

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS WITH SOUTHERN CALIFORNIA EDISON, COST SHARING AGREEMENT FOR THE RIVERSIDE TRANSMISSION RELIABILITY PROJECT, TOTAL REVENUE OF \$5,215,000

#### **COMMUNITY & ECONOMIC DEPARTMENT**

#### **CITY COUNCIL**

October 11, 2022

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1

# **BACKGROUND**

- 1. Riverside Transmission Reliability Project (RTRP)
  - a. Joint project with Southern California Edison (SCE) and Riverside Public Utilities (RPU)
  - b. Will provide Riverside with a critical second connection to the State electric transmission grid
  - c. Addresses the long-term capacity and reliability needs of the City's electric utility system
- 2. Project includes:
  - a. Construction of approximately nine miles of double circuit 230kV transmission lines
  - b. Installation of approximately 10 miles of 69kV sub-transmission lines within the city of Riverside
  - c. Construction of two new substations Wildlife (SCE) and Wilderness (RPU)



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## **BACKGROUND - CONTINUED**

- 3. November 2004
  - a. RPU Board authorized RPU to enter an agreement with SCE
  - b. Agreement to complete a System Impact and Facilities Studies to construct
    - Double-circuited 220KV transmission line into the City; and
    - 220-66 kV transmission substation
- 4. March 2009
  - a. City and SCE entered into a Letter Agreement
  - b. SCE to complete engineering design for the interconnection facilities
  - c. Agreement required the City to sell to SCE the land essential for the Wildlife Substation

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3

# **BACKGROUND - CONTINUED**

- 5. February 5, 2013
  - a. City Council certified the Final Environmental Impact Report (FEIR) for the entire RTRP Project in accordance with California Environmental Quality Act (CEQA)
- 6. March 12, 2020
  - a. SCE obtained California Public Utilities Commission (CPUC) approval of RTRP
  - b. Granted a Certificate of Public Convenience and Necessity (CPCN)

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# **BACKGROUND - CONTINUED**

- 7. August 24, 2020
  - a. Board recommended that the City Council approve a supplemental appropriation of \$125,000,000 for Riverside Transmission Reliability Project
    - Construction of two new substations
    - Improve five existing substations
    - Reconfigure existing distribution lines
    - Install new telecommunication lines.
  - b. Approved by Council on January 26, 2021



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5

## **DISCUSSION**

- 1. City owned property
  - a. Proposed Wilderness Substation site
  - b. Northeasterly corner of Wilderness Avenue and Ed Perkic Street
- RTRP project will divide RPU's electrical system into an East and West subsystems
  - a. East to be served by SCE's existing Vista Substation
  - b. West to be served by the proposed Wildlife Substation



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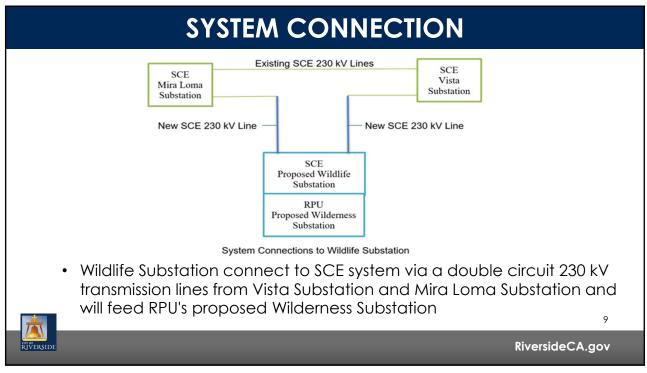
# **DISCUSSION - CONTINUED**

- 3. The proposed acquisition involves the following APNs:
  - a. Parcel A
    - Fee acquisition of the south portion of APN 189-100-006
    - 8.76 acres
  - b. Parcel B
    - Ingress & egress easement
    - 0.60 acres southwest portion of APN 189-100-006.
  - c. Parcel C
    - Ingress & egress easement
    - 0.66 acres southeast portion of APNs 189-100-006 and east portion 189-090-002 & 189-090-010

7

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# PROPERTY AERIAL MAP SCE WILDER WILDERNESS SUBSTATION RIVERSIDE RIVERSIDE



9

# **DISCUSSION - CONTINUED**

- 1. Assembly Bill 1486 (AB 1486) Requirement
  - a. September 30, 2019 If Exclusive Negotiating Agreement in Place
  - b. Disposition must be completed by December 31, 2022
- 2. Purchase and Sale Agreement and Joint Escrow Instructions:
  - a. Sale Price: \$5,215,000 (appraised value)
  - b. Close of Escrow: December 15, 2022 (prior to AB 1486 requirement)
  - c. SCE Due Diligence Period: 30-days
  - d. Cost Sharing Agreement



10

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# **DISCUSSION - CONTINUED**

### Cost Sharing Agreement

- a. Certain project components, such as site grading, site access, and street improvements overlap between RPU and SCE
- b. RPU and SCE have agreed RPU will take the lead on the common work and share the cost in accordance with an agreed Cost Sharing Agreement (CSA)
- c. Allows RPU and SCE to maintain control over overlapping and/or collaborative work
- d. Benefits of shared operating expenditures, improved efficiency, and reduced potential change orders during construction



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11

# STRATEGIC PLAN ALIGNMENT

## Strategic Priority No. 6

Infrastructure, Mobility & Connectivity
Goal No. 6.2

## **Cross-Cutting Threads**



Community Trust



Fiscal Responsibility



Sustainability & Resiliency



Equity



12

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## **RECOMMENDATIONS**

### That the City Council:

- 1. Declare a portion of vacant City-owned land bearing APN 189-100-006 as exempt surplus land;
- 2. Approve the Purchase & Sale Agreement and Joint Escrow Instructions with Southern California Edison for:
  - a. A portion of City-owned land (Assessor's Parcel Number 189-100-006)
  - b. Two easements (portions of Assessor's Parcel Numbers 189-100-006 & 189-090-002 & -010)
- 3. Approve the Cost Sharing Agreement with South California Edison for the Riverside Transmission Reliability Project;



13

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13

## **RECOMMENDATIONS**

- 4. Authorize the City Manager, or his designee, to execute the Purchase & Sale Agreement and Joint Escrow Instructions, including making minor and non-substantive changes, and to sign all documents necessary to complete the transaction; and
- Authorize the City Manager, or his designee, to execute the Cost Sharing Agreement with South California Edison for the Riverside Transmission Reliability Project, including making minor and non-substantive changes, and to sign all documents necessary.

14

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