

PUBLIC WORKS AND GANG REDUCTION COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to granting a new pipeline franchise to the California-American Water Company to install, retain, operate and maintain pipelines in City streets.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. PRESENT and ADOPT the accompanying ORDINANCE dated July 3, 2018 granting California-American Water Company a proprietary pipeline franchise to install, retain, operate and maintain pipelines and their adjunct communication lines within the City.
2. FIND that California-American Water Company is in need of a pipeline franchise agreement to install, retain, operate, and maintain existing pipelines and their adjunct communication lines within the City.
3. OFFER for sale a pipeline franchise to install, retain, operate, and maintain pipelines and their adjunct communication lines associated with the production and distribution of water.
4. ACCEPT and AWARD the bid for the franchise to the responsible bidder offering to pay the City the highest cash consideration, but not less than \$500 and, if the existing operator and/or owner is the highest responsible bidder, or if there are no bids, award the franchise to that company.
5. REQUEST the City Clerk to publish a Notice of Sale of Pipeline Franchise, in accordance with Los Angeles Administrative Code (LAAC), Section 13.17.
6. INSTRUCT the Board of Public Works (BPW) to notify the successful franchisee and, in accordance with LAAC, Section 13.26, ensure that all good faith deposits are returned to the unsuccessful bidders, subsequent to the award of the franchise.
7. REQUIRE that the successful franchisee file a faithful performance bond in duplicate with, the City Clerk within five days in the penal sum fixed by the Council in the advertisement for bids or established as a condition of the franchise approval, per LAAC Section 13.30 and maintain necessary insurance as outlined in City Administrative Officer Form No. 146.

Fiscal Impact Statement: The BPW reports that there is no impact to the General Fund. No additional funding is required for this amendment.

Community Impact Statement: None submitted.

## SUMMARY

At the meeting held on August 15, 2018, your Public Works and Gang Reduction Committee considered BPW and City Attorney reports and draft Ordinance relative to granting a new pipeline franchise to the California-American Water Company to install, retain, operate and maintain pipelines in City streets. An opportunity for public comment was held. After further discussion of the matter, the Committee moved to approve the Ordinance as presented by the City Attorney and recommendations of the Board of Public Works, as detailed above. This matter

is now forwarded to the Council for its consideration.

Respectfully Submitted,

PUBLIC WORKS AND GANG REDUCTION COMMITTEE

A handwritten signature in blue ink, appearing to read "B. Blum", is written over the committee name.

<u>MEMBER</u>	<u>VOTE</u>
BLUMENFIELD:	YES
BUSCAINO:	YES
MARTINEZ:	YES
RYU:	YES
RODRIGUEZ:	YES

ME

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**