

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: August 26, 2016

CAO File No.: 0150-10661-0000  
Council File No.:  
Council District: Various

To: The Mayor

From: Miguel A. Santana, City Administrative Officer *MAS*

Reference: Communication from the Department of Water and Power dated March 31, 2016; referred by the Mayor for report on April 13, 2016

Subject: **PROPOSED RESOLUTION AUTHORIZING THE EXECUTION OF FIVE QUITCLAIM DEEDS FOR FIVE WATER AND POWER DISTRIBUTION EASEMENTS**

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### SUMMARY

The Department of Water and Power (DWP; Department) requests approval of a proposed resolution which authorizes the DWP to quitclaim (to release or relinquish a legal claim) five water and power distribution easements. The DWP has determined that these easements are no longer required for use by the Department. Charter Section 675(d)(2) requires Council approval to dispose of real property. The City Attorney has approved the proposed resolution as to form and legality.

DWP periodically reviews applications requesting that the Department abandon DWP owned easements. The requests are from property owners who often are seeking to remove easement restrictions that were required for earlier building permits or tract maps. If the Department determines that an easement is no longer necessary for current or future DWP operations, a quitclaim deed is processed to transfer the rights of the easement to the existing property owner, thereby, effectively terminating the easement. DWP states that each of the five applicants is to pay the Department a processing fee of \$6,420. The amount of the processing fee was established in November 2013 by the DWP. There is no other cost from the Department to a property owner who requests a quitclaim.

### RECOMMENDATIONS

That the Mayor:

1. Approve the proposed resolution which authorizes the Department of Water and Power to execute five quitclaim deeds for five water and power distribution easements; and
2. Return the proposed resolution to the Department for further processing, including Council consideration.

## **FISCAL IMPACT STATEMENT**

Approval of the proposed resolution will result in revenue to the Water Revenue Fund and Power Revenue Fund of \$6,420 for each quitclaim resulting in a total of \$32,100. The proposed action complies with the Department's adopted Financial Policies. Approval of the proposed resolution will have no impact on the City's General Fund.

## **TIME LIMIT FOR COUNCIL ACTION**

Pursuant to Charter Section 675(d)(2), "Powers and Duties of the Board – Real Estate Interests," subject to the water rights of the City, there is no time limit for Council action on agreements for real property or any rights in real property held by DWP that will be sold, leased or withdrawn from the Department's control.

*MAS:JJ:10160093*