MINUTE ITEM
This Calendar Item No. C36
was approved as Minute Item
No. 36 by the State Lands
Commission by a vote of 3
to 0 at its 12/17/92
meeting.

CALENDAR ITEM

C36

A 57, 58

S 29

12/17/92
W 10424
Gaal

CLOSING ACCOUNTS OF TIDELANDS OIL REVENUE EXPENDITURES FOR SUBSIDENCE VERTICAL AND HORIZONTAL MEASUREMENTS AND STUDIES, CITY OF LONG BEACH, LOS ANGELES COUNTY 1991-92 FISCAL YEAR

SUBSIDENCE PROJECT:
Subsidence vertical and horizontal measurements and studies in the City of Long Beach Harbor District between July 1, 1991 and June 30, 1992.

FISCAL IMPACT:
Allowable subsidence costs amount to $273,017.10 and are payable to the City of Long Beach from tideland oil revenues in accordance with Chapter 138, Section 4(d).

STATUTORY AUTHORIZED:
Chapter 138/'64 1st E.S., Section 1(3) and 4(d).

AB 884:
N/A.

OTHER PERTINENT INFORMATION:

1. On May 1, 1991, the Commission granted prior approval to the City of Long Beach for $255,000 in subsidence cost expenditures to be used to conduct vertical and horizontal measurements and studies in the Long Beach Harbor District during the 1991-1992 fiscal year.

   On May 5, 1992, prior approval of an additional $20,000 was authorized by the Commission to meet anticipated increased vertical measurement costs due mainly to overhead for additional workers compensation and salary increases.

The work consists of analysis and interpretation of data developed from twice yearly elevation and linear surveys carried out through an established network of ground control points dispersed throughout the project area. The purpose is to detect the occurrence, if any, of subsidence of the land surface. The vertical (elevation) surveys are conducted each May and November and the horizontal (linear) surveys each February and August. No significant change in the Harbor District land surface was detected during 1991-92.

Expenditures for the vertical measurements and studies were more than the prior approval amount of $265,000 by $12,960.07 (4.9%). Higher operating costs occurred due to personnel salary and worker's compensation rate increases. Because the City of Long Beach did not apply for Commission prior approval of these additional costs as required by Chapter 138, Sec. 1(e), the over-expenditure was absorbed by the Harbor Department. The cost of the horizontal measurements and studies was less than the $10,000 amount approved by $1,982.90 (19.8%). A staff audit confirms the incurred charges.

2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

   Authority: P.R.C. 21065 and 14 Cal. Code Regs. 15378.

APPROVALS OBTAINED:

May 1, 1991, Minute Item C21 and May 5, 1992, Minute Item C32.

CONDITIONS FULFILLED:

1. That the amounts, if any, to be allowed ultimately as subsidence costs deductible under Chapter 138/'64 1st E.S., Section 4(d), would be determined by the Commission upon an engineering review and final audit by Commission staff after the work was completed.

2. That the scope of work performed is essentially in conformance with details of such work as previously defined by the Commission.

EXHIBIT:

A. Subsidence Cost Determination, Results of Engineering Review and Final Audit upon Completion of the Work

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL . CODE REGS. 15378.

2. DETERMINE THAT THE SUBSIDENCE COSTS DEDUCTIBLE FROM TIDELAND OIL REVENUE UNDER PROVISIONS OF CHAPTER 138/'64 1ST E.S., SECTION 4(d) FOR PORT OF LONG BEACH SUBSIDENCE VERTICAL AND HORIZONTAL MEASUREMENTS AND STUDIES DURING FISCAL YEAR 1991-92 ARE AS SHOWN ON EXHIBIT "A" ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF.

3. ON THE BASIS OF THIS DETERMINATION, AUTHORIZE THE FINAL CLOSING OF THESE ACCOUNTS.

EXHIBIT "A"

SUBSIDENCE COST DETERMINATION
RESULT OF ENGINEERING REVIEW AND FINAL AUDIT
UPON COMPLETION OF THE WORK

Project Description	Commission Prior Approvals Amount	Subsidence Costs Deducted From Oil Revenues by City of Long Beach	Determination of Allowable Subsidence Costs	Adjustment Due City
Vertical Measurements and Studies 1991-92 FY	$265,000	$265,000.00	$265,000.00	-0-
Horizontal Measurements and Studies 1991-92 F.Y.	$ 10,000	$ 8,017.10	$ 8,017.10	-0-
Total	$275,000	$273,017.10	$273,017.10	-0-