

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

838



FROM: Purchasing & Fleet Services

SUBMITTAL DATE: April 22, 2003

SUBJECT: RESOLUTION 2003-217 AND ORDINANCE NO. 390.2 GRANTING A SECOND-YEAR
EXTENSION OF FRANCHISE FOR SOUTHERN CALIFORNIA EDISON COMPANY PIPELINE

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Resolution 2003-217 declaring the intent of the Board to hold a public hearing in which it proposes to grant a second-year extension of the franchise currently held by Southern California Edison Company under County Ordinance No. 390.1 to maintain and operate a pipeline in Riverside County for the transportation of oil, petroleum, gas, and other substances.
2. That at the conclusion of the public hearing the Board adopts Ordinance No. 390.2 granting to Southern California Edison Company a second-year extension of the franchise currently held by the company to continue to maintain and operate its pipeline in County Rights of Way for the purposes of transporting oil, petroleum, gas, and other substances.

BACKGROUND: In 1952 the County by adopting Ordinance No. 390 granted to Southern California Edison Company a fifty-year franchise for the purpose of laying, maintaining, and operating a pipeline for the transportation of oil, petroleum, gas, and other substances. The pipeline laid by the company is approximately 13,200 feet in length and is located in the northwestern portion of the County. The franchise was granted under provisions in the California Public Utilities Code by which the company pays the County 2% of its annual gross receipts derived from the operation of the pipeline.

(Continued on Page 2)

Robert J. Howdyshe
for ROBERT J. HOWDYSHELL, Director
Purchasing and Fleet Services

FINANCIAL DATA:
CURRENT YEAR COST: \$0
NET COUNTY COST: \$0

ANNUAL COST: \$0
IN CURRENT YEAR BUDGET: N/A
BUDGET ADJUSTMENT: N/A

FORM APPROVED
COUNTY COUNSEL

SOURCE OF FUNDS:

C.E.O. RECOMMENDATION: **APPROVE.**

MAY 05 2003

County Executive Officer Signature *Denis Haidich* BY *Wesley A. Jones*

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Wilson, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that Ordinance 390.2 is approved as introduced, and that Resolution 2003-217 is adopted, setting the matter for public hearing on Tuesday, June 3, 2003 at 10:00 a.m.

Ayes: Buster, Tavaglione, Venable, Wilson and Ashley
Noes: None
Absent: None
Date: May 13, 2003
xc: Purchasing & Fleet, Co.Co., COB (2)

Nancy Romero
Clerk of the Board
Nancy Romero
Deputy

AGENDA NO.

Prev. Agn. ref.
Agenda Item 3.5 on 7/2/02

Dist.
ALL *NR*

Policy
 Policy

Consent
 Consent

Department Recommendation:
Per Executive Officer:

Board of Supervisors

**Form 11: RESOLUTION 2003-217 AND ORDINANCE NO. 390.2 GRANTING A SECOND-YEAR
EXTENSION OF FRANCHISE FOR SOUTHERN CALIFORNIA EDISON COMPANY PIPELINE**

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BACKGROUND (Continued)

In the first quarter of 2001, representatives from Southern California Edison Company met with the County and advised the County that Southern California Edison Company is now in the process of conducting negotiations and going through the regulatory process to sell most of the pipeline and oil storage facilities located in California. The very limited portion of its pipeline system that is located in an unincorporated portion of Riverside County (which is the subject of the current franchise in Ordinance No. 390), eventually will be transferred to a new owner as part of the sale once the transaction is completed. The decision was approved by the Board on July 2, 2002 to grant a one-year extension to Southern California Edison Company adopting Ordinance 390.1.

As of recent the sale was expected to close by year-end 2002, but the regulatory approval process is taking longer than anticipated. Southern California Edison Company is confident that a favorable decision approving the sale will be issued soon and that the sale will close this year (2003). However, given the revised but still somewhat uncertain, regulatory timeframe, Southern California Edison Company would like to request that the County grant another extension of the current franchise for one-year.

REVIEW/APPROVAL: County Counsel has approved the attached Ordinance 390.2.