



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 18, 2007
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department John Baker, Director, Planning & Development, 568-2085
Director(s)
Contact Info: Doug Anthony, Deputy Director, Energy Division, 568-2046

SUBJECT: **Tranquillon Ridge Project EIR Contract Amendment**

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors approve and authorize the Chair to execute the attached Amendment No. 1 to the professional services contract with Aspen Environmental Group for preparation of an Environmental Impact Report (EIR) for the proposed Tranquillon Ridge project in the amount of \$147,787.50, which includes a \$10,000 contingency, for a total contract amount of \$492,825.45. The Tranquillon Ridge project is located in the Third and Fourth Supervisorial Districts.

Summary Text:

On July 11, 2006, the County of Santa Barbara entered into a contract with Aspen Environmental Group in the amount of \$345,037.95 to prepare the EIR for the Tranquillon Ridge proposal. During and after public review of the Draft EIR, issues were raised that require more extensive analysis than was originally anticipated. This Amendment will add \$147,787.05 to complete preparation of the Final EIR.

Background:

Plains Exploration & Production Co. (PXP) proposes to expand the existing Point Pedernales project using extended reach drilling from Platform Irene to produce oil and gas from the portion of the Tranquillon Ridge field located in State Tidelands. This project involves technical changes to and expansion of existing facilities in addition to extending the life of the Point Pedernales facilities beyond what was originally anticipated. The project also will require issuance of a new State Tidelands lease. The processing facilities (Lompoc Oil and Gas Plant) are located on Harris Grade Road, north of Lompoc and northeast of Vandenberg Village.

A Joint Review Panel (JRP) comprising Santa Barbara County, State Lands Commission, and Coastal Commission staff is overseeing the preparation of the EIR, with Santa Barbara County acting as Lead Agency. Staff from the Santa Barbara County Air Pollution Control District and Vandenberg Air Force Base serve in an advisory capacity on the JRP.

On July 11, 2006, the County, after a competitive selection process, executed a contract with Aspen Environmental Group to prepare the EIR for the Tranquillon Ridge proposal. A Draft EIR was released for public review and comment from October 31, 2006 through January 16, 2007. Fifteen comment letters were received, including three from the applicant, during the review period. Additional issues regarding analysis and mitigation of greenhouse gas impacts and potential impacts of night lighting to protected marine bird species were raised within the JRP subsequent to the close of the comment period. Analysis of these issues has been more extensive than anticipated and may include recirculation of a portion of the Draft EIR. These efforts to finalize the EIR have increased the tasks and costs for the EIR consultant beyond those anticipated when the contract was approved in July 2006.

The time period for the contract was previously extended to February 14, 2008 by Change Order #1 executed by the P&D Director and the original contingency fund has been previously released for tasks performed by the consultant and approved by the Department.

County staff have reviewed Aspen's summary of past and estimated future costs and concur they are legitimate and necessary. The cost summary is attached hereto. Tasks that remain to be completed are:

- If needed, revise and recirculate the Marine Biology section to discuss potential impacts to protected bird species from night lighting at Platform Irene.
- Respond to comments received on any recirculated portions of the EIR.
- Finalize the Final EIR with Response to Comments section and revised EIR text. This task includes additional research to prepare certain responses to comments and discussions with the County and JRP regarding EIR revisions.
- Provide 75 hard copies and 100 compact discs of the Final EIR to the County and distribute copies directly to the Joint Review Panel and applicant.
- Attend public decision-maker hearings as requested by the County (amendment request includes the Aspen Project Manager's attendance at two hearings).

Performance Measure:

Staff will direct and monitor Contractor's work to ensure timely completion of remaining tasks and production of a legally defensible EIR for use by County and other permitting agencies.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Narrative: These additional costs for consultant preparation of the EIR are fully offset by the applicant and are within the expenditures budgeted in line-item "EIR Contracts" (\$1,107,000) of the Energy

Division's operating expenses, and offsetting revenues budgeted in line-item "Reimbursable Contracts" (\$1,425,612) on page D-298 of the approved 2007/2008 fiscal year budget.

Staffing Impacts:

Legal Positions:
0

FTEs:
0

Special Instructions:

Please forward a duplicate original executed Contract Amendment and a copy of the Minute Order to Gloria Kelm, P&D Accounting.

Attachments:

1. Two copies of the Contract Amendment for Aspen Environmental Group
2. Contract Summary Sheet
3. Amendment Tasks and Cost Summary

Authored by:

Nancy Minick, Planner, 568-2506.