

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: JUNE 8, 2020

ITEM NO: 11

SUBJECT: LICENSE AGREEMENT WITH WEST COAST ARBORISTS, INC., A CALIFORNIA CORPORATION, FOR USE OF CITY OWNED PROPERTY LOCATED ON THE SOUTHEAST CORNER OF GIBSON STREET AND INDIANA AVENUE ALSO KNOWN AS ASSESSOR PARCEL NUMBERS 233-170-002 AND 233-170-003 FOR A TWO-YEAR TERM – FOR A TOTAL REVENUE OF \$30,000.00

ISSUE:

Recommend that the City Council approve the License Agreement with West Coast Arborists, Inc., a California Corporation, for use of City owned property located on the Southeast corner of Gibson Street and Indiana also known as Assessor's Parcel Numbers 233-170-002 and 233-170-003 for a two-year term – for a total revenue of \$30,000.00.

RECOMMENDATIONS:

That the Board of Public Utilities recommend that the City Council:

1. Approve the License Agreement with West Coast Arborists, Inc. for a two-year term and a total revenue of \$30,000; and
2. Authorize the City Manager, or designee, to execute the License Agreement and any extensions thereof, including making minor non-substantive changes, and to sign all documents necessary to complete the transaction.

BACKGROUND:

On September 22, 2015, the City Council approved a Purchase and Sale Agreement with the Brandon 2004 Trust and Traver Family Trust for 1.5 acres to acquire vacant land located at the southeast corner of Indiana Avenue and Gibson Street, adjacent to an active railroad line (Property). Riverside Public Utilities (RPU) acquired the Property for the construction of a facility to house RPU's substation mobile equipment and critical spare equipment.

On February 16, 2018, Public Utilities posted Request for Proposal (RFP) No. 1789 on the City's Online Bid System for the construction of a single-story structure for the Substation Utility Storage Facility with the purpose of storing mobile substation equipment, and other critical equipment. The Board of Public Utilities awarded the project to IDS Group Inc., of Irvine California on June 11, 2018.

DISCUSSION:

IDS Group Inc. is providing professional architectural and engineering services for the City, which includes comprehensive schematic design, surveying, geotechnical investigations, laboratory tests of

materials, inspections and reports, periodic field observations and records of as-built information. They will produce an approved complete drawing package and design development documents, detailed specifications and other documents required to form the basis of contract bids for the actual construction of the project and will be responsible for providing construction support during construction throughout the duration of the project.

Project design is ongoing and the start of construction on the site is anticipated to be in the Fall of 2022. During this time, the property is vacant, and requires periodic maintenance to maintain it free of trash, weeds, debris, illegal dumping, and homeless encampments. Since the Property is not a canal parcel, the calculation to establish a standard rental rate for canal parcels is not required. The proposed license agreement will provide \$15,000.00 of additional revenue annually from the otherwise idle property during the design phase of the project. Additionally, West Coast Arborists, Inc. will be responsible to provide a secure fence around the property and to maintain its cleanliness, saving an estimated \$1,800.00 per year in maintenance costs.

FISCAL IMPACT:

All rental revenue is estimated to total \$30,000.00 for the two-year term will be deposited into the Public Utilities Electric Fund Property Rental Account No. 0000510-373120 for the License Agreement with West Coast Arborists, Inc., for use of the Property. It is anticipated that an estimated savings of \$1,800.00 annually will result from maintenance costs for weed abatement and periodic cleanup of the site that will be performed by West Coast Arborists instead of the City.

Prepared by: David Welch, Community & Economic Development Director
Approved by: Todd M. Corbin, Utilities General Manager
Approved by: Al Zelinka, FAICP, City Manager
Approved as to form: Gary G. Geuss, City Attorney

Certifies
availability of funds: Brian Seinturier, Utilities Fiscal Manager

Attachment: License Agreement – West Coast Arborists, Inc.