

RESOLUTION OF THE BOARD OF DIRECTORS OF
COACHELLA VALLEY WATER DISTRICT

RESOLUTION NO. 2006-198

1 BE IT RESOLVED by the Board of Directors of the Coachella Valley Water District assembled
2 in regular meeting this 12th day of September, 2006, that it hereby adopts the Coachella Valley
3 Water District Disposal of Surplus Real Estate Policy dated September 2006; said policy is
4 attached hereto marked Exhibit "A."

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EXHIBIT "A"

COACHELLA VALLEY WATER DISTRICT DISPOSAL OF SURPLUS REAL ESTATE POLICY September 2006

This policy is intended to provide specific procedures for the disposal of surplus real estate and has been reviewed and approved by the Coachella Valley Water District (District or CVWD) Board of Directors. Generally, real estate disposal covered by this policy will be valued at fair market value as a minimum.

1. A request to dispose of District real estate is first routed by the Right-of-Way Division (ROW) to Operations, Trades and Support, Services and Engineering to determine whether there is still a need for the real estate. In addition, a request will be made of the District's Environmental Specialist (ES) to determine if the proposed sale is exempt from or subject to the provisions of the California Environmental Quality Act (CEQA).
2. ROW shall prepare and deliver to the General Manager of the District (General Manager); (i) a memorandum which details the various comments from each CVWD Department, including the determination of the ES whether the proposed sale is subject to or exempt from CEQA compliance; and (ii) a map of the real estate in question. After a review of the foregoing, the General Manager shall determine if the real estate is surplus, or if additional information is needed to make the determination. The General Manager shall notify ROW of his determination and the activities to be taken by ROW in connection with that determination, or the additional information necessary to make such determination.
3. If the General Manager has deemed the real estate surplus, an appraisal is ordered by ROW.
4. A memorandum requesting to proceed with the disposal of surplus real estate will be submitted to the Board of Directors that includes; (1) description of the real estate, (2) copy of the appraisal, (3) General Manager's recommendation that the real estate is surplus and (4) the plan for disposal.
5. Upon approval of the Board of Directors, ROW will send out the required public notice letters to government agencies in accordance with California Government Code (Code) section 54220, et seq (Surplus Land Act). In the event of a conflict between this policy and the Surplus Land Act, the Surplus Land Act shall control. The recipients of the notice shall have the time periods set forth in Code section 54222 to respond to the District's notification of its intent to sell the land. The District is exempt from notifying these public agencies if the following applies:
 - A. The real estate is less than 5,000 square feet.
 - B. The real estate is less than the legal residential building lot size for the jurisdiction in which the lot is located, or 5,000 square feet in area, whichever is less.

- C. The real estate is less than 10,000 square feet without record access (being offered to the adjacent property owner) and is not contiguous to land owned by the state or local agency which is used for park, recreational, open-space, or low- and moderate-income housing purposes and is not within an enterprise zone pursuant to Section 7073 of the Code, nor designated program area as defined in Section 7082 of the Code.
- D. If a government agency receiving notice does not timely indicate a desire to purchase the real estate, or if a government agency receiving notice desires to purchase the real estate and the terms of sale cannot be agreed to in accordance with Code Section 54223 the District may offer the real estate for sale by competitive sealed bid packages with the following exceptions:
 - a. In the event the real estate is surrounded by one property owner, it will be first offered to that property owner at an agreed-upon price.
 - b. In the event the real estate was subdivided from a larger parcel that is still whole, it will first be offered to the current owner of the parcel from which it was subdivided at an agreed-upon price.
- E. If the District decides to advertise and use a competitive bid process, ROW will prepare the bid packages and work with the Board Secretary to advertise the sale in the local newspaper(s). The appraised fair market value will be advertised as the minimum bid. It will be stated in the bid package that all appraisal, title, escrow and any site improvement costs will be paid by the buyer, and all sales are subject to approval of the District Board of Directors.
- F. The Purchasing Committee will open the sealed bids and the highest qualified bidder will receive the right to purchase the real estate. However, the bid must meet the minimum bid requirement. The apparent high bidder will be notified.
- G. If the proposed real estate sale is subject to CEQA compliance, the ES will submit the appropriate CEQA documents to the Environmental Assessment Committee (EAC) for approval. After EAC approval, the ES will send the CEQA documents to the State Clearing House (SCH) for comment.
- H. After clearance from the SCH, ROW will prepare a memorandum to the Board of Directors requesting final approval and authorization of appropriate officers to execute all the documents necessary for the sale of surplus property.
- I. After approval from the Board of Directors, ROW communicates with the buyer and opens escrow.

- J. Once escrow closes, the District will record the documents and the check will be sent to Finance, along with a copy of the recorded Deed and Assessor's Parcel Map to remove it from the real property asset inventory. A map showing the real estate and the Board Resolution are sent to all the departments that originally commented on the request mentioned in Item 1. A copy will be sent to Drafting for plat review of the subject area. If the parcel is shown as District property on the plat, the plat will be changed to reflect the sale. A copy of the Deed and Assessor's Parcel Map is also sent to Document Control and filed in the 0652.1, 0653.1 and 0655 files.