

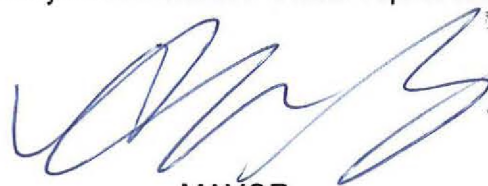
0150-10914-0000

**TRANSMITTAL**

TO David H. Wright, General Manager Department of Water and Power	DATE MAR 24 2017	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT	

**PURCHASE AGREEMENT FOR AN EASEMENT FROM CG ROXANE, LLC**

Approved and transmitted for further processing including Council consideration.  
See the City Administrative Officer report attached.



Ana Guerrero

MAYOR

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: March 23, 2017

CAO File No.: 0150-10914-0000

Council File No.:

Council District:

To: The Mayor

From: Richard H. Llewellyn, Jr., Interim City Administrative Officer

Reference: Communication from the Department of Water and Power dated February 13, 2017

Subject: **PURCHASE AGREEMENT FOR AN EASEMENT FROM CG ROXANE, LLC**

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### RECOMMENDATIONS

That the Mayor:

1. Approve the proposed resolution authorizing the Department of Water and Power to (i) execute a purchase agreement for an easement from CG Roxane, LLC located in Olancho, Inyo County, California, and (ii) provide long-term indemnification to CG Roxane, LLC against claims resulting from DWP activities on the property; and,
2. Return the proposed resolution to the Department for further processing, including Council consideration.

### SUMMARY

Approval of the proposed resolution will authorize DWP to purchase an easement from CG Roxane, LLC and to indemnify the property owner against claims caused by DWP's activities on the property. DWP requires access to the 17.958 acre property located in Olancho, Inyo County, California, to perform dust mitigation operations as required by Great Basin Unified Air Pollution Control District.

The agreed upon price of the easement is \$18,000, which is based on a third-party appraisal dated June 17, 2015. An additional expense to the DWP is approximately \$3,248 in escrow closing costs resulting in a total expense of \$21,248. The proposed long-term indemnification has been reviewed and approved by the DWP Risk Manager.

In accordance with Charter Section 675(d)(1), the DWP Board of Commissioners is authorized to acquire real estate interests such as the proposed easement without further consideration by the Mayor or Council. However, the proposed long term indemnification does require approval by Council pursuant to Charter Section 373. In accordance with the Los Angeles Administrative Code Section 10.5, unless the Council takes action disapproving the proposed Agreement within 60 days after submission to the Council, the Agreement will be deemed approved. The City Attorney has approved the proposed resolution as to form and legality.

## **FISCAL IMPACT STATEMENT**

Approval of the proposed resolution impacts the Water Revenue Fund with a total expenditure of approximately \$21,248. There is no fiscal impact to the City General Fund. The proposed action complies with the Department's adopted Financial Policies.

*RHL:RR:10170085*