

**MINUTE ITEM**

This Calendar Item No. C23  
was approved as Minute Item  
No. 22 by the State Lands  
Commission by a vote of 3  
to 0 at its 8-3-94  
meeting.

**CALENDAR ITEM**

**C23**

A )  
 ) Statewide  
S )

08/03/94  
W 23833  
A. Scott

**AMENDMENT OF AGREEMENT  
FOR SELF-ADMINISTERED CLAIMS PROGRAM  
CHEVRON CORPORATION**

**APPLICANT:**

Chevron Corporation, a Delaware corporation  
P. O. Box 7137  
San Francisco, California 94120-7137  
Attn: Risk Management Office

**BACKGROUND:**

Chevron is required under several leases with the State Lands Commission to provide proof of insurance in the form of "certificates of insurance". Chevron and the Commission have entered into an agreement whereby Chevron can provide "Self-administered Claims Letters" in lieu of insurance certificates. This agreement covers many of the existing leases between Chevron and the Commission.

**CURRENT SITUATION:**

As new and replacement leases are issued to Chevron that require insurance, Chevron wishes to include these leases under the Self-administered Claims Program. Staff of the Commission has recently processed such a replacement lease and Chevron proposes to add this lease to the list of leases covered by the Self-administered Claims Program.

**STATUTORY AND OTHER REFERENCES:**

- A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
- B. Cal. Code Regs.: Title 2, Div. 3; Title 14, Div. 6.

AB 884:

N/A

**OTHER PERTINENT INFORMATION:**

- 1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 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.

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

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.

**EXHIBIT:**

- A. List of leases to be covered by the self-administered claims program

**IT IS RECOMMENDED THAT THE COMMISSION:**

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 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. AUTHORIZE ISSUANCE TO CHEVRON CORPORATION OF AN AMENDMENT TO THE EXISTING "AGREEMENT FOR APPROVAL OF SELF-ADMINISTERED CLAIMS PROGRAM CHEVRON CORPORATION" EFFECTIVE AUGUST 21, 1986 TO ADD AN ADDITIONAL LEASE TO THOSE COVERED BY THE PRESENT AGREEMENT. LEASES TO BE COVERED BY THIS PROGRAM ARE INCLUDED ON THE LIST ATTACHED HERETO AS EXHIBIT "A".

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**EXHIBIT "A"**

**AGREEMENT FOR APPROVAL OF SELF-ADMINISTERED CLAIMS PROGRAM  
CHEVRON CORPORATION**

| LEASE NO.  | LEASE CATEGORY | LEASE TERM      | EFFECTIVE DATE | REQUIRED INSURANCE/<br>LEASE AGREEMENT                             | COUNTY              |
|------------|----------------|-----------------|----------------|--|---------------------|
| PRC 139    | Industrial     | 30 yrs.         | 03/01/82       | \$ 5,000,000 Combines Single Limit                                 | Contra Costa        |
| PRC 236    | Industrial     | 20 yrs.         | 08/18/47       | \$10,000,000 Property Damage<br>\$1,000,000 Bodily Injury          | Contra Costa        |
|            |                | Renewed 10 yrs. | 08/18/67       |  | Contra Costa        |
|            |                | Renewed 10 yrs. | 08/18/77       |  | Contra Costa        |
| PRC 628    | Right-of-Way   | 15 yrs.         | 02/15/83       | \$500,000 Combined Single Limit                                    | Los Angeles         |
| PRC 2478   | Industrial     | 15 yrs.         | 08/14/59       | \$5,000,000 Property Damage<br>\$500,000/\$1,000,000 Bodily Injury | San Luis Obispo     |
|            |                | Renewed 10 yrs. | 08/14/74       |  | San Luis Obispo     |
|            |                | Renewed 10 yrs. | 08/14/84       |  |                     |
| PRC 3394   | Right-of-Way   | 15 yrs.         | 10/21/65       | \$300,000 Combined Single Limit                                    | Orange              |
|            |                | Renewed 10 yrs. | 10/21/80       |  |                     |
| PRC 3978   | Right-of-Way   | 34 yrs.         | 05/01/83       | \$1,000,000 Combined Single Limit                                  | Contra Costa/Solano |
| PRC 4270   | Right-of-Way   | 15 yrs.         | 08/01/79       | \$ 300,000 Combined Single Limit                                   | Solano              |
| PRC 5574   | Industrial     | 15 yrs.         | 10/01/77       | \$10,000,000 Combined Single Limit                                 | Los Angeles         |
| PRC 5888   | Right-of-Way   | 25 yrs.         | 09/01/80       | \$ 1,000,000 Combined Single Limit                                 | Solano              |
| PRC 6417   | Right-of-Way   | 25 yrs.         | 12/01/82       | \$ 1,000,000 Combined Single Limit                                 | Orange              |
| PRC 6942   | Right-of-Way   | 25 yrs.         | 02/01/86       | \$ 2,000,000 Combined Single Limit                                 | Santa Barbara       |
| PRC 6943   | Right-of-Way   | 25 yrs.         | 02/01/86       | \$ 2,000,000 Combined Single Limit                                 | Santa Barbara       |
| PRC 1915.1 | Right-of-Way   | 25 yrs.         | 04/15/94       | \$ 1,000,000 Combined Single Limit                                 | Los Angeles         |

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