

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: MAY 13, 2024

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

ISSUE:

Consider recommending that the City Council approve the First Amendment to Agreement for Conveyance of Easement with Aanenson Properties located at 5220 Pearblossom Drive extending the use of the surface area for ten months for a one-time expense of \$20,000.

RECOMMENDATIONS:

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

1. Approve the First Amendment to Agreement for Conveyance of Easement (Attachment 1 – First Amendment) with Aanenson Properties to extend 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.

BACKGROUND:

On May 29, 2020, the City and Aanenson Properties entered into an Agreement for the Conveyance of 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:

RPU entered into an agreement with Aanenson Properties for a temporary easement on a portion of their property adjacent to the newly constructed Canyon Crest booster station, allowing RPU to utilize their property as a construction laydown area. Staff needed the laydown area to store

construction materials and equipment during the construction of the Canyon Crest booster station. The new Canyon Crest booster station began operation in November 2023 after a ten-month delay in completing the project by the contractor.

RPU's 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, which required additional time to use the easement. As a result, the property owner is to receive a one-time payment of Twenty Thousand Dollars (\$20,000) at \$2,000 per month 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-month 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 will reimburse RPU for extending the use 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, estimated to be in July 2024.

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 total fiscal impact is \$20,000. Sufficient funds are available in the Water Fund, Water Pump Station Replacements Account No. 6230000-470802.

Prepared by:	Benjamin Morales, Real Property Services Manager
Approved by:	Daniel E. Garcia, Interim Utilities General Manager
Approved by:	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