



CITY OF OXNARD IF NO OBJECTIONS,

MEMORANDUM

June 17, 1977

WE WILL ASK THE MAYOR TO
SIGN THE PROPOSED LETTER
AFTER TUESDAY'S (JUNE 21)
COUNCIL MEETING and WILL ASK
THE PLANNING DEPT. TO FOLLOW
UP WITH FURTHER STEPS AS
OUTLINED.

SAO

To: City Manager

From: Planning Director

SUBJECT: Elk Hills Project

As directed by the City Council at their meeting of June 14, 1977, staff has drafted the City's response to the proposed Elk Hills project for the Mayor's signature. Please find attached as a briefing report, that letter and the supplemental Exhibit containing specific comments on the Draft EIS document.

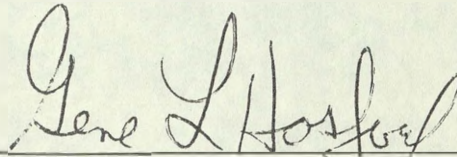
Since the City Council indicated a desire to be informed more fully of the project and the Navy's ability to satisfy our indicated objections, I feel that it would be appropriate for this office to be directed to pursue some further line of communication with the Navy Department. We are aware of the immensity of this project and the critical time schedule which is involved, but can attempt to develop one or more of the following lines of action:

1. Secure a Navy representative to give a presentation to the Oxnard City Council and to respond to the problem areas which we have raised.
2. Obtain a written response to those problem areas from the Navy. This would at least reveal whether the Navy has the ability or inclination to implement solutions. The City could then examine how it might direct its opposition to the project, if no solution is assured, as indicated by the Council on June 14.
3. Cooperate with the efforts of the County of Ventura and the cities of Port Hueneme and Simi Valley who have gone on record as disapproving the Port Hueneme alternative. It is likely that the cumulative voice of a number of jurisdictions may allow a greater local input into the decision-making process.

City Manager
June 17, 1977
Page Two

At this point, staff cannot foresee what success we might have in obtaining any response from the Navy at this time. Based upon consultation with the State Air Resources Board and the Navy's consultant, staff doubts that many of the problems which the City Council identified can be effectively mitigated. This may make the Navy disinclined to accommodate either line of communications which we may pursue.

Please advise this office as to the City's desires in this matter.

A handwritten signature in dark ink, appearing to read "Gene L. Hosford", is written over a horizontal line.

Gene L. Hosford, AIP
Planning Director

RF:mp



CITY OF OXNARD

CALIFORNIA

OFFICE OF THE
MAYOR
305 WEST THIRD STREET
PHONE 486-2601, EXT. 201

June 16, 1977

Captain John I. Dick-Peddie, CEC, USN
Officer in Charge of Construction
NAVFACENGCOM Contracts, Elk Hills
P. O. Box 40
San Bruno, California 94066

RE: Elk Hills Project

Dear Captain Dick-Peddie:

The City of Oxnard has reviewed the Elk Hills project in light of its special significance to our area. At its meeting of June 14, 1977, the Oxnard City Council unanimously concurred in the following salient findings:

1. The Draft Environmental Impact Statement is inadequate in many respects. Specific comments are herein attached as Exhibit A.
2. The emission of 2000 pounds per hour of hydrocarbons and the additional unassessed impact of charges in the Port Hueneme tank-farm will mean that unacceptable degradation of the economic and physical quality of life will occur in Oxnard. The City Council also finds that substantially less impact would occur in the SOHIO alternative.
3. An underassessment of LNG ship traffic and employment of a questionable theory of LNG gas cloud dynamics indicates an inadequate risk analysis in the DEIS. The Port Hueneme alternative creates unacceptable levels of risk when reviewed in conjunction with the LNG terminal proposed for Oxnard.
4. The cost differential of \$60 million for the Port Hueneme alternative versus \$110 million for the SOHIO alternative does not override the respective levels of environmental degradation. Unassessed economic loss due to the increased

ELK HILLS PROJECT
COMMENTS OF THE CITY OF OXNARD
ON THE DRAFT EIS

The following specific comments on the Draft EIS are germane to the Oxnard City Council's finding that the document is inadequate:

Air Quality

1. The air quality analysis should model the dispersion of hydrocarbons over the entire county and analyze impacts at numerous points in addition to Simi Valley.
2. A worst-case climatic situation of stagnant air under a thermal inversion layer should be discussed with respect to the Oxnard Coastal plain.
3. The worst-case contribution of emissions from off-shore oil production should be used, rather than restricting the cumulative impact analysis to any lesser situation.
4. The secondary effects of increased air pollution should be addressed at least in a qualitative fashion. This should include effects on agricultural productivity, public health, and the economics of property valuation.
5. Page 1-48 indicates that possible vapor recovery from ship loading will involve transfer of vapors to the tank-farm vapor recovery system. With the deletion of this tank-farm vapor recovery system, this seems to indicate that no vapor recovery from ship loading is possible. In addition, the likelihood of equipping ships with compatible systems needs to be assessed in light of the costs, ship availability and safety implications.
6. The tank-farm emissions under the new design should be assessed. This should be done over time, with due regard for the deterioration of rubber seals on the floating roofs and the distortion of the tanks which may prevent a good seal. Once again, the worst-case situation should be addressed.
7. The conversion of the Mandalay Edison plant to fuel oil is minimized without regard for the fact that methane may remain available from some undetermined source which could be used at the plant. Some potential for this exists due to the existing air quality problem and the development of Elk Hills gas, Mexican gas supplies, and LNG. Again, the worst-case situation should be discussed in the cumulative air quality analysis.

Oil Spills

1. Sub-surface oil spills may contaminate City sewer and flood control systems and have a potential for sewage discharge violations, and damage the Oxnard Sewage Treatment Plant. This potential and its impacts need to be assessed.

2. Periodic testing of pipeline integrity is not discussed. Would annual hydrostatic testing of the pipeline be feasible?
3. Mile 79 traverses a fragile sand dunes area. The percolation of oil in this type of sensitive environment and consequent cleanup operations will necessitate some degree of potential damage which may be irreversible. It should be assessed.
4. In the event of a spill in either Port Hueneme Harbor or Channel Islands Harbor, it should be determined whether containment activities could prevent oil from escaping the harbor area under a worst-case situation. The potential for damage to boats and harbor facilities, in both cases, needs to be assessed. The containment and cleanup resources mentioned on page 1-69 should be specified.
5. The Spill Prevention and Counter Measure Control Plan to be developed for the Port Hueneme tank-farm should be analyzed as a part of the project rather than as a mitigation measure. The potential worst-case spill given those measures should be determined.

Other Comments

1. The proposed pipeline route from mile 80.0 to 82.5 bisects proposed Tentative Tract 2026-4 and the inland waterways study area in Oxnard, as shown on the attached map. This is a developing marina -residential and water-oriented recreational area of unique character. The presence of the pipeline severely limits the ability of the City to plan and develop this area as a water-oriented resource and is not assessed in the EIS.
2. The assessment of ship collisions is inadequate. The EIR or the LNG facility in Oxnard points to a potential for 565 LNG ship movements per year. It also disputes the FPC opinion that a methane vapor cloud will dissipate before it reaches shore, as do all other experts. There is no justification for the incorporation of these two underestimates which appear in the EIS.
3. The depth of the pipeline in public rights-of-way is not stated. This should be addressed in regard to the presence of other infrastructure. The likelihood of spill and liability of cleanup and repair costs associated with public work activities within a shared right-of-way should be addressed.
4. The availability of appropriate tankers under American registry should be determined so as to assess project feasibility.

Captain John I. Dick-Peddie,
June 16, 1977
Page Two

air pollution and the loss of a water-oriented residential and recreational resource valued over \$300 million will result from the implementation of the Port Hueneme alternative.

The City Council's recommendation on this project is as follows:

1. The proposed pipeline route south of Fifth Street is totally inappropriate and should be adjusted so as not to interfere with potential development west of Victoria Avenue.
2. Projected hydrocarbon emissions should be mitigated to insignificant levels.
3. Regulations which will govern the implementation of the project, all mitigation measures, and the activity of oil carriers and contractors should be explained.
4. Unless the implementation of the foregoing three items can be assured, the City of Oxnard opposes the Port Hueneme alternative and recommends that the Navy Department adopt the SOHIO alternative.

Thank you for the opportunity to comment on this project.

Yours very truly,

Tsujio Kato, D.D.S.
Mayor, City of Oxnard

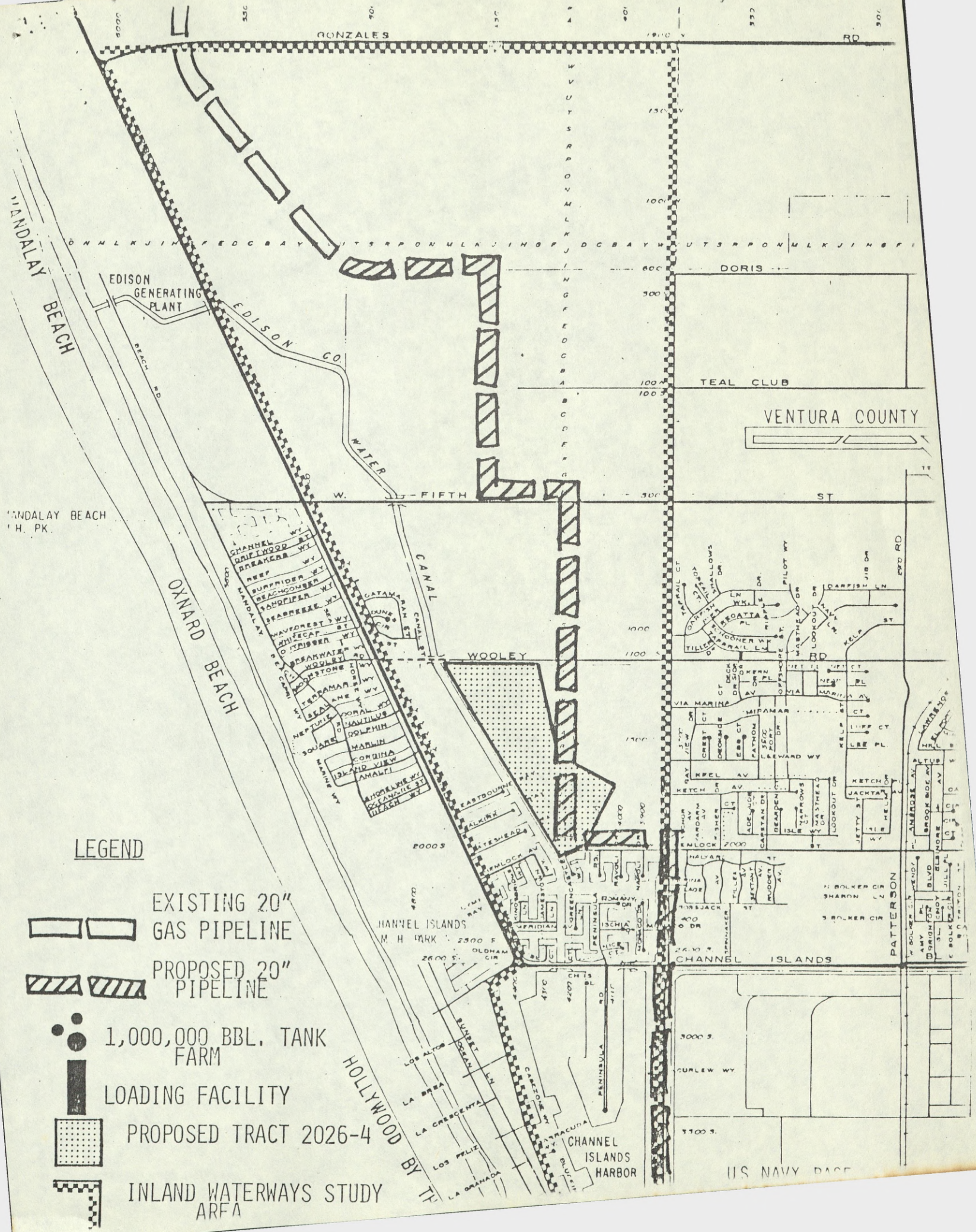
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attachment

Exhibit A
Elk Hills
Page Three

Any information regarding these comments should be directed to:

Mr. Gene L. Hosford
Planning Director
Oxnard City Planning Department
305 West Third Street
Oxnard, California 93030
(805) 486-2601, ext: 291

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LEGEND

EXISTING 20" GAS PIPELINE

PROPOSED 20" PIPELINE

1,000,000 BBL. TANK FARM

LOADING FACILITY

PROPOSED TRACT 2026-4

INLAND WATERWAYS STUDY AREA



CITY OF OXNARD

MEMORANDUM

*Briefing
Report*

June 15, 1977 *st*

To: Planning Director

From: City Manager

SUBJECT: Elk Hills Oil Project

At the City Council meeting on June 14, 1977, the City Council received your report of June 8, 1977 regarding the proposed Elk Hills Oil Project. After considerable discussion, the City Council approved the first four recommendations provided in your report. In addition, the City Council indicated that the position presented to the Navy should include the following additional points:

1. The pipeline route proposed south of Fifth Street is totally inappropriate and should be adjusted such that it will not interfere with proposed land use in the area.
2. The EIS is defective in its discussion of mitigating facts. This subject should be treated in more detail to assure that anticipated problems will be mitigated effectively.
3. The EIS needs to contain more explanation regarding regulations which will govern the implementation of the project.
4. The City Council indicated that unless the foregoing three items are accepted by the Navy, that the City will oppose the Hueneme alternative and that the Sohio alternative be adopted.

The City Council requested that the foregoing position be written as a letter for the Mayor's signature and that copies should be provided to the City Council prior to obtaining the Mayor's signature. If this matter can be presented for transmittal as a "briefing report" on Friday, June 17, 1977, we will ask for the Mayor's signature after the City Council meeting on June 21, 1977. Thank you.

A handwritten signature in cursive script, reading "Paul E. Wolven", is written over a horizontal line.

Paul E. Wolven
City Manager



CITY OF OXNARD

MEMORANDUM

Rec. 1-2-3-4
COUNCIL APPROVED
6-14-77
DATE

cc: *Hayford*

June 8, 1977

To: City Manager

From: Planning Director

SUBJECT: Elk Hills Oil Project

I. Perspective

In the context of all of the other major energy projects of national significance which have faced the City (off-shore oil production, LNG, and a possible new Edison Generating Plant), it is difficult to focus in on yet another project which could have the greatest degradation of all in the quality of life in Oxnard. Yet this is exactly what faces the City and the Ventura County area. Unfortunately time is short and the Navy has indicated to the State Secretary for Resources that they will not extend the June 29 deadline for comments on the Draft EIS as requested by Oxnard, Simi Valley and three state departments. The Navy expects to select one of the alternatives in September or early October to meet the Congressional time schedule which they have been given.

There are two issues to be dealt with here: One is the adequacy of the Elk Hills Draft EIS. The second is a position which the City should take in regard to the project, itself. The Navy is the lead agency and will make the final decisions. With a federal mandate to develop the Elk Hills oil reserve, their decision is not whether to go ahead with the project, but, rather which alternative route to adopt. Due to the immensity of the project and the remoteness of decision making, the City should provide its response to the project at every opportunity, rather than merely restricting its comments to the adequacy of a document.

II. Adequacy of the Draft EIS

A close examination of the document shows it to be inadequate in a number of respects. It tends to try to minimize adverse effects in a number of areas instead of looking at the real worst-case possibilities. This is unjustifiable with a project of this magnitude. Some of the points which the staff feels are inadequate are listed below:

1. The DEIS states that the one million barrel Hueneme tank farm has a vapor recovery system which yields no emissions. Safety aspects of the tank farm concentrate on oil spill containment and the numbers of fire departments which can respond. Complete reliance upon an unspecified E.P.A. approved plan is made.

City Manager
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Page Two

Now, the staff has learned that the tank farm design has been changed to delete the vapor recovery system and fixed roof. It is now designed similar to the Standard Oil tanks at El Segundo which the State Air Resources Board cited for many emissions violations in 1975. The reasons for the change were given to me by a representative of the EIS consultant. He stated that vapor recovery systems are untested and the original design was considered to be basically unsafe. Since this was not discussed in the EIS, it brings into question the safety discussions presented on other portions of the project and indicates that the project may be proceeding without the thorough analysis that it deserves.

2. The EIS minimizes the potential for ship collision in a number of ways. It fails to analyze the shipping lane turning movement patterns and relies on low shipping volumes as an indication of minimum risk. It takes a low estimate of 150 LNG ship movements per year, while the LNG-EIR points out a potential for 565 LNG movements.

The EIS states that the Federal Power Commission believes that an LNG vapor cloud will dissipate before reaching shore and leaves the discussion at that. As you are aware, this is not only unproven, but probably not even true.

3. The EIS states that oil spills occurring on land would be relatively easy to clean up. Staff seriously questions whether this generalization would be true in the sand dune area east of the Edison Plant. Public Works staff considers there to be a possibility of oil contaminating the sewage collection system and causing discharge violations and perhaps threatening the treatment plant. This impact is not addressed.
4. The air quality impacts are generally considered to be addressed inadequately. The new tank farm design will have a major unknown and unassessed impact.

The Edison Power Plant conversion to fuel oil is given as having no air quality impact since it is stated that natural gas for the plant will be unavailable in two years in any case. This is another assumption which is indicative of minimizing impacts rather than taking worst-case situations.

City Manager
June 8, 1977
Page Three

An air quality analysis restricted to a small valley, 30 miles from the emission source, is wholly inadequate. This does not take into account the dispersion of pollutants which would undoubtedly impact a wide area. It does not consider the worst-case situation of stagnant air and a low thermal inversion layer which may occur in nearer areas than Simi Valley.

III. Observations on the Project

Even though the Elk Hills project is not adequately assessed as to its impacts, it is obvious that the impacts which are presented in the DEIS are massive. If the project were to be constructed, the following would occur:

Air Quality

1. The major source of hydrocarbon emission is automobiles. All of the efforts of Ventura County and the State of California to reduce these emissions between 1976 and 1980 are expected to result in a reduction from 43.3 tons per day to 28.8 tons per day in Ventura County. In one move, this project will wipe out all of those gains and add an additional 10 tons per day over present levels. The 24 tons per day of hydrocarbons put into the atmosphere will be from one source, upwind from Oxnard rather than coming from all of the automobiles operating in Ventura County.
2. Air pollution of the projected magnitude will result in substantial economic loss and may be life threatening to some individuals. Tests in Riverside have shown that ambient air pollution levels are reducing the citrus crop by 50%. (The 1975 Ventura County Lemon crop was over \$82 million.) During much of the year, Riverside schools cancel all physical exercise programs on heavy smog days. Residents are encouraged not to drive and all non-essential trips by public employees are prohibited. Though the Oxnard area will probably never experience this degree of problems, inland areas of Ventura County will be taking a large step toward this condition with development of Elk Hills oil in the County.

Pipeline Route

1. The proposed pipeline route bisects proposed Tract No. 2026-4 and the inland waterways study area. The presence of the pipeline severely limits the ability of the City to plan and develop this large area as a water oriented resource. It would result in a loss of unique quality development with approximately \$312 million in residential valuation alone.

Some other serious impacts may occur as a result of the project:

1. Oil spills could reach private boats worth an estimated \$50 million in Channel Islands Harbor and Ventura Marina. Damage to other in-the-water facilities may also occur. The total costs of cleanup and damage resulting from a spill is not possible to determine, however, the City Attorney has stated that there could be cleanup or damage costs which would have to be born of the City depending on the circumstances of the spill.
2. In the event of a LNG tanker - oil tanker collision, a gas cloud may form over the floating oil spill. The impact from ignition of the crude oil under a methene vapor cloud clearly would be catastrophic.

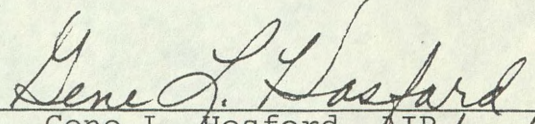
IV. Recommendation

Staff finds a number of other points which can be made, which show both that the DEIS is inadequate and that the facts presented point overwhelmingly to the conclusion that the Hueneme alternative should not occur. Of these alternatives, the Hueneme alternative is the least expensive and the most feasible given the external, physical constraints; but has the greatest environmental impacts. The Coalinga alternative is not well thought-out in the opinion of staff and a number of state agencies. The SOHIO alternative has far fewer impacts, but is the most expensive, and may have made some pipeline availability and engineering assumptions which are not valid. A high level official of the State Lands Commission indicated on June 8, 1977 that it appeared almost as if the Sohio and Coalinga alternatives were examined only as an exercise.

Since the U. S. Congress has mandated that some alternative project be developed, staff recommends the following action be considered by the City Council.

City Manager
June 8, 1977
Page Five

1. That the City find that the Draft EIS is inadequate in many aspects. (Detailed comments to be provided by staff in an appropriate format for submittal to the Navy Department).
2. That the City find that unacceptable degradation of the economic and physical quality of life will occur in Oxnard. The City may also find that substantially less impacts would occur in the SOHIO alternative.
3. That the City find that the Hueneme alternative creates unacceptable levels of risk when viewed in conjunction with other energy projects of national significance which are proposed for the area.
4. That the City find that the cost differential of \$60 million for the Hueneme alternative versus \$110 million for the SOHIO alternative does not override the respective levels of environmental degradation.
5. That the City recommend that the SOHIO alternative be adopted and that in no case, should the Hueneme alternative be selected.


Gene L. Hosford, AIP *by afm*
Planning Director

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EXHIBIT A
IMPACT MATRIX

<u>Significant Effect</u>	<u>Port Area</u>	<u>Oxnard Area</u>	<u>Ventura Co.</u>
Land Use Routing	-	--	-
Growth Inducement	--	-	-
Fire Suppression	--	--	0
Sewer System	0	--	-
Water Quality	0	0	--
Recreational Resources	--	--	--
Archaeology	0	-	-
Biotic Systems/Rare Species	-	--	--
Seismicity	-	-	--
Odor	--	-	-
Air Quality	-	--	--
Noise	-	0	0
Employment	0	+	+

-- Major Adverse Effect
 - Minor Adverse Effect
 + Minor Beneficial Effect
 0 No Significant Effect

EXHIBIT B
SIGNIFICANT IMPACTS OF ELK HILLS/HUENEME

Routing*

- Routing problems exist through planned inland waterways area. Potential conflicts also occur with sub-street infrastructure. Also includes temporary construction impacts.

Growth Inducement

- The project could form the nucleus of increased commercial activities.

Fire Hazard

- Potential for catastrophy in tank farm, tanker, or LNG related explosions and/or fire.

Archaeology

- One site impacts exists along the pipeline route in the area of the area of the Mandalay Edison Plant and other sites in the County.

Biotic Habitats

- Possible least tern habitat exists near port facilities.
- Possible oil spill impacting least tern habitats. Also, the pipeline will be installed through a dunes area near the Mandalay Power Plant.
- Pipeline passes through a California Condor Forage area.

Recreational Resources*

- Possible spill in Channel Islands Harbor area and on Port Hueneme beaches.
- Possible spills on beaches and harbors in Oxnard. Limitation on inland waterways planning.
- Possible spills on beaches, harbor and mountain areas in Ventura County.

Sewer System*

- Pipeline rupture could contaminate sewer lines and treatment facility.

Water Quality

- Oil spill could contaminate numerous watersheds, reservoirs and other domestic water supplies.

Seismicity

- Locally high shaking and liquefaction potential.
- Crosses San Andreas and other major faults.

Air Quality*

- Will more than double hydrocarbon emissions in Oxnard (not counting increased OCS oil production).
- Will increase ozone concentrations by 20-40% in inland valleys.

Odor*

- Emission of localized "crude oil" odors.

Noise

- Temporary noise associated with construction will occur. Permanent noise from pumps will be a minor nuisance to some residences in the Silver Strand area.

Employment (Beneficial)

- Temporary (14-16 months) employment of up to 200-400 in construction trades. Permanent employment of about 20.

* Not adequately assessed in the Draft EIS.

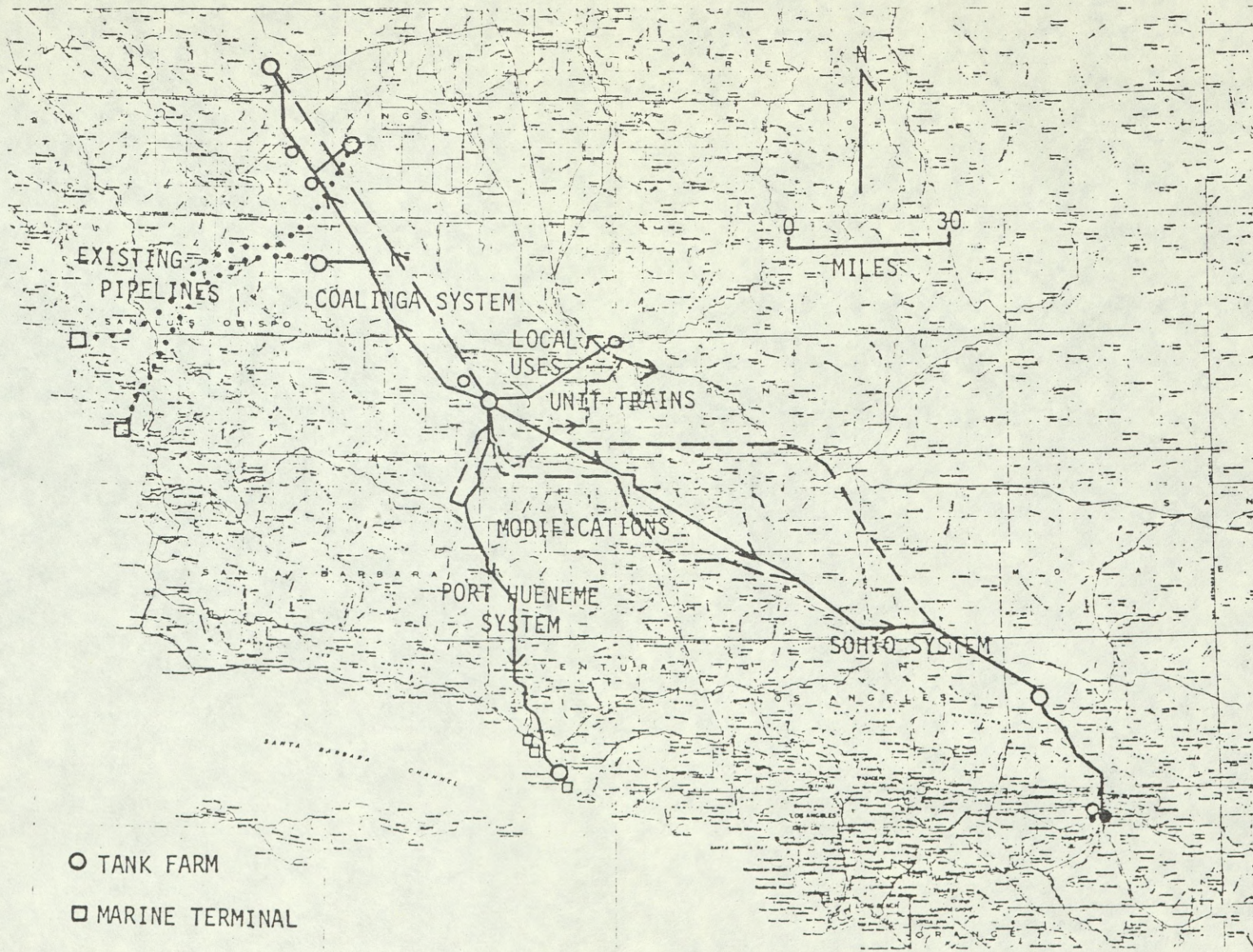


Figure 5-1. General Plans of Proposed Alternative Conveyance Systems from Elk Hills Naval Petroleum Reserve.

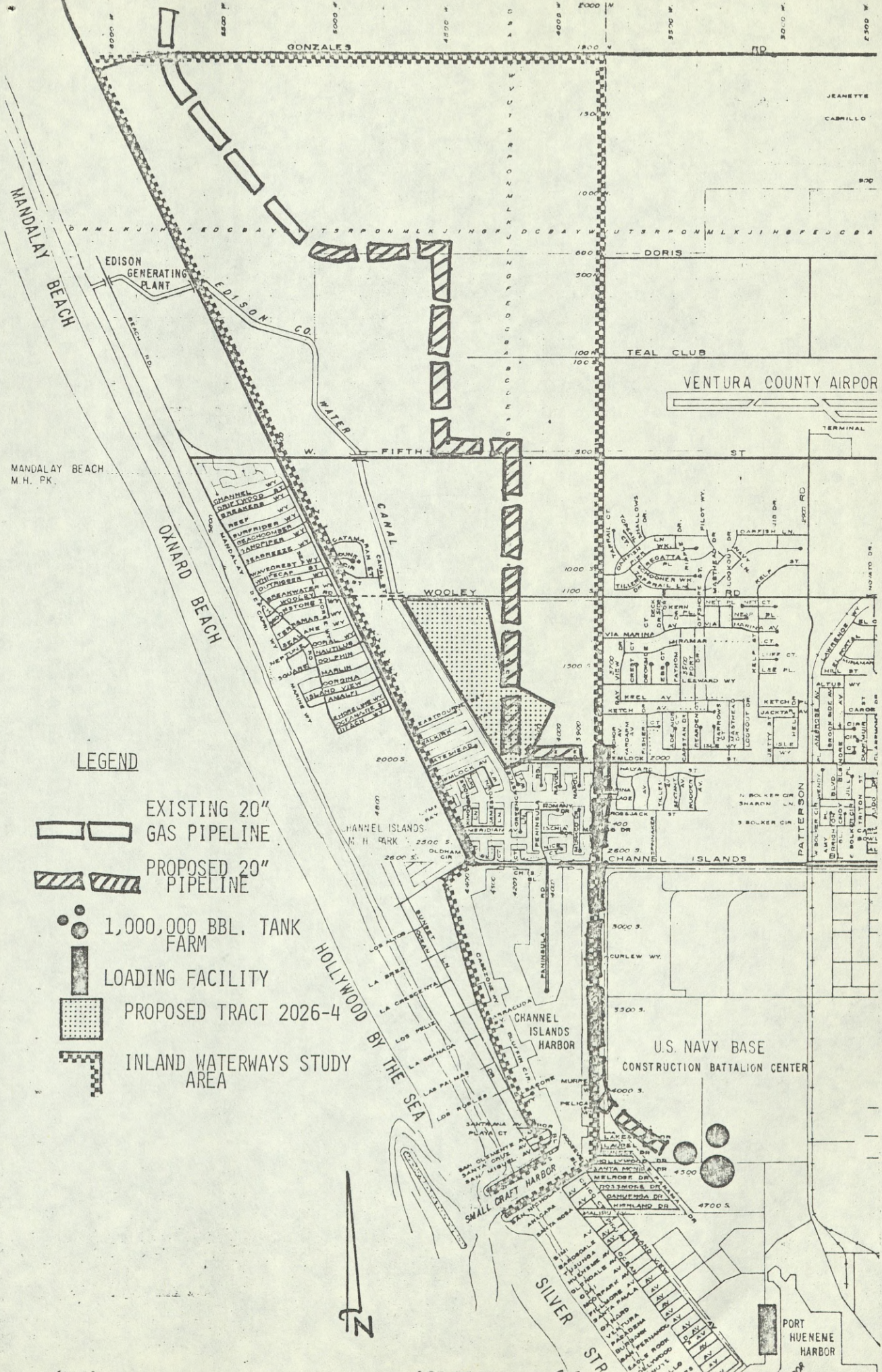
Source: U.S. Geological Survey, 1:1,000,000.

3/21

5-2

AGENDA ITEM NO. G-26

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LEGEND

EXISTING 20" GAS PIPELINE

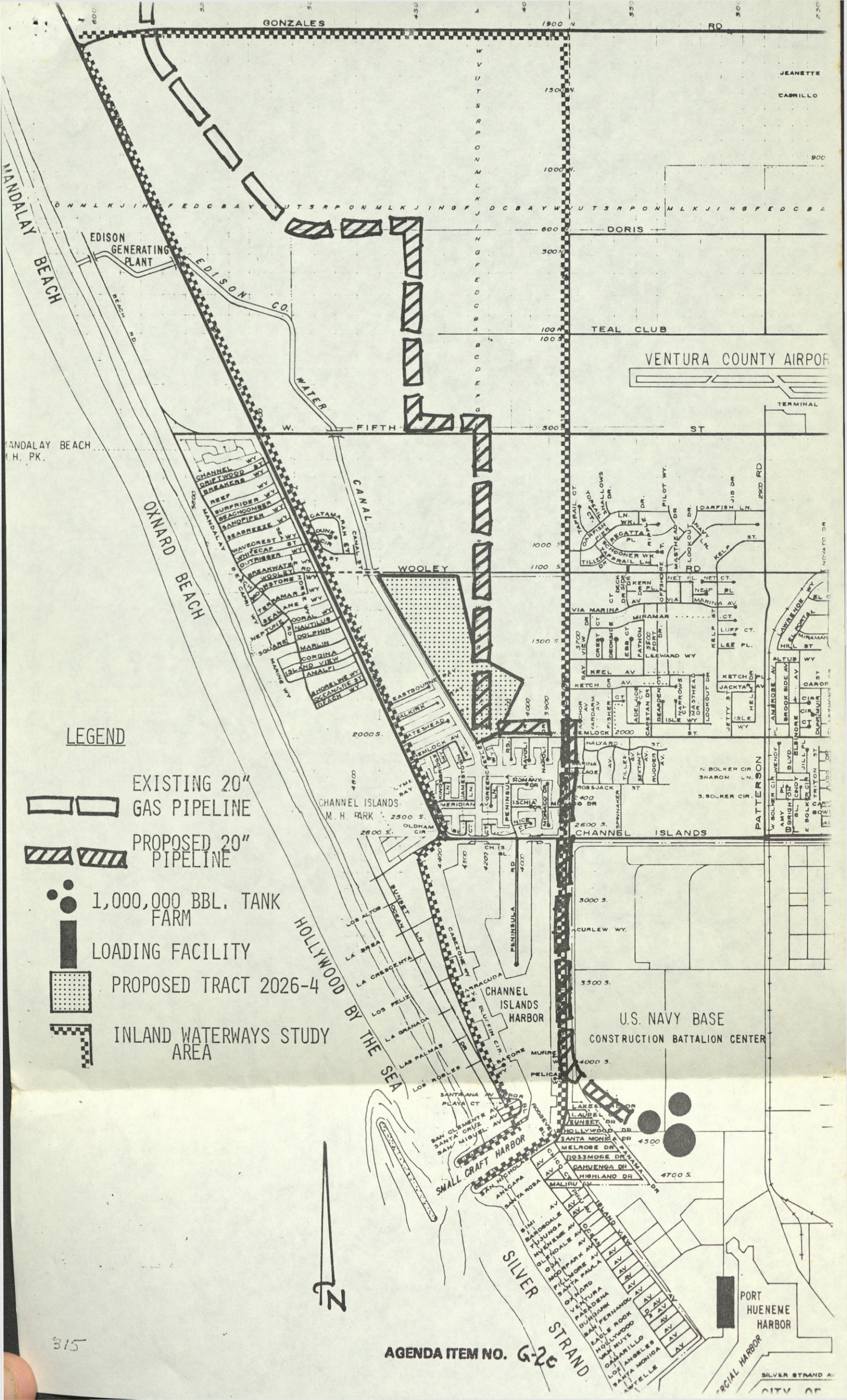
PROPOSED 20" PIPELINE

1,000,000 BBL. TANK FARM

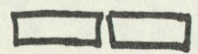
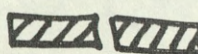




LOADING FACILITY

PROPOSED TRACT 2026-4

INLAND WATERWAYS STUDY AREA



LEGEND

-  EXISTING 20" GAS PIPELINE
-  PROPOSED 20" PIPELINE
-  1,000,000 BBL. TANK FARM
-  LOADING FACILITY
-  PROPOSED TRACT 2026-4
-  INLAND WATERWAYS STUDY AREA