

MINUTE ITEM

This Calendar Item No. 81
was approved as Minute Item
No. 81 by the State Lands
Commission by a vote of 3
to 0 at its 6/11/90
meeting.

CALENDAR ITEM

81

A)
S) N/A

06/11/90
W 9409.17
C 8929
Hall

REQUEST FOR RATIFICATION OF CONTRACT FOR AN
OIL/GAS PLATFORM AND MARINE TERMINAL
RISK MANAGEMENT CONSULTANT
FOR \$60,000 BETWEEN THE STATE LANDS COMMISSION
AND BELMAR ENGINEERING, INC.

BACKGROUND

Responses to the Request for Proposals for Platform Risk Management Audit Program in State Tideland within Los Angeles and Santa Barbara counties were received on January 5, 1990 and Belmar Engineering, Inc. submitted the only response. The Commission's Extractive Development Division requested that Belmar Engineering develop a Supplemental Proposal to perform a Marine Terminal Risk Management Audit Program. The execution of the agreement was delayed until the supplemental proposal was completed. In the mean time the Huntington Beach oil spill, American Trader/British Petroleum incident, occurred which involved the tanker running over its own anchor at the Golden West Marine Terminal and action on the agreement was further delayed. The incident emphasized the need for this supplemental study and we have expanded the contract scope and cost to include this study and audit.

All control agency requirements have been complied with and approvals have been obtained with regard to this contract. This contract will be funded by the:

- o Mitigation Trust Account (\$18,000 for the marine terminal risk management audit program) and the
- o General Fund (\$42,000 for the platform risk management audit program which will be funded out of Fiscal Year 1990-91).

(REVISED 06/25/90)

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REQUEST FOR RATIFICATION OF THE CONTRACT

We are requesting ratification of the contract for an oil/gas platform and marine terminal risk management consultant with Belmar Engineering, Inc. for \$60,000 to conduct a systems safety audit of a marine terminal and an offshore platform within Santa Barbara County and an offshore platform within Orange County. The contract is broken down into three cost elements, \$16,000 for a platform offshore Huntington Beach, \$26,000 for a platform in the Santa Barbara Channel and \$18,000 for a marine terminal within Santa Barbara County bringing the contract amount to \$60,000.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
2. RATIFY THE EXECUTION OF A CONTRACT FOR THE PURPOSE TO CONDUCTING A SYSTEMS SAFETY AUDIT OF A MARINE TERMINAL AND TWO OFFSHORE PLATFORMS WITH BELMAR ENGINEERING FOR \$60,000.

(ADDED 06/08/90)

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