

**MEMORANDUM
DEPARTMENT OF PUBLIC WORKS AND FACILITIES
COUNTY OF PLACER**

To: Honorable Board of Supervisors Date: November 3, 2015

From: Ken Grehm, Director of Public Works and Facilities
By: Laurie Morse, Property Manager

Subject: Property Management / Transfer to Northstar Community Services District /
Maintenance and Operations Site in Martis Valley

ACTION REQUESTED

Approve the transfer of an approximately 1.7-acre portion of Parcel 1 of Book 31 of Parcel Maps, Page 147 (portion of APN 080-061-022) located near the southerly end of Schaffer Mill Road in Martis Valley, to Northstar Community Services District for no cash consideration; and, adopt a resolution authorizing the Director of Public Works and Facilities, or designee, to execute the Agreement for Transfer of Property, based on the Material Terms.

BACKGROUND

The County's 16.58 ± acre unimproved parcel located near the southerly end of Schaffer Mill Road in Martis Valley and described as Parcel 1 of Book 31 of Parcel Maps, Page 147 (see Attachment 1) was acquired in March 2009 for park and open space purposes in lieu of the Timilick Tahoe Subdivision's obligation to pay park dedication fees pursuant to this Subdivision's Conditional Use Permit -PSCP-T20040186 (CUP).

On April 29, 2008, your Board authorized the acquisition of Parcel 1 and transfer of two separate portions of Parcel 1 to the Placer County Water Agency (PCWA) for a well site that serves the Timilick Tahoe Subdivision and a maintenance/service site in compliance with a condition of the CUP (see Attachment 1). The Well Site has been granted as directed by your Board; however, the conveyance of the maintenance/service site has been delayed for a variety of reasons including evaluation of other site alternatives and changes in operational requirements due to the annexation of PCWA's Zone 4 Area to the Northstar Community Service District (NCSD).

The annexation of Zone 4 resulted in the NCSD taking over ownership and operation of the Well Site. It also means that the planned PCWA maintenance/service site needs to be transferred to NCSD for construction and operation of its own facility. This change created an opportunity to evaluate a new site that would surround the Well Site. The new site is positioned at northerly portion of Parcel 1 and can be accessed from a service roadway along the eastern property boundary (Proposed Site). The colocation of these facilities increases NCSD's operational efficiency and provides improved development potential for future County park facilities on the remainder of Parcel 1.

The transfer of the Proposed Site will require terminating a Well Site Transfer/Water Supply Agreement between the County and the Schaffer's Mill developer, New Martis Partners, LLC (NMP) that was executed at the time the Well Site was conveyed to PCWA. This Agreement addresses the potential that the Well Site revert to NMP if a new permanent well of higher capacity is built that could serve the build-out needs for the entire Timilick Tahoe subdivision (now Schaffer's Mill). This Agreement was prepared in recognition of terms within the Facilities Agreement between NMP and PCWA that provided for the quitclaim of the Well Site when other well sites are accepted by PCWA. NCSD has determined that the Well Site is able to meet build-out needs and has waived the

requirement for a higher capacity well. NMP has indicated that it no longer requires this reversion clause due to this well's capacity to serve its development. The attached material terms require NCSD to provide acceptable documentation from NMP to verify its agreement to relinquish its rights to receive the Well Site by quitclaim.

Property Management has successfully negotiated terms with the NCSD for the transfer of the Proposed Site to NCSD (See Attachment 2 - Resolution, Exhibit A – Material Terms). The Material Terms address the termination of the Well Site Agreement and removal of reversion clauses in the Facility Agreement between NCSD and NMP. NCSD will be obligated to execute a road maintenance agreement associated with use of the access road, and to reserve a multi-use trail easement along Schaffer Mill Road. NCSD will be required to pay all escrow and title costs associated with the transaction. NCSD will also prepare a record of survey showing survey monuments that delineate the Proposed Site following close of escrow.

To proceed with the property transfer, it is necessary for your Board to adopt the attached Resolution authorizing the Director of Public Works and Facilities, or designee, to execute and implement all documents necessary to complete the transaction, subject to the attached Material Terms (see Material Terms). This transaction has been publicly noticed pursuant to Government Code section 6061.

ENVIRONMENTAL CLEARANCE

An Environmental Impact Report (EIR) was prepared for Timilick Tahoe Subdivision pursuant to the provisions of the California Environmental Quality Act (CEQA). The final EIR was certified by the Planning Commission on June 24, 2004. It can also be seen with certainty the requested action of the Board will have no significant impact under CEQA Guidelines Section 15061(b)(3), and the Board action is exempt from CEQA and does not require further CEQA review. The actions taken by your Board to approve the transfer of property with NCSD does not provide entitlements for the construction of any improvements associated with the Proposed Site. Any such construction will be subject to applicable CEQA environmental review and permit processes.

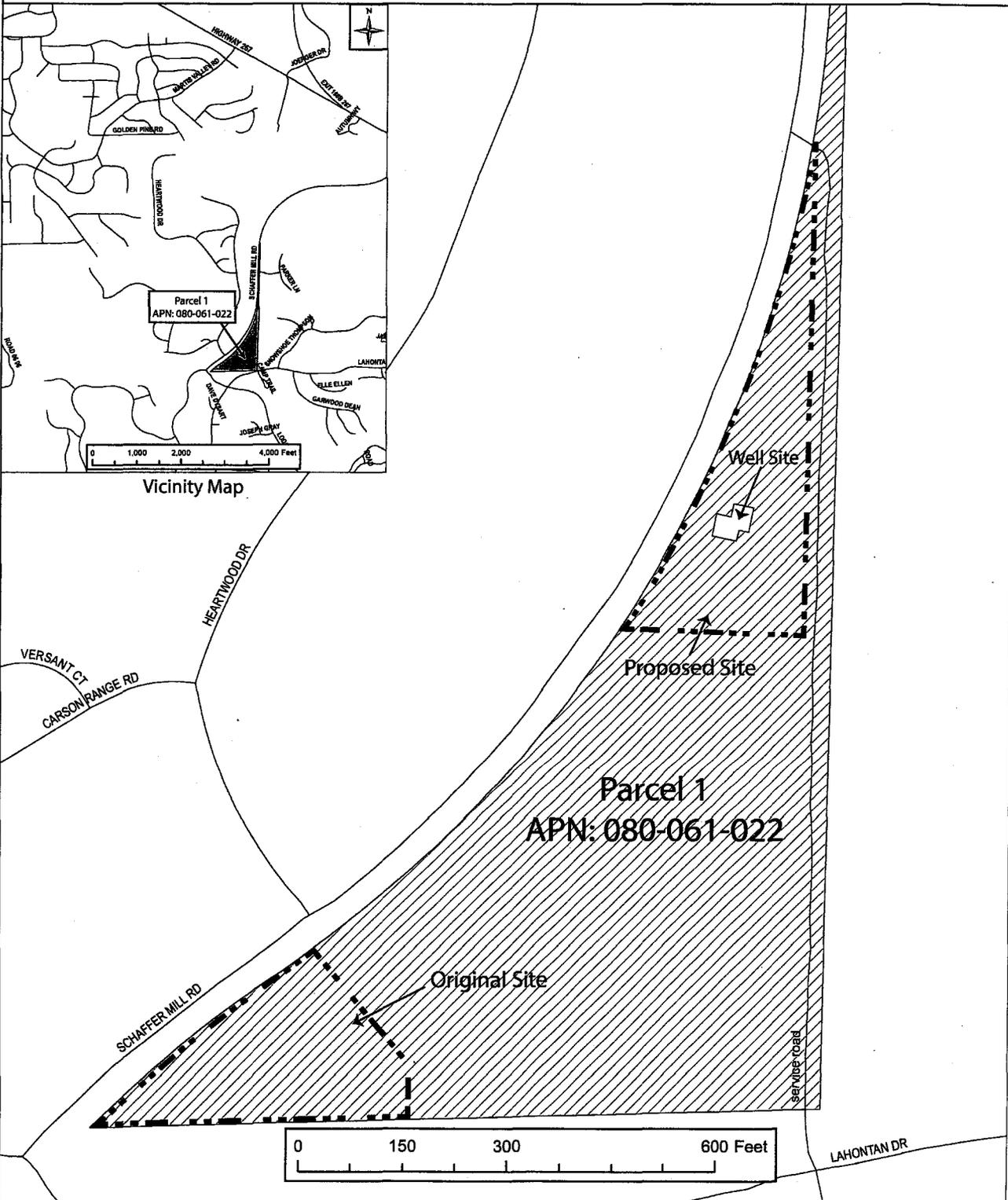
FISCAL IMPACT

Approval of this transfer will result in no new net additional costs to the County since NCSD will be responsible for all escrow and title costs, and its own administrative and consulting fees associated with this transaction. Funding for costs associated with the finalization of transactional documents is available in the Property Management Division FY 2015-16 Final Budget.

ATTACHMENT 1 – PROPERTY DEPICTION
ATTACHMENT 2 - RESOLUTION

PROPERTY DEPICTION

Parcel 1 of Book 31 of Parcel Maps, Page 147
Located off Highway 267 in Truckee Area



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

In the matter of:

Resol. No: _____

A Resolution authorizing the Director of Public Works and Facilities, or designee, to transfer a portion of Parcel 1 of Book 31 of Parcel Maps, Page 147 to Northstar Community Services District.

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.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, on April 29, 2008, your Board approved a Resolution (No. 2008-103) authorizing the acquisition of Parcel 1 of Book 31 of Parcel Maps, Page 147 (Parcel 1) for County park site and open space use; and

WHEREAS, said Resolution also authorized the grant, in fee, two separate portions of Parcel 1 to the Placer County Water Agency (PCWA) for a well site that serves the Timilick Tahoe Subdivision and a one ± acre maintenance/service site at the southwestern side of Parcel 1; and

WHEREAS, on March 23, 2009, the County accepted title to Parcel 1; and

WHEREAS, the well site has been transferred to PCWA but the conveyance of the maintenance/service site to PCWA has been delayed; and

WHEREAS, the annexation of PCWA Zone 4 by North Star Community Services District (NCS D) resulted in the NCS D taking over ownership and operation of the well site and the need to

transfer the proposed maintenance/service site to NCSD for construction and operation of its own facility; and

WHEREAS, improved more desirable location for the maintenance/service facility at the northern end of Parcel 1, comprised of approximately 1.7 acres, has been evaluated and determined acceptable by NCSD and the County (NCSD Property); and

NOW, THEREFORE, BE IT RESOLVED, the Placer County Board of Supervisors does hereby delegate authority to the Director of Public Works and Facilities, or designee, to execute an Agreement for Transfer of Property based on the Material Terms (See Exhibit A), and to take all other actions necessary to effectuate the transfer; and does hereby consent to the granting and recordation of any documents necessary to complete the transfer of the NCSD Property.

EXHIBIT A – MATERIAL TERMS

MATERIAL TERMS
Agreement for Transfer of Property

1. **NCSD Property:** An approximately 1.7 acre portion of Parcel 1 of Book 31 of Parcel Maps, Page 147, also referred to as a portion of APN 080-061-022, located east of Schaffer Mill Road in the Truckee area of Placer County, as deeded to the County of Placer and recorded in Document No. 2009-0022895, Official Records of Placer County and generally depicted in the Site Plan titled "NCSD Martis Valley M&O Facility" dated October 6, 2015 and Exhibit A attached hereto (the "NCSD PROPERTY"). Said NCSD PROPERTY shall also consist of the tract of land conveyed in the grant deeds to Placer County Water Agency (PCWA), recorded in Document Nos. 2008-0088523 and 2013-0000225, Official Records of Placer County and, as generally depicted in Exhibit A (the "Well Site").
2. **Involved Entities:** The Involved Entities associated with the Agreement for Transfer of Property (Transfer Agreement) are as follows:
 - a) **Parties:** The County of Placer, a political subdivision of the State of California ("COUNTY") and Northstar Community Services District, a public body ("NCSD"), hereinafter referred to individually as PARTY or collectively as PARTIES.
 - b) **Relevant Entities:** The PARTIES acknowledge and agree that the following entities referred to in the Transfer Agreement are:
 - i) Martis Valley Associates (MVA) was the developer of the Timilick Tahoe subdivision at the time the COUNTY approved this Subdivision's Conditional Use Permit – PSCP-T20040186 ("CUP").
 - ii) New Martis Partners, LLC ("NMP") purchased and was assigned all previous agreements and property from MVA associated with the project known as Timilick Tahoe subdivision, now known as Schaffer's Mill.
 - iii) Placer County Water Agency ("PCWA") was the provider of water service to the Timilick Tahoe (now Schaffer's Mill) until September 30, 2015 when the water system was conveyed to NCSD pursuant to

the annexation of Zone 4 Area. PCWA held the rights and interest in the Well Site and was intended to be the grantee of the NCSD PROPERTY until the annexation resulted in the need to transfer the NCSD PROPERTY to NCSD.

3. **Existing Agreements:** The following agreements will be referred to and addressed within the Transfer Agreement:
 - a) Facilities Agreement No 2273, as amended (collectively referred to as "Facilities Agreement") between NMP and PCWA among other conditions and obligations addressed provisions that relate to the quitclaim of Well Site to NMP.
 - b) Two separate Well Site Transfer/Water Supply Agreements (collectively referred to as the "Well Site Agreements"). 1) November 6, 2008 Well Site Agreement entered into between the County and MVA and recorded in Document No. 2008-0087065, Official Records of Placer County; and, 2) January 2, 2013 unrecorded Well Site Agreement entered into between the County and with NMP, dated January 2, 2013 addressed the potential that the Well Site could be reverted to the COUNTY after the Well Site is quitclaimed to NMP.
4. **Purpose of Agreement:** The purpose of the Transfer Agreement is to provide for the transfer of the NCSD PROPERTY as conveyed through Grant Deed from COUNTY to NCSD. NCSD proposes to construct a maintenance and operation facility on the NCSD PROPERTY adjacent to and surrounding the existing Well Site.
5. **Purchase Price:** No cash consideration is required for this transfer. NCSD through the annexation of Zone 4 has assumed the obligation to provide water service to the Schaffer's Mill subdivision. Consequently, the CUP Condition of Approval No 53, as authorized by Placer County Board of Supervisors Resolution No. 2008-103 that provided for the transfer of the maintenance/service site to PCWA shall now apply to NCSD.
6. **Escrow Opening:** The transfer of the NCSD PROPERTY will be consummated by means of an escrow to be opened at Fidelity National Title Company, Order No. 1500675-LP, Attention Lori Pynappel, 12010 Donner Pass Road, Suite 102,

Truckee, CA 96161, Telephone (530) 587-3845, Fax (530) 587-2947, ("Escrow Holder") within five working days following the Effective Date of the Agreement.

7. **Close of Escrow**: On or before March 31, 2016 unless otherwise extended by mutual consent of the Parties.
8. **Conditions Precedent**: The Close of Escrow shall be conditioned on all of the following:
 - a) NCS D shall:
 - i) Deliver to the satisfaction of the COUNTY a legal description for the PROPERTY.
 - ii) NCS D's acceptance of the physical, environmental and title condition of the PROPERTY;
 - iii) NCS D shall deposit into Escrow:
 - (a) Documents removing the rights of NMP, as contained in the Facilities Agreements, for receiving the Well Site by quitclaim from PCWA, or its successor NCS D;
 - (b) a fully -executed road maintenance agreement providing NCS D's obligation to pay the COUNTY for NCS D's fair share of costs associated with the operations and maintenance of the Access Roadway; and,
 - (c) a 15-foot wide multi-purpose trail easement acceptable to COUNTY that runs the length of the NCS D PROPERTY and is parallel to the eastern boundary of the Schaffer Mill Road Right-of-Way.
 - b) The COUNTY shall deposit into Escrow:
 - i) The fully-executed and recordable document providing termination of the Well Site Agreements; and,
 - ii) Grant Deed for the NCS D PROPERTY

9. **Closing Costs**: NCSD shall pay all escrow and title costs associated with this transaction, including the premium for title insurance as determined by NCSD. Such costs shall include recording fees, escrow fees, title insurance, transfer taxes, and all costs associated with clearing title. COUNTY and NCSD shall each pay its own legal and professional fees and fees of other consultants incurred with regard to this transaction.
10. **Representations and Warranties**: Each party acknowledges that the execution of this Agreement by the other is made in material reliance on each of the representations and warranties made in this Section. Each Party agrees that the NCSD PROPERTY is to be conveyed subject to this Agreement "as is" with no warranties of any kind, express or implied, with respect to the NCSD PROPERTY or the condition thereof. By closing this transaction, each Party hereby (1) releases the other from all damages, claims, liabilities and obligations, whether known or unknown, arising from or related to the NCSD PROPERTY or the condition thereof, including without limitation the title and physical condition of the NCSD PROPERTY, the presence or absence of Hazardous Materials in, on, under or affecting the NCSD PROPERTY, and the compliance of the NCSD PROPERTY with laws, ordinances, rules or regulations and (2) assumes all damages, claims, liabilities and obligations arising from or related to the presence or absence of Hazardous Materials in, on, under or affecting the NCSD PROPERTY, and the compliance of the NCSD PROPERTY with laws, ordinances, rules and regulations relating to the condition thereof. The Parties agree that each representation and warranty in this Section shall survive the Close of Escrow. NCSD agrees to accept the NCSD PROPERTY without any warranty or representation as to any approvals needed to use the NCSD PROPERTY for its proposed use. Approval of the Agreement by the COUNTY shall in no way constitute approval of NCSD proposed maintenance and operations facility on the NCSD PROPERTY, and County expressly reserves the right to condition and approve of or deny the same in accordance with applicable law.
11. **Due Diligence**: NCSD shall be permitted to investigate the NCSD PROPERTY in conformance with the Limited Right of Entry provisions of the Agreement, at its sole expense, to determine in the NCSD's sole and absolute discretion, the suitability of

the NCSD PROPERTY for its intended uses. Such investigations may include boundary surveys, environmental assessments, soil tests, topography studies, etc. Copies of reports resulting from the work performed under this Agreement shall be provided at the request of COUNTY, at no cost to COUNTY.

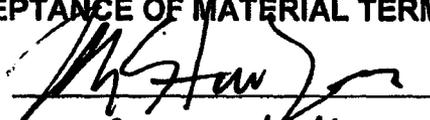
12. Conditions Subsequent:

- a) **Record of Survey.** Within ninety (90) days after Recordation, NCSD shall file, or cause to be filed, with COUNTY, a Record of Survey showing survey monuments placed to delineate the boundary of the NCSD PROPERTY described in the Grant Deed and to the satisfaction of the Placer County Surveyor.
- b) **Changes to Interests.** Both PARTIES agree to grant easements to the other as needed to address necessary changes due to entry way changes to the access at the intersection of Schaffer Mill Road and the Access Roadway.
- c) **Future Utilities.** NCSD shall design and construct stub outs at the southern property boundary to enable COUNTY to establish utilities connections for future park site development on COUNTY property to the south. Utilities stub outs required shall be determined by COUNTY and may include water, sewer, gas, and dry utilities.

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NCSD accepts and agrees to the incorporation of the above Material Terms into the preparation of an Agreement for Transfer of Property. The Parties recognize and agree that the enforceability of the terms of any future Agreement for Transfer of Property shall be subject to prior approval by the Placer County Board of Supervisors or its designee, and Northstar Community Services District.

ACCEPTANCE OF MATERIAL TERMS

By: 
Title: General Manager

Date: 10/21/15

By: _____

Date: _____

Title: _____

NCS D PROPERTY

