

**CALENDAR ITEM
C67**

A Statewide

08/15/14
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PRC 3242.1
W 30119.2
RA# 24513
A. Abeleda
E. Gillies

S Statewide

CONSIDER GRANTING AUTHORITY TO THE EXECUTIVE OFFICER TO SOLICIT STATEMENTS OF INTEREST FOR CONSULTANT SERVICES, NEGOTIATE FAIR AND REASONABLE PRICE, AWARD AND EXECUTE AGREEMENTS FOR PREPARATION OF ENVIRONMENTAL DOCUMENTATION AND MITIGATION MONITORING FOR THE PROPOSED SOUTH ELLWOOD FIELD PROJECT BY VENOCO, INC. OFFSHORE OF GOLETA, SANTA BARBARA COUNTY

PARTY:

California State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202

BACKGROUND:

Venoco, Inc. (Venoco or Applicant) has requested that the California State Lands Commission (CSLC) adjust the eastern boundary of offshore Oil and Gas Lease PRC 3242.1 and has applied to the CSLC to implement the South Ellwood Field Project (Project) in Santa Barbara County. Currently the boundaries of PRC 3242.1 do not encompass all of the South Ellwood Field, specifically the eastern portion of the field. Adjusting the eastern boundary of PRC 3242.1 would increase the lease area by approximately 5,327 acres to a total of 9,648 acres.

PROPOSED PROJECT:

If the CSLC chooses to adjust the eastern lease boundary of PRC 3242.1, Venoco proposes to redrill up to 6 existing wells into the adjusted lease area for oil production. Venoco does not expect the proposed additional oil production to extend the life of Platform Holly.

PROPOSED ACTIVITY:

Based on the information that Venoco has provided, in consultation with the other California responsible and/or trustee agencies for the whole project, and in accordance with Public Resources Code section 21067 and the California Code of Regulations, Title 14, section 15051, the Commission has determined that it has the principal responsibility for carrying out or approving the Project, which may have a significant

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effect upon the environment, and is therefore the lead agency under the California Environmental Quality Act (CEQA).

Consideration of this proposed Project will require environmental documentation, and possibly monitoring, in accordance with CEQA. The Executive Officer requests delegation of authority to engage a consultant for this purpose. Consultant selection shall be conducted in accordance with the procedures as specified in Commission Regulations and in the State Contract Manual, on the basis of demonstrated competence and qualifications for the types of services to be performed, and at a fair and reasonable price. All costs shall be recovered from the Project applicant.

The environmental documentation will address potential impacts to sensitive habitat of state- and federally listed species, cultural resources, and potential impacts from other proposed Project activities. For sensitive areas which cannot be avoided, the environmental documentation will provide measures to reduce impacts as much as possible. The Commission staff may recommend that a monitoring plan with appropriate guidelines be adopted to ensure that any proposed mitigation measures be accomplished.

OTHER PERTINENT INFORMATION:

1. The staff recommends that the Commission find that the subject proposal solicitation does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with CEQA.

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

2. Approval of this item by the Commission does not constitute approval of the proposed Project; it only authorizes consultant contracts for environmental review.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code section 6106 (Delegation to execute written instruments)
- B. State Contracts Manual section 11.00 A & E method (rev. 10/05)
- C. Public Contract Code section 6106
- D. Government Code section 4526
- E. California Administrative Code, Title 2, Article 13 sections 2980.0 - 2990.0
- F. Government Code section 19130
- G. California Administrative Code, Title 14, section 15045

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IT IS RECOMMENDED THAT THE COMMISSION:

1. Find that the subject proposal solicitation is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.
2. Find that the services are of limited duration and are of such urgent, temporary and occasional nature that the delay in their implementation under civil service would frustrate their very purpose as specified in Government Code section 19139, subdivision (b)(10).
3. Find that the selection of consultants under this process does not affect small businesses as defined in Government Code section 11342.610, because they will be accorded equal opportunity to submit statements of qualifications and performance data.
4. Find that the selection of consultants under this process for professional services of architectural, landscape architectural, engineering, environmental, land surveying or construction project management services will be consistent with procedures and policies adopted by the Commission as specified in Government Code section 4526 and California Code of Regulations, Title 2, sections 2980 - 2980.9.
5. Authorize the Executive Officer or her designee to solicit proposals, negotiate a fair and reasonable price, award and execute contracts for environmental documentation and mitigation monitoring in accordance with State policies and procedures.
6. Authorize the Executive Officer or her designee to enter into an agreement with Project applicant to recover costs incurred in the consideration of this Project.