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LEASE

ULTRAMAR INC.
DOING BUSINESS AS
VALERO WILMINGTON REFINERY
2402 EAST ANAHEIM STREET
WILMINGTON, CALIFORNIA 90744
(562) 491-6877
FAX NO. (562) 495-5412

THIS LEASE is made and entered into as of September 14, 2011, pursuant to a minute order adopted by the City Council of the City of Long Beach on September 13, 2011, by and between the CITY OF LONG BEACH, a municipal corporation ("City"), and ULTRAMAR INC., a Nevada corporation, doing business as VALERO WILMINGTON REFINERY ("Lessee"), whose address is 2402 E. Anaheim Street, Wilmington, CA 90744.

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

A. Lessee previously leased approximately 5.415 acres owned by City commonly known as the "North Strip" pursuant to Lease No. HD-7089 dated as of September 25, 2006 ("Original Lease") by and between City, acting through its Board of Harbor Commissioners, as landlord, and Lessee, as tenant.

B. The Original Lease terminated by its own terms, effective April 30, 2011.

C. Lessee is now interested in leasing a lesser portion of the "North Strip" than it did pursuant to the Original Lease, and City is willing to lease such portion 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 2.3 acres, constituting a portion of the property commonly known as the "North Strip", and as more particularly shown on the drawing attached hereto and by this reference made a part hereof (the "Premises").

1 A. There are excepted and reserved from the Premises all
2 minerals and mineral rights of every kind and character now known to exist or
3 hereafter discovered, including oil, gas and water rights, together with the full,
4 exclusive and perpetual rights to explore for, remove and dispose of said minerals,
5 or any part thereof, from the Premises. The right of surface entry on the Premises
6 for these purposes is reserved as provided in the Unit Agreements and the
7 Memorandum of Understanding dated October 1, 2004, by and between the
8 Harbor Department of the City of Long Beach and the Department of Oil
9 Properties of the City of Long Beach in effect as of the date hereof and as it may
10 be modified from time to time in the future (the "MOU").

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

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

26 D. City's authorized representatives shall have access to the
27 Premises at any and all reasonable times, for the purpose of determining whether
28 or not Lessee is complying with the terms and conditions hereof, for fire and police

1 purposes, to investigate any incidents involving personal injury or property
2 damage, or for any other purposes incidental to the rights or duties of City. The
3 right of inspection hereby reserved to City shall impose no obligation on City to
4 make inspections to ascertain the condition of the Premises, and shall impose no
5 liability upon City for failure to make such inspection.

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

25 3. The term of this Lease shall be for a period of three (3) months
26 commencing on December 1, 2011, and ending on February 29, 2012.

27 4. Lessee is authorized to use the Premises for parking of vehicles,
28 including trucks, and as a safety buffer zone.

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

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

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

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

18 5. Lessee shall pay to City, as rental for the use of the Premises,
19 without deduction, setoff, prior notice or demand, on the first day of the month of each
20 month of the term, an amount equal to Eighteen Thousand Dollars (\$18,000) per month.
21 All delinquent installments of rental and other payments due the City shall bear interest at
22 the maximum rate allowed by law. Rental payments are delinquent if remaining unpaid
23 on the tenth calendar day of the month for which due. With the exception of rental
24 payments, all invoices issued by City are due and payable upon presentation, and any
25 such invoice remaining unpaid the thirtieth day after the date of issue shall be considered
26 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
4 good 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
8 maintenance. Lessee agrees to reimburse City for the cost thereof within thirty
9 (30) days after receipt of City's invoice therefore. City's cost shall include, but not
10 be limited to, the cost of maintenance or repair or replacement of property
11 neglected, damaged or destroyed, including direct and allocated costs for labor,
12 materials, supervision, supplies, tools, taxes, transportation, administrative and
13 general expense and other indirect or overhead expenses. In the event Lessee
14 shall commence to prosecute and diligently make such repairs or shall begin to
15 perform the required maintenance within the thirty (30) day period, City shall
16 refrain from making such repairs or performing required maintenance and from
17 making demand for such payment until the work has been completed by Lessee,
18 and then only for such portion thereof as shall have been made or performed by
19 City. The making of any repair or the performance or maintenance by City, which
20 repair or maintenance is the responsibility of Lessee, shall in no event be
21 construed as a waiver of Lessee's duty or obligation to make future repairs or
22 perform required maintenance as provided in this Lease.

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

1 hazard, nor material detrimental to the public health shall be permitted to be or
2 remain on the Premises and Lessee shall prevent such material or matter from
3 being or accumulating upon 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
7 maintained by Lessee, at its cost, in an operative condition at all times. All repairs
8 and servicing shall be made in accordance with the provisions of the Long Beach
9 Municipal Code, Chapter 18.48 and all revisions thereto.

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

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.)
15 ("Act") and regulations promulgated pursuant thereto in Lessee's use of the Premises
16 and operations conducted thereon. Additionally, as between City and Lessee, Lessee
17 shall be solely responsible for assuring that the Premises are in compliance with
18 applicable provisions of said Act and related regulations and shall hold City harmless
19 from and against any claims of failure of the Premises to comply with the Act and/or
20 related regulations.

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

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

1 possessory interest subject to property taxation and that Lessee may be subject to the
2 payment of property taxes and assessments levied on such interest. Payment of any
3 such possessory interest tax or assessment shall not reduce any compensation due City
4 hereunder.

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

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

18 B. by the condition or state of repair and maintenance of the
19 Premises;

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

24 D. by Lessee's failure or refusal to comply with the provisions of
25 Section 6300 et seq. of the California Labor Code or any federal, state or local
26 regulations or laws pertaining to the safety of the Premises or of equipment
27 located upon the Premises. City shall notify Lessee of any Claim, shall tender its
28 defense to Lessee, and shall assist Lessee as may reasonably be requested in the

1 defense thereof. Upon such notification and tender, Lessee shall have
2 independent duties to defend such Claim, and to indemnify the Indemnified Parties
3 against all costs, including costs incurred prior to the date of tender.

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

7 A. Commercial General Liability Insurance which affords
8 coverage at least as broad as Insurance Services Office "occurrence" from CG 00
9 01 with minimum limits of at least \$1,000,000 per occurrence, and if written with an
10 aggregate, the aggregate shall be double the per occurrence limit.

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

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

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

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

25 The policy or policies of insurance for Commercial General Liability
26 and Automobile Liability shall contain the following provisions or be endorsed to
27 provide the following:
28

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

3 Additional insured endorsements shall not:

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

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

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

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

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

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

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

27 Lessee shall deliver certificates of insurance and endorsements on forms
28 approved by the City ("evidence of insurance") to the City Manager for approval as to

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

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

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

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

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

27 Lessee shall require all sublessees, contractors or licensees to purchase
28 the appropriate insurance in compliance with the terms of this Lease including adding the

1 City as an additional insured.

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

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

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

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

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

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

28

1 C. The remedies of each party shall be cumulative and in
2 addition 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
9 prevented from performing said terms, covenants or conditions hereunder by causes
10 beyond its control, including, without limitation, earthquake, flood, fire, explosion or
11 similar catastrophe, war, insurrection, riot or other civil disturbance, failure or delay in
12 performance by suppliers or contractors, or any other cause reasonably beyond the
13 control of the defaulting party, but excluding strikes or other labor disputes, lockouts or
14 work stoppages. In the event of the happening of any of such contingencies, the party
15 delayed from performance shall immediately give the other party written notice of such
16 contingency, specifying the cause for delay or failure. The party so delayed shall use
17 reasonable diligence to remove the cause of delay, and if and when the occurrence or
18 condition which delayed or prevented the performance shall cease or be removed, the
19 party delayed shall notify the other party immediately, and the delayed party shall
20 recommence its 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
23 this paragraph, for a period of three (3) weeks or longer, Lessee shall have the
24 option 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
28 obligation to pay any sum already due to City at the time of the occurrence.

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

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

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

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

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

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

1 peaceably surrender possession.

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

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

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

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 business or activities upon the termination of this Lease as a result of the lapse of time or
2 Lessee's default or upon the termination of any holdover period.

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

6 20. If Lessee shall hold over after the expiration of this Lease for any
7 cause, such holding over shall be deemed a tenancy from month-to-month only, upon the
8 same terms, conditions and provisions of this Lease, except as set forth below, unless
9 other terms, conditions and provisions be agreed upon in writing by City and Lessee.
10 The then-applicable rent payable by Lessee hereunder shall be increased by ten percent
11 (10%) on the first day of each month that Lessee holds over.

12 21. Any rental payment, notice, demand, request, consent, approval or
13 communication that either party desires or is required to give to the other party or to any
14 other person shall be in writing and either served personally or sent by prepaid, first-class
15 mail. The address of Lessee is that shown on the first page of the Agreement and the
16 address of City for the purpose of this Lease is: City of Long Beach, Attn: Curtis P.
17 Henderson, Gas & Oil Operations Bureau Manager, 2400 E. Spring Street, Long Beach,
18 California 90806. Either party may change its address by notifying the other party in
19 writing of such change. Notice shall be deemed communicated within forty-eight (48)
20 hours from the time of mailing if mailed as provided in this subparagraph and as of the
21 time of receipt if personally served.

22 22. Lessee agrees, subject to applicable laws, rules and regulations, that
23 no person shall be subject to discrimination in the performance of this Lease on the basis
24 of race, color, religion, national origin, sex, sexual orientation, AIDS, HIV status, age,
25 disability, handicap, or Vietnam Era veteran status. Lessee shall take affirmative action
26 to ensure that applicants are employed and that employees are treated during
27 employment without regard to any of these bases, including but not limited to
28 employment, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff,

1 termination, rates of pay or other forms of compensation, and selection for training,
2 including apprenticeship. Lessee agrees to post in conspicuous places available to
3 employees and applicants for employment notices to be provided by City setting out the
4 provisions of this nondiscrimination clause. Lessee shall in all solicitations or
5 advertisements for employees state that all qualified applicants will receive consideration
6 for employment without regard to these bases.

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

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

16 25. No waiver by either party at any time of any of the terms, conditions,
17 covenants or agreements of this Lease shall be deemed or taken as a waiver at any time
18 thereafter of the same or any other term, condition, covenant or agreement herein
19 contained nor of the strict and prompt performance thereof by the party obligated to
20 perform. No delay, failure or omission of either party to exercise any right, power,
21 privilege or option arising from any default nor subsequent acceptance of compensation
22 then or thereafter accrued shall impair any such right, power, privilege or option or be
23 construed to be a waiver of any such default or relinquishment thereof or acquiescence
24 therein. No option, right, power, remedy or privilege of either party hereto shall be
25 construed as being exhausted or discharged by the exercise thereof in one or more
26 instances. It is agreed that each and all of the rights, powers, options or remedies given
27 to the parties by this Lease are cumulative, and no one of them shall be exclusive of the
28 other or exclusive of any remedies provided by law, and that the exercise of one right,

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 power, option, or remedy by a party shall not impair its rights to any other right, power,
2 option or remedy.

3 26. This Lease shall be binding upon and shall inure to the benefit of the
4 successors and assigns of City and shall be binding upon and inure to the benefit of the
5 permitted successors and assigns of Lessee.

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

10 28. If either party commences an action against the other party arising
11 out of or in connection with this Lease, the prevailing party shall be entitled to have and
12 recover from the losing party reasonable attorneys' fees and costs of suit.

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

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

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

22 //
23 //
24 //
25 //
26 //
27 //
28 //

1 32. Effective upon full execution of this Lease, the parties agree that the
2 Letter Agreement is null and void and has no force or effect and the parties agree to
3 waive any claims related to the Letter Agreement.

4 ULTRAMAR INC., a Nevada corporation
5 doing business as VALERO
6 WILMINGTON REFINERY

7 OCT. 11, _____, 2011

8 By: [Signature]
9 Name: MARK PHAO
10 Title: V.P. and GENERAL MGR

11 _____, 2011

12 By: _____
13 Name: _____
14 Title: _____

15 "LESSEE"

16 CITY OF LONG BEACH, a municipal
17 corporation

18 10.25 _____, 2011

19 By: [Signature] Assistant City Manager
20 City Manager
21 EXECUTED PURSUANT
22 TO SECTION 301 OF
23 THE CITY CHARTER.
24 "CITY"

25 This Lease is approved as to form on October 12, 2011.

26 ROBERT E. SHANNON, City Attorney

27 By: [Signature]
28 Deputy

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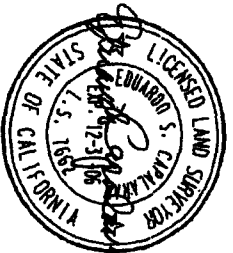
AREA = 235,858 SQ. FT. 5.415 ACRES

PORT OF LONG BEACH, CALIFORNIA
OFFICE OF THE EXECUTIVE DIRECTOR

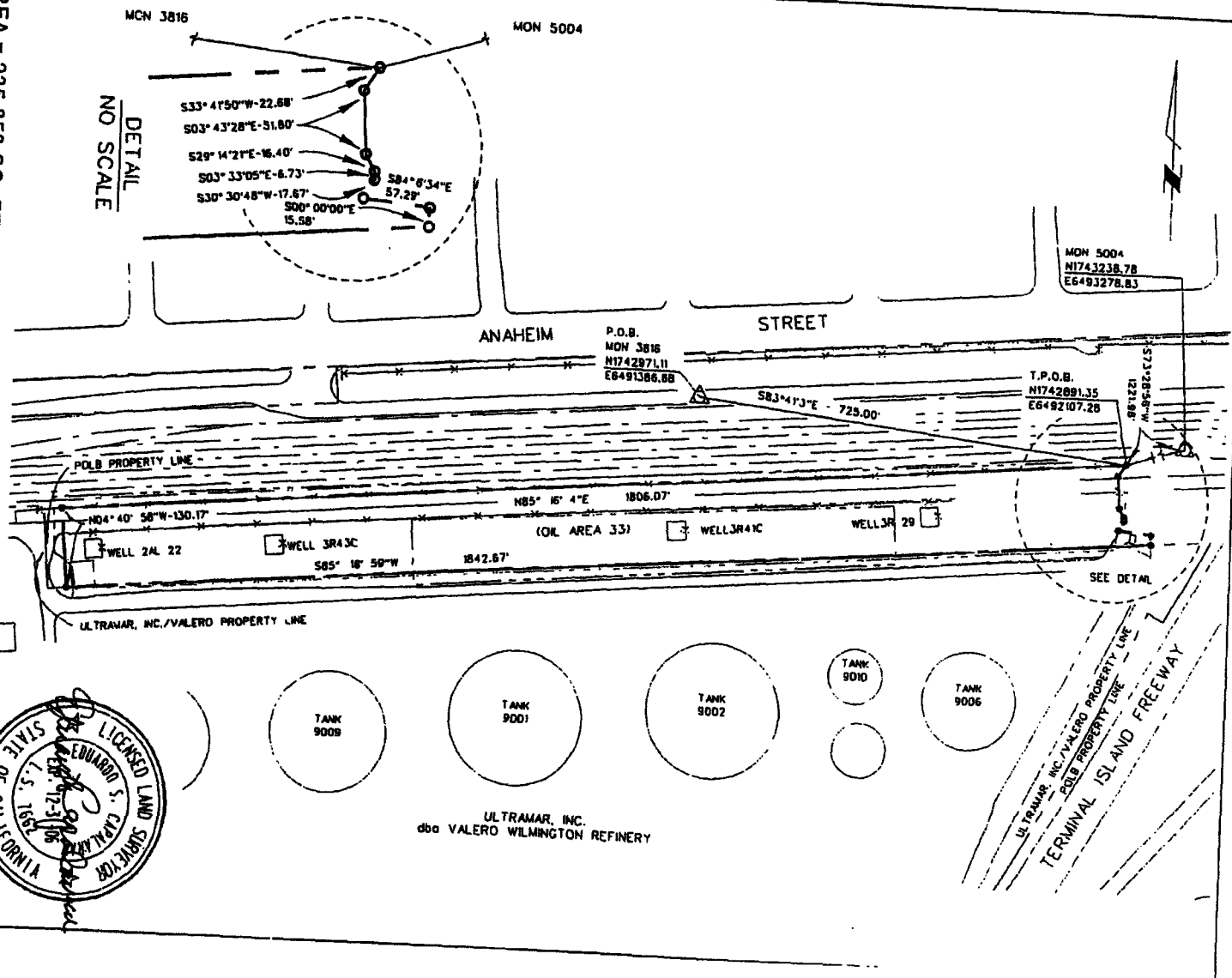
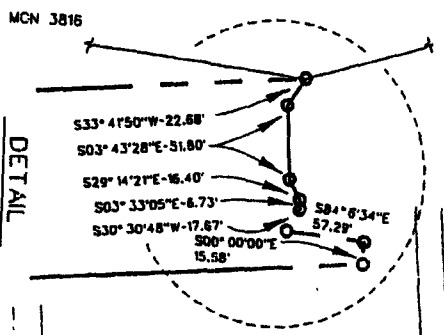
SCALE 1" = 200'
DRAWN BY [signature] DATE 02-03-05
CHECKED BY [signature]

PIER A
ULTRAMAR, INC.
dba VALERO WILMINGTON REFINERY

HD3-266



DETAIL
NO SCALE



ULTRAMAR, INC.
dba VALERO WILMINGTON REFINERY

MON 5004
N1743238.78
E6493278.83

P.O.B.
MON 3816
N1742871.11
E6491386.88

T.P.O.B.
N1742891.35
E6492107.28

SEE DETAIL

ULTRAMAR, INC./VALERO PROPERTY LINE
PIER A PROPERTY LINE
TERMINAL ISLAND FREEWAY