

San Geronio Pass Water Agency

DATE: September 8, 2025
TO: Board of Directors
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: APPROVE PROPERTY PURCHASE OF 1216 BEAUMONT AVE.

RECOMMENDATION

Approve the purchase of 1216 Beaumont Ave. and authorize the General Manager to organize inspections and sign all necessary documentation.

PREVIOUS CONSIDERATION

- Board of Directors – June 2, 2025: The Board met in closed session to review any new information available concerning the purchase of the property at 1216 Beaumont Ave. The General Manager was given general direction to monitor the property, but no decision was made that was reportable under the Brown Act.
- Board of Directors – February 3, 2025: The Board met in closed session to review any new information available concerning the purchase of the property at 1216 Beaumont Ave. The General Manager was given general direction to monitor the property, but no decision was made that was reportable under the Brown Act.
- Board of Directors – September 18, 2023: The Board met in closed session to consider the purchase of the property adjacent to the Agency property, 1216 Beaumont Ave. The General Manager was given general direction to monitor the property, but no decision was made that was reportable under the Brown Act.

BACKGROUND

The property adjacent to the Headquarters property of the Agency became available for sale in 2023. The Board met in closed session initially to consider various options and gave the General Manager general direction to pursue the matter under his authority. The Board met subsequently to receive updates and continued to affirm the General Manager's approach to the situation.

ANALYSIS

The property recently became available at a price that fell within the Agency's legal limit. Mr. Eckhart approved the opening of escrow and authorized a deposit of 1% of the property's selling price, \$462,000. The length of the escrow is 60 days, and will close contingent of the Agency's acceptance of various inspection reports.

STRATEGIC PLAN NEXUS

Strategic Goal 2: Infrastructure & System Reliability

Objective 3: Strategically acquire property necessary to support the regions' long-term resource needs.

FISCAL IMPACT

While the purchase of property was contemplated, it was not specifically budgeted, to maintain some semblance of negotiating ability. The cost of the property will come from the General Fund. The expenditure will lower the net addition to reserves at year-end, but the budget for FY 2025-26 projects a sufficient amount to cover this expenditure without using reserves. The Board could pass a budget adjustment if it wishes.

The line item 'New Property' was added this fiscal year, line #114, in case the Agency secured the property. \$50,000 has been budgeted for miscellaneous needs that may arise to maintain the property for FY25-26.

ACTION

Approve the purchase of 1216 Beaumont Ave. and authorize the General Manager to organize inspections and sign all necessary documentation.