



Legislation Details (With Text)

File #: ID19-11297 **Version:** 1 **Name:**

Type: Action Item **Status:** Agenda Ready

File created: 9/11/2019 **In control:** City Council

On agenda: 9/26/2019 **Final action:** 9/26/2019

Title: Actions pertaining to the Mission Ranch Municipal Well Agreement (Council District 3):
 1. Adopt findings of Categorical Exemption under California Environmental Quality Act 15061(b) (3) General Rule
 2. Approve Municipal Well and Exclusive License Agreements between C & A Farms, LLC, and the City of Fresno for the construction of a municipal public water supply well to serve the Mission Ranch Project Area
 3. Waive the requirements of Fresno Municipal Code Section 15-2716-11
 4. Authorize the City Manager, or designee, to execute all documents on behalf of the City of Fresno

Sponsors: Department of Public Utilities

Indexes:

Code sections:

Attachments: 1. Attachment 1 - Categorical Exemption.pdf, 2. Attachment 2 - Mission Ranch Municipal Well Agreement.pdf

Date	Ver.	Action By	Action	Result
9/26/2019	1	City Council	approved	

REPORT TO THE CITY COUNCIL

September 26, 2019

FROM: MICHAEL CARBAJAL, Director
Department of Public Utilities

THROUGH: BROCK D. BUCHE, PE, PLS, Assistant Director - UP&E
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SUBJECT

Actions pertaining to the Mission Ranch Municipal Well Agreement (Council District 3):

1. Adopt findings of Categorical Exemption under California Environmental Quality Act 15061(b) (3) General Rule
2. Approve Municipal Well and Exclusive License Agreements between C & A Farms, LLC, and the City of Fresno for the construction of a municipal public water supply well to serve the Mission Ranch Project Area
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4. Authorize the City Manager, or designee, to execute all documents on behalf of the City of Fresno

RECOMMENDATIONS

Staff recommends that City Council approve Municipal Well and Exclusive License Agreements between C & A Farms (C & A), LLC, and the City of Fresno (City) for the construction of a municipal public water supply well to serve the Mission Ranch Project Area (Project); waive the requirements of Fresno Municipal Code (FMC) Section 15-2716(H)(11); and authorize the City Manager, or designee, to execute all documents on behalf of the City.

EXECUTIVE SUMMARY

C & A owns approximately 350 acres of agricultural real property in the vicinity of South Marks and East California Avenues intersection. It is located within the municipal corporate limits of the City and is currently used to grow almonds. To improve and supplement its source of irrigation water, C & A has requested the City to allow it to construct a new groundwater well and rehabilitate one existing well. C & A is requesting the City waive the Recharge Fees and any other fees related to the Municipal Well and the Rehabilitation Well and waive the requirements of FMC Section 15-2716(H) (11) such that water extracted from said wells maybe used on any legal parcel within the properties.

BACKGROUND

C & A currently farms approximately 350 acres comprising of legal parcels generally bounded by South Marks, East Church, South Hughes and Kearney Avenues. C & A plans to develop the parcels for urban purposes at an unspecified future date. The property is currently within the municipal corporate limits of the City. To supplement and improve its source of irrigation water, C & A has requested the City to allow it to construct a new groundwater well and rehabilitate one existing well. The new well will be constructed in compliance with City and State standards so the City will be able to take over and operate the well as a municipal well when the area develops.

The well and related improvements will be completed by C & A at its own expense, including associated environmental reviews, permitting, design, construction, operation, maintenance, etc. No City funds will be used for the construction, operations and maintenance of the well while it's being used for irrigation. The City will be responsible for its operation and maintenance once C & A ceases farming operations, develops the property and hands over the well. The Agreements will terminate upon (1) C & A's transfer of the well to the City in conjunction with developing the property, or a portion thereof or (2) 30 years from the effective date of the Agreement; at that time the City will take full control of the well.

ENVIRONMENTAL FINDINGS

Staff has performed a preliminary environmental assessment of this Project and has determined that the Project qualifies for California Environmental Quality Act (CEQA) 15061(b)(3) - General Rule, which states: The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

The proposed Project will not significantly negatively impact the environment. Future construction of a municipal public water supply well will require entitlement application and environmental assessment. The proposed Project is limited to entering into a Municipal Well and Exclusive License Agreements with and between C & A Farms, LLC, and the City of Fresno. There is no possibility that the execution of the agreement may have a significant effect on the environment, the activity as described above is not subject to CEQA.

Furthermore, staff has determined that none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, section 15300.2 apply to this Project.

LOCAL PREFERENCE

Local Preference was not implemented because this action does not include a bid or an award of a City construction contract.

FISCAL IMPACT

This Agreement has no impact to the General Fund or any other City Funds.

Attachments:

Attachment 1 - Categorical Exemption

Attachment 2 - Mission Ranch Municipal Well Agreement