

MINUTE ITEM

This Calendar Item No. 30  
was approved as Minute Item  
No. 30 by the State Lands  
Commission by a vote of 9  
to 0 at its 4/24/80  
meeting.

CALENDAR ITEM

30.

4/80  
WP 3265  
Louie

RENEWAL AND AMENDMENT

APPLICANT: Shell Oil Company  
P. O. Box 4848  
Anaheim, California 92803  
Attn: Real Estate Department

AREA, TYPE LAND AND LOCATION:  
0.115 acre of tide and submerged land,  
Sunset Bay, Orange County.

LAND USE: Marine fueling facility.

TERMS OF ORIGINAL LEASE:

Initial period: 15 years from April 1,  
1965.

Renewal options: 3 successive periods  
of 10 years each.

Surety bond: \$1,000.

Consideration: \$662 per annum.

Special: Lessee is authorized  
to sublease to any operators  
under contract to the  
Lessee during the life  
of the lease, subject  
to advance written notice  
to the State Lands Commission  
of each sublet, and provided  
that Lessee continues  
to assume all obligations  
of the lease.

TERMS OF PROPOSED AMENDED LEASE DURING FIRST RENEWAL PERIOD:

Initial period: 10 years from April 1,  
1980.

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Renewal options: 2 successive periods  
of 10 years each.

Public liability insurance: Combined single  
limit coverage of \$1,000,000.

Special: 1. The amendment increases  
rental, adds insurance  
coverage, and brings  
the provisions for monetary  
consideration and standard  
covenants into conformance  
with current regulations  
and policies.  
2. All other terms and  
conditions of the lease  
remain in full force  
and effect.

CONSIDERATION: \$.01 per gallon of fuel sold during the  
yearly reporting period to a maximum of  
100,000 gallons, and \$.015 per gallon for  
each additional gallon sold thereafter.  
The minimum annual rental is \$3,600. The  
State reserves the right to fix a different  
rental on each fifth anniversary of the  
lease.

BASIS FOR CONSIDERATION:

Volumetric (gallonage) rental pursuant  
to 2 Cal. Adm. Code 2005 and 2006.

PREREQUISITE TERMS, FEES AND EXPENSES:

Applicant is owner of upland.

STATUTORY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 & 2.

B. Cal. Adm. Code: Title 2, Div. 3.

OTHER PERTINENT INFORMATION:

1. An EIR is not required. This transaction  
is within the purview of 2 Cal. Adm.  
Code 2907, Class 1(B), which exempts  
an existing structure or facility that  
is in an acceptable state of repair  
and there is no evidence of record  
to show injury to adjacent property,  
shoreline erosion, or other types of  
environmental degradation.

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2. This project is situated on State land identified as possessing significant environmental values pursuant to P.R.C. 6370.1, and is classified in a use category, Class B, which authorizes Limited Use.
3. Staff has coordinated this project with those agencies and organizations which nominated the site as containing significant environmental values. They have found this project to be compatible with their nomination.

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 P.R.C. 21085, 14 CAL. ADM. CODE 15100 ET SEQ., AND 2 CAL. ADM. CODE 2907.
2. FIND THAT GRANTING OF THE AMENDMENT AND RENEWAL OF THE LEASE WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1, OF THE P.R.C.
3. AUTHORIZE APPROVAL OF THE AMENDMENT AND 10-YEAR RENEWAL OF COMMERCIAL LEASE PRC 3265.1 TO SHELL OIL COMPANY FROM APRIL 1, 1980, WITH LESSEE'S OPTION TO RENEW FOR 2 SUCCESSIVE PERIODS OF 10 YEARS EACH; IN CONSIDERATION OF \$.01 PER GALLON OF FUEL SOLD YEARLY UP TO A MAXIMUM OF 100,000 GALLONS, AND \$.015 PER GALLON FOR EACH ADDITIONAL GALLON SOLD THEREAFTER, WITH A MINIMUM ANNUAL RENT IN THE AMOUNT OF \$3600, AND WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; PROVISION OF A \$1,000 SURETY BOND; PROVISION OF PUBLIC LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF \$1,000,000; FOR CONTINUED OPERATION OF A MARINE FUELING STATION ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

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## EXHIBIT "A"

A parcel of submerged land in Sunset Bay, Orange County, State of California, situate adjacent to tide land location No. 141 and being further described as follows:

Beginning at the terminal point of the last course recited in that boundary line agreement between the State of California and the Lincoln Fidelity Corporation, said agreement being on file with the State Lands Commission as "Boundary Line Agreement No. 46", said last course having a bearing of N.  $52^{\circ} 45' 00''$  W. and a length of 850.25 feet; thence from said point of beginning proceeding into Sunset Bay N.  $37^{\circ} 15'$  E. 50 feet, S.  $52^{\circ} 45'$  E. 100 feet; thence S.  $37^{\circ} 15'$  W. 50 feet to the aforementioned agreed boundary line; thence along said line N.  $52^{\circ} 45'$  W. 100 feet to the point of beginning; containing 0.115 acre more or less.

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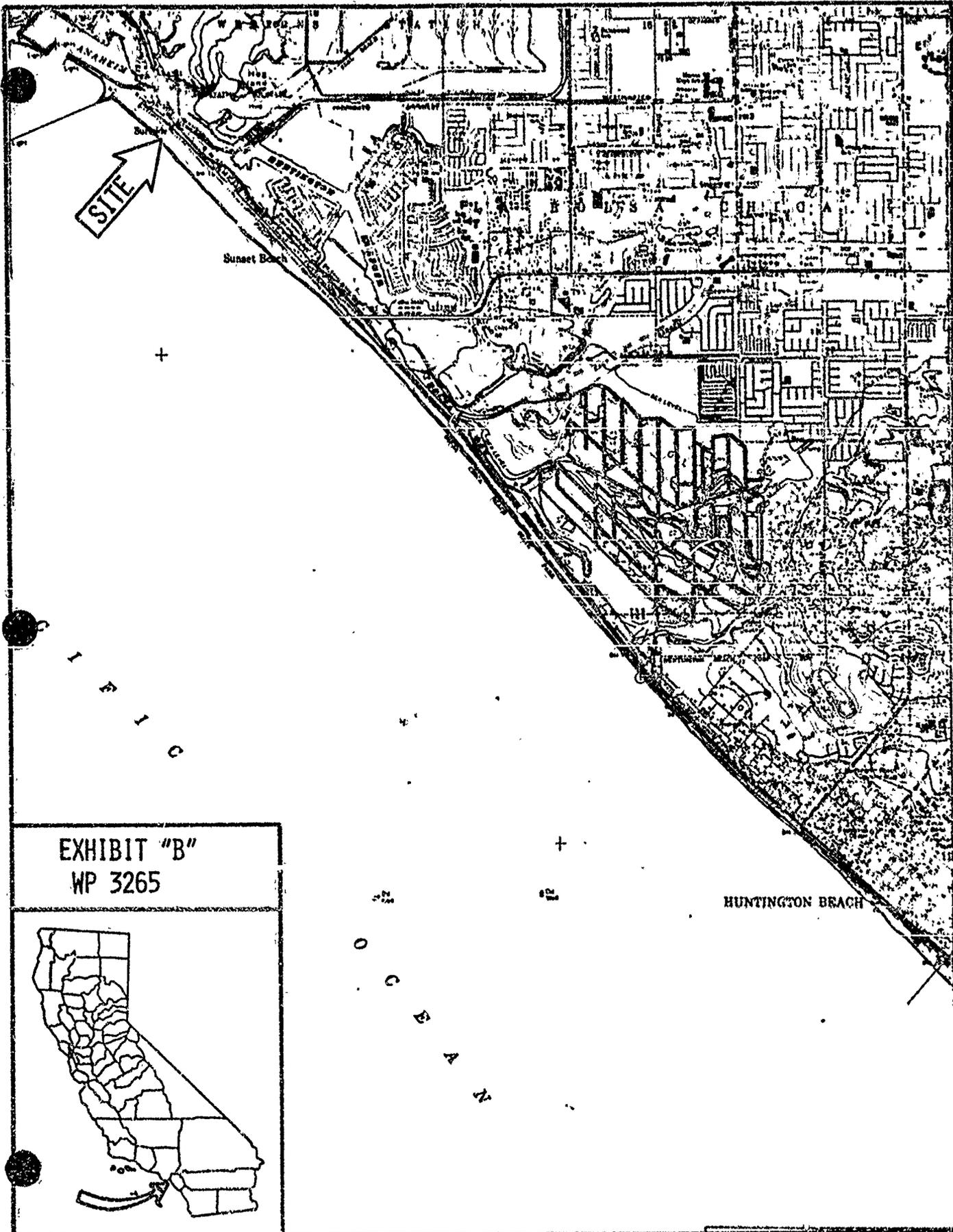


EXHIBIT "B"  
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