



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 14, 2016**

FROM: COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT **WARD: 3**

SUBJECT: AGREEMENT FOR CONVEYANCE OF EASEMENTS AT 7287 JURUPA AVENUE WITH THE PAUL & PEGGY DOIRON LIVING TRUST FOR THE RIVERSIDE TRANSMISSION RELIABILITY PROJECT (RTRP) 69KV TRANSMISSION LINE PROJECT IN THE TOTAL AMOUNT OF \$75,804

ISSUE:

The issue for City Council consideration is the approval of an Agreement for Conveyance of Easements for the acquisition of two easements located at 7297 Jurupa Avenue identified as Assessor's Parcel Number 189-150-012, as shown on the attached Site Map (Attachment 1) for an amount not to exceed of \$75,804.

RECOMMENDATIONS:

That the City Council:

1. Approve the Agreement for Conveyance of Easements with The Paul & Peggy Doiron Living Trust (Agreement – Attachment 2) for the acquisition of two easements on a portion of 7297 Jurupa Avenue, APN 189-150-012 (Property), for the purchase price of \$72,804; and
2. Authorize the City Manager, or his designee, to execute the Agreement, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction and to expend up to \$3,000 for title and escrow fees, and related miscellaneous closing costs, for a total not to exceed \$75,804.

BOARD RECOMMENDATION:

This report is published on June 2, 2016, for the June 14, 2016, City Council meeting.

On June 6, 2016, the Riverside Public Utilities' Board will hear this item for consideration to recommend to City Council to approve the Agreement for Conveyance of Easement with the property owner, The Paul and Peggy Doiron Living Trust, for an easement on APN 189-150-012 located at 7297 Jurupa Avenue, Riverside California; and approve the expenditure of \$75,804 inclusive of the \$72,804 purchase price and an estimated amount of \$3,000 for due diligence, title, escrow fees, and related miscellaneous closing costs.

If the Board approves to forward this to City Council, we respectfully request the City Council consider the item at the June 14, 2016, City Council meeting.

BACKGROUND:

The Riverside Transmission Reliability Project (RTRP) is a joint project with Southern California Edison (SCE) which provides Riverside Public Utilities (RPU) a second connection to the state electric transmission grid to address long-term capacity and reliability needs of the City's electric utility system. SCE's portion of the project includes construction of approximately 10 miles of double-circuit 230kV transmission lines and 230kV switchyard. RPU's portion of the project includes the installation of approximately 10 miles of 69kV sub-transmission lines, construction of a new substation, improvements to five existing substations, relocation of existing distribution lines and installation of new telecommunication lines.

RPU staff has been coordinating the easement acquisition process for RTRP with the Real Property Services Division of the Community & Economic Development Department.

The Property is improved with a dog boarding kennel with a caretaker's house and contains a gross area of approximately 40,075 square feet of land; of which 3,965 square feet is needed for an aerial easement and a permanent easement for the RTRP Transmission Line Project. The City had the Property appraised by an independent third party appraiser for \$56,900. The property owner procured their own appraisal in the amount of \$66,303 but asked for an additional \$6,501 to be compensated for an additional tree that was included in the City's appraisal, but not the property owner's appraisal. Staff reviewed the property owner's appraisal and is in agreement with the negotiated settlement of \$72,804. Staff believes this amount is consistent with the current fair market value for the proposed easements and site improvements. Furthermore, this settlement will avoid potentially costly litigation fees and the uncertainty of a final settlement value through the court process.

The Public Utilities General Manager concurs with this report.

FISCAL IMPACT:

The cost to acquire the subject easements will be \$72,804 plus approximately \$3,000 in title, escrow, and related closing costs for a not to exceed total amount of \$75,804. Sufficient funds are available to purchase the easements in Public Utilities' Electrical Capital account number 6130003500-47068506.

Prepared by:	Rafael Guzman, Community & Economic Development Director
Certified as to	
availability of funds:	Scott G. Miller, Interim Finance Director/Treasurer
Approved by:	Al Zelinka, FAICP, Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachments:

1. Site Map
2. Agreement for Conveyance of Easements