

The Metropolitan Water District of Southern California

Agenda

The mission of the Metropolitan Water District of Southern California is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

RP&AM Committee

P. Hawkins, Chair
G. Peterson, Vice Chair
M. Camacho
L. Dick
D. Erdman
A. Kassakhian
C. Kurtz
R. Record
T. Smith
N. Sutley

Real Property and Asset Management Committee

Meeting with Board of Directors *

September 13, 2022

10:30 a.m.

Teleconference meetings will continue until further notice. Live streaming is available for all board and committee meetings on mwdh2o.com ([Click Here](#))

A listen only phone line is also available at 1-877-853-5257; enter meeting ID: 831 5177 2466. Members of the public may present their comments to the Committee on matters within the committee's jurisdiction as listed on the agenda via in-person or teleconference. To participate via teleconference (833) 548-0276 and enter meeting ID: 815 2066 4276.

**Tuesday, September 13,
2022**

**08:30 a.m. L&C
09:30 a.m. OP&T
10:30 a.m. RP&AM
12:00 p.m. BOD**

MWD Headquarters Building • 700 N. Alameda Street • Los Angeles, CA 90012

* The Metropolitan Water District's meeting of this Committee is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to this Committee may participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to this Committee will not vote on matters before this Committee.

1. Opportunity for members of the public to address the committee on matters within the committee's jurisdiction (As required by Gov. Code Section 54954.3(a))

**** CONSENT CALENDAR ITEMS -- ACTION ****

2. CONSENT CALENDAR OTHER ITEMS - ACTION

- A. Approval of the Minutes of the Meeting of the Real Property and Asset Management Committee held August 16, 2022 [21-1496](#)

Attachments: [09132022 RPAM 2A Minutes](#)

3. CONSENT CALENDAR ITEMS - ACTION

7-9 Authorize granting a new ten-year license agreement to Valley-Wide Recreation and Park District for the continued operation of a trail on Metropolitan fee-owned property in the city of Hemet and county of Riverside California Assessor Parcel Numbers; 454-070-016; 454-140-029; 454-140-033; 454-140-035, -036, -037; 454-160-001; 454-160-010, -011, -012, -013, -014, -015, -016; 454-280-024; 454-280-029; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [21-1476](#)

Attachments: [09132022 RPAM 7-9 B-L](#)
[09132022 RPAM 7-9 Presentation](#)

7-10 Authorize the General Manager to grant a permanent easement for electrical equipment purposes to Southern California Edison on Metropolitan property in Riverside County; the General Manager has determined that this proposed action is exempt or otherwise not subject to CEQA [21-1477](#)

Attachments: [09132022 RPAM 7-10 B-L](#)
[09132022 RPAM 7-10 Presentation](#)

7-11 Authorize an increase of \$8.5 million to an agreement with Roesling Nakamura Terada Architects for a new not-to-exceed total of \$13.5 million for final design and architectural services in support of the District Housing and Property Improvement Program; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [21-1478](#)

Attachments: [09132022 RPAM 7-11 B-L Revised](#)
[09132022 RPAM 7-11 Presentation](#)

**** END OF CONSENT CALENDAR ITEMS ****

4. OTHER BOARD ITEMS - ACTION

NONE

5. BOARD INFORMATION ITEMS

NONE

6. COMMITTEE ITEMS

NONE

7. MANAGEMENT REPORTS

- a. Real Property Group Manager's Report

[21-1511](#)

8. FOLLOW-UP ITEMS

NONE

9. FUTURE AGENDA ITEMS

10. ADJOURNMENT

NOTE: This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Agendas for the meeting of the Board of Directors may be obtained from the Board Executive Secretary. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site <http://www.mwdh2o.com>.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

ADJOURNED REAL PROPERTY AND ASSET MANAGEMENT COMMITTEE

August 16, 2022

Vice Chair Peterson called the teleconference meeting to order at 11:49 a.m.

Committee Members present: Vice Chair Peterson, Directors Camacho, Dick, Erdman, Kurtz, Record, Smith, and Sutley.

Members absent: Director Kassakhian

Other Board Members present: Directors Abdo, Ackerman, Atwater, Blois, Camacho, Cordero, De Jesus, Dennstedt, Faessel, Fong-Sakai, Goldberg, Jung, Lefevre, McCoy, Miller, Morris, Ramos, Tamaribuchi, and Williams.

Committee Staff present: Callanan, Chapman, Hagekhalil, Hom, Otake, Upadhyay, and Holland

1. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE COMMITTEE ON MATTERS WITHIN THE COMMITTEE’S JURISDICTION

None

CONSENT CALENDAR ITEMS — ACTION

2. CONSENT CALENDAR OTHER ITEMS – ACTION

A. Approval of the Minutes of the Meeting of the Real Property and Asset Management Committee held July 12, 2022.

3. CONSENT CALENDAR ITEMS – ACTION

7-9 Subject: Authorize granting a new ten-year license agreement to the County of Orange for the continued operation of an existing telecommunication site on Metropolitan’s fee-owned property in the city of Yorba Linda, identified as Orange County Assessor 329-021-03; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Motion: Authorize granting a ten-year license agreement with three 5-year options to the County of Orange for telecommunications purposes.

- 7-10 Subject: Authorize granting a new thirty-year license agreement to the County of Los Angeles Parks and Recreation for the operation of a new public park on Metropolitan's fee property in an unincorporated area of Los Angeles County; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA
- Motion: Authorize granting a 30-year license agreement to the County of Los Angeles Parks and Recreation for a public park.

No presentations were given, Director Record made a motion, seconded by Director Sutley to approve the consent calendar consisting of items 2A, 7-9 and 7-10.

The vote was:

- Ayes: Directors Camacho, Dick, Erdman, Kurtz, Peterson, Record, Smith and Sutley
- Noes: None
- Abstentions: None
- Absent: Kassakhian

The motion for items 2A, 7-9 and 7-10 passed by a vote of 8 ayes, 0 noes, 0 abstention, and 1 absent.

END OF CONSENT CALENDAR ITEMS

4. OTHER BOARD ITEMS – ACTION

None

5. BOARD INFORMATION ITEMS

None

6. COMMITTEE ITEMS

- a. Subject: Update on Delta Island Initiatives

Presented by: Randall Neudeck, Bay Delta Programs Manager

Mr. Neudeck provided an overview and history of Metropolitan's Delta Island resources, some of the collaborative efforts and accomplishments that staff has undertaken, and future opportunities, considerations and processes.

The following Directors provided comments or asked questions

1. Record
2. Smith
3. Erdman
4. Lefevre
5. Sutley
6. Fong-Sakai
7. Peterson

Staff responded to the Directors' comments or questions.

7. MANAGEMENT REPORT

- a. Subject: Real Property Manager's Report
No report given

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

Presentation on Regenerative Agriculture Efforts in the Palo Verde Valley

Next meeting will be held on September 13th, 2022.

Meeting adjourned at 12:34 p.m.

Glen Peterson
Vice Chair



● **Board of Directors**

Real Property and Asset Management Committee

9/13/2022 Board Meeting

7-9

Subject

Authorize granting a new ten-year license agreement to Valley-Wide Recreation and Park District for the continued operation of a trail on Metropolitan fee-owned property in the city of Hemet and county of Riverside California Assessor Parcel Numbers; 454-070-016; 454-140-029; 454-140-033; 454-140-035, -036, -037; 454-160-001; 454-160-010, -011, -012, -013, -014, -015, -016; 454-280-024; 454-280-029; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

This action authorizes the General Manager to enter into a new, ten-year license agreement with Valley-Wide Recreation and Park District (Valley-Wide) at Diamond Valley Lake (DVL) (**See Location Map in Attachment 1**). In September 2017, Metropolitan granted Valley-Wide a one-year lease, renewable for up to five years, under the General Manager's authority to operate a walking/running trail (trail) adjacent to the existing Valley-Wide park facility. This lease agreement expired on August 31, 2022. Valley-Wide is requesting a new ten-year license agreement under mutually beneficial terms and conditions for the continued operation of the trail. This license agreement will allow them to offer expanded recreational opportunities that complement their existing onsite recreation components. This recreational trail will contribute to increased secondary uses of Metropolitan-owned property while advancing Metropolitan's objective of enhancing recreational amenities at DVL.

Details

Background

Metropolitan established the DVL East Recreation Area to provide public access to the recreational, natural, and cultural resources at DVL. Valley-Wide is a special district in the county of Riverside that operates public parks, recreational facilities, and programs, including Diamond Valley Lake Community Park and Aquatic Center at the DVL East Recreation area. Metropolitan granted Valley-Wide a ground lease for this East Recreation area in 2001, which offers a range of recreation activities to members of the local community, such as organized youth baseball, softball, soccer, aquatic activities, and other recreation amenities. In 2017, Metropolitan granted Valley-Wide an additional lease to operate a trail on the property adjacent to the community park facility. This lease agreement is at the end of its term, and staff is recommending a new, ten-year license agreement that will enable Valley-Wide to continue its use of the property as a trail and to host cross-county and other local running events that serve schools, fire/law enforcement, and veteran support organizations.

Valley-Wide's use of Metropolitan property under this license is limited to the path of the existing trail, which totals 5.9 acres. The trail site is located near an area that has seen increased dumping and trespassing incidents that require valuable district resources to redress. Increasing the recreational use of this land will discourage unauthorized uses on the property. Granting this license agreement will affirm Metropolitan's commitment as a community partner while reducing the costs of protecting and managing Metropolitan-owned lands.

In 2017, Metropolitan became signatory to the Diamond Valley Lake Memorandum of Intent (MOI) to partner with public recreation agencies and community partners to enhance access to recreational amenities at DVL. Therefore, this proposed use is in alignment with the objectives of the MOI.

Staff has concluded that it is mutually beneficial to waive the appraised license fee value of this property and recommends replacing the existing lease structure with current Metropolitan standard license provisions. Staff evaluation has determined that this agreement will not interfere with Metropolitan's operations or facilities in the area.

The proposed agreement will have the following key provisions and benefits:

- Subject to Metropolitan's paramount rights reservation.
- Ten-year term.
- License is mutually beneficial by increasing public recreational opportunities while reducing unauthorized dumping and trespassing abatement costs to Metropolitan.
- Licensee is responsible for trail maintenance.
- Metropolitan will retain the right to cancel the license with 12 months' notice if a preferable long-term use for this property is identified.

Policy

Metropolitan Water District Administrative Code Section 8230: Grants Real Property Interests

Metropolitan Water District Administrative Code Section 8231: Appraisal of Real Property Interests

Metropolitan Water District Administrative Code Section 8232: Terms and Conditions of Management

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed action consists of the leasing, licensing, maintenance, and operating of existing public or private structures, facilities, and equipment with negligible or no expansion of use beyond that existing at the time of the lead agency's determination. In addition, it will not have a significant effect on the environment. Accordingly, this proposed action qualifies as a Class 1 Categorical Exemption (Section 15301 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Authorize granting a new ten-year license agreement to Valley-Wide Recreation and Park District for the continued operation of a trail on Metropolitan fee-owned property.

Fiscal Impact: Metropolitan will forgo the appraised value of the license fee, estimated between \$2,100 to \$4,100 per year. Foregoing the license fee will be offset by the reduced costs to abate illegal dumping and trespassing.

Business Analysis: Enhances public recreation opportunities and promotes visitation to all Diamond Valley Lake facilities. Increases the authorized use of the property, leading to reduced illegal dumping and trespassing activity.

Option #2


Do not authorize the license agreement.

Fiscal Impact: Metropolitan may have increased costs to remedy illegal dumping and trespassing.

Business Analysis: Metropolitan would forego opportunities to enhance recreational offerings to the public.

Staff Recommendation

Option #1



Lilly L. Shraibati
Group Manager
Real Property Group

8/25/2022

Date



Adel Hagekhalil
General Manager

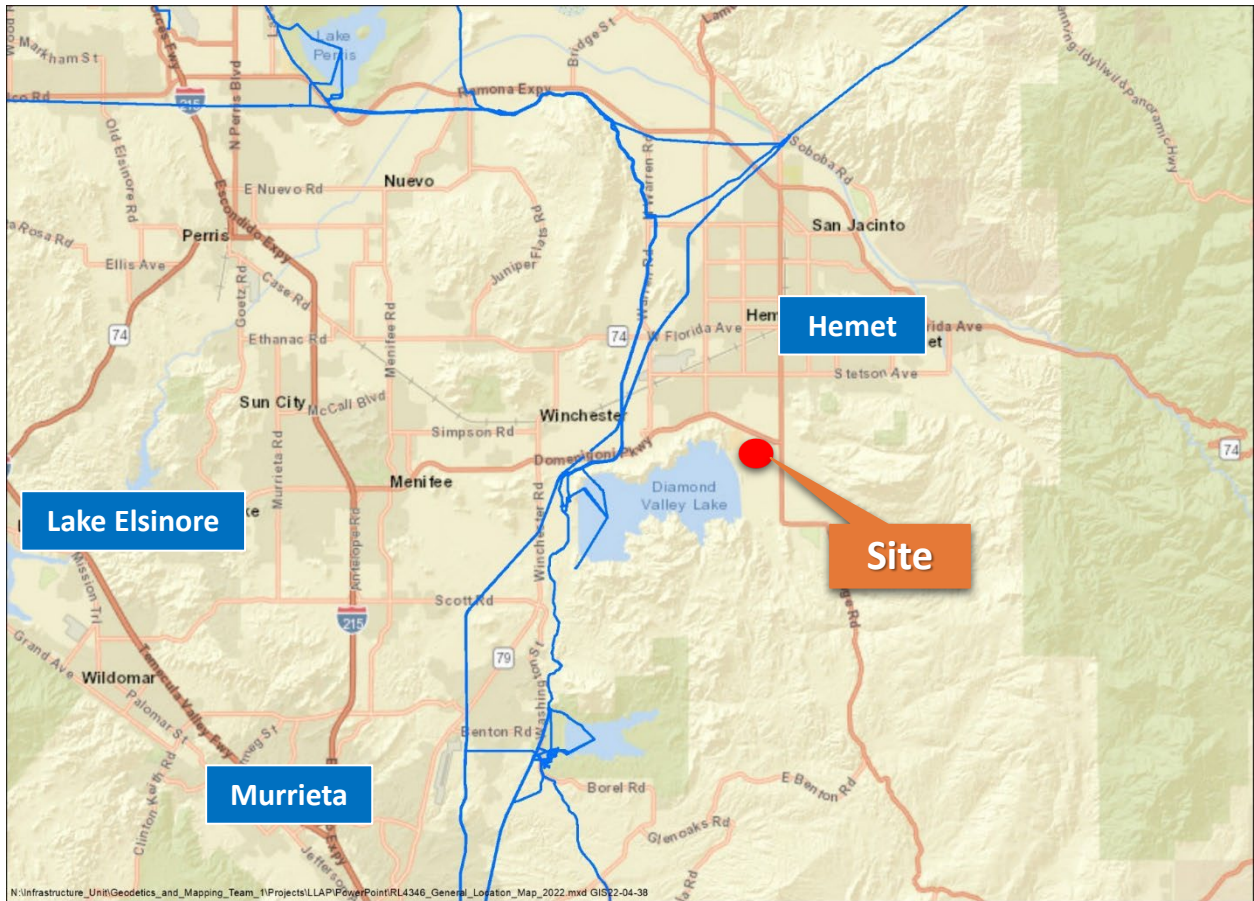
8/26/2022

Date

Attachment 1 – Location Map

Ref# rpd12690479

General Location Map





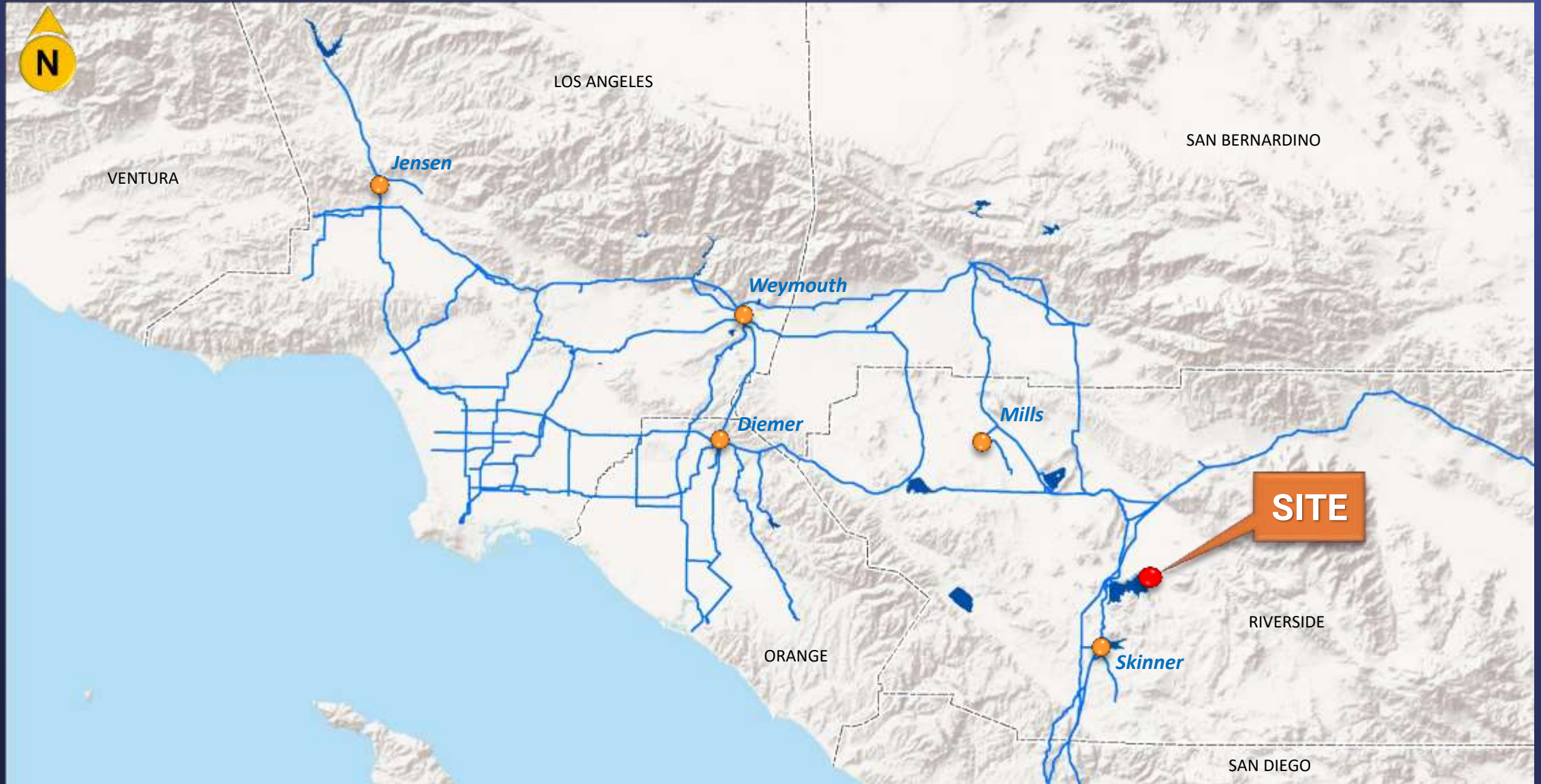
Real Property & Asset Management Committee

Valley-Wide Recreation and Park District License Agreement

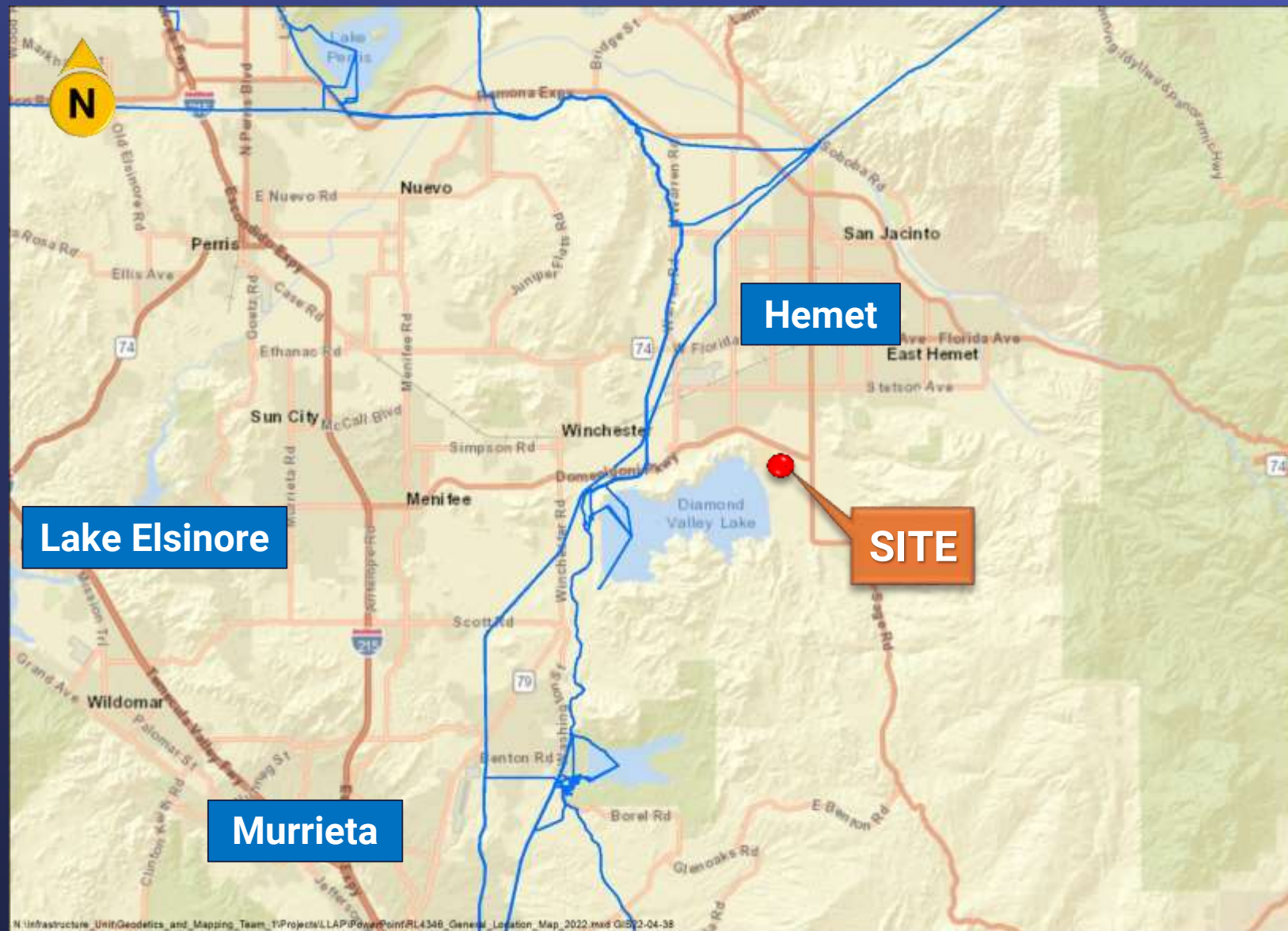
Item 7-9

September 13, 2022

Distribution System Map



General Location Map



Site Map



Key Provisions

- Subject to Metropolitan's paramount right reservation
- Ten-year term
- License fee to be waived due to mutual benefit
- Licensee is responsible for trail maintenance
- Metropolitan will retain the right to cancel the license with 12 months notice

Board Options

Option No. 1

- Authorize granting a new ten-year license agreement to Valley-Wide Recreation and Park District for the continued operation of a trail on Metropolitan fee-owned property

Option No. 2

- Do not authorize the license agreement

Board Options

Staff Recommendation

- Option No. 1





● **Board of Directors**
Real Property and Asset Management Committee

9/13/2022 Board Meeting

7-10

Subject

Authorize the General Manager to grant a permanent easement for electrical equipment purposes to Southern California Edison on Metropolitan property in Riverside County; the General Manager has determined that this proposed action is exempt or otherwise not subject to CEQA

Executive Summary

This action authorizes the General Manager to grant a permanent easement to Southern California Edison (SCE) for electrical equipment purposes within Metropolitan's fee-owned property north of Lake Mathews in Riverside County. The proposed easement area is located on the south side of Blackburn Road, just east of La Sierra Avenue, and will encumber a small portion of Metropolitan's property (**Attachment 1**). SCE has requested an easement in connection with its larger project to relocate existing overhead wires and poles underground. Board authorization to grant this permanent easement is required as the real property interest to be conveyed exceeds five years.

Details

Background

SCE has existing wooden poles and overhead electrical lines on Metropolitan fee-owner property near Lake Mathews. SCE proposes to remove this equipment and install new equipment within a new 348-square-foot easement area. The requested area is outside the Lake Mathews conservation easement and ecological reserve boundaries. Staff has determined that the easement will not interfere with Metropolitan's operations, and any improvements proposed within the easement area are subject to Metropolitan's prior review and written approval.

The permanent easement will have the following key provisions:

- Compatible use with paramount rights provisions for Metropolitan.
- Construction, operation, and maintenance of underground electrical equipment.
- SCE is responsible for the operation and maintenance of the electrical equipment and for indemnifying Metropolitan.
- All plans for the initial construction and significant repair, maintenance, and replacement must be reviewed and approved by Metropolitan prior to commencement.
- SCE is responsible for maintenance.
- The permanent easement will be terminated due to non-use and abandonment for a period of three consecutive years.

The fair market value for the proposed easement is \$1,000, as determined by a qualified licensed appraiser. Metropolitan will also receive a one-time processing fee of \$7,500.

Policy

Metropolitan Water District Administrative Code Section 8230: Grants of Real Property Interests

Metropolitan Water District Administrative Code Section 8231: Appraisal of Real Property Interests

Metropolitan Water District Code Section 8232: Terms and Conditions of Management

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 48766, dated August 16, 2011, the Board adopted fair market value policies for managing Metropolitan's real property assets.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed action involves operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use and no possibility of significantly impacting the physical environment. The proposed action also includes minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees except for forestry or agricultural purposes. Accordingly, the proposed action qualifies under Class 1 and Class 4 Categorical Exemptions (Sections 15301 and 15304 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Authorize the granting of a permanent easement for electrical equipment to Southern California Edison.

Fiscal Impact: Metropolitan will receive one-time processing fees of \$7,500 and \$1,000 as the fair market value for the easement area.

Business Analysis: Cooperation with other utilities, by granting easements and other rights of entry, furthers the public interest and facilitates Metropolitan's obtaining easements and other property rights critical for its operations. Metropolitan will also receive positive revenue from fees and fair market value for the easement.

Option #2

Do not authorize the permanent easement.

Fiscal Impact: Metropolitan will forego one-time processing and conveyance fees of \$8,500.

Business Analysis: Southern California Edison may be delayed or prevented from implementing its electrical upgrade project and may use eminent domain action to obtain the necessary easement. This option could hinder opportunities to obtain rights or permits for Metropolitan project from Southern California Edison in the future.

Staff Recommendation

Option #1



Lilly L. Shrabati
Manager, Real Property Group

8/24/2022
Date



Adél Hagekhalil
General Manager

8/31/2022
Date

Attachment 1 – Location Map

Ref# rpdm 12685386

Location Map





Real Property & Asset Management Committee

Southern California Edison (SCE) Easement Agreement

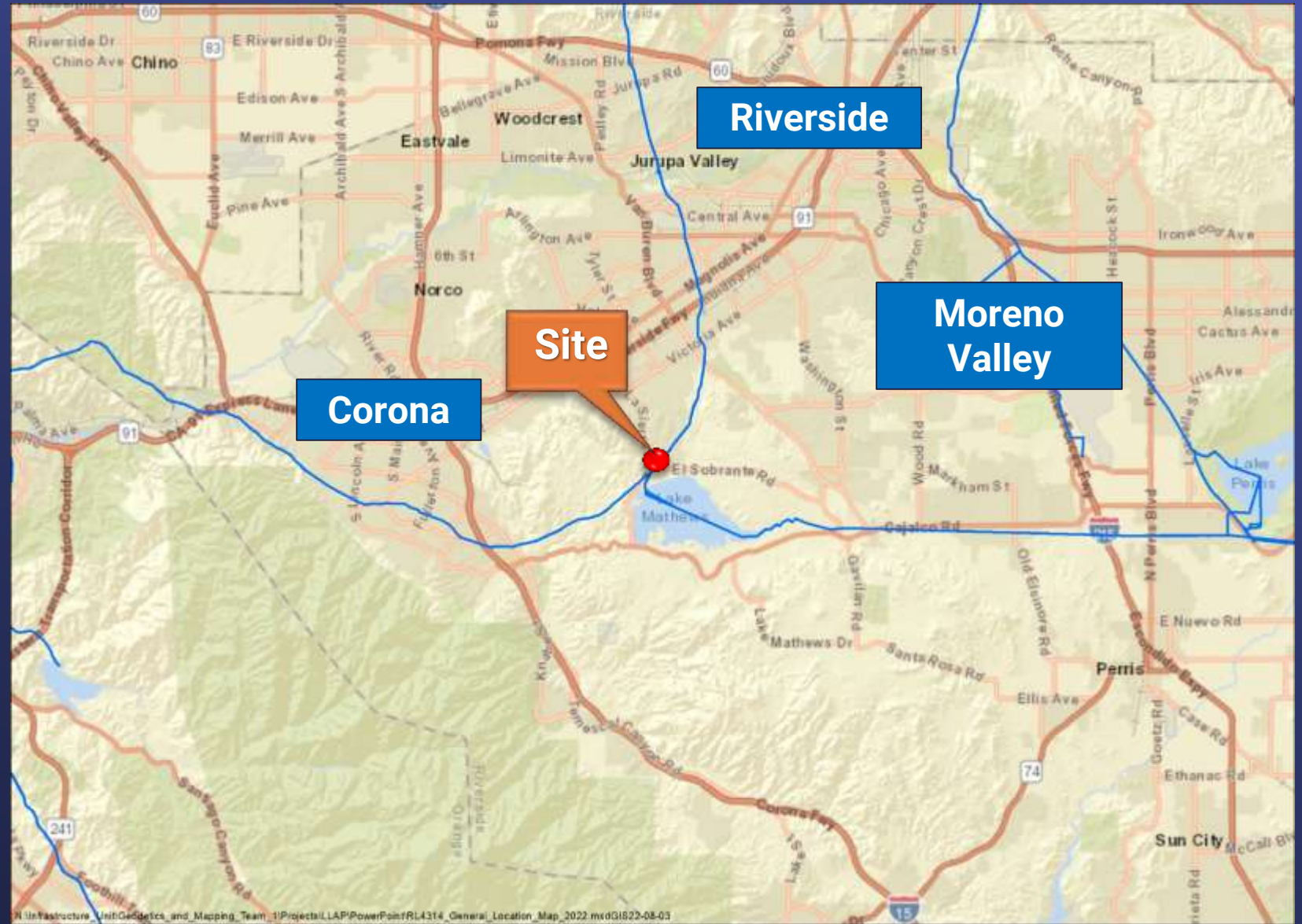
Item 7-10

September 13, 2022

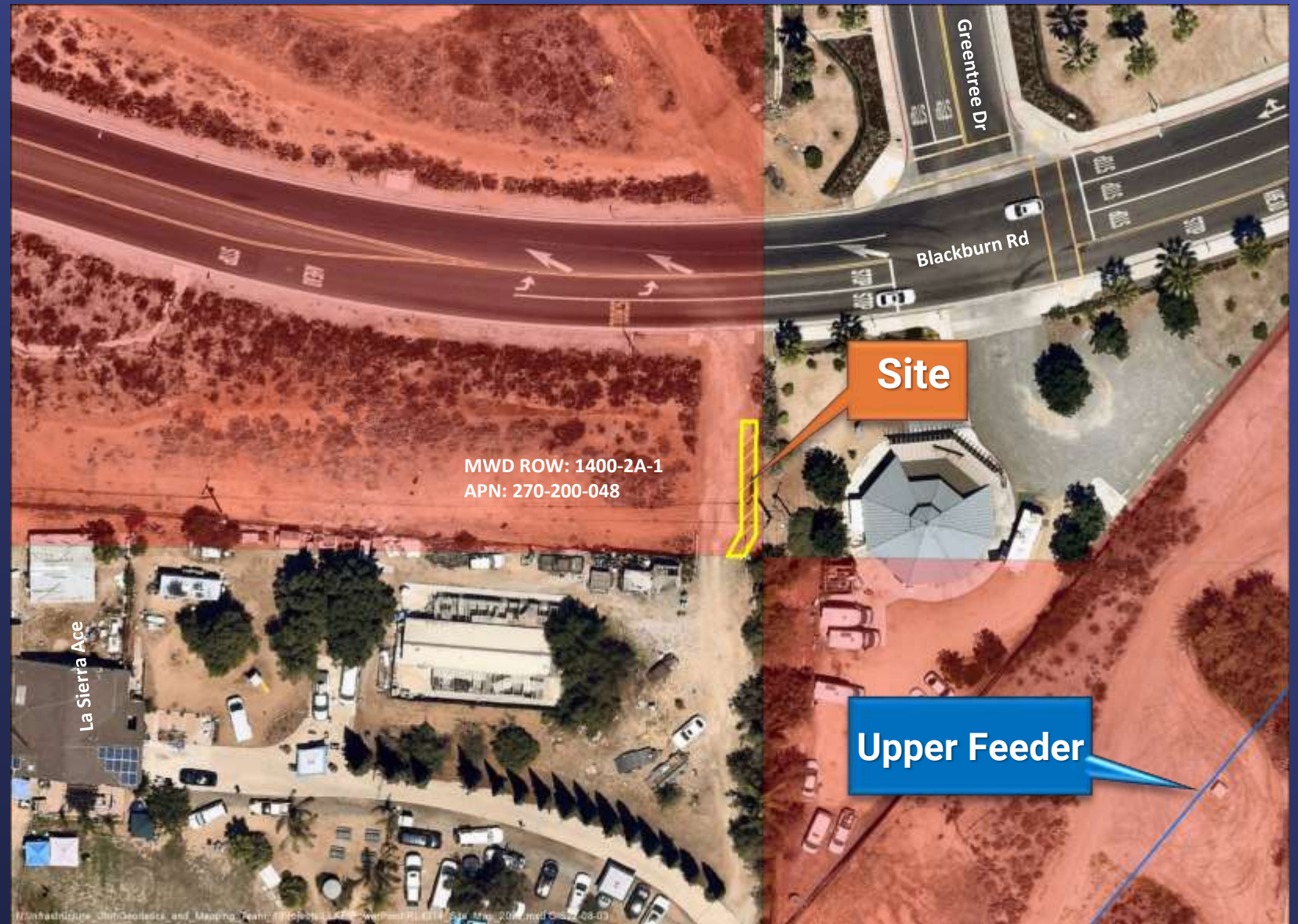
Distribution System Map



General Location Map



Site Map



Key Provisions

- Permanent easement to allow underground electrical equipment
- Easement area is 348 square feet
- Subject to Metropolitan's paramount right reservation
- Easement grantee is responsible for maintenance
- Appraised fair market value of \$2,500
- One time processing fee of \$7,500

Board Options

Option No. 1

- Authorize the granting of a permanent easement for electrical equipment to Southern California Edison

Option No. 2

- Do not authorize the permanent easement

Board Options

Staff Recommendation

- Option No. 1





● **Board of Directors**
Real Property and Asset Management Committee

9/13/2022 Board Meeting

REVISED 7-11

Subject

Authorize an increase of \$8.5 million to an agreement with Roesling Nakamura Terada Architects for a new not-to-exceed total of \$13.5 million for final design and architectural services in support of the District Housing and Property Improvement Program; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

Metropolitan maintains employee housing, kitchens, and short-term lodging facilities at the Colorado River Aqueduct (CRA) pumping plant villages. These facilities have exceeded their design life, are showing signs of deterioration, and require replacement. In July 2021, the Board authorized the preliminary design activities to: (1) replace kitchens and guest lodges at the Eagle and Iron Mountain Villages; (2) replace houses at Hinds, Eagle, Iron, Gene Pumping Plants, and Copper Basin Reservoir; and (3) village enhancements at four pumping plants. This action authorizes an amendment to an existing agreement for final design and architectural services in support of the District Housing and Property Improvements Program.

Details

Background

The CRA is a 242-mile-long conveyance system that transports water from the Colorado River to Lake Mathews in Riverside County. The CRA includes five pumping plants that are located in remote, isolated areas of the California desert. The aqueduct system was constructed in the late 1930s and was placed into service in 1941. Since the CRA's inception, Metropolitan has provided lodging or housing to employees involved in the construction, operation, and maintenance of the aqueduct system. Due to the remoteness of the pumping plants, the provision of housing ensures that staff can respond to emergency events in a timely manner.

Houses, kitchens, and short-term lodging were initially constructed at the CRA pumping plants in the early 1940s. The expansion of the CRA's capacity in the 1950s led to the construction of additional houses. Metropolitan has performed routine maintenance on each of these facilities since they were built, but following decades of continuous use and exposure to the harsh desert environment, the houses have deteriorated and are in need of replacement. Replacement of these houses, coupled with the development of multiple enhancement features across Metropolitan's CRA pumping plants villages, will provide for employee retention, create an attraction for future employees, and help create a vibrant, healthy, and sustainable community. Enhancements to the villages include perimeter trails, shade structures, a welcoming and sustainable landscape, and family-friendly community centers.

In 2019, Metropolitan's Board authorized the District Housing and Property Improvement Program across Metropolitan's CRA pumping plants. Planned improvements include:

- (1) Housing Improvements – Replacement of 96 CRA houses at Hinds, Eagle Mountain, Iron Mountain and Gene pumping plants, and Copper Basin Reservoir. The new houses will comply with Title 24 provisions for energy-efficient, cost-effective buildings.
- (2) Village Enhancements – Enhancements to these villages include perimeter trails, shade structures, a welcoming and sustainable landscape, and family-friendly community centers. Elements of this

community will also include renewable energy, water conservation, a recycling center, and four storage buildings that will store replacement parts and facilitate future maintenance at the villages.

- (3) Kitchen and Lodging Facilities Improvements – Replacement of the kitchens and short-term lodging at Eagle and Iron Mountain pumping plants. These pumping plants have kitchens and guest lodges that are used by staff during shutdowns and construction projects, and during extended periods of condition assessments and design of rehabilitation work. Frequent use of these facilities will continue over the next decade as the planned rehabilitation of the 45 main CRA pumps moves forward.

In accordance with the April 2022 action on the biennial budget for Fiscal Years 2022/23 and 2023/24, the General Manager will authorize staff to proceed with improvements to Metropolitan housing and property, pending board authorization as described below. Based on the current Capital Investment Plan (CIP) expenditure forecast, funds for the work to be performed pursuant to this action during the current biennium are available within the Appropriation for Fiscal Years 2022/23 and 2023/24. This project has been reviewed in accordance with Metropolitan's CIP prioritization criteria and was approved by Metropolitan's CIP evaluation team to be included in the District Housing and Property Improvement Program.

District Housing and Property Improvements Program – Final Design

Staff recommends the commencement of final design activities at this time. Final design phase activities include: (1) preparation of drawings and specifications; (2) development of a construction estimate; (3) development of an employee relocation plan during construction; and (4) advertisement and receipt of competitive bids. Consultants' work includes preparing two final design bid packages for construction contracts, and other activities as described below. Bid Package No. 1 will include all improvements at the Hinds and Eagle Mountain Pumping Plants, while Package No. 2 will include the improvements at the Iron Mountain and Gene Pumping Plants and Copper Basin Reservoir. Metropolitan staff will provide technical oversight to the consultants, coordinate, prepare, and submit permit packages to Riverside and San Bernardino Counties, perform overall project management, and administer the consultant agreement. In addition, during the final design phase, Metropolitan forces will relocate several existing electrical poles that conflict with the proposed housing and road layouts.

A constructability review will also be performed to review the construction sequencing and logistics to minimize relocation disruptions to employee staff and their families during construction, and review the construction costs to ensure cost optimization. The constructability review will be performed by a specialty firm under a contract planned to be executed under the General Manager's Administrative Code authority to award construction contracts of \$250,000 or less.

A total of \$13.3 million is required for this work. Allocated funds include \$8.5 million for final design and architectural support by RNT Architects, as described below, and \$175,000 for constructability review. Allocated funds for Metropolitan staff activities include \$1,378,000 for Metropolitan forces to relocate the existing overhead electrical service lines; \$750,000 for technical oversight to support the final design and constructability review activities; \$1,475,000 for permitting and fees, agreement administration, receipt of multiple bids and project management. Allocated funds also include \$1,022,000 for remaining budget. The final design cost as a percentage of the estimated construction cost is approximately 4.8 percent. Engineering Services' goal for design of projects with construction costs greater than \$3 million is 9 to 12 percent. The estimated construction cost for this project is anticipated to range from \$190 million to \$210 million. **Attachment 1** provides the allocation of the required funds. Staff will return to the Board at a later date for award of construction contracts.

The total cost for the District Housing and Property Improvement Program is currently estimated to range from \$250 million to \$260 million. To date, \$6.6 million has been expended on this project.

Engineering & Architectural Design Services (Roesling Nakamura Terada Architects) – Amendment to Agreement

Roesling Nakamura Terada Architects will provide final design and architectural support services under an existing board-authorized agreement for the Desert Housing and Property Improvements Program. The planned activities for RNT Architects include: (1) development of final design drawings and specifications for replacement of the houses, kitchen, lodge and storage buildings, and various village enhancements; (2) preparation of an engineer's cost estimate; (3) preparation of fire and health department submittal packages for Riverside and San Bernardino Counties; and (4) technical assistance through bidding. In addition, RNT

Architects will evaluate supplementary housing alternatives to ensure the most optimum and cost-effective option is constructed. The estimated cost for these services is \$8,500,000.

RNT Architects was originally prequalified to provide architecture and engineering support services via Request for Qualifications No. 1198, and previously completed property assessments, master planning, and preliminary design for the Desert Housing and Property Improvements Program.

This action authorizes an increase of \$8.5 million to the existing agreement with RNT Architects for a new not-to-exceed total of \$13.5 million for final design and architectural support of the housing, village enhancements and support buildings, and the kitchen and lodge buildings. For this agreement, Metropolitan has established a Small Business Enterprise goal level of 25 percent. RNT Architects has agreed to meet this level of participation. The planned subconsultants for this work are Fuscoe Engineering, Inc., Spurlock Landscape Architects, KPFF Consulting Engineers, IMEG Corporation, Webb Foodservice Design, S.L. Leonard & Associates, Aquatic Design Group, Inc., TOV Architectural Consulting, and WSP USA, Inc.

Short Term Improvements (No Capital Funds Required)

In the interim, prior to the program's completion, some short-term enhancements are being implemented to improve living conditions at the desert facilities. Improvements include: (1) shade structures for ~~parked vehicles,~~ ~~and~~ playgrounds; (2) fencing at homes to improve privacy; (3) insulation of garages and installation of air conditioning units for garages; (4) stand-alone freezers for houses to store food for the residents and their families; and (5) pool heaters and shade structures will be added to the existing pools so the residents can enjoy these amenities year-round.

In accordance with Governmental Accounting Standards Board provisions, the short-term improvements will be paid from operations and maintenance funds to the extent that a favorable variance from budget is available. The cost of these improvements is estimated to be \$3.~~3~~7 million.

Staff will return to the Board at a later date for award of construction contracts as needed.

Alternatives Considered

Alternatives considered for completing final design of the District Housing and Property Improvements Program included assessing the availability and capability of in-house Metropolitan staff to conduct this work. Metropolitan's staffing strategy for utilizing consultants and in-house Metropolitan staff has been: (1) to assess current work assignments for in-house staff to determine the potential availability of staff to conduct this work; and (2) for long-term rehabilitation projects, when resource needs exceed available in-house staffing or require specialized technical expertise.

This strategy relies on the assumption that in-house engineering staff will handle the baseload of work on capital projects, while professional services agreements are selectively utilized to handle projects above this baseload or where specialized needs are required. This strategy allows Metropolitan's staff to be strategically utilized on projects to best maintain key engineering competencies and to address projects with special needs or issues. After assessing the current workload for in-house staff and the relative priority of this project, staff recommends the use of a professional services agreement for the housing and property improvements using consultants with expertise in this area. This approach will allow for the completion of not only this program, but also other budgeted capital projects within their current schedules.

Summary

This action authorizes an increase of \$8.5 million to the existing agreement with RNT Architects for a new not-to-exceed total of \$13.5 million for final design and architectural support services for housing and property improvements at four CRA pumping plants.

See **Attachment 1** for the Allocation of Funds and **Attachment 2** for the Location Map.

Project Milestones

August 2023 – Completion of final design for Hinds and Eagle Mountain Pumping Plants

December 2023 – Completion of final design for Iron Mountain and Gene Pumping Plants and Copper Basin Reservoir

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts

By Minute Item 52179, dated November 10, 2020, the Board authorized preparation of conceptual master plan and to conduct property assessments for District housing.

By Minute Item 52381, dated May 11, 2021, the Board authorized two new agreements for environmental documentation and geotechnical services in support of the District Housing and Property Improvements.

By Minute Item 52448, dated July 13, 2021, the Board authorized an increase to an agreement with Roesling Nakamura Terada Architects for preliminary design and architectural services in support of the District Housing and Property Improvements.

By Minute Item 52790, dated April 12, 2022, the Board appropriated a total of \$600 million for projects identified in the Capital Investment Plan for Fiscal Years 2022/23 and 2023/24.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves only feasibility or planning studies for possible future actions which the Board has not approved, adopted or funded (Section 15262 of the State CEQA Guidelines). In addition, the proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines because the proposed action involves basic data collection and research activities which do not result in a serious or major disturbance to an environmental resource, which may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted, or funded (Class 6, Section 15306 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Authorize an increase of \$8.5 million to an agreement with Roesling Nakamura Terada Architects for a new not-to exceed amount of \$13.5 million for final design and architectural support services for the housing and property improvements at Metropolitan's desert facilities

Fiscal Impact: \$13.3 million in Capital Funds and \$3.3-7 million in O&M funds. All costs will be incurred in the current biennium and capital funds have been previously authorized.

Business Analysis: This option will preserve Metropolitan assets and maintain an appropriate standard of living for staff stationed at Metropolitan's desert facilities.

Option #2


Do not proceed with the project at this time.

Fiscal Impact: None

Business Analysis: This option would forgo an opportunity to preserve Metropolitan assets at the desert facilities.

Staff Recommendation


Option #1



Lilly L. Shraibati
Group Manager
Real Property Group

9/8/2022

Date



Adel Hagekhalil
General Manager

9/8/2022

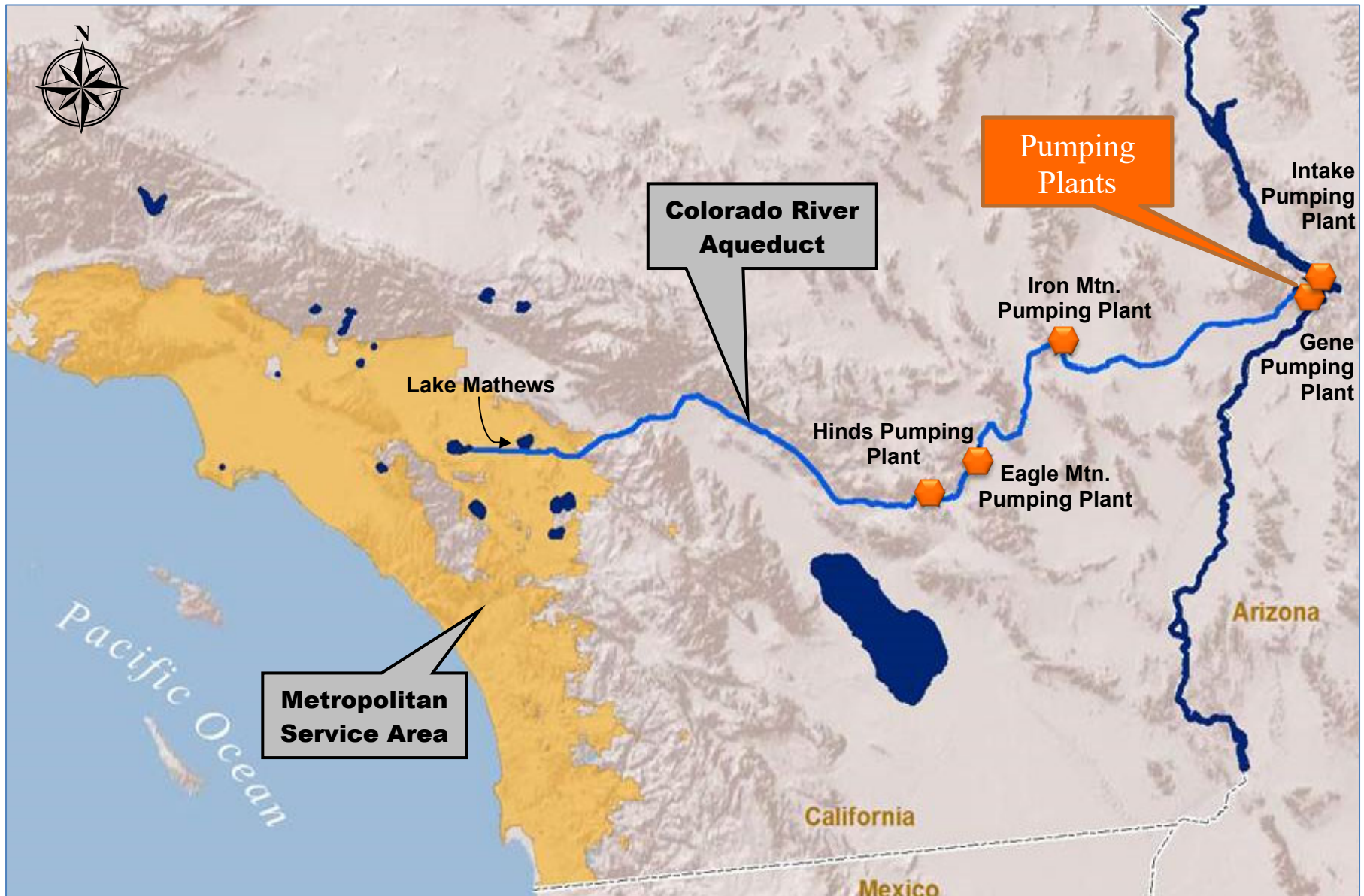
Date

Attachment 1 – Allocation of Budgeted Funds

Attachment 2 – Location Map

Ref# rpdm12686328

Location Map





Real Property & Asset Management Committee

District Housing & Property Improvement Program

Item 7-11

September 13, 2022

District Housing & Property Improvement Program

Current Action

- Authorize an increase of \$8,500,000 to an agreement with Roesling Nakamura Terada Architects for final design and architectural services in support of the District Housing and Property Improvement Program

District Housing & Property Improvement Program



Background

- Housing provided due to remoteness & timely response
- Houses aging after decades of use in harsh desert environment
- 99 houses in CRA system
 - 10 houses replaced
 - 11 houses renovated
 - Condition assessments of 78 houses
- Temporary lodging & kitchen facilities provided for short term assignments

District Housing & Property Improvement Program

Planned Improvements

- Housing
 - Replacement of 96 houses
- Village enhancements
- Kitchen & Lodging facilities
 - Replace kitchens & lodges
 - Eagle Mountain Pumping Plant
 - Iron Mountain Pumping Plant



District Housing & Property Improvement Program



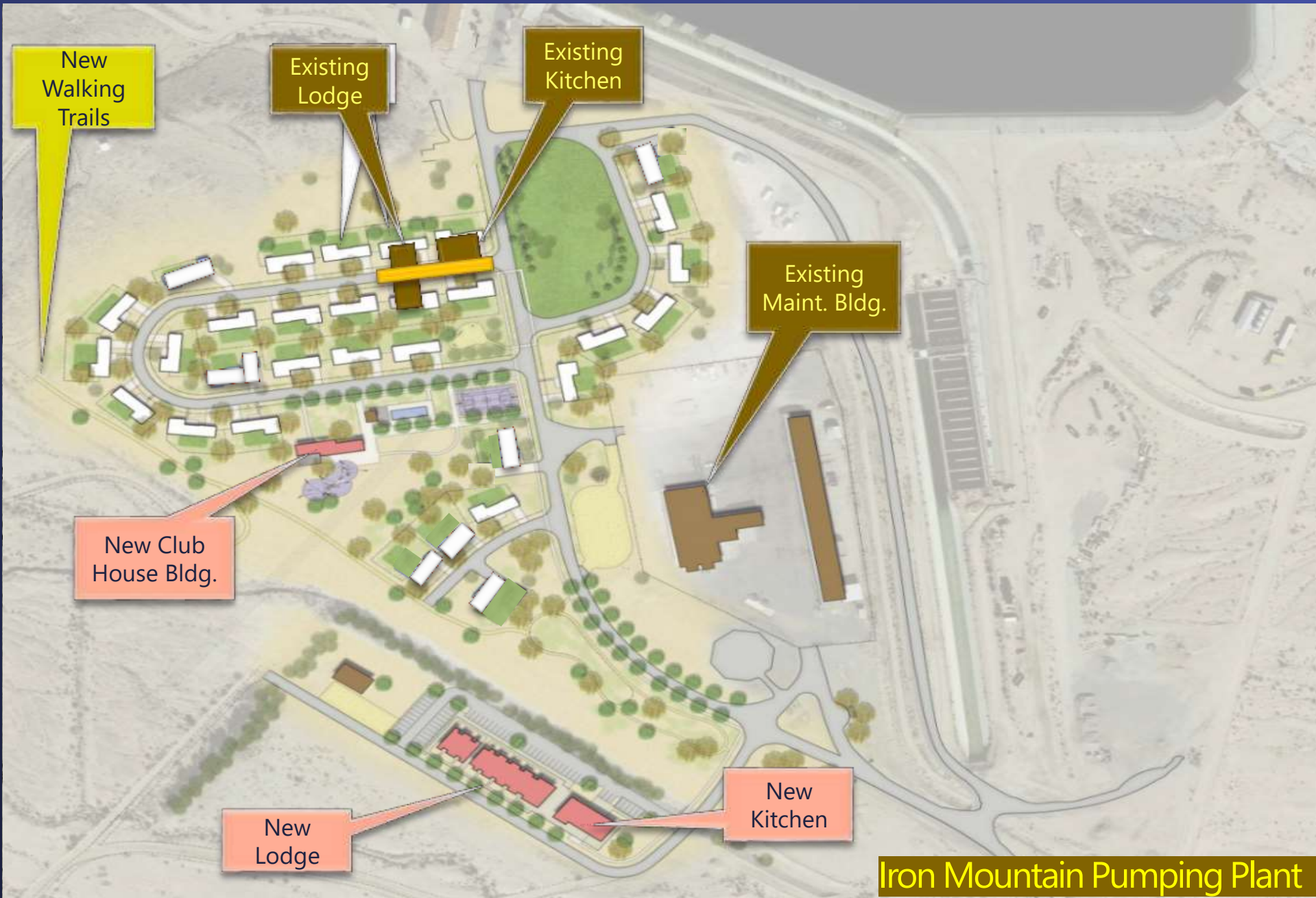
Board Actions

- May 2017
 - ✓ • Pilot project to replace & renovate houses
- May 2019
 - ✓ • Condition assessments of 78 houses
 - ✓ • Development of multiple housing types
 - ✓ • Master plan concept for Eagle Mountain Pumping Plant
- November 2020
 - ✓ • Relocation planning
 - ✓ • Master plan concepts for remaining three Pumping Plants
 - ✓ • Conceptual replacement plan for Eagle & Iron Mountain kitchen & lodge facilities

District Housing & Property Improvement Program

Board Actions (Cont'd)

- May 2021
 - ✓ • Authorization of agreement for geotechnical services
 - Authorization of agreement for environmental services
- July 2021
 - ✓ • Authorization of agreement for preliminary design & architectural services



Legend

-  New Houses
-  New Buildings
-  Existing Buildings
-  Street Improvements

District Housing & Property Improvement Program

Alternatives Considered

- Assess Metropolitan staff availability
 - Staff workloads exceed immediate available resources
 - Specialized technical expertise required
- Selected option
 - Use of a professional services agreement with expertise in housing improvements

District Housing & Property Improvement Program

Roesling Nakamura Terada Architects Agreement

- Prequalified via RFQ. No. 1198
 - Completed project's preliminary design
- Scope of work
 - Produce plans & specifications
 - Prepare fire & health department submittal packages for Riverside & San Bernardino Counties
 - Develop engineer's estimate
 - Evaluate additional housing alternatives as contingency plan
 - Response to State Audit
 - Completion of alternatives by first quarter 2023
- Amendment amount: \$8.5 M; NTE amount: \$13.5 M
- SBE participation level: 25%

District Housing & Property Improvement Program



Iron Mtn. Lodge &
Kitchen

Metropolitan Scope

- Relocate overhead electrical lines at Eagle Mountain, Iron Mountain & Gene villages
- Provide technical oversight & review consultant work
- Constructability review & support activities
- Permitting process
- Conduct site visits
- Conduct project management
- Manage consultant agreement

Short-term Enhancements (No capital funds required)

- Implementation of short-term enhancements
 - Housing enhancements
 - Fencing to improve privacy
 - Installation of AC units & insulation for garages
 - Stand-alone freezers
 - Backyard shade structures
 - Recreational enhancements
 - Shade structures for playgrounds & pools
 - Pool heaters
- Estimated cost: \$3.7M

Allocation of Funds

District Housing & Property Improvements

Metropolitan Labor

Final design \$ 750,000

Program mgmt., contract admin., envir. support & survey 940,000

Force construction 978,000

Materials & Equipment 400,000

Agreements

Roesling Nakamura Terada Architects 8,500,000

Constructability Review 100,000

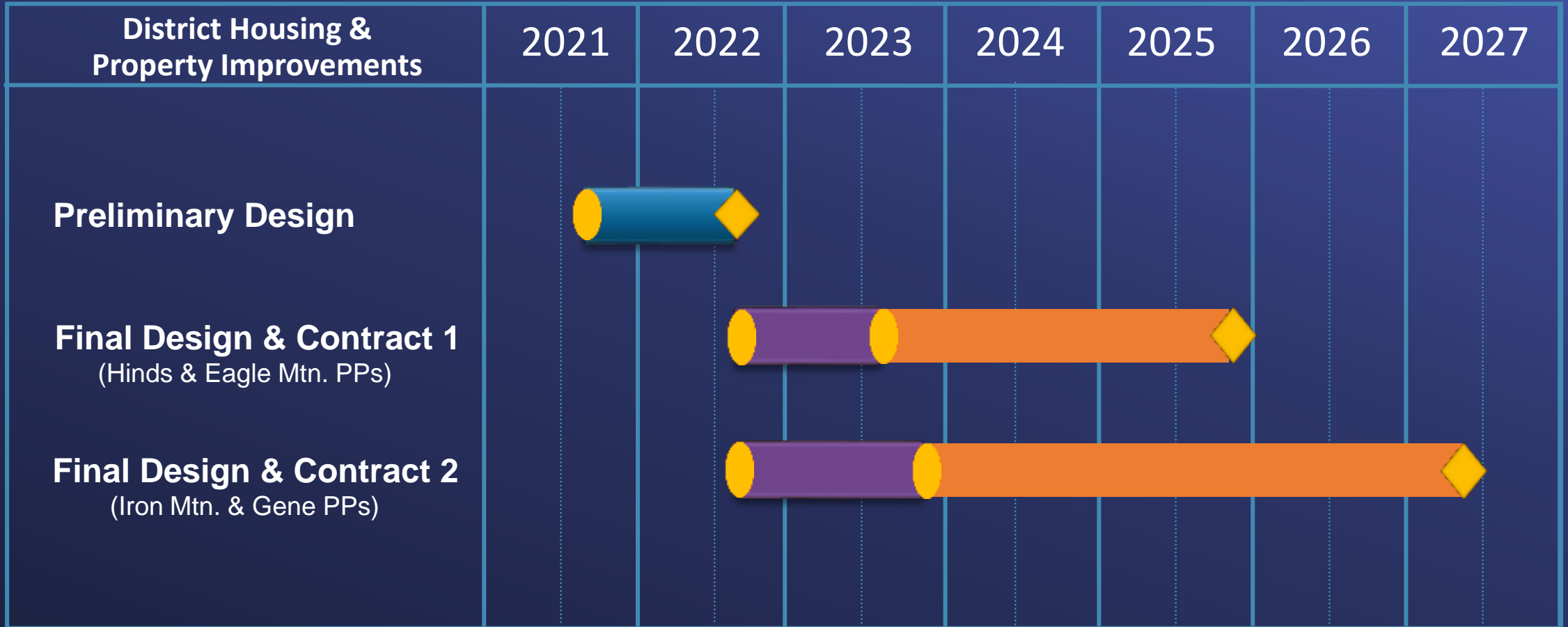
Incidental expenses (Permit fees) 610,000

Remaining budget 1,022,000

Total \$13,300,000

Est. const. cost - \$190M to \$210M

Program Schedule



Board Options

- Option #1

Authorize an increase of \$8.5M to an agreement with Roesling Nakamura Terada Architects for a new not-to exceed amount of \$13.5M for final design and architectural support services for the housing and property improvements at Metropolitan's desert facilities.

- Option #2

Do not proceed with the project at this time.

Staff Recommendation

- Option #1

