

MINUTE ITEM

This Calendar Item No. 27 was approved at the meeting No. 27 by the State Lands Commission by a vote of 3 to 0 at its 6-27-79 meeting.

CALENDAR ITEM

27.

6/79
W 10345
Thompson

APPROVE PROPOSED EXPENDITURES FOR SUBSIDENCE MAINTENANCE AND REPAIRS AND SUBSIDENCE STUDIES CITY OF LONG BEACH FOR 1979-1980

SUBSIDENCE REMEDIAL PROJECT

Maintenance and Repairs, and Studies, July 1, 1979 to June 30, 1980.

SUBSIDENCE ELEMENTS

a. City's Presentation:
Routine maintenance work would be needed to remedy any subsidence damage to Harbor District facilities during the 1979-80 fiscal year.

Subsidence Studies will be performed during the same period to measure vertical and horizontal ground movements, and to analyze any subsidence damage to Harbor District facilities, and to initiate requests for prior approval of subsidence cost expenditures.

b. Staff's Analysis:
Staff concurs with the scope of subsidence work presented by the City.

COST

a. City's Estimate:
(1) General Subsidence Maintenance and Repair: \$10,000.
(2) Emergency Subsidence Remedial Work costs cannot be estimated because of the unpredictable nature of the work.
(3) Subsidence Studies: \$360,000.

b. Staff's Analysis:
Recommend approval of (1) \$10,000 for General Subsidence Maintenance and Repairs, (2) actual subsidence costs, as incurred and verified by the Commission staff, for Emergency Subsidence Remedial Work and (3) \$360,000 for Subsidence Studies.

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ENVIRONMENTAL CLEARANCE

The City has determined that any work proposed under Subsidence Maintenance is within the scope of emergency repairs and therefore is categorically exempt under 14 Cal. Adm. Code 15106.

Environmental clearance is not required for Subsidence Studies.

FISCAL IMPACT

Subsidence costs will be borne 100% by the State.

STATUTORY AUTHORITY

a. City's Reference: Chapter 138/'64 1st E.S.

b. Staff Determination: Chapter 138/'64 1st E.S., Sec. 1 (e).

DISCUSSION

In past years, requests for prior approval of expenditures for Subsidence Maintenance and Subsidence Studies have been considered by the Commission as separate calendar items. This year, the requests are combined for a single prior approval action, first, to simplify the process and, second, because the City and the Commission staff have agreed to a revised set of definitions and procedures for the work. These are designed to ensure timely examination and closing of accounts after the end of each fiscal year. The definitions and procedures are attached as Exhibit "B".

On September 27, 1978, (Minute Item 29) the Commission approved similar definitions and procedures for Subsidence Maintenance work, which then went into effect for the remainder of the 1978-79 fiscal year. That action consolidated 4 previous maintenance work categories into 2, and also stipulated that the City would not be reimbursed for its work until after an engineering review, audit and determination of allowable subsidence costs by the Commission within 7 months after the end of the fiscal year.

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Under the Definitions and Procedures currently proposed in Exhibit "B", the scopes of work defined for the 2 Subsidence Maintenance categories are the same as those approved on September 27, 1978. The scopes of work for 5 Subsidence Studies categories are newly defined. These amend and consolidate the 6 previous studies categories which have been used until now.

The City may obtain reimbursement for General Subsidence Maintenance and Repairs and Subsidence Studies monthly, up to the Budgeted Amounts approved. The City may be reimbursed for expenditures in excess of the Budgeted Amounts, but within the scope of the prior approvals, only after an engineering review, audit and Commission determination of the allowable amount after the end of the fiscal year. Procedures for Emergency Subsidence Remedial Work remain the same as those approved on September 27, 1978.

The City and Commission staffs are currently reviewing the procedures and frequencies of vertical elevation measurements in conjunction with individual bench mark priorities. This review should lead to expenditures less than the Budgeted Amount while still providing the data to monitor ground elevation changes within the City of Long Beach.

EXHIBITS:

- A. Cost Estimate.
- B. Definitions and Procedures.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN EIR HAS NOT BEEN PREPARED FOR THIS WORK AS SUCH REPORT IS NOT REQUIRED UNDER PROVISIONS OF 14 CAL. ADM. CODE 15106.
2. APPROVE DEFINITIONS AND PROCEDURES OF IMPLEMENTATION FOR SUBSIDENCE MAINTENANCE AND REPAIR AND SUBSIDENCE STUDIES IN THE LONG BEACH HARBOR DISTRICT AS SHOWN IN EXHIBIT "B" ATTACHED AND, BY REFERENCE, MADE A PART HEREOF, FOR THE PERIOD JULY 1, 1979 TO JUNE 30, 1980.

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3. APPROVE COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH FOR THE ITEMS INDICATED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, FOR THE PERIOD JULY 1, 1979 TO JUNE 30, 1980, SUBJECT TO THE CONDITIONS THAT THE AMOUNT, IF ANY, UNDER EACH ITEM TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COSTS DEDUCTIBLE UNDER CH. 138/'64, 1ST E.S., SEC. 4(d) WILL BE DETERMINED BY THE COMMISSION UPON AN ENGINEERING REVIEW AND FINAL AUDIT AFTER THE WORK IS COMPLETED, AND THAT THE SCOPE OF THE WORK CONFORM IN ESSENTIAL DETAILS TO THE DEFINITIONS OF SUCH ITEMS AS STATED IN EXHIBIT "B" ATTACHED.
4. AUTHORIZE THE EXECUTION OF APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S APPROVAL.

EXHIBIT "A"
COST ESTIMATE

W 10345

LONG BEACH WORK ORDER NUMBER W10345
PROJECTS AND ESTIMATES SUBMITTED BY CITY OF LONG BEACH
SUBSIDENCE MAINTENANCE AND REPAIRS AND SUBSIDENCE STUDIES
1979 - 1980 FISCAL YEAR

<u>ITEM</u>	<u>WORK PROPOSED</u>	<u>RECOMMENDED APPROVAL</u>
1.	SUBSIDENCE MAINTENANCE AND REPAIRS	
	(a) General Subsidence Maintenance and Repairs	\$ 10,000
	(b) Emergency Subsidence Remedial Work	\$ 10,000*
2.	SUBSIDENCE STUDIES	
	(a) Vertical Measurements and Studies	\$200,000
	(b) Horizontal Measurements and Studies	25,000
	(c) Consultants and Contingencies	5,000
	(d) Preliminary Engineering Studies	20,000
	(e) State Lands Expense - Subsidence	110,000 \$360,000*

* Final approved subsidence costs, if any, to be determined by the
State Lands Commission after completion of the work.

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TO: DENISE THOMPSON
FROM: D. K. HAYWARD
LONG BEACH OPERATIONS

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EXHIBIT "B"

DEFINITIONS AND PROCEDURES FOR SUBSIDENCE

MAINTENANCE AND REPAIR AND SUBSIDENCE STUDIES

1. Definitions: The scopes of work considered by the State Lands Commission and the City of Long Beach to be within the annual conditional prior approval of the following subsidence projects:

Vertical Measurements and Studies
Horizontal Measurements and Studies
Consultants and Contingencies
Preliminary Engineering Studies
State Lands Expense-Subsidence
General Subsidence Maintenance and Repair
Emergency Subsidence Remedial Work

are defined as follows:

- (a) "Vertical Measurements and Studies" consist of surveys of elevation changes in the Long Beach Harbor District. The surveys include the field and office work necessary to measure, compile and publish data on a control network covering appropriate bench marks. The maintenance of the bench marks used in the control network and the recording, checking, servicing and maintenance of a tide gage are also included in this project.
- (b) "Horizontal Measurements and Studies" consist of periodic surveys of control base lines necessary to monitor changes in the lengths and orientation of these base lines. These surveys include the field and office work necessary to measure, compile and publish data on these control base lines. The maintenance of the survey monuments used in the control base lines is also included in this project.
- (c) "Consultants and Contingencies" is a project category reserved for special subsidence studies as are needed.
- (d) "Preliminary Engineering Studies" is a project category reserved for the preliminary work necessary to define the scope of subsidence remedial work before a project is submitted to the State Lands Commission for prior approval of subsidence costs.
- (e) "State Lands Expense-Subsidence" consists of the Harbor Department expenses in carrying out the provisions of Chapter 138, Statutes of 1964, First Extraordinary Session relating to subsidence costs. Examples of such expenses are the costs to prepare and submit requests for prior

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approval of subsidence cost expenditures, to report monthly subsidence cost expenditures, to prepare subsidence cost projects for closing action, and to prepare and submit other reports on subsidence matters as required.

(f) "General Subsidence Maintenance and Repair" consist of routine inspection, operation, maintenance and repair of dikes, pumps, pump stations, pumping facilities and equipment designed to protect against flooding and the effects of water accumulation due to storm runoff or high tides caused by the effects of subsidence. This term also includes routine repair of damage to Harbor Department terminal facilities and other Harbor Department buildings and facilities caused by the effects of subsidence. "Terminal facilities" shall include wharves, transit sheds, railroad tracks, pavement, utilities, and any other facilities which serve a berth directly.

(g) "Emergency Subsidence Remedial Work" consists of repair of damage of a sudden or unexpected nature caused by the effects of subsidence occurring in situations which require immediate action to protect public property and the public health and safety.

2. Procedures for Requesting Prior Approval:

Prior to May 15 of each fiscal year, commencing in the fiscal year 1979-1980, the City shall submit to the State Lands Commission a written request for prior approval of estimated subsidence cost expenditures which the City has reason to expect will fall within the scope of the above-defined project categories for the upcoming fiscal year. This request shall contain estimates of the total amounts expected to be expended for subsidence costs in each category except Emergency Subsidence Remedial Work, for which no estimate need be specified. This request for prior approval of subsidence costs will be heard at a meeting of the State Lands Commission held no later than the last day before the beginning of the fiscal year for which the request is made. The amount in each project category which is given subsidence cost prior approval by the State Lands Commission under this procedure is within the discretion of the Commission and therefore may vary from the City's estimate; said amount shall be referred to as the project's "Budgeted Amount." If subsidence cost expenditures for specific studies or individual projects to be charged to "Consultants and Contingencies", "General Subsidence Maintenance and Repair", or "Preliminary Engineering Studies" are anticipated to exceed \$5,000, or \$10,000 in the case of "Preliminary Engineering Studies", such studies or projects should be separately identified and described in order that the Commission can determine whether they should be given specific prior approval.

3. Procedures for Subsidence Cost Reimbursement

Reimbursement for subsidence cost expenditures given annual prior approval in each of the project categories described above shall be subject to the following conditions and procedures:

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- (a) Subsidence cost expenditures made during the fiscal year in each of the project categories described above, except Emergency Subsidence Remedial Work (which is provided for in (b) below) shall be reimbursed monthly to the City from oil revenue; provided, however, that the total of said monthly subsidence cost reimbursements in each such category shall not exceed the Budgeted Amount given prior approval by the State Lands Commission; provided further that reimbursement of subsidence cost expenditures for any specific study or individual project charged to "Consultants and Contingencies," "General Subsidence Maintenance and Repair", or "Preliminary Engineering Studies" shall not exceed \$5,000, or \$10,000 in the case of "Preliminary Engineering Studies", unless specific prior approval by the State Lands Commission of such study or project is obtained. Subsidence cost expenditures in excess of these Budgeted Amounts may be considered for reimbursement only after the annual engineering review and audit, and final determination by the State Lands Commission of the expenditures within said categories to be allowed as subsidence costs deductible under Chapter 138, Statutes of 1964, First Extraordinary Session, Section 4(d), for the entire fiscal year. Should subsidence cost expenditures in these project categories exceed their Budgeted Amount, that event shall not bar consideration thereof for reimbursement as subsidence costs; however, subsidence cost expenditures for any specific study or individual project which are sought to be charged to "Consultants and Contingencies", "General Subsidence Maintenance and Repair", or "Preliminary Engineering Studies" which exceed \$5,000, or \$10,000 in the case of "Preliminary Engineering Studies", shall not be considered for reimbursement above such amounts, unless specific prior approval by the State Lands Commission of such study or project is obtained.

After the completion of said annual engineering review and audit, and determination by the State Lands Commission of final subsidence costs, the City may deduct from oil revenue any unreimbursed subsidence costs incurred within the categories specified herein. Likewise, the City shall reimburse the State in the following month for any overpayment received. No interest shall accrue or be paid in connection with any such reimbursement. The annual engineering review and audit, and final determination of subsidence costs by the State Lands Commission shall be completed within seven (7) months after the end of each fiscal year for all work completed within said fiscal year. However, the State's completion of the review, audit, and determination within said time period shall be contingent upon the City's transmittal to the State, within one hundred and twenty (120) days of the close of the fiscal year, of a detailed summary of the expenditures together with an explanation, where necessary,

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of the subsidence nature of the work performed, and upon the City's complying in a timely manner thereafter with any request by the State for any available documents, maps, or additional information pertaining to the expenditure.

(b) Expenditures made for Emergency Subsidence Remedial Work shall be reimbursed to the City only upon an engineering review and final audit upon the completion of the work and a determination by the State Lands Commission of the amount, if any, of said expenditures which is to be allowed as subsidence costs deductible under Chapter 138, Statutes of 1964, First Extraordinary Session, Section 4(d). With respect to such work:

- (1) Within three working days after the discovery of the event requiring the performance of Emergency Subsidence Remedial Work, City shall notify the Executive Officer of the State Lands Commission in writing of its intent to expend monies and to charge said expense as a subsidence cost. Said notice shall contain a brief description of the emergency, the date of the event, and the general nature of the work being or proposed to be accomplished.
- (2) Within 90 days after the completion of the work of repair or the date of final acceptance of the work by the City, whichever is later, City shall notify the Executive Officer in writing of its facts, findings, and conclusions concerning causation of the damage and a detailed statement of costs incurred.
- (3) Within 90 days after receipt of City's findings and cost data, State shall perform an engineering review and audit and notify City in writing of the results of said review and audit. In the event the Executive Officer disagrees with any of the City's facts, findings, and conclusions, he shall notify the City of such disagreement and shall state therein his reasons for same. The State's completion of said engineering review and audit within the 90 days stipulated herein shall be contingent upon the City's complying in a timely manner with the State's request for any available documents, maps, or other information pertaining to the work.
- (4) Within 20 days after receipt by the City of the State's review and audit, the matter shall be placed on the agenda of the State Lands Commission meeting for closing action if the State expresses no disagreement to the City's findings and conclusions. If there is disagreement, the City shall within said 20 day period concur in the State's review and audit, or modify the City's findings and request the State's review of such modified findings or request that the matter be placed on the Commission's agenda for hearing and determination.

(c) The annual prior approval of expenditures for Emergency Remedial Work shall not be subject to any dollar limitation but shall be understood to be for all subsidence costs for such work as determined allowable by the State Lands Commission under item 2(b) above.

4. Modification of Definitions and Procedures:

These definitions and procedures shall remain in effect until the same are revised or rescinded by the State Lands Commission.

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