

**MINUTES OF A REGULAR MEETING OF
THE ENVIRONMENTAL QUALITY AND
ENERGY CONSERVATION COMMISSION**

1. CALL TO ORDER

The Torrance Environmental Quality and Energy Conservation Commission convened in a regular session at 7:00 p.m. on Thursday, August 7, 2014 in the West Annex meeting room at Torrance City Hall.

2. ROLL CALL:

Present: Commissioners Chim, Deemer, DeWitt, Martin, Montgomery, Robbins, and Chairperson Gobble.

Absent: None.

Also Present: Environmental Quality Officer Travers, Senior Environmental Quality Officer Jones, Senior Environmental Quality Officer Duncan, and Environmental Quality Officer Colclasure.

3. SALUTE TO THE FLAG

Commissioner DeWitt led the Pledge of Allegiance.

4. POSTING OF THE AGENDA

MOTION: Commissioner Robbins, seconded by Commissioner DeWitt, moved to accept and file the report of the secretary on the posting of the agenda for this meeting; a roll call vote reflected unanimous approval.

5. ORAL COMMUNICATIONS FROM THE PUBLIC

None.

6. APPROVAL OF MINUTES - FEBRUARY 6, 2014, MARCH 6, 2014, APRIL 3, 2014, AND MAY 1, 2014

MOTION: Commissioner Robbins moved to approve the Environmental Quality and Energy Conservation Commission meeting minutes for February 6, 2014, March 6, 2014, April 3, 2014, and May 1, 2014. Commissioner Martin seconded the motion; a roll call vote reflected unanimous approval.

7. OIL MATTERS

Chairperson Gobble explained the policies and procedures of the Environmental Quality and Energy Conservation Commission, including the right to appeal decisions to City Council.

7A. CASE: OIL14-00016 – REQUEST FOR A THREE (3) YEAR EXTENSION FOR THE CONTINUED OPERATION OF AN EXISTING OIL FACILITY AT 2422 227TH STREET (2425 228TH) STREET, S & C OIL

Environmental Quality Officer Travers introduced the request, discussed staff recommendation of approval with conditions listed in the material of record, and reviewed the California State Department Conservation, Division of Oil, Gas, & Geothermal Resources Production Report and site photographs. He called attention to supplemental correspondence in support of the request and noted that no complaints have been received regarding the site since the last extension was approved.

Doug Williams, Huntington Beach, applicant, expressed his appreciation to the Commission for considering the request.

Elle Oliver, West 227th Street, stated that the oil facility does a good job of maintaining the property and recommended that the request be granted.

MOTION: At 7:10 p.m., Commissioner DeWitt, seconded by Commissioner Robbins, moved to close the public hearing; a voice vote reflected unanimous approval.

MOTION: Commissioner DeWitt moved to concur with staff recommendation to approve Case: OIL14-00016. Commissioner Robbins seconded the motion; a roll call vote reflected unanimous approval.

Environmental Quality Officer Travers read Environmental Quality and Energy Conservation Commission Resolution No. 14-060 for Case: OIL14-00016.

MOTION: Commissioner Montgomery moved to approve Environmental Quality and Energy Conservation Commission Resolution No. 14-060 for Case: OIL14-00016. Commissioner Deemer seconded the motion; a roll call vote reflected unanimous approval.

7B. CASE: OIL14-00011 – REQUEST FOR A THREE (3) YEAR EXTENSION FOR THE CONTINUED OPERATION OF AN EXISTING OIL FACILITY AT 4903 WHITE COURT, POWER RUN OIL COMPANY

Environmental Quality Officer Travers discussed the request and recommended approval of the extension of continued operations as listed in the material of record. He reviewed conditions of approval, production reports, and site photos. He noted that the site passed inspection for compliance in May 2014 and that no complaints have been received regarding the use.

Dick Cadwallader, White Court, questioned the validity of the production reports, maintaining that St. Francis #1 is rusty and has not operated in years. He expressed safety concerns that the well is situated on a sidewalk and parkway.

Hanif Haji, Donora Avenue, concurred with Mr. Cadwallader that the well has not run in at least the last three years.

John J. Harris, Los Angeles, counsel for Power Run Oil, stated that the well has operated continuously and was inspected for compliance with Torrance Oil Codes and Precise Plan requirements in May 2014.

Daniel Reyes, Production Supervisor, Signal Hill, stated that the well is on a timer and operates once of week for approximately 45 minutes. At Commissioner Montgomery's request, he explained how oil production is measured daily.

Stuart Irvine, Power Run Oil, Redondo Beach, stated that Power Run Oil is considering abandoning the facility because production has decrease so much that it is costing them more to keep it than to abandon it.

MOTION: At 7:21 p.m., Commissioner Martin, seconded by Commissioner Deemer, moved to close the public hearing; a roll call vote reflected unanimous approval.

Responding to Commissioner Deemer's inquiry, Environmental Quality Officer Travers described the procedures for abandoning a well and explained that the production quota is for the 12 months preceding the expiration of the renewal time.

In response to Commissioner Montgomery's inquiries, Senior Environmental Quality Officer Jones stated that there is no coordination between the City and reporting agencies. Regarding the concern about the sidewalk, he received clarification that it is a preexisting nonconforming well and was created first before the neighborhood was developed.

MOTION: Commissioner Martin moved to concur with staff recommendation to approve Case: OIL14-00011. Commissioner Deemer seconded the motion; a roll call vote reflected unanimous approval.

Environmental Quality Officer Travers read Environmental Quality and Energy Conservation Commission Resolution No. 14-044 for Case: OIL14-00011.

MOTION: Commissioner Deemer moved to approve Environmental Quality and Energy Conservation Commission Resolution No. 14-044 for Case: OIL14-00011. Commissioner Chim seconded the motion; a roll call vote reflected unanimous approval.

7C. CASE: OIL14-00012 – REQUEST FOR A THREE (3) YEAR EXTENSION FOR THE CONTINUED OPERATION OF AN EXISTING OIL FACILITY AT 20310 MADRONA AVENUE, POWER RUN OIL COMPANY

Environmental Quality Officer Travers reviewed the request and discussed staff's analysis and recommendation for approval with conditions included in the material of record. He noted that there are two pumping units and storage tanks on the site and that the area closest to Madrona Avenue is leased yearly for YMCA Christmas tree sales. He read a supplemental letter of support dated July 25, 2014 from the Torrance Y's Men's Club.

MOTION: Commissioner Robbins, seconded by Commissioner Montgomery, moved to close the public hearing; a roll call vote reflected unanimous approval.

MOTION: Commissioner Montgomery moved to concur with staff's recommendation to approve Case: OIL14-00012. Commissioner Deemer seconded the motion; a roll call vote reflected unanimous approval.

Environmental Quality Officer Travers read Environmental Quality and Energy Conservation Commission Resolution No. 14-045 for Case: OIL14-00012.

MOTION: Commissioner Robbins moved to approve Environmental Quality and Energy Conservation Commission Resolution No. 14-045 for Case: OIL14-00012. Commissioner Montgomery seconded the motion; a roll call vote reflected unanimous approval.

7D. CASE: OIL14-00014 – REQUEST FOR A THREE (3) YEAR EXTENSION FOR THE CONTINUED OPERATION OF AN EXISTING OIL FACILITY AT 20435 ANZA AVENUE, POWER RUN OIL COMPANY

Environmental Quality Officer Travers reviewed the request and discussed staff's analysis and recommendation for approval with conditions included in the material of record. He stated that Power Run Oil sends a field agent to this site several times per week to check for and remove any items that have been dumped into the alley way. He noted that Power Run Oil applied for and was granted a permit to rework this well. He stated that staff recommends additional conditions that rework be completed no later than October 7, 2014, that production of oil and/or gas commence no later than November 7, 2014, and that a special production report be submitted to the City stating the production levels for a 12-month period commencing December 1, 2014. He added that neighboring properties would be notified before any rework is done and that standard business hours apply.

In response to Commissioner Robbins' inquiries, Environmental Quality Officer Travers explained that the applicant reports annually to the Finance Department and State, that extra conditions require a special report, and that there is not an independent verification process.

Chairperson Gobble received clarification from Mr. Reyes that there is no gas production reported, that very little is produced, and that the City does not receive any funds from its gas production.

Responding to Commissioner Deemer's inquiry, Environmental Quality Officer Travers explained that anything that goes into the ground is the State's and not the City's jurisdiction. He added that a permit is needed to close the alleyway and that the City inspects any rigging.

Mr. Irvine stated that signage regarding the closure of the alley would be installed in advance and estimated that work would be completed in six and a half days.

In response to Commissioner Montgomery's inquiry, Mr. Reyes provided clarification that the State receives its measurements from Power Run Oil and that there is not an independent verification process.

Commissioner Montgomery suggested that the operators invite Mr. Cadwallader to be present the next time they measure oil production.

Responding to Commissioner Chim's inquiries, Mr. Reyes stated that there would be noise during the rework, that there would be no work done on weekends, and that the Air Quality Management District regulates pollution.

Commissioner Deemer received clarification that the depth of the well would not change, there would be no well stimulation, and that they are only repairing the casing.

MOTION: Commissioner DeWitt, seconded by Commissioner Chim, moved to close the public hearing; a roll call vote reflected unanimous approval.

MOTION: Commissioner Deemer moved to concur with staff's recommendation to approve Case: OIL14-00014. Commissioner Montgomery seconded the motion; a roll call vote reflected unanimous approval.

Environmental Quality Officer Travers read Environmental Quality and Energy Conservation Commission Resolution No. 14-047 for Case: OIL14-00014.

MOTION: Commissioner Chim moved to approve Environmental Quality and Energy Conservation Commission Resolution No. 14-047 for Case: OIL14-00014. Commissioner Deemer seconded the motion; a roll call vote reflected unanimous approval.

7E. CASE: OIL14-00015 – REQUEST FOR A THREE (3) YEAR EXTENSION FOR THE CONTINUED OPERATION OF AN EXISTING OIL FACILITY AT 20331 ANZA AVENUE, POWER RUN OIL COMPANY

Environmental Quality Officer Travers reviewed the request and recommended approval of the extension of continued operations of St. Francis #3 as listed in the material of record. He stated that Power Run Oil sends a field agent to this site several times per week to check for and remove any items that have been dumped into the alley way. He noted that the site passed inspection for compliance in May 2014 and that no complaints have been received regarding the use.

MOTION: At 8:15 p.m., Commissioner DeWitt, seconded by Commissioner Montgomery, moved to close the public hearing; a roll call vote reflected unanimous approval.

MOTION: Commissioner Martin moved to concur with staff recommendation to approve Case: OIL14-00015. Commissioner Chim seconded the motion; a roll call vote reflected unanimous approval.

Environmental Quality Officer Travers read Environmental Quality and Energy Conservation Commission Resolution No. 14-048 for Case: OIL14-00015.

MOTION: Commissioner Robbins moved to approve Environmental Quality and Energy Conservation Commission Resolution No. 14-048 for Case: OIL14-00015. Commissioner Deemer seconded the motion; a roll call vote reflected unanimous approval.

Chairperson Gobble expressed appreciation to Power Run Oil for cleaning up both of their sites on Anza Avenue.

7F. CASE: OIL14-00013 – REQUEST FOR A THREE (3) YEAR EXTENSION FOR THE CONTINUED OPERATION OF AN EXISTING OIL FACILITY AT 4900 DEL AMO BOULEVARD, POWER RUN OIL COMPANY

Environmental Quality Officer Travers provided background on the request and recommended approval of the extension of continued operations of St. Francis #2 with conditions listed in the material of record. He stated that there is one oil well, two storage tanks, and two clarifier tanks, heater and gas trap, noting that oil from three other Power Run Oil (PRO) sites is piped into tanks at this location. He called attention to additional conditions of approval, production reports, correspondence, complaint table, and photographs included in the material of record.

Responding to Commissioner Deemer's inquiries regarding condition #6, staff stated that tankers are restricted from moving onto the property earlier than 8:00 a.m. on weekends and that neighbors are notified by e-mail prior to major repairs or maintenance, adding that the City is normally included in e-mail complaints and notifications.

Referring to a complaint received on January 28, 2013, Commissioner Chim received clarification from staff that there were additional responses through telephone calls.

Mr. Haji cited a January 2014 Los Angeles Times article and other studies regarding health effects from noise and odor. He stated that minimal maintenance is the neighbors' biggest contention since PRO took over the site 12 years ago. He discussed reasons for several of the complaints submitted in the last three years and preventative measures that should have been taken. He stated that over the last two years Mr. Irvine has done a great job of responding to problems; however, no proactive steps are being taken to prevent these problems. He recommended approval of the extension of continued operations but holding PRO accountable for all their snafus.

Responding to Chairperson Gobble's inquiry, Mr. Haji stated that improvements have been made regarding landscaping, operating hours, and communication since appealing to City Council in 2011.

Commissioner Robbins noted that many problems have been mitigated and encouraged neighbors to re-open lines of communication with PRO.

Commissioner Montgomery suggested installing a locked gate to prevent unauthorized access and to research the latest vapor capture technology. In response to his inquiry, staff explained that the City is not responsible for inspecting pipelines.

Carole Kunkel, Power Run Oil, stated that the State requires them to perform pipeline testing and it was noted that their wells are low pressure and low volume, producing less than 15 barrels of oil per day.

Mr. Irvine provided clarification that the pipes were installed in 1962 and were pressure tested within the past year.

In response to Commissioner Chim's inquiry, Mr. Haji stated that the homes were built in 1958 or 1959 and that the tanks were relocated in 1962, adding that they had no

problems until PRO bought the site in 2002. He explained that in 2011 City Council set hours of operation from 8 a.m. to 8 p.m.

Responding to Commissioner DeWitt's concerns regarding air pollution, Mr. Reyes stated that all production rigs have diesel engines and that they have an excellent vapor recovery system.

Mr. Irvine maintained that the valves now have double locks, someone from PRO will always be present when shipping loads, and they will ship consecutive loads. He stated that they have also painted the walls and guardrails, pressure washed the enclosures, and that the soundproofing is still in good condition.

When asked by Chairperson Gobble how PRO could be more proactive, he explained the circumstances why the crane was on site on June 13, 2014. He stated that operators inspect the well and complete a checklist on site on a daily basis.

Commissioner Chim inquired about the odor complaints in the table and Mr. Reyes explained that the vapor recovery system installed in May 2012 was not working properly. He stated that it has usually been an electrical component that fails, and that they are now constantly checking the gauges and protecting the system more.

Brian Dalziel, Donora Avenue, thanked Mr. Irvine and Mr. Reyes for improved responsiveness to concerns. He requested that workers park on the north side of the tank farm, that the vapor recovery system be on when tankers are on site to collect oil, and that foliage be installed on his property to block the view. He asked that it be put in writing that neighbors are to be notified in advance when tankers come to collect oil.

Following a brief discussion, Environmental Quality Officer Travers recommended adding a #10 condition stating that Power Run Oil shall make a good faith effort to provide a minimum of 24 hour notification prior to shipments of oil.

MOTION: At 9:35 p.m., Commissioner Robbins, seconded by Commissioner Deemer, moved to close the public hearing; a roll vote reflected unanimous approval.

MOTION: Commissioner Chim moved to concur with staff recommendation to approve Case: OIL14-00013 with the addition of the #10 condition. Commissioner Deemer seconded the motion; a roll call vote reflected unanimous approval.

Environmental Quality Officer Travers read Environmental Quality and Energy Conservation Commission Resolution No. 14-046 as amended for Case: OIL14-00013.

MOTION: Commissioner Montgomery moved to approve Environmental Quality and Energy Conservation Commission Resolution No. 14-046 as amended for Case: OIL14-00013. Commissioner Chim seconded the motion; a roll call vote reflected unanimous approval.

8. NEW BUSINESS

8A. Environmental Quality Officer Travers stated that an item regarding chickens and bees would be coming forward at the September 4, 2014 meeting.

Chairperson Gobble expressed concern that there has not been enough outreach on the issue, maintaining that it is important to hear both sides. He suggested encouraging the public to attend the next meeting through the City's website, CitiCABLE, and Daily Breeze.

Commissioner Deemer stated that the City has many seniors living in single family residences who believe that keeping chickens and bees is a rural activity.

Senior Environmental Quality Travers reminded Commissioners that they would only be making a recommendation to City Council.

8B. Commissioner Montgomery stated that he enjoyed participating in the Environmental Fair and that staff did a phenomenal job.

9. ORAL COMMUNICATION

9A. Commissioner Montgomery suggested inviting Joe Galliani from South Bay Clean Power to speak at a future Commission meeting regarding community choice aggregation.

10. ADJOURNMENT

MOTION: At 10:03 p.m., Commissioner Chim moved to adjourn the meeting to September 4, 2014 at 7:00 p.m. in the West Annex meeting room. Commissioner Robbins seconded the motion and, hearing no objection, Chairperson Gobble so ordered.

###

Approved as submitted September 4, 2014 s/ Rebecca Poirier, City Clerk
--