

VIDEOCONFERENCE MEETING

STATE OF CALIFORNIA

LANDS COMMISSION

STATE LANDS COMMISSION

100 HOWE AVENUE, SUITE 100 SOUTH

SACRAMENTO, CALIFORNIA

THURSDAY, OCTOBER 22, 2020

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. Betty T. Yee, State Controller, Chairperson

Ms. Eleni Kounalakis, Lieutenant Governor

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. Seth Blackmon, Chief Counsel

Ms. Grace Kato, Assistant Chief, Land Management Division

Ms. Vanessa Perez, Mineral Resources Management Division

Ms. Katie Robinson-Filipp, Sea Grant Fellow

ATTORNEY GENERAL:

Mr. Andrew Vogel, Deputy Attorney General

ALSO PRESENT:

Ms. Casey Cruikshank, Northcoast Environmental Center

Ms. Susanne Cumming, Sierra Club

Ms. Vicky Fong, Shark Stewards

Ms. Marcia Hanscom, Ballona Wetlands Institute

Mr. Elias Henderson, Redwood Forest Foundation

Mr. Scott Kessler, ORNI 5 LLC

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

ALSO PRESENT:

Ms. Kim Kolpin, Bolsa Chica Land Trust

Ms. Lisa Levinson, In Defense of Animals

Ms. Patricia Miller

Mr. Tom Rudolph, The Pew Charitable Trusts

Ms. Jennifer Savage, Surfrider Foundation

Ms. Andrea Treece, Earthjustice

Mr. Robert "Roy" van de Hoek

Ms. Courtney Vail, Oceanic Preservation Society

Ms. Jane Velez-Mitchell, JaneUnChained News Network

Mr. Michael Wellborn, Friends of Harbors, Beaches and  
Parks

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I 1:00 PM - Open Session	1
II Public Comment Public comments will be heard at 1:00 pm for items not on the agenda, for no more than 30 minutes. At the discretion of the Chair, speakers will be given up to 3 minutes. For those unable to attend the early public comment period, there may be additional comment time available later in the day. Note: Comments made during the general public comment period regarding matters pending before the Commission do not become part of the official record for those matters.	5
III Confirmation of Minutes for the August 20, 2020 meeting	21
IV Executive Officer's Report  Continuation of Rent Actions to be taken by the Executive Officer pursuant to the Commission's Delegation of Authority:  - Chambers Landing Partnership (Lessee): Continuation of minimum annual rent at \$14,769 per year for a General Lease - Commercial Use located on sovereign land in Lake Tahoe, near Homewood, Placer County. (PRC 5499)  - SDC Tahoe City, LLC (Lessee): Continuation of rent at \$3,781 per year for a General Lease - Commercial Use located on sovereign land in Lake Tahoe, adjacent to 950 North Lake Boulevard, Tahoe City, Placer County. (PRC 3495)  - Ski Run Marina, LLC (Lessee): Continuation of minimum annual rent at \$4,912 rent per year for a General Lease - Commercial Use located in Lake Tahoe, adjacent to 900 Ski Run Boulevard, South Lake Tahoe, El Dorado County. (PRC 8655)	22

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- V Consent Calendar 01-42 33  
The following items are considered to be noncontroversial and are subject to change at any time up to the date of the meeting.

Land Management

Northern Region

- 01 ALLISON CALIFORNIA HOLDINGS, LLC, AN OHIO LIMITED LIABILITY COMPANY (LESSEE); MARGIE LOCKWOOD, TRUSTEE OF THE MARGIE LOCKWOOD LIVING TRUST DATED OCTOBER 26, 2005 (LESSEE); ALLISON 184 LLC; AND MARGIE LOCKWOOD, TRUSTEE OF THE MARGIE LOCKWOOD LIVING TRUST DATED OCTOBER 26, 2005 (APPLICANT): Consider delegating authority to the Executive Officer to accept lease quitclaim deeds for Leases PRC 9153 and PRC 8509, General Lease - Recreational Use; and application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 184 and 200 Rim Drive, near Tahoe Vista, Placer County; for construction, use, and maintenance of a joint-use pier, boat lift, and three fish habitat rock pyramids; and the continued use and maintenance of three mooring buoys previously authorized by the Commission and one existing mooring buoy not previously authorized by the Commission; and removal of one existing mooring buoy. CEQA Consideration: categorical exemptions. (Lease 9153; Lease 8509; A2570; RA# 2019276) (A 1; S 1) (Staff: J. Toy)
- 02 ALAN K. AUSTIN AND MARIANNE P. AUSTIN, TRUSTEES OF THE AUSTIN FAMILY TRUST DATED AUGUST 6, 1997; AND BEAMING JOY LIMITED, A BVI LIMITED CORPORATION (ASSIGNOR); ALAN K. AUSTIN AND MARIANNE P. AUSTIN, TRUSTEES OF THE AUSTIN FAMILY TRUST DATED AUGUST 6, 1997; AND ERIC S. O' BRIEN AND SUZANNE D. O' BRIEN, TRUSTEES OF THE O' BRIEN FAMILY 2003 TRUST DATED DECEMBER 29, 2003 (ASSIGNEE): Consider assignment of a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 850 and 860 West Lake Boulevard, near Tahoe City, Placer County; for an existing pier, two boat lifts, and four mooring buoys. CEQA Consideration: not a project. (PRC 5801; A2368; RA# 2019170) (A 1; S 1) (Staff: S. Avila)

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- 03 BOW BAY, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (LESSEE/APPLICANT): Consider acceptance of a lease quitclaim deed for Lease PRC 9443 a General Lease - Recreational Use, and application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 281 Paradise Flat Lane, near Rubicon Bay, El Dorado County; for construction, use, and maintenance of a pier; and continued use and maintenance of two mooring buoys previously authorized by the Commission and one existing mooring buoy not previously authorized by the Commission. CEQA Consideration: categorical exemptions. (Lease 9443; A2602; RA# 2019293) (A 5; S 1) (Staff: J. Toy)
- 04 PHILIP D. CHAPMAN AND SARAH D. CHAPMAN, TRUSTEES OF THE CHAPMAN FAMILY LIVING TRUST (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3890 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier, boathouse with boat lift, sundeck with stairs, and two mooring buoys. CEQA Consideration: categorical exemption. (Lease 3674; A2339; RA# 2019145) (A 1; S 1) (Staff: L. Anderson)
- 05 DEBENEDETTI TAHOE HOUSE LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5580 West Lake Boulevard, near Homewood, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (Lease 8263; A2412; RA# 2019315) (A 1; S 1) (Staff: L. Anderson)
- 06 JASON A. DILULLO AND SARAH E. K. DILULLO (APPLICANT): Consider acceptance of a lease quitclaim deed for Lease PRC 3209, a General Lease - Recreational Use, and application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2620 West Lake Boulevard, near Homewood, Placer County; for an existing pier, boathouse with boat hoist, and one mooring buoy previously authorized by the Commission; and one existing mooring buoy not previously authorized by the Commission. CEQA Consideration: categorical exemption. (Lease 3209; A2699; RA# 2020003) (A 1; S 1) (Staff: S. Avila)

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- 07 CHRISTIAN P. ERDMAN; AND CAROL FRANC BUCK, AS TRUSTEE UNDER THE CAROL FRANC BUCK FAMILY TRUST AGREEMENT (AS RESTATED) DATED AUGUST 25, 2004 (LESSEE): Consider acceptance of a lease quitclaim deed and termination of Lease PRC 9047, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 53 Somers Loop, near Crystal Bay, Placer and Washoe Counties; for one mooring buoy. CEQA Consideration: not a project. (PRC 9047; A2676; RA# 2019345) (A 1; S 1) (Staff: M.J. Columbus)
- 08 FAUPS, LLC, A DELAWARE LIMITED LIABILITY COMPANY (LESSEE); PAUL WILLIAM LLOYD AND ALISHA ANN GRAVES, TRUSTEES OF THE LLOYD GRAVES FAMILY TRUST (APPLICANT): Consider waiver of rent, penalty, and interest; termination of Lease PRC 1828, a General Lease - Recreational Use, and application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8401 Meeks Bay Avenue, near Meeks Bay, El Dorado County; for an existing pier, boat hoist, and two mooring buoys. CEQA Consideration: categorical exemption. (Lease 1828; A2668; RA# 2019336) (A 5; S 1) (Staff: S. Avila)
- 09 MARTIN A. GAHWILER, JR. (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 6668 West Lake Boulevard, near Tahoma, Placer County; for an existing pier and one mooring buoy. CEQA Consideration: categorical exemption. (Lease 8135; A2479; RA# 2019200) (A 1; S 1) (Staff: J. Toy)
- 10 JRB PROPERTY COMPANY II, L.P., A CALIFORNIA LIMITED PARTNERSHIP (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2720 West Lake Boulevard, near Homewood, Placer County; for an existing pier, boathouse with boat lift, sundeck with stairs, and two mooring buoys. CEQA Consideration: categorical exemption. (Lease 4172; A2618; RA# 2019305) (A 1; S 1) (Staff: L. Anderson)
- 11 LAKEFRONT PROFESSIONAL BUILDING, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Commercial Use, of sovereign land located in Lake Tahoe, adjacent to 3351

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- Lake Tahoe Boulevard, South Lake Tahoe, El Dorado County; for two existing mooring buoys not previously authorized by the Commission. CEQA Consideration: categorical exemption. (A2638; RA# 2019313) (A 5; S 1) (Staff: S. Avila)
- 12 JANICE LYNN B. MINOR (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Donner Lake, adjacent to 15130 Point Drive, near Truckee, Nevada County; for an existing pier previously authorized by the Commission and an existing personal watercraft lift not previously authorized by the Commission. CEQA Consideration: categorical exemption. (Lease 7941; RA# 20616) (A 1; S 1) (Staff: A. Franzoia)
- 13 JOHN PAUL PHILLIPS AND JUNE DUNBAR PHILLIPS, TRUSTEES OF THE JOHN AND JUNE PHILLIPS FAMILY TRUST, DATED FEBRUARY 9, 1990 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 6480 North Lake Boulevard, near Tahoe Vista, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (Lease 8226; A2496; RA# 2019211) (A 1; S 1) (Staff: L. Anderson)
- 14 TAHOMA MEADOWS PROPERTY OWNER'S ASSOCIATION, INC. (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 6660 West Lake Boulevard, near Tahoma, Placer County; for three existing mooring buoys not previously authorized by the Commission. CEQA Consideration: categorical exemption. (W26928; A2677; RA# 17612) (A 1; S 1) (Staff: J. Toy)
- 15 WILLIAM E. THRELFALL, JR. AND SANDRA JAFFERIES THRELFALL, AS TRUSTEES OF THE THRELFALL 1991 TRUST CREATED BY DECLARATION OF TRUST DATED NOVEMBER 27, 1991 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 24 Moana Circle, near Tahoma, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (Lease 8264; A2338; RA# 30017) (A 1; S 1) (Staff: J. Toy)



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- 16 CAROLYN TRIMBLE FKA CAROLYN SUE GRISET, AS TRUSTEE OF THE CAROLYN SUE GRISET FAMILY TRUST DATED AUGUST 15, 1989 (LESSEE); LAKE TAHOE VISTA LLC (APPLICANT): Consider waiver of rent, penalty, and interest; termination of Lease PRC 6924, a General Lease - Recreational Use, and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 6123 North Lake Boulevard, near Tahoe Vista, Placer County; for an existing pier, boat lift, and two mooring buoys. CEQA Consideration: categorical exemption. (Lease 6924; A2346; RA# 2019123) (A 1; S 1) (Staff: L. Anderson)
- 17 CHRISTINE A. WOOD, TRUSTEE OF THE CHRISTINE A. WOOD FAMILY TRUST DATED APRIL 7, 1999 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 1460 North Lake Boulevard, near Tahoe City, Placer County; for two existing mooring bouys. CEQA Consideration: categorical exemption. (Lease 8307; A2615; RA# 2019295) (A 1; S 1) (Staff: L. Anderson)

Bay / Delta Region

- 18 ALVIN R. ARCHER AND DALE W. ARCHER, CO-TRUSTEES OF THE ARCHER REVOCABLE TRUST DATED JANUARY 28, 2014 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Seven Mile Slough, at Andrus Island, adjacent to 1150 West Brannan Island Road, near Isleton, Sacramento County; for an existing boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (Lease 6059; A2733; RA# 2020036) (A 11; S 3) (Staff: G. Asimakopoulos)
- 19 PARKE M. BEROLZHEIMER, TRUSTEE OF THE PARKE M. BEROLZHEIMER DECLARATION OF TRUST DATED DECEMBER 10TH, 2008 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the historic bed of the San Joaquin River at Atherton Cove, adjacent to 3614 Country Club Boulevard, near Stockton, San Joaquin County; for an existing boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (Lease 8905; A2396; RA# 2019182) (A 13; S 5) (Staff: J. Holt)

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- 20 CALIFORNIA RESOURCES PETROLEUM CORPORATION (LESSEE): Consider revision of rent to Lease PRC 8485, a General Lease - Right-of-Way Use, on sovereign land in Tomato Slough at Brannan Island, near Rio Vista, Sacramento County; for a natural gas pipeline and access road. CEQA Consideration: not a project. (PRC 8485) (A 11; S 3) (Staff: M. Schroeder)
- 21 SUSAN V. CARSON, TRUSTEE OF THE SUSAN V. CARSON TRUST U/D/T DATED OCTOBER 19, 1994 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the historic bed of the San Joaquin River at Atherton Cove, adjacent to 1 Atherton Island, near Stockton, San Joaquin County; for an existing boat dock, gangway, fill area, bulkhead, and bank protection previously authorized by the Commission and an existing deck not previously authorized by the Commission. CEQA Consideration: categorical exemption. (Lease 6047; A2211; RA# 2019043) (A 13; S 5) (Staff: J. Holt)
- 22 CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT (APPLICANT): Consider termination of Lease 4743 and issuance of a General Lease - Public Agency Use, of sovereign land located in Walnut and Pacheco Creek, near Martinez, Contra Costa County; for habitat restoration, flood protection, and public access. CEQA Consideration: Mitigated Negative Declaration, adopted by the Contra Costa County Flood Control and Water Conservation District, State Clearinghouse Number 2019099043, and adoption of a Mitigation Monitoring Program. (Lease 4743; A2688; RA# 2020002) (A 14; S 7) (Staff: D. Tutov)
- 23 VICTOR A. DODGE AND GREGORY K. GAZAWAY (ASSIGNOR); ALTA MONROE (ASSIGNEE): Consider assignment of Lease 5882, a General Lease - Recreational and Residential Use, of sovereign land located in Mare Island Strait, adjacent to 32 Sandy Beach Road, near Vallejo, Solano County; for a portion of an existing residence, deck, dock, and appurtenant facilities. CEQA Consideration: not a project. (Lease 5882; A2139; RA# 2019355) (A 14; S 32) (Staff: D. Tutov)

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- 24 EAST BAY REGIONAL PARK DISTRICT (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in Carquinez Strait at Eckley Cove, near Crockett, Contra Costa County; for an existing public fishing pier. CEQA Consideration: categorical exemptions. (Lease 7834; A2545; RA# 2019259) (A 14; S 3) (Staff: J. Holt)
- 25 ETTA L. MALINOWSKI, AS TRUSTEE OF THE ETTA L. MALINOWSKI FAMILY TRUST, UDT DATED MAY 31, 2016 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 17300 Long Island Road, at Long Island, near Walnut Grove, Sacramento County; for an existing covered boat dock, an uncovered boat dock, and appurtenant facilities. CEQA Consideration: categorical exemption. (Lease 6177; A2569; RA# 2019278) (A 11; S 3) (Staff: G. Asimakopoulos)
- 26 CHARLES S. MCDOWELL AND CORINNE L. MCDOWELL, TRUSTEES OF THE MCDOWELL FAMILY TRUST, DATED JUNE 28, 1994 (LESSEE); TERMINOUS ROAD, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider waiver of rent, penalty, and interest; termination of Lease PRC 8489, a General Lease - Recreational Use; and an application for a General Lease - Recreational Use, of sovereign land located in Georgiana Slough, adjacent to 16925 Terminous Road, near Isleton, Sacramento County; for an existing boat dock, debris diverter, pump house, and appurtenant facilities previously authorized by the Commission and an existing gazebo not previously authorized by the Commission. CEQA Consideration: categorical exemption. (Lease 8489; RA# 2019206) (A 11; S 3) (Staff: M. Schroeder)
- 27 DENNIS MORTON OIKLE AND HILDEGARDE HEIDI OLIVEROIKLE, DBA HEIDI'S OUTRIGGER MARINA AND SALOON (LESSEE); PARADISE INVESTMENT PROPERTIES GROUP, LLC (APPLICANT/SUBLESSOR); PARADISE BUSINESS INVESTMENTS, INC. (SUBLESSEE); AND ALLSTAR FINANCIAL SERVICES, INC. (SECURED-PARTY LENDER): Consider waiver of rent, penalty, and interest; termination of Lease PRC 3934, a General Lease - Commercial Use; application for a General Lease - Commercial Use; and endorsement of a sublease under Lease 3934; and authorization of an Agreement and Consent to Encumber Lease 3934, of

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- sovereign land located in Three Mile Slough at Sherman Island, adjacent to 17641 Sherman Island East Levee Road, near Rio Vista, Sacramento County; for an existing commercial marina, known as the Paradise Outrigger Marina, and bank protection previously authorized by the Commission; and one-time maintenance dredging of up to a maximum of 12,000 cubic yards not previously authorized by the Commission. CEQA Consideration: categorical exemptions. (Lease 3934; RA# 15218) (A 11; S 3) (Staff: M. Schroeder)
- 28 DAVID R. PECK, TRUSTEE OF THE DAVID R. PECK TRUST (ASSIGNOR); RUTH A. RODGERS AND MICHAEL B. MACQUARRIE (ASSIGNEE): Consider assignment of Lease 9472, a General Lease - Recreational and Residential Use, of sovereign land located in Corte Madera Creek, adjacent to 30 Lucky Drive, near Greenbrae, Marin County; for portion of an existing residence with walkway, dock, ramp, boat lift, and float. CEQA Consideration: not a project. (Lease 9472; A2703; RA# 2020008) (A 10; S 2) (Staff: D. Tutov)
- 29 RIVERSIDE LTD, A LIMITED PARTNERSHIP (LESSEE): Consider revision of rent to Lease PRC 562, a General Lease - Industrial Use, of State filled and unfilled sovereign land located in the Sacramento River, adjacent to 14712 State Highway 160, Isleton, Sacramento County; for one two-pile dolphin, two five-pile dolphins, one four-pile dolphin, belt conveyor and wharf. CEQA Consideration: not a project. (PRC 562) (A 11; S 3) (Staff: N. Lee)
- 30 BARBARA ROBERTS JONES, TRUSTEE OF THE BARBARA ROBERTS JONES TRUST DATED JANUARY 26, 2006 (LESSEE); JULIE MACCARIN (APPLICANT): Consider waiver of rent, penalty, and interest; termination of Lease PRC 9284, a General Lease - Recreational Use, and application for a General Lease - Recreational Use, of sovereign land located in Corte Madera Creek, adjacent to 52 Greenbrae Boardwalk, Greenbrae, Marin County; for an existing boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (Lease 9284; A2696; RA# 2020006) (A 10; S 2) (Staff: J. Holt)
- 31 SANTA FE AGGREGATES, INC., A CALIFORNIA CORPORATION (APPLICANT): Consider application for a General Lease

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- Right-of-Way Use, of sovereign land located in the historic and present bed of the Tuolumne River, adjacent to Assessor's Parcel Numbers 008-010-022 and 008-010-042, near Waterford, Stanislaus County; for an existing aggregate conveyor bridge right-of-way crossing not previously authorized. CEQA Consideration: categorical exemption. (Lease 5409; RA# 14717) (A 12; S 8) (Staff: G. Asimakopoulos)

- 32 JAMES THORPE WHITE AND JENNIE DARSIE WHITE, TRUSTEE OF THE RIVER HOUSE TRUST DATED JULY 2, 2009 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the San Joaquin River, adjacent to 18650 Sherman Island East Levee Road, Rio Vista, Sacramento County; for an existing boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (Lease 8907; A2646; RA# 2019325) (A 11; S 3) (Staff: J. Holt)

Central / Southern Region

- 33 DONALD WILLIAM AASE AND JUDITH ELLEN AASE, TRUSTEES OF THE AASE FAMILY TRUST, DATED MARCH 24, 2017 (APPLICANT): Consider termination of Lease PRC 9132 and issuance of a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Colorado River adjacent to 1142 Beach Drive, Needles, San Bernardino County; for two existing planter areas with rock retaining walls, riprap bankline protection, an aluminum stairway and gangway with railing, floating walkway, and boat dock. CEQA Consideration: categorical exemption. (Lease 9132; RA#2020035) (A 33; S 16) (Staff: L. Pino)
- 34 ROSA BERMEO (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Huntington Harbour, adjacent to 16242 Piedmont Circle, Huntington Beach, Orange County; for a portion of an existing common boat dock. CEQA Consideration: categorical exemption. (Lease 7424; A2510; RA# 2019220) (A 72; S 34) (Staff: K. Connor)
- 35 FLAVIO S. JEAN (ASSIGNOR); MICHAEL MCCOY, AS TRUSTEE OF THE MCCOY 1995 INTERVIVOS TRUST, DATED JANUARY 25, 1995 (ASSIGNEE): Consider assignment of Lease PRC

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3570.1, a General Lease - Recreational Use, of sovereign land located in the Main Channel of Huntington Harbor, adjacent to 17011 Bolero Lane, Huntington Beach, Orange County; for an existing boat dock, access ramp, and cantilevered deck. CEQA Consideration: not a project. (PRC 3570; A2735; RA# 2020029) (A 72; S 34) (Staff: L. Pino)

36 MERCED IRRIGATION DISTRICT AND TURLOCK IRRIGATION DISTRICT (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land crossing the Merced River, near Livingston, Merced County; for six existing overhead transmission lines previously authorized by the Commission, and one existing overhead fiber-optic line not previously authorized by the Commission. CEQA Consideration: categorical exemption. (Lease 7874; A2640; RA# 2019314) (A 21; S 12) (Staff: K. Connor)

37 DAVID MOSHER AND MAUREEN SHEILA MOSHER, TRUSTEES OF THE MOSHER FAMILY TRUST, UDT JULY 31, 2004, OR ANY SUCCESSOR TRUSTEE (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Huntington Harbour, adjacent to 16246 Piedmont Circle, Huntington Beach, Orange County; for a portion of an existing common boat dock. CEQA Consideration: categorical exemption. (Lease 7426; A2265; RA# 2019240) (A 72; S 34) (Staff: K. Connor)

38 SANTA BARBARA COUNTY FLOOD CONTROL DISTRICT (LESSEE): Consider application for a General Lease - Public Agency Use, of sovereign land located in Davis Creek in the Burton Mesa Ecological Reserve, near Vandenberg Village, Santa Barbara County; for the removal of obstructive vegetation and sediment. CEQA Consideration: Programmatic Environmental Impact Report, certified by the Santa Barbara County Flood Control District, and Addendum, State Clearinghouse Number 2001031043. (Lease 9432; A2500; RA# 2019215) (A 35; S 19) (Staff: K. Connor)

School Lands

39 SAN DIEGO GAS AND ELECTRIC COMPANY (LESSEE): Consider revision of rent to Lease PRC 8909, a General Lease - Right-of-Way Use, of State indemnity school land located in a portion of Section 27 and 28, Township 16

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South, Range 9 East, SBM, northwest of Coyote Wells, Imperial County; for an electrical transmission line. CEQA Consideration: not a project. (PRC 8909) (A 56; S 40) (Staff: K. Foster)

- 40 THE REGENTS OF THE UNIVERSITY OF CALIFORNIA (LESSEE): Consider revision of rent to Lease PRC 8646, a General Lease - Public Agency Use, of State indemnity school land located in a portion of Section 4, Township 11 South, Range 10 East, SBM, near Salton City, Imperial County; for two laser strainmeter facilities, one overhead power line and an unimproved dirt road. CEQA Consideration: not a project. (PRC 8646) (A 56; S 40) (Staff: K. Foster)

Mineral Resources Management

- 41 CITY OF LONG BEACH (GRANTEE): Consider acceptance of the Final Report and Closing Statement for the Long Beach Unit Annual Plan (July 1, 2019 through June 30, 2020), Long Beach Unit, Wilmington Oil Field, Los Angeles County. CEQA Consideration: not a project. (W 17166) (A 70; S 33, 34) (Staff: E. Tajer)
- 42 SACRAMENTO AREA FLOOD CONTROL AGENCY (APPLICANT): Consider application for a Non-Exclusive Geological Survey Permit on sovereign land, Assessor's Parcel Number 002-0010-023, adjacent to the Sacramento River, Sacramento County. CEQA Consideration: categorical exemption. (A2722; RA# 2020034) (A 7; S 6) (Staff: R. B. Greenwood)

Marine Environmental Protection - no items

Administration - no items

Legal - no items

Kapiloff Land Bank Trust Acquisition - no items

External Affairs - see Informational Calendar

VI Informational Calendar 43

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43 CALIFORNIA STATE LANDS COMMISSION: Legislative Report providing information and a status update concerning state legislation relevant to the Commission. CEQA Consideration: not applicable. (A & S: Statewide) (Staff: S. Pemberton)

VII Regular Calendar 44-45

44 CALIFORNIA STATE LANDS COMMISSION (INFORMATIONAL): Informational update on efforts to develop the Commission's 2021-2025 Strategic Plan and to solicit comments and suggestions from stakeholders. CEQA Consideration: not applicable. (A & S: Statewide) (Staff: C. Connor, J. Lucchesi, B. Stoddard, K. Robinson-Filipp) 35

45 ORNI 5 LLC (APPLICANT): Consider applications for two negotiated State geothermal resources leases, covering approximately 2,739 acres total of school land (also referred to as lieu land). The first proposed lease covers approximately 2,016 acres of the State's 100 percent reserved mineral interest school land and State-owned school land (fee-owned land), Assessor's Parcel Numbers 017-010-016, 017-010-017, 017-010-027, 017-010-044, 017-010-045, 017-010-048, 017-010-056, 017-340-003, 017-340-004, 017-340-010, 017-050-013, and 017-970-014, located within Sections 32 and 34, Township 10 South, Range 10 East, and within Sections 4 and 10, Township 11 South, Range 10 East, SBM. The second proposed lease covers approximately 723 acres of the State's 100 percent reserved mineral interest school land, Assessor's Parcel Numbers 017-340-011 and 017-340-018, located within Sections 10 and 16, Township 11 South, Range 10 East, SBM. Both proposed lease areas are within the Truckhaven geothermal area, southwest of the Salton Sea, Imperial County. CEQA Consideration: Mitigated Negative Declaration adopted by Imperial County, State Clearinghouse No. 2019119033 and Mitigation Monitoring Program adopted by the Commission. (A2079, A2230; RA# 25714) (A 56; S40) (Staff: V. Perez, N. Saito) 62



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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.

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:

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

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

California State Lands Commission, et al. v. Martins Beach 1 LLC, et al.

City of Vallejo v. The State of California, By and Through the State Lands Commission

Eugene Davis v. State of California and California State Lands Commission

In re: HVI Cat Canyon, Inc., Bankruptcy Chapter 11

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

In re: Rincon Island Limited Partnership Chapter 7

In re: Temblor Petroleum Company, LLC, Bankruptcy Chapter 11

In re: Venoco, LLC, Bankruptcy Chapter 11

John W. Lebolt and Richard A. Lebolt v. City and County of San Francisco

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

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

Public Watchdogs v. California State Lands Commission

San Francisco Baykeeper, Inc. v. State Lands Commission

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

State of California, et al., ex. rel. OnTheGo Wireless, LLC v. Cellco Partnership, d/b/a/ Verizon Wireless, 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.

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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

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).

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

1  
2 CHAIRPERSON YEE: Good afternoon. I call this  
3 meeting of the State Lands Commission to order. I am  
4 State Controller Betty Yee and welcome to this completely  
5 virtual State Lands Commission meeting.

6 Ms. Lucchesi, will you please call the roll of  
7 the Commissioners in attendance?

8 EXECUTIVE OFFICER LUCCHESI: Certainly.

9 Good afternoon, everyone.

10 Lieutenant Governor Eleni Kounalakis?

11 COMMISSIONER KOUNALAKIS: Present.

12 EXECUTIVE OFFICER LUCCHESI: Deputy Gayle Miller  
13 from the Department of Finance?

14 ACTING COMMISSIONER MILLER: Present.

15 EXECUTIVE OFFICER LUCCHESI: And Chair and State  
16 Controller Betty Yee?

17 CHAIRPERSON YEE: Here.

18 EXECUTIVE OFFICER LUCCHESI: Madam Chair, we have  
19 a quorum present. In addition, I would like to identify  
20 the members of the staff of the Commission and the  
21 Attorney General present for this virtual meeting. I am  
22 Executive Officer Jennifer Lucchesi. And I am joined by  
23 Chief Counsel Seth Blackmon, Meeting Liaison Kim Lunetta,  
24 Assistant Executive Officer Colin Connor, Supervising  
25 Deputy Attorney General Andrew Vogel, and our Zoom

1 co-hosts Katie Robinson-Filipp, Grace Kato and Phil  
2 Schlatter.

3 CHAIRPERSON YEE: Thank you very much, Ms.  
4 Lucchesi and welcome everyone.

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

13 Today, we will hear requests and presentations  
14 involving the lands and resources within the Commission's  
15 jurisdiction. And we recognize that the lands we manage  
16 have been inhabited for thousands of years by California's  
17 native people and take seriously our trust relationship  
18 with these sovereign governments.

19 I want to take a moment to honor the California  
20 Native American communities all across the state for  
21 persisting, carrying on diverse cultural and linguistic  
22 traditions, and sustainably managing the land that we now  
23 share. Native people have maintained a constant presence  
24 on the landscape for many thousands of years and they're  
25 our essential stewardship partners, whether along the

1 coast, along our rivers and valleys, or in our fragile  
2 deserts. We thank California Native American communities  
3 for participating in this Commission's activities and for  
4 their essential role in maintaining and adding to our  
5 state's rich cultural legacy.

6 The next item of business will be public comment.  
7 And before I open up the public comment period for items  
8 not on the agenda, first let me thank everyone especially  
9 our stakeholders and members of the public for taking the  
10 time to join the meeting and to join our virtual meeting.  
11 While these virtual meetings are becoming more routine,  
12 this is still a relatively new experience for most of us,  
13 and we appreciate your support and patience as we work  
14 together in this new medium.

15 Now, I want to turn it over to Ms. Lucchesi to  
16 quickly share some instructions on how to best participate  
17 in this meeting so that it can run as smoothly as  
18 possible.

19 EXECUTIVE OFFICER LUCCHESI: Thank you, Madam  
20 Chair. First, everyone, please make sure you have your  
21 microphones or phones muted to avoid any background noise.

22 For members of the public, if you would like to  
23 speak either during our open public comment period or  
24 during a public comment period that is part of an agenda  
25 item, you will need to do so in one of two ways. First,

1 if you are attending on the Zoom platform, please raise  
2 your hand in Zoom. If you are new to Zoom, and you joined  
3 our meeting using the Zoom application, please click on  
4 the hand icon at the bottom of your screen. When you  
5 click on that hand, it will raise your hand.

6 Second, if you are joining our meeting via phone,  
7 you must press star nine on your keypad to raise your hand  
8 to make a comment. If you are calling in and want to view  
9 the meeting, including the PowerPoint presentations,  
10 please view the meeting through the CAL-SPAN live webcast  
11 link. There will be a slight time delay but it will avoid  
12 an echo or feedback from using the Zoom application and  
13 your phone.

14 If you emailed us with a request to speak, please  
15 also raise your hand, so we don't inadvertently miss you.  
16 We will call on individuals who have raised their hands in  
17 the order that they are raised using the name they  
18 registered with or the last three digits of their  
19 identifying phone number. After you are called on, you  
20 will be unmuted so you can share your comments. Please  
21 also remember to unmute your computer or phone and  
22 identify yourself. Remember, you have a limit of three  
23 minutes to speak on an item. Please keep your comments  
24 respectful and focused. We will mute anyone who fails to  
25 follow those guidelines or at worst dismiss them from the



1 meeting.

2           Finally, every now and then, you will hear me  
3 refer to the meeting host. Our Commission staff are  
4 acting as hosts for the meeting behind the scenes to  
5 ensure that the technology moves the meeting forward  
6 smoothly and consistently.

7           The commission has also established an email  
8 address to compile public comments for our meetings. Its  
9 address is cslc.commissionmeetings@slc.ca.gov. We have  
10 received various emails from a number of different parties  
11 and individuals that we've shared with all the  
12 Commissioners prior to the meeting. If we receive any  
13 emails during the meeting, they will be shared with the  
14 Commissioners and be made available on our website, along  
15 with the public comment emails we have already received.

16           Chair Yee, that concludes my virtual meeting  
17 instructions. We are ready to move to the general public  
18 comment period.

19           CHAIRPERSON YEE: Thank you, Ms. Lucchesi.

20           Our next order of business is the public comment  
21 period. If anyone wishes to address the Commission on any  
22 matter not on today's agenda, please raise your hand and  
23 you will have three minutes to do so.

24           Grace, please call on the first person who would  
25 like to make a public comment.

1 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

2 Thank you, Chair. We'd like to first call Lisa  
3 Levinson.

4 CHAIRPERSON YEE: Good afternoon, Ms. Levinson.

5 MS. LEVINSON: Hi there. Thank you so very much  
6 for hearing my comment today. I really appreciate it. I  
7 work with In Defense of Animals. We are a international  
8 nonprofit organization with 250,000 members who all care  
9 about animals. We protect animals worldwide and we do  
10 have significant membership in California, 25,000 members,  
11 and in the Los Angeles area, 1,800.

12 So I'm mentioning this, because we are here today  
13 because we're very concerned about what's going on at  
14 Ballona Wetlands. We know that you -- your organization  
15 has, the State Lands Commission, owns 60 acres of land at  
16 Ballona Wetlands. And we would love for you to be more  
17 engaged in the plans for Ballona. We're really asking you  
18 to advocate that the Governor and the Secretary of Natural  
19 Resources do some really key actions.

20 So first of all, we would really like you to  
21 direct CalGEM to stop issuing any permits for their gas  
22 field until the entire project has been approved via the  
23 Environmental Impact Report. Our supporters also want to  
24 be able to walk on the trail at Fiji Way, where the State  
25 of California has spent a significant amount of money to

1 require public access. We're very concerned that the  
2 public access is being held hostage to a highly  
3 destructive plan to restore the Ballona Wetlands. If this  
4 counterfeit restoration goes forward, the thriving wild  
5 animals that live at Ballona now will be gone by the time  
6 any new public access opens.

7           So we also want to acknowledge that the land that  
8 where the access is slated to be available is very similar  
9 to the way it was going to be available when the land at  
10 Playa -- was owned by Playa Vista. So we are tired of  
11 hearing excuses and we really advocate for improved public  
12 access and for directing any CalGEM permits to be halted.  
13 And we also encourage the preservation of the wild habitat  
14 there and we're very determined to follow through on this.

15           Thank you very much for your time.

16           CHAIRPERSON YEE: Thank you very much, Ms.  
17 Levinson for your comments. Grace, our next speaker.

18           LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:  
19           Our next speaker is Patricia Miller followed by  
20 Susanne Cumming.

21           CHAIRPERSON YEE: Good afternoon, Ms. Miller.

22           LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:  
23           Chair Yee, may I suggest we move to Susanne  
24 Cumming and allow Patricia Miller maybe some additional  
25 time to either call in or join in the video?

1 CHAIRPERSON YEE: Of course. Thank you, Grace.  
2 Good afternoon, Ms. Cumming. Are you online?

3 MS. CUMMING: Can you hear me?

4 CHAIRPERSON YEE: Yes. Thank you.

5 MS. CUMMING: Thank you. My name is Susanne  
6 Cumming. I'm an attorney. I live in Marina del Rey next  
7 to the Ballona Wetlands. And I'm a member of Sierra Club.  
8 And just to -- to emphasize what Ms. Levinson has just  
9 said, the State Lands Commission owns 60 acres of land in  
10 the Ballona Wetlands. And we hope that you get more  
11 involved in it. We -- we can plan for public access now  
12 through the Fiji Way access plan. The State has spent  
13 thousands of dollars specifically for opening up public  
14 access and it can be done. Let's do it by Earth Day April  
15 2021. That's a good date.

16 And also about the permits, there is a lot going  
17 on in the wetlands. Through public records requests, we  
18 have found more information that has not been disclosed  
19 about what's going on there. And CalGEM should know about  
20 that.

21 We'd like to ask that the bulldozing project be  
22 withdrawn. It's based on a deeply flawed EIR. The EIR  
23 should be withdrawn. Maybe the whole -- the new EIR  
24 should be done based on unbiased science and good  
25 hydrology. An expert, a soils expert, Margot Griswold,

1 that the County of Los Angeles has used before in other  
2 restoration areas has given an opinion that bulldozing is  
3 not the way to go here.

4 If this goes forward, it looks like we're going  
5 to have experts on both sides. And we don't want to head  
6 this to litigation. Let's withdraw the EIR and start over  
7 on good science.

8 Thanks so much.

9 CHAIRPERSON YEE: Thank you, Ms. Cumming, for  
10 your comments.

11 Grace, our next speaker.

12 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:  
13 Our next speaker is Marcia Hanscom, followed by  
14 Jennifer Savage.

15 CHAIRPERSON YEE: Thank you. Good afternoon, Ms.  
16 Hanscom.

17 MS. HANSCOM: Good afternoon. Can you hear me?

18 CHAIRPERSON YEE: Yes, we can.

19 MS. HANSCOM: Great. Honorable Commissioners and  
20 staff. Marcia Hanscom, Ballona Wetlands Institute and  
21 Defend Ballona Wetlands. First of all, I just want to say  
22 thank you so much to you and your staff for the way you  
23 conduct this meeting. I've been engaged with a number of  
24 State agencies through this pandemic. And I have to tell  
25 you yours is the best. It's really the model of how the

1 public ought to be treated and how easy you've made it for  
2 the public to communicate with our officials. So thank  
3 you for that.

4           And I also want to thank Chair Yee especially for  
5 the acknowledgement of the indigenous people. The Ballona  
6 Wetlands, where I do a lot of work, is really occupied  
7 land of the Tongva, Shoshone, Gabrielinos. And we honor  
8 them and we would like for them to be really more engaged  
9 as well in the process and they have not been. They've  
10 really been shunted aside.

11           So mostly, though, I -- we'd really like to ask  
12 the State Lands Commission, as has been said by previous  
13 speakers, to be more engaged. At one time, there was an  
14 MOU that was signed by the State Lands Commission, the  
15 State Coastal Conservancy, and the Fish and Wildlife  
16 Department. The two owners State Fish and Wildlife and  
17 State Lands Commission were a part of this MOU, and  
18 somehow, your agency got dropped.

19           And now the MOU has a private entity, the Bay  
20 Foundation, leading the charge. They have on their -- on  
21 their board an executive from SoCalGas. SoCalGas we  
22 believe has some serious conflicts of interest here. They  
23 own the mineral rights beneath the wetlands. And, yes,  
24 they have been drilling for and storing gas there for  
25 many, many years. But, you know, if we're going to really

1 pay attention to the Governor's Executive Orders, we  
2 should be closing this facility, especially since the  
3 California Council on Science and Technology has written a  
4 report to the State Legislature saying that this is the  
5 most dangerous gas storage field in the entire state.

6           And less than one percent of the gas we use is  
7 even from this particular field. So will it cost Chevron  
8 a little bit more money to get the gas sent directly to  
9 them instead of having it stored here? Yes. So that's  
10 okay in our view. We think we should be moving to closing  
11 this storage field and withdrawing the terribly  
12 destructive counterfeit restoration that is being proposed  
13 that only helps SoCalGas. They're the ones that would  
14 benefit the most.

15           So thank you very much. And we really hope we  
16 can talk with and meet with your staff more regularly and  
17 find some solutions here.

18           Thank you.

19           CHAIRPERSON YEE: Thank you, Ms. Hanscom for your  
20 comments.

21           Grace, our next speaker.

22           LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

23           Our next speaker is Jennifer Savage followed by  
24 Jane Velez-Mitchell.

25           CHAIRPERSON YEE: Good afternoon, Ms. Savage.

1 MS. SAVAGE: Hi. Thank you. Good afternoon,  
2 Chair Yee, Commissioners. Jennifer Savage, Surfrider  
3 Foundation's California Policy Manager. I'm speaking  
4 today about a rather notable Coastal Act violation in Del  
5 Norte County. The Coastal Commission's Enforcement staff  
6 has recently issued a Notice of Intent to commence Cease  
7 and Desist Order and Restoration Order proceedings.

8 And this is of particular interest to the State  
9 Lands Commission because many of the violations are  
10 regarding public tidelands adjacent to the Smith River,  
11 which, of course, is the only major undammed free-flowing  
12 river in California. So violations comprise putting all  
13 kinds of wildly inappropriate materials into the tidal  
14 slough, wetlands and streams, including cow manure, soil,  
15 straw, construction waste, trash, and even cow carcasses.

16 Violations also include building levees directly  
17 within, across and along the banks of the tidal sloughs  
18 and wetlands, damming tidal sloughs and wetlands for use  
19 as fresh water irrigation pond. And the folks there were  
20 actually pumping water out of the Smith River and selling  
21 it to their neighbors, as well as dredging tidal sloughs  
22 and streams and blocking public access to the sea, to the  
23 sloughs and the Public Trust tidelands and a whole long  
24 list more.

25 So I bring this to your attention because, while



1 State Lands staff doesn't always have the visibility of  
2 Coastal Commission staff on these high profile enforcement  
3 items, the support and engagement of your staff on these  
4 matters is critical in protecting the health of  
5 California's coast and the public's right to access it.

6 Martins Beach and Mavericks have been the highest  
7 profile issues in recent times. But, of course, lesser  
8 known cases are just as important. The Coastal Act and  
9 the Public Trust apply everywhere and are meant to benefit  
10 all people. So I just wanted to take this quick minute to  
11 acknowledge and thank your staff for their role in this  
12 particularly appalling case and for all the support they  
13 give on Coastal Act enforcement cases.

14 Thank you.

15 CHAIRPERSON YEE: Thank you, Ms. Savage very much  
16 for your comments.

17 Grace, our next speaker.

18 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

19 Our next speaker is Jane Velez-Mitchell followed  
20 by Robert Jan van de Hoek.

21 CHAIRPERSON YEE: Thank you. Good afternoon, Ms.  
22 Mitchell.

23 MS. VELEZ-MITCHELL: Can you hear me?

24 CHAIRPERSON YEE: Yes, we can hear you.

25 MS. VELEZ-MITCHELL: Hi. Thank you so much.

1           My name is Jane Velez-Mitchell. I'm a journalist  
2 and author living in Marina del Rey. And I walk by and  
3 through the wetlands on a daily basis. I can tell you  
4 that contrary to those who are pushing the phony  
5 restoration, this is not a dead and dying area. One  
6 thousand seven hundred species of animals and plants,  
7 including some threatened and some endangered, live here.  
8 They've been documented with time-stamped photographs.  
9 We're talking about owls, egrets, skunks, foxes. The list  
10 goes on and on. And I see them with my own eyes.

11           So when they say, oh, this is a dead and dying  
12 habitat, that is just wrong. And I could testify in a  
13 court under oath that it is just not true.

14           Now, they're proposing to restore it to provide  
15 public access. They're going to spend a decade -- they  
16 say nine years, but you know construction projects are  
17 going to go always longer than they say they will, more  
18 than a decade. During which time, everybody will be  
19 deprived of access to this 640 acres. They could offer  
20 public access right now. The land size isn't going to  
21 change. It's going to be the same land size.

22           But if you destroy all the wildlife, if you kill  
23 all the wildlife, when you do bring in the children, what  
24 is left to see? You know, there's a song, "We paved  
25 paradise and put up a parking lot". And they literally

1 plan a 300-car parking garage for this project.

2 We can have a gentle restoration right now. Of  
3 course, there are things that need to be improved with the  
4 wetlands, but it's the last coastal wetlands in LA County.  
5 We know that wildlife habitat has been destroyed by fires  
6 that have ravaged the habitat for California's wildlife.

7 We know that this is a migratory landing spot for  
8 the birds that are migrating. We know that the wetlands  
9 in Brazil, the Pantanal, are being destroyed. So we can  
10 condemn the destruction of the wetlands in the Pantanal  
11 but we can say, oh, we're going to destroy our own  
12 wetlands here in progressive environmentally sensitive Los  
13 Angeles? If it can happen here, we are doomed.

14 So I am begging you, please look at the  
15 machinations behind all of this. You don't need to  
16 destroy something and obliterate all the wildlife in it in  
17 order to restore it. We could create a gentle  
18 restoration, make the improvements that need to be  
19 improved, and start offering the children of Los Angeles,  
20 the inner city children -- and I speak as a Latina --  
21 access to this land right now with informed tours that  
22 would actually show them nature as opposing to -- as  
23 opposed to bulldozing the whole thing for a decade  
24 creating a traffic nightmare, chasing off the wildlife,  
25 condemning them, and then what? And then what?

1           We don't even know what the environmental  
2 conditions are going to be in a decade.

3           EXECUTIVE OFFICER LUCCHESI: Ms.  
4 Velez-Mitchell --

5           MS. VELEZ-MITCHELL: I mean, this is madness.

6           EXECUTIVE OFFICER LUCCHESI: Ms. Velez-Mitchell  
7 your time is up. Thank you.

8           MS. VELEZ-MITCHELL: Thank you. Thank you so  
9 much.

10          CHAIRPERSON YEE: Thank you for your comments.  
11 Our next speaker, Grace.

12          LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:  
13 Chair, our next speaker is Robert Jan van de Hoek  
14 followed by Patricia Miller.

15          CHAIRPERSON YEE: Great. Thank you.  
16 Good afternoon Mr. van de Hoek.

17          MR. VAN DE HOEK: Good afternoon to you, Chairman  
18 Yee. So glad you're our State Controller, and to  
19 Lieutenant Governor Kounalakis, so glad you're our  
20 Lieutenant Governor. And I'm so glad of the third person  
21 on the Commission too from the Governor's office, who's  
22 name I've forgotten and don't -- haven't met yet.

23                 I'm so glad to have been able to give both the  
24 Lieutenant Governor and the State Controller a tour to the  
25 Ballona Wetlands. I'm very grateful that you've taken a

1 leadership role to be commissioners and elected officials  
2 of the State of California.

3 Well, my name is Robert Jan van de Hoek. That's  
4 the traditional spelling -- or pronunciation in Holland.  
5 And I've been linked to anthropology and cultural studies  
6 for quite a long time in my life since childhood. But I  
7 got a biology and geography degree in wildlife and botany.

8 I wanted to mention to you that the State Lands  
9 Commission lands at the Ballona Wetlands in Los Angeles  
10 County, not part of the ecological reserve, but adjacent  
11 to it, I went to a prayer ceremony on -- this weekend by  
12 the Tongva people. And a previous speaker Marcia Hanscom  
13 and yourselves recognized and acknowledged Native American  
14 indigenous first peoples of California, and I do too.

15 I have a cultural resource management certificate  
16 from the University of Nevada and studies in California  
17 State University, Northridge on studying anthropology, and  
18 archaeology, and cultural resources management, and have  
19 participated in many dances, and ceremonies, and prayers  
20 over the years.

21 The specific interests of the prayer that  
22 happened at Ballona Wetlands this past weekend was done  
23 socially distanced and with masks and a small group  
24 outside, along willow trees. And by the way, the Tongva  
25 name for the willow tree is sáhshat. And there were some

1 oak trees nearby too. And that's a very easy linguistic  
2 name to know, wet.

3           So I want to let you know that while walking to  
4 the prayer ceremony, I showed Marcia afterwards too these  
5 no -- these no trespassing private property signs on the  
6 State Lands Commission lands there. I think I showed both  
7 of you, the Lieutenant Governor and Controller those  
8 private property signs. It's really been the Playa Vista  
9 development corporation that put up the private property  
10 signs and they need to come down. There's approximately  
11 23 of those signs around the 60 acres of the State of  
12 California. And we need to have a new management of that  
13 land, not by an independent group of citizen community  
14 leaders that are interested in the Ballona Wetlands.

15           So much more I'd like to share with you about  
16 Native American culture from what I've learned and help  
17 share. But thank you very much for the three minutes to  
18 speak to you, which is much more than you get at the State  
19 Lands Commission -- I mean, excuse me, the California  
20 Coastal Commission.

21           Thank you.

22           CHAIRPERSON YEE: Thank you very much, Mr. Van de  
23 Hoek for your comments. Grace, I believe Ms. Miller is  
24 next.

25           LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

1 Yes. Thank you.

2 CHAIRPERSON YEE: Okay. Thank you. Good  
3 afternoon, Ms. Miller.

4 MS. PATRICIA MILLER: Hi. Good afternoon. Thank  
5 you for letting me speak again today. I -- this is my  
6 third time attending a meeting. The first time was in  
7 person and this is the second virtual, but I'm still kind  
8 of working with the Land Commission regarding cleaning up  
9 the acreage behind us here up at Little Slate Creek Road  
10 in Lakehead, California, the fire -- the delta fire that  
11 burned all the old growth forest back here.

12 I haven't heard any updates on that. I just  
13 wanted to let you know that I'm still here, and I'm still  
14 kind of awaiting, and hoping that we can get to this soon,  
15 because the fire hazards are very real and all the dead  
16 timber. And so I'm just touching bases with everybody to  
17 let them know that I'm still kind of awaiting to see  
18 what's going to happen here.

19 CHAIRPERSON YEE: Thank you, Ms. Miller. And  
20 thank you for returning and certainly bringing us a  
21 reminder about the impacts of the fire and the hazards.  
22 Do you have further comment for the Commission?

23 MS. PATRICIA MILLER: I guess the further comment  
24 is I'm concerned that it's gone past the reasonable amount  
25 of time that any loggers or companies might be interested

1 in retrieving any wood. So I'm kind of worried about what  
2 the future might hold as to how it's going to get taken  
3 care of.

4 EXECUTIVE OFFICER LUCCHESI: Chair Yee?

5 CHAIRPERSON YEE: Yes, Ms. Lucchesi, please.

6 EXECUTIVE OFFICER LUCCHESI: If it pleases you  
7 and the rest of the Commission, I'm happy to provide an  
8 update and a response.

9 CHAIRPERSON YEE: Sure.

10 EXECUTIVE OFFICER LUCCHESI: Yes. And thank you,  
11 Ms. Miller, for your continued engagement with us and  
12 keeping us -- keeping this a priority on workload our  
13 list. We have tried to keep Ms. Miller updated. I think  
14 we tried on October 2nd and before that in September. In  
15 all honesty, we all are having a challenging time finding  
16 contractors to conduct the clearing that needs to happen.

17 We're working closely with Cal Fire, as well as  
18 others to conduct this clearing and harvesting (inaudible)  
19 to challenges primarily as of late, because of the  
20 magnitude of the fires and logging contractors are  
21 obviously -- their priorities are elsewhere right now due  
22 to the how small this particular project is.

23 So we continue to keep this on the front burner  
24 and look at other options for us to manage this property  
25 in a way that protects Ms. Miller's property and will



1 continue to keep at it. But I -- I completely appreciate  
2 and understand her frustration. We share it as well.

3 CHAIRPERSON YEE: Thank you, Ms. Lucchesi. Thank  
4 you again, Ms. Miller, for bringing that forward. And we  
5 will continue our diligence in terms of trying to get this  
6 activity underway, as soon as we can.

7 Grace, are there any further speakers.

8 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

9 Chair Yee, there are no other hands raised for  
10 comment at this time.

11 CHAIRPERSON YEE: All right. Very well. Thank  
12 you. And thank you to all of our members of the public  
13 who have come before the Commission with your comments.  
14 The next item of business, Commissioners, will be the  
15 adoption of the minutes from the Commission's meeting of  
16 August 20th, 2020. May I have a motion to approve the  
17 minutes and a second.

18 COMMISSIONER KOUNALAKIS: So moved.

19 CHAIRPERSON YEE: Okay. A motion by Commissioner  
20 Kounalakis.

21 ACTING COMMISSIONER MILLER: Second.

22 CHAIRPERSON YEE: Second by Commissioner Miller.  
23 Ms. Lucchesi, will you please call the roll.

24 EXECUTIVE OFFICER LUCCHESI: Certainly.

25 Commissioner Miller?

1           ACTING COMMISSIONER MILLER:   Aye.

2           EXECUTIVE OFFICER LUCCHESI:   Commissioner  
3 Kounalakis?

4           COMMISSIONER KOUNALAKIS:   Aye.

5           EXECUTIVE OFFICER LUCCHESI:   Chair Yee?

6           CHAIRPERSON YEE:   Aye.

7           EXECUTIVE OFFICER LUCCHESI:   The motion passes  
8 unanimately.

9           CHAIRPERSON YEE:   Great.   Thank you very much.

10          The next order of business is the Executive  
11 Officer's report.   Ms. Lucchesi, may we have that report.

12          EXECUTIVE OFFICER LUCCHESI:   Yes.   I'm happy to  
13 provide the Commission and the public on a number of  
14 different updates.

15          First, I'll update -- I'll provide updates on our  
16 various decommissioning and remediation projects that we  
17 have ongoing.   For the Rincon well abandonment project,  
18 our contractor DrilTek continues to make progress in  
19 abandoning the wells at the former Rincon leases in  
20 Ventura County.   On the island, 43 of the 50 wells have  
21 been plugged.   And onshore 24 of the 25 wells have been  
22 abandoned.   Total project costs are estimated at  
23 approximately \$36.6 million, which is \$4.4 million, or  
24 10.7 percent, below initial estimates.   Altogether, we  
25 have plugged and abandoned 67 of the 75 wells, or 89

1 percent, and project completion is expected by June of  
2 next year.

3           Late last month, the Commission released a  
4 solicitation for an environmental consultant to prepare  
5 the CEQA documentation and evaluating alternatives for the  
6 ultimate disposition of the island and onshore facilities.  
7 So we look forward to the start of that analysis and the  
8 public engagement process that will be integral to  
9 conduct -- gathering information and conducting the  
10 analysis relating to the future of that island and the  
11 onshore property.

12           Relating to Platform Holly and that abandonment  
13 project, in late August, the Commission and the City of  
14 Goleta hosted a virtual town hall to update the community,  
15 policymakers and others about the status of Platform Holly  
16 and the Piers 421 decommissioning project. The meeting  
17 was well attended and is a continuation of the  
18 Commission's outreach on these issues and projects of  
19 local and statewide concern.

20           Exxon is currently developing an engineering plan  
21 to decommission the 421 Piers, which staff expects to be  
22 completed by the end of this year. The Platform Holly  
23 work remains paused because of the COVID-19 pandemic  
24 protocols. The platform space limitations make physical  
25 distancing impractical. So staff and our contractor

1 continue to maintain and monitor the platform and onshore  
2 facilities to ensure public health and safety.

3           Next, I want to update the Commission on our  
4 Legacy Wells and Coastal Hazards Program. The program  
5 provides \$2 million per year to remediate legacy wells and  
6 coastal hazards on state lands. The Commission's  
7 consultant, InterAct, will perform well reabandonment work  
8 on two leaking wells off of Summerland Beach, known as the  
9 NorthStar 815 and the Treadwell 10 wells beginning in the  
10 next couple weeks depending on weather. The work will be  
11 conducted from a derrick barge and a dive vessel anchored  
12 nearby.

13           As a precautionary measure, spill response  
14 equipment and trained personnel will be staged in the  
15 parking lot up on the bluff. This reabandonment work is  
16 an essential part of the Commission's efforts to  
17 permanently stop oil from leaking into surrounding waters  
18 and onto the beach. We are especially grateful for the  
19 close collaboration and assistance of our partner  
20 agencies, including the County of Santa Barbara, the Santa  
21 Barbara Air Pollution Control District, the Central Coast  
22 Regional Water Quality Control Board, the Coastal  
23 Commission, the United States Army Corps of Engineers, the  
24 Office of Spill Prevention and Response, and CalGEM.

25           Next, I want to move north to Lake Tahoe and give

1 the Commission an update on our Lake Tahoe and Donner Lake  
2 benchmark rental rates methodology study. In February of  
3 2018, the Commission approved the continuation of the 2012  
4 Lake Tahoe benchmark rental rates and authorized staff to  
5 hire a consultant to study the methodology used to set  
6 rent in Lake Tahoe and Donner Lake.

7 Last month, the Commission released a draft of  
8 this Lake Tahoe rent methodology study and sent letters to  
9 all of our lessees, stakeholders, and interested parties  
10 within the Lake Tahoe and Donner Lake area notifying them  
11 about the draft study.

12 The draft study provides an independent  
13 third-party evaluation of various rent methodologies,  
14 including the one the Commission currently uses, and  
15 recommends a rent setting methodology and benchmark rates  
16 going forward. Commission staff will host a virtual town  
17 hall meeting on Tuesday, November 10th to discuss the  
18 consultant's draft study. Information on how to join the  
19 meeting will be available on our website and staff will  
20 also reach out to stakeholders through virtual public  
21 meetings to receive feedback on the study.

22 After this outreach, the consultant will revise  
23 the study as necessary and finalize it. Staff will then  
24 evaluate the final study, incorporate all the input we  
25 have received, and bring a recommendation to the

1 Commission in late 2020 or early 2021.

2           Next, I want to move back down south to the  
3 Central Coast to talk about our two offshore renewable  
4 energy applications as the Commission is in receipt of two  
5 applications, one from Ideol USA, Inc. and Cierco Projects  
6 Corporation for leases to construct and operate a floating  
7 offshore wind electrical generation project on sovereign  
8 land in the Pacific Ocean off the coast of Lompoc and  
9 Vandenberg Air Force Base. Staff continues to process  
10 these applications.

11           As part of the environmental analysis portion of  
12 the processing, and in recognition of the significant  
13 interest in these proposals, we will be pursuing a  
14 combination of an early public consultation and scoping  
15 approach with some project analysis substance of an  
16 initial study. This preliminary Environmental Assessment  
17 approach is intended to provide preliminary insight on  
18 effective resources to help guide early public input on a  
19 Notice of Preparation scoping process for the ultimate  
20 preparation of an EIR.

21           Considering the extensive resource requirements  
22 of the EIR process, this approach helps with the  
23 development of the scope and analysis to a greater extent,  
24 as compared to a typical early public consultation or  
25 Notice of Preparation.

1           Staff is also planning a series of virtual  
2 outreach sessions in November and beyond for stakeholders  
3 who have an interest in these projects and we intend to  
4 conduct additional smaller and more focused outreach after  
5 this initial outreach session.

6           Importantly, and what you're seeing on your  
7 screens now, to provide more transparency and increase our  
8 communication with those who are interested in these two  
9 applications, we have developed an offshore wind website  
10 page to provide information and updates about the  
11 applications and insight into the Commission's application  
12 process.

13           That web -- webpage can be found on our website.  
14 And as Phil is showing you now, it includes a wealth of  
15 information, including a comparison of the two  
16 applications side by side, so that we can help the public  
17 and other interested parties really understand the  
18 similarities and the differences between these two  
19 projects and the applications that have been submitted.

20           Finally, I want to announce a couple of personnel  
21 announcements. First, earlier this year, the Commission  
22 hired a new Environmental Justice Liaison, Yessica  
23 Ramirez, who will lead implementation of our Environmental  
24 Justice Policy and Program. Yessica comes to us after a  
25 successful career at United Way in Monterey County, where

1 she directed their philanthropic and donor program, and  
2 planned, organized and directed their community engagement  
3 work.

4 Yessica will work closely with all of our  
5 divisions and the Commission as well as the public to  
6 build on the comprehensive work already advanced on  
7 equity, diversity and inclusion, and move our  
8 Environmental Justice Program work forward. We're really  
9 excited about Yessica coming onto our team. And we know  
10 that you will hear and see more of her as time goes on.

11 I'm also proud to announce that Nicole Dobroski  
12 has been appointed as the Commission's new Chief of the  
13 Environmental Planning and Management Division. The  
14 recruitment for this position was incredibly -- incredibly  
15 competitive. Nicole's exhibited and thoughtful  
16 leadership, dedication to science, experience, creativity,  
17 innovation, commitment to collaboration and comprehensive  
18 vision made her the best choice to lead this important  
19 Division of the Commission. I want to specifically  
20 acknowledge and thank Eric Gillies for leading this  
21 Division over the past two years. His steadiness,  
22 leadership and management of the Division and our staff  
23 team allowed Colin and I the time and opportunity to focus  
24 on the potential of our scientists and the broader  
25 scientific work our agency is doing, and frankly to



1 reimagine this Division.

2           As such, I'm excited to announce that we are in  
3 the very initial stages of bringing our professional  
4 scientists and our science-based programs, our Marine  
5 Invasive Species program, our CEQA Program, and our  
6 Climate Change and Sea Level Rise Program together under  
7 one division to facilitate, promote and empower a  
8 collaborative, proactive environmental planning and  
9 management team that can build and grow our existing  
10 science-based programs, facilitate professional growth  
11 among our science teams, and institutionalize one of our  
12 core values, decision making based on the best available  
13 science. Nicole shares this vision and is ideal for  
14 leading this new endeavor.

15           Finally, I would like to announce the retirement  
16 of Steve Curran, a long-time State Lands engineer in our  
17 Mineral Resources Division. Steve will retire this  
18 November after serving the State since 1978. Steve  
19 started his career with the State with the California  
20 Geologic and Energy Minerals Agency. He then spent time  
21 working in private industry and in 1987, he came to the  
22 State Lands Commission where he has served the past 35  
23 years.

24           He has been an integral member of our technical  
25 and professional staff. Steve has been involved in many

1 important and high-profile projects with State Lands,  
2 beginning with his work with the Long Beach Unit  
3 Development Program to his recent involvement with the  
4 Summerland and SB 44 legacy well abandonment projects and  
5 the Rincon Island leases well abandonment project.

6           Retirements like Steve's are always so bitter  
7 sweet. We're sad to know that we won't be able to work  
8 with Steve every day on important Commission projects, but  
9 we are extremely happy and excited for him to embark on  
10 this new phase of his life and know that he will enjoy his  
11 well deserved retirement, and make the most of his life of  
12 leisure in the years to come.

13           We will be saying goodbye to a valuable employee  
14 in Steve and we will miss him greatly. I speak for all of  
15 Commission staff in wishing Steve the best in his future  
16 adventures and thank him for his work and dedication to  
17 this State Lands Commission and the people of California.

18           Thank you so much. That concludes my Executive  
19 Officer's report.

20           CHAIRPERSON YEE: Thank you very much, Ms.  
21 Lucchesi. And let me just also extend congratulations to  
22 Steve on a -- just a stellar career and all of your  
23 contributions to the State Lands Commission, to the people  
24 of the State of California, and all best wishes for a very  
25 happy and healthy retirement, and congratulations and

1 welcome to Yessica and Nicole in their new capacities.  
2 Very excited about the work that we'll be doing together.

3 Let me turn to Commissioners Kounalakis and  
4 Miller to see if there are any comments or questions.

5 COMMISSIONER KOUNALAKIS: Thank you, Madam Chair.  
6 Just to reiterate and welcome to our new staff member.  
7 Congratulations for the promotion. And Steve, thank you  
8 for all your contributions and we wish you the best in the  
9 future. Ordinarily, there would be a cake involved, I  
10 think. So -- so we'll look forward to meeting Yessica in  
11 the future and in person and be able to have those  
12 opportunities, at some point, when we can be together.

13 CHAIRPERSON YEE: Thank you, Commissioner  
14 Kounalakis.

15 Commission Miller.

16 ACTING COMMISSIONER MILLER: Nothing to add.  
17 Just a hearty congratulations and just to Ms. Lucchesi  
18 again, just kudos to you for creating such a great team  
19 environment even virtually. So really great. It really  
20 comes through. Thank you for that.

21 CHAIRPERSON YEE: Thank you.

22 I have one question, Ms. Lucchesi and it really  
23 has to do with whether the COVID-19 public health  
24 emergency has stunted any public processes with respect to  
25 the Rincon Island activities, and just want to be sure

1 that we're still very engaged in informing the public  
2 about all the activities around that decommissioning.

3 EXECUTIVE OFFICER LUCCHESI: Yes. I wouldn't say  
4 it has stunted any engagement efforts. It has certainly  
5 changed the way we engage.

6 CHAIRPERSON YEE: Um-hmm.

7 EXECUTIVE OFFICER LUCCHESI: But I -- similar to  
8 our -- how we've been approaching Platform Holly and that  
9 decommissioning effort, we intend to engage in a very  
10 robust public engagement and meeting schedule for the  
11 ultimate disposition of Rincon Island and the onshore  
12 facilities in that land. I think that we have made such  
13 significant progress and a really efficient amount of time  
14 on the plugging and abandonment work that we will have to  
15 use a lot of the time that we saved, as well as the funds  
16 that we've saved to really pour into community engagement.  
17 And really working with Ventura County, the adjacent  
18 property owners, UC Santa Barbara is very interested in  
19 the potential of these -- of the island and the onshore  
20 lands. And so we think that that engagement process,  
21 while it may have to initially occur virtually, will be  
22 robust and we'll be able to meet the challenges associated  
23 with that. We expect a lot of interest in this --

24 CHAIRPERSON YEE: Yes.

25 EXECUTIVE OFFICER LUCCHESI: -- in this

1 disposition.

2 CHAIRPERSON YEE: Okay. Good. Thank you. Just  
3 understanding that there are many members of the public  
4 who are stressed at this time, so I want to be sure that  
5 we're just staying on top of our engagement efforts.  
6 Thank you for the update.

7 All right. Seeing no other comments or  
8 questions, Commissioners, our next order of business will  
9 be the adoption of the consent calendar. Let me just  
10 first turn to Commissioners Kounalakis and Miller, are  
11 there any items that you would like to see removed from  
12 the consent calendar?

13 COMMISSIONER KOUNALAKIS: No.

14 CHAIRPERSON YEE: Okay. Hearing none.

15 Ms. Lucchesi, any items that you want to indicate  
16 be removed from the consent calendar?

17 EXECUTIVE OFFICER LUCCHESI: Yes. We would like  
18 to remove 28 -- item 28 from the agenda. And that item  
19 will be considered at a later time.

20 CHAIRPERSON YEE: All right. Item 28 has been  
21 removed to come back at a later time.

22 Okay. So let me now turn and see if there is  
23 anyone joining us virtually who wishes to speak on any  
24 item remaining on the consent calendar. If so, please  
25 raise your hand -- your Zoom hand, or dial nine, if

1 joining by phone now.

2 And, Grace, let me check in with you to see if  
3 there any hands raised.

4 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

5 Yes. Thank you, Chair Yee. We have Courtney  
6 Vail who has her hand raised.

7 CHAIRPERSON YEE: All right.

8 MS. VAIL: My apologies. I have comments on Item  
9 40 -- Agenda Item 44.

10 CHAIRPERSON YEE: Forty-four. Okay. That's very  
11 well. That will come up shortly. Okay.

12 MS. VAIL: Yes. Apologies. Thank you.

13 CHAIRPERSON YEE: No problem. Thank you.

14 Any other speakers for the consent calendar?

15 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

16 We have no other hands raised for the consent  
17 agenda.

18 CHAIRPERSON YEE: Great. Thank you, Grace.

19 So with that, may I have a motion to adopt the  
20 consent calendar and a second.

21 COMMISSIONER KOUNALAKIS: So moved.

22 ACTING COMMISSIONER MILLER: Move adoption of the  
23 consent calendar.

24 CHAIRPERSON YEE: Okay. We have a motion by  
25 Commissioner Miller, seconded by Commissioner Kounalakis.

1 Ms. Lucchesi, please call the roll.

2 EXECUTIVE OFFICER LUCCHESI: Yes. Commissioner  
3 Miller?

4 ACTING COMMISSIONER MILLER: Aye.

5 EXECUTIVE OFFICER LUCCHESI: Commissioner  
6 Kounalakis?

7 COMMISSIONER KOUNALAKIS: Aye.

8 EXECUTIVE OFFICER LUCCHESI: Chair Yee?

9 CHAIRPERSON YEE: Aye.

10 EXECUTIVE OFFICER LUCCHESI: The motion passes  
11 unanimously.

12 CHAIRPERSON YEE: Great. Thank you very much.

13 So our next order of business will be the regular  
14 calendar. And Item 44 is next up. This is an  
15 informational update on efforts to develop the  
16 Commission's 2021 to 2025 strategic plan. And we do have  
17 a presentation by Katie Robinson-Filipp.

18 Good afternoon.

19 MS. ROBINSON-FILIPP: Good afternoon.

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

22 MS. ROBINSON-FILIPP: Thank you, Phil. And thank  
23 you, Madam Chair and Commissioners. My name is Katie  
24 Robinson-Filipp and I am a Sea Grant Fellow with the  
25 Commission. Today, I will provide a brief update on the

1 development of the 2021-2025 strategic plan recent  
2 engagement efforts.

3 Next slide, please.

4 --o0o--

5 MS. ROBINSON-FILIPP: Since the last Commission  
6 meeting, Commission staff have facilitated a series of  
7 four tribal roundtable sessions. And we continue to  
8 engage in individual government-to-government discussions  
9 with our tribal partners. The four roundtables were  
10 organized broadly according to region and potential topics  
11 of area -- topics of interest, including the north coast  
12 region, Inyo, Owens Lake, and Mono Lake, South and Central  
13 Coast, and South Coast.

14 Commission staff reached out to representatives  
15 from 39 tribes throughout the state to schedule the  
16 roundtables into individual consultations. A total of 12  
17 tribes participated in four roundtable discussions and  
18 three tribes so far have requested formal consultation.

19 During these roundtables, participants identified  
20 similar existing and emerging -- emerging issues as our  
21 stakeholders, including climate change, renewable energy,  
22 habitat and resource protection and restoration, social  
23 equity and environmental justice, and public land access.

24 Several key and intersecting themes and ideas  
25 were discussed as part of a recommendation that the



1 2021-2025 strategic plan include, as a central theme,  
2 incorporate Native American perspectives. Under this  
3 theme, these elements are under consideration:

4 Enhance and protect tribal access to lands for  
5 cultural use, return culturally important lands to tribes,  
6 uplift and incorporate traditional ecological knowledge,  
7 practice reciprocity and respect for the land, resources  
8 and people, engage and enlist tribal governments and  
9 co-management of lands, facilitate collaborative  
10 discussions, and proactively engage with and advocate for  
11 tribal governments and communities.

12 Next slide, please.

13 --o0o--

14 MS. ROBINSON-FILIPP: Recently, Stantec also  
15 facilitated an internal workshop with Senior Commission  
16 management, and is currently reviewing the meaningful  
17 input and feedback from staff to incorporate into the  
18 draft plan. The Commission continues to work with our  
19 stakeholders and tribal partners to ensure a robust  
20 engagement process.

21 The 2021-2025 strategic plan is intended to be an  
22 aspirational document, that is forward-looking and based  
23 on the input and comments we received through robust  
24 tribal, stakeholder and public engagement. Commission  
25 staff continue to work with Stantec to incorporate the

1 input, ideas and comments from these engagement efforts  
2 into a draft plan that will be presented at a future  
3 Commission meeting.

4           The development of this plan is an iterative  
5 process, and the Commission is committed to being  
6 responsive to the input and comments from this engagement  
7 process.

8           Next slide, please.

9                                 --o0o--

10           MS. ROBINSON-FILIPP: We recognize that the  
11 public's voice, insight and experience are important and  
12 we want hear from you. You can share your thoughts or  
13 suggestions by emailing [strategicplan@slc.ca.gov](mailto:strategicplan@slc.ca.gov) or by  
14 calling (916)574-1800.

15           Thank you. And I'm happy to answer any  
16 questions.

17           CHAIRPERSON YEE: Thank you very much for the  
18 presentation. Let me just first turn to Commissioners  
19 Kounalakis and Miller to see if there are any questions or  
20 comments.

21           COMMISSIONER KOUNALAKIS: Well, let me just say,  
22 and I'm sure everyone listening feels this way, is that  
23 it's a very important thing to really think in the context  
24 of so much that has been going on around awareness of  
25 marginalized communities, how important it is to circle

1 back and take a deeper dive in working with the Native  
2 American community.

3 We open our meetings every time with recognition  
4 that these lands were once inhabited by Native American  
5 Tribes. But by incorporating a more robust process into  
6 our strategic plan update, it really shows that we take  
7 this very, very seriously. So I just want to thank you,  
8 Jennifer, and all of the staff for circling back on this.  
9 Katie, thank you. That was a great presentation. And we  
10 still have some work to do.

11 CHAIRPERSON YEE: Thank you, Commissioner  
12 Kounalakis.

13 Commissioner Miller, any comments?

14 ACTING COMMISSIONER MILLER: Just one. Thank  
15 you, Madam Chair. I'm just curious how you're engaging  
16 and getting more folks involved, especially in this  
17 virtual world, if we're doing -- I saw all in your staff  
18 report kind of all the ways you're going out to people.  
19 Are you inviting specific people to comment or is there a  
20 little bit more of a proactive way of reaching out, just  
21 because some of the traditional ways aren't available to  
22 us?

23 EXECUTIVE OFFICER LUCCHESI: I'm happy to respond  
24 to that. So we have engaged our consultant Stantec to  
25 specifically help with this outreach effort. So in --

1 earlier this year, we had identified about 149, 150  
2 potential stakeholders. We were able, through our -- our  
3 consultant Stantec, interview, spend about an hour with  
4 about 79 of those stakeholders, both entities and  
5 individuals.

6 And so that was a great response and we received  
7 so much feedback from that. And as you may remember, we  
8 also started the year off with a -- a four-hour Commission  
9 meeting that included a panel discussion among various  
10 sectors of the stakeholders that we engage with on a  
11 regular basis.

12 So building on that and then evolving to  
13 individual interviews with almost 80 stakeholders, and  
14 then moving on to the tribal roundtable sessions and  
15 building on that with individual consultations, we have a  
16 really good foundation. We had -- did have to obviously  
17 transition to a virtual medium as the pandemic hit. And,  
18 at this point, we are also, through or Commission meetings  
19 and other types of mass emails really trying to solicit  
20 additional feedback through -- through those kinds of  
21 outreach efforts.

22 I -- the next phase we hope will generate even  
23 more engagement. Our hope is to have a draft by the next  
24 Commission meeting, not as a static draft that just kind  
25 of lives and we make tweaks here and there, but really as

1 kind of a next phase to solicit more meaningful feedback,  
2 something for people to react to that -- we think that  
3 next phase will help really start to pinpoint the larger  
4 values and principles by which we can generate some  
5 strategic goals and objectives.

6           As Katie was mentioning in her presentation,  
7 it's -- we really want to stress that we're just at the  
8 beginning of this outreach, because we want that really  
9 focused feedback on draft language, draft principles,  
10 draft values, and that it will be such an iterative  
11 process moving into the first quarter of 2021. So we're  
12 trying to address it in multiple different ways really to  
13 try to take advantage and leverage the way different  
14 individuals, different entities, especially given all the  
15 stressors that they're under, their capacity levels and  
16 just their own priorities, what is the best way for them  
17 to engage with us. So we're trying to hit it on all kinds  
18 of different levels. I hope that answers your question.

19           ACTING COMMISSIONER MILLER: Yes, that's great.  
20 Thank you very much.

21           CHAIRPERSON YEE: Thank you, Commissioner Miller  
22 for the question. And I appreciate the staff really not  
23 giving short shrift on the outreach and engagement in  
24 order to get a strategic plan in place, you know, without  
25 that robust participation. So the time I think that we're

1 taking to do that is going to be very critical and will  
2 result, I think, in a much more meaningful document to  
3 carry us forward.

4 In the spirit of that, I know there are a number  
5 of public speakers on this item. So why don't we turn to  
6 them. Let me just see. I have a list of them, but let me  
7 just be sure that we have them in order. So could we --

8 EXECUTIVE OFFICER LUCCHESI: Chair Yee?

9 CHAIRPERSON YEE: Yes.

10 EXECUTIVE OFFICER LUCCHESI: Yeah. We can turn  
11 it over to Grace to --

12 CHAIRPERSON YEE: Okay.

13 EXECUTIVE OFFICER LUCCHESI: -- identify the  
14 speakers --

15 CHAIRPERSON YEE: All right. We'll do that.

16 EXECUTIVE OFFICER LUCCHESI: -- if that works for  
17 you?

18 CHAIRPERSON YEE: Okay. Of course. Of course.  
19 Okay. So, Grace, why don't we bring the folks who have  
20 indicated they wanted to speak Item 44 forward.

21 And who is our first speaker?

22 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

23 Thank you, Chair Yee. Our first speaker would be  
24 Courtney Vail followed by Kim Kolpin.

25 CHAIRPERSON YEE: Okay. Very good. Good

1 afternoon, Ms. Vail.

2 MS. VAIL: Thank you. We'll try this again.  
3 Thank you, Madam chair and Commissioners. My name is  
4 Courtney Vail and I'm the Director of Campaigns for the  
5 Oceanic Preservation Society. We're based in Greenbrae,  
6 California. Thank you for the opportunity to speak with  
7 you today in support of the Commission's consideration of  
8 the inclusion of a prohibition on seabed mining in state  
9 waters in its 2021 through 2025 strategic plan.

10 Our organization is perhaps best known for  
11 award-winning films like The Cove and Racing Extinction,  
12 which unmask the dark world of wildlife trafficking,  
13 climate change, and other issues involving humankind's  
14 often destructive relationship with nature. Our stated  
15 mission is to expose the truth to protect the planet using  
16 the art of story telling and imagery to scale change  
17 around the most critical issues facing our planet.

18 Regarding the protection of our state's natural  
19 heritage and the biodiverse and rich marine ecosystems  
20 that bless our coastline, we recognize the need to raise  
21 our voices to expose potential harm before it happens.

22 As profiled in our film Racing Extinction, we are  
23 in the middle of the sixth mass extinction event. With  
24 the rise of seabed mining, we are on the cusp of a tipping  
25 point that could push species and unique ecosystems even

1 further to the brink. And I would prefer that our film  
2 crews not have to document the decline and devastation of  
3 our coastline.

4           Seabed mining in west coast waters would have  
5 severe impacts on the ecosystem, including the direct  
6 destruction of living marine habitat like corals and  
7 sponges, increase in sedimentation that will smother  
8 marine life with plumes of silt or mud raised by mining,  
9 and introduction of persistent noise that can affect the  
10 behavior and well-being of marine life.

11           The near-shore seafloor features dynamic areas  
12 influenced by tides and surf, kelp forests and vibrant  
13 coral and sponge gardens, all of which offer nursery areas  
14 and shelter to hundreds of species of commercially and  
15 recreationally important ground fish. The seafloor is a  
16 place of true magic and mystery. But beyond the majesty,  
17 the seafloor and oceans play a key role in protecting  
18 human health, providing climate regulation, carbon  
19 sequestration, nutrient cycling, food, recreation and a  
20 host of other benefits to all life on earth.

21           Even before extracted industries seek a foot-hold  
22 in the state, why not prevent this destruction before it  
23 happens. Near-shore marine waters and coastal communities  
24 along the Pacific are already at a tipping point, facing  
25 rising ocean temperatures and acidification. Let's tip it



1 in the right direction.

2 Thank you.

3 CHAIRPERSON YEE: Thank you very much for your  
4 comments, Ms. Vail, and for being here today.

5 I believe our next speaker is Kim Kolpin.

6 Good afternoon, Ms. Kolpin.

7 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

8 Ms. Kolpin, you may be on mute.

9 Chair Yee, if it's okay with you, I'd like to go  
10 ahead and move to Elias Henderson and I'll call Kim on the  
11 next set.

12 CHAIRPERSON YEE: Of course, yes. Thank you.

13 So Elias Henderson is next up to speak.

14 Good afternoon.

15 MR. HENDERSON: Hello. Hi. Can everyone hear  
16 me?

17 CHAIRPERSON YEE: Yes. Good afternoon.

18 MR. HENDERSON: Okay. Good afternoon. Hello,  
19 Commissioners. So my name is Elias Henderson. And I'm  
20 here today to speak on behalf of the Redwood Forest  
21 Foundation as a community advisor and former Program  
22 Director.

23 For decades, the Redwood Forest Foundation has  
24 worked to establish community-based forests in Northern  
25 California that provide both critical habitat for

1 increased biodiversity and improve the regional economic  
2 vitality. In August, you heard from my colleague Mark  
3 Welther. And I'm here today to thank the Commission on  
4 behalf of Mark, myself, and the entire Redwood Forest  
5 Foundation family for its willingness to consider the  
6 proactive steps that many others and I are requesting in  
7 order to prevent seabed mining in California's state  
8 waters.

9           While our organization's work is primarily in the  
10 forest, the lands that we manage are deeply connected to  
11 and reliant on a healthy ocean. So for me the aha moment  
12 in understanding the depth of this connection came when I  
13 learned about the ocean-to-forest nitrogen pipeline.

14           Let me explain. So while erosion washes precious  
15 soil and nutrients to the sea, salmon return much of it to  
16 the forests in their annual runs. And the extent to which  
17 the is true is shocking, even to someone like me who's  
18 worked in this world for many years.

19           Researchers have found by tracking nitrogen  
20 isotopes that in some fish-bearing streams as much as 40  
21 to 80 percent of the nitrogen found in the surrounding  
22 flora originated in the ocean. These oceanic isotopes are  
23 found as far east as the Rocky Mountains.

24           We cannot simply neglect the health of our oceans  
25 and our fish populations, and expect our forests to

1 thrive, or for that matter the local economies that rely  
2 on those forests. For this reason, Californians need to  
3 make every effort to protect salmon during the oceanic  
4 portions of their life cycles. And seabed mining,  
5 especially the sediment plumes, would undoubtedly disrupt  
6 and undermine salmon migrations and feeding.

7           The unprecedented global warming fueled fires  
8 raging in our backyards and across our state serve as a  
9 reminder of the need to be proactive in dealing with the  
10 sources of these problems. Unhealthy oceans mean  
11 unhealthy forests, and in turn forest health affects  
12 communities, both economically and in terms of fire risk.

13           The Commission would show great foresight with  
14 this action and the Redwood Forest Foundation, along with  
15 many other allies, urges the Commission to take that  
16 action.

17           So thank you for the time today. It's greatly  
18 appreciated.

19           CHAIRPERSON YEE: Thank you, Mr. Henderson, very  
20 much for being with us today and for your comments.

21           Grace, our next speaker.

22           LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

23           Yes. I'd like to call on Kim Kolpin. Ms.  
24 Kolpin, you may want to try using your phone as that may  
25 be a better connection for you.

1 MS. KOLPIN: Hello. Can you hear me?

2 CHAIRPERSON YEE: Yes. Good afternoon, Ms.  
3 Kolpin.

4 MS. KOLPIN: Great. Sorry for the technical  
5 difficulties there. Thank you.

6 CHAIRPERSON YEE: That's alright.

7 MS. KOLPIN: Good afternoon, Commissioners. My  
8 name is Kim Kolpin. I'm Executive Director of the Bolsa  
9 Chica Land Trust serving the Bolsa Chica Ecological  
10 Reserve of which the State Lands Commissions holds the  
11 title to the majority of. I want to express how much I  
12 enjoy working with the Commission staff in regards to  
13 collaborative efforts to keep the habitats of Bolsa Chica  
14 healthy and thriving.

15 Today, I'm here to speak in support of a  
16 precautionary prohibition on seabed mining in California  
17 waters. In a discussion about this issue with our board  
18 members and members, taking action now to stop seabed  
19 mining is a no-brainer. Our coastal waters have endured  
20 substantial negative impacts over the past 150 years or so  
21 from reckless overdevelopment, agricultural runoff, urban  
22 runoff, oil drilling and overfishing.

23 Californians have had to fight to combat these  
24 negative impacts to catch our marine environment before it  
25 falls off that proverbial cliff. Now, we urge the State

1 Lands Commission to take a hard "no" position on seabed  
2 mining in the strategic plan you're working to create. We  
3 urge you to address the issue now to prevent predictable  
4 damage to our environment that seabed mining would cause,  
5 and the public disdain that would certainly accompany it.

6 We at Bolsa Chica are witness to the missteps of  
7 the past every day, as we deal with the effects in  
8 strained development and resource extraction places on our  
9 vulnerable wildlife. Let's not add to the potentially  
10 horrific effects of seabed mining to the stressors we  
11 struggle to overcome daily. We look forward to California  
12 again leading the way in environmental protections now  
13 regarding seabed mining.

14 Thank you.

15 CHAIRPERSON YEE: Thank you very much, Ms.  
16 Kolpin. Really appreciate your comments.

17 Grace, our next speaker.

18 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

19 I'd like to call on Casey Cruikshank followed by  
20 Vicky Fong.

21 CHAIRPERSON YEE: Thank you. Casey Cruikshank,  
22 are you on?

23 MS. CRUIKSHANK: Hi there.

24 CHAIRPERSON YEE: Good afternoon.

25 MS. CRUIKSHANK: Hello, Commissioners. My name

1 is Casey Cruikshank and I'm here to speak on behalf of the  
2 Northcoast Environmental Center in Humboldt County. We  
3 work to educate, conserve, protect and celebrate  
4 terrestrial aquatic and marine ecosystems of Northern  
5 California and Southern Oregon.

6 I appreciate the time to speak with you today as  
7 well as at your August 20th meeting, where I expressed our  
8 coalition's support for clear action by the Commission to  
9 prevent harmful seabed mining in California state waters  
10 as part of its next strategic plan. Seabed mining  
11 threatens California communities and our fishing and  
12 tourism industries.

13 Based on the rapid growth of seabed mining  
14 globally, we believe it is not a matter of if this  
15 extremely harmful industry brings its dredges and drills  
16 to California's shores, but when. I will be following  
17 this issue as it moves forward. I appreciate your  
18 engagement with tribal partners. And thank you again for  
19 leading the way by preventing seabed mining before it  
20 begins off our coast.

21 CHAIRPERSON YEE: Thank you, Ms. Cruikshank, very  
22 much for your comments.

23 Grace, our next speaker.

24 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

25 Our next speaker is Vicky Fong followed by

1 Michael Wellborn.

2 CHAIRPERSON YEE: Thank you. Good afternoon, Ms.  
3 Fong.

4 MS. FONG: Good afternoon, Commissioners. And  
5 thank you for the opportunity to speak with you today. My  
6 name is Vicky Fong and I am a student at the University of  
7 California at Berkeley studying environmental biology and  
8 conservation. I am also a volunteer with Shark Stewards  
9 and I will be speaking on behalf of the organization  
10 today.

11 Shark Stewards is a non-profit organization that  
12 works to protect marine wildlife and the critical role  
13 they play in the ecosystem by supporting shark fin bans,  
14 marine protected areas, and reducing plastic pollution  
15 through policy or behavior change.

16 Today, I am urging the Commission to address the  
17 potential development of seabed mining in California  
18 waters as part of the Commission's 2021 to 2025 strategic  
19 plan.

20 Scientists are increasingly warning that seabed  
21 mining could cause widespread damage to the ecosystem's  
22 marine wildlife, fisheries, and coastal communities depend  
23 on. Until recently, I did not know much about seabed  
24 mining nor did I understand how prospecting and -- for and  
25 extracting hard minerals from the seafloor has the

1 potential to harm sharks and a host of other marine  
2 wildlife.

3           As the name indicates, deep sea -- deep sea  
4 mining or seabed mining adversely affects the seafloor and  
5 its surrounding marine life, including corals, sponges,  
6 kelp beds, and other critical habitat.

7           Meanwhile, an emerging body of science warns of  
8 the lesser known but equally damaging effects of large  
9 toxic waste sediment plumes associated with seabed mining.  
10 Dr. Angela[SIC] Choy at the Scripps Institute of  
11 Oceanography and Dr. Steven Haddock at the Monterey Bay  
12 Aquarium Research Institute recently wrote that what is  
13 missed in assessments of mining impacts is the effect of  
14 ocean itself.

15           The sea is not just the seafloor alone, but also  
16 what lies above it. Roughly 13,000 feet of water on  
17 average, more than twice as deep as the deepest point of  
18 the Grand Canyon and including more than 90 percent of the  
19 life -- planet's life-sustaining habitats. This deep  
20 midwater ecosystem from microbes, to worms, to jellies,  
21 and giant squid is important and is linked to us in many  
22 ways.

23           And this midwater area I'll include -- I'll add,  
24 includes sharks. Many shark species serve as apex  
25 predators in various marine habitats keeping our delicate



1 ecosystems in balance. If seabed mining occurs, our shark  
2 populations will likely decline and we will no doubt see  
3 drastic changes in the entire marine ecosystem.

4 Seabed -- sediment plumes from seabed mining not  
5 only disrupts the physical habitat, but negatively impacts  
6 all life that lives. By preventing seabed mining in  
7 California state waters, the Commission is doing more than  
8 protecting the wonders of the seafloor, it is also looking  
9 out for sharks and the entire marine ecosystem.

10 Thank you for your time and your leadership on  
11 this issue.

12 CHAIRPERSON YEE: Thank you very much, Ms. Fong,  
13 for your comments.

14 Grace, our next speaker.

15 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

16 Our next speaker is Michael Wellborn followed by  
17 Jennifer Savage.

18 CHAIRPERSON YEE: Great. Thank you. Good  
19 afternoon, Mr. Wellborn.

20 MR. WELLBORN: Good afternoon, Madam Chair,  
21 members of the Commission and staff. My name is Michael  
22 Wellborn. I'm the President of the Board of Friends of  
23 Harbors, Beaches and Parks, an organization here in Orange  
24 County. It is our mission to promote, protect, and  
25 enhance the harbors, beaches, parks, trails, open spaces,

1 natural preserves and historic sites here in Orange  
2 County. As you are aware, in early October, Governor  
3 Gavin Newsom announced a new Executive Order on nature  
4 based solutions, climate and biodiversity, and called for  
5 30 percent of the state's land area and near-shore marine  
6 habitat to be protected in the name of conservation by  
7 2030.

8           At his press conference, he said, "We're here  
9 with purpose and intention and that's to build on  
10 California's legacy of open space, to build on  
11 California's legacy of environmental stewardship, to build  
12 on California's leadership as it relates to biodiversity".

13           I don't believe that seabed mining, which can  
14 involve scraping and suction dredging of the seafloor is  
15 kind of what the Governor had in mind as a nature-based  
16 solution or any effort to protect biodiversity.  
17 Thankfully, your Commission has started tracking this  
18 emerging issue of seabed -- seabed mining. I applaud the  
19 Commission's consideration of measures to address the  
20 potential development of seabed mining in the upcoming '21  
21 to '25 strategic plan. And I do hope you will find a way  
22 to make sure the new plan includes a ban on seabed mining.

23           Thank you very much and Go Bears.

24           CHAIRPERSON YEE: Thank you very much, Mr.  
25 Wellborn. Yes, you are among bears. So thank you.

1 Really appreciate your comments.

2 Grace, our next speaker, please.

3 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

4 Our next speaker is Jennifer Savage followed by  
5 Andrea Treece.

6 CHAIRPERSON YEE: Okay. Good afternoon, Ms.  
7 Savage.

8 MS. SAVAGE: Hi. Jennifer Savage, Surfrider  
9 Foundation again.

10 First, we do appreciate the ongoing commitment to  
11 ensure that development of the most robust and inclusive  
12 strategic plan to guide you through the coming years. We  
13 also continue to ask the State Lands Commission prioritize  
14 a proactive revision of Commission policies, regulations,  
15 and leasing programs to prevent the development of seabed  
16 mining for hard minerals on or under California's  
17 submerged lands, and that this priority be included in  
18 your strategic plan.

19 We did submit a letter signed by several NGOs in  
20 support of this request and will hope you will take a look  
21 at it today, if you haven't yet.

22 Demands on the near-shore ocean continue to  
23 expand from traditional fisheries, tourism and  
24 recreational activities to newer uses such as renewable  
25 energy and aquaculture. At the same time, climate change

1 is causing our ocean to warm with devastating  
2 consequences, including the death of 90 percent of the  
3 kelp from San Francisco to Oregon, of native fish in San  
4 Francisco Bay dying out, and increasing marine heat waves  
5 off our coast. The largest warm blob yet was recorded off  
6 California's coast in August growing to 3.8 million square  
7 miles by late September and warming ocean waters up to 39  
8 degrees more than usual. I actually double checked those  
9 figures, because I just was so shocked by them.

10 With all this in mind, we must protect and  
11 preserve as much seafloor habitat and biodiversity as  
12 possible. Governor Newsom's recent Executive Order also  
13 emphasizes the need to move quickly in conserving 30  
14 percent of California's coastal waters. We believe that  
15 should include protection from the well documented harm  
16 seabed mining causes to the unique and critical seafloor  
17 habitats.

18 Government agencies with jurisdiction over marine  
19 resources should aggressively identify and address  
20 emerging and future threats. Therefore, we again urge you  
21 to consider a prohibition on seabed mining for hard  
22 minerals and request that the strategic plan update  
23 prioritize this proactive reform.

24 Thank you.

25 CHAIRPERSON YEE: Thank you very much, Ms.

1 Savage, for your comments.

2 Grace, our next speaker, please.

3 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

4 Our next speaker is Andrea Treece followed by Tom  
5 Rudolph.

6 CHAIRPERSON YEE: All right. Thank you. Good  
7 afternoon, Ms. Treece.

8 MS. TREECE: Good afternoon, Chair Yee, members  
9 of the Commission and staff. My name is Andrea Treece and  
10 I'm speaking on behalf of Earthjustice. We appreciate the  
11 extensive work and outreach that the Commission and its  
12 staff have put into developing the strategic plan so far,  
13 and particularly the focus on really developing a robust  
14 forward-looking plan. To that end, we encourage the  
15 Commission to include seabed mining as an emerging issue  
16 addressed in the seabed -- pardon me, in the strategic  
17 plan.

18 As the other commenters have articulated so well,  
19 seabed mining is an incipient threat to coastal resources,  
20 that are personally important to California. Therefore,  
21 we recommend that the Commission adopt a goal in the  
22 strategic plan of protecting the state's submerged lands  
23 and the Public Trust values they serve by prohibiting of  
24 seabed mining for hard minerals in and under the State's  
25 submerged lands, and use the strategic plan process to

1 examine ways that the Commission can use its existing  
2 legal authorities to accomplish that goal.

3           As outlined in our written comments, the  
4 Commission has both broad authority to protect these lands  
5 and a strong mandate to do so under the Public Trust  
6 Doctrine.

7           Importantly, the California Public Trust Doctrine  
8 recognizes that protection of submerged lands core values  
9 such as conservation, fish and wildlife habitat and  
10 scientific study are all vital public trust values that  
11 the Commission must protect when managing submerged lands,  
12 and in particular making decisions about allowing mining  
13 on them.

14           The strategic plan process offers a great  
15 opportunity to get ahead of this -- of this threat that  
16 seabed mining poses and use the Commission's authority in  
17 a really proactive way to protect the coastal resources  
18 that support so many of our communities.

19           We would love to assist in this effort in any way  
20 we can. We welcome the opportunity to discuss ideas and  
21 questions about possible legal pathways with you and your  
22 staff, and otherwise just stand ready to help and look  
23 forward to working with you in this effort.

24           Thank you so much.

25           CHAIRPERSON YEE: Thank you very much, Ms.

1 Treece, for your comments.

2 Next, we have Tom Rudolph. Are you on?

3 Mr. Rudolph?

4 MR. RUDOLPH: Oh, I'm sorry, Chair Yee. Do you  
5 have me now?

6 CHAIRPERSON YEE: Yes, we can hear you. Good  
7 afternoon.

8 MR. RUDOLPH: Okay. Good afternoon. Tom Rudolph  
9 and I'm speaking today on behalf of The Pew Charitable  
10 Trusts. We've been participating in the development of  
11 the new strategic plan since February with the goal of a  
12 firm commitment being included in the plan to review the  
13 Commission's regulations for seabed mining.

14 I first want to again thank the Commission for  
15 undertaking this effort and taking so much time to solicit  
16 input. We've appreciated the multiple opportunities to  
17 provide input because our concern is new to the Commission  
18 and your process has allowed us to focus on different  
19 aspects of the issue over the course of the year, share  
20 new information as it emerges, and have some back and  
21 forth with staff and adapt to that feedback.

22 A good example is what we've heard about the  
23 difficulty you're having in finding the right way to  
24 address seabed mining in the plan. We understand the  
25 newness and specificity of our request continues to be a

1 bit of a challenge, but we're very much committed to  
2 working with you all to find the right way to incorporate  
3 our request. In August, we focused on the possibility of  
4 a broader effort to look closely at emerging issues.

5 I did note the mention of emerging issues in the  
6 new staff memo -- memo, including those that are far  
7 reaching and we support this and hope this focus can be  
8 inclusive of the marine mining issue. We tried to  
9 continue this proactive exploration of ways to frame our  
10 issue with additional suggestions in a letter we sent in  
11 for this meeting.

12 In this letter, we suggest the Commission  
13 consider a focus on ecosystem services as a component of  
14 the new plan. I know the Commission has many decades of  
15 experience in proactive resource management, so the  
16 concept of ecosystem services won't surprise you. But the  
17 rich body of recent science on ecosystem services in the  
18 context of the marine environment and even in the specific  
19 area of seabed mining might be new to you all.

20 Ecosystem services are the benefits the ecosystem  
21 provides to human well-being. A useful construct for  
22 oceans uses four bins for those services: provisioning  
23 services, for instance, sustainable fisheries; regulating  
24 services, like climate buffering and carbon sequestration;  
25 cultural services, which are non-material benefits, like



1 educational opportunities or spiritual inspiration; and  
2 finally, supporting services that essentially underpin the  
3 other three categories. Ecosystem services are very much  
4 dependent on the maintenance of healthy ecosystem  
5 structure and function.

6           What I find exciting is that this potential frame  
7 or theme of ecosystem services is very much compatible,  
8 not only with a look at emerging issues, but also with the  
9 Commission's intent to include a guiding principle of  
10 public health and safety. That's because many of the  
11 ecosystem services provided by a healthy, fully  
12 functioning ocean ecosystem are critical to human health.  
13 Examples include healthy sustainable nutrition, biomedical  
14 raw materials, recreation, pollutant removal and waste  
15 absorption, storm buffering and contributions to coastal  
16 community economies.

17           In our view, the science is clear that seabed  
18 mining would have unknown impacts on ecosystem structure  
19 and function that would, when considered in combination  
20 with the many known negative impacts, put the ecosystem  
21 services that support human health and well-being at too  
22 much risk.

23           A broad look at emerging issues through the lens  
24 of ecosystem services that support public health would  
25 provide a good venue for a close look at the Commission's

1 marine mining policy and regulatory framework.

2 In conclusion, we again request that the  
3 Commission incorporate a commitment to reviewing its  
4 marine mining leasing program in the new plan.

5 Thank you very much.

6 CHAIRPERSON YEE: Thank you very much, Mr.  
7 Rudolph, for your comments. Really appreciate it.

8 Grace, our next speaker.

9 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:  
10 Chair Yee, we have no other hands raised at this  
11 time.

12 CHAIRPERSON YEE: Thank you very much. Thank you  
13 very much for managing our speaker order today.

14 Any concluding comments by staff or Jennifer?

15 EXECUTIVE OFFICER LUCCHESI: Not at this time,  
16 Controller Yee.

17 CHAIRPERSON YEE: Very well. Thank you. Really  
18 appreciate the public input and we will continue to be  
19 sure that that is available as we continue to build on our  
20 strategic plan. Thank you.

21 Commissioners, let's move on to our next item,  
22 which is Item 45, and this is the consideration of two  
23 applications for geothermal resource development leases  
24 within the Truckhaven geothermal area near the Salton Sea  
25 in Imperial County.

1 I know we do have a presentation on this by  
2 Vanessa Perez.

3 EXECUTIVE OFFICER LUCCHESI: Yes. I think as  
4 we (inaudible) or bring up the PowerPoint --

5 CHAIRPERSON YEE: Yes.

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

8 EXECUTIVE OFFICER LUCCHESI: -- Vanessa will  
9 being her presentation.

10 CHAIRPERSON YEE: Okay.

11 SENIOR MINERAL RESOURCES ENGINEER PEREZ: Good  
12 afternoon, Commissioners and Madam Chair. My name is  
13 Vanessa Perez. I'm a Senior Mineral Resource Engineer  
14 working in the Mineral Resource Management Division.

15 I will briefly mention the Commission's active  
16 geothermal leases, then proceed with details of the two  
17 geothermal applications.

18 Next slide, please.

19 --o0o--

20 SENIOR MINERAL RESOURCES ENGINEER PEREZ:

21 Background. The Commission manages 10 geothermal  
22 leases. Three of the leases are within the Salton Sea  
23 area in Imperial County. The remaining leases are located  
24 in The Geysers Northern California area, in Sonoma, Lake  
25 and Mendocino counties.

1 Next slide, please.

2 --o0o--

3 SENIOR MINERAL RESOURCES ENGINEER PEREZ: The  
4 Commission received an application, two leases for a  
5 geothermal project within the Truckhaven area, which is a  
6 known area for its geothermal activity. Prospecting in  
7 the area has occurred since the 1960s. And over the past  
8 20 years, staff has worked with various companies and  
9 individuals to lease the area. Orni 5, LLC, the  
10 applicant, is a subsidiary of Ormat Nevada.

11 The Truckhaven area is intermingled with federal  
12 and private geothermal lease holdings and Orni 5 has  
13 acquired separate leases from other land and mineral  
14 owners, including the Bureau of Land Management in the  
15 area.

16 Next slide, please.

17 --o0o--

18 SENIOR MINERAL RESOURCES ENGINEER PEREZ: The  
19 total requested lease area covers approximately 2,739  
20 acres of school land. For application A2079, the lease is  
21 for approximately 2,016 acres of the state's a hundred  
22 percent reserve mineral interests. The surface is owned  
23 by three entities, the applicant, DEVCAL Corporation and  
24 the Commission.

25 The portion of the surface that the State owns is

1 referred to as the State fee owned school land and the  
2 Commission owns all the mineral interests in this area.  
3 For this area, the lease will allow surface occupancy and  
4 development. The proposed lease is for approval to drill  
5 up to four geothermal wells.

6 Next slide, please.

7 --o0o--

8 SENIOR MINERAL RESOURCES ENGINEER PEREZ: For  
9 application A2230 this lease is for approximately 723  
10 acres of the State's school land, which is the  
11 Commission's a hundred percent reserve mineral interest.  
12 The California Department of Parks and Recreation owns the  
13 surface estate. The State Lands Commission owns all the  
14 mineral interests in this area.

15 For this area, the lease is considered a  
16 non-surface occupancy geothermal lease. There is no  
17 surface use allowed and development can only occur through  
18 directional drilling of up to four geothermal wells.

19 Next slide, please.

20 --o0o--

21 SENIOR MINERAL RESOURCES ENGINEER PEREZ: Earlier  
22 this year, the Commission approved a geophysical permit  
23 authorizing geophysical exploration. The resulting survey  
24 will develop 3-D high resolution images of the subsurface  
25 geological features and confirm the heat presence to aid

1 in the bottom hole well placements.

2 For application A2079, as mentioned, the  
3 applicant is requesting to drill up to four geothermal  
4 exploration wells. Imperial County, the lead agency for  
5 CEQA, approved a conditional use permit and a mitigated  
6 negative declaration on December 11, 2019.

7 For application A2230, the recommended lease  
8 authorization only allows directional drilling for up to  
9 four wells, underneath Department of Parks and Recreation  
10 surface land.

11 The applicant has approvals to drill two  
12 additional wells on private land and four wells on federal  
13 land owned by the Bureau of Land Management, but those  
14 wells are outside of the scope of the Commission's land  
15 and mineral ownership jurisdiction.

16 It is important to note that for both proposed  
17 leases, the recommended leases do not authorize any  
18 development beyond the initial drilling. Any future  
19 development for production will require an amendment to  
20 the leases and will require Commission approval after  
21 further CEQA analysis.

22 Next slide, please.

23 ---o0o--

24 SENIOR MINERAL RESOURCES ENGINEER PEREZ: Here is  
25 a summary of the proposed lease provisions. Primary term

1 is five years effective on November 1st, 2020. The bond  
2 is set for 260,000 for each well drilled. The amount must  
3 be received before the well is drilled and is subject to  
4 review and adjustment every five years.

5 For the geothermal operation, staff reviewed  
6 average abandonment costs in California and has determined  
7 that the bonding amount is adequate. The bond includes  
8 the full abandonment cost with 30 percent added  
9 contingency fees.

10 For rent, for both leases, \$10 per acre with  
11 annual rent of 27,390. For management fee, if the  
12 Commission approves the leases, the applicant will execute  
13 a standard reimbursement agreement for 12,000 annually.  
14 And that covers both leases. The agreement will cover  
15 periodic lease inspections, lease reviews, and  
16 administration of the lease terms.

17 Next slide.

18 --o0o--

19 SENIOR MINERAL RESOURCES ENGINEER PEREZ: So  
20 staff conducted environmental justice outreach and  
21 community engagement. In March of 2020, staff sent 22  
22 letters and 23 emails to private parties, public agencies,  
23 and individuals to provide them with information about the  
24 two proposed leases. Staff also translated the letter in  
25 Spanish.

1           On April 3rd, 2020, staff met virtually with an  
2 Imperial Valley-based environmental justice advocacy  
3 group. The group provided the following comments and  
4 expressed the following concerns during the call:

5           The uncertainties about the impacts of geothermal  
6 operations on regional air and water quality. Staff notes  
7 that regional air and water quality impacts would be  
8 considered under a separate CEQA document, which Imperial  
9 County would prepare if additional development was  
10 proposed. They also expressed that Imperial County's  
11 engagement during the environmental review process was  
12 insufficient and lacking. They had questions and concerns  
13 about community benefits, such as reduced energy rates and  
14 job creation. For example, there were questions about  
15 whether the jobs would be local and available to the  
16 community. The group also expressed that it was unclear  
17 which agencies were involved in the approval process.

18           On July 10th, 2020, staff had a second meeting  
19 with the same group to address and clarify their concerns.  
20 Staff explained and shared the following: The geothermal  
21 development associated with the production -- production  
22 and transmission of electricity is not authorized under  
23 the two proposed leases. The concerns associated with the  
24 drilling operations are outlined and addressed in the  
25 approved mitigation measures, which is Exhibit C in the



1 proposed leases.

2 Pursuant to a new lease condition, the applicant  
3 will also develop and submit to staff an environmental  
4 justice community engagement and outreach plan before and  
5 during any further environmental review and for any  
6 additional development activity that expands beyond the  
7 existing leases.

8 And staff is developing a geothermal project  
9 flowchart that will identify the agencies involved in the  
10 leasing and permitting process to help clarify the leasing  
11 process.

12 Generally speaking, the group appreciated and  
13 supported the proposed community outreach and engagement  
14 plan as a new lease condition. They also better  
15 understood the steps and appreciated that staff is  
16 committed to keep them informed and will continue to seek  
17 their input and respond to any concerns that may arise.

18 Next slide, please.

19 --o0o--

20 SENIOR MINERAL RESOURCES ENGINEER PEREZ: In  
21 closing, staff recommends that the Commission authorize  
22 these two leases, because they are consistent in  
23 furtherance of the Commission's responsibilities as a  
24 trustee of the School Lands Trust, and they're also in the  
25 best interests of the state. Specifically, these leases

1 are intended to help the State responsibly transition to  
2 and embrace a clean energy future.

3 Last slide.

4 Last --

5 --o0o--

6 SENIOR MINERAL RESOURCES ENGINEER PEREZ: Yeah,  
7 thank you. Thank you. I'm happy to answer any questions,  
8 but before I do so, I'd also like to introduce the  
9 applicant, representing Orni 5, LLC, is Scott Kessler.  
10 He's -- also has a PowerPoint presentation. And so we're  
11 both available to answer any questions, and thank you  
12 again.

13 CHAIRPERSON YEE: Thank you for the presentation,  
14 Ms. Perez. Very much appreciated.

15 Mr. Kessler, why don't we turn to you for your  
16 presentation before we open it up for questions.

17 Mr. Kessler, are you on?

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

20 EXECUTIVE OFFICER LUCCHESI: I believe he is on.  
21 He just may need to unmute himself.

22 CHAIRPERSON YEE: Okay. Mr. Kessler, you may be  
23 on mute.

24 MR. KESSLER: Okay. I got it. My system was  
25 flashing for some reason and I couldn't hit the mute

1 button.

2 CHAIRPERSON YEE: Very well. Good afternoon.  
3 Your presentation is up on our screen. You may begin.

4 MR. KESSLER: Okay. Thank you.

5 I'm Scott Kessler. I represent Ormat Nevada and  
6 subsidiary Orni 5 in this application for leases.

7 Next screen, please.

8 --o0o--

9 MR. KESSLER: So this is a safe harbor statement.  
10 In essence, it indicates the information shouldn't be used  
11 for investment decisions. You need to do your own  
12 homework and consult our 10-Ks.

13 Next screen, please.

14 --o0o--

15 MR. KESSLER: So Ormat Nevada is the only  
16 vertically integrated company in the world for geothermal.  
17 That means that from start to finish we develop,  
18 exploration programs. We do the drilling, the  
19 engineering. We also manufacture our own equipment. We  
20 do the construction and we operate. And the customers --  
21 the majority of our customers are California CCAs.

22 Next screen, please.

23 --o0o--

24 MR. KESSLER: So Ormat has a global presence.  
25 These are the current operational facilities around the

1 globe and how much energy they produce.

2 Next screen, please.

3 --o0o--

4 MR. KESSLER: So within Nevada and California,  
5 Western United States, the red circles are the power  
6 plants we own and operate that are geothermal. The blue  
7 circles are the prospective power plants that are under  
8 development. So you can see with this, we are serious  
9 about green energy and we are an active participant.

10 Next screen, please.

11 --o0o--

12 MR. KESSLER: So this picture on the upper left  
13 is a photograph of Truckhaven, what it looks like in the  
14 environment. And the map on the right, the land map, is  
15 an idea of the actual area of interest that we have out  
16 there. It will reduce from this down to probably -- maybe  
17 reduce probably another 15 percent from this, once we get  
18 going.

19 Next screen, please.

20 --o0o--

21 MR. KESSLER: So this is an overview of the  
22 geothermal development, how it occurs. In this particular  
23 case, you can see the three red checks. And this is where  
24 we are in the process now. We've yet to begin exploration  
25 drilling or plant permitting. Those would come after we

1 complete the seismic and some exploration drilling.

2 Next screen, please.

3 --o0o--

4 MR. KESSLER: So this is an example of a well  
5 pad. You can see the containment basin is a lined basin  
6 that flows the recirculating drilling mud through it, and  
7 just an overall layout of the rest of the equipment on the  
8 pad. The picture below that is an actual drilling rig,  
9 most likely the one that will be on the site.

10 And the picture on the right is a profile of a  
11 geothermal well. This one shows -- it's just an example,  
12 so it's not the one we'll drill. But you can see that  
13 with each step as it goes down there to the open hole, it  
14 has cement that backfills between the casing and the open  
15 hole all the way to top. So we're cemented from the  
16 production zone to the surface to prohibit migration of  
17 fluids across the wellbore.

18 Next slide, please.

19 --o0o--

20 MR. KESSLER: So these are the jobs that are  
21 typically contracted out. Ormat owns and operates its own  
22 drilling equipment, but we do contract out for everything  
23 that is not associated with that. These jobs are  
24 available. They're put out for bid to both local and  
25 public companies, as well as union companies. And the

1 best bidder for the job is selected.

2           When we drill, we do drill 24 hours a day, 7 days  
3 a week. Drilling activities usually last between 30 and  
4 45 days. It takes us about a month to set up a drilling  
5 rig. And then after the well is drilled, it will be out  
6 there for another month, while they flow test, clean out  
7 the well, and do those kind of maintenance items. There's  
8 10 exploration wells proposed, so these jobs will be  
9 available for a long time.

10           Drilling costs. We will spend 10 to 15 million  
11 dollars on exploration activities. Production well  
12 drilling, which is a separate issue, is \$28 million  
13 estimated.

14           Next slide, please.

15                               --o0o--

16           MR. KESSLER: So we don't -- since this is just a  
17 geothermal program, or exploration program, I didn't  
18 contain a lot of information on what a power plant looks  
19 like, but I think that questions usually come up. So this  
20 diagram is a process flow diagram. And the important  
21 thing to note about this is that it doesn't use the steam  
22 directly to turn the turbine. The steam heats a --  
23 motivate -- motive fluid, which is isopentane or a butane.  
24 That is vaporized. It turns the turbine. It goes back  
25 through the condenser, and then is reused.

1           The condenser is an air condenser, so there are  
2 no emissions from this closed loop system. The geothermal  
3 fluid passes through the vaporizer and the pre-heater and  
4 is put back down into the ground. It provides continued  
5 resource adequacy, as well as pressure support for the  
6 geothermal wells and the subsurface.

7           Next slide, please.

8                           --o0o--

9           MR. KESSLER: This is photographs of two of the  
10 power plants we have operating here in Reno. The one is  
11 Galena 1, the one on the left. You can see from this that  
12 there is no air emissions at all coming from that  
13 facility. The only thing you see is those fans on top and  
14 some heat coming off of those.

15           The one on the left is another one that's just  
16 close to the Galena 1. It's called Galena 3. And the  
17 photo gives you an idea that within a mile there are major  
18 shopping malls and subdivisions surrounding the power  
19 plant on three sides.

20           Next slide, please.

21                           --o0o--

22           MR. KESSLER: So these are the estimated  
23 financial and construction impacts. This chart was taken  
24 from a recent study we did here in Reno for a  
25 reconstruction of the power plant. The economic output is

1 the one-time expenditures. This is only for a power  
2 plant. It doesn't include the well field. This is the  
3 annual reoccurring costs from operations that impacts in  
4 the community. Salaries and wages for construction, 23  
5 million, 3.5 million ongoing, and this is associated with  
6 the jobs created. The employment impact is the total  
7 employment impact created from the number of jobs  
8 associated with it.

9 Next slide, please.

10 --o0o--

11 MR. KESSLER: So Ormat has always been very  
12 community oriented. We are as a staff. In-house, we do  
13 food banks twice a year. We also provide support for ball  
14 games, hospitals, fire departments. Those kinds of  
15 donations are annually scheduled and put out by the plants  
16 in the communities that they operate.

17 Next slide.

18 --o0o--

19 MR. KESSLER: And this was all I have for you  
20 today, unless you have some questions for me.

21 CHAIRPERSON YEE: Great. Thank you, Mr. Kessler  
22 for the presentation. Very much appreciate it.

23 Let me see if our Commissioners do have questions  
24 or comments.

25 Commissioners?



1           COMMISSIONER KOUNALAKIS: Thank you so much, Mr.  
2 Kessler. That was really interesting. I would really  
3 like to know in terms of -- for your company overall, what  
4 your cost per kilowatt compared to other forms of like  
5 electricity would be? Really helpful to have a sense of  
6 that.

7           MR. KESSLER: So I can't give you that on a  
8 one-to-one, because I don't know. I do have some reports  
9 I could send you. The reason that I don't know is because  
10 when you do it -- when you levelize it between solar's --  
11 for example, solar being on and off the grid, we provide  
12 grid stabilization on demand and we're there 24/7. So  
13 when you consider all those factors together, geothermal  
14 is cost competitive with solar in the industry.

15           COMMISSIONER KOUNALAKIS: And anything else just  
16 to help us have a sense of where you fall in the -- in the  
17 cost spectrum?

18           MR. KESSLER: As a -- as a generalized PPA rate,  
19 we are probably 60/65.

20           ACTING COMMISSIONER MILLER: Madam Chair?

21           CHAIRPERSON YEE: Yes. Thank you.  
22 Commissioner Miller.

23           ACTING COMMISSIONER MILLER: Thank you.

24           I don't know. Ms. Lucchesi, I think this may be  
25 for you or Mr. Kessler. I'm interested in the bond,

1 especially given some recent other -- recent issues in  
2 other places. So I understand it's 260,000 per well  
3 drilled and that the bond obviously is always in favor of  
4 the Commission. So can you tell me what you think the  
5 entire bond amount is and if we've -- what our -- what we  
6 think our risks are in geothermal? Obviously, they're  
7 lower than in oil for example, I believe. I actually  
8 don't know that for a fact. So I'm just curious.

9           And then at -- and then how -- if -- and then  
10 they have to be received prior to drilling. But does --  
11 do they have to estimate the entire amount they'll be  
12 drilling and then pay that entire amount, or do they -- is  
13 it just more as a pay-as-you-go, so as they start drilling  
14 a new site. So I'm just curious as to -- as to how that  
15 will work and how you came up with the amount based on  
16 their risk profile.

17           EXECUTIVE OFFICER LUCCHESI: Of course, I'll  
18 start and then I'll defer to Vanessa to add some details.

19           So this is, as both Scott and Vanessa described,  
20 phasing into their exploratory well portion of it, so --  
21 of their project. So they can be drilling up to a certain  
22 amount of wells. So that's why the bonding amount is per  
23 well, because -- and the bond has to be received prior to  
24 them drilling each well. So we don't -- I mean, we can do  
25 the ultimate math of how many total wells they're being

1 authorized to drill and multiply that total amount by the  
2 260,000. But again, they may not drill the entire amount.  
3 And so that's why we approached it as a per well basis.

4 Now, in terms of risk assessment and how we  
5 determine the per well bond amount, I'll turn it over to  
6 Vanessa. But before that, I will say we do -- as Vanessa  
7 described in the beginning of her presentation, we do have  
8 a significant amount of experience with geothermal wells  
9 up in the Geyser areas in Sonoma and Lake counties, and so  
10 we used a lot of our experience from that.

11 But that's just a very broad overview. I'll turn  
12 it over to Vanessa to add a little bit more context and  
13 detail.

14 SENIOR MINERAL RESOURCES ENGINEER PEREZ: Yeah.  
15 No. We took that into big consideration that --  
16 determining the bond amount. So we did consult with  
17 CalGEM and we looked over all the other estimates,  
18 abandonment estimates, and we went with the high side just  
19 to be safe. And then I mentioned we did a 30 percent  
20 contingency fee. So we went a little bit beyond that just  
21 to cover staff costs, if it did go back to the state.

22 And so like Jennifer mentioned, there's only  
23 approval for four geothermal wells. And so that's why  
24 it's if they drill one well, we'll make sure we'll have  
25 the bond in place before commencing of the drilling. So

1 we'll have all those in place. And also, if after the  
2 lease goes past this five year primary term, we also put a  
3 clause in the lease that we will adjust it in five years.  
4 So if we do get more information back, whether -- or  
5 regarding the price and the estimates, we also have an  
6 opportunity to amend that lease too to increase it.

7 ACTING COMMISSIONER MILLER: Great. Thank you.  
8 That's really helpful.

9 And in terms of when the bond has to be received  
10 prior to the start of the drilling, does your contact give  
11 us -- contract give a specific amount of time as to how  
12 far in advance before drilling that bond has to be in  
13 place?

14 SENIOR MINERAL RESOURCES ENGINEER PEREZ: Well,  
15 the first-part phase of the project, they're doing seismic  
16 work. And that's going to start in about a month,  
17 November, December. So that -- once they decide to finish  
18 or finalize the seismic work, at that point, once -- we'll  
19 go back to the appli -- excuse me, applicant and just get  
20 a better idea of when they're going to start. And they  
21 also have to go to CalGEM just to get their drilling  
22 approvals. So at that time, we'll probably start filling  
23 out the paperwork and getting the bond in place. So  
24 definitely before any drilling, we'll make sure we'll have  
25 those in place.

1 EXECUTIVE OFFICER LUCCHESI: So just to be very  
2 direct here in answering your question, we don't have a  
3 certain period of time (inaudible) spelled out in the lease  
4 that says, you know, that the bond must be received five  
5 days before drilling commences. It just says it has to be  
6 received prior to commencing drilling, so technically they  
7 could provide that evidence of the bond, you know, the  
8 morning of. But they are -- they would be in violation of  
9 the lease if they were not able to provide that evidence  
10 of the bond prior to commencing drilling. And we are --  
11 keenly aware and extremely sensitive, just like the  
12 administration, on these issues. So we'll be monitoring  
13 this very closely.

14 ACTING COMMISSIONER MILLER: Great. Thank you  
15 very much. I really appreciate that.

16 And then I did -- you beat me to the punch, but  
17 thank you for kind of that mid-term assessment of making  
18 sure that -- that the 260,000 per well makes sense. I  
19 really appreciate that -- just building that into the  
20 contract as a matter of course. So thank you for that.

21 Thank you, Madam Chair.

22 CHAIRPERSON YEE: Thank you, Commissioner Miller.

23 Thank you.

24 And I had a question for Mr. Kessler. First,  
25 thank you, for engaging and reaching out in dialogue with

1 the environmental justice community. Appreciate that  
2 added provision in the lease. I wanted to just make a  
3 request, because -- as you were detailing the economics of  
4 the project, I guess when I look at projects like this, I  
5 think about not only just the environmental impacts but  
6 certainly the economic impacts for the affected  
7 communities. And so my ask would be, as you're doing the  
8 outreach with the environmental justice community to just  
9 really dig in a little bit about the economic impact, so  
10 that there is a sense that, you know, this project is not  
11 just coming in, doing drilling and then, you know, we're  
12 kind of then not really caring about the community in the  
13 long term.

14 I think there's really an opportunity here to  
15 talk about how we can provide some economic opportunity,  
16 to build resiliency with these communities. And this is a  
17 part of the state that has been very challenged  
18 economically. And so I would just ask that that dialogue  
19 be a little bit more expansive as you engage the  
20 environmental justice community.

21 MR. KESSLER: Okay. We will do that.

22 CHAIRPERSON YEE: Thank you. Very much  
23 appreciate that.

24 Okay. Any other questions or comments by  
25 Commissioners?

1           Okay. Seeing none. Let me just now, Grace, do  
2 we have any public comments on this item?

3           LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:  
4           Chair Yee, we have no hands raised for public  
5 comment on this item.

6           CHAIRPERSON YEE: Okay. Very well. Thank you.  
7           This is an action item, so let me just turn to  
8 the Commissioners. Is there a motion to adopt the staff  
9 recommendation and a second?

10           ACTING COMMISSIONER MILLER: I'll move approval  
11 to adopt the staff recommendation, please.

12           CHAIRPERSON YEE: Great. Thank you. Motion by  
13 Commissioner Miller to adopt the staff recommendation.

14           COMMISSIONER KOUNALAKIS: I'll second.

15           CHAIRPERSON YEE: Seconded by Commissioner  
16 Kounalakis.

17           Ms. Lucchesi, will you please call the roll.

18           EXECUTIVE OFFICER LUCCHESI: Certainly.

19           Commissioner Miller?

20           ACTING COMMISSIONER MILLER: Aye.

21           EXECUTIVE OFFICER LUCCHESI: Commissioner  
22 Kounalakis?

23           COMMISSIONER KOUNALAKIS: Aye.

24           EXECUTIVE OFFICER LUCCHESI: Chair Yee?

25           CHAIRPERSON YEE: Aye.

1 EXECUTIVE OFFICER LUCCHESI: The motion passes  
2 unanimately.

3 CHAIRPERSON YEE: Great. Thank you very much.  
4 Thank you, Ms. Perez. Thank you, Mr. Kessler. Look  
5 forward to our continued work here. Thank you.

6 MR. KESSLER: Thank you.

7 CHAIRPERSON YEE: Ms. Lucchesi, what's our next  
8 order of business?

9 EXECUTIVE OFFICER LUCCHESI: Our next order of  
10 business is our second public comment period.

11 CHAIRPERSON YEE: Okay. So we are in our second  
12 public comment period. If anyone wishes to address the  
13 Commission on any matter that is not on today's agenda,  
14 please raise your hand and you will have three minutes to  
15 do so. And I will look to you again, Grace, to see if we  
16 have anyone who wishes to address the Commission.

17 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:  
18 Chair Yee, we have no hands raised for public  
19 comment.

20 CHAIRPERSON YEE: Great. Thank you, Grace. That  
21 concludes our second public comment period.

22 Do any of the Commissioners have comments or  
23 questions at this time?

24 Okay. Ms. Lucchesi, next order of business.

25 EXECUTIVE OFFICER LUCCHESI: Our next order of



1 business is closed session. We will be conducting our  
2 closed session via conference call. Commissioners, please  
3 email me or call my cell phone if you need the call-in  
4 information. I also just emailed it to you and your team.  
5 For the Commissioners and staff participating in the  
6 closed session, upon adjournment please mute your  
7 microphone, turn off your webcam, and, if possible, go  
8 into a different room. This will ensure confidentiality  
9 of our discussions.

10 CHAIRPERSON YEE: Great. Thank you. We will now  
11 adjourn into closed session. Thank you.

12 (Off record: 2:47 p.m.)

13 (Thereupon the meeting recessed  
14 into closed session.)

15 (Thereupon the meeting reconvened  
16 open session.)

17 (On record: 3:28 p.m.)

18 CHAIRPERSON YEE: I call this meeting back to  
19 order.

20 Ms. Lucchesi, is there anything to report from  
21 closed session?

22 EXECUTIVE OFFICER LUCCHESI: Not at this time.

23 CHAIRPERSON YEE: Very well. Thank you very  
24 much. That concludes the open meeting. And seeing no  
25 other business coming before the Commission, this meeting

1 is adjourned.

2 Thank you very much, everyone.

3 (Thereupon the California State Lands

4 Commission meeting adjourned at 3:28 p.m.)

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

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

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

8 That the said proceedings was taken before me, in  
9 shorthand writing, and was thereafter transcribed 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 26th day of October, 2020.

17  
18  
19 

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