

Thursday, May 29, 2008

The Board met at its offices at 450 N Street, Sacramento, at 9:30 a.m., Dr. Chu, Chair, Ms. Yee, Vice Chairwoman, Mr. Leonard, Ms. Steel and Mr. Chiang present.

BOARD PHOTOGRAPH

The annual Board photograph was taken of Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Mr. Chiang.

SPECIAL PRESENTATION

Dr. Chu read into the record a retirement resolution to Stanley Siu, Chief, State-Assessed Properties Division, Property and Special Taxes Department.

PROPERTY TAX MATTER

STATE-ASSESSED PROPERTIES VALUE SETTING

Stanley Siu, Chief, State-Assessed Properties Division, Property and Special Taxes Department, made introductory remarks regarding the valuation of state-assessed properties.

Electric Generation Facilities

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value (including penalty if applicable) to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

1100	AES Alamitos, LLC	248,600,000
1101	AES Redondo Beach, LLC	182,400,000
1102	AES Huntington Beach, LLC	98,000,000
1103	Dynegy Moss Landing, LLC	742,400,000
1105	Dynegy Oakland, LLC	7,380,000
1106	Cabrillo Power I LLC	110,100,000
1107	Cabrillo Power II LLC	6,230,000
1108	Mirant Potrero, LLC	41,900,000
1109	Mirant Delta, LLC	110,800,000
1110	El Segundo Power LLC	45,700,000
1111	Long Beach Generation LLC	84,900,000
1112	La Paloma Generating Company, LLC	477,900,000
1113	Reliant Energy Coolwater, Inc.	21,600,000
1114	Reliant Energy Mandalay, Inc.	42,700,000
1115	Reliant Energy Ormond Beach, Inc	84,700,000
1116	Reliant Energy Etiwanda, Inc.	41,000,000
1117	Reliant Energy Ellwood, Inc.	3,170,000
1118	Dynegy South Bay, LLC	10,300,000

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1119	Mountainview Power Company, L.L.C.	593,500,000
1122	GWF Energy, LLC - Hanford	59,900,000
1123	GWF Energy, LLC - Henrietta	61,000,000
1124	GWF Energy, LLC - Tracy	93,800,000
1126	Elk Hills Power, LLC	306,500,000
1127	High Desert Power Trust 2000-A	468,000,000
1128	Delta Energy Center, LLC	438,400,000
1129	Gilroy Energy Center, LLC	91,400,000
1131	Pastoria Energy Facility, LLC	455,500,000
1132	Calpine Construction Finance Company, LP	234,200,000
1133	Metcalf Energy Center, LLC	319,200,000
1134	Otay Mesa Generating Company, LLC	178,700,000
1136	Blythe Energy, LLC	245,100,000
1137	Sunrise Power Company, LLC	348,900,000
1141	Indigo Generation LLC	70,500,000
1142	Larkspur Energy LLC	50,900,000
1143	Los Esteros Critical Energy Facility LLC	79,500,000
1145	Harbor Cogeneration Company	9,180,000
1148	Inland Empire Energy Center, LLC	459,300,000
1149	Caithness Blythe II, LLC	608,000
1150	Tesla Power Plant	1,630,000

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

1104	Dynegy Morro Bay, LLC	44,900,000
1146	AES Placerita, Inc.	773,000

Energy Companies

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

101	Golden State Water Company	504,700,000
103	Anza Electric Cooperative, Inc.	14,300,000
106	PacifiCorp	195,000,000
135	Pacific Gas and Electric Company	18,032,000,000
141	San Diego Gas & Electric Company	4,451,500,000
146	Sierra Pacific Power Company	183,400,000
148	Southern California Edison Company	12,367,800,000
149	Southern California Gas Company	3,163,200,000
152	Southwest Gas Corporation	199,700,000

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153	Transwestern Pipeline Company	583,000
156	Atlantic Path 15, LLC	140,700,000
160	Valley Electric Association, Inc.	48,500
173	Surprise Valley Electrification Corp.	13,400,000
176	Plumas-Sierra Rural Electric Cooperative	40,900,000
180	North Baja Pipeline, LLC	85,400,000
185	Mountain Utilities, LLC	4,270,000
187	Mojave Pipeline Company	56,000,000
188	Kern River Gas Transmission Company	332,800,000
189	Standard Pacific Gas Line, Incorporated	23,100,000
190	Tuscarora Gas Transmission Company	77,800,000
191	Arizona Public Service Company	2,630,000
192	Alpine Natural Gas Operating Company No. One LLC	2,340,000
193	Southwest Transmission Cooperative, Inc.	126,000
194	West Coast Gas Company, Inc.	929,000
196	Questar Southern Trails Pipeline Company	26,800,000
197	El Paso Natural Gas Company	77,900,000
198	Lodi Gas Storage, LLC	228,600,000

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

195	Wild Goose Storage, LLC	128,200,000
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Pipeline Companies

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, Ms. Steel not participating in 467, *ConocoPhillips Company*; and, 480, *ConocoPhillips Pipe Line Company*; the Board ordered that the market value (including penalty if applicable) to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

400	Standard Gas Company	267,000
402	CALNEV Pipe Line LLC	84,300,000
406	CPN Pipeline Company dba Calpine Pittsburg, Inc.	13,900,000
407	Valero Refining Company - California	906,000
409	West Coast Pipe Lines	186,700,000
410	Homestake Mining Company of California	139,000
412	Kings County Canal Company	663,000
428	CPN Pipeline Company	26,500,000
429	Chevron U.S.A., Inc.	39,000,000
432	Equilon Enterprises LLC	194,900,000
435	Natomas Central Mutual Water Company	131,000
461	SFPP, L.P.	359,900,000

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462	ARCO Midcon LLC	1,400,000
464	Ventura Pipeline System	4,380,000
465	Plains Pipeline, LP	13,700,000
467	ConocoPhillips Company	571,000
468	Shell California Pipeline Company LLC	5,650,000
469	San Ardo Pipeline Company	17,600,000
475	Searles Valley Minerals Operations Inc.	1,910,000
476	Chevron USA, Inc.	8,440,000
478	California Gas Gathering, Inc.	59,900
479	Chevron Pipeline Company	52,400,000
480	ConocoPhillips Pipe Line Company	52,100,000
483	Mobil Pacific Pipeline Company	1,930,000
484	CPN Pipeline Company dba Calpine Pipeline Corporation	6,930,000
486	Pacific Pipeline System, LLC	176,300,000
488	Pacific Terminals LLC	53,900,000
489	Venoco, Inc.	5,600,000
490	Crimson California Pipeline L.P.	6,760,000

Railroad Companies

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value (including penalty if applicable) to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

800	Alameda Belt Line	298,000
802	Central Oregon & Pacific Railroad	3,020,000
804	BNSF Railway Company	862,300,000
808	West Isle Line, Inc.	179,000
810	California Northern Railroad	11,900,000
812	Ventura County Railroad	2,860,000
813	Pacific Harbor Lines	22,700,000
815	Mendocino Railway	1,730,000
818	Central California Traction Company	6,630,000
839	Oakland Terminal Railway Company	134,000
843	Union Pacific Railroad Company	948,700,000
850	Modesto & Empire Traction Company	27,100,000
857	Richmond Pacific Railroad Corporation	930,000
865	San Diego & Imperial Valley Railroad Co. Inc.	7,350,000
869	Coast Belle Railroad Company	882,000
878	Stockton Terminal and Eastern Railroad	11,100,000
882	Trona Railway Co.	14,000,000
883	McCloud Railway Company	2,340,000
889	Yreka Western Railroad Co.	520,000
892	Almanor Railroad Company	427,000

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894	Napa Valley Wine Train, Inc.	20,300,000
896	Santa Cruz Big Trees & Pacific Railway Co.	2,030,000
897	San Joaquin Valley Railroad Company	8,830,000
898	Sierra Northern Railway	1,260,000
899	Arizona & California Railroad	3,630,000

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value (including penalty if applicable) to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

817	Tulare Valley Railroad	280,000
819	Carrizo Gorge Railway, Inc.	120,000
821	Modoc Northern Railroad Company	2,150,000

Radio Telephone and Paging Companies

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value (including penalty if applicable) to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

3002	American Messaging, Inc.	2,550,000
3005	Mobilephone of Humboldt, Inc.	95,500
3039	Fresno Mobile Radio, Inc.	431,000
3052	Vincent Communications, Inc.	34,500
3362	Madera Radio Dispatch, Inc.	368,000
3430	USA Mobility Wireless, Inc.	11,900,000
3432	Point Telesystems, LLC	16,500
3434	James R. McKeown	56,900

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value (including penalty if applicable) to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

3427	Access Paging Company, Inc.	63,700
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Interexchange Telephone Companies

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value (including penalty if applicable) to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

2014	Sprint Communications Company, L.P.	317,500,000
2038	Verizon Airfone Inc.	48,000

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2054	Spacenet, Inc.	43,200
2099	Smart City Networks LP	854,000
2207	Global Crossing Telecommunications, Inc.	34,100,000
2274	MCI Communications Services, Inc.	400,100,000
2275	SES Americom, Inc.	491,000
2310	AT&T Communications, Inc.	739,600,000
2366	Value-Added Communications, Inc.	47,100
2368	Globe Wireless, LLC	1,270,000
2372	MCI Metro Access Transmission Services, LLC.	170,200,000
2376	Working Assets Funding Service, Inc.	763,000
2416	NOS Communications, Inc.	2,990,000
2430	Electric Lightwave, LLC	28,100,000
2437	Dialink Corporation	18,300
2443	National Comtel Network, Inc.	9,400
2463	Qwest Communications Corporation	172,700,000
7503	Verizon Select Services, Inc.	2,440,000
7512	Frontier Communications of America, Inc.	7,590,000
7522	Time Warner Telecom of California, L.P.	177,700,000
7536	Global Crossing North American Networks, Inc.	13,400,000
7538	Tremcom International, Inc.	98,800
7544	Telswitch, Inc.	30,300
7553	Comcast Phone of California, LLC	5,900,000
7560	XO Communications Services, Inc.	76,300,000
7571	Network Enhanced Technologies, Inc.	417,000
7580	Evercom Systems, Inc.	653,000
7581	ABS-CBN Telecom North America, Inc.	224,000
7588	PNG Telecommunications, Inc.	8,600
7621	SES Americom California, Inc.	5,320,000
7623	NYNEX Long Distance Company dba Verizon Enterprise Solutions	841,000
7625	TCAST Communications, Inc.	856,000
7631	Worldnet Communications Services Inc.	8,400
7632	Business Discount Plan, Inc.	36,900
7636	Network Telephone Services, Inc.	3,130,000
7638	Integrated Telemanagement Services, Inc.	87,400
7640	Cox California Telecom, LLC	133,200,000
7645	Communications Brokers & Consultants, Inc.	3,700
7686	Primus Telecommunications, Inc.	532,000
7690	CCT Telecommunications, Inc.	60,700
7699	Legacy Long Distance International	344,000
7705	Sierra Telephone Long Distance	51,500
7706	Covad Communications Company	51,900,000
7707	SureWest Long Distance	8,400
7729	New Global Telecom, Inc.	94,500
7732	NTT America, Inc.	94,000,000
7735	Pacific Centrex Services, Inc./TGEC, LLC	70,100

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7740	TRI-M Communications, Inc.	732,000
7757	U.S. TelePacific Corp.	119,900,000
7758	BT Americas Inc.	12,100,000
7761	Level 3 Communications, LLC	514,900,000
7766	KDDI America, Inc.	5,670,000
7769	Airnex Communications, Inc.	63,100
7777	MGEN Services Corporation	4,800
7778	NTI of California, LLC	289,000
7779	360networks (USA) inc.	6,500,000
7781	KT America, Inc.	656,000
7782	Ton Services, Inc.	66,200
7790	NTC Network, LLC	2,800
7791	O1 Communications, Inc.	2,830,000
7792	Point To Point, Inc.	399,000
7799	Wilshire Connection, LLC	1,880,000
7800	New Edge Networks	708,000
7811	Public Communications Services, Inc.	3,820,000
7813	Advanced Telecom, Inc.	4,410,000
7814	PAETEC Communications, Inc.	11,300,000
7815	GTC Telecom Corp.	156,000
7823	U.S. Telestar Communications Group	1,500
7824	KermanTel Long Distance	396,000
7832	Astound Broadband LLC	57,200,000
7834	Pannon Telecom, Inc.	104,000
7837	AboveNet Communications, Inc.	41,000,000
7845	San Carlos Telecom, Inc.	75,200
7859	EAS Communication, Inc.	59,100
7868	Fones 4 All Corporation	1,270,000
7871	GTE.NET LLC	43,500,000
7872	Infotech Telecommunications & Network, Inc.	14,700
7876	Total Call International, Inc.	1,840,000
7880	Quick-Tel, Inc.	7,300
7885	AT&T ASI/ AT&T ASI P&L L.P.	421,600,000
7887	Accessline Communications Corporation	77,500
7899	RGT Utilities of California, Inc.	21,200
7902	Zone Telecom, Inc.	1,250,000
7907	Telscape Communications, Inc.	5,550,000
7910	Champion Broadband California, LLC	6,720,000
7912	Americom Government Services, Inc.	1,060,000
7913	VCOM Solutions, Inc.	112,000
7914	McLeodUSA Network Services, Inc.	216,000
7916	Peak Communications, Inc.	17,700
7927	Rapid Link, Inc.	23,000
7932	Metro Access Exchange, LLC	20,100
7938	McBlue Telecom, Inc.	51,600

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7939	Samsung Networks America, Inc.	6,900
7945	ZTG, Inc.	26,100
7947	IDT America, Corp.	243,000
7948	Telnor Satellite Services, Inc.	9,270,000
7949	Call America, Inc.	371,000
7950	ATMC, Inc.	8,100
7951	SWB Communications Services, Inc.	2,790,000
7953	Openpop.com, Inc.	284,000
7955	Enhanced Communications Network, Inc.	123,000
7956	Telespan Communications, LLC	68,700
7957	Telekenex, Inc.	8,670,000
7959	Airespring, Inc.	147,000
7961	SureWest Televideo	156,500,000
7964	Aries Network, Inc.	25,200
7967	New World Telecom International, Inc.	112,000
7969	Intelsat Global Service Corporation	21,400,000
7972	Yipes Enterprise Services, Inc.	8,060,000
7973	Alliance Payphone, Inc.	256,000
7978	Legent Communications Corporation	40,300
7980	Teledata Solutions, Inc.	892,000
7981	Leading Edge Communications, LLC	2,050,000
7982	NextG Networks Of California, Inc.	74,800,000
7983	LCR Services, Inc.	2,600
7985	UCN, INC.	1,390,000
7986	Inc21.com Corporation	128,000
7988	Global Tel*Link Corporation	2,330,000
7990	CMTel (USA) LLC	1,440,000
7992	NobelTel, LLC	1,120,000
7993	Clear World Communications Corporation	126,000
7994	Utility Telephone, Inc.	944,000
7995	IP Networks, Inc.	13,200,000
7996	RuralWest - Western Rural Broadband, Inc.	1,060,000
7997	Edison Carrier Solutions	63,900,000
7999	Hands On Video Relay Services, Inc.	1,920,000
8000	G2 Solutions, LLC	1,500
8001	Custom Switching Technologies, Inc.	56,000
8002	Neutral Tandem - California, LLC	4,180,000
8003	Creative Interconnect Communications, LLC	136,000
8004	Greenfield Communications, Inc.	743,000
8005	Cable and Wireless Americas Operations, Inc.	1,650,000
8006	Lucky Communications, Inc.	96,700
8007	Asia Talk Telecom, Inc.	202,000
8008	Volo Communications of California, Inc.	179,000
8009	France Telecom Corporate Solutions, LLC	6,400
8011	DelTel, Inc.	217,000

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8012	RB Communications, Inc.	84,900
8013	Worldwide Telecommunications, Inc.	1,000
8015	China Telecom (Americas) Corporation	3,220,000
8017	Locus Telecommunications, Inc.	676,000
8019	Global Touch Telecom, Inc.	136,000
8022	Allstate Communications, Inc.	430,000
8023	One Phone, Inc.	377,000
8025	FreedomStarr Communications, Inc.	121,000
8027	Blue Casa Communications, Inc.	422,000
8028	Mercury Telecom, Inc.	263,000
8029	IPC Network Services, Inc.	76,500
8030	Andiamo Telecom, LLC	27,500
8031	Backbone Communications, Inc.	108,000
8032	BCE Nexxia Corporation	488,000
8037	CA-CLEC LLC	1,180,000
8038	Telespan Carrier Access, LLC	76,000
8039	Voicecom Telecommunications, LLC	1,410,000
8040	Mission Telecom, Inc.	8,300
8041	DMR Communications, Inc.	331,000
8044	Intermetro Communications, Inc.	1,390,000
8045	IDT Spectrum	13,000
8046	Hypercube LLC	247,000
8047	Syniverse Technologies, Inc.	19,800
8049	Cbeyond Communications, LLC	10,300,000
8051	Inteltrace, Inc.	22,300
8055	Network Pts, Inc.	6,300
8059	AVT Group, Inc.	168,000
8060	Comtel Telecom Assets LP	518,000
8061	Charter Fiberlink CA-CCO, LLC	39,100,000
8062	Ezequiel Guido	2,000
8063	Time Warner Cable Information Services (California), LLC	2,890,000
8065	ConnectTo Communications, Inc.	285,000
8066	Calmtel USA, Inc.	86,000
8067	Sunesys, LLC	19,200,000
8070	Across the Globe Telecommunications, Inc.	260,000
8071	Bell Atlantic Communications, Inc.	750,000
8072	Cypress Communications Operating Co., Inc.	824,000

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value (including penalty if applicable) to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

2043	Pac-West Telecomm, Inc.	21,000,000
7517	Vycera Communications, Inc.	631,000

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7723	Opentel Communications, Inc.	83,400
7756	Centergistic Solutions, Inc.	81,100
7846	The Telephone Connection Local Services, LLC	32,000
7866	Telmex USA, LLC	22,500,000
7870	Communications Express, Inc.	7,300
7874	Competitive Communications, Inc.	24,200
7917	APEX Telecom, Inc.	101,000
7934	Telecom House Inc.	43,100
7940	Consumer Telcom, Inc.	1,100
7952	Advanced Tel, Inc.	18,000
7960	CallTower, Inc.	1,630,000
7965	VizAbility Communications, Inc.	8,200
7998	Norcast Communications Corporation	354,000
8010	A+ Wireless	18,300
8018	Telewest, Inc.	10,700
8020	GVN Services	108,000
8026	Nationwide Telecom, Inc.	38,000
8033	Telecom Consultants Inc.	1,800
8042	Paxio Inc.	406,000
8048	Bright House Networks Information Services (California), LLC	145,000
8050	Starvox Communications, Inc.	381,000
8054	G2G Telecom, Inc.	11,300
8056	Myzia Communications, LLC	66,600
8057	Vertex Telecom, Inc.	588,000
8068	North County Communications Corp	123,000
8069	Ace Communications, Inc.	9,100
8073	Koncept International, Inc.	176,000
8074	Silv Communication, Inc.	10,500
8075	Tran National Communications International, Inc.	177,000
8076	OPEX Communications, Inc.	537,000
8077	Newpath Networks, LLC	959,000
8078	U.S. Telecom Long Distance, Inc.	26,700
8079	Cal-Ore Communications, Inc.	252,000
8080	Ymax Communications Corporation	142,000
8081	Sonic Telecom, LLC	7,800
8082	WTI Communications, Inc.	37,800

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and duly carried, Ms. Yee, Ms. Chu and Mr. Chiang voting yes, Mr. Leonard and Ms. Steel voting no, the Board ordered that the market value (including penalty if applicable) to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

7894	Ponderosa Cablevision	819,000
8035	Access One, Inc.	5,200

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Wireless Telephone Companies

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value (including penalty if applicable) to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

2532	Los Angeles SMSA Ltd., Partnership	889,800,000
2552	Fresno MSA Limited Partnership	112,000,000
2559	Cellco Partnership	1,193,000,000
2602	Digital Communications Network, Inc.	98,600
2605	Nova Cellular West, Inc.	41,300
2606	AT&T Mobility LLC	1,822,000,000
2649	Action Cellular Rent-A-Phone, Inc.	8,600
2665	WWC License, LLC	9,170,000
2668	California RSA No. 3 Limited Partnership	11,700,000
2669	California RSA #4 Partnership	14,000,000
2671	California Rural Service Area #1, Inc.	31,700,000
2681	Everything Wireless, LLC	74,700
2687	SLO Cellular, Inc.	9,520,000
2720	Sprint PCS	2,546,100,000
2733	MetroPCS California, LLC	221,800,000
2745	West Coast P.C.S.	25,700,000
2748	OmniPoint Communications Inc.	1,577,500,000
2753	Edge Wireless, LLC	20,000,000
2758	Image Paging & Cellular Inc.	80,300
2760	Fisher Wireless Services, Inc.	1,610,000
2762	Cricket Communications, Inc.	220,700,000
2764	NTCH-CA, Inc.	600,000
2767	Virgin Mobile USA, LP	23,300,000
2772	Globalstar USA, LLC	4,430,000
2773	Accessible Wireless, LLC	936,000
2774	Helio, LLC	12,700,000
2775	Nextlink Wireless, Inc.	177,000
2776	WDIG Mobile, LLC	370,000
2778	Movida Communications, Inc.	3,700
2779	Royal Street Communications, LLC	197,800,000

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value (including penalty if applicable) to be used in the assessment of unitary property of the following listed companies as of January 1, 2008, be as follows:

2658	Intouch America, Inc.	65,300
2683	Pay-Less Cellular	3,290,000
2746	Alpine PCS, Inc.	276,000

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2777	Amp'D Mobile, Inc.	6,010,000
2780	i-wireless, LLC	544,000
2781	Azteca Mobile, LLC	2,500

Local Exchange Companies

Action: Upon motion of Mr. Chiang, seconded by Ms. Yee and unanimously carried, Ms. Yee, Ms. Chu, Mr. Leonard, Ms. Steel and Mr. Chiang voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2008 be as follows:

201	Verizon California, Inc.	3,920,700,000
202	CenturyTel of Eastern Oregon, Inc.	55,600
205	Ponderosa Telephone Co., The	31,000,000
209	Pinnacles Telephone Co.	1,530,000
210	Calaveras Telephone Company	13,200,000
228	Ducor Telephone Company	8,470,000
229	Global Valley Networks, Inc.	9,250,000
235	Foresthill Telephone Co.	13,400,000
239	Hornitos Telephone Company	1,350,000
240	Happy Valley Telephone Company	1,630,000
246	Kerman Telephone Co.	14,800,000
270	Citizens Telecommunications Company of Golden State, Inc.	7,200,000
279	Pacific Bell Telephone Company	7,436,700,000
284	Citizens Telecommunications Company of California, Inc.	123,100,000
286	Sierra Telephone Company, Inc.	42,400,000
294	SureWest Telephone	150,800,000
301	Siskiyou Telephone Company, The	33,600,000
311	Citizens Telecommunications Company of Tuolumne, Inc.	4,520,000
320	Verizon West Coast Inc.	10,200,000
327	Volcano Telephone Company	23,200,000
328	Cal-Ore Telephone Co.	7,760,000
330	Winterhaven Telephone Company	1,490,000

SPECIAL TAXES MATTERS, DENIAL OF RELIEF OF PENALTIES, ADJUDICATORY

Republic Indemnity Company of California, 298649 (ET)

10-1-04 to 12-31-04, \$124,765.20

Considered by the Board: April 8, 2008

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Ms. Yee, seconded by Dr. Chu and duly carried, Dr. Chu, Ms. Yee and Mr. Chiang voting yes, Mr. Leonard and Ms. Steel voting no, the Board approved the denial of relief of penalty as recommended by staff.

Ms. Mandel entered the Boardroom on behalf of Mr. Chiang in accordance with Government Code section 7.9.

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SALES AND USE TAX APPEALS HEARING

Princess House, Inc., 380967 (OHB)

10-1-02 to 9-30-05, \$762,927.57 Tax, \$76,293.06 Negligence Penalty, \$6,989.69 Double Negligence Penalty, \$5,941.24 Amnesty Interest Penalty

For Petitioner:

Daniel L. Murphy, Taxpayer
Michael R. Carchedi, Taxpayer
Stacey Matthew, CPA
Scot Grierson, CPA
Rex Halverson, Representative
Cary Huxsoll, Tax Counsel

For Department:

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether petitioner has established that it sold merchandise under its "double hostess credit" program for \$19.95.

Whether petitioner was negligent.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision, granting the petitioner 30 days to file supporting documents, the Department 30 days to respond, and the Appeals Division 30 days thereafter to review the petitioner's supporting documents, the Department's response and provide its recommendation to the Board.

CHIEF COUNSEL MATTERS**RULEMAKING CHIEF COUNSEL MATTERS****Proposed Amendments to *Board of Equalization Rules for Tax Appeals (Cal. Code Regs., tit. 18, § 5000 et seq.)***

Winnie Scott, Tax Counsel, Legal Administration/Settlement Division, Legal Department, made introductory remarks regarding the proposal to adopt section 100 changes to *Rules for Tax Appeals* regulations, which correct grammatical errors in specified sections. (Exhibit 5.16.)

Action: Upon motion of Mr. Leonard, seconded by Ms. Yee and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board approved the amendments as recommended by staff.

Exhibits to these minutes are incorporated by reference.

PROPERTY TAX CHIEF COUNSEL MATTERS**State Assessee Property Tax Appeals Procedures**

Lou Ambrose, Supervising Tax Counsel, Property Taxes Division, Legal Department, made introductory remarks regarding alternative proposals for distribution of

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unsolicited late materials and revision of hearing summaries for State assessee property tax appeals. (Exhibit 5.17.)

Action: Upon motion of Mr. Leonard, seconded by Ms. Yee and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board approved the procedures as recommended by staff.

ADMINISTRATIVE SESSION

ADMINISTRATIVE MATTERS, CONSENT

With respect to the Administrative Matters, Consent Agenda, upon a single motion of Ms. Yee, seconded by Ms. Steel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board made the following orders:

Action: Adopt the following resolutions extending its best wishes on their respective retirements and its appreciation for their service to the State Board of Equalization and the State of California. (Exhibit 5.18.)

Maria Socorro L. Concepcion, Business Taxes Representative, Riverside District Office

Thomas A. Gonzales, Business Taxes Compliance Specialist, Norwalk District Office

Sharon A. Hamilton, Associate Tax Auditor, Riverside District Office

Galen G. Hardin, Business Taxes Compliance Specialist, Riverside District Office

Loretta R. Lopez, Business Taxes Representative, West Covina District Office

Mabel Mar, Tax Technician II, San Francisco District Office

Marco W. Morales, Associate Tax Auditor, Norwalk District Office

Larry D. Rackley, Staff Information Systems Analyst, Specialist, Culver City District Office

Spencer B. Stallings, Jr., Supervising Tax Auditor I, Bakersfield Branch Office

Patty Taylor, Data Processing Manager II, Technology Services Division, Headquarters

Victoria T. Winter, Business Taxes Compliance Supervisor III, District Principal Compliance Supervisor, San Francisco District Office

Action: Approve the Board Meeting Minutes of March 18-19, 2008 and April 8, 2008.

Action: Adopt the 4-R Act Equalization Ratio for 2008-09. (Exhibit 5.19.)

ADOPTION OF BOARD COMMITTEE REPORTS AND APPROVAL OF COMMITTEE ACTIONS

Property Tax Committee

Action: The Board deferred consideration of this matter to later in the day.

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Customer Services and Administrative Efficiency Committee

Action: Upon motion of Mr. Leonard, seconded by Ms. Yee and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board approved the Customer Services and Administrative Efficiency Committee report and the actions therein. (Exhibit 5.20.)

OTHER ADMINISTRATIVE MATTERS**Executive Director's Report**

Ramon Hirsig, Executive Director, and Charlene Yount, Chief, Administrative Support Division, Administrative Department, reported on the headquarters building remediation and headquarters planning efforts.

Ramon Hirsig, Executive Director, reported time extensions to Butte, Kern, Mariposa, Monterey, Placer, Santa Cruz and Tulare Counties to complete and submit 2008-09 Local Assessment Roll, pursuant to Revenue and Taxation Code section 155. (Exhibit 5.21.)

Ramon Hirsig, Executive Director, introduced Todd Gilman, Chief, Taxpayers' Rights and Equal Employment Opportunity Division, who provided a report on suggestions submitted at the March 18, 2008 Business Taxpayers' Bill of Rights Hearings regarding refund claims filed by hospitals. (Exhibit 5.22.)

Speaker: Bob Wood, Vice President, Contract Management Strategies, Inc.
Clayton Hack, President, Contract Management Strategies, Inc.
Diane Buaas, Vice President of State and Local Tax, Contract Management Strategies, Inc.

Deputy Directors Reports

Randie Henry, Deputy Director, Sales and Use Tax Department, provided an update regarding the task force for identifying opportunities to enhance BOE's collections. (Exhibit 5.23.)

Speakers: Bobbi Smith, Business Taxes Representative, Centralized Collections Section, Sales and Use Tax Department, and President-Elect DLC 782 of SEIU Local 1000
Leora Hill, Tax Technician, Sales and Use Tax Department, Culver City District Office, representing SEIU Local 1000

Charlene Yount, Chief, Administrative Support Division, Administrative Department, made introductory remarks regarding interagency agreement contracts, and a purchase agreement, over \$1 million. (Exhibit 5.24.)

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Action: Upon motion of Ms. Yee, seconded by Dr. Chu and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, Ms. Mandel not participating in accordance with Government Code section 87105 in the contract with *Bank of America*; the Board approved the interagency agreement contracts with *California Department of Toxic Substances Control*; *California Department of Motor Vehicles*; *California Department of Technology Services*; *Bank of America*; and, *Hygiene Technologies International, Inc.*; and a purchase agreement with *Dell Marketing*; as recommended by staff.

Caroline Cabias, Chief, Financial Management Division, Administrative Department, provided an update regarding the proposed fiscal year 2008-2009 budget.

ADOPTION OF BOARD COMMITTEE REPORTS AND APPROVAL OF COMMITTEE ACTION

Property Tax Committee (Continued from earlier in the day)

Action: Upon motion of Ms. Mandel, seconded by Ms. Yee and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board approved the Property Tax Committee report with amendments and the actions therein. (Exhibit 5.25.)

Committee votes were as follows:

Discussion of Biopharmaceutical Industry Business Property Assessment Practice Guidelines

A motion by Ms. Mandel, seconded by Mr. Leonard, to extend the study to analyze the sales data that was now available and to bring the issue back, including addressing the questions raised in Mr. Moll's written comments regarding trending, average service lives and minimum percent good, to the July 2008 Property Tax Committee meeting, unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes.

ANNOUNCEMENT OF CLOSED SESSION

The Board recessed at 12:20 p.m. and reconvened immediately in closed session with Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel present.

CLOSED SESSION

The Board met to discuss pending litigation (Gov. Code § 11126(e), 11126(e)(2)(B)(i)), settlements (Rev. & Tax. Code §§ 6901, 7093.5, 30459.1 and 50156.11) and personnel matters (Gov. Code § 11126(a)).

The Board recessed at 1:45 p.m. and reconvened immediately in open session with Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel present.

Ramon Hirsig, Executive Director, announced the appointment of Barbara Beck to the position of Chief, Internal Security and Audit Division.

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The Board adjourned at 1:48 p.m.

The foregoing minutes are adopted by the Board on June 24, 2008.

Note: The following matter was removed from the calendar prior to the meeting: *Presentation of Retirement Resolution to Joseph D. Young.*