

1 bids will be received in accordance with the revised  
2 schedule.

3 GOV. ANDERSON: They took our recommendations  
4 unanimately?

5 MR. HORTIG: Seven to nothing, two absent, no "no"  
6 votes.

7 GOV. ANDERSON: Does that often happen?

8 MR. HORTIG: No, sir.

9 MR. CHAMPION: Move approval.

10 MR. CRANSTON: Second.

11 GOV. ANDERSON: Moved, seconded, carried unanimately.

12 MR. CHAMPION: Could I raise another question with  
13 respect to that?

14 GOV. ANDERSON: Sure.

15 MR. CHAMPION: Our resolution also calls for the  
16 employment of consultants to advise us on those bids when  
17 they are received. I would like to pursue that matter now,  
18 with an instruction from the Commission to the staff to draw  
19 up a set of requirements, and really bid specifications, on  
20 the kind of consultants we should employ -- what qualifications  
21 they must have and what they would be expected to do; and then,  
22 subject to the Commission, directing how we should proceed to  
23 employ consultants -- on a negotiated basis, based on these  
24 qualifications and duties, or whether we want to go into a  
25 bidding process; but to have that kind of specifications be-  
26 fore us and to circulate them to consultants who would be

1 interested to discuss this with us.

2 MR. HORFIC: Mr. Chairman, may I raise a question  
3 with respect to Mr. Champion's statement and motion? As you  
4 gentlemen on the Commission are aware, after the receipt of  
5 bids or during the time that bids are received, an operating  
6 program must be developed so that the successful bidder can  
7 immediately commence operation, which is a tremendous technical  
8 job, for which the staff has recommended consideration also  
9 be given to the employment of consultants because the staff  
10 cannot possibly be augmented under normal civil service pro-  
11 cedures in sufficient time to provide an adequate staff to  
12 accomplish this type of work and meet the deadlines that are  
13 implicit in these new bid dates that have been received.

14 I wonder if Mr. Champion's motion might not limit  
15 the report to bid review only, but to all matters.

16 MR. CHAMPION: I would be glad to do that because  
17 it raises another question that is important, and that is, I  
18 think we ought to look in this area to consultants who can  
19 serve us and be in relationship with us. I realize consult-  
20 ants are all in the oil business, but whoever is in this with  
21 us should not have a potential relationship with bidders or  
22 potential contractors. I think we should look to someone who  
23 should be with us continuously.

24 GOV. ANDERSON: Would you think the same consultant  
25 who could advise us on whether the bid is good or not would  
26 be the same consultant who would help us afterwards?

1 MR. HORTIG: Generally, this would be the normal  
2 conclusion because in the evaluating of bids and evaluating  
3 contract terms, much of the same work would have to be done  
4 in terms of familiarization of the consultant as whoever is  
5 going to have the operating program. So if the same consultant  
6 can be found both in management and technical fields, this  
7 would be the ideal person to be acquired and would eliminate  
8 indoctrination.

9 MR. CHAMPION: I think there is economy in both  
10 money and time in having one consultant do the job. Also, we  
11 would want to have this consultant pinned down because it  
12 puts the whole thing in a bad area if you have one consultant  
13 advising you, and then he advises one of the petroleum com-  
14 panies. We would like to have one that would not be working  
15 with oil companies.

16 GOV. ANDERSON: I fully agree. Was that your  
17 motion?

18 MR. CHAMPION: That was my motion. I move that we  
19 instruct Mr. Hortig to proceed with recommending to the Com-  
20 mission the qualifications, duties and method of obtaining a  
21 consultant.

22 MR. CRANSTON: Second the motion.

23 GOV. ANDERSON: Does that cover . . . .

24 MR. CHAMPION: Both on the bid awards and relation-  
25 ships in the operation.

26 GOV. ANDERSON: Carried unanimously.

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Is there any further item before we set the next time and date? In reading the calendar this morning, I tried to weed out some of the extra verbiage, and I hope you approve of that. There is nothing wrong with that, is there, Frank?

MR. HORTIG: No, there isn't.

MR. CRANSTON: I approve.

GOV. ANDERSON: Our next date and meeting place will be the November meeting -- at ten a.m. November 10th in Los Angeles. If there is no objection, it is so ordered; and if there is no further business, we stand adjourned.

ADJOURNED 10:45 A.M.

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CERTIFICATE OF REPORTER

1  
2  
3 I, Louise H. Lillico, reporter for the Office of  
4 Administrative Procedure, hereby certify that the foregoing  
5 seventeen pages contain a full, true and correct transcript  
6 of the shorthand notes taken by me in the meeting of the  
7 STATE LANDS COMMISSION at Sacramento, California, on  
8 October 22, 1964.

9 Dated: Los Angeles, California, October 30, 1964.

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