



CITY COUNCIL AGENDA REPORT

MEETING DATE: APRIL 17, 2007

ITEM NUMBER:

SUBJECT: LICENSE AGREEMENT WITH C. J. SEGERSTROM & SONS FOR CONSTRUCTION STAGING AREA

DATE: APRIL 5, 2007

FROM: PUBLIC SERVICES DEPARTMENT - TRANSPORTATION SERVICES DIVISION

PRESENTATION BY: WILLIAM J. MORRIS, DIRECTOR OF PUBLIC SERVICES

FOR FURTHER INFORMATION CONTACT: PETER NAGHAVI, TRANSPORTATION SERVICES MANAGER, 714-754-5182

RECOMMENDATION:

1. Approve the attached License Agreement (Attachment 1) between the City of Costa Mesa and C. J. Segerstrom & Sons, granting the City of Costa Mesa access rights to portions of their property for the construction staging area for the Fairview/I-405 Widening Project, Harbor/I-405 Improvement Project and Susan Street Exit Ramp Project;
2. Authorize the City Manager and/or City Attorney to make minor revisions to the License Agreement based on final discussions with C. J. Segerstrom & Sons;
3. Authorize the Mayor and City Clerk to execute the Agreement; and
4. Authorize the City Attorney and City Manager to prepare and execute agreements with Contractors for the use of the construction staging area per the terms of Attachment 1.

BACKGROUND:

Over the past 5 years, staff has been working with the State of California Department of Transportation (Caltrans) in finalizing design plans for the following three projects:

- Fairview Road/I-405 Interchange – This project involves widening of the Fairview Road bridge over I-405 Freeway to provide a third southbound left-turn lane from Fairview Road to southbound I-405 Freeway and the associated widening of the southbound I-405 Freeway onramp,
- Harbor Boulevard/I-405 – This project involves improvements to both the east and west side of Harbor Boulevard between Gisler Avenue and to just north of South Coast Drive, and includes removal of the existing east side embankment under the I-405 freeway bridge, relocation of the northbound onramp to behind the bridge columns; and reconstruction of the southbound onramp “gore” area from southbound Harbor Boulevard. This will result in four continuous through lanes in each direction on Harbor Boulevard under the I-405 Freeway, as well as for providing improved freeway access.

- Susan Street Exit Ramp – This project involves adding a Susan Street connection from the collector/distributor road serving South Coast Drive, Fairview Road and Harbor Boulevard from the northbound I-405 Freeway.

All improvements are consistent with the City's Master Plan of Highways. These projects are nearing design completion, with final approvals and permits expected by May 2007.

ANALYSIS:

Construction on the above-mentioned projects is expected to start in the summer of 2007. The contractors will need a dedicated staging area for storage of construction equipment, materials, as well as temporary office trailers. Segerstrom has agreed to provide approximately 4 acres of their farm property in the area to the southeast of Susan Street and IKEA Driveway at no cost to the City. The area is shown in Exhibit 2.

The License Agreement includes the terms for the City to obtain this construction staging area. The City will have the ability to assign this area to the construction contractors for the above projects under the same terms.

Staff recommends that the City Council approve the agreement and authorize the Mayor and City Clerk to execute the agreement. While staff is requesting that the City Council approve the agreement in its current form, staff also requests City Council authorization of the City Manager and/or City Attorney to accept minor modifications to the agreement that may be requested by C. J. Segerstrom & Sons, so long as they do not substantially deviate from the current provisions. The Mayor will be executing the License Agreement that is acceptable to all parties. Although it is not expected, if substantial revisions are requested to be made to the License Agreement, it will be resubmitted to City Council for consideration prior to its execution.

Staff also requests the City Council to authorize the City Attorney and the City Manager to prepare and execute necessary agreements with the contractors for the use of the construction staging area under the terms of the City Council-approved agreement.

ALTERNATIVES CONSIDERED:

The City Council may elect to not approve the License Agreement. This alternative will result in the City not being able to acquire the construction staging area at no cost. This will result in contractors negotiating with property owners to secure the necessary construction area at significant cost to the City.

FISCAL REVIEW:

The approval of the attached agreement does not have a fiscal impact on the City. C. J. Segerstrom & Sons will be providing a construction staging area at no cost to the City.

LEGAL REVIEW:

The City Attorney's office has reviewed and approved the License Agreement as to form.

CONCLUSION:

C. J. Segerstrom & Sons has agreed to make available certain portions of their property for construction staging purposes at no cost to the City per the terms of the attached License Agreement. The area would be used for the Fairview/I-405, Harbor/I-405 and Susan Street off ramp projects. Staff recommends that the City Council approve the attached License Agreement and authorize the Mayor and the City Clerk to sign. Staff

also requests City Council authorization for the City Manager and City Attorney to make minor revisions to the document based on discussions with C. J. Segerstrom & Sons so long as they do not substantially deviate from the main agreement provisions. Additionally, staff requests the City Council to authorize the City Attorney and City Manager to prepare and execute agreements with contractors for the use of the construction staging area under the terms of the City Council-approved License Agreement.

PETER NAGHAVI

Transportation Services Manager

WILLIAM J. MORRIS

Director of Public Services

DISTRIBUTION: City Manager
Assistant City Manager
City Clerk
Deputy City Manager – Dev. Svcs.
Director of Public Services
City Engineer
Staff
File

ATTACHMENTS: 1 [License Agreement with Segerstrom and IKEA](#)
2 [Construction Staging Area](#)