MINUTE ITEM
This Calendar Item No. C36
was approved as Minute Item
No. 36 by the State Lands
Commission by a vote of 3
to Ø at its 10/28/96
meeting.

CALENDAR ITEM
C36

A 35

S 18

10/28/96
PRC5515 WP 5515.1
J. Smith

AMENDMENT OF GENERAL LEASE - INDUSTRIAL USE

LESSEES:

Mobil Oil Corporation/Exxon Corporation
c/o Mobil Exploration and Producing U.S. Inc.
P.O. Box 2540
Goleta, California 93118

AREA, TYPE LAND AND LOCATION:

2.21 acres, more or less, of tide and submerged land located in the Pacific Ocean, near Goleta, Santa Barbara County.

LAND USE:

Continued use and maintenance of the Ellwood Pier.

LEASE TERM:

Twenty-five years beginning June 20, 1980.

CONSIDERATION:

$73,936 per annum.

TERMS OF PROPOSED AMENDMENT:

Land Use/Purpose:

Effective November 1, 1996, Section 1 LAND USE OR PURPOSE shall read as follows:

Continued operation and maintenance of crew boat service, including the transport of cargo, in support of offshore oil platform operations.

Consideration:

$85,240 per annum, effective June 20, 1997.

All other terms and conditions of the lease remain in full force and effect.

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Code Regs. 2003.

APPLICANT STATUS:

Applicant is lessee of upland.

STATUTORY AND OTHER REFERENCES:

A. Public Resources Code Section: Div. 6, Parts 1 and 2; Div. 13.

B. Cal. Code Regs.: Title 2, Div. 3; Title 14, Div. 6.

AB 884:

12/11/96

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 under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The staff believes there is no possibility that this project may have a significant effect on the environment.

   Authority: 14 Cal. Code Regs. 15061(b)(3).

2. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code Sections 6370, et seq. but will not affect those significant lands.

3. The Ellwood Pier is used by Mobil and Exxon to transfer personnel and cargo in support of their offshore oil platform operations. The Land Use/Purpose language, as stated in Section 1 of the original lease, provides a weight limitation for both cargo and vehicles. In June 1989, a substantial portion of the wooden pier was destroyed by fire. The pier was reconstructed entirely of concrete. Mobil has requested and Commission staff is recommending that the Land Use/Purpose language be amended to reflect the design capacity of the reconstructed pier.

4. In addition, Commission staff is proposing to adjust the annual rent pursuant to a rent review. The recommended adjustment of rent is based on adjustment of the prior rent by application of the Consumers Price Index (CPI). Application of the CPI to adjust rents at this time is an interim measure necessitated by budget constraints and resultant losses in staff, and does not obligate the Commission to use of the CPI to adjust rent other than as specifically set forth herein.

APPROVALS OBTAINED:

N/A

FURTHER APPROVALS REQUIRED:

California State Lands Commission.

EXHIBIT:

A. Location and Site Map

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 THERE IS NO POSSIBILITY THAT THE ACTIVITY MAY HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT. (14 CAL. CODE REGS. 15061(b)(3).

2. FIND THAT THIS ACTIVITY WILL INVOLVE LANDS IDENTIFIED AS POSSESSING SIGNIFICANT ENVIRONMENTAL VALUES PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ., BUT THAT SUCH ACTIVITY WILL HAVE NO DIRECT OR INDIRECT EFFECT ON SUCH LANDS.

3. AUTHORIZE ISSUANCE OF AN AMENDMENT EFFECTIVE NOVEMBER 1, 1996, TO LEASE NO. PRC 5515.1, GENERAL LEASE - INDUSTRIAL USE, TO REPLACE THE PRESENT LANGUAGE IN SECTION 1, LAND USE OR PURPOSE, WITH THE FOLLOWING: "CONTINUED OPERATION AND MAINTENANCE OF CREW BOAT SERVICE, INCLUDING THE TRANSPORT OF CARGO, IN SUPPORT OF OFFSHORE OIL PLATFORM OPERATIONS"; AUTHORIZE THE CHANGE IN ANNUAL RENT FROM $73,936 TO $85,240 EFFECTIVE ON JUNE 20, 1997. ALL OTHER TERMS AND CONDITIONS OF LEASE NO. PRC 5515.1 REMAIN IN FULL FORCE AND EFFECT.

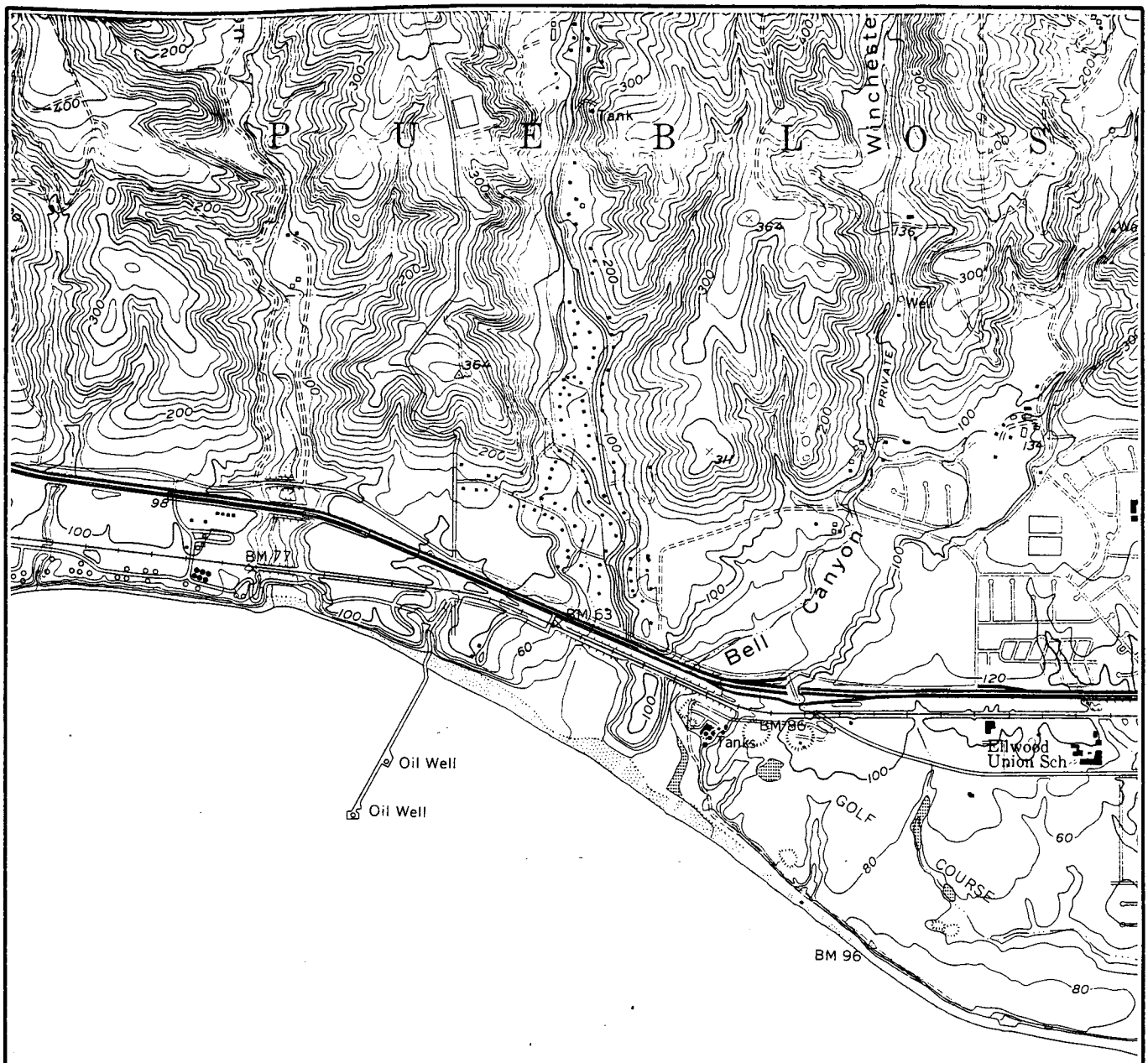

EXHIBIT "A"
PRC 5515

C H A N N E L