

ORDINANCE NO. 2002

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA, GRANTING TO SOUTHERN CALIFORNIA EDISON COMPANY, ITS SUCCESSORS AND ASSIGNS, A FRANCHISE, FOR A TERM OF TWENTY FIVE (25) YEARS, TO OPERATE, TEST, MAINTAIN, USE, RENEW, REPAIR, REPLACE AND REMOVE OR ABANDON IN PLACE A SYSTEM OF PIPELINES AND APPURTENANCES, FOR THE PURPOSE OF CONDUCTING, TRANSPORTING, CONVEYING, AND CARRYING GAS, OIL, PETROLEUM PRODUCTS, WATER, WASTE WATER, AND OTHER SUBSTANCES, ON, ALONG, IN, UNDER AND ACROSS CERTAIN SPECIFIED PUBLIC STREETS, WAYS, ALLEYS AND PLACES WITHIN THE CITY OF MANHATTAN BEACH

The City Council of the City of Manhattan Beach does ordain as follows:

Section 1. Whenever in this Ordinance the words or phrases set forth hereinafter in this section are used, it is intended that they shall have the respective meanings assigned to them in the following definitions (unless, in the given instance, the context wherein they are used shall clearly import a different meaning):

- (a) The word "Grantee" shall mean the corporation to which the franchise contemplated in this Ordinance is granted and its lawful successors or assigns.
- (b) The word "City" shall mean the City of Manhattan Beach, a municipal corporation of the State of California, in its present incorporated form or in any later reorganized, consolidated, enlarged or reincorporated form.
- (c) The word "Streets" shall mean the public streets, ways, alleys and places as the same now or may hereafter exist within said City.
- (d) The phrase "Pipes and Appurtenances" shall mean pipe, pipeline, cable, main, service, trap, vent, vault, manhole, meter, gauge, regulator, valve, conduit, appliance, attachment, appurtenance and any other property located or to be located in, upon, along, across, under or over the streets of the City, and used or useful in, or in carrying on the business of, conducting, transporting, conveying and carrying gas, oil, petroleum products, water, waste water, and other substances.
- (e) The word "Franchise" shall mean and include any authorization granted hereunder in terms of a franchise, privilege, permit, or otherwise to use an existing system of pipelines and appurtenances for conducting, transporting, conveying, and carrying gas, oil, petroleum products, water, waste water, and other substances, except Class I flammable liquids that are not crude oils, or flammable gases, along, across, upon, over, and under Streets within the City as set forth in Exhibit A, which is attached hereto and incorporated herein by reference. Any authorization, in whatever terms granted, shall mean and include any license or permit required for the privilege of transacting and carrying on a business within the City.

Section 2. That a Franchise be and the same is hereby granted to Southern California Edison Company, a corporation organized and existing under the laws of the State of California, its successors and assigns, to operate, test, maintain, use, renew, repair, replace, and remove or abandon in place an existing system of pipelines already laid and constructed as designated in Exhibit A, together with such valves, fittings, manholes, vaults, pumps and other appliances, appurtenances, attachments or equipment as the Grantee, its successors and assigns may deem necessary or convenient for the purpose of conducting, transporting, conveying and carrying gas, oil, petroleum products, water, waste water, and excepting the carrying of any Class 1 flammable liquids that are not crude oils, or flammable gases, on, along, in, under and across the public streets, ways, alleys and places within the City of Manhattan Beach as designated on Exhibit A.

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Section 3. The Grantee shall have the right to construct and maintain such Pipes and Appurtenances as may be necessary or convenient for the proper maintenance and operation of the pipelines under said Franchise and so located as to conform to any order of the City Engineer of the City of Manhattan Beach (hereinafter referred to as the "City Engineer") in regard thereto. The Grantee shall have the right subject to such ordinances, rules, or regulations as are now or may hereafter be in force, to make all necessary excavations in said Streets, for the construction, testing, and repair of new or existing Pipelines and Appurtenances.

Section 4. Said Franchise shall be for a term of twenty-five (25) years, or until said Franchise shall be forfeited for noncompliance with its terms by the Grantee whichever occurs sooner.

Section 5. The Grantee shall pay to the City at the times hereinafter specified, in lawful money of the United States, a sum annually which shall be equivalent to the base rate revised annually, as provided in Section 6231.5 of the Public Utilities Code, arising from the use, operation or possession of said Franchise. The Grantee shall file a verified statement memorializing charges due Grantor to City, within three (3) months after the expiration of the calendar year, based upon calculations specified in Public Utilities Code Section 6231.5.

It shall be the duty of the Grantee to pay to the City within fifteen (15) days after the time for filing such statement in lawful money of the United States, the amount due as determined by said statement. Any neglect, omission or refusal by said Grantee to file such verified statement, or to pay said amount, at the times or in the manner or amount provided in this agreement, shall be grounds for the declaration of a forfeiture of this Franchise and of all rights thereunder.

Section 6. Within ninety (90) days after removal, change, or abandonment of all Pipes and Appurtenances or any portion thereof, Grantee shall file a revised map or maps showing the location and size of all such additional, removed, or abandoned facilities as of that day.

- Section 7. The Grantee of this Franchise shall:
- (a) Test, and maintain all Pipes and Appurtenances in accordance with and in conformity with all of the ordinances, rules and regulations heretofore, or hereafter adopted by the legislative body of this City in the exercise of its police powers and not in conflict with the paramount authority of the State of California, and, as to State highways, subject to the provisions of general laws relating to the location and maintenance of such facilities;
 - (b) Pay to the City, on demand, the cost of all repairs to public property made necessary by any operations of the Grantee under this Franchise;
 - (c) Indemnify and hold harmless the City and its officers from any and all liability for damages including attorneys fees, proximately resulting from any operations under this Franchise, and be liable to the City for all damages proximately resulting from the failure of said Grantee to well and faithfully observe and perform each and every provision of this Franchise and each and every provision of Division 3, Chapter 2 of the Public Utilities Code of the State of California;
 - (d) Remove or relocate, at the request of the City without expense to the City, any facilities installed, used and maintained under this Franchise if and when made necessary by any public works of the City (as used herein "public work" shall mean the erection, construction, alternation, repair or improvement of any kind);
 - (e) File with the legislative body of the City within thirty (30) days after any sale, transfer, assignment or lease of this franchise, or any part thereof, or of any of the rights or privileges granted thereby, written evidence of the same, certified thereto by the Grantee or its duly authorized officers. If any transfer, assignment, lease, or sale of the Franchise is to a person or entity that is a non public utility pipeline, then City approval is required, which approval shall not be unreasonably withheld. If the City approves that sale, transfer, assignment, or lease of this Franchise, then the City may change the annual Franchise payment to an amount otherwise authorized by applicable state law. Upon approval, the new Grantee shall pay to the City a sum of money sufficient to reimburse it for all expenses incurred by it in connection with the approval of the sale, transfer, assignment, or lease of this Franchise, or \$3,000 whichever is greater; said payment to be made within thirty (30) days after the City shall have furnished said Grantee with a written statement of such expenses;

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(f) Provide proof of a commercial general liability insurance policy for occurrence coverage, with no special limitations affecting City. The limit for all coverage's under this policy shall be no less than five million (\$5,000,000) per occurrence. City, its employees, officials and agents, shall be added as additional insureds to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material changes in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by the City. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this agreement;

(g) A certificate of pollution liability insurance with no special limitations affecting City. The limit for all coverage's under this policy shall be no less than five million dollars (\$5,000,000) per occurrence. City, its employees, officials and agents, shall be added as additional insureds to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material changes in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by the City. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this agreement;

(h) It is agreed that the grantee is allowed to lawfully self-insure automobile liability and provide documentation thereto. The city is indemnified per section 9 (c) from claims resulting from Grantee's use of vehicles under this agreement.

SECTION 8. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clause, or phrases, be declared invalid or unconstitutional.

SECTION 9. This ordinance shall become effective thirty (30) days after its final passage, unless suspended by referendum petition filed as provided by law.

SECTION 10. The Franchise granted hereby shall not become effective until written acceptance thereof shall have been filed by the grantee with the City Clerk of said City.

SECTION 11. The Grantee of this Franchise shall pay to the City a sum of money sufficient to reimburse it for all publication expenses incurred by it in connection with the granting of this Franchise; said payment to be made within thirty (30) days after the City shall have furnished said Grantee with a written statement of such expenses.

SECTION 12. Any provisions of the Manhattan Beach Municipal Code, or appendices thereto, or any other ordinances of the City, to the extent that they are inconsistent with this ordinance, and no further, are hereby repealed.

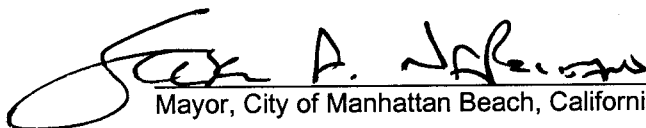
SECTION 13. This notice shall be published by one insertion in *The Beach Reporter*, the official newspaper of the City, and this ordinance shall take effect and be in full force and operation thirty (30) days after its final passage and adoption.

SECTION 14. The City Clerk shall certify to the adoption of this ordinance; shall cause the same to be entered in the book of original ordinances of said City; shall make a minute of the passage and adoption thereof in the records of the meeting at which the same is passed and adopted; and shall within fifteen (15) days after the passage and adoption thereof cause the same to be published by one insertion in *The Beach Reporter*, the official newspaper of the City and a weekly newspaper of general circulation, published and circulated within the City of Manhattan Beach hereby designated for that purpose.

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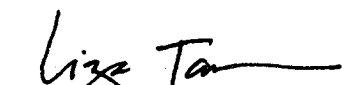
PASSED, APPROVED and ADOPTED this 20th day of July, 1999.

Ayes: Fahey, Wilson, Lilligren and Mayor Napolitano.
Noes: None.
Absent: None.
Abstain: Dougher.



Mayor, City of Manhattan Beach, California

ATTEST:

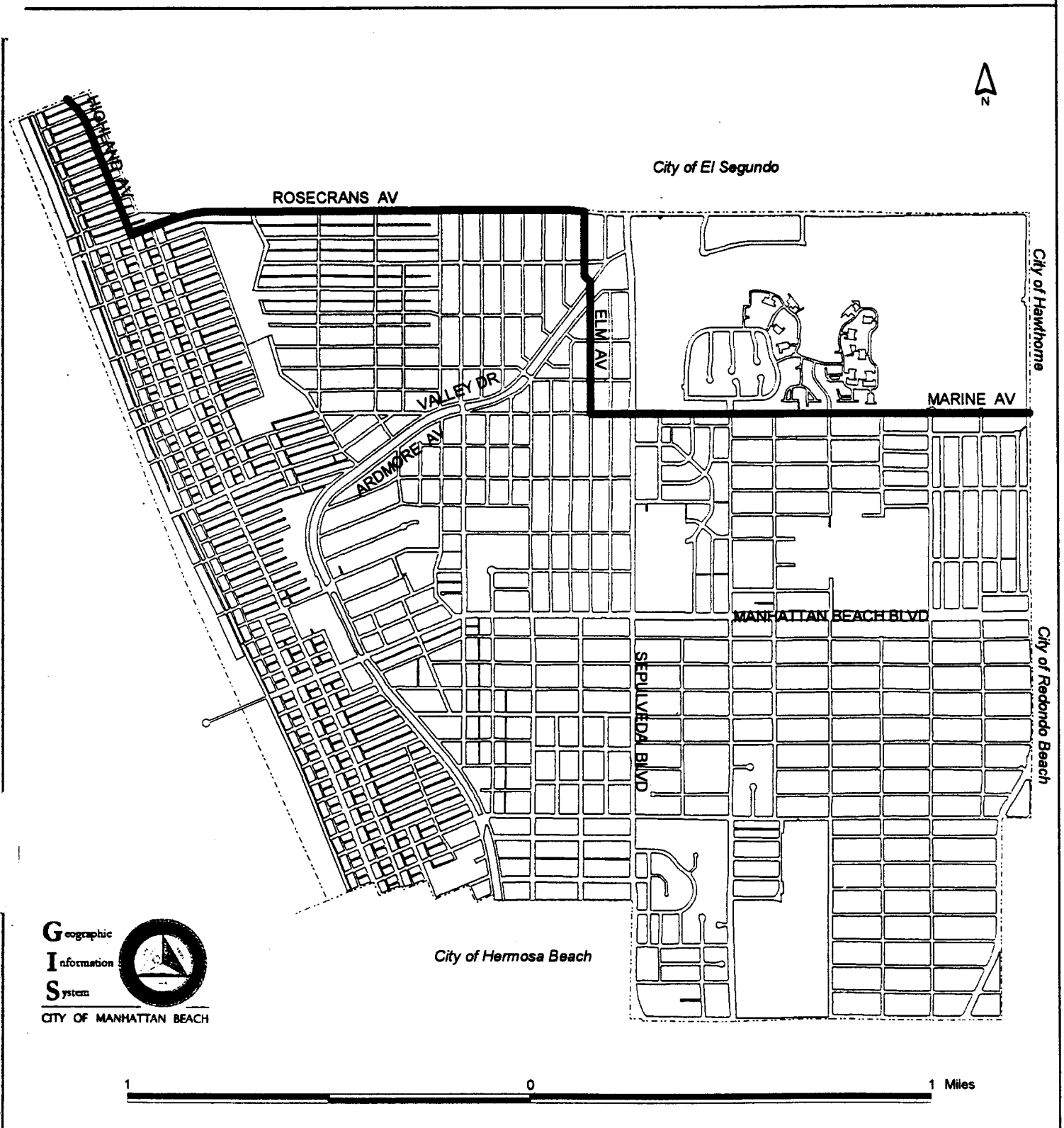


City Clerk

Exhibit A

City of Manhattan Beach Renewal of Edison Pipeline Agreement

July 6, 1999



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STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.
CITY OF MANHATTAN BEACH)

I, LIZA TAMURA, City Clerk of the City of Manhattan Beach, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Ordinance, being Ordinance No. 2002 was duly passed and adopted by the said City Council, approved and signed by the Mayor, and attested by the City Clerk, of said City, all at a regular meeting of the said Council duly and regularly held on the 20th day of July, 1999, and that the same was so passed and adopted by the following vote, to wit:

Ayes: Fahey, Wilson, Lilligren and Mayor Napolitano.
Noes: None.
Absent: None.
Abstain: Dougher.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of said City this 22nd day of July, 1999.

Liza Tamura
City Clerk of the City of
Manhattan Beach, California

(SEAL)

CERTIFICATE OF PUBLICATION

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.
CITY OF MANHATTAN BEACH)

I, LIZA TAMURA, City Clerk of the City of Manhattan Beach, California, do hereby certify that Ordinance No. 2002 has been duly and regularly published according to law and the order of the City Council of said City and that same was so published in the Beach Reporter, a weekly newspaper of general circulation on the following date, to wit: JULY 29, 1999, in witness whereof, I have hereunto subscribed my name this 29th day of JULY 1999.

Liza Tamura
City Clerk of the City of
Manhattan Beach, California