

STATE OF CALIFORNIA – THE NATURAL RESOURCES AGENCY
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MINUTES OF THE PUBLIC MEETING
of the
BALDWIN HILLS CONSERVANCY
APRIL 5, 2013

I. CALL TO ORDER

The public meeting of the Baldwin Hills Conservancy was called to order by Chair G. Allan Kingston, at 10:10 a.m. The meeting was held inside the Community Center at Kenneth Hahn State Recreation Area, 4100 South La Cienega Blvd., Los Angeles, CA 90056.

II. Roll Call:

Members Present:

Julie Alvis (teleconference) Allan Boodnick, Lloyd Dixon, Jacquelyn Dupont-Walker (arrived after roll) Karen Finn (teleconference) Yolanda Gorman, John Wicker, Robert Jones (arrived after roll) Chair G. Allan Kingston, Vice Chair Starlett Quarles, Craig Sap, Sara Amir, Jason Marshall, Patricia O'Toole (arrived after roll) and Marina Voskanian.

Members Absent:

Supervisor Mark Ridley-Thomas, Joan Cardellino, Barbara Romero, and Patrick Reynolds.

Staff Present:

David McNeill, Gail Krippner, Gloria Dangerfield.

III. Approval of Minutes (January) G. Allan Kingston, Chair

The Chair called for the motion to approve January's minutes. Member Boodnick made the motion to approve. Motion seconded and carries.

IV. Presentation on Directional and Extended Reach Drilling Practices for Conventional Oil Exploration and Extraction – Division of Oil Gas and Geothermal Resources 0 Engineering Representative

Member Jason Marshall (State Department of Conservation) introduced the staff from the local Cypress office, A.B. Abdulrahman and Daniel Dudak, who made the presentation on directional drilling and how it works. The context of the presentation is to see if the technique could be done here as in other areas of California to help reduce the drilling footprint. He stated that the presentation was a general and they are speaking in broad terms; to get to the specifics on discussions of how it could be applied here, would require lots of talks between the operator, landowners, and the Conservancy. The main topics covered were:

- History of directional drilling
- What is directional drilling
- Reference systems and coordinates
- Drilling methods
- Directional wells
- Well Classification

V. Public Comments.

Candace Salway from Plains Exploration (operators of the oil fields) stated the presentation made by DOGGR gave great background info; however for consolidation to occur, it would require much more discussions. She had items to add to their conversation based upon their facility: 1) Consideration needs to be taken that field consolidation at Inglewood is economically unfeasible. Actual costs would likely exceed one and a half billion, 2) Geologic nature at Inglewood does not lend itself to horizontal drilling in the Vickers formation, which is upwards of probably 80% of their production. True consolidation would be limited, as the field would still require a water plant, an injection plant, gas plant, storage, and shipping.; 3) Interconnecting roads, pipelines, utilities would be required and would have to be re-installed; 4) The Inglewood oil fields is an active water flood field and horizontal wells are not effective. They will submit formal comments to the division in response and they will be happy to answer any questions. The Chair wanted everyone to understand the presentation was informational only, not a proposal or goal that has been established. Member Dixon inquired if there were currently any slant or directional drills that would not be classified as horizontal but slants at some angle and asked Ms. Salway if she could provide a description; Ms. Salway complied. Member Boodnick asked Ms. Salway if they would also copy the Baldwin Hills Conservancy in their letter to DOGGR.

Liz Gosnell (representative for Cone Fee Trust) had questions she felt were relevant to the Inglewood Oil Fields. She asked for clarification on a comment made in DOGGR's presentation slide, that it would be one and one-half to two and one-half times the cost, which was different from what was in the pamphlet handed out. She also asked if it were true that the Oil Fields had a different formation type that that of Beverly Hills. Ms. Gosnell voiced concerns about compensation for loss due to directional drilling and stranded oil, lost income, and taking of mineral rights. In addition when they (DOGGR) spoke about costs, there was one line item that wasn't there, which was for soft costs.

Gary Gless had questions regarding the surface of the oil field, as a lot of it is going underneath the community where it's being drilled. Water flooding is actually where they would have to put water into the ground to push the oil out. He asked Jason Marshall if DOGGR had done any analyses on field pressures as it relates to land movement up and down. Mr. Marshall replied that they've received and are still reviewing a report from the County of Los Angeles' Planning Department and are seeking more information from PXP.

Member Jones wanted to know, after hearing about water flooding being used as a way to get oil from the ground, if there was difference between water flooding and fracking. Member Marshall explained the difference between the two methods.

The Chair stated that in regards to the comments on fracking, in National Geographic's March issue, there's an excellent diagram with an article on fracking and recommends that everyone look at the diagram.

Member Dixon questioned the property rights that landowners currently have and PXP operates, does PXP have the rights to only access to oil that is vertically under the boundaries of the property or can they also pull oil out from adjacent areas that are beyond the surface areas. Member Marshall replied that he could have get their legal team respond, if Member Dixon would like to have a conversation on it, but his understanding is that the operator has to have the right to access the mineral rights, whether they lease or own it.

Member Boodnick made a statement regarding oil fracking and Member Marshall responded.

George Rheault, on Ms. Gosnell's comments stated earlier that oil was the number one revenue source for County District 2; he doesn't feel it's true. He asked DOGGR to clarify plugging wells; are they just capping the tops or filling them completely and do they have cementing requirements that are very specific and extensive? Mr. Rheault can check DOGGR's website and view specific regulations for the State on oil and gas zones plugged with cement inside and out.

V. Public Comments (cont'd)

Mr. Rheault asked if it was possible to do a spider overlay of the fault zones and combine the two analyses so that the public and Conservancy could understand how all the wells in the Inglewood Oil Fields interact with the fault lines. DOGGR representative replied that it's a great point to bring up and is one of their Department's concerns as well; their expertise is to focus on what's below the surface.

Mr. McNeill offered that these presentations are always important and productive in raising the bar on discussions. He supports Liz Gosnell's engagement in and bringing up issues of concern. In response to her concerns stated earlier, he wanted to assure that no one is forcing anyone to do anything regarding their land. Today's presentation was informational and there have never been plans for any takeover nor mis-information in regards to the goals of Baldwin Hills Conservancy's statutory mission.

Member Marshall stated the representatives from their Cypress office would be available if the Conservancy or staff has questions regarding oil and gas operations and encouraged all to contact them.

VI. Consideration of a Resolution Authorizing Budget Revisions for BHC Prop 40 Agreement #BHC 10000 with L.A. County Chief Executive Office for the Eastern Ridge Facilities Expansion Project – David McNeill, Executive Officer

Mr. McNeill stated the resolution authorizes some required line shifts, but doesn't change the budget amount nor timeline. He asked Jim Kearns (County Department of Public Works) to give a brief synopsis of the CEO's letter. The Chair called for the motion to approve the resolution. Member Dupont-Walker made the motion to approve. Motion seconded and carries.

VII. Consideration of a Resolution Authorizing a Grant of up to \$5 Million in BHC Prop 40 Funds to the County of Los Angeles Department of Parks and Recreation for Design and Development of the Stoneview Nature Center Project in Blair Hills – David McNeill, Executive Officer

Mr. McNeill stated the ad hoc committee has reviewed the grant proposal it met the required criteria. The County of Los Angeles Department of Parks and Recreation's grant application for five million dollars to match with the Baldwin Hills Regional Conservation Authority's dollar amount for the improvements at Stoneview. He asked Karly Katona (Supervisor Mark Ridley-Thomas) to speak on the design concepts for the Stoneview Site. Ms. Katona stated that this was great opportunity for the Baldwin Hills Conservancy to invest in the site. It is very timely and needs to take advantage of the opportunities for immediate recreational access, habitat restoration, and additional educational opportunities for and throughout the community. She also stated that while the Authority put in 5.3 million dollars towards the construction, there's also the matching investment of the acquisition costs that was put in as well. The Chair called for the motion to approve the resolution. Member Dupont-Walker made the motion. Motion seconded and carries.

The Chair acknowledged Liz Gosnell for public comment on this item. Ms. Gosnell wanted to clarify to the Conservancy board that the plan for this property was not made clear to them during the Park to Playa process and the CEQA stated that it would be developed at a later date. Also, in a private meeting they had with their attorney, Karly Katona, and landowners, they had specifically asked if a plan was taking place regarding this park and was told no. As a neighbor, she claims she never received any notice of the project planning and does not believe any of the other neighbors received one as well. In addition, she also voiced other concerns regarding safety issues with the Park to Playa project. Ms. Katona replied that there was some confusion on Ms. Gosnell's part, as the Stoneview Nature Center is a different project from the Park to Playa project. Further, every project that the County of Los Angeles does, goes through CEQA. In a conversation she had with Ms. Gosnell in the beginning of January, she informed Ms. Gosnell that there would not be any plans for construction in the section of Park to Playa west of La Cienega until they had an opportunity to address concerns raised by landowners; they are very committed to that promise. The Chair called for the vote of approval of the motion made by Member Dupont-Walker. All ayes, motion carries.

VIII. Consideration of a Resolution Authorizing the Executive Officer to Enter Into a Three Year Lease Agreement and Execute the Necessary Documents with the Less or's Representatives to Secure Conservancy Office Space at the Wateridge Business Park – David McNeill, Executive Officer

The Chair called for the motion to approve. Member Gorman moved that the resolution be approved. Motion seconded and carries.

**IX. Ad Hoc Committees –
Grant Review Committee Recommendations – TBD, Committee Chair
Marketing Committee Update – Starlett Quarles, Committee Chair**

Member Quarles reported that her campaign HEAL LA (Healthy Eating Action Living) to promote activities at Kenneth Hahn State Recreation Area and is partnering with Supervisor Mark Ridley-Thomas' office and Social Justice Learning Institute, which is an organization located in Inglewood. She introduced Derek Steele from the Social Justice Learning Institute, Civic Engagement Program Director of their organization. Mr. Steele spoke on his organization's services and stated that HEAL L.A is a really big opportunity for them and they are very excited to have the opportunity to bring the proposal to Supervisor Mark Ridley-Thomas and work with the Conservancy.

X. Executive Officer Report – BHC Staff Representatives

Mr. McNeill stated Gail Krippner would first give the project status report.

Ms. Krippner reported that:

- Department of Toxic Substances Control Environmental Monitoring for the Eastern Ridgeline Project is in construction currently and is moving fast. DTSC is available to assist with any soil issues.
- City of Los Angeles Outdoor Improvements (Norman O. Houston Park). They currently are in the plan and permit phase.
- Generation Water is removing invasive species from the Baldwin Hills parklands and doing the second phase of pulling out invasive species. They will also be doing Earth Day volunteer activities in Kenneth Hahn State Recreation Area on April 20.
- City of Culver City Ramp Design is still underway
- Milton Street project is doing permit approval and are getting closer to construction.
- LACC Hetzler Road Pedestrian Path project is undergoing additional engineering and calculations.

Mr. McNeill reported on the updates for fiscal month eight. The ELPF is the main source of support budget and is on track. Prop 40 has only one staff person and the available Prop 84 staff position is limited term (the first year is almost exhausted due to hiring practices). The remainder of the report applies to the Capital outlay local assistance/appropriations and the bond cash funds. He asked Member Alvis for updates on LAO's consolidation recommendations; Member Alvis stated that she didn't think it would come up in April's hearings Mr. McNeill continued with his report, sharing a letter that he received from the City of Culver City expressing their support for the Baldwin Hills Conservancy.

XI. Board Announcements or Agenda Items for Future Meetings

Member Amir reported that after four years in pollution prevention and green business, she's now back in site cleanup. If anyone is aware of any sites that are contaminated which DTSC is not already working on, call her so they can visit the site.

Member Voskanian commented the presentation by DOGGR was very good and they answered many questions. She felt it was very educational for the public to get the information on these types of drilling measures.

XI. Board announcements (cont'd)

Member Wicker offered thanks for the support on the Eastern Ridgeline project as well as the Stoneview.Site project; Los Angeles County Department Parks and Recreation appreciates all the support.

Member Sap reported that the Malibu Lagoon Project is winding down and the grand reopening will take place on May 3, 2013.

Member Dupont-Walker asked about what is the policy on putting excused vs. absent, when members have informed the conservancy staff in advance. Mr. McNeill replied that she should send an e-mail prior to the meeting and will put "absent with excuse" by the member's name.

Member Quarles stated that on May 11, 2013, at West Los Angeles College, she will host a dialogue "Black Los Angeles," that will focus on having politicians accountable to the constituent agenda.

Member Dixon stated that there is an excellent article in the Culver City News on Generation Water.

Chair Kingston reported in National Geographic's March issue, America Strikes Oil, there's an article on fracking, which he encouraged everyone to read.

ADJOURNMENT

There being no further business brought before the board, the meeting was adjourned at 12:13 p.m.

Approved:

G. Allan Kingston
Chairman