon[SIC], President and CEO of the Coalition  
6 for Clean Air.

7 LA PORT DIRECTOR SEROKA: And in return, Madam  
8 Chair, I would like to thank State Lands staff for all the  
9 work that they have done in developing that business  
10 relationship with us. And we feel very confident we can  
11 go to Jennifer and her team for guidance and advice on  
12 many of the issues that you just spoke of. So a big thank  
13 you to the staff and to the Commission for their guidance  
14 and support.

15 CHAIRPERSON KOUNALAKIS: Thank you very much.  
16 Mr. Lyon[SIC].

17 MR. LYOU: It's actually Lyou. That's a U at the  
18 end of that, and not -- that's okay. Don't worry about  
19 it.

20 CHAIRPERSON KOUNALAKIS: Oh, Lyou. My apologies.

21 EXECUTIVE OFFICER LUCCHESI: It's pronounced  
22 Lyou, the Y is silent. Don't blame me, blame my  
23 grandfather. He immigrated to this country --

24 (Laughter.)

25 DR. LYOU: -- in 1905 from Korea when there

1 weren't any Koreans here. So they had a little tough time  
2 with the name, but --

3 CHAIRPERSON KOUNALAKIS: Tell me about it.

4 (Laughter.)

5 DR. LYOU: I can imagine.

6 (Laughter.)

7 DR. LYOU: Madam Chair, members of the  
8 Commission. Thank you for allowing me to speak on this.  
9 And thank you for your continued interest in port issues.  
10 It really is important. As the President and CEO of the  
11 Coalition for Clean Air, we fight for air quality and  
12 protecting the climate every day. We spend an enormous  
13 amount of our time, as Gene and his staff here can attest,  
14 trying to make sure that the ports are cleaning up their  
15 pollution, because they are the number one source of air  
16 pollution in the smoggiest air basin in the country.

17 And that has some real costs associated with it.  
18 Obviously, there's economic benefits from the jobs, but  
19 there are real costs in terms of health costs. And the  
20 South Coast Air Quality Management District has assessed  
21 all those. And you can save a lot of money just by  
22 cleaning up the air, and that's what we need to do at the  
23 ports.

24 And I appreciate the fact that there are efforts  
25 going on with the pilot programs, with the development of

1 zero-emission technologies at the ports on that truck  
2 program, it is really important to do.

3           The problem we have is that there continues to be  
4 a reliance on older, dirtier trucks. The 2007 to 2009  
5 trucks do the vast majority of the work at the ports, and  
6 they continue to do so. Ninety-seven percent of the  
7 trucks that are working at the ports are diesel trucks.  
8 We have alternative fuel trucks that are -- have been  
9 developed in terms of low NOx trucks. We have  
10 zero-emission trucks that are in development such as that  
11 fuel cell truck, and other fuel cell trucks, and  
12 battery-electric trucks. And we have to continue to make  
13 some progress.

14           Our biggest problem with the Clean Air Action  
15 Plan is it doesn't have milestones along the way that lead  
16 us to where we need to go. It also doesn't deal with our  
17 short-term needs. We're going to be out of attainment of  
18 a very important ozone standard in 2023. There will be  
19 real consequences in terms of the federal government  
20 imposing sanctions upon us, and they are going to hurt.  
21 And we need to avoid that.

22           The ports -- if we can't get the ports to  
23 turnover their fleet in order to clean up those trucks,  
24 we're never going to get to attainment. There's going to  
25 be real consequences. So I would like for you guys to

1 continue to stay involved in this issue to continue to  
2 express an interest in it.

3           And I know that Commissioner Yee had expressed  
4 interest in this ongoing saga of China's shipping  
5 terminal, and the problems with the CEQA mitigation  
6 measures that were never implemented. It's my  
7 understanding that the Port is now prepared to release, in  
8 the next few weeks, a Final Supplemental Environmental  
9 Impact Report. I would like you guys to continue to share  
10 your interest in that, take a look at it, comment on it,  
11 and join us in making sure that the China shipping issue  
12 finally resolved after all these years is resolved  
13 properly.

14           And just to conclude, I think that, you know, if  
15 you guys could follow what's going on at South Coast AQMD  
16 with its memorandum of understanding that Gene mentioned.  
17 It's an important document. We want to make sure that it  
18 is real, enforceable, and has -- has real emission  
19 reduction plans inside of it. We haven't seen the draft  
20 yet and we'd like to make sure that you guys are paying  
21 attention to that too.

22           Another thing -- another issue is focusing on  
23 these near-term goals and needs in terms of air quality.  
24 You guys are here because you have a Public Trust  
25 responsibility for the State of California. And there is

1 nothing worse than having your lands, our lands being the  
2 number one source of air pollution.

3           So in order to get to that near-term need to  
4 reduce air pollution and meet our ozone standards in a  
5 timely manner, we have to get to these trucks. And if you  
6 can work with the ports, South Coast AQMD, the Air  
7 Resources Board on this issue, we'd really appreciate it.  
8 There is a technical issue as to how and what standards  
9 can be applied to these trucks. And there's disagreement  
10 between the Air Resources Board and the Port Council on  
11 whether or not the Air Resources Board optional low NOx  
12 standard can be used. We believe it can and should be. I  
13 would like you guys to take a look at that too.

14           Finally, please take a look at that China  
15 Shipping Final Supplemental EIR when it comes out. Really  
16 appreciate the continued interest in the issue.

17           CHAIRPERSON KOUNALAKIS: Thank you very much.

18           ACTING COMMISSIONER BAKER: I have a question.

19           CHAIRPERSON KOUNALAKIS: Of course. Mr. Lyou.

20           ACTING COMMISSIONER BAKER: Actually, I want Gene  
21 to respond to the truck stuff with a little bit more  
22 detail. You know, we all know it's a long-standing issue,  
23 but...

24           LA PORT DIRECTOR SEROKA: Sure. Happy to. And  
25 thanks for the comments Joe. Appreciate it. Joe's been a

1 good partner. But more importantly, he's been great to  
2 challenge us to continue to move forward and upward.

3 We have 17,000 trucks that are registered to do  
4 business at the Ports of Los Angeles and Long Beach.  
5 About 9,000 of those call on a regular basis, or at least  
6 once a week. Joe's stats were close. About half of those  
7 trucks today are in the 2010 or better stage for engine  
8 manufacturing year, which have cleaner -- cleaner  
9 emissions than obviously the trucks that Joe referenced.

10 About 35 to 40 percent of the trucks are in the  
11 year classifications that Joe mentioned, and nearly half  
12 of those trucks are owned and operated by small  
13 businesses. And we categorize that as an owner who has  
14 five or less rigs. These are traditionally purchased on a  
15 secondhand basis, more economically so these folks can put  
16 food on the table.

17 So getting the migration has a lot to do with the  
18 capital flow. And we're working diligently on that. In  
19 fact, we're in the final stages of putting together a  
20 clean truck rate as we define it that will be assessed  
21 against every container moving through the Ports of Los  
22 Angeles and Long Beach in order to start to build up a  
23 fund.

24 Our estimate right now is that that fund right  
25 off the bat could be at about \$80 million. And that money

1 is intended to go to the original equipment manufacturers  
2 to entice them to get commercialization processes moving  
3 much faster. But the big issue for the truck owner is  
4 that delta of what a new near zero or zero-emission's  
5 truck costs versus what they currently purchase on the  
6 open market.

7           And we saw with the first Clean Truck Program,  
8 because the finances and the capital flow weren't designed  
9 properly, we failed. And we failed miserably by putting  
10 the financial burden on the backs of those small  
11 businesses and we cannot repeat that effort.

12           The other piece that's very difficult for us  
13 right now, and again, this is underpinned with the  
14 statement that we're willing to go to any extent to move  
15 forward with the outline that Joe just gave. But we  
16 represent less than two weeks worth of annual heavy-duty  
17 truck manufacturing in North America. And we only buy our  
18 trucks once every 13 years.

19           So the question to the big producers Kenworth,  
20 Peterbilt, Mack, Volvo, and others is how do we become a  
21 better customer? What can we do to entice them to get  
22 into this line of business of ZE or near zero.

23           The other piece is that right now the low NOx or  
24 the near zero-emissions engine has only been produced by  
25 one manufacturer. And it's very rare that I would mention

1 to you that I'd like to sole source, but they're the only  
2 ones that we have on the marketplace today. They can't  
3 make engines fast enough to do what we want to do and hit  
4 the milestones that we have in place and others that we  
5 will produce.

6           So you've got a combination of economics on both  
7 sides. It doesn't mean we're going to slow down, but it  
8 means that turning over that truck fleet, I don't want to  
9 over-commit and under-deliver. So we've got to continue  
10 to work from the State level, I think, and we have talked  
11 about this with Controller Yee on several occasions as  
12 well as you, Commissioner, that we've got to get the full  
13 weight of the State of California behind this.

14           We also have been working very closely with the  
15 other ports on the west coast who share similar vision  
16 with us, yet not nearly as aggressive. And if banding  
17 those ports together along the Pacific Coast could mean  
18 that we have a larger customer grouping to entice these  
19 manufacturers, we think that that also has a lot of merit  
20 too.

21           But I can assure you it is not a lack of spirit  
22 that is slowing us down, but we've got areas and hurdles  
23 that we must overcome to get there.

24           CHAIRPERSON KOUNALAKIS: Thank you. We have one  
25 more speaker. I believe it is Jesse Marquez (Mar-kay) or

1 Marquez (Mar-kee). Did I get that?

2 ACTING COMMISSIONER BAKER: Marquez (Mar-kez).

3 CHAIRPERSON KOUNALAKIS: No, there's no S on the  
4 end.

5 MR. MARQUEZ: Z.

6 CHAIRPERSON KOUNALAKIS: There's no Z on the end.

7 MR. MARQUEZ: I was writing fast.

8 (Laughter.)

9 MR. MARQUEZ: I apologize.

10 (Laughter.)

11 MR. MARQUEZ: Commissioners, thank you for this  
12 opportunity. I've been a lifetime Wilmington resident. I  
13 am the founder and Executive Director of the Coalition for  
14 a Safe Environment. We are the oldest environmental  
15 justice organization in Wilmington in the harbor.

16 We have always supported 100 percent both the  
17 Port of L.A., Port of Long Beach, and all California's  
18 ports moving towards introduction of new alternative  
19 technologies. Whenever there's been legislation proposed,  
20 we have been there to say freight transportation must be  
21 part of that. The 200 million coming out Cap-and-Trade  
22 was because of our advocacy. The 200 million on  
23 Proposition 1B came out of our advocacy.

24 When there are supporters for Measure M for L.A.  
25 County came forward, we said we wanted 200 million for

1 freight transportation. So we have been there. Okay.

2 We also publish every month, we just released it  
3 yesterday, an update of all zero-emission vehicles and  
4 equipment technologies. So basically right now, there are  
5 8 zero-emission Class 8 drayage trucks. We are always  
6 demanding and requesting that, you know, investment in  
7 these technologies.

8 Right now, where we see the biggest thing that  
9 can be done by the ports is that every one of these trucks  
10 can do the short hauls. So let's not worry about going  
11 300 miles, 400 miles, out of state, when, out of those  
12 9,000 trucks that come in, half of them are doing short  
13 hauls less than 100 miles. Okay. There's where we can  
14 invest in the fleet.

15 Also, next week, I am submitting a Wilmington  
16 Emergency Preparedness Plan as a result of a grant from  
17 the Harbor Community Benefit Foundation. This is the  
18 first time a nonprofit organization has written a plan.  
19 We are not a city agency, county agency, State agency. I  
20 reviewed over 40 different plans in the United States, as  
21 far as London, as far as Sumatra, Indonesia, and put the  
22 best of everything in this plan.

23 We had a Port of L.A. company make a donation to  
24 us to hire graphic artists to put special illustrations in  
25 this, because we needed to have it public friendly,

1 because when I read them, they were boring documents,  
2 tedious documents.

3 This is a beautiful, colorful, lots of drawings.  
4 It's international. Chapter 1 shows a family. It's a  
5 Muslim family discussing an evacuation plan. And then we  
6 have another photo showing a family wearing gas masks,  
7 because of the potential of gas exposure.

8 Valero Oil refinery in Wilmington that borders  
9 the Port of L.A. and Port Long Beach has hydrogen  
10 fluoride. It's a big danger. You heard sea rise, well,  
11 we address sea rise in here as well.

12 And so once they approve it and bless it as okay,  
13 it will be published, and we'll provide you a copy,  
14 because it's going to have -- let's put it this way, when  
15 I read those 40, none were a 9 or a 10. Okay. This now  
16 bridges that gap. And, yes, it does include all the other  
17 traditional stuff.

18 Thank you.

19 CHAIRPERSON KOUNALAKIS: Thank you very much and  
20 thank you for that work and producing information that the  
21 public can -- you know, that can really access and  
22 understand. So thank you so much for that. We have one  
23 more speaker. Robert Van de Hoek.

24 MR. VAN DE HOEK: Good afternoon. My name is  
25 Robert Van de Hoek. And my nickname is Roy. I am a

1 wildlife scientists trained in university education. I  
2 would like to send greetings to --

3 CHAIRPERSON KOUNALAKIS: Could you put the mic  
4 up?

5 MR. VAN DE HOEK: I have been involved in public  
6 meetings that have been held through two previous mayors,  
7 by the Port. And at the those meetings I've talked about  
8 public access not being adequate in relation to wildlife  
9 viewing, and for that matter, wildlife access, if you want  
10 to look at it from that point of view as well.

11 I suggested that the bald eagle and the osprey go  
12 through a recovery program to have them nesting in the  
13 port. They've -- a lot of money has been spent to make  
14 sure the water is clean, so that fish are there. And both  
15 of these are fish predators, and they would do well there  
16 if recovery efforts were done using expert wildlife  
17 techniques and raising young eagles and ospreys on  
18 platforms.

19 Last year, I was asked to look at a parking lot  
20 in the Port of L.A., that's where Fisherman's Village was,  
21 and has been demolished. And all the trees were removed,  
22 and deliberately so by the Port of L.A. I could see it  
23 just like a war -- a murder going on in the port against  
24 great blue heron, black-crowned night heron, snowy egret,  
25 great egret nesting in 50-, 75-year old fig trees in the

1 parking lot compatible with public access. And now that's  
2 all been lost. The local business owners there are  
3 removed, and -- that really cared about the nature there.  
4 It was a real blending of nature and culture there.

5           There's just so much opportunity for more  
6 wildlife to be in the marina that's compatible with public  
7 access and would have the public want to be there more as  
8 well.

9           And I am angry, and saddened, fearful that the  
10 Port of L.A. is continuing on this track. I've also  
11 been -- when Mayor Villaraigosa was in office, we saw the  
12 Port come to visit the Ballona Wetlands. And we saw the  
13 disingenuous nature first hand. And one of the key points  
14 that was given to me by one of the highest scientists and  
15 a director of the port was that we just wait out the Mayor  
16 until we get to the next one that will help us what we  
17 want to do, which is to not have a balanced approach. And  
18 I liked your introductory comments that you take seriously  
19 native american concerns, public access, and that -- and  
20 that's motivated me to come up to speak.

21           Thank you.

22           CHAIRPERSON KOUNALAKIS: Thank you very much for  
23 sharing those views and a little bit of the history of  
24 what you've seen down there. Very insightful.

25           Thank you.

1 MR. VAN DE HOEK: Thank you.

2 CHAIRPERSON KOUNALAKIS: Okay. Well, thank you  
3 again to the Port of L.A. and to all the speakers for that  
4 informational item and update. And we will continue to  
5 closely monitor events at the port.

6 EXECUTIVE OFFICER LUCCHESI: Yes.

7 CHAIRPERSON KOUNALAKIS: Okay. So Item 77.

8 EXECUTIVE OFFICER LUCCHESI: Actually, if it's  
9 okay with the Chair and the Commissioners, I would like to  
10 flip Item 78 and 77. So take 78 first --

11 CHAIRPERSON KOUNALAKIS: Okay.

12 EXECUTIVE OFFICER LUCCHESI: -- just in case we  
13 have timing issues with trying to get to --

14 CHAIRPERSON KOUNALAKIS: Sure.

15 EXECUTIVE OFFICER LUCCHESI: -- a flight. And so  
16 we'll take 78 first and then go on to 77.

17 CHAIRPERSON KOUNALAKIS: Okay. Item 78 is to  
18 consider an application for a data collection lease  
19 offshore Vandenberg Air Force Base near Lompoc in Santa  
20 Barbara County. May we have the presentation.

21 ACTING COMMISSIONER BAKER: Well, can I say  
22 something before we go into this?

23 CHAIRPERSON KOUNALAKIS: (Nods head.)

24 ACTING COMMISSIONER BAKER: I am concerned about  
25 the number of environmentalists who have contacted us to

1 express a lack of public outreach. And so I've  
2 participated in other State renewable energy things where  
3 those steps weren't taken and where the cost has been  
4 high.

5 And so I am conflicted between saying let's wait  
6 two months or telling the staff and you all to come in  
7 with a robust, you know, public outreach plan that we're  
8 reported back to.

9 And I guess while we're listening to this, I'll  
10 be contemplating how strongly I feel on those, but I --  
11 Jennifer asked me why I was so agitated about this? And I  
12 think part of it is renewables are hard in California.  
13 And I've worked with them and lived with it for a while, 5  
14 years of my life, and I find -- I want this to go well.  
15 You know, and when the environmental groups who have been  
16 involved all are emailing me saying, what is this, how are  
17 you giving the very first State permit, you know, without  
18 us being consulted?

19 It's a -- it's a challenge. So that's a sort of  
20 early warning notice, if there are anythings you want to  
21 address. But I think it's something we need to think  
22 about going forward.

23 CHAIRPERSON KOUNALAKIS: Thank you, Commissioner  
24 Baker for raising your concerns right at the top. I share  
25 those concerns. We do know that this is a multi-part

1 process. And we're looking at some non-invasive  
2 collection. Nevertheless, there is a great deal of  
3 interest out there about this issue. So I'll be looking  
4 and thinking about that as well as we hear the  
5 presentation.

6 Thank you.

7 Go ahead.

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

10 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

11 Great. Good Afternoon, Chair and Commissioners.  
12 My name is Grace Kato. And I'm the Assistant Division  
13 Chief of the Commission's Land Management Unit. And I  
14 believe there is a presentation.

15 Perfect.

16 So I'm here to present today on the application  
17 for data collection from IP Renewable Energy Holdings and  
18 Ideol.

19 --o0o--

20 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

21 This is the clicker.

22 All right. The application is for a 3-year term  
23 for scientific data collection, including the installation  
24 and use of a -- maintenance of a MetOcean buoy and  
25 conducting biological surveys. The proposed lease area is

1 located in State waters off the coast of Lompoc Vandenberg  
2 Air Force Base.

3 The information collection area itself would  
4 cover roughly 40 square miles and is adjacent to the  
5 Vandenberg State Marine Reserve and Point Conception State  
6 Marine Reserve, as you can see on the slide, which is a  
7 little washed out here and I apologize for that.

8 Approximately 11 square miles of the proposed  
9 lease area is located within the mapped leatherback sea  
10 turtle critical habitat area, but outside of the  
11 established marine reserves.

12 --o0o--

13 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

14 The buoy would be installed towards the northern  
15 portion of the lease area but outside of the leatherback  
16 sea turtle critical habitat by approximately 1500 feet.  
17 The buoy would be moored to the seabed with clump weights  
18 connected to a single chain, with the chain being roughly  
19 three times the ocean deck at that location to account for  
20 tidal action. The buoy would be installed for up to 3  
21 years and would be removed at the conclusion of the lease  
22 term.

23 --o0o--

24 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

25 The applicant proposes to conduct biological

1 surveys, including a marine habitat assessment and various  
2 avian point counts. The season, number of locations, and  
3 durations of these surveys would be in consultation with  
4 the California Department of Fish and Wildlife and NOAA  
5 Fisheries.

6 --o0o--

7 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

8 The activities associated with the data  
9 collection application may inform a subsequent application  
10 for a long-term lease of State waters, for a floating  
11 wind, electrical generation, demonstration project. But  
12 any such proposal would require a complete environmental  
13 review under the California Environmental Quality Act and  
14 a separate authorization from our Commission.

15 The proposed lease is non-exclusive and the terms  
16 require the applicant to share all non-proprietary  
17 information resulting from the activities conducted with  
18 applicable regulatory entities as well as the general  
19 public. That concludes my presentation and Marisa  
20 Mitchell from IP Renewable Energy Holdings is also here.

21 ACTING COMMISSIONER BAKER: I have a question  
22 about --

23 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

24 Absolutely.

25 ACTING COMMISSIONER BAKER: I have a question

1 about the 40 square miles. You know, my environmental  
2 colleagues always ask for something smaller than was first  
3 proposed, but they're doing that same thing here. So can  
4 you explain to me how we got to 40 square miles?

5 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

6 So the general overall area is where they would  
7 be conducting the variety of different assessments, not  
8 solely for the location of the MetOcean buoy. So they  
9 will just be able to provide access to the overall general  
10 area to conduct the variety of different assessments. But  
11 it would be a non -- basically, it's an access to the  
12 leased premises.

13 ACTING COMMISSIONER BAKER: So it wouldn't be an  
14 assumption that the lease area would be that 40-square  
15 miles necessarily?

16 EXECUTIVE OFFICER LUCCHESI: You mean, in terms  
17 of their subsequent or any subsequent application for  
18 offshore?

19 ACTING COMMISSIONER BAKER: Yeah.

20 EXECUTIVE OFFICER LUCCHESI: We just don't know  
21 that at this time. The company representative may be able  
22 to speak to that. I think what I do also want to  
23 emphasize is, as Grace mentioned, this is a non-exclusive  
24 lease. So what that means is that we could have another  
25 applicant that comes in that wants to do additional --

1 or any activity in the leased premises. We have a process  
2 for consulting with our current lessee about how those  
3 proposed activities would interact with the activities  
4 that they've been authorized to do by the Commission.

5 But nothing in that prohibits the Commission from  
6 authorizing another lease in that same area. So this  
7 isn't an exclusive lease where no one else can conduct any  
8 other activities. They would just have to go through a  
9 process with the State Lands Commission.

10 ACTING COMMISSIONER BAKER: Okay.

11 CHAIRPERSON KOUNALAKIS: Staff, anything to add  
12 to this presentation?

13 EXECUTIVE OFFICER LUCCHESI: Not at -- not at  
14 this point. I'm sure I'll have additional things to add  
15 at the end of public testimony and in response to any  
16 questions or comments the Commissioners may have.

17 CHAIRPERSON KOUNALAKIS: Okay. I'm going to open  
18 it up to public testimony, so we can hear what the public  
19 has to say about this, and I'm sure --

20 ACTING COMMISSIONER BAKER: I think they have  
21 somebody from the company first.

22 CHAIRPERSON KOUNALAKIS: Who has filled out a  
23 form.

24 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:  
25 Perfect.



1 clean infrastructure development company. We've worked in  
2 California for over a decade, and we've developed 3.2  
3 gigawatts of assets at this point.

4 --o0o--

5 MS. MITCHELL: Ideol is French company technology  
6 provider and developer of floating offshore wind  
7 foundations that support the wind turbine generators, the  
8 large offshore wind turbine generators. They have two  
9 demonstration projects that are active right now, one in  
10 France and one in Japan.

11 --o0o--

12 MS. MITCHELL: The public benefits of this  
13 particular data collection lease will be to provide  
14 publicly available information on biological resources in  
15 the leased premises. That would be useful to not only a  
16 potential application -- future application from these two  
17 companies, but other companies as well, in addition to  
18 providing information to environmental NGOs, research  
19 institutions, members of the public, and any other  
20 interested party.

21 So this is really an assessment phase. It will  
22 help California assess the feasibility of offshore wind,  
23 renewable energy in the future. It's also really  
24 important for -- it's our understanding that it's very  
25 important for the Department of Defense to be able to

1 ultimately evaluate a smaller scale offshore wind project  
2 before seeing if large scale commercial wind facilities  
3 are going to be compatible with military operations and  
4 readiness in the central coast of California.

5 And so, ultimately, if we do get to the point,  
6 after a very long and public process -- environmental  
7 review process on a wind pilot project, that would allow  
8 DOD sort of a testing ground for what that looks like.

9 --o0o--

10 MS. MITCHELL: The buoy itself is anchored to the  
11 seafloor with a weight. Then it's connected a chain. And  
12 it's got a range of up to about 650 feet on the surface.  
13 It would be installed for up to three years. And then we  
14 would also -- this is a picture of it. These are the  
15 studies that it will collect, the data that it will  
16 collect.

17 --o0o--

18 MS. MITCHELL: And then we will also be doing  
19 biological resources studies. And we're in consultation  
20 with the National Marine Fisheries Service, California  
21 Department of Fish and Wildlife, California Coastal  
22 Commission, and imminently going to be outreaching with  
23 all of my good friends like Garry George at Audubon  
24 Society on exactly how they would like to see the bird and  
25 marine mammal studies conducted.

1           So ultimately, we hope this could lead to an  
2 offshore wind pilot project of 40 megawatts, but that is a  
3 long way off. And we know it's going to go through a  
4 robust environmental reviews process, both CEQA and NEPA.

5           CHAIRPERSON KOUNALAKIS: I have two questions for  
6 you. One of them is if it were to go forward, when the  
7 testing is done, would you remove everything down to the  
8 pylons.

9           MS. MITCHELL: Yeah, we remove everything. And  
10 there's -- there's no pylons associated with this at all.

11          CHAIRPERSON KOUNALAKIS: Well, the -- the big  
12 concrete things that are --

13          MS. MITCHELL: The clump weight, yeah.

14          CHAIRPERSON KOUNALAKIS: Yeah. What are they  
15 called, club weight?

16          MS. MITCHELL: Everything would be removed, and  
17 that is already specified in the proposed lease that is  
18 fully negotiated and would be signed, if approved.

19          CHAIRPERSON KOUNALAKIS: And can you give us  
20 anymore information about what other activities  
21 specifically would be go on within the 40 square miles?

22          MS. MITCHELL: Yeah, so I wanted to address that  
23 question actually. So the 40 square miles is just the  
24 area that we want to make sure we have access to to  
25 collect biological resources data, so that if, during the

1 CEQA process, alternatives are developed, or DOD decides  
2 you know what the location up here where you've got your  
3 buoy is maybe not the best location for an ultimate pilot  
4 project, or we find out from the wave migration -- the  
5 whale migration studies that we do that the northern area  
6 is not suitable, or we find out from the southern area,  
7 after doing aesthetic evaluations that they're -- it's too  
8 sensitive for public receptors, we could evaluate all of  
9 those opportunity -- all those alternatives and have the  
10 data for -- to support all of those alternatives.

11 CHAIRPERSON KOUNALAKIS: But you're saying then  
12 that if the buoy were in a location that wasn't -- you  
13 know, it was evident that that wasn't the right location,  
14 that you would be able to move it anywhere within those 40  
15 square miles.

16 MS. MITCHELL: That's not currently contemplated  
17 in this application. What we would have to do is seek a  
18 variance to the application, in that case, and come back  
19 to you for that approval.

20 ACTING COMMISSIONER BAKER: Can that be clear in  
21 the lease?

22 EXECUTIVE OFFICER LUCCHESI: Yes, that is clear  
23 in the lease, based on the specific authorized use and  
24 where the placement of that buoy is, yes.

25 CHAIRPERSON KOUNALAKIS: Is there anything else

1 that you've evaluated that would be done within the 40  
2 square miles, boats going, collecting rocks, you know,  
3 whatever could -- whatever else could go on in those 40  
4 miles that would be at all impactful?

5 EXECUTIVE OFFICER LUCCHESI: So we don't  
6 currently have any other leases for activities --

7 CHAIRPERSON KOUNALAKIS: No of --

8 EXECUTIVE OFFICER LUCCHESI: Yes.

9 CHAIRPERSON KOUNALAKIS: -- of what they do. So  
10 they're going to put a buoy out there.

11 EXECUTIVE OFFICER LUCCHESI: Right. Right.

12 CHAIRPERSON KOUNALAKIS: But they need this very  
13 large area --

14 EXECUTIVE OFFICER LUCCHESI: Right.

15 CHAIRPERSON KOUNALAKIS: -- for other data  
16 collection. What else do we know about what that other  
17 data collection, not theoretically, but physically would  
18 look like?

19 EXECUTIVE OFFICER LUCCHESI: Yeah.

20 MS. MITCHELL: Do you want me to answer?

21 EXECUTIVE OFFICER LUCCHESI: Yes, please.

22 MS. MITCHELL: Yeah. So it would -- it would be  
23 conducted in just boats, marine vessels, with qualified  
24 biologists, and then scuba divers doing marine mammal  
25 observation type studies, and benthic invertebrate

1 studies, benthic species studies, hard substrate studies.  
2 In the future, we will be coming to you again for some --  
3 the use of unmanned submarine -- I'm sorry, the term is  
4 escaping me right now, but an unmanned submarine vehicles  
5 to evaluate the seafloor, that type of thing. But that  
6 will -- that will be coming in a subsequent application.

7 CHAIRPERSON KOUNALAKIS: So is this outlined  
8 specifically in the lease in a way that if it ends up  
9 being something beyond what's outlined, it would not be --

10 EXECUTIVE OFFICER LUCCHESI: Authorized?

11 CHAIRPERSON KOUNALAKIS: -- allowed?

12 EXECUTIVE OFFICER LUCCHESI: Yes, it is.

13 CHAIRPERSON KOUNALAKIS: Okay. Commissioners?

14 ACTING COMMISSIONER MILLER: I have just one  
15 brief question. All the data that you'll be collecting,  
16 will those all be available to the public? Would that be  
17 an open source data set that you'd make available to  
18 everyone to use?

19 MS. MITCHELL: Yeah. So to a certain extent what  
20 we would do is, especially with regard to the biological  
21 resources study, we would -- or studies, we would contract  
22 with our environmental consultants and have them go out  
23 and do the studies. And most likely what they would want  
24 to do is collect all the data, process the data, interpret  
25 it into a report, and then that subsequently would be

1 released to the public, but it ultimately would be  
2 released to the public.

3           And if -- and if members of the public wanted to  
4 see the raw data in advance of that, we could --  
5 especially environmental NGOs, we could work out something  
6 there too.

7           ACTING COMMISSIONER MILLER: I'm just wondering  
8 if -- you know, I think so much of the data that you'll be  
9 collecting is really important and will be valuable, not  
10 only perhaps to your competitors but to other  
11 environmentalists. I do wonder if -- if we could start,  
12 if there's a way to make those data publicly available. I  
13 don't know if you've ever done anything like that in the  
14 past?

15           EXECUTIVE OFFICER LUCCHESI: Yes. And, in fact,  
16 that was one of the thoughts that I was having as we were  
17 listening to this and hearing some of the concerns just  
18 before the meeting started today, is that when the  
19 appropriate time is, I would recommend that we modify our  
20 staff recommendation to be a little bit more specific in  
21 terms of lease terms relating to the publicly accessible  
22 data, to ensure that that data is being published on a  
23 more routine and consistent basis, whether, you know,  
24 biannually or annually, depending on the process, and  
25 also, that it's easily accessible and digestible by

1 members of the public. So I am -- when we get to that  
2 point, I will recommend modifying staff's recommendation  
3 to include terms along those lines.

4 ACTING COMMISSIONER MILLER: I appreciate that.  
5 Thank you.

6 CHAIRPERSON KOUNALAKIS: Okay. Commissioner  
7 Baker.

8 ACTING COMMISSIONER BAKER: I assume you -- well,  
9 not recently apparently that you've had meetings with NGOs  
10 about this.

11 MS. MITCHELL: Yeah, we have. Not me personally,  
12 because I'm -- Intersect Power has -- is sort of a new  
13 partner to this application, but the company Ideol has had  
14 previous conversations with NRDC, Sierra Club, Surfrider  
15 Foundation to date.

16 ACTING COMMISSIONER BAKER: I've sat in a couple  
17 presentations by CE[SIC] Commissioner Douglas who's kind  
18 of the person who has the joy of chasing these cats around  
19 to get to an end. And I -- I guess, I wanted to ask  
20 whether the NGOs have provided you with a list of the  
21 kinds of biological and other data that they think we  
22 need -- you may not think we need to know, but they think  
23 we need to know before we approve it and if that list can  
24 be, you know, referenced or incorporated, if it would have  
25 to be developed later, so that we're capturing the full

1 breadth of this.

2 I mean, I'm just -- again, as you know Jennifer,  
3 you know that this -- this is the first step towards wind  
4 on -- in the -- in the water, and we just need to get it  
5 right. So again, my question is do you have a list of  
6 such things and...

7 MS. MITCHELL: We have a list of -- a preliminary  
8 list of biological resources, studies that we have  
9 discussed with the National Marine Fisheries Service, but  
10 not yet with the NGOs. But our intent is to be able to go  
11 out there and collect the data, in consultation with the  
12 NGOs and all the other stakeholders that will ultimately  
13 be involved in the CEQA process, so that we can have a  
14 robust CEQA process, so that we can go -- move forward  
15 with CEQA. But we -- we can't move forward with CEQA  
16 until we begin collecting these data and we can't collect  
17 the data without the lease.

18 So we -- we're happy to, you know, include a  
19 stipulation in the lease that we conduct a stakeholder  
20 process for incorporating the appropriate biological  
21 resources surveys into our data collection effort.

22 ACTING COMMISSIONER BAKER: Okay.

23 CHAIRPERSON KOUNALAKIS: Okay. Thank you very  
24 much.

25 MS. MITCHELL: Thank you.

1 CHAIRPERSON KOUNALAKIS: Our next speaker is  
2 Garry George. Mr. George.

3 MR. GEORGE: Thank you very much, Commissioner  
4 Baker, Commission Miller, Chair Kounalakis. Nice to see  
5 you again.

6 I'm here representing six different environmental  
7 organizations. My name is Garry George. I'm the Clean  
8 Energy Director for the National Audubon Society. And I'm  
9 here representing not only Audubon, but also Natural  
10 Resources Defense Council, NRDC, the Nature Conservancy,  
11 TNC, Surfrider Foundation, Center for Biological  
12 Diversity, and the California Coastal Protection Network.

13 We just heard about this application a couple of  
14 days ago. That's the first we've heard of it. There's  
15 been no outreach from the proponents. There's been no  
16 outreach from the agencies. And so we would like to make  
17 two requests of the Commission.

18 One, is that you continue this to the next  
19 meeting in October and consider this application then.  
20 This is a precedent-setting first step toward wind energy  
21 offshore in the California waters. This is the first step  
22 ever. We do have comments we'd like to make on this. We  
23 did not have time in 24 hours to put those comments  
24 together, so we would like to have two months, 60 days,  
25 your next meeting in order to do that and maybe a chance

1 to meet with the proponents.

2 Also, we ask that you think about perhaps a more  
3 collaborative programmatic thinking about the California  
4 waters with the other State agencies together to think  
5 about where might be appropriate to actually make the  
6 permitting more efficient and more appropriate in our  
7 California waters on our programmatic basis rather than  
8 one-off permit by permit. And those are our two requests  
9 of the Commission.

10 I have copy of them, if you'd like to keep that.  
11 Thank you very much.

12 CHAIRPERSON KOUNALAKIS: Thank very much. If you  
13 can present it to staff, that would be very helpful.

14 Yeah, Commissioner Baker.

15 ACTING COMMISSIONER BAKER: Garry, do you have,  
16 off the top of your head, because I'm sure you do, a list  
17 of some of the kinds of things? Am I just whistling in  
18 the wind here and that we're -- you know, we're  
19 potentially missing --

20 MR. GEORGE: You are missing a lot of things. I  
21 think we should -- it would be very helpful in your  
22 decision on whether to let this application go forward and  
23 in what way.

24 I -- in 24 hours, we have about 12 comments that  
25 we could build out with some science and data for you, but

1 I couldn't -- we couldn't do that in 24 hours.

2 ACTING COMMISSIONER BAKER: Let me -- one of the  
3 things I want to say, I don't want to kill off wind energy  
4 in California.

5 MR. GEORGE: We're -- by the way, we're --

6 ACTING COMMISSIONER BAKER: You're -- and you're  
7 not surprised by my having that viewpoint.

8 MR. GEORGE: No. And also these -- all of our  
9 groups support not only 100 percent clean energy in  
10 California, but the rest of the U.S. as well. And we have  
11 all been supporters of clean energy in California, as you  
12 know Anne, from 2006, from -- so...

13 CHAIRPERSON KOUNALAKIS: Okay. Thank you very  
14 much for coming down and speaking and sharing your  
15 thoughts. I think that it's just incredibly helpful to  
16 have your perspective on this. I agree, Commissioner  
17 Baker, I think it's a first step for something that's  
18 never been done before. And things like this don't happen  
19 in California without a major public process.

20 And having a part of that at the very beginning  
21 is probably helpful overall to the applicant as they make  
22 their case. So I really appreciate you coming down and  
23 sharing that, particularly representing the various groups  
24 that you do.

25 MR. GEORGE: You're welcome and I'm glad to be

1 here. Thank you.

2 CHAIRPERSON KOUNALAKIS: All right.

3 Next speaker is Antoine Peiffer.

4 MR. PEIFFER: Thank you very much. Good  
5 afternoon, everyone. Good Afternoon, Commissioners. My  
6 name is Antoine Peiffer. And I'm here to speak on behalf  
7 of Principle Power.

8 Principle Power is really the only global  
9 offshore wind company in California. We have headquarters  
10 in Emeryville in California in the San Francisco Bay Area.  
11 And we have a lot of our bright minds actually who came  
12 out of U.C. Berkeley, including myself. We have developed  
13 a floating foundation technology, called the WindFloat,  
14 that we now sell as an overall technology solution, to  
15 developers, utilities, and independent power producers.

16 And just to give you an idea, we have currently  
17 about 100 megawatts of floating wind projects currently  
18 under contracts and execution in Europe. And we have a  
19 pipeline of projects of multiple gigawatts under  
20 development around the world.

21 We believe really in the tremendous value that  
22 offshore wind would and can deliver to the state of  
23 California. We think it provides a means for -- we'll  
24 just say to meet its ambitious renewable energy targets.  
25 We have provided consistent leadership to really

1 demonstrate the contribution that offshore wind can make  
2 to the state's mix.

3           And so far these reasons, we have partnered with,  
4 for example, the Redwood Coast Energy Authority, Northern  
5 California. And we submitted together, and with other  
6 partners, an unsolicited list request to BOEM back in  
7 September last year. And that's for a project of 120  
8 megawatts off of Humboldt County. And the project  
9 development is continuing right now for this specific  
10 project.

11           So we understand that, you know, the areas  
12 identified by BOEM during the call for information and  
13 nomination currently subject to a lot of development  
14 uncertainty, and that there may be benefit to developing a  
15 demonstration scale project sort of in parallel in State  
16 waters to that process. But we think that it should do  
17 so, as long as it does not compromise the efforts of  
18 the -- at the federal level. You know, a demonstration  
19 project can be very beneficial in the State waters.

20           But because State Lands are a public asset, I  
21 think it is very imperative that the State Lands  
22 Commission really ensures that access to public lands be  
23 handled in a very transparent and accountable way. And  
24 this is especially true for what is proposed on this topic  
25 today, you know, for the waters off of Point Arguello.

1           This area has been considered by many, many  
2 developers and offshore wind players in the past for  
3 different, you know, wave and wind -- offshore wind  
4 projects. There is a very strong wind resource and there  
5 is actually very limited viewshed issues, which makes it  
6 very advantageous in some sense. And there is already  
7 significant work that has been conducted to develop an  
8 understanding around the feasibility and sort of the  
9 environmental impacts of such a project.

10           So for these reasons and I think because of the  
11 large sort of demonstrated interest of several offshore  
12 wind players, the Commission might consider a competitive  
13 process for lease issuance in the area. And that is for  
14 two reasons. We really want to make sure that the best  
15 use of this scarce resource represented by this asset  
16 would be achieved and we want to make sure that the State  
17 has access to the most proven, qualified, and safest  
18 offshore wind technologies.

19           CHAIRPERSON KOUNALAKIS: Thank you.

20           MR. PEIFFER: Okay. Sorry.

21           CHAIRPERSON KOUNALAKIS: Red light.

22           MR. PEIFFER: A first-come first-served  
23 philosophy will obviously not achieve that. And obviously  
24 I want to add and to finish on this that -- back to what  
25 we're talking about, an offshore demonstration project

1 like this one should obtain the perspectives of relevant  
2 stakeholders and coastal -- ocean and coastal stakeholders  
3 and environmental groups. And this is really part of  
4 responsible development.

5 CHAIRPERSON KOUNALAKIS: I --

6 MR. PEIFFER: So at Principle Power we stand  
7 ready to assist the Commission in any way we can. And we  
8 want to move the offshore wind industry as much as  
9 possible and as quickly as possible.

10 Thank you.

11 CHAIRPERSON KOUNALAKIS: Thank you. Thank you  
12 very much. And this really is about the stakeholder  
13 participation and the process, so I'm glad that you  
14 recognize that as well.

15 Commissioner Baker.

16 ACTING COMMISSIONER BAKER: (Shakes head.)

17 CHAIRPERSON KOUNALAKIS: No.

18 Okay. We have one more and then I'm sure we'll  
19 have some discussion. Thank you very much.

20 MR. PEIFFER: Thank you very much.

21 CHAIRPERSON KOUNALAKIS: Robert van de Hoek.

22 MR. VAN DE HOEK: My name is Robert van de Hoek  
23 and I'm a wildlife scientist. And thank you again for the  
24 opportunity to speak on this matter. I also have  
25 extensive training in marine biology and oceanography,

1 which I want to add some info here in terms of context for  
2 you.

3           Point Conception is very famous in studying  
4 seashore life from malacology and conchology to fit --  
5 that's shells, abalone, limpets, clams, et cetera. And  
6 then for fish, and for a few other marine groups of  
7 animals. Point Conception represents a change in the  
8 coastline from a north/south direction to and east/west  
9 direction. So the cold California current coming down the  
10 coast veers off straight and warm waters come up from the  
11 south along our L.A. coast to the Point. So it's a major  
12 contrast area between temperatures of ocean water. And so  
13 it's a meeting point of the northern marine life and the  
14 southern marine life.

15           And for more than 100 years it's been noticed how  
16 important that point is. And I've always wanted to go  
17 there, and I can't go there, because there's no public  
18 access. Well, there is about 20 miles -- well, many, many  
19 miles to the north is a county park. And you have to walk  
20 along the beach, the public right access at the high tide  
21 zone.

22           However, it's a private ranch area, so there are  
23 selected homeowners of the Hollister Ranch area that can  
24 get to this area. But this is sort of an invisible sort  
25 of secret place, you might say. And to have this kind of

1 activity going on there is really not right. If people  
2 want to surf there, they have to go on a boat from 20  
3 miles away, and jump off the boat with their surf board to  
4 be able to access, a beautiful light house there. This is  
5 a National Parks Service quality -- the Sierra Club and  
6 other organizations have proposed in the past for this  
7 part of the coast to be a national park.

8           It's too valuable to be thinking about doing  
9 these kinds of activities. And as you pointed out, and  
10 you heard from your previous speakers, even at an  
11 experimental phase, it's just not the right thing to do.

12           A bird called the black oystercatcher, which  
13 nests right up above the tide zone, is a very shy  
14 secretive type bird that is very easily spooked. And I'm  
15 certain it's going to have an impact on that, and that's  
16 just not even being able to visit it there, but to have  
17 read in the literature. I'm well read in the scientific  
18 literature on our marine coast invertebrate life and  
19 vertebrate life.

20           I worry about if seals -- I don't know, but we  
21 have a recovery happening in Southern California -- on the  
22 California coast of seals of different species coming back  
23 to our beaches. And they particularly like quiet areas to  
24 use for breeding on the beach sand. So we should --  
25 there's a lot of reasons to postpone taking a vote today.

1           CHAIRPERSON KOUNALAKIS: Thank you very much for  
2 your comments.

3           So, you know, in order for California to meet our  
4 2045 goals of being net neutral in our emissions, we have  
5 a lot of work to do and a lot of investment to make in  
6 alternative energy. And wind energy is a very critical  
7 piece of it.

8           But I just want to echo Commissioner Baker's  
9 concerns, which is that this is the first time and the  
10 first step forward at looking at offshore wind. And I  
11 think it is important for the process, important for the  
12 stakeholders, but also frankly important to the applicant  
13 to fully understand the way that those stakeholders are  
14 going to view this as early as possible.

15           And I think that if you have the benefit of the  
16 input of the environmental community's thinking at the  
17 get-go, it can be very, very helpful as you collect data.  
18 We just heard about sound impacts. So if you're  
19 collecting data and working on preparing for an  
20 environmental document down the road, having information  
21 of what kind of sound impacts there might be is something  
22 that, you know, just in a 60-second comment might spark  
23 your thinking around it.

24           So I want to hear from the other Commissioners  
25 and from staff, but it seems to me that -- that if you

1 were to move forward and collect this data, and if you  
2 were to come back with an application for offshore wind,  
3 it would be a very big, very public process. And having  
4 the benefit of not just the thinking of the stakeholders,  
5 but their participation at the first stage is probably  
6 something that would benefit everyone.

7           So those are my thoughts, and I'd like to hear  
8 from the other Commissioners.

9           ACTING COMMISSIONER BAKER: I want to see if I'm  
10 remembering this correctly Jennifer. We -- how we got to  
11 one applicant as opposed to other applicants is because  
12 how the Department of Defense has set this up to go?

13           EXECUTIVE OFFICER LUCCHESI: Actually, no. We've  
14 only received one application.

15           ACTING COMMISSIONER BAKER: Okay.

16           LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:  
17 We've gotten a second application yesterday.

18           EXECUTIVE OFFICER LUCCHESI: Oh, it cam -- so now  
19 we've received two applications. The second one was  
20 received yesterday.

21           ACTING COMMISSIONER BAKER: Yeah. Nothing like  
22 a -- nothing like a hearing to motivate action.

23           Okay. I guess -- I want to second the remarks of  
24 the Lieutenant Governor. I really think taking two months  
25 and having a robust conversation -- and by that -- and let

1 me just be clear, if we go for two months and nobody talks  
2 on either side, so both sides would have responsibility  
3 here, then I don't know where we go with this, you know.

4 But I think that allowing that to occur at this  
5 very first part of this with a strong advisory that this  
6 is on -- this is on the agenda in October going forward.  
7 And hopefully, the conversations will inform some things  
8 we can add to the lease or at least increase the comfort  
9 with the environmental community.

10 I mean, I'm more concerned that -- you know, when  
11 the person from the company said, well, we can list, you  
12 know, all the biological stuff, you know, we can do later.  
13 Well, I actually think we ought to know some of that ahead  
14 of time so we have a full picture of what this is.

15 So with that, I guess I would like to move that  
16 we postpone action until October, but very firmly that  
17 this be in October.

18 CHAIRPERSON KOUNALAKIS: Comments?

19 ACTING COMMISSIONER MILLER: You know, I'm happy  
20 to defer to the other two Commissioners in terms of  
21 timing. If this were to be deferred, or even today, I  
22 would like to understand the way in which this -- any data  
23 that's collected at this site would be -- would be open  
24 sourced and would be available to everyone. I do think  
25 that's an important piece whether it be now or in October.

1           CHAIRPERSON KOUNALAKIS: Do you have any -- any  
2 other thoughts, Ms. Lucchesi?

3           EXECUTIVE OFFICER LUCCHESI: Not at this time. I  
4 mean, I'm happy -- it sounds like the Commission is  
5 leaning towards deferment, so we can work with the  
6 comments that have been made so far. I think I'm very  
7 clear about what your goals and direction are in terms of  
8 outreach and ensuring that what comes before the  
9 Commission in October is fully vetted amongst all the  
10 stakeholders and comprehensively presented.

11           I do just want to be very clear about the process  
12 here. What's before the Commission -- and I understand  
13 the bigger picture. I don't want to undermine the bigger  
14 picture here. But our original plan as staff was to  
15 present the 3-year short-term data collection lease  
16 proposal to the Commission today, and when we received an  
17 application for the actual wind demonstration project,  
18 whether it be from this particular applicant or any other  
19 applicants, our practice, and our goals are to conduct  
20 extensive and broad outreach based on the application and  
21 the proposal that was received from us then.

22           We have some idea of what this particular  
23 applicant is thinking in terms of a demonstration project.  
24 We also have other ideas of what other companies are  
25 thinking about for a demonstration project out there, but

1 it's really needing to have an application that is  
2 substantive to be able to engage meaningfully as we move  
3 forward with that bigger -- the actual demonstration  
4 project itself.

5           With that said, we're happy to defer and comply  
6 with the Commission's direction, of course, and conduct --  
7 start conducting that outreach immediately.

8           CHAIRPERSON KOUNALAKIS: So we have a motion on  
9 the table to defer the item until October and direct staff  
10 to engage in outreach with stakeholders around this issue,  
11 and to solicit input, and to ask the applicant to engage  
12 in that process as well.

13           Do I have that?

14           ACTING COMMISSIONER BAKER: (Nods head.)

15           CHAIRPERSON KOUNALAKIS: All right. Do we have a  
16 second?

17           ACTING COMMISSIONER MILLER: Second.

18           CHAIRPERSON KOUNALAKIS: Any opposition?

19           Seeing none. Motion carries.

20           ACTING COMMISSIONER BAKER: I just want to say,  
21 Jennifer, I'm not being critical of you or your staff in  
22 this process. I just think every time in California you  
23 try to do something new, you run in occasionally to this  
24 kind of stuff. So please don't take it as a personal  
25 criticism. This is just --

1 EXECUTIVE OFFICER LUCCHESI: Absolutely not.

2 ACTING COMMISSIONER BAKER: This is a new -- a  
3 new thing. And actually, the CEC has been leading most of  
4 the activity on this. And so let me just stop there.

5 EXECUTIVE OFFICER LUCCHESI: I really appreciate  
6 those comments and I'm sure our team appreciates those  
7 comments. They are absolutely not necessary. This -- we  
8 completely understand the will of the Commission, so thank  
9 you for that.

10 CHAIRPERSON KOUNALAKIS: Okay. All right. Item  
11 77 is an informational status update on the terms of the  
12 agreement amending certain State oil and gas leases  
13 located offshore Huntington Beach.

14 May we have the presentation, please.

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

17 PETROLEUM RESOURCES ENGINEER ABADI: Good  
18 afternoon, Chair and Commissioners. My name is Jalal  
19 Abadi and I am working with the Mineral Resources  
20 Management Division of the State Lands Commission.

21 And this afternoon I'm presenting Item 77,  
22 updates on amended State oil and gas leases off Huntington  
23 Beach operated by the California Resources Corporation.

24 --o0o--

25 PETROLEUM RESOURCES ENGINEER ABADI: For

1 reference, the five leases affected by the amendment are  
2 indicated in red and are located offshore. A majority of  
3 the wells accessing the leases have been drilled onshore  
4 from the Highland street drill site and a few others from  
5 the South Bolsa drill site.

6 --o0o--

7 PETROLEUM RESOURCES ENGINEER ABADI: In October  
8 2017, the Commission authorized amending leases held by  
9 SoCal Holding, LLC, a subsidiary of California Resources  
10 Corporation, CRC. The amendment involved adjusting the  
11 existing sliding scale royalty to provide relief from  
12 historic volatility in the oil market in exchange for a  
13 comprehensive program of liability reduction for the  
14 state.

15 Under the terms, the minimum royalty was  
16 increased from 4 percent to 16 two-thirds percent. And  
17 the minimum royalty will apply until oil is \$50 a barrel,  
18 where the rate will increase until it reaches 25 percent  
19 at \$80 a barrel.

20 --o0o--

21 PETROLEUM RESOURCES ENGINEER ABADI: The  
22 Commission directed staff to report within two years on  
23 the term -- on the terms of the agreement, the progress  
24 being made on the well abandonment, and the effects on  
25 royalties under the proposal.



1 million annually to all abandoning idle wells. And by  
2 March 31st, 2021, CRC will pay the State the royalty  
3 deferred between April 2016 and September 2017 with  
4 interest.

5 --o0o--

6 PETROLEUM RESOURCES ENGINEER ABADI: So what is  
7 the impact of the royalty reduction or modification on the  
8 state's revenue, given that the oil prices are down from  
9 their historic high during 2011 to 2014? Since October  
10 2017, royalty rate have varied between 17.6 percent and 23  
11 percent.

12 Despite the lower royalty rate, the sliding scale  
13 adjustment allow CRC to finance additional field  
14 development. And as of June 2019, after considering that  
15 the reduced royalty rate costs \$4.8 million, the State  
16 still has a benefit of \$2.6 million in addition to  
17 abandonment components as a result of the royalty  
18 modification.

19 --o0o--

20 PETROLEUM RESOURCES ENGINEER ABADI: Effective  
21 January 2018, the revised DOGGR regulations on the idle  
22 wells mandate two compliance options for idle well  
23 management. An operator can either abandon or reactivate  
24 a defined percentage of the idle well -- idle wells  
25 annually and submit an idle well management plan or simply

1 pay idle well fees.

2 CRC elected the second option to pay idle well  
3 fees, along with the continuation of the active idle well  
4 testing program. Therefore, no well abandonment were  
5 required in Huntington Beach per DOGGR idle well  
6 regulations for 2018 and 2019.

7 --o0o--

8 PETROLEUM RESOURCES ENGINEER ABADI: And just to  
9 summarize, Commission and CRC staff have worked together  
10 to share information to ensure lease compliance and to  
11 identify liability reduction efforts by CRC. The  
12 amendment obligation for well amendment far exceeds the  
13 required DOGGR regulatory obligations. And as of today,  
14 CRC is fully compliant with the terms of the lease and the  
15 amendment.

16 --o0o--

17 PETROLEUM RESOURCES ENGINEER ABADI: And That  
18 concludes my presentation. And I am happy to answer  
19 questions. CRC representatives also are here to answer  
20 any questions.

21 Thank you.

22 CHAIRPERSON KOUNALAKIS: Thank you very much, Mr.  
23 Abadi.

24 Commissioners?

25 ACTING COMMISSIONER BAKER: You know, as somebody

1 who was here when we started this process and there was a  
2 lot of little wobble about how this would go, I think our  
3 commitment to deal with abandoned wells as we go as  
4 opposed to what we discovered in other places with all at  
5 once, I think is a great strategy and I'm glad to see  
6 we're moving ahead.

7 PETROLEUM RESOURCES ENGINEER ABADI: Thank you.

8 ACTING COMMISSIONER MILLER: Yeah. I'm going to  
9 be a broken record on this. But just the fiscal  
10 responsibility of the Commission and everyone being  
11 willing to really understand that the -- someone has to  
12 bear the costs and the ability to have the forethought to  
13 see that again makes a huge difference.

14 So thank you for that.

15 CHAIRPERSON KOUNALAKIS: We have one speaker from  
16 the community -- from the public. Bob Grundstrom.

17 MR. GRUNDSTROM: Thank you, Madam Chair,  
18 Commissioners. I'm Bob Grundstrom with the California  
19 Resources Corporation. I represent the -- these leases in  
20 Huntington Beach, as well as our leases in Long Beach,  
21 where we operate on behalf of the City and the State of  
22 California -- City of Long beach and State of California.

23 And I really was here in case there were any  
24 questions and mostly to provide my appreciation and thanks  
25 to the Commissioners -- commission, State Lands staff for

1 working on a proactive balanced approach. It's part of a  
2 holistic solution. And like echoing your comments here,  
3 abandoning these facilities over time, working as an  
4 active operator, as an active participant in the  
5 community, and taking care of those long-term liabilities,  
6 it's part of what CRC does and it's part of what this  
7 amendment has provided for us. So I appreciate it and I  
8 wanted to say thanks to State Lands.

9 CHAIRPERSON KOUNALAKIS: Thank you very much.  
10 Thanks for coming down.

11 Okay. Moving on to Item 79. Item 79 is an  
12 informational presentation on the Commission's Online  
13 System for Customer Applications and Records system.

14 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:  
15 OSCAR.

16 CHAIRPERSON KOUNALAKIS: Welcome to the 21st  
17 century. May we have the presentation.

18 (Laughter.)

19 (Thereupon an overhead presentation was  
20 Presented as follows.)

21 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:

22 Thank you. Good afternoon, Madam Chair and  
23 Commissioners. My name is Phil Schlatter, project  
24 director for OSCAR, and I'm here to provide a brief  
25 overview of the project and the technology that we have

1 implemented.

2 --o0o--

3 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:

4 OSCAR, the Online System for Customer  
5 Applications and Records is a suite of technology  
6 solutions that enable the Commission to efficiently  
7 process applications for leases and permits, and protect  
8 and preserve State land ownership records.

9 --o0o--

10 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER: We  
11 are implementing OSCAR to achieve digital transformation,  
12 both paper-to-digital records and paper-to-digital  
13 processes. First and foremost, we want to protect and  
14 preserve historic land records that we use to identify our  
15 jurisdiction; additionally, providing a modern way for  
16 applications to be received online, including payments;  
17 and providing an internal digital workflow for staff  
18 improves efficiency and tracking of applications through  
19 the process, something we have termed "born digital". We  
20 are also centralizing record collections that are spread  
21 throughout the organization into one accessible location.

22 --o0o--

23 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:

24 Although the project implementation was fairly  
25 quick, completed in one year, both on time and on budget,

1 there was a long lead up to implementation. Working  
2 through the State's project approval process known as PAL,  
3 laid the groundwork for this successful implementation,  
4 giving us an opportunity to document the application  
5 process from initial inquiry to Commission approval.

6 --o0o--

7 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:

8 Here is one example of the workflow analysis that  
9 was completed. As you can see, the task, decision points,  
10 and information sources were captured in great detail.

11 --o0o--

12 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:

13 From that detailed process analysis, the team was  
14 able to develop project requirements and a process model  
15 that could be effectively implemented in our software  
16 platform. Grace Kato one of the business sponsors of the  
17 project would now like to say a few words about the  
18 business value generated.

19 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

20 I'm not nearly as tall as Phil is.

21 (Laughter.)

22 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

23 Good afternoon, Commission -- Chair and  
24 Commissioners. Grace Kato this time representing the  
25 business users of our OSCAR system.

1           As internal users of the system, we're excited  
2 about the efficiencies that OSCAR will bring. Our prior  
3 process required us to do a linear process or a  
4 consecutive processing of files, because the files needed  
5 to be held in your physical possession in order for  
6 processing to happen.

7           With OSCAR, we now have all of that application  
8 material digitally available to all of our business users,  
9 so we are -- we have, in effect, established a parallel  
10 processing system without disturbing any of our workflow  
11 responsibilities.

12           The public portal that Phil will be introducing  
13 just a bit will allow for our applicants to enter their  
14 own information. And OSCAR itself will allow us to  
15 pre-populate or auto-populate specific forms to establish  
16 more efficiencies, as well as develop additional  
17 consistency throughout our overall staff report documents.

18           The online application that we'll be using will  
19 be constantly evolving to meet the Commission's needs, as  
20 well as our applicants. And OSCAR will allow for this  
21 flexibility.

22           Additionally, what was previously a paper-based  
23 one-size-fits-all application will be specifically focused  
24 and formatted to address the applicant's requested need or  
25 action from the Commission. So everybody won't need to

1 fill out a 50-page application.

2 Further, the public portal will allow the general  
3 public to obtain historical information and documents that  
4 we have available digitally, while staff would still be  
5 available to take any live phone calls or interact with  
6 the public as necessary.

7 Thank you.

8 --o0o--

9 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:

10 Thank you, Grace.

11 So now I would like to give a brief -- a brief  
12 tour of the OSCAR solutions that we have available.

13 --o0o--

14 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:

15 This is a brief video demo showing the applicant  
16 portal and a glimpse of the internal workflow.

17 What we are seeing now is the applicant portal.  
18 Applicants first create an account, so that they can  
19 privately start, submit, and track the progress of their  
20 application.

21 Once their account is created, they start the  
22 application, which walks them through identifying project  
23 details, answering a questionnaire based on the  
24 application type they have chosen, and supporting --  
25 adding supporting documents, and paying their application

1 fee and expense deposit. Once the application has been  
2 successfully submitted, an internal staff workflow is  
3 started.

4 You're almost ready to submit.

5 (Laughter.)

6 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:

7 It's so quick.

8 Their payment.

9 Now we see the internal staff workflow.

10 --o0o--

11 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER: The  
12 second component is our records search component. Here is  
13 a diagram showing the technology architecture for the map  
14 and text search functionality. The takeaway here is that  
15 we are connecting multiple systems and content sources  
16 that can be searched from a single place, similar to an  
17 internet search engine. This is very cutting edge  
18 technology-wise, and the first implementation like this I  
19 am aware of in State government. We will have both  
20 internal and public-facing versions of these tools.

21 --o0o--

22 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:

23 Here is a brief video showing a map and tech  
24 search. All of the Commission's work history is broken  
25 down into 1,000 by 1,000 foot grids across 7 zones in the

1 State. There are approximately three million grid  
2 squares. Users are able to zoom into a particular square,  
3 click on the link, and get all of the previous work  
4 history in that particular area.

5 Users can also click on a lease point or  
6 application point for reference. The public version will  
7 function in a very similar way. Clicking on the square.  
8 And now they're linked to the search results from multiple  
9 sources or back to the OSCAR application.

10 Due to the hard work of the Commission's record  
11 management unit and their parallel digitization efforts,  
12 our first collection of approximately 20,000 authoritative  
13 and historical maps will be available to the public in the  
14 coming weeks.

15 Staff participation has been unprecedented for a  
16 technology project here at the Commission. I'm sure I've  
17 forgot some folks on this list who contributed to this  
18 effort, but I would like to offer my sincere thank you to  
19 all staff who have made this project a success.

20 I would also like to thank the Executive Office  
21 for their ongoing support of this effort. The number one  
22 cause for technology projects to fail is lack of executive  
23 support, and we've had nothing but the opposite, 100  
24 percent behind our efforts.

25 That is all I have for today. Thank you. And

1 I'll be happy to answer any questions you may have.

2 CHAIRPERSON KOUNALAKIS: Well, congratulations.  
3 This is a huge leap forward. And I'm sure we're going to  
4 have a lot of people who will be very happy to be able to  
5 take advantage of this new function.

6 Two quick questions. One is will people be able  
7 to fill out these forms on their phone or will it require  
8 a laptop or a bigger computer.

9 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:

10 Yeah, a great -- great question. So the  
11 application portal is built with something that's referred  
12 to as responsive design. And so that means it can work on  
13 all different screen sizes and types, whether mobile  
14 device or a conventional computer desktop or laptop.

15 CHAIRPERSON KOUNALAKIS: And then -- I think I  
16 know the answer, but, you know, 25 percent of Californians  
17 don't have access to broadband. Is it a pretty low enough  
18 data intensity that you can use it without necessarily  
19 having to have high speed internet access?

20 INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:

21 Yeah. In terms of the application portal  
22 component, where applicants will be submitting, you know,  
23 lease or permit applications, that is very low bandwidth  
24 consumption.

25 CHAIRPERSON KOUNALAKIS: Um-hmm.

1           INFORMATION TECHNICIAN SUPERVISOR SCHLATTER: The  
2 online records search portal that is a higher level of  
3 bandwidth requirement, just because of the size of those  
4 digitized maps. That can be more of a challenge from a  
5 bandwidth perspective.

6           CHAIRPERSON KOUNALAKIS: Okay. Commissioners,  
7 comments, questions?

8           ACTING COMMISSIONER BAKER: No, but  
9 congratulations.

10          INFORMATION TECHNICIAN SUPERVISOR SCHLATTER:

11 Thank you.

12 (Laughter.)

13          CHAIRPERSON KOUNALAKIS: Thank you very much. It  
14 was a great presentation.

15          EXECUTIVE OFFICER LUCCHESI: Yeah. If I may, I  
16 just wanted to specifically acknowledge and congratulate  
17 Phil and Grace who were really the ring leaders in our  
18 agency for this. As you saw in the timeline, it's been 5  
19 years. And a lot of hard work went into this in the  
20 beginning. When I first started at the Commission in  
21 1999, we -- this was -- the digitization and moving  
22 towards this kind of product was being talked about  
23 constantly. And we had a lot of starts that just didn't  
24 move us forward in a meaningful way at that time for a  
25 number of different reasons.

1 I want to acknowledge and thank Phil and Grace  
2 for their leadership, and their vision, and their  
3 tenacity, and their ability to herd all of us cats to get  
4 to this end result, and just to echo what the Chair said.  
5 This is going to transform how we as staff do our work,  
6 how we then develop and prepare analyses and  
7 recommendations, so you can make informed decisions. And  
8 then it will also transform the way the public interacts  
9 with public records that date back prior to 1850 that  
10 we're responsible for. So I just -- I'm so grateful to  
11 Phil and Grace, and I'm so excited for our future under  
12 this umbrella.

13 CHAIRPERSON KOUNALAKIS: Thank you. Thank you.

14 And, Ms. Lucchesi, what is the next order of  
15 business?

16 EXECUTIVE OFFICER LUCCHESI: Public comment.

17 CHAIRPERSON KOUNALAKIS: All right. We have  
18 quite a few people from the public who want to speak  
19 during public comment. If you have not yet filled out a  
20 form, please do so. And please write your name clearly  
21 and indicate any phonetic, you know, things that we should  
22 know about.

23 All right. So I'm bring people up in the order  
24 of -- that we received the requests to speak. Our first  
25 speaker is Brett Balint.

1 MR. BALINT: Good afternoon. My name is Brett  
2 Balint, and I represent a consortium of companies that  
3 were working to do several things.

4 There is a presentation, if you can bring it up.

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

7 MR. BALINT: This was a -- there is a 30-minute  
8 presentation, I'll try to nail down to 3 minutes, if  
9 you'll give me one more minute, i'll appreciate that.

10 So if anyone remembers their Latin, time flies.  
11 I want to accelerate a few things in California. You can  
12 read the text or you can go back to listen to President  
13 Kennedy's speech in 1962. We'll give it there.

14 But the one thing I'd like to point out is the  
15 rapid acceleration of when this speech first came online  
16 to where it is now, and you can see there are a few other  
17 players that we're moving forward our system of  
18 transportation.

19 Let me back up here one second. This page left  
20 blank because when you see who's the next player to move  
21 our transportation system forward. Traffic in this state  
22 is unsustainable. And this is a comment here from the  
23 California High-Speed Rail Authority. And we all know  
24 what traffic is like in the area, in the State. Los  
25 Angeles rates at the top of the index here of 102 hours

1 per year in traffic. Dallas down there at 54. I want to  
2 get to that in a second. But we're also still the highest  
3 in the nation -- excuse me, the developed nations --  
4 developed world here.

5 So I know this is a little bit small. The  
6 relationship between transportation or societal mobility  
7 is stronger than any other items between the emergence and  
8 crucial escaping of poverty. And we'll get to that too in  
9 a second.

10 Keep moving here.

11 Governor Newsom in his State of the Union --  
12 State of State address, really pointed out that we have a  
13 little bit of egg in our face from the high-speed rail  
14 system, to say the least. I'm being kind. But we did not  
15 want to make and be interesting in making the same old  
16 mistakes again.

17 So here we go. What we want to do?

18 Let's talk about urban air mobility, you'll refer  
19 to as UAM and regional air mobility. So you have a lot of  
20 news sources to fly in air space, a lot of headlines. Let  
21 me point you to one that you may not have taken a look at.

22 So there's 80 urban craft that are in  
23 development. You might want to see one and take advantage  
24 and notice of this. North Carolina, remember what their  
25 State tag line is here, first to flight. Well, they're

1 moving forward with first human -- transport of human  
2 organs. And they also just granted drone food delivery.  
3 Let's hope they don't confuse those two things.

4 Why are we here?

5 Dallas, Texas is going to be taking into Uber  
6 into their area. Paris, France wants to launch their  
7 system of flight by the 2024 Olympics. And where are we?

8 Lake Forest, California just has the company down  
9 here called Karem Aircraft that just received the program  
10 and the affiliation to build the Ubercraft. So in  
11 reality, California's Ubercraft may fly first in Texas.  
12 It just doesn't seem right to me.

13 What do we want to do? We see -- I'm going to  
14 blow through a couple of these things here. We see an  
15 opportunity to accelerate UAM in California by repurposing  
16 many things the State Lands has. The first off is Rincon  
17 Island.

18 You've granted me a minute more. I appreciate  
19 that.

20 We see an opportunity to relaunch. And it's kind  
21 of washed out here, but there is an app to launch your  
22 vehicle where you want to go. The craft and Uber van that  
23 would take you up and down the pier and causeway. We see  
24 opportunities to use wave power as well as the  
25 aforementioned wind power.

1           The area there is suitable for kiss and ride to  
2 drop and go, rideshare activities. Left the extra slide  
3 there. Keep moving forward. But there's about 70 miles  
4 back and forth between Santa Monica Airport. And our goal  
5 here is to move flight 2 to 5 miles off the coast,  
6 something to be seen, but not heard. We all think of  
7 helicopters over L.A., and it's painful. I lived in the  
8 city years ago. It's painful. We don't want to keep  
9 thinking of helicopters. We may think of this, but we all  
10 go back and thinking of the transition we came from here  
11 to here.

12           Now, there are services that are launching. You  
13 may hear something called SkyRise. They recently launched  
14 their program, their \$149 service, for going from Orange  
15 County to L.A.

16           CHAIRPERSON KOUNALAKIS: I'm sorry. We have 10  
17 speakers --

18           MR. BALINT: I'm blowing through this and I'm  
19 going to be done.

20           CHAIRPERSON KOUNALAKIS: -- who have been waiting  
21 patiently.

22           MR. BALINT: I'm done. Thank you so much.

23           CHAIRPERSON KOUNALAKIS: Thank you.

24           MR. BALINT: Last opportunity is to save some of  
25 the sealife down there from -- under all these regs as

1 well. So -- and thank you so much. We are Therica.  
2 We're an organization that would like to accelerate  
3 autonomous air travel.

4 Thank you.

5 CHAIRPERSON KOUNALAKIS: Thank you. Thank you  
6 very much for presenting that to us.

7 Our next speaker a Chris Clarke with the -- well,  
8 Chris Clarke is still here.

9 Thank you for waiting patiently.

10 MR. CLARKE: Madam Chair, Commissioners, my name  
11 is Chris Clarke. I'm California Desert Program Manager  
12 with the National Parks Conservation Association. I'm  
13 pleased at the opportunity to address you today and  
14 grateful for that. I am based in Joshua Tree, which I  
15 left early this morning to make this meeting to discuss  
16 the importance of your forthcoming review of the Cadiz  
17 water mining project.

18 We were a sponsor of SB 307, which authorizes the  
19 Commission to review the Cadiz project. And that project  
20 can only advance, if the Commission determines that there  
21 will be no adverse impacts to our desert's natural or  
22 cultural resources.

23 When the Governor recently signed SB 307 into  
24 law, he issued a fairly rare signing message, which I've  
25 provided copies of to you. The desert communities where I

1 live and work treasure our Mojave Desert. We need water  
2 to live, to sustain our National Parks and Monuments, to  
3 sustain our plants and our wildlife, and to sustain our  
4 tourism industry. Your work will shape the future of our  
5 communities.

6           The Cadiz project is an environmental disaster  
7 that has failed to advance for over two decades because  
8 the math doesn't add up. Cadiz wants to pump and sell 16  
9 billion gallons of water, 50,000 acre feet, each year from  
10 one of the driest places in North America. This aquifer  
11 overdraft will destroy desert springs and the ecosystem.  
12 And the project is only alive today because the Trump  
13 administration exempted this project from federal review.  
14 The Secretary of the Interior who made that decision is a  
15 former Cadiz lobbyist.

16           I'd like to close by reading two brief statements  
17 that local leaders of my communities asked me to share  
18 with you, as they're not able to attend today. The first  
19 is from Paul Smith of 29 Palms. He says, "Good afternoon.  
20 My name is Paul Smith. I own the 29 Palms Inn, a  
21 successful tourism-oriented business on the Oasis of Mara  
22 in 29 Palms. An intact functioning desert ecosystem is  
23 crucial to our business and those of our neighbors here in  
24 the Mojave. We've been extremely concerned about the  
25 devastating damage the Cadiz water mining project is

1 likely to cause our home and we were strong supporters of  
2 SB 307. I'm writing to convey our gratitude that with the  
3 passage of the bill, you at the State Lands Commission,  
4 unlike the federal government, will respect and follow  
5 science, which for decades has shown Cadiz is harmful".

6           The second statement is from Michael Madrigal, a  
7 member of the Cahuilla Band of Indians and President of  
8 the Native American Land Conservancy.

9           And he says, "Esteemed, Commissioners, the lives  
10 and cultures of desert peoples, the Chemehuevi, the  
11 Mojave, the Cahuilla, the Serrano, and many others are  
12 inextricably intertwined with the survival of desert  
13 springs. Desert tribes have spoken up strongly in  
14 opposition to Cadiz, as has the Native American Land  
15 Conservancy due to the threat Cadiz poses to our living  
16 culture.

17           The saying water is life is as true in the  
18 California desert as it is at Standing Rock. We urge  
19 you..." -- I can't read my own notes here. "We urge you  
20 to protect our homes and sacred sites from Cadiz". That's  
21 from Michael Madrigal of NALC.

22           NPCA looks forward to your efforts and thank you  
23 for -- again for this opportunity to comment.

24           CHAIRPERSON KOUNALAKIS: Thank you. Thank you  
25 very much. We have two more people who are here to speak

1 on this issue.

2 Stewart Cushman

3 MR. CUSHMAN: Good afternoon. Thank you for  
4 listening to our comments. I live right here in Hermosa  
5 Beach, and I appreciate and am thankful that Governor  
6 Newsom signed SB 307, because when it comes to our  
7 National Parks, playing by the rules matters.

8 These places are sensitive ecosystems, and they  
9 are here for the public benefit and think that's the  
10 important piece of the puzzle. I've been involved in the  
11 National Parks Conservation Association for about 10 years  
12 as a volunteer. And we advocate on behalf of National  
13 Parks, because they can't speak for themselves.

14 I'm currently vice chair of the Pacific Regional  
15 Council, which covers the lands in California and Nevada  
16 that could be affected by this Cadiz project. Over the  
17 years, I've had the chance to visit a wealth of National  
18 Parks, places like Death Valley, Mojave, Joshua Tree that  
19 are incredibly special.

20 I'd also like to mention that on the professional  
21 side I'm in the real estate investment development  
22 business. So as a business owner, I certainly understand  
23 and respect business's right to earn a profit, but I also  
24 like to respect the balance between business, communities,  
25 jobs, the economy, and the environment. And I'm also

1 involved in an agricultural business in wine, so I'm  
2 especially sensitive to groundwater and being able to  
3 access that, whether it's for residential personal uses or  
4 business uses.

5 So I'm very thankful that this is going back to  
6 your Commission to get real science to look at these types  
7 of issues. And I think your review will support what a  
8 lot of other scientists have found so far that this math  
9 just simply doesn't add up.

10 So as somebody involved in the business  
11 community, I appreciate your time and attention on these  
12 matters. And I think for all of us, whether we, you know,  
13 go out and find desert tortoises in Joshua Tree, or the  
14 vibrant stars in the Mojave, or finding, you know, natural  
15 springs in these National Parks that's something we want  
16 to, you know, keep for generations.

17 So thanks for your consideration.

18 CHAIRPERSON KOUNALAKIS: Thank you. Thank you  
19 very much for coming down.

20 John Monsen.

21 MR. MONSEN: Well, thank you very much for  
22 letting us comment today. We really appreciate it. My  
23 name is John Monsen and I'm a long-time desert activist.  
24 And I'm based in Pasadena where I do environmental  
25 consulting. I run a business devoted to conservation. I

1 hike a lot in the Mojave Desert, and I appreciate its  
2 fragile beauty.

3 I've hiked in Bonanza Springs in the Mojave  
4 Trails National Monument, a magnificent green oasis,  
5 essential to the survival of desert life that would be  
6 harmed by the Cadiz, Inc. water mining project.

7 I'm heartened that over the last 25 years, we've  
8 come to better understand the importance of our California  
9 deserts. Under the leadership of Dianne Feinstein and  
10 other advocates, we have created new Desert National Parks  
11 and Monuments.

12 Senate Bill 307 fits into this tradition. My  
13 thanks to Governor Newsom for signing it into law. Cadiz  
14 has both science and common sense working against it. The  
15 problem -- the project was shown first to be unsustainable  
16 and uneconomical about two decades ago when it was  
17 rejected by the Metropolitan Water District.

18 Independent federal government studies by the  
19 United States Geological Survey and the National Parks  
20 Service showed the Cadiz science to be flawed, that Cadiz  
21 couldn't pump enough water out from under public land to  
22 make a viable business without significantly overdrafting  
23 the aquifer.

24 Fasting -- fast -- moving fast forward, to more  
25 recent history, Cadiz was put on hold by the Obama

1 administration, which correctly ruled that the project  
2 required a federal environmental review under NEPA. This  
3 decision was overturned by the Trump administration's  
4 Department of Interior, as mentioned by previous speakers.  
5 The Department of Interior is headed up by David  
6 Bernhardt, who worked for the law firm that represents  
7 Cadiz.

8 Cadiz skirted the rules. SB 307 restores a layer  
9 of oversight. Californians took our State -- look to our  
10 State government and its agencies to protect our interests  
11 from reckless policies related to the economy, trade,  
12 immigration, and the environment. SB 307 is one more  
13 opportunity for California to show leadership.

14 Cadiz knows it can't pass federal or State  
15 review. That's why it opposed SB 307 and didn't want the  
16 Commission to look under the hood. Cadiz knows that you  
17 will look at the -- all the scientific evidence. And that  
18 scares them.

19 One credible source of California -- of  
20 scientific evidence is the California Department of Fish  
21 and Wildlife. In December 2018, Director Bonham notified  
22 Cadiz that the project's EIR was flawed and inadequate for  
23 protecting the desert bighorn sheep, a State protected  
24 species.

25 The Department believes, based on newly published

1 research, that Cadiz project would harm desert springs  
2 essential to the survival of the bighorn sheep. Thank you  
3 in advance for your review. Thank you very much.

4 CHAIRPERSON KOUNALAKIS: Thank you also for  
5 coming down. I am sure that we're going to be hearing and  
6 speaking a lot about this issue in the future. We have a  
7 few more here for public comment. Next is Janet  
8 Counter[SIC], I believe

9 ACTING COMMISSIONER BAKER: Gunter.

10 CHAIRPERSON KOUNALAKIS: Hmm?

11 ACTING COMMISSIONER BAKER: Gunter.

12 CHAIRPERSON KOUNALAKIS: Gunter. Gunter. My  
13 apologies

14 MS. GUNTER: Do you mind if we change the order  
15 and let Jesse speak first? We've kind of drafted our  
16 notes that way.

17 CHAIRPERSON KOUNALAKIS: That's fine.  
18 Absolutely.

19 MS. GUNTER: Okay. Thank you.

20 CHAIRPERSON KOUNALAKIS: I don't think I have a  
21 speaker's slip for him.

22 MR. MARQUEZ: Yes, you do.

23 CHAIRPERSON KOUNALAKIS: Another one?

24 MR. MARQUEZ: Yes.

25 CHAIRPERSON KOUNALAKIS: Oh, yes. Except for it

1 says Vesse not Jesse.

2 (Laughter.)

3 CHAIRPERSON KOUNALAKIS: But at least there's a Z  
4 on the end now of Marquez.

5 Please proceed. My apologies.

6 MR. MARQUEZ: Okay. Thank you for this  
7 opportunity again.

8 You heard me mention that I was working on the  
9 Wilmington Emergency Preparedness Plan. We've spent a  
10 year and a half digging into the details. Everyone is  
11 aware that last month there were several major earthquakes  
12 in the Ridgecrest area. So naturally, here I am with a  
13 document that's 99 percent done. I took the advantage to  
14 review what we had written. I watched every TV interview,  
15 every broadcast that was regarding the earthquake,  
16 especially paying attention to the people that were being  
17 interviewed themselves as to what precautions did they  
18 take, how did it impact their lives?

19 And so after all of that, I also went online to  
20 do additional internet research. And in the process, I  
21 discovered something very new, very scary. We have a  
22 young man out of Harvard University working on his  
23 post-doctorate degree who worked as an intern over here at  
24 The Southern California Earthquake Center.

25 And he published two posters for the 2018, 2017

1 annual convention of what they do. And I contacted him to  
2 gather more information about it. And I was blessed in  
3 that he forwarded me an advanced copy of this abstract  
4 that's being published next month.

5 Now, the news in this is devastating, because it  
6 identifies the Wilmington Blind Fault as not being an  
7 undangerous scenario. Their new 2-D, 3-D research shows  
8 that it is a viable catastrophic fault. It starts  
9 partially in Torrance, passes through Harbor City, San  
10 Pedro, Wilmington, Port of L.A., Port of Long Beach, all  
11 the way down to Huntington Beach. And they estimate the  
12 devastation could be 7.0 and greater.

13 Now, naturally, I had to update all my  
14 information, because we're talking about preparedness for  
15 families and in communities, where I have to also identify  
16 what are the potential dangers. There was no report that  
17 says anything about a potential major tsunami off the San  
18 Pedro Bay or a major earthquake off San Pedro Bay. But  
19 here it is the new evidence for it.

20 It will be devastating. The whole Port of L.A.  
21 and Port of Long Beach complex will be destroyed. There  
22 are oil tankers. There are gas fuel tankers, gas tankers  
23 that load and unload. They would be destroyed first with  
24 the first waves. In our San Pedro community our neighbor  
25 are two major butane tanks there. They would be

1 destroyed.

2           So now, I've updated my report to reflect our  
3 opinions and recommendations. And now I ask you, as the  
4 State Lands Commission, to now re-review this information,  
5 call another special hearing to look at all of  
6 California's assets and communities that would be impacted  
7 by this type of earthquake.

8           Thank you.

9           CHAIRPERSON KOUNALAKIS: Thank you very much. So  
10 the second now Janet Gunter.

11           MS. GUNTER: Good afternoon. I'm with the San  
12 Pedro Peninsula Homeowners United. And I know several of  
13 you, because we've been here. This is like 16 years that  
14 we've approached this Board attempting to get some action  
15 on something that is extraordinarily dangerous. And we've  
16 already heard something that really amplifies what we're  
17 dealing with now in a completely crazy way.

18           So I'll go back to my notes, which are -- we've  
19 been before you on the issue of a highly explosive 25  
20 million gallon liquefied petroleum gas storage facility  
21 that threatens the densely populated communities in our  
22 Los Angeles harbor region, as well as the infrastructures  
23 of both Ports of L.A. and Long Beach.

24           The startling Wilmington Thrust Fault information  
25 received last night greatly amplifies the vulnerability of

1 the harbor area in its entirety. Rather than continue to  
2 bury this important information, it would behoove this  
3 agency, the State, L.A. County, and the City of Los  
4 Angeles to engage in a strategy that begins the process of  
5 defusing the massive bomb that currently exists in our  
6 region. This news uncorks a bottle on just how likely a  
7 seismic event might be and dramatically increases the  
8 magnitude of its destructive potential.

9           Action taken on our issue of the massive butane  
10 gas storage would be an easy first step in a long series  
11 of desperately needed responsible actions to mitigate the  
12 grave damages that will be realized from the long promised  
13 significant earthquake.

14           Only a few months ago, the Los Angeles area  
15 received a sharp wakeup call from the Ridgecrest  
16 earthquake. Luckily, this 7.3 quake occurred in a  
17 sparsely occupied region causing little damage. However,  
18 for a brief moment in time we were all reminded of what we  
19 know is coming, the big one, overdue, more centralized in  
20 L.A. and a far, far greater magnitude.

21           Meanwhile, this LPG site, almost 50 years old,  
22 with its huge volume and highly explosive gas, is over --  
23 has a 3-mile blast radius. Those tanks sit within 150  
24 feet of the active 7.3 Palos Verdes fault in antiquated,  
25 unpermitted tanks built to a seismic substandard of 5.5.

1 It sits on designated landslide and liquefaction zones,  
2 and on the precipice of the port.

3 This private facility is utilizing our Public  
4 Trust Lands for its rail and pipeline transport without  
5 which it could not function. There has never been a  
6 comprehensive risk analysis performed for this site nor  
7 its transportation, which occurs within mere feet of home,  
8 schools, and children's ball fields.

9 In our view, the State Lands Commission continues  
10 to abdicate its duty to the people by doing nothing about  
11 this extraordinary risk. The deadly consequences of  
12 ignoring this and the existing Wilmington Thrust Fault  
13 information will be realized in unnecessary death,  
14 destruction, and financial losses too great to even  
15 imagine.

16 Human lives are un -- are unwillingly being  
17 offered up as a sacrifice in the name of preserving  
18 commerce, political ties, and maintaining campaign  
19 promises to big oil. This is a classic example of  
20 commerce without conscience.

21 We urge you to please do something. Thank you.

22 CHAIRPERSON KOUNALAKIS: Thank you very much.

23 Noel Weiss also on this issue.

24 MR. WEISS: Yes, Commission. I want to take a  
25 little bit -- I want to have a little bit of a different

1 take on what you've heard relative to the tanks. I want  
2 to focus in on the rail operation, because the rail is a  
3 Public Trust asset. It's an after-acquired Public Trust  
4 asset. There's been no dispute with regard to that.

5 And I understand your stewardship, you have an  
6 obligation, but it would be nice if everything was clear  
7 cut and it's not. There's always -- there have to be  
8 tradeoffs.

9 Right now, the public is not being given the  
10 benefit of your stewardship, because we need a hearing.  
11 We need an agendized item on the -- what we contend is the  
12 improper use of this Public Trust asset by Plains Rancho  
13 and PHL, Pacific Harbor Line, as its basically private  
14 railroad, because this is the only thing that goes on the  
15 railroad.

16 The harbor did improvements in the early 2006 to  
17 '15 area, so that all the rail traffic is basically  
18 confined in a certain area, with the exception of this old  
19 rail line. And Plains is basically taking propane, 33,000  
20 gallons per railcar, maybe 20 -- maybe 10 to 15 per week,  
21 that's 600,000 gallons of propane running through the port  
22 to a switching station that goes to Plains' operation in  
23 Shafter, California.

24 Meanwhile, there's no authority in writing for  
25 this. There's no risk management done by the Port on

1 this. More importantly, and you have on your agenda  
2 today, items relative to the payment to the State of the  
3 use of State assets. Here, there's no agenda item. And  
4 at a minimum, we would need some Commission input on  
5 whether or not they should pay for the use of this rail  
6 line.

7           They pay zero commission, with the exception of  
8 the rail spur portion. There's basically four segments,  
9 one within Rancho, one from Rancho to the rail spur, one  
10 from the rail spur to the port, and then the one that runs  
11 through the port. They pay zero dollars. PHL is getting  
12 for free and Plains Rancho is getting benefit of this.

13           Now, again I understand the tradeoff. And the  
14 tradeoff in the public policy determination that was made  
15 by the City is and was, they don't want to have -- if they  
16 take away the rail, then all of this propane would be  
17 trucked, and that would be an environmental problem.

18           So, okay, fine. Let's have the hearings. Let's  
19 do the proper EIR workup. Let's do the Public Trust  
20 workup, which is a separate requirement, because you're  
21 dealing with Public Trust assets, and then make that  
22 decision in an open way, not in a way that basically gives  
23 a hidden subsidy and a gift of government assets away to  
24 private interests, an oil company, and that, you know, the  
25 politicians decry.

1 I mean, it's just not right, particularly if, God  
2 forbid, there's an earthquake, there's an accident,  
3 there's a terrorist attack. In the absence of risk  
4 management -- and the Port's Risk Manager, I should point  
5 out is -- also does work for Plains. So there's a  
6 conflict of interest there. The city attorney can't give  
7 independent information on this. The city has said, well,  
8 there's nothing we can do, because the rail is governed by  
9 the Feds.

10 Well, you know what, when they did their permit  
11 back in '97, they waived their federal rights with that  
12 regard. So nobody is doing anything. You're the last  
13 gasp. We need you to be proactive on this and do a better  
14 job of stewardship, now that we have new regime with the  
15 Lieutenant Governor and our new Governor. Thank you very  
16 much.

17 CHAIRPERSON KOUNALAKIS: Ms. Lucchesi, do you  
18 have any kind of comment on these last three speakers and  
19 the issue they're raising with us, and the new information  
20 they're presenting?

21 EXECUTIVE OFFICER LUCCHESI: Of course. So this  
22 is -- I want to thank Janet, and Jesse, and Noel for  
23 coming to our meeting today, and to continue to talk about  
24 this issue that is impacting their community.

25 We have looked at this over multiple years at

1 multiple, both internally with staff in consultation with  
2 the Attorney General's office, and at various hearings in  
3 front of the Commission. And our conclusion has been so  
4 far, with the caveat that we have not seen the report that  
5 Jesse is referencing, that our jurisdiction is extremely  
6 limited in this area.

7           The Public Trust lands where some of these rail  
8 activities are occurring have been granted in trust to the  
9 Port of Los Angeles. And unfortunately because of that  
10 mechanism, the State Lands Commission does not have any  
11 active approval authority over the activities in the Port  
12 of Los Angeles. So because of that mechanism, we do have  
13 limited authority and jurisdiction.

14           That does not mean to infer that the risks and  
15 the concerns that the community is feeling aren't real.  
16 It's just we've looked very deeply into this and we're not  
17 seeing all the different -- excuse me, we're not -- we  
18 haven't been able to identify a clear path to exercise the  
19 Commission's jurisdiction at this point.

20           CHAIRPERSON KOUNALAKIS: Okay. Thank you.

21           We have three more speakers. If you have not put  
22 in a speaker's slip and you'd like to speak, please do so.

23           I have Eva Cicora.

24           Hello

25           MS. CICORA: Hi. My name is Eva Cicora.

1 CHAIRPERSON KOUNALAKIS: Cicora.

2 MS. CICORA: It's all right. I understand.

3 CHAIRPERSON KOUNALAKIS: That's beautiful.

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

6 MS. CICORA: Your name has the same issues.

7 Okay. I'm going to speak to you today about  
8 ocean litter. I'm sorry you have so many problems facing  
9 you, but we all do. And hopefully I can work this thing.

10 Yeah. A little background. I'm kayaker, among  
11 other things. And I've been kayaking for many year years,  
12 mainly in the Port of L.A., but also Redondo Beach and  
13 beyond a little in Long Beach.

14 I go out with friends and family. We pick up  
15 litter. And we've been doing this, you know -- the slide  
16 show -- 10 years. And we see that this is a problem  
17 year-round. That last bottom right photo is from July of  
18 this year, over 1,000 pieces of trash, much of it plastic,  
19 800 pieces of polystyrene, Styrofoam.

20 --o0o--

21 MS. CICORA: We see it all around. We see it in  
22 the jetties, in the open water, kelp bed, seagrass. And  
23 we see it places other than the port. This is in Ventura  
24 in March.

25 And, of course, we see wildlife. So we're

1 concerned. We're concerned for them. We're concerned for  
2 the impacts that we know happen with the microplastics,  
3 but also the things we see. We can't always see all the  
4 impacts. This is entanglement as a result of those that  
5 litter.

6 So we launched a program in June called Paddle  
7 Out Plastic to get other people out come -- you know, it's  
8 fun. You know, it's good exercise. We're hoping to do  
9 something tangible.

10 But it's a Sisyphean task. We look up the mouth  
11 of the L.A. River in Long Beach, and this is what we see  
12 coming down into the water. This is going to float out to  
13 the Great Pacific Garbage Patch. You look that -- you  
14 can't talk people into picking up trash in their kayak  
15 when you're faced with this.

16 The facilities, the infrastructure, these are  
17 booms that are floating, broken free that we've hauled  
18 back to land. The docks are peeling off plastic. The  
19 foam floats that the docks are on are breaking off pieces  
20 of Styrofoam, signs are shedding plastic.

21 Who's responsible? Who has oversight?

22 I'm not clear on where your jurisdiction is. I'm  
23 just hoping that you can help out with this. Here's a  
24 woman collecting mussels. Do you want to eat those  
25 mussels? I don't. I -- wildlife doesn't have a choice in

1 the matter, right?

2 I'm just here to ask you if you're able to  
3 inspect facilities or require better maintenance. Clean  
4 up those river banks weekly. Clean up the jetties, the  
5 breakwaters. We need help.

6 Thank you very much.

7 CHAIRPERSON KOUNALAKIS: Thank you. Thank you  
8 for bringing these photographs. Thank you for being out  
9 there doing what you can do.

10 Ms. Lucchesi, you know, are there facilities on  
11 State Lands properties that are peeling off plastic that  
12 we can make sure are not contributing to this terrible  
13 problem?

14 EXECUTIVE OFFICER LUCCHESI: Yes, of course. I'm  
15 not specific -- aware of anything specific that's  
16 occurring at this moment, but we can, of course, include,  
17 and we do include, lease terms for facilities located on  
18 our lands that address pollution into our waterways.

19 I will also just mention that we do work very  
20 closely with the Ocean Protection Council, and the Coastal  
21 Commission, the Bay Conservation Development Commission,  
22 along with other agencies in trying to address the  
23 pollution and plastics issues in our waterways. So we're  
24 actively engaged on a staff level in trying to address  
25 that, given all of our different jurisdictions, and

1 authorities, and the mechanisms that we have to advance  
2 those goals.

3 CHAIRPERSON KOUNALAKIS: Thank you.

4 Mike Young. I know you. Hello, Mike Young.

5 MR. YOUNG: Hi. And thank you. My name is Mike  
6 Young. I'm with the California League of Conservation  
7 Voters. I am our Political Director.

8 And I was here to testify -- actually, I guess my  
9 colleagues have left, but in partnership with the National  
10 Parks Conservation Association.

11 We are very concerned about the Cadiz project.  
12 This was actually our second biggest priority in this  
13 legislative cycle. And we were very excited when the  
14 Governor actually signed SB 307 into law. We're looking  
15 at a project that you're talking about the amount of water  
16 that's the equivalent of about 194 Rose Bowls filled from  
17 bottom to top. So it's not a small amount of water. And  
18 the Cadiz program -- Cadiz, Incorporated has offered  
19 numbers that when we looked at it don't make any sense to  
20 us.

21 We strongly believe that they're overdrafting --  
22 their proposal overdrafts the amount of water by about 6  
23 billion gallons. And so we're -- this has been something  
24 that's been incredibly important to us that we've been  
25 fighting for the last couple of years. In the last month

1 alone, as the bill was getting signed, our members put in  
2 about 1,000 calls asking to support this bill, because we  
3 do believe that this project absolutely needs critical  
4 environmental review.

5 And more importantly, we actually also believe  
6 that the State Lands Commission is the proper place for  
7 this, along with DWR and DFG -- or I'm sorry DFW. I guess  
8 I dated myself with that reference.

9 (Laughter.)

10 MR. YOUNG: But we really appreciate it. We're  
11 looking forward to the -- a proper environmental review  
12 for this project, because we know that when the science  
13 actually comes out, it will be very, very clear that  
14 Cadiz's numbers just don't add up.

15 So thank you very much. We appreciate it.

16 CHAIRPERSON KOUNALAKIS: Thank you for coming  
17 down and adding your voice to the others. I think we're  
18 all very well aware of the responsibility of this  
19 Commission now with this bill having been signed.

20 MR. YOUNG: Absolutely.

21 EXECUTIVE OFFICER LUCCHESI: I will just add as  
22 well for clarification, that in addition to the authority  
23 that was conveyed to the State Lands Commission by SB 307,  
24 the Cadiz project, as proposed, also will occupy State  
25 Lands, so -- and we have not yet received an application

1 from the appli -- from the project proponent yet. So that  
2 will be a different level of review as well, and  
3 discretionary decision by the Commission.

4 CHAIRPERSON KOUNALAKIS: Okay.

5 Thank you.

6 MR. YOUNG: Thank you. Thank you again

7 CHAIRPERSON KOUNALAKIS: Final speaker's slip  
8 that I have Mr. Van de Hoek again.

9 MR. VAN DE HOEK: Thank you for indulging me for  
10 the third time to speak today. My name is Robert van de  
11 Hoek. You won't be seeing me in Central or Northern  
12 California likely at your Commission hearings, because of  
13 the distance and the cost and that.

14 I wish to begin my public comment not as a  
15 wildlife scientist, but as a citizen, immigrant,  
16 naturalized citizen, economic refugee after World War II  
17 coming with my parents and a church adopting me in  
18 Minnesota, and then coming to California as a young child  
19 with my parents.

20 Now, Governor Gavin Newsom, who I'm glad is our  
21 Governor, as Lieutenant Governor and a candidate for  
22 Governor came to the Ballona Wetlands. And he came to a  
23 spot that I named Coyote Trail. It's a private access  
24 road by the Southern California Gas Company of Sempra.  
25 Only, they can go on that road. And that road goes

1 through the ecological reserve, the California State  
2 Ecological Reserve called the Ballona Wetlands.

3 Your Executive Director was on that tour as staff  
4 to Gavin Newsom as Lieutenant Governor and having your  
5 capacity, Eleni, as -- I hope you'll be the second  
6 Lieutenant Governor to come on a tour of the Ballona  
7 Wetlands on that same trail. But maybe it will be  
8 dedicated to not be just a gas company road, but the gas  
9 company will be gone. We're working hard on that and --  
10 and we'll have a network of their private roads. That  
11 will be for the public to walk coastal access.

12 I have a brief statement I want to read, one  
13 minute. I've had Senator Ben -- I've been good fortune to  
14 be the guide of Gavin Newsom, but also Senator Ben Allen,  
15 Congressman Ted Lieu, previous mayors have been on tour to  
16 Ballona.

17 And Senator Ben Allen has recently been -- in an  
18 emphasis to move away from fossil fuel, Senator Ben Allen  
19 recently wrote to the California Conservation Director,  
20 David Bunn asking for a determination -- steps to a  
21 determination at the Playa de Rey Gas Field beneath the  
22 Ballona Wetlands be taken, and that we hope the State  
23 Lands Commission will take action in support of this.

24 It's an important natural area. The State of  
25 California spent quite a bit of money, over \$100 million,

1 to acquire this private land as an ecological reserve.  
2 And the public doesn't have access now. Various ethnic  
3 groups are prevented. It's a biodiversity hot spot and  
4 it's really an environmental education opportunity for all  
5 the public. And it shouldn't have private roads and only  
6 the access of the gas company of a corporation kind of  
7 having ownership in that way of our ecological reserve.

8 Thank you.

9 CHAIRPERSON KOUNALAKIS: Thank you very much.

10 It is on my list of things to do and has been for  
11 some time, so I look forward to getting down there.

12 MR. VAN DE HOEK: And Betty -- maybe together  
13 with Betty Yee.

14 ACTING COMMISSIONER BAKER: I don't think they're  
15 allowed to do that.

16 CHAIRPERSON KOUNALAKIS: That's right, a  
17 violation of ex parte, but that's -- that's all right.

18 MR. VAN DE HOEK: That's not allowed.

19 (Laughter.)

20 CHAIRPERSON KOUNALAKIS: All right. Do the  
21 Commissioners have any comments or questions?

22 All right. Seeing none.

23 We will now adjourn into closed session. Will  
24 the public please clear the room and thank you for those  
25 of who came down and spoke, and others who came down to

1 participate in our meeting.

2 Thank you.

3 (Off record: 3:33 p.m.)

4 (Thereupon the meeting recessed  
5 into closed session.)

6 (Thereupon the meeting reconvened  
7 open session.)

8 (On record: 3:49 p.m.)

9 CHAIRPERSON KOUNALAKIS: I call this meeting back  
10 into order.

11 Ms. Lucchesi, is there anything to report from  
12 closed session?

13 EXECUTIVE OFFICER LUCCHESI: No.

14 CHAIRPERSON KOUNALAKIS: That concludes the open  
15 meeting. We are adjourned. And we will adjourn today  
16 with recognition, Mark, of your many decades of service  
17 and just to say on behalf of everyone, and I'm sure every  
18 single one of my predecessors, with gratitude for your  
19 service and best wishes for all of the great things that  
20 you'll do in retirement and beyond.

21 (Applause.)

22 (Thereupon the California State Lands  
23 Commission meeting adjourned at 3:49 p.m.)

24

25

## 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 to the  
10 best of my ability, under my direction, by  
11 computer-assisted transcription.

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

15 IN WITNESS WHEREOF, I have hereunto set my hand  
16 this 2nd day of September, 2019.

17  
18  
19 A handwritten signature in blue ink that reads "James F. Peters". The signature is written in a cursive style and is positioned above the printed name.

20  
21  
22 JAMES F. PETERS, CSR  
23 Certified Shorthand Reporter  
24 License No. 10063  
25