



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: April 20, 2021

Subject: Granting of a Pipeline Franchise to Martinez Pipeline Company LLC

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**RECOMMENDATION(S):**

ADOPT Resolution No. 2021/124 granting a pipeline franchise to Martinez Pipeline Company LLC pursuant to the terms and conditions of County Ordinance No. 2013-19 and County Resolution No. 2013/305 for pipelines located in the unincorporated area of the County as recommended by the Public Works Director.

**FISCAL IMPACT:**

The pipeline franchise will generate approximately \$10,750 per year commencing with calendar year 2021. The annual franchise payment will be calculated at the rate of \$1.77 per cubic foot of pipeline within the County right-of-way. The number of cubic feet of pipeline subject to the franchise fee rate will be calculated by taking the area of the inside diameter of the pipeline plus 1" and multiplying it by the length of the pipeline within the County right-of-way. A minimum diameter of 6 inches will be used for these calculations. The annual franchise fee rate of \$1.77 per cubic foot will be increased annually by the change in the Consumer Price Index, all Urban Consumers for the San Francisco-Oakland-San Jose Area (1982-84 = 100), with December 2012, (239.53) as the base CPI month.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **04/20/2021** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II Supervisor  
Diane Burgis, District III Supervisor  
Karen Mitchoff, District IV Supervisor  
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: April 20, 2021

Monica Nino, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Carrie Ricci (925)  
313-2235

cc:

## **BACKGROUND:**

On August 13, 2013, this Board adopted Ordinance No. 2013-19 (establishing regulations for granting pipeline franchises in County rights-of-way) and Resolution No. 2013/305 (establishing pipeline franchise fee amounts).

The pipelines summarized in the table below were previously covered under an existing County pipeline franchise granted to Equilon Enterprises LLC on November 8, 2016 through the adoption of Resolution No. 2016/619.

Effective June 11, 2019, Equilon Enterprises LLC transferred certain of its assets to PBF Holding Company LLC, including its rights in three of the pipelines in the 2016/619 Franchise, pursuant to a Bill of Sale, Assignment and Assumption Agreement dated February 1, 2020, between Equilon Enterprises LLC and PBF Holding Company LLC.

Effective February 1, 2020, PBF Holding Company LLC transferred the three pipelines to its subsidiary Martinez Pipeline Company LLC, pursuant to a Bill of Sale, Assignment and Assumption Agreement dated February 1, 2020, between PBF Holding Company LLC and Martinez Pipeline Company LLC.

Martinez Pipeline Company LLC has filed written documentation with the County, dated September 2, 2020, wherein it has requested the granting of the new pipeline franchise for the transportation of nitrogen gas pursuant to the terms and conditions of County Ordinance No. 2013-19 and County Resolution No. 2013/305. Martinez Pipeline Company LLC also provided a \$5,000 deposit to cover all administrative costs associated with the granting of this pipeline franchise as required by Ordinance No. 2013-19 and Resolution No. 2013/305. Approval of Resolution No. 2021/124 will grant a pipeline franchise to Martinez Pipeline Company LLC for the pipelines summarized in the table below for an initial term of 10 years.

<b>Pipeline Name</b>	<b>Type</b>	<b>Diameter</b>	<b>Length</b>
Martinez Pipeline	Nitrogen Gas	4"	620 ft
Martinez Pipeline	Nitrogen Gas	5"	9,441 ft
Martinez Pipeline	Nitrogen Gas	6"	7,537 ft

## **CONSEQUENCE OF NEGATIVE ACTION:**

Martinez Pipeline Company LLC will not obtain the required authorization to operate and maintain their pipelines within the County right-of-way and will not be subject to the requirements of the County's pipeline franchise ordinance.

## **ATTACHMENTS**

Resolution No. 2021/124

Resolution  
Exhibit 1