

MINUTE ITEM

23. CONSIDERATION OF SUBSIDENCE COSTS PROJECT, LONG BEACH - L.B.W.O. 10,092.

After consideration of Calendar Item 33 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION CONDITIONALLY APPROVES THE TOWN LOT AREA PROJECT AS A SUBSIDENCE PROJECT AND THE COSTS PROPOSED TO BE EXPENDED THEREUNDER FOR ITEMS OF WORK FOR THE 1959-60 FISCAL YEAR, AS SHOWN ON EXHIBIT "A" ATTACHED, SUBJECT TO THE CONDITIONS, HOWEVER, THAT THE AMOUNT, IF ANY, OF SUCH COSTS TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COSTS DEDUCTIBLE UNDER SECTION 5(a) OF CHAPTER 29, STATUTES OF 1956, 1ST E.S., WILL BE DETERMINED BY THE COMMISSION UPON AN ENGINEERING REVIEW AND FINAL AUDIT SUBSEQUENT TO THE TIME WHEN THE ITEMS OF WORK HAVE BEEN COMPLETED; AND THAT THE WORK CONFORM IN ESSENTIAL DETAILS TO THE PLANS AND BACKGROUND MATERIAL AS HERETOFORE SUBMITTED TO THE COMMISSION; PROVIDED THAT NO ESTIMATE SHALL BE PRESENTLY MADE OF THE AMOUNT OF SUBSIDENCE DEDUCTION ULTIMATELY TO BE ALLOWED BY VIRTUE OF SAID ACQUISITIONS AND SAID WORK; FURTHER, THE CITY OF LONG BEACH IS NOT AUTHORIZED TO WITHHOLD FROM REVENUES DUE THE STATE ANY PORTIONS OF THE COSTS OF THE TOWN LOT PROJECT UNTIL COMMISSION APPROVAL HAS BEEN HAD; FINALLY, THE EXECUTIVE OFFICER OR THE ASSISTANT EXECUTIVE OFFICER OR THE SUPERVISING MINERAL RESOURCES ENGINEER ARE AUTHORIZED TO EXECUTE APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S CONDITIONAL APPROVAL.

Attachment

Calendar Item 33 (4 pages)

CALENDAR ITEMS

33.

CONSIDERATION OF SUBSIDENCE COSTS PROJECT, LONG BEACH - L.B.W.O. 10,092.

As reported to the Commission July 24, 1956 (Minute Item 1, pages 2750-51), Opinion No. 56/145 of June 29, 1956 by the Attorney General indicates that prior approval of the State Lands Commission is required for costs to be expended by the City of Long Beach to remedy and protect against the effects of subsidence of the land surface within the boundaries of the Long Beach Harbor District and within the boundaries of the Long Beach Tidelands situated outside of said Harbor District. The office of the Attorney General has also advised that the Commission may make a conditional prior approval of projects involving subsidence cost expenditures, subject to final approval of allowances after work has been completed, and an engineering review and audit have been made, thus qualifying the ultimate audited expenditures for credit in accordance with Chapter 29 of the Statutes of 1956, 1st E.S.

In the month of September 1957 and during each subsequent monthly meeting in the 1957-58 Fiscal Year the Commission approved costs on a monthly basis for expenditures by the City of Long Beach for Property Purchase, Areal Fill, Building Removal and Demolition, Utility Work, East Approach to the Pontoon Bridge, Oil Facility Relocation and Raising and Force Account in the Town Lot area project with provisions that no estimate shall presently be made of the amount of subsidence deduction, and that no deductions be made by the City of Long Beach until Commission approval has been had. The above actions were made on a monthly basis rather than the 1957-58 Fiscal Year basis since the Town Lot project was not processed sufficiently to be proposed in its entirety and had not been reviewed in all its aspects by the staff.

Information necessary for staff review had been requested from the Long Beach Harbor Department on June 3, 1957 and was received from them in preliminary report form on May 6, 1958.

On June 11, 1958 (Minute Item 22, pages 4120-4125, L.B.W.O. 10,071), the Commission, after imposing the conditions outlined above, approved the costs proposed to be expended by the City of Long Beach on the Town Lot project during the 1958-59 Fiscal Year.

At the meeting of the Commission on March 25, 1959, the Chairman of the Commission directed that the opinion of the Attorney General be requested as to the establishment of the principles for cost deductions by the City of Long Beach and for State participation in any enhanced values of properties acquired by the City with the aid of subsidence deductions.

Pending receipt of the opinion of the Attorney General it is thought desirable that the present status of conditional approval continue.

IT IS RECOMMENDED THAT THE COMMISSION CONDITIONALLY APPROVE THE TOWN LOT AREA PROJECT AS A SUBSIDENCE PROJECT AND THE COSTS PROPOSED TO BE EXPENDED THEREUNDER FOR ITEMS OF WORK FOR THE 1959-60 FISCAL YEAR, AS SHOWN ON EXHIBIT "A"

CALENDAR ITEM 33. (CONTD.)

ATTACHED, SUBJECT TO THE CONDITIONS, HOWEVER, THAT THE AMOUNT, IF ANY, OF SUCH COSTS TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COSTS DEDUCTIBLE UNDER SECTION 5(a) OF CHAPTER 29, STATUTES OF 1956, 1ST E.S., WILL BE DETERMINED BY THE COMMISSION UPON AN ENGINEERING REVIEW AND FINAL AUDIT SUBSEQUENT TO THE TIME WHEN THE ITEMS OF WORK HAVE BEEN COMPLETED; AND THAT THE WORK CONFORM IN ESSENTIAL DETAILS TO THE PLANS AND BACKGROUND MATERIAL AS HERETOFORE SUBMITTED TO THE COMMISSION; PROVIDED THAT NO ESTIMATE SHALL BE PRESENTLY MADE OF THE AMOUNT OF SUBSIDENCE DEDUCTION ULTIMATELY TO BE ALLOWED BY VIRTUE OF SAID ACQUISITIONS AND SAID WORK; FURTHER, THE CITY OF LONG BEACH IS NOT AUTHORIZED TO WITHHOLD FROM REVENUES DUE THE STATE ANY PORTIONS OF THE COSTS OF THE TOWN LOT PROJECT UNTIL COMMISSION APPROVAL HAS BEEN HAD; FINALLY, THAT THE EXECUTIVE OFFICER OR THE ASSISTANT EXECUTIVE OFFICER OR THE SUPERVISING MINERAL RESOURCES ENGINEER BE AUTHORIZED TO EXECUTE APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S CONDITIONAL APPROVAL.

Attachment

Exhibit "A"

EXHIBIT "A"

LONG BEACH WORK ORDER NO. 10,092 - Project and Estimates Submitted by the Port of Long Beach - TOWN LOT.

<u>ITEM</u>	<u>AFE</u>	<u>WORK PROPOSED</u>	LEHD ESTIMATED		<u>SUBSI- DENCE AUTHORI- ZATION</u>
			<u>TOTAL PROJECT EXPENDITURES JULY 1, 1959 TO JUNE 30, 1960</u>		
1	310	Property Purchase - Area 7			*
		<u>Lot</u>	<u>Block</u>	<u>Tract</u>	
		19	7	Back Bay No. 1	\$4,000
		4	8	Back Bay No. 1	1,700
		9, 10, 13, 14	8	Back Bay No. 1	7,000
		11-16	10	Plat No. 2, Seaside	17,000
		17-22	10	Plat No. 2, Seaside	22,000
		27-31	10	Plat No. 2, Seaside	13,200
		3-5	13	Plat No. 2, Seaside	6,320
		8, 9	13	Plat No. 2, Seaside	4,340
		16, 17	13	Plat No. 2, Seaside	4,350
		20, 21	13	Plat No. 2, Seaside	5,500
		21-26, 32-35		1960	17,500
		11-13	A	6070	4,100
		1-7, 26	B	6070	10,200
		12-21	B	6070	18,400
		39	10	Plat No. 2, Seaside	2,850
		40	10	Plat No. 2, Seaside	2,850
		6, 7	11	Plat No. 2, Seaside	6,500
		8, 9	11	Plat No. 2, Seaside	6,000
		10	11	Plat No. 2, Seaside	3,000
		16, 17	11	Plat No. 2, Seaside	6,400
		5, 6	12	Plat No. 2, Seaside	5,000
		11-15	12	Plat No. 2, Seaside	16,000
		19	12	Plat No. 2, Seaside	3,000
		6	13	Plat No. 2, Seaside	2,580
		1-3, 8-10, 13-26	14	Plat No. 2, Seaside	47,225
		59-61		1960	9,000
		86		1960	1,400
		20, 36-41, 43-49, 52-58, 73, 74, 75 2-1/2 acre tri- angular strip north of Tract 1960		1960	136,450
		Miscellaneous costs			38,135

(continued)

EXHIBIT "A" (CONTINUED)

<u>ITEM</u>	<u>AFE</u>	<u>WORK PROPOSED</u>	<u>LBHD ESTIMATED TOTAL PROJECT EXPENDITURES JULY 1, 1959 TO JUNE 30, 1960</u>	<u>SUBSI- DENCE AUTHORI- ZATION</u>		
316		Property Purchase - Area 4		*		
	<u>Parcel</u>	<u>Lots</u>	<u>Block</u>	<u>Tract</u>		
	233	E. 80 ft. of 35	8	Plat No. 2, Seaside	\$ 3,000	
	39	1-6	12	Replat Back Bay No. 1	24,600	
	55	4	10	Back Bay No. 1	4,500	
	36	25	13	Replat Back Bay No. 1	4,730	
	61	13	10	Back Bay No. 1	4,800	
	148	1-7, 29-35	5	Plat No. 2, Seaside	45,900	
	163	8	6	Plat No. 2, Seaside	3,000	
	170	18, 20, 21, 22	6	Replat of Plat No. 2, Seaside	16,250	
	174	28, 29	6	Plat No. 2, Seaside	6,000	
	192	Portion of 16, 17, 18	7	Replat Plat No. 2, Seaside	8,500	
	253	29, 30	9	Plat No. 2, Seaside	6,000	
	121	S. 150 ft. of 1 & 2	3	Plat No. 1, Seaside	6,000	
		Miscellaneous Costs			13,320	
2	311	Building Demolition, Area 7			10,200	*
	317	Building Demolition, Area 4			64,000	
3	312	Fill, Area 7			2,893,000	*
	318	Fill, Area 4			2,006,000	
4	313	Public Utilities, Area 7			369,900	*
	319	Public Utilities, Area 4			193,000	
5	315	Oil Facilities, Area 7			185,100	*
	320	Oil Facilities, Area 4			307,000	
6	347	Mitchell Avenue Water Main			73,400	*
7	350	Mitchell Avenue Telephone Facilities			19,300	*
8	351	Interim Street System			42,200	*
				Total	\$ 6,732,700	

\*- Subject to later determination by the State Lands Commission.