

STAFF REPORT

Date: March 22, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Resolution of Necessity to acquire sewer easements from G ARCHIE LLC for construction of a sanitary sewer trunk as part of the 2022 Parr Sewer Rehabilitation Project and authorize the City Manager and City Attorney to proceed with the transaction and the Mayor to sign all pertinent documents. [Ward 4]

From: Dustin Waters, Asst. Dir. of Utility Services

Department: Utility Services

Summary:

Staff recommends Council adopt a Resolution of Necessity to acquire sewer easements from G ARCHIE LLC in Reno, Nevada for construction of a gravity sanitary sewer as part of the 2022 Parr Sewer Rehabilitation Project, and authorization for the City Manager and City Attorney to proceed with the transaction and the Mayor to sign all pertinent documents. The City has been unable to reach a settlement with G ARCHIE LLC to acquire these final easements, which are required to construct the 2022 Parr Sewer Rehabilitation Project as designed.

Alignment with Strategic Plan:

Infrastructure, Climate Change, and Environmental Sustainability

Previous Council Action:

September 28, 2022 – Council approved the acquisition of sewer easements across four parcels for construction of a sanitary sewer trunk as part of the 2022 Parr Sewer Rehabilitation Project in the amount of \$182,150.

April 22, 2020 – Council approved a consultant agreement with Farr West Engineering for design of the 2021 Consolidated Sewer Rehabilitation Project in the amount of \$656,381.

Background:

Rehabilitation of the Parr sewer lift station was determined to be a high priority, according to the Brown and Caldwell lift station condition assessment report published in February 2020, due to

aging pumps, electrical deficiencies, and its lack of capacity and redundancy.

An agreement with Farr West Engineering for design services for the 2021 Consolidated Sewer Rehabilitation Project included the provision of construction documents to replace the Parr lift station with a gravity sewer line.

Discussion:

The 2022 Parr Sewer Rehabilitation Project is required to replace an aging sewer lift station, as well as provide additional capacity to accommodate several pending development projects. This lift station will be replaced with a gravity sewer line, which lowers the public health and safety risk to citizens since maintenance intensive mechanical and electrical components will be eliminated by this replacement.

New temporary and permanent sewer easements across parcels owned by five property owners are required to construct the new sewer line. The permanent easement widths vary generally from 20 – 40 feet, along the sewer alignment shown on the attached location map. Temporary easements are approximately 20 feet wider to allow for construction of the new sewer. The initial offers for easements were sent on August 10, 2021 to all affected property owners. Sewer easements required for this project were acquired from four of the requisite five property owners at appraised values. The City has been unable to reach a settlement to acquire the final sewer easements from G ARCHIE LLC, as counteroffers have been significantly higher than appraised values. Because of the alignment of the facilities, and the easement rights already in place, a realignment over the G ARCHIE LLC property is infeasible.

The original appraisal conducted by Johnson-Perkins-Griffin valued the easements required from G ARCHIE LLC on March 19, 2021, at \$29,600. A recent updated property appraisal, also conducted by Johnson-Perkins-Griffin, valued the easements required from G ARCHIE LLC on December 19, 2022, at \$32,000.

Financial Implications:

There are no immediate fiscal impacts from this action. Ultimately, the valuation for the acquired sewer easements will be determined in court. At that time, funding for this acquisition will be from the Sewer Fund.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law.

Recommendation:

Staff recommends Council adopt a Resolution of Necessity to acquire sewer easements from G ARCHIE LLC for construction of a sanitary sewer trunk as part of the 2022 Parr Sewer

Rehabilitation Project and authorize the City Manager and City Attorney to proceed with the transaction and the Mayor to sign all pertinent documents.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

Location Map

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