

MINUTE ITEM

This Calendar Item No. 21
was approved as Minute Item
No. 21 by the State Lands
Commission by a vote of 2
to 0 at its 4-27-70
meeting.

CALENDAR ITEM

21.

4/78
WF 600
Horn

GENERAL LEASE
INDUSTRIAL USE

APPLICANT: Union Oil Company of California
Union Oil Center
Box 7600
Los Angeles, California 90051

AREA, TYPE LAND AND LOCATION:
Approximately 16.6 acres of filled and
unfilled tide and submerged land in San
Pablo Bay at Davis Point, Contra Costa
County.

LAND USE: Continued maintenance of a marine petroleum
wharf with appurtenances.

TERMS OF ORIGINAL LEASE:
Initial period: 15 years from April 6,
1951.
Renewal options: 2 successive periods
of 10 years each.
Surety bond: \$35,000.
Consideration: \$1,204.37 per annum.

TERMS OF LEASE DURING FIRST 10-YEAR RENEWAL:
Period: 10 years from April 1,
1966.
Renewal options: 1 successive period of
10 years.
Surety bond: \$50,000.
Public liability insurance: \$200,000/\$600,000
per occurrence for bodily
injury and \$5,000,000
for property damage.
Consideration: \$8,769.23 per annum from
April 6, 1966 to September
30, 1971 and \$13,680

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per annum from October 1,
1971 to April 5, 1976.

TERMS OF PROPOSED LEASE RENEWAL AND AMENDMENT:

Period: 10 years from April 1,
1976.

Surety bond: \$50,000.

Public liability insurance: \$1,000,000
per occurrence for bodily
injury and \$5,000,000
for property damage.

Special: Rental Impound: The
proposed lease renewal
provides that rental
in excess of the minimum
annual rental shall be
paid into a Special Deposit
Account in the State
Treasury pending the
outcome of pending litigation
challenging the volumetric
rental regulations. Should
such regulations be declared
invalid, impounded rentals
shall be refunded and
a new reasonable rental
determined by the Commission.

Consideration: Commencing April 1, 1976
and ending March 31,
1981, volumetric rental
accrues according to
the following schedule:

- (a) \$0.01 (one cent) per barrel of commodities
until the minimum annual rental below
(f) is equaled.
- (b) \$0.001 (1 mil) per barrel for the
next 7,000,000 barrels; and
- (c) \$0.003 (3 mils) per barrel for the
next 20,000,000 barrels; and
- (d) \$0.006 (6 mils) per barrel for the
next 20,000,000 barrels; and

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(e) \$0.009 (9 mills) per barrel for each additional barrel passing over the State's land in that same lease year.

(f) The minimum annual rental is \$41,000.

Commencing April 1, 1981 and ending March 31, 1986, volumetric rental shall accrue according to the following schedule:

(a) \$0.01 (one cent) per barrel of commodities until the minimum annual rental below (e) is equaled.

(b) Thereafter \$0.001 (1 mil) per barrel for the next 10,000,000 barrels; and

(c) Thereafter \$0.005 (5 mills) per barrel for the next 20,000,000 barrels; and

(d) Thereafter \$0.009 (9 mills) per barrel for each additional barrel passing over the State's land in that same lease year.

(e) The minimum annual rental is \$50,000.

BASIS FOR CONSIDERATION:

Volumetric rental pursuant to 2 Cal. Adm. Code 2006.

PREREQUISITE TERMS, FEES AND EXPENSES:

Applicant is owner of upland.

STATUTORY AND OTHER REFERENCES:

A. Public Resources Code: Div. 6, Parts 1 & 2.

B. Administrative Code: Title 2, Div. 3, Arts. 1, 2, 6.5
10 & 11.

OTHER PERTINENT INFORMATION:

1. An EIR is not required. This transaction is within the purview of 2 Cal. Adm. Code 2907, Class 1B, which exempts an existing structure or facility that is in an acceptable state of repair and there is no evidence of record

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to show injury to adjacent property, shoreline erosion, or other types of environmental degradation.

2. This project is situated on State land identified as possessing significant environmental values pursuant to Public Resources Code 6370.1, and is classified in a use category, Class C which authorizes Multiple Use.

Staff review of the terminal facility shows that the potential exists for damage to the environment. However, the applicant does operate the terminal under an approved (United States Coast Guard) terminal operations manual. On December 7, 1977, Staff of the Commission inspected the facility and found that the terminal operates in a manner that minimizes the potential for environmental degradation.

EXHIBITS: A. Land Description. B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN EIR HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH REPORT IS NOT REQUIRED UNDER THE PROVISIONS OF PRC 21085, 14 CAL. ADM. CODE 15100 ET SEQ., AND 2 CAL. ADM. CODE 2907.
2. FIND THAT GRANTING OF THE RENEWAL WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1, OF THE PUBLIC RESOURCES CODE.
3. AUTHORIZE THE FOLLOWING ACTION WITH RESPECT TO LEASE PRC 600.1:
 - A. THE ISSUANCE OF A 10-YEAR RENEWAL FROM APRIL 1, 1976. COMMENCING APRIL 1, 1976 AND ENDING MARCH 31, 1981, ANNUAL RENTAL SHALL BE PAID AS FOLLOWS:
 - 1) UNTIL THE MINIMUM ANNUAL RENTAL PROVIDED FOR IN PARAGRAPH (3) HEREOF IS EQUALED IN EACH LEASE YEAR, THE ANNUAL RENTAL SHALL BE COMPUTED BY MULTIPLYING THE NUMBER OF BARRELS OF CRUDE OIL AND PRODUCTS AND DERIVATIVES THEREOF PASSING OVER THE STATE'S LAND BY \$0.01 (ONE CENT).

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2) FOR THE NEXT 7,000,000 BARRELS BEYOND THE NUMBER OF BARRELS NECESSARY TO SATISFY THE MINIMUM RENTAL UNDER PARAGRAPH (1) HEREOF, THE RENTAL SHALL BE \$0.001 (1 MIL) PER BARREL; AND THEREAFTER \$0.003 (3 MILS) PER BARREL FOR THE NEXT 20,000,000 BARRELS OF SUCH COMMODITIES PASSING OVER THE STATE'S LAND IN THE SAME LEASE YEAR; AND THEREAFTER \$0.006 (6 MILS) PER BARREL FOR THE NEXT 20,000,000 BARRELS OF SUCH COMMODITIES PASSING OVER THE STATE'S LAND IN THE SAME LEASE YEAR; AND THEREAFTER \$0.009 (9 MILS) PER BARREL FOR EACH ADDITIONAL BARREL OF SUCH COMMODITIES PASSING OVER THE STATE'S LAND IN THAT SAME LEASE YEAR.

3) THE MINIMUM ANNUAL RENTAL SHALL BE \$41,000.

B. COMMENCING APRIL 1, 1981 AND ENDING MARCH 31, 1986, ANNUAL RENTAL SHALL BE PAID AS FOLLOWS:

1) UNTIL THE MINIMUM ANNUAL RENTAL PROVIDED FOR IN PARAGRAPH (3) HEREOF IS EQUALED IN EACH LEASE YEAR, THE ANNUAL RENTAL SHALL BE COMPUTED BY MULTIPLYING THE NUMBER OF BARRELS OF CRUDE OIL AND PRODUCTS AND DERIVATIVES THEREOF PASSING OVER THE STATE'S LAND BY \$0.01 (ONE CENT).

2) FOR THE NEXT 10,000,000 BARRELS BEYOND THE NUMBER OF BARRELS NECESSARY TO SATISFY THE MINIMUM RENTAL UNDER PARAGRAPH (1) HEREOF, THE RENTAL SHALL BE \$0.001 (1 MIL) PER BARREL; AND THEREAFTER \$0.005 (5 MILS) PER BARREL FOR THE NEXT 20,000,000 BARRELS OF SUCH COMMODITIES PASSING OVER THE STATE'S LAND IN THE SAME LEASE YEAR; AND THEREAFTER \$0.009 (9 MILS) PER BARREL FOR EACH ADDITIONAL BARREL OF SUCH COMMODITIES PASSING OVER THE STATE'S LAND IN THAT SAME LEASE YEAR.

3) THE MINIMUM ANNUAL RENTAL SHALL BE \$50,000.

C. THE ISSUANCE OF AN AMENDMENT TO ADD PUBLIC LIABILITY INSURANCE IN THE AMOUNTS OF \$1,000,000 FOR BODILY INJURY AND \$5,000,000 FOR PROPERTY DAMAGE; FOR THE CONTINUED MAINTENANCE OF A MARINE PETROLEUM WHARF ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, PROVIDED THAT ALL OTHER TERMS AND CONDITIONS OF LEASE PRC 600.1, AS AMENDED, SHALL REMAIN IN FULL FORCE AND EFFECT.

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- D. PROVIDE IN THE AMENDMENT FOR PAYMENT OF RENTALS IN EXCESS THE MINIMUM ANNUAL RENTAL INTO A SPECIAL DEPOSIT ACCOUNT IN THE STATE TREASURY, PENDING FINAL DISPOSITION OF PENDING LITIGATION CONCERNING VALIDITY OF THE COMMISSION'S RENTAL REGULATIONS; SAID IMPOUNDED RENTALS TO BE REFUNDED AND A NEW REASONABLE RENTAL IMPOSED BY THE COMMISSION SHOULD THE COMMISSION'S VOLUMETRIC RENTAL REGULATIONS BE INVALIDATED.
- E. THE EFFECTIVE DATE OF THE AMENDMENT SHALL BE APRIL 1, 1976.
- F. AUTHORIZE COMMISSION STAFF AND/OR THE ATTORNEY GENERAL TO TAKE WHATEVER STEPS MAY BE NECESSARY, INCLUDING LITIGATION, TO EFFECTUATE THIS AGREEMENT.

Attachment: Exhibit "A"

EXHIBIT "A"

WP 600

Six parcels of land in the State owned bed of San Pablo Bay and Carquinez Strait, Contra Costa County, California, described as follows:

PARCEL 1

COMMENCING at United States Harbor Line Station "U" the California Zone 3 co-ordinates of which are $Y=569,518.32$ and $X=1,493,752.14$ as shown on map of Harbor Lines for Carquinez Strait established by the Secretary of War and filed in the United States Engineer Office, San Francisco, from which United States Harbor Line Station "Ole", the California Zone 3 co-ordinates of which are $Y=569,549.09$ and $X=1,493,822.28$, bears $N 66^{\circ} 18' 48'' E$ a distance of 76.59 feet, said bearing and distance being calculated from said California co-ordinates of said stations; thence $N 79^{\circ} 04' 41'' W$ 850.54 feet to a point in the northerly line of Tide Lands survey No. 58, Location 176, said last mentioned point being the southerly terminus of that certain course described in the deed from Patrick Tormey and Mary Tormey, his wife, to Union Oil Company of California, dated November 1, 1901, and recorded in Volume 90 of Deeds, at page 552, Records of Contra Costa County, as $S 35^{\circ} W$ 1.10 chains; said point being also the TRUE POINT OF BEGINNING of Parcel 1; thence $S 09^{\circ} 55' 20'' W$ 1254.10 feet to a point from which said Station "U" bears $N 44^{\circ} 22' 52'' E$ a distance of 1502.98 feet, and being also a point in the northerly line of Tide Land Survey No. 58, and the southwesterly terminus of that certain course, described in the deed from Patrick Tormey and Mary Tormey, his wife, to Union Oil Company of California, dated April 17, 1905, and recorded in

PARCEL 1 (Cont.)

Volume 110 of Deeds, at page 468, Records of Contra Costa County, as N 45° 37' E 321.00 feet; thence along said northerly line of Tide Land Survey No. 58, N 46° 44' 10" E 321.00 feet; thence N 08° 17' 10" E 484.69 feet, said last mentioned course being the same course described in said deed dated April 17, 1905, as N 6-3/4° E 482.00 feet; thence along said northerly line of Tide Land Survey No. 58, N 09° 16' 41" W 542.81 feet, more or less, to the true point of beginning, containing 3.68 acres, more or less.

PARCEL 2 - Wharf and Pier

COMMENCING at United States Harbor Line Station "U" described in Parcel 1 above; thence N 26° 53' 40" W 344.30 feet; thence S 71° 05' 10" W 117.42 feet to a point on the northerly line of the land described in the Deed to Union Oil Company of California recorded in Book 90, Page 552 of Deeds, Contra Costa County Records, said point being also N 71° 05' 10" E along said northerly line 254.30 feet from the westerly terminus of that certain course described in said Deed as S 69° 15' W 5.68 chains, and being also the TRUE POINT OF BEGINNING of Parcel 2; thence along the following courses and distances:

S 71° 05' 10" W 102.48 feet and N 1° 10' 15" W 112.27 feet to the beginning of a tangent curve concave westerly having a radius of 650.27 feet; thence northerly along said curve through a central angle of 8° 19' 15" an arc distance of 94.44 feet; thence tangent to said curve N 9° 29' 30" W 1293.58 feet; thence along the following courses and distances:

N 80° 30' 30" W 30.00 feet; thence N 9° 29' 30" W 208.00 feet; S 77° 00' 30" W 622.01 feet; N 12° 59' 30" W 51.75 feet; N 67° 59' 30" W 90.95 feet; S 12° 59' 30" E 6.83 feet; S 77° 00' 30" W 5.50 feet; N 12° 59' 30" W 6.25 feet; S 77° 00' 30" W 6.50 feet; N 12° 59' 30" W 0.58 feet; S 77° 00' 30" W 33.50 feet; S 12° 59' 30" E 6.25 feet; S 77° 00' 30" W 5.50 feet; N 12° 59' 30" W 38.33 feet; N 77° 00' 30" E 1375.84 feet; S 12° 59' 30" E 136.00 feet; S 77° 00' 30" W 520.13 feet; S 9° 29' 30" E 726.19 feet; N 80° 30' 30" E 42.00 feet; S 9° 29' 30" E 134.00 feet; S 80° 30' 30" W 42.00 feet and S 9° 29' 30" E 836.40 feet to the true point of beginning, containing 7.403 acres, more or less.

PARCEL 3 - Ship Mooring Area

BEGINNING at the westerly terminus of that certain course described in Parcel 2 above as bearing N 77° 00' 30" E and having a length of 1375.84 feet; thence along the westerly prolongation of said course S 77° 00' 30" W 177.50 feet; thence along the following courses and distances:

N 12° 59' 30" W 115.00 feet; N 77° 00' 30" E 836.00 feet;
S 12° 59' 30" E 13.00 feet; N 77° 00' 30" E 747.00 feet
and S 12° 59' 30" E 102.00 feet to the easterly prolongation of that certain course above mentioned as bearing N 77° 00' 30" E and having a length of 1375.84 feet; thence along said prolonged course, and said course S 77° 00' 30" W 1455.50 feet to the point of beginning, containing 4.088 acres, more or less.

PARCEL 4 - Barge Mooring Area

BEGINNING at the northerly terminus of that certain course described in Parcel 2 above as bearing N 9° 29' 30" W and having a length of 208.00 feet; thence along the following courses and distances:

S 77° 00' 30" W 622.01 feet; S 12° 59' 30" E 50.00 feet;
thence N 77° 00' 30" E 618.95 feet to said first above mentioned course; thence along said course N 9° 29' 30" W 50.09 feet to the point of beginning, containing 0.712 acres, more or less.

PARCEL 5 - Barge Mooring Area

BEGINNING at the northerly terminus of that certain course described in Parcel 2 above as bearing S 9° 29' 30" E and having a length of 726.19 feet; thence along the following courses and distances:

N 77° 00' 30" E, 600.00 feet; S 12° 59' 30" E, 50.00 feet;
S 77° 00' 30" W 603.06 feet to said first above mentioned course; thence along said course N 9° 29' 30" W 50.09 feet to the point of beginning, containing 0.691 acres, more or less.

PARCEL 6 - Salt Water Intake Platform

COMMENCING at United States Harbor Line Station "U" described in Parcel 1 above; thence N 26° 53' 40" W 344.30 feet; thence

PARCEL 6 (Cont.)

S 71° 05' 10" W, 55.63 feet to a point on the northerly line of the land described in the Deed to Union Oil Company of California recorded in Book 90 page 552 of Deeds, Contra Costa County Records, said point being also N 71° 05' 10" E, along said northerly line 316.09 feet from the westerly terminus of that certain course described in said Deed as S 69° 45' W, 5.68 chains, and being also the TRUE POINT OF BEGINNING of Parcel 6; thence leaving said northerly line along the following courses and distances:

N 8° 52' 50" W, 30.50 feet; S 89° 07' 10" W, 6.00 feet;
N 8° 52' 50" W, 55.00 feet; N 81° 07' 10" E, 17.00 feet;
S 30° 52' 50" E, 3.00 feet; N 81° 07' 10" E, 14.00 feet;
S 8° 52' 50" E, 26.00 feet; S 81° 07' 10" W, 19.00 feet and
S 8° 52' 50" E, 56.38 feet to said northerly line; thence
S 71° 05' 10" W, along said northerly line 7.29 feet to the true point of beginning, containing 0.033 acres, more or less.

TOGETHER WITH any interests of the State of California in those lands lying between the northwesterly line of the Pinole Rancho and the waterward boundary of Tideland Location No. 176 located within the property described in the Deed to Union Oil Company of California recorded in Book 90, page 522 of Deeds, Contra Costa Records.

END OF DESCRIPTION

Prepared R. L. Blake Checked John K. Hering

Reviewed W. W. Kunnecke Date 2/5/76

Revised 3/31/78

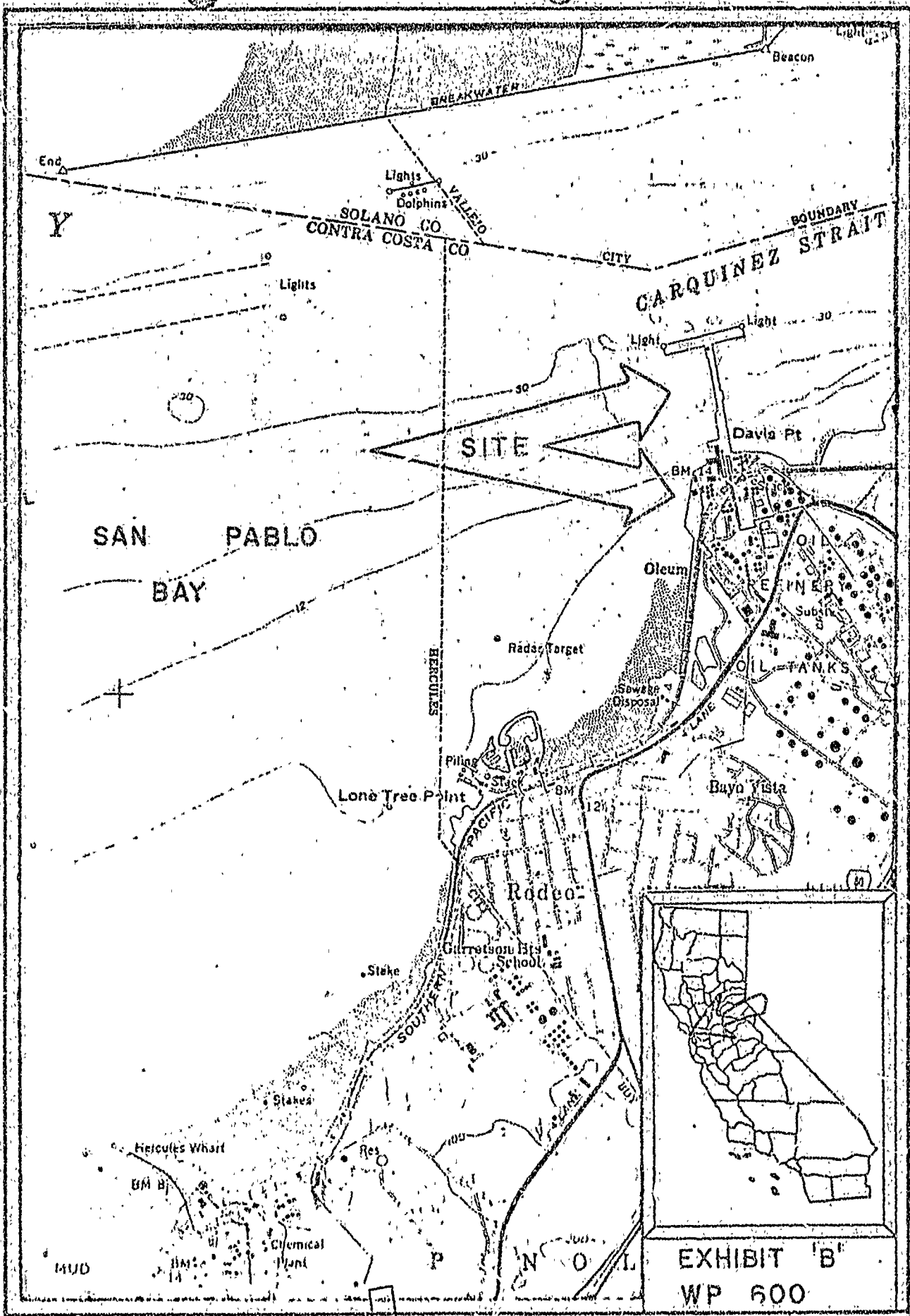


EXHIBIT 'B'
WP 600

OAKLAND ± 10 MILES