

MINUTE ITEM

8/26/70
CRK

10. 15-YEAR INDUSTRIAL LEASE, SUBMERGED LAND IN SANTA MONICA BAY AT EL SEGUNDO, LOS ANGELES COUNTY; STANDARD OIL COMPANY OF CALIFORNIA - W-9157, P.R.C. 4497.1.

After consideration of Calendar Item 14 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 A 15-YEAR INDUSTRIAL LEASE FROM AUGUST 27, 1970, FOR INSTALLATION OF ONE 6", THREE 8", ONE 16" AND ONE 12" PIPELINES, TWO TELEPHONE CABLES, AND A SUBMARINE TERMINAL ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF, IN CONSIDERATION OF AN INTERIM ANNUAL RENT IN THE AMOUNT OF \$3500 AS A DEPOSIT TOWARD A FIRM RENTAL TO BE NEGOTIATED; PROVIDED THAT, IF LESSEE REFUSES TO ACCEPT WITHIN 60 DAYS A FINAL OFFER BY THE STATE THAT WOULD ESTABLISH A FIRM RENTAL, THE LEASE SHALL TERMINATE AND LESSEE SHALL PAY A FAIR RENTAL TO BE ESTABLISHED BY A COURT OF COMPETENT JURISDICTION TO DATE OF TERMINATION; PROVIDED THAT, IN THE EVENT A FIRM RENTAL IS AGREED TO, THEREAFTER THE STATE SHALL RESERVE THE RIGHT TO RESET A REASONABLE RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; PROVIDED, FURTHER, THAT LESSEE SHALL PROVIDE A \$50,000 SURETY BOND. THIS AUTHORITY AND ISSUANCE OF A LEASE HEREUNDER SHALL NOT OPERATE TO AFFECT THE STATUS OF LEASES P.R.C. 437.1 AND 660.1.

Attachment:

Calendar Item 14 (3 pages)

CALENDAR ITEM

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14.

INDUSTRIAL LEASE

APPLICANT: Standard Oil Company of California.

LOCATION: Two parcels of tide and submerged land (60' x 3,616', and 60' x 4,724') and one circular parcel of submerged land (radius of 900', 58.418 acres) in Santa Monica Bay at El Segundo, Los Angeles County.

LAND USE: Two submarine pipeline installations, telephone cables, and a tanker anchorage.

TERMS: Initial period: 15 years, from August 27, 1970.
Surety bond: \$50,000.

CONSIDERATION: An interim annual rental of \$3500, which shall be considered a deposit toward the total amount of rent to accrue pursuant to consummation of a firm rental; thereafter the State shall reserve the right to review and reset a reasonable rental on each fifth anniversary of the lease.

PREREQUISITE ITEMS:

A U.S. Army Corps of Engineers permit has been requested.
Applicant is owner of upland.

STATUTORY AND OTHER REFERENCES:

- a. Public Resources Code: Div. 6, Pts. 1 and 2.
- b. Administrative Code: Title 2, Div. 3, Arts. 1 & 2 as amended effective May 10, 1969.

OTHER PERTINENT INFORMATION:

1. The execution of this Industrial Lease, which includes two rights-of-way, will affect existing leases, as follows:
 - a. P.R.C. 660.1 - El Segundo wharf. To be removed.
 - b. P.R.C. 437.1 - Submarine pipelines and cables extending from the wharf to No. 1 and No. 2 Terminals (as shown on Exhibit "B"). To be relocated.
2. New installations include:
 - a. Relocation of No. 1 Submarine Terminal to a position inshore of the existing No. 1 Terminal.
 - b. Installation of four new pipelines and a telephone cable to relocated No. 1 Terminal.

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c. Complete replacement of two existing pipelines and a telephone cable to No. 2 Submarine Terminal; abandonment and dismantling of existing lines.

3. The applicant is in a permissive holdover status as to Leases P.R.C. 660.1 and 437.1 pending agreement on rental to apply during optional renewal periods. The issuance of this lease is not intended to affect termination of such holdover status or determination of retroactive rental due the State.

EXHIBITS:

A. Land description.

B. Location map.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE ISSUANCE TO STANDARD OIL COMPANY OF CALIFORNIA OF A 15-YEAR INDUSTRIAL LEASE FROM AUGUST 27, 1970, FOR INSTALLATION OF ONE 6", THREE 8", ONE 16" AND ONE 12" PIPELINES, TWO TELEPHONE CABLES, AND A SUBMARINE TERMINAL ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF, IN CONSIDERATION OF AN INTERIM ANNUAL RENT IN THE AMOUNT OF \$3500 AS A DEPOSIT TOWARD A FIRM RENTAL TO BE NEGOTIATED; PROVIDED THAT, IF LESSEE REFUSES TO ACCEPT WITHIN 60 DAYS A FINAL OFFER BY THE STATE THAT WOULD ESTABLISH A FIRM RENTAL, THE LEASE SHALL TERMINATE AND LESSEE SHALL PAY A FAIR RENTAL TO BE ESTABLISHED BY A COURT OF COMPETENT JURISDICTION TO DATE OF TERMINATION; PROVIDED THAT, IN THE EVENT A FIRM RENTAL IS AGREED TO, THEREAFTER THE STATE SHALL RESERVE THE RIGHT TO RESET A REASONABLE RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; PROVIDED, FURTHER, THAT LESSEE SHALL PROVIDE A \$50,000 SURETY BOND. THIS AUTHORITY AND ISSUANCE OF A LEASE HEREUNDER SHALL NOT OPERATE TO AFFECT THE STATUS OF LEASES P.R.C. 437.1 AND 660.1.

Attachment: Exhibit "A"

EXHIBIT "A"PARCEL 1

A right-of-way sixty feet wide, the center line of which is described as follows:

Beginning at a point on the Ordinary High Water Mark 1935 as shown on map recorded as Miscellaneous Map No. 3319, August 19, 1964, in the office of the County Recorder, County of Los Angeles, that bears South 22° 40' East 924.23 feet, and South 66° 43' West 50.00 feet, more or less, from the northwest corner of Lot 1, Tract 1314, as recorded in Book 20, page 161 of Maps in the office of said County Recorder, thence from said point of beginning South 66° 43' West 616.00 feet more or less to a point on said bearing 666.00 feet from the west line of said Lot 1, hereinafter known as Point "A", thence along a tangent curve with radius of 8130 feet, a distance of 3005.81 feet, through a central angle of 21° 11', to a point hereinafter known as Point "B", said 8130 foot radius curve being concave to the southeast.

PARCEL 2

A right-of-way sixty feet wide, the center line of which is described as follows:

Beginning at said Point "A", thence along a tangent curve with radius of 7300.00 feet, a distance of 4724.41 feet through a central angle of 37° 04' 42", said 7300.00 foot radius curve being concave to the north.

PARCEL 3

An anchorage with a radius of 900.00 feet, the center of which is at said Point "B", and containing an acreage of 58.418 acres more or less.