

MINUTE ITEM

This Calendar Item No. 24
was approved as Minute Item
No. 24 by the State Lands
Commission by a vote of 3
to 0 at its 6-22-78
meeting.

MINUTE ITEM

6/78
Thompson

24. PROPOSED EXPENDITURE OF TIDELAND OIL REVENUE FOR
SUBSIDENCE REMEDIAL WORK - CITY OF LONG BEACH - W 10340

During consideration of Calendar Item 24, Commission-Alternate Sid McCausland expressed his concern as to the appropriateness of the multipliers which go into the direct labor charges and indicated he would like the staff to review that issue very carefully.

Mr. W. M. Thompson, Chief, Extractive Development - Long Beach Operations, stated that the staff is planning to schedule for the August calendar consideration of the next nine months of the subsidence maintenance account. At that time, this matter can be discussed in more detail. (See Calendar Item 21 for additional discussion of this subject.)

Upon motion duly made and carried, the resolution as presented in Calendar Item 24 was adopted by a vote of 3-0.

Attachment: Calendar Item 24 (three pages)

A 52, 57, 58

S 27, 31

CALENDAR ITEM

24.

6/78
W 10340
Thompson

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

SUBSIDENCE REMEDIAL PROJECT:

Subsidence Studies during 1978-79 Fiscal
Year.

SUBSIDENCE ELEMENTS:

- a. City's Presentation: Subsidence studies will be needed during the 1978-79 Fiscal Year to measure vertical and horizontal ground surface movements and to evaluate subsidence damage to Harbor District facilities.
- b. Staff's Analysis: Costs for Subsidence Studies may be appropriate but not necessarily to the extent estimated by the city.

COST OF PROJECT:

- a. City's Estimate: \$355,000.
- b. Staff's Analysis: \$310,000 Recommended.

FISCAL IMPACT:

Costs will be borne 100% by the State.

STATUTORY AUTHORITY:

- a. City's Reference: Ch. 138/64, 1st E.S.
- b. Staff's Determination: Ch. 138/64,
1st E.S., Sec. 1(e).

DISCUSSION:

The proposed work is outlined in Port of Long Beach General Manager's letters dated May 5, 1978 and May 24, 1978.

The amount requested is distributed among 6 separate work categories as shown in exhibit "A" attached, based on historical expenditures in each category in recent past years. If approved amounts in any category need to be exceeded, prior approval of supplemental expenditures will be requested.

A 52, 57, 58

S 27, 31

CALENDAR ITEM NO. 24. (CONTD)

Approval of the amounts requested is recommended for each category except State Lands Expense. The amount for this category should be retained at the \$80,000 approved for the past fiscal year because of an anticipated decline in city workload on subsidence projects in the next fiscal year.

EXHIBIT: A. Cost Estimate.

IT IS RECOMMENDED THAT THE COMMISSION:

1. APPROVE COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH, INCLUDING SUBSIDENCE REMEDIAL WORK, AS INDICATED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, FOR THE PERIOD FROM JULY 1, 1978 TO JUNE 30, 1979, SUBJECT TO THE CONDITIONS THAT THE AMOUNT IF ANY, OF EACH OF THE ITEMS TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COSTS, DEDUCTIBLE UNDER SECTION 4(d) OF CH. 138/1964, 1ST E.S., WILL BE DETERMINED BY THE COMMISSION UPON AN ENGINEERING REVIEW AND FINAL AUDIT SUBSEQUENT TO THE TIME WHEN THE WORK UNDER ALL OF THESE ITEMS IS COMPLETED; AND THAT THE WORK CONFORM IN ESSENTIAL DETAILS TO THE PLANS AND BACKGROUND MATERIAL PREVIOUSLY SUBMITTED TO THE COMMISSION.
2. IT IS FURTHER RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTION OF APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S APPROVAL.

Attachment: Exhibit "A"

EXHIBIT "A"

W 10340

LONG BEACH WORK ORDER NUMBER 10340
PROJECT AND ESTIMATE SUBMITTED BY THE CITY OF LONG BEACH
SUBSIDENCE STUDIES, 1978-1979 FISCAL YEAR

<u>ITEM</u>	<u>WORK PROPOSED</u>	<u>LBHD ESTIMATED SUBPROJECT EXPENDITURES 1978 - 1979 FISCAL YEAR</u>	<u>RECOMMENDED APPROVAL ESTIMATED SUBSIDENCE COSTS</u>
1	Vertical measurements	\$180,000	\$180,000
2	Horizontal Measurements	10,000	10,000
3	Consultants and Contingencies	5,000	5,000
4	Preliminary Engineering Studies	20,000	20,000
5	State Lands Expense - Subsidence	125,000	80,000
6	Lateral Ground Surface Motion (Horizontal Movement Studies)	<u>15,000</u>	<u>15,000</u>
	TOTAL	\$355,000	\$ 310,000