

June 25, 2024

REVISED

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
69 June 25, 2024

Edward Yen
EDWARD YEN
EXECUTIVE OFFICER

Dear Supervisors:

**AMEND CONTRACT NO. 79343 FOR
LOS ANGELES COUNTY OIL WELL AMORTIZATION STUDY
(ALL SUPERVISORIAL DISTRICT) (3-VOTES)**

SUBJECT

Amend Contract No. 79343 with CJM Petroleum Consulting Inc. (Contractor) for the Los Angeles County Oil Well Amortization Study ("Study").

IT IS RECOMMENDED THAT THE BOARD,

1. Find that the amendment is exempt from the California Environmental Quality Act (CEQA), pursuant to Section 15378 (b) (4) of the CEQA Guidelines; and
2. Approve and instruct the Director of Regional Planning to sign the attached amendment with the Contractor, effective the day after your Board's approval, to extend the base term of the contract to three years, with one six-month renewal option, at a maximum contract sum (MCS) of \$892,980 including \$81,180 (10%) contingency.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On September 15, 2021, your Board approved a series of motions aiming to build a healthy, resilient, and equitable Los Angeles County through the just transition away from fossil fuels. One of the motions specifically directed the Department of Regional Planning ("DRP" or "Department") to designate all existing oil extraction activities within the unincorporated areas

as legal non-conforming uses in all zones and to perform a study to determine an appropriate amortization schedule to terminate these uses.

On November 1, 2022, your Board approved Contract No. 79343 to prepare the Study. The progress of the Study has been delayed due to the unavailability of crucial data in a digital format, which has necessitated a time-consuming, manual effort to collect and digitize the data. This data is crucial to the development of an analytical model to determine the amortization schedule to guide the County.

The approval of this amendment will allow sufficient time to complete the Study.

Implementation of Strategic Plan Goals

This amendment supports the County's 2024-2030 Strategic Plan Board Priority 7 "Sustainability." The Study supports the "OurCounty Sustainability Plan" by advancing a vision of a healthier, more livable, economically stronger, more equitable, and more resilient County by determining the appropriate termination procedures and amortization period(s) for the termination of these oil operations in unincorporated Los Angeles County as expeditiously as possible.

FISCAL IMPACT/FINANCING

This amendment extends the base term of the contract for an additional eighteen months for a total of three years. The MCS of the contract after amendment remains the same at \$792,640,892,980 and was funded with Net County Cost included in the Department's Fiscal Year 2022-2023 Operating Budget.

This contract does not include provisions for Cost-of-Living Adjustments throughout its term.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The amendment (Attachment I) will become effective the day after Board approval and extend the base term for an additional eighteen months. At the end of the term, the contract may be extended for one six-month option extension for a total of three years and six months.

The original contract contains all the latest applicable Board mandated provisions, including those pertaining to consideration of hiring qualified County employees targeted for layoffs, contractor responsibility and debarment, Child Support program, GAIN/GROW participants, Safely Surrendered Baby Law, and the provisions of Paid Jury Service time for the Contractor's employees.

County Counsel has approved the amendment as to form.

ENVIRONMENTAL DOCUMENTATION

The services provided through this contract and its amendments will not have an effect on the environment and therefore, this contract is exempt from CEQA, pursuant to Section 15378 (b) (4) of the CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This contract and its amendment will not result in the displacement of any County employees. Upon the Board approval of this amendment, DRP will complete the Study to determine the amortization schedule of the oil wells in the unincorporated areas.

For further information, please contact Hsiao-Ching Chen of the Strategic Planning & Program Section at (213) 974-6559 or hchen@planning.lacounty.gov.

Respectfully submitted,



for

Amy J. Bodek, AICP
Director of Regional Planning

AJB:JH: HC:EY:ap

Attachments:

1. Oil Well Amortization Study Contract Amendment

c: Executive Office, Board of Supervisors
Chief Executive Office (Christine Frias)
County Counsel