MINUTE ITEM

This Calendar Item No. <u>C34</u> was approved as Minute Item No. <u>34</u> by the California State Lands Commission by a vote of <u>3</u> to <u>6</u> at its <u>4-36-05</u>

CALENDAR ITEM C34

Α 10, 17, 25

5, 6, 12

04/26/05

PRC 8044

WP 8044.1

V. Massey

REVISION OF RENT

LESSEE:

S

Time Warner Telecom 20 SW Sixth Ave. Suite 300 Portland, OR 97204

AREA, LAND TYPE, AND LOCATION:

0.39 acres, more or less, of sovereign lands in the Stanislaus River, Stanislaus and San Joaquin counties near the city of Riverbank; the Mokelumne River, San Joaquin County near the city of Lodi; and the Cosumnes River, Sacramento County, near the town of Wilton.

AUTHORIZED USE:

Continued use and maintenance of a 10 inch diameter steel casing containing six 2-inch high density polyethylene conduit ducts, four of which are used for fiber optic cables.

LEASE TERM:

25 years, beginning November 1, 1998.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the rent be revised from \$336 per year to \$728 per year, effective November 1, 2005.

OTHER PERTINENT INFOMRATION:

1. On December 16, 1998, the Commission approved a General Lease – Right of Way Use to GST Telecom California, Inc., for the directional boring, placement and maintenance of a 10-inch diameter x 0.25 inch thick steel casing containing six 2-inch diameter high density polyethylene conduit ducts and the placement, use and maintenance of a fiber optic cable within one of the six 2-inch diameter high density polyethylene conduit ducts.

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- 2. On September 19, 2000, the Commission approved an Amendment of and Consent to Co-location of this lease, which authorized 360networks (USA), Inc. to utilize a fiber optic cable within the right of way. The Commission also authorized the installation of one additional fiber optic cable into the existing conduit, for a total of two fiber optic cables. One fiber optic cable to be used by GST and one by 360networks.
- 3. On September 19, 2000, the Commission also approved an Amendment and Consent to Co-location of this lease which authorized Williams Communication, Inc. to utilize a fiber optic cable within the right of way; and authorized the installation of two additional fiber optic cables into the existing conduit.
- 4. Subsequently, GST Telecom California filed bankruptcy and Time Warner purchased all assets and assumed the lease.
- 5. The total number of fiber optic cables authorized in the six authorized conduits is four: Two used by Williams, one used by Time Warner (GST), and one used by 360networks.

EXHIBIT:

A. Location Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

APPROVE THE REVISION OF RENT FOR LEASE NO. PRC 8044.1 FROM \$336 PER YEAR TO \$728 PER YEAR, EFFECTIVE NOVEMBER 1, 2005.

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