

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

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LEASE

ULTRAMAR INC.
ONE VALERO WAY
SAN ANTONIO, TEXAS 78249
(210) 345-4262
FAX NO. (210) 370-4417

36021

THIS LEASE is made and entered into as of January 1, 2022, pursuant to a minute order adopted by the City Council of the City of Long Beach at its meeting on September 17, 2013, by and between the CITY OF LONG BEACH, a municipal corporation ("City"), and ULTRAMAR INC., a Nevada corporation ("Lessee"), whose address is One Valero Way, San Antonio, TX 78249.

1. This Lease is made with reference to the following facts and objectives:

A. Lessee previously leased approximately 3.773 acres owned by City commonly known as the "North Strip".

B. Lessee is now interested in leasing the same portion of the "North Strip" again, and City is willing to lease such premises to Lessee on the terms and conditions contained in this Lease.

2. City leases to Lessee and Lessee accepts a lease of certain improved real property consisting of approximately 3.773 acres, constituting a portion of the property commonly known as the "North Strip", and as more particularly shown on the drawings attached hereto and by this reference made a part hereof (the "Premises").

A. There are excepted and reserved from the Premises all minerals and mineral rights of every kind and character now known to exist or hereafter discovered, including oil, gas and water rights, together with the full, exclusive and perpetual rights to explore for, remove and dispose of said minerals, or any part thereof, from the Premises. The right of surface entry on the Premises for these purposes is reserved as provided in the Unit Agreements and the Memorandum of Understanding dated October 1, 2004, by and between the Harbor

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1 Department of the City of Long Beach and the Department of Oil Properties of the
2 City of Long Beach in effect as of the date hereof and as it may be modified from
3 time to time in the future (the "MOU").

4 B. This Lease and all rights granted to Lessee hereunder are
5 subject to the restrictions, reservations and limitations of record, including without
6 limitation, those contained in Chapter 676, Statutes of 1911, Chapter 102, Statutes
7 of 1925, Chapter 158, Statutes of 1935, Chapter 29, Statutes of 1956, First
8 Extraordinary Session, Chapter 138, Statutes of 1964, First Extraordinary Session,
9 the Charter of the City of Long Beach (the "Charter") and the federal navigational
10 servitude.

11 C. City reserves such rights of way and rights of entry upon the
12 Premises for the installation, relocation, removal, operation and maintenance of
13 sewers, pipelines, conduits and telephone, telecommunications, light, heat or power
14 lines, whether underground or overhead, as may from time to time be determined
15 by the City Manager of Long Beach, or designee ("City Manager"). City shall give
16 reasonable notice to Lessee of any such entry upon the Premises and such entry
17 shall not unreasonably interfere with the conduct of Lessee's business on the
18 Premises.

19 D. City's authorized representatives shall have access to the
20 Premises at any and all reasonable times, for the purpose of determining whether
21 or not Lessee is complying with the terms and conditions hereof, for fire and police
22 purposes, to investigate any incidents involving personal injury or property damage,
23 or for any other purposes incidental to the rights or duties of City. The right of
24 inspection hereby reserved to City shall impose no obligation on City to make
25 inspections to ascertain the condition of the Premises, and shall impose no liability
26 upon City for failure to make such inspection.

27 E. It is acknowledged by Lessee that drilling, repressuring and oil
28 recovery operations are conducted in, under and in the immediate vicinity of the

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1 Premises. City reserves on behalf of itself, its agents, contractors, subcontractors
2 and duly authorized representatives, for use in connection with said drilling,
3 repressuring and oil recovery operations (including, but not limited to, the redrilling,
4 deepening, repairing, plugging and abandoning of wells as oil wells, water source
5 wells or water injection wells): (a) the right to construct, install, use, operate,
6 maintain, repair, and renew underground wells, underground conduits and
7 underground pipelines for the transmission of water, electricity, oil, gas and other
8 hydrocarbon substances under the Premises, and (b) the right of reasonable
9 vehicular and pedestrian access in connection with said use over and across the
10 Premises, at any and all times, including 24/7 access for Oil Field operators to
11 perform daily/routine surveillance on the existing oil wells, access for facility
12 maintenance crews to perform maintenance, repairs and line testing for the injection
13 wells on an as-needed basis, access for routine well maintenance by agents,
14 contractors, subcontractors and duly authorized representatives, access for the
15 accommodation of a production rig, and/or other similar activities. City or its agents,
16 contractors, subcontractors and duly authorized representatives shall give
17 reasonable notice, consistent with the MOU, to Lessee of its intent to enter and work
18 upon the Premises for the purposes set out in this subparagraph. City shall conduct
19 all such work on the Premises, and at the point of access to the Premises, so as not
20 to interfere unreasonably with the conduct of Lessee's business on the Premises,
21 or its right of ingress to and egress from the Premises. The surface of the Premises
22 shall be restored upon completion of such work.

23 3. The term of this Lease shall be for a period of approximately twelve
24 (12) weeks commencing on January 1, 2022, and ending on March 31, 2022.

25 4. Lessee is authorized to use the Premises as a construction laydown
26 yard, for parking of vehicles, including trucks, the storage of equipment, and as a safety
27 buffer zone.

28 A. The Premises shall not be used for any other purpose

1 (including any kind of maintenance of any kind of vehicle or equipment) without the
2 prior consent in writing of the City Manager. The Premises shall not be used for any
3 purpose which shall interfere with commerce, navigation or fisheries or be
4 inconsistent with the trusts and limitations upon which the Premises are now or may
5 hereafter be held by the City of Long Beach.

6 B. Lessee shall not do, bring or keep anything in or about the
7 Premises that will cause a cancellation of or increase the rate of any insurance
8 covering the Premises.

9 C. Lessee shall not use the Premises in any manner that is
10 unlawful, damages the Premises or that will constitute waste or a nuisance.

11 D. The limitation on use set forth in subparagraphs 4.B and 4.C
12 shall not prevent Lessee from bringing, keeping or using, on or about the Premises
13 such materials, supplies, equipment and machinery as are necessary or customary
14 in the operation of the permitted uses; provided however Lessee, in handling
15 hazardous substances or wastes, shall fully comply with all laws, rules, regulations
16 and orders of governmental agencies having jurisdiction.

17 5. Lessee shall pay to City, as rental for the use of the Premises, without
18 deduction, setoff, prior notice or demand, on the first day of the month of each month of
19 the term, an amount equal to Forty Cents (\$.40) per square foot, or Sixty-Five Thousand
20 Seven Hundred Forty-One and 00/100 Dollars (\$65,741) per month, pro-rated for any
21 partial months. All delinquent installments of rental and other payments due the City shall
22 bear interest at the maximum rate allowed by law. Rental payments are delinquent if
23 remaining unpaid on the tenth calendar day of the month for which due. With the exception
24 of rental payments, all invoices issued by City are due and payable upon presentation, and
25 any such invoice remaining unpaid the thirtieth day after the date of issue shall be
26 considered delinquent.

27 6. Lessee shall not construct or make any improvements or alterations
28 to the Premises without City's prior consent, which consent may be withheld in City's sole

1 and absolute discretion.

2 7. Lessee, at its cost, shall keep and maintain the Premises, including
3 without limitation all buildings, structures, other improvements and surface paving, in good
4 and substantial repair and condition and shall perform all necessary maintenance.

5 A. Should Lessee fail to make any repairs or perform required
6 maintenance within thirty (30) days after receipt of notice from City to do so, City
7 may, but shall not be obligated to, make such repairs or perform such maintenance.
8 Lessee agrees to reimburse City for the cost thereof within thirty (30) days after
9 receipt of City's invoice therefore. City's cost shall include, but not be limited to, the
10 cost of maintenance or repair or replacement of property neglected, damaged or
11 destroyed, including direct and allocated costs for labor, materials, supervision,
12 supplies, tools, taxes, transportation, administrative and general expense and other
13 indirect or overhead expenses. In the event Lessee shall commence to prosecute
14 and diligently make such repairs or shall begin to perform the required maintenance
15 within the thirty (30) day period, City shall refrain from making such repairs or
16 performing required maintenance and from making demand for such payment until
17 the work has been completed by Lessee, and then only for such portion thereof as
18 shall have been made or performed by City. The making of any repair or the
19 performance or maintenance by City, which repair or maintenance is the
20 responsibility of Lessee, shall in no event be construed as a waiver of Lessee's duty
21 or obligation to make future repairs or perform required maintenance as provided in
22 this Lease.

23 B. Lessee, at its cost, shall provide proper containers for trash and
24 keep the Premises free and clear of rubbish, debris and litter at all times. Lessee,
25 at its cost, further agrees to keep and maintain all of the Premises in a safe, clean,
26 wholesome and sanitary condition under all applicable federal, state, local and other
27 laws, rules, regulations and orders. No offensive refuse, matter, nor any substance
28 constituting any unnecessary, unreasonable or unlawful fire hazard, nor material

1 detrimental to the public health shall be permitted to be or remain on the Premises
2 and Lessee shall prevent such material or matter from being or accumulating upon
3 the Premises.

4 C. All fire protection sprinkler systems, standpipe systems, fire
5 alarm systems, portable fire extinguishers and other fire-protective or extinguishing
6 systems or appliances which may be installed on the Premises shall be maintained
7 by Lessee, at its cost, in an operative condition at all times. All repairs and servicing
8 shall be made in accordance with the provisions of the Long Beach Municipal Code,
9 Chapter 18.48 and all revisions thereto.

10 D. Lessee shall promptly notify the City Manager of the release of
11 any hazardous materials onto the Premises. Lessee, at its cost, shall promptly
12 remove and/or treat and dispose of all such hazardous materials in accordance with
13 regulations and orders of governmental agencies having jurisdiction and restore the
14 Premises to the condition they were in prior to the release of the hazardous
15 materials. Lessee shall furnish the City Manager with copies of all waste manifests.
16 As used herein, the term "hazardous materials" shall also include "hazardous
17 wastes" and "extremely hazardous wastes" as those terms have been defined by
18 the Administrator of the U.S. Environmental Protection Agency, the California
19 Department of Toxic Substances Control, or any other person or agency having
20 jurisdiction of the management of hazardous materials.

21 E. Lessee shall provide personnel to accompany City's
22 representatives on periodic inspections of the Premises to determine Lessee's
23 compliance with the provisions of this Lease.

24 F. Lessee shall continue to incorporate the Premises in Lessee's
25 Industrial NPDES Permit and in its Storm Water Pollution Prevention Plan
26 ("SWPPP"). If requested by City, Lessee shall submit the relevant SWPPP to City
27 with a verification (1) of any instances of non-compliance that occurred within the
28 prior year; (2) that the SWPPP and all best management practices ("BMPs") were

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1 fully implemented; and (3) that the SWPPP reflects the current conditions at the
2 Premises. If there are any exceptions to this verification, a full explanation shall be
3 provided by Lessee with the verification. Lessee also agrees to inspect and clean
4 the catch basins in compliance with the BMPs annually before the rainy season.
5 Lessee agrees to provide City with prompt notice of any incidents or spills on the
6 Premises that enter the catch basins or any instances of non-compliance with
7 Lessee's Industrial NPDES Permit.

8 8. At all times in its use and occupancy of the Premises and in the
9 conduct of its operations thereon, Lessee, at its cost, shall comply with all applicable
10 federal, state, regional and municipal laws, ordinances and regulations (including but not
11 limited to the City Charter and the Long Beach Municipal Code) and obtain all requisite
12 permits for the construction of improvements on the Premises and for the conduct of its
13 operations thereon. Without limiting the foregoing, Lessee shall comply with applicable
14 provisions of the Americans with Disabilities Act (42 USCS Sections 12101, et seq.) ("Act")
15 and regulations promulgated pursuant thereto in Lessee's use of the Premises and
16 operations conducted thereon. Additionally, as between City and Lessee, Lessee shall be
17 solely responsible for assuring that the Premises are in compliance with applicable
18 provisions of said Act and related regulations and shall hold City harmless from and against
19 any claims of failure of the Premises to comply with the Act and/or related regulations.

20 9. Lessee, at its cost, shall make arrangements for and pay for all utility
21 installations and services furnished to or used by it, including without limitation gas,
22 electricity, water, telephone service and trash collection and for all connection charges.

23 10. Except where contested in good faith in a court of appropriate
24 jurisdiction, Lessee shall pay, prior to delinquency, all lawful taxes, assessments and other
25 governmental or district charges that may be levied upon its property and improvements of
26 any kind located on the Premises and upon the interest granted under this Lease. Lessee
27 recognizes and understands that this Lease may create a possessory interest subject to
28 property taxation and that Lessee may be subject to the payment of property taxes and

1 assessments levied on such interest. Payment of any such possessory interest tax or
2 assessment shall not reduce any compensation due City hereunder.

3 11. Lessee shall defend, indemnify, hold, protect and save harmless the
4 City of Long Beach, the Board of Harbor Commissioners and their officials, commissioners,
5 employees, and agents ("Indemnified Parties") from and against any and all actions, suits,
6 proceedings, claims, demands, damages, losses, liens, costs, expenses or liabilities of any
7 kind or nature whatsoever ("Claims"), which may be brought, made, filed against, imposed
8 upon or sustained by the Indemnified Parties, or any of them, alleging injury to or death of
9 persons or damage to property, including property owned by or under the care and custody
10 of City or economic losses, and that such injury, death, damage or economic loss arises
11 from or is attributable to or caused, directly or indirectly:

12 A. by the use of the Premises or any equipment or materials
13 located thereon, or from operations conducted thereon by Lessee, its agents,
14 employees or invitees, or by any person or persons acting on behalf of Lessee and
15 with Lessee's knowledge and consent, express or implied of Lessee;

16 B. by the condition or state of repair and maintenance of the
17 Premises;

18 C. by the construction, improvement or repair of the improvements
19 and facilities on the Premises by Lessee, its officers, employees, contractors, agents
20 or invitees, or by any person or persons acting on behalf of Lessee and with
21 Lessee's knowledge and consent, express or implied; or

22 D. by Lessee's failure or refusal to comply with the provisions of
23 Section 6300 et seq. of the California Labor Code or any federal, state or local
24 regulations or laws pertaining to the safety of the Premises or of equipment located
25 upon the Premises. City shall notify Lessee of any Claim, shall tender its defense
26 to Lessee, and shall assist Lessee as may reasonably be requested in the defense
27 thereof. Upon such notification and tender, Lessee shall have independent duties to
28 defend such Claim, and to indemnify the Indemnified Parties against all costs,

1 including costs incurred prior to the date of tender.

2 12. As a condition precedent to the effectiveness of the Lease, Lessee
3 shall procure and maintain in full force and effect during the term of the Lease, the following
4 policies of insurance.

5 A. Commercial General Liability Insurance which affords coverage
6 at least as broad as Insurance Services Office "occurrence" from CG 00 01 with
7 minimum limits of at least \$1,000,000 per occurrence, and if written with an
8 aggregate, the aggregate shall be double the per occurrence limit.

9 The policy shall contain no provisions or endorsements limiting
10 coverage for (1) contractual liability; (2) independent contractors; (3) third party
11 action-over claims; (4) explosion, collapse or underground hazard (XCU); and (5)
12 defense costs shall be excess of limits.

13 B. Automobile Liability Insurance with coverage at least as broad
14 as Insurance Services Office Form CA 0001 covering "Any Auto" (Symbol 1) with
15 minimum limits of \$1,000,000 each accident.

16 C. Workers' Compensation Insurance, as required by the State of
17 California and Employer's Liability Insurance with a limit of not less than \$1,000,000
18 per accident for bodily injury and disease, and any required coverage under the U.S.
19 Longshoremen's and Harbor Workers' Act (USL&H) for employees performing
20 services covered by said Act.

21 Insurance policies will not be compliance if they include any limiting
22 endorsement that has not been submitted to the Port for approval.

23 The policy or policies of insurance for Commercial General Liability
24 and Automobile Liability shall contain the following provisions or be endorsed to
25 provide the following:

26 (1) The Indemnified Parties shall be additional insureds with regard
27 to liability and defense of suits or claims arising out or related to the Lease.

28 Additional insured endorsements shall not:

- 1 i. Exclude contractual liability;
2 ii. Restrict coverage to the sole liability of Lessee; or
3 iii. Contain any other exclusion contrary to the Lease.

4 (2) This insurance shall be primary and any other insurance,
5 deductible, or self-insurance maintained by the Indemnified Parties shall not
6 contribute with this primary insurance.

7 (3) The policy shall not be canceled or the coverage reduced until
8 a thirty (30) day written notice of cancellation has been served upon the City
9 Manager except notice of ten (10) days shall be allowed for non-payment of
10 premium.

11 The policy or policies of insurance for Workers' Compensation shall
12 be endorsed, as follows:

13 (1) A waiver of subrogation stating that the insurer waives all rights
14 of subrogation against the Indemnified Parties.

15 (2) The policy or policies shall not be canceled or the coverage
16 reduced until a thirty (30) days written notice of cancellation has been served upon
17 the City Manager except notice of ten (10) days shall be allowed for non-payment
18 of premium.

19 Any deductible or self-insured retention must be approved in writing by the
20 City Manager and shall protect the Indemnified Parties in the same manner and to the
21 same extent as they would have been protected had the policy or policies not contained a
22 deductible or self-insured retention. Any deductible or self-insured retention must be
23 approved in writing.

24 Lessee shall deliver certificates of insurance and endorsements on forms
25 approved by the City ("evidence of insurance") to the City Manager for approval as to
26 sufficiency and approval as to form. At least fifteen (15) days prior to the expiration of any
27 such policy, evidence of insurance showing that such insurance coverage has been
28 renewed or extended shall be filed with the City Manager. If such coverage is canceled or

1 reduced, Lessee shall, within ten (10) days after receipt of written notice of such
2 cancellation or reduction of coverage, file with the City Manager evidence of insurance
3 showing that the required insurance has been reinstated or has been provided through
4 another insurance company or companies.

5 The coverage provided shall apply to the obligations assumed by the Lessee
6 under the indemnity provisions of this Lease but this insurance provision in no way limits
7 the indemnity provision and the indemnity provision in no way limits this insurance
8 provision.

9 Lessee agrees to suspend and cease all operations hereunder during such
10 period of time as the required insurance coverage is not in effect and evidence of insurance
11 has not been furnished to the City.

12 Each such policy shall be from a company or companies with a current A.M.
13 Best's rating of no less than A:VII and authorized to do business in the State of California,
14 or otherwise allowed to place insurance through surplus line brokers under applicable
15 provisions of the California Insurance Code or any federal law. Any other rating must be
16 approved in writing.

17 If coverage is written on a claims-made basis, the retroactive date on such
18 insurance and all subsequent insurance shall coincide with or precede the effective date
19 of the Lease and continuous coverage shall be maintained or an extended reporting period
20 endorsement of at least three (3) years from termination or expiration of this Lease shall
21 be obtained. Upon expiration or termination of coverage of required insurance, Lessee
22 shall procure and submit to City evidence of "tail" coverage or an extended reporting period
23 endorsement of at least three (3) years.

24 Lessee shall require all sublessees, contractors or licensees to purchase the
25 appropriate insurance in compliance with the terms of this Lease including adding the City
26 as an additional insured.

27 13. No signs or placards of any type or design, except safety or regulatory
28 signs prescribed by law, shall be painted, inscribed or placed in or on the Premises without

1 the prior written consent of the City Manager, which consent shall not be unreasonably
2 withheld. Upon the expiration or termination of this Lease, Lessee, at its cost, shall remove
3 promptly and to the satisfaction of the City Manager any and all signs and placards placed
4 by it upon the Premises.

5 14. The occurrence of any of the following shall constitute a default:

6 (i) Failure by Lessee to pay rent when due, if the failure continues
7 for ten (10) days after notice has been given by City to Lessee.

8 (ii) Failure by either party to perform any other provision of this
9 Lease if the failure to perform is not cured within thirty (30) days after notice has
10 been given by the other party; provided, if the default cannot reasonably be cured
11 within thirty (30) days, the party obligated to perform shall not be in default if such
12 party commences to cure the default within the thirty (30) day period and diligently
13 and in good faith continues to cure the default.

14 A. Notices given under this paragraph shall specify the alleged
15 default and the applicable Lease provisions and shall demand that the defaulting
16 party perform the provisions of this Lease or pay the rent that is in arrears, as the
17 case may be, within the applicable period of time or, in the case of a default by
18 Lessee, that Lessee quit the Premises. No such notice shall be deemed a forfeiture
19 or a termination of this Lease unless City so elects in its notice to Lessee.

20 B. Upon any such termination by City, all improvements of
21 whatsoever character constructed, erected or installed upon the Premises by
22 Lessee shall, at City's option, and upon City's declaring a forfeiture, immediately
23 become the property of City.

24 C. The remedies of each party shall be cumulative and in addition
25 to any other remedies available.

26 D. For the purpose of this paragraph, each of the covenants,
27 conditions and agreements imposed upon or to be performed by one party shall, at
28 the option of the other party, be deemed to be either covenants or conditions,

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1 regardless of how designated in this Lease.

2 15. Neither party to this Lease shall be deemed to be in default in the
3 performance of the terms, covenants or conditions of this Lease, if such party is prevented
4 from performing said terms, covenants or conditions hereunder by causes beyond its
5 control, including, without limitation, earthquake, flood, fire, explosion or similar
6 catastrophe, war, insurrection, riot or other civil disturbance, failure or delay in performance
7 by suppliers or contractors, or any other cause reasonably beyond the control of the
8 defaulting party, but excluding strikes or other labor disputes, lockouts or work stoppages.
9 In the event of the happening of any of such contingencies, the party delayed from
10 performance shall immediately give the other party written notice of such contingency,
11 specifying the cause for delay or failure. The party so delayed shall use reasonable
12 diligence to remove the cause of delay, and if and when the occurrence or condition which
13 delayed or prevented the performance shall cease or be removed, the party delayed shall
14 notify the other party immediately, and the delayed party shall recommence its
15 performance of the terms, covenants and conditions of this Lease.

16 A. If the Premises are not reasonably useable in whole or in part
17 for the uses delineated in paragraph 4 by reason of any cause contemplated by this
18 paragraph, for a period of three (3) weeks or longer, Lessee shall have the option
19 of terminating this Lease in its entirety by giving City written notice.

20 B. During any period in which the Premises are not reasonably
21 useable in whole or in part for the uses delineated in paragraph 4 by reason of any
22 cause contemplated by this paragraph, Lessee shall not be relieved of its obligation
23 to pay any sum already due to City at the time of the occurrence.

24 C. Notwithstanding the foregoing, the occurrence of any cause
25 contemplated by this paragraph shall not excuse or otherwise delay performance
26 by Lessee of its obligation to obtain all required permits, licenses, approvals and
27 consents from governmental agencies having jurisdiction for the operation and
28 conduct of permitted activities.

1 16. In the event the United States of America, the State of California, or
2 any agency or instrumentality of said governments other than the City of Long Beach shall,
3 by condemnation or otherwise, take title, possession or the right to possession of the
4 Premises, or any part thereof, or deny Lessee the right to use the Premises as
5 contemplated by this Lease, or if any court shall render a decision which has become final
6 and which will prevent the performance by City of any of its obligations under this Lease,
7 and if such taking, denial or decision substantially impairs the utility of the Premises to
8 Lessee, then either party may, at its option, terminate this Lease as of the date of such
9 taking, denial or decision, and all further obligations of the parties shall end, except as to:

10 A. any award to which Lessee may be entitled from the
11 condemning authority for loss or damage suffered by Lessee, including but not
12 limited to relocation benefits and Lessee's interest in its building, improvements,
13 trade fixtures and removable personal property;

14 B. obligations of indemnity which arise under the provisions of
15 paragraph 12; or

16 C. any obligations or liabilities which shall have accrued prior to
17 the date of taking.

18 17. Upon the termination of this Lease (whether by lapse of time or
19 otherwise), Lessee, at its cost, shall restore the Premises to as good a state and condition
20 as the same were upon the date Lessee originally took possession thereof, reasonable
21 wear and tear and damage by the elements excepted, and shall thereafter peaceably
22 surrender possession.

23 A. All improvements of any kind constructed, erected or installed
24 upon the Premises by Lessee shall be and remain the property of Lessee during the
25 term of this Lease. Prior to termination, Lessee shall remove all of its improvements
26 and, at its cost, shall repair any damage caused by such removal; provided, the City,
27 at its option, may elect to take title to said improvements in lieu of requiring Lessee
28 to remove the same and restore the Premises. The obligations contained in this

1 paragraph shall remain in full force and effect, notwithstanding the expiration or
2 termination of this Lease.

3 B. Except as to property owned by City, or property in which City
4 may have an interest, upon termination of this Lease (whether by lapse of time or
5 otherwise) Lessee shall cause all other property upon the Premises, whether or not
6 such property be owned by Lessee or by third parties, to be removed from the
7 Premises prior to the termination date and shall cause to be repaired any damage
8 occasioned by such removal; provided, however, that if any of such property is not
9 with due diligence susceptible of removal prior to the termination date, Lessee's
10 obligation hereunder shall be to remove it in the most expeditious manner and as
11 rapidly as possible following the termination date. If the property is not so removed
12 from the Premises, City shall have the right to remove and/or sell and/or destroy the
13 same (subject to the interest of any person other than Lessee therein) at Lessee's
14 expense, and Lessee agrees to pay the reasonable cost of any such removal, sale,
15 or destruction.

16 18. Lessee understands and agrees that nothing contained in this Lease
17 shall create any right in Lessee for relocation assistance or payment from City upon the
18 termination of this Lease or upon the termination of any holdover period. Lessee
19 acknowledges and agrees that it shall not be entitled to any relocation assistance or
20 payment pursuant to the provisions of Title 1, Division 7, Chapter 16, of the Government
21 Code of the State of California (Sections 7260 et seq.) with respect to any relocation of its
22 business or activities upon the termination of this Lease as a result of the lapse of time or
23 Lessee's default or upon the termination of any holdover period.

24 19. Lessee shall not assign, sublet or otherwise transfer (whether
25 voluntary or involuntary) this Lease or any interest therein without the prior written consent
26 of the City Manager.

27 20. If Lessee shall hold over after the expiration of this Lease for any
28 cause, such holding over shall be deemed a tenancy from month-to-month only, upon the

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1 same terms, conditions and provisions of this Lease, except as set forth below, unless
2 other terms, conditions and provisions be agreed upon in writing by City and Lessee. The
3 then-applicable rent payable by Lessee hereunder shall be increased by ten percent (10%)
4 on the first day of each month that Lessee holds over.

5 21. Any rental payment, notice, demand, request, consent, approval or
6 communication that either party desires or is required to give to the other party or to any
7 other person shall be in writing and either served personally or sent by prepaid, first-class
8 mail. The address of Lessee is that shown on the first page of the Agreement and the
9 address of City for the purpose of this Lease is: City of Long Beach, Attn: Alan Kosoff,
10 Economic and Property Development, 411 W. Ocean Blvd., 10th Floor, Long Beach,
11 California 90802. Either party may change its address by notifying the other party in writing
12 of such change. Notice shall be deemed communicated within forty-eight (48) hours from
13 the time of mailing if mailed as provided in this subparagraph and as of the time of receipt
14 if personally served.

15 22. Lessee agrees, subject to applicable laws, rules and regulations, that
16 no person shall be subject to discrimination in the performance of this Lease on the basis
17 of race, religion, national origin, color, age, sex, sexual orientation, gender identity, AIDS,
18 HIV status, handicap or disability. Lessee shall take affirmative action to ensure that
19 applicants are employed and that employees are treated during employment without regard
20 to any of these bases, including but not limited to employment, upgrading, demotion,
21 transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms
22 of compensation, and selection for training, including apprenticeship. Lessee agrees to
23 post in conspicuous places available to employees and applicants for employment notices
24 to be provided by City setting out the provisions of this nondiscrimination clause. Lessee
25 shall in all solicitations or advertisements for employees state that all qualified applicants
26 will receive consideration for employment without regard to these bases.

27 23. The parties hereby waive all claims against the other for damage or
28 loss caused by any suit or proceeding commenced by a third party, directly or indirectly

1 attacking the validity of this Lease, or any part thereof, or by any judgment or award in any
2 suit or proceeding declaring this Lease null, void or voidable, or delaying the same, or any
3 part thereof, from being carried out, provided that Lessee shall not be liable for payment of
4 compensation hereunder to the extent that, during any period, it is so prevented from
5 exercising its rights hereunder.

6 24. This Lease shall be governed by the laws of the State of California,
7 both as to interpretation and performance.

8 25. No waiver by either party at any time of any of the terms, conditions,
9 covenants or agreements of this Lease shall be deemed or taken as a waiver at any time
10 thereafter of the same or any other term, condition, covenant or agreement herein
11 contained nor of the strict and prompt performance thereof by the party obligated to
12 perform. No delay, failure or omission of either party to exercise any right, power, privilege
13 or option arising from any default nor subsequent acceptance of compensation then or
14 thereafter accrued shall impair any such right, power, privilege or option or be construed
15 to be a waiver of any such default or relinquishment thereof or acquiescence therein. No
16 option, right, power, remedy or privilege of either party hereto shall be construed as being
17 exhausted or discharged by the exercise thereof in one or more instances. It is agreed
18 that each and all of the rights, powers, options or remedies given to the parties by this
19 Lease are cumulative, and no one of them shall be exclusive of the other or exclusive of
20 any remedies provided by law, and that the exercise of one right, power, option, or remedy
21 by a party shall not impair its rights to any other right, power, option or remedy.

22 26. This Lease shall be binding upon and shall inure to the benefit of the
23 successors and assigns of City and shall be binding upon and inure to the benefit of the
24 permitted successors and assigns of Lessee.

25 27. Should any of the covenants, conditions or agreements of this Lease
26 be held by a court of competent jurisdiction to be illegal or in conflict with any applicable
27 law, or with any provision of the Charter of the City of Long Beach, the validity of the
28 remaining portions or provisions shall not be affected thereby.

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

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28. This Lease may be amended or terminated at any time by the written mutual agreement of the parties.

29. All provisions, whether covenants or conditions on the part of Lessee, shall be deemed to be both covenants and conditions.

30. This document constitutes the whole agreement between City and Lessee. There are no terms, obligations or conditions other than those contained herein. No modification or amendment of this Lease shall be valid and effective, unless evidenced by a written agreement signed by the parties which makes specific reference to this Lease.

ULTRAMAR INC., a Nevada corporation

September 20, 2021

By: [Signature]
Name: James V. Stagg II
Title: Vice President

Sept 20, 2021

APPROVED
LEGAL
[Signature]

By: [Signature]
Name: Ethan A. Jones
Title: Assist. Secretary

"LESSEE"

CITY OF LONG BEACH, a municipal corporation

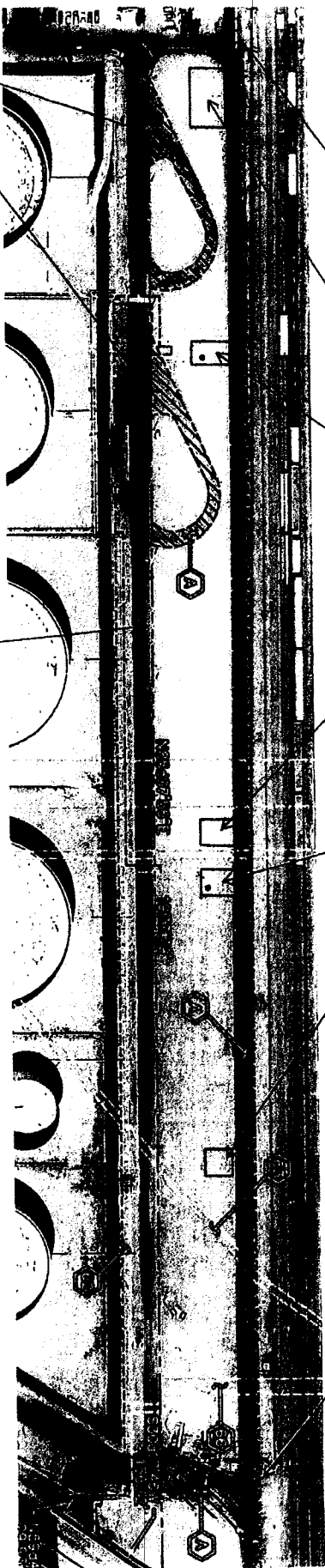
September 23, 2021

By: Linda F. Jakem
City Manager

"CITY"
**EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER**

This Lease is approved as to form on September 23, 2021.

CHARLES PARKIN, City Attorney
By: [Signature]
Deputy



COKE TRUCK ROAD SQ FT: 47,712

FENCED IN WELL AREAS
SQ FT: 10,750

TURN OUTS SQ FT: 13,052

TOTAL SQ FT: 164,352

CITY OF LB HISTORICAL AGREEMENT ACRES = 5.413 ACRES
REMOVAL OF TURN OUTS, FENCED WELL AREAS AND COKE TRUCK ROAD REDUCES BY = 1.64 ACRES
RESULTING IN A TOTAL LEASED AREA OF 3.773 ACRES