

MINUTE ITEM

3/29/73
CRK

7. RETROACTIVE RENEWAL, AMENDMENT AND QUITCLAIM OF LEASE PRC 437.1, TIDE AND SUBMERGED LANDS OF SANTA MONICA BAY, EL SEGUNDO, LOS ANGELES COUNTY; STANDARD OIL COMPANY OF CALIFORNIA - W 7384, PRC 437.1.

After consideration of Calendar Item 5 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION TAKES THE FOLLOWING ACTION WITH RESPECT TO LEASE PRC 437.1:

1. AUTHORIZES RENEWAL FOR THE PERIOD OCTOBER 6, 1969, TO OCTOBER 5, 1971.
2. APPROVES AN AMENDMENT TO INCLUDE SUBMARINE TERMINAL AREAS AS DESCRIBED IN LEASE PRC 4497.1, ONLY FOR THE PERIOD OCTOBER 6, 1969, TO AUGUST 26, 1970.
3. APPROVES TOTAL RENTAL OF \$29,603.66 FOR THE RENEWAL PERIOD.
4. AUTHORIZES ACCEPTANCE OF A QUITCLAIM DEED COVERING PARCELS 1 AND 2 AS DESCRIBED IN THE LEASE.

Attachment:

Calendar Item 5 (2 pages)

CALENDAR ITEM

5.

3/73
CRK
W 7384

RETROACTIVE RENEWAL, AMENDMENT AND QUITCLAIM
OF LEASE PRC 437.1

APPLICANT: Standard Oil Company of California.

LOCATION: Four parcels (60' x 5,300' and 60' x 3,852.50' and two 900' diameter circles) of tide and submerged lands of Santa Monica Bay, El Segundo, Los Angeles County.

LAND USE: Two submarine terminals with appurtenant pipelines and cables.

TERMS OF ORIGINAL LEASE:

Initial period: 20 years, from October 6, 1949.

Renewal options: 3 additional periods of 10 years each.

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. The lease expired on October 6, 1969, but was not heretofore renewed because of extended rental negotiations. In the meantime, lessee has relocated one of the terminal areas and presently both areas, as well as pipelines and cables, are covered by another lease (PRC 4497.1).
2. This transaction includes a retroactive amendment of the lease to cover Submarine Terminals Nos. 1 (former location) and 2 for the period October 6, 1969, to August 26, 1970, the effective date of PRC 4497.1.
3. Lessee has executed a document which quitclaims all interest in the leased parcels, effective October 5, 1971.
4. Lessee has executed an indemnification agreement, guaranteed by bond, to protect the State against any claims arising from all abandoned pipelines at El Segundo.
5. The consideration for the amended lease during the renewal period October 6, 1969, to October 5, 1971, is \$29,603.66.

CALENDAR ITEM NO. 5. (CONTD)

The basis is a combination consisting of 6% of the appraised value of the terminal areas and 1¢ per diameter inch per lineal foot for the pipelines.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION TAKE THE FOLLOWING ACTION WITH RESPECT TO LEASE PRC 437.1:

1. AUTHORIZE RENEWAL FOR THE PERIOD OCTOBER 6, 1969, TO OCTOBER 5, 1971.
2. APPROVE AN AMENDMENT TO INCLUDE SUBMARINE TERMINAL AREAS AS DESCRIBED IN LEASE PRC 4497.1, ONLY FOR THE PERIOD OCTOBER 6, 1969, TO AUGUST 26, 1970.
3. APPROVE TOTAL RENTAL OF \$29,603.66 FOR THE RENEWAL PERIOD.
4. AUTHORIZE ACCEPTANCE OF A QUITCLAIM DEED COVERING PARCELS 1 AND 2 AS DESCRIBED IN THE LEASE.