

MINUTE ITEM

28. CONSIDERATION OF SUBSIDENCE COSTS PROJECT, LONG BEACH - L.B.W.O. 10,181.

After consideration of Calendar Item 37 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION APPROVES 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 JUNE 27, 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 37 (2 pages)

CALENDAR ITEM

37.

CONSIDERATION OF SUBSIDENCE COSTS PROJECT, LONG BEACH - L.B.W.O. 10,181.

As reported to the Commission July 24, 1956 (Minute Item 1, pages 2750-51), Opinion No. 56/145 of June 29, 1956, by the Attorney General indicates that prior approval of the State Lands Commission is required for costs to be expended by the City of Long Beach to remedy and protect against the effects of subsidence of the land surface within the boundaries of the Long Beach Harbor District and within the boundaries of the Long Beach Tidelands situated outside of said Harbor District. The office of the Attorney General has also advised that the Commission may make a conditional prior approval of projects involving subsidence cost expenditures, subject to final approval of allowances after work has been completed and an engineering review and audit have been made, thus qualifying the ultimate audited expenditures for credit in accordance with Chapter 29 of the Statutes of 1956, 1st E.S.

In order to obtain prior approval of subsidence cost for new work within the Harbor District, the City of Long Beach, through the Port of Long Beach, has presented for consideration and conditional approval a project to protect City oil wells on Terminal Island. (Refer to attached Exhibits A, B, C, and D.)

The project 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 City of Long Beach.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE 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 JUNE 27, 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 BE AUTHORIZED TO EXECUTE APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S CONDITIONAL APPROVAL.

Attachment
Exhibit "A"

EXHIBIT "A"

LONG BEACH WORK ORDER NO. 10,181 - Project and Estimate Submitted by the
Port of Long Beach, PROTECT CITY OIL WELLS.

<u>ITEM</u>	<u>AFE</u>	<u>WORK PROPOSED</u>	<u>LBHD ESTIMATED SUB-PROJECT EXPENDITURES JUNE 27, 1963, TO TERMINATION</u>	<u>LBHD ESTIMATED SUBSIDENCE COSTS</u>
1	548	Protection of City Oil Wells, Terminal Island. (2nd Phase)	\$ 31,800	\$ 31,800(100%)

- 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.