

MINUTE ITEM

1/24/67

30. CONSIDERATION OF SUBSIDENCE COSTS - L.B.W.O. 10,040(91), L.B.W.O. 10,115(344), L.B.W.O. 10,115(560), L.B.W.O. 10,124(458), L.B.W.O. 10,127(572), AND L.B.W.O. 10,181(548).

After consideration of Calendar Item 2 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION (1) DETERMINES THAT 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 EXPENDITURE NUMBERS 91, 344, 560, 458, 572, AND 548 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., ARE AS SHOWN ON EXHIBIT "A" ATTACHED HERETO AND HEREBY MADE A PART HEREOF; AND (2) AUTHORIZES THE EXECUTIVE OFFICER OR THE ASSISTANT EXECUTIVE OFFICER 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 2 (3 pages)

2.

CONSIDERATION OF SUBSIDENCE COSTS - L.B.W.O. 10,040(91), L.B.W.O. 10,115(344), L.B.W.O. 10,115(560), L.B.W.O. 10,124(458), L.B.W.O. 10,127(572), AND L.B.W.O. 10,181(548).

On December 5, 1956 (Minute Item 16, page 2,949), on January 10, 1957 (Minute Item 16, page 2,981), on February 7, 1957 (Minute Item 15, page 3,013), on March 11, 1957 (Minute Item 13, page 3,033), on April 8, 1957 (Minute Item 7, page 3,047), on May 13, 1957 (Minute Item 17, page 3,105), on June 13, 1957 (Minute Item 18, page 3,215), and on July 15, 1957 (Minute Item 26, page 3,354), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject "Roads and Streets; R. R. Shoemaker (Ninth Street) Bridge and Seventh Street Underpass", AFE-91.

On January 10, 1957 (Minute Item 17, page 2,982), on July 15, 1957 (Minute Item 26, page 3,354), on June 11, 1958 (Minute Item 21, page 4,107), on June 25, 1959 (Minute Item 24, page 4,969), on June 23, 1960 (Minute Item 14, page 6,069), on January 22, 1962 (Minute Item 18, page 7,627), on June 27, 1963 (Minute Item 24, page 8,980), and on December 20, 1963 (Minute Item 16, page 9,514), the Commission approved the costs expended by the City for contractor and force account payments on subproject "Pier A; Berth 5, Wharf, Transit Shed and Back Area Raising and Rehabilitation", AFE-344.

On March 28, 1963 (Minute Item 14, page 8,744), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject "Pier A; Berths 6 and 7, Fender System Replacement", AFE-560.

On August 25, 1960 (Minute Item 8, page 6,207), on October 27, 1960 (Minute Item 18, page 6,398), and on September 14, 1961 (Minute Item 16, page 7,253), the Commission approved the costs expended by the City for contractor and force account payments on subproject "Pier B; Berth 16, Office for Long Beach Tugboat Company", AFE-458.

On May 24, 1962 (Minute Item 19, page 7,997), and on June 27, 1963 (Minute Item 26, page 8,989), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject "Roads, Streets and Bridges; Heim Bridge, Pier 29, Subsidence Maintenance", AFE-572.

On June 27, 1963 (Minute Item 28, page 8,995), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject "Protection of City Oil Wells, Terminal Island, Berths 111 and 112", AFE-548.

The approvals on the above-listed projects were made subject to the conditions that the amounts, if any, of each of the items to be allowed ultimately as subsidence costs, deductible under Section 5(a) (1) of Chapter 29, Statutes of 1956, 1st E.S., would be determined by the

CALENDAR ITEM 2. (CONTD.)

Commission upon an engineering review and final audit subsequent to the time when the work under any of these items was completed.

The work has been completed for the above-listed projects, final costs have been collected and transmitted to the staff by the Long Beach Harbor Department, and the final engineering reviews and audits have been made by the staff, with results summarized in Exhibit "A" attached.

Current accounts were maintained during the progress of the work on these projects by allowing deductions of estimated subsidence costs from monthly oil-revenue remittances to the State.

The Long Beach Harbor Department was informed of the results of the subject studies, and more detailed discussion was invited, following which agreement was reached with representatives of that Department, as confirmed by their letter of November 23, 1966.

IT IS RECOMMENDED THAT THE COMMISSION (1) DETERMINE THAT 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 EXPENDITURE NUMBERS 91, 344, 560, 458, 572, AND 548 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., ARE AS SHOWN ON EXHIBIT "A" ATTACHED HERETO AND HEREBY MADE A PART HEREOF; AND (2) AUTHORIZE THE EXECUTIVE OFFICER OR THE ASSISTANT EXECUTIVE OFFICER 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

H. D. DESIG- NATION	LBWO NUMBER	TITLE	TOTAL SUBSIDENCE DEDUCTIONS FROM REMIT- TANCE OF OIL REVENUE*	DETERMI- NATION OF ALLOWABLE SUBSIDENCE DEDUCTIONS	CREDIT DUE	
					STATE	or CITY
AFE-91	10,040	Roads & Streets; RR Shoemaker (9th St) Bridge & 7th Street Underpass	\$ 0.00	\$ 21,971.25	\$	\$ 21,971.25
AFE-344	10,115	Pier A; Berth 5, Wharf, Transit Shed & Back Area Raising & Rehabilitation	16,168.90	16,168.90	0.00	0.00
AFE-458	10,124	Pier B; Berth 16, Office for Long Beach Tugboat Co.	0.00	432.79		432.79
AFE-548	10,181	Protection of City Oil Wells, Terminal Island, Berths 111- 112	6,263.98	5,954.52	309.46	
AFE-560	10,115	Pier A; Berths 6 & 7, Fender System Replacement	19,523.96	0.00	19,523.96	
AFE-572	10,127	Roads, Streets & Bridges; Heim Bridge Pier 29, Subsidence Maintenance	950.58	950.58	0.00	0.00

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