



MICHAEL N. FEUER
CITY ATTORNEY

REPORT NO. R 1 4 - 0 2 6 8

JUN 10 2014

REPORT RE:

**DRAFT ORDINANCE AMENDING THE EXPIRATION DATE APPLICABLE TO THE
SOUTHERN CALIFORNIA GAS COMPANY FRANCHISE ORDINANCE NO. 168164
SO AS TO EXTEND THE TERM OF THE FRANCHISE**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The draft ordinance amends the expiration date applicable to the Southern California Gas Company Franchise Ordinance No. 168164 so as to extend the term of the franchise to December 31, 2014.

If you have any questions regarding this matter, please contact Deputy City Attorney Michael D. Nagle at (213) 978-8141. He or another member of this Office will be present when you consider this matter to answer any questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By 

DAVID MICHAELSON
Chief Assistant City Attorney

DM:MDN:fa
Transmittal

ORDINANCE NO. _____

An ordinance amending the expiration date applicable to Southern California Gas Company Franchise Ordinance No. 168164 so as to extend the term of the franchise.

WHEREAS, in 1992, the City granted a franchise authority, Ordinance No. 168164 to Southern California Gas Company to (a) install, construct, replace, reconstruct, repair and retain its gas system in streets located in the City of Los Angeles; (b) maintain and operate said gas system; and (c) engage in the business of the transmission and distribution of gas to customers within the City of Los Angeles; and

WHEREAS, the franchise authority granted to Southern California Gas Company in Ordinance No. 168164 was for a twenty-year term set to expire on December 31, 2012; and

WHEREAS, in the course of the last two years, staff of several City Departments, including the Bureau of Street Services, Bureau of Engineering, Department of Transportation, City Attorney, City Administrative Officer, Chief Legislative Analyst and City Council have been negotiating the terms and conditions of a new franchise ordinance to allow Southern California Gas Company to prepare a bid for said franchise; and

WHEREAS, Ordinance No. 182350 was adopted by the City Council on December 11, 2012, extending the expiration date of the franchise to June 30, 2013; and

WHEREAS, Ordinance No. 182614 was adopted by the City Council on June 28, 2013, extending the expiration date of the franchise to June 30, 2014; and

WHEREAS, while all parties have met in good faith to discuss and resolve issues involved in granting a new franchise to Southern California Gas Company and are near agreement on a new franchise, more time is needed to complete the process. Therefore, it is necessary to extend the current franchise beyond the June 30, 2014 expiration date previously adopted to assure that the Gas Company continues to operate in the City under the terms set forth in Ordinance No. 168164.

NOW, THEREFORE,

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Section 2.2 of Ordinance No. 168164, granting to Southern California Gas Company a franchise authority is hereby amended by deleting "June 30, 2014" and inserting therein "December 31, 2014."

Sec. 2. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of _____.

HOLLY L. WOLCOTT, Interim City Clerk

By _____
Deputy

Approved _____

Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By Michael D. Nagle
MICHAEL D. NAGLE
Deputy City Attorney

Date 6/5/2014

File No. _____