



October 15, 2012

Dear Neighbor:

My name is Tom Bakaly, and I am the new City Manager for Hermosa Beach. My family and I are very happy to be back in Southern California, and to live in and be part of the Hermosa Beach community. Since I arrived here in September, I have been learning a lot about the oil production project E&B Natural Resources Management Corp. (E&B) is proposing for the City's maintenance yard at 6th Street and Valley Drive. In the weeks ahead, you likely will be reading and hearing more about it as well.

As you may recall, this proposal resulted from a settlement the City entered into earlier this year to end a 14-year legal dispute over another proposed oil production project. With E&B moving closer to filing its application for the proposed project later this month, I am writing to underscore the City's role and procedures in reviewing the proposal, as well as the vital role you will have in this process.

At a Future Election, Hermosa Beach Voters Will Decide if the Proposed Project Moves Forward

As part of the settlement, Hermosa Beach voters will decide if the City-wide ban on oil drilling should be modified to permit E&B's proposed project to move forward. That election will be no earlier than the spring of 2014. The City's first course of action will be the preparation of an Environmental Impact Report (EIR). The EIR will help you, our residents, in reaching your decision.

The City also will commission other studies to address socioeconomic effects of the project, as well as the potential benefits, in order to help voters assess the project's broad ramifications. We will provide more information about the scope and process for these studies, as well the many opportunities for your input, in the months ahead.

The City's Environmental Review of the Proposed Project Will Be Thorough and Transparent

As the lead agency for the EIR under the California Environmental Quality Act (CEQA), the City is committed to conducting a thorough and transparent EIR process that will fully disclose and address environmental effects that might result from the proposed project.

Before the environmental process begins, the City will review the project application to ensure it provides enough information to commence the EIR process. The City will then solicit "Requests for Proposals" for a qualified EIR consultant to help prepare this pivotal document. Although the EIR will necessarily address technical issues, we hope to make it as user-friendly as possible for the public.

The City Encourages Public Input about the Proposed Project

After hiring a consultant, and before the EIR’s impacts assessment begins, the City will ask for your help in identifying the range of environmental issues to be addressed. During this initial stage of the process, the City will hold one or more public “scoping” meetings and provide other opportunities for you (and relevant public agencies) to share thoughts on issues the EIR should analyze.

The process of preparing the EIR will include several defined opportunities for public interaction. I encourage you to become involved and to make an effort to remain involved throughout this lengthy process.

The City Will Keep You Updated about the Environmental Review

The City has created a dedicated web page about the proposed project to keep you updated about the environmental review. You may visit the web page by clicking on the link, “Hermosa Beach Proposed Oil Production Project” on the City’s website, www.hermosabch.org. Or you can sign up to receive “eNotifications” by clicking on the link, “eNewsletter sign up” on the left side of the City’s home page.

For any additional information, please feel free to contact Ken Robertson, Hermosa Beach Community Development Director, by calling 310-318-0242 or by emailing him at krobertson@hermosabch.org.

Sincerely,

Handwritten signature of Tom Bakaly, consisting of stylized initials 'TB' followed by a more complex signature.

Tom Bakaly
City Manager