



## Group

- **Real Property Quarterly Report (Q3) January 1 to March 31, 2025**

### Summary

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This report provides an update on real estate activities for the period of January 1, 2025, through March 31, 2025. During this reporting period, twelve (12) transactions were executed, including six (6) transactions for the acquisition of real property interests for Metropolitan use, six (6) transactions for the issuance of rights to use Metropolitan land by others, and zero (0) transactions for the disposition of Property and/or Property Rights by Metropolitan. These transactions include secondary compatible uses on Metropolitan property and the acquisition of property and/or property rights for construction and operational purposes.

### Purpose

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Metropolitan Water District Administrative Code Section 2720: General Manager's Quarterly Reports

Metropolitan Water District Administrative Code Section 8257: Quarterly Report

### Attachments

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Attachment 1 Fee properties, easements, leases, licenses, and permits acquired for Metropolitan use

Attachment 2 Easements, leases, licenses, and permits issued to others by Metropolitan

Attachment 3 Disposition of Property and/or Property Rights by Metropolitan

### Detailed Report

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#### Fee Properties, Easements, Leases, Licenses and Permits acquired by Metropolitan

A six-month entry permit was obtained from the Los Angeles County Flood Control District to conduct soil resistivity testing on two parcels in Bellflower as part of the Pure Water Southern California Program. The tests support geotechnical exploration to determine pipeline feasibility along the proposed alignment.

A one-week temporary entry permit was acquired from Southern California Edison to conduct soil resistivity testing on 16 parcels across ten cities in Los Angeles County in support of the Pure Water Southern California Program. This geotechnical exploration is used to help determine pipeline feasibility along the proposed alignment.

A four-month extension of a License Agreement was obtained from the Serrano Highlands Master Association to complete restoration activities incurred from the construction of the Allen McCulloch Pipeline Urgent Repair Project.

A four-month Purchase and Sale Agreement extension was obtained from Scuderia Development LLC to complete construction on the Perris Valley Pipeline Project. This Agreement and temporary construction easement were necessary to accommodate the turning radius of heavy construction vehicles during construction.

Two license amendments were executed with Bcore Retail Heritage Hill LLC to extend the current licenses for one additional month. The licenses were necessary to provide temporary field office spaces supporting the Allen McCulloch Pipeline PCCP Urgent Relining project in the City of Lake Forest.

## Board Report Real Property Quarterly Report (Q3) January 1 to March 31, 2025

### **Easements, Leases, Licenses, and Permits issued to others by Metropolitan**

Two entry permits have been issued to Brookfield and Masters University for potholing purposes along the San Diego Pipeline 4 and Foothill Feeder right of way in Temecula and Santa Clarita, respectively. The permits will help facilitate two distinct private development projects adjacent to Metropolitan's land as well as minimize potential impacts to Metropolitan's facilities.

A new lease has been executed with Bouldin Farming Company comprising the entirety of Webb Tract in the Bay Delta. The lease is for an eight-month term to allow the farming of a winter wheat crop and to offset Metropolitan's land maintenance costs. Staff is working towards securing a long-term lease through an RFP process.

Metropolitan recently entered into an option to lease agreement with a subsidiary of AES Corporation (AES) for a long-term lease of up to 6,742 acres of Metropolitan's Palo Verde Mesa property to be used for carbon-free energy production and storage, contingent upon further project permits, approvals and environmental clearances under CEQA. If AES successfully obtains the permitting and approvals and exercises its option to lease, Metropolitan and AES would execute a long-term for all or a portion of the 6,742 acres.

Lease amendments were executed to extend the tenancy of Dinelli Farms and Sierra Cattle on Bouldin Island for an additional one-year period and the option to renew for a second, one-year extension. Staff is continuing to assess the feasibility of rice farming and other uses on the islands with intentions to publish an RFP in 2025 or 2026.

### **Disposition of Property and/or Property Rights by Metropolitan**

None

### **Annexations**

None



**Easements, leases, licenses, and permits issued to others by Metropolitan  
During 3rd Quarter of FY 2024/25  
January 1, 2025 through March 31, 2025**

| <b>Grantee/Lessee/Licensee</b> | <b>ACREAGE</b> | <b>TYPE</b>     | <b>TERM</b> | <b>USE</b>         | <b>EXECUTION DATE</b> | <b>REVENUE</b>     |
|--------------------------------|----------------|-----------------|-------------|--------------------|-----------------------|--------------------|
| Brookfield                     | 4.2            | Permit          | 12 Weeks    | Geotechnical       | 12/11/2024            | \$4,000 lump sum   |
| Master's University            | 12             | Permit          | 10 Days     | Geotechnical       | 12/16/2024            | \$2,500 lump sum   |
| Bouldin Farming Company        | 5,497.0        | Lease           | 8 Months    | Agriculture        | 1/27/2025             | 35% of net profit  |
| AES Corporation                | Up to 6,742    | Option to Lease | 5-9 Years   | Carbon Free Energy | 2/27/2025             | \$100,000 annually |
| Dinelli Farms                  | 3,103          | Lease Amendment | 1-2 Years   | Agriculture        | 3/12/2025             | \$315,413 annually |
| Sierra Cattle                  | 2,728          | Lease Amendment | 1-2 Years   | Agriculture        | 3/17/2025             | \$336,150 annually |
|                                |                |                 |             |                    |                       |                    |
|                                |                |                 |             |                    |                       |                    |

\* Transaction not reported in previous quarter due to timing of report deadline or executed contract  
n/a = Not Applicable

**Disposition of Property and/or Property Rights by Metropolitan  
During 3rd Quarter of FY 2024/25  
January 1, 2025 through March 31, 2025**

| GRANTEE | AREA | TYPE | TERM | USE | EXECUTED DATE | SALES PRICE |
|---------|------|------|------|-----|---------------|-------------|
|         |      |      |      |     |               |             |
|         |      |      |      |     |               |             |
|         |      |      |      |     |               |             |
|         |      |      |      |     |               |             |
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