

a contingency would be approximately \$600,000. There is currently \$300,000 for property acquisition carried over from the prior budget year. There is also a prior year savings in excess of \$300,000 which staff recommends be allocated to complete the acquisition and associated costs.

Issue

Should staff be authorized to proceed with the acquisition of the El Rancho Motel property and associated costs in an amount not to exceed \$600,000?

Alternatives

The Board of Directors has the following alternatives to consider:

1. Proceed with the acquisition, as outlined, and approve the Budget Resolution transferring prior year budget savings to property acquisition. Under this alternative, the Chair would be authorized to execute the escrow instructions on behalf of the Board and staff would be authorized to proceed with the removal of the structures, grading the site, placing base rock, and installing security fencing.
2. Do not proceed with the acquisition of the El Rancho Motel property and provide staff with direction on changes to the counteroffer outlined above.
3. Do not proceed with the acquisition of the property at this time.

Financial Implications

There is currently \$300,000 for property acquisition carried over from the 2001-2002 budget. Additionally, there have been savings within the various line items within the 2001-2002 budget that could be utilized for the associated acquisition costs. This concept has been discussed with the Executive Officer of the Shasta County Regional Transportation Planning Agency, who has concurred with the use of the funds. No line items within the 2002-2003 budget will be impacted by this acquisition.

Conclusion

The existing Maintenance Facility Master Plan outlined the need for additional property for the facility to expand. The acquisition of the El Rancho Motel property will meet a portion of that overall need. Mr. Sadati has accepted a price within the value suggested in the Shaw appraisal. Funding is currently available, which does not impact any existing program of RABA or its member agencies. Staff believe that the Board should proceed with authorization of the acquisition.

Attachment

Budget Resolution
Vicinity Map