Agenda Item No: 1.g

PLACENTIA CITY COUNCIL AGENDA REPORT

Meeting Date: December 3, 2024

Submitted by: Gabriel Guerrero-Gabany

From: Public Works

Subject:
Approval of the Acquisition of Permanent and Temporary Construction Easements for the Golden Avenue Bridge Replacement Project

Financial Impact:
Fiscal Impact:
Expense: $ 9,250.00 Acquisition Costs
Available Budget: $ 21,474.01 Proposed Budget Resolution No. R-2024-80 (331801-6740)

Summary:
Golden Avenue Bridge was constructed in 1934 and was rated as "functionally obsolete" by the California Department of Transportation (Caltrans) in 2005. Since 2015, the City has worked with an engineering design team to complete the final design package for a new bridge which was ultimately completed in December of 2019. At the same time, it was discovered that temporary construction and permanent easements for portions of the bridge footings were needed from private property owners on some of the adjacent properties. Staff reached out to all the affected property owners and in good faith negotiated and acquired all easements necessary for the construction of the new bridge. Subsequently, the City was awarded a Federal Earmark totaling $2.2 million towards the cost of the project. These funds are being routed through the Federal Highway Administration (FHWA). Unfortunately, such Federal funding triggers requirements that must be met to be able to properly utilize these funds. The City was notified by Caltrans that the methods for acquiring these easements did not follow FHWA regulations. Even though local funds were used to acquire the easements, Federal grant funds were used to design the project and if one single Federal dollar is used in any phase of a project then the entire project is subject to Federal regulations.

Epic Land Services (ELS), a Caltrans-certified real property agent well-versed in Federal and State funding requirements, has since gone through the appraisal process and prepared offer packages for each of the affected properties to secure these easements. The total acquisition cost for all four (4) properties would total $7,400. Once granted authority by Council, the City Administrator would be able to make the offers to the property owners and negotiate up to a maximum of 25% above fair market value for a potential maximum acquisition cost of $9,250. The Acting City Administrator would also have authority to execute all documents included in the offer packages. Acquiring these easements are necessary to submit the right-of-way certification to Caltrans thereby obtaining approval to release the project plans and specifications for construction.

Recommendation:
Recommended Action: It is recommended that the City Council:

1. Approve Resolution No. R-2024-80, A Resolution of the City Council of the City of Placentia, California authorizing a budget amendment in Fiscal Year 2024-25 in compliance with City Charter of the City of Placentia §§1206 and 1209 pertaining to appropriations for actual expenditures; and
2. Approve Resolution Nos. R-2024-82 thru R-2024-85, Resolutions of the City Council of the City of Placentia, California Authorizing the Appraisals, Fixing the Amounts of Just Compensation and Authorizing Offers to affected property owners; and
3. Accept the temporary and permanent construction easements; and
4. Approve the Just Compensation recommendations for each of the subject properties; and
5. Authorize Staff to sign the Just Compensation Recommendation; and
6. Authorize the Acting City Administrator to make offers to the subject property owners for the acquisition of both temporary and permanent construction easements; and
7. Authorize the Acting City Administrator to modify offers up to twenty-five percent (25%) of the original appraisal amount; and
8. Authorize the Acting City Administrator to enter into a purchase and sale agreement with the subject property owners, in a form approved by the City Attorney; and
9. Authorize the Acting City Administrator to execute escrow documents related to the acquisition of said easements; and
10. Authorize the Acting City Administrator to proceed with payments for purchasing these easements and sign the Certificate of Acceptance for these Easements on behalf of the City; and
11. Direct the City Clerk to record the Easements with the Orange County Clerk-Recorder's Office.

Strategic Plan Statement:
This item conforms to Strategic Plan Goal 5, Implement Public Infrastructure to Meet Community Needs.

Discussion:
Golden Avenue Bridge was constructed in 1934 and was rated as "functionally obsolete" by Caltrans in 2005. Since 2015, the City has worked with an engineering design team to complete the final design package for a new bridge which was ultimately completed in December of 2019. At the same time, it was discovered that temporary construction and permanent easements for portions of the bridge footings were needed from private property owners on some of the adjacent properties. Staff reached out to all the affected property owners and in good faith negotiated and acquired all easements necessary for the construction of the new bridge. Subsequently, the City was awarded a Federal Earmark totaling $2.2 million towards the cost of the project. These funds are being routed through the FHWA. Unfortunately, such Federal funding triggers requirements that must be met to be able to properly utilize these funds. The City was notified by Caltrans that the methods for acquiring these easements did not follow FHWA regulations. Even though local funds were used to acquire the easements, Federal grant funds were used to design the project and if one single Federal dollar is used in any phase of a project then the entire project is subject to Federal regulations.

On May 17th, 2023, the City signed an agreement with ELS to assist with the corrective actions, following all Federal and State guidelines. ELS is a Caltrans-certified real property agent well-versed in FHWA requirements who has assisted the City with all the necessary tasks related to the easement acquisition, including preparation of quitclaim deeds, appraisals and negotiations for new easements and acquisition services. All work has been coordinated through Caltrans and in compliance with FHWA regulations.

ELS has since prepared offer packages for each of the affected properties which include the following documents:

- Offer Letter
- Agreement of Purchase and Sale and Joint Escrow Instructions
- Easement Deed and Legal Description and Plat
- Temporary Construction Easement Deed and Legal Description and Plat
- Summary Statement Relating to the Purchase of Real Property or an Interest Therein
- Appraisal Report
- Litigation Guarantee
- Your Rights Under Title VI Brochure
- Acquisition Handbook
- W-9 Request for Taxpayer ID
- Just Compensation Package

Following the appraisal process required by Caltrans, ELS has determined that the following are fair market values for the subject properties:

APN	OWNER NAME	PERMANENT EASEMENT AREA	TEMPORARY CONSTRUCTION EASEMENT AREA	APPRAISAL VALUE	OFFER VALUE
336-371-36	Paramount	258 SF	13,015 SF	nominal - $500	nominal - $1,000
334-021-15	Villena Association	32 SF	2,387 SF	$3,300	$3,300
334-011-36	Aburto	499 SF	1,337 SF	nominal - $2,100	nominal - $2,100
334-011-35	Gaddis	13 SF	141 SF	nominal - $1,000	nominal - $1,000

The total acquisition cost for all four (4) properties would total $7,400. Once granted authority by Council the City Administrator would be able to make the offers to the property owner and negotiate up to a maximum of 25% above fair market value for a potential maximum acquisition cost of $9,250. The City Administrator would also have authority to execute all documents included in the offer packages. Acquiring these easements are necessary to submit the right-of-way certification to Caltrans thereby obtaining approval to release the project plans and specifications for construction.

Fiscal Impact Summary:
The recommended actions will authorize Staff to make offers for a not to exceed amount of

$9,250 needed for the acquisition of temporary and permanent construction easements. In 2022, the City received a Federal Earmark of $2.2 million for the project. This earmark can only be used for the construction phase of the project. To provide sufficient funding for the acquisition of the easements, right-of-way certification and final design of the project, Staff is also recommending approval of Budget Resolution No. R-2024-80 (Attachment 5) to appropriate $21,474.01 in project savings from the City Hall Administrative Office Area Improvement Project.

Attachments

Attachment_1_Offer_Package_-_Aburto__APN_334-011-36_.pdf
Attachment_2_Offer_Package_-_Gaddis__APN_334-011-35_.pdf
Attachment 3 Offer Package - Paramount (APN 336-371-36).pdf
Attachment 4 Offer Package - Villena (APN 334-021-15).pdf
Attachment 5 - Budget Amendment Resolution No. R-2024-80 - Golden Avenue Bridge Replacement Project.pdf
Attachment 6 Resolution R-2024-82 Approving Appraisal_Aburto.pdf
Attachment 7 Resolution R-2024-83 Approving Appraisal_Gaddis.pdf
Attachment 8 Resolution R-2024-84 Approving Appraisal_Paramount.pdf
Attachment 9 Resolution R-2024-85 Approving Appraisal_Villena.pdf