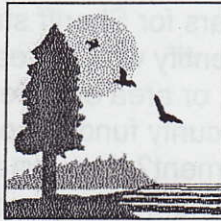


CALIFORNIA STATE LANDS COMMISSION

100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202



PAUL D. THAYER, Executive Officer
(916) 574-1800 FAX (916) 574-1810
Relay Service From TDD Phone **1-800-735-2929**
from Voice Phone **1-800-735-2922**

Contact Phone: (916) 574-1900

Contact FAX: (916) 574-1945

October 5, 2010

File Ref: G09-00

Brad Gross
County of Orange
Dana Point Harbor Department
24650 Dana Point Harbor Drive
Dana Point, CA 92629

RE: Dana Point Harbor Tidelands Trust Funds

Dear Mr. Gross:

Staff of the California State Lands Commission (CSLC or Commission) has had the opportunity to review your response to our letter of March 31, 2010. Staff is looking for additional information regarding how Dana Point Harbor coordinates with the County of Orange for payment of services.

Specifically, Commission staff requests additional information on how the Sheriff's service is provided to the Dana Point Harbor, Newport Harbor, and Sunset Harbor and whether or not there are areas outside of these three areas that are monitored by the Sheriff's department including:

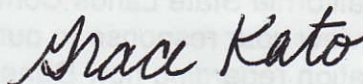
- Documentation identifying any areas outside of the three Harbors that are patrolled by the Sheriff's Department Harbor Patrol
 - For each area, identify who is charged for the patrol services.
 - Please explain how each amount is determined and provide documentation that supports the calculation.
 - If the amount is a projected budget amount, please include the actual expenditures and how the amount is reconciled at the end of the fiscal year.
- Specific documentation identifying all revenue sources and expenditures for the County Sheriff's department as it relates to the tidelands of Orange County (i.e. Newport Harbor, Dana Point Harbor, Sunset Harbor, or areas outside the harbors).

- Timesheets for the past 5 years for Sheriff staff working within the tidelands areas of the County of Orange that identify which area they worked (i.e. Newport Harbor, Dana Point Harbor, Sunset Harbor, or area outside the harbors).
 - Are any Homeland Security funds applied to the non-landside areas patrolled by the Sheriff's department? If so, what is the breakdown of funding?
- Documentation of the actual charges incurred by each of the three Harbors for the past 5 years and how that amount was reconciled with the projected budget amounts that are provided to the Commission each year.
- Map depicting the three harbors and any other areas patrolled by the Sheriff's staff.

Staff understands that some of the documentation we are asking for relates to areas outside of Dana Point Harbor. However, if the Dana Point Harbor Department has documentation, as requested above, in its files relating to Newport Harbor or Sunset Harbor, Commission staff would like to have copies of such documentation. While staff has initiated this discussion with the Dana Point Harbor Department, we are interested in documentation detailing the expenditures of tidelands trust funds for County Sheriff services generally and within Newport Harbor and Sunset Harbor specifically as well. Please advise who within the County we should be directing our inquiries as they relate to County Sheriff services and Newport/Sunset Harbor.

Please do not hesitate to contact me at (916) 574-1227, or via email at katog@slc.ca.gov. Thank you.

Sincerely,



Grace Kato
Public Land Management Specialist

cc: Alisa Drakodaidis, Deputy CEO, OC Infrastructure
Nicholas Chrisos, County Counsel, County of Orange
Rodger Beard, President, Dana Point Boaters Association
Christina Ardnt, Deputy Attorney General
Kathryn Colson, Staff Counsel, SLC