

**STAFF REPORT  
C61**

A 7

04/05/19

W 10443

S 33, 34

R. B. Greenwood

**CONSIDER APPROVAL OF SUBSIDENCE MONITORING COSTS FOR  
VERTICAL MEASUREMENTS AND STUDIES, 2019-2020 FISCAL YEAR,  
CITY OF LONG BEACH, LOS ANGELES COUNTY**

**APPLICANT:**

City of Long Beach

**BACKGROUND:**

The City of Long Beach (City) conducts ground elevation measurement surveys and studies twice each year (fall and spring) throughout the Harbor District for the purpose of monitoring changes that may be attributable to subsidence. Costs for conducting these surveys and studies in Long Beach are deducted from the Long Beach Tidelands Oil Revenues, with the prior approval of the Commission in accordance with Chapter 138, Statutes of 1964, Extraordinary Session, section 1(e). The surveys consist of vertical measurements and studies to be conducted in the City between July 1, 2019, and June 30, 2020. The City estimates the cost of the work as shown below.

<b>PROPOSED WORK</b>	<b>RECOMMENDED APPROVAL</b>
GPS Real-Time Network (RTN) Hardware/Software	\$135,850
Management, GPS Evaluation Surveys, and Reports (Staff)	\$635,556
<b>Total</b>	<b>\$771,406</b>

The semi-annual surveys are being conducted via GPS and RTN technology. Field data collection time has been reduced, and the 800 spirit-leveled benchmarks have been replaced with approximately 240 GPS benchmarks. The projected 2019-2020 total cost is \$771,406, an increase of \$132,913 (+20.8 percent) over last year's total cost of \$638,493.

**GPS and RTN Hardware/Software**

Proposed costs for vertical measurements for fiscal year 2019-2020 (\$135,850) have increased \$79,200 due to necessary GPS hardware replacement (replacing four GPS Rover units). A 10 percent contingency is also added for other unforeseen GPS equipment costs or repairs.

## STAFF REPORT NO. C61 (CONT'D)

### **Management, GPS Elevation Surveys, and Reports**

The Management, GPS Elevation Surveys, and Report cost category includes costs for GPS elevation surveys by City professional staff and/or contract surveyors, in-house studies, evaluations, report generation, and daily oil field surveillance and monitoring. Projected contracted staff salary and benefits costs for Fiscal Year 2019-2020 (\$635,556) are more than staff salaries and contingency costs projected for Fiscal Year 2018-2019 (\$581,843). Accordingly, projected contracted staff costs are \$53,713 greater than in the previous year. A contingency of 10 percent has been added to cover the costs of any additional staff time or future increases in employee benefits.

### **STAFF RECOMMENDATION:**

Staff has reviewed the City's proposal for conducting the ground elevation measurement surveys and studies for the purpose of monitoring changes that may be attributable to subsidence. Staff believes the City's proposal is reasonable and consistent with Chapter 138, Statutes of 1964, First Extraordinary Session. Therefore, staff recommends the Commission approve the proposed subsidence monitoring costs.

### **OTHER PERTINENT INFORMATION:**

1. On June 27, 1979, the Commission approved proposed expenditures for subsidence maintenance and repairs and subsidence studies ([Item 27, June 27, 1979](#)). Exhibit B of that Item included the procedures for performing subsidence studies and reimbursement for associated costs. Work performed under this current 2019-2020 proposal will conform to the standards identified in that document. Anticipated costs for 2018-2019 were presented in [Item C80, April 19, 2018](#).
2. Subsidence monitoring is consistent with Strategy 1.5 of the Commission's Strategic Plan to ensure the highest level of environmental protection and public safety in the production and transportation of oil and gas resources by applying Key Action 1.5.2, ensuring lease and contract compliance with sound oil and gas development practices in compliance with regulatory and statutory requirements.
3. Staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 6, Information Collection; California Code of Regulations, title 14, section 15306.

STAFF REPORT NO. **C61** (CONT'D)

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15300.

**EXHIBITS:**

- A. Location Map
- B. Cost Estimate 2019-2020 Fiscal Year

**RECOMMENDED ACTION:**

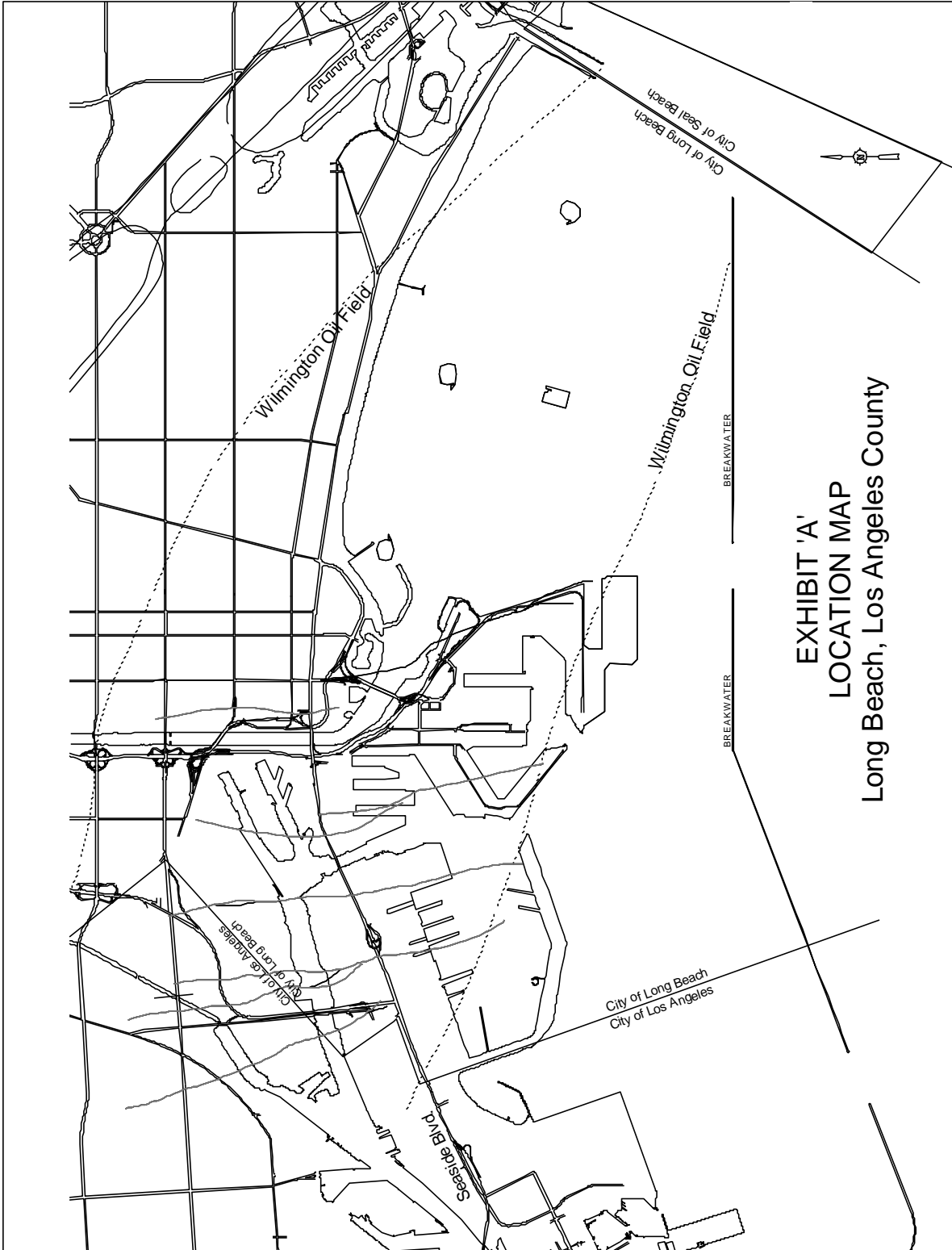
It is recommended that the Commission:

**CEQA FINDING:**

Find that this activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt project, Class 6, Information Collection; California Code of Regulations, title 14, section 15306.

**AUTHORIZATION:**

Approve subsidence costs, as defined in Chapter 138, Statutes of 1964, First Extraordinary Session, section 1(e), as shown on the attached Exhibit B and by this reference made a part hereof, proposed to be expended by the City of Long Beach, for subsidence vertical measurements and studies to be conducted in the Long Beach Harbor District between July 1, 2019, and June 30, 2020, subject to the condition that the work conforms in essential details to the definitions and procedures for such work established by the Commission at its June 27, 1979 meeting, Item 27.



**EXHIBIT 'A'**  
**LOCATION MAP**  
**Long Beach, Los Angeles County**

**EXHIBIT B**

**COST ESTIMATE**  
**LONG BEACH WORK ORDER NO. 10443**  
Estimates Submitted by City of Long Beach for  
Subsidence Vertical and Horizontal Surveys  
2019-2020 Fiscal Year

<b>ITEM</b>	<b>PROPOSED WORK</b>	<b>RECOMMENDED APPROVAL</b>
1.	GPS Real-Time Network (RTN)	\$135,850
2.	Management, GPS Evaluation Surveys, and Reports (City Staff)	\$635,556
	<b>Total</b>	<b>\$771,406</b>