



Legislation Text

File #: 21-0487, **Version:** 2

Recommendation to declare ordinance amending the Long Beach Municipal Code by adding Chapter 18.78 relating to construction in the vicinity of abandoned oil wells, read and adopt as read. (Citywide)

There are a total of 6,640 wells (1,947 active, 775 idle, and 3,918 abandoned) in Long Beach. With these wells and other soil and methane gas conditions come numerous overlapping regulations governing well construction, abandonment, and operations. The City of Long Beach (City) currently requires that construction projects proposing to develop near wells adhere to the California Geologic Energy Management Division (CalGEM) standards. The proposed action will create tailored regulations specific to Long Beach that provide better outcomes for public safety and a more efficient regulatory process for applicants.

Currently, CalGEM standards provide setback recommendations and well abandonment regulations. Construction projects near active wells are governed by the Fire Code. Long Beach utilizes the City of Los Angeles standards for methane gas detection and mitigation. Development projects proposed near wells are required to adhere to CalGEM recommended setbacks and abandonment regulations or must be reviewed on a case-by-case basis, if they diverge from these provisions.

The Department of Development Services is proposing to standardize the process for those seeking alternatives to the CalGEM provisions and to establish methane detection and mitigation regulations. A survey was conducted of best practices used by several Southern California agencies and City staff subsequently developed, and is recommending, alternative equivalent regulations to those of CalGEM as well as methane detection and mitigation regulations.

Wells

To develop near oil or gas wells, CalGEM requires that wells be abandoned in accordance with the most current State regulations, which currently involve multiple cement plugs (as many as eight cement plugs) and that all structures be set back certain distances from the abandoned wells. The proposed equivalency regulations establish three cement plugs (top of well, top of fresh water basin, and at the source of the oil extraction) or other approaches (subject to study) and allows construction over wells subject to certain safety provisions, including the installation of membrane barriers under the proposed structure(s). In addition, the equivalency regulations establish a process to locate and examine the condition of wells, places limits on the type of projects that can be developed near or over wells, and establishes provisions for testing, approval, and monitoring of wells.

Methane

As indicated previously, the City currently does not have construction-based methane detection and mitigation standards. The City has been using provisions from other jurisdictions and is currently using the City of Los Angeles standards. The proposed regulations establish a detection and mitigation process for those projects proposing to construct over areas with detectable amounts of methane. The process allows the opportunity to establish alternative mitigation measures that are based on the specific site conditions.

In accordance with Long Beach Municipal Code (LBMC) 18.10.020, the Board of Examiners, Appeals and Condemnation (BEAC) reviewed the proposed Ordinances on August 17, 2020, and October 19, 2020, and voted to recommend approval to the City Council. Additionally, an online community meeting was held on August 27, 2020, and members of the public, including local architects, developers, and other interested parties, attended the community meeting. The input received at the BEAC Board meeting and the community meeting were evaluated and addressed.

Staff also reached out to the local Long Beach/South Bay Chapter of the American Institute of Architects, the local office of the California Apartment Association, the Structural Engineers Association of Southern California, the Los Angeles/Ventura Chapter of the Building Industry Association, and the Downtown Long Beach Alliance (herein collectively referred to as Industry Partners) for input or feedback regarding the proposed new Chapters. Input was received from the Public, Industry Partners, and BEAC members. Numerous changes were made to the draft Ordinances based on that stakeholder feedback and the Department will continue working with those stakeholders to assure a smooth implementation of the regulations.

This matter was reviewed by Assistant City Attorney Michael J. Mais on May 6, 2021, and Budget Management Officer Rhutu Amin Gharib on May 7, 2021.

Public Noticing and Environmental Compliance

Public hearing notices were distributed on May 17, 2021, in accordance with the requirements of Chapter 21.21 of the LBMC. Any written testimony received following the preparation of this report will be provided to the City Council prior to the hearing.

In accordance with the Guidelines for Implementation of the California Environmental Quality Act (CEQA), Negative Declaration 20-02 was prepared for Long Beach Building Standards Code Amendments related to construction in the vicinity of oil wells and methane gas mitigation (Attachment A - Initial Study/Negative Declaration). The Negative Declaration was made available for a 30-day public review and comment period that began on May 27, 2020 and ended on June 25, 2020. No substantive public comments were received pertaining to the standards.

SUSTAINABILITY

The proposed Chapters work to address life-safety matters with construction in the vicinity of oil wells and mitigating the potential effects of methane gas, resulting in a healthier, cleaner and more viable environment for Long Beach.

City Council action is requested on June 1, 2021.

Staff costs to implement the new Ordinances will be offset by cost recovery fees. These fees are included in the mid-year fee adjustment presented to the City Council on June 1, 2021. Staff estimates 15 oil well and methane gas mitigation projects will occur over the next year. Plan check and inspection fees for these projects would result in approximately \$70,000 in fees for services. This recommendation has no staffing impact beyond the budgeted scope of duties and is consistent with existing City Council priorities.

The proposed Ordinances are also anticipated to have a positive indirect fiscal impact on development in the city. This streamlined procedure for well abandonment construction near potential sources of methane gas will make development in the vicinity of oil wells less costly and future development in these areas more likely, leading to increased property tax revenues and potentially more local jobs.

Approve recommendation.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AMENDING THE LONG BEACH MUNICIPAL CODE BY ADDING CHAPTER 18.78 RELATING TO CONSTRUCTION IN THE VICINITY OF ABANDONED OIL WELLS

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APPROVED:

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CITY MANAGER