

Staff Report 44

PROPOSED ACTION:

Review a proposed tideland oil revenue expenditure in an amount not to exceed \$1,685,000 by the City of Long Beach for four capital improvement projects on and adjacent to legislatively granted sovereign land in the City of Long Beach, Los Angeles County.

GRANTEE:

City of Long Beach

AREA, LAND TYPE, AND LOCATION:

Granted sovereign tide and submerged lands located in the city of Long Beach, Los Angeles County.

BACKGROUND:

The City of Long Beach (City) is a trustee of sovereign tide and submerged lands granted by the Legislature under Chapter 676, Statutes of 1911 and as amended; Chapter 102, Statutes of 1925 and as amended; and Chapter 158, Statutes of 1935. Over the years, there have been many revisions to the statutes granting the City these lands. In 1964, the Legislature amended the City's statutory trust grant to authorize the City to spend tideland oil revenue for specific uses and to require the City to notify the Commission of proposed tideland oil expenditures (Chapter 138, Statutes of 1964, First Extraordinary Session).

The City may only expend tideland oil revenue for uses and purposes that are consistent with the City's granting statutes and for statewide purposes as opposed to purely local interests and benefits. The City is required to file a detailed description of any proposed capital improvement expenditure exceeding \$100,000 with the Commission 60 days before disbursement.

The City proposes to expend \$1,685,000 in tideland oil revenue to fund four projects located both on and adjacent to the Long Beach tidelands (as shown on Exhibit A). The projects, as proposed and described by the City, are as follows:

1. QUEEN MARY CRITICAL DESIGN & INFRASTRUCTURE

On December 8, 2021, the Commission reviewed an expenditure of \$5,000,000 to repair critical systems including mechanical, structural, and safety systems, for the health and safety of future occupants and visitors of the ship. Construction is underway to prepare for the installation of the critical systems. The City is soliciting bids to procure the equipment necessary to complete the repair work described below.

- **Remove 22 lifeboats**

The lifeboats exert undue stress on their support system and the ship's structure. The project will abate lead-based paint (if present) within the lifeboats. 20 replica lifeboats will be removed and disposed of and two original lifeboats will be placed in storage at the ship for historical assessment.

- **Install 11 bilge pumps**

The project includes installation of 11 bilge pumps and an alarm system. The pumps will activate automatically when water is present from firefighting activities or water intrusion due to a leak in the ship's hull. The alarm system will sound in case of water intrusion to warn the operator.

- **Repair five bulkheads**

The project will extend the existing transverse steel walls that separate the ship into six separate watertight compartments. The bulkheads existed but were cut and modified to accommodate visitors. They will be partially rebuilt to contain water intrusion within separate compartments and prevent water from freely flowing to the adjacent compartments.

The City is notifying the Commission of an additional \$1,000,000 expenditure for increased material and labor costs associated with the procurement and installation of equipment and steel.

PREVIOUS COMMISSION REVIEW:

- [Item 72, December 8, 2021](#): \$5,000,000

PROPOSED EXPENDITURE: \$1,000,000

TOTAL PROJECT COST TO-DATE: \$6,000,000

PRELIMINARY SCHEDULE:

- Construction: In Progress
- Completion: Winter 2023

2. ALAMITOS, BAYSHORE, GRANADA, AND JUNIPERO CONCESSION STANDS

On March 8, 2022, the City approved a \$400,000 expenditure to install an exterior vertical platform lift to the second floor deck of the Bayshore concession building. The vertical platform lift is intended to improve access by making the top deck accessible to people who are unable to use the stairs. The Alamitos beach concession building is under construction and the City anticipates completion this year. No changes are anticipated to the completed Junipero and Granada concession stands.

The City is notifying the Commission of an additional \$400,000 expenditure of tideland oil revenue for the installation of a vertical lift platform.

PREVIOUS COMMISSION REVIEW:

- [Item C91, April 19, 2018](#): \$6,830,535
- [Item C72, December 3, 2018](#): \$4,853,387
- [Item 73, August 23, 2019](#): \$1,352,011
- [Item 70, April 29, 2020](#): \$2,150,989

PROPOSED EXPENDITURE: \$400,000

TOTAL PROJECT COST TO-DATE: \$15,586,922

PRELIMINARY SCHEDULE:

- Bid & Award: Summer 2022
- Construction: Summer-Fall 2022
- Completion: Winter 2023

3. COLORADO LAGOON PLAYGROUND

In October 2019, the Commission reviewed a \$350,000 tideland oil revenue expenditure to rehabilitate the Colorado Lagoon Playground. The City installed a new inclusive children's play area, added and improved pathways, and repaired irrigation systems. The City determined that the rehabilitation was necessary because the existing equipment, in the City's estimation, has reached the end of its useful life. Other enhancements included adding picnic tables and seating, landscaping improvements, and Americans with Disabilities Act amenities to create a more accessible environment.

On March 8, 2022, the City approved an additional \$100,000 tideland revenue oil expenditure for the work and \$35,000 for additional staff time. The City is notifying the Commission of an additional \$135,000 expenditure to complete the project.

PREVIOUS COMMISSION REVIEW:

- [Item 74, October 24, 2019](#): \$350,000

PROPOSED EXPENDITURE: \$135,000

TOTAL PROJECT COST TO-DATE: \$485,000

PRELIMINARY SCHEDULE:

- Construction: Spring 2022
- Completion: Spring 2020

4. ALAMITOS BAY WATER QUALITY ENHANCEMENTS

Since 2019, the Commission has reviewed \$750,000 in tideland oil expenditures to evaluate and quantify the impacts of water quality in the Alamitos Bay resulting from the retirement of the AES Alamitos pumping facilities.

The City is notifying the Commission of an additional \$150,000 expenditure of tideland oil revenue to further the design and engineering of the project and to help clarify the overall scale and scope of the improvements required.

PREVIOUS COMMISSION REVIEW:

- [Item 74, October 24, 2019](#): \$200,000
- [Item 58, December 17, 2020](#): \$300,000
- [Item 56, April 26, 2022](#): \$250,000

PROPOSED EXPENDITURE: \$150,000

TOTAL PROJECT COST TO-DATE: \$900,000

PRELIMINARY SCHEDULE:

- Design & Permitting: 2022-2023
- Bid & Award: To be determined
- Construction: To be determined
- Completion: To be determined

STAFF ANALYSIS AND RECOMMENDATION:

The City's statutory trust grant allows various uses of the oil revenue derived from the existing oil fields on the City's granted Public Trust lands.

Section 6(c) of Chapter 138, as amended, authorizes the expenditure of tideland revenues for the construction, repair, operation, and maintenance of bulkheads, piers, earthfills, streets, roadways, bridges, bridge approaches, buildings, structures, recreational facilities, landscaping, parking lots, and other improvements on or adjacent to the Long Beach tidelands or on or adjacent to the Alamitos Beach Park Lands.

Section 6(d) of Chapter 138, as amended, allows tideland revenue to be expended on construction, repair, operation, and maintenance of small boat harbors, marine stadiums, a maritime museum, marine parks, beaches, waterways, and related facilities on or adjacent to the Long Beach tidelands or on, or adjacent to, the Alamitos Beach Park Lands.

Based on the information provided by the City, the proposed capital improvement projects do not appear to be inconsistent with the uses set forth in Section 6(c) and (d) of Chapter 138, as amended by Chapter 941, Statutes of 1991. As required by the statutory trust grant, the proposed expenditures are for the benefit and use of the statewide public and for uses and purposes not inconsistent with the City's statutory trust grant.

OTHER PERTINENT INFORMATION:

1. Pursuant to Chapter 138, Statutes of 1964, as amended by Chapter 941, Statutes of 1991 (Chapter 138), the Commission has 60 days to notify the City that a proposed capital improvement is not consistent with Chapter 138.
2. The City's grant requires that it maintain separate tidelands accounts identified as the Harbor Fund, Tidelands Fund, and Tidelands Oil Revenue Fund. The proposed capital improvement projects will be funded with tideland oil revenue from the Tidelands Fund.
3. The proposed action is consistent with the "Meeting Evolving Public Trust Needs" Strategic Focus Area of the Commission's 2021- 2025 Strategic Plan.

4. Reviewing the proposed expenditures of tideland oil revenue for consistency with Chapter 138 is not a project in accordance with the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes to the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15060, subdivision (c)(3).

EXHIBIT:

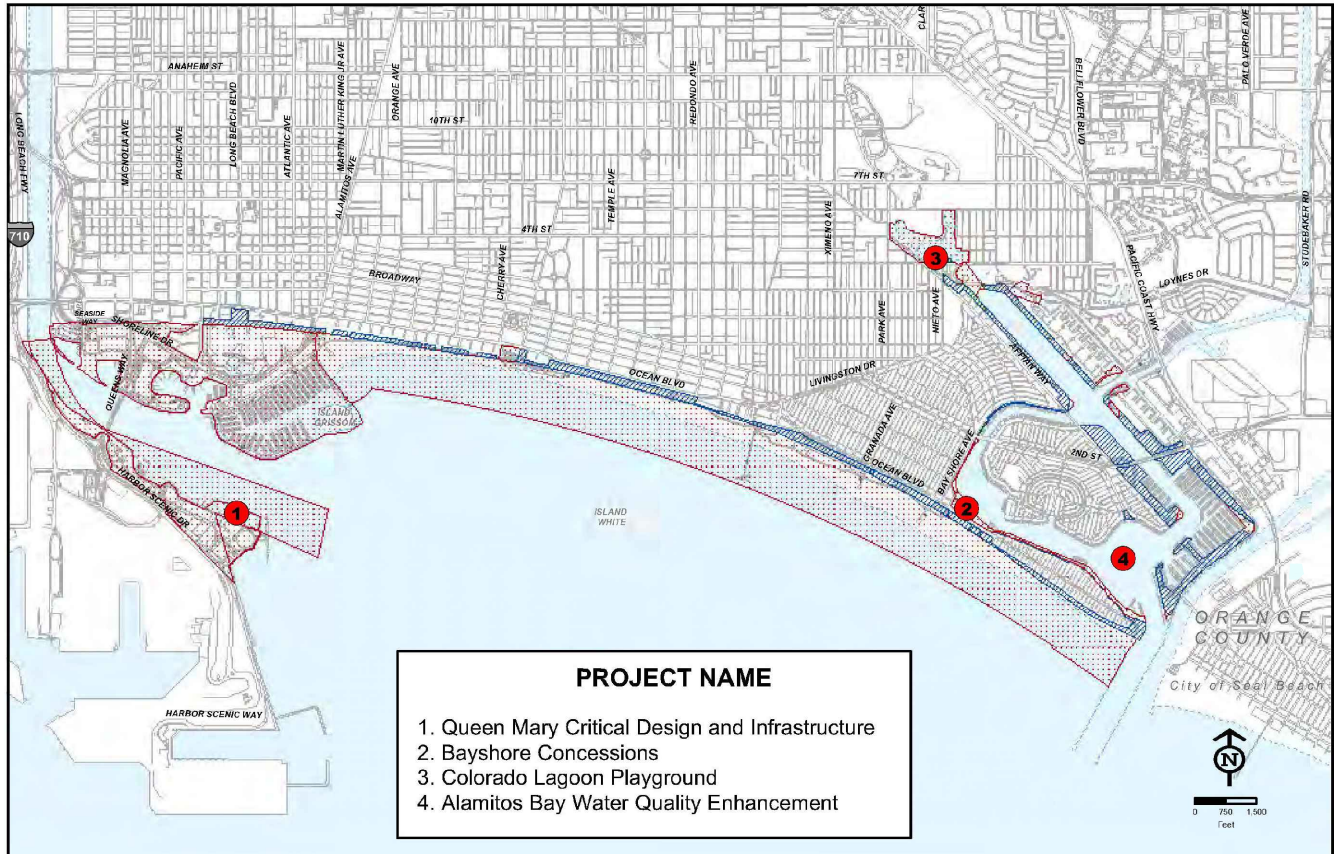
A. Location and Site Map

RECOMMENDED ACTION:

It is recommended that the Commission:

Find that, based on the information provided by the City, the proposed expenditures of tideland oil revenue in the amount of \$1,685,000 for four capital improvement projects located on and adjacent to legislatively granted sovereign land in the City of Long Beach appear consistent with the uses set forth in sections 6(c) and (d) of Chapter 138, as amended.

NO SCALE



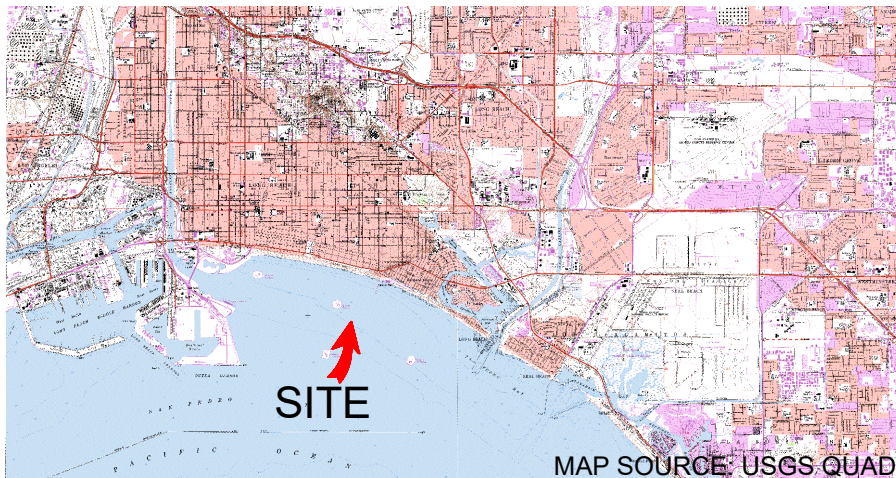
MAP FEATURES

-
- TIDELANDS
CONTIGUOUS AREAS
WATERWAY

LONG BEACH TIDELANDS

NO SCALE

LOCATION



THIS EXHIBIT IS SOLELY FOR PURPOSES OF GENERALLY DEFINING THE LEASE PREMISES, IS BASED ON UNVERIFIED INFORMATION PROVIDED BY THE LESSEE OR OTHER PARTIES AND IS NOT INTENDED TO BE, NOR SHALL IT BE CONSTRUED AS, A WAIVER OR LIMITATION OF ANY STATE INTEREST IN THE SUBJECT OR ANY OTHER PROPERTY.

Exhibit A

CITY OF LONG BEACH
G 05-03
EXPENDITURE OF
OIL REVENUE
LOS ANGELES COUNTY

