

**CALENDAR ITEM  
C78**

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09/20/13  
PRC 139.1  
D. Oetzel

**GENERAL LEASE – INDUSTRIAL USE**

**LESSEE:**

Chevron Products Company  
841 Chevron Way  
Richmond, California 94801

**AREA, LAND TYPE, AND LOCATION:**

5.08 acres, more or less, of sovereign land in San Francisco Bay in the city of Richmond, north of the Richmond-San Rafael Bridge and just south of Point San Pablo, Contra Costa County.

**AUTHORIZED USE:**

Repair and maintenance of non-operational Chevron Pt. Orient Wharf (Wharf) and placement of said wharf into caretaker status. Conduct a study to determine the feasibility of using the marine petroleum transfer facilities at the Wharf for (1) off-loading dredged material from Chevron Long Wharf and transporting the dredged material via pipeline from the Wharf to an upland disposal site, and (2) accessing a new proposed regional Maritime Safety and Security Center (Maritime Center).

**LEASE TERM:**

5 years, beginning March 1, 2012.

**CONSIDERATION:**

\$51,497 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

**SPECIFIC LEASE PROVISIONS:**

**Insurance:** Liability insurance in an amount no less than \$5,000,000 per occurrence

**Surety:** \$2,000,000

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**OTHER PERTINENT INFORMATION:**

1. Applicant owns the upland adjoining the lease premises.
2. On February 23, 1984, the Commission authorized a 30-year General Lease-Industrial Use to Chevron USA, Inc., effective March 1, 1982, for existing marine petroleum transfer facilities. That lease expired on February 29, 2012 and is currently in holdover.
3. On February 2, 2011, Chevron Products Company (Chevron) advised CSLC staff that the Wharf is not in operation and that the pipelines linking the Wharf to the upland refinery facilities have been removed. Chevron has further indicated that returning the facility to operations is not being considered, nor is it an economically viable option in the near term.
4. Chevron is now requesting a 5-year lease to place the Wharf in caretaker status, during which time Chevron will conduct a study to determine the feasibility of using the Wharf for (1) off-loading dredged material from Chevron Long Wharf and transporting the dredged material via pipeline from the Wharf to an upland disposal site, and (2) accessing a proposed new regional Maritime Safety and Security Center (Maritime Center) to be located on the upland. Chevron was contacted by, and is working with, the California Maritime Academy (CMA) with respect to the possibility of providing access to a new Maritime Center.
5. Once an appropriate use for the Lease Premises has been determined, Chevron will submit a new application to the CSLC for the proposed use. Upon completion of the above-referenced feasibility analysis, Chevron will provide a copy to CSLC staff.
6. The existing Wharf is a timber-pile-supported structure built in 1904 and supported by vertical and battered timber piles. It is F-shaped and originally consisted of a causeway and two berths. The causeway is 1,200 feet long by 30 feet wide and connects the wharf to the upland; it provides for one lane traffic and support for several abandoned steel pipelines. The outer berth is approximately 510 feet long by 71 feet wide. At this time, much of the inner berth has been removed, and all that remains is a 100-foot-long by 25-foot-wide section, also known as "turnaround" for the causeway. The date and the reason why the inner berth was removed are unknown. The last recorded maintenance or upgrade project at the Wharf was in 1985-1986 when steel pile/concrete cap mooring dolphins and a steel fender rack backed with a steel pile

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system were added. The Wharf was previously used for petroleum projects until the mid-1980s when its use was discontinued.

7. The staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

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

**EXHIBITS:**

- A. Land Description
- B. Site and Location Map

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

**SIGNIFICANT LANDS INVENTORY FINDING:**

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

**AUTHORIZATION:**

Authorize issuance of a General Lease – Industrial Use to Chevron Products Company, beginning March 1, 2012, for a term of five years for

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repair and maintenance of the existing wharf, and to place the Wharf in caretaker status, during which time Chevron will conduct a study to determine the feasibility of using the Wharf for 1) off-loading dredged material from Chevron Long Wharf and transporting the dredged material via pipeline from the Wharf to an upland disposal site, and 2) accessing a new regional Maritime Safety and Security Center, as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof (and shown on Exhibit B for reference); annual rent in the amount of \$51,497 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease; and liability insurance in an amount no less than \$5,000,000 per occurrence and surety in an amount of no less than \$2,000,000. Such permitted activity is contingent upon the Applicant's compliance with all applicable permits, recommendations, or limitations issued by federal, State, and local governments.

## EXHIBIT A

PRC 139.1

### LAND DESCRIPTION

The land referred to herein is situated in the State of California, County of Contra Costa, City of Richmond, described as follows:

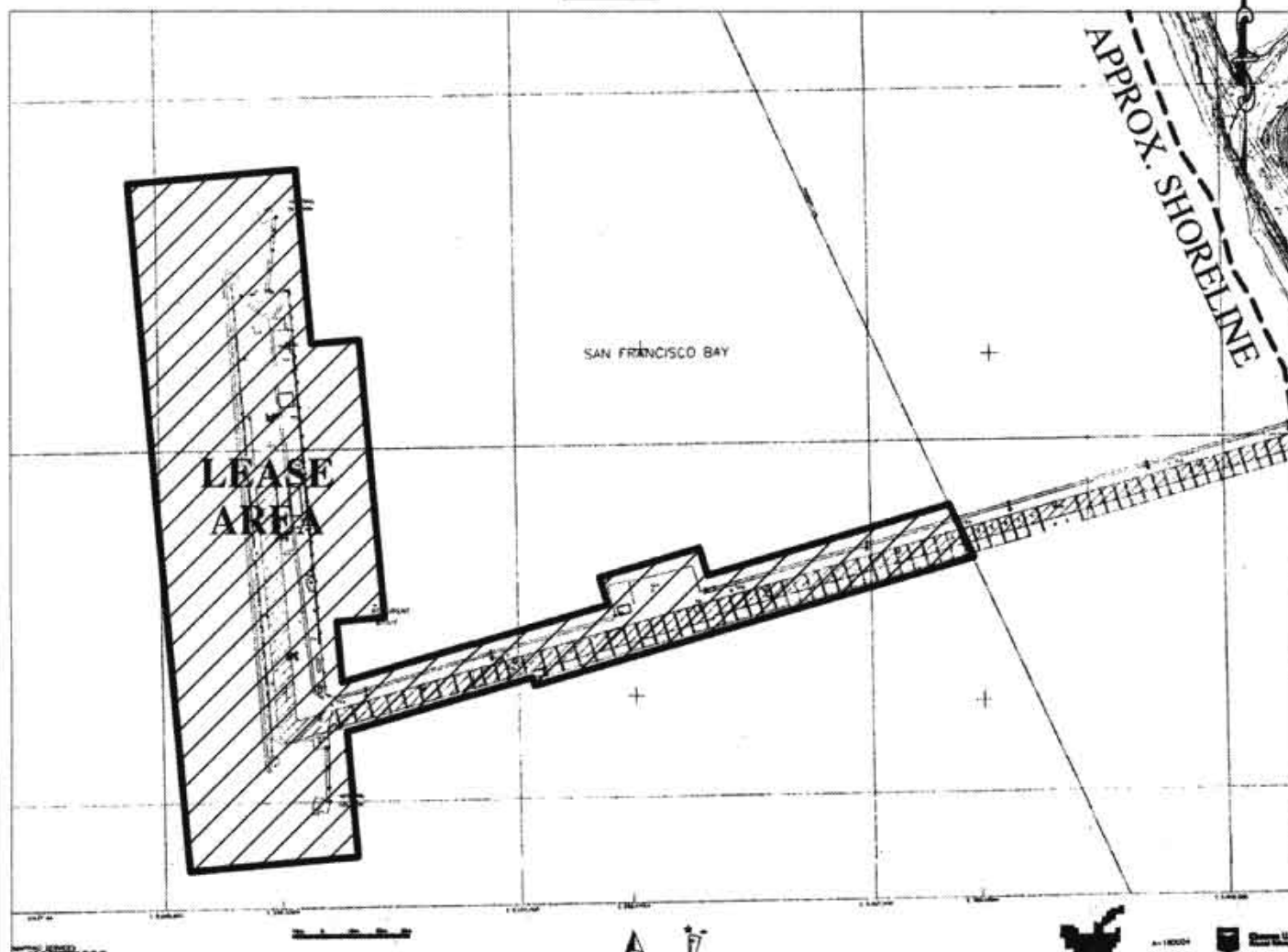
Commencing at Station SP 159 on the exterior boundary of the San Pablo Rancho as shown on "Map of the San Pablo Rancho, accompanying and forming a part of the final report of the Referees in Partition" filed in the Office of the Recorder of Contra Costa County, California, March 1, 1894, said Station SP 159 being also known as Station 443 as shown on "Map No. 1 of Salt Marsh and Tidelands, situate in the County of Contra Costa, State of California, 1872", the original of said Map is on file in the Office of the Surveyor General of the State of California, from which said Point Station 159, an iron pipe set in the Center line of the Richmond Belt Railway bears North 15° 18' 25" West, 541.08 feet, said points are shown on a Record of Survey Map filed December 2, 1966 in book 45 LSM at pages 47 and 48 of Contra Costa County records, thence leaving the exterior boundary of the San Pablo Rancho South 1° 20' 55" West, 1335.47 feet to the point of beginning on Chevron U.S.A. Inc. Causeway marked by a railroad spike, said point also being on the Established Waterfront Line and the boundary line of lands, owned by Chevron U.S.A. Inc. Thence leaving said point of beginning South 25° 27' East, 46.88 feet; Thence South 73° 36' West, 526.25 feet; Thence North 16° 24' West, 10.00 feet; Thence South 73° 36' West, 220.56 feet; Thence South 5° 06' 20" East, 144.40 feet; Thence South 84° 53' 40" West, 193.40 feet; Thence North 5° 06' 20" West, 793.33 feet; Thence North 84° 53' 40" East, 193.40 feet; Thence South 5° 06' 20" East, 202.01 feet; Thence North 84° 53' 40" East, 55.00 feet; Thence South 5° 06' 20" East, 320.00 feet; Thence South 84° 53' 40" West, 55.00 feet; Thence South 5° 06' 20" East, 70.02 feet; Thence North 73° 36' East, 316.21 feet; Thence North 16° 24" West, 33.00 feet; Thence North 73° 36" East, 120.00 feet; Thence South 16° 24' East, 33.00 feet; Thence North 73° 36' East, 288.98 feet to a point on the aforementioned Established Waterfront Line; Thence South 25° 27' East, 19.75 feet to the point of beginning.

END OF DESCRIPTION

REVIEWED JANUARY 24, 1983 BY BOUNDARY AND TITLE UNIT, LEROY WEED, SUPERVISOR.

NO SCALE

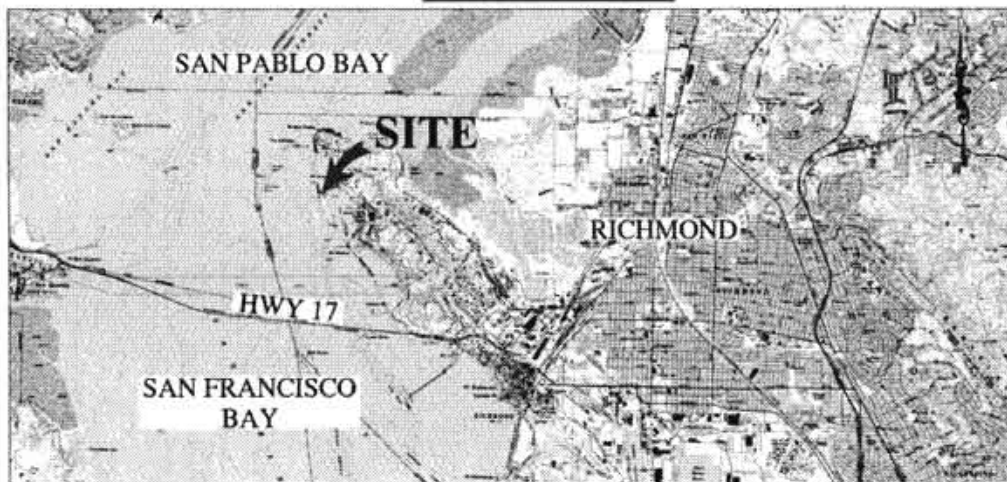
## SITE



Point Orient Wharf, Richmond

NO SCALE

## LOCATION



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

## **Exhibit B**

PRC 139.1  
CHEVRON  
GENERAL LEASE -  
INDUSTRIAL USE  
CONRA COSTA COUNTY



MJF 1/3/13