



County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

March 13, 2012

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

Dear Supervisors:

**APPROVE A RESOLUTION OF INTENTION AND APPROVE THE INTRODUCTION OF
AN ORDINANCE TO GRANT A 15-YEAR COMMON CARRIER PETROLEUM
PIPELINE FRANCHISE TO MOBIL PACIFIC PIPELINE COMPANY
(SECOND AND FOURTH DISTRICTS) (3 VOTES)**

SUBJECT

Approval of these recommendations will grant a 15-year common carrier petroleum pipeline franchise to Mobil Pacific Pipeline Company, to renew its existing franchise for pipelines located in the West Carson unincorporated area of the County.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve a Resolution of Intention to grant a 15-year common carrier petroleum pipeline franchise to Mobil Pacific Pipeline Company, a Delaware corporation, to renew its existing franchise your Board granted by Ordinance No. 97-0017F.
2. Introduce, waive reading, and place on your Board's agenda for adoption an ordinance to grant Mobil Pacific Pipeline Company a 15-year common carrier petroleum pipeline franchise, setting the matter for public hearing on April 3, 2012, and instructing the Executive Officer of the Board of Supervisors to publish a notice of the public hearing pursuant to Section 6232 of the California Public Utilities Code.
3. Find that this project is categorically exempt under the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).

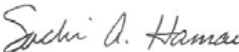
"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17 March 13, 2012


SACHI A. HAMAI
EXECUTIVE OFFICER

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

AFTER THE PUBLIC HEARING, IT IS RECOMMENDED THAT YOUR BOARD:

Adopt the ordinance to grant Mobil Pacific Pipeline Company a 15-year common carrier petroleum pipeline franchise, becoming operative May 23, 2012, the day after the existing franchise Ordinance No. 97-0017F will expire.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of these recommendations is for your Board to approve a Resolution of Intention, introduce an ordinance, schedule a public hearing, and publish a notice of the public hearing, as needed to adopt an ordinance to renew the existing franchise rights granted to Mobil Pacific Pipeline Company (Mobil Pacific) by Ordinance No. 97-0017F.

Implementation of Strategic Plan Goals

The County Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize and support timely delivery of efficient public services. Your Board's approval of these recommendations to grant Mobil Pacific a 15-year common carrier petroleum pipeline franchise is consistent with this goal.

FISCAL IMPACT/FINANCING

Mobil Pacific has paid the County a one-time fee of \$5,000 to process an ordinance to renew the franchise, and will continue to pay an annual franchise fee based on the rate schedule contained in Section 6231.5 of the California Public Utilities Code (CPUC), applied to the pipeline footage Mobil Pacific maintains in County highways (24,153 feet), and adjusted upward annually for inflation using the Consumer Price Index. Under the CPUC rates, Mobil Pacific paid the County over \$8,100 during the 2010 calendar year.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On April 22, 1997, your Board adopted Ordinance No. 97-0017F, granting a 15-year common carrier petroleum pipeline franchise to Mobil Pacific, which became effective on May 23, 1997, and will expire on May 22, 2012. Mobil Pacific is wholly owned by ExxonMobil Pipe Line Company, itself a subsidiary of Exxon Mobil Corporation.

Mobil Pacific is a common carrier petroleum transport company that is regulated by the California Public Utilities Commission (CA-PUC), including its operation of three crude oil pipelines systems (6-inch G-131, 8-inch and 10-inch M-44, and 10-inch M-131) and one refined products pipeline system (10-inch M-54), installed in County highways in the West Carson unincorporated area. Mobil Pacific transports both crude oil and refined petroleum products to and from the ExxonMobil Oil Corporation Torrance Refinery, for its parent company, and various other third-party petroleum companies with facilities in the Los Angeles Basin, under the tariff rates regulated by the CA-PUC.

The Department of Public Works and County Fire Department have reviewed these recommendations and have no objections to the renewal of the Mobil Pacific franchise. County Counsel has reviewed the Resolution of Intention and accompanying ordinance to grant Mobil Pacific a franchise and approved them as to form.

Pursuant to Section 6232 of the CPUC, the Executive Officer of the Board of Supervisors shall arrange for publishing of a notice of the public hearing in a newspaper of general circulation within the County at least once within 15 days after your Board's adoption of the Resolution of Intention.

ENVIRONMENTAL DOCUMENTATION

The Chief Executive Office (CEO) has concluded that this project is categorically exempt under the California Environmental Quality Act (CEQA), pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

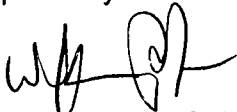
IMPACT ON CURRENT SERVICES (OR PROJECTS)

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

CONCLUSION

Instruct the Executive Officer of the Board of Supervisors, to send conformed copies of the adopted Board recommendation, Resolution of Intention, and franchise ordinance, Attention: Ms. Ruth L. Cronin-Fruitt, Regional Right of Way and Claims Manager, ExxonMobil Oil Corporation, 12851 East 166th Street, Cerritos, California 90703, and the offices of the County Counsel and the CEO, Real Estate Division.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

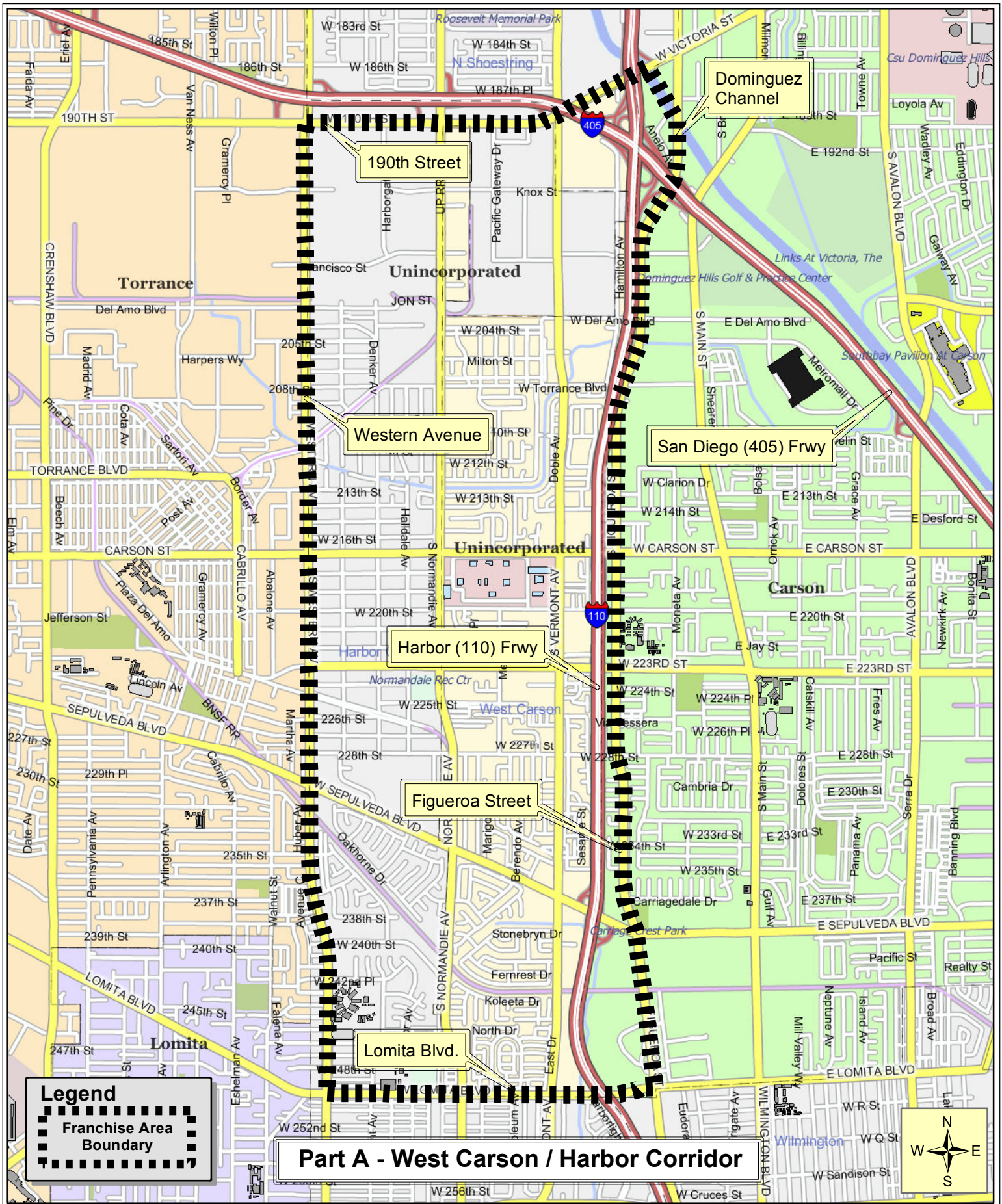
WTF:RLR
CM:RB:ls

c: Executive Office, Board of Supervisors
County Counsel
Fire
Public Works

FRANCHISE AREA MAP

Mobil Pacific Pipeline Company

This map illustrates the unincorporated areas affected by the franchise and is provided for the convenience of the reader.



Date
December 2011

2nd & 4th
Supervisory Districts

**COUNTY OF LOS ANGELES - CHIEF EXECUTIVE OFFICE
COMMON CARRIER PETROLEUM PIPELINE FRANCHISE
MOBIL PACIFIC PIPELINE COMPANY**

Renew Ord. 97-0017F
Mobil Pacific P/L Co.

Agent
R. Ball

RESOLUTION OF INTENTION

To Grant a

Common Carrier Petroleum Pipeline Franchise

To

Mobil Pacific Pipeline Company

**RESOLUTION OF INTENTION TO GRANT A 15-YEAR COMMON CARRIER
PETROLEUM PIPELINE FRANCHISE TO MOBIL PACIFIC PIPELINE COMPANY**

BE IT RESOLVED by the Board of Supervisors of the County of Los Angeles, State of California:

A. Mobil Pacific Pipeline Company, a Delaware corporation ("Franchisee"), has applied to the Board of Supervisors of the County of Los Angeles, State of California, for a franchise for a period of fifteen (15) years, beginning on May 23, 2012, the operative date of the franchise, to lay, construct, reconstruct, maintain, operate, renew, repair, change the size of, remove, or abandon in place, pipes and pipelines for the collection, transportation, or distribution of petroleum, oil, gas, gasoline, or other liquid hydrocarbon products, wet gas, industrial gas, chemicals, mud, steam, water, waste water, and other liquid substances, excluding any hazardous substances or hazardous waste within the meaning of the "Comprehensive Environmental Response Compensation and Liability Act of 1980," 42 U.S.C. section 9601 et seq., and amendments thereto, together with all manholes, valves, cathodic protection systems, appurtenances, and connections necessary or appropriate for the operation of said pipes or pipelines, including poles, conduits, wires, cables, including adjunct communications lines, and other appurtenances and equipment for telegraph or telephone lines, or both, necessary or appropriate solely for Franchisee's operations, in, under, along, or across any and all highways as defined in Section 16.36.080 of the Los Angeles County Code now or hereafter dedicated to public use within the franchise area described in the proposed ordinance attached hereto as Exhibit "A," and depicted on the exhibit map attached to said ordinance.

B. It is the intention of the Board of Supervisors of the County of Los Angeles, State of California, to grant the franchise applied for upon the terms and conditions herein mentioned. The Franchisee, and its successors and assigns will, during the life of its franchise, pay to the County of Los Angeles an annual franchise fee based on the rate schedule contained in Section 6231.5 of the California Public Utility Code, applied to the pipeline footage the Franchisee maintains in County highways and adjusted upward annually for inflation using the Consumer Price Index as specified in the proposed ordinance granting of the franchise, and in the event such payment is not made, the franchise will be forfeited.

C. The franchise is described in the Ordinance attached hereto as Exhibit "A" and is a franchise for common carrier petroleum pipeline purposes.

D. That on the 3rd day of April, 2012, at the hour of 9:30 a.m., a day not less than twenty (20) nor more than sixty (60) days after the date of the passage of this Resolution of Intention, in the hearing room of the Board of Supervisors, Room 381, Kenneth Hahn Hall of Administration, 500 West Temple Street (corner of Temple Street and Grand Avenue), Los Angeles, California 90012, all persons having any objection to the granting of the franchise hereinabove described may appear before the Board of Supervisors and be heard thereon.

E. The Executive Officer, Board of Supervisors, shall cause a notice of said hearing to be published at least once within fifteen (15) days after adoption of this Resolution of Intention in a newspaper of general circulation published in the County of Los Angeles.

The foregoing resolution was on the 13th day of March, 2012, 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.



SACHI A. HAMAI
Executive Officer-Clerk of the
Board of Supervisors of the
County of Los Angeles

By 
Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI
Acting County Counsel

By 
BEHNAZ TASHAKORIAN
Deputy County Counsel
Contracts Division