

MINUTE ITEM

7/6/72
LRA

6. AMENDMENT OF LEASE PRC 2785.1, TIDE AND SUBMERGED LAND AT EL SEGUNDO, LOS ANGELES COUNTY; STANDARD OIL COMPANY OF CALIFORNIA - W 4481, PRC 2785.1.

After consideration of Calendar Item 4 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE ISSUANCE TO STANDARD OIL COMPANY OF CALIFORNIA OF AN AMENDMENT TO LEASE PRC 2785.1, COVERING A SUBMARINE TERMINAL AREA AND PIPELINE CORRIDOR ON TIDE AND SUBMERGED LAND AT EL SEGUNDO, LOS ANGELES COUNTY, TO PROVIDE FOR FIRM ANNUAL RENTAL OF \$18,238.10 DURING THE PERIOD SEPTEMBER 14, 1961, TO SEPTEMBER 13, 1969, AND A FIRM ANNUAL RENTAL OF \$18,268.84 DURING THE PERIOD SEPTEMBER 14, 1969, TO SEPTEMBER 13, 1977; ALL OTHER TERMS AND CONDITIONS OF LEASE PRC 2785.1 TO REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.

Attachment:

Calendar Item 4 (2 pages)

CALENDAR ITEM

6/72
CRK
W 4481

4.

AMENDMENT OF LEASE P.R.C. 2785.1

APPLICANT: Standard Oil Company of California.

LOCATION: A 60 x 7,775-foot strip terminating in a 1,000-foot radius circle of tide and submerged land at El Segundo, Los Angeles County.

LAND USE: A submarine terminal with appurtenances and 8,175 linear feet of pipelines totalling 39 diameter inches for transporting petroleum products from tankers to shore.

TERMS OF ORIGINAL LEASE:

One year, from September 14, 1961, and extended for fifteen years, from September 14, 1962, to September 13, 1977.

Renewal options: Three additional periods of ten years each.

CONSIDERATION: A tentative annual rental of \$8,680.29 is now in effect. This amendment sets firm annual rental of \$18,238.10 for the period September 14, 1961, to September 13, 1969, and of \$18,268.84 for the period September 14, 1969, to September 13, 1977.

BASIS FOR CONSIDERATION: (Firm Rental Only)

6% of appraised value of land used as tanker moorage; 1¢ per-diameter-inch-per-lineal-foot for the pipeline corridor.

STATUTORY AND OTHER REFERENCES:

- a. Public Resources Code: Division 6, Parts 1 and 2.
- b. Administrative Code: Title 2, Division 3, Articles 1 and 2.

OTHER PERTINENT INFORMATION:

1. An environmental impact report is not required for this amendment. The amendment pertains only to rental to be paid.
2. When this lease was issued for one year in 1961 and later extended for fifteen years, there was disagreement between the parties as to the method of determining rental for submarine terminal areas. The controversy continued until recently when Standard agreed to accept the State's rental terms retroactive to September 14, 1961. The Company has accordingly executed an amending document and remitted \$113,908.42 to cover the additional rental due to September 13, 1972.

EXHIBITS: A. Location Map.

CALENDAR ITEM NO. 4. (CONTD)

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE ISSUANCE TO STANDARD OIL COMPANY OF CALIFORNIA OF AN AMENDMENT TO LEASE PRC 2785.1 COVERING A SUBMARINE TERMINAL AREA AND PIPELINE CORRIDOR ON TIDE AND SUBMERGED LAND AT EL SEGUNDO, LOS ANGELES COUNTY, TO PROVIDE FOR FIRM ANNUAL RENTAL OF \$18,238.10 DURING THE PERIOD SEPTEMBER 14, 1961, TO SEPTEMBER 13, 1969, AND A FIRM ANNUAL RENTAL OF \$18,268.84 DURING THE PERIOD SEPTEMBER 14, 1969, TO SEPTEMBER 13, 1977; PROVIDED THAT ALL OTHER TERMS AND CONDITIONS OF LEASE PRC 2785.1 SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.