

SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:

Prepared on: 9/03/02
Department: Planning & Development
Budget Unit: 053
Agenda Date: 11/05/02
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Dianne Meester, Interim Director
Planning & Development

STAFF CONTACT: John Keairns, x3116
Building & Safety

SUBJECT: Engineer Consultant Agreement with Robert Brown Engineers for
Petroleum and Natural Gas Facilities Review

Recommendation(s):

That the Board of Supervisors:

Execute professional services contract with Robert Brown Engineers (not a local vendor) for review and evaluation of safety and process systems within specific petroleum and natural gas facilities, for the period of November 5, 2002 through October 31, 2003 in the amount of \$250,000.00.

Alignment with Board Strategic Plan: The recommendations are primarily aligned with Goal No. 2. Ensure the public health and safety and provide essential infrastructure, and with actions required by law or by routine business necessity.

Executive Summary and Discussion: The Planning and Development Department, Building and Safety Division performs plan reviews and inspections for oil and gas facility projects. These reviews cover State and Federal codes regulating building, electrical, process and mechanical systems that are being constructed within these facilities. In addition to applying standard codes to these projects, the Division reviews safety systems and performs safety audits which includes controls, instrumentation, operations procedures, process piping, welding and oil and gas transmission lines. These safety reviews ensure that construction of new facilities, or modifications to existing facilities includes proper control systems to meet accepted industry standards. These safety system reviews are coordinated with other county agencies, such as, APCD, OES, Fire Department and the Department's Energy Division

Presently, Robert Brown Engineers is not only reviewing work for Building and Safety, but under this contract the firm is providing its expertise to the County's Systems Safety Review and Reliability Committee and the Permit Compliance Committee which are managed by the Department's Energy Division. The majority of engineering reviews for safety audits on oil and gas projects are provided by Robert Brown Engineers. Current projects include Venoco, both on-shore and off-shore audits, Popco/Exxon Santa Ynez Unit modifications are ongoing, Arguello Inc. ongoing modifications, Mobil Oil leak detection, and most important are the annual audits of each facility as required by Permit Condition P-1 (SIMQAP) for projects monitored by the Energy Division. Due to the age of many of the facilities, the trend to change ownership to smaller companies and the desire of companies to institute cost saving process changes, the Division anticipates the level of effort for safety reviews and audits will remain high throughout the oil and gas industry.

In order to provide fast and efficient safety reviews the department is asking that this contract be renewed. Building and Safety has found that in order to conduct efficient safety engineering reviews of existing oil and gas facilities the engineering firm must be specialized in oil and gas plan operations and be familiar with these facilities. Robert Brown Engineers has the specialized expertise and is familiar with all the major offshore related oil and gas facilities and pipelines in Santa Barbara County.

Mandates and Service Levels: No change in programs or service level.

Fiscal and Facilities Impacts: The expenditures are reimbursed by project applicants. A budget revision will be prepared within the next month to augment the existing budget. The FY 02-03 Operating Budget (page D-272) will change under Use of Funds Summary for Offshore Oil & Gas, Recommended FY 02-03 column will be increased by \$100,000, bringing the amount to \$427,567 and the Source of Funds Summary for Reimbursable Contracts will be increased by \$100,000, bringing the total to \$300,000.

Special Instructions: Clerk of the Board will forward Minute Order and an executed copy of this agreement to Planning and Development, Accounting.

Concurrence: County Counsel, Auditor Controller and Risk Management