

Katherine Douglas

Applicant Letter - Exxon Mobil

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From: Jessica.StebbinsBina@lw.com
Sent: Friday, October 31, 2025 11:17 AM
To: sbcob
Cc: Jessica.StebbinsBina@lw.com; lkaplan@omm.com; srusch@sableoffshore.com
Subject: November 4, 2025 Board of Supervisors Meeting - Applicants' Submissions Sable Offshore
Attachments: 2025.10.31 Nov. 2025 Sable Board Presentation.pdf; ExxonMobil 10.31.25 Written Submission to BOS for 11.4.25 Rehearing.pdf; 2025.10.31 Sable - Supplemental Appeal Response for November 2025 Board Hearing.pdf

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Good morning,

Please find attached Applicants' Sable Offshore Corp., Pacific Pipeline Company, and Pacific Offshore Pipeline Company submission to the Board of Supervisors in connection with the November 4, 2025, Hearing regarding the Application for Change of Owner, Guarantor, and Operator for the Las Flores Pipeline System Lines CA-324 and CA-325 A/B; Application for Change of Owner, Guarantor, and Operator for the POPCO Facilities; and Application for Change of Owner, Guarantor, and Operator for the Santa Ynez Unit, as well as Applicants' planned presentation to the Board at the hearing. I am also attaching an additional letter from the ExxonMobil affiliates that currently hold the permits at issue.

Hard copies of all documents will be delivered this afternoon.

We would appreciate your confirming receipt.

Please don't hesitate to reach out with any questions.

Best regards,

Jessica Stebbins Bina

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October 31, 2025

Lauren Kaplan
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Santa Barbara County Board of Supervisors
County of Santa Barbara
105 East Anapamu Street, Room 407
Santa Barbara, California 93101
Attn: Clerk of the Board
sbcob@countyofsb.org

Re: *Appeals of Planning Commission Approval of Change of Owner, Guarantor, and Operator for the Santa Ynez Unit, Pacific Offshore Pipeline Company Gas Plant, and Las Flores Pipeline System*

We write on behalf of Exxon Mobil Corporation (“ExxonMobil”), ExxonMobil Pipeline Company (“EMPCo”), and Mobil Pacific Pipeline Company (“MPPC”) (collectively, the “ExxonMobil affiliates”). As laid out in the October 31, 2025 letter submitted by Sable Offshore Corp. (“Sable”), Pacific Pipeline Company (“PPC”), and Pacific Offshore Pipeline Company (“POPCO”) (collectively, “Applicants” or “Sable”), and by County staff and the Planning Commission, the Applicants have met the Santa Barbara County Code (“County Code”) Chapter 25B requirements. For this reason and the reasons outlined in the Applicants’ letter, the Board of Supervisors should deny the Appeals and uphold the County Planning Commission’s October 30, 2024 approval of the transfers.

The ExxonMobil affiliates write separately to highlight additional reasons for denying the Appeals.

I. BACKGROUND¹

The ExxonMobil affiliates are the prior owners, guarantors, and operators of the Las Flores Pipeline System (“Pipeline”), the POPCO Facilities, and the Santa Ynez Unit (collectively, the “Facilities”), facilities with long-held County Final Development Permits (“FDPs”) issued well before the passage of Chapter 25B.

When determining whether to approve a change of owner, guarantor, and/or operator of oil and gas facilities subject to County FDPs, the County must follow the narrow and ministerial process outlined in Chapter 25B. On September 19, 2023, the County Board of Supervisors did just that and approved the ExxonMobil affiliates’ change of owner, guarantor, and operator application for the Pipeline. The Board, performing its ministerial duties as provided in Chapter

¹ The ExxonMobil affiliates hereby incorporate by reference the extensive factual and procedural background described in Sable’s letter.

25B, found that the ExxonMobil affiliates met each of Chapter 25B’s requirements and upheld the Planning Commission’s approval of the application.

On February 14, 2024, Sable acquired full ownership of the Facilities. Because the Facilities had once again changed hands, Sable filed a change of owner, guarantor, and operator application with the County. County staff, after reviewing the submitted materials pursuant to Chapter 25B’s narrow constraints, recommended that the Planning Commission approve the transfers. On October 30, 2024, the County Planning Commission approved the transfers by a 3 to 1 vote.

The Appellants appealed to the Board. On February 20, 2025, County staff again recommended that the Board deny the Appeals and approve the transfers. Notwithstanding this staff recommendation and the well-reasoned Planning Commission approval, on February 25, 2025, the Board held a hearing on the Appeals and split the vote: 2 votes to 2 votes, with Supervisor Hartmann recusing herself.

Since the February 2025 tie vote, the County has muddled the waters surrounding the effect of the Board’s tie vote and has not taken any action to transfer the permits to Sable. The County’s inaction left Sable and the ExxonMobil affiliates, as well as the operation of the Facilities, in legal and regulatory limbo. While Sable has been serving as owner, operator, and guarantor of the Facilities in all respects for almost two years, the ExxonMobil affiliates are stuck holding the FDPs.

Sable and the ExxonMobil affiliates sought judicial relief, and a federal court issued a peremptory writ of mandate directing the Board to do its ministerial duty and either affirm, reverse, or modify the Planning Commission’s approval of the transfers. *Sable Offshore Corp. v. County of Santa Barbara*, (C.D. Cal. Sept. 12, 2025) Case No. 2:25-cv-04165-DMG-AGR, 2025 WL 2674260, at *13. The County then set the instant rehearing of the Appeals.

II. THE BOARD SHOULD DENY THE APPEALS AND UPHOLD THE PLANNING COMMISSION’S APPROVAL OF THE TRANSFERS

A. ExxonMobil Expects the County to Apply Its Rules Objectively and Fairly

The County’s role in FDP transfers under Chapter 25B is limited to ensuring compliance with the specific, enumerated requirements. As written, Chapter 25B provides for a narrow and mandatory process: “Upon making the findings listed in Sec. 25B-10.1, the planning commission *shall* approve the change of operator.” County Code §§ 25B-10(b) (emphasis added); 25B-9(g) (same for change of owner and guarantor). An ordinance such as Chapter 25B, which “involves the application of fixed standards or objective measurements,” is clearly ministerial. *Health First v. March Joint Powers Auth.* (2009) 174 Cal. App. 4th 1135, 1143 (finding that a committee “exercised no discretion and ... acted ministerially” in reviewing whether an application met a “checklist” of “fixed standards” and “requirements”).

As Sable outlines in detail in its letter, it clearly meets the checklist of fixed standards and requirements set forth by Chapter 25B. As such, the ExxonMobil affiliates expect the

County to perform its ministerial duties under Chapter 25B and formalize its transfer of the County permits to Sable. Any other outcome would be contrary to Chapter 25B’s narrow directive.

The ExxonMobil affiliates expected the County to follow the law and faithfully carry out its duties by applying Chapter 25B’s requirements appropriately when Sable purchased the Facilities. The Planning Commission did so when it approved the transfers. And the County’s staff report for the Appeals again urges the Board to do the same. Chapter 25B sets out clear, objective standards for transfer and provides no room for the County to exercise any discretion based on unidentified and arbitrary criteria. *See Riddick v. City of Malibu* (2024) 99 Cal. App. 5th 956, 966 (ministerial ordinances require a public agency “to perform in a prescribed manner ... and without regard to [its] own judgment or opinion”). And because Chapter 25B’s language is clear and unambiguous, the Board must refrain from broadening its interpretation of Chapter 25B using legislative history or any other extrinsic evidence as it did in the February 2025 hearing. *BedRoc Ltd., LLC v. United States* (2004) 541 U.S. 176, 183.

In recognition of these principles, the federal district court judge presiding over the litigation that spurred this rehearing ordered the Board to “comply with the requirements of Chapter 25B and Governing Procedural Rules,” and make a decision “tethered to factual findings under Chapter 25B-8, 9, and 10.” *Sable Offshore*, 2025 WL 2674260, at *12, *12 n.17. Board members cannot, as they did in February 2025, decide the Appeals based upon the misguided notion that this proceeding has any relation to restarting the Facilities, or that restart is “an ‘insane’ and ‘bad’ idea.” *See id.* at *12 n.17 (a vote that a Board member perceived as “the ‘right thing to do,’ without a single mention of the findings required under Chapter 25B, would not exemplify compliance” with Chapter 25B).

Put differently, the County cannot misuse Chapter 25B to stop oil and gas production in Santa Barbara or prohibit big companies, such as ExxonMobil, from selling such facilities to smaller, less experienced companies who meet Chapter 25B’s enumerated criteria. Such a practice would prevent ExxonMobil from selling the Facilities to virtually *anyone*, regardless of Chapter 25B’s plain language.

As such, the Board should apply Chapter 25B in an objective fashion—or not at all.

B. The County Has Applied Chapter 25B Inconsistently

The ExxonMobil affiliates have been here before. Two years ago, the Planning Commission approved their change of owner, guarantor, and operator application for the Pipeline. When faced with a substantially similar appeal of the Planning Commission’s approval, the Board acknowledged and acted in accordance with Chapter 25B’s narrow scope by upholding the approval, with no dissent. Indeed, current Board Chair Capps recognized that a transfer under Chapter 25B is merely “an administrative action” to ensure that the FDP “matches the company that owns the pipeline,” and “*that’s important*.” Ex. 1, Board Hearing Transcript Excerpts, Sept. 19, 2023 Meeting, at 52:19-53:9 (emphasis added) (further recognizing the decision “doesn’t have any impacts on our environment” and is “not a step towards the restart of

a damaged pipeline,” “not about the integrity of the pipeline,” and “not about flow of oil, [or] about potential increase of fossil fuel dependence”).

Yet, in February 2025, the Board failed to vote to similarly uphold the Planning Commission’s approval of Sable’s change of owner, guarantor, and operator application. In doing so, the Board abandoned its view of Chapter 25B as narrow and ministerial. Instead of focusing on the undisputed Planning Commission findings that established that Sable “met the requirements of [Chapter 25B’s] sort of checklist,” which should have ended the Board’s inquiry, dissenting Board members asked Sable to “go *above and beyond* the checklist” and focused on so-called “red flags” beyond Chapter 25B’s scope. Ex. 2, Board Hearing Transcript Excerpts, Feb. 25, 2025 Meeting, at 43:15-44:15, 201:5-203:9 (emphasis added).²

Through its inconsistent approach to Chapter 25B, the Board has converted a routine, ministerial, and administrative change into an undeterminable process subject to this Board’s political whims. In doing so, the Board has made the Chapter 25B transfer process much more time-consuming and costly, as the ExxonMobil affiliates and Sable—or any similarly situated owner/operator—must commit resources to guessing which interpretation of Chapter 25B the Board will adopt. The ExxonMobil affiliates ask that the Board apply Chapter 25B in a manner that is consistent with its language and with the Board’s previous approval of transfers.

C. The County’s Actions Jeopardize Chapter 25B’s Legality

Beyond the burdens the Board’s inconsistency places on the ExxonMobil affiliates and their investment-backed expectation, the Board’s conduct also seriously jeopardizes the continued existence of Chapter 25B.

If Chapter 25B actually allowed Board members to conduct broad inquiries into a proposed owner/operator’s financial health based on unidentified criteria, then it would be unclear to future owner/operators what they must do to successfully transfer ownership. The Board’s arbitrary approach does not provide fair notice of what Chapter 25B requires—a clear violation of the principles of procedural due process. *See Kerman Tel. Co. v. Pub. Utils. Comm’n* (2023) 94 Cal.App.5th 920, 932 (“[i]n the administrative law context” due process requires “fair notice to a regulated entity of what is forbidden or required”). Moreover, an Ordinance for which compliance is unclear invites arbitrary or discriminatory enforcement, and

² The Board’s procedural inconsistencies may not end here. Supervisor Hartmann recused herself from *every* proceeding involving ExxonMobil and the Pipeline, including the prior transfer to the ExxonMobil affiliates, because the line runs adjacent to her property. *See, e.g.,* Ex. 1, Board Hearing Transcript Excerpts, Sept. 19, 2023 Meeting, at 2:13-17 (“[T]he pipeline runs directly adjacent to the northeast corner of my property, so due to conflict of interest potential, I need to recuse myself and I’ll leave now.”). Now, Supervisor Hartmann appears to have determined, without any change in circumstance or legal advice, that she will no longer recuse herself. *See* Nick Welsh, *Hartmann Now Eligible to Vote on Some Sable Issues*, SANTA BARBARA INDEPENDENT (July 16, 2025, 8:32 AM), <https://www.independent.com/2025/07/16/hartmann-now-eligible-to-vote-on-some-sable-issues/>.

renders that Ordinance unconstitutionally vague. *See Fang Lin Ai v. United States* (9th Cir. 2015) 809 F. 3d 503, 514 (a law cannot be “so vague and indefinite as really to be no rule or standard at all”) (citation omitted).

Further, the Board’s approach could expose Chapter 25B to invalidity under preemption principles. If a local law or regulation contradicts or invades a preempted field, it is void. *Chevron U.S.A. Inc. v. County of Monterey* (2023) 15 Cal. 5th 135, 143–46. Here, the Hazardous Liquid Pipeline Safety Act (“HLPESA”), 49 U.S.C. §§ 60101–43, expressly preempts local governments from imposing additional safety standards on pipelines. And the California Department of Fish and Wildlife Office of Spill Prevention and Response (“OSPR”) preempts local governments from imposing additional financial responsibility requirements on pipeline operators. Despite this, the Board’s approach seeks to impose its own safety and financial responsibility standards on Sable through Chapter 25B and invades the authority specifically delegated to state and federal agencies. This approach runs afoul of preemption principles. *See Olympic Pipe Line Co. v. City of Seattle* (9th Cir. 2006) 437 F.3d 872, 880 (invalidating local government’s attempt to impose safety conditions on pipeline as preempted).

If the County wishes to have any future say over oil and gas facility transfers, the Board should tread carefully in its decision-making here.

D. The County’s Actions Threaten ExxonMobil’s Vested Rights to Own, Operate, and Sell Its Assets

The County’s actions with respect to the Facilities put the ExxonMobil affiliates’ vested rights at risk. In so doing, the County exposes the ExxonMobil affiliates to millions of dollars of losses and the potential of perpetual uncertainty over the regulatory and legal status of the Facilities. If the County does not put an end to these risks, the ExxonMobil affiliates will continue to exercise their legal rights to ensure that they recover their damages from the County.

If, upon rehearing the Appeals, the Board does not uphold the Planning Commission’s approval and again goes against County staff’s well-reasoned analysis, that would transform Chapter 25B from a ministerial ordinance into a means of frustrating the operation of the Facilities pursuant to vested entitlements. When the ExxonMobil affiliates acquired the Facilities and the County approved the transfer to the ExxonMobil affiliates without incident, it was not foreseeable that the County would one day impede their ability to sell, and move on from, the Facilities. However, that is precisely what the County is now doing: Sable owns and operates the Facilities, but the ExxonMobil affiliates cannot transfer their FDPs.

This is problematic for many reasons, two of which are worth highlighting here. First, by preventing the permit transfer, the County would infringe on ExxonMobil’s undisputed property rights in violation of due process and the Takings Clause. *Gregory v. City of San Juan Capistrano* (1983) 142 Cal. App. 3d 72, 88 (property rights protected by due process include ability to sell and transfer property); *Nollan v. Cal. Coastal Comm’n* (1987) 483 U.S. 825, 837 (permit conditions not tethered to stated public purpose constitute unconstitutional taking). Second, the County would be intentionally impeding the performance of the sale contract between the ExxonMobil affiliates and Sable. While the parties have executed a contract for the

sale of the Facilities, neither of them may fully enjoy the benefits of that contract until the County approves Sable's change of owner, guarantor, and operator application.

* * *

For the reasons outlined in Sable's letter to the Board, and for the further reasons the ExxonMobil affiliates describe herein, the Board should deny the Appeals and uphold the Planning Commission's October 30, 2024 approval of the transfers.

Sincerely,

/s/ Lauren Kaplan

Lauren Kaplan
Partner
of O'MELVENY & MYERS LLP

EXHIBIT 1

1 STATE OF CALIFORNIA
2 COUNTY OF SANTA BARBARA
3 BOARD OF SUPERVISORS
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6 DAS WILLIAMS, Chair, First District
7 LAURA CAPPS, Second District
8 JOAN HARTMANN, Third District
9 BOB NELSON, Fourth District
10 STEVE LAVAGNINO, Vice Chair, Fifth District
11
12 MONA MIYASATO, County Executive Officer
13
14

15 TRANSCRIPT OF AUDIO RECORDED MEETING EXCERPT

16 Item No. 2

17 Tuesday, September 19, 2023

18 9:00 a.m.
19
20
21

22 Transcribed By:

TERRI NESTORE

23 CSR No. 5614, RPR, CRR
24

25 Job No. 6135489

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1 CHAIR WILLIAMS: We are reconvening from closed
2 session. Can County Counsel give us a report for closed
3 session?

4 MS. VAN MULLEM: Thank you, Mr. Chair, members of
5 the Board. The Board met in closed session on three items
6 of existing litigation: Community Association for the
7 Modoc Preserve vs. the County; County vs. Rosser
8 International; and S.J. Amaroso Construction vs. the
9 County; and one item of labor negotiations for Santa
10 Barbara County Deputy Sheriff's Association.

11 The Board took no reportable action.

12 CHAIR WILLIAMS: Supervisor Hartmann.

13 SUPERVISOR HARTMANN: Yes, I'd like to make an
14 announcement. The next item, the pipeline runs directly
15 adjacent to the northeast corner of my property, so due to
16 conflict of interest potential, I need to recuse myself
17 and I'll leave now.

18 CHAIR WILLIAMS: Thank you, Supervisor.

19 We are, as the supervisor indicated, we are on to
20 Departmental Item No. 2.

21 THE CLERK: Chair Williams and members of the
22 Board, Departmental Item No. 2 is from the Planning and
23 Development Department. It is a hearing to consider
24 recommendations regarding appeal of the Planning
25 Commission's approval of the change of ownership, change

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1 it actually has the teeth that we would hope that it
2 would.

3 So I'm comfortable with denying the appeal today
4 and I make the required findings for approval of the
5 change of ownership, but I'm interested to hear what you
6 have to say as well.

7 CHAIR WILLIAMS: Supervisor Lavagnino.

8 SUPERVISOR LAVAGNINO: Thank you, Mr. Chair.

9 Yeah, I was trying to keep this really low key
10 today because to me it's just this is a name change, so I
11 wasn't trying to go full bore today.

12 And I apologize if I misunderstood you, but to me
13 it felt like, you know, anytime anybody comes after our
14 staff, it bothers me, especially calling 'em a rubber
15 stamp or energy division, because these folks have to make
16 the toughest calls on the most controversial issues.
17 They're not politicians, they are engineers and
18 professionals, and they're making a judgment call that
19 they know a lot of times isn't going to be popular.
20 Ninety-five percent of the time it's opposed to something
21 I like, but that's fine. That's their job.

22 So that was the face you saw from me. Anytime I
23 feel like somebody's going after our staff and calling 'em
24 a rubber stamp or the fire marshal, it bothers me because
25 those are public servants that are just trying to do the

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1 best they can. If you don't agree with it -- and maybe I
2 misread you and that's on me.

3 Yeah, I'm going to let the rest of it go.

4 For me, it's just I don't want it to be
5 contentious and I just think it's a name change, for me,
6 and I'd just as soon go there.

7 CHAIR WILLIAMS: Supervisor Capps.

8 SUPERVISOR CAPPS: Thank you. So while it's
9 nothing personal with the people sitting here, unlike
10 Mr. Cappello, I do have something against ExxonMobil.

11 In fact, I note that on Friday, the State of
12 California launched a lawsuit of Exxon and two other
13 companies for decades of deceiving the public by
14 downplaying the risks posed by fossil fuel companies.

15 Downplaying risks is what they do, and I believe
16 that we have suffered the consequences as a people and as
17 a planet; however, I agree with the two colleagues that
18 spoke before me.

19 This change of ownership is an administrative
20 action, doesn't have any impacts on our environment. I've
21 been convinced that it's not a step towards the restart of
22 a damaged pipeline. It's not about the integrity of the
23 pipeline, this is really about the integrity of making
24 sure that our County permit actually matches the company
25 that owns the pipeline, and that's important.

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1 More broadly, one of the reasons why I'm sitting
2 here today is -- on this Board is to address the climate
3 crisis and decrease our dependence on fossil fuels. I
4 feel that call, that mission, urgently. So do so many
5 people in our community. Environmentalism is in our DNA,
6 yet they're not here today because I believe that they've
7 come to the same conclusion that this is not about
8 restart, this is not about flow of oil, this is not about
9 potential increase of fossil fuel dependence.

10 So with that, I'm happy to deny the appeal and
11 support the Planning Commission, which I really want to
12 thank for their diligent work, as well as our staff.

13 Thank you.

14 CHAIR WILLIAMS: I agree with Supervisor Capps.

15 As much as emotionally I want to punish Exxon for
16 their role in slowing down the state and world's response
17 to climate change, we live in a society of laws and we
18 have a responsibility to uphold those laws.

19 I brought up the issue partially because
20 Mr. Cappello brought it up, partially also because it
21 matters to me a lot, the resources brought to bear in case
22 of a disaster. And while I might agree that a hundred
23 million might be enough for a active pipeline that is not
24 being used -- hopefully I'm parsing that correctly -- I do
25 not think that it is enough for a restarted pipeline.

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1 And so if there is any other dealings that we
2 have, I want to just make that abundantly clear that if I
3 have the discretion to require more resources be brought
4 to bear, I will exercise that discretion.

5 And I think it also should bear into any
6 decision-making of further transfers of ownership from the
7 perspective of what if there is a request to transfer
8 ownership to a company that has fewer resources, I want to
9 know that that will still be sufficient in the future.

10 So I bring that up as a sort of a, you know,
11 warning or, you know, an issue that needs to be addressed
12 if there's any other requests for permits in the future.

13 But I do think that the Planning Commission made
14 the right decision legally, and I'm prepared to uphold
15 that appeal -- I mean deny the appeal and uphold the
16 Planning Commission's findings.

17 Is there a motion?

18 SUPERVISOR NELSON: Yeah, I think -- yes, I'll
19 make a motion to deny the appeal, make the required
20 findings for approval of change of ownership, determine
21 the request is not a project under CEQA, so staff
22 recommendations A through D.

23 CHAIR WILLIAMS: Is there a second?

24 SUPERVISOR LAVAGNINO: Second.

25 CHAIR WILLIAMS: There is a motion and a second.

1 You could tell that Bob is very comfortable over
2 here. We're not comfortable, but we're prepared to vote.

3 All those in favor, please say aye.

4 SUPERVISORS: Aye.

5 CHAIR WILLIAMS: Aye. Opposed?

6 (End of transcription.)

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Page 55

C E R T I F I C A T E

I, TERRI NESTORE, Certified Shorthand Reporter/
Transcriptionist, do hereby certify that I was authorized
to transcribe the foregoing recorded proceeding, and that
the transcript is a true and accurate transcription of my
shorthand notes, to the best of my ability, taken while
listening to the provided recording.

I further certify that I am not of counsel or
attorney for either or any of the parties to said
proceedings, nor in any way interested in the events of
this cause, and that I am not related to any of the
parties thereto.

Dated this 29th day of September, 2023.

A handwritten signature in black ink that reads "TERRI NESTORE". The signature is written in a cursive, slightly slanted style.

TERRI NESTORE, CSR 5614, RPR, CRR

EXHIBIT 2

1 [00:05:00]

2 [00:10:00]

3 [00:15:00]

4 [00:20:00]

5 [00:25:00]

6 CHAIR CAPS: Oh, good job, everybody. Nice to see everyone here.

7 My name is Laura Caps, and it's my pleasure to call to order the

8 February 25th 2025 meeting of the Santa Barbara County Board of

9 Supervisors hearing. Madam Clerk, please call the role.

10 CLERK: Supervisor Lee.

11 MR. LEE: Here.

12 CLERK: Supervisor Hartman.

13 MS. HARTMAN: Here.

14 CLERK: Supervisor Nelson?

15 CLERK: And Supervisor Nelson's participating remotely from DC.

16 MR. NELSON: Here.

17 CHAIR CAPS: Oh, there you are. Great, thank you, and Supervisor

18 [PH 00:29:24] Lavanino.

19 MR. LAVAGNINO: Here.

20 CLERK: And Chair Caps?

21 CHAIR CAPS: Here.

22 CLERK: At this time, please, join me in Pledge of Allegiance.

23 Ready to begin.

24

25

1 ALL: I pledge allegiance to the Flag of the United States of
2 America and to Republic for which it stands, One Nation, under God,
3 Indivisible, with Liberty and Justice for All.

4 CHAIR CAPS: Okay, the next item in business is the approval of
5 the minutes from our last hearing, which was February 11th

6 [00:30:00]

7 2025.

8 MS. HARTMAN: Move approval.

9 CHAIR CAPS: Thanks, Supervisor Hartman.

10 MR. LEE: Second.

11 CHAIR CAPS: Thank you, Supervisor Lee. Madam Clerk, roll call
12 vote please. When you're ready.

13 CLERK: Supervisor Lee?

14 MR. LEE: Aye.

15 CLERK: Supervisor Hartman.

16 MS. HARTMAN: Aye.

17 CLERK: Supervisor Nelson?

18 MS. HARTMAN: Aye.

19 CLERK: Supervisor Lavanino?

20 MR. LAVAGNINO: Aye.

21 CLERK: And Chair Caps?

22 CHAIR CAPS: Aye.

23 CLERK: Motion passes unanimously.

24 CHAIR CAPS: Okay. Next item is our CEO's report. CEO [PH
25 00:30:27] Miasato?

1 CHAIR CAPS: Thank you, and the city of Santa Barbara brought up
2 the risk of, you know, wildfire threats, seismic risk and just said,
3 you know, that those severe risks would call for updated safety reviews
4 and risk assessment. So, similar to like a new housing project, would
5 the Fire Marshal, our own Fire Marshal be... what's the role?

6 MR. BRIGGS: Madam Chair, I wouldn't want to speak for the Fire
7 Marshal and how they look at the facility, but certainly, protecting
8 the facilities from a potential fire are a major concern, and if you
9 look back historically, there's been at least one fire that I can think
10 of that basically came to the property line there. So, I mean, the
11 operator is well aware of that, I'm sure. I don't, again, I don't want
12 to speak for the Fire Marshal, but I have confidence that they're
13 deeply involved in making sure that, you know, all of those precautions
14 are taken.

15 CHAIR CAPS: Thank you. Two more questions. Back on financial
16 stability, do you... I understand that they met the requirements of this
17 sort of checklist, but do we have, do you share any concerns that many
18 people do in the community about financial stability regarding this,
19 especially regarding the fact that Exxon sold them a company but then
20 had to loan them \$622 million?

21 MR. BRIGGS: So, certainly, we've taken the concerns of the
22 public very seriously,

23 [01:40:00]

24 and we've looked into Sable's financial condition as much as we
25 possibly can. They do have a pretty sizable cash balance. If you look

1 at the New York Stock Exchange today, the company's valued at \$2.6
2 billion. Certainly, they have pretty significant resources on hand. I
3 would really like to defer specific questions about their financial
4 ability to them. I'm sure they could speak to that.

5 CHAIR CAPS: Fair enough. Last question on the insurance policy.
6 I asked about this. So, we've seen this. They've produced the
7 certificate, but we have not seen the insurance policy.

8 MR. BRIGGS: Correct.

9 CHAIR CAPS: I understand that's the requirement, but could we
10 have seen the insurance policy? Could we have asked for the insurance
11 policy? Can we still ask for the insurance policy to actually review
12 it?

13 MR. BRIGGS: Madam Chair, we can ask for any information at any
14 time, and if you wanted to do that today with them here in the room,
15 I'm...

16 CHAIR CAPS: Excellent. Thanks for that, appreciate it. Okay.
17 I realize I might have skipped over Supervisor Nelson. If you had any
18 questions?

19 MR. NELSON: I have questions [INDISCERNIBLE 01:41:03].

20 CHAIR CAPS: Yeah, sorry about that. Just feel free to...

21
22 MR. NELSON: No, no, no, I asked my questions.

23 CHAIR CAPS: Okay, you did. I just wanted to make sure. Okay.
24 All right, any other questions for staff before we move on to the
25 appellant? Supervisor Lee?

1 I'm compelled by the engineers and the scientists and the legal experts
2 at the county, at the state, and the federal government, and I will
3 support the [PH 07:17:09] PC and the staff recommendations to deny the
4 appeal and approve the transfer of the permit.

5 CHAIR CAPS: Okay, thank you. Like Supervisor Lavanino, I was a
6 little kid after the oil spill of 1969, and it's actually the reason
7 why I went into a world of politics and advocacy. It was the first
8 issue that really struck me. My parents were very engaged, would take
9 me to early rallies, early days of Goo, and all of the activism that
10 sprouted up, and obviously, the birth birthplace of Earth Day. So, I
11 just have to say that I really appreciate how everyone's hung in here
12 today in such, again, such a conducive, collaborative way of respect.
13 I mean, this was a marathon, and I have to say too, I'm so proud of
14 UCSB and our gauchos for showing up in such force. I had no idea. I
15 mean, I shouldn't be surprised, but they just one after one after one
16 really putting your future where your heart is by speaking so
17 eloquently, and by being here and being so dedicated. So, thank you.
18 It's an honor to represent you. It really is, and it has been stated.
19 This is our one shot. I agree. I do agree with my colleagues, even
20 though I'm not going to vote with them, this is not fair to the public
21 that this is the one shot that you've all had here in Santa Barbara,
22 where we experienced a devastating spill in 2015, and this is what you
23 get, a technicality on a permit change for a hearing, because there's
24 so many layers. It's designed to be completely confusing. It's
25 designed to be completely in favor of big interests, big, powerful

1 interests with lobbyists and influence, so that we don't know why
2 things are being decided the way they are. We don't know why things
3 are not moving forward. This was this one chance, and it's extremely...
4 I agree with you. It shouldn't be... it's not fair for some folks to
5 walk out of here and think, okay, we stopped the pipeline, or we
6 started the pipeline. That is not what we're doing here, and that is
7 completely unfair. But there are too... so, even within the narrow
8 confines of what we're actually doing here, there are too many red
9 flags, because we are, this is about fiscal oversight, and we do sit up
10 here with a fiscal responsibility of a budget of \$1.6 billion annually,
11 and to me, it's too risky to have an applicant that was formed when a
12 major company decided that having this pipeline was potentially too
13 risky. So, then it's just too, it's just... as I said earlier, it's
14 fishy to me

15 [07:20:00]

16 that you would sell a pipeline to a new company that doesn't have
17 the funds for it, and again, maybe this is extremely common, but it
18 doesn't pass my smell test, and then loan them the money. If they had
19 wanted to show the insurance policy, they could have, and so much has
20 been made over the last several months about this policy. Why not just
21 show it? Why not just go above and beyond the checklist? That is
22 another red flag for me. Compliance with the Coastal Commission is
23 another red flag for me. Why have a cease and desist? Why not just
24 cooperate with this governing body? So, really, what we're looking at
25 is fiscal stability. That's what we're charged with trying to do, and

1 there are far too many flags. It was said by Mr. Day, in his
2 interpretation of the ordinance that he wrote, that it's a gamble.
3 This was not meant to be toothless. Our job, I get the tension of what
4 we're being asked to do, but I do feel I was elected to look at the big
5 picture and to extrapolate of what we're actually doing here, and I
6 cannot, in good faith, say that this transfer gives me reassurance of
7 fiscal stability. So, I will be voting to uphold the appeal. So,
8 let's do a roll call vote. A motion. So, I would need a motion from
9 somebody.

10 MR. LAVAGNINO: Well, this is going to be weird.

11 CHAIR CAPS: We can just do two.

12 MR. LAVAGNINO: Yeah. Okay. Why don't you guys do your
13 questions?

14 CHAIR CAPS: Wait, well, I'll go [INDISCERNIBLE 07:21:37].

15 MR. LAVAGNINO: Yeah, because I'm trying to find the language.

16 CHAIR CAPS: I could make a motion. Thank you. We have our
17 most...

18 MR. LAVAGNINO: Yes. All right, I will move staff
19 recommendations A through D.

20 MR. NELSON: I will second that motion.

21 CHAIR CAPS: So, then, Madam Clerk, when you're ready, we'll do a
22 roll call vote.

23 MR. LAVAGNINO: Pins and needles.

24 CLERK: Supervisor Lee?

25 MR. LEE: No.

1 CLERK: Supervisor Nelson?

2 MR. NELSON: Aye.

3 CLERK: Supervisor Lavanino?

4 MR. LAVAGNINO: Aye.

5 CLERK: Chair Caps?

6 CHAIR CAPS: No.

7 CLERK: Motion fails two to two.

8 CHAIR CAPS: Okay. Well, then I'll make an alternative motion to
9 uphold the appeal. Is that sufficient as a motion? County counsel?

10 COUNTY COUNSEL: Madam Chair and members of the board, so, the
11 record does not actually contain the findings to deny the appeal or to
12 uphold the appeals. So, my recommendation would just to go ahead and
13 do a conceptual motion, so we can see where the board stands, rather
14 than develop the findings. It sounds to me like we might not need to
15 get that next step. So, I just recommend doing a conceptual motion.
16 We'll see where we stand, and then we can decide next steps.

17 CHAIR CAPS: Even though I think it's rather clear, but we'll do
18 a conceptual motion to uphold the appeal. I make that motion.

19 MR. LEE: I'll second.

20 CHAIR CAPS: Okay, roll call vote, please.

21 CLERK: All right. Supervisor Lee?

22 MR. LEE: Aye.

23 CLERK: Supervisor Nelson?

24 MR. NELSON: No.

25 MR. LAVAGNINO: Supervisor Lavanino?

1 you do, because I experienced it. It is not easy, and coming from a
2 small business background, where I work 80 hours a week for the past,
3 since I was a kid, this is hard. You take it home with you. Your
4 family experiences it. You sleep, going to bed, knowing that you, the
5 moment you wake up, you're on it, but I love it, and I know that each
6 of you all love it, but as a... being here, I fully support each and
7 every one of you, but I cannot vote on it, because I'm still just very
8 new to the role. So, I'll be abstaining from the vote.

9 CHAIR CAPS: Okay.

10 MR. LAVAGNINO: I just had a staff question.

11 CHAIR CAPS: Sure, go for it.

12 MR. LAVAGNINO: So, I just want to be perfectly clear. So, I'm
13 going to be saying this right when I put this out, is: so, you did a
14 calculation. I just want to make sure that, if we say that the staff
15 recommendation right now was 171, if we use the 2015 Citizens'
16 Commission, plus the [INDISCERNIBLE 09:23:40] that the commission had
17 recommended, it would be at, I think, a little bit slightly higher than
18 171 right now.

19 KRISTY SCHMIDT: Supervisor Lavanino, the chair, yes, that is
20 correct. So, when you use the CPIU for the LA area applied to the
21 recommendation back in 2015 for the median, the prior years' CPIU, you
22 come up with about 72.5 for this year's increase.

23 MR. LAVAGNINO: 170. Yeah, okay, perfect. So, if we take it
24 down a notch and tie it to 70% of the judges, that's what the staff
25

1 recommendation was then. Okay. I'm comfortable with that. I'll make
2 that my motion, that we move forward with staff recommendation, then.

3 MS. HARTMAN: I will second.

4 CHAIR CAPS: Okay. Excellent. All those in favor, o..., let's
5 see, we need to do a roll call. Our last one of the day, it's 6:11.

6 CLERK: Supervisor Lee?

7 MR. LEE: Abstain.

8 CLERK: Supervisor Hartman?

9 MS. HARTMAN: Aye.

10 CLERK: Supervisor Nelson?

11 MR. NELSON: No.

12 CLERK: Supervisor Lavanino?

13 MR. LAVAGNINO: Aye.

14 CLERK: And Chair Caps?

15 CHAIR CAPS: Aye.

16 CLERK: Motion passes three-one-one.

17 [09:25:00]

18 CHAIR CAPS: Okay. With that, we will adjourn this lengthy but
19 productive meeting of the Santa Barbara Board of Supervisors. We will
20 be back next Tuesday, here in Santa Barbara.

21 MR. LAVAGNINO: I'll be back down here...

22

23

24

25

1 I, Anders Nelson, do hereby certify:

2 That I supervised the transcription and proofreading of the
3 foregoing in a remote location at the time and place herein set forth;
4 that the proceedings were transcribed through computerized
5 transcription; that the foregoing is a true record of the proceedings
6 taken to the best of my ability to hear and understand the speakers;
7 and that I am not interested in the event of the action.

8 Witness my hand dated May 2, 2025.

9
10 Anders Nelson
11 Anders Nelson (May 2, 2025 12:39 EDT)

12 Anders Nelson

13 Project Manager

14 TransPerfect Legal Solutions

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17 May 2, 2025
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