

MINUTE ITEM

This Calendar Item No. C61 was approved as
Minute Item No. 61 by the California State Lands
Commission by a vote of 3 to 0 at its
6-14-99 meeting.

**CALENDAR ITEM
C61**

A 57, 58

06/14/99

W 10433

C. Duda

M. Voskanian

S 29

**CONSIDER PRIOR APPROVAL OF SUBSIDENCE COSTS
FOR VERTICAL AND HORIZONTAL MEASUREMENTS
AND STUDIES, 1999-2000 FISCAL YEAR, CITY OF
LONG BEACH HARBOR DISTRICT, LOS ANGELES COUNTY
AND A REQUEST FOR \$350,000 FOR MAINTENANCE AND REPAIR OF THE
NAPLES SEAWALL**

APPLICANT:

City of Long Beach
Department of Oil Properties
Attention: Mr. Dennis M. Sullivan, Director
211 E. Ocean Blvd., Suite 500
Long Beach, California 90802

BACKGROUND:

The City of Long Beach (City) conducts ground elevation and horizontal distance measurement surveys and studies twice each year throughout the Harbor District for the purpose of monitoring changes that may be attributable to subsidence. The project consists of vertical and horizontal measurements and studies in the City of Long Beach Harbor District between July 1, 1999 and June 30, 2000. A major portion of the work effort and cost is in the vertical measurement (elevation) surveys and studies. The City estimates the cost of the work to be:

Vertical Measurements and Studies	\$410,000
Consultants and Contingencies	\$250,000
Horizontal Measurements and Studies	<u>\$ 15,000</u>
	\$675,000

The estimated cost for vertical measurements and studies has increased by \$15,000 from the current year's estimate of \$660,000. The increase (2%) in operating cost reflects manpower costs associated with additional data gathering

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for post production plan studies. Costs for consultants and contingencies are included for the integration of GPS survey data with historical differential leveling data and for regional aquifer model studies to better understand the effects of offsetting producers.

Approval of an additional \$350,000 for General Subsidence Maintenance and Repair of Naples seawall is under further investigation. Because of conflicting studies in the past, there is need for an independent evaluation to determine whether subsidence has occurred in the area of Naples, and whether that subsidence, if any, was caused by production of oil from the Long Beach Tidelands.

FISCAL IMPACT:

Subsidence costs for vertical and horizontal measurements and studies conducted in the Long Beach Harbor District are deducted from the Long Beach tidelands oil revenues, with the prior approval of the State Lands Commission in accordance with Chapter 138/64 1st E.S., Section 1(e).

STATUTORY AUTHORITY AND OTHER REFERENCES:

The proposed expenditures are authorized by Chapter 138/64 1st E.S., Section 1(e) subject to prior approval by the State Lands Commission.

OTHER PERTINENT INFORMATION:

1. The City of Long Beach has determined that the project is exempt from the requirements of the CEQA as a categorically exempt project under Class 6, Information Collection, 14 California Code of Regulations, section 15306.
2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Codes of Regulations, section 15061), Commission staff concurs with the City's determination that this project is categorically exempt under CEQA.

EXHIBITS:

- A. Location Map.
- B. Cost Estimate.

PERMIT STREAMLINING ACT DEADLINE:

N/A

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RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

1. CONCUR WITH THE CITY OF LONG BEACH'S DETERMINATION THAT THE PROPOSED ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF CEQA AS A CATEGORICALLY EXEMPT PROJECT, CLASS 6, INFORMATION COLLECTION; AND
2. APPROVE SUBSIDENCE MONITORING COSTS OF ONLY \$675,000, AS DEFINED IN CHAPTER 138/64 1ST E.S., SECTION 1(e) AND AS SHOWN ON EXHIBIT B ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH FOR SUBSIDENCE VERTICAL AND HORIZONTAL MEASUREMENTS AND STUDIES TO BE CONDUCTED IN THE LONG BEACH HARBOR DISTRICT BETWEEN JULY 1, 1999 AND JUNE 30, 2000, SUBJECT TO THE CONDITION THAT THE WORK CONFORMS IN ESSENTIAL DETAILS TO THE DEFINITIONS AND PROCEDURES FOR SUCH WORK ESTABLISHED BY THE COMMISSION ON JUNE 27, 1979, MINUTE ITEM 27.
3. DEFER THE REQUEST TO FUND \$350,000 TO REPAIR THE SEA WALLS AND MAINTENANCE UNTIL A MORE DETAILED INDEPENDENT EVALUATION CAN BE DONE TO DETERMINE WHETHER SUBSIDENCE HAS OCCURRED IN THE AREA OF NAPLES AND IF OIL PRODUCTION FROM THE LONG BEACH TIDELANDS CAUSED IT AND WHETHER SUCH SUBSIDENCE, IF ANY, CAUSED DAMAGE TO THE NAPLES SEAWALL.

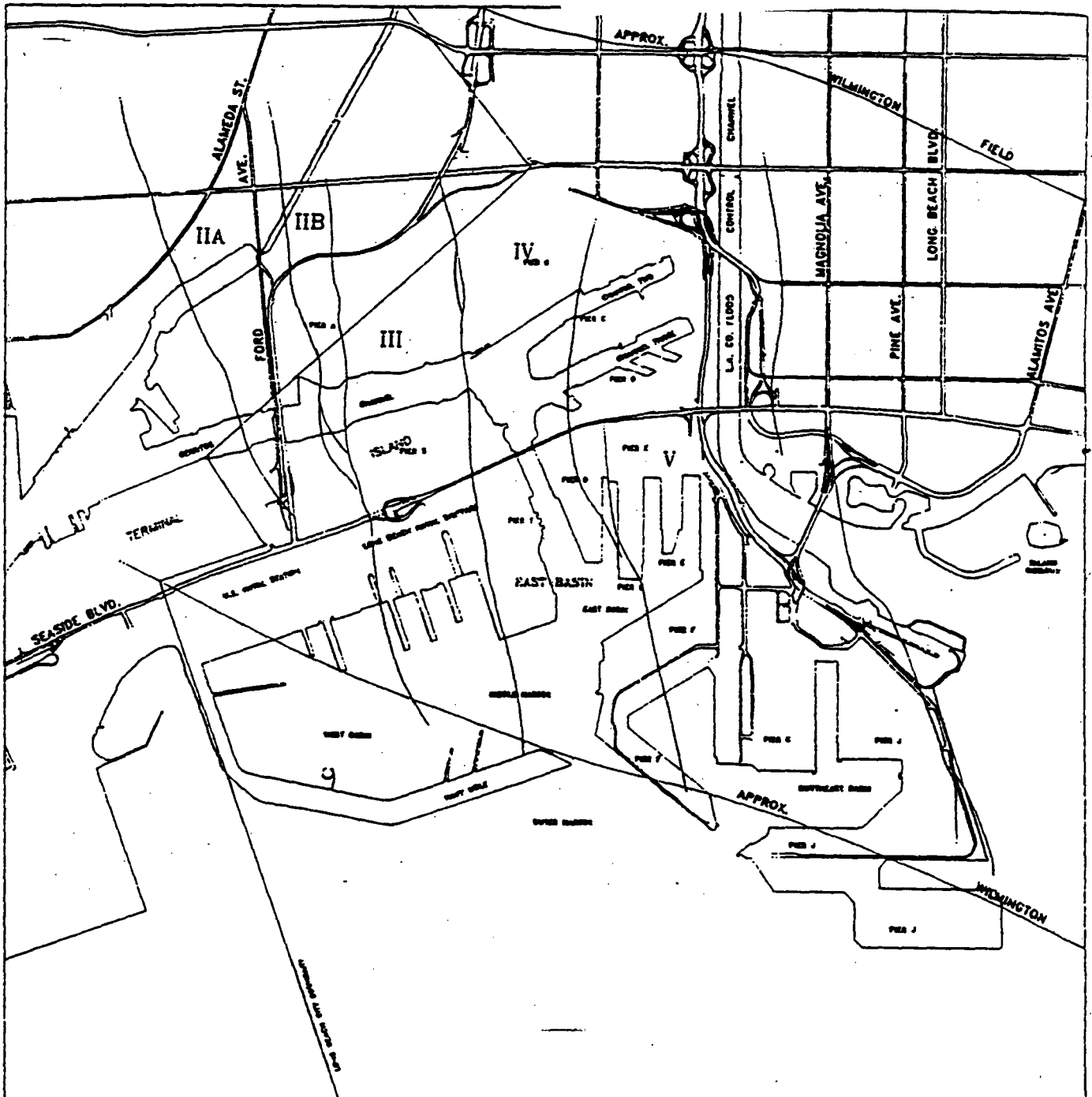


EXHIBIT 'A'
LOCATION MAP

PORT OF LONG BEACH

CALIFORNIA



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EXHIBIT B

**COST ESTIMATE
LONG BEACH WORK ORDER NO. 10433
Estimates Submitted by City of Long Beach for
Subsidence Vertical and Horizontal Surveys,
and Sea Wall Repairs,
1999 - 2000 Fiscal Year**

<u>ITEM</u>	<u>PROPOSED WORK</u>	<u>RECOMMENDED APPROVAL</u>
1.	Vertical Measurements and Studies	\$410,000
2.	Consultants and Contingencies	\$250,000
3.	Horizontal Measurements and Studies	<u>\$ 15,000</u>
	Total	\$675,000
		RECOMMEND DISAPPROVAL
4.	General Subsidence Maintenance and Repair on the sea walls.	\$350,000