Meeting Date: 08/25/26
Application Number: 5456
Staff: J. Holt

Staff Report 24

APPLICANT:

Arcadian Infracom 3, LLC, a Delaware limited liability company

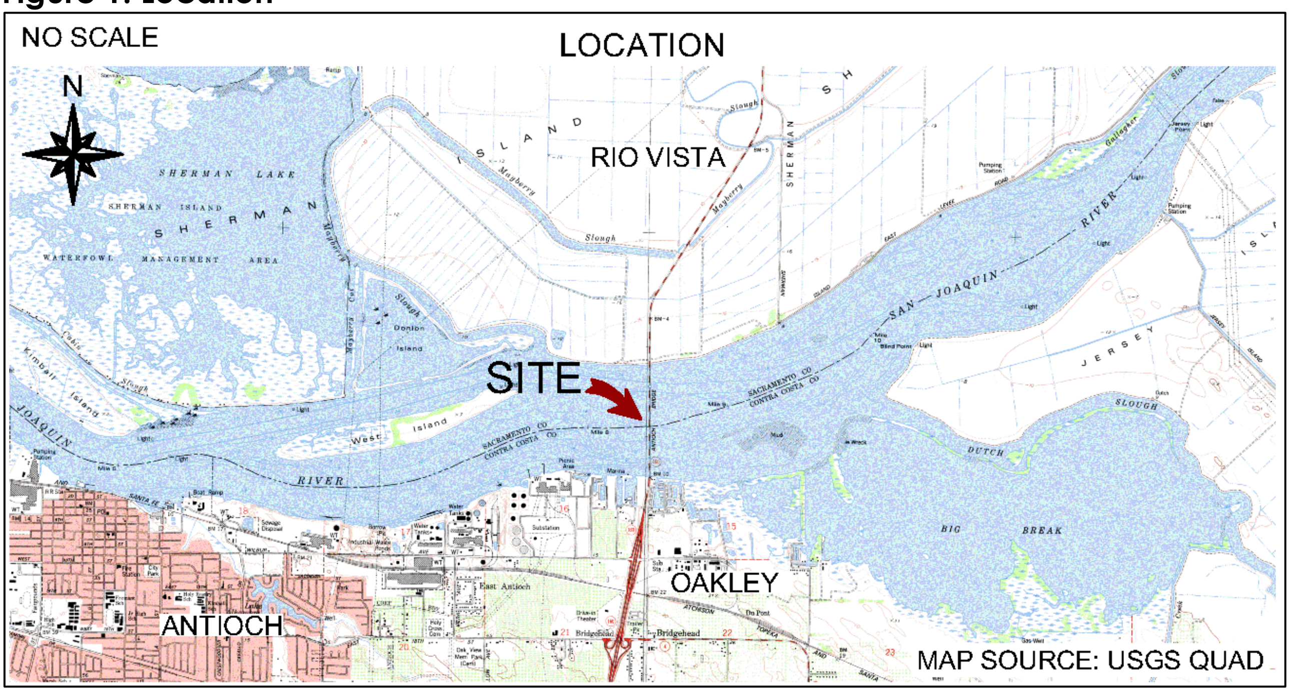
PROPOSED ACTION:

Issuance of a General Lease – Right-of-Way Use.

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the San Joaquin River, at the Antioch Bridge crossing, State Route 160, near Oakley, in Contra Costa and Sacramento counties (as shown in Figure 1).

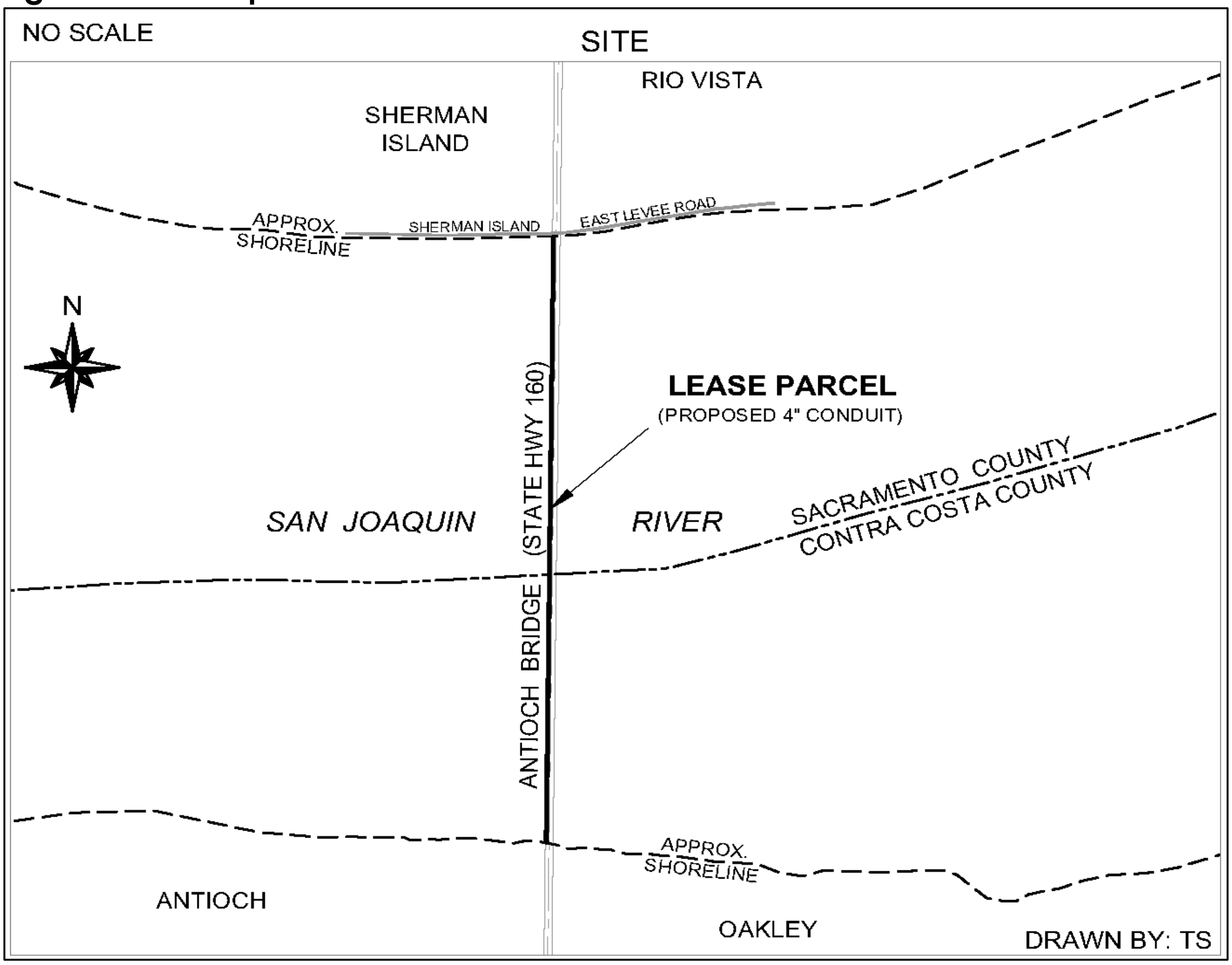
Figure 1. Location



AUTHORIZED USE:

Installation of a 4-inch-diameter fiber optic steel conduit with fiber optic lines (as shown in Figure 2).

Figure 2. Site Map



NOTE: This depiction of the lease premises is based on unverified information provided by the Applicant or other parties and is not a waiver or limitation of any State interest in the subject or any other property.

TERM:

20 years, beginning August 25, 2026.

CONSIDERATION:

$18,295 per year, with an annual Consumer Price Index adjustment and the State reserving the right to fix a different rent periodically during the lease term, as provided for in the lease.

SPECIFIC LEASE PROVISIONS:

- Bond or other security in the amount of $50,000.
- Lessee shall comply with all existing and subsequently enacted laws or regulations promulgated by the federal, state, and local agencies having lawful authority and jurisdiction over the facilities within the Lease Premises.
- Lessee shall reimburse any and all reasonable expenses incurred by Lessor or its staff in managing the Lease.
- Within 60 days of project completion with the Lease Premises, Lessee shall provide post-construction project verification including: a set of “as-built” construction plans certified by a California registered Civil/Structural Engineer and a post-construction written narrative report confirming completion of the project with discussion of any significant field changes or other modifications to the approved design.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

Public Resources Code sections 6005, 6216, 6301, 6501.1, and 6503; California Code of Regulations, title 2, sections 2000 and 2003.

PUBLIC TRUST AND STATE’S BEST INTERESTS:

The Applicant has applied to install a 4-inch-diameter fiber optic steel conduit with fiber optic lines along the Antioch Bridge crossing, over the San Joaquin River, State Route 160 Bridge, near Oakley, in Contra Costa and Sacramento Counties.

The application pertains to the Middle-Mile Broadband Network project (Project) for a telecommunications network along California highways and surrounding areas. The San Joaquin River is subject to the Commission’s jurisdiction. The Project will provide internet and mobile data coverage to rural communities in this part of Northern California.

The Applicant is proposing to attach the conduit to an existing bridge owned and operated by the California Department of Transportation (and under Lease 5059 from the Commission). The conduit would be attached to the west side (downstream) of the bridge, crossing to the east under the northern-most support. The conduit would occupy a relatively small space on the bridge crossing over the river and would not impact the navigability or the recreational use of the river, nor any other Public Trust uses. A two-person lift extending from the roadway will be utilized for placement of the conduit. Strapping hardware would be installed on the bridge to hold the conduit in place. The conduit would continue underground on each side of the bridge along the roadway and within road shoulders. The entry and exit points of the conduit on the upland are located outside of the Commission's jurisdiction. The proposed lease does not alienate the State's fee simple interest or permanently impair public rights. In addition, the lease has a limited 20-year term and does not grant the lessee exclusive rights to the lease premises.

The proposed lease requires the lessee to insure the lease premises and indemnify the State for any liability incurred as a result of the lessee's activities thereon. The lease also requires the payment of annual rent to compensate the people of the State for the occupation of public land.

CLIMATE CHANGE:

INTRODUCTION:

The climate crisis and rising sea levels are impacting California's coastal and inland waterways now. Likely impacts to the lease premises include, but are not limited to, sea level rise, saltwater intrusion, prolonged drought, extreme heat, and changes to the intensity and timing of precipitation events. These impacts can exacerbate natural hydrological processes such as erosion, scour, and sedimentation. These impacts may affect the existing Antioch Bridge to which the proposed fiber optic telecommunications cable would be attached, subject to the proposed lease, located on the San Joaquin River.

DATA & PROJECTIONS:

Water levels in tidally-influenced rivers will rise as sea levels rise. The California Ocean Protection Council updated the State of California Sea Level Rise Guidance in 2024 to provide a synthesis of the best available science on sea level rise projections and rates for multiple emissions scenarios. Commission staff evaluated the "intermediate-high" and "high" scenarios due to the vulnerability and exposure of the lease location and the continued global reliance on fossil fuels. The Port Chicago tide gauge was used for the projected sea level rise scenario for the region, as listed in Table 1.

Table 1. Projected Sea Level Rise for Port Chicago

Year	Intermediate-High (feet)	High (feet)
2040	0.7	0.8
2050	1.0	1.3
2070	2.2	2.9
2100	4.8	6.5

Source: Table 6, State of California Sea Level Rise Guidance: 2024 Update
Note: Projections are with respect to a 2000 baseline.

In addition to rising seas, warmer temperatures have led California and the Southwest region to experience a megadrought from 2000 to 2022, measured as the driest 22 years in the past 1200 years, and more megadroughts are projected through the end of the century (Fifth National Climate Change Assessment: Southwest Region, 2023). Hotter and drier conditions have led to declines in snowpack volumes, higher-elevation snow lines, earlier snowmelt, and reduced overall runoff. Streamflow and river volumes are lower and will be drawn down farther as temperatures continue to rise and demand for water increases. Despite the region's increasing aridity, flooding from extreme precipitation events is projected to increase, attributed to earlier snowmelt, sea level rise, and more intense and frequent atmospheric rivers. Minor and moderate flooding (flooding events defined as disruptive to damaging), attributed to higher water levels, is expected to increase five to ten orders of magnitude by 2100, according to NOAA's 2022 Sea Level Rise Technical Report.

Analysis:

The lease premises are likely to experience more extreme conditions over the lease term than in the past, due to climate change. Changes to the timing and amount of runoff from the higher elevations of the watershed, stronger storm surge, and rising water levels will result in higher flood risks. Bridge integrity may be compromised due to increased channel erosion and undercutting of the piles from more intense precipitation and floods. In addition, structures on the lease premises may be exposed to saltier water and corrode faster than before.

Recommendations:

The bridge may sustain substantial damage and degradation due to climate change and sea level rise over the lease term, requiring more frequent repairs and maintenance to retain its function. To reduce the likelihood of adverse impacts to the lease premises and improvements, the lessee should inspect fixed structures frequently and monitor for degradation, replacing damaged parts when necessary and elevating or relocating structures to address compromised structural function and integrity. Any future construction or activities on State land would require a separate authorization from the Commission.

Regular maintenance, as referenced in the lease, may reduce the likelihood of severe structural degradation or dislodgement. Pursuant to the proposed lease, the Applicant acknowledges that the lease premises and adjacent upland are located in an area that may be subject to the effects of climate change, including sea level rise.

CONCLUSION:

For all the reasons stated above, staff believes issuance of the proposed lease will not substantially impair the public rights to navigation, fishing, and commerce, or substantially interfere with the Public Trust needs and values at this location, as this time, and for the term of the proposed lease; and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. If the Commission denies this request, the Applicant cannot install the proposed fiber optic steel conduit with fiber optic lines. The lessee has no right to a new lease or to renewal of any previous lease.
2. This action is consistent with the "Meeting Evolving Public Trust Needs" Strategic Focus Area of the Commission's 2021-2025 Strategic Plan.
3. The proposed lease contains provisions for a lease maintenance agreement to cover staff costs to comply with the lease terms.
4. Staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a statutorily exempt project. The project is exempt because the project consists of linear

broadband deployment within a right-of-way and meets all conditions set forth in Public Resources code section 21080.51.

APPROVALS REQUIRED:

- California Public Utilities Commission
- California Department of Transportation
- Central Valley Flood Control Board

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a statutorily exempt project pursuant to Public Resources Code section 21080.51.

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that issuance of the proposed lease will not substantially impair the public rights to navigation, fishing, and commerce, or substantially interfere with the Public Trust needs and values at this location, at this time, and for the term of the lease; and is in the best interests of the State.

AUTHORIZATION:

Authorize issuance of a General Lease – Right-of-Way Use to the Applicant beginning August 25, 2026, for a term of 20 years, for the installation and use of a 4-inch-diameter fiber optic steel conduit with fiber optic lines; annual rent in the amount of $18,295 with an annual Consumer Price Index adjustment and the State reserving the right to fix a different rent periodically during the lease term, as provided for in the lease; a bond or other surety in an amount of $50,000; and liability insurance in an amount no less than $1,000,000 per occurrence.