
File #: 2025-4385

Agenda Date: 7/23/2025

Agenda Item No: 5.

FROM: Rob Thompson, General Manager
Originator: Lorenzo Tyner, Assistant General Manager

SUBJECT:

ACQUISITION OF RIGHTS-OF-WAY AND EASEMENTS

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Adopt Resolution No. OC SAN 25-09 entitled, "A Resolution of the Board of Directors of Orange County Sanitation District Authorizing the General Manager to Acquire Project-Related Permanent Easements, Rights-of-Way, and Other Interests in Real Property of \$150,000 or Less and to Acquire Temporary Construction Easements of Less than Five Years for Projects Approved by the Board of Directors; and Repealing Resolution No. OCSD 98-44."

BACKGROUND

The Orange County Sanitation District ("OC San") may acquire any interest in real property necessary or convenient for the construction, maintenance, and operation of a sewerage system as a sanitation district pursuant to the California Health and Safety Code section 4740. Additionally, Government Code Section 27281 permits public agencies, by resolution, to authorize one or more officers or agents to accept and consent to deeds or grants of interests in real property or easements on its behalf.

Resolution No. OCSD 98-44 was adopted on August 26, 1998, updating authority provided to the General Manager to acquire right-of-way and easements. Ordinance No. OC SAN-61 passed and adopted by the Board on July 26, 2023, authorized the General Manager ("GM") to approve and execute non-real estate contracts and applicable renewals for budgeted procurements that cost One Hundred Fifty Thousand Dollars (\$150,000) or less ("Contract Threshold").

Since 1998, OC San has undergone organizational changes as well as operational changes that make the current Resolution outdated. Staff proposes to update the Resolution to reflect these organizational changes, project costs, and the delegation of authority changes with respect to the acquisition of easements, right-of-way, and other real property interests, especially where temporary construction easements are concerned, for project development. Specifically, staff finds that it is in the best interest of OC San to increase the authority of the GM to acquire permanent easements, right-of-way, and other real estate interests costing One Hundred Fifty Thousand Dollars (\$150,000) or less, consistent with the Contract Threshold for non-real estate contracts. Staff proposes to

delegate the General Manager authority to acquire temporary construction easements of any value with terms of five (5) years or less in connection with Board-approved projects.

RELEVANT STANDARDS

- Comply with Resolution No. OCSD 98-44
- Comply with Ordinance No. OC SAN-61 (Purchasing Ordinance)
- Comply with California Health and Safety Code Section 4740
- Comply with Government Code Section 27281

PROBLEM

Resolution No. OCSD 98-44 limits the GM's authority to purchase rights-of-way and easements to \$100,000, which no longer reflects current project costs or operational realities. Additionally, Resolution No. OCSD 98-44 subjects OC San's acquisition of temporary construction easements to the same constraints. These constraints can delay projects causing inefficiencies when timely acceptance of easements is needed to support construction schedules and continuity of OC San operations.

As an example, for each easement exceeding the GM's purchasing limit, staff must prepare a staff report and other exhibits for placement on an upcoming Board agenda. Depending on the Board meeting schedule, it can take up to three weeks (if not more) when a staff report and Board authorization are required. Increasing the purchase limits and authorizing acquisition of temporary easements and interests in real estate will place OC San in a much-improved position to ensure operational continuity.

PROPOSED SOLUTION

Adopt the attached Resolution which authorizes the GM to (1) acquire easements, right-of-way, and other interests in real property for One Hundred Fifty Thousand (\$150,000) Dollars or less where necessary for projects approved by the Board of Directors, where related to the construction, installation, operation, maintenance, repair, or replacement of OC San facilities or infrastructure, without prior submittal of such acquisitions to the Board of Directors for approval, and (2) acquire OC San temporary construction easements that are (a) necessary for the construction of projects approved by the Board of Directors for the construction, installation, operation, maintenance, repair, or replacement of OC San facilities or infrastructure and (b) have a term not exceeding five (5) years.

Delegating this authority to the General Manager conforms real estate acquisition limits to OC San's other contract limits and significantly enhances the agency's ability to advance projects requiring temporary construction easements. To promote transparency and accountability, the Resolution also requires the GM to provide quarterly reports to the Board identifying all acquired easements, rights-of-way, or other real estate interests and their material terms.

TIMING CONCERNS

Major 2025-26 projects will require 2-3 additional months to bring into effect if Board approval of each temporary construction easement is required.

RAMIFICATIONS OF NOT TAKING ACTION

Without an updated resolution, the GM lacks clearly defined preauthorization to acquire temporary easements or other real property interests on behalf of OC San without Board of Director approval. Requiring the GM to seek Board approval for such offers delays time-sensitive project activities, complicates project delivery, and has the potential to interfere with the continuity of OC San operations. Updating the delegation to authorize purchases up to \$150,000 for Board-approved projects will further streamline property acquisition processes and reduce administrative obstacles that could otherwise hinder project schedules.

PRIOR COMMITTEE/BOARD ACTIONS

August 1998 - Adopted Resolution No. OCSD 98-44 Authorizing the District's General Manager to purchase Rights-Of-Way and Easements Costing \$100,000.00 or Less for Projects Approved by the Board of Directors

CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA") FINDINGS

This Resolution is not subject to CEQA pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines (Chapter 3 to Title 14 of the California Code of Regulations) because it has no potential for resulting in physical change to the environment, directly or indirectly.

FINANCIAL CONSIDERATIONS

There is no direct fiscal impact by amending the authority levels of OC San's Purchasing Ordinance as it pertains to Easements. Amending the GM's authority is intended to make the acquisition and purchasing protocols more streamlined and efficient, thereby saving administrative staff time. Delaying projects pending the acquisition of temporary construction easements almost inevitably leads to an escalation in contract pricing.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

- Resolution No. OC SAN 25-09