

Resolution 1

Date: January 14, 2025

Item Number: _____

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Majority

RESOLUTION OF THE BOARD OF DIRECTORS OF SONOMA COUNTY WATER AGENCY, SONOMA COUNTY, STATE OF CALIFORNIA, DECLARING REAL PROPERTY LOCATED AT 330 HEWETT STREET IN THE CITY OF SANTA ROSA, SONOMA COUNTY, CALIFORNIA (APN 010-700-015) "EXEMPT SURPLUS LAND" AND DECLARING INTENTION TO SELL SAID PROPERTY; DELEGATING AUTHORITY TO THE GENERAL MANAGER OF THE SONOMA COUNTY WATER AGENCY TO CONDUCT AN AUCTION OF THE PROPERTY BY MEANS OF FIXING THE MANNER, TIME AND PLACE TO RECEIVE BIDS FROM INTERESTED PARTIES; ESTABLISHING CERTAIN TERMS, CONDITIONS AND REQUIREMENTS APPLICABLE TO ALL OFFERS; SETTING THE PROCEDURES FOR AND TIME DURING WHICH ORAL BIDS SHALL BE RECEIVED AND EXAMINED; DELEGATING AUTHORITY TO THE GENERAL MANAGER TO OPEN, EXAMINE, AND THEREAFTER PUBLICLY ANNOUNCING THE HIGHEST BID; OFFER TO RECEIVE ANY FURTHER ORAL BIDS AND TO DECLARE APPARENT HIGH BID; DELEGATING AUTHORITY TO THE GENERAL MANAGER TO EXECUTE A REAL PROPERTY PURCHASE AGREEMENT, AND ANY OTHER RELATED DOCUMENTS NECESSARY TO COMPLETE THE TRANSACTION, IN A FORM APPROVED BY COUNTY COUNSEL, SUBJECT TO FINAL APPROVAL OF THE BOARD OF DIRECTORS; AND DIRECTING THE CLERK OF THE BOARD TO PUBLISH AND POST NOTICE. (4/5 VOTE REQUIRED)

Whereas, the Sonoma County Water Agency ("Sonoma Water") is the owner of real property located at 330 Hewett Street in the City of Santa Rosa, Sonoma County, California, identified as Assessor's Parcel Number 010-700-015, containing approximately 29,209 square feet, ("Property"); and

Whereas, the Board of Directors ("Board") of Sonoma Water has determined that the Property as described in this Resolution is land that is surplus, is not required for public use, is no longer necessary for the uses and purposes of Sonoma Water, and the disposition of the property will not adversely affect Sonoma Water in any respect; and

Whereas, the Surplus Land Act (CA Government Code Section 54220 et seq.) addresses the sale and transfer of publicly owned property; and

Whereas, the Board on prior occasions declared the Property surplus land specified by the Surplus Land Act (CA Government Code Section 54220 et seq.) and Sonoma Water sent notices to local and state agencies of the surplus declaration seeking interest to purchase the Property; and

Whereas, Sonoma Water was established by the “Sonoma County Flood Control and Water Conservation District Act” (Act 7757) in 1949; and

Whereas, within the context of the Surplus Land Act the meaning “agency use” by a local agency that is a “district” allows for an alternative method for the disposition of land that is designated surplus; and

Whereas, CA Government Code Section 54221(f)(1)(N) et seq. states, “...real property that is used by district for agency’s use...” may be disposed of by the Board taking “formal action in a regular public meeting declaring that the land is surplus and is not necessary for the agency’s use. Land shall be declared either ‘surplus land’ or ‘exempt surplus land’ as supported by written findings...” allowing the Board to declare the surplus land described in this Resolution “exempt surplus land” within the meaning of the Surplus Land Act; and

Whereas, the Property is not, within the meaning of CA Government Code Section 54221(f)(2) any of the following:

- (A) Within a coastal zone.
- (B) Adjacent to a historical unit of the State Parks System.
- (C) Listed on, or determined by the State Office of Historic Preservation to be eligible for, the National Register of Historic Places.
- (D) Within the Lake Tahoe region as defined in Section 66905.5.

Whereas, Sonoma Water’s staff has recommended the adoption of this Resolution to have the Board declare its intention to sell the Property as “exempt surplus land” to directly further the express purpose of Sonoma Water’s work and operations and authorize the sale of the Property pursuant to CA Government Code Section 25520 et seq.; and

Whereas, the Board shall authorize an alternative procedure for the manner and location of the sale of the Property pursuant to CA Government Code Section 25539 and shall delegate to the General Manager of Sonoma Water the authority to conduct an auction to sell the Property at the office of Sonoma Water located at 404 Aviation Blvd. in Santa Rosa; and

Whereas, the Board shall set the time of the auction to sell the Property at the office of Sonoma Water located at 404 Aviation Blvd. in Santa Rosa, on April 9, 2025, starting approximately at 11 a.m. and closing the auction around 1:30 p.m. on the day of the auction; and to set the minimum bid price at \$500,000; and

Whereas, the Board shall delegate to the General Manager of Sonoma Water the authority to conduct the auction by receiving, opening, and reviewing all bids, declaring the highest bid, orally calling for additional bids, closing the oral bid process with all bidders, identifying the apparent highest bidder at that time, and accepting the highest bid, or reject all bids; and

Whereas, the Board shall delegate to the General Manager of Sonoma Water the authority to to negotiate and execute a real property purchase agreement and any other related documents necessary to complete the transaction with the accepted bidder, in a form approved by County Counsel, subject to final approval of the Board of Directors; and

Whereas, the Board intends to adopt this Resolution to declare its intent to sell the Property pursuant to an auction; delegate authority to the General Manager of Sonoma Water to conduct an auction to sell the Property; fix the time, manner and place of the auction; describe the terms and procedures applicable to the auction, including, but not limited to, the form of the offer bid submission and acceptance or rejection of offers from interested parties to purchase the Property; and delegate authority to the General Manager of Sonoma Water to execute a real property purchase agreement and any other related documents necessary to complete the transaction with the accepted bidder, in a form approved by County Counsel; and

Whereas, Sonoma Water will return to the Board soon after the auction at a scheduled Board meeting for approval of the sale of the Property and to authorize Sonoma Water's General Manager to execute a transfer deed, and other documents required to dispose of the Property and finalize the sale.

NOW THEREFORE, BE IT RESOLVED that the Board of Sonoma Water hereby finds, determines, declares, and order as follows:

- 1. Verification of Recitals.** Each of the foregoing recitals is true and correct.
- 2. Declaration of Exempt Surplus Land.** The Property as described in this Resolution is real property that is used by Sonoma Water for agency's use and for which the Board has declared to be land that is surplus permitting it to be properly designated as "exempt surplus land" within the meaning of CA Government Code Section 54221(f)(1)(N) et seq. ("Surplus Land Act").
- 3. Declaration of Exempt Surplus Land.** The Property is not, within the meaning of CA Government Code Section 54221(f)(2) ("Surplus Land Act") any of the following:
 - (A) Within a coastal zone.
 - (B) Adjacent to a historical unit of the State Parks System.
 - (C) Listed on, or determined by the State Office of Historic Preservation to be eligible for, the National Register of Historic Places.
 - (D) Within the Lake Tahoe region as defined in Section 66905.5.
- 4. Declaration of intent to sell and authorize the disposition of Property.** The Board hereby declares their intention to sell the Property at fair market value as "exempt surplus land" to directly further the express purpose of Sonoma Water's work and operations and authorizes the sale of the Property pursuant to Government Code Section 25520 et seq.
- 5. Authorization of an alternative procedure for the manner and location of the sale of the Property.** Pursuant to CA Government Code Section 25539 the General Manager of Sonoma Water is authorized and directed to conduct an auction to sell the Property at the office of Sonoma Water located at 404 Aviation Blvd. in Santa Rosa, and to set the minimum bid price at \$500,000.
- 6. Set the date, time, and place for the auction.** The Board sets the auction on April 9, 2025, at the office of Sonoma Water located at 404 Aviation Blvd. in Santa Rosa, starting approximately at 11 a.m. and closing the auction around 1:30 p.m. on the day of the auction.

7. Procedure for opening and reviewing of sealed bids and oral bids. The General Manager of Sonoma Water is authorized and directed to receive, open, and review all bids for the purchase of the Property; declare the highest bid, orally call for additional bids, closing the oral bid process with all bidders, identify the apparent highest bidder at that time, and accept the highest bid, or reject all bids.

8. Authorization to Execute a Purchase Agreement. The General Manager of Sonoma Water is hereby authorized and directed to execute a real property purchase agreement, and any other related documents necessary to complete the transaction, in a form approved by County Counsel, subject to final approval of the Board of Directors.

9. Provisions of the sale of Property. Except for the delegation of authority to the General Manager of Sonoma Water, as described above, all provisions of CA Government Code sections 25520 et seq., shall be applicable to the process of selling the Property, as more fully described in CA Government Code Section 25539.

10. Terms and Conditions. The Board establishes the following terms and conditions applicable to the auction, including, but not limited to, the form of the offer bid submission and acceptance or rejection of offers from interested parties to purchase the Property.

The following terms and conditions will govern, and be required of, all bids before they may be considered valid:

- a) The bid must be confirmed in writing and signed, and comply with all the provisions set forth herein.
- b) The minimum bid for this property is \$500,000. No oral or written bid will be accepted that is less than the minimum bid.
- c) The bid must be submitted in the bid offer form provided without modification with the amount of the offeror's proposed purchase price filled in and signed by the offeror or the offeror's authorized signatory.
- d) The bid must state whether the offeror is represented by a broker, and if so, provides the name(s) of any agent and broker to whom a commission is to be paid.
- e) Upon successful close of escrow, a real estate sales commission of two and one-half percent (2.5%) of the sales price shall be payable from the proceeds of sale to a broker who is instrumental in obtaining the bid, provided that the broker is identified at the time of the bid. No commission shall be paid if the real estate agent and/or broker, and brokerage is not identified with the bid, whether written or oral.
- f) The bid shall include a deposit ("Bidder's Security") in the form of a cashier's check payable to "Sonoma County Water Agency" in the amount of \$10,000. Bidder's Security will be returned to the unsuccessful bidder(s) within ten (10) business days after the auction date. The Bidder's Security is nonrefundable for the highest accepted bid, and will be applied to the purchase price at escrow closing.
- g) The bid shall confirm that the buyer is prepared to make a ten percent (10%) nonrefundable deposit as an earnest money deposit, less the \$10,000 Bidder's Security deposit, into escrow within five (5) business day after the purchase agreement is fully executed by buyer and seller. The earnest money deposit, including the Bidder's Security deposit, shall be returned to the buyer if the Board does not approve the purchase agreement with buyer, be applied to the purchase price at escrow closing, or

retained by seller if escrow does not close consistent with the terms of the purchase agreement.

- h) If selected as the buyer of the Property, the offeror agrees to pay through escrow all escrow, title, and recording fees and costs necessary to complete the purchase of the Property.
- i) Sealed bids will be accepted by mail or in-person prior to the auction at the address below starting on Tuesday, April 1, 2025, sealed bids must state on the outside of the envelope "Sealed Bid Surplus Property" and be delivered by mail or in-person to the reception desk of Sonoma Water during business hours only, and must be received by Sonoma Water before April 8, 2025, at 4:00 p.m. at:

Sonoma Water
ATTN: Sealed Bid Surplus Property
404 Aviation Blvd.
Santa Rosa, CA 95403

- j) The auction for the sale of the Hewett Street Property will be held at the office of Sonoma Water on Wednesday, April 9, 2025. Sealed bids will also be accepted in-person, beginning at 11:00 a.m. until 1:00 p.m. with the bid opening for all validly submitted sealed bids commencing at approximately 1:00 p.m. and shortly thereafter the highest bid will be announced. Further pursuant to CA Government Code 25530, a call for oral bids will be made, which must exceed the highest bid by at least 5 percent, and after the closing of oral bidding all oral bids will be promptly evaluated, and the final and highest bid offer will be declared.

11. Board Approval of sale of Property. Sonoma Water will return to the Board soon after the auction at a scheduled Board meeting for approval of the sale of the Property and to authorize the General Manager of Sonoma Water to execute a transfer deed, and other documents required to dispose of the Property and finalize the sale.

12. Public Notices. The Clerk of the Board is hereby directed to: post the attached Notice of Adoption of Resolution of Intent to Sell ("Notice"), along with a copy of this resolution as signed by the Board Chair, in three public places in the County, not less than 15 days prior to the scheduled auction on April 9, 2025, and to publish the Notice in a newspaper of general circulation in Sonoma County, in compliance with CA Government Code Section 6063, once per week for three consecutive weeks prior to that date.

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THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED by at least a four-fifths vote of all members of the Board of Directors at a meeting of the Board of Supervisors of Sonoma County, State of California, held on the 14th Day of January 2025, by the following vote:

Directors: Sonoma County Water Agency

Hermosillo:

Rabbitt:

Coursey:

Gore:

Hopkins:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.

SONOMA COUNTY WATER AGENCY, a body corporate and politic, organized and existing under and by virtue of the laws of the State of California

By: _____
Chair of the
Board of Directors