

**SPECIAL DESIGN REVIEW BOARD MEETING  
COUNCIL CHAMBERS, RICHMOND CITY HALL**  
1401 Marina Way South, Richmond, CA  
January 31, 2008  
6:00 p.m.

**BOARD MEMBERS**

Robert Avellar, Chair	Vacant, Vice Chair
Ted J. Smith	Don Woodrow
Diane Bloom	Vacant

The meeting was called to order at 6:00 p.m.

**ROLL CALL**

**Present:** Chair Avellar and Boardmembers Bloom, Smith and Woodrow

**Absent:** None

**INTRODUCTIONS**

**Staff Present:** Lamont Thompson, Richard Mitchell and Attornies Mary Renfro and Carlos Privat

**Chair Avellar** gave an overview of the procedures for speaker registration and public hearing functions and procedures.

**APPROVAL OF AGENDA**

**ACTION: It was M/S (Avellar/Smith) to approve the agenda; unanimously approved.**

**MINUTES FOR APPROVAL** - None

**CONSENT CALENDAR**

**Chair Avellar** noted the Consent Calendar currently consisted of Item 1 which was removed for discussion.

**Item Heard:**

- DR 1101974 – Chevron Energy and Hydrogen Renewal Design Review on Chevron Way** - PUBLIC HEARING to receive comments and make a recommendation to the Planning Commission about Chevron Products Company's proposed process units, supporting infrastructure and buildings' design as it relates to the Chevron Energy and Hydrogen Renewal Project, located at 841 Chevron Way (APNs: 561-040-016; 561-100-003, -001, -003, -008, -009, -010, -011, -012, -013, -017, -020, -025, -026, -029, -034, -035, -036, -036, -037, -038, -040; 561-400-008; 561-410-002; 561-410-003) in Richmond, California. The applicant proposes to replace the existing Hydrogen Plant, Power Plant, and Reformer, and install new equipment in order to increase the Refinery's ability to produce gasoline that meets California specifications, and use a wider range of crude oil sources than are currently processed. The new equipment would improve Refinery reliability, energy

efficiency, and add environmental controls. M-2 (Light Industrial); M3 (Heavy Industrial); and CRR (Community & Regional Recreational) Zoning Districts. Chevron Products Company, owner; Bob Chamberlin, applicant. Staff Contact: Lamont Thompson. Tentative Recommendation: Recommend Approval to the Planning Commission.

Bob Chamberlin, applicant, Chevron Products Company, requested the Commission review and approve the storage tanks in the project and noted Chevron is planning one single central control room for the refinery, plus a single new maintenance facility in the refinery, which have not yet been designed. He asked the DRB to recommend that a Commission require a future design review of those facilities and then they will proceed building them once approval is received, presented slides of the existing and new facilities, pipe ways, a 3D conceptual drawing of what the plant will look like once built, an end view of the hydrogen plant, a flare that will be built in the more energy-efficient hydrogen plant, renoformers that makes octane adjustments, the new CCR structure, a series of visual simulations of the project, landscaping plans and the addition of 2 additional acres to help mitigate visual impacts and a change that requires domes on two new gasoline tanks.

**Boardmember Woodrow** questioned what is done with the gas fumes trapped under the domes, and Mr. Chamberlin said the purpose of the control scheme in the tank is to prevent the fumes from getting there in the first place, and whatever is there is emitted, which is very low.

Kurt Anderson, Chevron Products Company gave a brief history of the renewal project, said they have worked through a 3-year process and will present the project to the Planning Commission. The EIR finds the project will meet and better environmental standards, it analyzes 17 areas of potential environmental impacts without any significant impacts, there has been significant public input, three of the more prominent issues involve greenhouse gas emissions from the project which will be reduced, they will not process heavy crudes and earlier versions of the EIR found the EOC emissions were going to be above significance levels but they have installed mitigations to reduce them to below the significant level in the final EIR.

**Boardmember Bloom** referred to the types of oil and questioned the various types of crude and what these will bring for the future. Mr. Anderson said the crude oil market is a global market, the slate they are running today is anticipated to run in the future and the supply will be in place until alternative energy sources develop.

**Boardmember Bloom** questioned if the applicant had addressed any alternative energy components in regard to the power to operate the plant.

Dean O'Haire, Chevron Products Company, said the master EIR addresses alternative forms of energy and it looked at solar energy, wind power, and wave energy which do not lend themselves to this application due to requirements for steam. To address greenhouse gases, they are proposing to replace the power plant with a co-generation facility which is much more energy efficient.

**Boardmember Woodrow** questioned crude sources and a carbon 14 ring, said he researched [www.energyandcapital.com](http://www.energyandcapital.com) which has an article about BP's review of World Energy, and it is stated that for every 9 barrels of oil Americans consume, there is 1 barrel found. He therefore believed that Chevron may be forced in the next 10 years to start to look at the tar sands that they own 1/5 of in Alberta and where they currently refine in the Midwest and he asked if the plant was capable of handling tar sand crude. Mr. Chamberlin said Chevron's reserve replacement ratio is greater than 100% and they are finding more reserves than they are producing. They are also very active in the alternative energy field both in second generation ethanol and bio diesel production. The tar sand production is primarily going to the Midwest, it

will eventually find its way down to the gulf coast where those refineries can best handle them and the Richmond plant is not built to process it very well.

**Chair Avellar** said what is proposed is a new plant for octane and he questioned if additional emissions would occur due to the new plant running year-round versus the old plant which has been shut down. Mr. O'Haire said the current fixed bed reformers require them to shut down 3-4 weeks a year for maintenance of the catalysts and the new technology involves a catalyst that continuously circulates and gets regenerated. He said most of the emissions are produced when it is shut down and started up but in looking at the overall project, emissions are decreased.

**Chair Avellar** referred to the large cement stacks and he confirmed with Mr. Chamberlin that the existing stacks will never be operated again, they will stand for awhile and eventually will be dismantled.

**Chair Avellar** said the domes are shiny and more obvious to public views and he questioned if they could be made the same color as the tanks. Mr. Chamberlin said they would like to do this, but the structure is not strong enough to hold a painter to maintain the paint. They will be looking for a darker color on the aluminum or the color of the panel and noted that light color is more reflective and reduces pollution more.

**Chair Avellar** referred to the photo of a tank hidden with trees, questioned why they could not be hidden from public view or better landscaping could be provided for mitigation. Mr. Chamberlin said they are proposing to add 2 additional acres of landscaping and will work with the Planning Department on better screening the tanks, but it is hard to find a place to locate the tanks due to the hillside areas and flat areas which are already consumed with units.

**Chair Avellar** referred to jobs and questioned the types of jobs and whether local hiring preference would be in place. Mr. O'Haire said they have a national maintenance agreement with the local trades labor union and there are a number of Richmond resident laborers who are ready for the project to start. They hired some new maintenance workers and said about 25% of them live in Richmond. Their intention has been to work through Richmond Works to make jobs noticed and available so they can work with the contractors Chevron utilizes and hires, provided they have the right qualifications and skills.

**Boardmember Smith** questioned if the jobs were union, and Mr. O'Haire said the national maintenance agreement provides for up to 96% of the jobs as union, and representatives present tonight could further speak on the matter.

**Boardmember Woodrow** said Chevron owns 2,900 acres and questioned which part of this area was fill. Mr. O'Haire said the peninsula the refinery sits on is an island and practically everything along the access of the refinery is fill of some sort. The area in the north of the refinery has always been native wetlands and the property toward the Richmond Harbors is also all fill. Therefore, half of the refinery was on fill of some sort. They must get to bedrock on all pilings and equipment supports and a lot of work is done to design their foundations accordingly.

**Boardmember Woodrow** presented pictures of the site in the area involved during earthquakes and in each instance the Chevron site is prone to get very strong or violent shock waves. He believed the City needed to know more than the ground was simply filled and he questioned how a 300-foot stack would react if the ground below shook violently 3-4 feet.

Rick Miller, Construction and Design Manager, said the facility is hydraulic filled and has been this way for 70-80 years. Most of the facility is built on deep piles, the new facility is designed to

withstand the seismic 4 zone area, it will be built to the current code and all of the design is modeled and designed accordingly and stamped and approved by professional engineers.

Mr. O'Haire said they reviewed refineries in the Chevron company of other countries to ensure they meet all seismic safety standards based on earthquakes which occurred, said the Richmond refinery has withstood every earthquake since 1906 and the seismic design is an integral part of the facility and they would not build anything that was not seismically safe.

**Boardmember Woodrow** questioned whether the design plans before the Board are those the refinery would build to, and Mr. Thompson said the plans are conceptual drawings which accurately represent what will be built. The specific design characteristics of the building still need to be engineered and actual building drawings will go to the City's building department for extensive review of the engineered design. **Boardmember Woodrow** said he hoped the plans were close to what the final design would be and referred to the 300-foot stack. Mr. Miller said they actually reduced the stack by 25 feet and the new stack will look similar to a structure on site already in operation.

**Boardmember Woodrow** said the earthquake in 1989 was 75 miles away and trivial to one that could occur along the Hayward fault. As a citizen seeing the plant from one mile away and witnessing the huge fire, he wanted to have assurances that Chevron has looked carefully of what is underground and how to address seismic safety. Mr. Miller said they have utilized URS who analyzes and submits data to the engineering contractor for incorporation into design of the substructure and over-structure, the foundations and pilings and the plant is designed to withstand a 7.2 earthquake underneath them.

**Boardmember Bloom** questioned if a presentation would be given for landscaping, and Mr. O'Haire said they could answer questions on landscaping, they will work with City staff and the arborist to comply with the City's ordinance to properly screen the refinery and noted their landscape designer, Marcia Vallier, could also address any questions.

**Boardmember Bloom** said she was supportive of the landscape plan done by Ms. Vallier, but given the number of acres and building in the future, asked what would happen 10 years in the future about specific areas of the site, and requested a clear response to the statement that most of the site was inappropriate for planting and without mitigation. She felt there was a wonderful opportunity for a mitigation that would substantially balance out the toxins and greenhouse gases in the air such as reforestation and habitat restoration. Mr. O'Haire said they would address planting of additional landscaping and trees and compliance with AB 32 greenhouse gas reduction law. Regarding not being able to plant in certain areas, they want to keep landscaping away from processing areas which could serve as fuel to a fire, but they could plant more in the areas around the tanks and further out. He felt it was a great idea to reforest if they can.

**Boardmember Bloom** said she did not see any references to health concerns of employees and any regulations over and above whatever may be in place now.

Tery Lizarraya, Chevron Employee Relations representative, said they have reviewed emissions from the project in terms of criteria of pollutants and toxics and greenhouse gas emissions, which are reduced overall by 40 tons per year. The greenhouse gas emissions could be reduced from a net standpoint due to mitigations when operating at full capacity and from a toxic standpoint, they are below all of the risk triggers. She said their facility reduced emissions by 70% over the last 30 years, they plan to continue on this trend and implement new technologies as they become available and employee health is very important to them. They abide by the Richmond Industrial Safety Ordinance and the Process Safety Management regulations in

place, are audited by the County every other year, have performed well in those reviews, and they design to all OSHA standards and codes.

Mr. O'Haire also noted that 2007 was one of the safest in the refinery's history, they continue to beat records each year, work on their safety culture and have many employee safety programs in place that also include the contractors.

**Boardmember Bloom** asked for a comment about children's health, as several people have commented on the air quality in Richmond and medical problems. Ms. Lizarraya said she is a mother of a daughter who has life-threatening asthma, Chevron has reduced emissions over time, said experts are puzzled that when air quality is improving that asthma incidents are rising and she was not sure of the answer. Mr. O'Haire noted there is a health impact study done as part of the EIR, said when they look at the data of air quality measurements, despite what people think, Richmond in comparison to other Bay area cities is good or better than most locations. He said the Bay Area Air Quality Management District will hold a hearing on February 13, 2008 which will address air quality issues, but they have reduced emissions by over 70%. This project takes them in the same direction and they are also adding the greenhouse gas component to it where they are reducing emissions by up 219,000 metric tons per year.

**Boardmember Bloom** questioned if Chevron could be encouraged to fund a project that would very thoroughly educate the public on children's health issues. Mr. O'Haire further spoke on comparisons and studies done which conclude Richmond is better than other areas and he believed they were heading in the right direction.

**Boardmember Smith** questioned VOC emissions and Mr. O'Haire said initially when the draft EIR was circulating for comment there was an increase in VOC emissions that was considered significant. They worked with the City's staff, independent experts, the Air District and that number is down and below significance or 3 tons below the significance level. There is an increase of about 12 tons per year of VOC's from the project, but there is an overall emission reduction of criteria pollutants of about 40 tons per year. **Boardmember Woodrow** questioned what the plant's current emissions level was, and Mr. O'Haire noted that the plant's current emission level is referenced at a baseline of 1.73 million tons per year and the overall expansion will result in a 219,000 metric ton per year reduction and if and when the hydrogen plant comes on line at full production, they would completely mitigate any increase of greenhouse gases for the project. There is an entire regulatory mechanism developed by the State to implement AB 32 and another round of reductions which they would need to comply with at all facilities.

City Attorney Renfro suggested attending the BAAQMD meeting to review details of emissions and said the Board was here to look at the design of the project. **Boardmember Woodrow** said there isn't any part of the design that does not have to do with public safety, he believed the Board was free to ask questions that touch on design, has yet to hear how the design will change based on quake risk and he believed the Board was properly addressing the project.

**Chair Avellar** requested Mr. O'Haire present a sample of the stacks before and after and questioned if any of the stacks were part of the plant that would be shut down. Mr. O'Haire said there are three plants to be shut down; the power plant, the reformers and the hydrogen plants. **Chair Avellar** questioned if the unused plants and/or equipment could be removed, and Mr. O'Haire said as the new plant is built and on-line, the old plants will be scheduled to come down.

Public Comments:

Antwon Cluired supported the project, said Chevron would provide union apprenticeship jobs to young residents, thought the plant would bring back the community and said work would be safe and efficient.

Willie Hicks LaBors, Business Agent for the labor union, said he represents many men and women who are waiting for jobs, said Chevron also provides training necessary to work on the project, 80% of all work lists comprise of Richmond residents and he hoped the Board would move the project forward and recommend it to the Planning Commission.

Fred Gluecyl, Plant Reclamation, said they have been performing industrial dismantling services for Chevron-Richmond Refinery and others throughout the Bay Area and United States for 30 years, urged the Board to recommend the project to the Planning Commission because refineries are spending billions of dollars modernizing their infrastructure, safety and environmental compliance, said the industry is one of the most highly regulated and personnel must follow strict rules which lead to efficiency and profits and sustainability of refinery institutions.

Jim Cannon said it is time to allow Chevron to move forward with the project, believed the project is well-designed, will allow Chevron to become more efficient and use a greater slate of crude oils, and believed the industry is highly regulated.

Katrinka Ruk, Board of Directors of the Council of Industries, asked that the Board review the project on the merits of its design, specifically as a replacement of an existing hydrogen plant, power plant and reformer that will be constructed using state-of-the-art equipment. She said the project will produce cleaner burning fuel, will respond to fuel needs, will create 1,200 good paying jobs, generate tax revenues to the local Richmond economy without a cost to taxpayers or to the City, and she supported the project.

Ormond Otvos said he lives very close to the refinery, questioned mitigation, questioned what will be done with the fuel that leaks into the dome, said the EIR is a PDF file and very difficult to navigate, said there were questions in the DEIR about where emissions were in the 2,900 acres and no map or information was provided. He recently went outside and the air was thick and fummy and questioned if Chevron would do anything about their ground level debris from old equipment.

Bruce Beyaert, TRAC, distributed a letter dated January 31 and a one-page summary of recommendations, noted the Board has the opportunity to eliminate the only insurmountable gap in Richmond's 41 miles of planned trails and said the General Plan says, "The City will require all new developments to provide public access where the Bay Trail is planned." To make a finding that the project is consistent with the General Plan and not detrimental to the public welfare is necessary to adopt conditions to implement Option 2, the Bay Trail Road identified in the 2001 study co-funded by Chevron and the City of Richmond, which is the preferred route. He said TRAC's recommendation contains 3 suggested conditions which would allow closure of the Bay Trail gap: 1) require Chevron to provide land needed to close the gap; 2) have Chevron co-fund construction and design of the trail segment; and 3) have Chevron pay for the additional capital and operating costs associated with the operation in terms of impacting the trail's investment and operation.

**Boardmember Woodrow** questioned if Mr. Beyaert had discussed the trail route with Chevron officials, and Mr. Beyaert said their discussions began in 2001 where it was agreed Option 2 was the best route. Chevron then refused to work with the City or TRAC to implement that route until just recently, and they have agreed it was now the best route. However, there is no assurance that Chevron would be cooperating next year or in the future and have cited homeland security, but they had opportunities to include the trail in their facility security plan

under the Maritime Transportation Safety Act. He also noted the Coast Guard has indicated the trail is feasible by designing security devices into it.

**Chair Avellar** questioned how much of the project was close to where the trail was, and Mr. Beyaert said the project is spread out all over the land including the south side of I-580 where the trail could be located and where two tanks would be removed, rebuilt, or replaced.

Gus Kramer, Contra Costa County Assessor, said Chevron should be applauded for the project as they are a major employer of high paying union wages, but he voiced concern about the economic impact stating Chevron has an outstanding appeal for 2004, 2005 and 2006 property taxes and are requesting a 66% decrease. While they have every right to apply for this decrease, he is concerned about a brochure received in the mail from Chevron mail that states, "Generating millions of new tax revenues for Richmond that could be used to fund essential public services including public safety, street repairs, libraries and youth services." Therefore, he did not believe Richmond would get a windfall of millions of dollars to provide these services because they will contend they are replacing an already existing hydrogen plant.

Dr. Henry Clark, Executive Director, West County Toxics Coalition, said there was a study done in 1989 for Communities for a Better Environment and the WCTC which looked at 20 of the largest industrial operations in Richmond, including Chevron. In every case, those operations were located in communities of color where 70%-75% is African American and 20%-25% live close to the property line and he believed this to be environmental racism. The project is inconsistent with the principles and spirit of environmental justice, said Ethel Dotson recently died from chemical exposure as well as others who have suffered from chemical pollutants.

Greg Karras, Senior Scientist for CBE, urged the Board to find that information is not adequate for review and recommend Planning Commission action to revise and re-circulate the EIR because: 1) information for design review is inadequate and the same cause of many other impacts. Refining dirtier oil could increase the frequency and magnitude of flare flames, smoke, cooling steam pollutants, sulfurs, odors and noise while resulting in intermediate storage increases. Potential impacts are significant, their full extent remains unknown and the EIR fails to include needed information; 2) the Board should get the technical assistance suggested by some Councilmembers. Staff's suggestion to wait until after approval is illogical and should be rejected; and 3) the project as proposed must be re-designed for environmental health and justice. Based on experience, information and intensive review, he believes it is likely to be changed again before final approval and it would then need to be reviewed again. He believed allowing a lower quality crude slate would be the route of many different and significant impacts, said much of the information they gathered themselves because the EIR fails to include it and there is additional information not in the EIR that the City Manager has specifically requested that has not been provided to know the full impact of the situation.

**Boardmember Bloom** asked Mr. Karras to put in writing any details on significant impacts not included in the EIR. Mr. Karras said the labor union's comments supporting CBE is included, as well as CBE's comments, except for the more recent ones the City Manager mentioned which were filed November 15<sup>th</sup> and December 12<sup>th</sup> with no response, and he agreed to provide further information.

Jessica Tovar, CBE, voiced concerns about health of workers and the community, the trade unions have worked with them and have identified 116 deficiencies in the DEIR, said one CBE member just passed away in October of lung cancer who cleaned up the same tar he was exposed to in vats and she reiterated that the staff report recommends an expert be consulted prior to making any further considerations on the project.

Jerome Smith spoke of fears, said scrutiny of the design gives residents trust in the system which has been shown to be inadequate, asked the Board to continue the matter for 45 days, said Chevron is a corporation that thrives on profit, he will most likely die of asthma as well as others and he thought the design was integral to security and safety which has not been addressed.

Rudolph Isaac said safety is the main point and not jobs created from the project.

Jane Mills said she has been an Atchison Village resident for 3 months, has friends who will not visit her, said she cannot protect herself from the air and her neighbor has cancer as well as 6 other people who live within a few blocks of each other.

Ruth Gilmore reminded people of the fire at Chevron due of mishandled pipes, said Chevron has increased their emissions by 80% this last year, questioned why anyone would ever consider Chevron or any other plant's expansion, said they received the DEIR last Friday and asked the Board to do the moral and right thing and not recommend the project to the Planning Commission.

Barbara Strauss said her upstairs window directly look out onto Chevron, she echoed concerns over health, safety and said Chevron has not been a good neighbor. She felt for Chevron to pay less in taxes was outrageous, agreed with those opposed to the project, and felt a full City block or two could be put around the perimeter with full landscaping.

Sylvia Hopkins, Atchison Village Environmental Committee, echoed comments of prior speakers, asked the Board not to decide on the project tonight and give more time to address green issues and processes. She said Atchison Village residents have been living in their homes for many years, they want to take their equity of their homes with them, but felt their property values would be significantly reduced.

Michael Beer said it would be wonderful if everyone could believe what leaders tell us of what is happening in the world and felt the truth was not always a given. He cited the oil law which would give Chevron a 30-year contract at 75% profit, said the City of Albany and Department of Agriculture recently stood up in a request to cut down trees and spraying pesticides, and he asked the Board not to recommend the project.

Kelly Baraka echoed comments relating to health issues, said what impacts her most is the lights along the Long Wharf and ships which are constantly running diesel engines and burning some of the dirtiest diesel, and she asked for this to be addressed.

Frank Campbell, Atchison Village, said the fire last January at Chevron was due to a shutoff valve malfunction and he asked that all 10-year old piping, shut off valves and safety valves, throughout the complex be replaced, asked to keep flare emissions to a minimum, for all safety instructions be strictly adhered to with strict penalties and for air quality testing to be done inside and outside.

Dr. Jeff Ritterman, Cardiologist, Physicians for Social Responsibility, said what is coming in is not any dirtier but there is more pollution with better equipment, and he could not understand how this made any sense. He questioned whether the issue of the crude slate was settled and believed the plant would go to tar sand, said the DEIR assumptions changed drastically from the EIR but the design did not change, except for the domes and the amount of pollution reduced, which he disagreed with, said Richmond and San Pablo have the highest asthma levels in the County and did not know what the community would truly get.

Zeva Longley agreed with those opposed to the project, asked the Board to consider the expansion further, said she is confused with the reduction statistics of pollution, suggested planting more trees, voiced concern with cancer levels, odors and the number of documented complaints.

**Boardmember Woodrow** asked Ms. Longley what she could smell, and Ms. Longley said she could not easily describe it, but it smelled like exhaust or sulfur and something she did not want to breathe, and in the summer on hot days she and her neighbors must close all of their windows.

Janie Anker said her hands are black when pulling weeds in her yard, she has asthma, COPD, she cannot breath, walk, she tried to obtain the EIR from the library today who could not provide her with the documents, said odors smell like rotten eggs throughout the year and the dust and pollution are horrible when the wind blows.

Sherry Padgett opposed the project based on the lack of comprehensive plans for characterization and disposal of the project's hazardous waste. She said not heard is how many more facility acres would be dedicated to stockpile and buried increased hazardous waste in the community, felt plans for demolition of existing facilities should be addressed as part of a re-design plan, said there has been no effort to clean up the huge open fields of C-level chemical ponds separated by San Francisco Bay by a single levy, said the levy has been breached at high tides multiple times during the last 10 years and Chevron is number 7 on Fortune's largest corporations in the world and given their wealth, it is reasonable for the City to expect more from Chevron as a neighbor.

## **BREAK**

**Chair Avellar** called for a five-minute break and the Board thereafter reconvened the regular meeting at 8:30 p.m.

Dean O'Haire said he did not believe there was much to rebut. They heard a lot of information tonight which is addressed in the EIR and will be fully considered when the EIR is further discussed at the Planning Commission. The overall emission reduction issues, greenhouse gas issues, and other information is contained in the EIR which concludes that the project has no significant impact. They worked hard to respond to the public's concerns and questions so that the FEIR would address those questions. They have been in the process 3 years, said the City has had 2 separate environmental consultants put the EIR together as well as a CEQA oversee the entire process. There have been significant numbers of experts who have helped make the EIR solid and he said as the external design features are considered, he hoped the Board would make a positive recommendation to the Planning Commission and move forward.

**Boardmember Smith** questioned the situation of the Long Wharf lights and ships running with diesel all night long. Mr. O'Haire said the Long Wharf is not part of the project, but he agreed to discuss Kelly Baraka's concerns about what could be done.

**Boardmember Smith** said a comment was made about the stockpile of hazardous waste at the chemical pond, and Mr. O'Haire said this was not part of the refinery project.

**Boardmember Smith** questioned what could be done about the Bay Trail, and Mr. O'Haire said they are in discussions with ABAG. Caltrans owns and is responsible for that stretch of freeway, as well as the City of Richmond and Chevron, and a small committee is meeting to determine how the Bay Trail could be situated in the area and make it work while also addressing safety, security and access. Getting to and from the property is an easement issue which is also being addressed.

**Chair Avellar** referred to the map of the Bay Trail and Mr. O'Haire said the studies done were done prior to 9/11 and did not consider the homeland security requirements. One area is federally off limits to anyone and the option being reviewed might work, but it needs to respect their security requirements, and he hoped for a solution.

**Chair Avellar** said he did not see a detailed plan alternative for tank locations and asked if tanks could be hidden from public view or screened further. Mr. O'Haire said the tanks are located where they are situated by operating infrastructure for the refinery that best allows them to empty and fill. Putting them in other locations may require something that does not make sense from an operating standpoint, and agreed to work with the City to add the tanks to existing tank field areas and screen them appropriately. He also said the tanks need to be a certain tank for a certain product and blending component, it is against their interest to have too many tanks and they have them optimized the best they can.

**Chair Avellar** questioned if domes could be put on all tanks, and Mr. O'Haire said the domes are put on to mitigate impacts of the project, the Air District has recently revised their rules and determined that the environmental improvements to putting domes on tanks generally did not justify the added expense and it is more difficult to monitor the condition of the seals and firefighting efforts.

**Chair Avellar** questioned what the capacity was of the processing units and whether there would be more pollution as a result, and Mr. O'Haire said the net effect of the project is lower air emissions. The reformers/octane plants will take out two plants for every one plant, the new plant has identical capacity and when they build the new furnace, they are able to put in additional controls to reduce emissions considerably. For the hydrogen plant, two plants go out, two new ones come in, they have advanced emission controls on the new units, but the hydrogen plant enables them to capture the gas and feeds it to the hydrogen plant. The hydrogen plant takes the sulfur completely out and so there is a dramatic reduction from sulfur emissions from all of the furnaces they are building. The hydrogen plant is bigger than the ones they are replacing but they are considerably more energy efficient. The cogeneration plant has more power consumption than the old units but is much more efficient and can be distributed throughout the refinery. The hydrogen purity project cleans up the hydrogen stream to remove sulfur and also improve the purity of hydrogen, and capacities do not change.

**Chair Avellar** referred to the trees to screen tanks and asked why there could not be more. Mr. O'Haire said they need to be careful in locating trees around tanks because of the fire risk, they have added pine trees to the hillside which can be seen and have grown substantially and could look at adding some around the perimeter.

**Boardmember Woodrow** questioned how many plumes of steam will people be seeing, and Mr. O'Haire said presently the refinery has three very large cooling towers, two or three smaller ones spread out throughout the refinery, there will be one small cooling tower added to the project and its purpose is to distribute steam to water to produce electricity throughout the refinery and the situation will not be too different than what is seen today.

**Boardmember Smith** referred to Atchison Village residents' concern with odors, and Mr. O'Haire said he was not sure what odors they were referring to, said there is also a metal reclamations business that is a rail shipping yard and a major dump in the vicinity, and odors are not necessarily always from the refinery. They have a contact number for people to call when they smell odors and they are doing what they can in continuing to make improvements.

**Boardmember Woodrow** thanked Mr. O'Haire for providing him with a tour of the plant, complimented refinery staff who work with the complicated forest of pipes and the refinery's efforts in training employees. He referred to the flow charts and questioned confirmed with Mr.

O'Haire that the oil from the tanker did not need to be heated before it can be pumped into the plant. He said no one has commented on what the cost of the project was, and Mr. O'Haire said their practice is to announce this when they are sure the project will be built and he asked the Board to move along the project.

**Boardmember Woodrow** said he is concerned about the things people do not know about the project as of yet, acknowledged that the company and staff feels the Board has what they need to know, is still concerned what will happen at the plant during an earthquake, said he was born and raised in Pittsburg, Pennsylvania during WWII and he discussed the poor quality of air, and when he stands on his front porch and gets a NOX smell and taste only on the days where the wind is calm or is blowing gently toward him, he believes something is wrong. The zone of the smell is about 50 feet thick and comes off as a sheet of gas, and is the result of some sort of combustion and most likely coming from the refinery.

### **EXTEND MEETING**

The Board unanimously extended the meeting to 10:00 p.m.

**Boardmember Woodrow** said when he has experienced such smells since 2003, he calls the BAAQMD most often on a Sunday night or on Mondays at 4:00 a.m. and they do not respond if they do not receive more than three calls about an incident. He also receives a call from the plant workers and some have come to his home and agree the smells are present. They do not necessarily have many people in his neighborhood who suffer from asthma but do suffer from quality of life issues and this is one of his concerns and he would like it to stop. He did not want to have to disclose to potential buyers of his house that they will occasionally have to smell and taste NOX. He wanted the smell mitigated which he knows will be difficult, hoped the domes on the tanks work and suggested installing the same domes on the City's sewer tanks.

**Boardmember Smith** said he has lived in Richmond his whole life, remembers when the sun could not even be seen in the west due to the smoke from Chevron and agrees this is much improved. He referred to the public health section of the report, did not agree with some of the answers in the report and felt there was more work to be done.

**Boardmember Bloom** said it has been an overwhelming amount of materials to review in the last few days, there are many unanswered questions and things that have not been directly addressed and it seems that more needs to be out in the open and hashed out before the DEIR goes to the Planning Commission. She heard speakers' comments, felt the entire situation was not acceptable to her, and believed the Board must understand things before it is asked to make decisions on the design aspect of the project.

**Boardmember Woodrow** said the Board has heard that two consultants have been hired by the City to review the EIR and he asked Mr. Thompson when they worked on it. Mr. Thompson said the first consultant hired was ESA and Chuck Bennett and Ken Morgan are present. Staff also hired a firm called Aspen Environmental, whose representatives were not present. Also in the audience were Greg Solomon and Barry Young from the BAAQMD, and consulting attorney, Elena Saxenhouse. He said ESA has been involved from the beginning, Aspen Environmental were hired a year later to conduct peer review and quality control check along with legal reviews by the attorney.

**Boardmember Bloom** said she would like to know if the City's consultants are satisfied that all issues brought up have been satisfactorily answered. **Boardmember Smith** said the Board's charge is to review site layout, landscaping, visual impacts, noise, odors, lights, dust, smoke, vibration and other relevant factors which influence the design and appearance of the project. City Attorney Privat said this needs to be taken into context of the Board's jurisdiction articulated

in Section 1504.930.020 that “the Board shall review and/or approve the design of exterior construction.”

**Boardmember Woodrow** said the Mayor read the City Code to the Board about our charge and the final three points had to do with public safety; the design had to be reviewed in terms of public safety. City Attorney Privat said public safety must be considered within the context of the design of the exterior of the construction and its aesthetics. **Boardmember Woodrow** said the design may change based on a variety of things, so the Board did not have something substantive to judge. He said often the Board is given drawings that are incomplete and this design probably cannot be changed much because there are only certain ways to handle crude, but he believed not addressed is the public safety aspect of review.

**Chair Avellar** said if the tanks or exterior of the buildings changes materially in any way, he confirmed with staff that Chevron will need to return to the DRB, but as far as the pipes or foundation of the building inside, they would not need to return.

**Chair Avellar** questioned the situation regarding the future of the Bay Trail and design. **Boardmember Bloom** agreed that the Board needed to review an entire site plan, the proposed areas for increased landscaping and the Bay Trail, and she wanted to see a timeline and completion of the Bay Trail.

Regarding placement and screening of tanks, **Boardmember Bloom** suggested recommending four to six different species for screening, such as broadleaf evergreen, faster growing trees, and trees that will grow in the soil.

Regarding the height of the stacks, **Boardmember Bloom** said the one large existing stack is an issue, she was not sure how the other stacks would compare. Mr. O’Haire noted the stacks are regulated by the Aviation Committee, there are standards for beacons, and there will be a couple of red beacons at the top for airplanes. The refinery has a lighting scheme and generally they are a mile away from perimeters, lights are not as bright, they have ground lighting for workers, and they take care in installing lights at the top of the structures which have shields on the backs of them.

**Boardmember Smith** confirmed with Mr. O’Haire that a number of neighborhood councils had met to discuss the project.

**Boardmember Bloom** referred to the Comment Letter Section of the DEIR and a report dated July 9, 2007 on page ABJC-22 in that there had been significant controversy over emission levels written by the Adams Broadwell Joseph and Cardosa, representing the unions. There is a statement which states, “There has been significant controversy over emission calculations dating back at least two years.” She asked if experts were satisfied that this is currently resolved in terms of total emissions of the various substances involved.

Tim Morgan, Deputy Project Manager, ESA, said he is a meteorologist, has been practicing in the air quality field for 21 years, said their answers are contained in the document, said the emission inventory available to them in April from which the comments derived. It was reviewed by Chevron and then the BAAQMD. Subsequent to publication of the DEIR and comments and for reasons relating to the air permitting of the project, there was an additional revision to the emission inventory around September 11, 2007. This information was incorporated into the FEIR on tables and documents that relate to emissions. As the consultant to the City, their opinion is that the emissions, as revised in the FEIR, represent the emissions of the project and they base their conclusions on that. This also includes the application for mitigation measures of the dome to reduce significant impact of the VOC emissions.

**Boardmember Woodrow** asked that in Mr. Morgan's judgment whether all things that should be said about the air quality concerns have been said, and questioned any gaps. Mr. Morgan said no, everything has been stated. A CEQA document is a public disclosure document and CEQA says it does not have to be perfect, and their concern from the beginning was the permitting process of the Air District for air emissions needed to be relied on, and professionally they have done everything they can to understand emissions, rely on the Air District's opinions as peer review that they are correct, as well. **Boardmember Woodrow** confirmed that Mr. Morgan would speculate that another consultant would reach similar conclusions of what is represented; however, Mr. Morgan said this relies on the very technical information provided by the Air District.

In looking at the reports, **Boardmember Woodrow** asked if someone could conclude that BAAQMD has a small number of sensors around the area of the plant, stating there is one on Golden Gate designed to sense only sulfur dioxide, one on Gertrude Street and one on 7<sup>th</sup> Street, both of which are designed to sense more than sulfur dioxide. He asked if the sample base of sensors was adequate on the basis to arrive at judgments about the quality and way pollutants leave the plant and carry out somewhere. Mr. Morgan said the sensors in place are of two types; one operated by the Air District to monitor for compliance with Bay Area air quality. Chevron being the source of sulfur in the Richmond area operates the three specialty monitors as a portion of their compliance with the permit with BAAQMD. As analysts, they must characterize the setting to establish the baseline. It is their position that the area around Chevron is adequate. They added another station to the FEIR to evaluate additional data and he believed there is a reasonable characterization of the ambient, local environment from the monitoring network currently in place. If the new project had different chemicals for which there was no basis for, they might have recommended additional monitoring be done in the future, but since this is a replacement project and will continue on, the current instruments are adequate.

**Boardmember Woodrow** confirmed with Mr. Morgan that the hand-held temporary devices were for noise and there was a map in the EIR of where ambient noise levels were taken.

**Chair Avellar** referred to the plans package, page 2.06, 2.07 and 2.08 and equipment buildings which are seen from the public's view and he asked if equipment could be screened. Mr. Thompson said these are in the process block area, is part of the process equipment and similar to a control room. Because it is in the center of the refinery, staff does not recommend or require any screening of the structure.

**Chair Avellar** referred to page 4.07 and the hydrogen plant control room, asked if this was in the public's view and if it was, could it be screened. He also questioned the roof's material. Mr. Thompson said the hydrogen plant is in the process block area and is surrounded by the refinery and will not significantly viewed by the public.

Greg Solomon, Engineer, BAAQMD, said they are still negotiating the emissions estimates with Chevron, they are not finalized yet; however, they have received assurance from Chevron that they will not hit any significance levels. **Boardmember Bloom** voiced concerns about speculation, and Mr. Thompson noted there are operating levels Chevron will need to adhere to and this is how emission levels will be addressed in them not exceeding significant levels and any changes would require further review by the City.

**Boardmember Smith** confirmed with Mr. Solomon the BAAQMD would discuss where they are currently with the project and that the project, according to their regulations does not require public comment because of its reduction in emission levels. He was not sure what to expect from the meeting but he was not sure it would have any impact on what the DRB was reviewing tonight.

**Chair Avellar** questioned whether an ad-hoc committee could meet if the Board requested suggestions to the site plan. Mr. Thompson said the Board could make a recommendation about the Bay Trail that the Planning Commission require that a Bay Trail be sited on the site and final design of the trail return to the DRB. He said the tanks do not necessarily preclude a trail and he believed there are alternatives. He said hopefully all bodies could resolve it, but most important to resolve is the safety aspects with regard to the Coast Guard, which will need to be worked out by Chevron and resolved with the Planning Commission.

**Chair Avellar** asked that to relocate or screen the tanks from the public on the south side of the freeway as much as possible through the use of landscaping.

## **EXTEND MEETING**

The Board unanimously extended the meeting to 10:30 p.m.

**Boardmember Woodrow** said he believed there was not much gain from a consultant conducting another review of the environmental aspects, as it has been done by two consultants and voiced concerns about the geotechnical aspects of the site in that there has been no modeling, critiques about the design, sea level rise, soils, and seismic information. He confirmed the tallest stack was the smoke stack off of the furnace for cleaner combustion and the other structure is the regenerator and other combustion products.

**Boardmember Bloom** said a speaker suggested that all 10-year pipes and valves be replaced and asked what Chevron's replacement process was. Mr. Solomon said the life of the piece of equipment depends on its maintenance, pressure, and replacement is not necessarily the best practice. Chevron analyzes each piping system, they have several inspectors whose full time jobs are inspection of pipes, and they monitor the pipes toward what they believe the life of it will be.

Mr. Thompson discussed conditions and said if the Board would like additional studies to be done, it can direct staff to address this. Mr. Solomon noted there are 17 pages of seismic related, hydrology and geotechnical data that concludes that in an earthquake, ground shaking could occur but significant impacts would be reduced to less than significance by compliance with applicable codes and regulations, Chevron will meet all earthquake seismic safety and building code requirements in effect.

**Chair Avellar** referred to the tallest stack and confirmed with Mr. O'Haire that it was a stack on the furnace and it would emit combustion products. **Chair Avellar** questioned why the stack had to emit products into the air and not somewhere else like underground. Mr. O'Haire said nitrogen gas, carbon dioxide and water vapor comes out into the air, for advanced greenhouse gas technologies, there may be a way to capture some CO<sub>2</sub>, transport it off and put it back into the ground where the oil came from and they will look at this when AB 32 is enacted; however, it is not too different than what is in the air already. State of the art technology is reviewed to reduce emissions and they meet requirements of the BAAQMD and do their best to minimize emissions.

**Boardmember Smith** acknowledged concerns about the time to review the EIR, felt the amount of information was overwhelming, suggested holding the item over and questioned the amount of time for citizens to respond to both documents. Director of Planning Richard Mitchell said the Board has taken public testimony on the issue, the public has had an opportunity to comment on the document as legally designated and will also have the ability to provide future public comment at the Planning Commission and City Council. The focus on this meeting is the design of the facility with the EIR as a reference document to assist the Board in evaluating Chevron's design. If comments have to do with the EIR, this would occur at the Planning Commission level.

**Boardmember Bloom** agreed in the amount of time for comment, noted a CD Rom in the packet she did not have time to view as well as two additional volumes she never even knew existed. She felt the Board has been rushed, explained to the public that if the Board recommends denial tonight, the matter goes to the Planning Commission for approval and the DRB has no opportunity to attach our conditions. The only way to assure conditions will be carried forward is for the Board to recommend approval. She suggested adding conditions for landscaping such as additional tree planting and possible planting of trees outside of the project area. She did not believe air quality would be improved based on the planting of additional trees. Regarding the problem of global warming, one would have to replant rainforest areas which are not on this continent; however, Richmond is a global community and this is something to think about, as what is being approved affects people's health all over. You get more mileage in terms of the type of trees and their oxygen production you get from a rain forest rather than any tree planted here.

**Chair Avellar** questioned if any Boardmember wanted to make a motion to continue the item or to recommend it to the Planning Commission.

**MOTION:**

It was M/S (**Woodrow/Bloom**) that the Design Review Board recommend approval of DR 1104423, the design review for the Chevron Energy and Hydrogen Project, as well as CUP number 1101974 with the Staff's four findings and recommendations to the Planning Commission, with the additional recommended conditions that:

1. That Chevron be required to undertake a geotechnical study that will influence the design of the project, and that should include a geology map of the site -- and that includes the whole site -- maps showing the physical properties and thickness of sediments, including fill ground; a map that shows the ground water surface; modeling that shows the shock effects of several earthquake scenarios, and they can get those off the ABAG site; and some commentary about the effect of sea-level rise on shock effects and ground water. The study should take up at least those things and will involve drilling, geophysical studies of the site, it may involve ground-penetrating radar, a variety of things that will be the grounding of the maps;
2. That Chevron shall provide the needed public access easement for construction and operation of a Bay Trail at no cost to the City. Chevron shall co-fund preparation of the trail documents, and trail construction design documents with cost estimates, and Chevron shall pay the incremental capital and the operating cost for the trail, which will be incurred during its operation;
3. That that the siting of the Bay Trail Option 2 will come back to the Design Review Board for review;
4. (Avellar) That the domes on the new tanks are painted darker than the white color that's shown in the presentation, darker or the same color as the domes;
5. To re-look at or increase trees for screening, if possible, around the perimeter and around tanks or wherever they can screen some of the tanks and equipment, where possible;
6. (Bloom) That an independent consultant be hired to evaluate soil and recommend substantial additional plantings, and to advise on the additional acreage which Chevron has proposed they're willing to plant;
7. (Bloom) To recommend habitat restoration plantings for additional areas of the acreage owned by Chevron, with additional suggestions to include elimination of invasive exotic plants -- "exotic" is the term used for things that aren't California natives -- from the refinery

property which includes broom, pampas grass, fennel eucalyptus;

8. (Bloom) For Chevron to replace existing Monterey pines and eucalyptus on the property which are fire attractants with more fire-resistant species to be determined by the consultant. Native Oaks would be one plant that could be included in this group;
9. (Bloom) Regarding screening, for Chevron to provide plantings of groves of trees surrounding the perimeter to include four to six species, including redwoods, in alternating groupings of varying heights and varying growth rates, to include broadleaf evergreen plants, which will do the best job of cleansing the air. Soil analysis will inform us to which are the most appropriate species given salinity in the water, wind conditions and the purpose that they're there for;
10. (Bloom) To additionally suggest and recommend that Chevron pay for groves of trees in all the counties where the wind blows any particulate from their plant so that there could be a series of groves of trees located in various areas. She believed this is a great opportunity for Chevron, to have groves of trees in various communities. This would entail working with communities beyond Richmond;
11. (Bloom) That all landscaping plans return to the DRB for final approval and if there is a merger of the DRB and the PC by that time, that the plans be reviewed by the appropriate body;
12. (Bloom) Additionally, that the establishment of a series of urban groves, which I'm suggesting need to be in these urban groves. The growth has to be monitored, irrigation systems need to be established, maintained, pruning in perpetuity, and that needs to be in the plans so that Chevron will assume the responsibility for keeping these groves going and contributing pockets of habitat and of air cleaning. She believed that between the Parks Department and the City, possible sites could be recommended. The Greenway is one obvious one in Richmond where a lot of planting is going on at the moment and there are thousands and thousands of square feet to plant there. Also, it has been suggested that the City of Richmond could qualify for the Tree City USA designation if they applied. An annual budget, I think, is something like \$200,000 a year for 10 years, and would be about 2 million, and that's again planting and maintenance costs. **Boardmember Woodrow** questioned if this was a condition, and **Boardmember Bloom** said yes, it is a condition; I was instructed to put out all of my ideas and (they) can do with them as they like. **Boardmember Smith** indicated he would not vote for Chevron putting trees outside of Richmond and said he was not looking out for anybody else but Richmond. **Boardmember Bloom** said she could consider taking it out, but in looking at the whole picture and seriously addressing the problem of global warming which we are all contributing to, if you're really dealing with global warming in terms of planting, she wanted to form it as a condition to seriously address the problem of global warming. In fact, one would need to adopt the replanting of rainforest areas which are not, even on this continent. But, in fact, we are a global community – she has received several e-mails from people about this and wanted this included, and it's something to think about. If it gets rejected, that's fine. But people need to realize what we're doing here definitely impacts what happens to people healthwise all over the place. And the fact is, botanically, you get more bang for the buck and more mileage out of the kinds of trees, the kind of oxygen production you get in a rainforest than you do out of any tree we could ever plant here.
13. (Avellar) That Chevron be required to remove all of the retired stacks;
14. (Woodrow) That Chevron be required to assess again solar and wind energy, not to account for all of their needs, but to offset some of it. He said he did not know whether wind would work -- or solar would, but Chevron could offset some of its needs that way. **Boardmember Bloom** noted that Chevron has a wonderful solar project at one of the community colleges.
15. (Bloom) That the applicant form a committee which would include perhaps City people,

definitely community people, to figure out two plans, two programs to directly address concerns expressed by the people who live in the City, and one of these could be related to children's health, whether it's screening, education, nutrition or whatever. One could be in that area. One could be in job training, perhaps connected to all these people who are going to be released from jail now who are going to need something to do.

## EXTEND MEETING

**ACTION: It was M/S (Woodrow/Bloom) to extend the meeting for 15 more minutes, to 10:45 p.m.; unanimously approved.**

(Condition 15-continued)...

**Boardmember Bloom** said she would like to see in place a committee with some commitment on the part of Chevron to respond to the way the community words its concerns. It seems like a no-brainer budgetwise for Chevron to indicate that it takes very seriously what these people's concerns are and to take it from there. **Boardmember Smith** questioned if Chevron already had something like this in place, and Mr. O'Haire said they have, I think, in terms of the job training programs and things like that, we're rather sophisticated with. We've had an operator training program at the high school for probably 20 or 30 years. We also do some maintenance training there. We do, again, the welding training programs. We've had a community advisory panel, and that panel voted itself out of existence several years ago. We've tried to go out to the neighborhood councils on a basis of invitation as well as sometimes going out when we have something to talk about and presenting information to them.

**Boardmember Bloom** questioned if Chevron would be amenable to a proposal put together by some people who live in the community who would say, "We want this for our kids" or whatever, something that responds directly to how they're seeing it? Which is a different group of people than voted themselves out. Mr. O'Hare said he was open to all of that and said again, they have a rather sizeable community engagement investment that they make, and Jim Brumfield handles that. And they look at a variety of things and from a variety of various programs and this may fit well with something like that.

**Boardmember Smith** questioned why Chevron does not do what it used to do, which is have people that sit on every board and commission in town. He said they used to have someone sitting on every one of these nonprofits, some with accounting background from your accounting department to teach people how to manage their money. He said Chevron stopped being involved, it does not do what it used to, it got greedy and forgot about this community. No one in town can tell you who the plant manager is today, and once Chevron started making money it forgot about us. He believed that all Chevron has done is taken out of this community and tried to screw Richmond every time it got a chance, and he is getting to the place where he does not like Chevron anymore. Mr. O'Hare said he did not have the history Boardmember Smith has in Richmond and said he looks forward to hearing more about what Chevron could do.

**VOTE:** The Design Review Board voted unanimously on the motion.

## BOARD BUSINESS

### 2. Reports of Officers, Board Members, and Staff

- a. Vote and Elect New Design Review Board Officers – Not discussed.

**Public Forum - Brown Act - None**

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The Board adjourned the meeting at 10:45 p.m.