

**MEMORANDUM
DEPARTMENT OF FACILITY SERVICES
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **MAY 9, 2006**

From: *MD* **JAMES DURFEE / MARY DIETRICH**

Subject: **PCWA AND SUNCAL PROPERTY TRANSACTIONS**

ACTION REQUESTED/RECOMMENDATION: It is recommended that your Board take the following actions associated with County owned real property at the antenna site in Penryn, California, to transfer property between the County of Placer and the Placer County Water Agency (PCWA), and to effect the sale of surplus County property to SunCal Bickford Ranch LLC (SunCal):

- 1) By 4/5ths vote, delegate authority to the Director of Facility Services to execute the Agreement for Transfer of Real Property between the County and PCWA based upon the attached Material Terms (Attachment A, Project 1), for the exchange of 1.81± acres of County property within a portion of APN 031-190-012 for 1.78± acres of PCWA property within a portion of APN 031-190-011;
- 2) Delegate authority to the Director of Facility Services to execute the Agreement of Purchase and Sale between the County and SunCal based upon the attached Material Terms (Attachment A, Project 2) for the sale of approximately 1.86 acres of surplus County property within a portion of APN 031-190-012 for \$5,285;
- 3) Adopt the attached Resolutions authorizing the Director of Facility Services, or his designee, to execute all documents and take all actions necessary to complete both the PCWA and SunCal transactions, and record the deeds for said property;
- 4) Add the property that was received from PCWA to the Master Fixed Asset List.

BACKGROUND: In 1980, Coastside Cable TV, Inc. obtained a Conditional Use Permit authorizing the construction of a 300-foot tower on a site off Clark Tunnel Road in Penryn. This project, which includes an appurtenant equipment building, was subsequently constructed and continues to provide cable TV and other communication services to western Placer County. In 1992, Placer County entered in a Concurrent Use Agreement with Coastside Cable (subsequently Boulder Ridge Cable TV) which allows the parties to utilize each other's sites and towers. The County utilized this Concurrent Agreement and installed communication equipment for critical public services on the Penryn tower. Because of the importance of this site to the County's communication system, the previous underlying property owner, Wickland Oil, agreed to transfer ownership of the tower site to the County. Respecting the previous agreement, Southwest/Bickford Holdings, LLC agreed to deed the underlying tower site property to the County.

Your Board subsequently authorized the County's acceptance of the tower site property, and directed staff to complete the transaction. The unusually shaped 4.71 acre parcel was configured to protect surrounding properties from the remote possibility of a tower-collapse (see Exhibit A-1 "Original County Property"). Following the negotiation of a transfer agreement, preparation of a legal description, and completion of customary due diligence investigations, this no-cost transaction concluded on October 7, 2002. Subsequently on January 1, 2003, the County entered into a 15-year Ground Lease Agreement with Boulder Ridge for operation of its tower and equipment building.

Through the Bickford Ranch planning process, an area located adjacent to the Original County Property was identified for a water tank to serve future Bickford residents. The developer subsequently agreed to construct a 2.9-million gallon water tank and deed the underlying 1.78 acre

parcel of land and the tank to PCWA (see Exhibit A-2 "Original PCWA Tank Site"). Since that time, the Bickford Ranch property has transferred to SunCal Companies, and PCWA has continued with planning for its Foothill Phase II Treated Water Pipeline that will improve water delivery to western Placer County.

In early 2005, the Property Management Division was approached by PCWA and representatives of SunCal with a request to cooperate in property transaction projects that would accommodate furtherance of both each party's goals.

Project 1 – PCWA Exchange: PCWA proposes to exchange its Original PCWA Tank Site with the County to permit construction of a larger tank (approximately 6.4-million gallons), which would have the capacity to serve both the Bickford Ranch development and the Foothill Phase II Treated Water Pipeline project. PCWA engineering studies indicate that an approximately 1.88-acre portion of the Original County's Property could accommodate the larger tank (see Exhibit A-3 "Proposed PCWA Property"). Through discussions with both Boulder Ridge Cable TV and the County Telecommunications Division, Property Management determined that the proposed tank location, in the northeast quadrant of the County's Original Property, is superior to the original tower site. This is primarily due to a potential for reflective interference with Boulder Ridge Cable TV's south-facing satellite dishes. This property exchange would be completed by the County's receipt of fee title to the approximately 1.78-acre Original PCWA Tank Site parcel in exchange for approximately 1.88 acres of the Original County Property (see Exhibit A-3 "Proposed PCWA Exchange"). This property exchange is permitted in accordance with Government Code 25365. The proposed exchange between PCWA and the County has been publicly noticed.

Project 2 – SunCal Surplus Property Sale: SunCal has requested approval to purchase approximately 1.51 acres of the County Property, so SunCal may construct a landscape berm. This area is located in the western portion of the County Property, and would serve as a visual screen between future homeowners, and the telecommunications tower and the future water tank (see Exhibit A-4 "Proposed SunCal Property"). Direct sale of the property to SunCal is permitted in accordance with Government Code 25526.5, which allows the Board of Supervisors to sell surplus County property where the value of the property is less than \$25,000. Based on recent land acquisition data, Property Management has determined that the property is valued at \$5,285.

To complete these two property transactions, it is recommended that your Board authorize the Director of Facility Services to execute the respective transfer Agreements and approve Resolutions authorizing the Director of Facility Services to execute any documents necessary to complete the transactions.

ENVIRONMENTAL CLEARANCE: The action taken by your Board to approve the exchange of property with PCWA and the sale of property to SunCal does not provide entitlements for the construction of the proposed water tank or the proposed berm. Any such construction will be subject to applicable County environmental review and permit processes. The exchange with PCWA and the transfer to SunCal are therefore each Categorical Exempt, on a separate and independent basis, pursuant to Sections 15301 (Existing Facilities) and 15312 (Surplus Government Property Sales) of the California Environmental Quality Act.

FISCAL IMPACT: Both PCWA and SunCal are responsible for the County's administrative, consulting and attorney costs, and escrow and title costs. The sale proceeds will go to the Dewitt Enterprise Fund.

JD:MD:MR:LM

ATTACHMENTS: MATERIAL TERMS
RESOLUTIONS

cc: COUNTY EXECUTIVE OFFICE
AUDITOR-CONTROLLER

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MATERIAL TERMS
PROJECT 1 – PCWA EXCHANGE

The following summarizes the terms of this proposed real property exchange:

1. **Parties.** County of Placer ("County") and the Placer County Water Agency ("PCWA").
2. **County Property.** Approximately 1.81 acres within a portion of APN 031-190-012, and as depicted in Exhibit A-1 "Original County Property."
3. **PCWA Property.** Approximately 1.78 acres of property currently owned by SunCal Bickford Ranch LLC (SunCal) that will be transferred to PCWA prior to Close of Escrow. Said property is described as a portion of APN 031-190-011 and is depicted in Exhibit A-2 "Original PCWA Tank Site."
4. **Purpose.** Pursuant to Government Code Section 25365, the County and PCWA will exchange real property of comparable size and value as depicted in Exhibit A-3. This exchange will facilitate PCWA's placement of an approximately 6.4 million gallon capacity water tank that will serve the Bickford Ranch development and western Placer County.
5. **Price.** Neither party will pay any cash consideration to the other party.
6. **Close of Escrow.** Close of Escrow will occur following recordation of the grant deed from SunCal to PCWA which follows SunCal's recordation of its large lot map for the Bickford Ranch project. Close of Escrow is expected to occur on or before May 31, 2006.
7. **Conditions to Close.** Close of Escrow will not occur until the County is satisfied regarding the condition of the property in regards to environmental, physical, and title issues.
8. **Escrow Costs and Fees.** PCWA will pay all escrow and title costs associated with both properties, including recording fees, escrow fees, title insurance, transfer taxes, and all costs associated with clearing title. At Close of Escrow, PCWA will reimburse the County for all reasonable staff, administrative, consulting, and attorney expenses incurred to effect this transaction.
9. **Ingress and Egress.** To ensure ingress and egress to and from both properties, PCWA will provide the necessary engineering, including the surveying and development of a legal description, to describe an access roadway for each respective property. The fee title interest in the access roadways will be transferred at close of escrow with each respective property.
10. **Limited Right of Entry.** County shall be granted a Limited Right of Entry over the PCWA property in order to conduct tests, surveys and other studies as County may deem necessary.
11. **Warranties.** The parties shall provide warranties that to the best of its knowledge each party's respective property is free of any Hazardous Materials and each is unaware of any release or discharge of Hazardous Materials in, upon, on or below any portion of the Property, including, but not limited to, soils and ground or surface water in and around its Property.
12. **Use Restrictions.** To prevent interference with existing and future telecommunications facilities at the Original County Property, the grant deed to PCWA will include a restriction prohibiting PCWA from placing telecommunications or radio antennas, other than PCWA's Supervisory Control and Data Acquisition (SCADA) System for water facilities operations, on the property without the County's prior approval.

MATERIAL TERMS
PROJECT 2 – SUNCAL SALE

The following summarizes the terms of this proposed surplus real property sale:

1. Parties. County of Placer ("County") and the SunCal Bickford Ranch LLC ("SunCal").
2. Sale Property. Approximately 1.51 acres within a portion of APN 031-190-012 and a portion APN 031-190-011 as depicted in Exhibit A-4, "Proposed SunCal Property."
3. Purpose. Pursuant to Government Code Section 25526.5, SunCal will purchase exempt surplus land from the County to allow SunCal to construct a landscaped berm. This berm will serve as a visual screen from the existing tower and shelter improvements and future water tank to the benefit of future homeowners in the Bickford Ranch development.
4. Purchase Price. The Purchase Price is Five Thousand Two Hundred Eighty-five and No/100 Dollars (\$5,285.00).
5. Close of Escrow. Close of Escrow will occur after the property exchange between the County and the Placer County Water Agency is complete which is estimated to occur by May 31, 2006. Consequently, Close of Escrow for the proposed property sale to SunCal is expected to occur immediately after said exchange.
6. Conditions to Close. Close of Escrow will not occur until: SunCal has accepted the condition of the property in regards to the environmental, physical and clear title; and, the County has accepted a legal description for the Sale Property.
7. Escrow Costs and Fees. SunCal will pay recording fees and the cost of escrow fees, transfer taxes, title insurance and is responsible for all costs associated with clearing title. At Close of Escrow, SunCal will reimburse the County for all reasonable staff, administrative, consulting, and attorney expenses incurred to effect this transaction.
8. Limited Right of Entry. SunCal shall be granted a Limited Right of Entry over the County property in order to conduct tests, surveys and other studies as SunCal may deem necessary.
9. Use Restrictions. To ensure ongoing maintenance and to prevent interference with the existing telecommunications facilities, the grant deed to SunCal will include the following restrictions and requirements:
 - a. Use of the property shall be for berm construction, landscaping and maintenance only;
 - b. County approval of the landscape plans is required;
 - c. A minimum of six (6)-foot high fencing must surround the perimeter of the Proposed SunCal Property within six (6)-months following the commencement of the berm construction;
 - d. Maintenance of the berm landscape planting and fencing must be performed by the future Home Owner's Association (HOA) and cannot be provided by individual homeowners;
 - e. Height of trees and other landscape planting shall be limited so as to avoid interference with existing and future telecommunications facilities located on the County Property;
 - f. The costs to repair any damage to the berm, fencing or landscaping, including damage to these improvements that could occur from a tower collapse, shall be borne by SunCal or the HOA.
 - g. SunCal, or the HOA, shall release the County from any claim whatsoever for damage from the tower, including any claim or damage that occurs as a result of the tower's present or future use or failure, and including without limitation, its collapse.

EXHIBIT A-1 – CURRENT OWNERSHIP

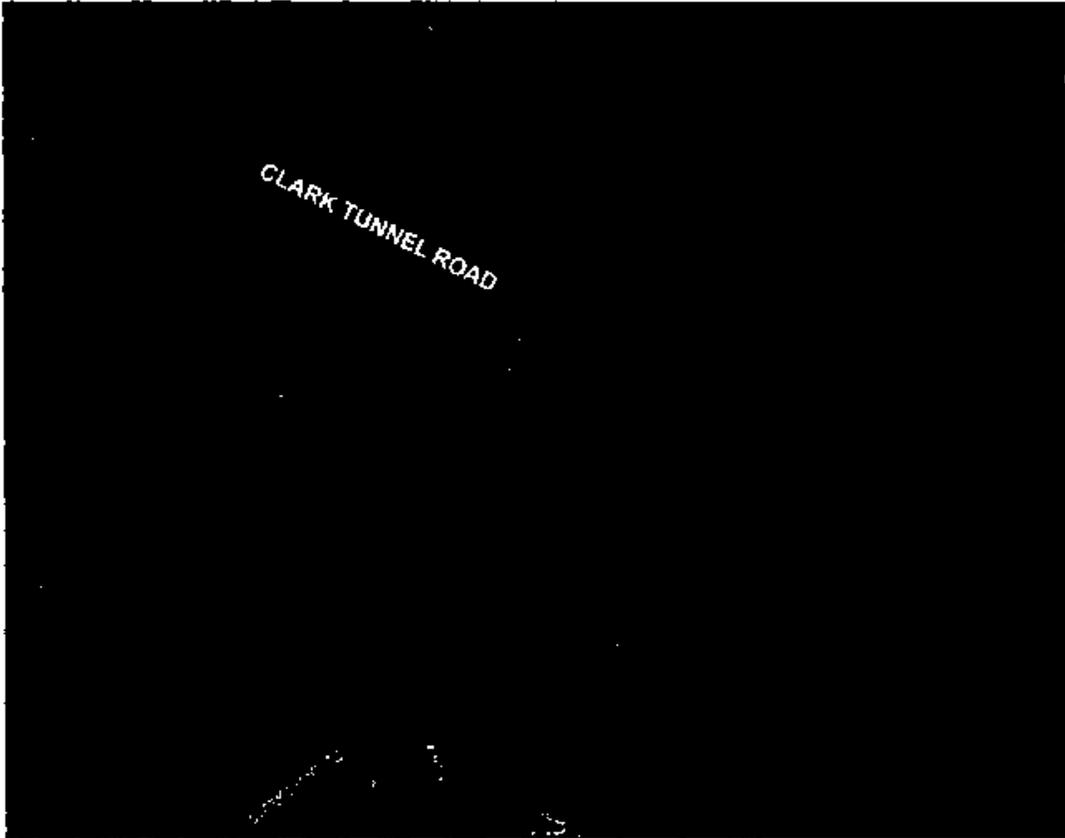
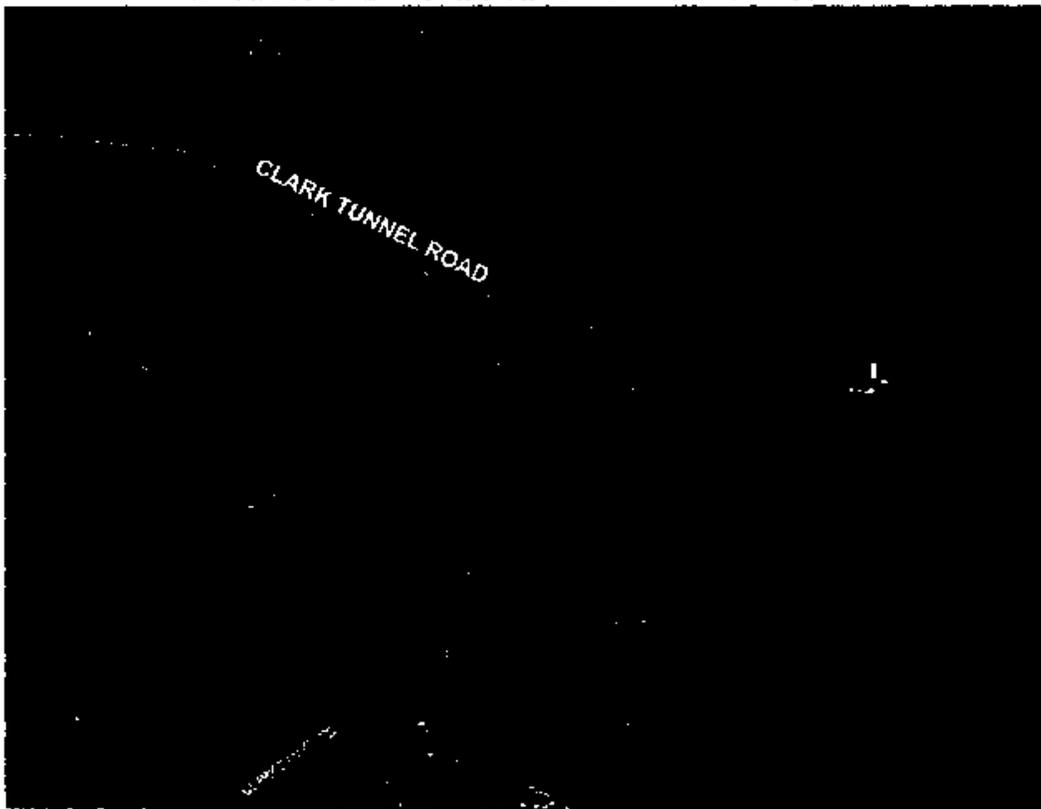


EXHIBIT A-2 – ORIGINAL PCWA TANK SITE



Before the Board of Supervisors County of Placer, State of California

In the matter of: A Resolution authorizing the Director of Facility Services, or his designee to execute all necessary documents and take all actions to complete the sale of surplus County property located off Clark Tunnel Road in Penryn, California to SunCal Bickford Ranch LLC (SunCal).

Resol. No: _____

The following RESOLUTION was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:

Chairman, Board of Supervisors

Clerk of said Board

WHEREAS, the County is the owner of real property in Placer County located off Clark Tunnel Road in Penryn, California, designated as Placer County APN 031-190-012; and

WHEREAS, SunCal desires to place a landscaped berm area on approximately 1.86 acres of this County Property; and

WHEREAS, the County has determined that this portion of the subject County Property is no longer necessary for County purposes and is willing to sell said property for Five Thousand Two Hundred Eighty-Five and No/100 Dollars (\$5,285.00), subject to the conditions to close escrow as set forth in the Agreement for Purchase and Sale.

NOW THEREFORE, BE IT RESOLVED, that the County Board of Supervisors does hereby authorize the Director of Facility Services, or his designee, to execute on behalf of the County all documentation, and to take all other actions, necessary to sell the surplus property; and does hereby consent to the recordation of the deeds for said property as described in the Purchase and Sale Agreement.

Before the Board of Supervisors County of Placer, State of California

In the matter of: A Resolution authorizing the Director of Facility Services, or his designee to execute all necessary documents and take all actions to complete the property exchange between the Placer County Water Agency (PCWA) and the County of Placer (County) for property in Placer County located off Clark Tunnel Road in Penryn, California and to record the deed for said property.

Resol. No: _____

The following RESOLUTION was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:

Chairman, Board of Supervisors

Clerk of said Board

WHEREAS, the County is the owner of real property in Placer County located off Clark Tunnel Road in Penryn, California, designated as Placer County APN 031-190-012; and

WHEREAS, SunCal Bickford Ranch LLC is the owner of the real property designated as Placer County APN 031-190-011 and who intended to deed an approximate 1.78-acre portion of said property to PCWA for the construction and operation of a 2.9 million gallon water tank to serve the Bickford Ranch residents; and

WHEREAS, PCWA now desires to construct an approximately 6.4-million gallon water tank to serve both the Bickford Ranch development and the Foothill Phase II Treated Water Pipeline project and desires to exchange property of comparable size and value with the County in order to facilitate the construction of said tank; and

WHEREAS, the County is willing to accept the 1.78-acre portion of APN 031-190-011 from PCWA, in return for the 1.81-acre portion of the County's APN 031-190-012, subject to the conditions to close escrow as set forth in the Agreement for Transfer of Real Property.

NOW THEREFORE, BE IT RESOLVED, that the County Board of Supervisors does hereby authorize the Director of Facility Services, or his designee, to execute on behalf of the County all documentation, and to take all other actions, necessary to exchange the properties; and does hereby consent to the acceptance and recordation of the deeds for said property described in the Agreement for Transfer of Real Property.

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