CITY OF LONG BEACH



CHRISTOPHER J. GARNER

DIRECTOR

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Gas Bepartment

August 11, 2015

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Authorize the City Manager to execute an agreement with the Alameda Corridor Transportation Authority for reimbursement of costs for pipeline relocations relating to reconstruction of the Schuyler Heim Bridge; authorize the City Manager to reimburse Southern California Gas Company for costs relating to relocation of gas delivery facilities relating to reconstruction of the Schuyler Heim Bridge, for a total amount not to exceed \$3,171,615; and increase appropriations in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO) by \$3,171,615. (District 1)

DISCUSSION

The Alameda Corridor Transportation Authority (ACTA), acting as a Caltrans Local Agency through a Cooperative Agreement (No. 07-4872) with the State of California, is coordinating the utility relocation of facilities in conflict with the Schuyler Heim Bridge Project. The existing bridge spanning the Cerritos Channel, is currently being replaced due to seismic concerns and maintenance costs. ACTA will enter into an Agreement with the City of Long Beach to reimburse Southern California Gas Company (SoCalGas) for all costs associated with the relocation of the City's pipeline facilities and an associated SoCalGas metering station impacted by the bridge project. The SoCalGas metering station delivers natural gas to Long Beach Gas and Oil (LBGO) at a location adjacent to the bridge project and is an important source of gas supply for the downtown area. SoCalGas will incur costs for engineering, materials, and construction activities related to relocating the SoCalGas metering station.

The Agreement with ACTA will stipulate the terms by which advance payment for engineering design and subsequent payments for material procurement, construction, demolition, and overhead costs will be made to LBGO. Additional terms will cover notices, documentation, cost and work scope revisions, insurance, and miscellaneous requirements acceptable to both parties. LBGO will reimburse SoCalGas for expenses related to the work in an amount not to exceed \$3,171,615.

HONORABLE MAYOR AND CITY COUNCIL August 11, 2015 Page 2

This matter was reviewed by Deputy City Attorney Richard Anthony on July 7, 2015 and by Budget Operations Officer Grace Yoon on July 13, 2015.

TIMING CONSIDERATIONS

City Council action is requested on August 11, 2015 to expedite project implementation.

FISCAL IMPACT

The cost to reimburse SoCalGas is an amount not to exceed \$3,171,615 and is currently unbudgeted. An appropriation increase in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO) by \$3,171,615 is included in the recommended action. All expenses reimbursed to SoCalGas will be offset by corresponding revenue from ACTA to the Gas Fund. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

CHRISTOPHER J. GARNER DIRECTOR OF LONG BEACH GAS AND OIL

CJG:SCB CCL 8-11-2015.ACTA-SOCALGAS.DOCX

APPROVED:

PATRICK H. WEST CITY MANAGER