



CITY OF LONG BEACH **R-50**

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802

November 14, 2006

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Declare ordinance amending the Long Beach Municipal Code by amending Subsections 15.44.010(D), 15.44.060 and 15.44.100(A)(1), all relating to pipelines, read the first time and laid over to the next regular meeting of the City Council for final reading. (Citywide)

DISCUSSION

In adopting the Fiscal Year 2007 (FY 07) Budget, the Board of Water Commissioners and the City Council approved the removal of the pipeline fee exemption for sewer pipelines. The fee applies to other private and public pipelines located within City property. In order to collect this annual pipeline fee, Subsections 15.44.010(D), 15.44.060 and 15.44.100(A)(1) of the Long Beach Municipal Code (LBMC) must be amended to remove the exemption.

It is requested that Subsection 15.44.010(D), defining the "facilities" subject to the ordinance, be amended to denote the agencies whose pipelines are identified for exemption. The pipeline fee is charged per a base rate that applies in accordance with pipe size per lineal foot. The Department of Public Works collects the fees on an annual basis, with Consumer Price Index adjustments to the base rate, as stipulated in the ordinance.

This matter was reviewed by Assistant City Attorney Heather A. Mahood and Budget Management Officer David Wodynski on November 1, 2006.

TIMING CONSIDERATIONS

City Council action is requested on November 14, 2006, in order to collect fees as soon as possible.

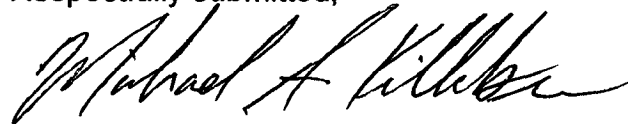
FISCAL IMPACT

It is estimated that \$3,753,595 will accrue to the General Fund this fiscal year. The revenue is included in the FY 07 Adopted Budget.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL A. KILLEBREW
DIRECTOR OF FINANCIAL MANAGEMENT

MAK:DW:MN
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ATTACHMENTS

APPROVED:



GERALD R. MILLER
CITY MANAGER

ATTACHMENT "A"

15.44.010 Definitions

D. "Facilities" means pipes, pipelines, conduits, ducts, tunnels, poles, pole lines, cables, wires, vaults, traps, manholes, appliances, attachments and appurtenances used in connection therewith, for the purpose of the transmission, transportation or conveyance of any liquid or gaseous substance or substances, steam air, electrical energy, or for communication purposes, or for the purpose of providing housing or protection for interior lines used, intended to be, or capable of being used for such purpose or purposes, excepting, however: (1) sewers owned or operated by the Los Angeles County Sanitation District or successor, the County of Los Angeles, the City of Signal Hill and the City of Lakewood; (2) public utility service connections; (3) water sprinkler systems; (4) storm drain pipes; (5) reclaimed water lines; (6) any subsurface installation required to be installed by a subdivider; (7) water lines owned or operated by the Metropolitan Water District of Southern California, the City of Signal Hill and the City of Lakewood; and (7)(8) as to a public utility holding a valid and effective franchise from the City, any of the aforementioned facilities set forth in its franchise, whether the franchise authorizes construction, maintenance or operation of the facilities only in public streets and ways or both in public streets and ways in other public property.

15.44.060 Permit-Issuance

On receipt of an application for a permit or permit supplement, the City Council or the Director of Public Works, as described below, shall determine whether or not the granting of a permit as sought or a modification thereof will not be contrary to the public interest, after which the City shall issue a

1 written permit or permit supplement which sets forth any special conditions
2 imposed by the City Council on the permittee or the facilities. Except as
3 described elsewhere in this Section, the City Council shall have the power
4 to determine when the granting of a permit or permit supplement will or will
5 not be in the public interest and its determination shall be final. With respect
6 to groundwater monitoring wells, and water lines, and sewer lines, the
7 determination whether or not granting a permit is in the public interest may
8 be made at the discretion of the City's Director of Public Works, who may
9 issue a permit or permit supplement.

10
11 15.44.100 Permit Fees

12 A. Each permit and permit supplement issued pursuant to this
13 Chapter shall be subject to the condition and shall provide that the permittee,
14 as and for compensation for use of City property, shall pay to the City
15 annually in advance, on a calendar year basis except as otherwise stated
16 herein, fees as follows:

17 1. Water, Wastewater, Oil, Gas, Sewer, Gasoline, Electrical
18 Energy, Communications, and Liquefied Petroleum Gas Pipelines.

Pipe Size (internal diameter)	Base Rate (Per Lineal Foot)
0-4"	\$0.232
6"	0.352
8"	0.471
10"	0.584
12"	0.703
14"	0.823
16"	0.935
18"	1.055
20"	1.174
22"	1.287
24"	1.406

1	26"	1.526
2	28"	1.638
3	30"	1.758

4 For pipelines with an internal diameter not listed herein, the
5 fees shall be in the same proportion to the fees of a twelve-inch-diameter
6 pipe as the diameter of the unlisted pipe is to twelve inches.

7 The annual payment for each lineal foot of pipeline shall be
8 computed and revised each calendar year as follows:

9 a. The applicable base rate shall be multiplied by the
10 Consumer Price Index for owner's equivalent rent of primary residence in Los
11 Angeles, California published by the United States Department of Labor,
12 Office of Information, for the month of September immediately preceding the
13 month of January in which payment shall be due and payable, and divided
14 by the Consumer Price Index for owner's equivalent rent of primary
15 residence in Los Angeles, California, 1984 which is 100.0. Under no
16 circumstances shall the multiplying factor be less than one.

17 b. If the United States Department of Labor, Office of
18 Information, discontinues the preparation and publication of a Consumer
19 Price Index for owners' equivalent rent of primary residence in Los Angeles,
20 California, and if no transposition table prepared by the Department of Labor
21 is available so as to make those statistics which are then available applicable
22 to the Index of December, 1984, then the city council shall prescribe a rate
23 of payment which shall, in its judgment, vary from the rates specified in this
24 subsection in approximate proportion as commodity consumer prices then
25 current vary from commodity consumer prices current in December, 1984.
26 Upon this point the determination by the City Council shall be final and
27 conclusive.

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

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ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AMENDING THE LONG BEACH MUNICIPAL CODE BY AMENDING SUBSECTION 15.44.010(D), BY AMENDING SUBSECTION 15.44.060, AND BY AMENDING SUBSECTION 15.44.100(A)(1), ALL RELATING TO PIPELINES

The City Council of the City of Long Beach ordains as follows:

Section 1. Section 15.44.010(D) of the Long Beach Municipal Code is amended to read as follows:

15.44.010(D)

D. "Facilities" means pipes, pipelines, conduits, ducts, tunnels, poles, pole lines, cables, wires, vaults, traps, manholes, appliances, attachments and appurtenances used in connection therewith, for the purpose of the transmission, transportation or conveyance of any liquid or gaseous substance or substances, steam air, electrical energy, or for communication purposes, or for the purpose of providing housing or protection for interior lines used, intended to be, or capable of being used for such purpose or purposes, excepting, however: (1) sewers owned or operated by the Los Angeles County Sanitation District or successor, the County of Los Angeles, the City of Signal Hill and the City of Lakewood; (2) public utility service connections; (3) water sprinkler systems; (4) storm drain pipes; (5) reclaimed water lines; (6) any subsurface installation required to be installed by a subdivider; (7) water lines owned or operated by the Metropolitan Water District of Southern California, the City of Signal Hill and the City of

1 Lakewood; and (8) as to a public utility holding a valid and effective franchise
2 form the City, any of the aforementioned facilities set forth in its franchise,
3 whether the franchise authorizes construction, maintenance or operation of
4 the facilities only in public streets and ways or both in public streets and ways
5 in other public property.
6

7 Sec. 2. Section 15.44.060 of the Long Beach Municipal Code is amended
8 to read as follows:

9 15.44.060 Permit-Issuance.

10 On receipt of an application for a permit or permit supplement, the City
11 Council or the Director of Public Works, as described below, shall determine
12 whether or not the granting of a permit as sought or a modification thereof
13 will not be contrary to the public interest, after which the City shall issue a
14 written permit or permit supplement which sets forth any special conditions
15 imposed by the City Council on the permittee or the facilities. Except as
16 described elsewhere in this Section, the City Council shall have the power
17 to determine when the granting of a permit or permit supplement will or will
18 not be in the public interest and its determination shall be final. With respect
19 to groundwater monitoring wells, water lines, and sewer lines, the
20 determination whether or not granting a permit is in the public interest may
21 be made at the discretion of the City's director of public works, who may
22 issue a permit or permit supplement.
23

24 Sec. 3. Section 15.44.100(A)(1) of the Long Beach Municipal Code is
25 amended to read as follows:

26 15.44.100 Permit Fees.

27 A. Each permit and permit supplement issued pursuant to this
28 Chapter shall be subject to the condition and shall provide that the permittee,

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1 as and for compensation for use of City property, shall pay to the City
2 annually in advance, on a calendar year basis except as otherwise stated
3 herein, fees as follows:

4 1. Water, Wastewater, Oil, Gas, Sewer, Gasoline, Electrical
5 Energy, Communications, and Liquefied Petroleum Gas Pipelines.

6 Pipe Size (internal diameter)	7 Base Rate (Per Lineal Foot)
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21 30"	1.758

22 For pipelines with an internal diameter not listed herein, the
23 fees shall be in the same proportion to the fees of a twelve-inch-diameter
24 pipe as the diameter of the unlisted pipe is to twelve inches.

25 The annual payment for each lineal foot of pipeline shall be
26 computed and revised each calendar year as follows:

27 a. The applicable base rate shall be multiplied by the
28 Consumer Price Index for owner's equivalent rent of primary residence in Los
Angeles, California published by the United States Department of Labor,
Office of Information, for the month of September immediately preceding the
month of January in which payment shall be due and payable, and divided
by the Consumer Price Index for owner's equivalent rent of primary

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1 residence in Los Angeles, California, 1984 which is 100.0. Under no
2 circumstances shall the multiplying factor be less than one.

3 b. If the United States Department of Labor, Office of
4 Information, discontinues the preparation and publication of a Consumer
5 Price Index for owners' equivalent rent of primary residence in Los Angeles,
6 California, and if no transposition table prepared by the Department of Labor
7 is available so as to make those statistics which are then available applicable
8 to the Index of December, 1984, then the city council shall prescribe a rate
9 of payment which shall, in its judgment, vary from the rates specified in this
10 subsection in approximate proportion as commodity consumer prices then
11 current vary from commodity consumer prices current in December, 1984.
12 Upon this point the determination by the City Council shall be final and
13 conclusive.

14
15 Sec. 4. The City Clerk shall certify to the passage of this ordinance by the
16 City Council and cause it to be posted in three conspicuous places in the City of Long
17 Beach, and it shall take effect on the thirty-first day after it is approved by the Mayor.

18 I certify that this ordinance was adopted by the City Council of the City of

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1 Long Beach at its meeting on _____, 2006, by the following vote:

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Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

Approved: _____
(Date)

Mayor