

2. (SUPPLEMENTAL CONSIDERATION OF SUBSIDENCE COSTS - W. O. 2323.)

Subsequent to action on Item 1 of these minutes, a discussion was had regarding future procedures with respect to subsidence costs claimed for credit by the City of Long Beach. It was felt that at the next meeting of the Commission the staff should present a group of projects involving expenditures for subsidence. In addition, specific expenditures similar to those shown in Exhibit "A" of Item 1 are to be presented from time to time until all operations involving subsidence costs expenditures are covered by projects approved by the Commission.

August 16, 1956 was set as the tentative date of the next meeting at which matters of this character would be reviewed. Officials of the City of Long Beach raised the point that the City, lacking prior approval of the Commission, would lose credit for the subsidence portion of the following items of cost: "Engineering Salaries", "Subsidence Studies", and "Subsidence Maintenance", which would be required to be expended by the City in advance of a Commission meeting as late as August 16, 1956. It was pointed out that these would be largely payroll expenditures, which should not be delayed.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE FOLLOWING RESOLUTION WAS ADOPTED:

THE COMMISSION APPROVES THE FOLLOWING COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH; SUBJECT TO THE CONDITION, HOWEVER, THAT THE AMOUNT, IF ANY, OF EACH OF THE ITEMS TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COSTS DEDUCTIBLE UNDER THE PROVISIONS OF SECTION 5 (a) OF CHAPTER 29, STATUTES OF 1956, FIRST EXTRAORDINARY SESSION, WILL BE DETERMINED BY THE COMMISSION UPON AN ENGINEERING REVIEW AND AUDIT; AND AUTHORIZES THE EXECUTIVE OFFICER, OR THE ASSISTANT EXECUTIVE OFFICER, OR THE MINERAL RESOURCES ENGINEER TO EXECUTE APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S CONDITIONAL APPROVAL:

WORK ITEM

ESTIMATED COSTS TO BE EXPENDED
FOR THESE ITEMS DURING AUGUST,
1956

Engineering Salaries	\$50,000
Subsidence Studies	5,600
Subsidence Maintenance	13,000

There being no further business to come before the Commission, the meeting was adjourned at 4:30 p.m.

Rufus W. Putnam

RUFUS W. PUTNAM
Executive Officer