

35776

LEASE

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

THIS LEASE is made and entered into as of January 1, 2021, 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 also including additional premises commonly known as Oil Operating Area 32-A, 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 5.203 acres, constituting a portion of the property commonly known as the "North Strip" and all of the property commonly known as "Oil Operating Area 32-A", 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,

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1 or any part thereof, from the Premises. The right of surface entry on the Premises
2 for these purposes is reserved as provided in the Unit Agreements and the
3 Memorandum of Understanding dated October 1, 2004, by and between the Harbor
4 Department of the City of Long Beach and the Department of Oil Properties of the
5 City of Long Beach in effect as of the date hereof and as it may be modified from
6 time to time in the future (the "MOU").

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

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

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

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1 upon City for failure to make such inspection.

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

26 3. The term of this Lease shall be for a period of approximately ten (10)
27 weeks commencing on January 1, 2021, and ending on March 15, 2021. The term of this
28 Lease may be extended through the end of March, 2021 at the same per diem rental rate

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1 applicable during the initial term and otherwise upon the mutual agreement of the parties.

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

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

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

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

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

22 5. Lessee shall pay to City, as rental for the use of the Premises, without
23 deduction, setoff, prior notice or demand, on the first day of the month of each month of
24 the term, an amount equal to Thirty-One Cents (\$.31) per square foot, or Seventy
25 Thousand Two Hundred Fifty-Nine and 23/100 Dollars (\$70,259.23) per month, pro-rated
26 for any partial months. All delinquent installments of rental and other payments due the
27 City shall bear interest at the maximum rate allowed by law. Rental payments are
28 delinquent if remaining unpaid on the tenth calendar day of the month for which due. With

1 the exception of rental payments, all invoices issued by City are due and payable upon
2 presentation, and any such invoice remaining unpaid the thirtieth day after the date of issue
3 shall be considered delinquent.

4 6. Lessee shall not construct or make any improvements or alterations
5 to the Premises without City's prior consent, which consent may be withheld in City's sole
6 and absolute discretion.

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

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

28 B. Lessee, at its cost, shall provide proper containers for trash and

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1 keep the Premises free and clear of rubbish, debris and litter at all times. Lessee,
2 at its cost, further agrees to keep and maintain all of the Premises in a safe, clean,
3 wholesome and sanitary condition under all applicable federal, state, local and other
4 laws, rules, regulations and orders. No offensive refuse, matter, nor any substance
5 constituting any unnecessary, unreasonable or unlawful fire hazard, nor material
6 detrimental to the public health shall be permitted to be or remain on the Premises
7 and Lessee shall prevent such material or matter from being or accumulating upon
8 the Premises.

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

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

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

1 F. Lessee shall continue to incorporate the Premises in Lessee's
2 Industrial NPDES Permit and in its Storm Water Pollution Prevention Plan
3 ("SWPPP"). If requested by City, Lessee shall submit the relevant SWPPP to City
4 with a verification (1) of any instances of non-compliance that occurred within the
5 prior year; (2) that the SWPPP and all best management practices ("BMPs") were
6 fully implemented; and (3) that the SWPPP reflects the current conditions at the
7 Premises. If there are any exceptions to this verification, a full explanation shall be
8 provided by Lessee with the verification. Lessee also agrees to inspect and clean
9 the catch basins in compliance with the BMPs annually before the rainy season.
10 Lessee agrees to provide City with prompt notice of any incidents or spills on the
11 Premises that enter the catch basins or any instances of non-compliance with
12 Lessee's Industrial NPDES Permit.

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

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

28 10. Except where contested in good faith in a court of appropriate

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1 jurisdiction, Lessee shall pay, prior to delinquency, all lawful taxes, assessments and other
2 governmental or district charges that may be levied upon its property and improvements of
3 any kind located on the Premises and upon the interest granted under this Lease. Lessee
4 recognizes and understands that this Lease may create a possessory interest subject to
5 property taxation and that Lessee may be subject to the payment of property taxes and
6 assessments levied on such interest. Payment of any such possessory interest tax or
7 assessment shall not reduce any compensation due City hereunder.

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

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

21 B. by the condition or state of repair and maintenance of the
22 Premises;

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

27 D. by Lessee's failure or refusal to comply with the provisions of
28 Section 6300 et seq. of the California Labor Code or any federal, state or local

1 regulations or laws pertaining to the safety of the Premises or of equipment located
2 upon the Premises. City shall notify Lessee of any Claim, shall tender its defense
3 to Lessee, and shall assist Lessee as may reasonably be requested in the defense
4 thereof. Upon such notification and tender, Lessee shall have independent duties to
5 defend such Claim, and to indemnify the Indemnified Parties against all costs,
6 including costs incurred prior to the date of tender.

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

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

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

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

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

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

28 The policy or policies of insurance for Commercial General Liability

1 and Automobile Liability shall contain the following provisions or be endorsed to
2 provide the following:

3 (1) The Indemnified Parties shall be additional insureds with regard
4 to liability and defense of suits or claims arising out or related to the Lease.
5 Additional insured endorsements shall not:

- 6 i. Exclude contractual liability;
- 7 ii. Restrict coverage to the sole liability of Lessee; or
- 8 iii. Contain any other exclusion contrary to the Lease.

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

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

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

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

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

24 Any deductible or self-insured retention must be approved in writing by the
25 City Manager and shall protect the Indemnified Parties in the same manner and to the
26 same extent as they would have been protected had the policy or policies not contained a
27 deductible or self-insured retention. Any deductible or self-insured retention must be
28 approved in writing.

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1 Lessee shall deliver certificates of insurance and endorsements on forms
2 approved by the City ("evidence of insurance") to the City Manager for approval as to
3 sufficiency and approval as to form. At least fifteen (15) days prior to the expiration of any
4 such policy, evidence of insurance showing that such insurance coverage has been
5 renewed or extended shall be filed with the City Manager. If such coverage is canceled or
6 reduced, Lessee shall, within ten (10) days after receipt of written notice of such
7 cancellation or reduction of coverage, file with the City Manager evidence of insurance
8 showing that the required insurance has been reinstated or has been provided through
9 another insurance company or companies.

10 The coverage provided shall apply to the obligations assumed by the Lessee
11 under the indemnity provisions of this Lease but this insurance provision in no way limits
12 the indemnity provision and the indemnity provision in no way limits this insurance
13 provision.

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

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

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

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

4 13. No signs or placards of any type or design, except safety or regulatory
5 signs prescribed by law, shall be painted, inscribed or placed in or on the Premises without
6 the prior written consent of the City Manager, which consent shall not be unreasonably
7 withheld. Upon the expiration or termination of this Lease, Lessee, at its cost, shall remove
8 promptly and to the satisfaction of the City Manager any and all signs and placards placed
9 by it upon the Premises.

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

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

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

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

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

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

3 D. For the purpose of this paragraph, each of the covenants,
4 conditions and agreements imposed upon or to be performed by one party shall, at
5 the option of the other party, be deemed to be either covenants or conditions,
6 regardless of how designated in this Lease.

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

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

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

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

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

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

19 B. obligations of indemnity which arise under the provisions of
20 paragraph 12; or

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

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

28 A. All improvements of any kind constructed, erected or installed

1 upon the Premises by Lessee shall be and remain the property of Lessee during the
2 term of this Lease. Prior to termination, Lessee shall remove all of its improvements
3 and, at its cost, shall repair any damage caused by such removal; provided, the City,
4 at its option, may elect to take title to said improvements in lieu of requiring Lessee
5 to remove the same and restore the Premises. The obligations contained in this
6 paragraph shall remain in full force and effect, notwithstanding the expiration or
7 termination of this Lease.

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

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

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

4 20. If Lessee shall hold over after the expiration of this Lease for any
5 cause, such holding over shall be deemed a tenancy from month-to-month only, upon the
6 same terms, conditions and provisions of this Lease, except as set forth below, unless
7 other terms, conditions and provisions be agreed upon in writing by City and Lessee. The
8 then-applicable rent payable by Lessee hereunder shall be increased by ten percent (10%)
9 on the first day of each month that Lessee holds over.

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

20 22. Lessee agrees, subject to applicable laws, rules and regulations, that
21 no person shall be subject to discrimination in the performance of this Lease on the basis
22 of race, religion, national origin, color, age, sex, sexual orientation, gender identity, AIDS,
23 HIV status, handicap or disability. Lessee shall take affirmative action to ensure that
24 applicants are employed and that employees are treated during employment without regard
25 to any of these bases, including but not limited to employment, upgrading, demotion,
26 transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms
27 of compensation, and selection for training, including apprenticeship. Lessee agrees to
28 post in conspicuous places available to employees and applicants for employment notices

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1 to be provided by City setting out the provisions of this nondiscrimination clause. Lessee
2 shall in all solicitations or advertisements for employees state that all qualified applicants
3 will receive consideration for employment without regard to these bases.

4 23. The parties hereby waive all claims against the other for damage or
5 loss caused by any suit or proceeding commenced by a third party, directly or indirectly
6 attacking the validity of this Lease, or any part thereof, or by any judgment or award in any
7 suit or proceeding declaring this Lease null, void or voidable, or delaying the same, or any
8 part thereof, from being carried out, provided that Lessee shall not be liable for payment of
9 compensation hereunder to the extent that, during any period, it is so prevented from
10 exercising its rights hereunder.

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

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

27 26. This Lease shall be binding upon and shall inure to the benefit of the
28 successors and assigns of City and shall be binding upon and inure to the benefit of the

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1 permitted successors and assigns of Lessee.

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

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

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

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

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December 10, 2020

ULTRAMAR INC., a Nevada corporation

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

December 14, 2020

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

APPROVED
LEGAL
[Signature]

"LESSEE"
**EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER**
CITY OF LONG BEACH, a municipal
corporation

December 17, 2020

By: [Signature]
City Manager

"CITY"
**EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER**
This Lease is approved as to form on December 17, 2020.

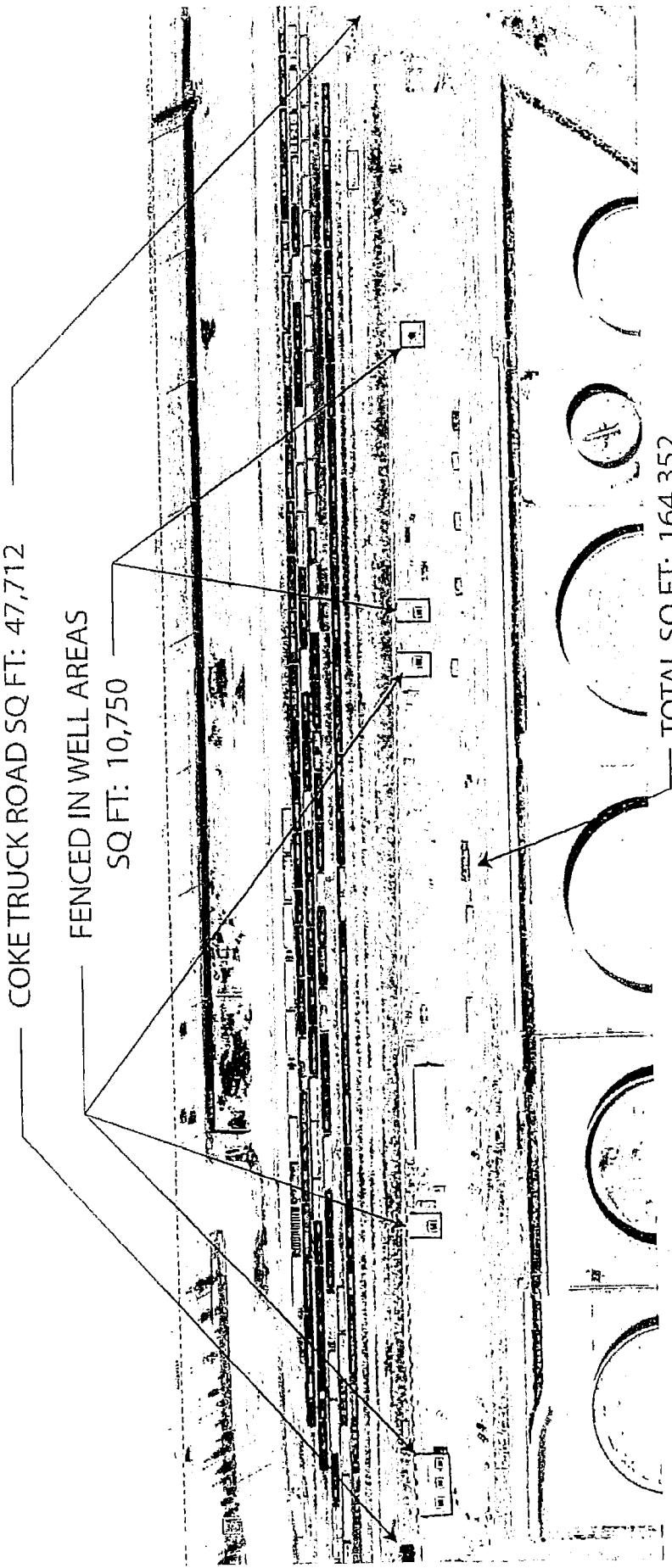
CHARLES PARKIN, City Attorney
By: [Signature]
Deputy

PREMISES: NORTH STRIP

COKE TRUCK ROAD SQ FT: 47,712

FENCED IN WELL AREAS
SQ FT: 10,750

TOTAL SQ FT: 164,352



CITY OF LONG BEACH AGREEMENT ACRES = 5.413 ACRES
REMOVAL OF TURN OUTS, FENCED WELL AREAS AND COKE TRUCK ROAD REDUCED BY = 1.64 ACRES
RESULTING IN A TOTAL LEASED AREA OF 3.77 ACRES; 164,352 SQ FT

NO.	DATE	REVISIONS



PROJECT NO. 1221
 DATE 4/7/15
 DRAWING SCALE 1" = 60'
 PROJECT NO. 1221
 DATE 4/7/15
 DRAWING SCALE 1" = 60'
 OIL SET ASIDE AREA 32A AND 32B
 TIDELANDS
 PIER A
 H0004-00161
 SHEET 1 OF 1

