

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 5-28-81  
meeting.

INFORMATIVE

CALENDAR ITEM

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5/81  
C 8069  
C 8070  
C 8074  
W 40185  
Fernino

REPORT ON THE STATUS OF GEOLOGIC  
HAZARDS AND GEOPHYSICAL FIELD SURVEYS  
AND PROGRAMMATIC EIR

In November of 1979, the Commission was advised of OCS sales held by the Department of the Interior on several parcels located adjacent to or near unleased State-owned submerged lands in the Point Conception Area of Santa Barbara County. These parcels received very large bonuses on bids e.g. Lease VC P-0318 received a bid in excess of \$53 million and Lease P-0321 received a bid of \$95 million.

Approximately 40,000 acres of vacant tide and submerged lands are available for leasing in this area.

Section 6871.3, P.R.C., provides: "Whenever it appears to the Commission that it is for the best interest of the State to lease lands subject to the provisions of Sections 6871.1 or 6877 of this Code for the production of oil or gas therefrom, . . ., the Commission may, subject to the provisions of Section 6871.4, offer the same for bidding at such times and such parcels as the Commission shall determine to be in the best interest of the State."

At that time the Commission was advised that it could not be determined that it is in the best interests of the State to lease these lands (see Exhibit A) until an EIR had been completed. Also additional geological and geophysical information would be required to complete the assessment of the oil and gas potential of the area and recommended procedures for leasing such lands (i.e. lease size and shape, biddable factor, rental, drilling terms, etc.).

The Commission authorized the Executive Officer to explore all means to obtain the required funding for the preparation of the EIR and geological and geophysical field surveys since no funds had been budgeted for this purpose. All costs incurred would be reimbursed by the successful bidder.

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The funds necessary to conduct these studies were obtained by a special one time appropriation in the 1980-81 Budget. Additional funds for more site specific surveys has been included in the 1981-82 Budget.

The staff issued Requests for Proposals for each of the following: programmatic Environmental Impact Report, the geological survey and the geophysical and cultural resources survey. The current status of each follows:

The firm of Tetra Tech Incorporated, the low bidder, was selected to prepare a comprehensive analysis of existing geological field surveys. A contract has been awarded with an expected completion date of December 1981 at a cost of \$53,340.

The firm of Intersea Research Corp has been selected to prepare the geophysical and cultural resources survey as well as provide additional geological surveys to complement the Tetra Tech study. The final details of the contracts are being worked out between the staff and Intersea. The survey has an expected completion date of November 1981 at a cost of \$399,133. The firm of Nelcton, Inc. submitted a bid slightly less than Intersea, however, could not provide the geological surveys at a sufficient depth necessary and was therefore disqualified.

The firm of Chambers Consultants and Planners has been selected to prepare the programmatic EIR for the project. Their bid of approximately \$250,000 was next lowest to that of Environmental Resources Group (ERG) however, included additional work deemed necessary to the final EIR by the State Lands Commission staff. The amount will be finalized and contract executed within the next few weeks. The study is schedule1 for completion in March 1982.

With Commission approval of these firms, the Executive Officer will execute the necessary contracts pursuant to the Commission's prior authorization.

EXHIBIT:           A. Location Map.

