

AGENDA ITEM NO.

COUNCIL MEETING: 03/08/12

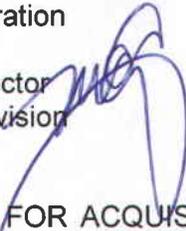
APPROVED BY

DEPARTMENT DIRECTOR 

CITY MANAGER

March 8, 2012

FROM: PATRICK N. WIEMILLER, Director
Department of Public Utilities - Administration

BY: MARTIN A. QUERIN, PE, Assistant Director
Department of Public Utilities - Water Division 

SUBJECT: APPROVE PURCHASE AGREEMENT FOR ACQUISITION OF ONE PARCEL FOR THE AMOUNT OF \$68,000 FROM SELLER: VIRGINIA LEON, TO CONSTRUCT A NEW WATER SUPPLY WELL ON 1128 COLLINS AVENUE (COUNCIL DISTRICT 3)

RECOMMENDATIONS

Staff recommends that the City Council:

1. Approve purchase agreement for a fee simple acquisition of a 14,810 square foot parcel (See Exhibits A and B), which is necessary for the construction of a new water supply well from property owner: Virginia Leon for the amount of \$68,000.
2. Authorize the Public Works Director, or his designee, to sign all documents on behalf of the City.

EXECUTIVE SUMMARY

The Water Division maintains a network of some 260 plus municipal water supply wells that provides 88 percent of the City's potable water. New wells are required to meet new demands, replace wells that have reached the end of their useful service life, or assist in remediating water quality issues. The proposed property acquisition will provide a new water well site to replace lost production when the older outdated well in the area is decommissioned.

The subject parcel was identified as a suitable well site due to its size and location. Staff has negotiated with the land owner to purchase the subject parcel for the amount of \$68,000, which is based on appraised values. Owner of the parcel has agreed to the amount of compensation offered by the City and signed the Purchase Agreement and Grant Deed. With Council approval, various tests will be performed to ensure there is no documented or observed hazardous material releases on the property, and to verify groundwater beneath the site is suitable for municipal use. Staff will close escrow and acquire title to the property if tests confirm the feasibility of constructing a production well at this site.

BACKGROUND

The acquisition of this parcel will allow the Water Division to replace an old well known as Pump Station (PS) 9A, which needs to be taken out of service, because it is about to reach the end of its useful service life and will be destroyed per State water well destruction standards.

The documents signed by the property owner have been approved as to form by the City Attorney's Office.

REPORT TO THE CITY COUNCIL

Approve Purchase Agreement for 1128 Collins Avenue Parcel

March 8, 2012

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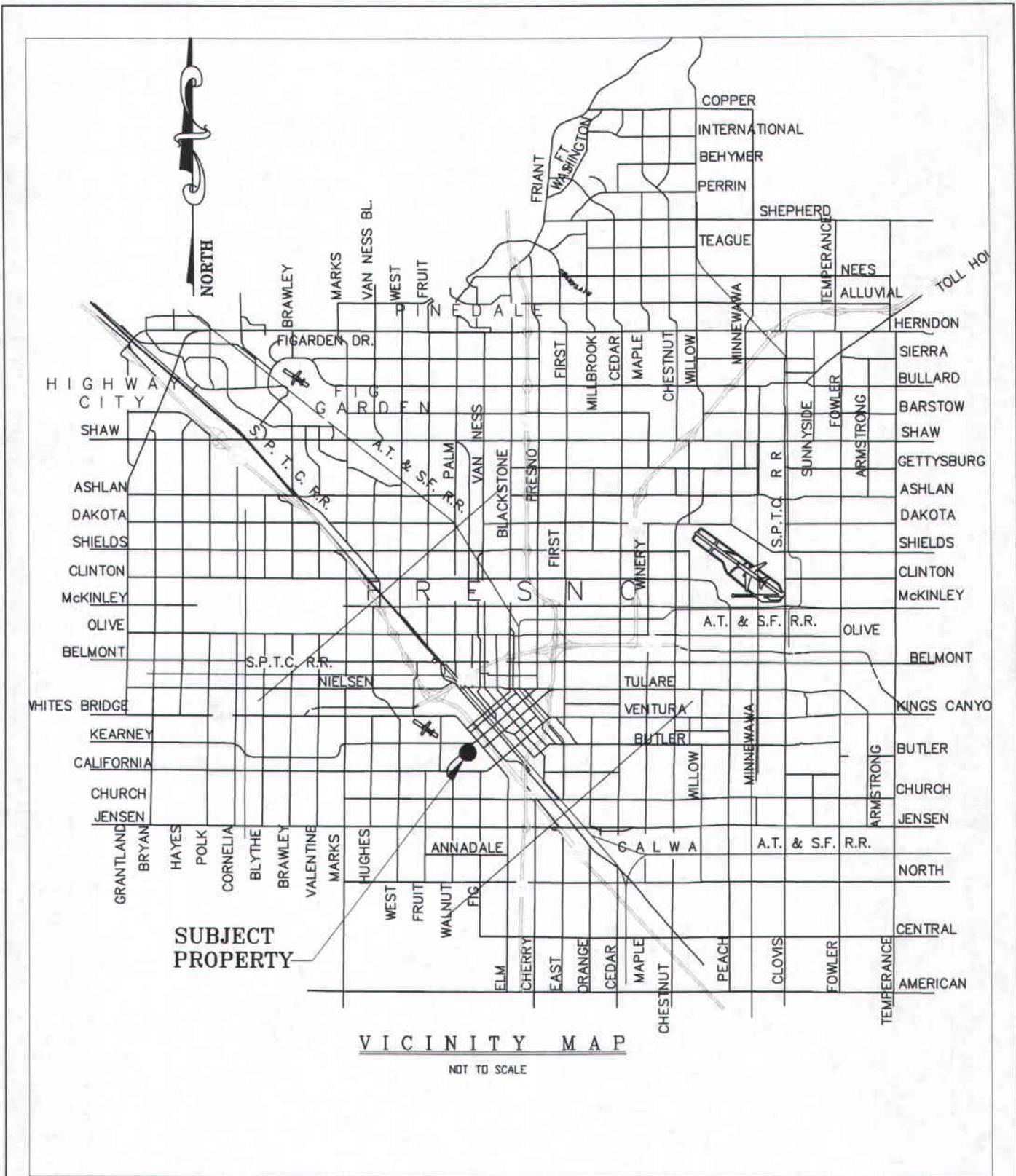
ENVIRONMENTAL FINDING

Any future use of the site to be acquired is conditioned upon California Environmental Quality Act (CEQA) compliance, which may occur during the processing of the conditional use permit required for well sites. An environmental assessment of the proposed well site is not feasible at this time, as the City does not yet have meaningful information for environmental assessment. However, the City will be entering into the proposed purchase agreement conditioned upon future CEQA compliance prior to any use of the property, as permitted by Section 15004(b)(2) of the CEQA Guidelines.

FISCAL IMPACT

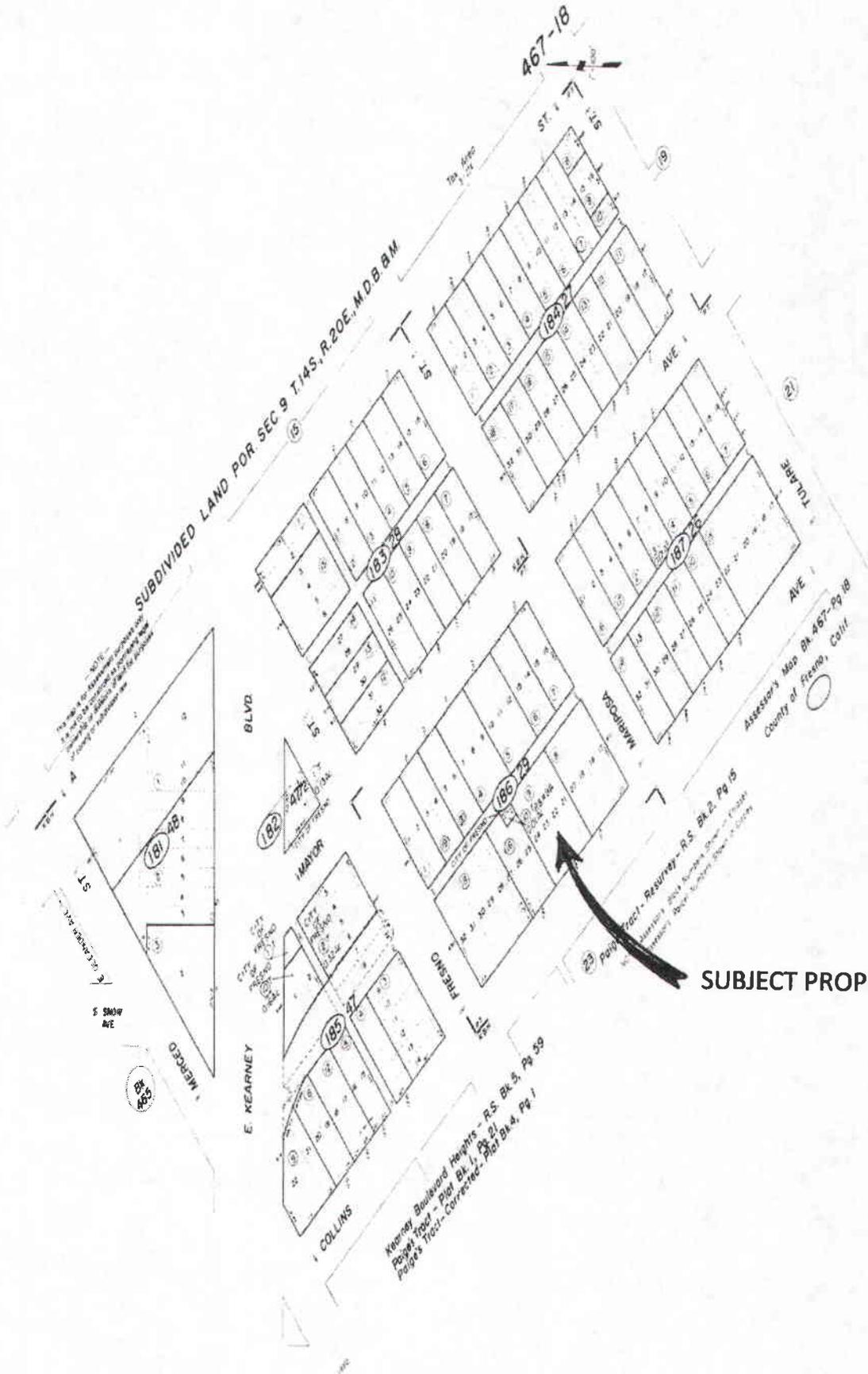
Funds for the property acquisition for PS 9B are included in Water Division's FY 2012 Capital Improvement Program budget within the Water Enterprise Fund (40101). The site acquisition and development of replacement water wells was included in the water rate model used to create the five-year utility rate plan and subsequently adopted by City Council on February 27, 2007 (Resolution 2007-79). No additional funding is required for acquisition of this property.

Attachments: Exhibit A – Vicinity Map
Exhibit B – APN Map



CITY OF FRESNO		DEPT. OF PUBLIC UTILITIES	
PUMP STATION 9B EXHIBIT A		DR. BY: LGB	SHT 1 OF 1
		DATE 01-23-12	

EXHIBIT "B"



SUBJECT PROPERTY