

24. CONSIDERATION OF SUBSIDENCE COSTS - L.B.W.O. 10,007(282), L.B.W.O. 10,057 (207), AND L.B.W.O. 10,199(630).

After consideration of Calendar Item 8 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION 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 207, 282, AND 630 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 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 CLOSE SUCH ACCOUNTS.

Attachment

Calendar Item 8 (3 pages)

8.

CONSIDERATION OF SUBSIDENCE COSTS - L.B.W.O. 10,007(282), L.B.W.O. 10,057(207), AND L.B.W.O. 10,199(630).

On December 5, 1956 (Minute Item 16, page 2949); on January 10, 1957 (Minute Item 16, page 2981); on February 7, 1957 (Minute Item 15, page 3013); on March 11, 1957 (Minute Item 13, page 3033), and on May 13, 1957 (Minute Item 17, page 3105), the Commission approved the costs expended by the City of Long Beach for force-account payments on subproject "Pier D, Berth 28, Bulkloader Tower Replacement", AFE-282.

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 "Anabas Street, Windham Avenue, and Tank Street Improvement", AFE-207.

On June 24, 1964 (Minute Item 21, page 10,115), the Commission approved the costs expended by the City of Long Beach for contractor and force-account payments on subproject "Pier A, Berth 2, Fill Stabilization", AFE-630.

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 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. Such approximate existing accounts will be adjusted and closed on the basis of results of the engineering review and final audit as shown on Exhibit "A" attached.

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 January 12, 1967.

IT IS RECOMMENDED THAT THE COMMISSION 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 207, 282, AND 630 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;

CALENDAR ITEM 8. (CONTD.)

AND 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 CLOSE SUCH ACCOUNTS.

Attachment
Exhibit "A"

EXHIBIT "A"

SUBSIDENCE COST DETERMINATION
RESULTS OF ENGINEERING REVIEW AND FINAL AUDIT UPON
COMPLETION OF THE WORK

<u>H. D.</u> <u>DESIG-</u> <u>NATION</u>	<u>LBWO</u> <u>NUMBER</u>	<u>TITLE</u>	<u>TOTAL</u> <u>SUBSIDENCE</u> <u>DEDUCTIONS</u> <u>FROM REMIT-</u> <u>TANCE OF</u> <u>OIL REVENUE*</u>	<u>DETERMI-</u> <u>NATION OF</u> <u>ALLOWABLE</u> <u>SUBSIDENCE</u> <u>DEDUCTIONS</u>	<u>CREDIT DUE</u>	
					<u>STATE</u>	<u>or</u> <u>CITY</u>
AFE-207	10,057	Anabas Street, Wind- ham Avenue, and Tank Street Improvement	\$ 10.50	\$ 9.60	\$ 0.90	\$ 0.00
AFE-282	10,007	Pier D, Berth 28, Bulkloader Tower Replacement	101.22	578.25	0.00	477.03
AFE-630	10,199	Pier A, Berth 2, Fill Stabilization	848.53	848.53	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.