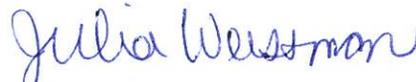


## ANALYSIS

This ordinance grants a well and water pipeline franchise to Montrose Chemical Corporation of California, a Delaware Corporation ("Franchisee"), to construct facilities including pipelines, wells, valves, vaults, control boxes, and other appurtenant facilities in connection with a groundwater remediation project implemented by Franchisee pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, for a period of fifty (50) years. Franchisee will pay a one-time fee to the County of Los Angeles of eighty thousand dollars (\$80,000) to cover the franchise fee and all administrative costs associated with the franchise.

JOHN F. KRATTLI  
County Counsel

By



JULIA C. WEISSMAN  
Deputy County Counsel  
Public Works Division

JCW:jjj

Requested: 06/10/13  
Revised: 07/08/13

**ORDINANCE NO. 2013-0031F**

An ordinance granting a well and water pipeline franchise to Montrose Chemical Corporation of California, a Delaware corporation ("Franchisee") who is required by the U.S. Environmental Protection Agency ("EPA") pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), to construct and operate a groundwater treatment system to remediate contaminated groundwater in the unincorporated area of the County of Los Angeles ("Groundwater Treatment System" or "GWTS"), for a period of fifty (50) years. The GWTS will comprise a series of pipelines, extraction and injection wells, and other appurtenant facilities as described below, a portion of which will be located in County highways, as well as a groundwater treatment plant which will be located outside of the County right-of-way. The pipelines will transport water extracted from the extraction wells to Franchisee's groundwater treatment plant, and then transport the treated water to the injection wells.

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

**SECTION 1. Franchise Term; Grant.**

The right, privilege, and franchise is granted to Franchisee, and its successors and assigns, for a period of fifty (50) years, beginning on September 26, 2013, the effective date of this franchise, to lay, construct, reconstruct, maintain, operate, renew, repair, change the size of, remove, or abandon in place, wells, pipes, pipelines, valves, vaults, control boxes and other appurtenant facilities for the extraction, injection, and transportation of groundwater, together with all manholes, valves, control wires, cathodic protection systems, appurtenances and service connections necessary or

appropriate for the operation of said wells, pipes, pipelines, vaults, control boxes and adjunct communication lines, including poles, conduits, wires, cables, and other equipment for data communication lines necessary or appropriate for Franchisee's GWTS ("Franchise Facilities") on, along, upon, in, under, or across any and all highways as defined in Section 16.36.080 of the Los Angeles County Code ("County Code") now or hereafter dedicated to public use within that portion of the unincorporated territory of the County of Los Angeles ("County"), State of California, generally between Del Amo Boulevard to the north, 213th Street to the south, Vermont Avenue to the east, and Normandie Avenue to the west, more particularly shown on Exhibit A attached hereto and made a part hereof ("Franchise Area").

**SECTION 2. Consideration; Payment of Fees.**

A. All fees set forth in this ordinance shall be made payable to the County of Los Angeles, c/o Department of Public Works, P.O. Box 1460, Alhambra, California 91803.

B. Franchise Fee. As consideration for this franchise granted, Franchisee shall pay the County a one-time fee of eighty thousand dollars (\$80,000), comprised of a payment of a deposit of twenty-five thousand dollars (\$25,000) made by Franchisee on March 1, 2011, plus a payment of fifty-five thousand dollars (\$55,000) to be made within thirty (30) days after the adoption of this ordinance. This fee is intended to be comprehensive, and include all County franchise and permit fees imposed in connection with the franchise. Except as provided in this Section 2, and subject to the insurance and indemnification requirements of Section 3, no additional fees or assessments,

including administrative, permitting and processing fees, shall be assessed in connection with the grant of this franchise.

C. Additional Franchise Fees. Any addition of substantially greater facilities than originally contemplated by Franchisee and the County at the time of adoption of this franchise, shall be subject to approval by the County, and upon sixty (60) days advanced notice, Franchisee may be required to pay an additional fee to supplement the Franchise Fee. Such additional fee shall be calculated in a manner that is consistent with the method utilized to calculate the original Franchise Fee.

D. Late Payments. In the event Franchisee fails to make full payment of any of the payments provided for herein on or before the dates they are due, Franchisee shall pay a late charge of ten percent (10%) of the amount due, said ten percent (10%) being due thirty (30) days after the date payments are due. The ten percent (10%) has been set by both parties hereto in recognition of the difficulty in affixing actual damages from a breach of said time performance requirement.

In the event full payment of any rate, payment, or fee, including the ten percent (10%) late charge, is not received within sixty (60) days after the due date, an assessment of interest shall accrue on the unpaid balance at one percent (1%) per month beginning on the sixty-first (61st) day after the due date.

### **SECTION 3. Indemnification and Insurance.**

The following requirements apply to this franchise:

A. Indemnification. Franchisee shall indemnify, defend, and hold harmless the County and its special districts, elected and appointed officers, employees, and

agents ("County agents") from and against any and all liability and reasonable expenses, including claims and lawsuits relating to or arising from the County's grant of this franchise, claims and lawsuits relating to obligations under the California Environmental Quality Act or National Environmental Policy Act in connection with the County's grant of this franchise, and for injuries or damages of any nature whatsoever, including but not limited to bodily injury, death, personal injury, or property damage, including property of Franchisee, pollution liability, defense costs, attorneys' fees, and workers' compensation benefits, based upon, arising from, or relating to either:

(1) Franchisee's use of this franchise and the operations of Franchisee, its employees, agents, servants, receivers, contractors, subcontractors, successors, or assignees ("Franchisee's agents") in connection with this franchise; and/or (2) any acts or omissions of Franchisee, Franchisee's agents, or any person in connection with activities or work conducted or performed pursuant to this franchise. Franchisee shall also indemnify, defend, and hold harmless the County and the County's agents, from and against any and all pollution liability, contamination, or environmental degradation liability, including any and all reasonable expenses, claims, and lawsuits for injuries or damages of any nature whatsoever, defense costs, attorneys' fees, and workers' compensation benefits, arising from or relating to any threatened, actual, or alleged unpermitted discharge, dispersal, release, or escape of any substance into or upon any person, thing, or place, including the land, soil, atmosphere, man-made structure, and/or any above or below ground watercourse or body of water, in connection with this franchise. Notwithstanding the foregoing, Franchisee shall not be obligated to

indemnify the County and the County's agents for any liability and expense arising from the active negligence or willful misconduct of the County or the County's agents, or arising from hazardous substances not conveyed within the Franchise Facilities and not caused by Franchisee or Franchisee's agents.

B. In addition to any other reporting obligations that Franchisee may have to any other agencies, Franchisee shall immediately notify the County of all unpermitted discharges, releases, or escapes of any treated or untreated groundwater or any other substance from the Franchisee Facilities within the Franchise Area. All actions to investigate, remove or remediate any substance reasonably demonstrated to be discharged, dispersed, released, or escaped from the Franchisee Facilities without the appropriate permit, and to repair or restore Franchisee Facilities shall be the sole responsibility of Franchisee and shall be conducted by Franchisee or Franchisee's agents in conformance with any and all applicable laws, ordinances, rules, regulations, requirements, and orders whatsoever, present or future, of the federal, state, county, or other local government with no expense to the County, and shall be immediately undertaken. If within a reasonable period of time, Franchisee fails to take any action required pursuant to this section, the County may, but shall not be obligated to, take all investigative, remedial, or removal actions it deems appropriate at Franchisee's expense that are not inconsistent with any directives or requirements of the EPA. Upon written demand by the County, Franchisee shall reimburse the County for all expenses reasonably incurred in connection with the County's actions, including, but not limited to, all direct and indirect costs relating to investigation, remediation, and removal.

C. Insurance. Without limiting Franchisee's obligation to indemnify the County or the County's agents, as required by this section, Franchisee shall provide and maintain or cause to be provided and maintained through its contractors or agents at its own expense during the term of this franchise, the following programs of insurance. Such programs and evidence of insurance shall be satisfactory to the County, and shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County.

1. Certificate(s) Declaration page(s) or other evidence of coverage satisfactory to the County shall be delivered on or before the effective date of this franchise, and on or before the expiration date of each term of insurance, to the County.

Such certificates or other evidence shall:

- a. Specifically identify this franchise ordinance;
- b. Clearly evidence all insurance required in this franchise ordinance;
- c. Contain the express condition that the County is to be given written notice by registered mail at least thirty (30) days in advance of any modification, non-renewal, cancellation, or termination of any program of liability insurance, and at least thirty (30) days in advance of any modification, non-renewal, cancellation, or termination of any program of workers' compensation or other insurance required by this section;

d. Include a copy of the additional insured endorsement to the liability policies, adding the County and the County's agents as insureds for all activities arising from this franchise; and

e. Show Franchisee's insurance as primary to the County's insurance and self-insurance programs. This may be evidenced by adding a statement to the additional insured endorsement required in subsection 3.C.1.d stating, "It is further agreed that the insurance afforded by this policy is primary to any insurance or self-insurance programs maintained by the additional insureds, and the additional insureds' insurance and self-insurance programs are excess and non-contributing to the Named Insured's insurance."

2. Insurance is to be provided by an insurance company with an A.M. Best rating of not less than A:VII, unless otherwise approved by the County.

3. Franchisee agrees that to the fullest extent permitted by law, Franchisee or its contractors or agents will waive their rights and their insurers' rights of recovery against the County and the County's agents under the insurance policies required in this franchise ordinance for loss arising from or relating to this franchise. Franchisee or their contractors or agents shall require their insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

4. Liability: Such insurance shall be endorsed naming the County and the County's agents as additional insureds, and shall include, but not be limited to:

a. Commercial General Liability Insurance written on a commercial general liability form (ISO policy form CG 00 01, or its equivalent, (including

umbrella policy) unless otherwise approved by the County), with limits of not less than five million dollars (\$5,000,000) per occurrence, fifteen million dollars (\$15,000,000) policy aggregate, and fifteen million dollars (\$15,000,000) products/completed operations aggregate. If written on a claims-made form, such insurance shall be endorsed to provide an extended reporting period of not less than two (2) years following termination or cancellation of this franchise.

b. Comprehensive Auto Liability Insurance (written on ISO policy form CA 00 01, or its equivalent, unless otherwise approved by the County), endorsed for all owned, non-owned, and hired vehicles with a limit of not less than one million dollars (\$1,000,000) per occurrence.

c. Environmental Impairment Liability Insurance ("EIL insurance"), which insures liability for environmental impairment, including cleanup cost endorsed for "Sudden and Accidental" contamination or pollution. Such coverage shall be in an amount and form to meet all applicable state and federal requirements, but in no event less than five million dollars (\$5,000,000) per occurrence.

i. If written with an annual aggregate limit, the policy limit should be three (3) times the above-required occurrence limit.

ii. If written on a claims-made form, such insurance shall be endorsed to provide an extended reporting period of not less than two (2) years following termination or cancellation of this franchise.

iii. EIL insurance maintained by either Franchisee or its contractor will satisfy the requirements of this section as long as it contains the required terms, conditions, amount, and scope of coverage.

iv. Franchisee or its contractors or agents shall maintain the EIL insurance required herein until the effective date of an agreement such as a Partial Consent Decree between Franchisee and EPA among others, entered in the Central District of California, that addresses operation and maintenance of the GWTS constructed by Franchisee pursuant to the August 22, 2012, Partial Consent Decree for Construction of the Dual Site Groundwater Operable Unit Treatment System and meets the requirements set forth in this paragraph. In order to relieve Franchisee of its obligation to maintain the EIL insurance, the Partial Consent Decree or the Statement of Work must remain in place and contain: (1) a performance guarantee in an amount sufficient to guarantee the performance of work under the Partial Consent Decree in a form that is acceptable to EPA and that complies with EPA's performance guarantee requirements; (2) provisions that require Franchisee to notify the County of any release or threat of release or unpermitted discharge from Franchise Facilities, and take all appropriate action at its expense to prevent, abate, or minimize such release or threat of release or unpermitted discharge, including all actions that are legally required and required by applicable cleanup standards to investigate, remove or remediate any such release or unpermitted discharge; and (3) contain language substantially similar to the language set forth in Exhibit C. Unless and until such an agreement is in effect, as

verified by the County, Franchisee or its contractors or agents shall maintain the EIL insurance required herein throughout the term of this franchise.

5. Workers Compensation: A program of workers' compensation insurance in an amount and form to meet all applicable requirements of the Labor Code of the State of California. Such policy shall be endorsed to waive subrogation against the County for injury to Franchisee's employees. In all cases, the above insurance shall include Employers Liability insurance with coverage of not less than:

- a. Each accident: one million dollars (\$1,000,000);
- b. Disease – policy limit: one million dollars (\$1,000,000); and
- c. Disease – each employee: one million dollars (\$1,000,000).

D. Franchisee shall furnish the County within thirty (30) days of the adoption of this ordinance, and within thirty (30) days of the expiration date of each term of insurance, with evidence of insurance required by Section 3.C to the satisfaction of the County for each of said policies certified by Franchisee's insurance agent, or by the company issuing the policy.

E. The types and amounts of said insurance coverage shall be subject to review and reasonable adjustment by the County, at the County's sole discretion, at any time during the term of this franchise. In the event of such adjustment, Franchisee agrees to obtain said adjusted insurance coverage, in type(s) and amount(s) as determined by the County, within thirty (30) days after written notice from the County. Notwithstanding the foregoing, the County may not adjust the amount or duration of the required EIL insurance, as specified in subsection 3.C.4.c.

F. Failure on the part of Franchisee to procure or maintain or cause to be procured and maintained through its contractors and agents the required insurance, or to provide evidence of current insurance, shall constitute a material breach of the terms of this franchise upon which the County may terminate or suspend this franchise.

G. It is the obligation of Franchisee to provide evidence of current insurance policies. No franchise operations shall commence until Franchisee has complied with the provisions of this Section 3, and Franchisee shall suspend any franchise operations during any period that Franchisee fails to obtain or maintain the insurance required hereunder.

**SECTION 4. Security/Bond.**

A. Security Requirements/Faithful Performance Bond.

1. Within three (3) months following the adoption of this ordinance or prior to construction of the Franchisee's Facilities within the Franchise Area, whichever occurs first, Franchisee shall provide to the County a faithful performance bond in the form of a Franchise Bond in the sum of not less than two million four hundred seven thousand two hundred eighty-five dollars (\$2,407,285) payable to the County, executed by a corporate surety licensed to transact business as a surety in the State of California, and acceptable to the County. Such bond shall be conditioned upon the faithful performance by Franchisee of the terms and conditions of this franchise and shall provide that, in case of a breach of any condition of this franchise, the whole amount of the penal sum, or any portion thereof, shall be deemed to be liquidated damages, and shall be payable to the County by the principal and surety(ies) of the bond.

2. Every year that the faithful performance bond is required to be in full force and effect, the amount of the faithful performance bond for the then-current twelve (12) month period shall be increased by one and one-half percent (1.5%) on or before the franchise anniversary date in advance of the next franchise year. Franchisee shall maintain the faithful performance bond in the amount required herein until the effective date of an agreement, such as a Partial Consent Decree entered in the Central District of California, between Franchisee and EPA among others, that addresses operation and maintenance of the GWTS constructed by Franchisee pursuant to the August 22, 2012, Partial Consent Decree for Construction of the Dual Site Groundwater Operable Unit Treatment System and meets the requirements set forth in this paragraph. In order to relieve Franchisee of its obligation to maintain the bond, the Partial Consent Decree or the Statement of Work attached to such Partial Consent Decree must be in place and must contain: (1) a performance guarantee in an amount sufficient to guarantee the performance of work under the Partial Consent Decree in a form that is acceptable to EPA and that complies with EPA's performance guarantee requirements, and (2) provisions requiring compliance with the terms of this franchise, including provisions concerning operation, maintenance, decommissioning, and removal of the Franchisee's Facilities that are substantially the same as the language shown in Exhibit B. Unless and until such an agreement is in place, as verified by the County, Franchisee shall maintain the faithful performance bond in the amount required herein throughout the term of this franchise.

3. Except when Franchisee is not required to maintain a bond pursuant to subsection 4.A.2 above, if Franchisee receives notice from the County that any amount has been drawn down from the bond as provided in this section, within ten (10) business days after receipt of notice from the County, Franchisee shall restore the bond to the full amount required herein.

B. Alternative Security. The County, in its sole discretion, may accept alternative security to meet the above bonding requirements in the form of an irrevocable letter of credit, certificate of deposit, or a cash deposit in the form of a Passbook Savings Account acceptable to the County as an alternative to a faithful performance bond to guarantee the performance of Franchisee's obligations under this franchise. Such alternative security shall be made payable to the County and shall be deposited to the satisfaction of the County.

C. Adjustments. The types and amounts of the performance bond or alternative security coverage shall be subject to review and adjustment by the County at the County's sole discretion, at any time that the Franchisee is required to maintain a bond in accordance with subsection 4.A.2 above. In the event of such adjustment, Franchisee agrees to provide the adjusted coverage, in type(s) and amount(s) as determined by the County, within thirty (30) days after written notice from the County.

D. No franchise operations shall commence until Franchisee has complied with the requirements of this section.

## **SECTION 5. Transfers and Assignments.**

A. Franchisee shall not sell, transfer (including stock transfers), assign, or lease this franchise or any part thereof (each of which is hereinafter referred to as an "assignment"), to any other person or entity ("transferee") except with the written consent of the Director of the County Department of Public Works, or designee and after payment of a transfer fee as detailed in Section 5.G. No such consent shall be required for any assignment of this franchise or by a way of mortgage, pledge, or hypothecation with all or a part of Franchisee's other property for the purpose of securing any indebtedness of Franchisee.

B. Franchisee shall give notice to the County of any pending assignment, except as excluded in Section 5.E, and shall provide all documents required by the County as set forth in Section 5.F. Consent to any such assignment shall only be refused if the County finds that Franchisee is not in compliance with the terms and conditions of this franchise and/or that the proposed transferee, as applicable, is lacking in experience and/or financial ability to meet this franchise obligations. Consent shall be conditioned upon the completion of the assignment on the terms and conditions set forth in the assignment documents delivered to the County, the assumption by the transferee, as applicable, of all Franchisee's covenants and obligations under this franchise, and all information provided to the County under Section 5.F being true and correct as of completion of the assignment. Upon receipt of such consent from the County, Franchisee may proceed to consummate the assignment.

C. Franchisee shall file with the County within thirty (30) days after the effective date of any assignment, a certified copy of the duly executed instrument(s) which officially evidence(s) such assignment. If such duly executed instrument(s) is not filed with the County within thirty (30) days after the effective date of such proposed assignment, or if the conditions to consent by the County have not been met, then the County may notify Franchisee and the proposed transferee that the assignment is not deemed approved by the County. The County may determine that the assignment has no force or effect, or that this franchise is forfeited.

D. As a condition to granting consent to such assignment, the County may impose by ordinance such additional terms and conditions upon the proposed transferee which the Board of Supervisors ("Board") deems to be in the public interest. Nothing contained herein shall be construed to grant Franchisee the right to complete an assignment except in the manner aforesaid. This section applies to any assignment, whether by operation of law, by voluntary act of Franchisee, or otherwise.

E. Notwithstanding the foregoing, shareholders, partners, and/or any other person or entity owning an interest in Franchisee may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, divestment, or other change, including a merger, is effected in such a way as to give control of Franchisee to any person or persons, corporation, partnership, or legal entity other than the person or entity with the controlling interest in Franchisee on the effective date of this franchise or the effective

date of the last approved assignment, consent thereof shall be required as otherwise provided in this section.

F. Upon notice by Franchisee of any pending assignment, the proposed transferee shall submit an assignment application to the County, which shall contain at a minimum:

1. Identification of the proposed transferee which indicates the corporate or business entity organization, including the submission of copies of the corporate or business formation papers (e.g., articles of incorporation and by-laws, limited partnership agreements, operating agreements), the names and addresses of any parent or subsidiary of the proposed transferee(s), or any other business entity owning or controlling the proposed transferee in part or in whole;

2. A current financial statement, which has been audited by a certified public accountant demonstrating conclusively to the satisfaction of the County that the proposed transferee has all the financial resources necessary to carry out all of the terms and conditions of this franchise. The financial statement shall include a balance sheet, profit and loss statement for at least the three (3) most recent years, and a statement of changes in financial position; however, if the proposed transferee has been in existence for less than three (3) years, then for such period of existence;

3. A copy of the proposed agreement of sale, letter of understanding, or other documentation which details the proposed assignment ("assignment documents");

4. Other information which may be required by the County to assess the capability of the proposed transferee to operate and maintain this franchise.

G. The transfer fee shall be the actual costs to process the proposed assignment application, including any consultant's fees incurred by the County to assist in evaluating the application, but in no event less than the minimum transfer fee of two thousand five hundred dollars (\$2,500). The minimum transfer fee will be submitted with the proposed assignment application. Additional monies owed shall be due and payable prior to final determination of the request by the County.

**SECTION 6. Relocation of Facilities.**

The requirements of Section 16.52.290 of the County Code, Relocation of Pipelines and Appurtenances, shall apply with equal force to pipelines, appurtenances, and any other Franchise Facilities installed in accordance with this franchise, subject to concurrence from EPA. In the event Franchisee receives notice to relocate any Franchise Facilities pursuant to Section 16.52.290 of the County Code, in addition to all obligations of Franchisee and rights of the County under Sections 16.38.450 and 16.52.290 of the County Code, if Franchisee neglects or fails to relocate its facilities in a timely manner after receipt of any such notice, Franchisee shall be solely responsible for, and shall reimburse the County, city, and other applicable public entities, any and all additional costs or expenses incurred by the County, city, and other applicable public entities, due to, or resulting from, such delay in relocation of the facilities.

**SECTION 7. Removal or Abandonment of Facilities.**

The procedures for removal or abandonment of facilities shall be in accordance with Section 16.52.300 of the County Code as follows:

A. At the expiration, revocation, or termination of this franchise or the permanent discontinuance of the use of all or a portion of its facilities, Franchisee shall, within thirty (30) days thereafter, make written application to the County for authority to either:

1. Abandon all or a portion of such facilities in place; or
2. Remove all or a portion of such facilities.

Such application shall describe the facilities desired to be abandoned, their location with reference to county highways, and shall describe with reasonable accuracy the physical condition of such facilities. The County shall determine whether any abandonment or removal, which is thereby proposed, may be effected without detriment to the public interest and under what conditions such proposed abandonment or removal may be effected. The County shall then notify Franchisee of its determinations.

B. Within thirty (30) days after receipt of such notice, Franchisee shall apply for a permit from the County to abandon or remove the facility.

C. Franchisee shall, within sixty (60) days after obtaining such permit, commence the work authorized by the permit at its expense.

## **SECTION 8. Conditions of Franchise Grant; Suspension or Forfeiture**

### **Grounds and Procedure.**

A. This franchise is granted upon each and every condition contained in this ordinance, including such conditions contained herein as are incorporated by reference.

B. Any neglect, failure, or refusal to comply with any of the conditions of this franchise shall constitute grounds for suspension or forfeiture thereof. The Board, prior to any suspension or termination of this franchise, shall give to Franchisee not less than thirty (30) days' notice in writing of any default. If Franchisee does not, within the noticed period, begin the work of compliance to cure the default, or after such beginning does not prosecute the work with due diligence to cure the default, the Board may hold a hearing, at which Franchisee shall have the right to appear and be heard, and thereupon the Board may determine whether such conditions are material and essential to this franchise and whether Franchisee is in default with respect thereto and may declare this franchise suspended or terminated. Notice of the hearing shall be given to Franchisee by certified mail not less than thirty (30) days before said hearing. This franchise may only be suspended or terminated by the Board after a hearing.

## **SECTION 9. Construction, Operation, and Maintenance.**

A. All Franchise Facilities shall be constructed, laid, operated, or maintained in accordance with and conforming to all applicable ordinances, codes, rules, and regulations now or hereafter adopted or prescribed by the Board and all applicable local, state and federal laws and regulations.

Executive Office of the Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

To Franchisee: Joseph C. Kelly  
Montrose Chemical Corporation of California  
600 Ericksen Avenue NE, Suite 380  
Bainbridge Island, Washington 98110  
Work: (206) 780-9840  
Fax: (206) 780-2109

With copies to: Kelly E. Richardson  
Latham & Watkins LLP  
600 West Broadway, Suite 1800  
San Diego, California 92101  
Work: (619) 236-1234  
Fax: (619) 696-7419  
E-Mail: Kelly.Richardson@lw.com

#### **SECTION 11. County Franchises.**

This franchise is granted pursuant to the provisions of Division 3, Franchises and Division 3A, Pipeline Franchises, of Title 16, Highways, of the County Code. The provisions of Division 3A of Title 16 of the County Code are incorporated herein by reference, and as Division 3A of Title 16 of the County Code may be amended hereafter and/or in any successor provisions, and these provisions apply with respect to all the Franchise Facilities, including pipelines and appurtenances as well as wells and other facilities constructed pursuant to this franchise. In the event the provisions of this franchise conflict with any of the provisions of Division 3A of Title 16 of the County Code, the provisions herein shall control. Without limiting the generality of the foregoing, Sections 16.52.320 through 16.52.4 50 of the County Code are superseded by this ordinance.

**SECTION 12. Franchise Operative Date.**

The operative date of this franchise shall be September 26, 2013.

**SECTION 13.** This ordinance shall be published in a newspaper printed and published in the County of Los Angeles.

[MONTCHEMCORPCALFRNJWCC]

