

MINUTE ITEM

This Calendar Item No. 24
was approved as Minute Item
No. 24 by the State Lands
Commission by a vote of 9
to 0 at its 4-28-76
meeting

CALENDAR ITEM

24

4/76
WMT
W 10302

PROPOSED EXPENDITURE OF TIDELAND OIL REVENUE
FOR SUBSIDENCE REMEDIAL WORK
CITY OF LONG BEACH

SUBSIDENCE REMEDIAL PROJECT:
Seventh Street Maintenance Yard Area Raising,
Storm Drain System.

SUBSIDENCE ELEMENTS:

A. City's Analysis: This portion of the pro-
ject contains subsidence
costs inasmuch as the work
consists of replacement
of facilities which becomes
non-functional because of
Subsidence.

B. Staff Analysis: The staff agrees with the
City's analysis.

COST OF THE PROJECT:

A. City's Estimate: \$54,000 (2nd Phase).

Subsidence Portion: 86.587%
or
\$46,757

B. Staff Comment: Reasonable.

FISCAL IMPACT: 100% of the subsidence costs to be borne by
the State.

STATUTORY AUTHORITY:

Chapter 138/64, 1st E.S.

COMPLIANCE WITH CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970,
AS AMENDED:

The City of Long Beach Planning Commission made
a determination that this project, to demolish
obsolete structures and restore natural drain-
age, is categorically exempt from the require-
ment for preparation of an environmental impact
report.

OTHER PERTINENT INFORMATION:

Details of the portion of the project considered
herein are set forth in letters dated November
19, 1975, January 30, 1976, and March 9, 1976,
from the City supplying supportive material
and making request for prior approval of the
Commission. The project site has subsided
approximately 7 feet.

A 52, 57, 58

S 27, 31

CALENDAR ITEM NO. 24 (CONTD)

EXHIBITS: A. Cost Estimate. B. Vicinity Sketch.
C. Detail Sketch.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH REPORT IS NOT REQUIRED UNDER THE PROVISIONS OF 14 CAL. ADM. CODE 15100 ET SEQ.; AND PRC 21085.
2. APPROVE COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH, INCLUDING SUBSIDENCE REMEDIAL WORK, AS INDICATED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, FOR THE PERIOD FROM APRIL 28, 1976, TO TERMINATION DATE; SUBJECT TO THE CONDITIONS THAT THE AMOUNTS, IF ANY, OF EACH OF THE ITEMS TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COSTS, DEDUCTIBLE UNDER SECTION 4(d) OF CH. 138/64, 1ST. E.S., 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 THAT THE WORK CONFORM IN ESSENTIAL DETAILS TO THE PLANS AND BACKGROUND MATERIAL HERETOFORE SUBMITTED TO THE COMMISSION. IT IS FURTHER RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTION OF APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S CONDITIONAL APPROVAL.

Attachment: Exhibit "A"

EXHIBIT "A"

W 10302

<u>ITEM</u>	<u>AFE</u>	<u>WORK PROPOSED</u>	<u>LRHD ESTIMATED PROJECT EXPENDITURES APRIL 28, 1976 TO TERMINATION</u>	<u>ESTIMATED SUBSIDENCE COSTS</u>
1	934	Seventh Street Maintenance Yard Area Raising Storm Drain System (2nd Phase)	\$54,000	\$46,757 (86.587%)

NOTE: The term "2nd Phase" consists of costs approved subsequent to review of detailed construction plans and/or other data sufficient to guide construction operations.

HARBOR DEPARTMENT
COST ESTIMATE
SEVENTH STREET YARD AREA
STORM DRAIN SYSTEM

92' - 8" RCP @ \$12	\$ 1,104
159' - 12" RCP @ \$20	3,180
530' - 15" RCP @ \$25	13,250
1 - Manhole Type D @ \$800	800
2 - Catch Basins @ \$700	1,400
Subtotal	\$ 19,734
Lift Station (less pump) @ \$16,000	16,000
Subtotal	\$ 35,734
Contingency (approximately 20%) Engineering	7,266 8,000
Subtotal Construction	\$ 51,000
Removal of Existing Pump Station and Discharge Line	\$ 3,000
TOTAL PROJECT (less Pump)	\$ 54,000

EXHIBIT "A"

W 10302

PROJECT: Seventh Street Yard Area Raising
SUBJECT: Storm Drain System
ACTIVITY: Calculation of Subsidence Factor for the Storm Drain System
REFERENCE: Request for Prior Approval of Subsidence Costs, Application SLC-290 C, dated January 30, 1976, with attachments.

A. BASIC DATA:

1. Cost of New Storm Drain System

Estimated Direct Costs (Pipe, MH, CB)	\$19,734.00
Engineering and Contingency	8,431.00
	<u>\$28,165.00</u>

2. Current cost of Old Storm Drain (at the time of abandonment)

Estimated Direct Costs (Pipe, MH, CB)	\$16,050.00
Engineering and Contingency	7,487.00
	<u>\$23,537.00</u>

B. BETTERMENT:

Cost of new storm drain system less the current in-kind replacement cost of the old storm drain system,

$$\$28,165.00 - \$23,537.00 = \$ 4,628.00$$

C. DEPRECIATION ALLOWANCE:

The original storm drain was constructed in 1949.
ENR Construction Cost Index

1949 = 477
1976 = 2,318 (at the time of abandonment)

Equivalent Original Cost

$$477/2318 \times \$23,537.00 = \$ 4,843.00$$

Depreciation Factor = 27 yrs/50yrs = .54

$$\text{Depreciation Allowance} = .54 \times 4843 = \$ 2,615.00$$

Seventh Street Yard Area Raising
(Contd)

W 10302

D. SUBSIDENCE FACTOR: (Storm Drain)

Total Project Cost		\$54,000.00
Less: Betterment	\$ 4,628.00	
Depreciation	<u>2,615.00</u>	
Allowable Subs. cost =		(7,243.00) <u>\$46,757.00</u>
Subsidence Factor = $\$46,757.00 / \$54,000 = .86587$ or 86.587%		

NOTE: The final subsidence cost will be subject to verification of data pertinent to the original storm drain and adjustment based on an analysis of the actual installation cost for the new storm drain.