



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 26, 2012
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Glenn Russell, Ph.D., Planning and Development, 568-2085
Director
Contact Info: Doug Anthony, Deputy Director, Energy Division, 568-2046
SUBJECT: Extension of Energy Division Services Contract with City of Goleta

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

1. Authorize the Chair to execute the First Amendment (Attachment 1) to the Energy Permitting and Planning Services Agreement between the City of Goleta and the County of Santa Barbara, extending the date of expiration from June 30, 2012 to September 30, 2012.
2. Determine that extension of the term for this agreement to provide services does not constitute a project under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15378.

Summary Text:

The City of Goleta is in the process of drafting a new agreement for the purpose of continuing contractual, energy permitting and planning services provided to the City by the County's Planning and Development Department for oil and gas development, production, and processing related to offshore oil and gas operations. The current agreement, included herein as Attachment 2, expires on June 30, 2012. The City would like to extend the current contract by three months to allow sufficient time to process a new agreement. Anticipated services during the proposed three-month extension primarily would focus on monitoring compliance with permit conditions on Venoco's South Ellwood operations, which include the operator's Ellwood Onshore Facility in the City of Goleta. These services would be provided primarily by Planning and Development's Energy Division, with advisory support from the Building and Safety Division, and the Office of Emergency Management, as members of the System Safety and Reliability Review Committee. All expenses incurred, including indirect, would be reimbursed at the same rate as oil and gas projects related to offshore operations in the County of Santa Barbara.

The Board's action to extend the term of the current agreement to provide services is not considered to be a project under CEQA, pursuant to Section 15378(b)(5) of the CEQA Guidelines, which excludes administrative activities of governments that will not result in direct or indirect physical changes in the environment.

Background:

Planning and Development has provided technical support services to the City of Goleta since it incorporated. These services have focused on permit processing (previously proposed South Ellwood Full-Field Development Project and currently proposed Pier PRC 421 Recommissioning Project) and permit compliance (i.e., Venoco's existing Ellwood Onshore Facility and associated offsite pipelines). Total services provided under the current agreement have totaled \$214,732.45 (April 1, 2008 through May 31, 2012), including indirect expenditures and County overhead, and including technical consultant costs for environmental quality assurance monitoring and safety inspections. The amount of annual services has declined substantially over the 4-year term of the agreement; proposed new developments have either been withdrawn (South Ellwood Full-Field Development) or encountered processing delays (PRC-421 Recommissioning).

Fiscal and Facilities Impacts:

These services are budgeted on page D-138 of the Santa Barbara County Recommended Operational Plan, Fiscal Years 2012-13 & 2013-14, under Energy Permits.

All expenditures incurred by the County under this contract, including indirect and county overhead, are reimbursed on a time-and-material basis through fees invoiced directly to Venoco. There is no net cost to the County.

Special Instructions:

Clerk of the Board will have obtain necessary signatures on two originals of the contract, and will return one original to Doug Anthony of the Energy Division, who will forward it to the City of Goleta for its records.

Attachments:

1. First Amendment to Energy Permitting and Planning Services Agreement between the City of Goleta and County of Santa Barbara.
2. Current Energy Permitting and Planning Services Agreement and Minute Order Approving Agreement.

