

MINUTE ITEM

This Calendar Item No. C46
was approved as Minute Item
No. 46 by the State Lands
Commission by a vote of 3
to 0 at its 11-9-93
meeting.

CALENDAR ITEM

C46

A 57, 58

11/09/93

S 29

W 10425

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CLOSING ACCOUNTS OF TIDELANDS OIL REVENUE EXPENDITURES
FOR SUBSIDENCE VERTICAL AND HORIZONTAL MEASUREMENTS AND STUDIES,
CITY OF LONG BEACH, LOS ANGELES COUNTY
1992-93 FISCAL YEAR

SUBSIDENCE PROJECT:

Subsidence vertical and horizontal measurements and studies in
the City of Long Beach Harbor District between July 1, 1992 and
June 30, 1993.

FISCAL IMPACT:

Allowable subsidence costs amount to \$190,182.46 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(e) and 4(d).

AB 884:

N/A

OTHER PERTINENT INFORMATION:

1. On May 5, 1992, the Commission granted prior approval
to the City of Long Beach for \$280,000 in subsidence
cost expenditures to be used to conduct vertical and
horizontal measurements and studies in the Long Beach
Harbor District during the 1992-1993 fiscal year.

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 1992-93.

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| CALENDAR PAGE | 411 |
| MINUTE PAGE | 2652 |

CALENDAR ITEM NO. C46 (CONT'D)

Expenditures for the vertical measurements and studies were less than the prior approval amount of \$270,000 by \$81,861.61 (30.3%). Lower operating costs occurred due to the use of one-time temporary college surveying interns which reduced surveying costs by \$60,000. Also, less benchmark maintenance was required than normal and no reruns of survey lines were necessary which resulted in additional lower survey costs. The cost of the horizontal measurements and studies was less than the prior approval amount of \$10,000 by \$7,955.93 (79.6%). 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 5, 1992, Minute Item C33.

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.

CALENDAR ITEM NO. C46 (CONT'D)

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 1992-93 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.

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| CALENDAR PAGE | 413 |
| MINUTE PAGE | 2654 |

EXHIBIT "A"

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

| <u>Project Description</u> | <u>Commission Prior Approvals Amount</u> | <u>Subsidence Costs Deducted From Oil Revenues by City of Long Beach</u> | <u>Determination of Allowable Subsidence Costs</u> | <u>Adjustment Due City</u> |
|--|--|--|--|----------------------------|
| Vertical Measurements and Studies 1992-93 FY | \$270,000 | \$188,138.39 | \$188,138.39 | -0- |
| Horizontal Measurements and Studies 1992-93 F.Y. | \$ 10,000 | \$ 2,044.07 | \$ 2,044.07 | -0- |
| Total | \$280,000 | \$190,182.46 | \$190,182.46 | -0- |