

MINUTE ITEM

12/4/72
CVB

13. APPROVAL OF BIDS, CRUDE OIL SALES CONTRACTS, LONG BEACH HARBOR DEPARTMENT TIDELANDS PARCEL AND PARCEL A, CITY OF LONG BEACH, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

After consideration of Calendar Item 11 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION APPROVES THE AWARD OF THE CRUDE OIL SALES CONTRACTS, LONG BEACH HARBOR DEPARTMENT TIDELANDS PARCEL AND PARCEL A SELL-OFF OIL TO THE HIGHEST RESPONSIBLE BIDDER, AS SET FORTH IN THE ATTACHED EXHIBIT "A" WHICH IS INCORPORATED HEREIN AND MADE A PART BY REFERENCE HEREOF, PURSUANT TO APPLICABLE STATUTE.

Attachment:

Calendar Item 11 (2 pages)

A 39, 44, 68
S 32, 37

11.

APPROVAL OF BIDS, CRUDE OIL SALES CONTRACTS,
LONG BEACH HARBOR DEPARTMENT TIDELANDS PARCEL AND PARCEL A
CITY OF LONG BEACH, WILMINGTON OIL FIELD
LOS ANGELES COUNTY

The Commission, at its meeting of October 3, 1972, approved the notice inviting bids, bid forms, and crude oil sales contracts for twelve and one-half (12-1/2) percent of the oil produced from the Long Beach Harbor Department Tidelands Parcel and Parcel A, City of Long Beach. The sell-off oil from the Long Beach Harbor Department Tidelands Parcel was offered in two increments of 8 percent and 4-1/2 percent. One contract was offered for 12-1/2 percent of the Parcel A crude oil.

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 6, 1972. The successful bidder for each contract has been determined by the highest amount per barrel offered by a responsible bidder above the value at which the parcel contractor accounts for like quality oil (presently, the average posted price in the Wilmington Field).

The Division has reviewed the bids and prepared Exhibit "A", attached, summarizing the bids received for the three contracts, together with the selection of the successful bidder for each portion.

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.

The City Council of the City of Long Beach, on recommendation of the City Manager and the City Attorney, authorized acceptance of the highest bids.

EXHIBIT: A. Bids for Crude Oil Sales Contract, Sell-Off of 12-1/2 Percent of Parcel A Crude Oil Production.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE AWARD OF THE CRUDE OIL SALES CONTRACTS, LONG BEACH HARBOR DEPARTMENT TIDELANDS PARCEL AND PARCEL A SELL-OFF OIL TO THE HIGHEST RESPONSIBLE BIDDER, AS SET FORTH IN THE ATTACHED EXHIBIT "A" WHICH IS INCORPORATED HEREIN AND MADE A PART BY REFERENCE HEREOF, PURSUANT TO APPLICABLE STATUTE.

Attachment: Exhibit "A"

EXHIBIT "A"

BIDS FOR CRUDE OIL SALES CONTRACT,
SELL-OFF OF 12 $\frac{1}{2}$ % OF PARCEL "A"
CRUDE OIL PRODUCTION

<u>Bidder</u>	<u>Bid Additional \$/BBL.</u>	<u>Recommendation</u>
Fletcher Oil & Refining Co.	0.2651	Accept - Highest Bid
Macmillan Ring Free Oil Co.	0.26	Reject - Lower Bid
Carson Oil Co.	0.251	" " "
U.S. Oil & Refining Co.	0.244	" " "
Edgington Oil Co.	0.11	" " "
Beacon Oil Co.	0.09	" " "
Toscopetro Corp.	0.0386	" " "

BIDS FOR CRUDE OIL SALES CONTRACT,
SELL-OFF OF 12 $\frac{1}{2}$ % OF
LONG BEACH HARBOR DEPT. TIDELANDS PARCEL
CRUDE OIL PRODUCTION

<u>Bidder</u>	<u>Bid Additional \$/BBL.</u>	<u>Recommendation</u>
<u>8% INCREMENT</u>		
Powerine Oil Co.	0.327	Accept - Highest Bid
Fletcher Oil & Refining Co.	0.2651	Reject - Lower Bid
Macmillan Ring Free Oil Co.	0.26	" " "
Carson Oil Co.	0.251	" " "
Beacon Oil Co.	0.05	" " "
Toscopetro Corp.	0.0386	" " "

4 $\frac{1}{2}$ % INCREMENT

Fletcher Oil & Refining Co.	0.2651	Accept - Highest Bid
Macmillan Ring Free Oil Co.	0.26	Reject - Lower Bid
Carson Oil Co.	0.251	" " "
Edgington Oil Co.	0.17	" " "
Beacon Oil Co.	0.09	" " "
Sunland Refining Corp.	0.0657	" " "
Toscopetro Corp.	0.0386	" " "