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**From:** Bryson, Elizabeth@DWR  
**Sent:** Wednesday, June 4, 2025 9:41 AM  
**To:** Upadhyay.Pawan@LC  
**Cc:** Madankar, Nahideh@DWR; Herink, James@DWR; Nicole Johnson; Linda Rosas-Bill  
**Subject:** FCP Middle Creek Project Lease Agreement

Pawan,

Thank you for meeting with us on Monday (June 2) to discuss the proposed biomass facility and related lease agreement with Scott's Valley Energy Corporation. As you know, DWR reimbursed Lake Co. for the purchase of parcel APN 004-010-04 under the Flood Corridor Program using bond funds. The lease of this property to a private entity is likely not compatible with the bond source language and may create a tax issue. DWR needs to coordinate with the State Controller's Office (SCO) on this. Given the time of year and the fact that SCO is focused on the FY 2026-27 Budget, DWR will likely not receive clarification or direction from SCO until later this summer.

Per the Lake County Board of Supervisors Meeting Agenda from May 20, 2025 (linked here: [AGENDA](#)) this item was continued to June 17, 2025. Given that SCO will likely not provide clarification or direction until after this continuation date, DWR will require additional time to research this matter further.

Thank you. Liz



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