

TRANSMITTAL

To: Janisse Quiñones, General Manager
Los Angeles Department of Water and Power

Date: 06/10/2025

From: The Mayor

The Mayor's Office is returning this transmittal to the Department of Water and Power without taking any action. Water and Power, as the awarding authority, may proceed with its final review and decision in a manner that Water and Power determines is in the city's best interest.



(Carolyn Webb de Macias for)

KAREN BASS

Mayor

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: June 5, 2025

CAO File No. 0150-12740-0001

Council File No.

Council District: 15

To: The Mayor

From: Matthew W. Szabo, City Administrative Officer

Reference: Communication from the Department of Water and Power dated May 22, 2025; referred by the Mayor for a report on May 22, 2025

Subject: **LOS ANGELES DEPARTMENT OF WATER AND POWER PROPOSED BOARD RESOLUTION AUTHORIZING A WIRELINE CROSSING AGREEMENT WITH UNION PACIFIC RAILROAD COMPANY FOR THE INSTALLATION OF AN UNDERGROUND SERVICE CONDUIT AND WIRES AT 3400 EAST I STREET, WILMINGTON, CALIFORNIA (UNION PACIFIC RAILROAD COMPANY MILE POST 21.46)**

RECOMMENDATION

That the Mayor:

1. Approve the Los Angeles Department of Water and Power (LADWP) proposed Resolution authorizing the LADWP to execute a perpetual Wireline Crossing Agreement with Union Pacific Railroad Company to construct, operate, and maintain a 480-foot, 34.5-kilovolt underground electric wireline crossing, including any appurtenances required to provide reliable power service to Clean Energy Fuels at 3400 East I Street, Wilmington, CA 90744, effective retroactively to December 5, 2024, with no license fee due to LADWP upon execution of this agreement; and
2. Return the proposed Resolution to LADWP for further processing, including Council consideration.

SUMMARY

The Los Angeles Department of Water and Power (LADWP; Department) requests approval of its May 12, 2025 proposed Resolution to enter into a perpetual Wireline Crossing License Agreement with Union Pacific Railroad Company (Union Pacific).

Approval of the proposed Wireline Crossing License Agreement (Agreement) will authorize LADWP to install, operate, and maintain an underground electric wireline crossing and related equipment containing 34.5-kilovolt (kV) cable and approximately 480 linear feet of service conduit on Union

Pacific railroad property at 3400 East I Street, Wilmington, CA 90744 (Mile Post 21.46). This electric infrastructure will provide reliable power service to Clean Energy Fuels.

The proposed Agreement becomes effective upon execution, retroactive to December 5, 2024. LADWP will not incur any cost associated with the Agreement and will remain in full force and effect until terminated by either party upon 30-day written notice.

The City Attorney has approved the proposed Resolution and Agreement as to form. Pursuant to Charter Section 373 and Los Angeles Administrative Code Section 10.5(c), the Agreement requires City Council approval because the cumulative duration of the Agreement exceeds five years. This Office has reviewed the request and recommends approval.

BACKGROUND

LADWP requests approval of its proposed Resolution authorizing the Department to execute a Wireline Crossing License Agreement with Union Pacific Railroad Company. Under this Agreement, Union Pacific grants LADWP the right to construct, install, operate, and maintain an underground utility vault containing 34.5-kilovolt cable, approximately 480 linear feet of service conduit, and related equipment on Union Pacific railroad property. A portion of the work involves installing 110 linear feet of conduit beneath the surface to cross the right-of-way. This infrastructure will enable LADWP to provide reliable electric power to Clean Energy Fuels.

Term of the Agreement - The Agreement has an infinite duration, effective December 5, 2024, and may be terminated by either party with 30-day written notice. The Department will not incur any expenses for entering into the Agreement with Union Pacific Railroad Company.

Construction – The work will be performed by LADWP's Contract Operations – Underground Construction team. Construction is expected to begin about one month after the Agreement is fully executed and the Bureau of Engineering issues the Excavation U-permit. Completion is estimated within six months thereafter, with the system scheduled to be placed into service by December 2025.

Method of Construction – LADWP will use the jack and bore method to install the underground facility. This trenchless technique creates a narrow horizontal tunnel beneath the surface to install utility lines, pipes, or casings. The jack and bore method is particularly effective for crossing obstacles such as roadways, rivers, and railroads, as well as sensitive areas where open excavation would be disruptive, costly, or environmentally damaging. This underground approach minimizes impacts to surface traffic, ongoing operations, and surrounding ecosystems while maintaining the structural integrity of existing infrastructure above the crossing point.

Property Location and Description – The property is located at 3400 East I Street, Wilmington, CA 90744 (Mile Post 21.46). Exhibit A of the Wireline Crossing Agreement contains a property survey identifying the location of the proposed crossing and technical specifications outlining the voltage carried, wireline crossing type, maximum current, materials, and installation method.

Alternatives Considered – There are no viable alternatives considered by LADWP. Without the 34.5kV line extension, the Department would be unable to ensure reliable power service. Crossing Union Pacific Railroad Company's property, beneath the train tracks, is the only feasible way to provide power to Clean Energy Fuels.

CITY COMPLIANCE

California Environmental Quality Act (CEQA) – The Department determined that this item is exempt from CEQA pursuant to Section 15061(b)(3). In accordance with this section, entering into a wireline crossing agreement with Union Pacific Railroad is exempt from CEQA pursuant to the General Exemptions described in aforementioned CEQA section. General Exemptions apply in situations where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. Additionally, the construction and operation of a 480-foot, 34.5kV line extension and new utility vault to service a customer is categorically exempt pursuant to CEQA Guidelines Section 15303 (Class 3). This section covers construction of limited new small facilities or structures, including electrical utility extensions and reasonable-length street improvements.

The City Attorney has reviewed and approved the proposed Resolution and Agreement as to form. In accordance with Charter Section 373 and Los Angeles Administrative Code Section 10.5(c), all license agreements over five years require City Council approval. Our Office has reviewed this request and recommends approval.

FISCAL IMPACT STATEMENT

There is no impact on the City's General Fund, as there is no license fee due upon execution of the proposed Agreement. The proposed recommendations in this report comply with Los Angeles Department of Water and Power's adopted Financial Policies.

Attachments – LADWP May 22, 2025 Correspondence, Board Letter, Resolution, and proposed Agreement

MWS/PJH/JVW:DLG:10250220