

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

RESOLUTION NO. 9356

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA DECLARING APPROXIMATELY 6,742 ACRES OF METROPOLITAN-OWNED REAL PROPERTY IN THE COUNTY OF RIVERSIDE, LOCATED SOUTHWEST OF THE CITY OF BLYTHE, CALIFORNIA, AND COMMONLY KNOWN AS THE PALO VERDE MESA, AS EXEMPT SURPLUS LAND UNDER THE SURPLUS LAND ACT

WHEREAS, the Metropolitan Water District of Southern California (“Metropolitan”) is the fee owner of approximately 6,742 acres of land in certain unincorporated portions of Riverside County and commonly referred to as the Palo Verde Mesa (Riverside County Assessor Parcel Nos. 879-230-001, 879-230-003; 879-230-005; 879-230-008; 879-230-010; 879-230-011; 879-230-012; 879-230-013; 879-230-014; 879-230-015; 879-230-016; 879-230-017; 879-230-018; 879-230-023; 879-230-024; 879-240-001; 879-240-002; 879-240-037; 879-240-038; 879-250-001; 879-250-008; 879-250-011; 879-250-013; 879-250-014; 879-261-019; 879-261-020; 879-261-021; 879-261-022) (referred to collectively herein as the “Properties”);

WHEREAS, Metropolitan is a metropolitan water district created under the authority of the Metropolitan Water District Act (California Statutes 1927, Chapter 429, as reenacted in 1969 as Chapter 209, as amended) (the “Act”) which authorizes Metropolitan amongst other things to: expand water conservation, water recycling, and groundwater recovery efforts in a sustainable, environmentally sound, and cost-effective manner; acquire water and water rights within or without the state; develop, store, and transport water; provide, sell, and deliver water at wholesale for municipal and domestic uses and purposes; and acquire, construct, operate, and maintain any and all works, facilities, improvements, and property necessary or convenient to the exercise of such powers;

WHEREAS, the Act further authorizes Metropolitan to provide, generate, and deliver electric power within or without the state of California for the purpose of developing, storing, and distributing water;

WHEREAS, Metropolitan in particular was founded and created in part to build and operate the 242-mile long Colorado River Aqueduct, made up of 150 miles of canals, siphons, conduit and pipelines and five pumping plants to lift water over mountains so that water deliveries can then flow west by gravity. Critical sections of this Colorado River Aqueduct infrastructure thus require the generation and use of electrical power;

WHEREAS, in May 2022, the Metropolitan Board of Directors approved a Climate Action Plan, which established an organizational goal of carbon neutrality by 2045, and Metropolitan also purchases electricity from a California power marketplace which, under the California Renewables Portfolio Standard Program (SB 100), is subject to a 2045 goal of powering all retail electricity sold in California and state agency electricity needs with renewable and zero-carbon resources;

WHEREAS, the leasing or long-term commitment of the Properties for carbon-free energy and battery storage uses would potentially help Metropolitan meet its carbon neutrality goals and also increase the availability of low-carbon and carbon-free electricity in the marketplace for Metropolitan use for Metropolitan water facilities and other improvements and operations, as authorized in the Act and set forth in Metropolitan’s Climate Action Plan, and also combat climate change and address adverse power conditions near Metropolitan facilities and systems;

WHEREAS, the leasing of the lands for the purposes identified herein would also further Metropolitan’s stated mission to operate and power its water facilities and other improvements and operations in a sustainable, environmentally sound, and cost-effective manner, as expressed in the following actions: (1) By Minute Item 41222, dated January 10, 1995, the Board adopted a policy that Metropolitan continue to seek ways to increase the reliability of its Colorado River Aqueduct operations and supplies in order to operate that facility at capacity as much of the time as is feasible; (2) By Minute Item 42820, dated February 10, 1998, the Board approved the policy principle on a Colorado River Resources Strategy supporting Metropolitan’s interests and increasing its dependable entitlements to Colorado River water, while collaborating with other California Colorado River agencies; and (3) By Minute Item 48766, dated August 16, 2011, the Board adopted policy principles for managing Metropolitan’s real property assets;

WHEREAS, pursuant to Section 54221(b)(1) of the Surplus Land Act (California Government Code Sections 54220 – 54234) and the Surplus Land Act Guidelines of the California Department of Housing and Community Development, the Board of Directors of Metropolitan (the “Board”) must declare the Properties to be “surplus land” or “exempt surplus land” before Metropolitan may take any action to dispose of the Properties, whether by sale or certain types of long-term leases;

WHEREAS, Government Code Section 54221(f)(1)(J) defines “exempt surplus land” to include real property that is used by a district for agency’s use expressly authorized in Government Code Section 54221(c); and

WHEREAS, Section 54221(c)(1) of the Government Code provides that “agency’s use” may also include commercial or industrial uses or activities, including nongovernmental retail, entertainment, or office development, or be for the sole purpose of investment or generation of revenue if the agency’s governing body takes action in a public meeting declaring that the use of the site will directly further the express purpose of agency work or operations.

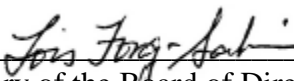
NOW, THEREFORE, the Board of Directors of The Metropolitan Water District of Southern California does hereby resolve, determine, and order as follows:

Section 1. Recitals. The recitals set forth above are true and correct and are incorporated into this Resolution by this reference and are made a part of the official findings of the Board of Directors.

Section 2. Board Findings. The Properties are “exempt surplus land” pursuant to California Government Code Section 54221(f)(1)(J) and 54221(c)(1) because the long-term lease and use of the Properties for carbon-free energy generation and energy storage would constitute an “agency use” for purposes of the Surplus Land Act, under the grounds set forth in the recitals of this Resolution and the board letter accompanying this Resolution and for the following additional reasons: (a) the Board further finds and declares that the leasing or use of the Properties for carbon-free energy generation and storage would further Metropolitan’s stated mission to operate and power its water facilities and other improvements and operations in a sustainable, environmentally sound, and cost-effective manner; and (b) the Properties would be used to generate offsetting lease revenues that will directly further the express purpose of agency work or operations of water conveyance, treatment and distribution through the use of revenues therefrom for water district operations and maintenance and capital programs.

Section 3. Staff Authorizations. Metropolitan staff is hereby authorized to provide the Department of Housing and Community Development (“HCD”) all necessary documentation and to take such actions as deemed necessary or proper to effectuate the purposes of this Resolution.

I HEREBY CERTIFY, that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California, at its meeting held on May 14, 2024.



Secretary of the Board of Directors
of The Metropolitan Water District
of Southern California