

MINUTE ITEM

14. CONSIDERATION OF SUBSIDENCE COSTS PROJECTS, LONG BEACH - LEWO 10,119 ADDITION NO. 4).

After consideration of Calendar Item 5 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION APPROVES SUCH COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH, INCLUDING SUBSIDENCE REMEDIAL WORK, AS INDICATED ON EXHIBIT "A" ATTACHED AND HEREBY MADE A PART HEREOF, FOR THE PERIOD JANUARY 24, 1963, TO TERMINATION DATE; SUBJECT TO THE CONDITIONS, HOWEVER, THAT THE AMOUNTS, IF ANY, OF EACH OF THE ITEMS TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COSTS, 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 SUBSEQUENT TO THE TIME WHEN THE WORK UNDER ANY OF THESE ITEMS IS COMPLETED; THAT THE WORK CONFORM IN ESSENTIAL DETAILS TO THE PLANS AND BACKGROUND MATERIAL HERETOFORE SUBMITTED TO THE COMMISSION; AND THAT THE EXECUTIVE OFFICER, THE ASSISTANT EXECUTIVE OFFICER, OR THE SUPERVISING MINERAL RESOURCES ENGINEER ARE AUTHORIZED TO EXECUTE APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S CONDITIONAL APPROVAL.

Attachment  
Calendar Item 5 (3 pages)

CALENDAR ITEM

5.

CONSIDERATION OF SUBSIDENCE COSTS PROJECTS, LONG BEACH - LBWO 10,119 (ADDITION NO. 4).

On May 24, 1960 (Minute Item 21, pages 5989-5991), the Commission conditionally approved costs to be expended by the Harbor Department of the City of Long Beach, including subsidence remedial work, for Pier "E" area project (LBWO 10,119). Subsequent thereto, it developed that additional costs will be incurred and disbursed, for the purpose of placing earth fill, raising facilities, and paving the area at Berth 121, as shown on Exhibits "A", "B", "C" and "D".

By letter dated December 7, 1962, the Harbor Department notified the State that they intended to include additional Pier "E" fills under the Commission approval subsequently given July 28, 1961, and that the expenditures which had already been approved would cover the anticipated additional costs. In the opinion of the staff, this proposed fill work, which will be approximately nine percent of the volume already approved and which encompasses a different area than that which was considered by the Commission in the approval already given, is a significant modification of the plans already approved, and therefore requires advance approval of the Commission. By letter dated December 17, 1962, the Harbor Department was notified of this staff opinion.

By letter dated December 26, 1962, wherein the Harbor Department made application to the Commission for advance approval of the additional costs, it is stated: "At this time, the filling is almost complete on the Pacific Dredging area although no payment has been made for the fills which have been placed. This work was started prior to receiving your December 17 letter as the tenant for the area under discussion was anxious to occupy the area at the time he occupied the adjacent areas and as it was our opinion that the filling had sufficiently been approved under the previously mentioned approvals."

In a previous action, in connection with prior approval of subsidence costs (LBWO 10,001, Minute Item 14, pages 2816-2819), wherein the Commission was advised by the Attorney General that "the Commission may approve any time before disbursing", the Commission approved the application and concluded the resolution with the statement that, "this approval is also to be subject to the understanding that it shall not constitute any precedent for any subsequent submittals by the City of Long Beach requesting approvals for cost disbursements in connection with projects for which approval could have been secured by the City prior to commencement of actual construction operations."

The subproject has received initial staff review and is considered to contain some "subsidence costs" as defined in Section 1(f) of Chapter 29, Statutes of 1956, 1st E.S., but not necessarily all of those costs as estimated by the Long Beach Harbor Department.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE SUCH COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH, INCLUDING SUBSIDENCE REMEDIAL WORK, AS INDICATED ON EXHIBIT "A" ATTACHED AND HEREBY MADE A PART HEREOF, FOR THE PERIOD JANUARY 24, 1963, TO TERMINATION DATE, SUBJECT TO THE CONDITIONS, HOWEVER, THAT THE AMOUNTS,

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IF ANY, OF EACH OF THE ITEMS TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COSTS, 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 SUBSEQUENT TO THE TIME WHEN THE WORK UNDER ANY OF THESE ITEMS IS COMPLETED; THAT THE WORK CONFORM IN ESSENTIAL DETAILS TO THE PLANS AND BACKGROUND MATERIAL HERETOFORE SUBMITTED TO THE COMMISSION; AND THAT THE EXECUTIVE OFFICER, THE ASSISTANT EXECUTIVE OFFICER, OR THE SUPERVISING MINERAL RESOURCES ENGINEER BE AUTHORIZED TO EXECUTE APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S CONDITIONAL APPROVAL.

Attachment  
Exhibit "A"

EXHIBIT "A"

LONG BEACH WORK ORDER NO. 10,119 - Addition No. 4 to Project and Estimate Submitted by the Port of Long Beach, PIER "E".

<u>ITEM</u>	<u>AFE</u>	<u>WORK PROPOSED</u>	<u>LBHD ESTIMATED SUBPROJECT EXPENDITURE JANUARY 24, 1963 TO TERMINATION</u>	<u>ESTIMATED SUBSIDENCE COSTS</u>
1	528	Pier "E", Berth 121, Filling and Paving. (2nd Phase)	\$90,000	\$38,700 (43%)

## Note:

1. The term "1st Phase" consists of costs of preliminary work expended subsequent to review of preliminary plans and/or other adequate description. (Typical "1st Phase" costs are engineering design, contract administration and advertising, preparation of site by Harbor Department forces.) For work within the same approved time period, any excess of "1st Phase" approved costs over actual expenditures may be added to "2nd Phase" approvals after date of "2nd Phase" approvals.
2. The term "2nd Phase" consists of additional costs approved subsequent to review of detail construction plans and/or other data sufficient to guide construction operations.