

MINUTE ITEM

5/25/67

51. SUBSIDENCE COSTS - L.B.W.O. 10,083(399); L.B.W.O. 10,155(459), L.B.W.O. 10,176(580).

After consideration of Calendar Item 19 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 399, 459, AND 580 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 19 (2 pages)

19.

CONSIDERATION OF SUBSIDENCE COSTS - L.B.W.O. 10,083(399); L.B.W.C 10,115(459), L.B.W.O. 10,176(580).

On July 30, 1959 (Minute Item 39, page 5,111), and on February 18, 1960 (Minute Item 8, page 5,625), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject, MOVING TO NEW ADMINISTRATION BUILDING, AFE 399.

On May 24, 1960 (Minute Item 20, page 5,985), and on May 25, 1961 (Minute Item 11, page 6,957), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on subproject, PIER A; BERTHS 208-209, TRANSIT SHED AND AREA DEVELOPMENT, AFE 459.

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, PIER A; BERTHS 6 AND 7, SUBSIDENCE MAINTENANCE PAVING, AFE 580.

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.

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 April 25, 1967.

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 399, 459, AND 580 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"

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-1-

A 39, 44, 68
S 32, 37
B

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>DEPERMI-</u> <u>NATION OF</u> <u>ALLOWABLE</u> <u>SUBSIDENCE</u> <u>DEDUCTIONS</u>	<u>CREDIT DUE</u> <u>STATE</u>	<u>CITY</u>
399	10,083	Piers A-D, Back Area, L.B.H.D. Moving to New Administration Building	\$2,507.48	\$3,089.28	-	\$581.80
459	10,115	Pier A, Berths 208-209, Transit Shed and Area Development	488.54	488.54	-0-	
580	10,176	Pier A, Berths 6-7, Subsidence Maintenance Paving	948.73	948.73	-0-	

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