

MINUTE ITEM

This Calendar Item No. C09 was approved as Minute Item No. 09 by the California State Lands Commission by a vote of 3 to 0 at its 12-09-03 meeting.

**CALENDAR ITEM
C09**

A	15		12/09/03
		PRC 1672	W 25950/WP 1672.9
S	1		L. Burks

**ASSIGNMENT AND AMENDMENT OF
GENERAL LEASE – PUBLIC AGENCY USE NO. PRC 1672.9
AND CONSENT TO A CO-TENANT**

LESSEE:

Sacramento Municipal Utility District
6201 S Street
Sacramento, California 95817-1899

CO-TENANT:

Citizens Telecommunications Company of
California, Inc., a California Corporation, dba
Frontier Communications Company of California
P. O. Box 340
Elk Grove, California 95159

AREA, LAND TYPE, AND LOCATION:

0.18 acres, more or less, of sovereign lands in Snodgrass Slough, near the town of Vorden, Sacramento County.

AUTHORIZED USE:

Existing Lease: The Commission has previously authorized the installation, operation, and maintenance of an overhead electric transmission line.

Amendment: The installation, use, maintenance and operation of one fiber optic cable.

LEASE TERM:

PRC 1672.9

Continuous use plus one year, beginning March 26, 1956.

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CONSIDERATION:

Overhead Electrical Transmission Line:

The public use and benefit; with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interest.

Fiber Optic Cable:

No monetary consideration shall be charged for the placement, use and maintenance of the fiber optic cable or other similar transmission devices placed by those qualifying under the scope of Section 7901 of the Public Utilities Code.

PROPOSED AMENDMENT:

The proposed Assignment and Amendment of Lease No. PRC 1672.9 and Consent to Co-Tenant will authorize Frontier Communications Company of California (known as Frontier) to place a fiber optic cable, for their sole use, within SMUD's existing right of way and assign Frontier fifty percent (50%) of all SMUD's right, title and interest under Lease No. PRC 1672.9. All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

1. Applicant has a right to the uplands adjoining the lease premises.
2. On July 2, 1956, the Commission authorized Sacramento Municipal Utility District (SMUD) a right of way easement to install, operate and maintain an overhead electrical transmission line across Snodgrass Slough.
3. Frontier is placing a fiber optic cable, for their sole use, along SMUD's existing public utilities easement along Twin Cities Road from Bruceville Road to the Frontier facilities site in Walnut Grove. For the most part, fiber duct will be over-lashed to the existing cable, in place, along this route. The exceptions are the UPRR crossing that will be a horizontal directional drill (HDD) under the railroad and the underground section that crosses the Interstate 5 Freeway. Due to inadequate conduit size at the Snodgrass Slough submarine crossing, Frontier will be suspended over the slough aerial at 65 feet on existing SMUD poles. The total length of the slough crossing is 1,095 feet.

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4. The project has now become critical due to growth of communications requirements in the delta. The current network to the communities of Isleton and Walnut Grove is at capacity due to out-growth of the existing copper cable and microwave radio feed, and is not capable of providing enhanced services now being requested by various entities. Frontier is placing fiber optic cable to augment the network and facilitate providing additional enhanced services now required by the delta customers. The Twin Cities route was chosen as the most expeditious and financially feasible route to gain access to existing fiber optics at the Bruceville site near Twin Cities Road.
5. No tree trimming or vegetation removal will be necessary within the levee system or waterway of the slough to install the proposed cable. The cable will be added to existing SMUD poles and strung next to existing cables and power lines. Accordingly, the California Departments of Water Resources and Fish and Game, The Reclamation Board, the U.S. Army Corps of Engineers, and the U. S. Fish and Wildlife Service have each indicated "no interest" in the proposed project.
6. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA under the general rule that the CEQA applies only to projects, which have the potential for causing a significant effect on the environment. The staff believes, based on the information available to it, that there is no possibility that this project may have a significant effect on the environment.

Authority: Title 14, California Code of Regulations, section 15061 (b)(3).
7. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

APPROVALS OBTAINED:

Sacramento County Transportation Division

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EXHIBIT:

- A. Location Map

PERMIT STREAMLINING ACT DEADLINE:

December 30, 2003

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THERE IS NO POSSIBILITY THAT THE ACTIVITY MAY HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT; TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 (b)(3).

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

- 1) AUTHORIZE ASSIGNMENT FROM THE SACRAMENTO MUNICIPAL UTILITY DISTRICT (SMUD) TO CITIZENS TELECOMMUNICATIONS COMPANY OF CALIFORNIA, INC., A CALIFORNIA CORPORATION, DBA: FRONTIER COMMUNICATIONS COMPANY OF CALIFORNIA, FIFTY PERCENT (50%) OF ALL ITS RIGHT, TITLE AND INTEREST UNDER GENERAL LEASE - PUBLIC AGENCY USE NO. PRC 1672.9, SUBJECT TO ALL OF THE TERMS, CONDITIONS AND LIMITATIONS OF THE LEASE.
- 2) AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 1672.9, A GENERAL LEASE - PUBLIC AGENCY USE, OF SOVEREIGN LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, AND CONSENT TO THE CO-TENANT, THE EXCLUSIVE RIGHT TO INSTALL ONE FIBER OPTIC CABLE, AND USE, MAINTAIN AND OPERATE SAID FIBER OPTIC CABLE WITHIN THE

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EXISTING RIGHT OF WAY IDENTIFIED IN THE LEASE, EFFECTIVE DECEMBER 9, 2003; CONSIDERATION: NO MONETARY CONSIDERATION SHALL BE CHARGED FOR THE PLACEMENT, USE AND MAINTENANCE OF FIBER OPTIC CABLES OR OTHER SIMILAR TRANSMISSION DEVICES PLACED BY THOSE QUALIFYING UNDER THE SCOPE OF SECTION 7901 OF THE PUBLIC UTILITIES CODE; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.

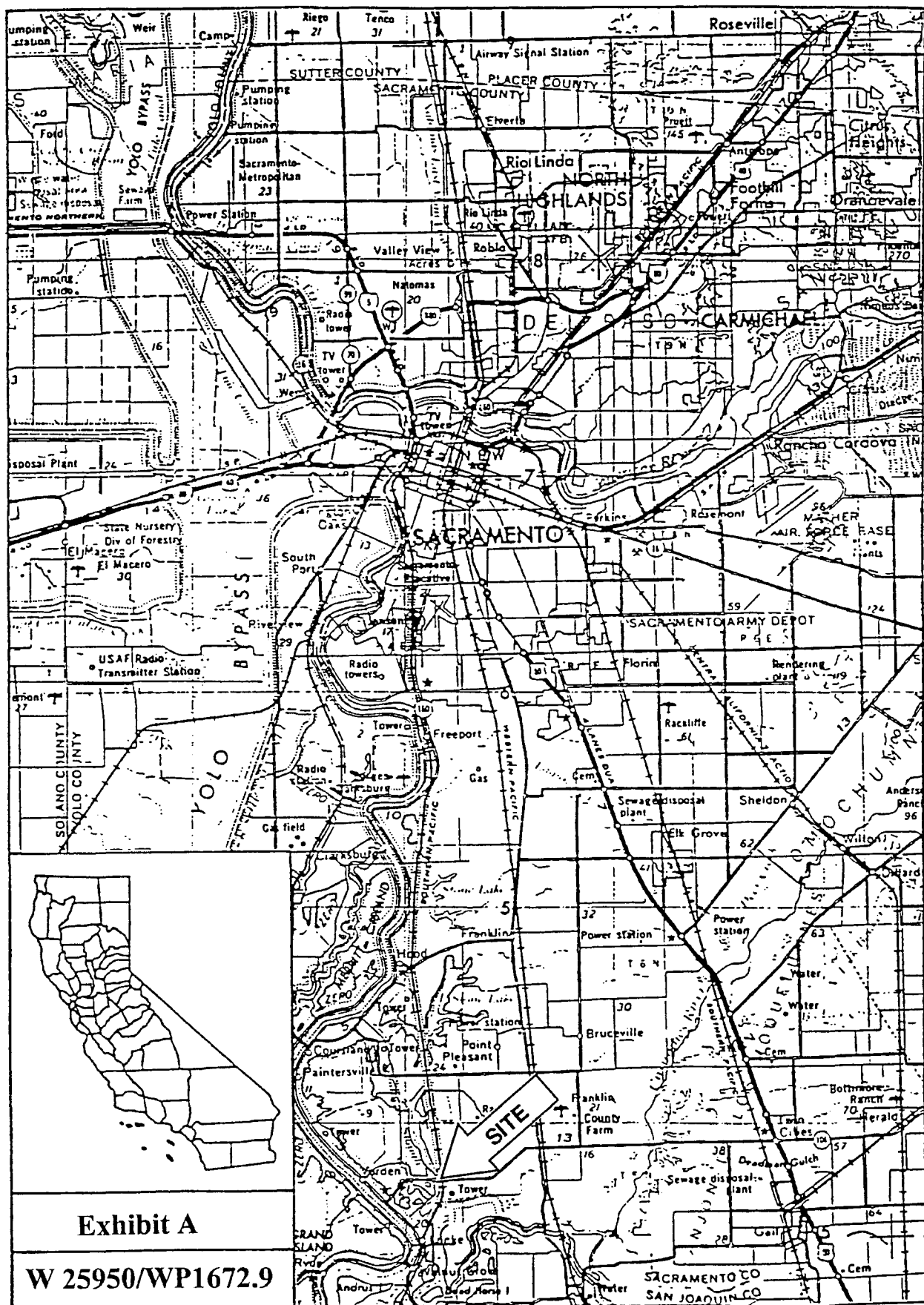


Exhibit A

W 25950/WP1672.9

BRUCEVILLE QUAD

10/30/03 LMB

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