



Meeting: **Reservoir Committee & Authority Board**  
**Agenda Item 2.3**

**March 20, 2026**

Subject: **Approval of a Contingency Land Acquisition Program**

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**Requested Action:**

Reservoir Committee and Authority Board consider approval of the Contingency Land Acquisition Program.

**Detailed Description/Background:**

In 2023, the Authority Board and Reservoir Committee took a significant step to advance the Project by approving the development and implementation of the Early Land Acquisition Program. As a result of this program, Authority staff have successfully acquired four properties. Collectively, these acquisitions cover approximately 2,200 acres, representing significant land access for early construction preparations in critical path locations. All these purchases have been willing seller-willing buyer transactions. In addition to these completed purchases, negotiations are currently underway for two more properties, which are expected to be acquired in 2026 under the same program. Once these properties are purchased, this concludes the early land acquisition program. These early acquisitions have led to landowners expressing a desire to gain greater certainty in value and timing related to the Authority's purchase of their property. In response, Staff is proposing the Contingency Land Acquisition Program which would allow negotiation of price and terms for purchase of up to 10 properties (due to staffing resource limitations) which would be activated immediately upon certain near-term schedule events occurring. There would be no closing or release of funds until after the start of Phase 3.

The proposed Contingency Land Acquisition Program approach provides participating landowners with clear information about the timing, valuation, and overall acquisition process. This transparency not only helps landowners better understand what to expect but also provides greater certainty for their estate planning. By having a defined process and timeline, landowners can make more informed decisions regarding their properties.

The Contingency Land Acquisition Program is designed to be open to landowners within the reservoir footprint who are willing to participate in the contingency acquisition process. Participation requires landowners to agree to allow the Authority to conduct an appraisal of their property, enter into negotiations with

the Authority, and pursue a final purchase agreement. Purchase agreements would be approved by the Board in a separate action.

Due to limited staff resources, the program will be limited to a maximum of ten agreements. If more than ten landowners express interest in participating, the Authority will prioritize applications according to defined criteria, including:

- Parcels that are essential for construction activities scheduled for 2028.
- Parcels where key Project infrastructure will be located.
- Parcels offering environmental mitigation opportunities to support construction activities.

The Contingency Land Acquisition Program would be implemented in compliance with the Uniform Relocation Act (URA) and consistent with the Authority's Real Property and Land Management Policy. The process will follow all of the standard acquisitions steps as required by the URA. Purchase agreements executed under this approach will include a specific "contingency clause" stating the agreement is subject to all the following conditions,

- **Securing the Water Supply Contract** – The Authority must successfully enter into contracts with project participants and agreements with the Project's federal & state partners.
- **Authority/Reservoir Committee approval of a Resolution to Finance Construction** – The Authority must formally issue a Resolution to Finance Construction, which serves as an official commitment to borrow money.
- **Availability of Acquisition Funds** – Acquisition funds must be budgeted by the Authority and made available for deposit in each transaction's escrow account.

When these three milestones are complete, the Authority will fund and close escrow on the subject properties. Under the current project schedule, it is anticipated these acquisitions would take place in the 1<sup>st</sup> quarter of 2027.

Authority Staff have discussed the general concept with landowners at the most recent landowner meeting. Based on feedback from several landowners, there is an interest in participating in the program. The Land Management Committee reviewed the proposal.

**Fiscal Impact/Funding Source:**

Funding for staff support and appraisals to support the program is available in the existing 2026 Priority Acquisitions & Land Management budget. There would be no expenditure on property purchases until after the start of Phase 3.

**Prior Actions:**

None.

**Staff Contact:**

Kevin Spesert

**Primary Service Provider:**

CMD West  
JEM Land Consulting

**Attachments:**

Attachment A – Parcel map covering the reservoir inundation area

