

MINUTE ITEM

23. CONSIDERATION OF SUBSIDENCE COSTS - D.W.O. 10,006(1); L.B.W.O. 10,026(45); L.B.W.O. 10,057(252); L.B.W.O. 10,057(254); L.B.W.O. 10,083(275); L.B.W.O. 10,093(287); AND L.B.W.O. 10,127(387).

After consideration of Calendar Item 11 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. 1, 45, 252, 254, 275, 287, AND 387 THAT ARE 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.

Attachment

Calendar Item 11 (3 pages)

CALENDAR ITEM

11.

CONSIDERATION OF SUBSIDENCE COSTS - L.B.W.O. 10,006(1); L.B.W.O. 10,026(45); L.B.W.O. 10,057(252); L.B.W.O. 10,057(254); L.L.W.O. 10,083(275); L.B.W.O. 10,093(287); AND L.B.W.O. 10,127(387).

On September 27, 1956 (Minute Item 15, page 2819), the Commission approved the costs expended by the City of Long Beach for force account payments on subproject "Pier-C, Berths 24-26, Wharf", AFE-1.

On July 15, 1957 (Minute Item 26, page 3354), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject "Pier-A, Berth-6 Back Area, Cotton Storage Shed", AFE-45.

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 "Move Building No. 173 to Pier-D Back Area", AFE-252.

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 "Town Lot Area Landing for Fireboat No. 2", AFE-254.

On July 15, 1957 (Minute Item 26, page 3354), on June 11, 1958 (Minute Item 21, page 4107), 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-A, Berths 6-7, Transit Shed and Wharf Remedial Work", AFE-275.

On June 13, 1957 (Minute Item 20, page 3221), on June 11, 1958 (Minute Item 21, page 4107), and on July 30, 1959 (Minute Item 39, page 5111), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject "Channel-2 Property, West 8th Street, Warehouse No. 6 and Adjacent Properties", AFE-287.

On June 23, 1960 (Minute Item 14, page 6069), and on July 28, 1960 (Minute Item 19, page 6151), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject "Roads and Streets, Heim Bridge Subsidence Remedial Work", AFE-387.

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., would be determined by the Commission upon an engineering review and final audit subsequent to the time when the work under any of these items was 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 reviews and audits have been made by the staff with results summarized in Exhibit "A" attached hereto.

CALENDAR ITEM 11. (CONTD.)

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 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, agreement was reached with representative of the Harbor Department, as confirmed by their letter of May 29, 1964.

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 NOS. 1, 45, 252, 254, 275, 287, AND 387 THAT ARE 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

<u>AFE NO.</u>	<u>LBWO NO.</u>	<u>TITLE</u>	<u>TOTAL SUB- SIDENCE DEDUCTIONS FROM RE- MITTANCE OF OIL REVENUE*</u>	<u>DETERMINA- TION OF ALLOWABLE SUBSIDENCE DEDUCTIONS</u>	<u>CREDIT DUE STATE OR CITY</u>
1	10,006	Pier "C", Berths 24- 26, Wharf.	\$ 65.78	\$ -0-	\$ 65.78 -0-
45	10,026	Pier "A", Back Area, Cotton Storage Shed.	(2.53)	0.62	- \$ 3.15
252	10,057	Back Area, Piers A-D, Moving Bldg. 173 to Pier "D", Back Area	1,409.35	1,625.00	- 215.65
254	10,057	Town Lot Area, Landing for Fireboat No. 2.	1,531.25	1,232.90	298.35 -
275	10,083	Pier "A", Berths 6-7, Transit Shed and Wharf Remedial Work	2,302.08	2,302.08	- -
287	10,093	Channel No. 2, Prop. W. 8th St., Whse. No. 6 and Adj. Prop.	1,608.39	2,186.37	- 577.98
387	10,127	Roads and Streets, Heim Bridge Subs., Remedial Work.	33,845.45	33,845.49	- -

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