

MINUTE ITEM

This Calendar item is 18  
was placed  
in 18  
order 3  
to C on 10/24/85  
meeting.

CALENDAR ITEM

A 58

S 29

18

10/24/85  
W 22957 PRC 6908  
Louie  
J. Sekelsky

GENERAL LEASE - INDUSTRIAL USE AND APPROVAL OF LICENSE

APPLICANT: Southern California Edison  
Company  
Attn: Carol Prince  
P. O. Box 410  
Long Beach, California 90801

LICENSEE: Chevron U.S.A., Inc.  
1201 South Beach Boulevard  
La Habra, California 90631

AREA, TYPE LAND AND LOCATION:  
An approximate 0.096-acre parcel of tide and  
submerged land, located at Pebbly Beach, Santa  
Catalina Island, Los Angeles County.

LAND USE: Maintenance of a wharf for fuel and water  
transport along with mooring buoy and riprap.

TERMS OF PROPOSED LEASE:  
Initial period: 15 years beginning January 1,  
1982.

Public liability insurance: Combined single  
limit coverage of \$3,000,000.  
Lessee agrees to be  
self-insured for \$2,000,000  
and insured for an additional  
\$1,000,000.

CONSIDERATION: \$2,300 per annum, with the State reserving the  
right to fix a different rental on each fifth  
anniversary of the lease. Rental may also be  
modified upon a settlement of boundary  
uncertainties with the State.

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CALENDAR ITEM NO. 18 (CONT'D)

BASIS FOR CONSIDERATION:  
Pursuant to 2 Cal. Adm. Code 2003.

APPLICANT STATUS:  
Applicant is owner of upland.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:  
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.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. The tide and submerged land underlying the Southern California Edison wharf at Pebbly Beach was previously under lease PRC 3639 which expired December 31, 1981. Ownership by Edison of the adjacent upland is subject to a reversionary interest to the Santa Catalina Island Company once the upland is no longer being used for electric generation.

There is a dispute between the Island Company, Edison and the State concerning the existence and extent of filled tide and submerged lands at the subject site. The lease is being entered into without prejudice to any party's claims of ownership. If a title settlement is reached at the subject site, the lease provides that the land description and annual rental may be modified in accordance with the boundaries established by such a settlement.

2. The Edison Company currently has a Right-of-Way License and Fuel Pier License with Chevron U.S.A., Inc., attached hereto as Exhibit "C". The staff recommends that the license be approved provided Chevron executes an appropriate document agreeing to be fully bound by the terms and conditions of the State lease.

CALENDAR ITEM NO. 18 (CONT'D)

3. The City of Avalon and the County of Los Angeles are in the process of conducting a feasibility study for construction of a commercial airport at the Edison wharf site.

The lease provides that if the City of Avalon and the County of Los Angeles determine that the lease premises are necessary for the construction and/or operation of an airport, and if the City and/or County demonstrate to the State Lands Commission's satisfaction that they can acquire (1) all interests in other real property shown on the final airport Master Plan to be necessary for airport construction and operation, (2) all necessary government approvals for the airport, and (3) sufficient financing for the airport, then the State may modify or terminate the lease upon ninety (90) days prior written notice to Lessee.

The lease provides that such modification or termination would be effective only upon provision to Lessee of an alternative site on State-owned tidelands and submerged lands upon which to locate fuel or water off-loading facilities necessary to Lessee's continued utility services to Santa Catalina Island, upon terms and conditions to be agreed upon by the Parties at that time. The lease also provides that the State does not assume any financial responsibility for relocation costs or other damages which may result from such modification or termination of the Lease.

4. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

(REVISED 10/16/85)

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- 5 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 1, Existing Facility, 2 Cal. Adm. Code 2905(a)(2).

Authority: P.R.C. 21084, 14 Cal. Adm. Code 15300, and 2 Cal. Adm. Code 2905.

- EXHIBITS:
- A. Land Description.
  - B. Location Map.
  - C. Right-of-Way License and Fuel Pier License.

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 1, EXISTING FACILITY, 2 CAL. ADM. CODE 2905(a)(2).
2. FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6370, ET SEQ.
3. AUTHORIZE ISSUANCE TO SOUTHERN CALIFORNIA EDISON COMPANY OF A 15-YEAR GENERAL LEASE - INDUSTRIAL USE BEGINNING JANUARY 1, 1982; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$2,300, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE AND AT SUCH TIME AS A TITLE SETTLEMENT OF THE STATE'S BOUNDARY IS REACHED, LESSEE AGREES TO BE SELF-INSURED FOR \$2,000,000 AND INSURED FOR AN ADDITIONAL \$1,000,000 FOR COMBINED SINGLE LIMIT COVERAGE OF \$3,000,000; FOR MAINTENANCE OF AN EXISTING FUEL AND WATER TRANSPORT WHARF, MOORING BUOY AND RIPRAP ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.
4. APPROVE THE RIGHT-OF-WAY LICENSE AND FUEL PIER LICENSE ATTACHED AS EXHIBIT "C" AND BY REFERENCE MADE A PART HEREOF, PROVIDED CHEVRON U.S.A., INC. EXECUTES AN APPROPRIATE DOCUMENT AGREEING TO BE BOUND BY THE TERMS AND CONDITIONS OF THE STATE LEASE.

EXHIBIT "A"

LAND DESCRIPTION

W 22957

A parcel of tide and submerged land in the Pacific Ocean at Pebbly Beach on the northeasterly side of Santa Catalina Island, Los Angeles County, California, described as follows:

COMMENCING at the 2 inch iron pipe with brass cap stamped R.C.E. 7211 having coordinates of  $N = 430,582.52$  and  $E = 1,371,281.56$  as said pipe is described in the Grant Deed to Southern California Edison Company recorded November 30, 1962 in Book D1840, Pg. 756, Los Angeles County Official Records; thence  $N 10^{\circ} 30' 15'' E$ , 36.12 feet to the TRUE POINT OF BEGINNING; thence the following 9 courses:

1.  $N 57^{\circ} 15' 38'' W$  5.00 feet;
2.  $N 32^{\circ} 44' 22'' E$  68.00 feet;
3.  $N 57^{\circ} 15' 38'' W$  10.00 feet;
4.  $N 32^{\circ} 44' 22'' E$  120.00 feet;
5.  $S 57^{\circ} 15' 38'' E$  30.00 feet;
6.  $S 32^{\circ} 44' 22'' W$  120.00 feet;
7.  $N 57^{\circ} 15' 38'' W$  10.00 feet;
8.  $S 32^{\circ} 44' 22'' W$  68.00 feet;
9.  $N 57^{\circ} 15' 38'' W$  5.00 feet to the point of beginning.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark.

This description is based on the California Coordinate System, Zone 6.

END OF DESCRIPTION

PREPARED FEBRUARY 7, 1985 BY BOUNDARY SERVICES UNIT, M. L. SHAFER, SUPERVISOR.

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MAR 13 1981

EXHIBIT "C"

RIGHT OF WAY LICENSE

AND

FUEL PIER LICENSE

BETWEEN

CHEVRON U.S.A. INC.

AND

SOUTHERN CALIFORNIA EDISON COMPANY

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LICENSE

THIS AGREEMENT, hereinafter called the "License," made and entered into as of the 25th day of March, 1981, by and between SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, hereinafter called "Licensor", and CHEVRON U.S.A. INC., a corporation, hereinafter called "Licensee,"

WITNESSETH:

That Licensor, for and in consideration of the faithful performance by Licensee of all of the terms, covenants and conditions hereinafter set forth on its part to be performed, does hereby give to Licensee, for the term set forth herein, a License as follows:

(a) to maintain, use, operate, repair, replace and/or remove, upon and subject to the terms, covenants and conditions hereinafter set forth, three (3) four-inch pipelines, and, subject to Licensor's prior approval, to install, maintain, operate, repair, replace and/or remove additional pipelines, hereinafter collectively referred to in whole or in part as "structures" for the transportations of petroleum products in, through, on and/or over that certain real property owned by Licensor in the County of Los Angeles, State of California, described as follows:

A strip of land, ten (10) feet in width, lying within that portion of Lot 1 of the Map of Santa Catalina Island recorded on February 28, 1959, as L.A.C.A. Map No. 59, in Book 1, Page 7 of Assessor's Maps, in the office of the County Recorder of Los Angeles County, State of California, conveyed to Southern California Edison Company by deed recorded on November 30, 1962, as Instrument No. 6492, in Book D-1846, Page 756, of Official Records in the office of the County Recorder of said County; the approximate location of said strip of land ten (10) feet in width, is shown by a red line on a map marked Exhibit "A", attached hereto and by this reference made a part hereof.

(b) to use and occupy Licensor's wharf or pier, familiarly known as Pebbly Beach Wharf, hereinafter called "the Wharf", adjacent to the above described property; provided, however, that the use of said Wharf by Licensee shall not be exclusive, but shall be used jointly with Licensor as provided herein.

Said License is given upon and subject to the terms, covenants, and conditions set forth herein which Licensee hereby agrees to comply with and perform:

1. This License shall have a term of ten (10) years, commencing on the date first hereinabove written, unless sooner terminated as hereinafter provided.

2. Licensee shall pay Licensor an annual fee, on or before the commencement of each License year, of \$100.00. The annual fee for the first year of this License shall be payable upon execution of this License by Licensee.

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3. This License is given subject to all valid and existing easements, rights, leases, licenses, reservations, and encumbrances, whether of record or not, affecting the said property, or any portion thereof.

4. One such existing lease that effects this License is the Tidelands Lease between the State of California State Lands Division and the Santa Catalina Island Company that expires on October 26, 1981. If the Tidelands Lease is not extended by the State of California State Lands Division for a period beyond the term of this License, or not replaced by a new Tidelands Lease with a term extending beyond the term of this License, then Licensor may terminate this License at the end of the term of said Tidelands Lease, as extended, or at the end of the term of any replacement lease, whichever occurs last. If the Tidelands Lease is extended by the State of California State Lands Division so that it is in force throughout the term of this License, and if Licensor as the result of this extension is required to pay the Santa Catalina Island Company for the use of the tidelands adjacent to Licensor's pier, then Licensor and Licensee agree to renegotiate the consideration paid by Licensee to Licensor for this License; provided, however, that in no event shall the consideration paid by Licensee be increased by an amount that exceeds 50% of the amount Licensor is required to pay the Santa Catalina Island Company for the use of said tidelands.

5. Licensee hereby recognizes the title and interest of Licensor in and to the above described real property, and agrees never to assail or resist Licensor's title or interest therein, and further agrees that Licensee will at no time claim the property of Licensor, or any part thereof or any interest therein, as dedicated to public use by reason of the use of such property for any of the purposes herein provided for or incidental thereto.

6. This License is personal to Licensee, and Licensee shall not assign or transfer this License, or any right hereunder, in whole or in part, without first securing the written consent of Licensor thereto; provided, however, that Licensor shall not unreasonably withhold its consent to an assignment of this License to one of Licensee's branded jobbers or any other party who purchases and operates Licensee's marketing facilities in Avalon. No written consent by Licensor hereunder shall be deemed a waiver by Licensor of any of the provisions hereof, except to the extent of such consent.

7. Licensee agrees to indemnify Licensor against and to hold Licensor harmless from any loss of or damage to any property, or injury to or death of any person whomsoever, proximately caused in whole or in part by any negligence of Licensee or its contractors, or by any acts for which Licensee or its contractors are liable without fault, in the exercise

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of the rights herein granted, save and except in those instances where such loss or damage or injury or death is proximately caused in whole or in part by any negligence of Licensor or its contractors, or by acts for which Licensor or its contractors are liable without fault.

8. Should Licensor, its successors or assigns, at any time require the removal, reconstruction, alteration, or change in the location of said structures, or any of them, Licensee shall, at Licensee's own cost, expense and risk, so remove, reconstruct, alter or make changes in the location of said structures as may be required by Licensor and in a manner satisfactory to Licensor, within sixty (60) days after receiving written notice from Licensor so to do. Licensor shall in such event give Licensee a new, reasonably direct right of way to replace the right of way so taken.

9. Licensee, its successors or assigns, shall pay before delinquency all taxes and assessments which may be levied or assessed upon said structures, or any of them, and Licensee agrees, for itself, its successors and assigns, to indemnify and save harmless Licensor, its successors and assigns, from and against all liens and encumbrances which may arise, directly or indirectly, from the exercise by Licensee, its successors or assigns, of the License hereby granted.

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10. Either party hereto may terminate this License at any time during the term hereof by giving the other party no less than one hundred eighty (180) days prior written notice of termination. If this License is terminated pursuant to this paragraph 10, Licensee shall, if requested by Licensor, remove said structures from the aforesaid property at Licensee's sole cost and expense and restore the ground to as near its original condition and appearance as possible on or before the termination date.

11. In the event the use of said structures shall be abandoned or said structures shall not be used for the period of one (1) year, then this License shall terminate upon written notice to that effect given by Licensor to Licensee, and upon such termination Licensee agrees, if requested by Licensor, to remove said structures from the aforesaid property at its own expense and risk, within thirty (30) days from and after the giving of such notice as aforesaid, and to restore the ground to as near its original condition and appearance as possible.

12. In case of the failure or refusal of Licensee to comply with and perform each and all of the terms and covenants on its part herein contained, this License and all rights hereby given shall, at the option of Licensor, cease and terminate, and Licensor shall have the right forthwith, to remove said structures from the aforesaid property at the

sole cost, expense, and risk of Licensee, which cost and expense Licensee agrees to pay to Licensor upon demand, together with seven percent (7%) interest from the date of expenditure by Licensor.

13. In the event either party hereto institutes an action against the other party to compel performance of or to recover for breach of any covenants, agreements, or conditions herein contained, the unsuccessful party in such action shall reimburse the successful party therein for reasonable expenses and attorneys fees in addition to the amount of judgment and costs.

14. Licensee agrees that it will not record this License.

15. Licensee agrees that it will use the Wharf at its sole risk and peril.

16. Licensee agrees not to land over, take on, or discharge from said Wharf any freight or cargo other than its own property and not to grant permission for any property other than its own to be landed over, taken on, or discharged from the Wharf, and not to grant permission for any boat, vessel or floating equipment other than its own and those of its customers and/or contractors to tie to or lay at the Wharf; provided, however, that nothing in this paragraph shall be deemed to exclude the exercise by Licensor of its right, hereinafter reserved, to use the Wharf.

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17. Licensee owns and maintains ground tackle at the Wharf for the purpose of mooring Licensee's vessels. Said ground tackle is not part of the licensed property. Licensor may use said ground tackle only with the prior written approval of Licensee and subject to terms and conditions established by Licensee, including without limitation, the requirement that Licensor share the cost of maintaining said ground tackle. Use of such ground tackle shall be at the sole risk and peril of Licensor, its agents, employees and contractors.

18. For the purpose of this License, the term "Major Maintenance" shall mean any repairs necessary to maintain the Wharf in a safe and sanitary condition or any repairs necessary to maintain the Wharf in compliance with applicable federal or state laws or regulations that are \$500 or more in value. The term "Minor Maintenance" shall mean all repairs that are not Major Maintenance. The obligations of Licensor and Licensee as to maintenance and repair of the Wharf shall be as follows:

(a) Licensor agrees to keep and maintain the Wharf in normal repair and in a safe and sanitary condition by performing all Minor Maintenance to the Wharf.

(b) Licensor and Licensee agree not to commence Major Maintenance unless first approved by both parties hereto. The cost of Major Maintenance shall be shared on an

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equal basis, with Licensor and Licensee each paying one-half thereof.

(c) If the Minor Maintenance performed in any one year during the term of the License exceeds \$300 in value, then both Licensor and Licensee agree to renegotiate the paragraph pertaining to Minor Maintenance. All other portions of this License will remain intact and will not be affected by such renegotiation.

(d) Licensee agrees that it will provide technical assistance at its own expense to Licensor during the term of this License for all repairs to the Wharf.

19. Licensor and Licensee each agree not to permit or allow any oil, gasoline, or distillate stored, kept, or handled by them to be discharged into the ocean by the Wharf.

20. Licensor hereby reserves the right at all times to use the Wharf, jointly with Licensee, in any manner and for any purpose Licensor desires.

21. The parties hereto agree that if the Wharf is damaged by fire or other casualty of the elements so as to substantially destroy the same, or if it is declared unsafe by any authority having jurisdiction thereof, this License may be terminated by either party hereto upon ten (10) days written notice to the other party.

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22. If this License is terminated by Licensor pursuant to termination rights granted in paragraphs 4, 10, or 21, Licensor shall be required to reimburse Licensee for the unamortized balance of Licensee's \$37,037 investment in the Wharf. Said unamortized balance shall be computed by multiplying the sum \$3,703 by a number equal to the number of years between the date of termination and the date this License would otherwise have expired had Licensor not exercised its termination rights. Payment of said sum shall be made on or before the termination date specified in Licensor's notice of termination. If Licensee terminates this License, then Licensor shall have no duty of reimbursement.

23. Any notice required or permitted hereunder shall be deemed to have been duly given when made in writing and deposited in the United States mail, registered and postage prepaid, addressed as follows:

To Licensor:

SOUTHERN CALIFORNIA EDISON COMPANY  
P.O. Box 800  
Rosemead, California 91770  
Attention: District Manager, Catalina

To Licensee:

Chevron U.S.A. Inc.  
1201 South Beach Boulevard  
La Habra, California 90631

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24. This License is given pursuant to the authority of and upon and subject to the conditions prescribed by General Order No. 69-B of the Public Utilities Commission of the State of California, dated and effective September 10, 1963, which General Order No. 69-B, by this reference, is hereby incorporated herein and made a part hereof.

25. Except as herein otherwise provided, the provisions of this License shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, Licensor and Licensee have caused this instrument to be executed in duplicate by their respective, duly authorized officers, as of the day and year herein first above written.

SOUTHERN CALIFORNIA EDISON COMPANY

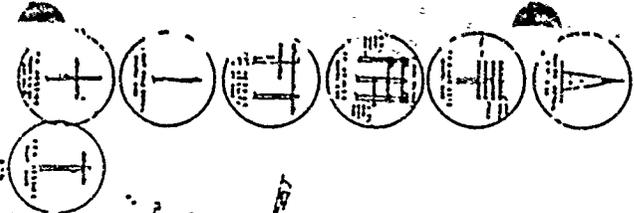
By P. L. Martin  
P. L. Martin, Vice President  
LICENSOR

CHEVRON U.S.A. INC.

By [Signature]  
Attorney in Fact LICENSEE

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580821-2



Scale of 1:100,000  
Vertical Datum: Mean Sea Level  
Horizontal Datum: WGS 84  
Projection: UTM  
Zone: 18N  
Datum: WGS 84  
Units: Meters  
Contour Interval: 5 Meters  
Elevation: 100 to 1500 Meters  
Map Date: 1988  
Map No. 580821-2  
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Scale: 1:100,000

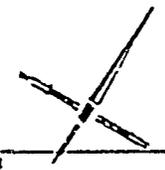
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UNITED STATES DEPARTMENT OF THE ARMY  
HEADQUARTERS, ARMY GROUND FORCE  
WASHINGTON, D.C. 20315-5000

EXHIBIT A



SCALE 1:100,000  
67.18  
304

