

MINUTE ITEM

12/21/71
CVB

9. APPROVAL OF BIDS, CRUDE OIL SALES CONTRACT, TRACT NO. 1, LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

Upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION APPROVES THE AWARD OF THE CRUDE OIL SALES CONTRACTS, LONG BEACH UNIT, SELL-OFF OIL, FOR THE 7%, 4%, AND 1½% INCREMENTS TO THE HIGHEST RESPONSIBLE BIDDER, AS SET FORTH IN THE ATTACHED EXHIBIT "A", PURSUANT TO APPLICABLE STATUTE.

Attachment:

Calendar Item 10 (2 pages)

CALENDAR ITEM

12/71
CVB

10.

APPROVAL OF BIDS, CRUDE OIL SALES CONTRACT, TRACT NO. 1, LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

The Commission, at its meeting of July 26, 1971, directed the City of Long Beach to direct the Field Contractor for the Long Beach Unit to offer for sale by competitive bidding separate portions of 7%, 4%, and 1½%, comprising 12½% of the oil allocated to Tract No. 1, Long Beach Unit.

Sealed bids for the purchase of these portions of crude oil were opened at the City Hall of the City of Long Beach on November 8, 9, and 10, 1971. The successful bidder for each of these increments of oil must be determined by the highest amount per barrel offered by a responsible bidder above the value at which the Field Contractor accounts for like quality oil under Article 9 of the Contractors Agreement, Long Beach Unit.

The Division has reviewed the bids received and prepared Exhibit "A", attached, summarizing the bids received for the three increments, together with the reason for recommending acceptance or rejection of specific bids.

The bids and the supporting documents have been submitted to the Office of the Attorney General, who has advised that the recommended bids are legally sufficient and may be approved by the Commission.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE AWARD OF THE CRUDE OIL SALES CONTRACTS, LONG BEACH UNIT, SELL-OFF OIL, FOR THE 7%, 4%, AND 1½% INCREMENTS TO THE HIGHEST RESPONSIBLE BIDDER, AS SET FORTH IN THE ATTACHED EXHIBIT "A", PURSUANT TO APPLICABLE STATUTE.

Attachment: Exhibit "A"

EXHIBIT "A"

BIDS FOR CRUDE OIL SALES CONTRACT,
LONG BEACH UNIT, SELL-OFF OIL

<u>Bidder</u>	<u>Bid Additional \$/Bbl.</u>	<u>Recommendation</u>
<u>7% INCREMENT</u>		
San Joaquin Refining Co.	0.15629	Accept - highest qualified bidder.
Powerine Oil Company	0.121	Reject - lower bid
West Coast Oil Company	0.10734	Reject - lower bid
*Edgington Oil Company	0.076	
*Toscopetro Corporation	0.0368	
<u>4% INCREMENT</u>		
West Coast Oil Company	0.16759	Accept - Highest qualified bidder.
Powerine Oil Company	0.144	Reject - lower bid
*Edgington Oil Company	0.126	
Beacon Oil Company	0.1166	Reject - lower bid
*Kern County Refinery, Inc.	0.0375	
*Toscopetro Corporation	0.0368	
<u>1½% INCREMENT</u>		
Lunday-Thagard Oil Company	0.214	Accept - highest qualified bidder.
U.S. Oil & Refining Co.	0.1815	Reject - lower bid
Beacon Oil Company	0.163	Reject - lower bid
Powerine Oil Company	0.135	Reject - lower bid
*Macmillan Oil Company, Inc.	0.100	
*Edgington Oil Company	0.081	
*Kern County Refinery, Inc.	0.0575	
*Toscopetro Corporation	0.0368	

* These bidders withdrew their bids and asked for return of their deposit after the bid opening.