



CHRISTOPHER J. GARNER  
DIRECTOR

2400 EAST SPRING STREET · LONG BEACH, CA 90806  
(562) 570-2000 · FAX (562) 570-2008

DEPARTMENT

[www.lbgo.org](http://www.lbgo.org)

May 16, 2006

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Authorize the City Manager to add Appendix K to Service Agreement #27723 with the Southern California Gas Company for the construction, project management, project engineering, and field inspections of the Huntington Beach Pipeline in the vicinity of Bolsa Chica Street. (Citywide)

**DISCUSSION**

On February 13, 1996, the City Council authorized the City Manager to execute a five-year agreement with Southern California Gas Company (SoCalGas) to provide utility-related services to the Long Beach Gas and Oil Department (LBGO). Under the agreement, LBGO can avail itself of numerous specialized services to augment those services provided by its own personnel including gas utility-related personnel training, meter repair, and field inspection.

LBGO found the services provided under the initial five-year agreement cost-effective and supportive of LBGO operations and on March 19, 2002, obtained approval from the City Council to continue the program for up to five years thereafter.

LBGO is requesting that Appendix K be added to the Agreement to provide the construction, project management, project engineering, and field inspections required to mitigate the impact of the realignment of the pipeline located in the vicinity of Bolsa Chica Street in the City of Huntington Beach.

The City of Long Beach owns the pipeline and leases the pipeline to SoCalGas, which operates and maintains the pipeline. Hearthside Homes, a home development company, is developing tracts of land near Bolsa Chica Street. This development will affect the depth of soil required over the pipeline when the re-grading of Bolsa Chica Street begins. The project, currently in the engineering phase, will require trench work and protection of the pipelines during the road construction.

LBGO anticipates SoCalGas to perform work under Appendix K including, but not limited to, the following:

- Removal of the pipe, pipe supports, and appurtenances, including above ground and buried pipes.
- Removal of the existing meter and equipment connected to the pipeline.
- Environmental permitting, monitoring and mitigation for construction, relocation and removal work.

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- Relocation of the existing pipeline.
- Pipeline routing, engineering, design, acquisition of permits, and project management for the new installation and relocation services.
- Survey work, acquisition of land and rights-of-way, licenses, and easements necessary for the installation of the new or relocated pipeline.
- Purchase of pipeline materials for the new or relocated service lines.
- Start-up of pipeline, including tie-in, purging, pressure tests, and final reconciliation.

This matter was reviewed by Deputy City Attorney Richard Anthony on May 3, 2006 and Budget Management Officer David Wodynski on May 4, 2006.

#### TIMING CONSIDERATIONS

City Council action on this item is requested on May 16, 2006, to allow the construction of the project to commence.

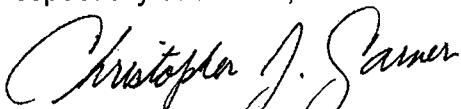
#### FISCAL IMPACT

Work performed under Appendix K will be billed separately and paid up front to SoCalGas. Hearthside Homes will fully reimburse the City for all expenditures associated with project development incurred under Appendix K. It is estimated that work performed will not exceed \$500,000. Funds associated with the Service Agreement and Appendix K have been set aside in anticipation of this relocation project, and are appropriated in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (EN).

#### SUGGESTED ACTION:

Approve recommendation.


Respectfully submitted,



CHRISTOPHER J. GARNER  
DIRECTOR OF LONG BEACH GAS AND OIL

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APPROVED:



GERALD R. MILLER  
CITY MANAGER