



**Shell Oil Company**

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Board of Supervisors  
County of Santa Barbara  
123 East Anapamu Street  
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September 15, 2016

RE: Appeal of Planning Commission Approval  
Shell Guadalupe Dunes Gravel Remediation In-Lieu Proposal Project  
Case Nos. 13RVP-00000-00119; 14CDP-00000-00072

Dear Board:

My name is Lance Tolson, and I am Senior Legal Counsel for Shell Oil Company, and an attorney for applicant SWEPI LP ("SWEPI") in the referenced actions. Thank you for this opportunity to provide a submission to the Board of Supervisors (the "Board") on behalf of my client in this matter.

The history of prior development in the Rancho Guadalupe Dunes County Park, as well as the activities leading up to the proposed Guadalupe Dunes Gravel Remediation In-Lieu Proposal (the "Proposed Project") is well known to representatives of the County of Santa Barbara (the "County"), and outlined in material within the administrative record in these matters – including the *Draft Supplemental Environmental Impact Report of May, 2014* (the "Report"). Thus, I will not reiterate facts in those areas here.

However, SWEPI would maintain that over many years, its representatives have engaged in a very collaborative approach with representatives of the County. This collaboration has resulted in a very successful reclamation of the subject properties, the last stage of which is the Proposed Project. It is our understanding that representatives of the County have filed, or will in the near term file what amounts to their staff report, response and recommendations regarding this appeal, and SWEPI would take this opportunity to endorse and support those submissions. However, very briefly, SWEPI would also like to make the following two points.

While acknowledging that approval of the proposal will allow sand impacted by gravel to remain in place, the County's own assessment of the proposal has provided that:

*"As previously described, it appears that the presence of the gravel in the dunes does not present a significant adverse impact to either the dune vegetation or wildlife.*

*Rather, the gravel appears to be beneficial for the establishment and expansion of native dune vegetation (including sensitive plant species), nesting habitat for western snowy plover, and habitat for a variety of other native wildlife species" (Section 3.3.4.3, first paragraph, lines 5-10 of the Report).*

Further, while the result of this finding is that technically no mitigation measures by SWEPI are required, the providing of funding for the purchase of property, which is part of the Proposed Project "...could indirectly benefit regional biological resources." (Section 3.3.4.3, second paragraph, line 4 of the Report). In addition, it is noted that optimal property acquisition under the Proposed Project:

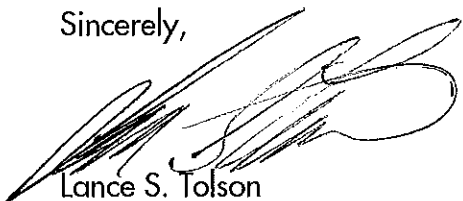
*"...would indirectly preserve a habitat type similar to that within the Project Site, within the northern coastal region of Santa Barbara County." (Section 3.3.4.3, second paragraph, lines 8-9 of the Report).*

In sum, while the current gravel incursion has not resulted in a biologically significant adverse impact of the subject property, the Proposed Project will actually add to the preserved dune habitat in the County – a benefit that will not be realized by denying the proposal.

Finally, SWEPI understands the position of Gordon Sand Company ("Gordon Sand") in this matter, and SWEPI respects this body's hearing of Gordon Sand's concerns. However, SWEPI does not believe that Gordon Sand's position is well-taken, and notes that Gordon Sand has acknowledged it has avenues for recourse directly against SWEPI should it feel it necessary to pursue those avenues. SWEPI would encourage the Board to deny the appeal, and approve the Proposed Project, extricating itself from any dispute in this area and allowing Gordon Sand and SWEPI to more directly address any potential issues between them.

Thank you again for your consideration.

Sincerely,



Lance S. Tolson  
Senior Legal Counsel  
Shell Oil Company  
Attorney for SWEPI LP