



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: WRAG 19-024, **Version:** 1

Recommend that the Monterey County Water Resources Agency Board of Supervisors approve a one-year Lease Agreement with the Heritage Ranch Owners Association for 25 acres of lakefront property; and authorize the Interim General Manager to execute the Lease Agreement.

RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Directors recommend that the Monterey County Water Resources Agency Board of Supervisors:

- a. Approve a one-year Lease Agreement with the Heritage Ranch Owners Association for 25 acres of lakefront property, and
- b. Authorize the Interim General Manager to execute the Lease Agreement.

SUMMARY/DISCUSSION:

The proposed 25-acre lease property is located on Monterey County Water Resources Agency's (MCWRA) land on the south side of Nacimiento Reservoir on Snake Creek adjacent to the property owned by Heritage Ranch Owners Association (HROA), landlocking the 25 acres. The only way to access any part of this property is by water or going through HROA private property. As such, MCWRA is foregoing a competitive bid process and seeks to reenter into another lease with HROA for this property. HROA has leased the property for the past twenty years, originally from the former owners Water World Resorts, and in 2011 entered into a new lease agreement with MCWRA when it obtained the property.

HROA has leased the property from the MCWRA for the last eight years and the last lease agreement expired on June 30, 2016. Both parties intend to enter into a long-term lease agreement for the property once MCWRA has completed an official appraisal. In the interim, the parties want to enter into the one-year Lease Agreement (Attachment 1). The lease fee will commence at \$3,010.64 a month and will be adjusted annually by the Cost of Living index over the term of the lease. Heritage Ranch Owners Association agrees to terms in the Lease Agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the lease agreement.

FINANCING:

MCWRA will obtain \$3,010.64 every month from HROA and the funds will be placed in Fund 111.

Prepared by: Brent Buche, Deputy General Manager, (831) 755-4860

Approved by: _____
Shauna Lorange, Interim General Manager, (831) 755-4860

Attachments:

1. Draft Lease Agreement
2. Board Order