

MINUTE ITEM

Minute Item No. C14
State Lands
12/19/85

CALENDAR ITEM

A 58
S 37

C 1 4

12/19/85
PRC 3394
Townsend

AMENDMENT OF GENERAL LEASE - RIGHT-OF-WAY USE

LESSEE: Chevron U.S.A., Inc.
Attn: John Dowling
P. O. Box 6917
Ventura, California 93006

AREA, TYPE LAND AND LOCATION:
A 2.671-acre parcel of tide and submerged land
in San Pedro Bay, Orange County.

LAND USE: Maintenance of submarine pipelines and power
cables,

TERMS OF ORIGINAL LEASE:

Initial period: Ten years beginning
October 21, 1980.

Renewal options: Two successive periods of ten
years each.

Public liability insurance: Combined single
limit coverage of \$300,000.

Special: The annual rental is computed
by multiplying each barrel of
crude oil and each thousand
cubic feet of gas passing
over the State's land by
\$0.00222. The minimum annual
rental is \$1,466 per annum.
Rental is subject to
five-year rent review.

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TERMS OF PROPOSED LEASE:

1. This amendment changes the terms of the lease to allow Lessor to modify the method, amount or rate of consideration under this lease on the second anniversary of the beginning date of this lease amendment. Such change in rental shall conform to the requirements of paragraph (2)(d) of the lease as amended January 27, 1982. Any change in rental under this amendment, shall not change or alter Lessor's right to modify the rental under this lease on each fifth anniversary of its beginning date.
2. The effective date of this amendment shall be October 21, 1985.
3. All other terms and conditions of the lease shall remain unchanged and in full force and effect.

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Adm. Code 2003.

APPLICANT STATUS:

Applicant is permittee of upland.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

Inasmuch as this amendment is in conjunction with a five-year rental adjustment, staff recommends that all filing fees and processing costs be waived.

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. This amendment provides for a special two-year rent review for pipelines pending a completion of a study of methods to calculate lease rentals for pipeline right-of-ways.

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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. 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 because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C. 21065 and 14 Cal. Adm. Code 15378.

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 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
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. WAIVE ALL FILING FEES AND PROCESSING COSTS FOR THE AMENDMENT OF LEASE PRC 3394.
4. AUTHORIZE THE AMENDMENT OF LEASE PRC 3394 TO CHANGE THE TERMS OF THE LEASE TO ALLOW LESSOR TO MODIFY THE METHOD, AMOUNT OR RATE OF CONSIDERATION ON THE SECOND ANNIVERSARY OF THE BEGINNING DATE OF THIS LEASE AMENDMENT, EFFECTIVE OCTOBER 21, 1985 FOR THE MAINTENANCE OF SUBMARINE PIPELINES AND POWER CABLES ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF; AND THAT ANY CHANGE IN RENTAL UNDER THIS AMENDMENT, SHALL NOT CHANGE OR ALTER LESSOR'S RIGHT TO MODIFY THE RENTAL UNDER THIS LEASE ON EACH FIFTH ANNIVERSARY OF ITS BEGINNING DATE.
5. FIND THAT ALL OTHER TERMS AND CONDITIONS OF LEASE PRC 3394 SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.

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EXHIBIT "A"

LAND DESCRIPTION

WP 3394

A strip of tide and submerged land 50 feet wide in San Pedro Bay, Orange County, situate near the mouth of the San Gabriel River; being further described as follows:

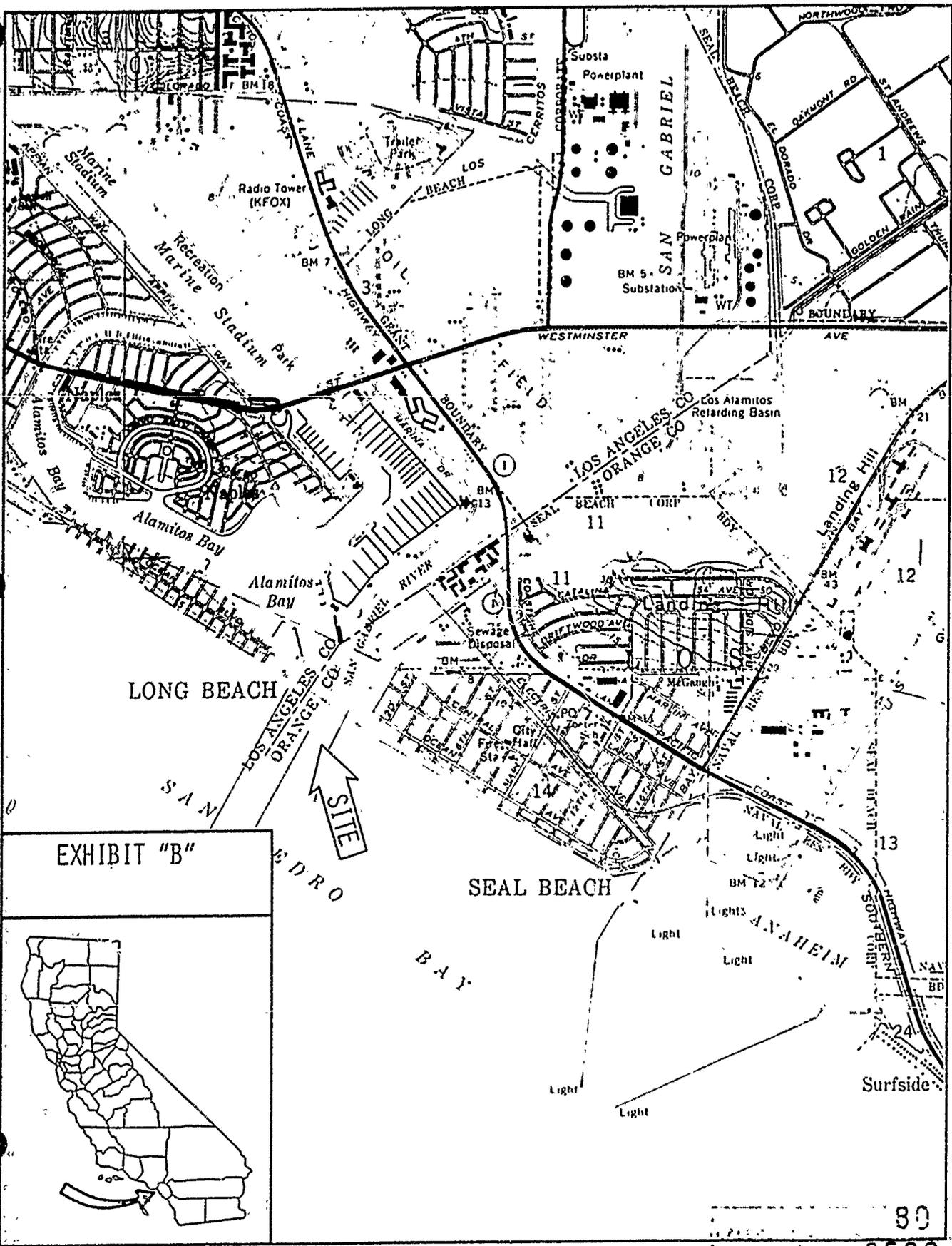
BEGINNING at a point on the ordinary high water mark of San Pedro Bay as said ordinary high water mark is shown on a map of a "Survey of the Ordinary High Water Mark" dated June 1950, and prepared under Work Order 416 by the State Lands Commission which point bears S 29° 28' 44" W, 246.15 feet, more or less, from U.S.C.&G.S. triangulation station Seal Beach 2 1937 shown on the aforementioned map and having California Zone 6 coordinates of X = 1,433,965.13, Y = 578,684.49; thence leaving the ordinary high water mark and proceeding across tide and submerged lands covered by State Oil and Gas Lease P.R.C. 186, S 2° 35' 56" W, 2,327.23 feet, more or less, to the easterly boundary line of P.R.C. 186, also being the westerly boundary line of State Oil and Gas Lease P.R.C. 3095; containing 2.671 acres, more or less.

The sidelines of said strip are to be shortened or extended to terminate on the ordinary high water mark at the northerly terminus and on the westerly boundary of P.R.C. 3095 on the southerly terminus. The bearings and distances used in the above description are based upon the California Coordinate System Zone 6.

END OF DESCRIPTION

REVIEWED BY TECHNICAL SERVICES UNIT, ROY MINNICK, SUPERVISOR.

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 (PARTIAL MAP)