

29. CONSIDERATION OF SUBSIDENCE COSTS - L.B.W.O. 10,057(1004); L.B.W.O. 10,086(1406); L.B.W.O. 10,119(552); AND L.B.W.O. 10,124(456).

After consideration of Calendar Item 8 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION DETERMINES 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 EXPENDITURES NUMBERS 456 AND 552 AND WORK ORDERS NUMBERS 1,004 AND 1,406 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., TO BE AS SHOWN ON EXHIBIT "A" ATTACHED HERETO AND HEREBY MADE A PART HEREOF; AND THAT THE EXECUTIVE OFFICER, THE ASSISTANT EXECUTIVE OFFICER, OR THE SUPERVISING MINERAL RESOURCES ENGINEER ARE AUTHORIZED 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 8 (3 pages)

8.

CONSIDERATION OF SUBSIDENCE COSTS - L.B.W.O. 10,057(1004); L.B.W.O. 10,086(1406); L.B.W.O. 10,119(552); and L.B.W.O. 10,124(456).

On July 24, 1956 (Minute Item 2, page 2753), on August 15, 1956 (Minute Item 5, page 2761), and on March 10, 1958 (Minute Item 24, page 3929), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on sub-project "Entrance Channel Tide Gauge Station", W.O.-1004.

On June 11, 1958 (Minute Item 21, page 4107), and on June 25, 1959 (Minute Item 23, page 4964), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on sub-project "Commodore Heim Bridge at Pier 29", W.O.-1406.

On July 28, 1961 (Minute Item 26, page 7118) the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on sub-project "Edison Company Sub-Station Lease Site Preparation", AFE-552.

On January 26, 1961 (Minute Item 17, page 6663), the Commission approved the costs expended by the City of Long Beach for contractor and force account payments on sub-project "Armed Forces Y.M.C.A. Building Removal", AFE-456.

The approvals on the above-listed projects were made subject to the condition, in part, that the amounts, if any, of each of the items to be allowed ultimately as subsidence costs, deductible under Section 5(a) 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.

For the above-listed projects, the work has been completed, 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 hereto.

Current accounts have been maintained during the progress of the work on each of these projects by allowing deductions of estimated subsidence costs from monthly oil-revenue remittances to the State. Such approximate existing accounts will be adjusted and closed on the basis of results of the engineering review and final audit as shown on Exhibit "A" attached.

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 May 28, 1965.

CALENDAR ITEM 8. (CONTD.)

IT IS RECOMMENDED THAT THE COMMISSION DETERMINE 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 EXPENDITURES NUMBERS 456 AND 552 AND WORK ORDERS NUMBERS 1,004 AND 1,406 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., TO BE AS SHOWN ON EXHIBIT "A" ATTACHED HERETO AND HEREBY MADE A PART HEREOF; AND THAT THE EXECUTIVE OFFICER, THE ASSISTANT EXECUTIVE OFFICER, OR THE SUPERVISING MINERAL RESOURCES ENGINEER BE AUTHORIZED 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"

EXHIBIT "A"

SUBSIDENCE COST DETERMINATION

RESULTS OF ENGINEERING REVIEW AND FINAL AUDIT UPON COMPLETION

OF THE WORK

H. D. DESIG- NATION	LBWO NUMBER	TITLE	TOTAL SUB- SIDENCE DEDUCTIONS FROM RE- MITTANCE OF OIL REVENUE*	DETERMINA- TION OF ALLOWABLE SUBSIDENCE DEDUCTIONS	CREDIT DUE	
					STATE	or CITY
WO-1,004	10,057	Entrance Channel Tide Gauge Station.	\$ 52.07	\$ 80.85	-	\$ 28.78
WO-1,406	10,086	Commodore Heim Bridge at Pier 29.	\$ 169.98	\$ 169.98	-	-
AFE-552	10,119	Edison Company Substation Lease Site Preparation	\$ 2,343.92	\$2,356.90	-	\$ 12.98
AFE-456	10,124	Armed Forces YMCA Building Removal	\$ 2,101.43	\$2,101.43	-	-

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