INFORMATIONAL HANDOUT

04-CC,MRN-580-6.1/7.8,0.0/2.6

04-0438U4

UNION L

LICENSE AGREEMENT

This License Agreement ("Agreement") is made and entered into effective the 1st day of August, 1999, by and between Chevron Products Company, a division of Chevron U.S.A. Inc., a Pennsylvania corporation ("Licensor"), and the State of California, Department of Transportation ("Licensee"). In consideration of the mutual promises, covenants and conditions contained herein, the parties hereto agree as follows:

1. Licensor is the owner of certain real property located in the City of Richmond, Contra Costa County, State of California, more particularly described as Parcels A, B, and C of Exhibit A attached hereto and made a part of this Agreement (the "Property"). Licensor hereby grants to Licensee a non-exclusive license to enter upon the Property for the purposes of bridge access, laydown, construction trailers, parking, and barge loadup related to the construction or improvement of a public highway in the vicinity of the Property (collectively, the "Activities"). Licensee shall not perform any subsurface Activities on the Property. For the purposes of this Agreement, "subsurface" is defined as being below existing finished grade. All Activities shall be performed without cost or expense to Licensor. Licensee shall not have possession of the Property to the exclusion of Licensor or any other party who has obtained permission or authority from Licensor to use the Property. At times when the Activities are not being performed, Licensee shall keep the entrances to the Property closed and secured from entry. Licensee shall pay Licensor $196,700.00 for this license agreement within sixty (60) days of execution of agreement.

2. The term of this Agreement shall commence on the effective date and shall continue until the Activities have been completed or the end of fifty-three (53) months from the effective date, whichever occurs first. Notwithstanding the foregoing, Licensor may terminate this Agreement if Licensee violates any of the provisions of this Agreement. In the event of such violation, Licensor shall first notify Licensee of such violation and give the Licensee ten (10) days to cure the violation. If the Licensee fails to cure the violation within said ten (10) day period, then the Licensor may terminate this Agreement upon written notice to the Licensee. In the event of any termination of this Agreement, Licensor may prevent Licensee, its agents, employees and contractors from using or remaining on the Property. Notwithstanding the foregoing, Licensor may stop the Activities at any time and prevent Licensee, its agents, employees and contractors from using or remaining on the Property without liability to Licensee for such time as, in Licensor's sole reasonable opinion, the performance of the Activities by Licensee, or its employees, agents, or contractors, is causing or is likely to cause injury or death to any person, or damage or destruction to any real or personal property, or is interfering with or obstructing Licensor's business operations.

3. It is expressly understood and agreed by Licensee that Licensor shall be under no obligation to protect the license privileges granted hereunder as against third parties or trespassers by legal proceedings or otherwise, and it is further agreed that Licensor shall not be liable in any way for any interference with said license privileges to which Licensee is entitled.

4. All Activities conducted on the Property shall be performed in a good, safe, careful and proper manner, and at all times the Property shall be kept free from

accumulation of all waste and debris associated with the performance of the Activities and that the Property shall be maintained in a sightly and sanitary condition as shall be satisfactory to Licensor. Licensee shall not allow, commit or cause to be committed any destruction, misuse, alteration or neglect of the Property. Licensee shall promptly pay and discharge any and all liens arising out of the Activities.

5. Licensee shall not use any part of the Property for any unlawful conduct or purpose. Further, Licensee, its agents, employees and contractors shall comply with all laws and governmental orders, rules and regulations now or hereinafter applicable to the use of the Property and the Activities thereon.

6. Licensee shall not use, handle, store, transport, generate, release, or dispose of any Hazardous Materials on, under, or about the Property. Licensee shall immediately provide notice to Licensor upon knowledge of any personal injury, property damage or actual or alleged discharge, leakage, spillage or emission of any Hazardous Materials occurring on or affecting the Property. The term "Hazardous Materials" as used in this Agreement shall mean any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Sec. 9601 et seq.); The Resource Conservation and Recovery Act (42 U.S.C. Sec. 6901 et seq.); the California Hazardous Waste Control Act (Health and Safety Code Sec. 25100 et seq.); or 22 California Administrative Code Secs. 66680 through 66685 and Secs. 66693 through 66740, all as amended from time to time, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter may be in effect. During retrofitting of the Richmond-San Rafael Bridge, Licensee may transport hazardous soil/sediment contaminated with lead over the Property by truck for the purpose of disposal at an off-site facility, provided that such transportation activities are in compliance with State and Federal Guidelines under a United States Environmental Protection Agency identification number, and provided further that the soils/sediment shall be fully contained in the transporting vehicle.

7. Licensee accepts the use of the Property in its present condition "AS IS" and "WITH ALL FAULTS" and Licensee agrees that its use of the Property shall be at its sole risk.

8. Licensee shall indemnify, defend and hold harmless the indemnitees from and against all liability, costs, claims, losses, damages, injuries and expenses (including without limitation any fines, penalties, judgments, litigation costs and reasonable attorneys' fees) which the indemnitees may sustain, incur or become liable for, (including, but not limited to liability for injury to or death of any person, and for loss of or damage to any property), arising out of or in any way connected with the rights and obligations of Licensee under this Agreement, or the acts or omissions of the employees, agents or contractors of Licensee on or about the Property, except where such liability, costs, claims, losses, damages, injuries or expenses are proximately caused solely by the negligence or willful misconduct of any indemnitee. The term "indemnitees" as used in this Agreement shall collectively mean Licensor, its subsidiaries and affiliates, and its and their directors, officers,

employees and agents. The term "affiliate" as used in this Agreement means Chevron Corporation or any company in which Chevron Corporation owns directly or indirectly at least fifty-one percent (51%) of the shares entitled to vote at a general election of directors.

9. Without in any way limiting the liability of Licensee under this Agreement, if any of the Activities are performed by any agent or contractor of Licensee, then Licensee shall require all such agents or contractors to maintain during the term of this Agreement the following insurance with companies and on terms satisfactory to Licensor:

   a. Workers' Compensation and Employers' Liability Insurance as prescribed by applicable law; and

   b. Comprehensive or Commercial General Liability Insurance (Bodily Injury and Property Damage), with contractual liability insurance to cover liability arising from the obligations of the Licensee under this Agreement. The limits of liability of such insurance shall not be less than $1,000,000 combined single limit per occurrence; and

   c. Automobile Bodily Injury and Property Damage Liability Insurance, the limits of which shall not be less than $100,000 per person and $300,000 per occurrence for Bodily Injury and $50,000 Property Damage per occurrence. Such insurance shall extend to owned, non-owned, and hired automobiles used by the agents or contractors of Licensee, and its or their employees, agents and/or subcontractors.

10. a. The insurance specified in Section 9a hereof shall contain a waiver of subrogation against the indemnitees.

    b. The insurance specified in Section 9b hereof shall include the indemnitees as additional insureds with respect to the Activities hereunder.

    c. The insurance specified in Sections 9a, 9b, and 9c hereof shall include a requirement that the insurer provide Licensor with 30 days' written notice prior to the effective date of any cancellation or material change of the insurance. Upon request, Licensee shall provide Licensor with certificates or other documentary evidence satisfactory to Licensor of the insurance and endorsements described in the foregoing Sections 9 and 10 of this Agreement.

11. Licensee shall not sell, assign or sublet this Agreement or its license rights hereunder to any party without the prior written consent of Licensor, which consent may be withheld in Licensor's sole and absolute discretion, and any attempt by Licensee to do so without obtaining such consent shall be void and of no force or effect. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns.

12. Upon completion of the Activities, or termination or revocation of the Agreement for any reason, Licensee shall remove its personal property from the Property and restore the Property to its condition which existed prior to the commencement of the Activities, to the satisfaction of Licensor.

13. No legal title or leasehold interest in the Property shall be deemed or construed to have been created or vested in Licensee by anything contained in this Agreement.

14. Any notice, election, payment, report or other correspondence required or permitted under this Agreement shall be given in writing and shall be either personally delivered or sent by certified or registered United States Mail with any necessary postage and charges prepaid, and addressed as follows:

If to Licensor:

Chevron Products Company
P.O. Box 1272
Richmond, CA 94802-0627
Attn: Facilities Coordinator, Technical Division

If to Licensee:

Department of Transportation, Dist. 4
111 Grand Avenue
Oakland, CA 94612
Attn: District Director of Transportation

and shall be effective as of the date delivered or the date postmarked, whichever is earlier. Any party hereto may change its address for receiving notice at any time by giving written notice of the change to the other party to this Agreement.

15. The possession and/or use of illegal and unauthorized drugs or substances, alcoholic beverages, explosives, firearms or weapons on the Property is prohibited. Licensee shall notify and advise its employees, agents and contractors, and have such agents and contractors advise their personnel, of Licensor's policies set forth herein. Licensee shall ascertain that its employees and the personnel of its agents and contractors are mentally and physically capable of working safely and competently before assigning them to the Property.

16. Conflicts of interest relating to this Agreement are strictly prohibited. Except as otherwise expressly provided herein, neither Licensee nor any director, employee or agent of Licensee, shall give to or receive from any director, employee or agent of Licensor any gift, entertainment or other favor of significant value, or any commission, fee or rebate. Likewise, neither Licensee nor any director, employee or agent of Licensee shall enter into any business relationship with any director, employee or agent of Licensor or of any affiliate of Licensor, unless such person is acting for and on behalf of Licensor, without prior notification thereof to Licensor.

17. Any controversy between the parties arising out of this Agreement, or breach thereof, shall be subject to the mediation process described below. If not resolved by mediation, the matter shall then be submitted to the American Arbitration Association ("AAA") for arbitration.

A meeting shall be held promptly between the parties to attempt in good faith to negotiate a resolution of the dispute. If within 30 days after such meeting the parties have not succeeded in resolving the dispute, they shall, within thirty (30) days submit the dispute to a mutually acceptable third-party mediator who is acquainted with dispute resolution methods. Chevron and the State of California, Department of Transportation will participate in good faith in the mediation and the mediation process. The mediation shall be non-binding. If the dispute is not resolved by mediation, either party may initiate an arbitration with the AAA, and the dispute shall be resolved by binding arbitration under the rules and administration of the AAA, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Neither party shall be entitled to seek or recover punitive damages in considering or fixing any award under these proceedings.

The costs of the mediation and arbitration, including any mediator's fees, AAA administration fee, the arbitrator's fee, and costs for the use of facilities during the hearings, shall be borne equally by the parties. Attorneys' fees may be awarded to the prevailing or most prevailing party at the discretion of the arbitrator.

The provisions of Sections 1282.6, 1283, and 1283.05 of the California Code of Civil Procedure shall apply to the arbitration.

NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION' PROVISIONS OF THIS ARTICLE DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION' PROVISIONS OF THIS ARTICLE. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION' PROVISIONS OF THIS ARTICLE TO NEUTRAL ARBITRATION

CHEVRON: WDS **THE STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION:** _____

18. This Agreement represents the entire agreement between Licensor and Licensee and supersedes any and all prior agreements and representations made relative to any right of entry agreement between Licensor and Licensee. No amendment of

this Agreement, or any other agreement or representation concerning the Property or this Agreement shall be binding on any party to this Agreement, unless and until it is approved in writing by both parties hereto. No covenant or term of this Agreement shall be waived except with the express written consent of the waiving party whose forbearance or indulgence in any regard shall not constitute a waiver of such covenant or term. Failure to exercise any right in one or more instances shall not be construed as a waiver of the right to strict performance or as an amendment to this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first hereinabove written.

LICENSOR:

Chevron Products Company,
A Division of Chevron U.S.A. Inc.
A Pennsylvania corporation

By W.D. Stelmar

General Manager
Title

LICENSEE:

RECOMMENDED FOR APPROVAL:
State of California,
Department of Transportation

By

ERIC DELAPA
Right of Way Agent
Acquisition Services

By

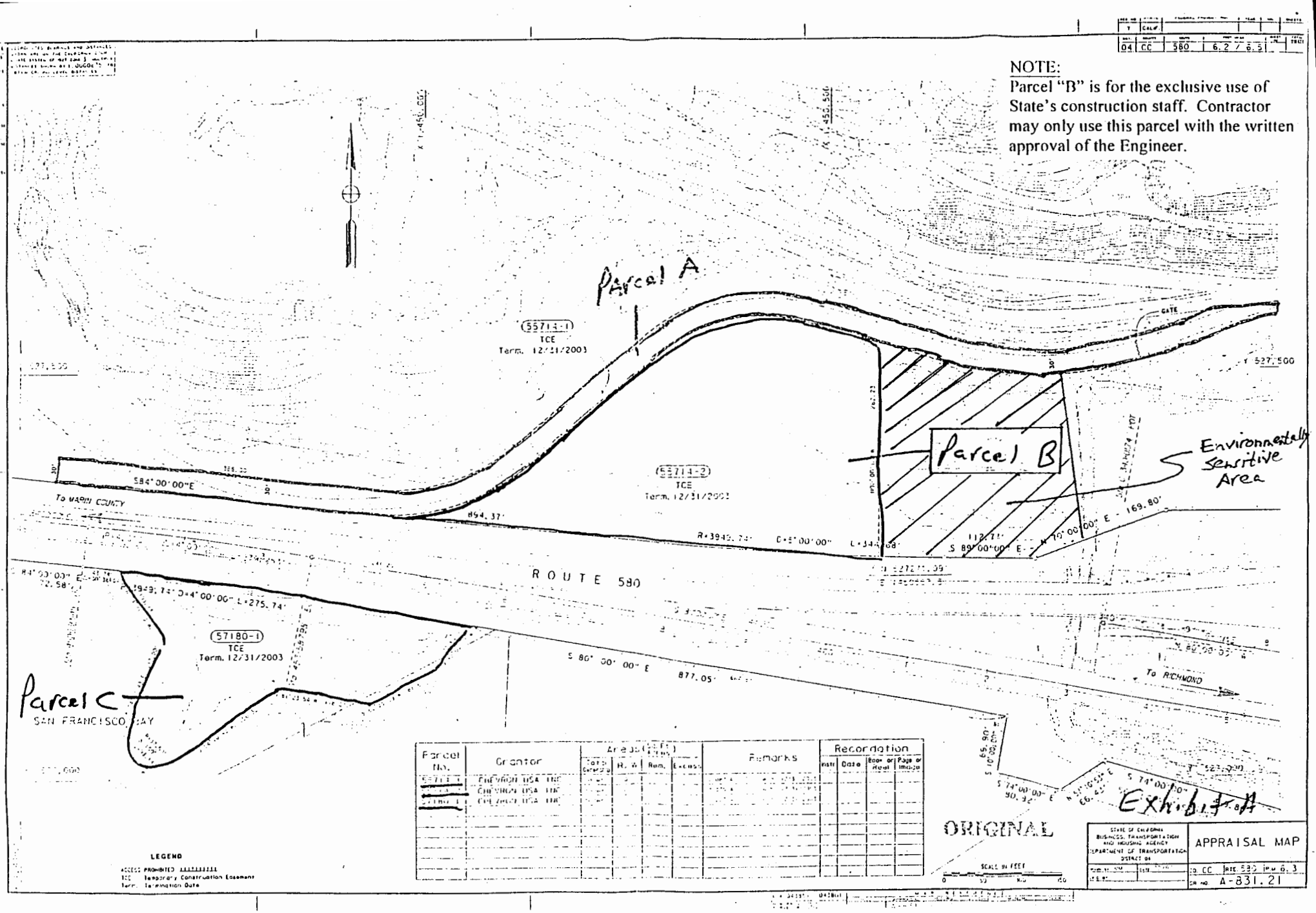
MARK WEAVER
Right of Way Agent
Acquisition Services

By

KEN TERPSTRA
Project Manager
Richmond-San Rafael Bridge

By

JOHN A. HIBEL
District Office Chief
R/W Acquisition/LPA Services



Parcel No.	Grantor	Areas (Sq. Ft.) Total Ownership	R. W.	Rem.	Excess	Remarks	Recordation Instr.	Date	Book or Reel	Page or Image
55714-1	CHEVRON USA INC									
55714-2	CHEVRON USA INC									
57180-1	CHEVRON USA INC									