



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JUNE 11, 2024

FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARD: 2

SUBJECT: FIRST AMENDMENT TO AGREEMENT FOR CONVEYANCE OF EASEMENT
WITH AANENSON PROPERTIES LOCATED AT 5220 PEARBLOSSOM
DRIVE EXTENDING THE USE OF THE EASEMENT AREA FOR TEN
MONTHS FOR A ONE-TIME EXPENSE OF \$20,000

ISSUE:

Approve the First Amendment to Agreement for Conveyance of Easement with Aanenson Properties located at 5220 Pearblossom Drive extending the use of the easement area for ten months for a one-time expense of \$20,000.

RECOMMENDATIONS:

That the City Council:

1. Approve the First Amendment to Agreement for Conveyance of Easement (Attachment 1 – Agreement) with Aanenson Properties extending the use of the surface area of the easement for a one-time expense of \$20,000; and
2. Authorize the City Manager, or his designee, to execute the First Amendment, including making minor non-substantive changes, and to sign all documents necessary to complete the transaction.

BOARD RECOMMENDATION:

On May 13, 2024, the Board of Public Utilities, with one member absent, unanimously approved to recommend to City Council to approve the First Amendment to Agreement for Conveyance of Easement with Aanenson Properties to extend the use of the surface area of the easement for a one-time expense of \$20,000.

BACKGROUND:

On May 29, 2020, the City and Aanenson Properties entered into an Agreement for Conveyance of Easement for a subterranean waterline easement on the real property located at 5220 Pearblossom Drive, identified as a portion of Assessor's Parcel Number 253-210-056 (formally known as Assessor's Parcel Number 253-210-013). Riverside Public Utilities (RPU) purchased the temporary easement for \$31,000 to facilitate the construction of the Canyon Crest booster station, which is anticipated to be completed in July 2024.

DISCUSSION:

The Canyon Crest Booster Station, an underground vault located on Canyon Crest Drive, was built in 1962. The absence of vehicle turnout in the area has resulted in hazardous working conditions. Upon evaluation, it was determined that replacing the existing booster station at its current location is infeasible, given site constraints and high construction costs. As a result, an alternative site within the public street right-of-way at El Cerrito Drive and Pollard Way was identified. Riverside Public Utilities commissioned the new Canyon Crest Facility and began operational testing and calibration in November 2023. Thus, the old Canyon Crest facility has not been operating since the new facility was commissioned. The old facility has been recently de-energized and is scheduled for demolition starting April 15, 2024.



Riverside Public Utilities' contractor, WEKA Inc., requested an extension for the project due to the delays caused by the procurement and installation of the facility's pump equipment. As a result, the Grantor is to receive a one-time payment of Twenty Thousand Dollars (\$20,000) for the

prolonged use of the surface area of the easement. As per the provisions of Section 3.3 of the Agreement for Conveyance of Easement, the parties agreed that if the City continued to occupy the surface area of the easement beyond the stipulated six-months period of construction, the City shall compensate Aanenson Properties with a payment of \$2,000 for each subsequent month of use.

As the cause of the delay was the contractor's responsibility, they are expected to reimburse Riverside Public Utilities for extending the use of the surface area of the easement. The reimbursement will be reflected in the project Work Order after all change orders and final invoice payments have been processed and before the Notice of Completion is filed, estimated to be in July 2024.

The Utilities Interim General Manager concurs with the recommendations in this report.

STRATEGIC PLAN ALIGNMENT:

This item contributes to the Envision Riverside 2025 City Council Strategic Priority **6** – Infrastructure, Mobility and Connectivity, specifically Goal **6.2** – Maintain, protect, and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

The item aligns with each of the five Cross-Cutting Threads as follows:

- 1. Community Trust** – The City is transparent and makes decisions based on sound policy, inclusive community engagement, City Boards & Commissions involvement, and timely and reliable information. The City Council's approval of the First Amendment confirms that the City prioritizes community safety and takes actions to protect and serve the public interest.
- 2. Equity** – The City supports racial, ethnic, religious, sexual orientation, identity, geographic, and other attributes of diversity. The City Council's approval of the First Amendment demonstrates equitable safety achievement for the City and surrounding communities by ensuring their safety.
- 3. Fiscal Responsibility** – The City diligently works with private owners to enhance the community's safety. By approving the First Amendment to the Agreement for Conveyance of Easement, the City ensures the responsible management of its financial resources while providing quality public services to all.
- 4. Innovation** – The City is inventive and timely in meeting the community's changing needs. The City demonstrates its innovative and collaborative, working in concert with property owners to fulfill the goals and objectives of the Canyon Crest Booster Station.
- 5. Sustainability & Resiliency** – The City is committed to meeting the needs of the present without compromising the needs of the future and ensuring the City's capacity to persevere, adapt and grow during good and challenging times. Approving the First Amendment ensures the City's current and future reliability, resilience, and sustainability of the Canyon Crest Booster Station.

FISCAL IMPACT:

The current fiscal impact of the action is \$20,000. Sufficient funds are budgeted and available in the Water Fund, Pump Station Replacements Project Account No. 6230000-470802 as part of the approved Board Authorized expenditure for WO#1316064. The contractor is expected to reimburse Riverside Public Utilities \$20,000 for extending the use of the surface area of the easement. The reimbursement will be reflected in the project Work Order after all change orders and final invoice payments have been processed and before the Notice of Completion is filed, estimated to be in July 2024.

Prepared by:	Patricia V. Villa, Real Property Agent
Approved by:	Jennifer A. Lilley, Community & Economic Development Director
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

Attachments:

1. First Amendment to Agreement for Conveyance of Easement
2. Presentation