



**RP&AM Committee**

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

**Real Property and Asset Management  
Committee - Final**

Meeting with Board of Directors \*

**July 13, 2021**

**10:00 a.m.**

Live streaming is available for all board and committee meetings on our  
mwdh2o.com website ([Click to Access Board Meetings Page](#))

Public Comment Via Teleconference Only: Members of the public may present  
their comments to the Board on matters within their jurisdiction as listed on  
the agenda via teleconference only. To participate call (404) 400-0335 and use  
Code: 9601962.

**Tuesday, July 13, 2021  
Meeting Schedule**

09:00 a.m. L&C  
10:00 a.m. RP&AM  
11:30 a.m. Break  
12:00 p.m. Board

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

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\* 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 OTHER 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 May 11, 2021

[21-285](#)

**Attachments:** [Meeting Minutes](#)

**3. CONSENT CALENDAR ITEMS - ACTION**

- 7-4** Adopt amendments to Metropolitan's Administrative Code to move certain responsibilities for annexations from the Finance and Insurance Committee to Real Property and Asset Management Committee; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA **[21-265](#)**

**Attachments:** [07132021 BOD 7-4 B-L.pdf](#)  
[07132021 RPAM 7-4 Presentation.pdf](#)

- 7-5** Authorize the General Manager to grant a permanent easement to the State of California Department of Transportation (Caltrans) on Metropolitan fee-owned property in the City of Los Angeles; Metropolitan previously reviewed and considered Caltrans' Environmental Impact Report/Environmental Impact Statement and took related CEQA actions **[21-266](#)**

**Attachments:** [07132021 BOD 7-5 B-L.pdf](#)  
[07132021 RPAM 7-5 Presentation.pdf](#)

- 7-6** Authorize an increase of \$3 million to an agreement with Roesling Nakamura Terada Architects for a new not-to-exceed amount of \$5 million for preliminary 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 **[21-267](#)**

**Attachments:** [07132021 BOD 7-6 B-L.pdf](#)  
[07132021 RPAM 7-6 Presentation.pdf](#)

**\*\* 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 **[21-293](#)**

## **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

### REAL PROPERTY AND ASSET MANAGEMENT COMMITTEE

May 11, 2021

Chair Hogan called the teleconference meeting to order at 10:30 a.m.

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

Members absent: Director Kassakhian.

Other Board Members present: Chairwoman Gray, Directors Abdo, Ackerman, Atwater, Blois Cordero, Faessel, Fellow, Goldberg, Jung, Lefevre, Luna, Morris and Tamaribuchi.

Committee Staff present: Chapman, Kightlinger, Otake, Shraibati, Upadhyay and Warren

#### 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 April 13, 2021.

#### 3. CONSENT CALENDAR ITEMS – ACTION

7-10 Subject: Authorize the General Manager to grant a permanent power line easement to Southern California Edison traversing across Metropolitan-owned property in the city of San Jacinto and identified as Riverside County Assessor Parcel Number 432-120-013; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA.

Presented by: None

Motion: Authorize the granting of a permanent power line easement for overhead power lines to Southern California Edison.

7-11 Subject: Authorize agreements for District housing and property improvements at the Colorado River Aqueduct pumping plants villages with: (1) Helix Environmental Planning, Inc. in an amount not to exceed \$250,000 for environmental documentation; and (2) Fugro USA Land, Inc in an



amount not to exceed \$350,000 for geotechnical services; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA.

Presented by: Ish Singh, Program Manager

Motion:

- a. Authorize an agreement with Helix Environmental Planning, Inc. in an amount not to exceed \$250,000 for CEQA documentation.
- b. Authorize an agreement with Fugro USA Land, Inc. in an amount not to exceed \$350,000 for geotechnical services to support the Desert Housing and Property Improvements Program.

Director Record recused himself from Agenda Item 7-10.

Director Erdman recused himself from Agenda Item 7-10.

Director Camacho made a motion, seconded by Director Dick to approve the consent calendar consisting of items 2A, 7-10 and 7-11:

The vote was:

Ayes: Directors Camacho, Dick, Erdman, Hogan, Kurtz, Peterson, Record, and Smith

Noes: None

Recusal: Directors Record and Erdman (Item 7-10)

Abstentions: None

Absent: Director Kassakhian

The motion for Items 2A and 7-11 passed by a vote of 8 ayes, 0 noes, 0 abstention, and 1 absent.

The motion for Item 7-10, passed by a vote of 6 ayes, 0 noes, 2 recusals, 0 abstentions, and 1 absent.

**END OF CONSENT CALENDAR ITEMS**

**4. OTHER BOARD ITEMS – ACTION**

None

**5. BOARD INFORMATION ITEMS**

None

**6. COMMITTEE ITEMS**

None

**7. MANAGEMENT REPORT**

- a.           Subject:           Real Property Manager's Report  
Presented by:   Lilly L. Shraibati, Group Manager, Real Property Group
- Ms. Shraibati reported on Chipps Island close of Escrow, Metropolitan's facility use for the Academy Awards, new signage for operating hours of trails at Diamond Valley Lake, and the virtual Student Outreach event featured article in IRWA magazine.

**8. FOLLOW-UP ITEMS**

None

**9. FUTURE AGENDA ITEMS**

None

Next meeting will be held on July 13, 2021.

Meeting adjourned at 10:57 a.m.

Michael Hogan  
Chair



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

7/13/2021 Board Meeting

7-4

## Subject

Adopt amendments to Metropolitan's Administrative Code to move certain responsibilities for annexations from the Finance and Insurance Committee to Real Property and Asset Management Committee; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## Executive Summary

To eliminate inefficiencies, this action moves the responsibility to study, advise, and make recommendations with regards to annexations and annexation policies from the Finance and Insurance Committee to the Real Property and Asset Management Committee.

## Details

Annexation is a Metropolitan policy and procedure encouraging orderly growth and development and efficient water use through the annexation of new water service areas into Metropolitan's service area boundaries upon terms and conditions set by the Board of Directors.

The main function of the annexation is to fulfill member agency requests to annex property into Metropolitan's service area, allowing the property to be served by Metropolitan. Annexation actions are currently exercised at Finance and Insurance Committee and reported by the Real Property and Asset Management Committee to Metropolitan's Board. Therefore, to eliminate inefficiencies, staff recommends moving land-specific annexation actions, including the requirements, procedures, terms and conditions for annexations, to the Real Property and Asset Management Committee. Staff will continue to collaborate internally about annexation matters and to ensure a collective and expeditious response. The determination of financial policies related to annexations under Sections 3300 and 3301 of the MWD Administrative Code shall remain with the Finance and Insurance Committee.

The proposed action would amend the Administrative Code by deleting Sections 2441(w) and adding Section 2491(i). **(Attachment 1)**

## Policy

Metropolitan Water District Act Part 7: Changes in Organization.

Metropolitan Administrative Code Division III: Annexations.

Metropolitan Administrative Code Section 2441: Finance and Insurance Committee.

Metropolitan Administrative Code Section 2491: Real Property and Asset Management Committee.

Metropolitan Administrative Code Section 11104: Delegation of Responsibilities

## California Environmental Quality Act (CEQA)

### CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA (Public Resources Code Section 21065, State CEQA Guidelines Section 15378) because the proposed action will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, and involves continuing

administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines) and organizational or administrative activities (Section 15378(b)(5) of the State CEQA guidelines).

In addition, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

**CEQA determination for Option #2:**

None required

**Board Options**

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**Option #1**

Adopt amendments to Metropolitan's Administrative Code to move certain responsibilities for annexations from the Finance and Insurance Committee to Real Property and Asset Management Committee as shown in **Attachment 1**.

**Fiscal Impact:** None

**Business Analysis:** This action will align the process, policy, approval and reporting of annexations.

**Option #2**

Do not approve this action

**Fiscal Impact:** None

**Business Analysis:** Maintain the current annexation process separately from the board approval process.

**Staff Recommendation**

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Option #1

  
\_\_\_\_\_  
Marcia Scully  
General Counsel

6/23/2021  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Jeffrey Rightlinger  
General Manager

6/28/2021  
\_\_\_\_\_  
Date

**Attachment 1 – Proposed Amendments to Administrative Code, Division II, Ch. 4**

Ref# rpam12681266

**Division II****PROCEDURES PERTAINING TO BOARD, COMMITTEES  
AND DIRECTORS****Chapter 4****Standing Committees****STRIKEOUT/UNDERLINE VERSION:****§2441. Duties and Functions.**

The Finance and Insurance Committee shall study, advise and make recommendations with regard to:

- (a) Preparation of budgets;
- (b) Policies and procedures related to budget development and cost containment;
- (c) Sale of bonds and borrowing and repayment of money;
- (d) Disposition and investment of funds;
- (e) Authorization of appropriations, except appropriations for capital projects;
- (f) The determination of revenues to be obtained through water transactions, including, but not limited to, sales, exchanges, and wheeling of water, water standby or availability of service charges, and the levying of taxes;
- (g) The financial impact and requirements of policies concerning annexation;
- (h) The financial aspects of the District's risk management program;
- (i) Questions pertaining to insurance coverage and self-insurance;
- (j) The selection of financial and insurance consultants and the determination of the scope of their assignments;
- (k) Form and contents of accounts, financial reports, and financial statements;
- (l) Proposed amendments to the Metropolitan Water District Act affecting the finance and insurance functions of the District;
- (m) Goals and objectives related to financial planning for Metropolitan, including but not limited to revenues, operating expenses, reserve policies, internally funded construction, debt management, investments and capital financing strategies;
- (n) The prices and conditions governing water transactions, including, but not limited to, sales, exchanges, and wheeling sales of water;

(o) Costs and accounting procedures relating to the District's and other state water service contracts;

(p) Policies regarding water transactions, including, but not limited to, the sale, exchange, and wheeling of water for various uses;

(q) Policies regarding allocation of water standby or availability of service revenue requirements among member public agencies;

(r) Water standby or availability of service charges within the District;

(s) Determinations by the General Manager with respect to appeals concerning charges for water service, including readiness-to-serve charges and capacity charges, and report its recommendations, as appropriate, to affirm or reverse the General Manager's determinations;

(t) Appeals from determinations by the General Manager to deny or qualify an application for exemption from the water standby charge, and report its recommendations, as appropriate, to affirm or reverse the General Manager's determinations;

(u) The purchase, management and disposition of personal property assets such as equipment and vehicles;

(v) Facility master plans, including budgeting for capital improvements and long-term facilities commitments; ~~and~~

~~(w) Policies regarding annexation and the requirements, procedures, terms and conditions for annexations.~~

#### **§ 2491. Duties and Functions**

The Real Property and Asset Management Committee shall study, advise, and make recommendations with regard to:

(a) Proposed amendments to the Metropolitan Water District Act and Code affecting the acquisition, ownership, and sale of land by the District;

(b) Proposed rules and proposals regarding business development opportunities for real property;

(c) Policies for the acquisition of rights-of-way;

(d) The purchase, sale, and leasing of land and buildings, including the District's various office and garage space needs;

(e) The incidental use of land in farming operations and otherwise;

(f) The operation and maintenance of buildings;

(g) The development, oversight, and coordination of recreational facilities at Diamond

Valley Lake and Lake Skinner; and

(h) The use of proceeds from the sale or disposition of surplus property related to Diamond Valley Lake and Lake Skinner for recreational purposes.

(i) Annexations and annexation policies including the requirements, procedures, terms and conditions for annexations.

**CLEAN VERSION:**

**§2441. Duties and Functions.**

The Finance and Insurance Committee shall study, advise and make recommendations with regard to:

- (a) Preparation of budgets;
- (b) Policies and procedures related to budget development and cost containment;
- (c) Sale of bonds and borrowing and repayment of money;
- (d) Disposition and investment of funds;
- (e) Authorization of appropriations, except appropriations for capital projects;
- (f) The determination of revenues to be obtained through water transactions, including, but not limited to, sales, exchanges, and wheeling of water, water standby or availability of service charges, and the levying of taxes;
- (g) The financial impact and requirements of policies concerning annexation;
- (h) The financial aspects of the District's risk management program;
- (i) Questions pertaining to insurance coverage and self-insurance;
- (j) The selection of financial and insurance consultants and the determination of the scope of their assignments;
- (k) Form and contents of accounts, financial reports, and financial statements;
- (l) Proposed amendments to the Metropolitan Water District Act affecting the finance and insurance functions of the District;
- (m) Goals and objectives related to financial planning for Metropolitan, including but not limited to revenues, operating expenses, reserve policies, internally funded construction, debt management, investments and capital financing strategies;
- (n) The prices and conditions governing water transactions, including, but not limited to, sales, exchanges, and wheeling sales of water;

(o) Costs and accounting procedures relating to the District's and other state water service contracts;

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(t) Appeals from determinations by the General Manager to deny or qualify an application for exemption from the water standby charge, and report its recommendations, as appropriate, to affirm or reverse the General Manager's determinations;

(u) The purchase, management and disposition of personal property assets such as equipment and vehicles;

(v) Facility master plans, including budgeting for capital improvements and long-term facilities commitments.

#### **§ 2491. Duties and Functions**

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(d) The purchase, sale, and leasing of land and buildings, including the District's various office and garage space needs;

(e) The incidental use of land in farming operations and otherwise;

(f) The operation and maintenance of buildings;

(g) The development, oversight, and coordination of recreational facilities at Diamond Valley Lake and Lake Skinner; and

(h) The use of proceeds from the sale or disposition of surplus property related to Diamond Valley Lake and Lake Skinner for recreational purposes.



(i) Annexations and annexation policies including the requirements, procedures, terms and conditions for annexations.



# Adopt Amendments to Metropolitan's Administrative Code Section 2400

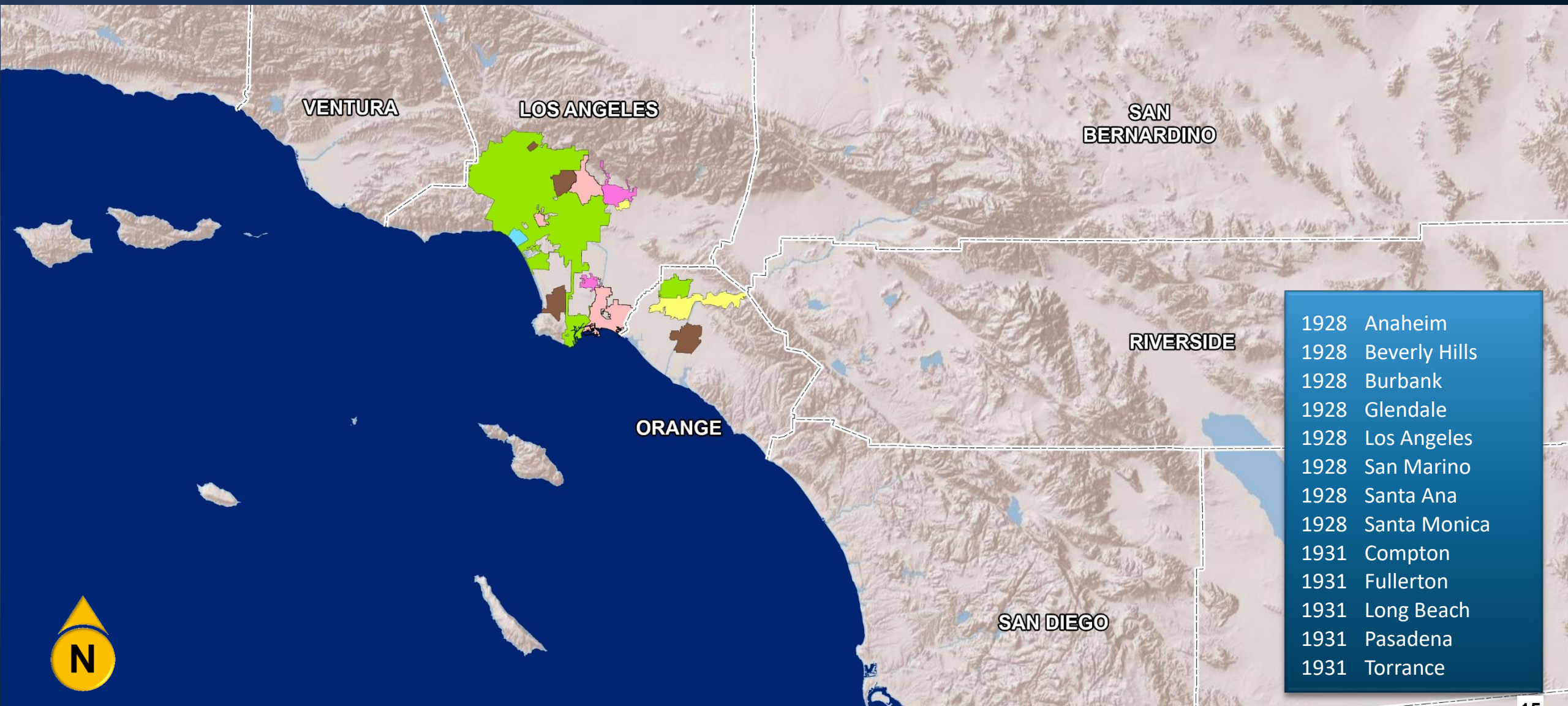
Real Property and Asset Management Committee

Item 7-4

July 13, 2021

# Original Member Agencies

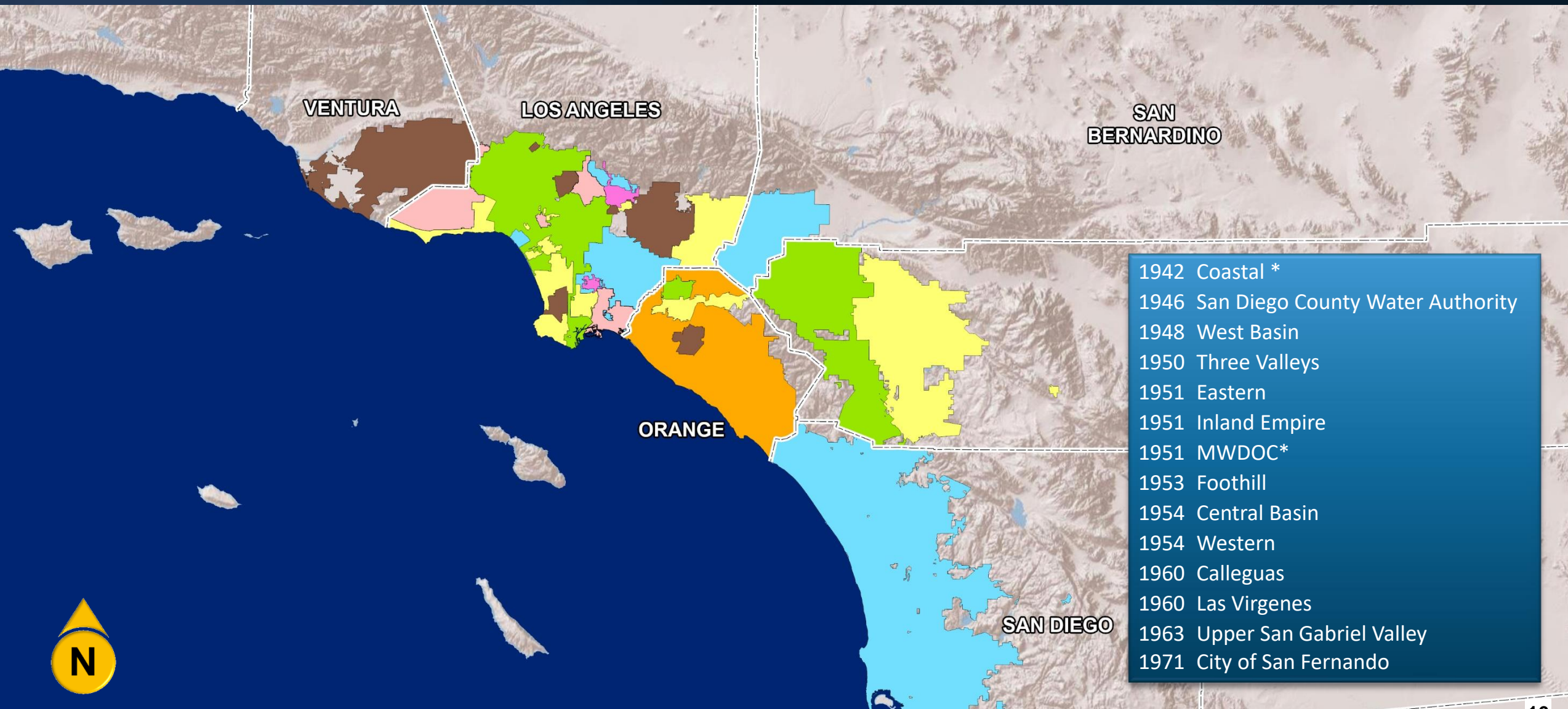
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# Member Agency Annexations

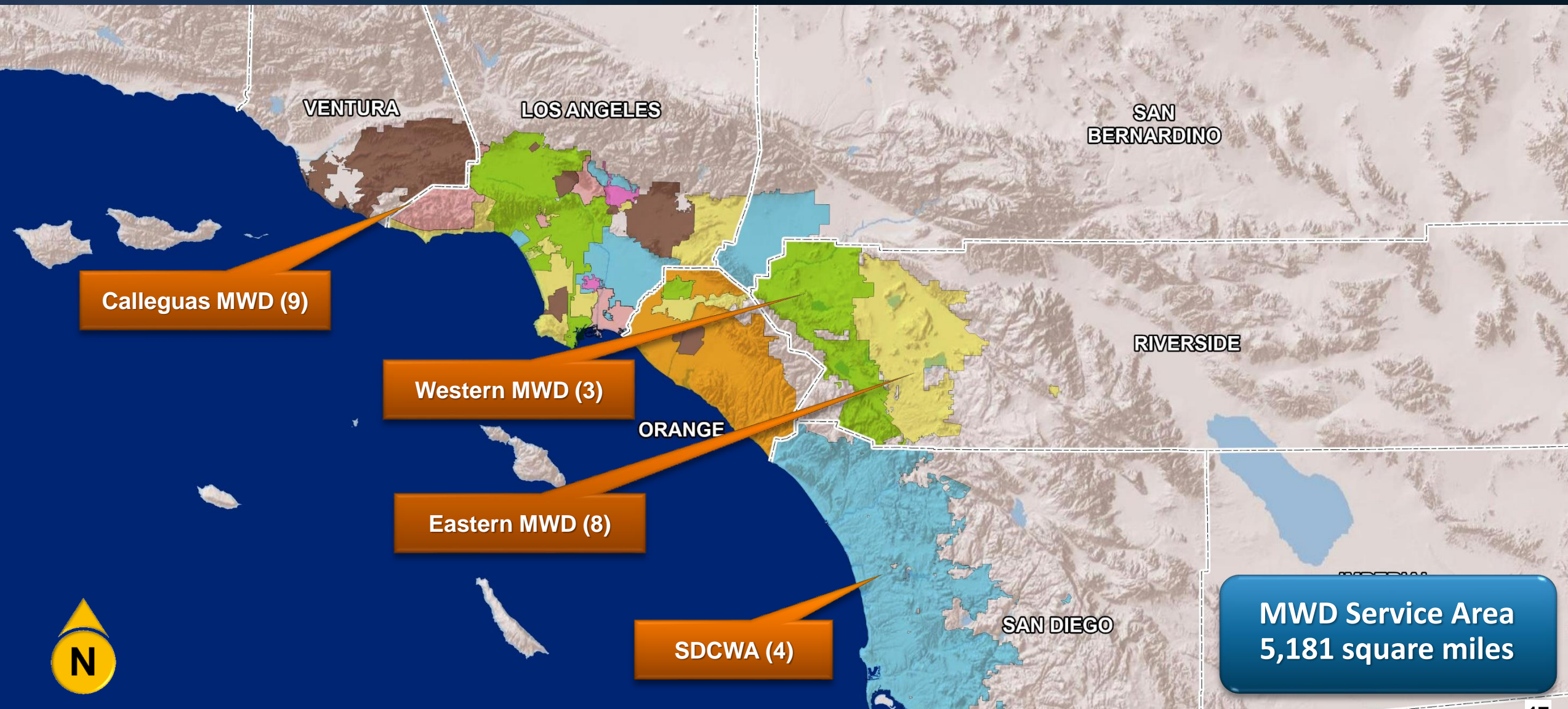
1932-2009





# Recent Annexations

2010-2020





# Potential Future Annexations



# Annexation Policy

- MWD Act
  - Part 7: Changes in Organization - Chapter 1
- MWD Administrative Code
  - Div. II: Finance and Insurance Committee, Section 2441
  - Div. III: Annexation, Sections 3100-3300
- Annexation policies encourage orderly growth and development within Metropolitan's service area boundaries
  - Areas of sufficient size and water requirements
  - Avoidance of window areas surrounded by annexed areas

# Annexation Terms and Conditions

- No direct or indirect benefits to areas outside the District
- No obligation to provide additional water facilities
- Per-acre charge and processing fee
- Water use efficiency measures – e.g., conservation, recycled water, local resources
- Completion timeline by the following year's
- Additional applicable terms and conditions



# Annexation Process



# Proposed Committee Change



- Moves duties and functions to study, advise, and recommend to Real Property and Asset Management
- Will eliminate reporting inefficiencies

# Board Options

- Option 1

- Adopt amendments to Metropolitan's Administrative Code to move certain responsibilities for annexations from the Finance and Insurance Committee to Real Property and Asset Management Committee as shown in Attachment 1.

- Option 2

- Do not approve this action

# Staff Recommendation

- Option 1





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

7/13/2021 Board Meeting

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7-5

## Subject

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Authorize the General Manager to grant a permanent easement to the State of California Department of Transportation (Caltrans) on Metropolitan fee-owned property in the city of Los Angeles; Metropolitan previously reviewed and considered Caltrans' Environmental Impact Report/Environmental Impact Statement and took related CEQA actions

## Executive Summary

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This action authorizes the General Manager to grant a permanent highway and sight easement to Caltrans. The easement will be located over portions of the Sepulveda Feeder, which is a pipeline aligned between Sepulveda Boulevard and Interstate 405 (I-405) just north of Mountaingate Drive in the city of Los Angeles (**Attachment 1**). Board authorization to grant this permanent easement is required as the real property interest exceeds five years.

## Details

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### Background

In 2009, the Los Angeles County Metropolitan Transportation Authority funded the I-405 Sepulveda Pass Improvements Project (Project) as a design-build project costing \$1.6 billion. Caltrans took over the responsibilities for the operations and maintenance of constructed public work improvements and to accept easements and other interests in right of ways, once the project was completed. The I-405 Project included the improvement of supporting infrastructures such as on/off-ramps, bridges, and sound walls along the I-405 and was completed in four segments. The Mulholland Segment of the project impacted a portion of Metropolitan's fee-owned property through the construction of the new Skirball Center Drive/Mulholland Drive on/off-ramps (ramps) supporting the southbound alignment of I-405. Metropolitan's 96-inch Sepulveda Feeder pipeline and tunnel access portal are located within this property and are protected in place. The total area of Metropolitan's fee simple holding in this area is 1.07 acres. The proposed easement to Caltrans for the ramps would encompass much of this space and total 0.75 acres.

In 2010, Metropolitan granted an entry permit to help facilitate the design-build project and to protect Metropolitan's Sepulveda Feeder pipeline. The entry permit allowed for the construction of the ramps, completed in 2015, and also required any real property conveyances after the completion of the permitted public works in their as-built alignments to be done in a manner that preserved Metropolitan's ability to operate, maintain, and conduct any future work on the Sepulveda Feeder pipeline, in addition to minimizing highway liability and operational conflicts.

Granting the proposed highway and sight easement will convey highway travel and clear sightline rights to Caltrans, contingent upon the recognition of the primacy of water-related uses in the area and the release of Metropolitan from highway traffic-related liability and the minimization of agency conflicts.

In this regard, the permanent highway and sight easement will have the following key provisions:

- Public agency cooperation and mutual compatible public use obligations, with prior rights provisions for Metropolitan.
- Caltrans will have the right to construct, reconstruct, improve, repair, operate, and maintain the ramps.

- All plans for construction, significant repair, maintenance, or eventual replacement of highway facilities shall be reviewed and approved by Metropolitan prior to commencement in order to ensure the protection of regional water facilities and improvements.
- Caltrans shall, at its sole cost and expense, keep the easement area free of trespass, noxious weeds, and trash.
- In the event of Metropolitan work or activity in the easement area, Caltrans, at its expense, shall take all reasonable measures, including but not limited to the posting of cautionary and directional signage, on the I-405 leading up to the easement area.

The fair market value for the proposed easement is \$139,000. Metropolitan will also receive a one-time processing fee of \$6,500.

## Policy

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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 Administrative Code Section 8232: Terms and Conditions of Management

Metropolitan Water District Administrative Code Section 11100: Environmental Matters

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)

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### CEQA determination for Option #1:

Pursuant to the provisions of CEQA and the State CEQA Guidelines, the State of California Department of Transportation (Caltrans) and the Federal Highway Administration, acting as Co-Lead Agencies, prepared and processed a Final Environmental Impact Report and Environmental Impact Statement (Final EIR/EIS) for the proposed project. The Final EIR/EIS was certified, and the project was approved by the Lead Agency on May 1, 2008. The Lead Agency also approved the Findings of Fact, the Statement of Overriding Considerations (SOC), and the Mitigation Monitoring and Reporting Program (MMRP). Metropolitan, as a Responsible Agency under CEQA, is required to certify that it has reviewed and considered the information in the certified Final EIR and adopt the Lead Agency's findings, SOC, and MMRP prior to approval of the formal terms and conditions for the annexation and water standby charges. On September 13, 2010, Metropolitan acting as a Responsible Agency, filed a Notice of Determination for an Entry Permit for construction of the proposed project. Hence, the previous environmental documentation acted on by the Metropolitan in conjunction with the proposed action fully complies with CEQA and the State CEQA Guidelines. Accordingly, no further CEQA documentation is necessary for the Board to act on the proposed action.

### CEQA determination for Option #2:

None required

## Board Options

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### Option #1

Authorize the General Manager to grant a permanent highway and sight easement to Caltrans.

**Fiscal Impact:** Metropolitan will receive positive revenue in the form of a one-time processing fee of \$6,500 and \$139,000 as the fair market value for the proposed easement.

**Business Analysis:** The easement will establish the necessary rights for highway use activities to Caltrans and release Metropolitan of any traffic-related liability.



**Option #2**

Do not authorize the permanent easement.


**Fiscal Impact:** Metropolitan will forego the one-time transaction and conveyance fees of \$145,500.

**Business Analysis:** Caltrans will not be permitted to operate the ramps and has indicated they will use eminent domain action to obtain the necessary easement.

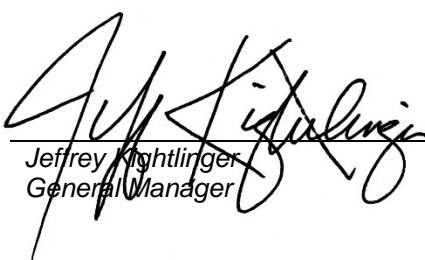
**Staff Recommendation**

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Option #1

	6/23/2021
Lilly L. Shraibati	Date
Group Manager	
Real Property Group	

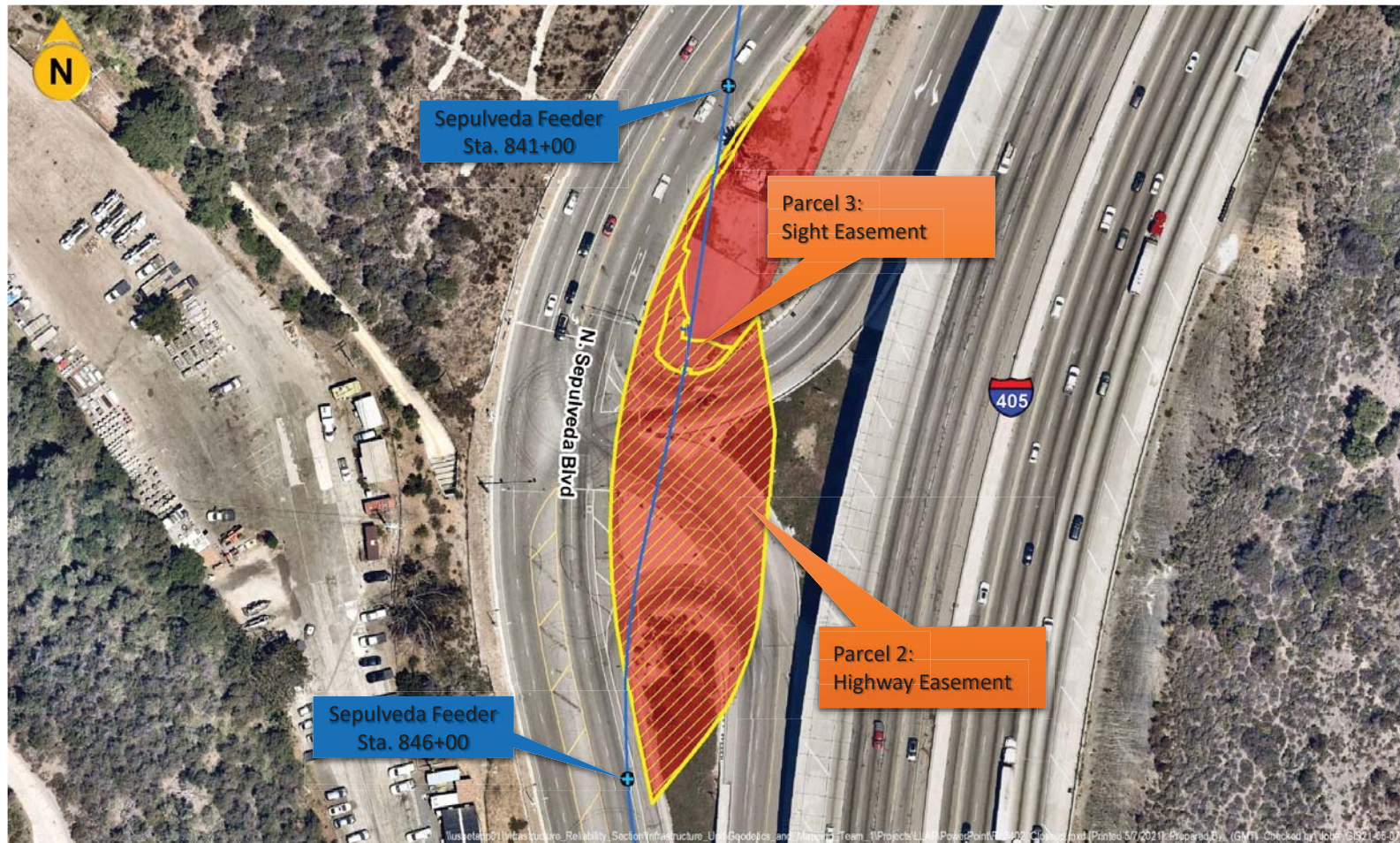
	6/28/2021
Jeffrey Lightlinger	Date
General Manager	

**Attachment 1 – Site Map**

Ref# rpam12669604



## Site Map -





# Authorize Permanent Easement to State of California Department of Transportation ( Caltrans)

Real Property and Asset Management Committee

Item 7-5

July 13, 2021

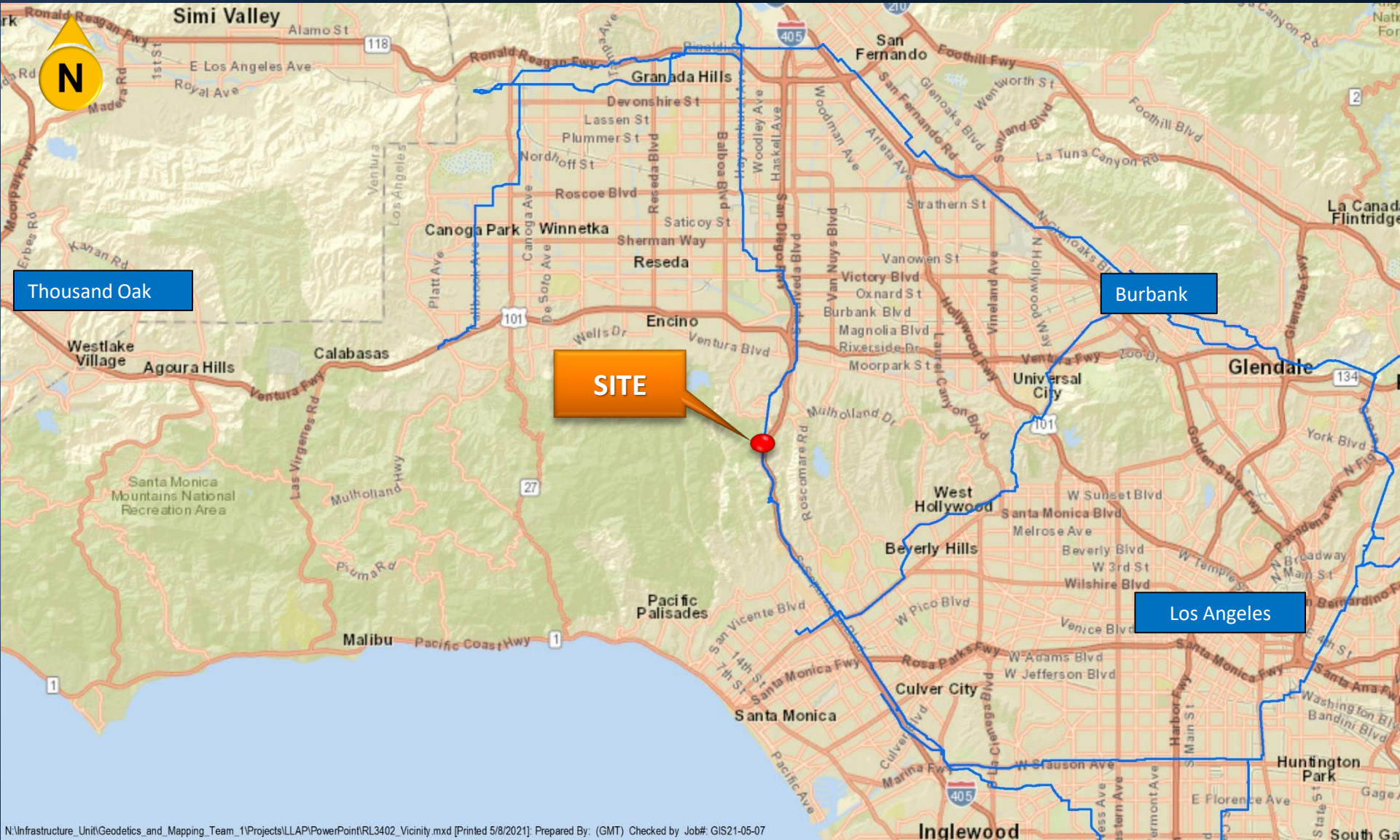


# Distribution System Map



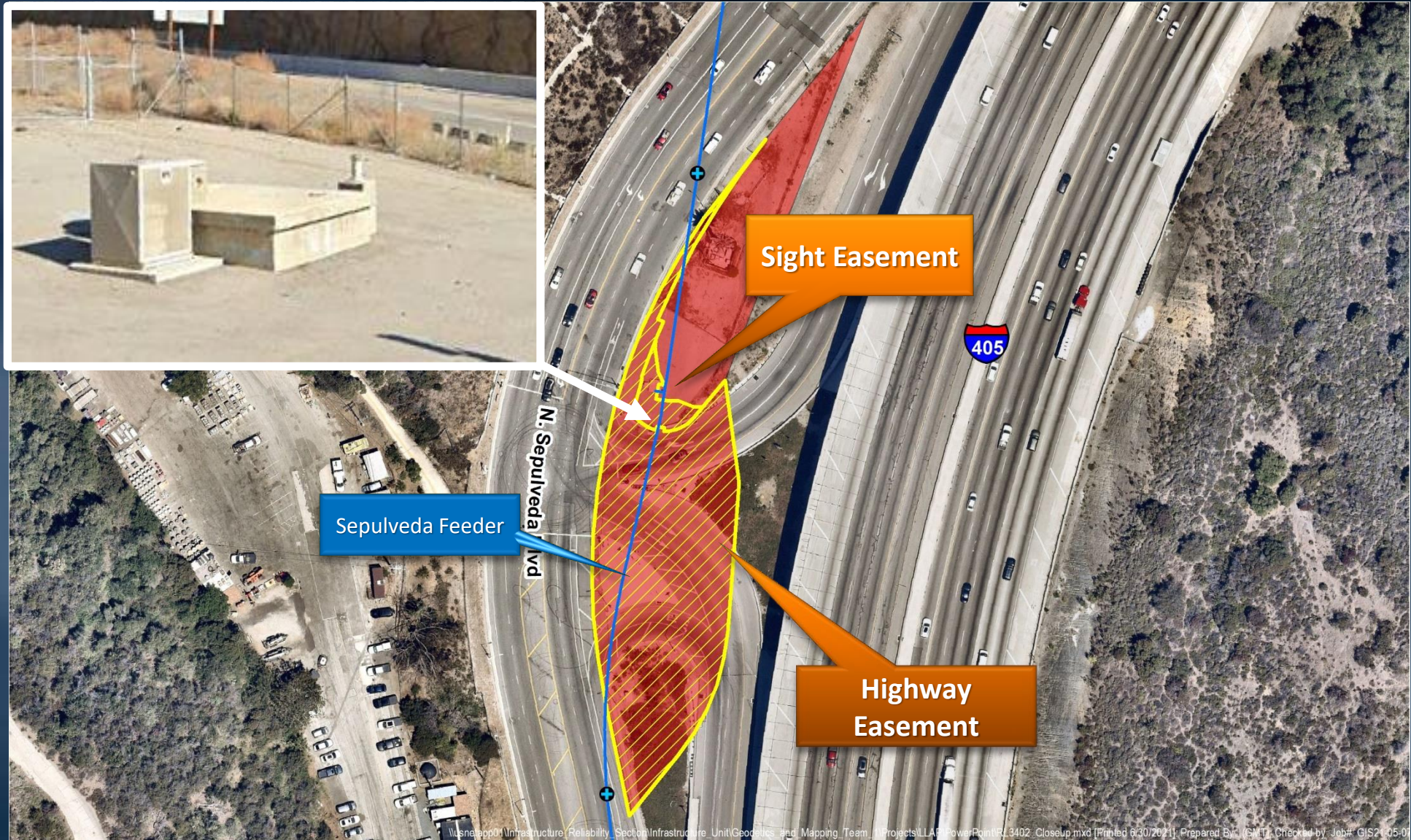


# General Location Map





# Site Map -





# Key Provisions

- Metropolitan's paramount rights preserved
- Caltrans will be required to maintain the area
- Metropolitan to review and approve all plans
- Caltrans responsible for all safety measures in securing easement area during construction
- The Fair Market value for the proposed easement is \$139,000, with a one-time processing fee of \$6,500

# Board Options

- Option #1
  - Authorize the General Manager to grant a permanent highway and sight easement to Caltrans
- Option #2
  - Do not authorize the permanent easement

# Staff recommendation

- Option #1







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

7/13/2021 Board Meeting

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7-6

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## Subject

Authorize an increase of \$3 million to an agreement with Roesling Nakamura Terada Architects for a new not-to-exceed amount of \$5 million for preliminary 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

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## 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. Staff recommends an increase of \$3 million for a new not-to-exceed amount of \$5 million to an agreement with Roesling Nakamura Terada (RNT) Architects for preliminary design and architectural services in support of the District Housing and Property Improvements Program.

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## 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 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. 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, these facilities have deteriorated and need replacement.

In addition, multiple enhancement features are planned across Metropolitan's CRA pumping plants' villages that will improve employee retention, attract future employees, and help create a vibrant, healthy, and sustainable community. Enhancements to these villages include perimeter trails, shade structures, welcoming and sustainable landscape, and family-friendly community centers.

In 2019, Metropolitan's Board authorized the District Housing and Property Improvement Program (Program) across four of Metropolitan CRA pumping plants; no improvements are planned for Intake Pumping Plant because housing is not provided at this site due to the Gene village proximity. The Program consists of: (1) Housing Improvements; (2) Village Enhancements; and (3) Kitchen and Lodging Facilities Improvements. Metropolitan staff has completed the master planning study phase for these projects, and the Program is ready to advance into the preliminary design phase. Additionally, in May 2021, the Board awarded agreements for geotechnical investigations and environmental documentation in support of the District Housing and Property Improvement Program.

In accordance with the April 2020 action on the biennial budget for Fiscal Years 2020/21 and 2021/22, the General Manager will authorize staff to proceed with preliminary design of 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 2020/21 and 2021/22 (Appropriation No. 15517). 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 – Preliminary Design**

The preliminary design effort will focus on the replacement of 75 CRA houses, the kitchens, and short-term lodging facilities at Eagle and Iron Mountain pumping plants' villages, and enhancements. Preliminary design activities will include site development, including earthwork and site drainage, utility layout, walking trails, shade structures, community parks, jurisdictional permitting, and development of construction cost estimates. As part of the preliminary design efforts, state mandated energy efficient and cost-effective housing requirements, known as Title 24, will be developed. Preliminary design will be conducted by both Metropolitan staff and consultants. The consultants' work includes preparing preliminary design reports for each village, conceptual drawings, which will form the basis for the contract drawings, establishing design criteria, engineering calculations, and construction cost estimates. These activities will build upon the recently completed concept-level work for this Program. The work in this phase of the Program will be closely coordinated with the ongoing CIP projects to rehabilitate the existing underground utilities in each of the villages, which include potable water and sanitary sewer systems. Metropolitan staff will also initiate the permitting process with Riverside and San Bernardino Counties.

The value engineering process will be used to review the proposed design, construction sequencing to ensure an optimum design, contracting options and minimize relocation of employee staff and their families during construction. Value engineering will be performed by a specialty firm under an agreement planned to be executed under the General Manager's Administrative Code authority to award contracts of \$250,000 or less.

A total of \$5 million is required for this work. Allocated funds include \$3 million for preliminary design and architectural support by RNT Architects, as described below; and \$250,000 for value engineering. Allocated funds for Metropolitan staff activities include \$435,000 for technical oversight to support the preliminary design and value engineering activities; \$815,000 for permitting, agreement administration, and project management. Allocated funds also include \$500,000 for remaining budget.

The total cost for the District Housing and Property Improvement Program will be re-evaluated during preliminary design and is currently estimated to range from \$140 million to \$150 million. **Attachment 1** provides the allocation of the required funds. Staff will return to the Board at a later date to award a consulting agreement for final design services.

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

RNT Architects will provide preliminary design and architecture support services under an existing board-authorized agreement for the Desert Housing and Property Improvements Program. RNT Architects was originally prequalified to provide architecture and engineering support services via Request for Qualifications No. 1198, and previously conducted master planning and property assessments for all desert houses.

The planned activities for preliminary design and architecture support include: (1) preparation of preliminary design and architectural drawings that will include civil, structural, mechanical, and electrical plans for replacement of the houses, the kitchen and lodge buildings, and various village enhancements; (2) site drainage and earthwork calculations; (3) preparation of utility layouts and tie-ins within the new houses and buildings; (4) development of Title 24 requirements; and (5) development of construction cost estimates. The estimated cost for these services is \$3 million.

This action authorizes an increase of \$3 million to the existing agreement with RNT Architects for a new not-to-exceed total of \$5 million for preliminary 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., and TOV Architectural Consulting.

### **Alternatives Considered**

Multiple alternatives are being considered regarding the execution of the construction contracts for the various improvements. A large single construction contract may attract a larger, more-experienced pool of contractors; however, this will require additional time to prepare the first design package; thus, delaying the start of construction. Staff is considering issuing multiple construction contracts based on the geographical separation of the pumping plants. This approach will allow staff to learn lessons from previous contracts and take advantage of optimizing the construction sequence; thus, completing the improvements in a timely and cost-efficient manner. This alternative will also minimize disruptions to the residents and their families.

Additionally, staff is integrating other related desert village projects with the desert housing and property improvements. Related projects include water, sewer, industrial water piping, and asphalt paving replacement. Staff plans to execute these utility projects ahead of the housing improvement contracts so that the houses are ready for utility tie-ins as the housing construction contracts are completed. Staff will continue to investigate and develop additional alternatives as the design progresses.

### **Summary**

This action authorizes an increase of \$3 million to the existing agreement with RNT Architects for a new not-to-exceed total of \$5 million for preliminary design and architectural support services for housing and property improvements at four CRA pumping plants.

This project has been evaluated and recommended by Metropolitan's CIP Evaluation Team, and funds are available within the fiscal year 2021/22 capital expenditure plan. See **Attachment 1** for the Allocation of Funds and **Attachment 2** for the Location Map.

### **Project Milestone**

March 2022 – Completion of preliminary design of Metropolitan housing and property improvements

### **Policy**

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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 51963, dated April 14, 2020 the Board appropriated a total of \$500 million for projects identified in the Capital Investment Plan for Fiscal Years 2020/21 and 2021/22.

### **California Environmental Quality Act (CEQA)**

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#### **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 basic data collection, research, experimental management, and resource evaluation activities, which do not result in a serious or major disturbance to an environmental resource. These 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. In addition, the activities may involve minor alterations in the condition of land, water, and/or vegetation which do not involve healthy, mature, scenic trees. Accordingly, the proposed

action qualifies for both Class 4 and Class 6 Categorical Exemptions (Section 15304 and 15306 of the State CEQA Guidelines).

**CEQA determination for Option #2:**

None required

**Board Options**

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**Option #1**

Authorize an increase of \$3 million to an agreement with Roesling Nakamura Terada Architects for a new not-to-exceed amount of \$5 million for preliminary design and architectural support services for the housing and property improvements at four CRA pumping plants.

**Fiscal Impact:** The current Capital Investment Plan expenditure forecast includes the \$5 million for the work to be performed pursuant to this action during the current biennium Appropriation for Fiscal Years 2020/21 and 2021/22. All costs will be incurred in the current fiscal year and 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**

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**Option # 1**

	6/18/2021
Lilly L. Shraibati	Date
Group Manager	
Real Property Group	

	6/23/2021
Jeffrey Lightlinger	Date
General Manager	

**Attachment 1 – Allocation of Budgeted Funds**

**Attachment 2 – Location Map**

Ref# rpd12684200

## Allocation of Funds for the District Housing and Property Improvement Program

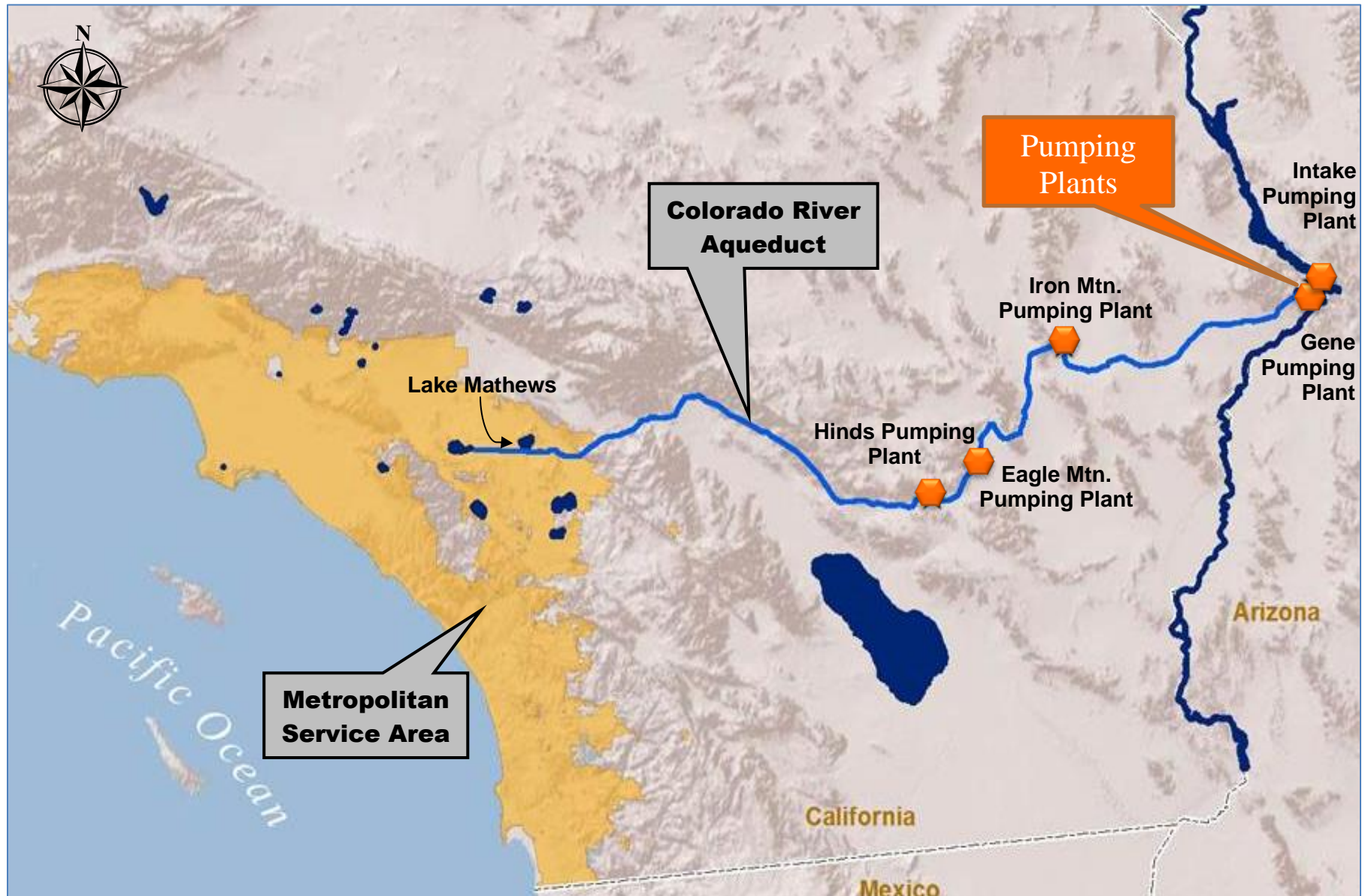
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	<b>Current Board Action</b>	
	<b>(July 2021)</b>	
Labor		
Studies & Investigations	\$	-
Final Design		-
Owner Costs (Program mgmt., Proj. controls, envir. doc., survey)		555,000
Submittals Review		435,000
Construction Inspection & Support		-
Metropolitan Force Construction		-
Materials & Supplies		-
Incidental Expenses (Permit Fees)		260,000
Professional/Technical Services		-
RNT Architects		3,000,000
Value Engineering		250,000
Right-of-Way		-
Equipment Use		-
Contracts		-
Remaining Budget		500,000
<b>Total</b>	<b>\$</b>	<b>5,000,000</b>

The total amount expended to date for the District Housing and Property Improvement Program is approximately \$2.4 million. The total estimated cost to complete this project, including the amount appropriated to date, funds allocated for the work described in this action, and future construction costs, is anticipated to range from \$140 million to \$150 million.



## Location Map





# District Housing & Property Improvement Program

Real Property & Asset Management Committee

Item 7-6

July 13, 2021



# Agenda

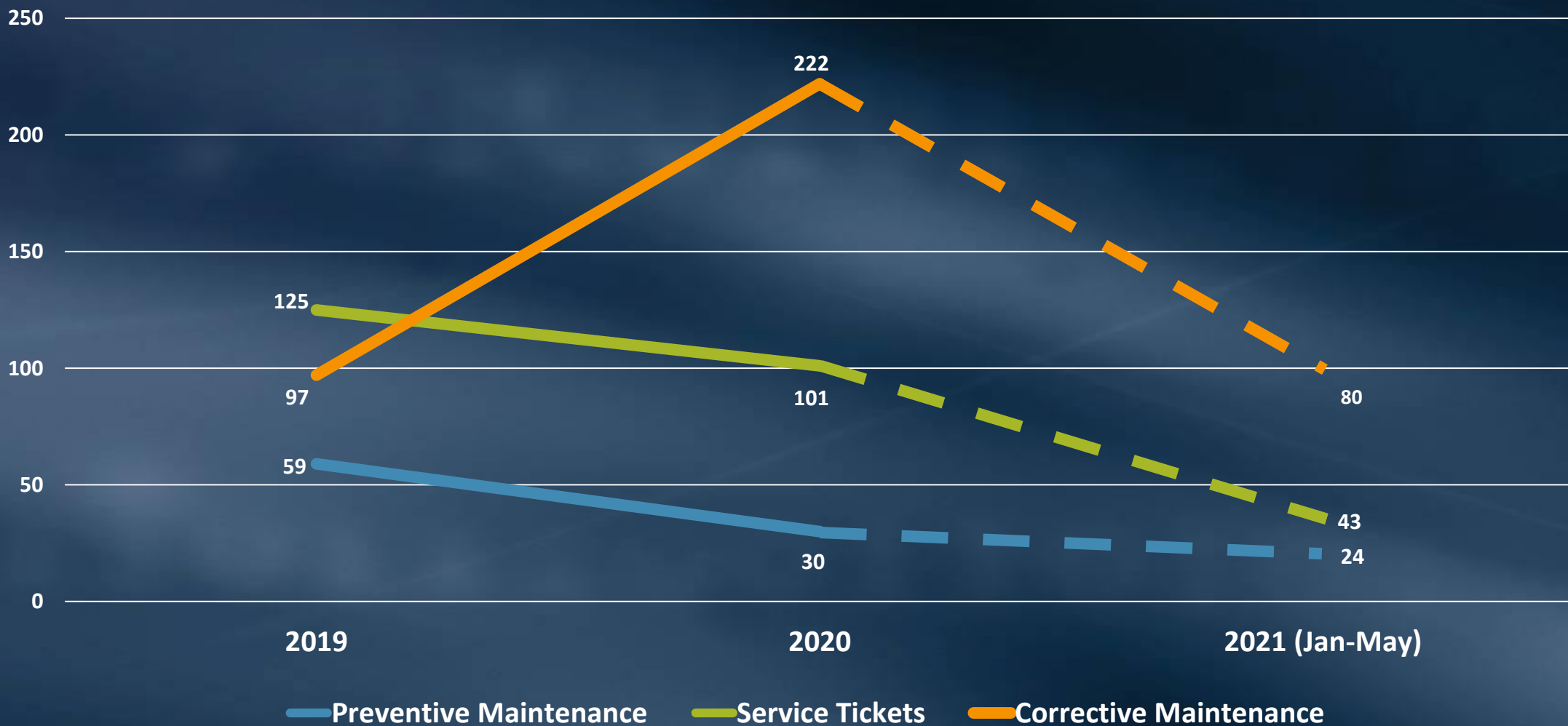
- Background
- Housing Management
  - Workorder data
  - Completed and on-going efforts
- Desert Housing and Property Improvement Program update and action

# Background



- Remote CRA facilities spanning 242 miles
- Nearly 100 employee houses constructed in the 1950's and 1960's
- Essential operation, maintenance and other functions

# Work Orders Completed Per Work Type



# Completed Effort

- Internet Services



# Ongoing Efforts

- Improve Communication
- Resident Portal

**District Housing Resident Portal**

Dashboard Maintenance Requests Leases Documents Judy Holland

Dashboard Service Issues Community Calendar Leases Notes Message Board

**Dashboard**

Welcome, Judy Holland

Monday, June 14th, 2021  
004-G MWD Road

Unit	004-G MWD Road
Manager	Dennis Mullen
Phone	760-221-8922
Address	158000 MWD Road, House 4 P.O. Box 38 Parker Dam, CA 92267

For emergencies, please contact Dennis Mullen (primary) @ 760-221-8922 or Victor Ramirez (secondary) @ 626 222-2036 and submit a service ticket.

**Open Date**  
6/29/21 3:33 PM

**Subject**  
Plumbing

**Description**  
Kitchen sink is backed up.

☒ Allowed to Enter ☒ Pets?

Add Attachment

Add Maintenance Request Cancel

**TENANT WEBACCESS**

Dashboard Service Issues Leases Notes

**Service Issues**

Add Service Issues

Filter

Open/Closed  
Open And Closed

From Date  
6/14/2020

To Date  
6/14/2021

10 items per page

#	Date	Closed	Status	Subject	Description
7	6/14/2021 8:43 AM			Door/Lock Issues	Keys do not work for the back door.
6	6/10/2021 1:40 PM			Electrical	Plugs not working in the living room.
5	6/10/2021 4:29 PM			HVAC Issues	Air-Conditioning isn't working

Showing 1 to 3 of 3 entries

10 items per page



# Current Action

- Authorize an increase of \$3,000,000 to an agreement with Roesling Nakamura Terada Architects for a new not-to-exceed amount of \$5,000,000 for preliminary design and architectural services in support of the District Housing and Property Improvement Program

# District Housing and Property Improvements

- 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



# Planned Improvements

- Housing
  - Replacement of 75 houses
- Village enhancements
- Kitchen and lodging facilities
  - Replace kitchens & lodges
    - Eagle Mountain Pumping Plant
    - Iron Mountain Pumping Plant





# 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

## ● May 2021

- Authorization of agreements for environmental & geotechnical services

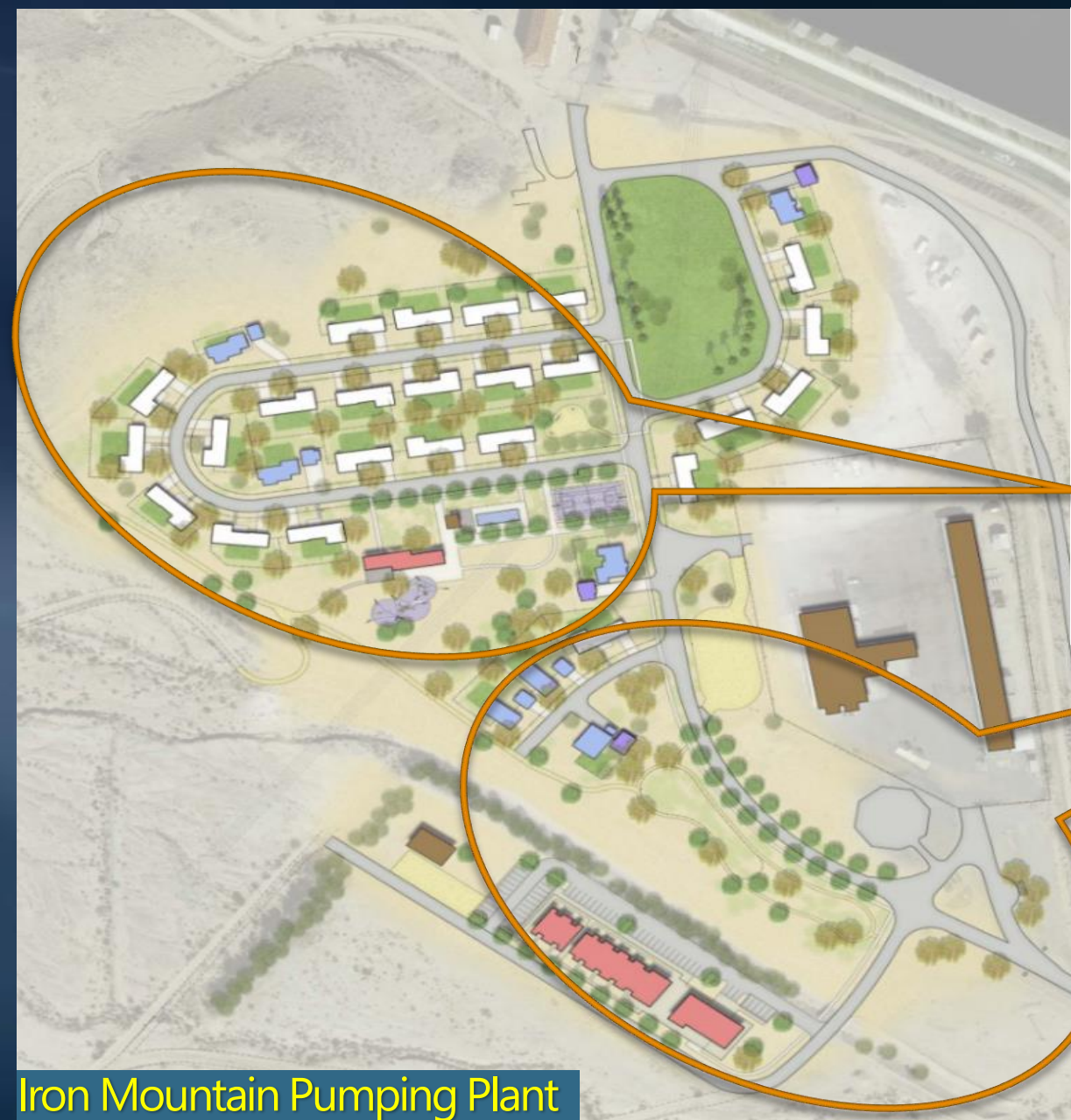


**Legend**

- New Houses
- New Buildings
- Replaced & Renovated Houses
- Existing Buildings
- Street Modifications

Iron Mountain Pumping Plant

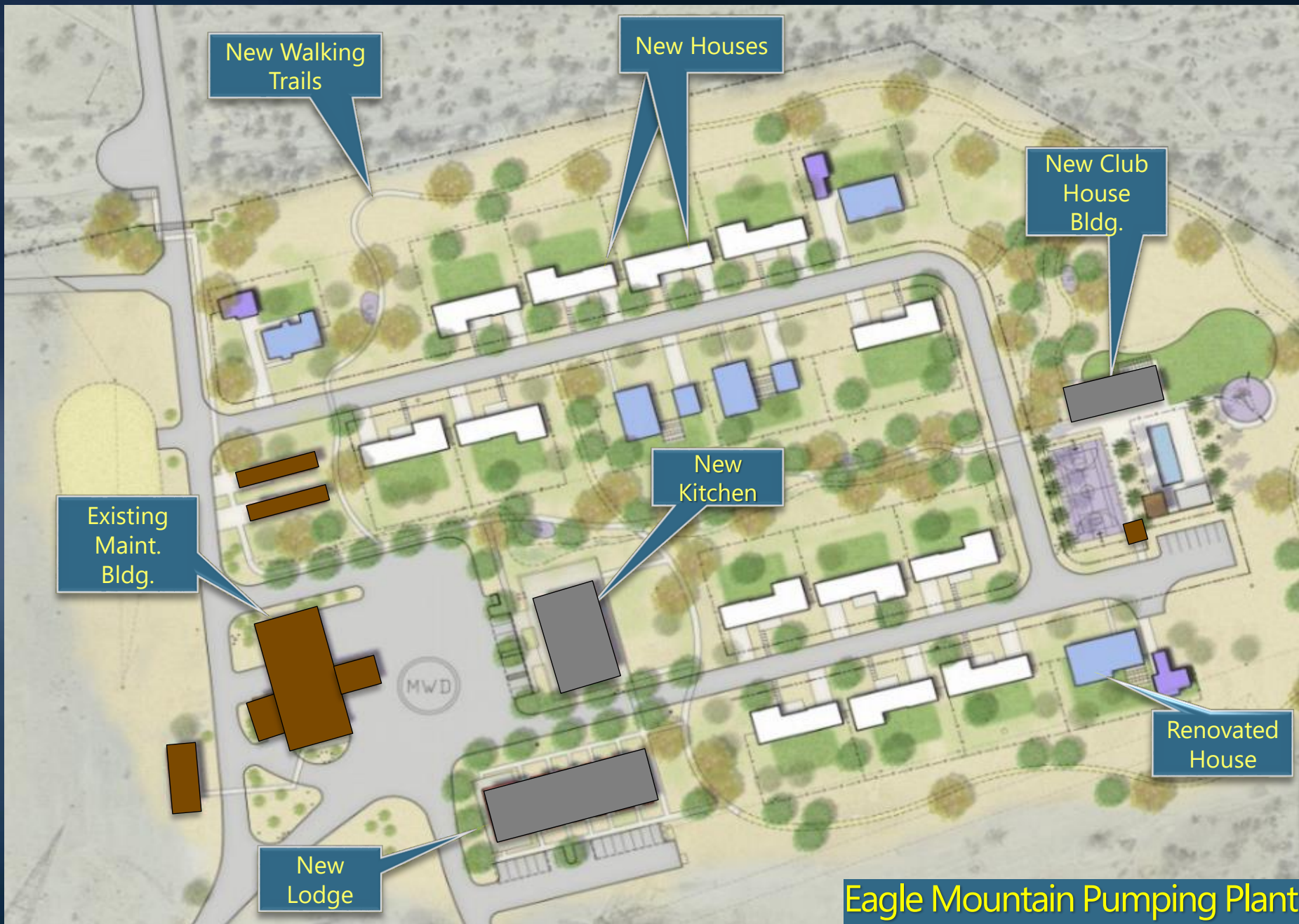




Iron Mountain Pumping Plant







**Legend**

	New Houses
	New Buildings
	Replaced & Renovated Houses
	Existing Buildings

Eagle Mountain Pumping Plant





# Alternatives Considered

- Execution of construction contracts
  - Large single construction contract
  - Multiple construction contracts
- Integration of other related desert utility projects
  - Potable, industrial, & fire protection water, & sewer
  - Minimizes delays to resident occupancy

# Roesling Nakamura Terada Architects

## Amendment to Agreement

- Competitively selected under RFQ 1198
- Scope of work
  - Preliminary & architectural drawings
  - Site drainage & earthwork
  - Utility layouts
  - Title 24 requirements
  - Construction cost estimates
- SBE participation: 25%
- Amendment amount – \$3,000,000; NTE amount: \$5,000,000

# Metropolitan Scope

- Provide technical oversight & review consultant work
- Value engineering & support activities
- Permitting process
- Conduct site visits
- Conduct project management
- Manage consultant agreement



Iron Mtn. Lodge &  
Kitchen



# Allocation of Funds

## Professional Services

Roesling Nakamura Terada Architects	\$3,000,000
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Value engineering	\$250,000
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## Labor

Prelim. design & Value eng. support	435,000
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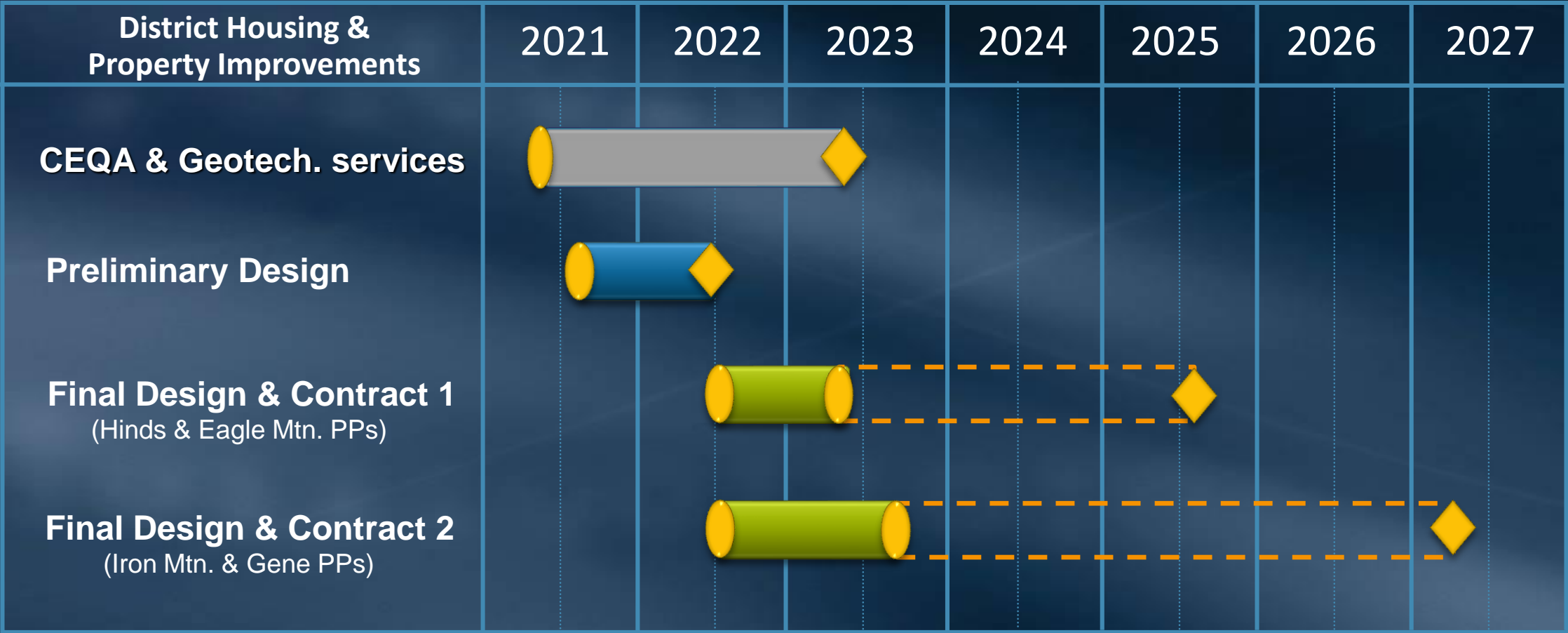
Permitting, agreement admin. & PM	815,000
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Remaining Budget	500,000
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Total:	\$5,000,000
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# Program Schedule



Construction



Board Action



Completion

# Board Options

- Option #1
  - Authorize an increase of \$3,000,000 to an agreement with Roesling Nakamura Terada Architects for a new not to exceed amount of \$5,000,000 for preliminary design and architectural support services for the housing and property improvements at four CRA pumping plants
- Option #2
  - Do not proceed with the project at this time

# Staff Recommendations

- Option #1



