

Fallout from judge's ruling on Whittier oil project could include a council recall

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The devastating court ruling that swallowed up the Whittier oil drilling project could claim another victim: the Whittier City Council.

One day after the release of the judge's decision that blocked the oil and gas drilling project, a local opposition group announced it is considering a recall of the City Council.

"I've pulled the paperwork today. I've been studying it all day," said Craig Lebow, vice president of the Whittier Hills Oil Watch (WHOW) on Friday. "I am looking at the process."

The group said the city went about the oil project in a manner that blindly ignored the pitfalls, putting the city in a tenuous financial position should the project fail. It is worried a plaintiff, the Mountains Recreation Conservation Authority, may sue the city for damages. And if the project does not go forward, the group says the city has exposed itself to a potential lawsuit from its partners, Matrix Oil Corp. and Clayton Williams Energy, Inc.

Matrix Oil has not responded to several emailed requests for comment. Its attorney, Jordan Porter, did not return phone calls left at his Santa Barbara office. Neither party has commented on a potential lawsuit.

Whatever may happen, opponents see this as an opportunity to change what they call "the old guard" at City Hall.

"I think that the citizens of Whittier need a platform to voice their opposition to what the City Council has done -- unilaterally moving forward on a project that was not carefully planned," Lebow said of a recall campaign. The next City Council election is in April.

The reaction from some members of the City Council was swift.

"This sounds like bully tactics," said Councilman Joe Vinatieri, about the threat of recall from WHOW.

Los Angeles Superior Court Judge James C. Chalfant ruled the city breached a contract with the Los Angeles County Regional Park and Open Space District by approving a project that involved drilling on 7 acres of a 960-acre piece of land sold by Chevron Oil to the city with the stipulation it remain as open space. The judge said the city needed to first get the approval of the county for other uses, something it failed to do.

Chalfant also ruled the city was in violation of Proposition A, a 1992 measure approved by 64 percent of county voters that raised money used to buy the preserve. The judge granted MRCA's petition saying the city was "in violation of the public trust" because oil and gas extraction in a nature preserve bought with public money goes against the intent of the voters.

While the WHOW group says the city went willy-nilly into the abyss of a project opposed by the county, MRCA and even the state Attorney General who was representing the Santa Monica Mountains

Conservancy, a co-plaintiff and the parent to the MRCA, others say the city was acting responsibly.

With car dealerships along Whittier Boulevard falling like dominoes during the Great Recession, the city's coffers shrunk. Using oil revenues from Matrix drilling as much as 60 wells in the Whittier Hills would reap as much as \$115 million in city royalties every year for decades, creating a more stable financial ground.

Why someone would want to stop a project with such a capacity to help pay for city services "boggles the mind," said City Councilman Fernando Dutra.

"It's unfortunate they have chosen to threaten a recall. That seems like a divisive measure. How is that going to unite the city?" Dutra said Friday in an interview. "I think we acted in good faith to secure the financial future of the city. If we would have won, the entire city would have won."

Now, the project is spinning out of the City Council's control.

The judge ruled the project needs the consent of the county's open space district, which is governed by the five Los Angeles County Supervisors.

First District Supervisor Gloria Molina said Friday she will vote against drilling in a nature preserve paid for by county taxpayers.

"My preference is no drilling in open space," Molina said. "We have open space in the Santa Monica Mountains and in every one of our (supervisory) districts there are huge open space areas. If we were to permit oil drilling in the Whittier Hills, why not the Baldwin Hills? Santa Monica Mountains?" she asked rhetorically.

She said the MRCA and the county counsel will be working together with the court on a final judgment to protect these and other open lands in the county from oil drilling or other uses that will threaten habitat and wildlife.

When asked about the city's arguments to work around the county after a project statute of limitations is up in June 2015, she said: "This was a poor step by the City Council in trying to maneuver as they did on this open space. They are continuing to bend the rules. This is open space forever."

Mayor Bob Henderson said the City Council could vote to appeal the judge's ruling, but no decision has been made.

"That might motivate us even more," Lebow said.

Staff Writer Peter Fullam contributed to this article.