

## **Appendix L**

### **1993 Conditional Use Permit**



1 RESOLUTION NO. 93-5632

2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH,  
3 CALIFORNIA, APPROVING A CONDITIONAL USE PERMIT FOR OIL  
4 DEVELOPMENT AT THE CITY MAINTENANCE YARD, 555 6TH STREET, AND  
5 CONSTRUCTION OF AN OIL PIPELINE ALONG VALLEY DRIVE FROM SIXTH  
6 STREET SOUTH TO HERONDO STREET (SUPERCEDES CITY COUNCIL  
7 RESOLUTION NO. 93-5621)

8 WHEREAS, on May 8, 1990, the City Council certified an  
9 Environmental Impact Report (EIR) and adopted a Statement of  
10 Overriding Considerations for the project, thereby complying with  
11 the requirements of the California Environmental Quality Act in  
12 review of this project;

13 WHEREAS, the City Council has reviewed and considered the  
14 information contained in the final EIR for the project;

15 WHEREAS, the City Council held a public hearing on July 13,  
16 1993, to consider the recommendation of the Planning Commission  
17 and to receive oral and written testimony regarding this matter  
18 and again held a public meeting on August 10, 1993, to consider  
19 the Planning Commission response and recommendation to  
20 modifications and made the following findings:

- 21 A. The site is zoned M-1 and is suitable for the type and  
22 density of the proposed development;
- 23 B. Design of the proposed project is compatible and consistent  
24 with applicable elements of the City's General Plan, the  
25 zoning ordinance, and the Oil Code, and implements the  
26 mitigations measures, where applicable, as set forth in the  
27 Certified EIR;
- 28 C. An Environmental Impact Report has been adopted and certified  
by the City and the proposed project with the incorporation  
of mitigating conditions below, which include the approved

1 mitigation measures contained in the EIR, will eliminate or  
2 reduce identified environmental impacts to an acceptable  
3 level;

4 D. Any remaining unavoidable adverse environmental impacts are  
5 overridden by the benefits of the project as set forth in the  
6 adopted Statement of Overriding Considerations;

7 E. The City Council has reviewed and considered the information  
8 contained in the Addenda with the Final EIR to the project  
9 prior to making its decision on the project;

10 NOW, THEREFORE, BE IT RESOLVED that the City Council of the  
11 City of Hermosa Beach, California, does hereby approve an oil  
12 development project and the construction of an oil pipeline,  
13 subject to the following conditions:

14 **SECTION 1. GENERAL**

- 15 1. The testing phase for all production shall be a maximum of  
16 one year from the date drilling is initiated.
- 17 2. If the project cannot comply with operation standards  
18 established by these conditions of approval, after two  
19 warnings the operation shall be subject to fines and/or shut  
20 down through permit revocation by the City, except in regard  
21 to noise, if it is determined that a diligent effort is being  
22 made, and a plan has been provided, reviewed and approved by  
23 the City Council
- 24 3. A minimum of one annual site audit shall take place to  
25 inspect for soil contamination as a result of accidental  
26 spills in any areas not paved and exposed. Auditor shall be  
27 hired by City.
- 28 4. The maximum number of days the workover rigs or any other rig  
that is to be used on-site shall be 90 days per year, and  
shall be operated weekdays 8:00 A.M. to 6:00 P.M. excluding  
holidays.
5. In the event that a residence with solar panels is affected  
by shading, a site specific study paid for by the oil  
contractor shall be conducted to determine economic impact.
6. Pursuant to Assembly Bill 3180 the operation shall be  
monitored for all conditions of the approval of which the  
City has responsibility which includes (but not limited to)  
noise monitoring and inspection of the site for proper  
maintenance.

- 1 7. The proposed plans shall be submitted to the division of oil  
and gas for their review and recommendation;
- 2 a. Any recommendation by the Division shall be taken into  
3 consideration prior to approval, and may be included as  
conditions of approval.
- 4 8. Drill cuttings and other wastes, shall be collected in above  
5 ground containers and disposed of at an approved disposal  
6 site. Receipts for all disposal of waste product shall be  
provided within ten (10) days of disposal to the Public Works  
Director.
- 7 9. All requirements, standards, conditions stated within the Oil  
8 Production Code, Chapter 21-A, of the City's Municipal Code  
9 shall be met, unless more restrictive requirements are  
imposed through mitigation measures; where it cannot be  
10 clearly determined whether the City's Oil Ordinance, Chapter  
21-A or mitigation measures are more stringent, the  
appropriate City staff shall make a determination; appealable  
11 to the City Council.
- 12 10. Three (3) copies of final building plans including site,  
13 elevation, and floor plans shall be submitted for review and  
approval by the Planning Director prior to the issuance of  
any Building Permit.
- 14 11. The proposed development shall be in substantial conformance  
15 with submitted plans. Any minor modification shall be  
reviewed and may be approved by the Planning Director.
- 16 12. All wells must be drilled and completed within 55 months from  
17 the start of drilling of the first exploratory well in  
accordance with the following schedule:

18	EXPLORATION AND TEST PHASE	12 MONTHS
	(exploratory drilling, production testing)	
19	CONSTRUCTION PHASE	9 MONTHS
	(Permanent facility construction)	
20	DRILLING PHASE	34 MONTHS
	(Development Drilling, 1 month per well)	

21 If the Drilling Contractor is delayed at any time in the  
22 progress of work by any act or neglect of the City of Hermosa  
23 Beach or any other governmental body having authority over  
24 this project, or by labor disputes, adverse weather  
25 conditions, by law, war, riots, strikes, unavoidable  
26 casualties, unusual delays in receiving materials or  
equipment or by an act of God, or causes beyond the control  
of the Drilling Contractor, when justified, the time periods  
may be extended a reasonable time to correspond with the  
delay incurred by the Drilling Contractor.

1 **SECTION 2. LAND USE DEVELOPMENT**

- 2 1. The maximum size for any storage tank of any type shall be  
3 forty feet in diameter and sixteen feet in height,  
4 appurtenances not included.
- 5 2. Prior to construction and prior to obtaining building permits  
6 for oil production, a complete soil analysis shall be  
7 performed and approved by all applicable governing agencies  
8 having jurisdiction over the project.
- 9 3. Not more than five tanks shall be installed, and shall be  
10 submerged in a concrete basin which contains 10% above the  
11 volume required by the State Division of Oil and Gas and the  
12 Uniform Fire Code which is as follows: The volumetric  
13 capacity of the diked area shall not be less than the  
14 greatest amount of liquid that can be released from the  
15 largest tank within the diked area. The capacity of the diked  
16 areas enclosing more than one tank shall be calculated by  
17 deducting the volume of the tanks other than the largest tank  
18 below the height of the dike.
- 19 4. All wells shall be drilled and cemented in accordance with  
20 State Division of Oil and Gas regulations to protect  
21 underground aquifers.
- 22 5. Except for the drill rig and drawworks, no equipment or  
23 appurtenant structures shall exceed 16 feet in height from  
24 grade as defined by the Oil Code.
- 25 6. The electrical service systems shall be designed with  
26 sufficient capacity to minimize surging impacts.
- 27 7. The well cellars shall be concrete lined and shall be  
28 designed to hold contaminated run-off from on-site sources;  
or a sump shall be provided.
8. Solid state control console linked to a control system to  
perform energy conservation functions such as start/stop time  
programming of motor equipment, data logging of energy  
consumption and maintenance and service scheduling shall be  
provided.
- a. All Electrical machinery where possible shall have a  
minimum coefficient of efficiency of 0.75.
9. Parking shall be provided on the site consistent with the  
submitted parking plan to provide adequate parking facilities  
for all workers involved in oil recovery operations,  
including exploratory and production phases.
10. All studies, reports, plans and analysis required by any  
section of this C.U.P. or required by law shall be submitted  
to and approved by the City prior to the issuance of any  
permit for commencing any work, including site preparation.  
An up-front deposit of \$10,000 in addition to any required

1 plan check fees shall be submitted at the time of submitting  
2 such studies, reports, plans or analysis for the City to draw  
3 upon to cover the City's cost of hiring the appropriate  
4 expert or specialist, if necessary, to review these  
5 submittals for adequacy. Any amount of the deposit not used  
6 would be returned to the permittee, and any additional costs  
7 the City spends over \$10,000 shall be reimbursed by the  
8 permittee.

5 **SECTION 3. PUBLIC SAFETY**

- 6 1. The site shall be enclosed by a solid masonry or concrete  
7 wall with solid gates during all operations, protecting both  
8 against public entry, observation and attraction. A chain  
9 link fence to provide security is acceptable only through the  
10 exploratory phase.
- 11 2. Security personnel shall be employed at all times during the  
12 drilling stage (24 hours) and emergency phone numbers shall  
13 be posted during production Phase II
- 14 3. Signs warning of unauthorized entry and safety hazards shall  
15 be posted on all sides.
- 16 4. Access to facilities shall be limited to authorized personnel  
17 only.
- 18 5. Trees shall be maintained at a distance from all walls to  
19 prohibit children and others from unauthorized entry.
- 20 6. All site personnel shall be instructed on required safety  
21 procedures if hydrogen sulfide concentrations are  
22 encountered. Documentation of training and instruction shall  
23 be made available to the City Personnel Director.
- 24 7. Both solid and liquid wastes shall be sampled and tested to  
25 determine if it needs to be treated as a hazardous waste.
- 26 8. An Oil Spill Prevention Control Countermeasures (SPCC) Plan  
27 and an Oil Drilling Contingency Plan will be prepared for the  
28 project and approved by the State Division of Oil and Gas,  
and the City of Hermosa Beach Fire and Building and Safety  
Departments.
9. Drillsite and production facilities shall be constructed in  
accordance with the State seismic standards, and designed in  
accordance with U.B.C. seismic requirements for hazardous  
facilities.
10. A soils engineering report and engineering geology report  
prepared by a licensed geologist and engineer shall be  
prepared and reviewed in conjunction with the plans for all  
physical improvements. Said report shall address potential  
seismic hazards, such as liquefaction, due to soils or  
geologic conditions. All recommendations contained in said  
reports shall be incorporated in the construction documents.

- 1 11. An emergency response plan, including a blowout prevention  
2 and control plan, shall be prepared for review and approval  
3 by the Division of Oil and Gas and the Hermosa Beach Fire  
4 Department.
- 5 12. When a leak or spill occurs, it shall be contained, the fluid  
6 shall be recovered and the area restored to its original  
7 condition.

8 **SECTION 4. FIRE SAFETY**

- 9 1. Adequate fire detection and fighting equipment and supplies,  
10 approved by the Fire Department, shall be maintained on the  
11 drillsite and tank production facility at all times.
- 12 2. A supplementary analysis by a professional consultant shall  
13 be provided detailing any necessary improvements the Fire  
14 Department may need to prevent, and to halt oil related fires  
15 and shall also include the following: public notification,  
16 warning and evacuation plan.
- 17 3. Oil sumps, drip pans, etc. shall be cleaned at regular  
18 intervals to reduce fire hazards and prevent minor spills.
- 19 4. Oily rags, paper and miscellaneous waste shall be disposed of  
20 in an appropriate manner to reduce fire hazards.
- 21 5. Signs warning of flammable fluids and prohibiting smoking  
22 shall be installed where appropriate.
- 23 6. The drillsite and production facility shall be protected by  
24 automatic fire detection sensors and suppression systems.  
25 The fire supression systems shall include a tank-cooling  
26 sprinkler system.
- 27 7. Drilling operations shall be conducted in accordance with  
28 appropriate Division of Oil and Gas regulations and shall  
utilize all required blowout prevention equipment and safety  
devices.
- 8. Fire flows to service the operation shall meet Fire  
Department requirements.
- 9. All equipment necessary to contain an oil fire or blowout  
shall be provided and/or maintained on site and all fire  
personnel shall be trained on its use.

**SECTION 5. SUBSIDENCE**

- 1. Analysis shall be reviewed by an independent reservoir  
engineer hired by the City of Hermosa Beach and paid for by  
the oil driller.
- 2. The engineer's focus shall deal with the issue of settlement  
of land within the limits of the oil field and area outside  
the limit of the oil field and as a result of the driller's  
operation.

- 1 3. The engineer shall determine and submit a plan showing the  
2 potential zone of influence for all soil settlement.  
Settlement readings shall be measured to 0.01 feet at any  
control point.
- 3 4. The adjacent area shall be surveyed a minimum of 1,000 feet  
4 from the zone of influence boundary as determined above. To  
5 determine the existing ground surface elevations, an  
elevation control survey shall be done before the drilling  
begins and shall be used as a base of reference.
- 6 5. The operator shall prepare a plan outlining the method to  
7 monitor subsidence as well as any corrective measures for  
8 settlements in excess of 0.10 feet. The plan shall be  
approved by and independent engineer and approved by the  
Director of Public works.
- 9 6. There shall be an annual elevation survey for the project  
10 area to monitor and evaluate any potential settlement. If  
11 the survey data indicates subsidence, then the driller shall  
12 take such action as provided in the subsidence control plan  
as approved by the Director of Public Works, which shall  
include a program for more frequent monitoring, and shall  
include monitoring subsidence along the pipeline route.

13 **SECTION 6. VEHICLE TRAFFIC AND CIRCULATION ON AND OFF SITE**

- 14 1. All truck deliveries shall be limited to daylight hours (9:00  
15 AM - 3:00 PM), Monday through Friday, except for an emergency  
16 situation, as defined by this C.U.P. and reported to the City  
in accordance with the notification requirement, which have  
been reported to the Director of Public Works in advance of  
the delivery.
- 17 2. Operation of earthmoving equipment shall be limited to  
18 daytime hours between 8 AM and 6 PM.
- 19 3. Equipment deliveries shall be made only during daytime hours  
20 between 9 AM and 3 PM.
- 21 4. Project related truck travel shall be restricted to specific  
22 truck routes and access points as approved by the Public  
Works Department.
- 23 5. Signs shall be installed to direct detour traffic as approved  
by the Public Works Director.
- 24 6. The number of truck trips shall be limited to a maximum of 18  
25 round trips per day, except in an emergency, as defined by  
this C.U.P. and reported to the City in accordance with the  
notification requirement.
- 26 7. Maintenance Yard site access shall be designed to enable  
27 trucks to turn into the site without inhibiting traffic  
28 movement on Valley Drive or Sixth Street.

1 8. Minor curb radii reconstruction shall be done by the operator  
2 as determined by the City Public Works depending on the  
length and necessary turning radii for project related  
trucks.

3 9. Area residents shall be notified of pipeline construction  
4 prior to commencement. Signs shall be installed to direct  
detour traffic.

5 10. All trucks arriving or departing the drill site shall be  
6 washed to prevent spillage of earth and all routes shall be  
swept and/or washed by the driller as required by the City.

7 11. An evaluation of the structural condition of the existing  
8 pavement shall be performed by a soils engineer on all access  
streets and the proposed truck routes prior to commencing any  
9 site preparation or construction and prior to the issuance of  
any necessary permits. The evaluation shall include as a  
10 minimum:

11 a) the number, type, size and weight of trucks for export of  
materials or product,

12 b) the number, type, size and weight of truck deliveries of  
13 building supplies, drilling supplies etc.,

14 c) the number, type, size and weight of equipment  
transported to the site,

15 d) other associated transportation items,

16 e) other anticipated loading.

17 The evaluation shall contain recommendations as to actions  
18 required to maintain said streets and routes in their current  
condition throughout the planned development phase, planned  
19 production phase, and in the close out phase.

20 12. The operator shall perform the actions on the existing  
pavement as recommended by the soils or highway engineer, the  
operator will hire a licensed contractor and provide street  
21 profiles, drawings, and engineering to the satisfaction of  
the Public Works Department prior to work commencing.

22 13. The City Council may restrict the use of certain street,  
23 alleys, or roadways in connection with the permittee's  
operations. In the event any street, alley or roadway is  
24 damaged by the permittee's operations, such damages shall be  
paid for by the permittee upon demand by the City, and the  
25 failure to pay such damages, being the reasonable cost of the  
repair of any such damaged portions, shall be grounds for the  
26 revocation of the permit and the collection of such damages.

27 **SECTION 7. SANITARY SEWER**

28 1. Use of the sanitary sewer is prohibited, except for the  
minimal use associated with the office and restroom

1 facilities. Any water from oil production shall be disposed  
2 in the five disposal wells.

3 **SECTION 8. NOISE/VIBRATION**

4 1. The entire drilling operation shall be equipped with  
5 acoustical treatment for noise to be within the standards set  
6 forth in the City's Oil Ordinance.

7 a. A sound attenuation wall of 30-feet in height shall be  
8 provided along the perimeter of site as shown on plans  
9 during oil drilling phases.

10 2. Heavy/large reciprocating equipment shall be mounted on  
11 vibration isolators.

12 3. Pumping units shall be maintained to eliminate noise from  
13 worn parts.

14 4. The drilling rig shall be acoustically wrapped and/or paneled  
15 including the ancillary and support equipment to meet the  
16 requirements of the noise ordinance.

17 5. Tripping will be restricted to daylight hours only.

18 6. Loudspeaker paging systems shall be prohibited.

19 7. Well workover rigs or any other rig that is used shall be  
20 operated only between the hours of 8:00 A.M. and 6:00 P.M.  
21 during daytime weekday hours only, excluding holidays, except  
22 in an emergency, as defined by this C.U.P. and reported to  
23 the City in accordance with the notification requirement.  
24 The exhaust and intake of the diesel engine (if used on the  
25 workover rig) shall be muffled to reduce noise to an  
26 acceptable limit. The operator shall use whatever means  
27 necessary, including but not limited to, enclosing the diesel  
28 engine and rig in acoustic blankets or housing.

8. All oil maintenance equipment, vehicles and non-electrical  
motors shall be equipped with manufacturer approved mufflers  
or housed in a sound-proofing device.

9. Noise monitoring shall be conducted under the supervision of  
an independent certified acoustical engineer paid for by the  
permittee. Reports shall be submitted to the Planning  
Director within three working days after the completion of  
each phase of the monitoring. The monitoring shall include  
the following:

a. Pre-drilling phase monitoring. Prior to the start of the  
drilling phase, noise measurements shall be obtained  
during the operation of the specific drilling rig which  
has been selected and the measurements shall be related  
to those experienced at the the nearest residential  
boundaries to the drilling site. In addition, the noise  
control measures which have been (or will be) applied to

1 the rig as needed for compliance with the City of Hermosa  
2 Beach noise ordinances shall be identified.

3 b. Start of Drilling. Noise measurements shall be obtained  
4 during the nighttime hours (10:00 P.M. to 7:00 A.M) for  
5 at least six hours on each of the three nights within the  
6 five day period from the start of the drilling phase.  
7 Monitoring is to occur at the nearest residential  
8 boundary to the actual drilling operation.

9 c. During the drilling phase. Noise monitoring shall occur  
10 during a six-hour period between the hours from 10:00  
11 P.M. to 7:00 A.M. at least once each month during the  
12 drilling phase of the project. The noise level data  
13 obtained shall be compared to the City of Hermosa Beach  
14 Noise Ordinance standards by the Planning Department.  
15 Where an exceedence of the standards is identified, noise  
16 control measures shall be required.

17 d. Production phase. Noise measurements shall be obtained  
18 during a six-hour period between the hours from 10:00  
19 P.M. to 7:00 A.M. at least once each year during the  
20 production and completion phase.

#### 21 SECTION 9. LANDSCAPING

22 1. A Detailed Landscape Plan for Phase I (exploratory and  
23 testing) and Phase II, indicating the type, size and quantity  
24 of plant materials shall be submitted to the Planning  
25 Director for review and approval, and it shall be consistent  
26 with the conceptual landscape plan reviewed by the Planning  
27 Commission, and shall comply with Section 21A-2.9 of the Oil  
28 Code.

1 During Phase I, test facility, landscaping consisting of 24"  
2 box, or larger size trees may be installed without permanent  
3 planting.

4 3. Minimum 24" boxed trees for Phase I and II shall be adequate  
5 in size to create a buffer effect to obscure visibility of  
6 oil production activity. Permanent trees planted around the  
7 perimeter of the site for Phase II shall be a minimum sixteen  
8 (16) feet high at planting.

9 4. Trees along the lot perimeter shall be provided to create a  
10 dense landscape buffer to the satisfaction and field review  
11 of the Planning Director.

12 5. The aesthetic impact of the exposed masonry walls on the west  
13 and northern sides shall be softened with the planting of  
14 climbing vines to the satisfaction and field review of the  
15 Planning Director.

16 6. Landscaping shall be maintained in a neat and clean  
17 condition.

1 7. A complete automatic sprinkler system shall be provided prior  
2 to commencement of Phase II.

3 **SECTION 10. AESTHETICS**

4 1. The tanks, acoustical wrap and wall, and production facility  
5 shall be painted a neutral color to blend in with the  
6 surroundings; color shall be reviewed and approved by the  
7 Planning Commission/

8 2. The use of architectural lighting beyond safety and security  
9 requirements shall be prohibited.

10 3. The site for drilling equipment and the storage facilities  
11 shall be depressed in combination with walls so that the  
12 visual impact is minimized.

13 4. All outdoor lighting shall be shielded and directed inward of  
14 both sites.

15 5. Lighting shall be limited solely to the amount and  
16 intensities necessary for safety and security purposes.

17 6. Certain activities which might involve unshielded lighting  
18 (i.e., site preparation and restoration) activities shall be  
19 limited to daylight hours and thus not require nighttime  
20 lighting.

21 7. A split-face block wall maintained graffiti free of a minimum  
22 of 12 feet in height shall be provided; wall materials shall  
23 be reviewed and approved by Planning Director. During test  
24 drilling minimum 6' high fencing shall be provided.

25 8. The height of the site's perimeter wall shall be increased to  
26 at least 16 feet if beam pumping units taller than 12 feet  
27 are installed, or if perimeter trees, when planted for Phase  
28 II, are not a minimum of sixteen (16) feet in height when  
installed.

9. Tanks shall be submerged 6 to 8 feet or more below grade and  
will be adjacent to the 12-foot high privacy wall.

10. If the drill derrick remains idle for more than one year,  
review and approval by the City Planning Commission or City  
Council shall be required, or the derrick shall be dismantled  
at the expense of the operator.

11. All production equipment and structures shall be painted to  
blend with the surrounding environment with review and  
approval by the Planning Director.

12. On-site signs shall be limited to those needed for public  
health and safety.

13. All derricks masts hereafter erected for drilling,  
re-drilling or remedial operations or for use in production  
operations shall be removed within 45 days after completion

1 of the work unless otherwise ordered by the Division of Oil  
and Gas of the state.

- 2 14. The operator shall diligently and continuously pursue  
3 drilling operations until the all 30 oil wells and all five  
4 (5) water disposal wells are completed or abandoned to the  
5 satisfaction of the Division of Oil and Gas of the state and  
upon completion or abandonment shall remove all drilling  
equipment from the drill site within 45 days following  
completion or abandonment of the well unless otherwise  
ordered by the Division of Oil and Gas.

6 **SECTION 11. ODORS/VAPOR/AIR POLLUTION**

- 7 1. A vapor recovery system shall be installed to recover 99% of  
8 hydrocarbon emissions during storage and transfer of crude  
oil.
- 9 2. Raw gas shall not be allowed into the atmosphere.
- 10 3. Gas and vapor detection systems shall be installed at  
11 appropriate locations.
- 12 4. All project site activities shall be conducted such as to  
13 eliminate escape of gas in accordance with best available  
control technology and practices which shall be reviewed and  
approved by the City.
- 14 5. All requirements of AQMD shall be met at all times.
- 15 6. A state-of-the-art scrubber shall be employed for the  
16 exploratory phase to eliminate odors from waste gases, and  
any flame shall be enclosed.
- 17 7. Tanks shall be designed and located so that no odors or fumes  
18 can be detected from the adjacent areas outside the exterior  
walls of the project.
- 19 8. Operators shall not blow lines to the atmosphere, except in  
20 an emergency, as defined by this C.U.P. and reported to the  
City in accordance with the notification requirement.
- 21 9. Construction equipment and vehicles shall be maintained in  
22 proper tune.
- 23 10. Odorless drilling muds shall be used.
- 24 11. Well tubing and rods shall not remain out of the well during  
25 workover operations less than 8-hours. The tubing will be  
surface washed with a detergent solution to remove odor  
bearing residual hydrocarbons if exposed longer than 8-hours.
- 26 12. Odor control will be further enforced by the SCAQMD under  
27 Rules 402, 466, and 466.1 of their regulations, and the  
commercial recovery system shall be employed for the  
28 permanent facility.

13. There shall be no open flames allowed

14. The permittee shall monitor drilling mud during drilling on the site for odorous substances and take such measures to eliminate any odor which would be perceptible outside the drill site.

15. The permittee shall undertake no refining process or any process for the extraction of products from natural gas, except for such minor processed as necessary to make natural gas acceptable to the City gas mains for domestic use.

16. Well cellars shall be maintained in a clean and efficient manner to prevent waste accumulation and shall be frequently steam cleaned.

**SECTION 12. GRADING/STORM WATER/SITE RUNOFF**

1. Grading shall not be performed when wind speeds exceed 20mph. The contractor shall maintain a wind speed monitoring device on site during grading operations. The contractor shall continually keep the soil moist during grading operations. At no time shall any dust be allowed to leave the work site.

2. Normal wetting procedures shall be employed during grading. Reviewed and approval of procedure shall be by Public Works Director.

3. Graded surfaces shall be paved or landscaped per approved plan.

4. Project site shall be graded so that all contaminated runoff is collected and treated on-site and disposed of according to all laws.

5. Site shall be graded in a manner so that all hazardous or contaminated fluids and runoff are directed toward a cellar and approved pit and disposed of properly.

6. No water from the site shall be allowed to enter the storm drainage system or any public area.

7. No water from the site shall be allowed to surface flow across the public beach.

**SECTION 13. PIPELINE CONSTRUCTION**

1. The pipeline operators shall adhere to all applicable federal, state, regional, and local statutes governing design, construction, operation, and maintenance of the pipelines and related equipment.

2. A detailed pipeline survey shall be conducted in order to locate existing pipelines prior to excavation for pipeline construction.

- 1 3. A responsible agent paid for by the applicant shall be  
present during excavations.
- 2 4. Areas of construction and maintenance activities shall be  
3 delineated by signs, flagmen, pavement markings, barricades,  
and lights, as determined by permit requirements of all local  
4 agencies.
- 5 5. Where pedestrian activities are affected during construction,  
6 appropriate warning signs shall be installed and pedestrians  
7 will be diverted. Pedestrian access to businesses and  
residences will be maintained during construction. Special  
8 facilities, such as handrails, fences, and walkways shall be  
9 provided, if necessary, for the safety of pedestrians.
- 10 6. Obstruction of emergency vehicle operations will be partially  
11 mitigated by ensuring that providers of emergency services  
12 are kept informed of the location, nature, and duration of  
construction activities so alternate routes can be chosen.  
13 It is essential that fire department access is maintained to  
14 all buildings adjacent to construction activities. For this  
15 reason, a minimum of at least one lane for streets undergoing  
16 construction will be kept open at all times, and fire  
17 hydrants in construction areas will remain accessible.
- 18 7. If public transit stops along pipeline routes need to be  
19 temporarily relocated during construction, the applicant  
20 shall coordinate with the appropriate local operators to  
21 provide signs directing riders to the temporary stop  
22 locations.
- 23 8. When hauling excavated and waste materials from construction  
24 sites, substandard roadways will be avoided and local  
25 jurisdiction regulations governing hauling vehicles will be  
26 adhered to.
- 27 9. Pipeline construction and operation of earth moving equipment  
28 shall be limited to daylight hours between 8:00 AM and 3:00  
PM and shall not be permitted during weekend periods.  
Additionally, construction-related trucks should not be  
operated during peak traffic hours of 7 to 9 AM and 3 to 7  
PM. Pipeline construction at major intersections shall be  
limited to daylight hours between 9:00 AM and 3:00 PM to  
avoid peak traffic periods.
10. Equipment deliveries shall be made only during daytime hours  
between 8 AM and 3 PM.
11. In order to reduce visual impacts and possible safety  
hazards, storage of pipes and other materials, as well as  
construction equipment, shall not be permitted on any street  
during non-construction hours.
12. Area residents within 300' shall be notified about the  
pipeline construction operation prior to commencement of  
construction.

- 1 13. Detour signs on pipeline construction routes shall be placed  
at appropriate locations.
- 2 14. Steel plates covering pipeline excavation trenches shall be  
3 placed to permit traffic movement during non-construction  
hours.
- 4 15. Pipelines shall be designed with ample safety factors,  
5 pressure-tested prior to being placed in operation, and  
monitored for corrosion once in operation.
- 6 16. Safety shut-down devices that respond to drops in pipeline  
7 pressure shall be incorporated into the project in order to  
stop the flow of the pipeline contents in case of a pipeline  
8 rupture.
- 9 17. Groundwater level and land subsidence shall be monitored to  
10 insure that pipeline damage does not occur as a result of  
geologic and hydrologic phenomena. The annual subsidence  
11 survey shall include a report to the City on monitoring  
efforts to insure pipeling damage has not occurred.
- 12 18. Pipeline construction along Valley Drive shall be approved by  
the Director of Public Works prior to issuance of a permit.
- 13 19. Pipeline construction shall not occur in the area known as  
the Hermosa Valley Greenbelt.
- 14 20. Storage of materials shall not be allowed on the Hermosa  
15 Valley Greenbelt. The storage or dumping upon the greenbelt  
of any materials, construction equipment, debris, oil  
16 drilling equipment, drilling rigs, piping, etc., and any and  
all equipment and vehicles necessary for the the construction  
17 and maintenance of the pipeline and oil development site  
shall be prohibited. The use of the greenbelt as a staging  
18 area for construction of the oil facility or pipeline shall  
be be prohibited. There shall be no parking or standing of  
19 any vehicles on the greenbelt for any time period.
- 20 21. Trenches shall be covered during non-working hours to  
minimize traffic circulation problems.

21 **SECTION 14**

22 Definition and notification requirements for emergency  
23 situations:

24 I. For purposes of this Conditional Use Permit, "Emergency" is  
25 defined as follows:

26 A threat to the health and safety of persons in the  
surrounding area to the drill site and the following  
27 conditions which require immediate action:

28 A. Conditions which could lead to a potential spill or well  
blowout:

1 1. Entry of oil and gas into the wellbore while  
2 drilling, tripping or out of the hole which may be  
3 indicated by one or more of the following:

- 4 a. Pit volume gain  
5 b. Well flowing with pumps off  
6 c. Flow rate increases with circulation  
7 d. Improper hole fill-up on trips  
8 e. Sudden increase in drilling rate  
9 f. Pump pressure decreases and pump rate  
10 increases  
11 g. Decrease in returning mud rate  
12 h. Sloughing shale  
13 i. Changes in mud salinity and/or mud flow  
14 properties

15 2. Lost circulation or loss of ability to circulate

16 3. Casing or wellhead failure while drilling

17 4. Stuck pipe and/or equipment during any of the  
18 following operations:

- 19 a. Drilling  
20 b. Tripping drill pipe and tools  
21 c. Wireline logging  
22 d. Drill stem testing  
23 e. Running casing  
24 f. Perforating and stimulating completion  
25 interval

26 5. Loss of rig power or equipment failure while drilling  
27 or tripping.

28 B. Injuries to personnel at the Drill Site

C. Conditions which could reduce the stability and safety of  
the rig and production equipment:

1. Natural events:

- a. Excessive winds, rain and lightning  
b. Floods  
c. Subsidence  
d. Earthquakes

2. Other events:

- a. Riots/Demonstrations  
b. Fire

II. **Notification Required:** In the case of an emergency, as  
defined above, the permittee shall give immediate notice to  
the City of the occurrence of the emergency event. The City  
will provide a list of phone numbers. A written notice,  
including a detailed description of the emergency condition,  
and the actions taken and/or proposed to be taken to correct

1 the situation, shall be provided within 24 hours of the  
2 occurrence of the emergency event.

3 **SECTION 15**

- 4 1. This grant shall not be effective for any purposes until the  
5 permittee and the owners of both properties involved have  
6 filed at the office of the Department of Planning their  
7 affidavits stating that they are aware of, and agree to  
8 accept, all of the conditions of this grant.
- 9 2. The Conditional Use Permit shall be recorded, and proof of  
10 recordation shall be submitted to the Planning Department.
- 11 3. Each of the above conditions is separately enforced, and if  
12 any of the conditions of approval is found to be invalid by a  
13 court of law, all the other conditions shall remain valid and  
14 enforceable.
- 15 4. Permittee shall defend, indemnify and hold harmless the City,  
16 its agents, officers, and employees from any claim, action,  
17 or proceeding against the City or its agents, officers, or  
18 employees to attack, set aside, void or annul this permit  
19 approval, which action is brought within the applicable time  
20 period of Government Code Section 65907. The City shall  
21 promptly notify the permittee of any claim, action, or  
22 proceeding and the City shall cooperate fully in the defense.  
23 If the City fails to promptly notify the permittee of any  
24 claim, action or proceeding, or if the City fails to  
25 cooperate fully in the defense, the permittee shall not  
26 thereafter be responsible to defend, indemnify, or hold  
27 harmless the City.
- 28 a. The permittee shall reimburse the City for any court and  
attorney's fees which the City may be required to pay as a  
result of any claim or action brought against the City  
because of this grant. Although the permittee is the real  
party in interest in an action, the City may, at its sole  
discretion, participate at its own expense in the defense  
of the action, but such participation shall not relieve  
the permittee of any obligation under this condition.
- b. The permittee shall provide a cash bond to the City, in  
the amount of \$50,000, to be used by the City towards  
Attorneys costs in the event of litigation. This  
conditional use permit shall not be in full force and  
effect until this cash bond is submitted.
5. The subject property shall be developed, maintained and  
operated in full compliance with the conditions of this grant  
and any law, statute, ordinance or other regulation  
applicable to any development or activity on the subject  
property. Failure of the permittee to cease any development  
or activity not in full compliance shall be a violation of  
these conditions.

1 **SECTION 16**

2 The Planning Commission may review this Conditional Use Permit  
3 and may amend the subject conditions or impose any new conditions  
4 if deemed necessary to mitigate detrimental effects on the  
5 neighborhood resulting from the subject project.

6 The Planning Commission shall review, and if necessary, modify  
7 the conditions as set forth in this Conditional Use Permit on an  
8 annual basis or upon change in the operator of the project.

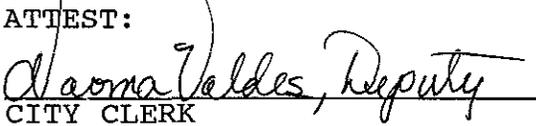
9 The Planning Commission reserves the right to revoke this  
10 Conditional Use Permit if any violation of these conditions or  
11 the Hermosa Beach Municipal Code occurs. The City shall provide  
12 the operator with notice in writing of any violation, stating the  
13 City's basis for determining that a violation has occurred. The  
14 operator shall have a reasonable time to abate the violation  
15 before further action is taken. The City may require the  
16 operator with notice in writing to submit written documentation  
17 of actions taken to remedy any violation and may require  
18 monitoring or other procedures to be implemented in order to  
19 ensure that the violation will be abated.

20 **This resolution revokes and supercedes City Council Resolution  
21 No. 93-5621.**

22 PASSED, APPROVED, and ADOPTED this 10th day of August ,  
23 1993, by the following vote:

24 AYES: Benz, Essertier, Mayor Wiemans  
25 NOES: Midstokke  
26 ABSTAIN: None  
27 ABSENT: Edgerton

28   
PRESIDENT of the City Council and MAYOR of the City of  
Hermosa Beach, California

29 ATTEST:  
30   
31 CITY CLERK

APPROVED AS TO FORM:  
32   
33 CITY ATTORNEY

34 p/pcrsoil 8/24/93

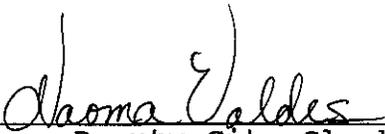
STATE OF CALIFORNIA        )  
COUNTY OF LOS ANGELES    )  
CITY OF HERMOSA BEACH     )

I, Naoma Valdes, Deputy City Clerk of the City Council of the City of Hermosa Beach, California, do hereby certify that the foregoing Resolution No. 93-5632 was duly and regularly passed, approved and adopted by the City Council of the City of Hermosa Beach at a Regular Meeting of said Council at the regular place thereof on August 10, 1993.

The vote was as follows:

AYES:       Benz, Essertier, Mayor Wiemans  
NOES:       Midstokke  
ABSTAIN:    None  
ABSENT:     Edgerton

DATED:      August 12, 1993

  
\_\_\_\_\_  
Deputy City Clerk