

CITY COUNCIL MEETING
MARCH 19, 1986

10

GAS AND OIL
LEASE BIDS

CC-27 (d)

Council was reminded that at its regular meeting of January 15, 1986, the City Council authorized the advertisement for bids for an oil and gas lease on City-owned property at the White Slough Water Pollution Control Plant. This followed a request by an oil and gas development company for the granting of such a lease by the City. Knowing the City had at least one interested party, staff felt it was in the City's best interest to solicit bids.

The process for advertising for and awarding such bids is precisely set forth in the Public Resources Code of the State of California. It specifically provides that bids shall be opened at a regular meeting of the City Council

and may be awarded at that meeting or a future meeting. The bid opening had been set for this meeting.

City Clerk Reimche announced that no bids had been received.

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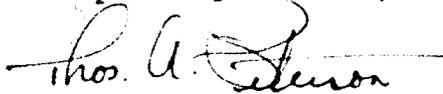
TO: THE CITY COUNCIL	DATE	NO.
FROM: THE CITY MANAGER'S OFFICE	March 13, 1986	
SUBJECT: OIL AND GAS LEASE BIDS		

RECOMMENDED ACTION: That the City Council direct the opening of bids for an oil and gas lease on City of Lodi property, and award the bid to the highest bidder.

BACKGROUND INFORMATION: At its regular meeting of January 15, 1986, the City Council authorized the advertisement for bids for an oil and gas lease on City-owned property at the White Slough Water Pollution Control Plant. This followed a request by an oil and gas development company for the granting of such a lease by the City. Knowing we had at least one interested party, staff felt it was in the City's best interest to solicit bids. The City Clerk has received a few telephone calls in response to our advertisements in an oil and gas industry publication. However, a lot depends on market conditions at the time of the bid opening. Having gone through this experience before, I would not be surprised if we received no bids.

The process for advertising for and awarding such bids is precisely set forth in the Public Resources Code of the State of California. It specifically provides that bids shall be opened at a regular meeting of the City Council and may be awarded at that meeting or a future meeting. This is the reason for opening the bids at a Council meeting which is not our normal procedure.

Respectfully submitted,


Thomas A. Peterson
City Manager

TAP/lh