

MINUTE ITEM

2/24/72  
CVB

22. APPROVAL OF NOTICE INVITING BIDS, BID FORM, AND CONTRACT FOR SALE OF LIQUID PRODUCTS RESULTING FROM TREATMENT OF NATURAL GAS, PARCEL A, CITY OF LONG BEACH, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

After consideration of Calendar Item 21 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION APPROVES THE FOLLOWING SUBMITTED BY THE CITY OF LONG BEACH PURSUANT TO APPLICABLE STATUTE:

1. NOTICE INVITING BIDS FOR CONTRACT FOR SALE OF LIQUID PRODUCTS RESULTING FROM TREATMENT OF NATURAL GAS, PARCEL A;
2. BID FORM FOR SUBJECT CONTRACT; AND
3. CONTRACT FOR SALE OF LIQUID PRODUCTS RESULTING FROM TREATMENT OF NATURAL GAS, PARCEL A.

Attachment:

Calendar Item 21 (1 page)

## CALENDAR ITEM

2/72  
CVB

21.

APPROVAL OF NOTICE INVITING BIDS, BID FORM, AND CONTRACT FOR SALE OF LIQUID PRODUCTS RESULTING FROM TREATMENT OF NATURAL GAS, PARCEL A, CITY OF LONG BEACH, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

The City of Long Beach, in accordance with the provisions of Section 10, Chapter 29, Statutes of 1956, 1st E.S., has submitted the following documents for approval by the State Lands Commission prior to publication of notice to bidders:

1. Notice Inviting Bids for Contract for Sale of Liquid Products Resulting from Treatment of Natural Gas, Parcel A.
2. Bid Form for subject contract.
3. Contract for Sale of Liquid Products Resulting from Treatment of Natural Gas, Parcel A.

In 1947 and 1948, the City of Long Beach entered into contracts for the sale of natural gas and natural gas products produced from tidelands, Parcel A. These gas sales contracts, as amended, will expire concurrently with the Parcel A Drilling and Operating Contract in March 1972.

Pursuant to Section 10, Chapter 29, Statutes of 1956, 1st E.S., the new sales contract as prepared by the City of Long Beach will be awarded to the highest responsible bidder upon competitive bidding. The notice, however, provides that the City of Long Beach, as well as the State Lands Commission, reserves the right to reject any and all bids. It is anticipated in the near future that the City's share of natural gas liquid products from several properties will be combined, bid and sold under a single contract. In order to facilitate this consolidation the subject contract, which will become effective on March 18, 1972, will terminate on September 17, 1972, unless extended for an additional six months term by the City and the Commission.

The City Council of the City of Long Beach has approved the notice, bid form, and contract. The documents have been submitted to the Office of the Attorney General, who have advised that said document comply with applicable provisions of law as to legal sufficiency and may be approved by the State Lands Commission.

The Division has reviewed the provisions and procedures set forth in the subject documents and has found them to be reasonable and equitable. After analysis of the bids by the City and State, a recommendation for award or rejection will be presented to the Commission.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE:

1. NOTICE INVITING BIDS FOR CONTRACT FOR SALE OF LIQUID PRODUCTS RESULTING FROM TREATMENT OF NATURAL GAS, PARCEL A;
2. BID FORM FOR SUBJECT CONTRACT;
3. CONTRACT FOR SALE OF LIQUID PRODUCTS RESULTING FROM TREATMENT OF NATURAL GAS, PARCEL A;

AS SUBMITTED BY THE CITY OF LONG BEACH PURSUANT TO APPLICABLE STATUTE.

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A 39, 44  
& 68  
S 32 & 37

(Rev. 2/22/72)