

MINUTE ITEM

6/78
Thompson

25. APPROVE PROPOSED ADDITIONAL COST SUB PROJECT, STATE
LANDS EXPENSE - CITY OF LONG BEACH - W 10331

During consideration of Calendar Item 25, the Commission denied the staff's recommendation by a vote of 3-0. It was their view the City of Long Beach is requesting the Commission to approve a reimbursement which the City has already expended prior to the Commission's approval.

Commission Alternate Sid McCausland also removed from the record a statement he made earlier during the meeting that the City of Long Beach had used generally acceptable accounting practices in their dealings with the State Lands Commission.

Attachment: Calendar Item 25 (three pages)

A 52, 57, 58
S 27, 31

CALENDAR ITEM

25.

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APPROVE PROPOSED ADDITIONAL COST
SUB PROJECT, STATE LANDS EXPENSE

CITY OF LONG BEACH

SUBSIDENCE REMEDIAL PROJECT:

Sub-project; State Lands Expense, Subsidence
Studies, 1977-78 fiscal year.

SUBSIDENCE ELEMENTS:

- a. City's presentation: Additional funds are needed to cover City's expenses for staff work on subsidence cost reimbursable projects in the current fiscal year.
- b. Staff Analysis: This \$25,000 supplement would increase annual funding to \$105,000. Expenditure of \$105,000 for work performed by the City and charged against State Lands Expense is a very large amount when viewed against the record of project finalization by the City. During this fiscal year there has been final settlements of only 5 subsidence projects, partly because of delays requested by the city in settling the accounts for these and other projects, and 6 prior approval requests of which 3 are on this month's calendar. The city's billings against this account during the fiscal year to date indicate additional fund approval is necessary.

COST OF THE PROJECT:

City's Estimate: \$25,000.

Staff's Analysis: \$25,000 recommended.

FISCAL IMPACT:

Costs will be borne 100% by the State.

STATUTORY AUTHORITY:

City's Reference: Ch. 138/64, 1st E.S.

A 52, 57, 58

S 27, 31

CALENDAR ITEM NO. 25. (CONTD)

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

DISCUSSION:

Request for approval of additional funds was made by letter from the Port of Long Beach General Manager dated May 4, 1978. Additional information requested by the staff was submitted by letter dated May 24, 1978.

A preliminary audit by the Commission staff shows the city has overexpended the \$80,000 prior approval for State Lands Expense in the current fiscal year.

EXHIBIT: A. Cost Estimate

IT IS RECOMMENDED THAT THE COMMISSION:

1. APPROVE COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH FOR SUB-PROJECT, STATE LANDS EXPENSE AS INDICATED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, FOR THE PERIOD FROM JUNE 22, 1978 TO JUNE 30, 1978; SUBJECT TO THE CONDITION THAT THE AMOUNT, IF ANY, FOR WORK ON THIS ITEM TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COST DEDUCTIBLE UNDER CH. 138/1964, 1ST E.S., SEC. 4(d) WILL BE DETERMINED BY THE COMMISSION UPON AN ENGINEERING REVIEW AND FINAL AUDIT AFTER THE WORK IS COMPLETED.
2. IT IS FURTHER RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTION OF APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S APPROVAL.

Attachment: Exhibit "A"

EXHIBIT "A"

W 10331

LONG BEACH WORK ORDER NUMBER 10331

Project and Estimates Submitted by the City of Long Beach

SUBSIDENCE STUDIES, 1977-78 FISCAL YEAR

<u>ITEM</u>	<u>WORK PROPOSED</u>	<u>LBHD ESTIMATED PROJECT EXPENDITURES JUNE 22, 1978 to JUNE 30, 1978</u>	<u>RECOMMENDED APPROVAL ESTIMATED SUBSIDENCE COSTS</u>
1.	Subsidence Studies, State Lands Expense	\$25,000	\$25,000