

MINUTE ITEM

14. CONSIDERATION OF SUBSIDENCE COSTS - L.B.W.O. 10,016(204); L.B.W.O. 10,057(10); L.B.W.O. 10,057(14); L.B.W.O. 10,061(334); AND L.B.W.O. 10,088(355).

After consideration of Calendar Item 10 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION DETERMINES THE SUBSIDENCE COSTS SUBSEQUENT TO APRIL 1, 1956, AND THE STATE'S SHARE OF SUCH SUBSIDENCE COSTS IN THE PORT OF LONG BEACH AUTHORIZED FUND EXPENDITURES NOS. 10, 14, 204, 334 AND 355, DEDUCTIBLE FROM THE OIL REVENUE PAYABLE TO THE STATE UNDER THE PROVISIONS OF SECTION 5(a) (1) OF CHAPTER 29, STATUTES OF 1956, 1ST E.S., TO BE AS SHOWN ON EXHIBIT "A" ATTACHED HERETO AND HEREBY MADE A PART HEREOF; AND THAT THE EXECUTIVE OFFICER, THE ASSISTANT EXECUTIVE OFFICER, OR THE SUPERVISING MINERAL RESOURCES ENGINEER ARE AUTHORIZED ON THE BASIS OF THIS DETERMINATION TO EXECUTE APPROPRIATE WRITTEN INSTRUMENTS REQUIRING THAT ADJUSTMENTS TO EXISTING ACCOUNTS ON THE WORK CONSIDERED HEREIN BE MADE IN FAVOR OF THE STATE OF CALIFORNIA OR THE CITY OF LONG BEACH AS MAY BE NECESSARY TO FINALLY CLOSE SUCH ACCOUNTS.

Attachments

Exhibit "A" (1 page)

Calendar Item 10 (3 pages)

EXHIBIT "A"

SUBSIDENCE COST DETERMINATION

RESULTS OF ENGINEERING REVIEW AND FINAL AUDIT
UPON COMPLETION OF THE WORK

<u>AFE</u> <u>NO.</u>	<u>L.B.W.O. No.</u>	<u>TITLE</u>	<u>TOTAL SUB-</u> <u>SIDENCE</u> <u>DEDUCTIONS</u> <u>FROM RE-</u> <u>MITTANCE OF</u> <u>OIL REVENUE*</u>	<u>DETERMINA-</u> <u>TION OF</u> <u>ALLOWABLE</u> <u>SUBSIDENCE</u> <u>DEDUCTIONS</u>	<u>CREDIT DUE</u> <u>STATE OR CITY</u>	
10	10,057	Pier C, Berths 20/22, Wharf and Facilities.	\$ 999.75	\$ 0.00	\$999.75	
14	10,057	Pier C, Berth 22, Fire & Survey Boat Landing	31.74	165.93		\$ 134.19
204	10,016	Seaside Blvd. Reconstruction, Pico Avenue to Entrance Channel	2.91	2.91	0.00	0.00
334	10,061	Point Pacific Restaurant, Site Preparation	0.00	2,207.01		2,207.01
355	10,088	Pier D, Berth 28, Remedial Work on Bulkloader	13,489.63	15,803.56		2,313.93

*Actual deductions made on the basis of estimates
by the Long Beach Harbor Department of the amount
of subsidence costs in the project.

CALENDAR ITEM

10.

CONSIDERATION OF SUBSIDENCE COSTS - L.B.W.O. 10,016(204); L.B.W.O. 10,057(10); L.B.W.O. 10,057(14); L.B.W.O. 10,061(334); AND L.B.W.O. 10,088(355).

On August 15, 1956 (Minute Item 5, page 2761), the Commission approved the costs expended by the City of Long Beach for force account payments on subproject "Seaside Boulevard Reconstruction, Pico Avenue to Entrance Channel", AFE 204.

On March 10, 1958 (Minute Item 24, page 3929), on September 27, 1956 (Minute Item 15, page 2819), and on June 13, 1957 (Minute Item 20, page 3221), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject "Pier C, Berths 20 to 22, Wharf and Facilities", AFE 10.

On March 10, 1958 (Minute Item 24, page 3929), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject "Pier C, Berth 22, Fire and Survey Boat Landing", AFE 14.

On June 11, 1958 (Minute Item 21, page 4107), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject "Point Pacific Restaurant, Site Preparation", AFE 334.

On December 11, 1958 (Minute Item 23, page 4406), on April 30, 1959 (Minute Item 27, page 4772) and on June 25, 1959 (Minute Item 24, page 4969) the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject "Pier D, Berth 28, Remedial Work on Bulkloader", AFE 355.

The approvals on the above-listed projects were made subject to the condition, in part, 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.

For the above-listed projects, the work has been completed, final costs have been collected and transmitted to the staff by the Long Beach Harbor Department, and the above-stated final engineering review and audit have been made by the staff, with results summarized in Exhibit "A" attached hereto.

Current accounts have been maintained during the progress of the work on each of these projects by allowing deductions of estimated subsidence costs from monthly oil-revenue remittances to the State. Such approximate existing accounts will be adjusted and closed on the basis of results of an engineering

CALENDAR ITEM 10. (CONTD.)

review and final audit as shown on Exhibit "A" attached.

Long Beach Harbor Department was made aware of the results of the subject studies, and more detailed discussion was invited, if desired. After discussions, informal agreement was reached with representatives of the Harbor Department on December 10, 1963.

IT IS RECOMMENDED THAT THE COMMISSION DETERMINE THE SUBSIDENCE COSTS SUBSEQUENT TO APRIL 1, 1956, AND THE STATE'S SHARE OF SUCH SUBSIDENCE COSTS IN THE PORT OF LONG BEACH AUTHORIZED FUND EXPENDITURES NO. 10, 14, 204, 334 AND 355, DEDUCTIBLE FROM THE OIL REVENUE PAYABLE TO THE STATE UNDER THE PROVISIONS OF SECTION 5(a) (1) OF CHAPTER 29, STATUTES OF 1956, 1ST E.S., TO BE AS SHOWN ON EXHIBIT "A" ATTACHED HERETO AND HEREBY MADE A PART HEREOF; AND THAT THE EXECUTIVE OFFICER, THE ASSISTANT EXECUTIVE OFFICER, OR THE SUPERVISING MINERAL RESOURCES ENGINEER BE AUTHORIZED ON THE BASIS OF THIS DETERMINATION TO EXECUTE APPROPRIATE WRITTEN INSTRUMENTS REQUIRING THAT ADJUSTMENTS TO EXISTING ACCOUNTS ON THE WORK CONSIDERED HEREIN BE MADE IN FAVOR OF THE STATE OF CALIFORNIA OR THE CITY OF LONG BEACH AS MAY BE NECESSARY TO FINALLY CLOSE SUCH ACCOUNTS.

Attachment:
Exhibit "A"

EXHIBIT "A"

SUBSIDENCE COST DETERMINATION

RESULTS OF ENGINEERING REVIEW AND FINAL AUDIT UPON COMPLETION

OF THE WORK

AFE NO.	L.B.W.O. No.	TITLE	TOTAL SUB- SIDENCE DEDUCTIONS FROM RE- MITTANCE OF OIL REVENUE*	DETERMINA- TION OF ALLOWABLE SUBSIDENCE DEDUCTIONS	CREDIT DUE		
					STATE	OR	CITY
10	10,057	Pier C, \$ berths 20/22, Wharf and Facilities.	999.75	\$ 0.00	\$999.75		
14	10,057	Pier C, Berth 22, Fire & Survey Boat Landing	31.74	165.93			\$134.19
204	10,016	Seaside Blvd. Reconstruction, Pico Avenue to Entrance Channel	2.91	2.91	0.00		0.00
334	10,061	Faint Pacific Restaurant, Site Preparation	0.00	2,207.01			2,207.01
355	10,088	Pier D, Berth 28, Remedial Work on Bulkloader	13,489.63	15,803.56			2,313.93

*Actual deductions made on the basis of estimates
by the Long Beach Harbor Department of the amount
of subsidence costs in the project.