Agenda Item No: 1.d

PLACENTIA CITY COUNCIL AGENDA REPORT

Meeting Date: April 21, 2026

Submitted by: Matthew Di Mario

From: Public Works

Subject:

SECOND READING AND ADOPTION OF ORDINANCE NO. O-2026-03, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, GRANTING TO CRIMSON CALIFORNIA PIPELINE, L.P., A FRANCHISE TO OPERATE AND MAINTAIN CERTAIN PIPELINES AND APPURTENANCES FOR THE TRANSPORTATION OF HYDROCARBON SUBSTANCES IN THE CITY OF PLACENTIA

Financial Impact:

Fiscal Impact:

Revenue: $9,063.06 Annually (101-90000-4201)

Summary:

On September 7, 1999, Placentia City Council granted a franchise for the operation and maintenance of 846 linear feet of 6-inch pipeline in the City under Ordinance No. 99-O-122. This franchise was initially granted to Tosco Corporation, but due to company purchases and acquisitions, Resolution No. R-2006-07, authorized the transfer of the franchise to ConocoPhillips Company. On July 1, 2008, ConocoPhillips Company sold its pipeline system to Crimson California Pipeline, L.P. (Crimson) and Resolution No. R-2009-13, granted Crimson the franchise.

The current franchise has expired, and Crimson is requesting the City grant another franchise for an additional 25 years. On February 17, 2026, Placentia City Council approved Resolution No. R-2026-09, setting the Public Hearing for the March 17, 2026, City Council Meeting. On March 17, 2026, City Council conducted a Public Hearing for Ordinance No. O-2026-03.

This item recommends that the City Council adopt Ordinance No. O-2026-03, (Attachment 1), which will grant Crimson the right to operate and maintain 25,524 linear feet of pipeline in the City. The Ordinance shall take effect 30 days after its final passage.

Recommendation:

Recommended Action: It is recommended that the City Council:

Adopt Ordinance No. O-2026-03, An Ordinance of the City Council of the City of Placentia, California, granting to Crimson California Pipeline, L.P., a franchise to operate and maintain certain pipelines and appurtenances for the transportation of hydrocarbon substances in the City of Placentia

Strategic Plan Statement:
There is no specific strategic planning goal or objective associated with this agenda item.

Discussion:
On September 7, 1999, Placentia City Council granted a franchise for the operation and maintenance of 846 linear feet of 6-inch pipeline in the City under Ordinance No. 99-O-122. This franchise was initially granted to Tosco Corporation, but due to company purchases and acquisitions, Resolution No. R-2006-07, authorized the transfer of the franchise to ConocoPhillips Company. On July 1, 2008, ConocoPhillips Company sold its pipeline system to Crimson California Pipeline, L.P. (Crimson) and Resolution No. R-2009-13, granted Crimson the franchise. The current franchise has expired, and Crimson is requesting the City grant a new franchise for an additional 25 years. On February 17, 2026, Placentia City Council approved Resolution No. R-2026-09, setting the Public Hearing for the March 17, 2026, City Council Meeting. A Public Hearing was later held on March 17, 2026, for the first reading of Ordinance No. O-2026-03.

A new franchise would allow Crimson to operate and maintain various sections of pipeline in the City. There are four pipeline locations subject to the proposed franchise agreement. The first pipeline is the Yorba Linda Gathering line. This is a 6-inch pipeline located south of Bastanchury Road and runs along Berkenstock Lane, Kilmer Drive, Hemingway Avenue, Faulkner Drive, and Bastanchury Road. This Yorba Linda line totals 3,231 linear feet. The second pipeline is the Richfield to Sterns line, a 6-inch pipeline totaling 13,153 linear feet. This section of pipeline is located along Valencia Avenue, Palm Drive, and Rose Drive. The third pipeline is the REDU Gathering line, totaling 8,941 linear feet. This 6-inch pipeline includes the streets of Rose Drive, Buena Vista Avenue, Van Buren Street, Cherry Street, Lincoln Street, Orangethorpe Avenue, Richfield Road, and Orchard Drive. The Chapman Line is the last pipeline that is subject to the franchise. This is a 6-inch pipeline located on Alta Vista Street at the north end of the Alta Vista and Rose Drive intersection, totaling 199 linear feet. The proposed franchise agreement totals 25,524 linear feet of pipeline throughout the City. Exhibit A shows all pipeline locations in detail.

This item recommends that the City Council adopt Ordinance No. O-2026-03, (Attachment 1), which will grant Crimson the right to operate and maintain 25,524 linear feet of pipeline in the City. The Ordinance shall take effect 30 days after its final passage.

Attachments
Attachment 1 - Ordinance No. O-2026-03
Attachment 1 - Exhibit A