

AGENDA ITEM #: _____

DATE: January 27, 2020

CAR #: 2020-6856



CITY COUNCIL ACTION REPORT

SUBJECT: Request for Authorization to Utilize Eminent Domain for the Goodyear Water Treatment Facility and Raw Water Pipeline Delivery Project

STAFF PRESENTER(S): Linda Beals, Real Estate Coordinator

OTHER PRESENTER(S): None

Summary: City staff is requesting authority to utilize eminent domain to acquire the outstanding property rights acquisitions for the Goodyear Water Treatment Facility and Raw Water Pipeline Delivery Project.

Recommendation:

ADOPT RESOLUTION NO 2020-2027 AUTHORIZING THE CITY ATTORNEY TO BRING ACTION(S) AS NECESSARY, UNDER THE AUTHORITY OF EMINENT DOMAIN TO ACQUIRE SUCH PROPERTY INTERESTS REQUIRED FOR THE GOODYEAR WATER TREATMENT FACILITY AND RAW WATER PIPELINE DELIVERY PROJECT FOR JUST COMPENSATION AS DETERMINED BY THE COURT OR JURY.

Fiscal Impact: Budgeted funds are available in the Capital Improvement Program for the Surface Water Project for land purchases and other associated costs. The remaining budget is anticipated, based upon current estimates, to be sufficient to complete the project real estate acquisitions including the property rights described in this action.

Background and Previous Actions

In January 2017 Council approved the CAP/SRP Interconnection Facility Lease and Water Transportation Agreement with Salt River Project by City Council action 17-5965. The city entered into the agreement in February 2017. The agreement provided for the transportation of the city's allotment of Central Arizona Project surface water from their interconnection facility located at the Granite Reef Dam, to a connection point at approximately Avondale Boulevard and Broadway Road. In connection with the agreement the city plans to construct facilities, including a pipeline, to convey the water from the connection point to a surface water treatment facility.

On April 23, 2018, Council approved the expenditure of funds which allowed the city to enter into a contract with CH2M Engineers for design-build pre-construction services, which included real estate acquisition services.

On December 17, 2018, Council approved the acquisition of property rights for the Goodyear Water Treatment Facility and Raw Water Pipeline Delivery Project.

Staff Analysis

City staff has acquired, or has agreements in escrow, for 37 of the 41 parcels required for the pipeline portion of the project. The outstanding seven parcels are owned by TVG Investments, LLC, an Arizona limited liability company and Rexco, LLC, an Arizona limited liability company.

The appraised value of the combined parcels owned by TGV Investments, LLC and Rexco, LLC, is \$180,100. Both the outside consultant CH2M Engineers and city staff have made significant efforts to negotiate with the landowners over the past year, but have not been able to reach an agreement. The parcels are more specifically identified in the attached Resolution 2020-2027 and the Exhibit A attached thereto. These parcels are required in order to construct the surface water pipeline.

Attachments

Resolution 2020-2027

Exhibit A – Legal Description