

*Before the Board of Supervisors
County of Monterey, State of California*

Resolution No. 25-213

Adopt a Resolution:

- a. Transferring an Oil Pipeline Franchise Agreement from ExxonMobil Oil Corporation (formerly Mobil Oil Corporation) to Green Gate San Ardo LLC; and
- b. Authorizing the Clerk of the Board to submit a copy of the resolution transferring the Franchise Agreement and a copy of the Resolution to the County Auditor-Controller for annual billing; and
- c. Authorizing the County Auditor-Controller to allocate all fees collected through this franchise to the General Fund; and
- d. Approving the release of the Faithful Performance Bond from ExxonMobil (Bond No. SU1205677) and replace it with Green Gate San Ardo LLC Performance Bond No. B014862 to ensure the Faithful Performance of all the covenants, terms, and conditions of said Franchise Resolution pursuant to Resolution Number 00-272.

WHEREAS, on April 17, 1990, the Board of Supervisors adopted a Resolution (90-231) granting a Private Purpose Franchise Agreement to Mobil Oil Corporation, under which Mobil Oil Corporation was authorized to operate and maintain certain pipelines within the County's unincorporated public Right-of-Way for 10 years. On June 13, 2000, the Board of Supervisors (Board) adopted Resolution No. 00-272, extending the Private Purpose Franchise Agreement for 10 years, from May 17, 2000, through May 16, 2010. On May 25, 2010, the Board approved Amendment No. 1 to the Franchise Resolution No. 00-272, extending the term through November 16, 2010. On November 9, 2010, the Board approved Amendment No. 2 to the Franchise Resolution No. 00-270, extending the term through May 16, 2011. On May 10, 2011, the Board approved Amendment No. 3 to the Franchise Resolution, extending the term through May 16, 2021. On November 8, 2022, the Board approved Amendment No. 4 to the Franchise Resolution, extending the term through May 16, 2031; and

WHEREAS, the Franchise Agreement allows ExxonMobil Oil Corporation to operate and maintain approximately 10.36 miles of pipelines within the unincorporated Public Right-of-Way of Monterey County. The 4" crude oil line (M-121) is currently idle, the 10" and 12" natural gas lines (M-120) have been purged with nitrogen and removed from service. The pipelines were taken out of service in 1998 and remain inactive. Green Gate San Ardo LLC purchased these assets from ExxonMobil Oil Corporation. ExxonMobil Oil Corporation now desires to transfer the right to operate and maintain these underground pipelines and its appurtenances to Green Gate San Ardo LLC; and

WHEREAS, transferring the existing Franchise Agreement allows Green Gate San Ardo LLC to preserve the option of reactivating these lines in the future and will retain title to and financial/legal liability for these pipelines. Green Gate San Ardo LLC has submitted the required performance bond in place. The pipelines have been located in the County Right-of-Way for many years and no physical changes will result from the transfer of the franchise agreement. Therefore, staff recommends that the Board of Supervisors allow the Franchise Agreement to be transferred to Green Gate San Ardo LLC.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Supervisors of the County of Monterey hereby:

1. Transferring an Oil Pipeline Franchise Agreement from ExxonMobil Oil Corporation (formerly Mobil Oil Corporation) to Green Gate San Ardo LLC; and
2. Authorizing the Clerk of the Board to submit a copy of the resolution extending the Private Purpose Franchise Agreement and a copy of Resolution No. 00-272 to the County Auditor-Controller for annual billing; and
3. Authorizing the County Auditor-Controller to allocate all fees collected through this franchise to the General Fund; and
4. Approving the release of the Faithful Performance Bond from ExxonMobil (Bond No. SU1205677) and replace it with Green Gate San Ardo LLC Performance Bond No. B014862 to ensure the Faithful Performance of all the covenants, terms, and conditions of said Franchise Resolution pursuant to Resolution Number 00-272.

PASSED AND ADOPTED on this 17th day of June 2025, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Daniels

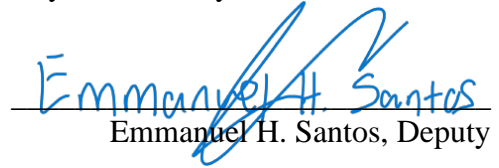
NOES: None

ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting on June 17, 2025.

Dated: June 20, 2025
File ID: RES 25-087
Agenda Item No. 43

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California


Emmanuel H. Santos, Deputy