

**RESOLUTION NO. 2019-05**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LA HABRA HEIGHTS RECOMMENDING TO THE CITY COUNCIL APPROVAL OF AN ORDINANCE APPROVING A SETTLEMENT AGREEMENT WITH MATRIX OIL RELATING TO REDRILLING OF EXISTING WELLS WITH MODIFICATIONS**

**WHEREAS**, the City of La Habra Heights has noticed the public hearing for the proposed Code Amendment as required by Government Code Section 65090; and

**WHEREAS**, on October 29, 2019, the Planning Commission conducted a duly noticed public hearing to consider the proposed Ordinance approving a Settlement Agreement with Matrix Oil relating to redrilling existing wells; and

**WHEREAS**, the proposed Ordinance and Settlement Agreement with Matrix Oil will establish procedures and protocols for redrilling wells to ensure that the redrilling is performed consistent with community standards in a rural residential environment; and

**WHEREAS**, the proposed Ordinance and Settlement Agreement is consistent with and in furtherance of the policies of the City the General Plan pertaining to resource production, including, but not limited to, General Plan Land Use Element Policies 28 and 29. This Agreement will facilitate depletion of hydrocarbon resources within a Resource Production zone so that the Sansinena Sites and Sansinena Wells may eventually be abandoned, remediated, and re-used as set forth in the General Plan; and

**WHEREAS**, pursuant to Title 14, California Code of Regulations, Section 15367, the City of La Habra Heights ("City") is Lead Agency for purposes of the Settlement Agreement; and

**WHEREAS**, the City has reviewed the proposed Settlement Agreement and has determined that it is categorically exempt from environment review under the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines, sections 15301 (Existing Facilities), 15302(Class 2: Replacement or Reconstruction), and 15061(b)(3) (Common Sense Exemption); and

**WHEREAS**, the City has determined that none of the exceptions to the categorical exemptions outlined in Title 14, California Code of Regulations Section 15300.2 applies to the Settlement Agreement; and

**WHEREAS**, the forgoing exemptions are each sufficient to independently exempt the whole action from CEQA; and

**NOW, THEREFORE, BE IT RESOLVED** by the Planning Commission of the City of La Habra Heights as follows:

**Section 1. Recommended Ordinance Adoption with Modifications.** Based on the foregoing recitals and findings, the Planning Commission hereby recommends to City Council, approval and adoption of the proposed Ordinance No 2019-05, attached hereto as Exhibit "A", approving a Settlement Agreement with Matrix Oil relating to redrilling of existing wells, with the following modifications:

1. Revise Section 11.7 to add that City reserves the right to pay the insurance premium and obtain reimbursement, including by lien.
2. Include a provision for Matrix/RMX to notify the community if there is an emergency event.
3. Include a provision stating that appeal hearings should be accessible to the public.
4. Add a provision that contaminated soil not be brought into the City for treatment and contaminated soil from any future event be removed from the City as soon as possible.
5. Increase the liquidated damages amount.
6. Include consideration that is a fixed payment based on trucks traveling within the City.
7. Agree to meet and confer prior to the expiration of the 20 year term.
8. If Site 9 is annexed, the parties agree to come together to decide whether to extend the agreement to Site 9.

**Section 2. Findings.** The above recitals are hereby adopted by the Planning Commission as true and correct and are hereby incorporated as set forth in this section. Based on its independent review and consideration, the proposed Ordinance and Settlement Agreement establishes procedures and protocols to ensure that the redrilling is performed consistent with community standards in a rural residential environment. As such, the Settlement Agreement will not adversely affect surrounding properties, and is consistent with and in conformance with the City's General Plan.

**Section 3. Certification.** The Planning Commission Chair shall sign and the Secretary shall attest to the adoption of Resolution No. 2019-05.


**Section 4. Effective Date.** This Resolution shall become effective immediately upon its adoption.

**APPROVED AND ADOPTED** this 29<sup>th</sup> day of October 2019, by the Planning Commission of the City of La Habra Heights, California by the following roll call vote:

**AYES:** COMMISSIONERS: Blagden, Klein, Smith, and Thomas  
**NOES:** COMMISSIONERS: None  
**ABSENT:** COMMISSIONERS: Steffire  
**ABSTAIN:** COMMISSIONERS: None

  
Fred Klein, Vice-Chairman

APPROVED AS TO FORM:

  
Michael Maurer, City Attorney

**CERTIFICATE OF ATTESTATION AND ORIGINALITY**

I, Rafferty Wooldridge, Secretary do hereby attest to and certify that the foregoing Resolution is a true and correct copy of Resolution No. 2019-05 as approved and adopted at a regular meeting of the Planning Commission of the City of La Habra Heights held on the 29<sup>th</sup> day of October, 2019.

ATTEST:

  
Rafferty Wooldridge, Secretary

11/7/2019  
Date