

MINUTE ITEM
This Calendar Item No. 036
was approved as Minute Item
No. 36 by the State Lands
Commission by a vote of 3
to 0 at its 12-12-90
meeting.

CALENDAR ITEM

A 57, 58
S 29

036

12/12/90
W 17097
Naughton

APPROVE THE FOURTH MODIFICATION OF THE
1990-91 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET
LONG BEACH UNIT, WILMINGTON OIL FIELD
LOS ANGELES COUNTY

The City of Long Beach has requested approval of the Fourth Modification of the 1990-91 Plan of Development and Operations and Budget, Long Beach Unit. The Modification would augment the current budget by providing \$990,000 in additional funds including administrative overhead costs, for anticipated increased waste disposal costs until June 30, 1991. This would increase the total amount for waste disposal costs for the budget year to \$1,927,000 plus \$77,000 administrative overhead costs.

Last year's ('89/'90) plan and budget provided \$1.49 million for waste disposal costs of which \$1.42 million were actually spent. In late 1988, when the current ('90/'91) plan and budget was being formulated, it was expected that a proposed new unit waste disposal processing plant, which would substantially reduce disposal costs, would be on line by late 1990. As a result, only \$975,000 was budgeted for disposal costs in 1990-'91. However, delay incurred in providing an available site for the new plant has set back the project to the point that it is now about one year behind schedule. As a result, an additional \$952,000 in disposal costs plus \$38,000 for administrative overhead are needed for the remainder of the current budget year.

In order to keep the current budget at its present funded level, the city was asked to provide the \$990,000 by transfers within the existing budget. The city responded that it is confident that virtually all of the funds presently provided in the budget will be spent by the end of the fiscal year. Therefore, an augmentation to the budget is required.

CALENDAR ITEM NO. 736 (CONT'D)

Budget items affect by this Modification are:

<u>Account Number</u>	<u>Description</u>	<u>1990-91 Budget</u>	<u>Proposed Augmentation</u>	<u>Adjusted Budget</u>
B.1.b.(6) (21.969)	Waste Disposal	\$ 975,000	\$ 952,000	\$1,927,000
20-989	Administrative			
	Overhead	<u>39,000</u>	<u>38,000</u>	<u>77,000</u>
		\$1,014,000	\$ 990,000	\$2,004,000

Approval of this Modification would revise the adjusted Long Beach Unit total budget for 1990-91 to \$152,645,000 compared to \$132,330,000 spent in 1989-90.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the Commission's review of this activity is exempt from the requirements of CEQA because such action by the Commission is not approval of a project under CEQA.

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

- EXHIBIT:
- A. City of Long Beach letter dated October 1, 1990 requesting approval of the Fourth Modification to the Long Beach Unit Plan and Budget, July 1, 1990 to June 30, 1991.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THIS ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378; AND
2. APPROVE THE FOURTH MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, FOR THE PERIOD JULY 1, 1990 TO JUNE 30, 1991.

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CITY OF LONG BEACH

DEPARTMENT OF OIL PROPERTIES

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802 • (213) 590-6354 • FAX 590-6191

October 1, 1990

Mr. Charles Warren
 Executive Officer
 State Lands Commission
 245 West Broadway - Suite 425
 Long Beach, California 90802

Subject: REQUEST FOR APPROVAL OF THE FOURTE MODIFICATION TO
 THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET,
 LONG BEACH UNIT (JULY 1, 1990 THROUGH JUNE 30, 1991)

Dear Mr. Warren:

In accordance with the provisions of Part IV, Section A, of the 1990-1991 Plan and Budget, we are submitting for your approval the Fourth Modification of the Plan of Development and Operations and Budget of the Long Beach Unit covering the period July 1, 1990 through June 30, 1991.

The proposed Fourth Modification augments the Plan and Budget in the amount of \$990,000 for additional waste disposal costs through the end of the 1990-1991 budget period. The Oil and Gas Waste Disposal account was only partially funded in anticipation that the Pier J oil and water separation facility would be operational during the first half of 1991. Currently plans are for this facility to be operational in the 1991-1992 fiscal year.

Those budget items affected will be adjusted as follows:

Account	Description	1990-91 Budget	Proposed Augmentation	Adjusted Budget
21-969,	Waste Disposal	\$ 975,000	\$952,000	\$1,927,000
20-989,	Administrative Overhead	2,323,000	38,000	2,361,000
		<u>\$3,298,000</u>	<u>\$990,000</u>	<u>\$4,288,000</u>

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Charles Warren
October 1, 1990
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The City of Long Beach, as Unit Operator of the Long Beach Unit, approved this Fourth Modification to the Plan of Development and Operations and Budget, and requests your approval at your earliest convenience.

Very truly yours,



Xenophon C. Colazas
Director

XCC:slg

FIN 312.002

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