



Legislation Text

File #: 22-1401, Version: 1

Recommendation to authorize City Manager, or designee, to execute a First Amendment to Right-of-Entry and Maintenance Agreement No. 35159 with Signal Hill Petroleum, Inc., of Signal Hill, CA, to extend the term for four years, from July 1, 2023 through June 30, 2027. (District 5)

City Council approval is requested to enter into a four-year extension to Right-of-Entry and Maintenance Agreement No. 35159 with Signal Hill Petroleum, Inc., to maintain newly installed landscaping at Willow Springs Park located at 2745 Orange Avenue.

Signal Hill Petroleum, Inc. (SHP), is a privately-owned California-based energy company specializing in the responsible and sustainable exploration, development, and production of oil and gas in urban areas. Additionally, SHP operates as a real estate developer and purchased 2851 Orange Avenue, the former Amerigas property, to construct three industrial buildings and associated parking.

In 2018, SHP approached the Parks, Recreation and Marine Department (Department), proposing to install landscaping to screen the newly constructed retaining walls to deter graffiti and vandalism and create a natural buffer between the commercial development and the adjacent Willow Springs Park (Attachment A). SHP agreed to provide water and maintenance for the landscaped area for five years. On August 21, 2018, the City Council approved entering into a Right-of-Entry and Maintenance Agreement with SHP.

Due to unforeseen delays and the COVID-19 pandemic, the landscaping project was not completed until June 2022. The new landscaping consists of native, drought-tolerant plants and trees, mulch, water-efficient irrigation, decomposed granite, and dirt trails in approximately 98,000 square feet in the northeast corner of the park. To ensure the new landscaping receives its full five-year complement of maintenance, the Department proposes to extend Agreement No. 35159 until June 30, 2027.

The First Amendment to Right-of-Entry and Maintenance Agreement No. 35159 will contain the following terms and provisions:

- Permittee: Signal Hill Petroleum, Inc.
- Premises: Approximately 98,000 square feet at the northeast corner of Willow Springs Park Wetlands (Attachment A).

- Term: Four years, July 1, 2023 through June 31, 2027.
- Renewals: No renewals.
- Maintenance: SHP agrees to provide water and maintenance for the landscaped area for a period of five years, with the City of Long Beach (City) taking over maintenance and water operations at the conclusion of this period.
- Insurance: SHP will maintain all applicable insurance and endorsements, as required and approved by the City's Risk Manager.

This item was presented to the Parks and Recreation Commission on August 18, 2022, where it received unanimous support for City Council approval.

This matter was reviewed by Deputy City Attorney Anita Lakhani on November 11, 2022 and by Budget Analysis Officer Greg Sorensen on November 14, 2022.

City Council action is requested on December 6, 2022, to allow execution of the Right-of-Entry and Maintenance Agreement in a timely manner.

The total cost associated with landscape improvement project at Willow Springs Park will be the responsibility of Signal Hill Petroleum, Inc. At the conclusion of the maintenance period, maintenance costs, including water usage, contractor services, and staff costs, are estimated to be \$45,000 annually and will be the responsibility of the Parks, Recreation and Marine Department. Funding will be identified prior to the cessation of the Agreement and will be requested during the annual budget process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

BRENT DENNIS

DIRECTOR

PARKS, RECREATION AND MARINE

APPROVED:

THOMAS B. MODICA
CITY MANAGER

