

**CALENDAR ITEM
C19**

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S 3

08/22/08
PRC 8337.2
C. Hudson

CONTINUATION OF RENT

LESSEE:

Geysers Power Company, LLC
1421 Guerneville Road
Santa Rosa, California 95403

AREA, LAND TYPE, AND LOCATION:

0.878 acres, more or less, of State school land in Section 33, Township 11 North, Range 8 West, MDM, near the city of Healdsburg, Sonoma County.

AUTHORIZED USE:

Operation, use and maintenance of an existing 30-inch diameter by 1,700-foot long non-potable water pipeline.

LEASE TERM:

25 years, beginning July 1, 2001.

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 continued at \$1,020 per year, effective July 1, 2008.

OTHER PERTINENT INFORMATION:

1. On September 17, 2001, the Commission authorized a General Lease - Right of Way Use with Geysers Power Company, LLC. That lease will expire on June 30, 2026.

2. The buried pipeline travels through two school land parcels and is used to transport treated wastewater to the geothermal area known as "the Geysers".

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3. The pipeline is cathodically protected and is inspected, at a minimum, on a monthly basis. There have been no repairs to the pipeline located on the State's property since operations began in 2004.

EXHIBIT:

- A. Site and 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 CONTINUATION OF RENT FOR LEASE NO. PRC 8337.2 AT \$1,020 PER YEAR, EFFECTIVE JULY 1, 2008.