ORDINANCE NO.

AN ORDINANCE AMENDING ARTICLE II, COASTAL ZONING ORDINANCE, OF CHAPTER 35 OF THE SANTA BARBARA COUNTY CODE BY AMENDING DIVISION 2, DEFINITIONS, DIVISION 4, ZONING DISTRICTS, AND DIVISION 9, OIL AND GAS FACILITIES TO DELETE REFERENCES TO GAVIOTA AS A CONSOLIDATED OIL AND GAS PROCESSING SITE AND ADD A NEW SECTION 35-159 (CONSOLIDATED PIPELINE TERMINALS)

CASE NO. 04ORD-00000-00018

The Board of Supervisors of the County of Santa Barbara ordains as follows:

SECTION 1

Section 35-58, Definitions, DIVISION 2 (DEFINITIONS) of Article II of Chapter 35 of the Santa Barbara County Code is hereby amended to read as follows:

SOUTH COAST CONSOLIDATED OIL AND GAS PROCESSING SITE. The site supporting the Las Flores Canyon Oil and Gas Processing Facility (the industrially zoned portions of APNs 81-220-14 and 81-230-19). Any new oil and gas production from offshore reservoirs or zones that is processed within the SCCPA must be processed at this site.

SECTION 2

Section 35-69.4, Uses Permitted With a Major Conditional Use Permit, DIVISION 4 (ZONING DISTRICTS) of Article II of Chapter 35 of the Santa Barbara County Code is hereby amended to read as follows:

- 4. Uses Permitted with a Major Conditional Use Permit.
 - 9. Exploration and production of offshore oil and gas reservoirs from onshore locations, including exploratory and production wells, pipelines, temporary storage tanks, dehydration and separation facilities, and temporary truck terminals located with the Las Flores Canyon Consolidated Oil and Gas Processing Site, subject to the requirements set forth in DIVISION 9, OIL & GAS FACILITIES.
 - 10. Consolidated pipeline terminal, subject to being designated for such use in Policy 6-13A and B of the Coastal Plan and the requirements set forth in DIVISION 9, OIL & GAS FACILITIES.

SECTION 3

Section 35-150.1, Voter Approval, DIVISION 9 (OIL AND GAS FACILITIES) of Article II of

Chapter 35 of the Santa Barbara County Code is hereby amended to read as follows:

2. The voter approval requirement set forth in 1 above shall not apply to onshore pipeline projects or to onshore support facilities that are located entirely within the existing approved consolidated oil and gas processing site at Las Flores Canyon (designated as of June 13, 1995 as APN 81-220-14, 81-230-19) or the former, but no longer existing or approved, consolidated oil and gas processing site at Gaviota (designated as of June 13, 1995 as APN 81-130-52, 81-130-53).

SECTION 4

Section 35-154, Onshore Processing/Treatment Facilities Necessary or Related to Offshore Oil and Gas Development, DIVISION 9 (OIL AND GAS FACILITIES) of Article II of Chapter 35 of the Santa Barbara County Code is hereby amended to read as follows:

- Sec. 35-154. Onshore Processing Facilities Necessary or Related to Offshore Oil and Gas Development.
- 4B. Findings Required for Approval of Development Plans for Facilities in the South Coast Consolidation Planning Area.
- d. The expansion of existing facilities or construction of new facilities are to be located at a consolidated oil and gas processing site as designated in the Coastal Plan of the County's Comprehensive Plan.

SECTION 5

Section 35-157, Oil and Gas Pipelines, DIVISION 9 (OIL AND GAS FACILITIES) of Article II of Chapter 35 of the Santa Barbara County Code is hereby amended to read as follows:

Sec. 35-157. Oil and Gas Pipelines.

- 1. Applicability. The specific regulations contained within this section shall apply to:
 - a. All oil and gas pipelines that extend outside the applicant's lease area (e.g., transmission and distribution lines).
 - b. All oil and gas pipelines transporting oil and gas from or to an offshore area.
 - c. Facilities related to the pipeline, including simple, in-line pump stations, but not including pipeline terminals regulated under Section 35-159.
 - d. Oil storage facilities associated with pipelines shall be subject to the regulations contained in Section 35-159. For all districts in which oil and gas pipelines or related facilities are permitted uses or uses permitted with a Conditional Use

Permit, the district regulations of Division 4 shall be inapplicable to said use. The regulations for pipelines located within a lease area that are necessary for oil and gas production operations are contained within Sec. 35-153. (Onshore Oil and Gas Production).

SECTION 6

Section 35-158, Onshore Exploration and/or Production of Offshore Oil and Gas Reservoirs, DIVISION 9 (OIL AND GAS FACILITIES) of Article II of Chapter 35 of the Santa Barbara County Code is hereby amended to read as follows:

- Sec. 35-158. Onshore Exploration and/or Production of Offshore Oil and Gas Reservoirs.
- 1. Applicability.
 - a. Onshore exploration and/or production of offshore oil and gas reservoirs within the South Coast Consolidation Planning Area shall be restricted to sites designated in the Coastal Plan as consolidated oil and gas processing sites.
- 2. Permitted or Conditionally Permitted Districts.

Exploration and production of oil and gas resources is permitted or conditionally permitted in the following Districts contained within the sites designated in the Coastal Plan as consolidated oil and gas processing sites:

SECTION 7

New Section 35-159, Consolidated Pipeline Terminals, is hereby added to DIVISION 9 (OIL AND GAS FACILITIES) of Article II of Chapter 35 of the Santa Barbara County Code as follows:

35-159. Consolidated Pipeline Terminals.

- 1. Applicability.
 - a. This section shall apply to pipeline terminals wholly or partially engaged in the transport of oil, gas, or natural gas liquids extracted from offshore reserves. A pipeline terminal is defined as any facility, the primary function of which is to transfer crude oil, natural gas, or natural gas liquids between pipeline systems or between a pipeline and another mode of transportation. A consolidated pipeline terminal provides open, non-discriminatory access to all shippers. Pipeline terminals may include some of the following components:
 - 1) oil storage facilities;
 - 2) oil heating equipment;
 - 3) gas-fired co-generation of steam and electricity, including as many as five turbines, primarily to support terminal operations;
 - 4) desalinization plant to convert saltwater to water for steam generation and miscellaneous uses at the terminal;

- 5) hydrogen sulfide polishing operation to safely address potential upset conditions;
- 6) oil pumps and natural gas compressors necessary for transferring product between pipelines;
- 7) access roads and staging areas;
- 8) oil spill containment and recovery equipment and structures;
- 9) produced water disposal equipment;
- 10 other equipment and structures that are determined by the Planning Commission to be ancillary to the pipeline terminal.
- b. This section shall not apply to the following:
 - 1) public works utilities regulated under Section 35-88;
 - 2) simple, in-line booster pump stations in crude oil pipelines, which are considered ancillary to pipelines, regulated under Section 35-157;
 - 3) pipeline terminals that are located within oil and/or gas processing facilities and regulated under the provisions of Section 35-154.
- 2. Permitted Districts. Pipeline terminals are a permitted use in the Agriculture II (AG-II) and Coastal-Related Industry (MC-R) zoning districts, provided that the site is designated in the Coastal Plan as a Consolidated Pipeline Terminal.
- Processing. No permits for development, including grading, shall be issued except in conformance with an approved Final Development Plan, as provided in Sec. 35-174. (Development Plans) and with Sec. 35-169. (Coastal Development Permits). In addition to the other information required under Sec. 35-174.3. (Development Plans), the following information must be filed with a Preliminary or Final Development Plan application:
 - a. Updated emergency response plans that address the potential consequences and actions to be taken in the event of hydrocarbon leaks or fires. The emergency response plans shall be approved by the County's Emergency Services Coordinator and Fire Department.
 - b. An estimated timetable for project construction, operation, and abandonment, including all phases of planned development.
- 4. Findings Required for Approval of Development Plans. In addition to the findings for Development Plans set forth in Sec. 35-174.7. (Development Plans), no Preliminary or Final Development Plan shall be approved unless the Planning Commission also makes all of the following findings:
 - a. The new or modified facilities are to be located at a County-designated consolidated pipeline terminal.
 - b. The new or modified facilities will use, to the maximum extent feasible, existing ancillary facilities at the consolidated site.
 - c. Avoidance of significant adverse impacts or application of feasible mitigation measures renders the new or modified facility fully compliant with the policies of the Coastal Act and Local Coastal Program.
- 5. Development Standards. In addition to the regulations of the applicable zoning district, the following standards apply to new or expanded consolidated pipeline terminals.

- a. Total oil storage capacity shall be limited to the minimum amount necessary to accommodate reasonably foreseeable needs. Total oil storage capacity at the Gaviota Consolidated Pipeline Terminal shall not exceed 130,000 barrels.
- b. The level of noise generated by the facility, measured outside the property boundary, shall not exceed 70 dB(A).
- c. The permittee shall obtain all necessary permits from other agencies before commencing operations.
- d. No offensive odors, fumes, noxious gases, liquids, or smoke (i.e., visible combustion products, not including steam) generated at the facility, other than from motor vehicles, shall be detectable outside the facility boundary.
- e. Visual impacts shall be mitigated to the extent necessary to comply with the policies and regulations of the Coastal Act and the County's LCP. New or modified facilities shall be sited and designed to avoid adverse visual impacts, protect views to and along the ocean and scenic coastal areas, and be visually compatible with the surrounding area. Potential mitigation measures may include:
 - 1) Location and alternative tank configurations (e.g., one large tank versus multiple smaller ones);
 - 2) Buffer strips and depressions, natural or artificial;
 - 3) Screen planting and landscaping continually maintained;
 - 4) Camouflage and/or colors that blend with the surroundings;
 - 5) Lighting positioned, directed, and shielded so as to not directly shine offsite and to minimize offsite glare;
 - 6) Prompt removal or timely painting and upkeep of facilities, tanks, and equipment to prevent deterioration of appearance;
 - 7) Good housekeeping practices.
- f. Grading and alteration of natural drainages, watersheds, and hillsides shall be minimized to control erosion, minimize flooding, and minimize environmental degradation during facility construction and operation. Where grading and alteration of natural drainages, watersheds, or hillsides is required to carry forth a project, adequate mitigation shall be required, including use of temporary vegetation, seeding, mulching, or other suitable stabilization to minimize impacts to affected areas. All cut and fill slopes shall be stabilized immediately with planting of native grasses and shrubs, appropriate non-native plants, or with accepted landscaping practices. Significant impacts to surface water due to short-term

sedimentation of streams shall be mitigated to the maximum extent feasible through adequate erosion and sediment controls, including containment of loose soil.

- g. Adequate provision shall be made to prevent on-site or off-site erosion and flood damage.
- h. New or modified facilities shall be designed and located to avoid significant adverse impacts to known or potential significant habitat for locally rare or regionally endemic and to comply with the policies and regulations of the Coastal Act and the County's Local Coastal Program (LCP). Environmentally sensitive resources shall be protected in accordance with policies in Section 3.9 of the Coastal Land Use Plan.
- Risks of oil spills and associated impacts shall be mitigated to the extent necessary to comply with the policies and regulations of the Coastal Act and the County's LCP. New or modified facilities shall be designed and operated to protect against the spillage of crude oil, petroleum products, or hazardous substances. Effective containment and clean-up shall be provided for accidental spills that do occur. Appropriate preventive measures may include: appropriate location to avoid damage, best-available design, and best-available operational procedures. Added measures to minimize adverse consequences of spills may include: best-available containment designed for worst-case spills, automatic shutdown, leak detection, best-available operational procedures, adequate planning for emergency response, oil spill contingencies, fire protection, and adequate financial assurances to ensure appropriate clean-up and restoration.
- j. All oil transported from the facility shall be transported by overland pipeline, with the following exception. Temporary transportation by a mode other than pipeline may be permitted under an emergency permit only:
 - 1) When the County has made a finding that a declared emergency, which may include a national state of emergency, precludes use of a pipeline; and
 - 2) If an alternate pipeline does not exist, or exists, but is technically infeasible to utilize; and
 - 3) For that fraction of the oil that cannot feasibly be transported by pipeline; and
 - 4) When the environmental impacts of the alternative transportation mode are required to be mitigated to the maximum extent feasible.
- k. Emergency permits issued in accordance with Section 35-159.5.i. shall adhere to the procedures of Section 35-171 with the following exceptions:
 - 1) Emergency permits shall be issued for no more than 90 days and may be renewed if the emergency persists;

- 2) Permits shall expire when the County determines that the emergency has ended or that it no longer precludes use of the pipeline.
- 1. All transportation of natural gas liquids shall be accomplished in accordance with County-approved practices to protect public safety.
- m. Archaeological and historical resources shall be protected in accordance with Section 3.10 of the Coastal Land Use Plan and Division 3, Section 35-65 of the Coastal Zoning Ordinance. Where adverse impacts to archaeological and historical resources cannot be avoided, reasonable mitigation shall be required and designed in accordance with the guidelines of the State Office of Historic Preservation and the State of California Native American Heritage Commission.
- n. Owners and operators of County-designated consolidated pipeline terminals shall make their facilities and property available for consolidated use of terminal facilities and commingled shipping on an equitable and nondiscriminatory basis. Prorated access shall be provided to all shippers if existing transport capacity is insufficient to accommodate proposed production and necessary new facilities are not permittable.
- o. All activities shall be conducted in such a manner so as not to be injurious to the health, safety, or welfare of persons who may be present in the vicinity of the facility by reason of danger to life or property.

SECTION 8

Section 35-170.2, Applicability, of DIVISION 9 (OIL AND GAS FACILITIES) of Article II of Chapter 35 of the Santa Barbara County Code is hereby amended to read as follows: Sec. 35-170.2. Applicability.

Section 35-170 shall apply to the following land uses within the unincorporated area of the County:

1. All permitted uses defined in Sections 35-154, 35-155, 35-156, 35-158, and 35-159 of this Chapter that handle, or at one time handled, oil natural gas, natural gas liquids, produced water, or waste water that originated from an offshore reservoir, regardless of whether these uses were permitted in accordance with this Chapter or any preceding ordinance.

SECTION 9

Except as amended by this ordinance, Article II of Chapter 35 of the Code of the County of Santa Barbara, California, shall remain unchanged and shall continue in full force and effect.

SECTION 10

This ordinance and any portion of it approved by the Coastal Commission shall take effect and be

in force thirty (30) days from the date of its passage or upon the date that it is certified by the Coastal Commission pursuant to Public Resources Code 30514, whichever occurs later. Before the expiration of fifteen (15) days after its passage, the ordinance, or a summary of it, shall be published once, with the names of the members of the Board of Supervisors voting for and against the same in the SANTA BARBARA NEWS PRESS, a newspaper of general circulation published in the County of Santa Barbara.

PASSED, APPROVED AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this 21st day of March 2006, by the following vote:

AYES: NOES: ABSTAINED: ABSENT:

Joni Gray, Chair, Board of Supervisors County of Santa Barbara

ATTEST:

MICHAEL F. BROWN Clerk of the Board of Supervisors

By _____

Deputy Clerk

APPROVED AS TO FORM:

SHANE STARK County Counsel

By___

Deputy County Counsel