

MINUTE ITEM

19. (REQUEST FROM THE CITY OF LONG BEACH FOR AUTHORIZATION TO SPEND TIDELAND TRUST FUNDS FOR SUBSIDENCE CONTROL ADMINISTRATION - W. O. 2323.4.)

Following presentation of Calendar Item 28 attached, the Executive Officer explained that after the item was drawn it had come to the attention of the staff that there might be a problem as to the basic authority for establishment of the subsidence control program by the City of Long Beach. Therefore the staff recommendation was modified by the addition of the following condition: "Subject to a satisfactory demonstration by the City of Long Beach as to the authority for and the proper authorization for the establishment of the basic subsidence study project. This showing by the City of Long Beach to be reviewed with the office of the Attorney General as to compliance with the provisions of Chapter 29, Statutes of 1956, 1st E.S."

Deputy Attorney General Howard S. Goldin commented that for the Commission to give conditional approval, it was necessary that the Commission consider the general necessity for the administrative activities in a program to remedy or prevent subsidence.

Assemblyman Richard T. Hanna asked for clarification of a point as to whether the City of Long Beach has the power to authorize this type of administrative activity. Mr. Goldin replied that it did not appear to be a question of the powers of the City, but rather whether the City had in fact created such an office pursuant to the provisions of law.

Assemblyman Hanna inquired if the position of the City of Long Beach would be any different if conditional approval were not given currently, and it was explained by Mr. Lingle that prior conditional approval was necessary, as otherwise any money spent during any intervening period would be lost to the City, without any possibility of allowing subsequent credit under Chapter 29 of the Statutes of 1956, 1st E.S.

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

SUBJECT TO A SATISFACTORY DEMONSTRATION BY THE CITY OF LONG BEACH AS TO THE AUTHORITY FOR AND THE PROPER AUTHORIZATION FOR THE ESTABLISHMENT OF ITS BASIC SUBSIDENCE STUDY PROJECT, THIS SHOWING BY THE CITY OF LONG BEACH TO BE REVIEWED WITH THE OFFICE OF THE ATTORNEY GENERAL AS TO COMPLIANCE WITH THE PROVISIONS OF CHAPTER 29, STATUTES OF 1957, 1ST E.S., THE COMMISSION APPROVES THE COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH, INCLUDING SUBSIDENCE REMEDIAL WORK, FOR THE PURPOSE OF FINANCING CITY ADMINISTRATIVE EXPENDITURES IN THE CONDUCT OF A SUBSIDENCE CONTROL PROGRAM, IN AN AMOUNT NOT TO EXCEED \$40,000, FOR THE PERIOD ENDING JUNE 30, 1958; SUBJECT TO THE CONDITION, HOWEVER, THAT THE AMOUNTS, IF ANY, TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COST, DEDUCTIBLE UNDER SECTION 5(a) OF CHAPTER 29, STATUTES OF 1956, 1ST E.S., WILL BE DETERMINED BY THE COMMISSION UPON AN ENGINEERING REVIEW AND FINAL AUDIT; FURTHER, THE EXECUTIVE OFFICER, THE ASSISTANT EXECUTIVE OFFICER, OR THE MINERAL RESOURCES ENGINEER IS AUTHORIZED TO EXECUTE PROPER WRITTEN INSTRUMENTS REFLECTING THE CONDITIONAL APPROVAL OF THE COMMISSION.

Attachment

Calendar Item 28 (1 page)

CALENDAR ITEM

SUPPLEMENTAL

28.

(REQUEST FROM THE CITY OF LONG BEACH FOR AUTHORIZATION TO SPEND TIDELAND TRUST FUNDS FOR SUBSIDENCE CONTROL ADMINISTRATION - W. O. 2323.4.)

On February 11, 1958 (Minute Item 19, page 3850) the City of Long Beach presented a request for approval of the expenditure of \$40,000 from tideland trust funds for the purpose of financing City administrative expenditures in connection with a subsidence control program. This request was referred to the staff for review and to the Office of the Attorney General for consideration as to qualification for approval under the authority of Chapter 29, Statutes of 1956, 1st E.S.

From these reviews, it appears that there is a general necessity for the administrative activities proposed by the City of Long Beach in the subsidence control program precedent to initiation of pressure maintenance or secondary recovery operations in the Wilmington Oil Field which may alleviate, or tend to alleviate, land surface subsidence. On this basis, the Commission may give conditional approval subject to subsequent review to determine what portion, if any, of such expenditures for administrative purposes may be properly considered as subsidence costs.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH, INCLUDING SUBSIDENCE REMEDIAL WORK, FOR THE PURPOSE OF FINANCING CITY ADMINISTRATIVE EXPENDITURES IN THE CONDUCT OF A SUBSIDENCE CONTROL PROGRAM, IN AN AMOUNT NOT TO EXCEED \$40,000, FOR THE PERIOD ENDING JUNE 30, 1958; SUBJECT TO THE CONDITION, HOWEVER, THAT THE AMOUNTS, IF ANY, TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COST, DEDUCTIBLE UNDER SECTION 5(a) OF CHAPTER 29, STATUTES OF 1956, 1ST E.S., WILL BE DETERMINED BY THE COMMISSION UPON AN ENGINEERING REVIEW AND FINAL AUDIT; AND THAT THE EXECUTIVE OFFICER, THE ASSISTANT EXECUTIVE OFFICER, OR THE MINERAL RESOURCES ENGINEER BE AUTHORIZED TO EXECUTE PROPER WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S CONDITIONAL APPROVAL.