



**City of Santa Ana**  
**20 Civic Center Plaza, Santa Ana, CA 92701**  
**Staff Report**  
**November 15, 2022**

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**TOPIC:** Purchase of Real Property for Santa Ana Water Resources Elevated Tank

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**AGENDA TITLE:**

Purchase and Sale Agreement of Real Property at 1415 French Street for Santa Ana Water Resources Elevated Tank Site (Non-General Fund)

**RECOMMENDED ACTION**

Authorize the City Manager to execute a purchase and sale agreement with Santa Ana Unified School District for the purchase of real property located at 1415 French Street (APN 398-151-01), in the amount of \$781,000, plus normal closing costs and escrow fees, for a total amount not to exceed \$860,000, subject to non-substantive changes approved by the City Manager and the City Attorney.

**DISCUSSION**

The Public Works Agency's Water Resources Division oversees and maintains the daily operations of the City's water distribution system. The water system is composed of approximately 480 miles of water main, 21 groundwater wells, seven pump stations, 10 reservoirs with a storage capacity of 49 million gallons, four pressure-regulating vaults (PRVs), and seven connection points with Metropolitan Water District of Southern California (MWD).

Originally constructed in 1928, the City's elevated water storage tank (Elevated Tank) is a familiar Orange County historic landmark. The Elevated Tank is capable of holding up to 1 million gallons of potable water and helps maintain a consistent pressure range throughout the Low Pressure Zone found south of Interstate 5. As such, it is a critical component of the City's water system infrastructure.

In 1917, the City entered into a 99-year lease with the Santa Ana Unified School District (SAUSD) for a portion of the property which now contains Davis Elementary School, and since 1928 has housed the Elevated Tank and related equipment. The lease expired in 2016, and the City and SAUSD have had ongoing discussions since that time on how to proceed. In a closed session meeting on October 19, 2021, the City Council directed staff to proceed with the negotiation for purchase of an approximately 14,412 square-foot portion of the property needed for the City's water system equipment.

On July 12, 2022, the Santa Ana Unified School District Board of Education approved the City's offer to purchase the property for \$781,000. Closing costs and escrow fees are anticipated to cost approximately \$79,000, bringing the total estimated purchase expenditure to a not-to-exceed total of \$860,000. Staff recommends approving the purchase and sale agreement to ensure that these crucial water system assets are housed on City-owned property.

### **ENVIRONMENTAL IMPACT**

There is no environmental impact associated with the action.

### **FISCAL IMPACT**

Funds for this action have been transferred from previously appropriated funds for the Fisher Park Neighborhood Water Main Improvements (Project No. 19-6429) to the Santa Ana Water Resources Elevated Tank Site Acquisition Project (No. 23-6478) and are available for expenditure in the current Fiscal Year 2022-23 as shown below:

<b>Fiscal Year</b>	<b>Accounting Unit - Account #</b>	<b>Fund Description</b>	<b>Accounting Unit, Account Description</b>	<b>Amount</b>
2022-23	06617647-66100 (23-6478)	Acquisition & Construction	Water Utility Capital Projects, Land	\$860,000

### **EXHIBIT(S)**

1. Purchase and Sale Agreement

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Kristine Ridge, City Manager