MINUTE ITEM

This Calendar Item No. 20 was approved as Minute from No. 20 by the State Lands Commission by a vote of 2 to 0 at its 3/28/74 meeting.

CALENDAR ITEM

20.

3/79 WP 550 Horn

AMENDMENT AND RENEWAL OF GENERAL LEASE - INDUSTRIAL USE PRC 550.1

APPLICANT:

Getty Oil Company

P. O. Box 5237

Bakersfield, California 93308

Attention: R. A. Griffith Pipeline Manager

AREA, TYPE LAND AND LOCATION:

Approximately 23 acres of coastal tide and submerged land near Gaviota, Santa

Barbara County.

LAND USE:

Continued operation of a small offshore

marine petroleum terminal.

TERMS OF ORIGINAL LEASE:

Initial period:

15 years from January 1,

1.351.

Renewal options:

3 successive periods

of 10 years each.

Surety bond:

\$2,000.

Consideration:

\$100 per annum.

TERMS OF FIRST 10-YEAR RENEWAL:

Period:

10 years from January 1,

1966.

Renewal options:

2 successive periods

of 10 years each.

Surety bond: \$25,000.

Public liability insurance: \$200,000/600,000

per occurrence for bodily injury and \$2,500,000 for property damage.

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CONSIDERATION: \$5,994 per annum, with the State reserving

the right to fix a different rental on each fifth anniversary of the lease.

TERMS OF PROPOSED SECOND 10-YEAR RENEWAL PERIOD:

Period:

10 years from January 1,

1976.

Renewal options: 1 successive period of

10 years.

Surety bond: \$25,000.

Public 11ability insurance: \$200,000/600,000

for bodily injury and \$2,500,000 for property

damage.

CONSIDERATION: \$17,500 per annum, with the State reserving

the right to fix a different rental on each fifth anniversary of the lease.

BASIS FOR CONSIDERATION:

2 Cal. Adm. Code 2005.

PREREQUISITE TERMS, FEES AND EXPENSES:

Applicant is permittee of upland.

STATUTORY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 & 2.

B. Cal. Adm. Code: Title 2, Div. 3.

OTHER PERTIN OF INFORMATION:

- 1. An EIR is not required. This transaction is within the purview of 2 Cal. Adm. Code 2907, Class 1(B), which exempts an existing structure or facility that is in an acceptable state of repair and there is no evidence of record to show injury to adjacent property, shoreline erosion, or other types of environmental degradation.
- 2. This project is situated on State land identified as possessing significant environmental values pursuant to P.R.C.

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6370.1, and is classified in a use category, Class B, which authorizes. Limited Use.

Staff review indicates that there will be no significant effect upon the identified environmental values. This is an existing facility for which no adverse comments have been received.

- 3. This activity is not a development project within the meaning of the Commission's coastal regulations.
- 4. Staff investigated the applicability of the volumetric rental alternative to this facility and has concluded that due to its low annual volume (less than 100,000 bbls), volumetric rental is not appropriate at this time.

EXHIBIT:

A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. DETERMINE THAT AN EIR HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH REPORT IS NOT REQUIRED UNDER THE PROVISIONS OF P.R.G. 21085, 14 CAL. ADM. CODE 15100 ET SEQ., AND 2 CAL. ADM. CODE 2907.
- DETERMINE THAT THIS PROJECT IS EXEMPT FROM THE REQUIREMENTS OF ARTICLE 6.5, OF TITLE 2. OF THE CAL. ADM. CODE BECAUSE THIS PROJECT IS NOT A DEVELOPMENT WITHIN THE MEANING OF SECTION 2503, OF TITLE 2, OF THE CAL. ADM. CODE AND SECTION 30105 OF THE P.R.C.
- 3. FIND THAT GRANTING OF THE AMENDMENT AND RENEWAL WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1 OF THE P.R.C.
- AUTHORIZE ISSUANCE TO GETT OIL COMPANY OF A 40-YEAR RENEWAL OF LEASE PRC 550.1 FROM JANUARY 1, 1976, WITH LESSEE'S OPTION TO RENEWAL FOR 1 SUCCESSIVE PERIOD OF 10 YEARS; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$17,500, WITH THE STATE RESERVING THE RIGHT

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TO FI. A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; PROVISION OF A \$25,000 SURETY BOND; PROVISION OF PUBLIC LIABILITY INSURANCE IN THE AMOUNTS OF \$200,000/\$600,000 PER OCCURRENCE FOR BODILY INJURY AND \$2,500,000 FOR PROPERTY DAMAGE; FOR THE CONTINUED OPERATION OF A SMALL OFFSHORE MARINE PETROLEUM TERMINAL ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED TO THE EXISTING LEASE AND BY REFERENCE MADE A PART HEREOF.

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