

**CALENDAR ITEM
C88**

A 1
S 1

10/14/14
PRC 8145.2
C. Hudson

REVISION OF RENT

LESSEE:

Citizens Telecommunications Company of California Inc.
P.O. Box 860
Palo Cedro, CA 96073

AREA, LAND TYPE, AND LOCATION:

1.36 acres, more or less, of State school land in a portion of Section 16, Township 35 North, Range 5 East, MDM, near the unincorporated town of Burney, Shasta County.

AUTHORIZED USE:

Operation, use, and maintenance of an existing aerial 0.51-inch diameter, 24-strand fiber optic cable encased in a high-density polyethylene outer sheath and approximately 20 wood poles.

LEASE TERM:

20 years, beginning February 8, 2010.

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 rent be revised from \$153 per year to \$450 per year, effective February 8, 2015.

OTHER PERTINENT INFORMATION:

1. On January 26, 2012, the Commission authorized a General Lease – Right-of-Way Use with Citizens Telecommunications Company of California Inc. (Citizens). The lease will expire on February 7, 2030.
2. There are two other State leases involving the Lease Premises. The existing wood poles and lines within the Lease Premises are currently leased to Pacific Gas and Electric Company (PG&E) under Lease No. PRC 5391.2 for the same right-of-way. The existing wood poles and lines are jointly owned by

CALENDAR ITEM NO. **C88** (CONT'D)

PG&E and Citizens. Additionally, the right-of-way for the two leases traverses a grazing lease, Lease No. PRC 3353.2, to Bidwell Ranches, Inc.

3. PG&E maintains the existing wood poles and lines within the right-of-way and conducts inspections every two years. PG&E will contact Citizens for cost sharing if maintenance is necessary.
4. Staff recommends that the Commission find that the subject revision of rent does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

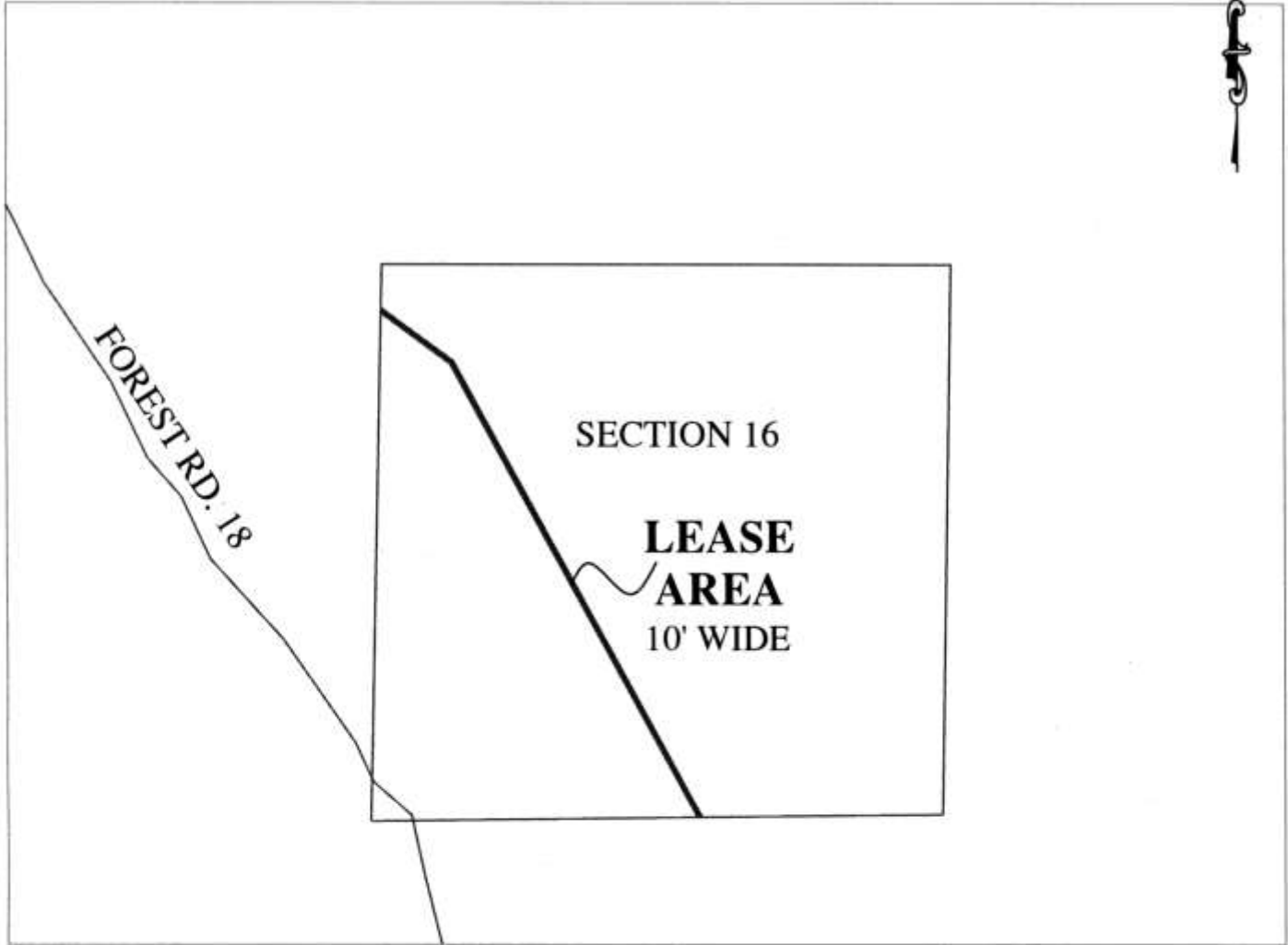
Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 8145.2 from \$153 per year to \$450 per year, effective February 8, 2015.

NO SCALE

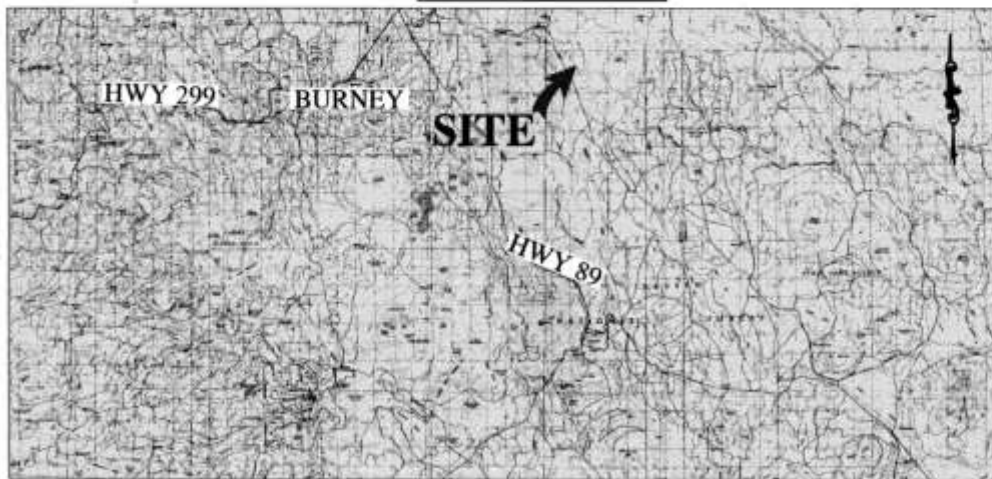
SITE



Section 16, T35N, R5E, MDM - near Burney

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 8145.2
 CITIZENS TELECOM.
 COMPANY OF CA, INC.
 APN 031-270-006
 GENERAL LEASE -
 RIGHT-OF-WAY USE
 SHASTA COUNTY



MJP 9/15/14

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.