

MINUTE ITEM

11/19/70
CVB

26. QUARTERLY REPORT, REDUCTION OF EXPENDITURES, LONG BEACH UNIT, FIRST QUARTER 1970-1971 FISCAL YEAR.

The attached Calendar Item 25 was submitted to the Commission for information only, no Commission action being required.

Attachment:

Calendar Item 25 (1 page)

A 39, 44 & 68
S 32 & 37
M.

949

INFORMATIVE CALENDAR ITEM

11/70
CVB

25.

QUARTERLY REPORT, REDUCTION OF EXPENDITURES, LONG BEACH UNIT, FIRST QUARTER
1970-1971 FISCAL YEAR.

The Commission, at its meeting of April 23, 1970, requested the City of Long Beach, as part of its stewardship in administering the Long Beach tidelands, to make every effort to reduce costs in the Long Beach Unit so as to maximize the net profit payments to the City of Long Beach and to the State of California, and to achieve maximum economic oil recovery.

Additionally, the Commission requested the City to report, on a quarterly basis starting with June 1970, as to its effectiveness in reducing the expenditures by the Field Contractor for the Long Beach Unit.

The first quarterly report, prepared by the City of Long Beach, was submitted to the Commission at its meeting of June 25, 1970.

The cost reduction report for the first quarter of the 1970-1971 fiscal year has now been submitted by the City of Long Beach. This report indicates that reduction of expenses, changes in capital investment, and reduction in administrative overhead will result in an estimated savings of \$2,551,000. This savings represents approximately 5 percent of the total 1970-1971 budget for the Long Beach Unit.

A 39, 44 & 68
S 32 & 37
M

950