MINUTE ITEM

This Calendar Item No. 34 was approved as Minute Item No. 34 by the State Lands Commission by a vote of 3 to 0 at its 11-20-79 meeting.

CALENDAR ITEM

34.

11/79
W 40162
Priddy

APPROVAL OF CONTRACT WITH CITY OF REDONDO BEACH

The City of Redondo Beach has requested the State Lands Commission to enter into a contract with the City to conduct a geological and engineering study of the City's offshore oil and gas operations. The findings and recommendations shall be provided to the City by staff in a report entitled "Assessment of the Petroleum Potential of Unleased Tide and Submerged Lands, Economic Evaluation of the Terms and Conditions of the Existing Oil and Gas Offshore Contract, Projection of Estimated Royalty Revenue from Offshore Oil and Gas Operations, and Review of Field Production accounting procedures, City of Redondo Beach".

The proposed contract provides that the City will pay the State for all expenses up to a total of $23,000. This amount was estimated by staff on the total cost for the project.

The staff of Extractive Development - State leases will perform the study within a 120-day term, with full payment due from the City by August 15, 1980.

The City Council of the City of Redondo Beach approved the contract on November 19, 1979, and, following Commission approval, the contract will be forwarded to the Department of General Services for approval.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THAT CONTRACT WITH THE CITY OF REDONDO BEACH TO CONDUCT A GEOLOGICAL AND ENGINEERING STUDY OF THE CITY'S OFFSHORE OIL AND GAS OPERATIONS AS DESCRIBED IN THE STATE OF CALIFORNIA STANDARD AGREEMENT AND STATEMENT OF WORK ON FILE IN THE OFFICE OF THE COMMISSION AND BY REFERENCE EXPRESSLY MADE A PART HEREOF.

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