

Open Session Minutes

California State Lands Commission
Virtual Meeting of June 29, 2021

COMMISSIONERS AND STAFF PRESENT:

COMMISSIONERS:

Eleni Kounalakis, Lieutenant Governor

Betty T. Yee, State Controller

Gayle Miller, Chief Deputy Director and Alternate for Director of the Department of Finance
Keely Bosler

STAFF MEMBERS:

Jennifer Lucchesi, Executive Officer

Seth Blackmon, Chief Counsel

REPRESENTING THE OFFICE OF THE ATTORNEY GENERAL:

Andrew Vogel, Supervising Deputy Attorney General

NOTE: The final approved Minutes also include the Agenda and corresponding staff reports (incorporated into the draft Minutes by reference) approved as presented unless otherwise indicated in the Record of Action. A list of individuals making statements before the Commission and the entities they represent, along with the Executive Officer's Report, are included in a complete transcript of the proceedings, which is on file in the Sacramento offices of the Commission and posted on the Commission's website at www.slc.ca.gov. Also included on the website is the voting record of the meeting with the staff report for each agenda item linked to the respective consent, regular or informational item number. A link to a recorded Cal-span.org webcast of the meeting is also available on the Commission's website. All of these items may be found under Previous Meetings, by date of the meeting.

RECORD OF ACTION TAKEN BY THE CALIFORNIA STATE LANDS COMMISSION:

Chair Eleni Kounalakis called the meeting of the California State Lands Commission to order at 1:02 P.M. via Zoom webcast; also present were Commissioner Betty Yee and Commissioner Alternate Gayle Miller.

Confirmation of the Minutes of the April 27, 2021 meeting was approved as presented by a vote of 3-0 (Kounalakis–Yes; Yee–Yes; Miller–Yes).

EXECUTIVE OFFICER'S REPORT:

Executive Officer Jennifer Lucchesi updated the Commission on the following items:

- **Legislative and budgetary update:** The 2021-2022 state budget passed by the Legislature yesterday includes several items specific to the Commission. The first is a one-time \$2 million appropriation from the Environmental License Plate Fund for operations, maintenance, and dredging of the Bolsa Chica wetlands. The second is a one-time \$49.5 million General Fund appropriation and repurposing a previous \$2.5 million General Fund appropriation for fiscal year 2022-23, to complete Phase 1 of the South Ellwood Project and initiate an Environmental Impact Report and feasibility study to decommission Platform Holly in Santa Barbara County. The third item is a \$250 million transfer of federal Coronavirus fiscal recovery funds to the Commission. The Commission is required to appropriate this funding to California ports impacted by the COVID-19 State of Emergency.

The budget also remedies a structural deficit in the Oil Spill Prevention and Administration Fund by increasing the per barrel fee from 6.5 cents to 8.5 cents with annual CPI adjustments and authorizes the Administrator to adjust fee levels to maintain an adequate fund balance. Trailer bill language associated with the fee increase expands the definition of regulated oil to include renewable fuels. The Oil Spill Prevention and Administration Fund revenue supports the Commission's Mineral Resources and Management and Marine Environmental Protection Division's oil spill prevention work.

The budget also includes \$10 million to the Department of Parks and Recreation, State Lands Commission, California Coastal Commission, and the State Coastal Conservancy for public access at Hollister Ranch, and it includes \$12 million to the State Lands Commission to remove abandoned and derelict vessels in the Sacramento-San Joaquin Delta region.

- **COVID-19 Rent and Application Expense Deferral Program:** The COVID-19 Rent and Application Expense Deferral Program authorizes the Executive Officer to enter into negotiated settlements with qualified lessees for rent and application expense deferrals, and penalty waivers. The program expires 90 days after the Governor lifts Executive Order N-33-20, which was lifted on June 11th of this year. Staff is in the process of notifying program participants about the program expiration and the due date for payment of deferred rent.
- **Partnering with California Native American Tribes:** In February 2021, the Commission's Tribal Liaison was notified that Native American remains had been discovered in the bed of the Mokelumne River in San Joaquin County near the community of Woodbridge. The Native American Heritage Commission identified the Wilton Rancheria as the Most Likely Descendant, and the Wilton Rancheria representative requested assistance from the Commission to find a suitable location where the remains had been found for the Tribe to rebury the remains. In May 2021, the Wilton Rancheria representative located a suitable area on State sovereign lands within the Cosumnes River Preserve and staff authorized the Tribe, through a letter of non-objection, to bury the remains. The Commission's Tribal Liaison transferred the remains to the Chairman of the Wilton Rancheria and the remains were successfully laid to rest according to the Tribe's traditional ceremony in a confidential location within the Preserve. This successful partnership illustrates the Commission's commitment to honoring and uplifting Tribal Sovereignty through creative, solution-oriented collaboration.
- **Rincon Well Abandonment and Decommissioning Project:** All island and onshore wells have been abandoned, offshore and onshore tank batteries and production vessels and equipment have been removed, as have the oil and gas pipelines across the causeway. We are officially transitioning the onshore and island facilities to caretaker status.

The next phase, known as phase 2, is underway. Padre Associates, the Commission's environmental consultant, has begun the environmental analysis work, which will include conducting a feasibility study and preparing CEQA documentation to evaluate decommissioning alternatives for the disposition of the island and onshore facilities. The feasibility study will include a geophysical survey, biological assessment, environmental analysis, coastal engineering study, socio-economic analysis, soil and water assessment, and engineering assessment.

The feasibility study is anticipated to be completed within the next six months, after which CEQA analysis will commence, which is anticipated to take eight to 24 months to complete. Both the feasibility study and CEQA analysis will include

extensive public and stakeholder outreach. The Commission has already held virtual Town Halls in April and May of this year, and just last week held a phase 2 feasibility planning workshop.

- **Platform Holly/Piers 421 Decommissioning Project:** This project remains suspended due to COVID-19 restrictions and space limitations on the platform that make physical distancing impractical. Staff continues to maintain and monitor the platform and onshore facilities to ensure public health and safety. Staff, ExxonMobil, and their subcontractors are preparing to resume plug and abandonment activities in late summer or early fall.

Earlier this month, staff issued the Notice of Preparation for the Piers 421 removal project and also held a virtual public scoping meeting last week to solicit comments on that Notice of Preparation. The Environmental Impact Report is anticipated to be completed by the end of this year.

CONSENT CALENDAR

- Consent Items 23, 46, and 47 were removed from consideration
- Consent Items 01-22, 24-45, and 48 were approved as presented by a vote of 3-0 (Kounalakis–Yes; Yee–Yes; Miller–Yes)

INFORMATIONAL CALENDAR

No Items for this section.

REGULAR CALENDAR

Item 49: A staff presentation was made to discuss and possible action on state legislation relevant to the California State Lands Commission.

Item 49 – the Commission did not act on any proposed legislation; therefore, the item was informational – no vote required

Item 50: A staff presentation was made to the Commission to consider supporting the West Coast Ocean Protection Act by Senator Feinstein and the California Clean Coast Act by Representative Carbajal, legislation that would permanently ban offshore drilling on the Outer Continental Shelf off the coast of California, Oregon, and Washington, and consider supporting the American Coasts and Oceans Protection Act introduced by Representative Levine that would ban offshore oil and gas drilling in Southern California.

Item 50 – was approved as presented by a vote of 2-0 (Kounalakis–Yes; Yee–Yes; Miller–Abstained)

Item 51: A staff presentation was made to the Commission to Consider supporting SB 796 (Bradford) that would authorize Los Angeles County to sell, transfer, or encumber Bruce's Beach, a portion of land within Manhattan State Beach, under terms and conditions that the Board of Supervisors determines are in the best interest of the County and the public.

Item 51 – was approved as presented by a vote of 2-0 (Kounalakis–Yes; Yee–Yes; Miller–Abstained)

Item 52: A staff presentation was made to the Commission to consider proposing amendments to the federal Vessel Incidental Discharge Act (33 U.S.C. 1322(p)) to improve states' access to vessel discharge data and address impacts to the Marine Invasive Species Control Fund.

Item 52 – was approved as presented by a vote of 3-0 (Kounalakis–Yes; Yee–Yes; Miller–Yes)

Item 53: A staff presentation was made to the Commission to consider a resolution supporting the recommendation of the Patsiata Tribal Oversight Committee to the Patsiata Cultural Resources Task Force regarding implementation of a vegetation enhancement pilot project on the Sibi Patsiata-wae-tü Cultural Resource Area on Owens Lake, located in Inyo County, and in support of an Order by the Great Basin Unified Air Pollution Control District in furtherance of the vegetation enhancement pilot project as a means to prevent and control dust emissions.

Item 53 – was approved as presented by a vote of 3-0 (Kounalakis–Yes; Yee–Yes; Miller–Yes)

CLOSED SESSION

Nothing to report from Closed Session.

The Commission meeting public session was adjourned at 2:19 P.M.

STAFF AND PUBLIC ADDRESSING THE FOLLOWING STAFF REPORTS:

PUBLIC COMMENT

- Sabrina Brennan, representing Surf Equity & Sport Equity
- Francis Coats

ITEM 49

Sheri Pemberton, Chief of External Affairs and Legislative Liaison, CSLC

- Francis Coats

ITEM 50

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ITEM 51

Sheri Pemberton, Chief of External Affairs and Legislative Liaison, CSLC

- Sabrina Brennan, representing Surf Equity & Sport Equity
- Francis Coats

ITEM 52

Sheri Pemberton, Chief of External Affairs and Legislative Liaison, CSLC

Chris Scianni, Senior Environmental Scientist, Marine Environmental Protection Division, CSLC

ITEM 53

Jennifer Mattox, Science Policy Advisor and Tribal Liaison

- Francis Coats