CALENDAR ITEM C40

A 34 12/03/08 W 6005.115 S 18 R. B. Greenwood

CONSIDER APPROVAL OF A NON-EXCLUSIVE GEOLOGICAL SURVEY PERMIT ON SCHOOL LANDS SAN BERNARDINO COUNTY

APPLICANT:

Solel, Inc. Attn: Mr. Kevin Swartz 8105 Irvine Center Drive, Suite 1130 Irvine, CA 92618

AREA, LAND TYPE, LOCATION

The proposed Geologic Survey Permit will allow collection of surface geologic data and information for preliminary characterization of the site to support the preliminary design and layout of a 553 to 624 megawatt solar energy project by Solel, Inc. The proposed project will include an area of approximately 4,480 contiguous acres of State School Lands and 1,320 acres of Bureau of Land Management land in the Johnson Valley area—an unincorporated desert region of southwestern San Bernardino County.

BACKGROUND:

The geological surveys authorized under the terms of the permit include three (3) fault trenches, nine (9) test pits, and 20 soil borings pits for the purpose of documenting the Lenwood fault, sampling and characterizing sediments, and determining soil shrinkage factors and soil permeability. The non-destructive geologic sampling methods to be employed include: tire-mounted backhoes or excavators, a tire-mounted hollow stem auger, and possibly a rotary mud drill.

The location and characteristics of the Lenwood fault will be defined by excavating three trenches 100 feet long, five feet wide, and five to ten feet deep. Once excavated and shored, the trenches will each remain open for one week, during which they will be logged to delineate subsurface lithology and geologic structure. Onsite soils will be sampled and characterized via 20 soil borings that will range from 30 to 100 feet deep: six (6) borings to 100 foot depth, six (6) borings to 50 foot depth and eight (8) borings to 30 foot depth, as shown on the

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location map and described (Exhibits A and A1, attached hereto). Onsite soils will be further characterized through excavation, logging and testing up to nine (9) back hoe-excavated test pits. Test pits are typically 10 feet long, 8 feet wide, and 10 to 15 feet deep. In-place density tests and infiltration tests will be used to estimate soil shrinkage factors for foundation design and soil permeability, respectively. Passive soil resistivity will be measured at each sampling site. A Spill Contingency Plan, including machine fuels and lubricants, has been provided. Upon request, the California State Lands Commission (Commission) will receive copies of all data derived from any and all surveys under this permit.

TERMS OF PROPOSED PERMIT:

Two years, beginning December 4, 2008, through December 3, 2010.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

Required fees, expense deposit and other security have been received.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code section 6826
- B. California Code of Regulations, Title 2, section 2905(e)
- C. California Code of Regulations, Title 14, section 15061
- D. California Code of Regulations, Title 15, section 15306

OTHER PERTINENT INFORMATION:

1. Solel, Inc. has included numerous provisions as part of its project application to perform geologic survey work in the Johnson Valley area. These provisions are protective of sensitive resources to ensure avoidance during the course of the geologic surveys and include:

Biological Resources

- Pre-geotechnical sampling work, performed no more than seven days prior to the start of the geologic survey work, for special status plant and wildlife species, and sensitive habitats. Inclusion of 200foot buffers, well-marked, around all special status plants, sensitive habitats, or other special status species, that may be observed during the pre-geologic surveys.
- Vehicle speed limitations in areas, including buffers, occupied by special status plant and wildlife species, and sensitive habitats.
- A qualified biologist, with the authority to stop the work, will monitor all geophysical and geologic survey activities and will implement a monitoring and full avoidance program in any area identified as

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having the potential to contain special status plant and wildlife species, and sensitive habitats.

• The qualified biological monitor will prepare daily monitoring logs that will be submitted weekly to Solel, Inc. and the Commission.

Cultural Resources

- A qualified archaeologist, with the authority to stop the work, will
 monitor all geologic survey activities and will implement a
 monitoring and avoidance program in any area identified as having
 the potential to contain unique archaeological resources.
- Geologic survey personnel will be briefed on procedures to be followed in the event a unique archaeological resource is encountered.
- The qualified archaeological monitor will prepare daily monitoring logs that will be submitted weekly to Solel, Inc. and the Commission.

Hazards and Hazardous Materials

- Solel, Inc. will ensure that all contractors transport, store, and handle all geotechnical sampling materials that may be considered hazardous in a manner consistent with relevant regulations in the California Code of Regulations and guidelines established by the California Regional Water Quality Control Board prior to implementing any geotechnical sampling work.
- Solel, Inc. will develop an emergency response plan for any potential mishaps that may occur during the routine transport, use, storage, handling and/or disposal of hazardous materials.
- 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 as a categorically exempt project. The project is exempt under Class 6, Information Collection, Title 14, California Code of Regulations, section 15306.

Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15300.

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3. This activity involves lands which have been 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.

EXHIBITS:

A. Location Map

A1. Land Description: Sample Site Locations

PERMIT STREAMLINING ACT DEADLINE:

February 19, 2009.

RECOMMENDED ACTIONS:

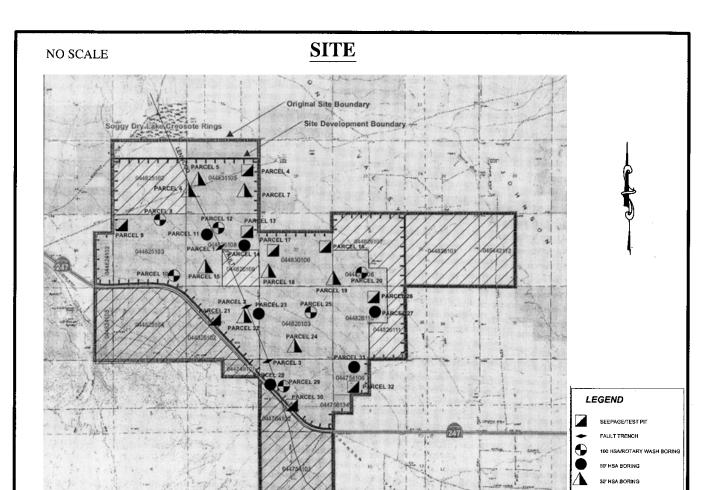
IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDINGS:

- 1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061, AS A CATEGORICALLY EXEMPT PROJECT, CLASS 6, INFORMATION COLLECTION; TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15306.
- 2. 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:

AUTHORIZE ISSUANCE TO SOLEL, INC. A NON-EXCLUSIVE PERMIT TO CONDUCT GEOLOGICAL SURVEYS FOR THE PERIOD OF DECEMBER 4, 2008, THROUGH DECEMBER 3, 2010, AT THE LOCATIONS DESIGNATED ON EXHIBITS A AND A1, ATTACHED HERETO.



STATE SCHOOL LANDS

PORTIONS OF SECTIONS 2 AND 3 TOWNSHIP 3 NORTH, RANGE 3 EAST AND SECTIONS 21, 26, 27, 28, 29, 33, 34 AND 35 TOWNSHIP 4 NORTH, RANGE 3 EAST, SAN BERNARDINO MERIDIAN



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

STATE SCHOOL LANDS

W 6005.115 SOLEL INC. GEOLOGIC SURVEY **PERMIT** SAN BERNARDINO **COUNTY**

