



AGENDA STAFF REPORT

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Agenda Number: B
File ID: 0710.50.17

Section Name: Engineering
Project ID: NP2204

MEETING DATE: August 13, 2024

SUBJECT: Authorize Agreement for Acquisition of Real Property with Anthony Vineyards, Inc. for the Palm Desert Groundwater Replenishment Facility Garfield Mitigation Project

TO: BOARD OF DIRECTORS

FROM: ENGINEERING/SANITATION, CARRIE OLIPHANT

**GENERAL MANAGER
RECOMMENDATION:**

RECOMMENDATION:

Authorize the General Manager to execute the attached Agreement for Acquisition of Real Property (Agreement) with Anthony Vineyards, Inc. (Owner) for the Palm Desert Groundwater Replenishment Facility Garfield Mitigation Project.

It is also requested that the Board of Directors approve the following expenditures:

- Purchase price for 1.2-acre easement APNs 729-140-011 and 729-140-012- \$21,000.
- Title, escrow, closing costs – \$4,000.
- Contingency (5%) – \$1,250.

The total cost of this request is \$26,250. This request also authorizes the General Manager to execute any additional documents related to this acquisition transaction.

BUDGET IMPACT:

The Palm Desert Groundwater Replenishment Facility Garfield Mitigation Project will be funded through the environmental mitigation costs budgeted for the Palm Desert Groundwater Replenishment Facility Phase 2 Project (Project). The total cost of the Project is \$16,888,629. The Project is a multi-year construction project that is included in the West Replenishment Fund Fiscal 2024-2025 Capital Improvement Budget in the amount of \$7,050,201. In addition, the Board approved the use of Supplemental Water Supply Charges (SWSC) funds. Therefore, there will be no adverse impact to the West Replenishment Fund Fiscal 2023-2024 Capital Improvement Budget.

PROCUREMENT METHOD:

☒ N/A

If other, please explain: .

BACKGROUND

The Palm Desert Groundwater Replenishment Facility Garfield Mitigation Project (Mitigation Project) consists of the design and construction of 3.124 acres of wetland at a site owned by CVWD located between 72nd Avenue and Garfield Street near the Salton Sea in Riverside County. The U.S. Army Corps of Engineer's (USACE) 404 Individual Permit requires that CVWD begins construction of the Mitigation Project within 90 days of the start of construction of the Palm Desert Groundwater Replenishment Facility Phase 2.

The Mitigation Project will require a new pipeline, approximately 2,900 feet long, to provide irrigation for the constructed wetland. A pipeline easement is required within portions of Assessor Parcel Nos. (APNs) 729-140-011 and 729-140-012.

The easement was formally appraised by Frazier Capital Valuation with the appraised value being accepted by the Owner.

The Agreement's key provisions are as follows:

- Purchase price of \$21,000 for the pipeline easement.
- CVWD to pay for title and escrow costs.
- Escrow to close within 30 days or sooner unless parties agree to change upon written notice.
- Hazardous material liability to Owner shall not exceed the amount of the purchase price.

PRIOR BOARD ACTION:

The Board of Directors authorized Task Order No.1 with Stantec Consulting Services, Inc. to design the Palm Desert Groundwater Replenishment Facility Garfield Mitigation Project at the Board meeting on February 27, 2024. On March 8, 2022, the Board authorized acceptance of USACE mitigation requirements at \$4,639,733.

DISTRICT STRATEGIC PLAN GOAL(S)/OBJECTIVES(S):

Approval of the Agreement for Acquisition of Real Property with Anthony Vineyards, Inc. aligns with the CVWD core value of water supply and sustainability.

ENVIRONMENTAL IMPACT:

☒ Yes, attachments included:

☒ Notice of Exemption

CVWD staff has prepared a Notice of Exemption (NOE). Please see attached.

PUBLIC NOTICE REQUIRED

N/A

LEGAL REVIEW

Reviewed by Counsel

ATTACHMENTS

Att 1 - Map

Att 2 - Purchase Agreement

Att 3 - Appraisal Summary

Att 4 – Notice of Exemption

