

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



ITEM: 3.4
(ID # 28684)

MEETING DATE:
Tuesday, August 26, 2025

FROM : EXECUTIVE OFFICE

SUBJECT: EXECUTIVE OFFICE: Initiation of Amendment to Ordinance 553 Granting a Franchise to Southern California Gas Company (Formerly held by the Pacific Lighting Service Company). All Districts. [\$6,000 Total Cost - Department Budgets 100%]

RECOMMENDED MOTION: That the Board of Supervisors adopt an order initiating preparation of an amendment to Ordinance No.553, Granting a Franchise to the Southern California Gas Company (formerly held by the Pacific Lighting Service Company).

ACTION:Policy


Jeff Van Wageningen, County Executive Officer 8/21/2025

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Gutierrez, seconded by Supervisor Medina and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Medina, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: August 26, 2025
xc: EO

Kimberly A. Rector
Clerk of the Board

By: 
Deputy

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STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 6,000	\$ 0	\$ 6,000	N/A
NET COUNTY COST	\$ 4,000	\$ 0	\$ 4,000	N/A
SOURCE OF FUNDS: Departmental Budget 100%			Budget Adjustment: No	
			For Fiscal Year: 25/26	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On August 19, 1975, the County Board of Supervisors adopted Ordinance 553, granting Pacific Lighting and Service Company the right, privilege and franchise to transmit gas and essentially operate in the County of Riverside for a period of 40 years. In 1985, the county recognized the merger of Pacific Lighting Service Company into the Southern California Gas Company. On February 10, 2014, formal negotiations began between the county and the gas company for a new agreement upon the expiration of the then-current agreement. On September 1, 2015 (Item 3-34), the Board of Supervisors approved an extension of the franchise agreement until January 12, 2016. In this action the Board appointed two members of the Board of Supervisors to continue negotiations. Negotiations were terminated shortly before the extension terminated, and the franchise agreement expired.

The county is still receiving payment for the service delivery by the gas company under a previous formula, which fortunately has not resulted in a loss of revenue.

The County Executive Office was approached last year to continue negotiations. The Executive Office formed a small team to begin preliminary discussions and is comfortable after these discussions to formally request that the Board of Supervisors approve the initiation of an amendment to Ordinance 553, which will update the terms and provide certainty to both parties.

Impact on Residents and Businesses

A new franchise agreement will provide assurance of continued revenue and will provide a framework for the relationship, including long-term planning, which will ensure services to businesses and residents.

Additional Fiscal Information

The nominal cost estimate of \$6,000 will cover county staff time for review, including counsel approval of the new ordinance and any other associated documents.

ATTACHMENT:

Riverside County Ordinance No. 553.1


Tina Grande 8/21/2025


Aaron Gettis, Chief of Deputy County Counsel 8/21/2025

ORDINANCE NO. 553

AN ORDINANCE OF THE COUNTY OF RIVERSIDE
GRANTING TO PACIFIC LIGHTING SERVICE COMPANY,
ITS SUCCESSORS AND ASSIGNS, THE RIGHT, PRIVILEGE AND FRANCHISE
TO LAY AND USE PIPES AND APPURTENANCES FOR TRANSMITTING GAS FOR
ANY AND ALL PURPOSES UNDER, ALONG, ACROSS, OR UPON THE PUBLIC
STREETS, WAY, ALLEYS AND PLACES, AS THE SAME NOW OR MAY HEREAFTER
EXIST, WITHIN SAID COUNTY

The Board of Supervisors of the County of Riverside does ordain as follows:

Section 1. The franchise, privilege and right is hereby granted to Pacific Lighting Service Company, its successors and assigns, for a period of 40 years from and after the date of the adoption of this ordinance, from time to time to construct, operate, maintain and use pipelines and appurtenances located or to be located in, upon, along, across, under or over the streets of the County and used or useful in transmitting gas on, along, upon, in, over, and across the public streets, alleys, public highways and public places within the County of Riverside, State of California.

Section 2.

(a) The word "Grantee" wherever used herein shall mean PACIFIC LIGHTING SERVICE COMPANY, its successors and assigns.

(b) The word "County" wherever used herein shall mean the County of Riverside, State of California, in its present form or in any later reorganized, consolidated or enlarged form.

(c) "Highways" wherever used herein shall mean and include public highways, streets, alleys, roads, ways, or other public places, as the same now or hereafter may be dedicated to the County of Riverside for street purposes in the unincorporated portions of the County of Riverside.

(d) The phrase "franchise property" wherever used herein shall mean pipes, pipelines and appurtenances located or to be located in, upon, along, across, under or over the streets of the County and used or useful in transmitting gas.

(e) The words "construct, maintain and use", wherever used herein, shall mean to construct, erect, install, lay, operate, alter, maintain, use, repair or replace.

Section 3. This ordinance granting said franchise shall take effect thirty (30) days after its passage provided said Grantee shall file with the Clerk of the Board of Supervisors of the County of Riverside a written acceptance thereof within thirty (30) days after its passage. This franchise and privilege is granted and shall be held and enjoyed only under the provisions and conditions prescribed by law and those contained in this ordinance.

This grant is made in lieu of all other franchises, rights, or privileges owned by the Grantee, or by any successor of the Grantee, to any rights under this franchise, for transmitting gas within the limits of the County, as said limits now or may hereafter exist, and the acceptance of the franchise hereby granted shall operate as an abandonment of all such franchises, rights and privileges within the limits of this County, as such limits now or may

hereafter exist, in lieu of which this franchise is granted.

Section 4. All franchise property to be constructed and operated under this franchise shall be built and constructed in a good and workmanlike manner and of good material, and any and all pipes, pipelines, appurtenances, located, or maintained under said franchise shall be so placed as not to interfere with the use of said public streets, alleys, or highways for public purposes. In constructing, installing, repairing, and maintaining the franchise property, the Grantee shall make and backfill all excavations in accordance with the provisions of Riverside County ordinance 499, the rules and regulations adopted by Riverside County Road Commissioner now in effect or any additions or amendments thereto, hereafter adopted, and in such manner and way as to leave the surface of the public street, alley, or highway in a good condition as it was prior to said excavation.

Section 5. Whenever any portion of the territory covered by this franchise shall be annexed to, or otherwise become a part of any municipal corporation, or of any other county, or of any other political subdivision of the State of California, the rights reserved under this franchise to the County of Riverside, or to any officer thereof, shall inure to the benefit of such municipal corporation of county, and its appropriate officers.

Section 6. All pipeline facilities authorized pursuant to this franchise shall be constructed in conformance with General Orders of the California Public Utilities Commission, and its rules and regulations now in effect, or any additions or amendments thereto, hereafter adopted.

Section 7. Grantee shall not sell, transfer or assign this franchise or any of the rights or privileges hereby granted without the prior consent of the Board of Supervisors, and except by a duly executed instrument in writing filed in the office of the County Clerk of the County of Riverside.

Section 8. The County of Riverside reserves the right to improve any highway, street, alley, or other public places, or any portions thereof, over and within which this franchise is granted, including the widening, change of grade, change of alignment, construction or reconstruction of such highway, street, or alley, or any portion thereof, and there is further reserved to the County of Riverside, or district within the County of Riverside, the right to construct, reconstruct, install, repair, and maintain in any such highway, street, alley, or other public places, or any portions thereof, any public improvement.

If notice in writing is given to the Grantee thirty (30) days in advance of the fact that work on a governmental use of the streets is to be done pursuant to any right reserved above in this section, specifying the general nature of the work and the area in which the same is to be performed, then the Grantee shall do all things necessary to protect its franchise property during the progress of such work, and if ordered by the Board of Supervisors of the County of Riverside, the Grantee shall relocate its franchise property within the highway, street, or alley to such extent, in such manner, and for such period as shall be necessary to permit the performance of such work in accordance with the generally recognized engineering and

construction methods, and to permit the maintenance, operation and use of such public improvement, highway, street, or alley so improved. All of such things to be done and work to be performed by the Grantee shall be at the sole cost and expense, to the complete satisfaction of the County.

Section 9. The Grantee shall comply with any instructions of the Board of Supervisors or the Road Commissioner of the County of Riverside with respect to the location or relocation of any of said franchise property, and shall coordinate the location or relocation of franchise property with said Road Commissioner. The Grantee shall repair any damage to streets, alleys, highways, or public improvements within ten (10) days after service of a written notice upon the Grantee to make any such repairs. In the event Grantee fails to comply with said written notice to repair then the Board of Supervisors may immediately do whatever work is necessary to carry out the instructions at the cost and expense of the Grantee, which cost by the acceptance of this franchise, the Grantee shall pay upon demand.

Section 10. The Grantee shall hold the County of Riverside, its authorized officers, agents and employees, harmless from and against any and all liability or loss resulting from claims for damages by any person arising out of the acts or omissions of the Grantee, its agents or employees in the performance of any work authorized hereunder.

Section 11. The Grantee shall, during the life of this franchise, pay to the County of Riverside, in lawful money of the United States, two percent (2%) of the gross annual receipts of the Grantee arising from the use, operation, or possession of this franchise.

The Grantee shall file with the County Clerk of the County of Riverside within three (3) months after the expiration of the calendar year or fractional calendar year, following the effective date of this Ordinance granting this franchise, and within three (3) months after the expiration of each and every calendar year thereafter, a duly verified statement showing in detail the total gross receipts of said Grantee during the preceding calendar year, or such fractional calendar year, arising from the use, operation or possession of this franchise. Within fifteen (15) days after the time for filing the aforesaid statement, the Grantee shall pay to the County Treasurer of the County of Riverside, in lawful money of the United States, the aforesaid two per cent (2%) of its gross receipts arising from the use, operation or possession of this franchise during said preceding calendar year, or such fractional calendar year. Any neglect, omission or refusal of said Grantee to file said verified statement, or to pay said percentage at the time or in the manner hereinbefore provided, which neglect, omission or refusal shall continue for more than fifteen (15) days following notice thereof to the Grantee from the County, shall be grounds for the declaration of a forfeiture of this franchise and of all rights of the Grantee hereunder.

Section 12. Any neglect, failure or refusal to comply with any of the conditions of this franchise, which neglect, failure or refusal shall continue for more than fifteen (15) days following notice thereof to the Grantee from the County, shall work a forfeiture hereof, and the said County, by its Board of Supervisors, may thereupon declare this franchise forfeited, and may exclude said Grantee from further use of the public streets, alleys, highways and public

places of said County under this franchise; and said Grantee shall thereupon surrender all rights in and to the same, and this franchise shall be deemed and shall remain null, void and of no effect.

Section 13. This franchise is granted pursuant to Sections 6001 to 6017 of the California Public Utilities Code.

Section 14. The provisions of this franchise and all rights, obligations and duties hereunder shall inure to and be binding upon the Grantee, its successors and assigns.

Section 15. This ordinance shall take effect thirty (30) days after its adoption.

Adopted: 553 08/19/1975 (Eff: 09/18/1975)

Amended: 553.1 09/01/15 Urgent Ordinance Amendment Extending Franchise Term
(Effective Immediately) (See attachment)