

**CITY OF HUNTINGTON BEACH
LEGAL NOTICE**

**ORDINANCE NO. 4070
Adopted by the City Council on OCTOBER 5, 2015**

"AN ORDINANCE OF THE CITY OF HUNTINGTON BEACH GRANTING TO CHEVRON USA, INC. A PENNSYLVANIA CORPORATION, A FRANCHISE TO LAY, CONSTRUCT, MAINTAIN, OPERATE, RENEW, REPAIR, ALTER, REMOVE OR ABANDON IN PLACE ONE OR MORE EXISTING PIPES AND PIPELINES FOR THE COLLECTION, TRANSPORTATION OR DISTRIBUTION OF HYDROCARBON SUBSTANCES IN THE CITY OF HUNTINGTON BEACH"

SYNOPSIS:

The pipeline system consists of approximately 24,275 linear feet of 6-inch diameter pipe, 1,105 linear feet of 5-inch diameter pipe, 5,835 linear feet of 4-inch diameter pipe, 1,630 linear feet of 3-inch diameter pipe, and 1,000 linear feet of 2-inch diameter pipe.

Standard Gas Company, Subsidiary of Chevron Corporation, the former pipeline owner, held the last valid Franchise Agreement, which expired on January 1, 2014. The Agreement incorporates the amendments made in 2010 to "Chapter 3.44 - Pipeline Franchises of the Huntington Beach Municipal Code." Terms of the proposed Franchise Agreement include:

- Term: 15 years
- Base Grant Fee: \$5,000
- Base Annual Fee: 2014 fee estimated at \$27,372
- Base Annual Fee increase (each year) based on CPI
- Faithful Performance Bond, \$100,000
- Liability, Environmental and Workers Compensation Insurance (self insured - including no less than \$5 million coverage for Liability and Environmental)

City Charter Section 615 states that the City Council shall by ordinance regulate the granting of franchises for the City..

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting held October 5, 2015 by the following roll call vote:

AYES: Posey, Katapodis, Hardy, Sullivan, Delgleize, Peterson

NOES: None

ABSTAIN: O'Connell

ABSENT: None

THE FULL TEXT OF THE ORDINANCE IS AVAILABLE IN THE CITY CLERK'S OFFICE.

This ordinance is effective 30 days after adoption.

**CITY OF HUNTINGTON BEACH
2000 MAIN STREET
HUNTINGTON BEACH, CA 92648
714-536-5227
JOAN L. FLYNN, CITY CLERK**