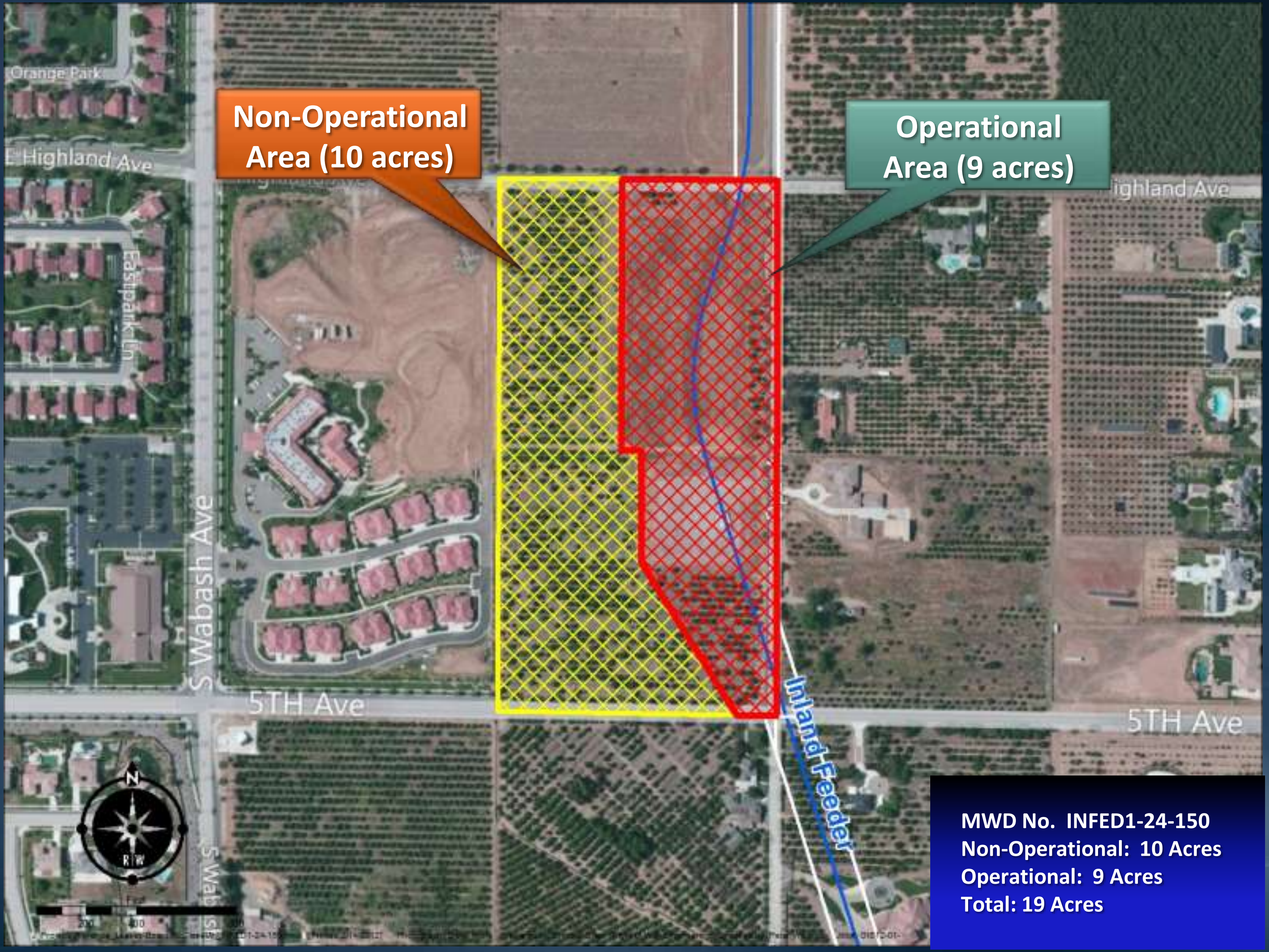
Affirm General Manager's Determination for the Surplus of Two Inland Feeder Properties

Real Property and Asset Management Committee
Item 8-2
February 28, 2012

General Location Map

Site Map – Opal Avenue



Property Description - Opal Avenue

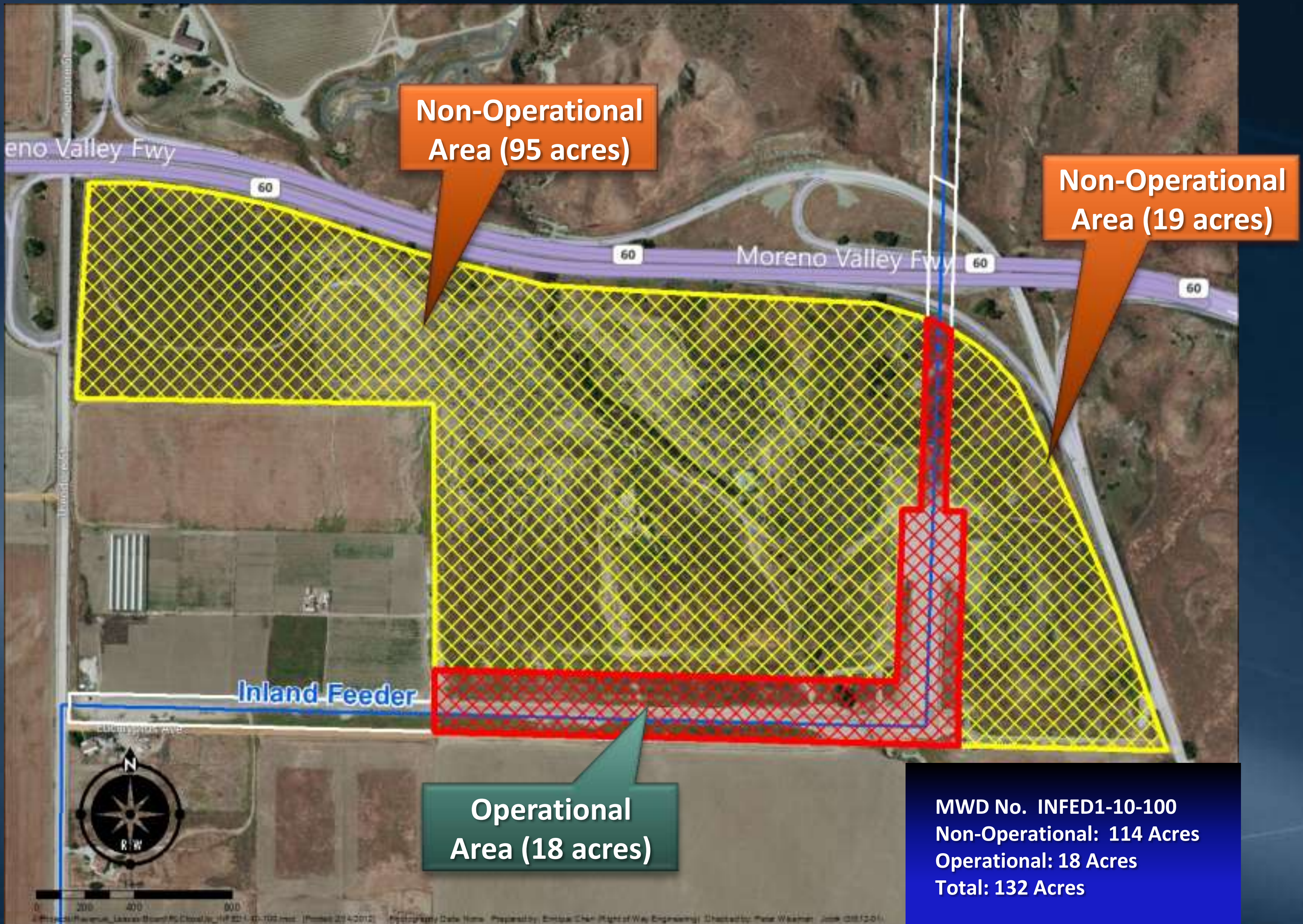
- Located adjacent to the Inland Feeder Pipeline and Opal Portal in Redlands
- Acquired a total of 19 acres in 1994 to avoid severance damages
- Will retain 9-acre operational area for pipeline, portal and tunnel operational use
- 10-acre non-operational area is deemed excess to Metropolitan’s needs
- Annual maintenance costs of $18,892 for orange grove, water share assessments, and property taxes

Appraisal Summary - Opal Avenue

- Date of Purchase: December 24, 1994
- Purchase Price: $1,060,000 (19 acres)
- Date of Appraisal: November 22, 2011
- Appraised Value: $260,000 (10 acres)

General Location Map

Site Map – Gilman Springs Road



Property Description-Gilman Springs

- Located adjacent to the Inland Feeder Pipeline and Badlands Tunnel Portal in Moreno Valley
- Acquired a total of approximately 132 acres in 1996 to avoid severance damages
- Retain 18-acre operational area for pipeline, portal and tunnel operational use
- 114-acre non-operational area is deemed excess to Metropolitan's needs
- Annual maintenance costs of $2,200 for weed abatement and fence repair
- Billboard sign lease with annual rent of $3,500

Appraisal Summary Gilman Springs Road Property

- Date of Purchase: November 27, 1996
- Purchase Price: $1,724,061 (132 acres)
- Date of Appraisal: August 26, 2011
- Appraised Value: $3,500,000 to $4,500,000 (114 acres)

Board Options

- Option #1
  - Adopt CEQA determination
  - Affirm the General Manager's determination that the subject properties comprised of approximately 10 acres in Redlands and 114 acres in Moreno Valley are surplus and carry out disposition of the property in their current conditions
  - Market the properties for sale on the open market for their combined fair market value of $3,760,000 to $4,760,000
- Option #2
  - Do not surplus the properties

Staff Recommendation

- Option #1

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