

FOURTH AMENDMENT TO PERMIT NO. 708
GRANTED BY THE CITY OF LOS ANGELES TO KINDER MORGAN TANK STORAGE
TERMINALS LLC

THIS FOURTH AMENDMENT to Permit No. 708 is made and entered into by and between the CITY OF LOS ANGELES, a municipal corporation ("City"), acting by and through its Board of Harbor Commissioners ("Board"), and KINDER MORGAN TANK STORAGE TERMINALS LLC, a Delaware limited liability company, 1001 Louisiana Street, Suite 1000, Houston, Texas 77002 ("Tenant") as follows:

RECITALS

WHEREAS, effective April 14, 1988, the City of Los Angeles granted Permit No. 708 ("Permit 708") to GATX Tank Storage Terminals Corporation for the operation of a marine oil terminal at Berths 118-119 and various subsurface pipelines throughout the Harbor District; and

WHEREAS, Kinder Morgan Tank Storage Terminals LLC is the successor of the GATX Tank Storage Terminals Corporation; and

WHEREAS, on May 10, 2013, the Los Angeles City Council approved the First Amendment to Permit 708 ("First Amendment") that, among other things, extended the term of the permit by five years to April 13, 2018; and

WHEREAS, as required by the First Amendment, Tenant has removed improvements from a portion of the site, completed cleanup and abatement of soil contamination from that portion of the site as required by the Los Angeles Regional Water Quality Control Board Order No. 97-119, and has surrendered a portion of the site back to the City; and

WHEREAS, the First Amendment also required Tenant cease operations on April 13, 2017, in order to commence demolition of the remaining improvements and to continue with cleanup and abatement of soil and groundwater contamination; and

WHEREAS, Tenant wished to continue operating at Berth 118 and the City had no immediate need for the property, however the condition of the Berth 118 wharf and its ability to meet the structural standards imposed by the California State Lands Commission was and continues to be the subject of ongoing annual review by the California State Lands Commission; and

WHEREAS, on August 23, 2018, the City Council approved a Second Amendment to Permit 708 ("Second Amendment") that, among other things, extended the term by five additional years to April 13, 2023; and

WHEREAS, on March 23, 2022, the City Council approved a Third Amendment to Permit 708, that among other things, extended the term to April 13, 2025; and

WHEREAS, the parties are exploring a suitable location to relocate Tenant's operations and wishes to continue operating until a relocation site is determined; and

NOW, THEREFORE, in consideration of the foregoing recitals, and in exchange for the promises contained herein and other good and valuable consideration the adequacy of which is hereby acknowledged, the parties agree as follows:

1. Section 3, Term, subsection (a) Length, as previously amended, is deleted and replaced with the following:

"(a) Length. The term of this Agreement shall be for a period of forty-two (42) years, commencing on April 14, 1988, but subject to the following milestones for cessation of operations, demolition, and the completion of soil and ground water remediation and surrender of the premises. Tenant's failure to meet any of these milestones shall subject Tenant to the default and termination provisions in Section 6 of the Agreement.

(i) East tank farm area except for Tanks 55734 or 10735 and 5742 and Parcels 3 (surface manifold) and 5 (pipeline right-of-way on Drawing 2-2151-3); Parcels 2, 3, 7 and 7a on Harbor Engineer Drawing 2-2267-1:

- These parcels were surrendered to the City on December 30, 2015, after demolition, pipeline removal and completion of an Interim Remedial Action Plan. Additional remedial action, including further soil removal, groundwater monitoring, and/or groundwater treatment may be required by the Regional Water Quality Control Board.

- Pursuant to subsection (d) below, upon written request, Tenant shall be granted reasonable access to the surrendered parcels on an as-needed basis, subject to the terms and conditions of this Permit, to conduct additional remedial activities.

- The surrender of said premises does not constitute a waiver nor release of the City's claims for restoration of the property and remediation of soil and groundwater contamination. Tenant's obligations with respect to soil and groundwater remediation of these parcels is ongoing and remain a part of this contract and survive surrender of the parcels, as set forth in Section 8, subsection (b)(v) Post Restoration Obligations and terms and conditions of this Agreement.

(ii) Office and Vapor Recovery Unit, Tanks 55734 and 10735, Parcels 2 (wharf) and 4 (pipeline right-of-way) on Drawing 2-2151-3; Parcel 1 on Drawing 2-2237-1; Parcels 1-5 on Drawing 2-2085-1; Parcel 1 on Drawing 5-7085-1; Parcels 1-8,10, 11A, 11B on Drawing 1-1214-1; all of which are reflected on Drawing 1-3285:

- Operations Cease by April 13, 2029, subject to the early

termination provision below ("Cessation Date").

- Demolition commences within thirty (30) days thereafter provided Tenant has received all necessary and required permits and approvals needed from the City.
- Soil and groundwater remediation commences within 10 (ten) days after completion of demolition and the receipt by Kinder Morgan of any other permits and/or approvals issued by the City to implement soil and groundwater remediation.
- Surrendered to City on or before April 13, 2030 ("Surrender Date")."

2. New subsections are added to Section 11, Miscellaneous, as follows:

(v) Notwithstanding the provisions of MOTEMS or this Agreement to the contrary, and in consideration of the provisions of this Agreement (including but not limited to the use and compensation provisions), as between City and Tenant, Tenant shall be solely responsible for compliance with the MOTEMS and shall bear all costs and expenses arising from or related to compliance with MOTEMS (including but not limited to the costs of any engineering studies, audits, wharf modifications, reinforcements, or upgrades) and any successor laws, rules, or regulations regarding engineering and/or maintenance standards for marine oil terminal facilities, including but without limitation such facilities' wharves. Tenant acknowledges and agrees that any demands, orders, penalties, or other liability for MOTEMS compliance to which City may become subject to shall be Tenant's responsibility.

(w) Tenant shall seek out approval of the neighboring communities for relocating to Berth 130-131. Should the Berth 130-131 site be acceptable to the neighboring communities, evidenced by Tenant's receipt of letters of support from neighboring community leaders with copies provided to City, Tenant will begin CEQA review and generate engineering plans for the new site. Should the City determine that the neighboring communities object to Tenant's relocation to Berth 130-131, the City may terminate this Agreement on April 13, 2030. The City shall notify Tenant of its intention to terminate this Agreement, and Tenant shall terminate all operations and begin restoration of Berth 118-119 by April 14, 2029. It is understood that no approval to Berth 130-131 has been sought or received and any such project will need CEQA review."

3. Except as amended herein, all remaining terms and conditions of Permit No. 708 shall remain in full force and effect.

IN WITNESS THEREOF, the parties hereto have executed this Fourth Amendment to Permit No. 708 on the date to the left of their signatures.

THE CITY OF LOS ANGELES, by its
Board of Harbor Commissioners


Dated: _____

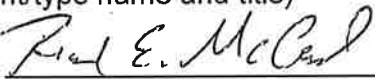
By _____
EUGENE D. SEROKA
Executive Director

Attest _____
AMBER M. KLESGES
Board Secretary

KINDER MORGAN TANK STORAGE
TERMINALS LLC

Dated: 8/6/2025

By: 
Daniel Sanborn, Vice President
(Print/type name and title)

By: 
ERIC McCORD; SECRETARY
(Print/type name and title)

APPROVED AS TO FORM AND LEGALITY

August 7, 2025
HYDEE FELDSTEIN SOTO, City Attorney
STEVEN Y. OTERA, General Counsel

By 
HELEN J. SOK, Deputy City Attorney