

February 3, 2005

**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, February 3, 2005, in the West Annex meeting room at Torrance City Hall.

2. ROLL CALL

Present: Commissioners Chim, Minter, Persaud, Reilly, Watson and Vice Chairperson McCabe.

Absent: None.

Also Present: Environmental Administrator Cessna and Environmental Quality Officer Jones.

3. FLAG SALUTE

The Pledge of Allegiance was led by Vice Chairperson McCabe.

4. AFFIDAVIT OF POSTING

Commissioner Minter moved to accept and file the report of the City Clerk on the posting of the agenda for this meeting. The motion was seconded by Commissioner Chim and a voice vote reflected unanimous approval.

5. APPROVAL OF MINUTES

Vice Chairperson McCabe pointed out a typographical error in the minutes of November 4, 2004.

MOTION: Commissioner Minter moved for the approval of the November 4, 2004 Environmental Quality and Energy Conservation Commission minutes as corrected. The motion was seconded by Commissioner Persaud and a roll call vote reflected unanimous approval with the exception of Commissioners Reilly and Watson who abstained due to their absence from that meeting.

MOTION: Commissioner Chim moved for the approval of the January 6, 2005 Environmental Quality and Energy Conservation Commission minutes as written. The motion was seconded by Commissioner Minter and a roll call vote reflected unanimous approval with the exception of Commissioners Reilly and Watson who abstained due to their absence from that meeting.

6. OIL MATTERS

Environmental Quality and Energy
Conservation Commission
February 3, 2005

Request: Approval of a Three-year Extension for the Continued Operation of Existing Non-Conforming Oil Sites:

6a. OIL04-00014 S & C Oil Co. Inc., 2425 W. 228th Street

With the aid of slides, Environmental Quality Officer Jones presented a summary of the material of record including the staff recommendation. She reported that the sites are inspected by the State Division of Oil and Gas (DOG) as well as by the Air Quality Management District (AQMD) and she explained that the city did not have the ability to test water and air but does ensure that the site is maintained to a level tolerable to the neighbors and that meets the Torrance Municipal Code.

Environmental Quality Officer Jones indicated that DOG deals directly with the owners and the city does not coordinate with them unless there is a problem.

MOTION: At 7:12 p.m. Vice Chairperson McCabe moved to open the public hearing. Commissioner Chim seconded the motion and a roll call vote reflected unanimous approval.

Vice Chairperson McCabe explained the policies and procedures of the Environmental Quality and Energy Conservation Commission.

Doug Williams, 4952 Warner Avenue, Huntington Beach indicated that the well is one of the few remaining wells in Torrance and he felt it important to have oil coming out of the ground in California because every dollar made here stays here and pays taxes here. He reported that they file a Spill Plan with the Environmental Protection Agency (EPA), they deal with the AQMD and have a quarterly independent inspector and he noted that the DOG conducts annual inspections.

Mr. Williams reported that the well has been at that location since the 1940s and produces about 17 barrels per day with in excess of 300 barrels of water which comes up with the oil and goes to the sewer. He noted that the water was also inspected.

Environmental Quality Officer Jones distributed statistics to the Commission.

Mr. Williams explained that the oil and water separate and with the water coming off the bottom into the clarifier which skims the rest of the oil before it goes into the sewer.

Responding to an inquiry from Commissioner Chim, Mr. Williams reported that neighbors had expressed concerns at the 2002 hearing but he was not aware of specific complaints at that time. He added that 3 or 4 neighbors had toured the site at that time and Environmental Administrator Cessna indicated that they were new neighbors unaware of the process.

Environmental Quality and Energy
Conservation Commission
February 3, 2005

Mr. Williams indicated that there used to be a pipeline but now the oil is trucked from the area and he added that the life expectancy of the well is unknown.

MOTION: At 7:18 p.m. Commissioner Minter moved to close the public hearing. Commissioner Persaud seconded the motion and a roll call vote reflected unanimous approval.

MOTION: Commissioner Minter moved that to grant the extension with conditions as recommended by staff with regard to OIL04-00014: S&C Oil Co. Inc. Commissioner Persaud seconded the motion and a roll call vote reflected unanimous approval.

6b. OIL04-00009 Power Run Oil LLC, 4903 White Court

With the aid of slides Environmental Quality Officer Jones presented the material of record and the staff recommendation noting that the site has been in use for 75 years and neighbors are familiar with the representative from the Power Run Oil Company and contact him directly with any issues.

MOTION: At 7:24 p.m. Vice Chairperson McCabe moved to open the public hearing. Commissioner Persaud seconded the motion and a roll call vote reflected unanimous approval.

Vice Chairperson McCabe explained the policies and procedures of the Environmental Quality and Energy Conservation Commission.

Rick Smith, 8128 Imperial Highway, Downey, indicated that the well runs 3-4 days a week to stay in compliance with the required number of barrels per day. He added that all wells in Torrance are on timers which run from approximately 7:00 a.m. to 7:00 p.m., turning off during night time hours so as not to disturb people. Mr. Smith explained that putting the wells on timers did not lessen production and he noted that the oil is sent to the tank farm at West High School.

Rodger Hunt, North Guadalupe, Redondo Beach, reported owning Power Run Oil with his wife Dorothy and he asserted that the oil wells were very quiet with a maximum of 5-10 decibels generated. He indicated that Mr. Smith checks all the wells every day 7 days per week, 365 days per year to make sure they do not have problems.

Environmental Quality Officer Jones concurred that the wells were not loud and the hours of operation were in line with the hours allowable for construction sites.

Environmental Administrator Cessna stated that generally speaking the wells are not an issue as there are no complaints.

MOTION: At 7:33 p.m. Vice Chairperson McCabe moved to close the public hearing. Commissioner Minter seconded the motion and a roll call vote reflected unanimous approval.

Commissioner Persaud received clarification that there was a fence surrounding the well.

Responding to Vice Chairperson McCabe regarding public notification, Environmental Administrator Cessna reported that letters had been sent to property owners and residents within a 500 foot radius of the property, notice was posted on the site and newspaper display ads were taken out for each oil well case.

MOTION: Commissioner Minter moved to grant the extension with conditions as recommended by staff for OIL04-00009: Power Run Oil Company. Commissioner Chim seconded the motion and a roll call vote reflected unanimous approval.

6c. OIL04-00010 Power Run Oil LLC, 4900 Del Amo Boulevard

With the aid of slides Environmental Quality Officer Jones presented the material of record and the staff recommendation noting that the company was required to install landscaping as a buffer between the site and surrounding properties. She explained that a truck comes to the site once per month to remove the oil and she added that vacuum trucks occasionally come as well.

Environmental Quality Officer Jones reported a 150 gallon spill in 2002 due to a hole in one of the tanks and she noted that the low retaining wall helped to contain the spill. She added that Mr. Smith has provided verification that the site had passed DOG inspections and she noted that the pumping well had been at the location since the 1930s with the tank farm moved there in the 1960s.

Environmental Quality Officer Jones reported receipt of four complaints regarding the site since the last hearing in 2002 citing concerns regarding noise, odors and the spill.

Commissioner Persaud expressed concerns about a recent lawsuit filed regarding benzene exposure at Beverly Hills High School and Environmental Quality Officer Jones suggested checking AQMD records.

Responding to Commissioner Chim, Environmental Quality Officer Jones explained that only one tank leaked in 2002 but both tanks were refurbished and tank inspections are required every 5 years.

Commissioner Chim observed that the inspector had inspected the day before the leak but was not able to inspect the bottom of the tank because there was insulation around it and he had had suggested clearing it.

Commissioner Reilly questioned inspection procedures and expressed concern that the city could be at risk with other tanks as the criteria might not be strict enough or the inspector is not requiring adherence.

Environmental Quality Officer Jones explained that the City hires a certified engineer to conduct tank inspections and she added that after this incident the inspectors are probably going to be more careful with inspections.

Commissioner Reilly indicated that her concern was not with the person but rather with the criteria and she felt a level or standard needed to be set and adhered to. She questioned whether the bottom of the tank was made more visible and whether that was required of all tanks after the incident.

Environmental Quality Officer Jones reported that the inspector provides a letter of certification for each site he inspects and she felt the 2002 spill was an isolated incident. She added that the inspector had pointed out rusting in his report and had suggested recoating or repainting but he had not thought it would impact the integrity of the tank.

Responding to Vice Chairperson McCabe, Environmental Quality Officer Jones explained that some oil had seeped through a crack in the exterior wall.

MOTION: At 7:50 p.m. Vice Chairperson McCabe moved to open the public hearing. Commissioner Minter seconded the motion and a roll call vote reflected unanimous approval.

Hanif Haji, 20323 Donora Avenue, submitted a written statement of his concerns and he indicated that his neighbors shared the same concerns. He reported living behind the tank for 24 years and he felt that Power Run Oil maintains the tank to the minimal industrial standard, not to the level fit for an oil tank farm in a residential neighborhood. He expressed surprise to hear there were only four documented complaints as he has complained numerous to the city, the EPA and also to Game and Fishery. He pointed out the proximity of the well to his house on one of the slides and cited issues with noise and odors.

Mr. Haji recommended that the permit be discontinued or conditions imposed until Power Run gets the facility in the shape it should be for a residential neighborhood. He added that landscaping had not been updated in 18 years and he asserted that trucks come as often as twice per week. He objected to that fact that there has never been an environmental study conducted and he questioned whether the facility served the community or just a business interest.

Vice Chairperson McCabe received clarification that he has lived at the location for 24 years and complaints have been ongoing. Mr. Haji reported that six years ago there were 35 residents who signed a petition against renewal, he pointed out that the tank farm was moved to the location in the 1960s, after houses were built and he acknowledged that the oil well was at the site when he bought his house.

Responding to Commissioner Chim, Mr. Haji indicated that he had not noticed a difference in odor since sand has been put down but he noted that the odors were sporadic and had to do with the way the wind blows and what time of year it is.

Commissioner Chim suggested planting taller trees in the area and Mr. Haji acknowledged that would help hide the facility but trees would not eliminate the odor. He pointed out the landscaping improvements that he had made and he suggested installing a tall angled wall to contain the odors.

Mr. Haji indicated that his concerns with odor and noise had escalated in the past 7-10 years and he has consistently complained that the tank farm was not maintained correctly and that was shown true on September 11, 2002 when the leak occurred. He reported having to call the operator a few times per month about odor and noise issues and pointed out that the same equipment had been used for many years but there might be modern technology to better address those issues.

Commissioner Reilly questioned whether AQMD data was available and Mr. Haji indicated that they had visited the site within the last 12 months but not done any monitoring nor had they sent any correspondence or documentation to bring closure to the visit.

Rick Smith, Imperial Highway, Downey, provided a history of the site and indicated that the leak in 2002 was due to corrosion. He explained how the problem had been corrected noting that the repair was approved by the city and the DOG, and he noted that the second tank had also been redone. He commented on inspection procedures noting that it is not possible to definitively determine the condition of the bottom of the tank without emptying it.

Mr. Smith explained that the oil leaked through holes in the wall where the school district had required that a barrier be attached and he acknowledged that odor was an issue during the event but noted that the spill was cleaned up the same day. He reported that Mr. Haji had called to complain 4-5 times within last 3 months and he explained the origin, frequency and mitigation methods for noises associated with the wells.

Mr. Smith stated that he could verify that they ship about every 10-11 days and he added that vacuum trucks come in to keep the cellars pumped out per regulations. He asserted that the AQMD had examined the neighborhood and their meters indicate there is nothing out of the ordinary, the DOG has indicated that they are about to be eligible for an award because they are cleaner than most operators, the Sanitation District comes out every 4-6 weeks to check waste water going into the sewer, and the city has a copy of the full Spill Plan that was drawn up by an engineer and passed all regulations.

Responding to inquiries from Commissioner Reilly regarding other technology to reduce odors, Mr. Smith explained that oil had seeped into the old, cracked asphalt during the spill and sometimes oozes up through the cracks so clean sand is used to help dry the oil and mask that smell. He was not aware of other options to address that situation but noted that the AQMD had inspected 3-4 times within the last 7-8 months due to complaints but had not indicated there were any issues.

Commissioner Watson pointed out that community standards had changed over the years and suggested there might be a different approach to take toward odor, but Mr. Smith countered that Mr. Haji was the only person complaining about the odor. Commissioner Watson suggested putting in more trees and Mr. Smith indicated that the school owns the property and has objected to that in the past.

Responding to Vice Chairperson McCabe, Environmental Quality Officer Jones reported that complaints were anonymous.

Commissioner Chim questioned the viability of Mr. Haji's suggestion to build a higher block wall to mitigate the odor issue.

Rodger Hunt, North Guadalupe, Redondo Beach, was not sure how much height could be added to the existing 8 foot walls and he was not eager to put in new walls that would cost between \$75,000 - \$100,000 to build.

Vice Chairperson McCabe expressed concern that another spill could be possible since the tank failed and the backup system failed as well and he questioned whether fines had been levied. Mr. Hunt was not aware of any fines and reported that the tank had been reinforced, the wall resealed and the DOG had classified the event as a simple spill. He reported that the well was grandfathered in and can operate until it no longer produces at least one barrel per day and engineers estimate that there are reserves for another 25-50 years.

Mr. Hunt stated that he wanted to be a good neighbor but the well was there before Mr. Haji moved in.

Commissioner Chim acknowledged the costs associated with increasing the height of the wall but suggested that might not be unreasonable given the annual profit and could be added to the general cost of doing business.

Environmental Administrator Cessna did not feel that installing a higher wall would contain the odor.

Commissioner Persaud expressed concern with air quality and questioned what caused the odor and whether there was a way to mitigate it. Mr. Smith asserted that there was no odor because the AQMD has investigated many times and has not indicated there is a problem. Vice Chairperson McCabe pointed out that there is a resident reporting a smell.

Environmental Administrator Cessna reported that there are several different agencies with jurisdiction over the well: AQMD handles odors, DOG handles the technical aspects and the sole area of jurisdiction for the city are the items set out in the code. She indicated that the city had to rely on the other agencies to do their job because that is out of the city's jurisdiction and expertise, and she noted that once items in the code are met the city has to extend the permit and although other issues can be discussed, they are not in the city's jurisdiction.

Commissioner Minter reported buying a home close to the refinery and noted that he had to accept the conditions that came with that. He commented that Power Run Oil had worked to make conditions better for everyone in the area.

Vice Chairperson McCabe acknowledged that Power Run Oil meets the code but he expressed concern about the nuisance question and noted that there may be more than just one unhappy homeowner.

Environmental Administrator Cessna reported that the last time the matter came up for review there were 6 residents who came to the meeting and once they understood

the situation they dropped the matter. Since there is only one resident at this meeting and few complaints on file she did not believe the matter rose to the level of a nuisance.

Commissioner Chim received clarification that the area was within the West Torrance Homeowners Association.

Environmental Administrator Cessna reported that notifications were sent to all residences within 500 yards, the school did not complain and there was only one response. Commissioner Persaud pointed out that the school would not complain because they are getting money.

MOTION: At 9:17 p.m. Vice Chairperson McCabe moved to close the public hearing. Commissioner Minter seconded the motion and a roll call vote reflected unanimous approval.

Commissioner Chim indicated that the commission was very concerned with how residents felt and what they want but is bound by the legality of the situation and does not have the power to go above and beyond. She indicated that there were not enough complaints in the neighborhood to amount to a nuisance and in this case the applicant has made a good faith effort to mitigate any hazards or concerns and the commission has to act within the law and within their jurisdiction.

MOTION: Commissioner Minter moved that with regard to OIL04-00010: Power Run Oil, the extension be granted with the conditions as recommended by staff and a note that there was a spill on the site and the site will be monitored until the next time it comes up for consideration. Commissioner Chim seconded the motion and a roll call vote reflected unanimous approval with the exception of Commissioner Persaud who abstained.

6d. OIL04-00011 Power Run Oil LLC, 20331 Anza Avenue

Senior Environmental Quality Officer Jones introduced the item with the aid of slides and briefly summarized the material of record.

MOTION: At 9:23 p.m. Vice Chairperson McCabe moved to open the public hearing. Commissioner Minter seconded the motion and a roll call vote reflected unanimous approval.

No one from the public came forward.

MOTION: At 9:24 p.m. Vice Chairperson McCabe moved to close the public hearing. Commissioner Minter seconded the motion and a roll call vote reflected unanimous approval.

MOTION: Commissioner Chim moved that the extension be granted for OIL04-00011: Power Run Oil with the conditions as recommended by staff. Commissioner Minter seconded the motion and a roll call vote reflected unanimous approval.

6e. OIL04-00012 Power Run Oil LLC, 20435 Anza Avenue

Senior Environmental Quality Officer Jones introduced the item with the aid of slides and provided a brief summary of the material of record.

MOTION: At 9:27 p.m. Vice Chairperson McCabe moved to open the public hearing. Commissioner Minter seconded the motion and a roll call vote reflected unanimous approval.

No one from the public came forward.

MOTION: At 9:28 p.m. Vice Chairperson McCabe moved to close the public hearing. Commissioner Minter seconded the motion and a voice vote reflected unanimous approval.

MOTION: Commissioner Watson moved to adopt the staff recommendation to grant the extension for OIL04-00012: Power Run Oil with the conditions as recommended by staff. Commissioner Minter seconded the motion and a roll call vote reflected unanimous approval.

6f. OIL04-00013 Power Run Oil LLC, 20310 Madrona Avenue

Senior Environmental Quality Officer Jones introduced the item with the aid of slides and summarized the material of record.

MOTION: At 9:29 p.m. Vice Chairperson McCabe moved to open the public hearing. Commissioner Chim seconded the motion and a voice vote reflected unanimous approval.

No one from the public came forward.

MOTION: At 9:30 p.m. Vice Chairperson McCabe moved to close the public hearing. Commissioner Minter seconded the motion and a roll call vote reflected unanimous approval.

Commissioner Chim indicated less concern with this site than others because the lot is large with less possibility of residents being bothered.

MOTION: Commissioner Minter moved to adopt the staff recommendation regarding OIL04-00013: Power Run Oil LLC to grant the extension with the conditions as recommended by staff. Commissioner Chim seconded the motion and a roll call vote reflected unanimous approval.

7. INFORMATION MATTERS

Commissioner Chim wished Environmental Administrator Cessna a Happy Birthday and she wished everyone a Happy Chinese New Year.

Commissioner Chim welcomed and congratulated new Commissioners Reilly and Watson.

Vice Chairperson McCabe announced an upcoming meeting of the South Bay Cities Council of Governments at the Palos Verdes Library.

8. NEW BUSINESS

Vice Chairperson McCabe suggested that information be added to the city website for those who want to opt out of receiving phone books. Environmental Administrator Cessna explained that the website was in process and would hopefully be up within the next month.

Vice Chairperson McCabe asked that a subcommittee be formed to examine window signage issues which he felt was one of the more egregious outstanding signage matters in the city and he suggested that commissioners could help by reporting problems to staff. Environmental Administrator Cessna reported that lack of staff for follow up was an issue and she indicated that the regulations were already in place.

Vice Chairperson McCabe stated that the word temporary was the main issue connected with window signage and he felt the municipal code could be tightened up. Environmental Administrator Cessna clarified that "temporary" referred to the fact that they are removable rather than a specific period of time and she indicated that banners have a time frame. She added that there is a 25% limitation on window signage and duration of time is not an issue and nothing they want to have to enforce.

Vice Chairperson McCabe believed if the sign was temporary the 25% limitation did not apply and Environmental Administrator Cessna asserted that signage is not intended to be all over the windows because of visibility and safety considerations.

She felt it unnecessary to redraft guidelines and reiterated that staff did not have enough time to properly enforce those guidelines and that is the key.

Vice Chairperson McCabe suggested thinking about the issue more for the next commission meeting.

9. ORALS/ANNOUNCEMENTS

Environmental Administrator Cessna announced a brown bag lunch at the Katy Geissert Library at noon on February 9 to discuss energy savings sponsored by the South Bay Council of Governments.

Environmental Administrator Cessna reported working to coordinate commissioner orientation by Len Woods as there should be a full commission by April and she added that there would also be a commissioner orientation done by the legal department.

Environmental Administrator Cessna indicated that resolutions for the approval of the oil site extensions would be brought to the next meeting for formal adoption.

Vice Chairperson McCabe welcomed the two new commissioners.

11. ADJOURNMENT

At 9:45 p.m., the meeting was formally adjourned to Thursday, March 3, 2005 at 7:00 p.m. in the West Annex meeting room at Torrance City Hall.

Approved as Written March 3, 2005 s/ Sue Herbers, City Clerk
--