

This Calendar Item No. C75
 was approved as Minute Item
 No. 75 by the State Lands
 Commission by a vote of 3
 to 0 at its 10-17-95
 meeting.

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A: 1, 6, 12, 13, 14, 16, 19, 21, 27, 33, 35, 37, 41, 53, 54, 67,
 70, 73, 74, 78

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S: 2, 3, 8, 9, 11, 15, 18, 19, 23, 27, 28, 35, 38, 39, 40

CONSIDER AUTHORIZING THE STATE LANDS COMMISSION STAFF TO APPLY FOR FUNDS FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) TO DEVELOP SEISMIC INFORMATION NEEDED TO EVALUATE THE INTEGRITY OF MARINE OIL PRODUCTION AND TRANSPORTATION STRUCTURES AND TO ACCEPT AND EXPEND SUCH FUNDS AS MAY BE RECEIVED

APPLICANT:

The State Lands Commission

PROPOSAL:

The Staff of the State Lands Commission proposes to submit an application for a grant of \$400,000 from the Hazard Mitigation Grant Program managed by the Federal Emergency Management Agency (FEMA). The funds, if granted, are intended for use in developing information regarding the characteristics of potential seismic events where oil production and transportation facilities are located along the coast of Southern California. This information would be used to evaluate the structural adequacy of those facilities.

STATUTORY AND OTHER REFERENCES:

- A. 42 U.S.C. Section 5170c
- B. 44 CFR Part 206, Subpart N
- C. Public Resources Code: Div. 7.8

AB 884: N/A

OTHER PERTINENT INFORMATION:

California has a large number of oil production and transportation facilities along its coast. In the event of a major earthquake, those facilities may fail, causing the release of large quantities of oil and hazardous substances into marine waters.

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The Commission has a direct interest in this matter because of its responsibilities for regulating all marine facilities on lands leased from the Commission and all marine terminals throughout the State. Under the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act, the Commission is required to ensure its regulations of these facilities provide the best achievable protection of public health and safety and of the environment.

Staff, together with the Federal Minerals Management Service (MMS), has undertaken an extensive program for evaluating whether these structures have the ability to withstand major seismic events. However, it has been determined that insufficient information exists to determine the maximum credible earthquake that each specific facility may experience.

Staff and MMS have concluded that the Lawrence Livermore Laboratory has the ability and expertise to develop the necessary seismic information. Under this proposal, Staff would therefore seek the necessary funding to secure the services of the laboratory as a consultant.

Under this proposal, Staff would apply for \$400,000 to be granted from the Hazard Mitigation Grant Program, managed by the Federal Emergency Management Agency (FEMA). That agency is authorized to grant up to 75% of program costs to address these kinds of problems. The Commission and Lawrence Livermore Laboratory would contribute an additional \$134,000 through redirection of existing resources, and MMS would contribute still further.

While the studies under this proposal would be directed toward Southern California, the methodologies developed would also be useful in evaluating seismic events and structural integrities throughout the State.

IT IS RECOMMENDED THAT THE COMMISSION:

1. AUTHORIZE AND DIRECT STAFF TO PREPARE AND SUBMIT ANY AND ALL APPLICATIONS AND DOCUMENTATION NECESSARY FOR A GRANT FROM THE HAZARD MITIGATION GRANT PROGRAM MANAGED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) IN AN AMOUNT STAFF DEEMS APPROPRIATE TO PAY FOR COSTS AND EXPENDITURES INCURRED IN DEVELOPING INFORMATION REGARDING THE CHARACTERISTICS OF POTENTIAL SEISMIC EVENTS WHERE OIL PRODUCTION AND TRANSPORTATION FACILITIES ARE LOCATED ALONG THE COAST OF SOUTHERN CALIFORNIA.

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2. AUTHORIZE AND DIRECT STAFF TO EXPEND FUNDS RECEIVED FROM THE HAZARD MITIGATION GRANT PROGRAM TO DEVELOP THE SEISMIC INFORMATION FOR WHICH THE FUNDS ARE SOUGHT.