

MINUTE ITEM

7/6/72
WEB

20. APPROVAL FOR ESTABLISHMENT AND IMPLEMENTATION OF CONTINGENCY FUND FOR SUBSIDENCE REMEDIAL OR FOR PROTECTIVE WORK, CITY OF LONG BEACH, LOS ANGELES COUNTY - W 10284.

After consideration of Calendar Item 18 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION APPROVES THE ESTABLISHMENT AND IMPLEMENTATION OF A CONTINGENCY FUND IN THE AMOUNT OF \$45,000 TO COVER POSSIBLE AND UNFORESEEN COSTS IN CONNECTION WITH EXPENDITURES BY THE CITY FOR SUBSIDENCE REMEDIAL OR FOR PROTECTIVE WORK.

Attachment:

Calendar Item 18 (1 page)

CONSIDERATION OF SUBSIDENCE COSTS PROJECT
LONG BEACH CONTINGENCY FUND FOR SUBSIDENCE MAINTENANCE

In accordance with the provisions of Section 1(e), Chapter 138/64, 1st E.S., the City of Long Beach, in letter dated March 27, 1972, has requested prior approval of the costs of subsidence maintenance within the Long Beach Harbor District during the 1972-73 Fiscal Year. Commission approval of these subsidence maintenance costs, but in a reduced total more consistent with actual historical expenditures against subsidence maintenance in recent years, has been recommended. The City of Long Beach makes expenditures for the repair of and protection against, damage to the general area or to facilities due to the effects of subsidence of the land surface.

The City has explained that, although the full limits of the requested estimated amounts have not been expended for several years, these are deemed minimum amounts which, should occasion require, would be necessary to cover the work for which approval is intended.

In order to provide a contingency against possible and unforeseen costs, an allowance of \$45,000 in a Contingency Fund for the 1972-73 Fiscal Year is recommended, said allowance representing the difference between the total costs requested by the City and the amount based on recent historical expenditures and recommended to Commission in the preceding action.

Use of the Contingency Fund is limited to the circumstances when there is not sufficient time available for necessary emergency augmentation of funds for any subsidence maintenance item prior to the time of expenditures for emergency subsidence remedial work or for protective work.

This Contingency Fund is intended to prevent financial liability of the City in the event the City is called upon to make expenditures for subsidence maintenance work in excess of funds already given prior approval by the State Lands Commission.

In the event that use of the Contingency Fund is required, the City will officially notify the Executive Officer or the Assistant Executive Officer of the Division in advance of any expenditure, with an adequate detailed explanation concerning the nature of the work proposed. The final amount of subsidence costs to be allowed, if any, will be determined by the Commission subsequent to engineering review and audit upon completion of the work.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE ESTABLISHMENT AND IMPLEMENTATION OF A CONTINGENCY FUND IN THE AMOUNT OF \$45,000 TO COVER POSSIBLE AND UNFORESEEN COSTS IN CONNECTION WITH EXPENDITURES BY THE CITY FOR SUBSIDENCE REMEDIAL OR FOR PROTECTIVE WORK.