

MINUTE ITEM

This Calendar Item No. 17  
was approved as Minute Item  
No. 17 by the State Lands  
Commission by a vote of 2  
to 0 at its 2/23/84  
meeting.

CALENDAR ITEM

17

2/23/84  
WP 139/  
PRC 139  
Reese

APPROVAL OF TERMINATION OF  
ORIGINAL LEASE PRC 139.1 AND ISSUANCE OF A  
GENERAL LEASE - INDUSTRIAL USE

LESSEE: Chevron USA, Inc.  
P. O. Box 8000  
Concord, California 94524

AREA, TYPE LAND AND LOCATION:  
A 5.080-acre parcel of tide and submerged  
land in San Francisco Bay at Richmond,  
Contra Costa County.

LAND USE: Existing marine petroleum transfer facilities.

TERMS OF ORIGINAL LEASE:

Initial period: 15 years from March 4,  
1947.

Renewal options: 3 successive periods  
of ten years each.

Surety bond: \$10,000.00.

Consideration: \$481.70 per annum.

TERMS OF RENEWAL OPTION:

Period: 20 years from March 4,  
1982 to March 3, 1982.

Surety bond: \$30,000.00.

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Public liability insurance: \$300,000.00/  
600,000.00 per occurrence  
for bodily injury and  
\$5,000,000.00 for property  
damage.

Consideration: March 4, 1962 - March 3,  
1969 - 3,502.80.  
March 4, 1969 - March 3,  
1972 - 4,506.94.  
March 4, 1972 - March 3,  
1982 - 5,906.80.

TERMS OF PROPOSED LEASE:

Initial period: 30 years from March 4,  
1982.

Surety bond: \$30,000.00.

Public liability insurance: Combined single  
limit coverage of  
\$5,000,000.00.

CONSIDERATION: 1. Volumetric Rental Schedule:

(1) .015 (one and one-half cents)  
per barrel of commodities until the  
minimum annual rental below (3) is  
reached.

(2) .005 (five mills) per barrel thereafter.

(3) Minimum annual rental is \$19,916.00.

2. With the State reserving the right  
to fix a different rental on each fifth  
anniversary of the lease.

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Adm. Code 2003.

APPLICANT STATUS:

Applicant is owner of upland.

STATUTORY AND OTHER REFERENCES:

A. P.F.C.: Div. 6, Parts 1 and 2; Div. 13.

B. Cal. Adm. Code: Title 2, Div. 3; Title 14,  
Div. 6.

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AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA, as a categorical exempt project. The project is exempt under Class I(2), Existing Facilities, 2 Cal. Adm. Code 2905(a)(2).

Authority: P.R.C. 21084 and 14 Cal. Adm. 15300, and 14 Cal. Adm. Code 2905.

2. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq., but will not affect those significant lands.

3. State will deposit the volumetric rental monies accruing in excess of minimum rental of \$19,916.00 in an interest-bearing special deposit account in the State Treasury, pending final disposition of that certain litigation being Western Oil and Gas Association, et al v. Cory, et al., U.S.D.C. (E.D. CAL.) No. CIV S-76-513.

4. Termination and Replacement of the State's Lease PRC 139.1 provides for the incorporation of various amendments to the original lease into one primary document. Increases rental and provides for five-year rent review. Reduces the lease area.

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

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061, AS A CATEGORICAL EXEMPT PROJECT, CLASS I, EXISTING FACILITIES, 2 CAL. ADM. CODE 2905.

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2. FIND THAT THIS ACTIVITY WILL INVOLVE LANDS IDENTIFIED AS POSSESSING SIGNIFICANT ENVIRONMENTAL VALUES PURSUANT TO P.R.C. 6370, ET SEQ., BUT THAT SUCH ACTIVITY WILL HAVE NO DIRECT OR INDIRECT EFFECT ON SUCH LANDS.
3. AUTHORIZE TERMINATION OF ORIGINAL LEASE P.R.C. 139.1, DATED MARCH 4, .947, EFFECTIVE MARCH 1, 1982; AND ISSUANCE TO CHEVRON U.S.A., INC., OF A 30-YEAR GENERAL LEASE - INDUSTRIAL USE, FROM MARCH 1, 1982; IN CONSIDERATION OF RENTAL AS FOLLOWS:
  - (1) \$.015 (ONE AND ONE-HALF CENTS) PER BARREL OF COMMODITIES UNTIL THE MINIMUM ANNUAL RENTAL BELOW (3) IS EQUALED.
  - (2) \$.005 (FIVE MILLS) PER BARREL THEREAFTER.
  - (3) THE MINIMUM ANNUAL RENTAL IS \$19,916.00.
  - (4) STATE WILL DEPOSIT THE VOLUMETRIC RENTAL MONIES ACCRUING IN EXCESS OF MINIMUM RENTAL OF \$19,916.00. IN AN INTEREST-BEARING SPECIAL DEPOSIT ACCOUNT IN THE STATE TREASURY, PENDING FINAL DISPOSITION OF THAT CERTAIN LITIGATION BEING WESTERN OIL AND GAS ASSOCIATION, ET AL., V. CORY, ET AL., U.S.D.C. E.D. CAL.) NO. CIV S-76-513.

WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; PROVISION OF A \$30,000.00 SURETY BOND; PROVISION OF PUBLIC LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF \$5,000,000.00, FOR EXISTING MARINE PETROLEUM TRANSFER FACILITIES ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

## EXHIBIT "A"

## LAND DESCRIPTION

WP 139

The land referred to herein is situated in the State of California, County of Contra Costa, City of Richmond, described as follows:

Commencing at Station SP 159 on the exterior boundary of the San Pablo Rancho as shown on "Map of the San Pablo Rancho, accompanying and forming a part of the final report of the Referees in Partition" filed in the Office of the Recorder of Contra Costa County, California, March 1, 1894, said Station SP 159 being also known as Station 443 as shown on "Map No. 1 of Salt Marsh and Tidelands, situate in the County of Contra Costa, State of California, 1872", the original of said Map is on file in the Office of the Surveyor General of the State of California, from which said Point Station 159, an iron pipe set in the Center line of the Richmond Belt Railway bears North 15° 18' 25" West, 541.08 feet, said points are shown on a Record of Survey Map filed December 2, 1966 in book 45 LSM at pages 47 and 48 of Contra Costa County records, thence leaving the exterior boundary of the San Pablo Rancho South 1° 20' 55" West, 1335.47 feet to the point of beginning on Chevron U.S.A. Inc. Causeway marked by a railroad spike, said point also being on the Established Waterfront Line and the boundary line of lands, owned by Chevron U.S.A. Inc. Thence leaving said point of beginning South 25° 27' East, 46.88 feet; Thence South 73° 36' West, 526.25 feet; Thence North 16° 24' West, 10.00 feet; Thence South 73° 36' West, 220.56 feet; Thence South 5° 06' 20" East, 144.40 feet; Thence South 84° 53' 40" West, 193.40 feet; Thence North 5° 06' 20" West, 793.33 feet; Thence North 84° 53' 40" East, 193.40 feet; Thence South 5° 06' 20" East, 202.01 feet; Thence North 84° 53' 40" East, 55.00 feet; Thence South 5° 06' 20" East, 320.00 feet; Thence South 84° 53' 40" West, 55.00 feet; Thence South 5° 06' 20" East, 70.02 feet; Thence North 73° 36' East, 316.21 feet; Thence North 16° 24" West, 33.00 feet; Thence North 73° 36" East, 120.00 feet; Thence South 16° 24' East, 33.00 feet; Thence North 73° 36' East, 288.98 feet to a point on the aforementioned Established Waterfront Line; Thence South 25° 27' East, 19.75 feet to the point of beginning.

END OF DESCRIPTION

REVIEWED JANUARY 24, 1983 BY BOUNDARY AND TITLE UNIT, LEROY WEED, SUPERVISOR.

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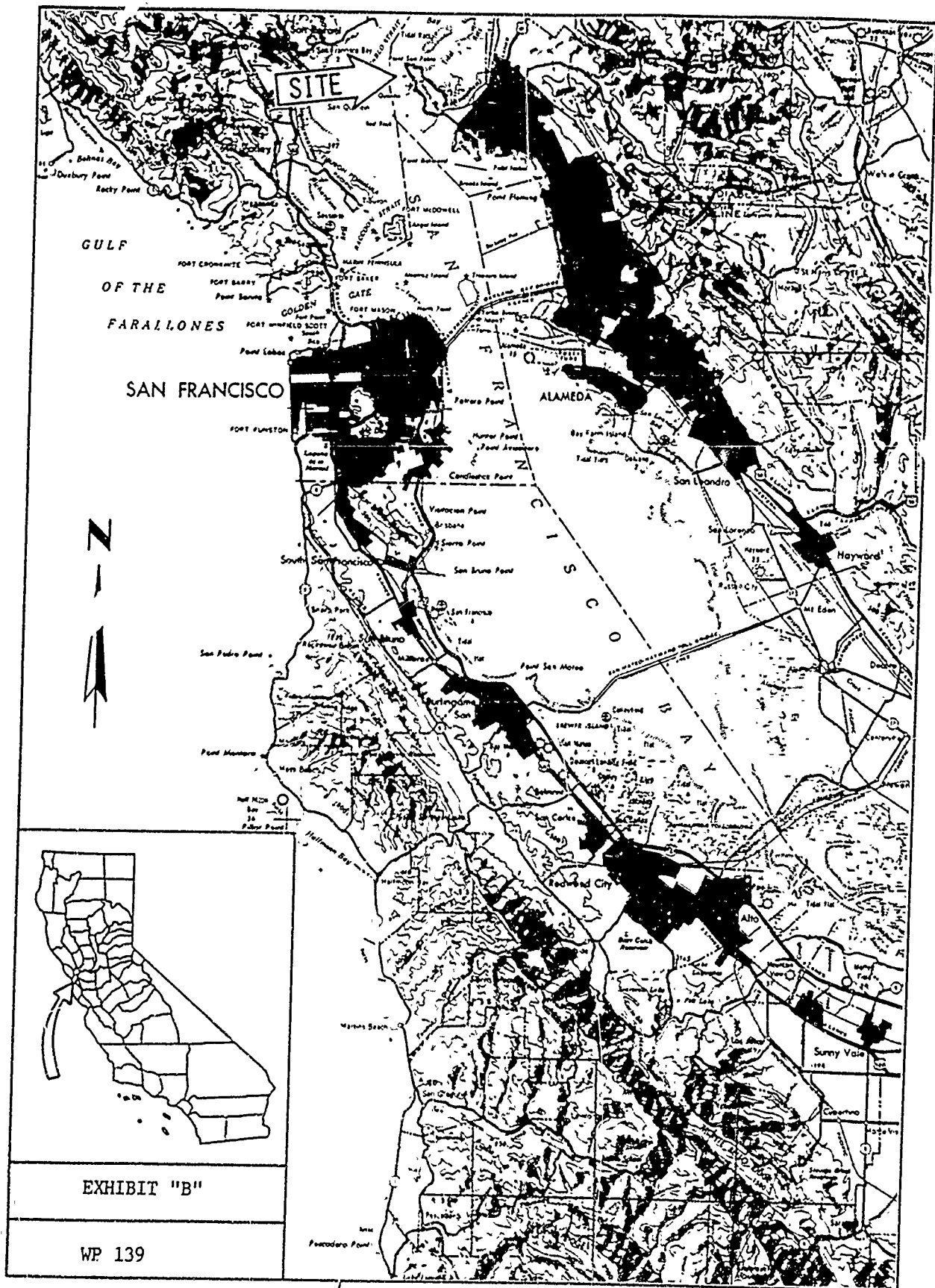


EXHIBIT "B"

WP 139

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