



STAFF REPORT – CITY COUNCIL MEETING

April 03, 2024

TO: Honorable Mayor and City Council Members

FROM: Emily Sinkhorn, Director of Environmental Services

PREPARER: Brigitte Price, Administrative Specialist

DATE: March 27, 2024

TITLE: **Adopt Resolution No. 234-41 Accepting the Expansion of a Public Utility Easement from Green Diamond Resources Company on a Portion of Assessor's Parcel No. 507-041-001 for Water Storage Tank 1-C; and Authorize the City Manager to Execute All Applicable Documents.**

RECOMMENDATION:

It is recommended that the Council:

- 1) Adopt Resolution No. 234-41 accepting the expansion of a public utility easement from Green Diamond Resources Company on portion of APN 507-041-001 for water storage tank 1-C; and
- 2) Authorize the City Manager to execute all applicable documents.

INTRODUCTION:

In 2019 the City secured a public utility easement from Green Diamond Resource Company for the siting and access for a new water storage tank, Tank 1C, above Happy Valley. Tank 1C is a priority capital improvement project and is currently under construction. Since construction on the water tank commenced, new regulations have been adopted by the State Water Resources Control Board which require additional area for the tank construction. Green Diamond Resource Company has been willing to work with the City to expand the existing easement area.

BACKGROUND:

The Tank 1C project is currently under construction and upon completion will add one million gallons of additional potable water storage to the City's water supply to an area which serves the highest number of residents (water pressure zone 1). This will benefit the City of Arcata through enhanced potable water, wastewater, and fire protection services for the period immediately following a major earthquake or fire events. The site is 2,000 feet east of West End Road upon the City's Happy Valley property.

In July 2019 the City Council approved the Tank 1C project and an 18,900 square feet easement from Green Diamond Resource Company for the tank footprint and a twenty feet wide access road to the tank site.

The City Council awarded the construction bid for the Tank 1C project on August 2, 2022. Grant funds from the Infrastructure and Infill Grant Program as well as funds from the City's Water Funds are contributing towards the completion of this water storage project.

DISCUSSION:

After the original easement for the tank was secured and the construction project was put out to bid, new state requirements for water storage tanks precipitated changes to the design of the pipe manifold assembly going into and out of the tank. Once construction of the tank itself neared completion, it became clear that the existing easement footprint would not allow for the new design of the inlet/outlet split pipe manifold system while still providing for full management access around the tank.

The City approached Green Diamond Resource Company with a proposal to expand the tank easement footprint 25 feet to the west (for a total of 3,375 additional square feet) in order to provide adequate space for operations and maintenance access and the new pipe manifold assembly. As the proposed easement expansion was relatively small and does not infringe on Green Diamond Resources Company's road system, the company was amenable to the easement expansion.

Green Diamond and City staff agreed on a value (\$457) of the expanded easement area based upon the appraisal completed in 2017 to support the original easement acquisition. The proposed easement expansion area contains two clumps of small redwood trees that will need to be removed to enable construction and access in the expanded easement area. The City will provide compensation in the amount of \$1,523 to Green Diamond for removal of these trees.

All provisions in the easement amendment shall remain the same as in the original easement except for the following additions/modifications:

- The Arcata Water Tank Site Easement is amended to be 22,275 square feet, and the City shall update the legal description in applicable exhibits. When approved by the Parties, the legal description shall then be incorporated into the easement amendment before execution and recording.
- The City shall compensate Green Diamond Resources Company for the value of the additional 3,375 square feet of easement (Additional Area) and certain standing redwood trees which are required to be removed from the additional easement area.
- Green Diamond has valued the Additional Area and redwood trees at One Thousand Nine Hundred Eighty Dollars and 00/100ths United States Dollars (\$1,980.00) the ("Consideration"), payment of which shall be remitted by the City upon execution of the amendment.
- The amendment must be recorded prior to the City removing any trees or performing any work within the Additional Area.

The construction of Tank 1C has been progressing and the steel tank construction was completed last fall. Construction will continue on the piping manifolds and other supporting infrastructure for the water tank. Construction by the general contractor at Tank 1C is anticipated to be completed in summer 2024 followed by the installation of cathodic protection in the interior of the tank in fiscal year 2024-25.

POLICY IMPLICATIONS:

This project is consistent with City Council Goals and priority projects including adding additional water storage especially in Zone-1 for use during emergencies such as fires, earthquakes, and other

disasters. The project is consistent with the General Plan and the Capital Improvement Program (CIP).

On May 28, 2019, the City of Arcata Planning Commission adopted Resolution No. PC-19-03 determining the acquisition of a utility easement for the purpose of constructing additional water storage capacity in pressure zone 1 was in conformance with the Arcata General Plan.

ENVIRONMENTAL REVIEW (CEQA):

On July 17, 2019 the City Council adopted a Negative Declaration for the Tank 1C project. The project Negative Declaration addressed potential environmental impacts from the utility easement acquisition as well as the water tank and access road construction impacts. The additional 3,375 square feet (0.0775 acre) easement area would not substantially change the analysis in the Negative Declaration which accounted for a 0.6 acre work area. In addition, the removal of six additional small redwood trees (ranging in diameter between 3”, 6”, 12” and 18”) would not substantially change the analysis in the Negative Declaration which accounted for the initial tree harvest of dozens of redwood trees within the footprint of the original easement.

BUDGET/FISCAL IMPACT:

The Tank 1C project is within the Capital Improvement Program and is funded through a grant from the Infrastructure and Infill Grant Program as well as funds from the City’s water fund. Funds for the \$1,980 Consideration to compensate Green Diamond for the additional easement area and removal of several small redwood trees is available in the 2023-24 fiscal year budget under 661-60-64-57600.

ATTACHMENTS:

- A. Site Plan of Easement Expansion (PDF)
- B. Original Tank 1C easement (PDF)
- C. First Amendment to Reciprocal Easement Agreement (PDF)
- D. Resolution No. 234-41 Tank 1C Easement Amendment (PDF)