

**CALENDAR ITEM
C48**

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06/24/08

W 10442

C. Duda

**CONSIDER PRIOR APPROVAL OF SUBSIDENCE COSTS
FOR VERTICAL MEASUREMENTS AND STUDIES,
2008-2009 FISCAL YEAR, CITY OF LONG BEACH,
LOS ANGELES COUNTY**

APPLICANT:

City of Long Beach
Long Beach Gas and Oil Department
Attn.: Mr. Christopher J. Garner, Director
211 E. Ocean Blvd., Suite 500
Long Beach, CA 90802

BACKGROUND:

The City of Long Beach (City) conducts ground elevation measurement surveys and studies twice each year throughout the Harbor District and in other areas of the City for the purpose of monitoring changes that may be attributable to subsidence. The project consists of vertical measurements and studies in the City between July 1, 2008 and June 30, 2009. The City estimates the cost of the work to be:

| | |
|-----------------------------------|------------------|
| Vertical Measurements | \$161,500 |
| Three Month Hot Spot Survey | \$ 27,000 |
| Fixed GPS Base Stations | \$152,500 |
| Studies, Evaluations, and Reports | <u>\$316,920</u> |
| | \$657,920 |

Last year's cost was \$581,250. Historically, the primary method for monitoring vertical subsidence in Long Beach has been spirit leveling. The semi-annual surveys are now being conducted utilizing state of the art Global Position Satellite (GPS) technology. Field data collection time has been reduced, and the 800 spirit leveled benchmarks have been reduced to approximately 200 GPS benchmarks. Costs for vertical measurements for fiscal year **2008-2009** include survey acquisition, professional processing, reporting, and benchmark maintenance. The estimated vertical survey costs have partially increased from

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the 2007-2008 budget due to anticipated increases in contractor survey support costs. The studies and reports have increased for additional staff time to monitor the effect of shallow gas production on subsidence.

The three-month hot spot surveys encompass expenditures for elevation surveys over limited oil field areas. These surveys are needed to supplement the existing six-month surveys in areas where greater than anticipated changes in elevations have occurred.

The estimated cost for fixed GPS stations includes station service/ maintenance of the thirteen permanent GPS base stations that monitor elevations on a continuous basis and technical support from the consultant. Costs have increased from fiscal year 2007-2008 budget, reflecting an increase in the professional support contract with the consultant and the possibility of relocating the computer server to a location more accessible by the contractor. The estimated costs for studies and evaluations has increased due to additional staff time required to monitor the effects of production from new wells on subsidence and rising employee overhead.

FISCAL IMPACT:

Subsidence costs for vertical measurements and studies conducted in Long Beach are deducted from the Long Beach tidelands oil revenues, with the prior approval of the California State Lands Commission in accordance with Chapter 138, Statutes of 1964, First Extraordinary Session, Section 1(e).

STATUTORY AND OTHER REFERENCES:

- A. The proposed expenditures are authorized by Chapter 138, Statutes of 1964, First Extraordinary Session, and Section 1(e) subject to prior approval by the California State Lands Commission.

OTHER PERTINENT INFORMATION:

- 1. The City of Long Beach has determined that the project is exempt from the requirements of the CEQA as a categorically exempt project under Class 6, Information Collection, Title 14, California Code of Regulations, section 15306.
- 2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), staff recommends that the Commission concur with the City's determination.

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EXHIBITS:

- A. Location Map
- B. Cost Estimate

PERMIT STREAMLINING ACT DEADLINE:

N/A (not a "development project" subject to the Act).

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

CONCUR WITH THE CITY OF LONG BEACH'S DETERMINATION THAT THE PROPOSED ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF CEQA AS A CATEGORICALLY EXEMPT PROJECT, CLASS 6, INFORMATION COLLECTION; AND

AUTHORIZATION:

APPROVE SUBSIDENCE COSTS, AS DEFINED IN CHAPTER 138, STATUTES OF 1964, FIRST EXTRAORDINARY SESSION, SECTION 1(e) AND AS SHOWN ON EXHIBIT B, ATTACHED HERETO, BY THIS REFERENCE MADE A PART HEREOF, PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH, FOR SUBSIDENCE VERTICAL MEASUREMENTS AND STUDIES TO BE CONDUCTED IN THE CITY OF LONG BEACH BETWEEN JULY 1, 2008 AND JUNE 30, 2009, SUBJECT TO THE CONDITION THAT THE WORK CONFORMS IN ESSENTIAL DETAILS TO THE DEFINITIONS AND PROCEDURES FOR SUCH WORK ESTABLISHED BY THE COMMISSION ON JUNE 27, 1979, MINUTE ITEM 27.

EXHIBIT A

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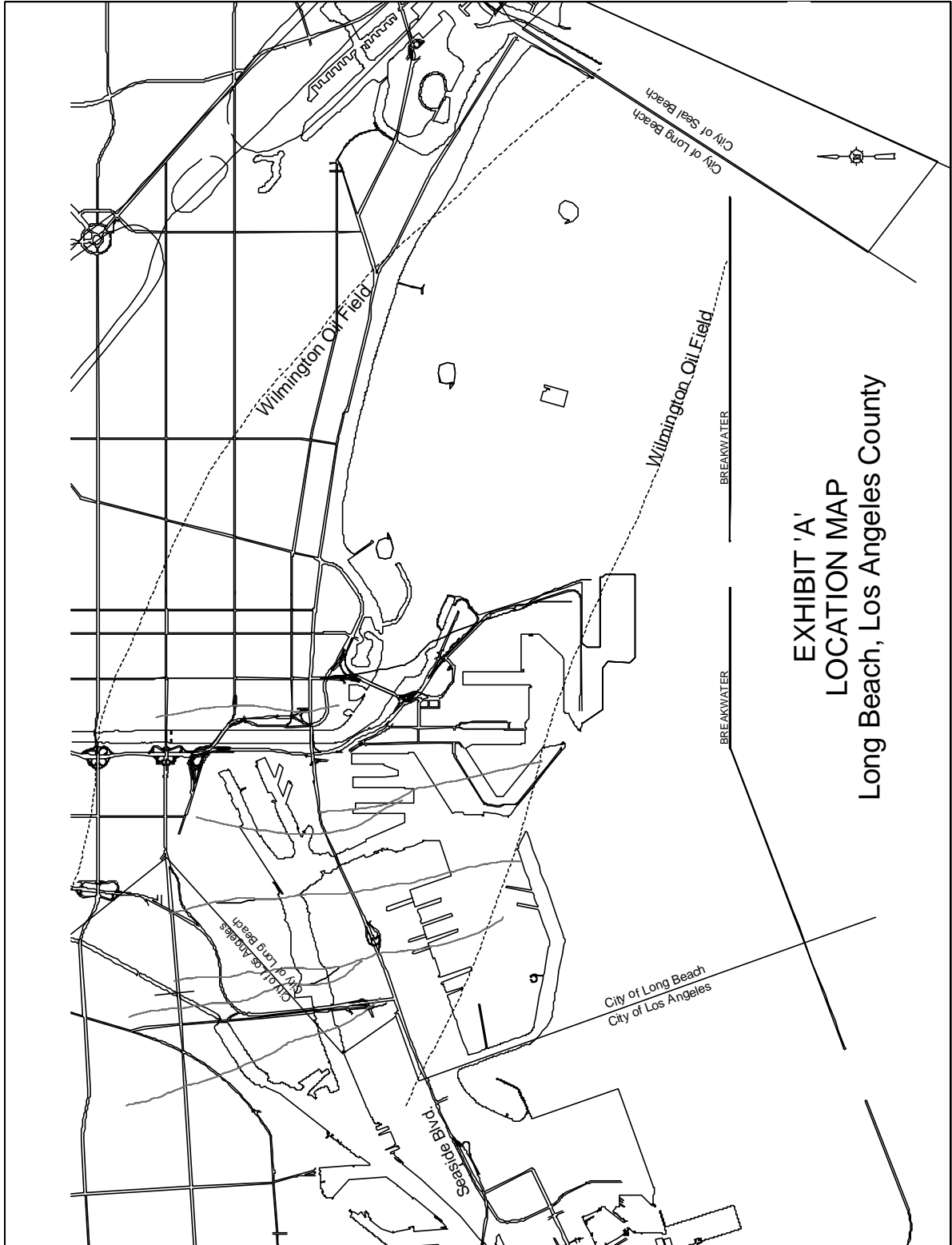


EXHIBIT B

COST ESTIMATE
LONG BEACH WORK ORDER NO. W 10422
Estimates Submitted by City of Long Beach for
Subsidence Vertical and Horizontal Surveys
2008-2009 Fiscal Year

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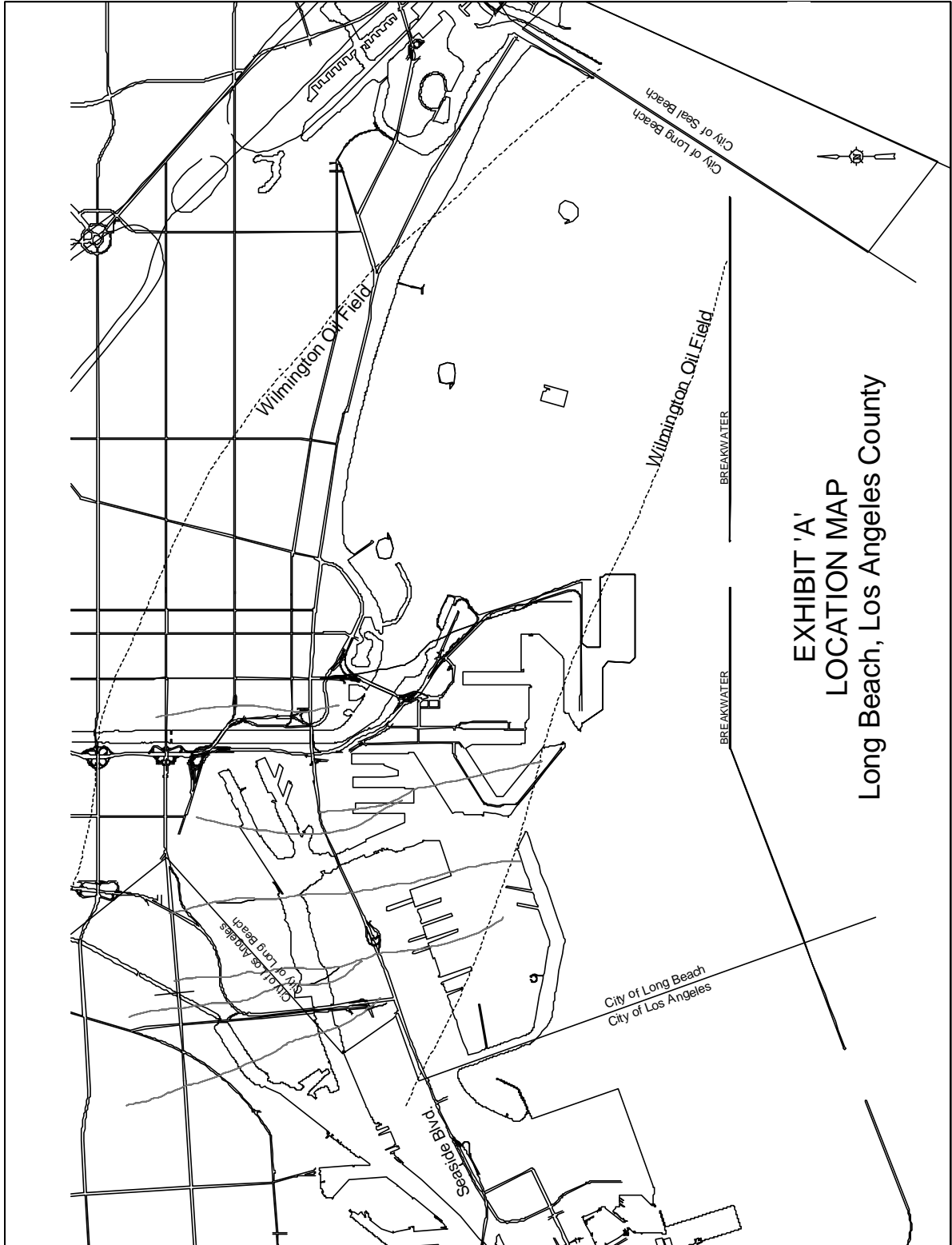


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