



MARK PESTRELLA, Director

COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE

November 20, 2018

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

26 November 20, 2018

CELIA ZAVALA
EXECUTIVE OFFICER

**TRANSPORTATION CORE SERVICE AREA
APPROVE THE INTRODUCTION OF AN ORDINANCE TO AMEND
THE ELECTRICAL TRANSMISSION AND DISTRIBUTION FRANCHISE
GRANTED TO SOUTHERN CALIFORNIA EDISON COMPANY
BY ORDINANCE NO. 7062, AS AMENDED,
AND APPROVE AN AMENDMENT FOR THE GRAFFITI ABATEMENT AND
COORDINATION AGREEMENT
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Public Works is seeking approval to extend the term of the electrical transmission and distribution franchise granted to Southern California Edison Company and the Graffiti Abatement and Coordination Agreement through December 31, 2043.

IT IS RECOMMENDED THAT THE BOARD:

1. Find the project described herein categorically exempt under the California Environmental Quality Act for the reasons stated in this letter.
2. Introduce, waive reading, and place on the Board of Supervisors' agenda for adoption on November 27, 2018, an ordinance to amend the electrical transmission and distribution franchise granted to Southern California Edison Company by Ordinance No. 7062, as amended, to extend the term of the franchise through December 31, 2043.
3. Instruct the Chair of the Board of Supervisors to execute Amendment No. 7 to the Graffiti

Abatement and Coordination Agreement with Southern California Edison Company to extend the term through December 31, 2043.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will find that the project is exempt from the California Environmental Quality Act (CEQA), adopt an ordinance to amend the electrical transmission and distribution franchise granted to Southern California Edison Company on November 27, 1956, as Ordinance No. 7062, and approve Amendment No. 7 to the Graffiti Abatement and Coordination Agreement with Edison to extend the termination date of the Ordinance and Agreement from December 31, 2018, to December 31, 2043.

The Ordinance will allow Edison's continued use of the County of Los Angeles right of way to provide necessary utility service to the public, provide payment to the County, and obligate Edison to comply with the franchise terms.

The amendment to the Agreement allows for the timely removal of graffiti from Edison's aboveground facilities maintained within the franchise area at Edison's expense. The Agreement will implement a cooperative program for the removal of graffiti from aboveground facilities within 48 hours of notification.

Implementation of Strategic Plan Goals

The County Strategic Plan Goal directs the provision of Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability. The revenues received from these transactions will help promote fiscal responsibility while providing continuous utility service to the residents of the County.

FISCAL IMPACT/FINANCING

Pursuant to California Public Utilities Code, Edison will continue to pay an annual franchise fee based on two percent of Edison's gross annual receipts arising from the use, operation or possession of the franchise, but no less than a minimum payment of one percent of the gross annual receipts from Edison's sales or service within the franchise area. Edison will also continue to pay a municipal land-use surcharge based on two percent of the gross annual receipts from Edison's direct access customers that have opted to have Edison transport their electricity purchased from a third party. Edison paid a franchise fee of over \$6.1 million and a municipal land-use surcharge of \$288,813 for the 2017 calendar year. All fees have been deposited into the County General Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On November 27, 1956, the Board of Supervisors adopted Ordinance No. 7062, granting a 50-year Countywide electrical transmission and distribution franchise to Edison that expired December 27, 2006. The Board has adopted various ordinances to extend the term of the Edison franchise, the most recent being Ordinance No. 2017-0049F, that extended the term of the Edison franchise through December 31, 2018.

On December 15, 2009, the County entered into the Agreement with Edison to implement a cooperative program with Edison for the removal of graffiti from Edison's aboveground facilities within the public right of way. The Agreement provides for coordinated effort between Public Works

and Edison's graffiti abatement contractor to synchronize graffiti removal requests from Public Works' Graffiti Abatement Referral System and engage Edison's contractor in removing graffiti. The Board approved various extensions to the Agreement concurrent with past adopted amendments to the Ordinance.

County Counsel has approved as to form both the Ordinance to amend the Edison franchise (Enclosure A) and the amendment to the Agreement (Enclosure B).

ENVIRONMENTAL DOCUMENTATION

The proposed project is exempt from CEQA. The actions to approve the electrical transmission and distribution franchise and Agreement extensions will allow operation and maintenance of utility systems and are within a class of projects that have been determined not to have a significant effect on the environment, which meet the criteria set forth in Section 15301 of the State CEQA Guidelines and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. In addition, based on the project records, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to California Government Code, Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

These actions will not impact or adversely affect any current services or future projects.

CONCLUSION

It is requested that the Executive Office of the Board send conformed copies of the approved Board recommendations, the adopted Edison Ordinance, and the adopted amendment to the Agreement to the attention of Ms. Linda Delgado, Manager, Local Public Affairs, Southern California Edison Company, 9901 Garvey Avenue, Santa Fe Springs, California 90670; the office of County Counsel; and Public Works, Survey/Mapping & Property Management Division. Retain a copy for your files.

Respectfully submitted,



MARK PESTRELLA

Director

MP:JTS:lm

Enclosures

c: Auditor-Controller (Accounting Division--Asset
Management)
Chief Executive Office (Chia-Ann Yen)
County Counsel
Executive Office

Enclosure A

ANALYSIS

This ordinance amends the electrical transmission and distribution franchise granted by Ordinance No. 7062, as amended, granted to Southern California Edison Company, a California corporation, to extend the term of the franchise for twenty-five (25) years through December 31, 2043.

MARY C. WICKHAM
County Counsel

By
GRACE V. CHANG
Principal Deputy County Counsel
Public Works Division

GVC:

Requested:

Revised:

ORDINANCE NO. _____

An ordinance amending Ordinance No. 7062, as amended, an electrical transmission and distribution franchise granted to Southern California Edison Company, a California corporation.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 1 of Ordinance No. 7062, as amended, is hereby amended to read as follows:

Section 1. The right, privilege, and franchise is hereby granted to the Southern California Edison Company, a corporation organized and existing under and by virtue of the laws of the State of California (the "Grantee" and/or "Franchisee"), and its successors and assigns, through December 31, ~~2018~~2043 to erect, construct, operate, alter, maintain, and use an electric distribution and transmission system consisting of poles, towers, crossarms, conduits, manholes, vaults, cables, wires, transformers, switches, other equipment, appliances and appurtenances, including communication circuits, for the purpose of conducting, transmitting, and distributing electricity and electrical energy for light, heat and power purposes, and for any and all other purposes for which electricity can be used, on, along, upon, over, in, under, and across the highways within the County of Los Angeles ("County"), State of California, together with the right to erect, construct, operate, alter, maintain, and use a private communication system, consisting of poles, towers, conductors, crossarms, conduits, cables, wires and other equipment, appliances, and appurtenances, including communication circuits; said private communication system to be used solely in connection with the operation and

maintenance of Grantee's electric system. The privileges granted by this franchise apply only to territory within the County that, upon the effective date of this ordinance, is unincorporated. The operative date of this ordinance shall be January 1, ~~2018~~2019.

Enclosure B

**AMENDMENT NO. 7 TO THE GRAFFITI ABATEMENT AND COORDINATION
AGREEMENT BY AND BETWEEN SOUTHERN CALIFORNIA EDISON COMPANY
AND THE COUNTY OF LOS ANGELES**

This Amendment to the Graffiti Abatement and Coordination Agreement, as amended ("Amendment No. 7") by and between Southern California Edison Company, a California Corporation ("SCE"), and the County of Los Angeles ("County"), is hereby made and entered into on the day, month and year it is full executed by the County hereinbelow.

RECITALS

WHEREAS, the County is a duly organized subdivision of the State of California;

WHEREAS, the County in pertinent part provides law enforcement services to the unincorporated portions of the County of Los Angeles;

WHEREAS, SCE is a regulated public utility operating under the laws of the State of California;

WHEREAS, over the course of time, the County has attempted to control and remediate the problems associated with graffiti in the public rights-of-way and elsewhere;

WHEREAS, SCE's electric facilities installed in the public rights-of-way are particularly vulnerable to graffiti;

WHEREAS, SCE and the County entered into a Graffiti Abatement and Coordination Agreement on December 15, 2009;

WHEREAS, the Graffiti Abatement and Coordination Agreement, as amended, was to remain in effect through December 31, 2018.

NOW THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good valuable consideration, the receipt and

sufficiency of which are hereby acknowledged, and the covenants and agreements hereinafter contained, the parties hereto and each of them do agree to amend the Graffiti Abatement and Coordination Agreement as follows:

SECTION 1. Section 12.0 of the Graffiti Abatement and Coordination Agreement, as amended, is hereby amended as follows:

Section 12.0 Term of Agreement. This Agreement shall remain in effect through December 31, 2043, or until earlier terminated by the mutual written consent of SCE and the County.

SECTION 2. All undefined terms when used herein shall have the same respective meanings as set forth in the Graffiti Abatement and Coordination Agreement, as amended, unless expressly provided otherwise in this Amendment No. 7.

SECTION 3. Each of the signatories for this Amendment No. 7 personally covenant, warrant, and guarantee that each of them, jointly and severally, have the power and authority to execute this Amendment No. 7 upon the terms and conditions stated herein and each agrees to indemnify and hold the County harmless from all damages, costs, and expenses that result from a breach of this representation.

SECTION 4. In the event of a conflict between the terms and conditions of this Amendment No. 7 and the terms and conditions of the Graffiti Abatement and Coordination Agreement, as amended, the terms and conditions of this Amendment No. 7 shall prevail. All other terms and conditions contained in the Graffiti Abatement and Coordination Agreement, as amended, shall remain in full force and effect.

[END OF TERMS]

The foregoing was on this 20th day of November, 2018, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts.



COUNTY OF LOS ANGELES
By [Signature]
Chair, Board of Supervisors

ATTEST:

CELIA ZAVALA
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has **been made**.

CELIA ZAVALA
Executive Officer
Clerk of the Board of Supervisors

By [Signature]
Deputy

By [Signature]
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

26 NOV 20 2018

By [Signature]
Deputy

[Signature]
CELIA ZAVALA
EXECUTIVE OFFICER

IN WITNESS WHEREOF, Southern California Edison Company has caused this Amendment No. 7 to the Graffiti Abatement and Coordination Agreement to be executed on its behalf, effective on the day, month and year first written above.

**SOUTHERN CALIFORNIA EDISON
COMPANY**, a California corporation

By [Signature]
J. CHRIS THOMPSON

Print Name
VICE PRESIDENT, LOCAL PUBLIC AFFAIRS
Title

77183 Supplement No. 7