

*Please place on next council agenda
as soon as possible from the public
Thank You*

January 30, 2006

The city council approved the language of the lease agreement with a 3 to 2 vote on October 8, 1991 with Creighton and Midstokke dissenting. Midstokke noted conditions on the C. U. P. had not been completed and stated the C. U. P. should be completed before the language of a lease is agreed to. Creighton concurred with Midstokke statement in his dissent.

The C. U. P. was past with 140 conditions left to be completed by the Edgerton Council in Resolution No. 93-5632. Actually the C. U. P. was never past because the 140 conditions were never completely resolved.

Was it always the developer's responsibility to complete all studies, and pay for them, to acquire a C. U. P.?

Signing of the 2nd lease that usurped the 1st lease was done by the Edgerton Council eleven months prior to the Edgerton Council approving a C. U. P. with 140 conditions. Midstokke voted no on the C. U. P. that contained the 140 conditions stating the city should only approve a completed C. U. P. that is completed by the developer.

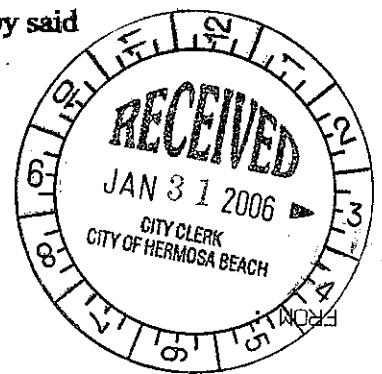
Proposition E was adopted in November 1995. There has never been a completed C. U. P. approved by a city council vote, only one with 140 conditions that have never been completely resolved.

Players in the Hydrocarbon recovery program, who have been involved since the start, is the developer and the Hermosa Beach tax payers. Edgerton was in office when the 2nd lease was signed in 1992. Edgerton was in office when Proposition E past at the ballot box. Edgerton was in office when the C. U. P. with 140 conditions was approved.

A review of council action on the issue of hydrocarbon recovery:

1. Language for 2nd lease was approved in 1991
2. Lease signed in 1992 by Edgerton council
3. C. U. P. approved with 140 conditions on 8/12/93 by Edgerton Council
4. Proposition E passes in 1995 during Edgerton Council

Did the city council hire a consultant to review the hydrocarbon recovery development in Hermosa Beach for the purpose of completing the C. U. P. by providing answers to many items including health and safety? Did Edgerton execute some of the sharpest cross examination ever witnessed, bringing forth from the consultant the fact that unimaginable high risks and deadly dangers of said hydrocarbon recovery development in Hermosa Beach exist? Was it because of the stated dangers to life and limb presented by said



hydrocarbon recovery that caused the city council vote to stop the development? Was the stop vote mandated by the cities police powers?

Could the developer have avoided the disastrous situation the hydrocarbon recovery project carried by stating the conditions? Could the developer have gotten a development agreement to protect himself from a change in the law? Did the developer complete the C. U. P. by addressing the 140 conditions of the C. U. P.?

Was the signing of the lease in 1992 by the Edgerton council illegal because it was done without a completed C. U. P.? Would a completed C. U. P. have shown the deadly obstacles of said hydrocarbon recovery?

DiMonda, Bates, Brown, and Associates received \$250,000 in legal fees by winning oil number one that was opposed by the developer, city council, and their respective legal council. Why wasn't DiMonda's offer to help with the 2nd oil suit accepted?

Why isn't DiMonda being asked to pull the city out of what may develop to a multi million dollar sink hole the city council might be viewed as appearing to be driving the city into?

Is the city council allowing tortured thinking to prevent the city council from recognizing and seeking help from those who have shown them to be wrongheaded?

Creighton

