



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

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

Department Name: Planning &
Development
Department No.: 053
For Agenda Of: September 20, 2016
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Planning & Development
Director(s) Glenn Russell, Ph.D., Director, 568-2085

Contact Info: Peter Cantle, Deputy Director, Energy & Minerals Division
568-2519

SUBJECT: **Approval of professional services contract with Padre Associates, Inc. for groundwater consulting services for ExxonMobil oil and gas project groundwater compliance, Third Supervisorial District**

County Counsel Concurrence:

As to form: Yes

Auditor-Controller Concurrence:

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

- a. That the Board of Supervisors approve and authorize the Chair to execute the professional services contract with an end date of June 30, 2017, for a total contract not-to-exceed cost of \$5,000 to allow the contractor to provide groundwater consulting services to the Energy & Minerals Division for ExxonMobil's oil and gas project (Attachment 1).
- b. Determine that this action is exempt from CEQA pursuant to Section 15378(b)(5), which exempts organizational or administrative activities of governments that will not result in direct or indirect physical changes to the environment (Attachment 2).

Summary Text:

The attached professional services contract allows Padre Associates, Inc. to provide groundwater consulting to the Planning & Development Department, Energy & Minerals Division on ExxonMobil's Las Flores Canyon (LFC) oil and gas facility, located along the Gaviota Coast. This consultant provides professional hydrologic services to the Division to help ensure that ExxonMobil is in compliance with its Groundwater Management Plan as required by Permit Condition XVI-1 of 87-DP-32. When

combined with existing County contracts, this Planning and Development contract of \$5,000 will exceed the \$100,000 countywide purchasing threshold for Padre Associates, Inc., and therefore requires Board approval.

Background:

ExxonMobil draws groundwater for the purpose of operating its Las Flores Canyon (LFC) oil and gas facility. Pursuant to ExxonMobil’s compliance permit, 09PMC-00000-00008, ExxonMobil is required to follow its Groundwater Management Plan to properly manage its groundwater resources associated with LFC.

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			
Federal			
Fees			
Other: Reimbursement			\$ 5,000.00
Total	\$ -	\$ -	\$ 5,000.00

All costs for work conducted by Padre Associates, Inc. under this contract are fully reimbursed by ExxonMobil. These funds are budgeted in the Operating Expenditures of the Permitting Budget Program on page D-291 of the FY 2016-17 budget in the Coastal Mitigation Budget Program. A budget revision is not necessary because appropriation already exists for these expenditures within P&D’s budget.

Key Contract Risks:

A risk analysis was performed and the proposed contractual agreement was rated as having low risk due to its small amount, less than one-year term and moderate complexity. All costs incurred are fully reimbursed by ExxonMobil oil and gas project through monthly invoices. The recommended Contractor, Padre Associates, Inc., has provided consultant services to the Energy & Minerals Division since 2013. The County has consistently received excellent services from Padre Associates, Inc. The Agreement indemnifies County agents, officers, and employees from all claims that arise from activities performed under the Agreement.

Special Instructions:

The Clerk of the Board will forward a copy of the contract and Minute Order to P&D, Energy Division, attention Kathy Pfeifer.

Attachments:

- Attachment 1: Agreement for Services with Padre Associates
- Attachment 2: Notice of Exemption

Authored by: Kathy Pfeifer