



**Board Planning Committee
January 14, 2021**

SUBJECT:

Approve and Authorize Fee Acquisition of a Portion of Assessor Parcel Numbers 486-170-023, 024, and 027 and an Easement Over Assessor Parcel Number 486-170-024 in the City of Moreno Valley

BACKGROUND:

The Perris North Basin Groundwater Contamination Prevention and Remediation Program (Program) will treat volatile organic compounds, perchlorate, and nitrate from a series of co-mingled areas of contaminated groundwater in the Perris North Groundwater Management Zone (Sub-basin) within the San Jacinto Groundwater Basin and prevent the further migration of contaminants to down-gradient potable wells. In addition, the Program will provide a local water supply and reduce reliance on imported water. The Program consists of groundwater wells and treatment and blending facilities that will be situated in three areas: the Moreno Valley Area, the South Area, and the Cactus Corridor Area.

As part of the Program, staff identified a portion of Assessor Parcel Numbers 486-170-023, 024, and 027 within the Cactus Corridor Area as a suitable site for the Well 208 and related appurtenances (Property). The Property is owned by the City of Moreno Valley and consists of a 24,000 square foot fee property (Fee Property) and a 12,144 square foot public service easement (Easement). The property rights were appraised resulting in a fair market value of \$43,200 for the Fee Property and \$21,859 for the Easement. The parties agreed to a purchase price of \$65,059 for of the property rights (Purchase Price) as detailed in Exhibit A (Cost Estimate).

Additionally, to meet certain State regulations and facilitate the District's intended use of the Fee Property and Easement, the City will need to reconstruct its onsite stormwater detention basin. The improvements to be made by the City are estimated to cost \$197,000. The City will receive a credit towards the City's financial obligation as described in the 2011 Memorandum of Understanding executed with the District (discussed below) or fifty percent of the actual cost of the stormwater detention basin improvements, whichever is less.

FINANCIAL IMPACT:

As part of the City's Capital Improvement Plan to widen Ironwood Avenue from Perris Boulevard to Nason Street, the City constructed certain intersection improvements at the southeast corner of District-owned Assessor Parcel Number 479-690-031 (Improvements). As a result of the encroachment, the parties entered into a settlement agreement for which the City agreed to compensate the District \$50,000 in exchange for the District granting an irrevocable

offer of dedication to the City for the Improvements (Perris and Ironwood Settlement).

In addition to the Perris and Ironwood Settlement, in August 2011, the District and City entered a Memorandum of Understanding (MOU) for the relocation of a District booster pumping station located at the northwest corner of Nason Street and Dracaea Street. The City's reimbursement obligation to the District was established at \$2,000,000. The MOU provides if a City-owned property were to become available for the District's use, and if the City has not fully reimbursed the District at that time, such property may be considered as a credit towards the City's reimbursement obligation.

The Purchase Price and costs for the District's share of the water quality improvements will be credited towards the Perris and Ironwood Settlement and MOU. The current balance of the MOU is estimated at \$1,847,641 as shown in the table below:

| City of Moreno Valley / EMWD MOU Dated 8/2/2011 | |
|---|--------------|
| Original City Obligation due to EMWD | \$ 2,000,000 |
| Deduct Reimbursements received as of July 2017 | \$ - 39,300 |
| Current credit balance as of January 2021: | \$ 1,960,700 |
| | |
| Add City Credit for EMWD dedication of Perris and Ironwood Booster Site | \$ + 50,000 |
| Deduct Value of Well 208 Fee Property and Easement | \$ - 65,059 |
| Deduct EMWD 50% share to reconstruct Stormwater Retention System at Well 208 Site * | \$ - 98,000 |
| Estimated Credit Balance upon completion of Well 208: | \$ 1,847,641 |
| | |
| * Actual cost to be determined upon completion of City's effort to restore stormwater retention system (Not to exceed \$98,000) | |

Additional District costs for escrow/title, surveying and securing the site, and consultant and staff time is estimated to be \$55,000, as outlined on Exhibit A.

As this project is required to meet the grant objectives of the Perris North Basin Groundwater Contamination Prevention and Remediation Program, District staff will consult the State Water Resource Control Board staff for reimbursement consideration of all applicable costs including the MOU credits.

STRATEGIC PLANNING GOAL/OBJECTIVE:

Water Supply and System Redundancy: Develop adaptable buffer supplies, water storage and delivery system improvements to manage uncertain supply delivery conditions and emergency outages.

ENVIRONMENTAL IMPACT:

This project is subject to the California Environmental Quality Act (CEQA) and in conformance of California Code of Regulations Title 14, Chapter 3, Article 6, Section 15070, et seq., a Notice of Intent to adopt a Mitigated Negative Declaration was filed with the County of Riverside on March 10, 2020. Pursuant to State Guideline §15073, the IS/MND was made available for public review for a period of 30-days beginning March 10, 2020 and concluded April 9, 2020. The Mitigated Negative Declaration was adopted by the EMWD Board of Directors and pursuant to State Guideline §15075, the Notice of Determination filed with the County of Riverside on May 20, 2020.

RECOMMENDATION:

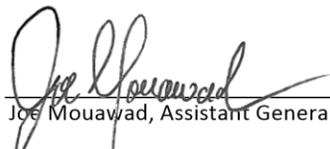
Approve and authorize the following:

1. The acquisition of the fee property and easement in the amount of \$65,059;
2. The General Manager, or his designee, to execute the Purchase and Sale Agreement and to take such actions as are necessary to implement and administer the Purchase and Sale Agreement and credits towards the Perris and Ironwood Settlement and MOU; and
3. Appropriation in the amount of \$55,000 for escrow/title fees, surveying and securing the site, and consultant and staff time.

SUBMITTED BY:


Paul D. Jones II, P.E., General Manager

1/8/2021


Joe Mouawad, Assistant General Manager

1/7/2021

Attachment(s):

*Exhibit A - Cost Estimate
Presentation*

01/20/21 Board Meeting

Staff Contact: Cheryl Sanders