

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF THE SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT  
AND RECORD OF ACTION**

**December 17, 2024**

**FROM**

**NOEL CASTILLO, Chief Flood Control Engineer, Flood Control District**

**TERRY W. THOMPSON, Director, Real Estate Services Department**

**SUBJECT**

Amendment to Revenue License Agreement with Southern California Gas Company, a Public Utility Corporation, for the Use of Land in Colton

**RECOMMENDATION(S)**

Acting as the governing body of the San Bernardino County Flood Control District:

1. Find that approval of Amendment No. 4 to Revenue License Agreement No. 04-461 with Southern California Gas Company, to extend the term by five years, is an exempt project under the California Environmental Quality Act Guidelines Section 15301 - Existing Facilities (Class 1).
2. Find that approval of Amendment No. 4 to Revenue License Agreement No. 04-461 with Southern California Gas Company, to extend the term by five years, is in the public interest and that the interest in land conveyed will not substantially conflict or interfere with the use of the property by the San Bernardino County Flood Control District.
3. Approve **Amendment No. 4 to Revenue License Agreement No. 04-461** with Southern California Gas Company, to extend the term by five years, for the period of January 1, 2025, through December 31, 2029, following a permitted holdover for the period of June 1, 2024, through December 31, 2024, adjust the rental rate and provide updates to standard revenue license agreement language, for the non-exclusive use of approximately 1,145 linear feet of San Bernardino County Flood Control District property, to operate and maintain a 12-inch high-pressure gas main attached to the Mt. Vernon Avenue Bridge, and running parallel to the Santa Ana River in the city of Colton, increasing the revenue amount by \$11,187, from \$21,147 to a new total amount of \$32,334.
4. Direct the Real Estate Services Department to file the Notice of Exemption in accordance with the California Environmental Quality Act.

(Presenter: Terry W. Thompson, Director, 387-5000)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

**FINANCIAL IMPACT**

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The total revenue anticipated to be received by the San Bernardino County Flood Control District (FCD) during the five-year extension period, including the annual rent, the permitted holdover at the pro-rated current fee rate and the estimated annual inspection fees, is \$11,187. The revenue will be deposited into the FCD Zone 2 fund (1920002522). Total revenue is as follows:

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<b>Year</b>	<b>Annual License Fees</b>	<b>Annual Inspection Fee</b>	<b>Total Including Inspection &amp; License Fee</b>
**June 1, 2024 - December 31, 2024	\$551	\$0	\$551
January 1, 2025 – December 31, 2025	\$983	*\$1,062	\$2,045
January 1, 2026 – December 31, 2026	\$1,023	*\$1,062	\$2,085
January 1, 2027 – December 31, 2027	\$1,064	*\$1,062	\$2,126
January 1, 2028 – December 31, 2028	\$1,106	*\$1,062	\$2,168
January 1, 2029 – December 31, 2029	<u>\$1,150</u>	<u>*\$1,062</u>	<u>\$2,212</u>
<b>Total Revenue</b>	<b>***\$5,877</b>	<b>*\$5,310</b>	<b>\$11,187</b>

\*The total annual inspection fee is estimated using the annual inspection fee set forth in the FCD's current Schedule of Fees Ordinance (Ordinance No. FCD 24-01), which is subject to change.

\*\*Holdover Period

\*\*\*Southern California Gas Company (SGC) may elect to pay the annual License Fees for all five years of the term in one lump sum payment on January 1, 2025.

**BACKGROUND INFORMATION**

The recommended action will amend Revenue License Agreement No. 04-461 (License) with SGC to extend the term of the License five years for the period of January 1, 2025, through December 31, 2029. The amendment follows a permitted holdover, for the period of June 1, 2024, through December 31, 2024, adjusts the rental rate, and provides updates to standard license agreement language for the non-exclusive use of approximately 1,145 linear feet of FCD property. This would allow FCD to operate and maintain a 12-inch high-pressure gas main attached to the Mt. Vernon Avenue Bridge and running parallel to the Santa Ana River in the City of Colton (Premises), to provide services to the area.

On June 8, 2004 (Item No. 50), the Board of Supervisors (Board) approved the License with two five-year options to extend the term with SGC to install, operate and maintain a 12-inch high-pressure gas main attached to the Premises. The original term of the License was for the period of June 1, 2004, through May 31, 2009. In the 20 years since the License was originally approved, the Board has approved three amendments to extend the term due to SGC's exercising their options to extend, adjust the rental rate, and update standard license agreement language.

<b>Amendment No.</b>	<b>Approval Date</b>	<b>Item No.</b>	<b>Contract Total</b>
Original	June 8, 2004	50	\$2,891
1	May 19, 2009	78	\$3,224
2	August 6, 2013	68	\$3,701
3	April 30, 2019	80	\$11,331
<b>Total</b>			<b>\$21,147</b>

In February 2024, FCD requested the Real Estate Services Department (RESA) prepare an amendment to extend the term with SGC for five years, which resulted in a seven-month holdover due to on-going negotiations.

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Under California Government Code 25526.6, FCD may grant a license to a public utility corporation upon a finding by the Board that the conveyance is in the public interest and that the interest in land conveyed will not substantially conflict or interfere with the use of the property by FCD.

The project to approve the amendment was reviewed pursuant to the California Environmental Quality Act and determined to be categorically exempt under Section 15301 - Existing Facilities (Class 1) because the proposed License is to secure property to operate within the existing use area with negligible or no expansion of existing use.

**Summary of License Terms**

Licensee:	Southern California Gas Company, a public utility corporation Ashley Richard, Senior Land Specialist
Location:	Mt. Vernon Avenue Bridge over the Santa Ana River in Colton
Size:	Approximately 1,145 linear feet
Term:	Five years commencing January 1, 2025
Options:	None.
Rent:	Annual Revenue: \$983* *plus \$1,062 annually for the inspection fee for the Premises
Annual Increases:	4%
Improvement Costs:	None
Custodial:	None
Maintenance:	Provided by Lessee
Utilities:	Provided by Lessee
Insurance:	The Certificate of Liability Insurance, as required by the License, is on file with RESD
Right to Terminate:	Either party has the right to terminate with 90-days' written notice
Parking:	None

**PROCUREMENT**

N/A

**REVIEW BY OTHERS**

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This item has been reviewed by County Counsel (Sophie A. Curtis, and John Tubbs II, Deputies County Counsel, 387-5455) on October 24, 2024; Flood Control District (Grant Mann, Deputy Director, 387-7918) on November 1, 2024; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on November 1, 2024; Finance (Jessica Trillo, 387-4222, and Garrett Baker, 387-3077, Administrative Analysts) on November 13, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on November 14, 2024.

(KB: 453-9865)

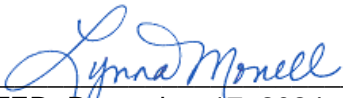
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Record of Action of the Board of Supervisors  
San Bernardino County Flood Control District

**APPROVED (CONSENT CALENDAR)**

Moved: Curt Hagman    Seconded: Joe Baca, Jr.  
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: December 17, 2024



cc: Flood - Thompson w/agree  
Contractor - c/o Flood w/agree  
File - w/agree  
MBA 12/26/2024