

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA AUTHORIZING THE CITY'S PUBLIC WORKS DIRECTOR TO ACT IN THE NEGOTIATIONS ON BEHALF OF THE CITY OF SANTA BARBARA FOR THE PURCHASE OF THE FEE SIMPLE INTEREST IN THE REAL PROPERTY KNOWN AS THE SANTA BARBARA HYDROELECTRIC POWER PLANT LAND AT LAURO DAM AND VERIFYING THAT FUNDS HAVE BEEN BUDGETED FOR THE PURCHASE AT FAIR MARKET VALUE AS DETERMINED BY APPRAISAL.

WHEREAS, the City received United States Bureau of Reclamation License and Agreement No. 20-07-20-L2148 (City Agreement No. 11,539), dated July 15, 1982, which permitted the construction, operation, and maintenance of the City's Hydroelectric Plant on United States land adjacent to Lauro Reservoir;

WHEREAS, the City's hydroelectric plant produced clean, renewable power from 1985 through 1998;

WHEREAS, the City decommissioned the hydroelectric plant in 1998, when it was determined that project operation, maintenance, permit, and regulatory costs exceeded project revenues;

WHEREAS, a technical analysis by Brown and Caldwell Engineers, Inc. in 2010 determined that recommissioning the hydroelectric plant would be feasible if the City were able to acquire fee simple title to the real property on which the plant was constructed which would most likely enable the City to avoid significant regulatory costs and burdens associated with starting and operating the plant;

WHEREAS, on August 23, 2010, the Cachuma Operations and Maintenance Board agreed to send a letter to the Bureau of Reclamation in support of the City of Santa Barbara's request to transfer ownership of the real property to the City for the purpose of recommissioning the City's Hydroelectric Plant at Lauro Reservoir;

WHEREAS, on November 2, 2010, City Council adopted Resolution No. 10-086 declaring the City's desire to resume operations at the hydroelectric plant and to accept ownership of the fee simple interest in real property known as the Santa Barbara Hydroelectric Power Plant at Lauro Dam;

WHEREAS, on January 7, 2013, the United States General Services Administration (GSA) issued a Notice that it had determined the real property "to be Government surplus and available for disposal";

WHEREAS, on January 15, 2013, the City's Public Works Director sent a letter to GSA notifying them of the City's intent to purchase the land; and

WHEREAS, on February 19, 2013, GSA informed the City that in order to initiate the process of "negotiated sale" in accordance with federal law, the City must adopt and submit a resolution adopted by the governing body verifying that (i) a particular individual is authorized to act in the negotiations on behalf of the City of Santa Barbara, and (ii) funds exist for the purchase.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA AS FOLLOWS:

SECTION 1. Christine F. Andersen, Public Works Director, is authorized hereby to act in the negotiations on behalf of the City for the purchase of the real property beneath the City's hydroelectric plant.

SECTION 2. Funds have been budgeted for the purchase of the real property at fair market value as determined by an appraisal prepared by a state licensed or certified appraiser.