

# Open Session Minutes

California State Lands Commission  
Hybrid Meeting of August 23, 2022  
Port of San Diego Administration Building  
Board Chambers  
3165 Pacific Highway  
San Diego, California 92101

## **COMMISSIONERS AND STAFF PRESENT:**

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### **COMMISSIONERS:**

Betty T. Yee, State Controller

Eleni Kounalakis, Lieutenant Governor

Gayle Miller, Chief Deputy Director and Alternate for Director of the Department of Finance  
Joe Stephenshaw (participated virtually; not present for items 47 and 49)

### **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](http://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:

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Chair Betty Yee called the meeting of the California State Lands Commission to order at 12:07 p.m. at the Port of San Diego Administration Building, Board Room, 3165 Pacific Highway, San Diego, California 92101, via in person and Zoom webcast; also present were Commissioner Eleni Kounalakis and Commissioner Alternate Gayle Miller.

(The State Lands Commission adjourned into closed session from 12:10 p.m. to 12:43 p.m., then resumed open session at 1:04 p.m.)

## CLOSED SESSION

There was nothing to report from Closed Session.

Confirmation of the Minutes of the June 23, 2022 meeting was approved as presented by a vote of 3-0 (Yee–Yes; Kounalakis–Yes; Miller–Yes).

## EXECUTIVE OFFICER’S REPORT:

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

- ***All American Vessel Removal***

Earlier this month, the Commission staff facilitated the removal of a burned vessel called the *All American* in the Sacramento River, just north of the I-80 bridge in Sacramento. The *All American* was an 85-foot-long air-sea rescue vessel, a type of vessel that was used in the military during World War II and the Korean War.

The vessel was decommissioned in 1970 and eventually ended up in private ownership. It was recently moved from Antioch to Sacramento and then subsequently caught fire. After the fire was extinguished, the County of Sacramento, State Lands Commission staff, the Oil Spill Prevention and Response Agency (OSPR), and the Department of Toxic Substance Control worked collaboratively together to remove this vessel because of the pollution emergency it was creating. It was a really great example of the partnership between local and State agencies working quickly and efficiently to address an emergency situation and it also shows the teamwork that’s involved in these kinds of removal activities. It’s also an item on our consent calendar, 44, where because we were acting under the Commission’s delegation of authority, we’re asking the Commission to acknowledge the actions that staff took.

- **State Lands Commission Payment Portal**

Last month, staff launched our new online payment portal on our website. Now lessees and applicants can pay rent, invoices, and other expenses online. It's a culmination of two years of work and the product of collaboration between our Accounting Division and our Information Services Division. It aligns with our strategic plan to leverage technology. It's a game changer for us and long overdue, but exciting because of the efficiencies and the services provided to the public, stakeholders, lessees, and applicants doing business with us in a better way as we move forward.

- **Platform Holly**

As of today, five of the 30 wells have had surface plugs installed and are permanently sealed. We are on schedule for proceeding with 22 of the remaining 25 wells, having all the lower oil producing formations sealed off. Staff is making great steady progress on this important effort. And on our agenda today, actually as a consent agenda, is a request to authorize staff to actually move forward with the feasibility and CEQA analysis for the ultimate decommissioning of Platform Holly, which we hope to start early next year after finishing the plugging and abandoning of those 30 wells.

- **Piers 421 Decommissioning**

For the Piers 421 removal project that the Commission authorized in April, we have secured all the necessary entitlements, and we are ready to start work on beginning next week. That is a huge milestone of this important project that will remove the last remaining remnants of oil producing piers in the shorezone in California. We're working very closely with the City of Goleta on providing consistent and regular communication outreach and engagement with the community and with our regulatory agencies, so they know the steps we're taking at each part of this project because it will be very visible as it's happening in the shorezone. And it will mark the end of the Ellwood oil field as a production area, which began in the late 1930s. This is a really significant milestone in our transition to a fossil fuel free future.

- **Poseidon Huntington Beach Desalination Lease.**

As discussed at previous meetings, Poseidon has decided not to move forward with their Huntington Beach desalination project after the Coastal Commission's decision a couple of months ago. Staff met with Poseidon representatives in late June to discuss the need for Poseidon to apply for a lease amendment to remove them from the lease that they currently share with AES at the site, and Poseidon did submit an application for that purpose at the end of June. We will

continue coordinating with Poseidon and AES to process this application, and we anticipate bringing it to the Commission to remove Poseidon from the existing lease at our last meeting this year.

- **Sea Grant Fellows**

The Executive Officer expressed her gratitude to all the outstanding Sea Grant Fellows, current and former, that have had such a great impact on the policy initiatives implemented by the Commission.

### **CONSENT CALENDAR**

- Consent Items 29, 30, and 36 were removed from consideration
- Consent Items 27 and 39 were moved to the Regular Calendar
- Consent Items 01-26, 28, 31-35, 37, 38, and 40-45 were approved as presented by a vote of 3-0 (Yee–Yes; Kounalakis–Yes; Miller–Yes)

### **INFORMATIONAL CALENDAR**

No items for this section.

### **REGULAR CALENDAR**

*(Items appear in order heard)*

**Consent Item 39:** A staff presentation was made to the Commission to request delegation of authority for the Executive Officer or her designee to solicit for consultant services, negotiate fair and reasonable prices, award and execute agreements, and take any other steps reasonably necessary to prepare cost studies pursuant to Budget Item 3560-002-0001 in SB 154 (Skinner), the 2022 Budget Act, to estimate the fiscal impact of a voluntary relinquishment of the Commission’s remaining lease interests in actively producing offshore oil and gas leases in state waters.

Consent Item 39 – was approved as presented by a vote of 3-0 (Yee–Yes; Kounalakis–Yes; Miller–Yes)

**Consent Item 27:** A staff presentation was made to the Commission to consider termination of Lease Number PRC 5492, a General Lease – Commercial Use, located in the historic bed of the San Joaquin River, adjacent to 10705 Lanes Road, Fresno, Fresno County; for an unimproved vehicle park and unimproved boat launch.

Item 27 – was approved as presented by a vote of 3-0 (Yee–Yes; Kounalakis–Yes; Miller–Yes)

**Item 48:** A staff presentation was made to the Commission for discussion and possible action on state legislation relevant to the California State Lands Commission, including a briefing on SB 54 (Allen, Chapter 75, Statutes of 2022), which requires all packaging in California to be recyclable or compostable by 2032, among other things, and a briefing on other key ocean protection legislation, including AB 1832 (L. Rivas).

Item 48 – was informational – no vote required

**Item 46:** A staff presentation was made to the Commission regarding synthesizing sea level rise assessments submitted by certain legislative grantees of Public Trust lands required by AB 691 (Muratsuchi) Chapter 592, Statutes of 2013; Public Resources Code section 6311.5 relating to legislatively granted Public Trust lands and sea level rise planning.

Item 46 – was informational – no vote required

**Item 47:** A presentation was made to the Commission to consider Feasibility Study findings and staff recommendation of Rincon Decommissioning Phase 2 project and alternatives to be analyzed in an Environmental Impact Report under the California Environmental Quality Act.

Item 47 – was approved as presented by a vote of 2-0 (Yee–Yes; Kounalakis–Yes; Miller–not present)

**Item 49:** A presentation was made to the Commission to consider the third distribution of port stimulus funding to mitigate negative economic impacts from the COVID-19 pandemic pursuant to the State’s 2021-2022 Budget Act.

Item 49 – was approved as presented by a vote of 2-0 (Yee–Yes; Kounalakis–Yes; Miller–not present)

The Commission meeting public session was adjourned at 4:34 p.m.

## **STAFF AND PUBLIC ADDRESSING THE FOLLOWING STAFF REPORTS:**

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### **WELCOMING REMARKS**

- Joe Stuyvesant, CEO, Port of San Diego

### **PUBLIC COMMENT**

- Eileen Boken, Coalition for San Francisco Neighborhoods
- Susanne Cumming, Member of Sierra Club and Defend Ballona Wetlands
- Marcia Hanscom, Co-Founder, Protect Ballona Wetlands
- Pamela Heatherington, Director, Environmental Center of San Diego
- Walter Lamb, Ballona Wetlands Land Trust
- Lydia Ponce, Society of Native Nations
- Harry Rabin, Board Advisor & Field Researcher, Heal the Ocean
- Robert "Roy" van de Hoek

### **ITEM 27**

Brian Bugsch, Chief, Land Management Division, CSLC

- Michael J. Gross, Manager of Judith Finch Estate
- John M. Shelton, Executive Officer, San Joaquin River Conservancy

### **ITEM 39**

Jennifer Lucchesi, Executive Officer, CSLC

- Julie Teel Simmonds, Senior Attorney, Center for Biological Diversity

### **ITEM 46**

Maren Farnum, Environmental Scientist, CSLC

Dr. David Revell, Lead Consultant, Principal, Integral Consulting

Michael Wells, Sea Grant Fellow, CSLC

- Sam Blakesley, Scientist, Integral Consulting
- Russ Cunningham, Principal Planner, City of Oceanside
- Dr. Philip King, Professor Emeritus, San Francisco State, and Integral Consulting
- Laura Lane, California Association of Port Authorities
- Al Muratsuchi, Assemblymember, 66<sup>th</sup> District
- Lily Tsukayama, Senior Planner, Port of San Diego

**ITEM 47**

Cynthia Herzog, Senior Environmental Scientist, Division of Environmental Planning and Management, CSLC

- Shawn Decker
- Mia Lopez, Chair, Coastal Band of the Chumash Nation
- Dr. David Revell, Geomorphologist, Integral Consulting

**ITEM 48**

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

- Tina Andolina, Senior Policy Analyst, representing Senator Ben Allen
- Jennifer Fearing, on behalf of Ocean Conservancy, Oceana, and Monterey Bay Aquarium
- Dr. Alexis Jackson, Ocean Policy & Plastics Lead, The Nature Conservancy
- Luz Rivas, Assemblymember, 39<sup>th</sup> District
- Amy Wolfrum, California Ocean Policy Senior Manager, Monterey Bay Aquarium

**ITEM 49**

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

- Boris Delepine, Legislative Affairs Manager, Port of San Francisco
- Aimee Heim, Program Director, Port of San Diego