

MINUTE ITEM

This Calendar Item No. C13
was approved as Minute Item
13 by the State Lands
Commission by a vote of 2
to 0 at its 8/25/83
meeting.

CALENDAR ITEM

C13 -1

8/25/83
WP 2478
Louie

APPROVAL OF
REPLACEMENT OF PIPELINE

APPLICANT: Chevron U.S.A., Inc.
1110 Eugenia Place
Carpenteria, California 93013
Attention: Douglas Uchikura

AREA, TYPE LAND AND LOCATION:
Approximately 80 acres of tide and submerged
land, located in Estero Bay, San Luis Obispo
County.

LAND USE: Two offshore marine petroleum loading terminals
together with necessary appurtenances.

TERMS OF EXISTING LEASE:

Initial period: Ten years from August 14,
1974.

Renewal options: One additional period
of ten years.

Surety bond: \$50,000.

Public liability insurance: \$500,000/\$1,000,000
per occurrence for bodily
injury and \$5,000,000
for property damage.

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SEARCHED	INDEXED
SERIALIZED	FILED
AUG 25 1983	
FBI - SAN LUIS OBISPO	

CALENDAR ITEM NO. 13 (CONTD)

CONSIDERATION: Annual rental as follows:

- (a) Until the minimum annual rental provided for in subparagraph (c) below is equaled in each lease year, the annual rental is computed by multiplying the number of barrels of petroleum products passing over the State's land by \$0.01.
- (b) For the next 12,000,000 barrels beyond the number of barrels necessary to satisfy the minimum rental under subparagraph (a) above, the rental is \$0.001 per barrel; and thereafter \$0.003 per barrel for each additional barrel of such commodities passing over the State's land in that same lease year.
- (c) The minimum annual rental is \$87,000.
- (d) The State reserves the right to fix a different rental on each fifth anniversary of the lease.

The lease provides for payment of rentals in excess of the minimum annual rental into a special deposit account in the State Treasury, pending a final disposition of current litigation concerning said impounded rentals to be refunded and a new reasonable rental determined by the Commission should the Commission's volumetric rental regulations be invalidated.

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Adm. Code 2003.

PREREQUISITE TERMS, FEES AND EXPENSES:

Applicant is owner of upland.

Filing fee has been received.

STATUTORY AND OTHER REFERENCES:

- A. P.R.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: 7/15/84.

OTHER PERTINENT INFORMATION:

1. The existing marine terminal under Lease PRC 2478.1 includes two offshore mooring sites. Chevron proposes to replace the existing No. 2 loading line at the Estero terminal due to deterioration of the pipeline from internal corrosion. The No. 2 line is an 18-inch diameter line which has been in operation since 1935. The existing line will be abandoned in place except for those portions within the surf zone which will be removed.

The replacement line will be a 20-inch diameter line which will be located approximately five feet north of the existing pipeline and will be situated entirely within the existing lease area. Chevron has informed staff that the existing intensity of use will be maintained.

2. The existing State lease authorizes multiple pipelines; therefore no amendment to the lease is necessary.
3. This project is exempt from CEQA because it involves replacement of an existing facility pursuant to 14 Cal. Adm. Code, Div. 6, Section 15102.
4. The project is situated on lands identified as possessing significant environmental values pursuant to P.R.C. 6370.1, and is classified in a use category "B" which authorizes Limited Use. The project as proposed will not have a significant effect upon the identified environmental values.

FURTHER APPROVALS REQUIRED:

County of San Luis Obispo, United States
Army Corps of Engineers and the California
Coastal Commission.

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

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL DOCUMENT HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH DOCUMENT IS NOT REQUIRED UNDER THE PROVISIONS OF P.R.C. 21084, 14 CAL. ADM. CODE 15100 ET SEQ., AND 2 CAL. ADM. CODE 2905, AND FIND THAT THE PROJECT IS CONSISTENT WITH ITS USE CLASSIFICATION.

2. APPROVE CHEVRON'S PROPOSED REPLACEMENT OF AN EXISTING 18-INCH PIPELINE WITH A NEW 20-INCH PIPELINE UNDER LEASE PRC 2478.1 AT ESTERO BAY PROVIDED THAT SUCH REPLACEMENT REMAINS ENTIRELY WITHIN THE EXISTING LEASE AREA AS DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, AND PROVIDED THAT THE STATE RESERVES THAT RIGHT TO REQUIRE LESSEE TO REMOVE ALL OR ANY PORTION OF THE AFORESAID 18-INCH PIPELINE UPON EXPIRATION OR SOONER TERMINATION OF THE LEASE.

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EXHIBIT "A"

WP 2478

Those parcels of tide and submerged land lying in the bed of the Pacific Ocean, Estero Bay, approximately 4 miles northerly of Morro Bay, San Luis Obispo County, California, and lying immediately adjacent to and west of Lot 31 of the Rancho Morro Y Cayucos as shown on that certain map entitled "Map of the Subdivision of the Rancho Morro Y Cayucos," and filed in the office of the county recorder of said county, in Map Book "A" at page 160, and more particularly described as follows:

PARCEL 1

A strip of tide and submerged land 20 feet wide, lying 10 feet on each side of the following described centerline:

COMMENCING at the corner common to Lots 30, 31 and 32 of said Rancho Morro Y Cayucos; thence S $45^{\circ} 14' 30''$ W along the southeasterly boundary of Lot 31 2438.73 feet to an iron pipe; thence N $08^{\circ} 05'$ W 592.55 feet to an iron pipe, said iron pipe being on the base line control system for Standard Oil Company of California's Estero Marine Terminal; thence along said base line N $24^{\circ} 34'$ W 1330.0 feet to a point hereinafter referred to as Point "A" said point being the intersection of said base line with the centerline of a pier and the TRUE POINT OF BEGINNING; thence along the centerline of said pier S $72^{\circ} 47'$ W 1180.0 feet to the end of the herein described centerline, and hereinafter referred to as Point "B".

EXCEPTING THEREFROM any portion lying landward of the Ordinary High Water Mark.

PARCEL 2

A strip of tide and submerged land 20 feet wide, lying 10 feet on each side of the following described centerline:

COMMENCING at the aforementioned Point "A"; thence N $24^{\circ} 34'$ W 274.4 feet to the TRUE POINT OF BEGINNING; thence S $48^{\circ} 15'$ W 3200.0 feet to the end of the herein described centerline, and hereinafter referred to as Point "C".

EXCEPTING THEREFROM any portion described in Parcel 1.

ALSO EXCEPTING THEREFROM any portion lying landward of the Ordinary High Water Mark.

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PARCEL 3

A strip of tide and submerged land 20 feet wide, lying 10 feet on each side of the following described centerline:

COMMENCING at the aforementioned Point "A"; thence N $24^{\circ} 34'$ W 480.0 feet to the TRUE POINT OF BEGINNING; thence S $89^{\circ} 26'$ W 3476.0 feet to the end of the herein described centerline, and hereinafter referred to as Point "D".

EXCEPTING THEREFROM any portion lying landward of the Ordinary High Water Mark.

PARCEL 4

A strip of tide and submerged land 20 feet wide, lying 10 feet on each side of the following described centerline:

BEGINNING at the aforementioned Point "B"; thence S $49^{\circ} 30'$ W 221.5 feet; thence S $41^{\circ} 45'$ W 1651.5 feet to the end of the herein described centerline.

EXCEPTING THEREFROM any portion described in Parcel 1.

PARCEL 5

A strip of tide and submerged land 20 feet wide lying 10 feet on each side of the following described centerline:

BEGINNING at the aforementioned Point "E", thence westerly along a curve to the right, tangent at said Point "B" with a line having a bearing of S $72^{\circ} 47'$ W, and having a radius of 1400.0 feet, an arc distance of 737 feet; thence N $72^{\circ} 00'$ W 1943.0 feet to the end of the herein described centerline.

EXCEPTING THEREFROM any portion described in Parcel 1 and 4.

PARCEL 6

A strip of tide and submerged land 20 feet wide, lying 10 feet on each side of the following described centerline:

COMMENCING at the aforementioned Point "A"; thence N $24^{\circ} 34'$ W 1060.0 feet to the TRUE POINT OF BEGINNING; thence N $88^{\circ} 26'$ W 30.0 feet; thence N $66^{\circ} 52'$ W 800.0 feet to the end of the herein described centerline.

EXCEPTING THEREFROM any portion lying landward of the Ordinary High Water Mark.

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PARCEL 7

A strip of tide and submerged land 20 feet wide, lying 10 feet on each side of the following described centerline:

COMMENCING at the aforementioned Point "A"; thence S $72^{\circ} 47'$ W 100 feet to the TRUE POINT OF BEGINNING; thence S $17^{\circ} 13'$ E 55.0 feet; thence S $30^{\circ} 00'$ W 600.0 feet to the end of the herein described centerline.

EXCEPTING THEREFROM any portion described in Parcel 1.

ALSO EXCEPTING THEREFROM any portion lying landward of the Ordinary High Water Mark.

PARCEL 8

A strip of tide and submerged land 20 feet wide, lying 10 feet on each side of the following described centerline:

COMMENCING at the aforementioned Point "A"; thence S $72^{\circ} 47'$ W 115.0 feet to the TRUE POINT OF BEGINNING; thence S $32^{\circ} 55'$ E 90.0 feet; thence S $49^{\circ} 47'$ W 330.0 feet to the end of the herein described centerline.

EXCEPTING THEREFROM any portion described in Parcels 1 and 7.

ALSO EXCEPTING THEREFROM any portion lying landward of the Ordinary High Water Mark.

PARCEL 9

A parcel of submerged land more particularly described as follows:

COMMENCING at the aforementioned Point "C"; thence N $73^{\circ} 35'$ W 440.0 feet to the TRUE POINT OF BEGINNING; thence N $36^{\circ} 45'$ E 705.0 feet; thence S $63^{\circ} 05'$ E 570.0 feet; thence S $15^{\circ} 35'$ E 600.0 feet; thence S $47^{\circ} 10'$ W 722.0 feet; thence N $85^{\circ} 05'$ W 485.0 feet; thence N $06^{\circ} 10'$ W 725.0 feet to the true point of beginning.

EXCEPTING THEREFROM any portion described in Parcel 2 and 4.

PARCEL 10

A parcel of submerged land more particularly described as follows:

COMMENCING at the aforementioned Point "D"; thence N $79^{\circ} 50'$ W 520.0 feet to the TRUE POINT OF BEGINNING; thence N $26^{\circ} 45'$ E 1060 feet thence S $56^{\circ} 45'$ E 402.0 feet; thence S $43^{\circ} 07'$ E

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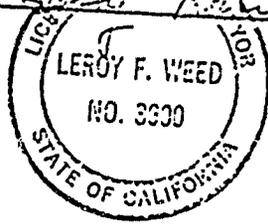
1806

875.0 feet; thence S 00° 55' E 635.0 feet; thence S 29° 10' W
500.0 feet; thence S 81° 12' W 842.0 feet; thence S 85° 30' W
575.0 feet; thence N 11° 25' E 1180.0 feet; to the true point
of beginning.

EXCEPTING THEREFROM any portion described in Parcel 3 and 5.

END OF DESCRIPTION

Prepared *L. F. Weed* Checked *J. Colvin*
Reviewed *L. F. Weed* Date *9/26/74*



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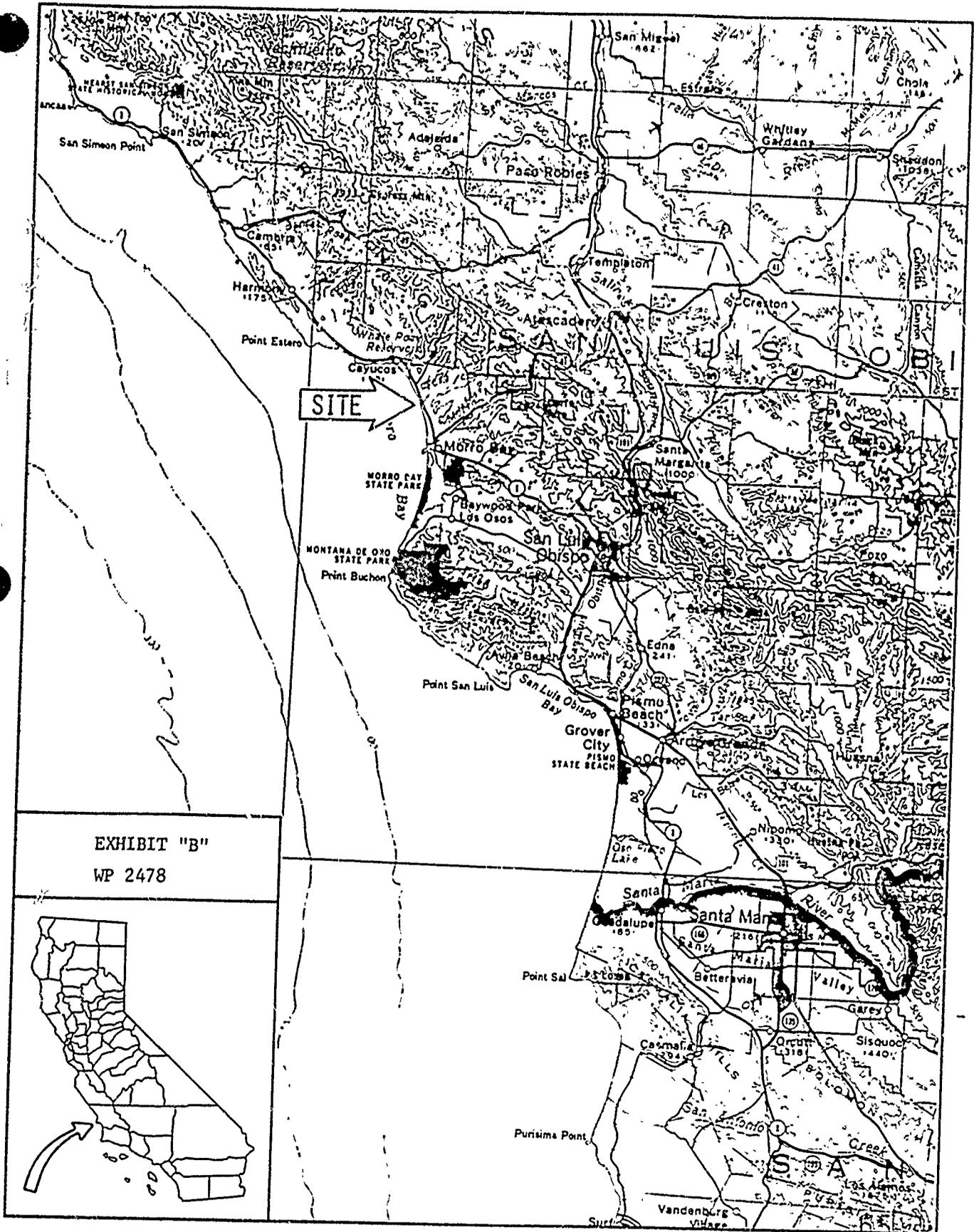


EXHIBIT "B"
WP 2478



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