



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Brandon Robinson, Electrical Engineering Supervisor
Art Vela, Public Works Director

MEETING DATE: July 9, 2024

SUBJECT: Consideration of Resolution 2024-123, Approving the Line Extension Reimbursement Agreement Between the City of Banning and Robertson's Ready Mix, LTD

RECOMMENDATION:

Adopt Resolution 2024-123.

BACKGROUND:

The Banning Quarry ("Quarry") is an existing aggregate (sand and gravel) mine and processing plant located in the northeastern portion of the City. The Quarry has been owned and operated by Robertson's since 1997, and originally consisted of mining operations across 186 acres. Pursuant to a Development Agreement between Robertson's Ready Mix, LTD and City of Banning in 2020, the active mining area ("Mining Area") was expanded to 209 acres. A City of Banning Electric Utility ("BEU") pole line that served existing services for the mining site had existed on the border between the original 186 acres and the expanded area, making it impossible to mine a significant area of the South Pit.

As a result, Robertson's Ready Mix agreed to compensate BEU for removing and relocating the utility distribution pole line to allow full access to mining in the expanded area. City Staff has drafted a Line Extension Reimbursement Agreement ("LEA"), attached herewith as Exhibit A, that defines the scope of the project and provides a mechanism for payment for the work that will be completed by BEU.

JUSTIFICATION:

This LEA will allow the Electric Utility to relocate the distribution facilities serving the power supply at Robertson's Ready Mix, enabling the customer to continue mining operations onsite more efficiently and without the presence of utility infrastructure near mining pits.

FISCAL IMPACT:

Staff recommends the City Council approve the LEA with Robertson's Ready Mix with an initial deposit amount of \$295,000 due to the City from Robertson's Ready Mix upon execution of the LEA, and allow Robertson's Ready Mix to contribute additional deposits or payments to cover any additional eligible expenses incurred by the City.

ALTERNATIVES:

Do not adopt Resolution 2024-123 and provide alternative direction to staff.

ATTACHMENTS:

1. [Resolution 2024-123, Robertsons Agreement.docx](#)
2. [Banning - Line Extension Agreement \(Robertson_s Ready Mix\)_draft 7-1-24.pdf](#)