

MINUTE ITEM

6/22/67

45. APPROVAL OF A CONTRACTUAL AGREEMENT TO PREPARE A COMPUTER PROGRAM FOR THE LONG BEACH OPERATIONS - W.O. 5200.909, P & C.

After consideration of Calendar Item 41 attached, and upon motion duly made and carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO ACCEPT THE LOW BID AND EXECUTE A CONTRACTUAL AGREEMENT WITH A COMPUTER SERVICE BUREAU TO PROVIDE A COMPUTER PROGRAM UNDER W.O. 5200.909 FOR THE LONG BEACH OPERATIONS AT A COST NOT TO EXCEED \$5,000.

Attachment

Calendar Item 41 (1 page)

41.

## APPROVAL OF A CONTRACTUAL AGREEMENT TO PREPARE A COMPUTER PROGRAM FOR THE LONG BEACH OPERATIONS - W.O. 5200.909.

The Staff of the Long Beach Operations, in order to more effectively provide economic control of the Long Beach Unit, as charged in Chapter 138, 1964 1st E.S., and to make more efficient use of professional working time, needs a computerized information system.

As the Long Beach Unit develops, together with the other economic interests of the State in the Tidelands, more and more demands are being made upon the Staff to make economic and technical studies requiring many time-consuming hours of data search. With a sophisticated retrieval system, it can be conservatively estimated that one-half hour to three-quarters of an hour per day per man can be saved, or approximately 108 to 164 man-hours per month for the staff of eleven. At a basic cost of \$6 per man-hour, this represents a saving of \$648 to \$984 per month. Equating estimated savings against the present costs, it will take around four to seven months to recover the investment. As this operation expands through further development of the field, the indicated return of investment will exceed the above estimate. The computerized information system has been initially designed to accept all well data in both the Old Wilmington Field and Long Beach Unit. The State has an economic interest in both of these operations.

The scope of this computer work was not anticipated when the Long Beach Operations Budget was prepared. This program will require six weeks to prepare, and is a one-time cost. This project was submitted to three service companies for competitive bid and design on a fixed-fee basis.

IT IS RECOMMENDED THAT THE EXECUTIVE OFFICE BE AUTHORIZED TO ACCEPT THE LOW BID AND EXECUTE A CONTRACTUAL AGREEMENT WITH A COMPUTER SERVICE BUREAU TO PROVIDE A COMPUTER PROGRAM UNDER W.O. 5200.909 FOR THE LONG BEACH OPERATIONS AT A COST NOT TO EXCEED \$5,000.