



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 and  
Development  
Department No.: 053  
For Agenda Of: June 5, 2007  
Placement: Administration  
Estimated Time: 10 Minutes  
Continued Item: No  
If Yes, date from:  
Vote Required: Yes

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**TO:** Board of Supervisors  
**FROM:** John Baker, Director, Planning and  
Development, ext. 2085  
**Staff Contact:** Mike Zimmer, Building Official, ext.3120  
**SUBJECT:** Adoption of amendments to the Petroleum Code (Chapter 25 of the Santa Barbara  
County Code) and adjustment of fees for Planning and Development Petroleum Unit.

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** N/A

**Recommended Actions:**

Set hearing date for June 26, 2007 to consider:

- (1) Introduction/first reading of the ordinance amending Chapter 25 of the Santa Barbara County Code (Petroleum Code) relating to Petroleum Regulations;
- (2) A resolution adjusting fees for Planning and Development Petroleum unit.
- (3) Continue to July 3, 2007 (second reading) to consider the adoption of an ordinance amending Chapter 25 of the Santa Barbara County Code and adopt the attached fee resolution, (Exhibit A & B) to be effective 60 days from adoption.

**Summary Text:**

The Petroleum unit of the Planning and Development Department performs approximately 3,000 oil well and tank facility inspections annually to ensure all maintenance of existing equipment and development of new oil wells, piping, equipment and tanks are in compliance with the County's Petroleum Code. As a matter of policy, County of Santa Barbara petroleum laws and standards are under continuous review and are amended as new methods, materials or conditions of design warrant, based on updates and revisions adopted under State law. Attachment B (Chapter 25 proposed with

revisions shown) and Attachment C (clean copy) of the Board Agenda letter contain proposed amendments to Santa Barbara County Code Chapter 25 (Petroleum Code).

The amendments to the Petroleum Code are designed to bring current County regulations and fees up-to-date, thus conforming to the best professional standards while providing the highest quality customer service available. The major revisions to Chapter 25 include State of California adopted standards for inspection and testing of new and existing tanks, piping, pressure vessels and all other equipment associated with the production, storage and transportation of petroleum. Other revisions include new administrative procedures for permits, access to public records and an appeal process for decisions by the petroleum administrator. These amendments were designed to ensure maximum uniformity and compatibility with local conditions and consistency with public safety.

Additionally, this package includes a request to increase annual well inspection hourly and accessory fees (see Attachment A). The increased fees are intended to fully offset the operational costs of the Petroleum unit and have not been updated since 2000 (see Attachment E for fee comparisons).

This ordinance amendment and fee resolution were produced in a collaborative effort between staff and the petroleum industry representatives. Planning and Development staff met with representatives of the local petroleum industry on several occasions to discuss and review the proposed ordinance changes and fee increases. Representatives of the local petroleum industry concurred with the ordinance amendments and fee schedule changes as presented in Attachment A and Attachment C.

**Background:**

The Petroleum Unit was established in 1937 to implement an inspection program for oil field operations to provide minimum standards to safeguard life, limb, health, property and public welfare, by regulating and controlling design, construction, and maintenance of all petroleum facilities within the jurisdiction of Santa Barbara County and certain equipment specifically regulated herein.

**Performance Measure:**

Perform 100% of 3,000 oil well and tank farm inspections annually.  
Inspect and report on 100% of approximately 50 petroleum incident complaints within 24 hours.

**Fiscal and Facilities Impacts:**

Budgeted: None: refer to budget page D-298 of fiscal year 2006/2007 under program of onshore oil and gas.

**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:			
Total			

If adopted by the Board, the total estimated revenue increase for fiscal year 2007-2008 is \$35,000.00. The petroleum program is 100% fee supported; these fees are deposited in the Petroleum fund #0045 and budgeted in the Building and Safety Division, Onshore Oil and Gas program on page D-294 of the recommended fiscal year 2007-2008 budget.

**Staffing Impacts:** None

**Legal Positions:**  
3

**FTEs:**  
3

**Special Instructions:**

The Clerk of the Board ensures that noticing of the hearing for the proposed fee adjustment is completed in two general circulation publications 10 days prior to the hearing, in accordance with Government Code §66016.

Planning and Development shall post Notice of Exemptions the Resolution in the County Planning and Development Department at least six days prior to consideration of the activity by the Board of Supervisors to comply with the County CEQA guidelines.

A copy of the Notice of Exemption for the Resolution will be filed with the Clerk of the Board after project approval to begin the 35 day statute of limitations on legal challenges.

Clerk of the Board shall forward a minute order to Planning and Development hearing support attention Cintia Mendoza.

**Attachments:**

- A. Resolution of the Board of Supervisors
- B. Current Petroleum ordinance showing additions and deletions
- C. Amended Petroleum ordinance reflecting final language
- D. CEQA exemption notice
- E. Comparison of existing fees and proposed fees

**Authored by:**

Mike Zimmer, Building Official, Planning and Development Department, ext. 3120

**cc:**

Kevin Ready, Senior County Counsel  
Auditor Controllers Office