## CALIFORNIA COASTAL COMMISSION

SOUTH CENTRAL COAST AREA 89 SOUTH CALIFORNIA ST., SUITE 200 VENTURA, CA 93001 [805] 641-0142

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Staff:

JCJ-V

Staff Report: 12/18/95 Hearing Date: 1/9-12/96

### STAFF REPORT: REGULAR CALENDAR

**APPLICATION NO.: 4-94-039** 

APPLICANT: BUSH OIL COMPANY

AGENT: Marc Charney

PROJECT LOCATION: Vicinity of McGrath Lake, west of Harbor Boulevard and Gonzales Road intersection, in Ventura County and City of Oxnard.

PROJECT DESCRIPTION: Cleanup work authorized by the McGrath Oil Spill Unified Command Team as result of December 1993 oil spill, generally identified as: (1) excavate soil and remove brush; (2) construct temporary dike and impoundment areas; (3) use and storage of required equipment and supplies; (4) discharge lake water via temporary pipeline to ocean; (5) skimming to remove oil from surface of McGrath Lake and offshore areas; (6) remove about 1686 barrels of oil from entire site, and (7) construct a temporary sediment berm covered with plastic at mouth of Santa Clara River. Additional cleanup work was completed outside of the Commission's original jurisdiction. This is a follow up permit to an emergency coastal development permit (E-94-3) issued by the Executive Director of the Commission on January 14, 1994.

LAND USE PLAN DESIGNATION: VENTURA COUNTY: Coastal Open Space; CITY OF OXNARD: Coastal Resource Protection and Recreation Area

LOCAL APPROVALS RECEIVED: City of Oxnard: Coastal Permit PZ No. 94-5-7; Ventura County: Coastal Permit and CUP 12 MOD NO 1, pending

SUBSTANTIVE FILE DOCUMENTS: Emergency Coastal Development Permit E-94-3; Ventura County Local Coastal Program; City of Oxnard Local Coastal Program; Preliminary General Plan McGrath State Park, Santa Barbara/Ventura Coastal State Park System General Plan, Department of Parks and Recreation, May 1979; Outdoor California Magazine, May - June 1994.

<u>SUMMARY OF STAFF RECOMMENDATION:</u> Staff recommends approval of this regular coastal permit with two conditions addressing additional interim site stabilization to temporarily mitigate the effects of the oil spill cleanup activities completed February 1994. This application was submitted by the applicant in response to a condition of emergency coastal permit number E-94-3.

STAFF NOTE: This application was scheduled for action at the October 1995 Commission meeting. The applicant requested that the application be continued and agreed to extend the Commission's review under the Permit Streamlining Act. The applicant has held additional discussions with the Trustee agencies regarding how the recommended interim site stabilization plan can be integrated into the long-term restoration plan for the site. This staff recommendation is the same as the one released for the October 1995 Commission meeting.

In accordance with the ongoing Natural Resource Damage Assessment (NRDA) process, a restoration and enhancement plan will be developed under the guidance of the Trustee agencies which include: California Department of Fish and Game, Office of Oil Spill Prevention and Response (OSPR); California Department

#### II. Background

#### A. **Project History**

The project site is located west of Oxnard within the West Montalvo oil field, which extends onshore along the coast south of the Santa Clara River, and north of the Mandalay Edison Power Plant. See Exhibits B, C and G. A portion of the field extends immediately offshore into State Tidelands. These leases were operated by Chevron from 1939 until 1990 when Bush Oil Company, a subsidiary of Berry Petroleum, purchased the leases. The County of Ventura issued Conditional Use Permit No. 12 (CUP) for oil related activities in 1948.

Crude oil from Bush Oil Company oil field operations near McGrath Lake, west of Harbor Boulevard, is transferred by pipeline to a production facility located immediately east of Harbor Boulevard. The ruptured pipeline is located north of the lake adjacent to Harbor Boulevard. See Figure 5, Area D for location of an '8" Oil Transport Line'. In late December 1993, about 2,000 barrels of crude oil were released as a result of a rupture in this underground pipeline. Oil entered the creek, flowing into the north end of the lake, then into the lake itself. Because McGrath Lake collects agricultural runoff, its water level is regulated by a pump. To maintain a certain level of the lake, excess water is piped to a small slough leading to the ocean. At the time of the spill, the discharge pump on the north end of the lake was activated. This resulted in a small percentage of the oil flowing through the shallow slough located to the northwest of the lake and flowing into the Pacific Ocean.

The Office of Oil Spill Prevention and Response was notified on December 25, 1993, when a Minerals Management Service helicopter crew was conducting a overflight of the area. Once on the site, a McGrath Oil Spill Unified Command was established with the Department of Fish and Game's Office of Oil Spill Response (OSPR), the United States Coast Guard, and Bush Oil Company. The command focused on cleaning McGrath Lake, McGrath beach, and about seven miles of coast from the Pierpont area of Ventura (to the north) to Channel Islands Harbor (to the south). California Department of Parks and Recreation closed the beach from McGrath State Park on the north to the Mandalay Edison Power Plant to the south for about two weeks during the cleanup. The Unified Command determined that the cleanup was complete on February 14, 1994. The cleanup removed about 1,686 barrels of the approximate 2,000 barrels spilled on the site, thus, about 84% of the total oil spilled was recovered.

#### B. Natural Resource Damage Assessment

Following the McGrath oil spill in December 1993, the Trustee agencies for natural resources, which are the Department of Fish and Game (OSPR), the California Department of Parks and Recreation, and the United States Fish and Wildlife Service, initiated an assessment of natural resource damages. As a result of the spill and this assessment of natural resource damages (Natural Resource Damage Assessment process), the applicant has been in litigation with these "Trustee Agencies". Prior to completing the assessment the Trustees negotiated a settlement with the applicant. To finalize the settlement, Bush Oil must provide the Trustee Agencies with funds for a restoration and enhancement plan at McGrath Lake. With these funds the Trustees will prepare a detailed restoration and enhancement plan for the McGrath Lake area.

The following list identifies documented impacts and injuries as a result of petroleum contamination onshore and offshore, as quantified by representatives of the Trustee agencies.

#### **Habitat Impacts**

Disturbance and destabilization of sandy beach and dune areas

As stated above, the portion of the McGrath Lake area subject to the Coastal Commission's jurisdiction is located partially within both the City of Oxnard and within the unincorporated area of the County of Ventura. In addition to the offshore waters seaward of the mean high tide, the mouth of the Santa Clara River is also within the Commission's permit jurisdiction and is subject to this permit. See Exhibits C, D and Figure 1.

The McGrath Lake area is estimated to include about 150 acres bounded by a farm road to the north, by the Mandalay Edison Plant property to the south, Harbor Boulevard to the east, and the ocean to the west. Most of this area is owned by the California Department of Parks and Recreation as part of McGrath State Beach and campground. The northern portion of the lake and the oil facilities located northwest of the lake is located on property owned by the Dominick McGrath Company and Associates. A large part of the cleanup work, including excavation and replacement of the ruptured pipeline, and the construction of a temporary discharge pipeline at the south end of the lake, is located beyond the Commission's original jurisdiction. Most of the cleanup work in the Commission's jurisdiction included the lake and its banks, a portion of the beach, the offshore waters, and the Santa Clara River mouth. The Commission's jurisdiction at the McGrath Lake site is estimated to be about 100 acres, while McGrath Lake itself is estimated to be about 20 acres in size.

The land surface north and northwest of the lake, where the applicant's production facilities are located, has been used for oil and gas production since the 1940's. These facilities consist of numerous oil wells, various storage tanks, an oil shipping pump, a steam boiler and a heater treater. See Exhibit G and Figure 1.

Within the Commission's jurisdiction, the cleanup work was performed and authorized through numerous Action Plans by the McGrath Lake Oil Spill Unified Command Team. The Commission's jurisdiction is identified by Figure 1 and each Figure listed below. On January 14, 1994 the Executive Director of the Commission issued emergency coastal permit E-94-3 for these emergency cleanup activities. This application (4-94-039) is the required follow up coastal permit to the emergency coastal permit. See Exhibit F.

This cleanup work consisted of many different types of cleanup activities conducted at numerous sites. Here is a detailed list of the cleanup activities:

- 1) Excavated a portion of the drainage channel north of McGrath Lake to remove contaminated soil and vegetation. (See Figure 2 for northern location marked by an arrow);
- 2)Created a temporary water impoundment in the drainage channel north of McGrath Lake (see Figure 4 for one location marked by an arrow);
- 3) Removed brush along the east bank and portions of the west bank of McGrath Lake (see Figure 3);
- 4) Discharged lake water into the ocean via a temporary pipeline from the south end of McGrath Lake to the near shore ocean, in order to maintain a stable lake level to allow lake shoreline cleanup (see Figure 7 Area C; only the offshore portion of the temporary pipeline is in the Commission's jurisdiction);
- 5) Created a temporary coastal dike; only a small portion of the dike at the beach shoreline west of the southern portion of McGrath Lake is located in the Commission's jurisdiction (see Figure 4, AREA C);

the north along the creek channel was vegetated with willows. Oil spill cleanup equipment was used in this area. As noted above in cleanup activity #6, only a small portion of this storage area was located in the Commission's jurisdiction.

#### B. Coastal Issues

#### 1. Coastal Resources and Environmentally Sensitive Habitats

Section 30107.5 of the Coastal Act states:

"Environmentally sensitive area" means any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments.

Section 30230 of the Coastal Act states:

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Section 30231 of the Coastal Act states:

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

Section 30233 of the Coastal Act states in part:

- (a) The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division, where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:
  - ...(7) Restoration purposes.

Section 30240 of the Coastal Act states:

- (a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.
- (b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those habitat and recreation areas.

As noted in section II.A. above, crude oil was released from a ruptured Bush Petroleum Company pipeline into the creek channel and riparian corridor leading into McGrath Lake and the lake wetland. The oil flowed through a drainage pipeline into a slough, crossing a position of sand dunes and beach, and leading into the ocean and washing onto about seven (7) miles of sandy beach. According to the California Department of Fish and Game, Office of Spill Prevention and Response, some oil was documented at the mouth of the Santa Clara River estuary.

During the initial phase of cleaning the lake, recovering and rehabilitating oiled wildlife was emphasized. Oiled birds still alive were transported to the Ventura Animal Control for stabilization, with the assistance of the International Bird Rescue and the Santa Barbara Wildlife Care Network. Equipment and techniques used for rehabilitating birds and wildlife included: dip nets, towels, sheets, absorbent pads, olive oil and other natural substances with pedialyte for rehydration. Numerous wildlife were adversely impacted by the spill including about 166 birds of several species including two State and Federal protected brown pelicans, a snowy plover, as well as some rodents. Other bird impacts identified by the Trustee Agencies included the apparent loss of one breeding season, reduced food availability, and altered migratory patterns caused by the spill and cleanup response activities. The altered migratory patterns are expected to persist for two to three years after the spill.

The following section organizes the oil spill clean up as ten distinct activities located at separate sites within the Commission's jurisdiction. Each of these sites was inspected by staff during a September 1995 site visit. These cleanup activities are organized geographically starting at a location north of the lake, then proceeding southward along the lake to the south end of the lake, and finally continuing northwest along the west side of the lake and the beach. Figures 1 through 10 and Exhibit D identify these cleanup activities as located in the shaded area indicating where the Commission's jurisdiction is located.

Cleanup activity number 1: Contaminated Soil and Vegetation Removal, see Figure 2. One site required excavation along a portion of the drainage channel north of McGrath Lake due west of the intersection of Harbor Boulevard and Gonzales Road. Contaminated soil and vegetation including a small willow tree was removed from a flat flood plain area about 15 feet by 20 feet in size adjacent to the creek. The site remains devoid of vegetation as noted during a September 1995 site visit. Mitigation for this site is noted in section B.1.c below. In other areas of the creek channel, cleanup activities provided for the removal of standing oil. Some contaminated soil and vegetation within about six feet of the creek channel was also removed.

Cleanup activity number 2: Temporary Water Impoundment, see Figure 4. Along the creek channel leading into the lake, a temporary water impoundment was created with curtain booms. During the September 1995 site visit, two curtain booms were observed floating on the water. According to Bush Oil representatives, the booms were left to capture any remaining oil in the creek. No oil was found floating on the water, although some duck weed was being held back by one boom.

Cleanup activity number 3: Vegetation Removal, see Figure 3. Oiled vegetation mostly consisting of tulles was cut and removed along nearly all the eastern bank and portions of the western bank. An approximate two feet wide swath of tulles was cut just above the mud line. Tulles along the banks appear to be recovering as noted at the September 1995 site visit, although the density of tulles along the entire length of the lake bank may not be comparable to that existing prior to the spill, according to a representative of the Department of Parks and Recreation.

Cleanup activity number 4: Lake Water Discharge, see Figure 7. A second lake water discharge via a temporary pipeline into the ocean was created at the south end of the lake. The temporary pipeline was installed to maintain a stable lake level during cleanup. The temporary discharge of lake

berm from ocean high tide waves. The covered berm was retained for three days at the start of the cleanup activities. It was effective in preventing ocean waters fouled with oil from entering the river mouth and estuary. The visqueen cover was removed by hand after three days, while the sand berm was recontoured by ocean waves. There is no evidence of the berm today.

#### c. Site Stabilization and Cleanup Mitigation

As a result of the September 1995 site visit with representatives of Bush Oil, State Parks, the County of Ventura, and the Commission's staff biologist, staff has determined that the site stabilization work completed by the Unified Command is adequate to stabilize the habitat values on the site until a comprehensive site restoration and enhancement program can be completed, approved and implemented, with one exception. As noted on Figure 2 there is one area where soil and vegetation excavation was done along the creek leading into McGrath Lake. This site is identified on Figure 2 at the northern arrow located within the Commission's jurisdiction. The site is currently devoid of vegetation and is subject to further erosion; such erosion has the potential to fill the wetland areas of McGrath Lake contrary to Coastal Act Sections 30231, 30233 and 30240 which limits fill in wetland areas to protect environmentally sensitive habitats.

Condition number one (1) provides for interim site stabilization at this site by requiring the applicant to submit an Interim Site Stabilization Plan in a form and content subject to the review and approval of the Executive Director. This Plan will be prepared and implemented by a qualified biologist with riparian habitat expertise. The Plan will address one area along the drainage channel leading into the north end of McGrath Lake as noted in Figure 2, where oil contaminated soil and vegetation was excavated and removed as part of the clean up activities. The Plan will describe methods for the planting of the same or compatible willow species at appropriate densities and using appropriate methods (e. g. willow waddling) on the flat exposed area along the bank of the drainage channel. The Plan will include performance standards for monitoring the success of the plantings.

The applicant will include a site monitoring program as part of the Plan. At a minimum, monitoring will include site documentation with photographs, estimates of plant density to document plant survivorship, and a general characterization of site conditions. Monitoring will be completed at least three times: 1) immediately after all planting is completed; 2) six months after all planting is completed; and 3) one year after all planting is completed. The applicant will submit a final monitoring report within thirty (30) days of completing all monitoring for the review and approval of the Executive Director.

Condition number two (2) provides for that the Plan will be submitted for review within 30 days after Commission action and implemented within 60 days of approval by the Executive Director. Additional time for the applicant to submit or implement the Plan may be granted by the Executive Director for good cause. This intent of this condition is to require the planting during the upcoming rainy season to further encourage the success of the willows.

Thus, condition number one and two provides for adequate site stabilization as mitigation for this site where oil spill cleanup activities removed soil and vegetation. The riparian habitat has not naturally re-established itself on this site; implementation of this condition will provide for the re-establishment of riparian vegetation on the site. In the event this interim stabilization plan is not effective one year after the planting is done (i.e. the willow plantings do not survive), the future application for a coastal permit for the long-term restoration and enhancement program can address this issue. According to OSPR representatives one of the tasks of the long term restoration and enhancement program is to evaluate whether persistent oil remains along this riparian corridor. The removal of persistent oil, if any is found, could require the removal and replanting of these willows. It is unclear when this long

Commission staff has identified one area as requiring further site stabilization along the creek leading into McGrath Lake. Condition numbers one and two address this concern by requiring the planting of willows along the creek bank to reduce future erosion until the comprehensive restoration and enhancement program is fully implemented. This program will be developed through the Natural Resource Damage Assessment process, an application for a coastal permit will be made and the program may be acted on by the Commission at a future date. Until the restoration and enhancement program is implemented, an interim site stabilization plan is needed for this one site in the meantime.

Therefore, the Commission finds that the oil spill cleanup as authorized by the McGrath Oil Spill Unified Command completed February 1994, as conditioned, is consistent with Sections 30230, 30231, 30233 and 30240 of the Coastal Act.

#### 2. Public Access

Section 30210 of the Coastal Act states:

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30212 of the Coastal Act states:

- (a) Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects except where:
- (1) it is inconsistent with public safety, military security needs, or the protection of fragile coastal resources,
  - (2) adequate access exists nearby,...

As a result of the oil spill, some beaches in the vicinity were temporarily closed to the public. The primary beach closure was McGrath State Beach, extending from the north side of the mouth of the Santa Clara River to the Mandalay Edison power plant property on the south. This beach area was closed for about two weeks from December 25, 1993 and it was reopened for public use on January 7, 1994. Three beach areas to the south were closed for several days during these first two weeks of the cleanup. These beaches included the Oxnard Shores beach, the beach near Channel Islands Boulevard and portions of the Hollywood-by-the-Sea beach. They were re-opened for public access and recreation on January 8, 1994.

Harbor Boulevard between Gonzales Road and Olivas Park Road was closed between January 3 and 11, 1994; a partial lane closure occurred between January 12 and 18, 1994 to facilitate cleanup activities.

The closure of these beaches and Harbor Boulevard were necessary to protect public safety from the hazards of petroleum contamination. The beaches were closed for only a limited period of time during the winter season, when beach use is modest in this area. Temporary beach closure for this reason is allowable under the Coastal Act in this case. Therefore, the Commission finds that the temporary beach closure for the purpose of protecting public safety is an allowable reason for closing public

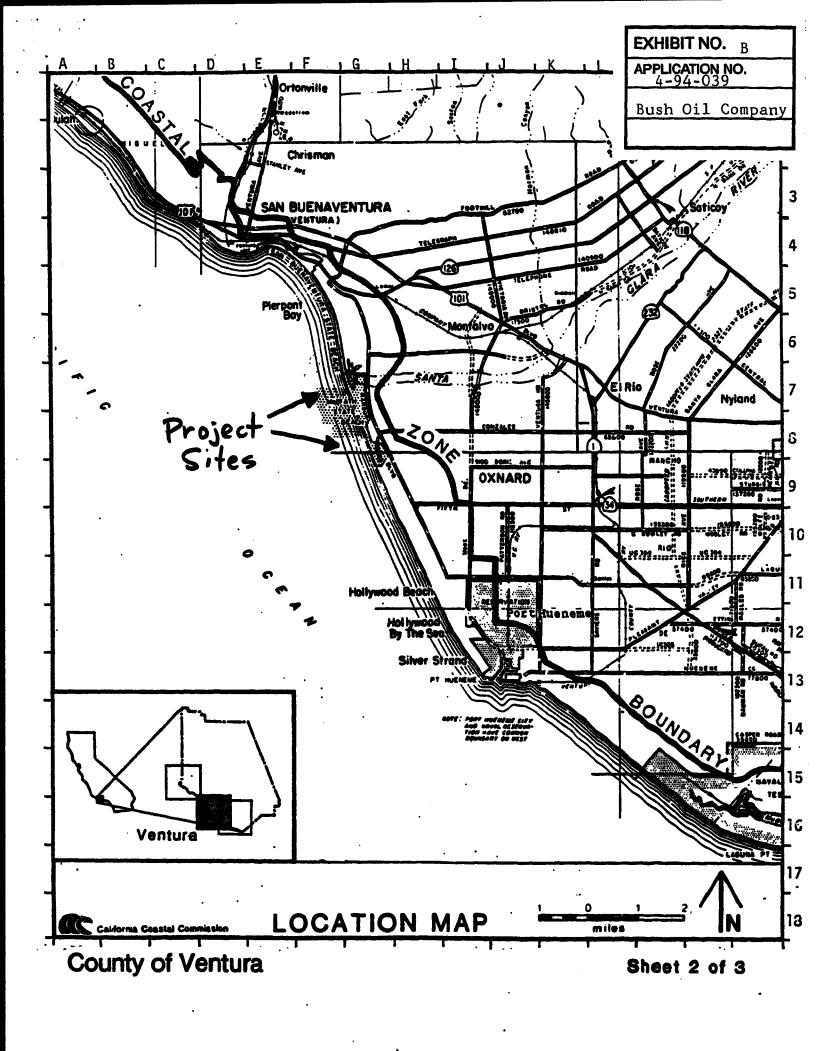
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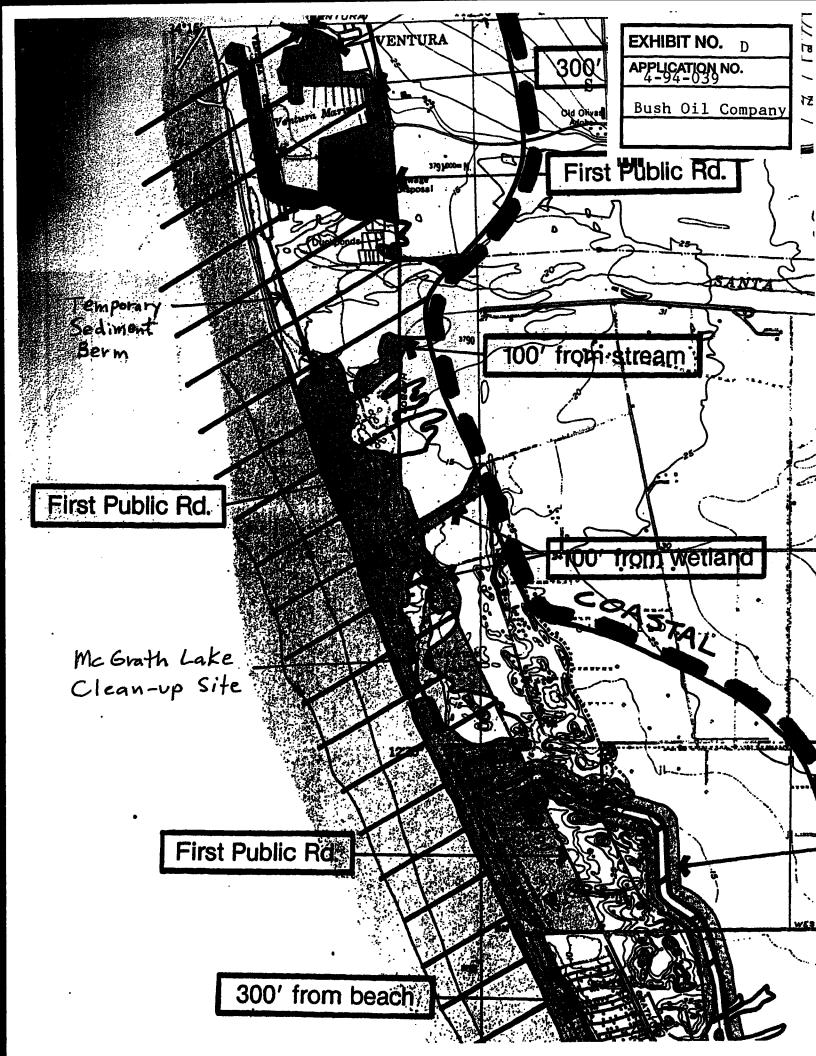
Standard Conditions

## **EXHIBIT A**

#### **Standard Conditions**

- 1. <u>Notice of Receipt and Acknowledgment</u>. The permit is not valid and development shall not commence until a copy of the permit, is signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
- 2. <u>Expiration</u>. If development has not commenced, the permit will expire two years from the date this permit is approved by the Commission. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
- 3. <u>Compliance</u>. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
- 4. <u>Interpretation</u>. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
- 5. <u>Inspections</u>. The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.
- 6. <u>Assignment</u>. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
- 7. <u>Terms and Conditions Run with the Land</u>. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.





CALIFORNIA COASTAL COMMISSION

45 FREMONT, SUITE 2000 SAN FRANCISCO, CA 94105-2219 YOICE AND TOD (415) 904-5200

# **EMERGENCY PERMIT**

EXHIBIT NO. APPLICATION NO. Emergency Permit E-94-3

January 14, 1994

Permit No. E-94-3

Location of Emergency Work

<u>In the vicinity of McGrath Lake in Ventura County and the </u> City of Oxnard

Work Proposed

(1) soil excavation and brush removal. (2) construction of temporary dikes or impounds. (3) oil pipe excavation and/or replacement. (4) use and storage of required equipment and supplies. (5) lake water discharge via

temporary pipeline into the ocean in order to maintain stable lake level which will allow shoreline cleanup.

This letter constitutes approval of the emergency work you or your representative has requested to be done at the location listed above. I understand from your information and our site inspection that an unexpected occurrence in the form of an oil spill from an onshore pipeline requires immediate action to prevent or mitigate loss or damage to life, health, property or essential public services. 14 Cal. Admin. Code Section 13009. The Executive Director hereby finds that:

- (a) An emergency exists which requires action more quickly than permitted by the procedures for administrative or ordinary permits and the development can and will be completed within 30 days unless otherwise specified by the terms of the permit:
- (b) Public comment on the proposed emergency action has been reviewed if time allows: and
- (c) As conditioned the work proposed would be consistent with the requirements of the California Coastal Act of 1976.

The work is hereby approved, subject to the conditions listed on the reverse.

Very Truly Yours.

Peter M. Douglas Executive Director

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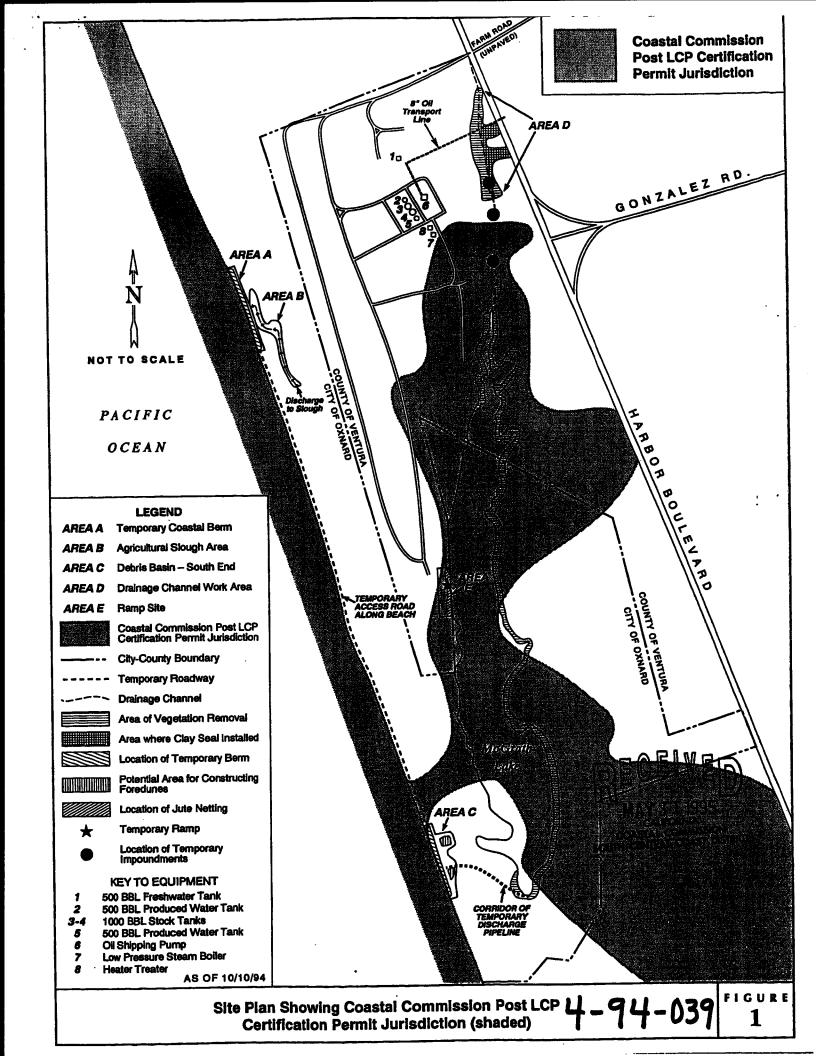
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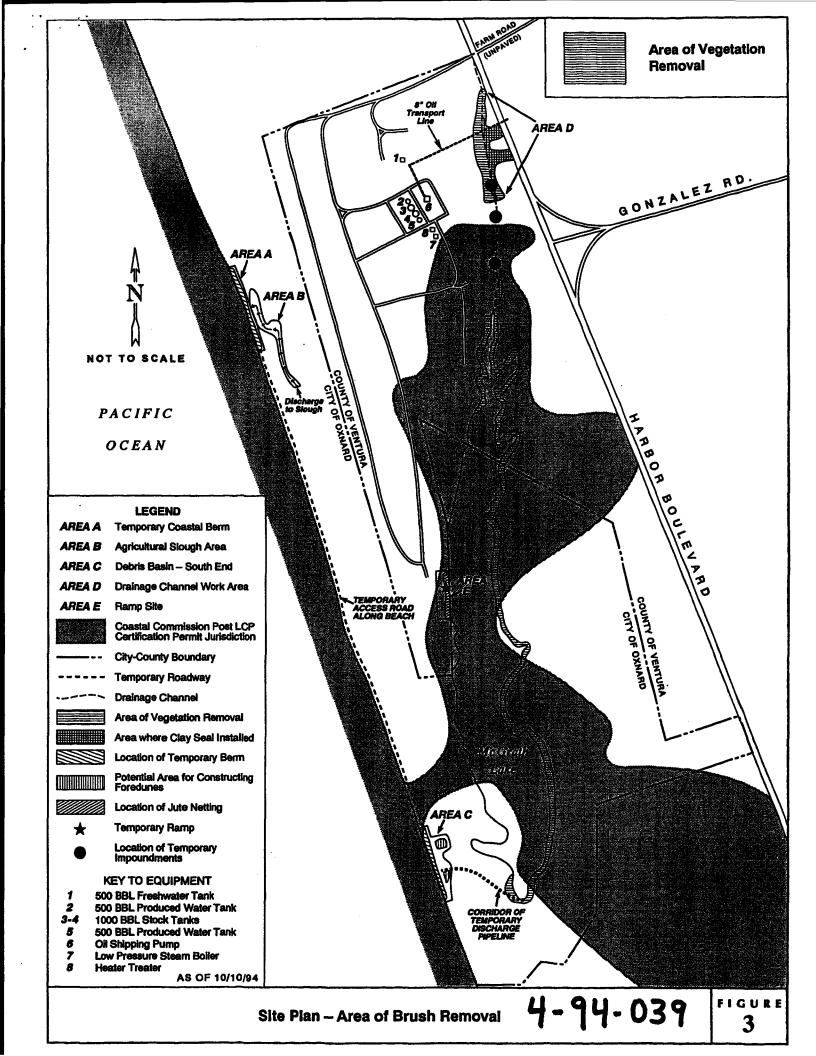
McGrath Lake Spill

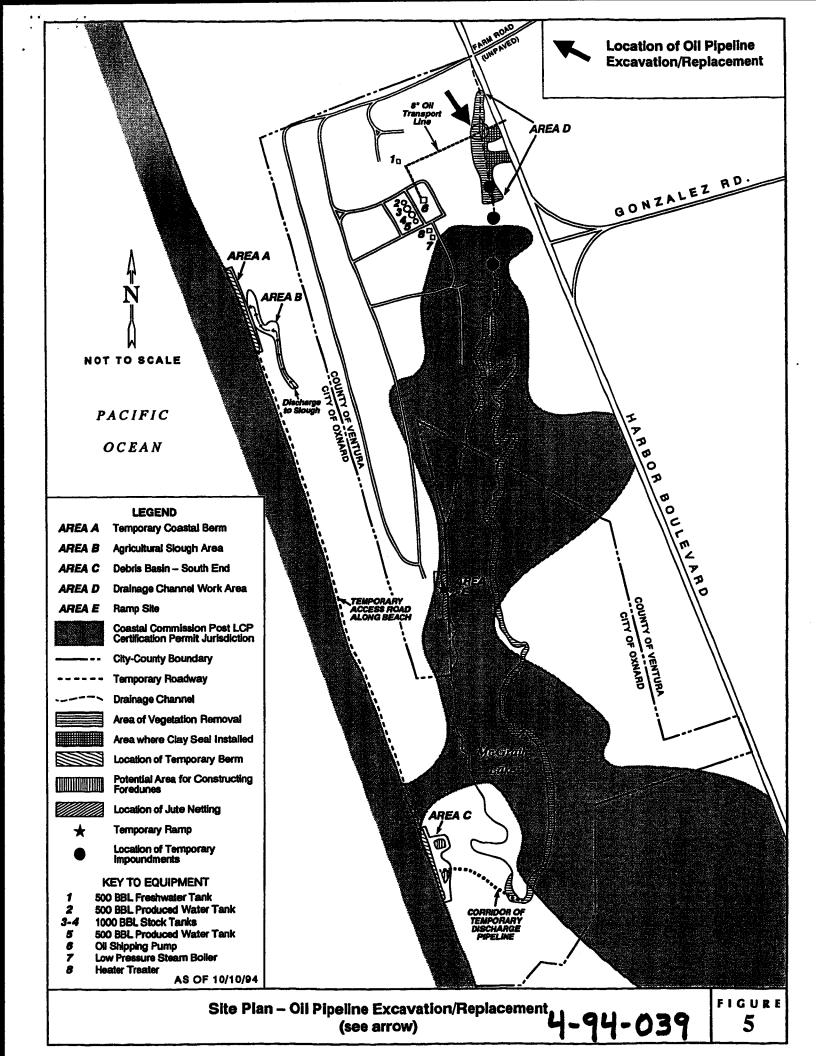
McGrath Lake

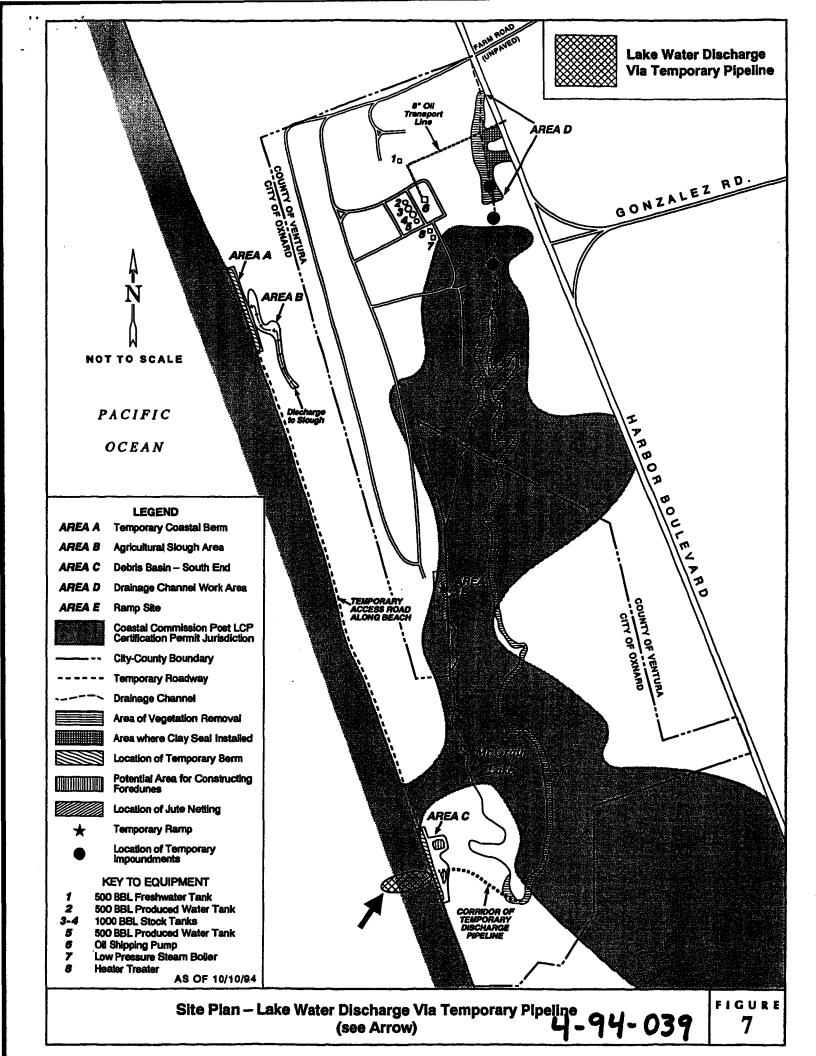
Date/Time: 28 DEC 93, 0800 Pipeline and Spill Area Platform: prepared by NOAA EXHIBIT NO. Observers: APPLICATION NO. 3 of 3 **USE ONLY AS A GENERAL REFERENCE** Emergency Permit Santa Clara River E-94-3 Suspected site of pipeline break. Excavation beginning in this area. Drainage. Materials Storage Yard State 735 Tank Setund Gonzales Road Slower PIPELINE Recovery in these Colonia Gas areas Compressor Station **McGrath** Edison Power Fifth Street Edison. Company. Weigh

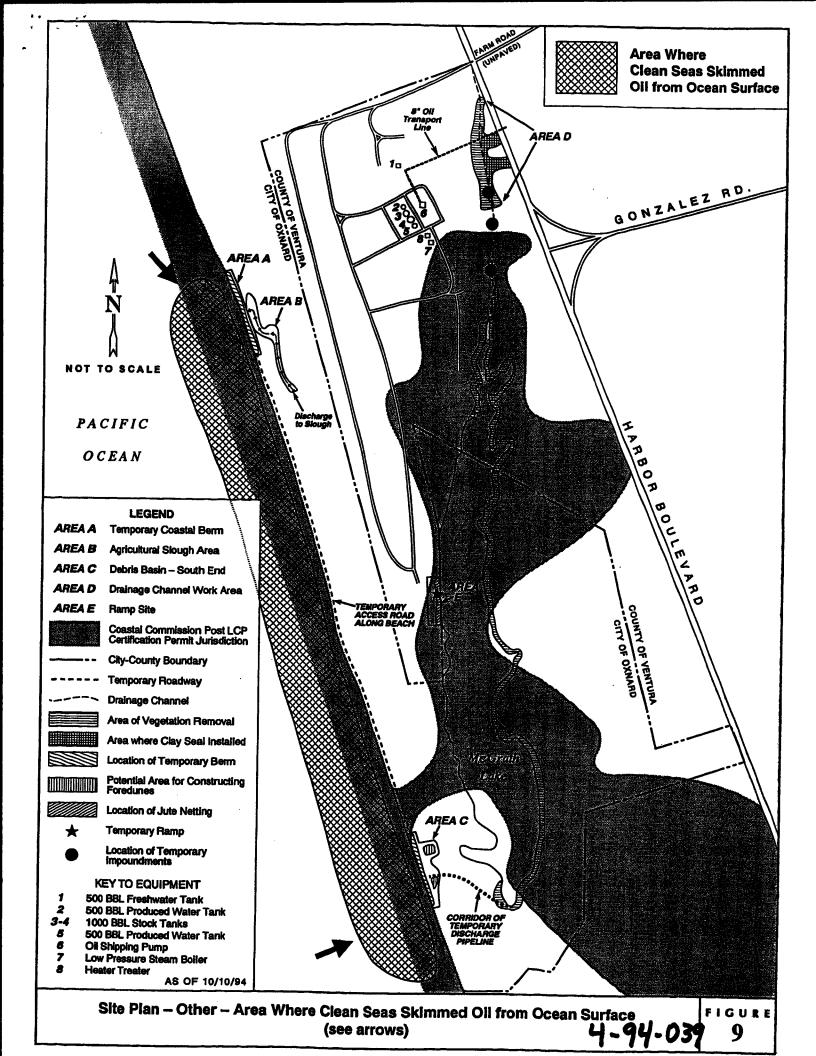
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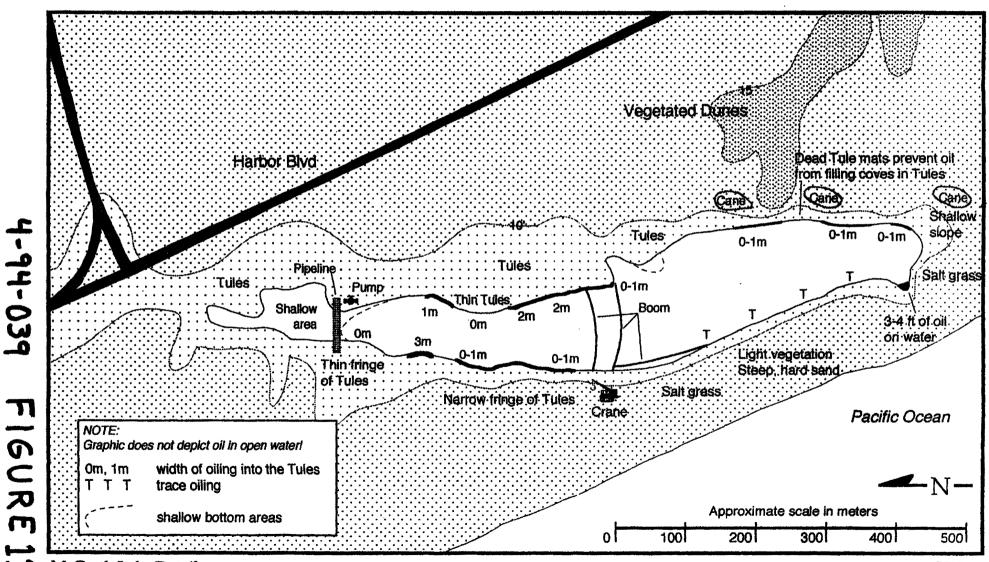


McGrath Lake Survey Map prepared by NOAA

**USE ONLY AS A GENERAL REFERENCE** 

Date/Time: 29 DEC 93, 1100 Observers: Hardwick (OSPR)

Graphic shows shoreline oiling only. Locations of floating oil and sheen in open water are NOT depicted!



McGrath Lake Detail

4-94-039

CJH