

5. (CONSIDERATION OF SUBSIDENCE COSTS - W. O. 2323.) The following report was presented to the Commission:

"On July 24, 1956 (Minute Item 1, pages 2750-52; Minute Item 2, page 2753) the Commission approved the costs proposed to be expended by the City of Long Beach, including subsidence remedial work, during July, 1956, and engineering salaries, subsidence studies and subsidence maintenance during August, 1956.

"The same elements of subsidence cost expenditures for the month of August, 1956 and Port of Long Beach engineering salaries accountable during September, 1956 under subsidence costs not included in the projects approved in the preceding calendar item will require approval by the Commission if credit is to be received by the City of Long Beach for such costs under the provisions of Section 5 (a), Chapter 29 of the Statutes of 1956, First Extraordinary Session.

"The staff of the State Lands Division has reviewed statements presented by the City of Long Beach with respect to such proposed expenditures for the months of August and September, 1956."

Mr. Robert R. Shoemaker of the Port of Long Beach brought to the attention of the Commission that the heading on the tabulation on Exhibit "A" indicated that the figures outlined included September as well as August, and that it was not the intention when they were submitted that these were to be considered as the total expenditures for September, as there would be additions to be included for that month.

The item set up as "Applicable Costs" on Exhibit "A" was questioned by Mr. Kirkwood, with Mr. Hortig explaining that at present it was used as a catch-all, and ultimately the amount shown would be broken down and charged back to the respective pertinent accounts; that as yet the bookkeeping system at Long Beach was not set up to handle the items individually. Mr. Shavelson was asked for his opinion on whether the Commission should approve this type of item, and after being given an explanation by Mr. Hortig that it included partial payments under contracts which had not yet been distributed back to the individual accounts to which they apply but will be so distributed eventually, Mr. Shavelson voiced the opinion that he thought it would be all right for the Commission to approve this item.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE STATE LANDS COMMISSION APPROVES THE COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH, INCLUDING SUBSIDENCE REMEDIAL WORK, AS SHOWN ON EXHIBIT "A" HEREOF; SUBJECT TO THE CONDITION, HOWEVER, THAT THE AMOUNT, IF ANY, OF EACH OF THE ITEMS TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COSTS DEDUCTIBLE UNDER THE PROVISIONS OF SECTION 5 (a), CHAPTER 29 OF THE STATUTES OF 1956, FIRST EXTRAORDINARY SESSION, WILL BE DETERMINED BY THE COMMISSION UPON AN ENGINEERING REVIEW AND FINAL AUDIT SUBSEQUENT TO THE TIME WHEN THE WORK UNDER ANY OF THESE ITEMS IS COMPLETED; AND THE EXECUTIVE OFFICER, OR THE ASSISTANT EXECUTIVE OFFICER, OR THE MINERAL RESOURCES ENGINEER IS AUTHORIZED TO EXECUTE APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S CONDITIONAL APPROVAL.

TABULATION OF COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH DURING AUGUST AND
SEPTEMBER 1956 INCLUDING "SUBSIDENCE COSTS" ESTIMATED BY LONG BEACH HARBOR DEPARTMENT

<u>WORK ITEM</u>	<u>LOCATION</u>	<u>SPECIFICATION NUMBER</u>	<u>WORK STATUS % COMPLETED</u>	<u>COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH DURING AUGUST & SEPTEMBER 1956 FOR WHICH COMMISSION APPROVAL HAS BEEN REQUESTED.</u>	<u>HARBOR DEPARTMENT ESTIMATED % SUBSIDENCE COSTS</u>
Transit Shed	Pier 1	388	99	\$ 15,183.40	100
Wharf	Berths 12-13	393	64	103,449.63	90
Bulkhead	Berth 27	399	99	4,000.00*	80
Transit Shed	Berths 20-21	412	58	119,661.53	7
Bulkhead	Berth 11	418	99	34,077.59	100
Railroad Ties	**	432	90	15,000.00*	**
Rock	**	444	100	15,000.00*	**
Warehouse No. 5	Berth 10	446	100	38,700.37	25
Wharf	Berths 122-124	448	100	54,556.17	10
Track Raising	Seaside Blvd.	451	86	24,450.50	90
Railroad	Pier C	455	58	1,000.00*	5
Fireboat Landing	Berth 37	473	79	6,333.75	16
Building Removal	General	474	90	9,076.00*	95
Water Line	El Embarcadero	476	80	17,186.40	100
Building Removal	General	481	65	3,000.00*	100
Paving	**	483	55	23,481.41	**
Dirt	**	486	5	10,000.00*	**
Building Removal	General	487	2	3,000.00*	100
			Subtotal	\$ 497,156.75	
Property Acquisition (Aug. & Sept.)				200,000.00*	100
Engineering Salaries (September)				50,000.00*	50
Applicable Costs (Aug. & Sept.)				600,000.00*	100
			Subtotal	\$ 850,000.00	
			Total	\$ 1,347,156.75	

*Estimated Amounts

**Distributed to several accounts -

Subsidence percentage to be determined
after material is placed.