

24. CLOSING ACCOUNTS OF EXPENDITURE OF TIDELAND OIL REVENUE FOR SUBSIDENCE REMEDIAL WORK, CITY OF LONG BEACH, LOS ANGELES COUNTY -- W 10261(805), W 10127(806).

After consideration of Calendar Item 23 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. CANCELS ITS DETERMINATIONS THAT THE SUBSIDENCE COSTS, DEDUCTIBLE FROM THE OIL REVENUE PAYABLE TO THE STATE UNDER PROVISIONS OF SECTION 4(d) OF CHAPTER 138/64, 1ST E.S., FOR PORT OF LONG BEACH AUTHORIZED FUND EXPENDITURES, ARE AS FOLLOWS:

<u>AFE NUMBER</u>	<u>COMMISSION DETERMINATION DATE</u>	<u>CREDIT CITY</u>
805	February 22, 1973	\$7,313.79
806	December 21, 1972	4,119.66

2. DETERMINES THAT THE SUBSIDENCE COSTS DEDUCTIBLE FROM THE OIL REVENUE PAYMENT TO THE STATE UNDER THE PROVISIONS OF SECTION 4(d) OF CHAPTER 138/1964, 1ST E.S., FOR PORT OF LONG BEACH AUTHORIZED FUND EXPENDITURES NUMBERS 805 AND 806 ARE AS SHOWN IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF; AND
3. ON THE BASIS OF THIS DETERMINATION, AUTHORIZES THE EXECUTION OF APPROPRIATE WRITTEN INSTRUMENTS REQUIRING THAT ADJUSTMENTS TO EXISTING ACCOUNTS ON THE WORK CONSIDERED HEREIN BE MADE IN FAVOR OF THE CITY OF LONG BEACH TO FINALLY CLOSE SUCH ACCOUNTS.

Attachment:

Calendar Item 23 (3 pages)

CALENDAR ITEM

6/73

WEB

23.

W 10261(805)

W 10127(806)

CLOSING ACCOUNTS OF EXPENDITURE OF TIDELAND OIL
REVENUE FOR SUBSIDENCE REMEDIAL WORK
CITY OF LONG BEACH

On August 29, 1963; on June 19, 1968; and on October 24, 1968, the Commission gave prior approval to the request of the City of Long Beach to expend tideland oil revenues for AFE 805, Temporary Water Street Storm Drain, and AFE 806, Pico Avenue Gas Main Connection at Sixth Street on the conditions that the amounts, if any, to be allowed ultimately as subsidence costs, will be determined by the Commission upon an engineering review and final audit after the work is completed; and that the work conform in essential details to the background material submitted.

On December 21, 1972, and February 22, 1973, upon the completion of the work and the fulfillment of the conditions placed thereon, the Commission made the determinations of the amounts of adjustments for the closing of the expenditure accounts.

A subsequent review of the adjustments has revealed that when the adjustments are added to the amount of tideland oil revenue previously retained by the City during the 1969 calendar year, the total will exceed the nine million dollar limitation imposed on the City by Chapter 138/64, 1st E.S. by \$6,751.05. Staff has discussed this matter with the accounting personnel of the City, and the City has agreed that a revision is necessary.

IT IS RECOMMENDED THAT THE COMMISSION:

1. CANCEL ITS DETERMINATIONS THAT THE SUBSIDENCE COSTS, DEDUCTIBLE FROM THE OIL REVENUE PAYABLE TO THE STATE UNDER PROVISIONS OF SECTION 4(d) OF CHAPTER 138/64, 1ST E.S., FOR PORT OF LONG BEACH AUTHORIZED FUND EXPENDITURES, ARE AS FOLLOWS:

<u>AFE NUMBER</u>	<u>COMMISSION DETERMINATION DATE</u>	<u>CREDIT CITY</u>
805	February 22, 1973	\$7,313.79
806	December 21, 1972	4,119.66

2. DETERMINE THAT THE SUBSIDENCE COSTS DEDUCTIBLE FROM THE OIL REVENUE PAYMENT TO THE STATE UNDER THE PROVISIONS OF SECTION 4(d) OF CHAPTER 138/64, 1st E.S., FOR PORT OF LONG BEACH AUTHORIZED FUND EXPENDITURES NUMBERS 805 AND 806 ARE AS SHOWN IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF; AND

CALENDAR ITEM NO. 23. (CONTD)

3. ON THE BASIS OF THIS DETERMINATION, AUTHORIZE THE EXECUTION OF APPROPRIATE WRITTEN INSTRUMENTS REQUIRING THAT ADJUSTMENTS TO EXISTING ACCOUNTS ON THE WORK CONSIDERED HEREIN BE MADE IN FAVOR OF THE CITY OF LONG BEACH TO FINALLY CLOSE SUCH ACCOUNTS.

Attachment: Exhibit "A"

EXHIBIT "A"

W 10261(805)
W 10127(806)

<u>LBHD Designation</u>	<u>W.O. NO.</u>	<u>Title</u>	<u>Total Subsidence Deductions from Remittance of Oil Revenue</u>	<u>Determination of Allowable Subsidence Costs</u>	<u>Credit Due City</u>
805	10261	Temporary Water Street Storm Drain	\$7,372.83	\$10,948.31	\$3,575.48
806	10127	Pico Avenue Gas Main Connection at Sixth Street	2,798.57	3,905.49	1,106.92