

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MEETING
STATE OF CALIFORNIA
STATE LANDS COMMISSION

ORIGINAL

744 P STREET
ROOM 217
SACRAMENTO, CALIFORNIA

TUESDAY, FEBRUARY 17, 1987
2:15 P.M.

Eileen Jennings, C.S.R.
License No. 5122

COMMISSIONERS PRESENT

Leo T. McCarthy, Lieutenant Governor, Chairman

Gray Davis, State Controller

Nancy Ordway, Commission Alternate
for Jesse R. Huff, Director of Finance

STAFF PRESENT

Claire T. Dedrick, Executive Officer

James Trout, Assistant Executive Officer

Robert Hight, Chief Counsel

Curtis Fossum, Staff Counsel

Jane Smith, Commission Secretary

STAFF OF STATE CONTROLLER'S OFFICE

Jim Tucker, Deputy State Controller

ALSO PRESENT

Jan Stevens, Supervising Deputy Attorney General

Dennis Eagan, Deputy Attorney General

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

--oOo--

Page

Proceedings	1
Opening remarks by Chairman McCarthy	1
Confirmation of Minutes for the meeting of January 22, 1987	1
Consent Calendar Items C1 - C11	1
Item 20, ERSE Corporation (Permittee) - off calendar	2
Item 12, Riverbank Holding Company (Lessee)	2
Item 13, San Joaquin Valley Pipeline Company (Applicant)	5
Item 14, State Lands Commission (Applicant); State Department of Health Services (Requestor)	5
Item 15, William R. and Louise Wilcoxson (Applicants)	6
Item 16, U.S. Telecom, Inc. (Applicant)	6
Item 17, Exxon Corporation (Applicant)	7
Item 18, Department of Corrections; Santa Ana Watershed Project Authority and Western Municipal Water District of Riverside County and their Contractors (Applicants)	8
Item 19, Chevron USA; Texaco USA; Pelegos; Union Oil Company; McClelland Engineers (Applicants)	9
Item 21, City of Long Beach (Applicant)	10
item 22, City of Long Beach (Applicant)	10
Item 23, Anchor Refining Company (Applicant)	11
Item 24, Signal Landmark, Inc. (Party)	11
Item 25, <u>U.S. v. 141.96 Acres of Land</u> (Parties)	18

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

INDEX (Continued)

--oOo--

Page

Item 26, Conagra, Inc., a Delaware Corporation (Private Party)	18
Item 27, San Francisco South Bay Partnership (Applicant)	18
Motion re Rotation of Chairmanship	19
Adjournment	20
Certificate of Reporter	21

--oOo--

PROCEEDINGS

--c0o--

1
2
3 CHAIRMAN McCARTHY: The meeting of the State Lands
4 Commission will begin. We welcome all the members of the
5 public who are here and the parties to items before the
6 Commission.

7 COMMISSIONER ORDWAY: Motion on the minutes of
8 January 22nd.

9 CHAIRMAN McCARTHY: Motion on the minutes from
10 Commissioner Ordway. Any objection to the minutes?

11 Any objections from the audience?

12 If not, the minutes will be approved as submitted to
13 the Commission.

14 COMMISSIONER ORDWAY: Motion on the Consent Calendar
15 C1 through 11.

16 CHAIRMAN McCARTHY: Items 1 through 11 are on the
17 Consent Calendar. Does anyone in the audience wish to ask
18 any different action other than the Commission approving
19 those first eleven items?

20 If not, the Commission is unanimous in acting on the
21 Consent Calendar.

22 CHAIRMAN McCARTHY: Item No. 12. Do you want to
23 hear 20 first?

24 EXECUTIVE OFFICER DEDRICK: Yes. If we could,
25 Commissioner, I'd appreciate it.

1 CHAIRMAN MCCARTHY: We may move out of order. Let's
2 do Item 20 first, because there's going to be special action
3 requested on this; a statement by the Attorney General's
4 Office.

5 EXECUTIVE OFFICER DEDRICK: Dennis Eagan of the
6 Attorney General's Office would like to make a statement.

7 MR. EAGAN: On Friday staff received a request for a
8 continuance of this item from the Applicant and the staff --
9 the basis of the request was an alleged lack of adequate
10 notice. Staff is of the view that the notice was adequate.
11 But, nonetheless, as an accommodation to the Applicant, the
12 staff has pulled this item and suggests that it be put over
13 to the next meeting of the Commission.

14 CHAIRMAN MCCARTHY: Is anybody in the audience
15 seriously inconvenienced by that action on Item No. 20,
16 putting it over?

17 No one has appeared here that wishes to be heard?
18 Is it agreeable to the members of the Commission?

19 COMMISSIONER ORDWAY: Uh-huh.

20 CHAIRMAN MCCARTHY: Unanimously we put Item 20 over
21 until the next regularly scheduled meeting of this
22 Commission.

23 Now let's go back to Item No. 12.

24 EXECUTIVE OFFICER DEDRICK: Mr. Chairman, this item
25 is a consideration of an amendment to a lease for the

1 Riverbank Holding Company. Since the calendar item was
2 written and in discussion with the Applicant, we've come to a
3 somewhat changed agreement if the Commission --

4 Excuse me, I'm sorry. I didn't see Commissioner
5 Davis come in. I apologize.

6 Commissioners, Item 12 is a consideration of an
7 amendment to the lease of the Riverbank Holding Company for a
8 marina on the Sacramento River.

9 Since the calendar item was written, staff has come
10 to a slightly different agreement with the Applicant and if
11 it meets the Commission's approval, we would like to
12 recommend that rather than charging a number that results in
13 a payment of both penalty and interest on the original items,
14 that there be some amendment to that allowing the principal
15 to be paid over a period of -- or at \$500 a month until it's
16 paid back at the pooled money investment rate.

17 The principal number is \$38,112. That is based on
18 the full rental received by Riverbank for the unleased
19 portion of six berths and the full difference in the money
20 collected by Riverbank from their sublessees, the difference
21 being the three percent of the sublease they collected and
22 the three percent of that which they paid the state.

23 Riverbank has also agreed to comply with the state's
24 requirements on the actual sublease conditions. I would like
25 Mr. Hight to put those legal details into the record, if I

1 may.

2 CHAIRMAN McCARTHY: Any questions so far?

3 All right, Mr. Hight.

4 MR. HIGHT: In essence, the agreement is that they
5 will agree to pay the principal at pooled money rate at \$500
6 a month and the Commission in return will grant them an
7 amendment to the lease.

8 CHAIRMAN McCARTHY: Questions from the
9 Commissioners?

10 COMMISSIONER ORDWAY: Motion.

11 COMMISSIONER DAVIS: Second.

12 CHAIRMAN McCARTHY: Any discussion from the audience
13 on this issue? Anything to be added?

14 Could you identify yourself for the record?

15 MR. GOJKOVICH: Gordon Gojkovich with the Riverbank
16 Holding Company.

17 CHAIRMAN McCARTHY: You don't have to add anything
18 unless you want to vary from the presentation.

19 MR. GOJKOVICH: No, I don't want to vary. I just
20 want to let you know that we have accepted this agreement.

21 CHAIRMAN McCARTHY: Commissioner Ordway.

22 COMMISSIONER ORDWAY: I was just going to comment
23 that -- ask if it was okay with the Applicant and comment
24 that we've used the Pooled Money Investment Board rate before
25 and we hope that you will continue to use it. It's a rate

1 that we find acceptable, used it in other leases that we've
2 negotiated.

3 COMMISSIONER DAVIS: Just to note --

4 CHAIRMAN McCARTHY: The Commission --

5 COMMISSIONER DAVIS: -- Mr. Gojkovich was a former
6 elected official. Like to recognize those people.

7 CHAIRMAN McCARTHY: The Commission unanimously
8 approves the terms of the compromise just described to us.
9 That's the decision.

10 EXECUTIVE OFFICER DEDRICK: Thank you.

11 CHAIRMAN McCARTHY: Item 13.

12 EXECUTIVE OFFICER DEDRICK: Item 13 is a
13 certification of a final EIR and consideration of a 25-year
14 general lease for the San Joaquin Valley Pipeline Company's
15 proposed common carrier pipeline from Kern County into
16 Martinez, California.

17 COMMISSIONER ORDWAY: Motion.

18 CHAIRMAN McCARTHY: Any questions on the part of the
19 Commission?

20 CHAIRMAN McCARTHY: Recommendation approved.

21 Item 14.

22 EXECUTIVE OFFICER DEDRICK: Item 14 is a request to
23 authorize staff to file State Indemnity Selection on 7,500
24 acres of federal land in Inyo and San Bernardino Counties at
25 the request of the State Department of Health Services.

1 COMMISSIONER ORDWAY: Motion.

2 CHAIRMAN McCARTHY: Motion.

3 COMMISSIONER DAVIS: Second.

4 CHAIRMAN McCARTHY: Unanimously approved.

5 Item 15.

6 EXECUTIVE OFFICER DEDRICK: Item 15 is the approval
7 of a settlement for previous unauthorized use and the
8 approval of a ten-year recreational pier permit for the
9 Wilcoxsons in Napa County.

10 COMMISSIONER ORDWAY: Motion.

11 CHAIRMAN McCARTHY: Motion.

12 COMMISSIONER DAVIS: Second.

13 CHAIRMAN McCARTHY: Second.

14 Unanimously approved.

15 Item 16.

16 EXECUTIVE OFFICER DEDRICK: Item 16, U.S. Telecom.
17 This is to deny without prejudice an application for the use
18 of state school lands for the purpose of a fiber optic cable.

19 The reason we're asking for denial here is because
20 we're getting no response from the Applicant on our request
21 for information for their application.

22 COMMISSIONER ORDWAY: Motion.

23 CHAIRMAN McCARTHY: Motion.

24 COMMISSIONER DAVIS: Second.

25 CHAIRMAN McCARTHY: Staff recommendation for this

1 approval is accepted.

2 Seventeen.

3 EXECUTIVE OFFICER DEDRICK: This is the Exxon
4 Corporation. Again, a denial without prejudice of their
5 application for the use of tidelands off Los Flores Canyon,
6 Santa Barbara County for a marine terminal.

7 The reason for this denial without prejudice is that
8 we're in the process of doing a supplemental EIR.

9 COMMISSIONER ORDWAY: Motion.

10 CHAIRMAN MCCARTHY: Where's the county on this
11 issue?

12 EXECUTIVE OFFICER DEDRICK: The county is neutral to
13 my knowledge. We're in the EIR process.

14 CHAIRMAN MCCARTHY: Okay.

15 EXECUTIVE OFFICER DEDRICK: This is the issue where
16 we brought suit against the county on the inadequacy of the
17 EIR and we're in the settlement process with the county on
18 that.

19 CHAIRMAN MCCARTHY: Commissioner Davis.

20 COMMISSIONER DAVIS: Just a point of information.
21 How would any ultimate decision on this project relate to the
22 pending Arco project in that same general vicinity?

23 EXECUTIVE OFFICER DEDRICK: It's in the same general
24 area, as you know, Commissioner. Exxon is a federal lessee
25 at the Hondo Project outside of state waters. The Los Flores

1 Canyon facility is supposed to be their on-shore operation.
2 They're currently in a real state of disagreement with the
3 county as to whether or not to go forward on that. As you
4 know, they're before the Department of Commerce in an appeal.

5 What this would do would be to allow us to bring
6 before you a potential offshore terminal there. Staff is not
7 committed in any way to that terminal. At least we'll be
8 able to process their application, which we can't do now
9 absent more information from the EIR.

10 So, it doesn't answer your question, because they're
11 only peripherally associated with each other. Although it's
12 possible that if a terminal goes in at Los Flores if the
13 Commission approves one, that could, for example, replace the
14 Ellwood Terminal, which is Arco's terminal. It's that kind
15 of a connection.

16 So, it's a bunch of ifs. They're both oil
17 facilities and they're both within ten miles of each other.
18 That's always a connection in Santa Barbara County. But
19 there's no direct connection.

20 COMMISSIONER DAVIS: Thank you.

21 EXECUTIVE OFFICER DEDRICK: You're welcome.

22 CHAIRMAN McCARTHY: Recommendation approved.

23 Eighteen.

24 EXECUTIVE OFFICER DEDRICK: Eighteen is an agreement
25 with the Department of Corrections to allow them a two-year

1 right of entry for a sewer line through a parcel of school
2 lands in Norco, which we are in the process of trying to
3 decide how to handle it. It's a very valuable piece of land,
4 but it's an amicable agreement.

5 COMMISSIONER ORDWAY: Motion.

6 CHAIRMAN McCARTHY: Motion.

7 COMMISSIONER DAVIS: Second.

8 CHAIRMAN McCARTHY: Approved as recommended.
9 Nineteen.

10 EXECUTIVE OFFICER DEDRICK: Item 19 is approval of a
11 Non-Exclusive Geological Survey Permit, Commissioners. These
12 are not geophysical survey permits. They're the sort where
13 they go out in small vessels and do grab samples such as
14 biological samples. To my knowledge they're not in dispute
15 by anyone.

16 COMMISSIONER ORDWAY: Motion.

17 CHAIRMAN McCARTHY: Motion.

18 COMMISSIONER DAVIS: Second.

19 CHAIRMAN McCARTHY: Second.

20 Approved as recommended.

21 Item 20.

22 EXECUTIVE OFFICER DEDRICK: Item 21 is the Eight
23 Modification of the -- oh, I'm sorry. Did you say 20?

24 CHAIRMAN McCARTHY: We did --

25 EXECUTIVE OFFICER DEDRICK: I'm sorry, I went right

1 by you. I apologize.

2 CHAIRMAN MCCARTHY: Item 21.

3 EXECUTIVE OFFICER DEDRICK: Item 21 is the Eighth
4 Modification of the 86-87 plan and budget of the Long Beach
5 unit of the Wilmington field. This is an internal money
6 transfer.

7 COMMISSIONER ORDWAY: Motion.

8 CHAIRMAN MCCARTHY: Motion.

9 COMMISSIONER DAVIS: Second.

10 CHAIRMAN MCCARTHY: Second.

11 Approved as recommended.

12 Twenty-two.

13 EXECUTIVE OFFICER DEDRICK: Item 22, if I may, I'll
14 have Mr. Trout handle.

15 ASSISTANT EXECUTIVE OFFICER TROUT: This has to do
16 with the payback provisions for an equity adjustment in which
17 the state shares increases and the local town lot property
18 royalty interest owners share decreases.

19 Assemblyman Elder got a bill passed that allowed for
20 an extension of the payback provisions and we've been working
21 with the oil companies in an effort to figure out how to
22 implement that provision so that it can be effective with the
23 next adjustment in equity. We will be meeting with the oil
24 companies tomorrow to continue that process.

25 COMMISSIONER ORDWAY: We don't have to take any

1 action?

2 ASSISTANT EXECUTIVE OFFICER TROUT: No action
3 necessary. It should have been an informational item. I
4 forgot to put it in.

5 CHAIRMAN McCARTHY: Any questions?

6 Report received. Thank you.

7 Item 23.

8 EXECUTIVE OFFICER DEDRICK: Item 23 is a request for
9 a reduction in the Amount of Letter of Credit for the Anchor
10 Refining Company.

11 To make a long story short, the amount of money they
12 now owe us is less than the \$10,000 the Letter of Credit
13 would -- the reduction would allow.

14 COMMISSIONER ORDWAY: Motion.

15 CHAIRMAN McCARTHY: Motion.

16 COMMISSIONER DAVIS: Second.

17 CHAIRMAN McCARTHY: Second.

18 Unanimously accepted.

19 Twenty-four.

20 EXECUTIVE OFFICER DEDRICK: Item 24 is a Bolsa Chica
21 item and Mr. Trout has been handling this. If he will, I'd
22 like him to report to you.

23 CHAIRMAN McCARTHY: Mr. Trout.

24 ASSISTANT EXECUTIVE OFFICER TROUT: This relates
25 back to a 1973 property settlement over the ownership between

1 Signal and the State Lands Commission in which the state got
2 320-some acres of land along Pacific Coast Highway with the
3 possibility of getting an additional 230 acres if a navigable
4 ocean entrance system was built from the Pacific Ocean to a
5 specified piece of location within the property.

6 The state is not committed to that at this point.
7 One of the basic questions that needs to be answered not only
8 for the Commission to make an informed decision, but for the
9 county, the Coastal Commission and others is the feasibility
10 of building such an ocean entrance system.

11 The Corps of Engineers and the federal
12 administration is no longer funding these kinds of studies
13 with federal funds and, therefore, there's been a need for a
14 local sponsor.

15 Signal Landmark has approached the Lands Commission
16 with the idea that the Commission would be the local sponsor.
17 However, Signal would in turn reimburse the state for all of
18 its costs related to that and as the sponsor then, the
19 Commission would contract with the Corps of Engineers and
20 complete this feasibility study.

21 The Commission as a result of entering into this
22 reimbursement agreement is not committed in any way to come
23 up with any additional funds other than whatever agreement is
24 now existent in the '73 agreement.

25 CHAIRMAN MCCARTHY: Help us remember. What is the

1 cost of doing this work? Not the study, but the work. Do we
2 have a range?

3 ASSISTANT EXECUTIVE OFFICER TROUT: Yes. It's
4 probably going to be in the neighborhood of \$80 million to
5 put in the offshore breakwater, the ocean entrance system and
6 dredge a channel that has to be, I think, 400 feet wide. It
7 requires the relocation of a portion of Pacific Coast Highway
8 and a number of other things that would have to be done.

9 Signal is investigating the possibility of setting
10 up a local improvement district of one kind or another or
11 joint powers agency with the county or with the state and the
12 county to develop a marina commercial area that would provide
13 sufficient income to repay any costs that would be incurred
14 in building the ocean entrance system.

15 The Corps of Engineers has authority to loan money
16 to be reimbursed by local government. However, the decision
17 is clearly up to the Commission with regard to the state's
18 participation in whether they want to build an ocean entrance
19 system or not.

20 The present point is that the county, the Coastal
21 Commission and even the City of Huntington Beach need to have
22 some basic information about an ocean entrance system before
23 they're ready to make those decisions. So, this is a device
24 to move that process ahead and get the study done by the
25 Corps.

1 CHAIRMAN MCCARTHY: Do we have any descriptive
2 material on the last session we had with local community
3 elected officials and community leaders on this whole issue?

4 ASSISTANT EXECUTIVE OFFICER TROUT: We can get you
5 something.

6 CHAIRMAN MCCARTHY: How recently was that?

7 COMMISSIONER ORDWAY: We met Thursday night. Some
8 of our staff met with the county, the city and others on
9 Thursday night.

10 CHAIRMAN MCCARTHY: Was there a good representative
11 audience there?

12 ASSISTANT EXECUTIVE OFFICER TROUT: It was a study
13 session hosted by the City of Huntington Beach. If I may,
14 Curt Fossum was our representative there. Maybe he can give
15 you an overall view of how many people were there.

16 CHAIRMAN MCCARTHY: Well, I'm just mainly interested
17 in knowing whether there was a good representative in
18 participating groups there. This is a major thing and a
19 sensitive issue. I want to know how much we're involving the
20 local people in the discussion.

21 MR. FOSSUM: Commissioners, my name is Curtis
22 Fossum. I'm a staff counsel.

23 I would say there was approximately 50 to 60 people
24 present in the city council chambers. There were
25 representatives of Signal, community groups including the

1 Amigos de Bolsa Chica were there. There were presentations
2 made by certain Signal consultants on environmental and
3 economic matters relating to a bill that has not been
4 submitted yet, but that is with the Legislative Counsel's
5 Office right now on a proposed special district that Mr.
6 Trout mentioned.

7 CHAIRMAN MCCARTHY: Whose bill?

8 ASSISTANT EXECUTIVE OFFICER TROUT: Marian
9 Bergeson's bill. It's Signal's bill. It's being introduced
10 by Senator Bergeson. It does not have necessarily agreement
11 by the county or by the City of Huntington Beach.

12 I can tell you, though, that there have been a
13 series of town hall meetings in the area. There have been
14 several a month to talk about -- they've focused on
15 individual aspects of the project -- taxation, the ocean
16 entrance, traffic and a whole list of things. There's maybe
17 been a dozen over the last six months to a year of local town
18 hall meetings to discuss the ramifications of the project.

19 This is the next logical step to move ahead with the
20 feasibility of the ocean entrance system to determine what
21 kind of plan would go back before the Coastal Commission for
22 confirmation of the county's LCP, the local coastal plan,
23 that was submitted by the county.

24 CHAIRMAN MCCARTHY: What is the cost of the further
25 study we're talking about?

1 ASSISTANT EXECUTIVE OFFICER TROUT: This study would
2 cost about \$650,000 to be fully reimbursed by Signal
3 Landmark. That is their contribution. There is no provision
4 for reimbursement by the state subsequently. It's just --

5 CHAIRMAN McCARTHY: I appreciate that generosity.

6 ASSISTANT EXECUTIVE OFFICER TROUT: It's very
7 self-interest.

8 CHAIRMAN McCARTHY: Could you tell us why they're
9 going to donate that to us? Is there somebody here from
10 Signal that could tell us?

11 ASSISTANT EXECUTIVE OFFICER TROUT: I don't know
12 that there's anyone here from Signal.

13 Signal proposes to develop about 1,200 acres of
14 undeveloped property in the Bolsa area basically for
15 residential housing. They have to donate 600 and some acres
16 to the state as part of the tentative agreement that was
17 approved by the Coastal Commission after several years of
18 activity.

19 EXECUTIVE OFFICER DEDRICK: That's wildlife habitat.

20 MR. FOSSUM: This particular study is part of
21 something necessary for the local coastal plan to be adopted.
22 The Coastal Commission when they reviewed the last LCP for
23 the area made it a conditional LCP and that further studies
24 be made to show the feasibility of the project.

25 CHAIRMAN McCARTHY: All right.

1 EXECUTIVE OFFICER DEDRICK: Mr. Chairman, the value
2 of the land will be greatly increased if in fact a harbor is
3 adjacent to it.

4 CHAIRMAN McCARTHY: The picture clarifies.

5 EXECUTIVE OFFICER DEDRICK: I thought it would.

6 COMMISSIONER ORDWAY: Motion.

7 CHAIRMAN McCARTHY: Any questions by Commissioners?

8 COMMISSIONER DAVIS: No.

9 CHAIRMAN McCARTHY: For purposes of our file, why
10 don't you please obtain for us statements from the city and
11 the county as to how they view this whole project right now.
12 We can act on this today.

13 EXECUTIVE OFFICER DEDRICK: Okay.

14 CHAIRMAN McCARTHY: How long is this study supposed
15 to take?

16 ASSISTANT EXECUTIVE OFFICER TROUT: I expect it's
17 going to take almost a year.

18 EXECUTIVE OFFICER DEDRICK: You know, this process
19 is about 15 years old now.

20 CHAIRMAN McCARTHY: In another couple of months, if
21 it's ripe, I'd like to get some statements in the file.

22 EXECUTIVE OFFICER DEDRICK: We'll be sure that
23 happens.

24 The last three items are legal items and Mr. Hight
25 will handle those.

1 MR. HIGHT: Mr. Chairman, No. 25 is the
2 Authorization to File Disclaimer of Interest in a federal
3 condemnation action for New Melones Lake, which the
4 Commission has no interest in.

5 COMMISSIONER ORDWAY: Motion.

6 CHAIRMAN McCARTHY: Motion.

7 COMMISSIONER DAVIS: Second.

8 CHAIRMAN McCARTHY: Second.

9 Unanimous.

10 MR. HIGHT: Item 26 is the approval for a compromise
11 settlement in South San Francisco. The Commission will also
12 be acting as Land Bank Commissioners and will receive
13 \$250,000 in the Kapiloff Land Bank Fund in settlement of the
14 Commission's claims in this area.

15 COMMISSIONER ORDWAY: Motion.

16 COMMISSIONER DAVIS: Second.

17 CHAIRMAN McCARTHY: Unanimously accepted.

18 MR. HIGHT: Item 27 is the Authorization for
19 Settlement in the City of San Francisco and the Commission
20 will receive \$125,000 in the Kapiloff Fund and you will also
21 be acting as Land Bank Commissioners again.

22 COMMISSIONER ORDWAY: Motion.

23 COMMISSIONER DAVIS: Second.

24 CHAIRMAN McCARTHY: Unanimously accepted.

25 Is that it?

1 EXECUTIVE OFFICER DEDRICK: That's it.

2 COMMISSIONER ORDWAY: Unless you have any other
3 business.

4 EXECUTIVE OFFICER DEDRICK: Unless you have other
5 business.

6 COMMISSIONER DAVIS: I'd like to make a motion
7 that -- and I discussed this with Leo and with Nancy -- that
8 we rotate the chairmanship of this Commission between the
9 Lieutenant Governor and the Controller, with the Lieutenant
10 Governor serving in calendar years '87 and '89 and the
11 Controller in '86 and '90 and starting in the ensuing years
12 that the chairmanship transfer on the first meeting after
13 January 1st of those respective years.

14 CHAIRMAN MCCARTHY: A motion is before the
15 Commission.

16 COMMISSIONER ORDWAY: You don't need a second
17 because we operate on Senate Rules.

18 COMMISSIONER DAVIS: Senate Rules.

19 I vote aye.

20 COMMISSIONER ORDWAY: I abstain.

21 CHAIRMAN MCCARTHY: I won't make any promises, but
22 I'll try to do the best I can with this awesome burden that
23 you've just given me.

24 (Laughter.)

25 COMMISSIONER ORDWAY: Well, we just hit 25 minutes.

1 In the absence of further business, I'll move to adjourn.

2 CHAIRMAN McCARTHY: See the efficiency with which
3 this meeting was conducted? A promise of good things to
4 come.

5 Thank you all, ladies and gentlemen.

6 (Thereupon the meeting of the State Lands
7 Commission was adjourned at 2:37 p.m.)

8 --oOo--

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25


CERTIFICATE OF SHORTHAND REPORTER

I, EILEEN JENNINGS, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing meeting was reported in shorthand by me, Eileen Jennings, a Certified Shorthand Reporter of the State of California, and thereafter transcribed into typewriting.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 22nd day of February, 1987.


EILEEN JENNINGS
Certified Shorthand Reporter
License No. 5122