

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: CHAIR AND BOARD MEMBERS
FROM: JILL SCOTT, REAL PROPERTY MANAGER, REAL ESTATE SERVICES
SUBJECT: APPROVAL OF THE ACQUISITION OF 3875 SKYFARM DRIVE FOR THE RELOCATION OF RESERVOIR 5

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by Santa Rosa Water and Real Estate Services that the Board of Public Utilities, by resolution, 1) approve the acquisition of 3875 Skyfarm Drive, APN 173-760-034, located in Santa Rosa, California ("Property"), for the relocation of Reservoir 5; 2) approve the filing of a Notice of Exemption pursuant to the California Environmental Quality Act ("CEQA") for the acquisition of the Property; and 3) authorize the City Manager or designee to execute all documents necessary to complete the acquisition and related documents, subject to approval as to form by the City Attorney. Funding for the acquisition is available in the current fiscal year budget.

EXECUTIVE SUMMARY

Santa Rosa Water and Real Estate Services are recommending the Board of Public Utilities (BPU) approve the acquisition of 3875 Skyfarm Drive, Santa Rosa, for the relocation of Reservoir 5 (R-5). This project is necessary to enhance seismic resiliency, protect water quality, support fire protection, and improve system reliability for customers within the R-5 pressure zone serving the Fountaingrove area. An acquisition agreement has been successfully negotiated and is presented for the Board's consideration.

BACKGROUND

The existing Reservoir 5 water tank, located at 3884 Skyfarm Drive, was constructed in 1991 and sustained damage during the 2017 Tubbs fire. The tank, originally designed to store 300,000 gallons of water, now requires a full recoating to maintain compliance with water quality standards. In addition, the tank no longer meets current seismic safety requirements and has been restricted to operating at 20% capacity until it can be replaced.

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Reconstructing the tank at its current location is impractical due to site constraints that limit efficient operations and expansion.

Relocation of the water storage tank is necessary to comply with current seismic design standards, maintain water quality, minimize the risk of service disruptions, enhance fire protection capabilities, and improve the overall resiliency and reliability of the R-5 water pressure zone serving the Fountaingrove area.

In June 2025, Santa Rosa Water hired Brelje & Race Consulting Engineers to evaluate potential sites for a new reservoir; the firm identified seven locations that met operational requirements. Of these, the City has identified one unimproved property with a responsive and willing seller, located at 3875 Skyfarm Drive.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On January 15, 2026, in closed session, the BPU met to grant authority to its negotiator regarding price and terms of payment for the purchase of 3875 Skyfarm Drive.

ANALYSIS

Relocation of the existing R-5 water tank is necessary to comply with current seismic design standards and address critical operational needs. Relocation will protect water quality, reduce the potential for service disruptions, enhance fire protection, and improve overall system resiliency and reliability within the R-5 water pressure zone serving the Fountaingrove area.

This vacant 1-acre parcel, located across from the existing R-5 tank, represents the preferred site for the replacement reservoir and is the most suitable option among the identified alternatives. Its location at the highest elevation within the R-5 pressure zone supports optimal system design and operational efficiency, ensuring proper management and system resiliency for the Fountaingrove area. Additionally, the new location can accommodate modern seismic engineering standards and offers sufficient space to support co-located fire safety, police and telecommunications equipment.

The site's location at the highest elevation within the R-5 pressure zone provides significant operational benefits. In the event of a main break, hydrant damage, or large water demand, it can be difficult to maintain adequate system pressure due to the terrain of the area. A reservoir at this elevation allows operators to maintain system pressure, sustain service within the R-5 zone and adjacent zones, and ensure reliable water delivery during peak demand or emergency conditions.

Staff has successfully negotiated and secured a purchase agreement with the seller consistent with the price and terms previously authorized by the BPU to acquire the property for \$600,000, plus closing costs to be paid by the City. Staff is now seeking BPU approval for the property acquisition; authorization to file a Notice of Exemption

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pursuant to the California Environmental Quality Act (CEQA) for the acquisition of the Property; and authorization for the City Manager, or designee, to execute all documents necessary to complete the acquisition, subject to approval as to form by the City Attorney.

FISCAL IMPACT

The purchase will be funded by the Water Enterprise Fund Capital Improvement Program appropriations. There are no General Fund impacts.

ENVIRONMENTAL IMPACT

The proposed action consists of the City's acquisition of approximately 1 acre of real property located at 3875 Skyfarm Drive. The current action is limited solely to acquisition of the property. No construction, grading, demolition or physical changes to the site are proposed or authorized at this time.

Because the acquisition does not result in a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, it does not constitute a "project" under CEQA, pursuant to CEQA Guidelines Section 15378.

In the alternative, the acquisition is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3), as it can be seen with certainty that there is no possibility that the acquisition alone may have a significant effect on the environment.

Any future development of the site would require separate discretionary approvals and would be subject to environmental review under CEQA, as appropriate. Consistent with CEQA Guidelines Section 15004(b)(2)(A), approval of the property acquisition does not commit the City to any future development of the site, and any future use of the property is conditioned upon compliance with CEQA.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

NOTIFICATION

Not applicable

ATTACHMENTS

- Resolution
- Exhibit A – Purchase Agreement

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PRESENTER

Jill Scott, Real Property Manager