MINUTE ITEM

This Calendar Item No. 34 was approved as Minute Item No. 34 by the State Lands Commission by a vote of 2 to 0 at its 3/28/85 meeting.

CALENDAR ITEM

A)
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S)

N/A

34

03/28/85
C 8371
W 40430
Fernino

AUTHORIZATION TO EXECUTE AN
AMENDMENT TO CONTRACT

At its May 7, 1984 meeting, the Commission authorized the execution of a contract with Mr. Robert Armstrong of Austin, Texas. Mr. Armstrong would provide expert advice of the effects of offshore oil and gas development on revenue to be shared with the State of California, pursuant to the Outer Continental Shelf Lands Act in light of the decision in the United States District Court for the Eastern District of Texas. The original amount authorized for this service was "not to exceed" $30,000.

Mr. Armstrong's initial research into this subject revealed significant differences between the Texas and California offshore geology. Expert geological analysis of this difference would be needed before any meaningful recommendations could be made. The Commission, at its June 21, 1984 meeting, authorized Mr. Armstrong an additional $20,000 for this analysis to be performed.

Due to continued discussion with the Department of the Interior, the cost associated with Mr. Armstrong's work is greater than had been originally estimated. An additional $70,000 will be needed to complete his work for the Commission.

A Section 28 Request has been submitted for the additional funding needed for this augmentation.

AB 884: N/A.

IT IS RECOMMENDED THAT THE COMMISSION:

1. AUTHORIZE THE EXECUTIVE OFFICER, OR HER DESIGNEE, TO EXECUTE AN AMENDMENT TO MR. ARMSTRONG'S CONTRACT TO ADD AN ADDITIONAL $70,000. THIS WILL MAKE THE AGREEMENT'S TOTAL "NOT TO EXCEED" COST $120,000.

(REVISED 03/25/85)