

MINUTE ITEM

This Calendar Item No. 41
was approved as Minute Item
No. 41 by the State Lands
Commission by a vote of 3
to 0 at its 10/26/82
meeting.

CALENDAR ITEM

10/26/82
Lammers

41
APPROVAL OF THE FOURTH MODIFICATION
OF THE 1982-83 PLAN OF DEVELOPMENT
AND OPERATIONS AND BUDGET
LONG BEACH UNIT, WILMINGTON OIL FIELD
LOS ANGELES COUNTY

The Long Beach Unit was billed for \$403,044 in August 1982 by the Long Beach Harbor Department for pipeline permits. This compares to \$14,455 the previous year. The Harbor Department changed the method of charging for these permits from the size of the line to a right-of-way rental based on current land rental rates. The rates were modified somewhat by the Harbor Department on September 27, 1982 because of protests, however, the adjusted bill is expected to still be about \$269,000. To cover this additional unexpected expense a budget augmentation of \$235,000 would be required to pay these charges.

In addition to the Harbor Department charges, in February 1982 Long Beach Unit pipeline permit fees of \$115,091 for 1982 were paid to the City of Long Beach Bureau of Engineering. The charge for these lines for 1981 was \$24,401. Whether there will be further fee increases in February 1983 is not known and additional augmentation may be necessary at that time.

A budget augmentation of \$270,000 has been requested by the City of Long Beach as Unit Operator. This would increase Expense Budget Item Pipeline Permits from \$160,000 to \$420,000 and Administrative Overhead by \$10,000.

The staff recommends an augmentation at this time of \$235,000 in the Pipeline Permits Budget Item and \$10,000 in Administrative Overhead. If there are additional pipeline permit fee increases by the City of Long Beach in February 1983, an augmentation request will be placed on the Commission agenda.

A 57, 58

S 27, 31

CALENDAR ITEM NO. 41 (CONTD)

IT IS RECOMMENDED THAT THE COMMISSION APPROVE A REVISED FOURTH MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, (JULY 1, 1982 THROUGH JUNE 30, 1983). THIS PROVIDES FOR AN AUGMENTATION OF \$235,000 FOR CITY OF LONG BEACH PIPELINE PERMITS AND THE NECESSARY INCREASE IN ADMINISTRATIVE OVERHEAD FOR THE EXPENDITURE.