

[Audience reaction.]

1 I know that it is an unpopular argument, everybody,
2 but I still feel, you know, I have to get it out, and there
3 are other people out there, too, that their jobs are reliant
4 on what goes on out here.

5 Our system right now is working out here, and
6 I think that has been demonstrated by the past 18 years.
7 We have produced and drilled well after well, barrel after
8 barrel of oil out here, and it has been clean so far.

9 I have pulled up alongside of many oil rigs.
10 I work on our diving support vessel, where we have to deal
11 with the problems of worrying about a paper cup going over
12 the side. You want to start a major panic offshore? You
13 let a piece of trash go in the water out here, or let a
14 drop of oil go over the side. Everything stops. Everybody
15 scrambles. Because we care.

16 As far as the arguments that I have heard, and
17 read in the paper, about eyesores and stuff, I live here,
18 too. I see it, too. An eyesore, though, is you know it
19 is a real skeptical point. I am out there on the boat
20 out there working, out there surfacing the submarine after
21 doing a survey, looking at the pretty sunset. I might
22 look at a sunrise, and the first thing that I see when
23 I come around up to Goleta is UCSB. You could call that
24 an eyesore, too, but that doesn't sound too good, does
25 it?

1 We also, as a county, have a responsibility to
2 the rest of the nation. We have to develop the oil that
3 is out here. We have to get it in and get it produced
4 by the year 2010 when all known reserves will be depleted.
5 That to me is pretty shocking. We can't just turn our
6 backs on it and say, "Let somebody else do it. Let the
7 guys in the Gulf of Mexico do it."

8 That is all mainly gas down there now. It is
9 running out. We have to open up this coast a little bit.
10 We have to manage it some more. We are doing a good job
11 now, and I think we need to continue it, get this oil out,
12 and get it, you know, get it onshore and processed.

13 The argument about the marine environment, that
14 is a justifiable argument. We need to address that. I
15 am sure that ARCO can work something out on that. I don't
16 have the answer myself. Maybe a plan can be worked out
17 where the UCSB students can study the effects of that platform
18 on the environment so that we really, really know.

19 We are involved right now with the state and
20 the company called Batell at this very moment, doing the
21 impact reports up here, up north, to see what is happening
22 there. Something is being done about it, and we can continue
23 and do it right out here off of our coast. You can help
24 us with it.

25 As far as the faculty enrollment issue of having

1 the platform there, and not being attractive to having
2 faculty members and students enrolled, that doesn't sound
3 too good to me, either. We have never had a problem getting
4 students here to Santa Barbara, or faculty before. When
5 I went to college, I went for an education, not for a sight-
6 seeing tour. I mean it is nice to have a place where you
7 can look and have a nice clean environment. We have that
8 already, and we are going to keep it that way.

9 We are not going to come out here and spill the
10 oil and blow smoke in your face, and I don't think it will
11 turn into that, but I do want to just make the point that
12 this system now is working, and I think that you do have
13 a good deal here with ARCO, and I think that they are sincere
14 in their efforts to continue to be good neighbors here,
15 as most of the other companies.

16 I really don't want to see this turn into another
17 Exxon thing, where we lose all of the revenue from the
18 Exxon Project, which will probably end up happening, because
19 we sit and debated over it for ten years. I hope this
20 doesn't turn into that.

21 Thank you very much.

22 CHAIRMAN DAVIS: Thank you.

23 The next witness is Lee Dyer.

24 MR. DYER: Thanks.

25 Like everybody--a lot of the people here--I am

1 also a student, and since everybody else told you their
2 majors, I will tell you mine. I am a biochemistry and
3 English major, and I guess the significance of that is
4 that because I am a biology major I work for MSI, and in
5 my opinion, and in most of the nation's opinion, it is
6 probably one of the best marine science institutes in the
7 nation.

8 I don't want to see that resource, that national
9 resource, be depleted or ruined in any way, which I know
10 it will. I don't want to study the effects of another
11 platform. I already know what they are, and I guess somebody
12 mentioned that, that we could study the effects. That
13 seems pretty ludicrous to me.

14 But, mostly I wanted to come up, not to speak
15 for myself or other people or the aesthetics of having
16 a beautiful environment, I wanted to speak for one of the
17 greatest remaining wilderness areas in the world, and that
18 is the ocean.

19 The multitude of organisms, fish, crab, lobster,
20 kelp, and micro organisms that most of us probably have
21 never even heard of, have just as much right to this earth
22 as we do.

23 I think that we are pretty arrogant to assume,
24 just ~~ause~~ we like to drive our cars up to Mammoth to
25 go skiing, or because that we need to drive our car every

1 day, or we need to use plastic, or other oil by-products,
2 I think it is arrogant for us to assume that we really
3 need to do that, and infringe upon the rights of the rest
4 of the environment.

5 I admit that there is a problem, consumption
6 of oil in the U.S. is large. We do have a huge deficit,
7 but the answer is conservation and alternative forms of
8 energy.

9 While I was sitting here, I was just thinking
10 that I have heard very few pro-ARCO speeches, and it struck
11 me as kind of odd, because I have been to many similar
12 hearings concerning the environment since I am concerned
13 about the destruction of the environment, and it seems
14 that there is usually--most of the people do not want the
15 exploitation, but it usually occurs, and this might not
16 seem like a brilliant conclusion to most of you, but I
17 thought it was kind of neat. It just seemed to me that
18 money talked, and I know that it does.

19 Another thing, I don't want to come down on the
20 rich folks but it seems to me that also a lot of extravagant,
21 wealthy people, don't know how to conserve, or don't care
22 to conserve, and you know, like I said, that is one of
23 the few answers to this problem. These same wealthy people
24 are--a lot of them are the ones that are pushing for exploitation,
25 and a lot of them are the ones that will benefit the most

1 from not only exploitation of the environment, but exploitation
2 of people around the world.

3 The scientific and historical facts of the ill
4 effects of these oil rigs are overwhelming, so I don't
5 think that is the question here. The questions are whether
6 or not we are willing to make the extra energies to conserve
7 and to find alternative forms of energy; whether or not
8 we are willing to put aside our arrogant assumptions that
9 we are more important than our environment; and whether
10 or not our representatives are willing to stand up to the
11 big business and money to support us, the people who elected
12 them to office.

13 Thanks.

14 CHAIRMAN DAVIS: Thank you.

15 The next witness is Larry Davidson.

16 MR. DAVIDSON: Hi, my name is Larry Davidson,
17 and first I would like to address the aesthetics of the
18 project.

19 The importance of aesthetics cannot be over emphasized.
20 Unfortunately, aesthetics are always under emphasized in
21 EIRs. Americans spend billions of dollars on aesthetically
22 pleasing things every year, far more than any other country
23 in the world, and yes, maybe even more than on oil.

24 Just look at yourselves. You spend hundreds
25 of dollars on three-piece suits, fancy dresses, which could

1 easily be replaced by clothing no more expensive than \$10
2 or \$20, and ARCO wants Isla Vista to look at ugly rigs
3 so that many of its employees can buy more three-piece
4 suits and fancy dresses.

5 Americans in general are using up resources faster
6 than necessary. If we didn't waste so much we wouldn't
7 need so much.

8 Everyday you can go to Isla Vista Park, affectionately
9 known to the residents as "dog shit park" before sunset
10 and see people playing Frisby with their human and animal
11 friends, throwing footballs, playing over the line, playing
12 guitar, or just sitting and watching the unfolding sunset
13 take shape.

14 The sunsets are beautiful, and are already marred
15 by the existing platform. I don't know about you, but
16 I don't like holding up my thumb in front of my face trying
17 to block out an oil rig while I watch the sunset.

18 These students who watch the sunset work hard
19 and undergo a lot of stress. Sunsets are a way of relieving
20 this stress.

21 The effects upon migrating whales by this proposed
22 development will also be serious. Whales communicate by
23 sound waves, and biologists have found that sound produced
24 by engines can disturb whale communication. The proposed
25 development in the channel will produce a large amount

1 of subsurface noise, since whales migrate through the channel
2 and along the Isla Vista coast, oil development will have
3 a significant impact on their migration, and possibly on
4 their reproduction, which is akin to almost killing whales,
5 and killing whales is, as you know, illegal, and immoral,
6 and future generations are going to need oil, so let's
7 save some for them.

8 If environmentally sound means for extracting
9 the oil are still not developed in the future, then future
10 generations can just leave the oil in the ground. The
11 EIR reveals that oil extraction with today's technology
12 has many problems. The ARCO project is especially bad.
13 The no project alternative should be taken.

14 Thank you.

15 CHAIRMAN DAVIS: Thank you.

16 The next witness is George Obern.

17 MR. OBERN: Good evening. My name is George
18 Obern, and I am testifying as the President of the Hope
19 Ranch Park Homes Association, and also a resident of Hope
20 Ranch for 35 years, and during much of that time I was
21 the public information at UCSB, so I have some sympathy
22 for the researchers who testified today.

23 Our association is made up of 688 property owners
24 at Hope Ranch, which is a community with 2.5 miles of coastline,
25 just about five miles down wind from the proposed project.

1 Our Board of Directors is greatly concerned about
2 this project. As you no doubt know Hope Ranch is a fantastically
3 beautiful area with dozens of large estates, including
4 some that have a property value as high as \$15 million.
5 This is not a new development. It goes back 50 years or
6 more, and many of the homes were built in the early part
7 of the century, such as the famous Klinger Estate. These
8 represent people who could live anywhere in the world.
9 They chose Santa Barbara.

10 Hopefully, our association--no, excuse me. Our
11 association already has a letter on file asking you to
12 insist on no marine terminal, no tankering of oil, and
13 to put in place adequate facilities and personnel to handle
14 any catastrophes.

15 Many of us here remember with dread the 1969
16 blow out and consequent six inches of oil on our beaches,
17 but let me express other concerns.

18 We are troubled about the specter of air pollution,
19 of visual pollution, which we have enough of already, the
20 possibility of oil spills, and fires, in a treasured coastal
21 area which is not suited for the kind of industrial development
22 likely to result from this project.

23 There are values threatened which cannot be measured
24 in dollars, but should be measured in visual, social, and
25 economic degradation of a world famous place of beauty.

1 We are worried about an inadequate, possibly
2 flawed, EIR, but I understand that we will have another
3 opportunity to speak to this before certification.

4 Thank you for the opportunity to speak before
5 the issue, and please consider that Santa Barbarans are
6 extremely sensitive to environmental issues, and not without
7 good reason.

8 Thank you.

9 CHAIRMAN DAVIS: Thank you.

10 The next witness is Michael Boyd.

11 MR. BOYD: Hi, I am Michael Boyd.

12 First, I have a short question. Is the purpose
13 of this hearing just to comment on the final EIR? Or,
14 can we also comment on the staff report?

15 CHAIRMAN DAVIS: You can provide any comment
16 that you care to.

17 MR. BOYD: Okay.

18 First, I would like to identify myself--

19 COMMISSIONER ORDWAY: Can I just clarify though,
20 that is not really--I wouldn't call this a staff report.

21 It is a memo from staff to the Commissioners
22 summarizing. It has, as you know, no recommendations.
23 It just summarizes highlights, key points, key issues,
24 for the Commissioners, and I would agree with Commissioner
25 Davis, you can speak to either.

1 MR. BOYD: So, this isn't a final staff report,
2 then?

3 COMMISSIONER ORDWAY: No.

4 MR. BOYD: Great.

5 COMMISSIONER ORDWAY: No, this was an interim--
6 it was at the request of the members of this Commission
7 from the last meeting, and it is to highlight the key and
8 important issues and sort of where we are on this.

9 MR. BOYD: Oky-doke.

10 Okay, first I would like to identify myself as
11 a Director on the Board of the Isla Vista Recreation and
12 Park District, and my comments in reference to the EIR
13 are as a Director on that district, and this district is
14 the--is probably the only local government agency that
15 solely represents the area of Isla Vista at this time,
16 that I know of. There are a lot of other government agencies
17 that represent Isla Vista and more than Isla Vista, but
18 this is the only one that I know that just represents Isla
19 Vista.

20 And, what I would like to comment on is the--
21 I guess it is the addendum to the draft EIR that was done
22 on Isla Vista's issues of concern, and in there what I
23 would like to address specifically is under air quality
24 impacts.

25 It seems that the study specifies that there

1 are going to be Class 1 air pollution impacts on the community
2 of Isla Vista. Yet, in the mitigation section, they basically
3 say that the offsets are what they are proposing to be
4 used to mitigate some of these air pollution impacts, but
5 it states that offsets that have been proposed to mitigate
6 air quality impacts could result in the control of some
7 regional air pollution offsets or reduction in emissions
8 from sources other than the project itself, and may occur
9 at some distance from the new sources of emissions from
10 the project.

11 As a consequence, if the offsets are obtained
12 outside the area, near Isla Vista, while they may mitigate
13 regional air quality impacts, they may not fully mitigate
14 impacts to the Isla Vista area. Now, it seems clear that
15 there is going to be a Class 1 impact on Isla Vista, and
16 one of the things they say in here is that it really is
17 not that significant though, because "Because they represent
18 incremental increases in cases where standards are already
19 exceeded."

20 Doesn't that mean that currently you have exceeded
21 the air pollution standards? With the current project
22 going on there? With Holly? Is that what that means?

23 You don't have to answer. I am just posing this
24 question.

25 COMMISSIONER ORDWAY: We have the people here

1 that prepared the EIR. I would like to hear their answer
2 to that question as much as you probably would.

3 RANDY MOORY: I am going to ask Andrew Nelson,
4 who was the Deputy Project Manager, to answer that.

5 MR. NELSON: Okay, would you rephrase your question,
6 so that I can get up to speed on this?

7 MR. BOYD: Okay, well in here it says, "Reactive
8 pollutant impacts are more difficult to determine spatially
9 since meteorological and chemical transformations of precursor
10 pollutants are involved. Although these air quality impacts
11 are considered significant, Class 1, because they represent
12 incremental increases in cases where standards are already
13 exceeded the magnitude of these increases is small. Mitigation
14 measures for reactive emissions are discussed in section..."
15 such and such.

16 MR. NELSON: Right.

17 MR. BOYD: So, basically, what I am saying is
18 it says in here that because they are already exceeded,
19 this isn't significant.

20 MR. NELSON: Yes. Without the project--let me
21 try and make a very brief background about how the analysis
22 is done.

23 The analysis is first done using a model to estimate
24 air quality concentrations without the project at all.
25 Those concentrations already exceeded the standard, according

1 to the model calculation. When you add the project in,
2 it causes those concentrations to be somewhat higher, but
3 because they are already over the threshold that has been
4 set up by the pollution control districts, and the state
5 and federal regulations, they are still considered to be
6 significant impacts, but they don't cause the exceedance
7 all by themselves.

8 I am sorry that I used the word "exceedance".
9 But the exceedance is when the air quality levels are boosted
10 above a standard.

11 MR. BOYD: Okay, so--

12 MR. NELSON: They don't actually cause a boosting
13 above the standard, but when it is above the standard,
14 they cause it to be somewhat worst.

15 MR. BOYD: Basically, let me rephrase what I--
16 you are saying as the base line--

17 MR. NELSON: That's right.

18 MR. BOYD: --they are already above the standard
19 right now. They are already exceeding the standards for
20 emissions, and yet here we are talking about approving
21 a project that is going to compound that problem.

22 Now, what I want to comment on specifically is
23 then later in the section on recreation, which is what
24 the Park District--Isla Vista Recreation and Park District--

25 CHAIRMAN DAVIS: Let me just ask one question

1 of the consultant.

2 MR. BOYD: Sure.

3 CHAIRMAN DAVIS: To what extent do the offsets--
4 where do the proposed offsets leave us, in terms of our
5 exceedance of existing standards?

6 MR. NELSON: I'll let Randy respond to that one
7 because the offsets are an outside issue from the air quality
8 modeling. We don't model the offsets, because they are
9 not from the project, itself.

10 RANDY MOORY: The offsets will be considered
11 by the Air Pollution Control District here in the county.

12 The ratio of trade off pollutants--it is an inter-
13 pollutant trade off in this case--has not been established
14 by the District. They are still in negotiations with ARCO.

15 So, we don't know specifically what the exact
16 ramification is.

17 CHAIRMAN DAVIS: When is that likely to be known?

18 RANDY MOORY: After this Commission acts, and
19 after--during the Authority to Construct process.

20 MR. BOYD: Isn't that putting the cart before
21 the horse?

22 RANDY MOORY: This District is required by its
23 rules and regulations to achieve a net air quality benefit
24 in the air basin.

25 In other words, that every pollutant emitted

1 by ARCO must be traded off by another source in the basin.
2 In this case ARCO proposes to use the seep containment,
3 which is--

4 MR. BOYD: Already--

5 RANDY MOORY: --on state lands, and which is
6 already actively containing, trapping oil and gas from
7 the seeps.

8 MR. BOYD: No expansion of the seep containment,
9 though?

10 RANDY MOORY: Not that I know of, right now.

11 ARCO has also indicated that other trade offs
12 may be used if the seep containment is not satisfactory
13 to trade off all emissions.

14 CHAIRMAN DAVIS: But--just so that I understand--
15 the law requires that there is an offset for every additional
16 emission?

17 RANDY MOORY: Yes, oftentimes more than a 1:1
18 relationship.

19 CHAIRMAN DAVIS: And, will those be proximate
20 to the community? Or, that portion of the community most
21 affected by emissions?

22 RANDY MOORY: The air quality analysis indicates
23 that most of the oxilent impacts of this project occur
24 in Ventura County.

25 The trade offs, or the offsets that ARCO proposes,

1 are in Santa Barbara County. They are the seep containment,
2 but theoretically they should reduce oxident concentrations
3 in Ventura County, also.

4 CHAIRMAN DAVIS: Thank you.

5 MR. VRAT: Mr. Chairman.

6 CHAIRMAN DAVIS: Are you speaking to that issue?

7 MR. VRAT: Yes.

8 CHAIRMAN DAVIS: Go ahead.

9 MR. VRAT: My name is Dev Vrat from Santa Barbara
10 County, and the Air Pollution Control District is not here
11 this evening, but I would just like to make a few clarifications,
12 in addition to what Randy stated.

13 First of all, in the document it demonstrates
14 that we are in non-attainment. That is because the entire
15 county is in non-attainment, okay? It does include the
16 existing oil development projects.

17 Secondly, the fact, in the environmental report,
18 we did model the mitigations proposed by ARCO, and the
19 fact that there are some remaining Class 1 impacts indicates
20 that with those mitigations that have been identified to
21 date, there will be further exceedances.

22 The APCD, Authority to Construct process, which
23 was referred to, in that process ARCO will not be permitted
24 to construct until they can demonstrate both that all their
25 emissions will be offset by at least a 1.2:1 ratio, and

1 an additionally that there will be no violation of any
2 state or federal standard anywhere.

3 So, it is a two-staged process. The environmental
4 process is the first step, and indicates that there is
5 further work that has to be done.

6 CHAIRMAN DAVIS: Thank you.

7 Yes, Mr. Boyd.

8 MR. BOYD: Okay, now what I wanted to comment
9 on, specifically, was in this section of the final EIR
10 where they talked about recreational programs, they address
11 the potential of a Class 1 impact due to a major oil spill,
12 and they specifically only site one area of the park, which
13 is the county frontage, the beach park, and no where do
14 they mention the Isla Vista Recreation and Park District
15 and potential impact on the district.

16 And, later in section 2.1.4 where they talk about
17 cumulative impacts, they talk a little bit about what some
18 of the potential impacts could be, but not very clearly,
19 and basically what it says is that in some cases air quality
20 degradation was termed significant because of exceedance
21 of standards and base line was projected to be aggravated
22 by cumulative projects, even though the incremental increases
23 were predicted by modeling to be very small.

24 Isla Vista would be expected to experience similar
25 air quality impacts to other areas along the south coast.

1 Potential impact to residents and vegetation from acid
2 rain, or acid fog, are possible in the cumulative case,
3 although there is no known documentation for acid precipitation
4 or its unknown negative effects in the region at present.

5 Emissions of precursor pollutants to acid precipitation
6 would increase the cumulative case, but the extent to which
7 acid precipitation would result and be harmful cannot be
8 ascertained with the current state of knowledge.

9 Now, as a Director on the Parks District, we
10 are responsible for some lands that are considered wetland
11 habitats, and what they specifically have on them are called
12 vernal pools and they are a special species that we have
13 actually received state funding to preserve these habitat.

14 Now, one of the things--I have been a resident
15 for ten years here, and I have noticed that over the past
16 ten years the habitats, these vernal habitats, have been
17 shrinking, becoming--they are going away is what I am trying
18 to say and I know that there is acid fog in Isla Vista
19 right now, because I drive a motorcycle and my motorcycle
20 is dissolving. I leave it outside and in the fog, and
21 it literally falls--it literally, all of the rubber and
22 stuff on it literally gets eaten away, if I leave it out
23 in the fog. I can't leave it outside, or it will, really,
24 it will dissolve.

25 And, I just think that the EIR, the final EIR,

1 is failing to adequately examine what the cumulative impacts
2 are going to be on vegetation, and people, in the Isla
3 Vista area, as the result of these cumulative air pollution
4 impacts, and specifically acid precipitation in fog, because
5 we do have acid fog.

6 And, I think that really that there should be
7 some studies done now before any final approval is given
8 to this thing, to establish what levels of acid precipitation
9 there are already in the Isla Vista area.

10 So, that is my basic comment for--as the Park
11 Director.

12 Now, I would like to take that hat off, and speak
13 as a member of the Isla Vista Municipal Advisory Council,
14 which is a body appointed by the County Board of Supervisors
15 to advise county on--

16 CHAIRMAN DAVIS: No, no, no. You have got to
17 go to the back of the line! You have got to fill out one
18 of these forms again, and--

19 MR. BOYD: I put it on there.

20 [Laughter]

21 I already put it on there, if you look.

22 CHAIRMAN DAVIS: Wait a minute.

23 MR. BOYD: See that?

24 CHAIRMAN DAVIS: Yep, you are right.

25 MR. BOYD: Okay.

1 So, what I would like to comment on then is the
2 staff report, and specifically at the last hearing I brought
3 up this issue of revenue sharing with local governments,
4 and I really like this staff report. I think the staff
5 did an really good job on this, but I would just like to
6 provide some comments on the report.

7 One is that at the last hearing, I remember Ms.
8 Ordway, you told me all of these numbers here, and it becomes
9 more clear to me that even the county is getting one--
10 almost one-tenth of a percent of the tax revenues, it seems
11 like.

12 COMMISSIONER ORDWAY: Can I just make a comment?
13 You are talking about page 20 of the staff comments?

14 MR. BOYD: Twenty, yeah.

15 COMMISSIONER ORDWAY: Yes.

16 Those were really nice numbers, and those numbers
17 were real until about 18 months ago, and up for the period
18 of about 1979 through about 1985, late '85, we were in
19 fact getting between \$250 million, and \$450 million a year
20 off of our tidelands revenues.

21 That number has dropped significantly with the
22 drop in the price of oil, so as you look down these numbers,
23 take off about \$300 million.

24 MR. BOYD: What? Say that again?

25 CHAIRMAN DAVIS: Take off about \$300 million.

1 MR. BOYD: Oh.

2 COMMISSIONER ORDWAY: Because our projected tidelands
3 revenues for the current year is something on the order
4 of \$120 million to \$140 million, not the \$430 million that
5 is there, and that is directly related to the barrel price
6 of oil, so this--I think what staff was trying to do here
7 was to present what the statutory flow of money would look
8 like.

9 Because these are all--these are required, up
10 until the bottom one, where it says--or the bottom two,
11 where it says, "Energy and resources fund and SAFCO," and
12 all of the rest are specified in California law, in the
13 Public Resource Code and those are the required amounts
14 that are to go to those funds, provided there is money
15 to put to those funds.

16 Right now, we get through the Central Valley
17 Project. We skip Higher Ed and State School Building,
18 because we are doing those out of bond moneys because there
19 is no tidelands, and the little bit that is left for capital
20 outlay, at least in the budget year, half of that--about
21 a third of it will go to fixing up our state mental and
22 DD hospitals, bringing them up to code, and about \$46 million
23 will go for asbestos and PCB removal, and underground tank
24 removal, and so these numbers were real for the time, and
25 for the law that spreads them--

1 CHAIRMAN DAVIS: They have changed.

2 COMMISSIONER ORDWAY: --but given the current
3 barrel price of oil, we don't see that much in the way
4 of revenues right now.

5 MR. BOYD: Okay.

6 Well, what--the thing that illustrates to me,
7 though, the point that I want to make on this, and that
8 I was trying to make at the last hearing, was that the
9 county is like receiving one--it seems like less than .1 percent
10 of the revenues that the state is getting, through this
11 '17 allotment of funds.

12 Now, my concern, which was sort of addressed
13 in this staff report on page 21, is that general revenues--
14 oh, first. Back up a second.

15 One thing that I wanted to comment on, on page
16 20, is in the bottom line it says, "Revenues which exceed
17 those received by the state in the 1983 - 84 fiscal year,
18 are not subject to the \$100,000 limitation." I think that
19 this staff report should specify what potential revenues
20 the county would be getting, because of that line right
21 there, because if they are producing 80,000 barrels per
22 day, and it seems to me from my reading of this, is that
23 these new--this new oil won't be subject to the ceiling
24 anymore, and that the county will get the full one percent
25 that it specifies here.

1 COMMISSIONER ORDWAY: The county will.

2 The '83 - '84 year was almost a high-water mark
3 for getting tidelands revenues, because of the barrel pri
4 of oil.

5 We are looking at tidelands having to come in
6 at probably better than \$400 million, in order for them
7 not to get what is in excess of the 3 - 4 level, so they
8 would get the full one percent, because we are way below
9 the 3 - 4 level.

10 MR. BOYD: But, let's say the price of oil went
11 up, okay? Say, OPEC decided to do something to us, and
12 the price of oil went up. Wouldn't in fact--the state
13 would get a significant increase in revenues, as the result
14 of that, and the county could potentially get millions,
15 because of this one little line that they changed in the
16 law back in SB-1983, I think it what it was.

17 COMMISSIONER ORDWAY: On new oil, right.

18 MR. BOYD: It is only the new oil that they are
19 going to get this windfall from, and I think it should
20 specify that. It should explain that more, in what it
21 means for the county.

22 Now, on the next page, we are talking about impacts
23 on Isla Vista, and it says, "Because Isla Vista is an unincorporated
24 area of Santa Barbara County, it does not directly receive
25 any funding under Section 6817--

1 COMMISSIONER ORDWAY: That's right.

2 MR. BOYD: --however Santa Barbara County may
3 use its allotted funds within the Isla Vista community
4 so long as the work is consistent with the statutory limitations.
5 For 1985 - 86 Santa Barbara County received \$100,000."
6 Which is the limit, up to the ceiling for those previous
7 projects.

8 Now, I would just like to let you know, as a
9 ten-year resident of Isla Vista, and I am sure Mr. Davis
10 knows now, since he went to the one park--well, it is called
11 dog shit park for a reason, and the reason that it is called
12 dog shit park is because since Holly has been in there,
13 and since this law has been into effect the county has
14 never spent a dime of the money that they have received,
15 in Isla Vista, from the 6817 funds.

16 CHAIRMAN DAVIS: You have got to talk to Mr.
17 Wallace.

18 COMMISSIONER ORDWAY: Is Mr. Wallace still here?

19 CHAIRMAN DAVIS: He is President of the Board.

20 MR. BOYD: He won't deny it. I know.

21 COMMISSIONER ORDWAY: Will he help you with
22 it?

23 MR. BOYD: He lives in Isla Vista, too.

24 CHAIRMAN DAVIS: He lives about three blocks
25 away. If you want to tell him--organize a little protest.

1 Get people to march in front of his house with signs--

2 MR. BOYD: No, no, no, no.

3 CHAIRMAN DAVIS: --call the television cameras.

4 MR. BOYD: He is on our side. That's--he is
5 just one vote, though.

6 CHAIRMAN DAVIS: He is the President of the Board.
7 What are you talking about? He sets the agendas--

8 MR. BOYD: So, what--the point that I am trying
9 to make, though, is what you are proposing as a mitigation
10 to the fact that we are not getting any money, is that
11 revenue sharing for local governments includes special
12 districts and unincorporated communities could be authorized
13 by statute.

14 Now, I am just wondering. What does that mean?
15 Does that mean that you--

16 COMMISSIONER ORDWAY: That means that a member
17 of the--

18 MR. BOYD: --are going to author some legislation
19 to make it legal--

20 COMMISSIONER ORDWAY: --that means that a member
21 of the legislature, either an assembly member--

22 MR. BOYD: --for us to get money?

23 COMMISSIONER ORDWAY: --or a member of the senate,
24 to introduce a bill to do that. It would have to work
25 through the normal legislative process, which Commissioner

1 Davis was intimately involved with up until three weeks
2 ago, and we would basically change the statutes. I mean
3 the statutes were altered in order to allow coastal counties
4 to receive mitigation moneys to begin with, and there would
5 be a revision to those statutes to allow unincorporated
6 areas to also--

7 CHAIRMAN DAVIS: Which is very, very doable.

8 MR. BOYD: Okay.

9 Now, I have another idea on how you can--

10 CHAIRMAN DAVIS: I have to interrupt you for
11 one reason.

12 MR. BOYD: Sure.

13 CHAIRMAN DAVIS: I have to catch the last flight
14 to leave.

15 Let me just say, into my 13th hour of testimony
16 now here in Santa Barbara, not counting a visit to--however
17 you want to describe that park--

18 COMMISSIONER ORDWAY: The park in Isla Vista.

19 CHAIRMAN DAVIS: --the fishermen, and the university--

20 MR. BOYD: Just call it the County Park.

21 CHAIRMAN DAVIS: County Park.

22 MR. BOYD: To be polite.

23 CHAIRMAN DAVIS: I think that problem is soluble
24 at home, though, as I suggested before, if you will just
25 organize a little demonstration in front of Mr. Wallace's

1 house, I think that will get the job done.

2 But, if it doesn't you can pursue the legislative
3 remedy.

4 I just want to say, seriously, I am very impressed
5 with the high level of interest in this community, I mean,
6 this is our second hearing and the place is packed, and
7 the high quality of the testimony, so I look forward to
8 our next meeting where we will ultimately resolve the certification
9 issue.

10 And, again, I am going to ask Mr. Tucker to be
11 present--

12 COMMISSIONER ORDWAY: Jim will be sitting in
13 a voting capacity in behalf of the Controller's office,
14 in your absence.

15 CHAIRMAN DAVIS: You going to vote tonight?

16 COMMISSIONER ORDWAY: This is a meeting.

17 No, but, I have to say that for the record.

18 CHAIRMAN DAVIS: Oh, well--

19 COMMISSIONER ORDWAY: This is a meeting, as opposed
20 to a hearing, and so we have to announce who is sitting
21 in a voting capacity.

22 CHAIRMAN DAVIS: Thank you.

23 COMMISSIONER ORDWAY: Thank you.

24 CHAIRMAN DAVIS: Please don't take any votes
25 though.

1 COMMISSIONER ORDWAY: As a matter of fact, I
2 was going to suggest that the item that was on our agenda,
3 calendared for today, that has not been handled, will be
4 put over until our February meeting.

5 CHAIRMAN DAVIS: Okay, all right.

6 COMMISSIONER ORDWAY: So, that will go as unfinished
7 business at our February 17 meeting.

8 Please continue.

9 MR. BOYD: Okay.

10 Now, what--

11 ACTING CHAIR ORDWAY: Just a moment, excuse me.

12 UNIDENTIFIED SPEAKER: Will Mr. Davis be able
13 to read the testimony?

14 ACTING CHAIR ORDWAY: Yes, all of the--

15 CHAIRMAN DAVIS: Yes, and Mr. Tucker will be
16 assisting in--

17 ACTING CHAIR ORDWAY: --the transcript is submitted
18 to each of us, and we do read it, to make sure we are quoted
19 right, and to make sure that everybody else is quoted right.

20 Mr. Tucker is sitting here as Deputy Contoller,
21 with full rights and privileges.

22 MR. BOYD: Okay, thank you.

23 CHAIRMAN DAVIS: Thank you.

24 MR. BOYD: So, what I wanted was another alternative,
25 instead of having to go to the legislature, there is something

1 that the State Lands Commission could do to insure that
2 this money comes back to the local community--

3 ACTING CHAIR ORDWAY: Well--

4 MR. BOYD: --wait, wait, let me finish--and what
5 it is--and the reason that I know about this is because
6 back in 1983, I was involved in an attempt to incorporate
7 Isla Vista into a general law city.

8 Now, before we attempted to do that--before we
9 did that, we went to the--the State Lands Commission has
10 the authority to do that. It has done that, in the case
11 of the City of Long Beach, for example.

12 The state tidelands are part of the city, and
13 then the City of Long Beach receives these funds, okay,
14 and they can allocate these moneys however they please.

15 Now, right now, there is currently in process
16 another incorporation proposal--

17 ACTING CHAIR ORDWAY: I don't think we can--

18 MR. BOYD: --wait, wait, let me finish--

19 ACTING CHAIR ORDWAY: Okay.

20 MR. BOYD: --which is to incorporate Isla Vista
21 and Goleta, which is a bigger area, into a city.

22 Now, they didn't include--they didn't try to
23 annex these tidelands--when we went to--when we went for
24 I.V. to try and annex these tidelands, we were denied without
25 prejudice, which I understand means we can come back and

1 resubmit it any time, okay?

2 Now, but I am not intending to do that, first.

3 But, if--what I would like to know, if there is any change
4 in the position of the State Lands Commission now? Is
5 there any difference in their position on this issue? Did
6 they feel that it would now be in the state's best interest
7 to have these tidelands annexed to this proposed city,
8 whatever it is--I.V. Goleta, I.V. whatever, Santa Barbara
9 City--is there any change in that position, because if
10 there is we need to know that, so that we can come before
11 you to ask for that, and really that is what would mitigate
12 this revenue thing.

13 ACTING CHAIR ORDWAY: I honestly can't respond
14 to that.

15 It was four years ago. We have a little bit
16 different composition on the Lands Commission now.

17 MR. FOYD: Politically, yes, I know.

18 ACTING CHAIR ORDWAY: I mean, I was still sitting
19 in '83 and--

20 MR. BOYD: Yes, and you probably remember it.

21 ACTING CHAIR ORDWAY: --was part of the vote
22 to deny without prejudice, and you are free to come back
23 again. I mean, that is always open.

24 Claire, you wanted to make a comment?

25 EXECUTIVE OFFICER DEDRICK: Yes, I wanted to

1 correct some misapprehensions that I think is--

2 ACTING CHAIR ORDWAY: You will have to use your
3 microphone.

4 EXECUTIVE OFFICER DEDRICK: --I'm sorry. I thought
5 that I was.

6 I just wanted to correct a couple of errors in
7 your logic there.

8 MR. BOYD: Okay.

9 EXECUTIVE OFFICER DEDRICK: One of them is that
10 annexation of the tidelands does not get you the revenue
11 from the resource.

12 What that requires is an act of the legislature.
13 The revenues would still flow to the state.

14 MR. BOYD: The county, you mean.

15 ACTING CHAIR ORDWAY: The county.

16 EXECUTIVE OFFICER DEDRICK: Well, the--

17 MR. BOYD: See, they go to the state and then
18 they go to the county--

19 EXECUTIVE OFFICER DEDRICK: The tidelands revenues
20 would flow to the state now.

21 It would get you--

22 MR. BOYD: All right.

23 EXECUTIVE OFFICER DEDRICK: -it would get you
24 your--however much it is--

25 MR. BOYD: The 6817--

1 EXECUTIVE OFFICER DEDRICK: --per-mile-of-park
2 thing, which isn't very much money, but the revenues would
3 remain with the state unless the legislature grant the
4 mineral rights in the tidelands to the City of Isla Vista.

5 In the case of Long Beach, the revenues do flow
6 to the State of California. They do not flow to the City
7 of Long Beach. A portion of the revenue, which was defined
8 by the legislature, flows to Long Beach, but the majority
9 of the revenue that we have discussed today comes from--
10 to the state--from the Wilmington field in Long Beach.

11 I just wanted to tell you--

12 MR. BOYD: Okay.

13 EXECUTIVE OFFICER DEDRICK: But, that doesn't
14 mean that there aren't other alternatives to reach the
15 goal that you are talking about.

16 MR. BOYD: Well, but, what brought this up to
17 me, was I was reading SB 1983, the rewriting, I guess,
18 of this 6817, and in there it says that the moneys are
19 allocated to the county or the city, okay?

20 And, it doesn't just say the county. It says
21 the county or the city.

22 EXECUTIVE OFFICER DEDRICK: Now, that is true.

23 MR. BOYD: Now, Carpinteria, for example--

24 EXECUTIVE OFFICER DEDRICK: That is true, so
25 that kind of revenue you would get.

1 MR. BOYD: --gets--that is what I am saying.

2 EXECUTIVE OFFICER DEDRICK: The actual tidelands
3 revenue is a whole--

4 MR. BOYD: The 6817 funds is what I am talking
5 about.

6 EXECUTIVE OFFICER DEDRICK: --revenue, okay,
7 fine, I just wasn't sure that we were together.

8 MR. BOYD: Which could be a significant amount
9 because there is no cap. There is no ceiling on this money.
10 Okay? That is why I am making this point to you.

11 Okay, so I just wanted--it would be good if there
12 was some way that the State Lands Commission could, instead
13 of us spinning wheels and coming up to you and asking for
14 something like this, it would be good to know if we--if
15 it is even feasible--politically feasible? And, so that
16 is why I broached that to you.

17 ACTING CHAIR ORDWAY: You may want to take a
18 few minutes after tonight's meeting to chat with staff
19 to see if anything has changed in the last four years.

20 MR. BOYD: Okay.

21 And, then finally, I take off all of my hats,
22 and I speak as an individual, and just say that one of
23 my constituents--

24 ACTING CHAIR ORDWAY: And, you are listed for
25 that, too.

1 MR. BOYD: --yeah, and one of my constituents
2 walked up to me at the last minute, and he said that he
3 heard that they have to use "H's" in the name of the platforms,
4 and he gave me this suggestion of what that--you should
5 give them more appropriate names to the platforms, and
6 his suggestion was, Hazard, Horrible, and Hidious.

7 Thank you.

8 ACTING CHAIR ORDWAY: This meeting is scheduled
9 to adjourn in four minutes.

10 I think that I can speak on behalf of my fellow
11 Commissioner, that neither of us have any intention of
12 leaving tonight as long as there is someone in this room
13 who wants to talk, who is not being repetitive, and who
14 has not already spoken today before.

15 So, we will not terminate it at 9:00 o'clock.
16 We are not sure how we get back into Sacramento in the
17 fog tonight, but we will not terminate it at 9:00 o'clock.

18 Mark Walker.

19 MR. WALKER: Good evening.

20 I am a student at UCSB and I am concerned about
21 the environment, like everybody else here. I, like many
22 other people, listened to President Reagan last night,
23 talk about what he had to say to the Congress, but more
24 importantly I would like to emphasize what he had to say
25 at the end of his speech, and that was quoting the Preambles:

1 We the People.

2 I have a right to be here, just as ARCO has a
3 right to be here, because they are people doing what they
4 want to do, and I am a person doing what I want to do.

5 But, as a student at UCSB, I am taught to think
6 critically, to know the whole truth of the issue. We invent
7 new ways of coming to this truth, as students, because
8 that's what we need to do to pass the class. I make a
9 comparison to the ARCO project by using the old proverb,
10 "Necessity is the mother of invention."

11 If ARCO doesn't get this platform built, they
12 will find other ways to keep America, and the world, going
13 without hurting its environment. If they don't build this
14 platform, life will go on, and not vice versa.

15 Thank you.

16 ACTING CHAIR ORDWAY: Thank you.

17 Janet Franklin. Janet Franlin. Is that the
18 proper last name? Is it Franklin?

19 MS. FRANKLIN: My name is Janet Franklin. I
20 am a Ph.D. candidate in geography at UCSB, and I have lived
21 in this area for ten years.

22 I currently live in Isla Vista, about half a
23 block from Supervisor Wallace, so the proposed Platform
24 Heron would be about two-and-a-quarter miles from my front door.

25 I haven't heard very many people speak tonight

1 who support this project as it stands. The man who is
2 sitting next to me in the audience has been here all day,
3 as you have, and he said in all of the hours of testimony
4 that he heard, only a few speakers who support the project
5 as it stands now.

6 As it is proposed, this project is completely
7 unacceptable to the community, the county, and the university,
8 because of its impacts on the environment, and the quality
9 of life here, and perhaps impact isn't a strong enough
10 word, perhaps destruction is more accurate.

11 The amazing thing is that many factions of this
12 community, the county, and the university, are all united
13 on this issue. This doesn't happen very often. Unless
14 we can come up with an acceptable alternative to the project
15 as it stands, I think it will be dead in the water--no
16 pun intended.

17 I personally support the no project alternative,
18 but I realize there is a lot of money involved, and so
19 the issues that are of most concern to me are the same,
20 I think, that are of concern to the county: no Platform
21 Heron; no offshore processing; and no discharge of muds
22 and cuttings.

23 Isla Vista is the most densely populated area
24 in California. There is 17,000 plus people living there,
25 and many of them vote.

1 A double platform two miles off of Isla Vista
2 Beach would destroy the quality of life in this area, with
3 its smells, noise, air pollution, and the risk of an accident.
4 It would also really hurt the university. UCSB has an
5 international reputation in marine sciences, which is why
6 I came here as a student in 1975. I ended up studying
7 ecological communities on the land, but that only helps
8 me appreciate that the kelp beds off of Isla Vista are
9 just as beautiful and complex and precious a biological
10 resource as a redwood forest. They are just a little harder
11 to see, because they are under the water, and they wouldn't
12 be there is Heron is there.

13 The university has built itself quite a reputation
14 in the ten years that I have been here, particularly in
15 the physical and natural sciences, and I believe that the
16 university is one of the largest employers in this county.

17 The proposed project, especially the presence
18 of Platform Heron, and its impact on the marine environment
19 and the quality of life in Isla Vista and on campus would
20 destroy the university's ability to recruit faculty, outstanding
21 faculty, and students.

22 And, finally, I just want to thank the Commission
23 for meeting here and for continuing these hearings tonight
24 for those of us who work in the daytime, and you probably
25 didn't get much of a dinner break, and I invite you all

1 back on February 17--

2 ACTING CHAIR ORDWAY: We are not going to be
3 here February 17.

4 We will be here sometime the first two weeks
5 of March.

6 MS. FRANKLIN: Okay, thank you.

7 ACTING CHAIR ORDWAY: Now, that was announced
8 earlier, and I am not sure that it was announced this evening,
9 for this evening's session.

10 MS. FRANKLIN: It was.

11 Thank you.

12 ACTING CHAIR ORDWAY: Thank you.

13 M. V. Scherb.

14 MR. SCHERB: My name is Maurice V. Scherb. I
15 am an independent consultant in systems safety and risk
16 management, who had an input into this EIR in a special
17 section.

18 I spoke a few weeks ago, but some of the key
19 points have been raised that bothered me, and in fact,
20 when I come to these meetings I--from a professional point--
21 I feel like I am in Alice in Wonderland environment when
22 it comes to technology.

23 I heard this endless arguments about commingling,
24 and monitoring, and measurements, and not one thing that
25 meant anything from an engineering point of view was expressed.

1 Now, surely someone who is an engineer can get
2 up and give a five-minute exposition of trade off and various
3 ways of measuring different multi-two phase flow media,
4 and make it intelligible to the public, and we were alerted
5 to that a few weeks ago.

6 I don't want to get into that subject, but I
7 do want to talk about systems safety. Some of the new
8 documents presented today, especially by the university,
9 by Chancellor Aldrich, dealt with certain scenarios, slugs,
10 separators, and this, and they keep harping about these--
11 this is not the first EIR I have seen. I have seen dozens
12 of them. They tell you about the problem and the consequence.
13 They don't tell you how to fix it, except using fall back
14 on codes and standards that you can put on the back of
15 a postage stamp when you start out. Completely bankrupted
16 approach.

17 They compound that by going into probabilistic
18 risk assessment, which the layman doesn't understand, never
19 uses for decision making, and doesn't realize has nothing
20 whatsoever to do with the project because there is data
21 obtained from--surrogate data--has nothing to do with the
22 design. You can't even begin to calculate that until you
23 get into the hard design features, and look at the subsystem
24 components.

25 Someone mentioned this morning that this was

1 the first anniversary of the shuttle accident. What they
2 didn't tell you was that there was an open-ended issue
3 of at least 600 to 700, as we call it, criticality 1 items,
4 any one of which could have prevented the shuttle from
5 operating, besides the well known seal problem, and to
6 this day, there may be a huge number that we don't know
7 about because we have to depend on the press, although
8 I have talked to my friends in the space business.

9 And, we have heard--Professor Skile last time
10 talked about the ship problem, the marine safety. We heard
11 something about traffic corridors. I have been involved
12 in that for ten years with the state, with the Tanker Agency
13 Task Force that Dwight was on. We made recommendations
14 to the Coast Guard. We followed up with the Santa Barbara
15 Channel Risk Management Program, which is mainly an exercise
16 in futility, by doing simulator modeling.

17 There was another study done on the sock-eye
18 field, and Union did a study. I don't want to get into
19 all of these sordid details.

20 ACTING CHAIR OPDWAY: Could you sort of focus
21 your comments, please?

22 MR. SCHERB: Okay.

23 My point is this. We have fixes now on some
24 of these things, but I want to direct my attention mainly
25 tonight to the concept of a center of excellence at UC

1 Santa Barbara, and there was some discussion of some meetings,
2 but in a rather vague sense, so what I am trying to say
3 very succinctly is we have fixes, potential fixes, for
4 systems safety reliability. It is not merely based on
5 discussions or EIRs. We have state laws now. I talked
6 about AB 3777, 1021, 2525, 2587, and a number of studies,
7 such as the--the study that came out of last November's
8 hearing that the State Lands Commission is doing, and I
9 have seen nothing out of it yet.

10 And, another study that Senator Mark Mills started,
11 that is just getting started with Fish and Game, all are
12 relevant here, and that data all has to be factored into
13 this at the earliest phases. I am assuming that part,
14 or all, of the project will go. Of course, if it doesn't
15 go, that is a trivial solution.

16 And, I just want to make that point, that the
17 hard planning has to start now on prevention, not discussion
18 of probabilities, and I don't want to get into some of
19 the accidents that have occurred around here, like the
20 Popco, or others that turned out to be farces, in terms
21 of the calculated probability of the event occurring, which
22 they happened the first night at Popco, for example, or
23 about the vessel traffic system.

24 We have technology today that we can implement
25 in the Santa Barbara Channel to go along ways towards preventing

1 accidents, using--and I want to be exact, Loran-C is available
2 today, so I just want to make the point that we have to
3 get into the hard engineering in risk management, rather
4 than a lot of hand waving and general vague discussions
5 of design basis accidents.

6 I might add that I just came back from a meeting
7 at another so-called center of excellence, the University
8 of Charleston, in Charleston, West Virginia, where the
9 chemical industry is going all out now at an Institute
10 for Chemical Studies to implement true risk management,
11 from a professional point of view, and never once in planning
12 for the national conference in March, did the probability
13 aspect come up, and the reason was very simple, the public
14 does not buy it and the industry has recognized that.

15 And, many of the oil companies are in the petrochemical
16 business. Oxy was there, et cetera. So, I want to make
17 that message clear, that if systems safety reliability
18 is a key point, you had better start the planning now to
19 have a center of excellence here, just like UCLA is in
20 toxics, Chancellor Hellard has the air center of excellence
21 out at Riverside, Berkeley is seismic engineering, but
22 this would be the appropriate place. Professor Tulin made
23 that point a year ago at the Hart Mark meeting.

24 ACTING CHAIR ORDWAY: Thank you very much.

25 Robert Vatter.

1 MR. VATTER: Before I begin, I would like to
2 make one point that was brought up, regarding the air quality.

3 COURT REPORTER: May I have your name for the
4 record, please.

5 MR. VATTER: My name is Robert Vatter.

6 I do not believe that there has been adequate--
7 an adequate base line for air quality established for the
8 pre-1964 establishment of Platform Holly. We do not know,
9 therefore, that in fact ARCO will be getting offset credit
10 towards further polluting by capturing through seep containment
11 structures the pollution they are already enhancing through
12 their present drilling and reinjection methods.

13 In the EIR, they have very inadequate studies
14 available to them. I talked to a lot of old timers that
15 have been here for quite awhile, and recall beautiful white
16 sandy beaches in the pre-Holly era, and then since then
17 steadily there has been a worsening of the air quality,
18 worsening of the seeps, and the oil on our beaches, so
19 that is something that really needs attention.

20 Like I say, my name is Robert Vatter. I hold
21 a Bachelor of Science degree in Marine Biology. I am a
22 fire captain, and an 11 veteran of the Santa Barbara County
23 Fire Department, and have been a home owner in Isla Vista
24 for ten years, presently residing on the ocean front in
25 direct contact with Platform Heron.

1 Among my spiritual beliefs, I feel that God is
2 manifest as the world, nature, and the myriad of life forms.
3 It is our duty, as the one with the free will, to protect
4 the earth and its inhabitants and live within the boundaries
5 and the laws of nature.

6 I was spurred into action by the realization
7 that ARCO proposes to impose many extreme changes on this
8 local environment by pushing nature and its power to compensate
9 to and beyond its limits.

10 I have spent many days pouring over the EIRs
11 and associated literature, and have submitted comments
12 and queries to the draft EIR, and have so far as to work
13 up a second phase conceptual design of a vessel which could,
14 if engineered and constructed, mitigate many of the impacts,
15 or restraints, associated with the use of subsea well production
16 completions.

17 I have come to the conclusion that without adequate
18 time, money, or expertise, I am merely an amateur playing
19 in the professional's arena, an arena where the format
20 is in volumes of paper-bound words, formal hearings such
21 as this, and the decisions based on the premise that the
22 information presented is complete, reliable, and the decision
23 makers pray not too remotely related to the bottom line
24 question, "Will it work."

25 I have found that in this arena the professional,

1 ARCO, takes a stance on a project proposa^l that will optimize
2 their sole purpose for existence, making money. Although
3 I have found Richard Ranger and his associates to be very
4 congenial at trying to help us understand and accept this
5 project, ARCO's collective concerns seems to encompass
6 the appearance and effects only with regard to that which
7 is necessary to obtain permits, while maximizing profit
8 all of the time.

9 I feel that this is an arena where even the unbiased
10 report writers are guilty of profit maximizing by skillful
11 glossing over of pertinent public queries, referrals back
12 to already consulted and still yet incomplete sections
13 of the EIR, and the all-to-often lack of adequate data,
14 or research.

15 This is an arena that depends on an unbiased
16 report writing with facts based on real world application,
17 rather than hypothetical modeling, without human influence
18 factored in.

19 My profession alone attests to the importance
20 of recognizing that human factor in error exists. Accidents
21 are a fact. The recent Union Oil coverup of the blow out
22 preventer test data, tens of unreported vessels near collisions,
23 and prevalent small untraceable spills or dumping, indicates
24 that there is an omission of data and failure to report
25 problems that are--that this problem is industry wide.

1 How many of the reports and statistics the Chambers
2 Group has drawn upon in their compilation of this report
3 were erroneous, incomplete, or subject to bias. How will
4 these discrepancies influence the possibility of catastrophe,
5 should any portion of this project be approved? Where
6 is our professional watch dog? The truth squad? And,
7 that second opinion? Must we depend solely on what the
8 Chambers Group dictates?

9 Is it my duty, as it is everyone's, to bring
10 our lives to a screeching halt every time an ARCO steps
11 forward with a proposal to make themselves rich? And,
12 those impacted, poor? I think not.

13 Is your judgment to be made based upon only the
14 financial and environmental quantifiable information amassed?
15 I hope not.

16 There must be consideration given to the emotional,
17 psychological and spiritual trauma that will result from
18 this proposed project. ARCO is not in this for some philanthropic
19 or altruistic end. They are profit motivated.

20 Please, members of the State Lands Commission,
21 do not allow the waters, air, and people of this coastal
22 California to be sacrificed or victimized. At a minimum
23 restrict this project to limitations advised by the County
24 of Santa Barbara, and UCSB.

25 Be yourselves satisfied with the some--be yourself's

1 satisfied with the somewhat reduced maximum yields, yet
2 still decent sized revenues, as the result of production
3 of Leases 308 and 309 from the Holly position, providing
4 your approval process for best available, safe, technology,
5 mitigation of Class 1 impacts independent of cost effectiveness,
6 where technology exists, and no project where an acceptable
7 mitigation method does not, maintain a clause whereby retrofit
8 of existing processes is mandatory as technology improves
9 and systems safety and productive efficiency--I didn't
10 say that right, but--

11 ACTING CHAIR ORDWAY: I think we know what you
12 are getting to.

13 MR. VATTER: Yes.

14 Realize that we, as humans, are presently on
15 a dead-end street, approaching the culdesac as our present
16 methods of using non-renewable energy sources for power
17 continues. Do not perpetuate the hand-to-mouth ideology
18 that exists today. We need a revision of Public Resource
19 Section 6217 regarding distribution of tidelands revenues
20 to mandate that the lion's share of all moneys received
21 by the state from oil and gas production in the tide and
22 submerged lands be dedicated to the research, development,
23 and production of technology and facilities for the capture
24 of renewable energy sources.

25 It is only through foresight and dedication

1 to ourselves and to our future generations that we will
2 once again step within nature's boundaries. We are now
3 out of control.

4 Thank you.

5 ACTING CHAIR ORDWAY: Thank you.

6 Yasmin Rodriguez.

7 MS. RODRIGUEZ: Hi. I have been to quite a few
8 other hearings, and I haven't had the gumption to get up
9 and speak before.

10 ACTING CHAIR ORDWAY: Pull the mike down. Thanks.

11 MS. RODRIGUEZ: But, my conscience brings me
12 here today, and forces me to stand up before you.

13 I am happy and relieved to see that Hope Ranch
14 has finally gotten involved. Thank you very much for coming.
15 I am thankful also that the residents of Isla Vista are
16 in full force tonight, as well.

17 I am not paid to be here, but I am not here to
18 profit either. I am only here to try and preserve what
19 so many of us here don't take for granted. Just a little
20 peace and quiet, with nothing but the sound of the ocean
21 to soothe our busy minds, the smell of the salt air, the
22 view on the horizon of the sun setting on the island, the
23 ability to do research in a near pristine environment.

24 This is our reality. This is our peace here.
25 I am not here to ask for more than we already have, with

1 Platform Holly, we have enough. I am not asking you to
2 take that away. I guess that is a small sacrifice that
3 we have made in the shadow of this project.

4 I don't care about a net air quality benefit.
5 I just want things the way they are, I suppose.

6 If you give us Heron, then you take away our
7 peace. No more nights of unagitated sleep. No more dark
8 star-filled skies. If you give us Haven, then you take
9 away our ability to dream of that world beneath the surface.
10 No more Naples Reef. No more research.

11 If you give us more Holly, then you take away
12 the hope in our souls by giving us one more gouge in this
13 20-year old wound that we know as Holly.

14 ARCO is a little like the fox in the Aesop Fable.
15 Just because it will take a little more effort to obtain
16 those grapes, don't let them convince you that they are
17 sour. The oil will always be there, and those grapes will
18 taste just as sweet--maybe sweeter when we really need
19 the oil, then now when we don't.

20 ARCO is profit motivated, that is understood.
21 The state and the nation are not in dire need of this low
22 quality, inferior grade, oil. That is understood, as well.

23 The State Lands Commission is under no obligation
24 to permit this project. That is understood. The citizens
25 that this project affects will not sit quietly by and watch

1 this project as ARCO proposes go through. Let that also
2 be understood.

3 I am not here to ask for more than we already
4 have. I am merely here to have my very simple needs met.
5 Heed the restrictions set by the county and UCSB. Show
6 us, the people that voted you in office, that you understand
7 more than the language of money.

8 Thank you.

9 ACTING CHAIR ORDWAY: Thank you.

10 Hal Kopeikin.

11 Nice to see you again, Hal.

12 MR. KOPEIKIN: Hello, thank you very much.

13 I am very tired, and I assume you must be by
14 now, too.

15 ACTING CHAIR ORDWAY: I have only been up since
16 5:30 a.m. What time did you get up, Jim?

17 DEPUTY TUCKER: That's about right.

18 ACTING CHAIR ORDWAY: About 5:00? Naw, it is
19 a short day. I can get back to Sacramento and go in to
20 the office for awhile.

21 MR. KOPEIKIN: Okay, then we will be glad to
22 see you again in March.

23 I just--oh, I had a couple of comments that I
24 wanted to share with you.

25 One of them had to do with this wonderful document

1 that was sent to me, and I thank you for sending it to
2 me. After reading it, I assume that it must come from
3 an appointee of a Governor who is very much eager in balancing
4 a budget, no matter what the local costs are.

5 ACTING CHAIR ORDWAY: Who is that written by?

6 MR. KOPEIKIN: I don't know. I am wondering.

7 ACTING CHAIR ORDWAY: What is the letterhead
8 say?

9 MR. KOPEIKIN: George Duekmejian, Claire Dedrick--

10 ACTING CHAIR ORDWAY: Is this the Lands Commission?

11 MR. KOPEIKIN: Yeah.

12 ACTING CHAIR ORDWAY: The Lands Commission--
13 may I just explain who sits on the Lands Commission?

14 MR. KOPEIKIN: Please, or, who authored--

15 ACTING CHAIR ORDWAY: We have three members to
16 the Lands Commission.

17 Mr. Tucker is sitting on behalf of the Controller,
18 which is an elected, constitutional officer of the State
19 of California.

20 Lieutenant Governor McCarthy is a Commissioner,
21 who is also an elected constitutional officer of the State
22 of California. That is two votes.

23 I sit on behalf of the Department of Finance,
24 which reports to the Governor, so that is two to one.

25 Okay?

1 MR. KOPEIKIN: Okay.

2 I don't know who this report comes from? But,
3 I would mention that a couple of things in it--

4 ACTING CHAIR ORDWAY: I think that is the staff
5 report.

6 MR. KOPEIKIN: --well, who appointed the staff?

7 ACTING CHAIR ORDWAY: The staff is a civil servant.
8 Are you familiar with the civil servant laws in this state?

9 MR. KOPEIKIN: Oh, okay, nobody appoints--

10 ACTING CHAIR ORDWAY: They have no party affiliation.

11 MR. KOPEIKIN: --them, oh, okay.

12 Good.

13 ACTING CHAIR ORDWAY: Well, whatever party affiliation
14 it is, it is, but they certainly get hired or fired on
15 that basis.

16 MR. KOPEIKIN: Good, good.

17 Well, in any event, one thing I want to mention
18 is, there is a comment repeated in here that the oil on
19 the Isla Vista beaches is natural seepage. I want to just
20 give you about a 30-second anecdote on that one. I believed
21 that one when I came here as an undergraduate, about 14
22 years ago. I even say it seeping out of the ground, when
23 I went scuba diving. I paid very close attention to it,
24 and watched it. I went away for graduate school. I came
25 back six years later. There is at least four times as much

1 oil, and the platform moved in a lot more closely.

2 Now, I have been watching it regularly. I walk
3 down the beach. I would love to see a study of this. All
4 I hear is natural seepage. I never see any data tracking
5 it over time.

6 Before this EIR is accepted, I would like to
7 recommend that we see some information on how much degradation
8 Holly has already caused to that local environment. I
9 don't think that has been adequately reported.

10 Another thing that I think has been real interesting
11 in here, I want to make the comment that people keep talking
12 about producing oil. I want to remind us that we don't
13 produce oil. Dinosaurs produce oil. It takes a few million
14 years. We drain our resources, all of our resources.

15 It is very clear to me that there are people
16 like the army of lawyers from ARCO who will make a good
17 deal of money from draining this resource now. It is also
18 clear to me that some of the local divers and construction
19 companies will make money from draining this resource now;
20 but nevertheless, in terms of our national interest, and
21 larger local interests, I would like to remind you that
22 the price of oil is depressed. It makes very little sense
23 to exploit a resource at a depressed price.

24 Secondly, I would like to mention that because
25 the price is depressed, unlike what this gentlemen said

1 about us getting a good deal, environmentally, from ARCO,
2 right now it is not cost effective for them to provide
3 us with the kind of protection that they could when the
4 price would rise.

5 I would contend again, as has been mentioned,
6 that the oil, the quality of the oil, right off our coast
7 here, is very, very poor. It will require a lot of refining,
8 and I would like to suggest that this oil would be very
9 important some time in the future, but right now it is
10 a quick way to make a quick buck at terrible local costs,
11 and I think it is a terrible idea.

12 I understand with the big budget deficit, there
13 are forces in our government right now that would like
14 to make as much money as quickly as they can regardless
15 of the cost. I hope you are not one of them.

16 I would also add that another thing that I found
17 interest, the pollution reports about air pollution? The
18 statement that the air pollution, that there will be a
19 significant increment in the air pollution. This assumes
20 that the wind will be blowing 5 miles down the coast.
21 After 30 miles of it being diluted, we are still going
22 to have a significant impact, okay?

23 Now, tell me what happens when the prevailing
24 winds shift? And, we have all of that air blowing less
25 than two miles? Because this is less than two miles. The

1 major platforms are less than two miles from 18,000 people.

2 In case of a disaster, I might remind you also,
3 that there are two roads that lead out of one of the most
4 densely populated areas in America. We have 18,000 people
5 in less than a half-a-square mile. There is no way to
6 get out of there during rush hour. In the event of a disaster,
7 you would have a real disaster on your hands, because there
8 is no way of getting out. I didn't see that in the EIR,
9 either, and I did look.

10 I apologize to the gentlemen who did the EIR,
11 because it was a very comprehensive document, and I assume
12 that it is impossible to placate the locals, because we
13 are honestly, and accurately, aware that this was going
14 to do grievous damage to us. There is no way around it.
15 And, there is no way of putting it in nice terms, no matter
16 how many books you use to do so.

17 I want to thank you for being here, and I will
18 see you in March.

19 ACTING CHAIR ORDWAY: See you in March.

20 Vivian Obern.

21 MS. OBERN: Hello, I am Vivian Obern, and I am
22 wearing a GOO arm band, and this was worn in 1970 to mourn
23 the 1969 oil spill, which was 18 years ago.

24 I remember how horrified we were at the six to
25 eight inches of oil on Arroyo Burro Beach when we went

1 out to look at it, and the dead birds.

2 It has been--everybody has said just about everything,
3 but you know this oil is not worth destroying one of the
4 most beautiful areas in the world. And, it is our responsibility
5 to the nation and to the world to save Santa Barbara, as
6 a beautiful spot.

7 It really is a unique place. I have always been
8 very grateful that I have lived here, coming from Chicago
9 40 years ago, and I just couldn't believe the beauty that
10 was here, coming up the coast.

11 You know, we have a lovely climate, and we have
12 the beautiful ocean, but so does Hermosa Beach, and so
13 does Long Beach. They have the same climate, and the same
14 ocean. Why is Santa Barbara unique? We have harmonious
15 architecture. We have wonderful sign laws that keep the
16 signs in good taste, and small. We have fantastic street
17 tree plantings, and plantings all over the city. And,
18 human-scaled buildings. Why do we have all of this? Simply
19 because the citizens in Santa Barbara are really different,
20 also. They are really unique, because they were alert
21 first, and then concerned, and then they became involved,
22 and citizens of Santa Barbara are involved, and they are
23 very, very much concerned about what the oil is doing to
24 this community, and will do.

25 I happened to be on a committee appointed by Governor

1 Reagan for five years, the California Recreational Trails
2 Committee, and I was fortunate enough to be able to dream
3 up a bikeway and multiuse trail which goes from UCSB to
4 the City of Santa Barbara, and I was able to testify at
5 the state legislation, and we had--well, actually \$4.5
6 million, statewide, raised for these bikeways, and almost
7 a \$1 million came to Santa Barbara County, and we have
8 this fantastic seven-mile bikeway. I rode it the other
9 day with our grandchildren, and I was just happy that there
10 it was. It is a resource.

11 Well, we are also thinking, and have been, with
12 the encouragement of William Penn Mott, Jr. of extending
13 the bikeway along the coast. It is supposed to go up to
14 Caviota. In fact, it was funded at one point, until land
15 owners became so greedy they went way over the assessed
16 appraised value.

17 But, at any rate, it worries me that this fantastic,
18 potential, greenway, which this beautiful coast will be,
19 will be a manufacturing area.

20 You know, every time that I go up to Morro Bay,
21 I think, "Oh, that ugly installation, right next to that
22 great rock, could never happen today. They would never
23 allow such a thing."

24 And, here people are actually, seriously, considering
25 an ugly pile of erector set right outside of a heavily

1 populated area, less than two miles. You know, our islands
2 out there are, oh, 25, 30 miles away, and yet some days
3 you can see every little indication of every cliff and
4 every arroyo, right out there, on clear days, and this
5 happens quite a bit during the winter. Two miles away,
6 with this great big thing, is unbelievable that it could
7 even be planned.

8 So, I just--I live near a beautiful spot on Cliff
9 Drive, where people throng to see the views over the cliff
10 over the ocean, and to see the sunsets, and I just can't
11 believe that people would put up this platform so that
12 those in Isla Vista can no longer see an inspirational--
13 and it is a spiritual experience, to look out at the ocean.

14 So, I just hope that this platform Heron will
15 be laughed out of the city.

16 ACTING CHAIR ORDWAY: Thank you.

17 Michael Phinney.

18 I thought that I already answered your questions,
19 Michael.

20 MR. PHINNEY: Pardon?

21 ACTING CHAIR ORDWAY: I thought that I already
22 answered your questions? Just half of them?

23 No, no, we talked on the way to dinner.

24 MR. PHINNEY: Yes, you did, and half of my speech
25 is gone. You are in luck.

1 I want to commend your perservance. This is
2 the second time you got stuck with the duty, when everybody
3 else left.

4 ACTING CHAIR ORDWAY: It is not a duty that we
5 are stuck with. It is a duty that we volunteer to do.

6 MR. PHINNEY: Well, bless your heart.

7 Thank you.

8 ACTING CHAIR ORDWAY: That is not the part of
9 me that is in need, right now.

10 [Laughter.]

11 MR. PHINNEY: Want to take a break?

12 ACTING CHAIR ORDWAY: No.

13 We are down to the last three, so I am hopeful
14 that it is not going to last a whole lot longer.

15 MR. PHINNEY: Right.

16 Well, I am delighted with the Commission's action
17 on postponing the ultimate hearing on the certification
18 of the EIR until March.

19 The present EIR is indeed flawed. You have heard
20 that all night long. It is doubly flawed. I will bring
21 out a couple of new ones for you.

22 First, it is flawed in its logic, and it is flawed
23 through omissions of several major impacts. I will just
24 give you a couple of them.

25 First, the flaw of faulty logic, Section 2.1.3.2,

1 dealing with air quality, states that there is no evidence
2 that acid rain or fog exists here at present. It also
3 states that no local studies have been made about its existence.

4 Then, it states that no studies have been made
5 relating acid rain and fog to offshore oil development,
6 and then, it concludes that since there is no evidence
7 and no study there is not and won't be any acid fog or
8 rain here. That is some logic.

9 It seems to me that that is like saying there
10 is no evidence that exists in this room that the sun is
11 shining, and then saying that there has been no study to
12 see if the sun is shining, then following that with the
13 fact that no study has been made relating sunshine to public
14 hearings, and then from these statements being told that
15 we have to conclude that the sun is not shining and never
16 will.

17 Perhaps we should conclude that this report belongs
18 where the sun doesn't shine.

19 The second flaw is the flaw of omission. An
20 omission of major impacts on residents, namely, plummeting
21 property values. No one in Isla Vista wants to live where
22 there is atrocity just off of the beach, with its noise,
23 air, visual pollution and health hazards, there will be
24 a definite decrease in property values. It can reap economic
25 havoc on many property owners.

1 I would certainly ask that you delete, if nothing
2 else, if you approve any kind of a project, delete Heron.

3 I would ask that the EIR--I would ask for an
4 EIR that is logical and consistent, and I would ask that
5 H₂S, hydrogen sulfide, studies be conducted, which apparently
6 they haven't been, regarding acid rain and fog, and include
7 these in the new EIR.

8 The third item, the actions of the State Lands
9 Commission, regarding this project, will possibly open
10 the door to class action litigation against both the state
11 and ARCO. The appellate court system in the State of California
12 has, in recent years, upheld multiple verdicts granting
13 awards for damages to property owners who have complained
14 of noise pollution from freeways.

15 The courts have also upheld a verdict granting
16 an award for damages caused to surrounding property by
17 odor pollution from a sewage treatment plant.

18 From these legal precedents it is clear that
19 no longer is it necessary in the State of California to
20 have real property taken in order to have a compensable
21 damage.

22 Now, it is necessary only to have something invade
23 your property, and thereby diminish its value. Odor and
24 noise are things which invade your property, according
25 to the California courts; perhaps lights from flaring is, too.

1 Thank you.

2 ACTING CHAIR ORDWAY: Thank you.

3 Sean Durkin.

4 MR. DURKIN: Good evening. My name is Sean Durkin.

5 I didn't plan on making a statement when I came
6 here this evening; however, I felt the need to.

7 I live here in Santa Barbara, and I am really
8 sorry that we have oil here, but it is here, and it is
9 something that we as people who live here have to deal
10 with.

11 Today I feel, listening to all of the comments,
12 that it is primarily the state and the rest of the nation
13 against UCSB, since most of the comments were from UCSB
14 students today.

15 Another comment that I would like to make is
16 when I first moved here, the beaches were dirtier. There
17 was more oil on them. There was when you walked down the
18 beach. You got more tar.

19 When ARCO installed its tent, I felt that--the
20 tent that captures oil and gas, which people were talking
21 also earlier about, was the gas, this smell. I don't know
22 how you can determine the smell from the natural seep from
23 anything else? But, it seems to have been cleaned up,
24 in my opinion, somewhat.

25 The gentleman that talked about acid rain, earlier

1 before, I live right by the ocean, and if I leave my car
2 out, I usually consider it due to salt water, the rust
3 that I get, and the reasons that it falls apart.

4 I feel right now that we are in a very good negotiating
5 position with ARCO. The price of oil is depressed. We
6 all know of the crisis that is going on. I think that
7 we should strike right now, in our county, while the iron
8 is hot, and get a good deal out of ARCO, because ten years
9 down the line--and I believe you know it takes ten years
10 to bring oil onshore, from the time that you find it--
11 ten years down the line, we probably won't have that flexibility.
12 They will be able to tell us what they want.

13 I don't want to take much of your time, and I
14 am sure that you have a lot of these comments before, and
15 so I would just like to say that as a resident of this
16 county I am in favor of the project.

17 ACTING CHAIR ORDWAY: Thank you.

18 MR. DURKIN: Thank you.

19 ACTING CHAIR ORDWAY: Sue Higman.

20 MS. HIGMAN: Thank you, Mrs. Ordway. I am Sue
21 Higman, and I know you have had a long, long onerous afternoon.
22 I hope that you are not going to drive home tonight.

23 ACTING CHAIR ORDWAY: No, we are flying.

24 MS. HIGMAN: Oh.

25 Well, anyway, I wanted to thank you, also, for

1 your close attention to what's been said.

2 I am a long time resident of Santa Barbara coast.
3 I wasn't born here, but I grew up here, so I have seen
4 it go through all of its transitional phases, and I must
5 say that I have certainly been super impressed with the
6 testimony that has been given today, in particular by the
7 students.

8 I was a student at Santa Barbara State College,
9 which is now UCSB, and we weren't nearly as smart or as
10 sophisticated when I was their age, and I congratulate
11 them.

12 I wanted to--

13 ACTING CHAIR ORDWAY: It is too bad they aren't
14 here to hear you give them a compliment.

15 MS. HIGMAN: --well, I think it will filter back
16 to them, somehow, because these gray hairs make me realize
17 how long it has been since I have been in that position.

18 I think that big oil has met its match. I honestly
19 do. I am a shareholder in ARCO, and I would be more than
20 willing to forego any dividends from their Coal Oil Point
21 project.

22 I have attended a number of these hearings, not
23 necessarily the State Lands Commission, but it always seems
24 to end up jobs versus the environment, and that is a sad
25 statement, because I think people are beginning to realize

1 a good environment means good work place.

2 So, I hope you will recognize the testimony that
3 has been given, the quality of the testimony, the depth
4 of thinking that has gone into it, and balance that out
5 in this particular issue.

6 I would say that the testimony, in my opinion,
7 has been overwhelmingly in favor of no project. I think
8 that ARCO will survive if you deny it, but beautiful Isla
9 Vista and beautiful Santa Barbara may not, if you approve
10 it, so I ask that it be a unanimous vote to deny the project.

11 Thank you.

12 ACTING CHAIR ORDWAY: Thank you.

13 Having gone through better than an inch of white
14 slips, is there anyone in the audience who chooses to add
15 any final comments?

16 [No response.]

17 Mr. Tucker? Any final comments?

18 DEPUTY COMMISSIONER TUCKER: No.

19 ACTING CHAIR ORDWAY: Good night, then, and I
20 will adjourn the meeting of the Lands Commission.

21
22 9:40 p.m.

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