



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MARCH 6, 2018

FROM: COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT WARD: 2

SUBJECT: TEMPORARY RIGHT OF ENTRY AND GRANT OF EASEMENT AGREEMENT WITH SOUTHERN CALIFORNIA GAS COMPANY FOR A PORTION OF SYCAMORE CANYON WILDERNESS PARK NEAR CANYON CREST AND VIA VISTA DRIVES, ASSESSOR PARCEL NUMBER 252-230-005, FOR A MINIMUM REVENUE OF \$46,900 AND A SUPPLMENTAL APPROPRIATION OF \$44,000 TO INSTALL AND MAINTAIN FUTURE LANDSCAPING AND A WALKING TRAIL

ISSUES:

Approve the Temporary Right of Entry and Grant of Easement Agreement with Southern California Gas Company for a portion of the Sycamore Canyon Wilderness Park near Canyon Crest and Via Vista Drives, Assessor Parcel Number 252-230-005, for a minimum revenue of \$46,900, and an appropriation of \$44,000 to Parks, Recreation, and Community Services Department for the cost to install and maintain future landscaping and a walking trail.

RECOMMENDATIONS:

That the City Council:

1. Approve the Temporary Right of Entry and Easement Agreement with Southern California Gas Company on a portion of the Sycamore Wilderness Park, Assessor Parcel Number 252-230-005, for the minimum amount of \$46,900;
2. Authorize an increase in estimated revenues in the amount of \$46,900 into Parks, Recreation, and Community Services Department Revenue Capital account number 9903600-33900000;
3. Appropriate an expenditure in the amount of \$44,000 into Parks, Recreation, and Community Services Department to the So. Cal Gas Company Temporary Right of Entry account number 9903600885-44030900, for the cost to install and maintain future landscaping and a walking trail; and
4. Authorize the City Manager, or his designee, to execute the Agreement with Southern California Gas Company, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction.

BACKGROUND:

Southern California Gas Company's Pipeline Safety Enhancement Plan is a multi-year pipeline testing and/or replacement program being undertaken by Southern California Gas Company ("Gas Company") and its authorized contractors. As part of Pipeline Safety Enhancement Plan, the Gas Company proposes to install valves, actuators, and equipment cabinets at its Banning Pipeline L2001 Valve Station 17A located on a portion of Sycamore Canyon Wilderness Park near Canyon Crest and Via Vista Drives ("Property").

The site map below depicts the location of the subject Property.



DISCUSSION:

The Gas Company has an existing gas line right of way and an additional easement containing 2,179 square feet is necessary for the installation of upgrades along with a new roadway easement containing 2,181 square feet for ingress/egress to the Property. The Gas Company will also need to utilize a 6-month temporary right of entry, with an option to extend for an additional 6 months if necessary, for a workspace area containing 5,846 square feet to allow for construction staging and equipment storage.

In addition, the Gas Company agrees to make a one-time payment in the amount of \$44,000 towards Parks, Recreation, and Community Services Department's cost to install and maintain future landscaping and a walking trail on the Property as mitigation measures to comply with the Public Parks Preservation Act of 1971.

In February 2016 and then later in June 2017, the Gas Company submitted an updated purchase offer to the City which was based upon an appraisal from an independent third party appraiser to determine the amount of just compensation for the value of the easements and the temporary right of entry. Staff has reviewed the appraisal and determined that the amounts shown below

represent the current fair market value and recommends acceptance of the Agreement. The monetary amounts in the Agreement are summarized as follows:

Easement for gas facilities and road purposes:	\$ 2,550
6-month temporary right of entry:	\$ 350
Future landscaping and walking trail:	<u>\$44,000</u>
Total:	\$46,900

Additional 6-month temporary right of entry: \$100/month

The Parks, Recreation, and Community Services Director concurs with the recommendations.

FISCAL IMPACT:

The amount of \$46,900 for the Temporary Right of Entry and Easement Agreement, plus any additional temporary right of entry rental payments of \$100 per month if extended, shall be deposited into Parks, Recreation, and Community Services Department Revenue Capital account number 9903600-33900000. The cost to install and maintain future landscaping and a walking trail is \$44,000. The installation and maintenance will be funded by the Temporary Right of Entry proceeds received from the Southern California Gas Company and expensed from Capital account 9903600-4030900.

Prepared by:	Rafael Guzman, Community & Economic Development Director
Certified as to availability of funds:	Adam Raymond, Chief Financial Officer/Treasurer
Approved by:	Al Zelinka, FAICP, Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachment: Temporary Right of Entry and Easement Agreement