

MINUTE ITEM
This Calendar Item No. C15
was approved as Minute Item
No. 15 by the State Lands
Commission by a vote of 3
to 0 at its 9-19-00
meeting.

CALENDAR ITEM
C15

A 4
S 2

09/19/00
WP 8157.9
WP 8156.9
D. Jones

PARTIAL ASSIGNMENT OF PERMIT

ASSIGNOR:

360networks (USA) inc.
11719 NE 95th Street
Vancouver, Washington 98682

ASSIGNEE:

Level 3 Communications, LLC
14023 Denver West Parkway
Golden, Colorado 80401

AREA, LAND TYPE, AND LOCATION:

Sovereign lands in the Sacramento River, cities of Sacramento and West Sacramento, Yolo and Sacramento counties; Sacramento River near Knights Landing, Yolo County; Sacramento River near the city of Redding, Shasta County; Sacramento River in the city of Tehama, Tehama County; and the Fall River near the town of Fall River Mills, Shasta County.

AUTHORIZED USE:

1. At its April 20, 2000, the Commission authorized the installation, operation, maintenance and use of the following:

Sacramento River, cities of Sacramento and West Sacramento: A 12-inch steel casing, with 16 high density polyethylene (HDPE) innerducts, one of which will contain one fiber optic cable with approximately 184 fibers.

Sacramento River near Knights Landing: An 8-inch steel casing, with six HDPE innerducts, one of which will contain one fiber optic cable with approximately 184 fibers.

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Sacramento River in the city of Redding: A 10-inch steel casing, with 15 HDPE innerducts, one of which will contain one fiber optic cable with approximately 184 fibers.

Sacramento River in the city of Tehema: An 8-inch steel casing, with five HDPE innerducts, one of which will contain one fiber optic cable with approximately 184 fibers.

Fall River, Shasta County: A 12-inch steel casing, with 17 HDPE innerducts, one of which contains one fiber optic cable with approximately 184 fibers.

2. At its June 27, 2000, meeting, the Commission authorized the amendment of Permit No. 8157.9 to increase the number of authorized fiber optic cables as follows:

Sacramento River, cities of Sacramento and West Sacramento, from one cable to 16 cables.

Sacramento River near Knights Landing, from one cable to six cables.

Sacramento River near the city of Redding, from one cable to 15 cables.

Sacramento River in the city of Tehama, from one cable to five cables.

Fall River near the town of Fall River Mills, from one cable to 17 cables.

PERMIT TERM:

Continuous use plus one year, commencing April 20, 2000.

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.

OTHER PERTINENT INFORMATION:

1. Applicant has the right to use the uplands adjoining the lease premises.

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2. On May 25, 2000, Worldwide Fiber Networks, Inc. changed its name to 360networks (USA) inc. ("360networks"). 360networks has represented that there was no change in control or corporate restructuring of the company.
3. 360networks and Level 3 Communications, LLC ("Level 3"), entered into a Conduit Purchase Agreement dated May 17, 1999. Under the terms of this Agreement, 360networks assigned to Level 3 an undivided interest in its Permit; namely, within two of 360networks' rights of way which were authorized under PRC 8157.9, Level 3 will own a specified number of innerducts and cables. The two rights of way which have been permitted to 360networks, and the innerducts and cables which will be owned by Level 3 within those rights of way include:
 - Twelve of the fifteen previously authorized innerducts, together with the corresponding fiber optic cables, issued to 360networks, in the Sacramento River, city of Redding, Shasta County; and
 - Twelve of the seventeen previously authorized innerducts, together with the corresponding fiber optic cables, issued to 360 networks, in the Fall River in the town of Fall River Mills, Shasta County.

Level 3 has requested that the Commission consent to this partial assignment of Permit PRC 8157.9 issued to 360networks.

4. Level 3 has represented to Permitter that (i) it is a "telephone corporation" within the meaning of Public Utilities Code Section 234, (ii) that the authorized improvements to be located within the right of way ("ROW") applied for herein constitute "telephone line" within the meaning of Section 233 of the Public Utilities Code, (iii) it is authorized to provide intrastate telephone services pursuant to its Certificate of Public Convenience and Necessity ("CPCN"), Decision 98-03-066, issued by the California Public Utilities Commission, (iv) it is authorized to handle interstate and international telecommunication traffic in accordance with 47 USC § 214, and (v) the authorized improvements will be operated by it as a public utility for the purpose of providing telephone service to the public on a non-discriminatory basis.

CALENDAR ITEM NO. C15 (CONT'D)

5. 360networks and Level 3 shall be jointly and severally liable for the performance of all of the covenants and obligations to be performed by 360networks under the Permit, including, the proper abandonment, cleanup and restoration of the Premises upon termination of the Permit.
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 because the activity is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

EXHIBITS:

- A. Permit Description - Sacramento River near Redding, Shasta County
- B. Permit Description - Fall River in Fall River Mills, Shasta County
- C. Location Map - Sacramento River near Redding, Shasta County
- D. Location Map - Fall River in Fall River Mills, Shasta County

PERMIT STREAMLINING ACT DEADLINE:

N/A

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 THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

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.

CALENDAR ITEM NO. **C15** (CONT'D)

AUTHORIZATION:

AUTHORIZE THE PARTIAL ASSIGNMENT OF LEASE NO. PRC 8157.9, A PERMIT FOR TELEPHONE LINE RIGHT OF WAY, OF SOVEREIGN LANDS SHOWN ON EXHIBITS A AND B ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, FROM 360NETWORKS (USA) INC. TO LEVEL 3 COMMUNICATIONS, LLC; EFFECTIVE SEPTEMBER 19, 2000.

EXHIBIT A

PRC 8157.9

PRC 8156.9

Legal Description

A strip of land 42.58 feet in width situate in Rancho San Buenaventura and in Section 7, Township 30 North, Range 3 West, M.D.M. in the unincorporated territory of Shasta County, California the centerline of which is described as follows:

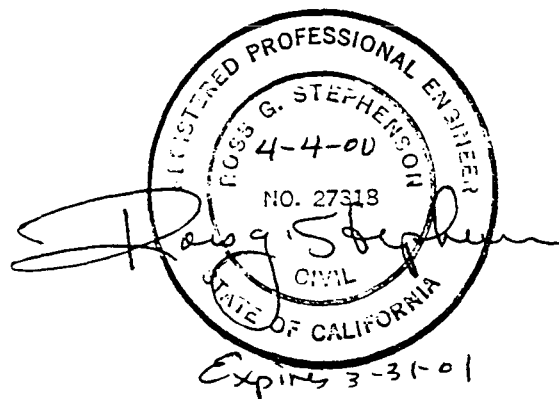
Commencing at a point on the centerline of Deschutes Road said point being the end of curve at Station 110 + 03.12 as shown on the construction plans for the Sacramento River Bridge at Deschutes Road, Shasta County Project Number S - 1073141 as filed in the Shasta County Department of Public Works Records; thence N 05° 45' 45" E along said centerline to the ordinary low water mark on the South bank of the Sacramento River and the True Point of beginning of said strip of land; thence continuing N 05° 45' 45" E, approximately 430 feet to the ordinary low water mark on the North bank of the Sacramento River and the terminus of said strip of land.

The sidelines of the above described strip to be shortened or lengthened as required to start and end at the ordinary low water mark.

Excepting therefrom any portion of said strip lying landward of the ordinary low water mark.

Basis of Bearing

The centerline of the Deschutes Road Bridge over the Sacramento River as being N 05° 45' 45" E.



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EXHIBIT B

PRC 8157.9

PRC 8156.9

Legal Description

A strip of land eleven feet (11') in width situate in Section 29, Township 38 North, Range 4 East, M.D.M., in the unincorporated territory of Shasta County, California, the centerline of which is described as follows:

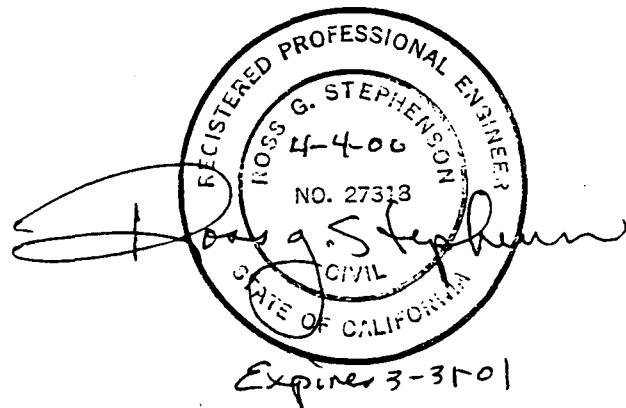
Commencing at a point which lies N 61° 25' 33" E, 3,767.72 feet from the Southwest corner of said Section 29; thence N 10° 02' 24" W, to the True Point of Beginning on the ordinary low water mark on the South Bank of Fall River; thence N 10° 02' 24" W, approximately 150 feet to the ordinary low water mark on the North bank of Fall River.

The sidelines of the above described strip of land to be shortened or lengthened as required to start and end at the ordinary low water mark.

Excepting therefrom any portion of said strip lying landward of the ordinary low water mark.

Basis of Bearing

The south line of Section 29, T 38 N, R 4 E, M.D.M. as being N 89° 38' 30" W.

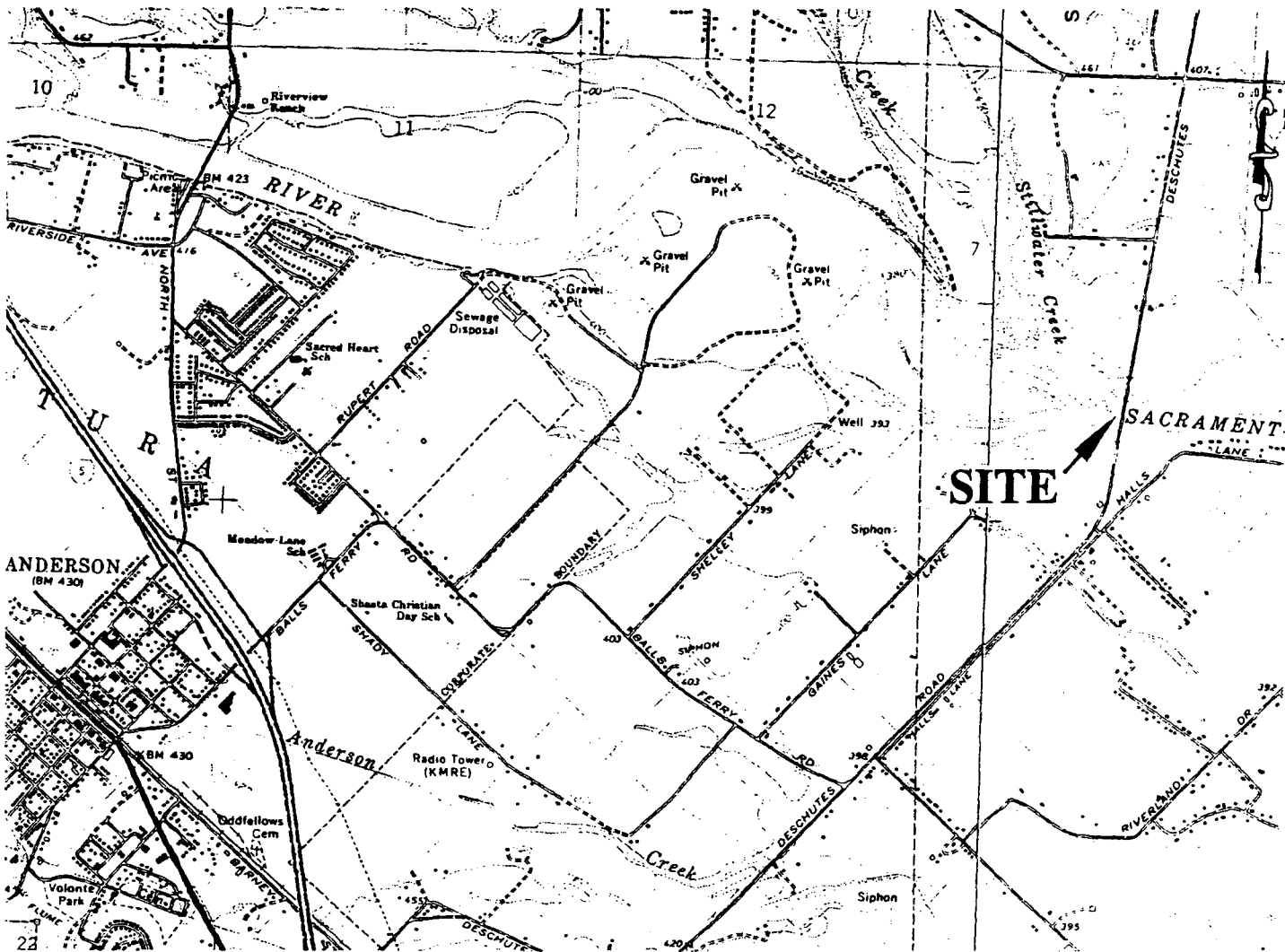


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NO SCALE

LOCATION MAP

Sacramento River



ANDERSON VICINITY

NO SCALE

CALIFORNIA MAP



EXHIBIT C

PRC 8157.9

PRC 8156.9

WORLDWIDE
FIBER NETWORK

Sacramento River

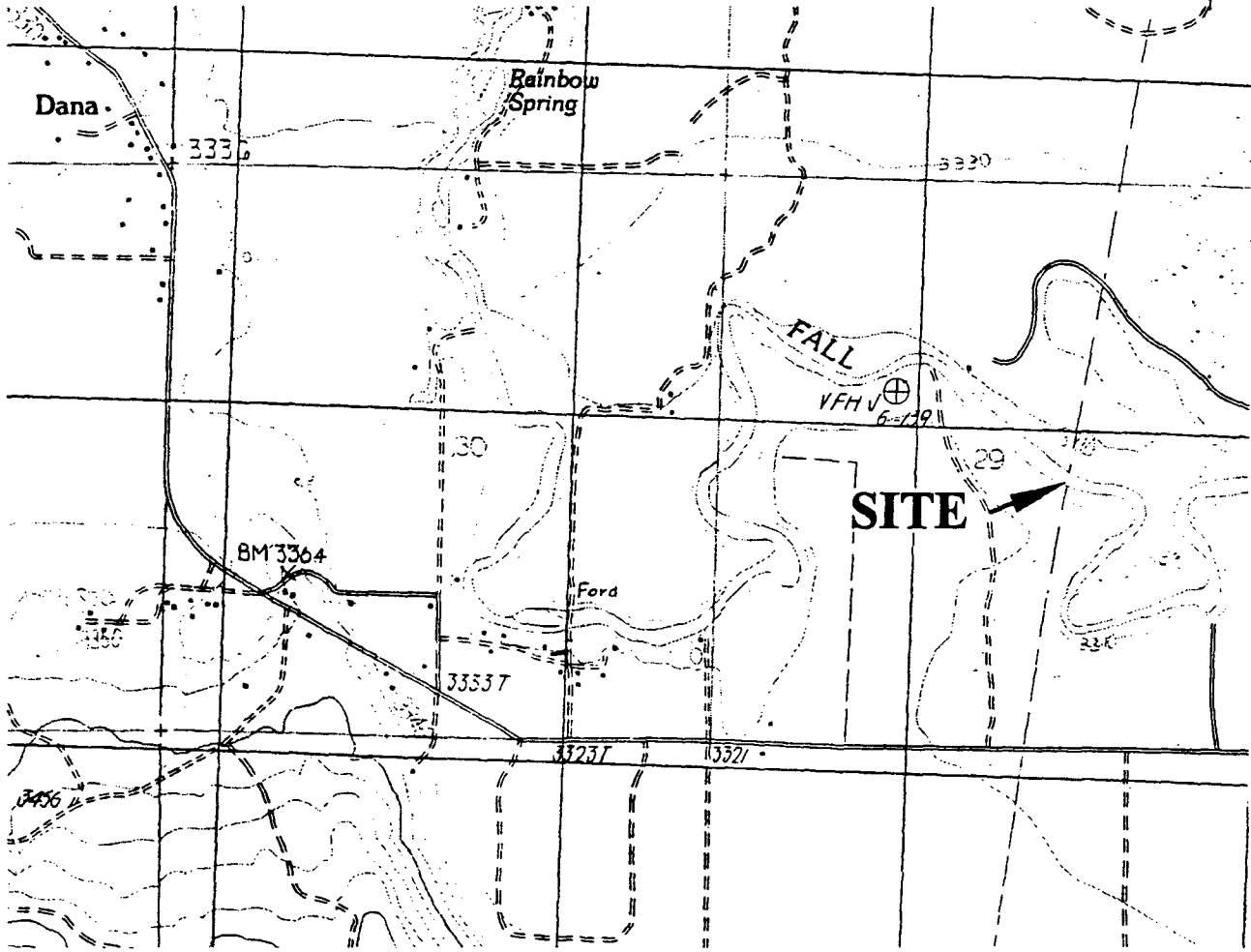
This Exhibit is solely for purposes of generally defining the lease premises, and is not intended to be, nor shall it be construed as, a waiver of limitation of any state interest in the subject or any other property.

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NO SCALE

LOCATION MAP

Fall River



FALL RIVER VALLEY

NO SCALE

CALIFORNIA MAP



EXHIBIT D

PRC 8157.9

PRC 8156.9

**WORLDWIDE
FIBER NETWORK**

Fall River

This Exhibit is solely for purposes of generally defining the lease premises, and is not intended to be, nor shall it be construed as, a waiver of limitation of any state interest in the subject or any other property.

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