



AGENDA

REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE

November 15, 2022

3:30 PM

Call to Order

Public Comments

Members of the public may make comments in-person, virtually, or submit a Public Comment Request Form located at <https://www.evmwd.com/evmwd-publiccomment>, no less than one hour prior to the posted start time of the meeting. Comments shall be made in an orderly manner and profanity, slanderous, or abusive language will not be tolerated. Please note, individuals have a limit of three (3) minutes to make comments and will have the opportunity when called upon.

Discussion Items:

1. Proposed Amendment to Administrative Code Section 1550, Real Estate Disposal and Acquisition
2. Grants Department Performance Measures FY 2021 & 2022
3. Other
4. Consider Items for Board Review
5. Adjourn

In the interest of public health and safety, this meeting will be conducted in accordance with provisions of the Brown Act and Assembly Bill 361. Participants who would like to join this meeting remotely can do so in one of the following ways:

For Online Participation:

Go to: www.zoom.us
Select Join a Meeting
Enter Meeting ID: 890 9567 7683
Meeting Password: 92530

For Call-in Only:

Call: (720) 707 2699
Enter Meeting ID: 890 9567 7683
Meeting Password: 92530



**FINANCE AND ADMINISTRATION
COMMITTEE**

DISCUSSION OUTLINE

Date: November 15, 2022

Originator: M. Armstrong- Strategic Programs

Subject: PROPOSED AMENDMENT TO ADMINISTRATIVE CODE SECTION 1550, REAL ESTATE DISPOSAL AND ACQUISITION

STRATEGIC GOAL

Maintain Financial Strength and Resiliency

BACKGROUND AND RECOMMENDATION

The District, from time to time, will be required to dispose real property as facilities and structures are added or retired from service. Currently, the policy related to surplus property and the disposal thereof is outlined in Section 1550 of the Administrative Code.

When facilities or structures are retired from service, the abandonment of these facilities does not occur immediately and is prioritized based on available budget and urgency. Currently, the policy requires that obsolete District facilities must be abandoned prior to the property being declared as surplus. At this time, there are several properties with obsolete facilities that can be declared as surplus once the facilities are abandoned.

Staff is proposing to modify this requirement to include an option for the prospective buyer of the surplus property to abandon the District facility within a reasonable amount of time. To qualify for this option, the prospective buyer must execute an agreement with the District which provides guidelines for the abandonment of the facility and the timeline associated with the completion of the abandonment.

The proposed modifications to Administrative Code Section 1550, Real Estate Disposal and acquisition, are attached.

ENVIRONMENTAL WORK STATUS

Not Applicable

FISCAL IMPACT

Not determined at this time

Attachments:

Draft Administrative Code Section 1550

SECTION 1550. REAL ESTATE DISPOSAL AND ACQUISITION (MO 3631)

The District, from time to time, will be required to either acquire or dispose of real property or easements as water and wastewater facilities and structures are either added or retired from service. This section is intended to provide guidelines on the general requirement.

SURPLUS REAL ESTATE**§ 1551. Definition.**

Surplus real estate is defined as property that is owned by Elsinore Valley Municipal Water District which “is in excess of its foreseeable needs” (i.e. District facilities, easements, access, buffer zones, mitigation or miscellaneous needs).

§ 1552. Noticing and Determination of Surplus.

The District is required by Gov. Code § 50569 to prepare an annual inventory of surplus real property. If the District has no surplus property, no inventory is required. Being a matter of public record, the District must provide the surplus property inventory to any citizen, limited dividend corporation, housing corporation, or nonprofit corporation who requests a copy. This will be supplied upon request.

The District will conduct a biennial review of its real estate assets. No general public noticing is required before the District sells surplus land. Disposal of real estate owned by EVMWD determined to be in excess of District need must be declared as surplus real estate by complying with the following procedure:

- a) Recommendation from staff as to whether the property could serve a useful purpose to the District in the future or should be declared surplus.
- b) Determination that the property is not subject to covenants or conditions imposed by any original grantees of the property that would cause the property to revert back to the grantor if the property is not used for a specific purpose (such as gifted subject to restrictions of use).
- ~~e) Obsolete District facilities must be abandoned prior to declaration of surplus.~~
- d) _____ Concurrence by the General Manager to declare the real estate surplus.
- e)d) _____ Surplus declaration must be done by formal Board action.

PROPERTY DISPOSAL**§ 1553. Disposal.**

The District must obtain a professional appraisal for properties with a value of \$25,000 or greater. For properties with a value less than \$25,000, a comparative market analysis must be obtained from a professional appraiser or realtor. Both methods set a fair

market value for the highest and best use and to prevent a challenge that the sale constitutes a gift of public funds.

The real estate must be sold at fair market value by listing with the District's right-of-way agent (broker) and completion of a formal escrow. Real estate may also be exchanged for property of equivalent value or higher, taking into consideration market trends, demand, economics and convenience. Prior to the sale or disposal of real estate deemed to be in excess of the District's foreseeable need, procedures for notification as dictated in Government Code § 54222-54232 will be followed. Water rights related to properties to be disposed will be retained by the District.

District must (1) abandon obsolete District facilities prior to disposal, or (2) enter into an agreement with prospective buyers to ensure that facilities will be abandoned within a reasonable amount of time.

§ 1554. Exemption.

District land is exempt from the special offer procedures of the Government Code § 50569 if it is not contiguous to land owned by a state or local agency that is used for park, recreational, open space, or low and moderate-income housing purposes, is not located within an enterprise zone pursuant to Government Section 7073 and is not located within a designated program area as defined in Government Code Section 7082 and is any of the following:

- a) less than 5,000 square feet in area, or
- b) less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or 5,000 square feet in area, whichever is less, or
- c) has no record access and is less than 10,000 square feet in area. (Gov. Code, § 54221.)

PROPERTY ACQUISITION

§ 1555. Acquisition.

The General Manager is authorized to negotiate with property owners for the purchase of real property. The General Manager may acquire real property with a fair market value of \$25,000 or less whenever the acquisition is consistent with any approved budget and funds have been appropriated. All other acquisitions of real property shall be approved by the Board.

- a) The General Manager will inform the Board of any property acquired with a fair market value of \$25,000 or less.
- b) The value of the property shall be determined either by an in-house evaluation of comparable properties (as in the case of pipeline rights-of-way, easements, and remnant parcels) or if the property is considered to be buildable, or of value greater than \$25,000, the services of a certified real estate appraiser shall be obtained.

WELL DESTRUCTION AGREEMENT

This Well Destruction Agreement (“Agreement”) is entered into on this ___ day of _____, 202_ by and between the ELSINORE VALLEY MUNICIPAL WATER DISTRICT, a public agency (referred to herein as “SELLER”) and _____, individual, (referred to herein as “BUYERS”). SELLER and BUYERS are sometimes individually referred to as “Party” and collectively as “Parties.”

RECITALS

A. SELLER is the owner of certain real property located within the City of Lake Elsinore, County of Riverside, State of California, and also referred to as Assessor Parcel Number ___ - ___ - ___ depicted in Exhibit “A” attached hereto and incorporated herein by reference (the “Property”).

B. BUYERS are in the process of purchasing SELLER’S Property.

C. The Property contains a well approximately _____ inches in diameter which is not in use, currently equipped with a _____ depicted in Exhibit “B” attached hereto and incorporated herein by reference.

D. The purchase of SELLER’S Property is conditioned with the BUYERS’S destruction of the well.

E. The purpose of this Agreement is to outline the timing and methodology of the well destruction.

NOW, THEREFORE, SELLER and BUYERS do hereby agree as follows:

AGREEMENT

1. Well Destruction.

a) BUYERS shall not use the property at the Property for any reason. BUYERS shall destroy the well in accordance with applicable County of Riverside Department of Environmental Health guidelines, permits (such as well destruction permit), and all other applicable County, State, or local requirements. Additional information on well destruction requirements can be obtained at <https://www.rivcoeh.org/OurServices/Wells>. County of Riverside ordinance outlining the requirements for destruction of wells is also included as Exhibit “C”. The website and attached ordinance are included for reference only and does not necessarily encompass all requirements for well destruction.

b) BUYERS shall destroy the well as soon as possible, but no later than one (1) year after close of Escrow.

c) BUYERS shall be solely responsible for the full cost of well destruction.

d) Prior to any work being done, BUYERS shall notify SELLER of well destruction schedule at engservices@evmwd.net at least ten (10) business days prior the start of destruction.

e) BUYERS shall provide SELLER with a copy of any and all reports (such as well destruction report) associated with well destruction.

f) BUYERS shall allow SELLER to inspect the well destruction work at SELLER's cost.

2. Well Destruction Inspection.

a) BUYERS hereby grants to SELLER and its agents, employees and contractors the temporary right to enter onto the Property to inspect the well destruction work.

b) SELLER is responsible for all cost associated with well destruction inspection

c) After completion of well destruction, SELLER shall notify BUYERS of full compliance of the term of the Agreement.

3. Failure to Destroy the Well by BUYERS. If BUYERS have not destroyed the well within one (1) year of close of escrow:

a) SELLER shall perform or cause to perform destruction of the well.

b) Upon completion of SELLER's well destruction, SELLER shall invoice SELLER's full cost of well destruction.

c) BUYERS shall provide full payment of invoice within 45 days of date of invoice.

d) If payment of invoice is not received within the time specified in 3.c, SELLER shall (i) place a lien on the Property for the full amount of the invoice and (ii) initiate collection efforts utilizing a collection agency.

4. Term. The term of this Agreement shall commence on the date this Agreement is executed by all Parties hereto ("Effective Date"). This Agreement shall automatically terminate upon (i) SELLER notification to BUYERS of full compliance of the term of the Agreement resulting from well destruction by BUYERS or (ii) SELLER notification of receipt of full payment of invoice for well destruction by SELLER.

5. Indemnification. BUYERS hereby agrees to indemnify, defend, assume all liability for and hold harmless SELLER and its officers, employees, agents and representatives from all actions, claims, suits, penalties, obligations, liabilities, damages to property, environmental claims or injuries to persons, which may be caused by BUYER's activities pursuant to this Agreement or arising out of or in connection with such activities, whether such activities or performance thereof is by BUYERS or anyone directly or indirectly employed or under contract with BUYERS, and whether such damage or claim shall accrue or be discovered before or after the termination of this Agreement. The indemnity and other rights afforded to SELLER by this section shall survive the revocation or termination of this Agreement.

6. Compliance with Laws/Permits. BUYERS shall, in all activities undertaken pursuant to this Agreement, comply and cause its contractors, agents and employees to comply with all federal, state and local laws, statutes, orders, ordinances, rules, regulations, plans, policies and decrees. Without limiting the generality of the foregoing, BUYERS, at its sole cost and expense, shall obtain any and all permits which may be required by any law, regulation or ordinance for any activities BUYERS desires to conduct or have conducted pursuant to this Agreement.

7. Attorneys' Fees. In the event of a dispute, demand, claim, or action or other proceeding between the Parties with respect to the interpretation of the terms or conditions of this Agreement or the respective rights of the Parties pursuant to this Agreement, the prevailing Party shall be entitled to collect from the other its reasonable attorneys' fees, costs and expenses, and other costs of litigation, if any, as established by the judge or arbitrator presiding over such dispute.

8. Continuing Liability. No termination of this Agreement shall release BUYERS from any liability or obligation hereunder resulting from any acts, omissions or events happening prior the termination of this Agreement.

9. Risk of Damage or Loss. BUYER hereby assumes all risk of damage to BUYERS's tools or equipment or injury to all persons and personal property in or upon the Property caused by the BUYERS's tools or equipment or the acts or omissions of BUYERS, and except to the extent caused by the gross negligence or willful misconduct of SELLER. BUYERS hereby releases and relieves SELLER, and waives its entire right of recovery against SELLER, for any loss or damage arising out of or incident to the BUYERS's use of the Property.

10. Incorporation of Recitals. The Recitals set forth above are true and correct and are incorporated into this Agreement by this reference.

11. Governing Law and Venue. This Agreement will be governed by the laws of the State of California. Any action at law or in equity brought by either of the Parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the Parties hereto hereby waive all provisions of law providing for a change of venue of such proceedings to any other county.

12. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

13. Severability. If any provision of this Agreement is held invalid or unenforceable, in whole or in part, by any court of competent jurisdiction, it is the intent of the Parties that all other provisions of this Agreement be construed to remain fully valid, enforceable, and binding upon the Parties in all respects as if such invalid or unenforceable provision were omitted.

14. Electronic Signatures. The Parties hereto hereby agree that electronic signatures are acceptable and shall have the same force and effect as original wet signatures.

15. Authority to Enter Agreement. BUYERS has all requisite power and authority to conduct its business and to execute, deliver, and perform this Agreement. Each Party warrants that

the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

SIGNATURES ON THE FOLLOWING PAGE

**SIGNATURE PAGE TO
WELL DESTRUCTION AGREEMENT**

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date as indicated below each Party's signature.

Elsinore Valley Municipal Water District

By: _____
Greg Thomas, General Manager

Dated: _____

By: _____

Dated: _____

APPROVED AS TO LEGAL FORM:

By: _____
Best Best & Krieger LLP, General Counsel

By: _____
Dated: _____

ATTEST:

By: _____
Terese Quintanar, District Secretary

EXHIBIT "A"

PROPERTY LOCATION

EXHIBIT “B”

WELL LOCATION

EXHIBIT “C”

COUNTY OF RIVERSIDE WELL ORDINANCE



**FINANCE AND ADMINISTRATION
COMMITTEE**

DISCUSSION OUTLINE

Date: November 15, 2022
Originator: Serena Johns- Grant Administration
Subject: GRANTS DEPARTMENT PERFORMANCE MEASURES FY 2021 & 2022

STRATEGIC GOAL

Maintain Financial Strength and Resiliency
Elevate Communications

BACKGROUND AND RECOMMENDATION

In an effort to maintain a successful grants program, staff has developed a report of key performance indicators from 2021-2022. Staff will review and provide information to the Committee.

ENVIRONMENTAL WORK STATUS

Not applicable.

FISCAL IMPACT

Not applicable.

Attachments:

FY 2021 & 2022 Performance Measures

Grants Performance Measures

Annual Review



June 2021

- \$241,871

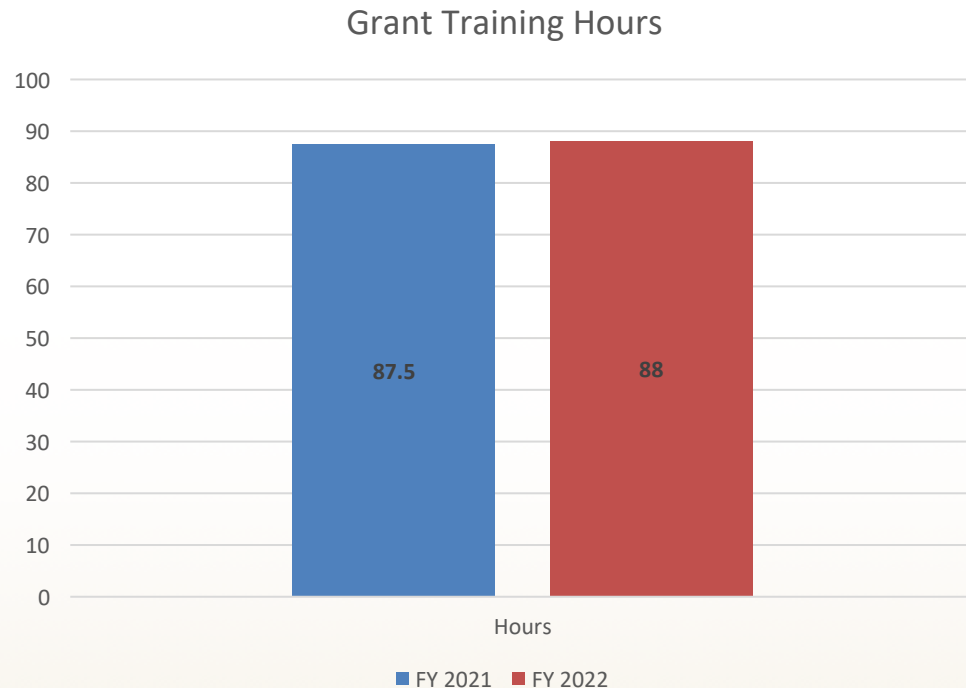
June 2022

- \$248,375

*Costs include labor, fringe benefits, consulting, training & dues

Cost to Administer Grants

2022 Grants Training Success



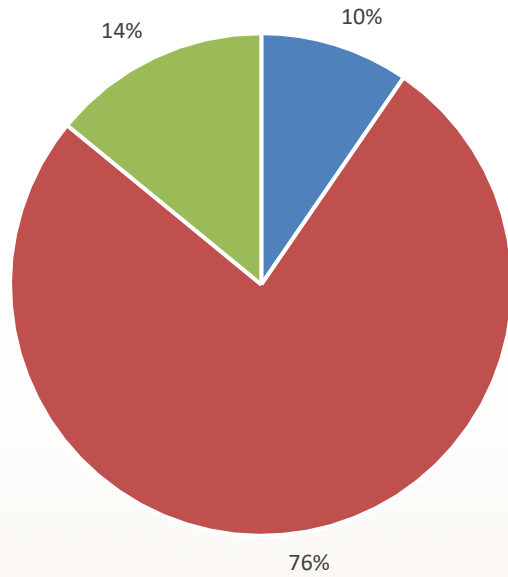
- Led a training on Grants Administration for over 100 agencies for the GFOA's Small Government Forum (SGF)
- Staff attended roughly 90 hours of grant related training and workshops
- Managed 9 funding agreements
- Secured a 0.9% interest rate for our largest loan at the lowest possible rate for the entire project.
 - \$109M in interest savings over 30 years

Funding Agreements Currently Managed

1. Palomar Well Replacement Project
2. Rice Canyon Mitigation Efforts
3. Lake Elsinore Aquatic Ecosystem Planning
4. Regional Water Reclamation Facility Upgrades Construction
5. Santa Ana River Conservation and Conjunctive Use Program (SARCCUP)
6. Local Hazard Mitigation Plan (LHMP)
7. Regional Water Reclamation Facility Expansion Planning
 - A. Title XVI- Bureau of Reclamation
8. Regional Water Reclamation Facility Expansion Construction
 - A. State Revolving Low Interest Low- State Water Resources Control Board
 - B. Title XVI- Bureau of Reclamation
9. Elsinore Valley Groundwater Sustainability Plan Development

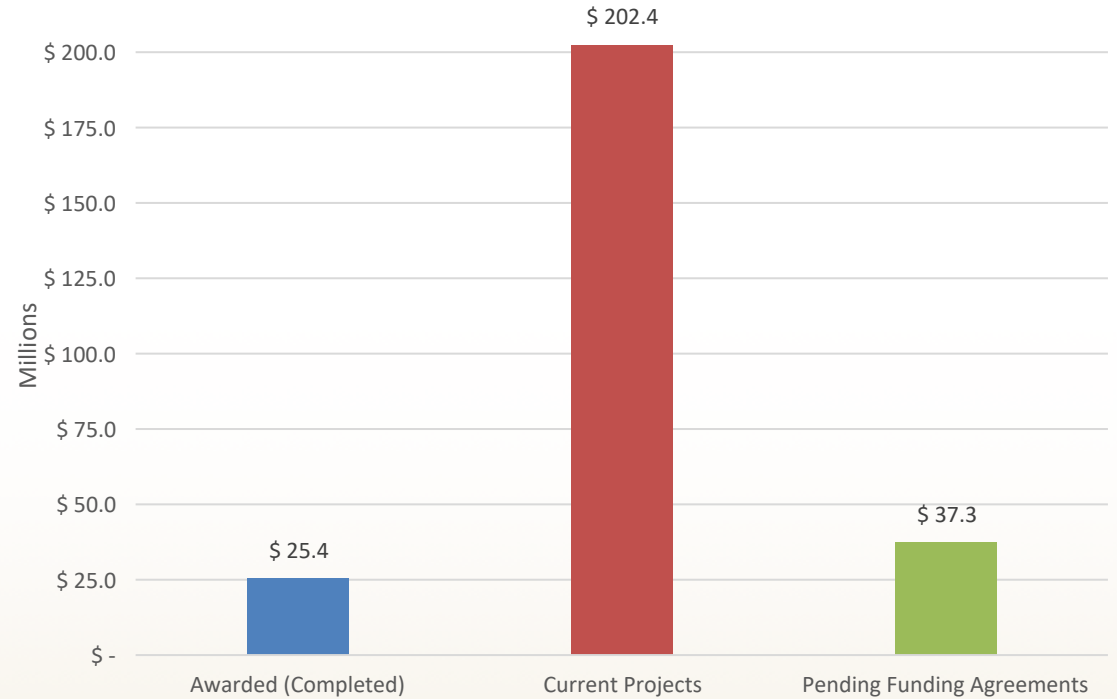
Grants Performance Measures

Grants/Loans Funding



■ Awarded (Completed) ■ Current Projects ■ Pending Funding Agreements

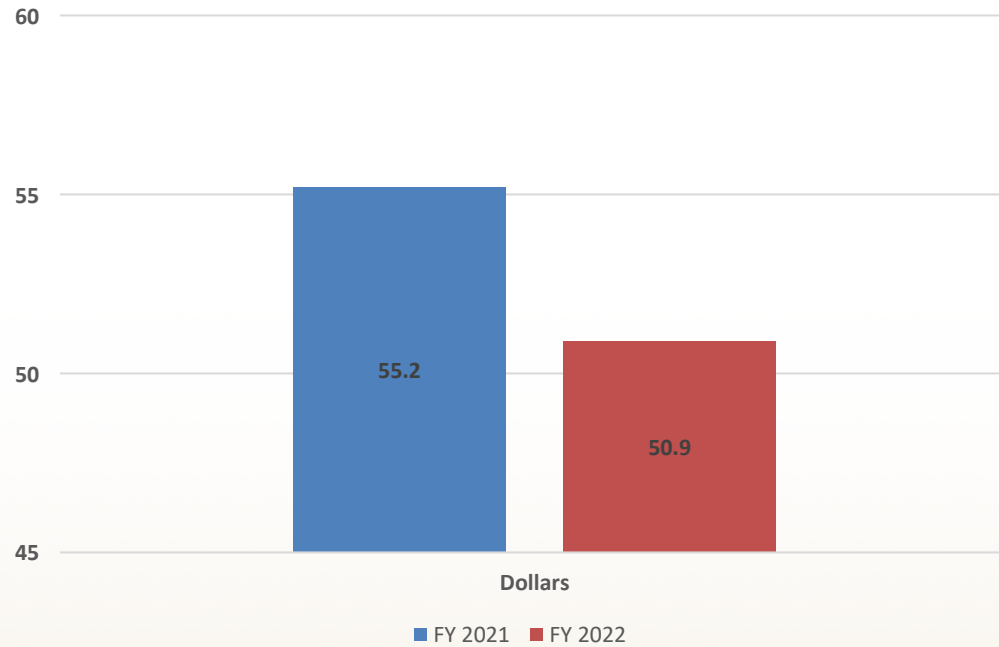
Grants/Loans Funding



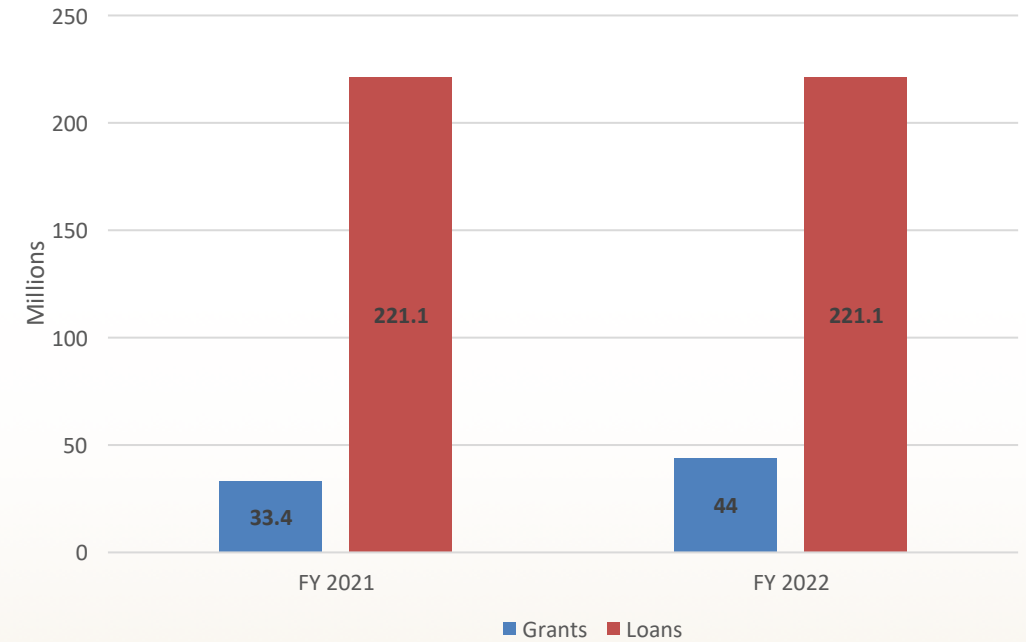
Grants Performance Measures

Compliance

Return on Investment

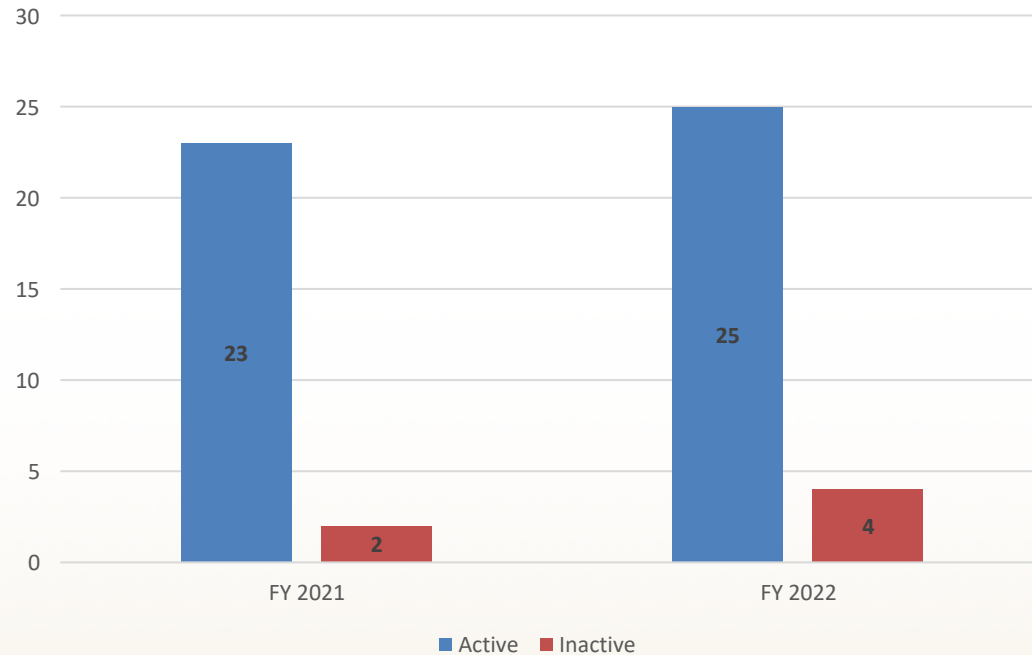


Grants vs Loans

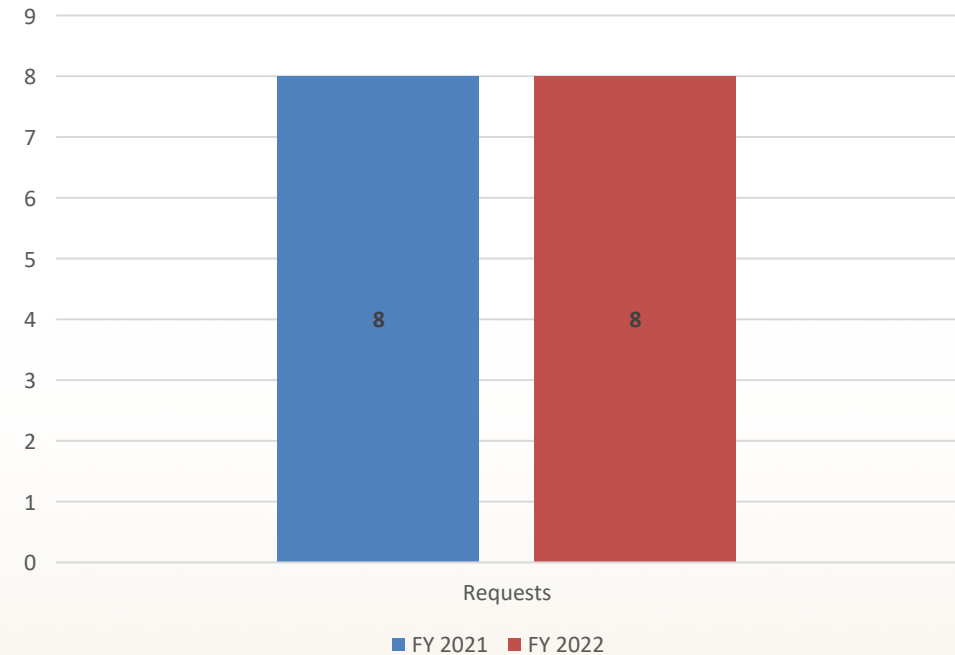


Grants Performance Measures Compliance

Debarment & Suspension Review

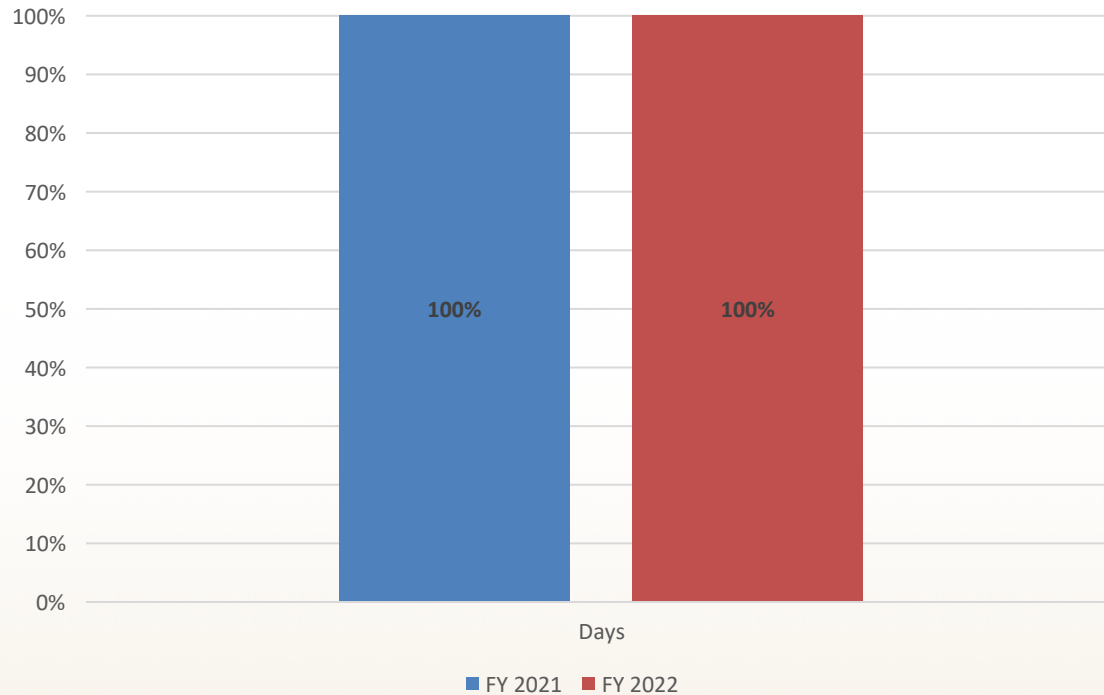


of Amendments/Extension Requests



Grants Performance Measures Compliance

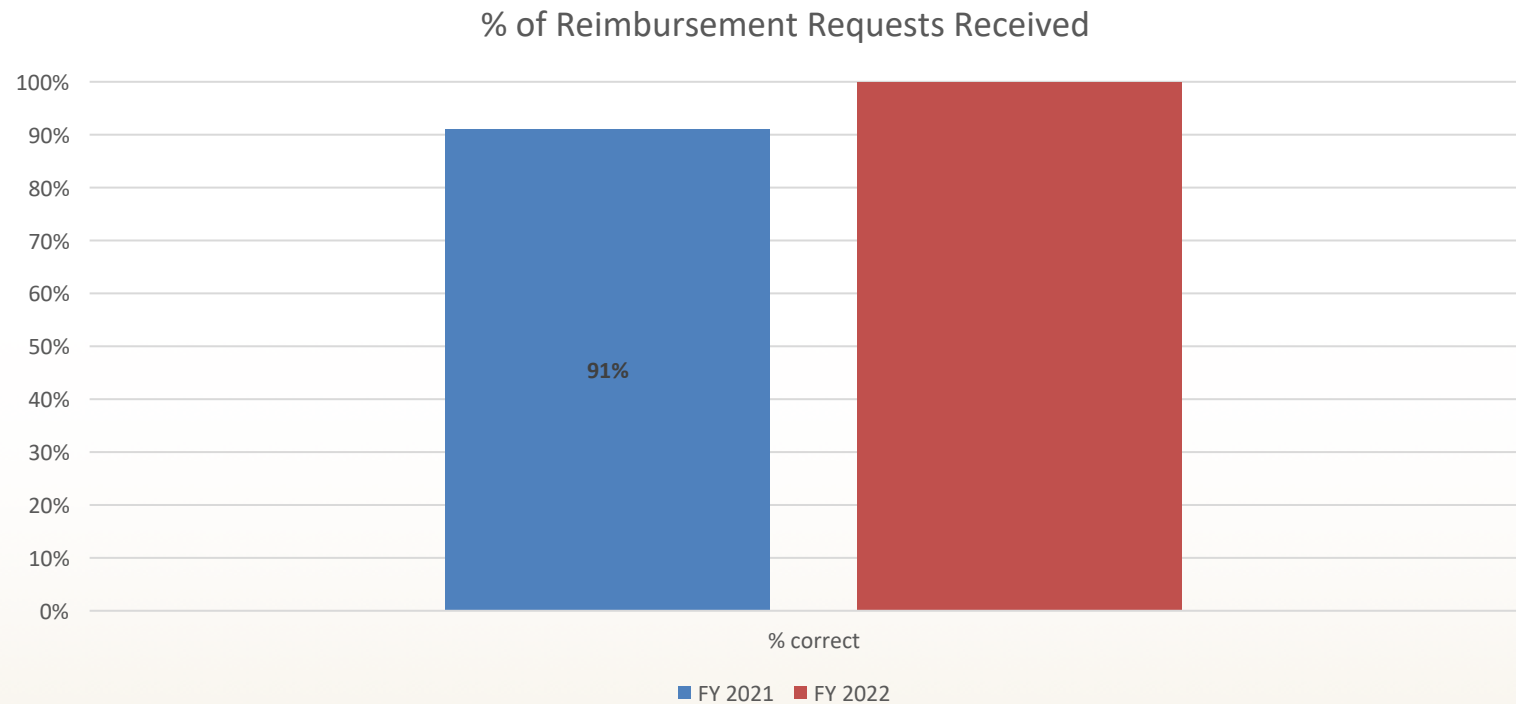
Reports Submitted Timely



of Reports Submitted



Grants Performance Measures Compliance



QUESTIONS?

