



Legislation Text

File #: 21-1202, **Version:** 1

Recommendation to authorize City Manager, or designee, to terminate supplemental permits S-2-84, S-6-95, S-10-01, S-12-02, and S-11-01 of franchise permit P-82-58, issued to McDonnell Douglas Corporation, dba The Boeing Company, a Maryland corporation, and authorize the abandonment in place of the communication fiber conduit and water and power facilities installed pursuant to the identified supplemental permits; and

Authorize City Manager, or designee, to transfer franchise permit P-82-58 and accompanying supplemental permits S-4-87, S-5-90, S-7-96, S-9-99, S-13-03 to GCC Long Beach, LLC, a Delaware limited liability company, the new Permittee. (District 5)

On December 22, 1958, McDonnell Douglas Corporation, a Maryland corporation, dba The Boeing Company (Boeing), was issued franchise permit P-82-58 (Attachment A), which authorized the installation of communication conduit systems, to use, maintain, operate, alter, add to, repair, replace, and/or remove the systems consisting of underground conduits, manholes, pedestals, cables, wires, and appurtenances, for the transmission of telecommunication signals and other purposes in, under, across, and along that certain real property (Property) situated in Long Beach.

Boeing recently sold the Property to GCC Long Beach, LLC (GCC). As a result of the sale, Boeing no longer has use for franchise permit P-82-58 or the permit supplements, and is seeking to abandon in place the communication, water and power conduits/facilities associated with supplemental permits S-2-84, S-6-95, S-10-01, S-12-02, and S-11-01 of franchise permit P-82-58 (Attachment C), pursuant to Long Beach Municipal Code (LBMC) Section 15.44.150. City staff do not recommend any additional conditions in relation to the abandonment. City staff intend to integrate the communication fiber conduit installed, pursuant to supplemental permits S-2-84, S-10-01, S-12-02 and S-11-01 into the citywide fiber network infrastructure. The communication, water, and power facilities installed, pursuant to supplemental permit S-6-95, will remain unused and left in place.

Additionally, Boeing is seeking to transfer franchise permit P-82-58 and accompanying supplemental permits S-4-87, S-5-90, S-7-96, S-9-99, S-13-03 to GCC, pursuant to LBMC Section 15.44.220 (Attachment B).

The requested actions will release Boeing responsibility to terminate supplemental permits and assign franchise permit P-82-58 and supplemental permits S-4-84, S-5-90, S-7-96, S-9-99, and S-13-03 to GCC. The necessary City departments have reviewed the proposed recommendations and have no objections to the recommended actions.

This matter was reviewed by Deputy City Attorney Erin Weesner-McKinley on October 28, 2021 and by Budget Management Officer Nader Kaamoush on October 29, 2021.

City Council action is requested on November 16, 2021, to ensure the permit transfer can be executed in a timely manner.

The Public Works Department receives annual franchise revenue totaling \$69,055 from Boeing for this specific permit. The annual fee deposited in the General Fund Group in the Public Works Department will no longer be received as of January 1, 2022. Public Works anticipates to receive annual franchise revenue for the transfer of the remaining supplemental permits to GCC in the amount of \$3,601. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

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ERIC LOPEZ
DIRECTOR OF PUBLIC WORKS

APPROVED:

THOMAS B. MODICA
CITY MANAGER