



June 6, 2017

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Authorize the City Manager, or designee, to execute revocable Permit No. 16-35 with the Port of Los Angeles, for utility rights-of-way use of lands where oil facilities such as pipelines are located within the Harbor District of the City of Los Angeles. (Citywide)

**DISCUSSION**

Permit No. 16-35 supersedes Permit No. 703, which was granted by the City of Los Angeles to Union Pacific Resources Company (UPRC) in 1991. These oil facilities consisting of pipelines have been acquired by the City of Long Beach (City) through the Port of Long Beach's acquisition of UPRC assets in the Harbor District. The City, through its Long Beach Gas and Oil Department, operates the facilities included in this permit.

Permit No. 703 allows the City and its contractor, Tidelands Oil Production Company, to access surface areas and subsurface utility rights-of-way for the construction, operation, and maintenance of pipeline used for transporting fluids associated with petroleum production operations. This covers the use of 7,209 square feet of subsurface pipelines and surface area on Terminal Island. This permit has expired and is being replaced by Permit No. 16-35, which is a revocable permit. The original permit fee of \$348 per month was set in 1991, and is now increased to \$1,283 per month to reflect current land use rates of the Port of Los Angeles.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on May 12, 2017 and by Revenue Management Officer Geraldine Alejo on May 18, 2017.

**TIMING CONSIDERATIONS**

City Council action on this item is not time sensitive.

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FISCAL IMPACT

The monthly permit fee of \$1,283 will be paid for by the City's contractor, Tidelands Oil Production Company. This amount will then be subtracted from the City's portion of oil revenues deposited in the Tidelands Oil Revenue Fund (NX 420) in the Long Beach Gas and Oil Department (GO). There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ROBERT DOWELL  
DIRECTOR OF LONG BEACH GAS AND OIL

BD:kmt

APPROVED:



PATRICK H. WEST  
CITY MANAGER