

MINUTE ITEM

This Calendar Item No. 30
was approved as Minute Item
No. 30 by the State Lands
Commission by a vote of 2
to 0 at its 3-2-88
meeting.

CALENDAR ITEM

A 57, 58

30

03/02/88

S 29

W 17091

Lammers

FOURTH MODIFICATION OF THE 1987-1988
PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET
LONG BEACH UNIT, WILMINGTON OIL FIELD
LOS ANGELES COUNTY

The City of Long Beach has submitted to the Commission the Fourth Modification of the 1987-1988 Plan of Development and Operations and Budget, Long Beach Unit. The Fourth Modification provides for the transfer of funds within the budget into the Taxes, Permits, and Land Rental Program to provide for shortages anticipated in mining rights taxes and land rental expense.

Mining rights and property taxes of \$13 million paid to the County of Los Angeles, City of Long Beach and school and special districts, and \$2 million in business license tax paid to the City of Long Beach are almost 14% of this year's Unit expense. Mining rights taxes for the current year are about seven percent higher than staff estimated at the time the budget was prepared based on taxes for 1986-1987.

Land rentals of over \$1.3 million, paid almost exclusively to the City of Long Beach Harbor Department, will be approximately ten percent higher this budget year than budgeted.

Funds are available for transfer in the Oil and Gas and the Water Injection Programs.

CALENDAR ITEM NO. 30 (CONT'D)

Upon approval the affected budget items would be as follows:
(thousands of dollars)

	<u>Budget Item</u>	<u>Current Budget</u>	<u>This Transfer</u>	<u>Adjusted Budget</u>
F.1.b.(2)	Mining Rights Taxes	10,400	700	11,100
F.3.b.(1)	Land Rentals	1,211	110	1,321
(60-989)	Administrative Overhead	69	5	74
B.1.b.(1)	Direct Oil Well Charges	12,524	(160)	12,364
D.2.b.(1)	Produced Water Handling	4,856	(200)	4,656
D.2.b.(2)	Water Injection	11,849	(150)	11,699
D.2.b.(4)	Pressured Water	2,300	(200)	2,100
(40-989)	Administrative Overhead	968	(5)	963
F.1.b.(1)	Improvements & Personal Property Taxes	1,900	(100)	1,800

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C. 21065 and 14 Cal. Adm. Code 15378.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
2. APPROVE THE FOURTH MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1987 THROUGH JUNE 30, 1988.