CALENDAR ITEM C46

A 34 10/16/08 W 6005.114 S 18 R. B. Greenwood

CONSIDER APPROVAL OF A NON-EXCLUSIVE GEOPHYSICAL AND GEOLOGICAL SURVEY PERMIT ON SAN BERNARDINO COUNTY SCHOOL LANDS UNDER THE JURISDICTION OF THE CALIFORNIA STATE LANDS COMMISSION

APPLICANT:

Solel, Inc.

Attn: Mr. Kevin Swartz

701 North Green Valley Parkway, Suite 200

Henderson, NV 89074

AREA, LAND TYPE, LOCATION

The proposed Geophysical and Geologic Survey Permit will allow collection of subsurface data and information to evaluate potential ground water resources in support of a 553 to 624 megawatt solar energy project by Solel, Inc. The proposed project will include an area of eight contiguous sections of approximately 4,480 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 geophysical surveys authorized under the terms of the permit are for the purpose of identifying the depth to bedrock, describing the layering of sediments, identifying the location of the Lenwood fault, and identifying the optimum location to drill a ground water test well. The non-destructive geophysical methods to be employed during the two five (5) week periods include: seismic refraction surveys that utilize a truck-mounted 240 pound dropping weight, electrical resistivity, and time domain electromagnetic sounding methods. Two main survey lines will be located along existing roads and up to 8 perpendicular lines will be conducted via rubber-tired equipment. No vegetation clearing or grading will be required. Field

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monitors will be present to identify the presence of potential biological and cultural resources such that they may be avoided. The analysis of the surveys will be used to evaluate the proposed location of a ground water monitoring well.

The geologic sampling program will be conducted by rotary drilling a ground water monitoring well to an approximate depth of 700 feet. The well will be approximately 17.5 inches wide and will include a 10-inch diameter perforated casing that will be surrounded by a layer of gravel approximately 7.5 inches thick. The well will be sampled on a quarterly basis for a period of two years, after which the well will be removed and abandoned in accordance with San Bernardino County Health Department standards. A Spill Contingency Plan including drilling mud, machine fuels, and lubricants, has been provided. Upon request, the California State Lands Commission will receive copies of all data derived from any and all surveys under this permit.

TERMS OF PROPOSED PERMIT:

Two years, beginning October 17, 2008, through October 16, 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 6212.2
- 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 14, section 15306

OTHER PERTINENT INFORMATION:

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

Biological Resources

- Pre-geotechnical sampling work, performed no more than seven days prior to the start of the geophysical and geologic work, for special status plant and wildlife species, and sensitive habitats.
 Inclusion of 200-foot buffers, well-marked, around all special status plants, sensitive habitats, or other special status species, that may be observed during the pre-geophysical and geologic surveys.
- Vehicle speed limitations in areas, including buffers, occupied by special status plant and wildlife species, and sensitive habitats.

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- 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 having the potential to contain special status plants and wildlife, and sensitive habitats.
- The qualified biological monitor will prepare daily monitoring logs that will be submitted weekly to Solel, Inc. and the CSLC.

<u>Cultural Resources</u>

- A qualified archaeologist, with the authority to stop the work, will
 monitor all geophysical and geologic survey activities and will
 implement a monitoring and avoidance program in any area
 identified as having the potential to contain unique archaeological
 resources.
- Geophysical and 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 CSLC.

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 and guidelines established by the California Code of Regulations and 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.

3. This activity involves lands which have been identified as possessing significant environmental values pursuant to Public Resources Code

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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.

EXHIBIT:

A. Location Map

PERMIT STREAMLINING ACT DEADLINE:

December 17, 2008

RECOMMENDED ACTIONS:

IT IS RECOMMENDED THAT THE COMMISSION:

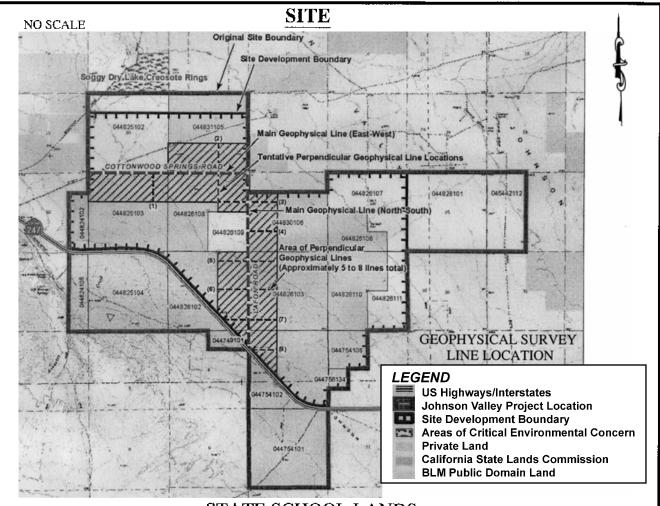
CEQA FINDINGS:

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.

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. OF A NON-EXCLUSIVE PERMIT TO CONDUCT GEOPHYSICAL AND GEOLOGICAL SURVEYS FOR THE PERIOD OCTOBER 17, 2008, THROUGH OCTOBER 16, 2010, AT THE LOCATIONS AS DESIGNATED ON EXHIBIT A, ATTACHED HERETO.



STATE SCHOOL LANDS

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

