



Finance Committee Agenda

Tuesday, February 10, 2026, 8:30 AM
EXECUTIVE CONFERENCE ROOM - 3RD FLOOR
1 Civic Center Circle
Brea, CA 92821

MEMBERS: Mayor Pro Tem Marty Simonoff, Chair and Council Member Steve Vargas

ALTERNATES: Mayor Cecilia Hupp and Council Member Christine Marick

This agenda contains a brief general description of each item the Committee will consider. The Administrative Services Department has on file copies of written documentation relating to each item of business on this Agenda available for public inspection. Contact the Administrative Services Department Office at (714) 990-7684 or view the Agenda and related materials on the City's website at <https://www.ci.brea.ca.us/509/Meeting-Agendas-Minutes>. Materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet are available for public inspection in the Administrative Services Department's Office at 1 Civic Center Circle, Brea, CA during normal business hours. Such documents may also be available on the City's website subject to staff's ability to post document before the meeting.

Procedures for addressing the Committee

Members of the public may offer comment by phone or email or may observe the meeting by attending in person. All requests to offer comment must be submitted via phone by calling (714) 990-7684 or by emailing debbied@cityofbrea.gov by 12:00 p.m. on the Monday prior to the meeting.

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administrative Services Office at (714) 990-7684. Notification 48 hours prior to the meeting will enable City staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

PLEASE SILENCE ALL PAGERS, CELL PHONES AND OTHER ELECTRONIC EQUIPMENT WHILE THE COMMITTEE IS IN SESSION.

1. CALL TO ORDER/ROLL CALL

- 1.A. Attendees
- 1.B. Matters from the Audience

2. CONSENT

- 2.A. Approval of Finance Committee Meeting Minutes - January 27, 2026

3. DISCUSSION

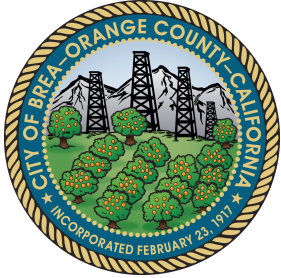
3.A. Waive Full Reading and Introduce Ordinance No. 1267, an Ordinance of the City of Brea Granting a Pipeline Franchise to Crimson California Pipeline, L.P., and Approve a CEQA Exemption Determination

- 1. Waive full reading and introduce Ordinance No. 1267 by title only and approve a California Environmental Quality Act exemption determination; and
- 2. Appropriate any revenues received as part of this franchise in the Fiscal Year 2025-26 Operating Budget; and
- 3. Authorize the City Clerk to release the current faithful performance bond upon acceptance of the new faithful performance bond once notification is received from the Public Works Department.

4. ADJOURNMENT

Next Scheduled Meeting: Tuesday, February 24, 2026 at 8:30 am.

Date Posted: February 5, 2026



CITY *of* BREA

Finance Committee Communication
February 10, 2026
Item No. 2A.

Approval of Finance Committee Meeting Minutes - January 27, 2026

TO	PREPARED BY
Finance Committee Members	Melissa Burrola, Management Assistant
DEPARTMENT HEAD APPROVAL	CITY MANAGER APPROVAL
Monica Lo, Administrative Services Director	Kristin Griffith, City Manager

Attachments

[01-27-26 Finance Committee Draft Minutes.pdf](#)

**** The following document is a draft of the minutes and the not the official approved minutes ****

Minutes for the Finance Committee

1 Civic Center Circle, Brea, CA 92821

January 27, 2026, 8:30 AM - January 27, 2026, 8:56 AM

1. CALL TO ORDER/ROLL CALL

Mayor Pro Tem Marty Simonoff called the meeting to order at 8:30 am.

1.A. Attendees

Mayor Pro Tem Marty Simonoff, Council Member Steve Vargas, Jason Killebrew, Monica Lo, Chief Daniel Mielke, James Flores, Stephen Davy, Justin Zuhlke, Alicia Brenner, Sean Matlock, Michael Ho, Rudy Correa, and Melissa Burrola

1.B. Matters from the Audience

None.

2. CONSENT

2.A. Approval of Finance Committee Meeting Minutes - December 9, 2025

The minutes of the December 9, 2025 Finance Committee were approved as written.

3. DISCUSSION

3.A. Approve a Change Orders for Required Modifications to Fire Engines and Ladder/Tiller Trucks

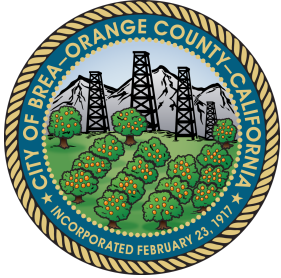
Mayor Pro Tem Marty Simonoff requested clarification on the GPS installation. Staff explained that the updated GPS installation is to promote faster emergency response times. Council Member Vargas inquired about cost escalation clauses in the change orders, where changes are occurring, and requested clarification on funding source 480. Council Member Vargas also requested the Fire Department provide an update if there are any changes to the current change order.

Staff reported that there is no current cost escalation clause, future purchase orders will include floating cost expectations, work is being done in Appleton, Wisconsin, and Fund 480 has sufficient funds within the current operating budget. Staff will provide updates for any future changes.

The Finance Committee approved to move the item to City Council.

4. ADJOURNMENT

Mayor Pro Tem Marty Simonoff adjourned the meeting at 8:56 am.



CITY *of* BREa

Finance Committee Communication
February 10, 2026
Item No. 3A.

Waive Full Reading and Introduce Ordinance No. 1267, an Ordinance of the City of Brea Granting a Pipeline Franchise to Crimson California Pipeline, L.P., and Approve a CEQA Exemption Determination

TO	PREPARED BY
Finance Committee Members	Matthew Cuevas, Senior Management Analyst
DEPARTMENT HEAD APPROVAL	CITY MANAGER APPROVAL
Michael Ho, Public Works Director	Kristin Griffith, City Manager

RECOMMENDATION

Staff recommends that the Finance Committee recommend the City Council take the following actions:

1. Waive full reading and introduce Ordinance No. 1267 by title only and approve a California Environmental Quality Act exemption determination; and
2. Appropriate any revenues received as part of this franchise in the Fiscal Year 2025-26 Operating Budget; and
3. Authorize the City Clerk to release the current faithful performance bond upon acceptance of the new faithful performance bond once notification is received from the Public Works Department.

BACKGROUND/DISCUSSION

Crimson California Pipeline, L.P. (Crimson) submitted an application requesting that a pipeline franchise continue operating and maintaining existing petroleum pipelines in the City. The California Public Utilities Code (CPUC) and Brea City Code (BCC) require any person, firm, or corporation utilizing City property to convey petroleum or similar products to have a valid franchise with the City of Brea. This pipeline franchise is exempt from the California Environmental Quality Act of 1970 (CEQA) under Section 15301 (Existing Facilities) of the CEQA Guidelines, and this Categorical Exemption is in the draft Ordinance.

Adopted in 2002, Ordinance No. 1056, Union Oil Company of California (UNOCAL) transferred multiple pipelines to Crimson, as depicted in the attached map (Exhibit A).

Adopted in 2012, Ordinance No. 1159 extended a franchise agreement of multiple pipelines from Ordinance No. 1056. However, the pipelines listed in Exhibit A were not clearly acknowledged in the initial transfer of ownership of the pipelines from UNOCAL to Crimson, or in the subsequent extension of the franchise agreements under Ordinance No. 1159. Therefore, a new franchise agreement will be required to formally establish Crimson as the current owner and operator of the three pipelines.

If approved, the franchise term would be 10 years. Crimson would be the franchisee for 2,902 linear feet of 8-inch diameter pipelines. The 4-inch pipeline noted in Exhibit A was determined to be a storm drain line; therefore, it is not subject to franchise fees. The 8-inch oil pipelines begin approximately 500 feet from the intersection of Berry Street and Challenger Street, extending west and north on Challenger Street, and ending at the Stewart Station located at 985 Challenger Street (Exhibit A). The City is currently holding a \$100,000 faithful performance bond from Crimson, which will return after the second reading and final adoption of the draft Ordinance by the City Council. At that time, Crimson will submit a \$100,000 faithful performance bond referencing the new Ordinance No. 1267 (Exhibit B).

The California Public Utilities Commission regulates pipeline activity and establishes the rates charged for pipeline franchises. The rates for a pipeline franchise are in the BCC under Chapter 8.42: Pipeline Franchises (Table A). Based on the internal diameter, length of the pipelines, and subject to annual Consumer Price Index (CPI) adjustments, the annual payments are determined. Crimson paid the franchise fees for the pipelines depicted in Exhibit A through 2025 under Ordinance No. 1056. If the draft ordinance is adopted, the annual base franchise fee is estimated at \$527.61 for Fiscal Year 2025-26. The annual CPI adjustment to the base fee will result in a positive fiscal impact on the General Fund.

Table A: Pipeline Franchise Rates - Common Carrier			
Internal Diameter of Pipeline (Inches)	Length of Pipeline per Linear Foot	Base Rate per Linear Foot	Base Franchise Rate*
8"	1,448	\$0.176	\$263.26
8"	1,454	\$0.176	\$264.35
		Estimated FY 25-26 Franchise Fee Total	\$527.61
*Includes 3.3% CPI increase for 2025			

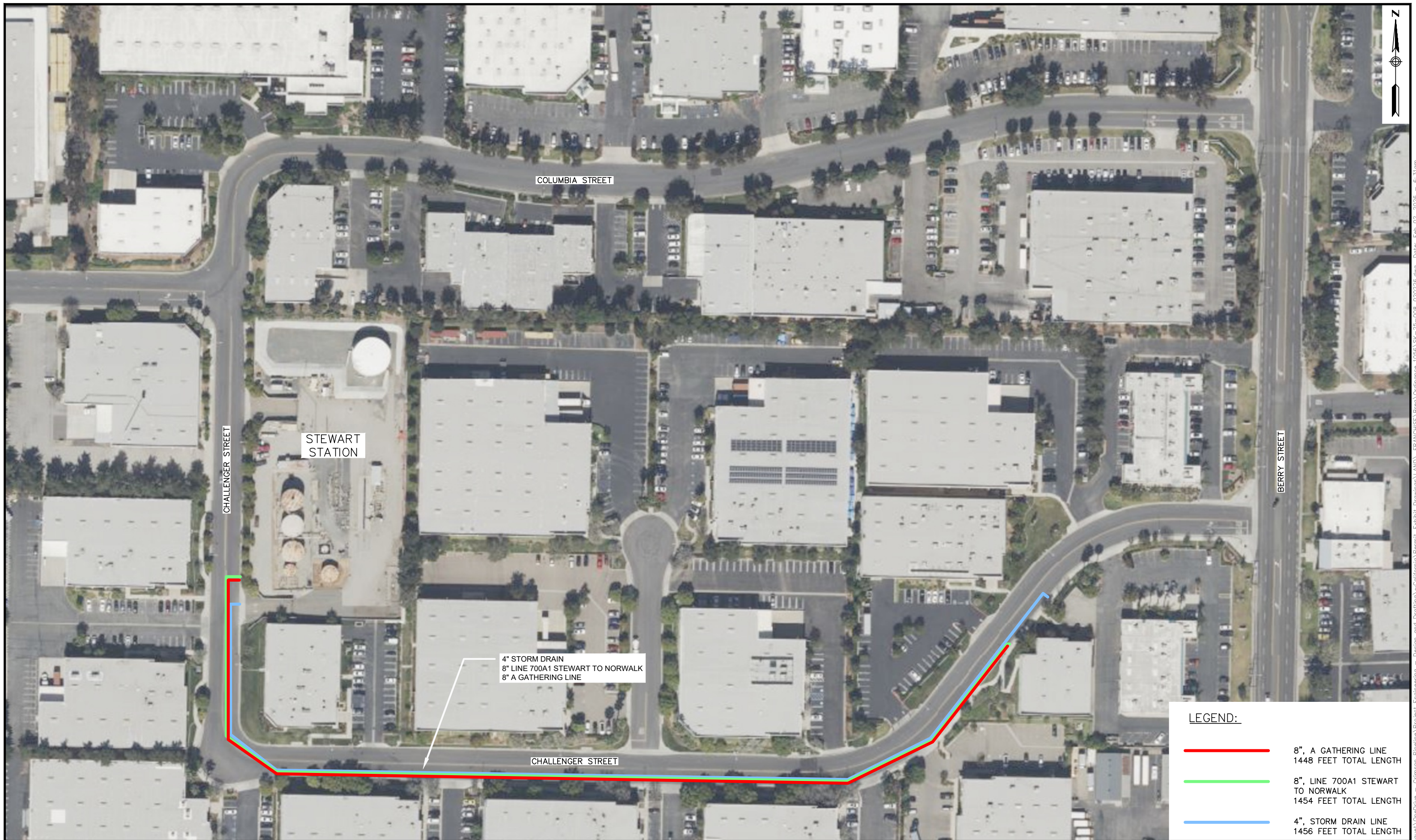
FISCAL IMPACT/SUMMARY

Crimson has submitted an application requesting a pipeline franchise to operate and maintain existing petroleum pipelines in the City of Brea. The proposed pipeline franchise has been determined to be exempt from CEQA requirements according to Section 15301 of the CEQA guidelines. Upon final adoption of the Ordinance by the City Council, staff recommends appropriating all franchise fee revenues estimated at \$527.61 in the FY 2025-26 Operating Budget and releasing the current faithful performance bond upon Crimson's submittal of a new bond. Additionally, staff recommends waiving the second reading to allow for the adoption of the Ordinance at the next regularly scheduled City Council meeting.

Attachments

[Exhibit A - Pipeline Map.pdf](#)

[Exhibit B - Ordinance No. 1267.pdf](#)



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A	10/06/25	ISSUED FOR ORDINANCE 1056	PmP	JK	
REV.	DATE	DESCRIPTION OF REVISION	BY	CHK	APP

CRIMSON PIPELINE LLC

ORDINANCE 1056
CRIMSON PIPELINES
BREA, CA

SCALE: NTS	DATE: 10/06/25	SK-25-008	REV.
DRAWN: PmP	SHEET 1 OF 1		A

ORDINANCE NO. 1267

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BREA
GRANTING A PIPELINE FRANCHISE TO CRIMSON CALIFORNIA
PIPELINE, L.P.**

**THE CITY COUNCIL OF THE CITY OF BREA DOES ORDAIN AS
FOLLOWS:**

SECTION 1. In accordance with the provisions of Chapter 8.42 of the Brea City Code, the City Council hereby grants a franchise to Crimson California Pipeline, L.P., a California limited partnership ("Franchisee"), for a term of 10 years from the effective date of this Ordinance, to maintain, operate, renew, repair, remove or abandon in place existing pipes and pipelines for the collection, transportation or distribution of oil, gas, gasoline, petroleum, wet gas, hydrocarbon substances, water, waste water, mud, steam, and other liquid and gaseous substances which are not more hazardous than the aforementioned substances, together with all existing manholes, valves, appurtenances and service connections necessary or convenient for the operation of such pipes or pipelines including existing conduits, cathodic protection devices, wires, cables and other appurtenances necessary or convenient for the exercise of the Franchisee's business, in, under, along or across those streets within the City of Brea as depicted in Exhibit "A" attached hereto and incorporated by reference herein (the "Franchise").

SECTION 2. To the extent not contrary to Applicable Law, as defined in Chapter 8.42 of Title 8 of the Brea City Code, the City Council may from time to time amend this Ordinance or Chapter 8.42 of Title 8 and such amendments shall apply to the Franchisee to the extent such amendments are of general application to oil pipeline franchises in the

City of Brea. Each and every provision of Chapter 8.42 of Title 8 of the Brea City Code shall apply to the Franchise.

SECTION 3. The City Council finds that the grant of the Franchise ("Project") was reviewed in accordance with the California Environmental Quality Act of 1970 ("CEQA") and the Guidelines thereunder, and that there is no substantial evidence that the Project will have a significant effect on the environment. The City Council further finds that the Project is exempt from CEQA pursuant to Section 15301 ("Existing Facilities") of the CEQA Guidelines, and that this Categorical Exemption, incorporated herein by reference, reflects the independent judgment of the City Council. Based thereon, the City Council hereby adopts the Categorical Exemption for the Project.

SECTION 4. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision or legislation of any court of competent jurisdiction, or by reason of preemptive legislation, such decision or legislation shall not affect the validity of the remaining portions thereof. The City Council declares that it would have passed this Ordinance, and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that one or more of the sections, subsections, sentences, clauses, or phrases thereof is declared invalid or unconstitutional.

SECTION 5. The City Clerk shall certify to the adoption of this Ordinance.

APPROVED AND ADOPTED this ____ day of _____, 2026.

Cecilia Hupp, Mayor

ATTEST: _____
Victoria Popescu, City Clerk

I, Victoria Popescu, City Clerk of the City of Brea, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Brea held on the ____ day of _____, 2026, and was finally passed at a regular meeting of the City Council of the City of Brea held on the ____ day of _____, 2026, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

DATED: _____, 2026

Victoria Popescu, City Clerk

EXHIBIT “A”