

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:

Prepared on: May 20, 2003
Department: General Services
Budget Unit: 063
Agenda Date: June 17, 2003
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Ronald S. Cortez, Director
General Services Department

STAFF CONTACTS: Don Grady, Real Property Agent (568-3065)
Real Estate Services Section

SUBJECT: Notice and Resolution of Intent to Grant a Public Oil and Gas Pipeline Franchise to Union Pipeline Company (California), a division of the Tosco Corporation

Fourth and Fifth Supervisorial Districts

Recommendations:

That the Board of Supervisors:

- A. Adopt the Notice and Resolution of Intent to Grant a Public Oil and Gas Pipeline Franchise to Union Pipeline Company (California), for a twenty (20) year term, pursuant to Santa Barbara County Code Section 2-82; and
- B. Set a hearing date of July 8, 2003, for the introduction (FIRST HEARING) of an Ordinance granting a Public Oil and Gas Pipeline Franchise to Union Pipeline Company (California), a division of the Tosco Corporation, for a twenty (20) year term, to allow the continued operation and maintenance of the existing oil and gas pipeline system in a portion of the unincorporated territory of Santa Barbara County; and
- C. Set a hearing date of July 22, 2003, to consider the adoption (SECOND HEARING) of an Ordinance granting a Public Oil and Gas Pipeline Franchise to Union Pipeline Company (California), a division of the Tosco Corporation, for a twenty (20) year term, to allow the continued operation and maintenance of the existing oil and gas pipeline system in a portion of the unincorporated territory of Santa Barbara County (ESTIMATED HEARING TIME: 5 MIN.; 4/5TH VOTE REQUIRED).

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Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with actions required by law or business necessity.

Executive Summary and Discussion:

This Resolution of Intent sets the dates for the introduction and proposed adoption of the Ordinance that would grant a public franchise to Union Pipeline Company (California), a division of the Tosco Corporation. The first hearing, on July 8, 2003, in the Board of Supervisors Hearing Room in Santa Maria, will be placed on the Departmental agenda to allow for introduction of the Ordinance. The second hearing, on July 22, 2003, in the Board of Supervisors Hearing Room in Santa Barbara, will also be placed on the Departmental Agenda to provide for public comment prior to a vote by the Board to adopt the Ordinance.

Tosco Refining Company, a subsidiary of ConocoPhillips Petroleum Company, is applying for a new franchise with the County that would grant them the continued right to operate the oil and gas pipelines identified on the maps that were attached to the application packet; a copy of which was delivered to each of the Supervisors. Tosco has been operating the pipelines under an existing franchise that was originally granted to Union Oil Company of California as Ordinance 558 on September 25, 1944. Tosco has purchased the lines from Union Oil and has been operating the lines since 1997 under permit by the County's Energy Division.

Mandates and Service Levels:

No change in programs or service levels.

Fiscal and Facilities Impacts:

The annual franchise fees generated from this Ordinance will be approximately \$13,153.33 subject to changes in the Consumer Price Index.

Special Instructions:

After Board action, please distribute as follows:

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| 1. Resolution of Intent | Clerk of the Board Files |
| 2. Copy of the Resolution, Minute Order
& Proof of publication of Exhibit B | Facilities Services, Attn: Don Grady |

Please publish the attached Public Notice (Exhibit B) in the Santa Maria Times, ten (10) days prior to the introduction, and post the proposed Ordinance/Franchise for public review in the Clerk of the Board Office once the hearings are set.

Concurrence:

General Services – Real Estate Services Section