MINUTE ITEM

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3/19/80 Faber W 9579

31. SANTA BARBARA COUNTY BEACH CLEAN UP AND HAZARD REMOVAL.

During consideration of Calendar Item 31 attached, in response to Commission-Alternate Roy Beil's question, Mr. Robert C. Hight, Chief Counsel, assured him that Sun Oil Company and Arco Oil and Gas Company had verbally agreed to the concept, and that the staff was currently preparing the contract.

Upon motion duly made and carried, the resolution as presented in Calendar Item 31 was approved by a vote of 3-0.

Attachment: Calendar Item 31.

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SANTA BARBARA COUNTY BEACH CLEAN UP AND HAZARD REMOVAL

Background and Present Situation

At its September 27, 1979, meeting the Commission awarded a hazard removal contract to Healty Tibbitts Construction Company. That contract is for removal activity involving abandoned oil producing facilities along the Santa Barbara coast.

Funding for this project up to the present has come from 1978 Federal grant. Currently, that funding has run out, yet many of the hazards still remain.

In an effort to find additional funding and continue the project, the staff has been in contact with several oil companies that have been active in the area. These include Sun Production Company, ARCO Oil and Gas Company, and Aminoil. Through negotiations these companies have agreed to participate in the removal of these hazards. The recognition of corporate citizenship responsibility by ARCO, Sun and Aminoil is a credit to these companies.

To date these three companies have agreed to commit more than \$1,000,000 to the elimination of public hazards along this area of the coast. Reimbursements contracts have been drafted to facilitate the use of this new resource. The money will be used to continue funding the Commission's contract with Healy Tibbitts.

The major points of the proposed contracts are as follows:

- The oil companies are to reimburse the Commission for hazard removal activities on lands which are or once were the subject of State Oil and Gas leases.
- 2. The Commission agrees to stipulate that all areas where removal is completed pursuant to the contract will be deemed to have been cleared to its satisfaction. These areas will be identified each day on a daily progress report to be prepared by the Commission's Project Engineer.

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- 3. Upon satisfactory completion of all hazard removal activity on the properties the Commission will provide a full release to each company.
- 4. The oil companies by entering into these contracts are not admitting any legal responsibility for engaging in hazard removal activity. At the same time the Commission is not waiving any rights it has to compel removal of the hazards by these companies. The contract is entered into without prejudice to the legal rights of any of the parties.

EXHIBIT: A. Site Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO EXECUTE REIMBURSEMENTS CONTRACTS CONTAINING THE PROVISIONS SUBSTANTIALLY IN ACCORDANCE WITH THE PROVISIONS LISTED ABOVE, ON BEHALF OF THE COMMISSION.

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