

**STAFF REPORT
C94**

A 33
S 16

08/23/18
PRC 8047.2
J. Porter

REVISION OF RENT

LESSEE:

Broadwing Communications, LLC, a wholly-owned subsidiary of CIII Communications, LLC

AREA, LAND TYPE, AND LOCATION:

3.15 acres, more or less, of State-owned school land and indemnity school land in portions of Section 16, Township 8 North, Range 17 East; Tract 39 of Sections 29 and 32, Township 12 North, Range 20 East; and Section 36, Township 10 North, Range 19 East, SBM, near Homer, Goffs, and Essex, San Bernardino County.

AUTHORIZED USE:

Use and maintenance of an existing one-inch-diameter fiber optic communications cable encased in a two-inch-diameter high density polyethylene (HDPE) conduit as shown on the attached Exhibit A.

LEASE TERM:

25 years, beginning August 1, 1998.

CONSIDERATION:

This lease provides that the Commission may modify the rent periodically during the lease term. Pursuant to this provision, staff conducted a review of the rent under this lease and recommends that rent be revised from \$651 per year to \$1,370 per year, effective August 1, 2018.

OTHER PERTINENT INFORMATION:

1. On December 16, 1998, the Commission authorized a General Lease – Right-of-Way Use to IXC Carrier, Inc., for the installation, operation and maintenance of a one-inch-diameter fiber optic communications cable encased in a two-inch-diameter HDPE conduit ([Item 21, December 16, 1998](#)). Lessee subsequently changed its name to Broadwing Communications Services, Inc. On December 9, 2004, the Commission authorized the assignment of the lease to Broadwing Communications, LLC, wholly-owned subsidiary of CIII Communications, Inc. ([Item 12, December 9, 2004](#)) The lease will expire on July 31, 2023.

STAFF REPORT NO. **C94** (CONT'D)

2. This action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
3. Approving the revision of rent is not a project as defined by the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

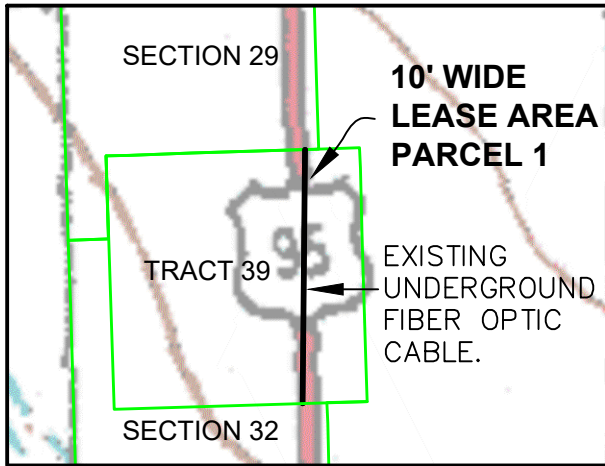
It is recommended that the Commission:

AUTHORIZATION:

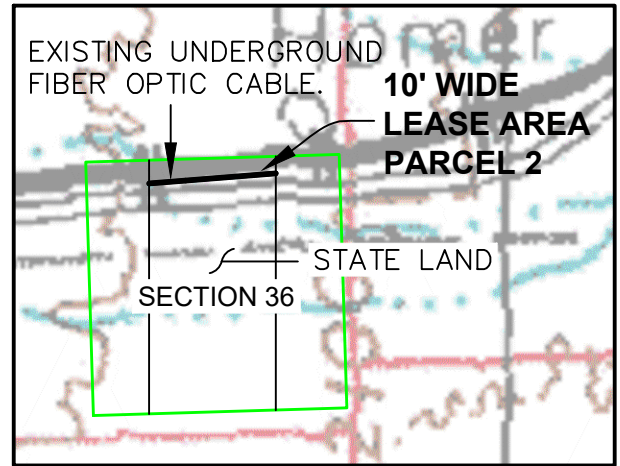
Approve the revision of rent for Lease No. PRC 8047.2 from \$651 per year to \$1,370 per year, effective August 1, 2018.

NO SCALE

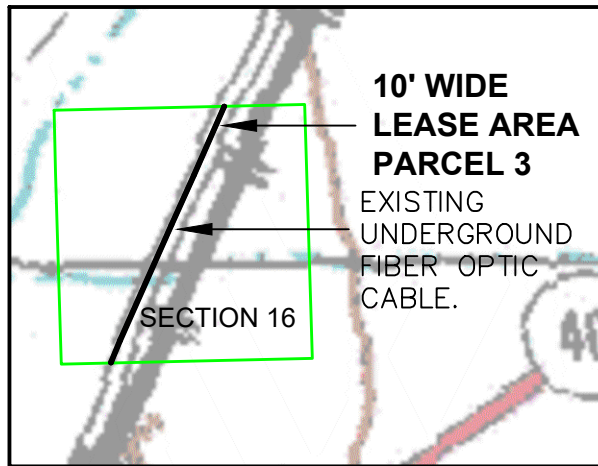
SITE



TRACT 39 OF SECTIONS 29 & 32, TOWNSHIP 12 NORTH, RANGE 20 EAST S.B.M.



SECTION 36, TOWNSHIP 10 NORTH, RANGE 19 EAST S.B.M.

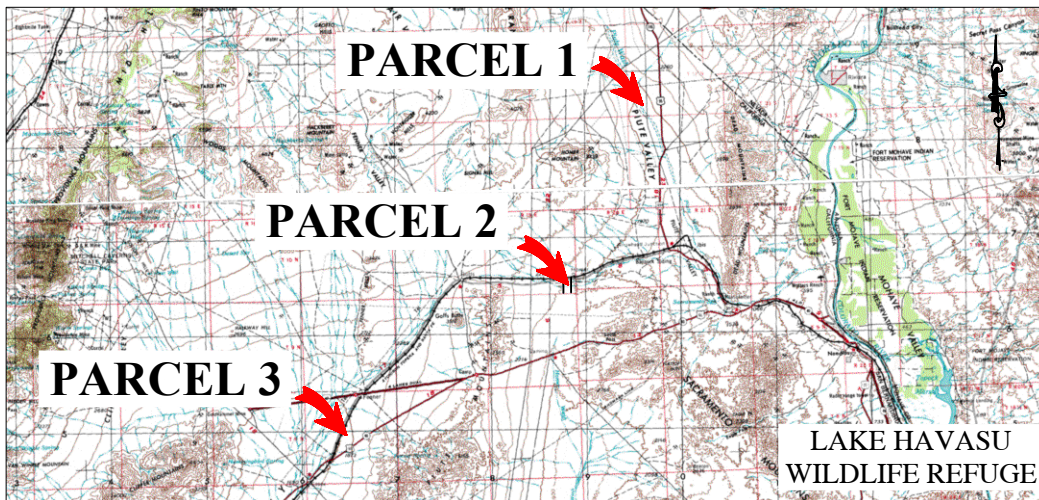


SECTION 16, TOWNSHIP 8 NORTH, RANGE 17 EAST S.B.M.

FIBER OPTIC CABLE, SCHOOL LANDS

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

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.

Exhibit A

PRC 8047.2
BROADWING
COMMUNICATIONS, LLC
GENERAL LEASE
RIGHT-OF-WAY USE
SAN BERNARDINO COUNTY

