

expenditures to be made out of moneys which would otherwise go into the State Treasury was to encourage remedial action against the effects of subsidence in the areas designated. (Op. No. 56/145, June 29, 1956.) To allow such expenditures for the benefit of upland areas outside of the Harbor District would violate this intent. We therefore conclude that expenditures primarily for the benefit of areas other than those designated in Section 1 (f) cannot be deducted as "subsidence costs" even though the actual project may be located upon lands so designated.'

"IT IS RECOMMENDED THAT THE STATE LANDS COMMISSION DISSAPPROVE THE COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH UNDER PROJECT W. O. 10,015, 'INCREASING THE HEIGHT OF THE SEA WALL ALONG BAY SHORE AVENUE BETWEEN 59TH PLACE AND 69TH PLACE'."

Mr. Jess D. Gilkerson, City Engineer of the City of Long Beach, reviewed maps of the subject area for the Commission for consideration of subsidence costs arising from placement of a proposed fill for park purposes.

In consideration of the lack of time for review of the factors involved in the proposed fill project, the recommendation made by the staff was withdrawn, and it was agreed that the project would be presented to the Commission for consideration at the next meeting after review by the City Engineer and the State staff has been completed.

13. (CONSIDERATION OF SUBSIDENCE COSTS - L.B. W.O. 10,018.) The following report was presented to the Commission:

"On August 15, 1956 (Minute Item 5, pages 2761-62) and September 27, 1956 (Minute Item 16, pages 2821-22) the Commission approved the costs proposed to be expended by the City of Long Beach, including subsidence remedial work during August, September and October, 1956.

"The same elements of subsidence cost expenditures which are to be paid during November, 1956 accountable under subsidence costs not included in the projects approved by the Commission heretofore (W. O. 10,002, 10,003, 10,006, 10,007, 10,008, 10,014) will require approval by the Commission if credit is to be received by the City of Long Beach for such costs under the provisions of Section 5(a), Ch. 29/56, 1st E.S. The staff of the State Lands Division has reviewed the statements presented by the City of Long Beach with respect to such expenditures during 1956. These amounts are tabulated on Exhibit 'A' attached hereto. In addition, the Harbor Department has requested prior approval by the Commission of an amount of \$120,000 estimated to be expended during the month of December, 1956 for payroll, force account and voucher payment other than for construction. The subsidence portion of this amount is estimated by the Harbor Department to be 77 percent, the same as for November, 1956. The request for approval of construction and property purchase payments for the month of December will be withheld until the next meeting of the Commission."

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE COMMISSION APPROVES THE COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH, INCLUDING SUBSIDENCE REMEDIAL WORK, AS SHOWN ON EXHIBIT "A" HEREOF, AND THE ESTIMATED EXPENDITURE IN THE MONTH OF DECEMBER, 1956 IN THE AMOUNT OF \$92,400 TO COVER COSTS OF "FORCE ACCOUNTS AND VOUCHERS OTHER THAN CONSTRUCTION"; SUBJECT TO THE CONDITION, HOWEVER, THAT THE AMOUNT, IF ANY, OF EACH OF THE ITEMS TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COST, DEDUCTIBLE UNDER SECTION 5(a) OF CH. 29/56, 1ST S.S., WILL BE DETERMINED BY THE COMMISSION UPON AN ENGINEERING REVIEW AND FINAL AUDIT SUBSEQUENT TO THE TIME WHEN THE WORK UNDER ANY OF THESE ITEMS IS COMPLETED; AND THE EXECUTIVE OFFICER OR THE ASSISTANT EXECUTIVE OFFICER OR THE MINERAL RESOURCES ENGINEER ARE AUTHORIZED TO EXECUTE APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S CONDITIONAL APPROVAL.

Attachment: Exhibit "A"

TABULATION OF COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH DURING NOVEMBER, 1956
INCLUDING "SUBSIDENCE COSTS" ESTIMATED BY LONG BEACH HARBOR DEPARTMENT

<u>WORK ITEM</u>	<u>LOCATION</u>	<u>STATUS % COMPLETE</u>	<u>COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH DURING NOVEMBER, 1956 FOR WHICH COMMISSION APPROVAL HAS BEEN REQUESTED.</u>	<u>HARBOR DEPT. ESTIMATED % SUBSIDENCE COSTS.</u>	<u>HARBOR DEPT. ESTIMATED SUBSIDENCE COSTS.</u>
Transit Shed	Pier 1	99	\$ 20,000*	100	\$ 20,000
Seaside Track Raising	Back Area	95	25,000*	90	22,500
Railroad and Approaches	Pier 1	97	30,000*	100	30,000
Building Removal	General	85	623*	100	623
Paving	**	95	50,000*	**	50,000
Dirt	**	15	30,000*	**	30,000
Building Removal	General	5	10,000*	100	10,000
Rock	**	12	40,000*	**	40,000
Property Purchase	General		100,000*	100	100,000
Force Account and Vouchers***			\$ <u>150,000*</u> \$ 455,623	77	\$ <u>115,500</u> \$ 418,623

*Estimated Amounts

** Distributed to several accounts -

Subsidence to be determined after material is placed

*** Vouchers other than for construction