



TOWN OF APPLE VALLEY

TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council **Date:** May 26, 2015

From: John Brown, Town Attorney **Item No:** 17
Best, Best & Krieger

Subject: CONSULTANTS AND EXPERTS FOR POTENTIAL APPLE VALLEY
RANCHOS WATER COMPANY ACQUISITION

T.M. Approval: _____ **Budgeted Item:** Yes No N/A

RECOMMENDED ACTION:

That the Town Council:

- A. Authorize the Town Attorney to contract with an environmental and planning firm in an amount not-to-exceed \$80,000.00 for preparation of the necessary environmental documentation to study the Town's potential acquisition and operation of the Apple Valley Ranchos Water Company system.
- B. Appropriate \$80,000.00 for purposes of retaining an environmental and planning firm for preparation of the necessary environmental documentation to study the Town's potential acquisition and operation of the Apple Valley Ranchos Water Company system (General Fund).

ALTERNATIVE TO STAFF RECOMMENDATION:

In addition to the staff recommendation, there is the following alternative:

- C. Continue the item and request additional action be taken by Town Staff or additional information be provided.

SUMMARY:

The Town is currently contemplating whether to make a formal offer to Apple Valley Ranchos Water Company to acquire the Apple Valley Ranchos Water Company system. In order to move forward with any potential acquisition, the Town will need to expeditiously hire a variety of consultants and experts to evaluate the potential environmental impacts of the transaction. Town Staff is seeking Town Council authorization to hire the necessary consultants and experts to analyze and assist with that task.

ANALYSIS:

The potential acquisition of the Apple Valley Ranchos Water Company system from Apple Valley Ranchos Water Company will require input and documentation from a variety of consultants and experts. To move forward with the potential acquisition, the Town Attorney will need to engage an environmental and planning firm to prepare the environmental documentation to analyze the environmental impacts of the Town's potential acquisition and operation of the Apple Valley Ranchos Water Company system. Town Staff estimates that the cost for such services will be approximately \$80,000.00. Town Staff is seeking Council authorization for the Town Attorney to contract with an environmental and planning firm in an amount up to \$80,000.00 for a term of three (3) years.

FISCAL IMPACT:

The total cost of the recommended action is \$80,000.00. Should the Town Council direct staff to proceed with the preparation and completion of California Environmental Quality Act ("CEQA") and other legal documents necessary to evaluate the environmental effects of the potential acquisition of the Apple Valley Ranchos Water Company System, the Council must also approve the appropriation of an additional \$80,000.00 from the General Fund to complete that task.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies are available at the Town Hall public counter, the Town website, and outside Town Hall.