

Resolution Granting a Private Pipeline Franchise to ERG Resources, LLC



Skip Grey, Assistant Director
General Services Department

Private Pipeline Franchise



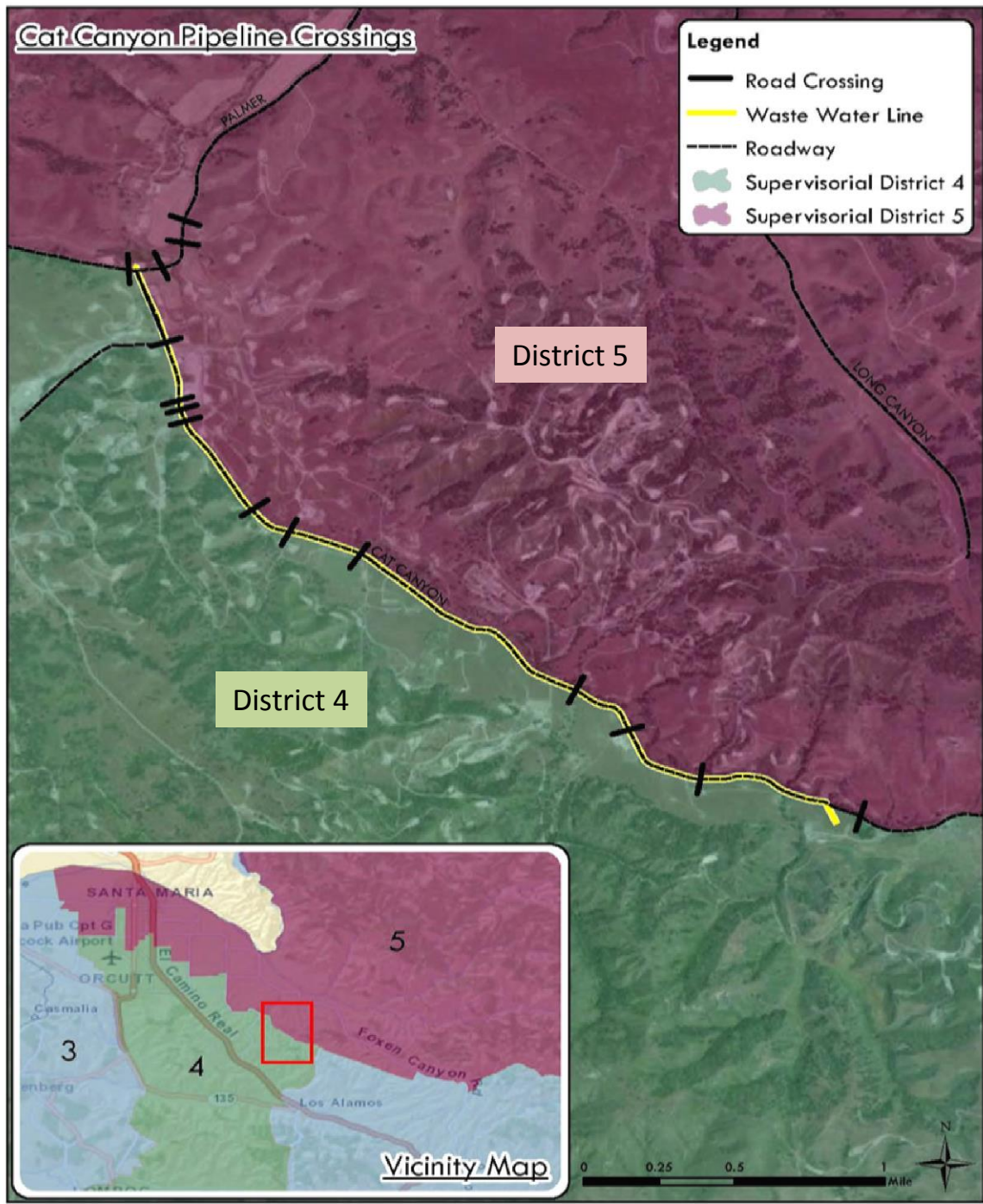
Asking you to adopt a resolution granting a private pipeline franchise to ERG Resources, LLC

- Franchise will have a 20 year term
- Allow continued operation and maintenance of the existing private pipeline system
- Along and under the County roadways of Palmer Road and Cat Canyon Road.
 - 16 pipeline crossings of Cat Canyon and Palmer Roads
 - 1 idle pipeline along Cat Canyon Road

Cat Canyon Pipeline Crossings

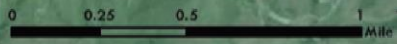
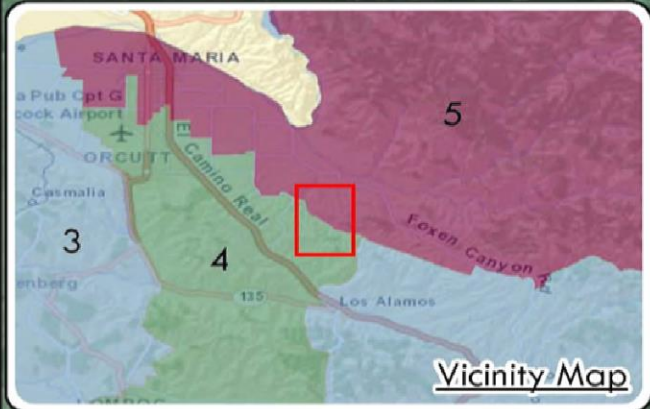
Legend

- Road Crossing
- Waste Water Line
- - - Roadway
- Supervisorial District 4
- Supervisorial District 5



District 5

District 4





Background

- Departmental Hearing: November 1, 2011
- Item withdrawn to address issues, questions and concerns.
- Prior to re-submitting new application, ERG surveyed and identified exact location and depth of all pipelines in road right of way.
- ERG's application re-submitted January 20, 2015, removed from May 12, 2015 BOS Agenda by ERG.

Operation and Maintenance of Existing Facilities



2017 Resolution Granting Private Franchise

- County Code 2-82.1 allows granting of Private Franchise by Resolution only.
- Limited to operation and maintenance of existing facilities.
- Requires a public hearing and Board approval for any expansion of pipeline system exceeding 10% of total length or volume.



Condition of Pipeline System

- Idled produced water pipeline has been purged of all fluids and sealed to render it safe.
- No current plans to reactivate the produced water pipeline.
- ERG is required to submit a work plan to Petroleum Unit to reactivate any pipeline.
- Prior to reactivation, the 67 petroleum lines were inspected by County Petroleum Unit. Repairs made as needed.

Staff Recommendation



- Adopt a Resolution Granting a Private Pipeline Franchise to ERG Resources, LLC
 - 20 year term
 - Allow continued operation and maintenance of the existing private pipeline system along and under the County roadways of Palmer Road and Cat Canyon Road.
 - 67 pipeline crossings of Cat Canyon and Palmer Roads
 - 1 idle pipeline along Cat Canyon Road