



**RP&AM Committee**

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

**Adjourned Real Property and Asset  
Management Committee**

Meeting with Board of Directors \*

**August 17, 2021**

**10:30 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, August 17, 2021  
Meeting Schedule**

**09:00 a.m. - Adj. L&C**

**10:30 a.m. - Adj.**

**RP&AM**

**11:30 a.m. - Break**

**12:00 p.m. - Adj. 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 July 13, 2021

[21-328](#)

**Attachments:** [081762021 RPAM 2A draft minutes](#)

**3. CONSENT CALENDAR ITEMS - ACTION**

- 7-7 Authorize the General Manager to enter into a ten-year agreement with Urban Park Concessionaires to operate and maintain the marina facility at Diamond Valley Lake in the City of Hemet; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA [21-334](#)

**Attachments:** [08172021 RPAM 7-7 B-L.pdf](#)  
[08172021 RPAM 7-7 Presentation.pdf](#)

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

**4. OTHER BOARD ITEMS - ACTION**

None

**5. BOARD INFORMATION ITEMS**

None

**6. COMMITTEE ITEMS**

- a. Desert Recreation [21-379](#)

**Attachments:** [08172021 RPAM 6a Presentation.pdf](#)

**7. MANAGEMENT REPORTS**

- a. Real Property Group Manager's Report [21-377](#)

**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**

**July 13, 2021**

Chair Hogan called the teleconference meeting to order at 10:22 a.m.

Committee Members present: Chair Hogan, Vice Chair Peterson, Directors Camacho, Dick (entered after roll call), Erdman, Kurtz, Record, and Smith.

Members absent: Director Kassakhian.

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

Committee Staff present: Chapman, Hagekhalil, 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 May 11, 2021.

#### **3. CONSENT CALENDAR ITEMS – ACTION**

- 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.

Presented by: Ethel Young, Resource Specialist

Motion: 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 the board letter attachment.

- 7-5 Subject: 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.
- Presented by: None
- Motion: Authorize the General Manager to grant a permanent highway and sight easement to Caltrans.
- 7-6 Subject: 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; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA.
- Presented by: Victor Ramirez, Facilities Management Unit Manager; and Ish Singh, District Housing Program Manager
- Motion: 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.

The following Directors provided comments or asked questions:

1. Erdman

Director Camacho made a motion, seconded by Director Erdman to approve the consent calendar consisting of items 2A, 7-4, 7-5 and 7-6:

The vote was:

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

The motion 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**

None

**7. MANAGEMENT REPORT**

- a.           Subject:           Real Property Manager’s Report  
              Presented by:   Lilly L. Shraibati, Group Manager, Real Property Group  
              Ms. Shraibati reported that there will be a meeting in August 2021.

**8. FOLLOW-UP ITEMS**

None

**9. FUTURE AGENDA ITEMS**

None

Next meeting will be held on August 17, 2021.

Meeting adjourned at 11:08 a.m.

Michael Hogan  
Chair



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

8/17/2021 Board Meeting

7-7

## Subject

Authorize the General Manager to enter into a ten-year agreement with Urban Park Concessionaires to operate and maintain the marina facility at Diamond Valley Lake in the City of Hemet; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA

## Executive Summary

This action authorizes the General Manager to enter into a ten-year agreement with Urban Park Concessionaires. The proposed agreement will allow continued recreation operations at the Diamond Valley Lake Marina and will include a financial obligation from the concessionaire to upgrade and expand recreation amenities. The current lease agreement with Urban Park expires on September 30, 2021.

## Details

### Background

In 2003, Metropolitan's Board authorized funding for construction of the Diamond Valley Lake (DVL) East Marina Phase I, that focused on the development of facilities necessary for a functional marina. In response, staff advertised a request for proposals (RFP) to initiate an agreement for services at the East Marina through an experienced concessionaire who would be responsible for managing daily marina and rental fleet operations, a fee collection reservation system, fish planting, lake security, sanitation and waste removal, and other related services. Metropolitan received two responses, and Urban Park Concessionaires (Urban Park) was identified as the respondent that provided the best overall value in response to the RFP. Metropolitan entered a 30-month agreement with Urban Park with the intent of pursuing a long-term agreement prior to the completion of Phase II marina facilities.

The ensuing years brought a series of financial and water supply challenges resulting in reduced capital investment by Metropolitan on the marina facilities and decreased lake elevations making a viable concession operation challenging to establish. As a result, the Urban Park agreement was amended multiple times and extended through September 2011.

In October 2011, with a lake elevation that encouraged visitor attendance and provided reasonable gross revenues, Metropolitan renegotiated the agreement with Urban Park and entered into a short-term lease whereby Metropolitan no longer paid a management fee, nor reimbursed for expenses or for marina support services. With the renegotiated agreement, Urban Park assumed responsibility for the marina operations and began paying rent to Metropolitan equal to seven percent of gross revenues. With the introduction of the Quagga Mussel in California and in an abundance of caution, a watercraft inspection and tracking system was introduced at DVL. Urban Park cooperated with Metropolitan and began a rigorous and successful preventative process. The rental amount was subsequently reduced by a monthly \$1,250 credit to compensate for the added Quagga Mussel watercraft inspections and tracking process.

In May of 2016, the Board authorized the East Dam Electrical Upgrade Project and The Marina Restroom Facility Project to enhance the viability of self-sustaining marina operations. Staff returned to the Board in August of 2016 for authorization to extend the agreement with Urban Park. The Board approved the lease amendment that incorporated a four-tier rent and expense reimbursement structure based on lake elevation, again in response to the significant drop in lake elevation.

In the fall of 2018, Staff advertised a request for proposals offering up to a 30-year lease that would include the development and operation of a world-class marina with the goals of securing private capital investment in recreational facilities, expanding retail, food services, and events, thereby creating additional recreation amenities to attract greater visitation. Despite being widely advertised within the marina and recreation industry, Metropolitan received only one response, which was submitted by the current operator, Urban Park. Their proposal was limited, and it did not include the capital investment in the expansion of recreation facilities that Metropolitan was seeking in exchange for a long-term lease. Urban Park cited the challenges with major lake elevation fluctuations severely impacting their business and the lack of potable water and sewer utilities at the marina. Metropolitan concluded that the single offer did not warrant entering a long-term lease.

During the past year, Metropolitan refurbished the wave attenuator that provides breakwater protection to the boat launch area; and is currently in the preliminary design phase of a second attenuator that will complete the wave attenuating system. The wave attenuating system will protect the boat launch area, making it safer for boaters to approach the shore, and will protect the boat fleet owned by the concessionaire from damaging wave action. With these limited improvements, Urban Park has indicated that they are interested in pursuing a ten-year agreement in exchange for a reasonable financial investment to stimulate marina use.

The proposed agreement will have the following key provisions:

- Subject to Metropolitan's paramount rights to operate the reservoir for water storage and supply purposes.
- Ten-year term.
- \$1,000 credit towards quagga mussel inspections.
- \$750,000 required recreational equipment and related marina equipment investment.
- Metropolitan choosing to terminate in the first five years triggers Lessee reimbursement up to \$75,000 for actual facility improvement expenses.
- Rent is based on a percentage of gross receipts that is determined by lake elevation in accordance with four predetermined tiers, as shown in **Table 1**.
- Rent will be deposited into a maintenance fund to be reinvested in the DVL marina facilities per Metropolitan's approval.
- In Tier 4, Metropolitan will reimburse the concessionaire \$10,000 per month for up to 6 months per year for actual expenses.

**Table 1**

	<b>Tier 1</b>	<b>Tier 2</b>	<b>Tier 3</b>	<b>Tier 4</b>
	Able to launch	Able to launch	Able to launch	Unable to launch
<b>Elevation (feet)</b>	1736 and above	1690 - 1735	1655 - 1689	1654 elevation and below or Metropolitan closure of the lake
<b>Rent (%of gross receipts) into maintenance fund</b>	15%	10%	5%	N/A
<b>Expense Reimbursement</b>	N/A	N/A	N/A	Not to exceed \$10,000/month

## Policy

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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)

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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 the leasing, licensing, maintenance, and operating of existing equipment and facilities 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

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### Option #1

Authorize a ten-year agreement with Urban Park to maintain, operate and invest in the marina recreation facility at Diamond Valley Lake.

**Fiscal Impact:** The proposed investments by the concessionaire are expected to bring in additional revenue that will help Metropolitan reduce or avoid O&M costs for the marina operations.

**Business Analysis:** The continued long-term, mutually beneficial landlord-tenant relationship will increase amenities to the marina for public recreational use.

### Option #2

Do not authorize the agreement.


**Fiscal Impact:** Metropolitan would forfeit \$750,000 in recreational upgrades and will have increased O&M costs.

**Business Analysis:** Metropolitan would transition to a month-to-month basis with Urban Park without the stability of having a marina operator under a multi-year agreement. Metropolitan would also forego the opportunity to enhance recreational offerings to the public.

## Staff Recommendation

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### Option #1

  
 Lilly L. Shraibati  
 Group Manager  
 Real Property Group

8/2/2021  
 Date

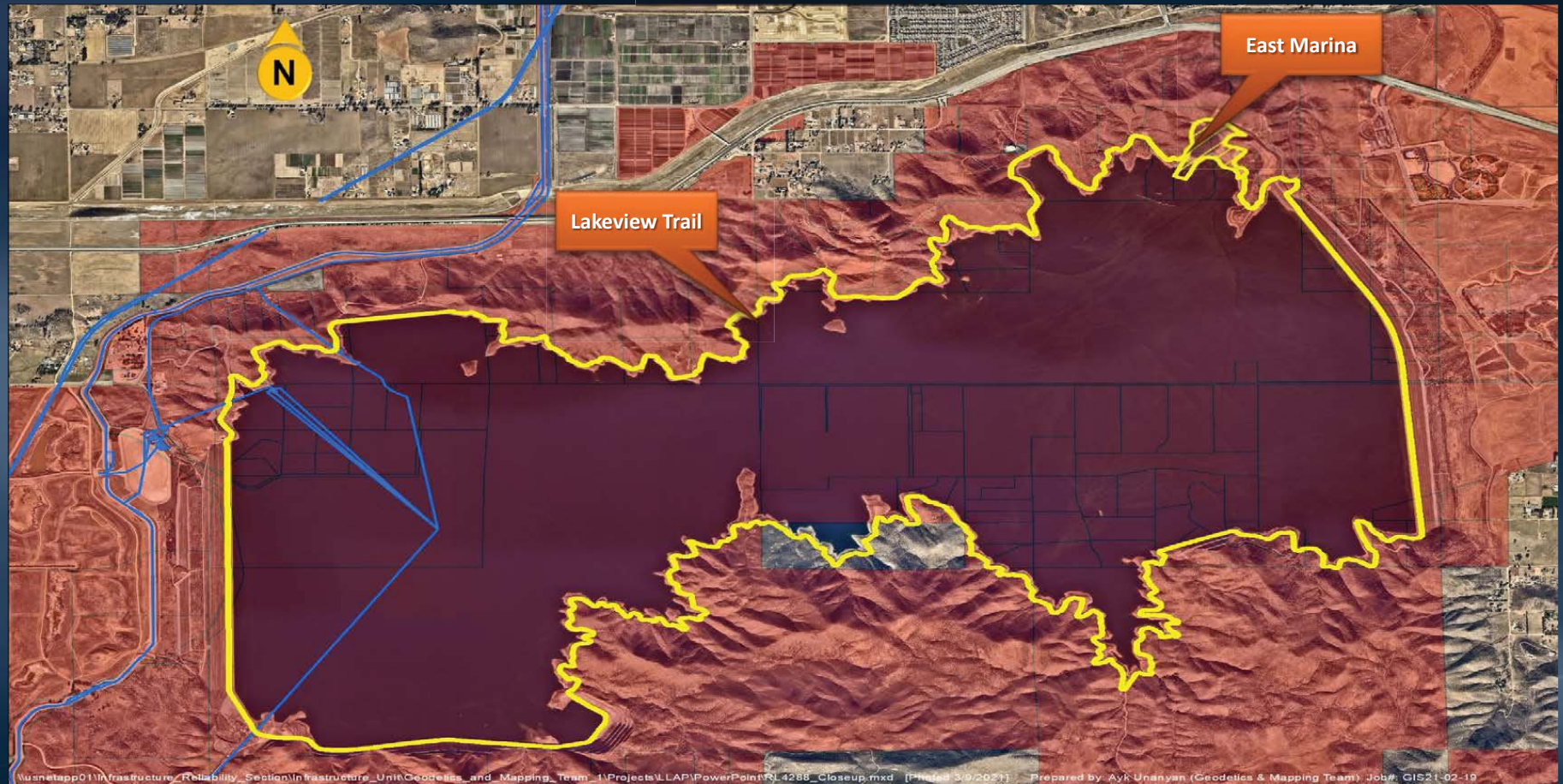
  
 Adel Hagekhalil  
 General Manager

8/4/2021  
 Date

## Attachment 1 – Site Map

Ref# rpam12675671

# Site Map







# Diamond Valley Lake Recreation Update

Real Property & Asset Management Committee

Item 7-7

August 17, 2021

# Distribution System Map





# Agenda

- Background on DVL Recreation
- Recreation Amenities & Tenants
- Impact of COVID-19 Pandemic
- Capital Projects
- Marina Agreement



# Background

- 18 Years of Recreation at DVL
- Key Events
  - 1995 – Reservoir Construction Began
  - 1997 – Recreation Guiding Principles
  - 1998 – Approval of Non-body contact
  - 2000 – Reservoir Construction Completed
  - 2002 – Approval of DVL Park Specific Plan
  - 2003 – Marina opened
  - 2005 – 2008 Valley-Wide Park, Western Science Center & Visitor Center opened

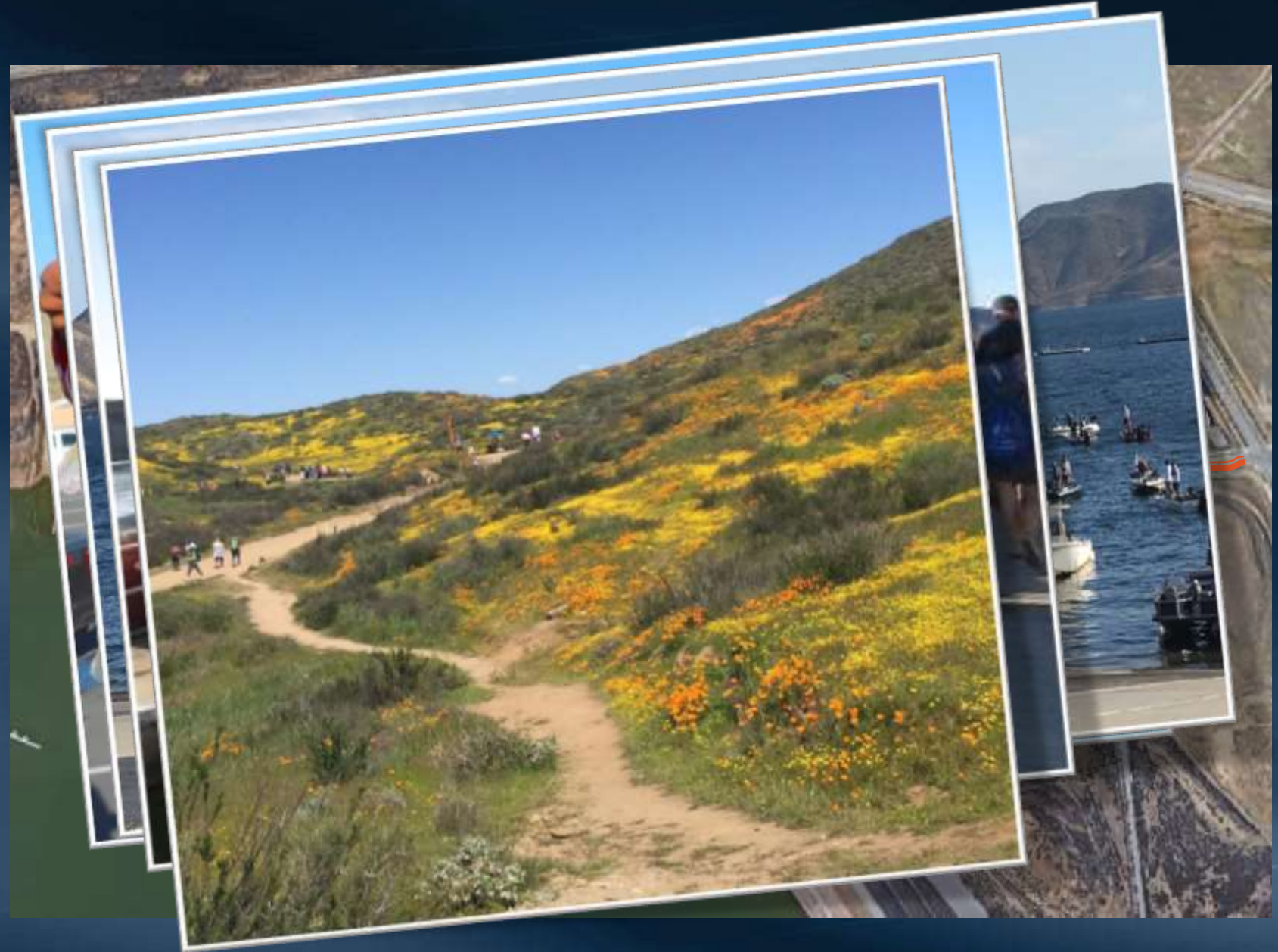
# Recreation Area Map





# DVL Marina

- Access from East Recreation Area
- Fishing
- Boat Launch
- Boat Rentals
- Trail Access



# DVL Marina

- Operated by Urban Parks Concessionaires
- Consistent access to amenities
- Boat tracking & inspection for Quagga Mussels
- Fishing Tournaments
- 7<sup>th</sup> Best U.S. Bass Lake 2018
- 4<sup>th</sup> Place West Region 2021



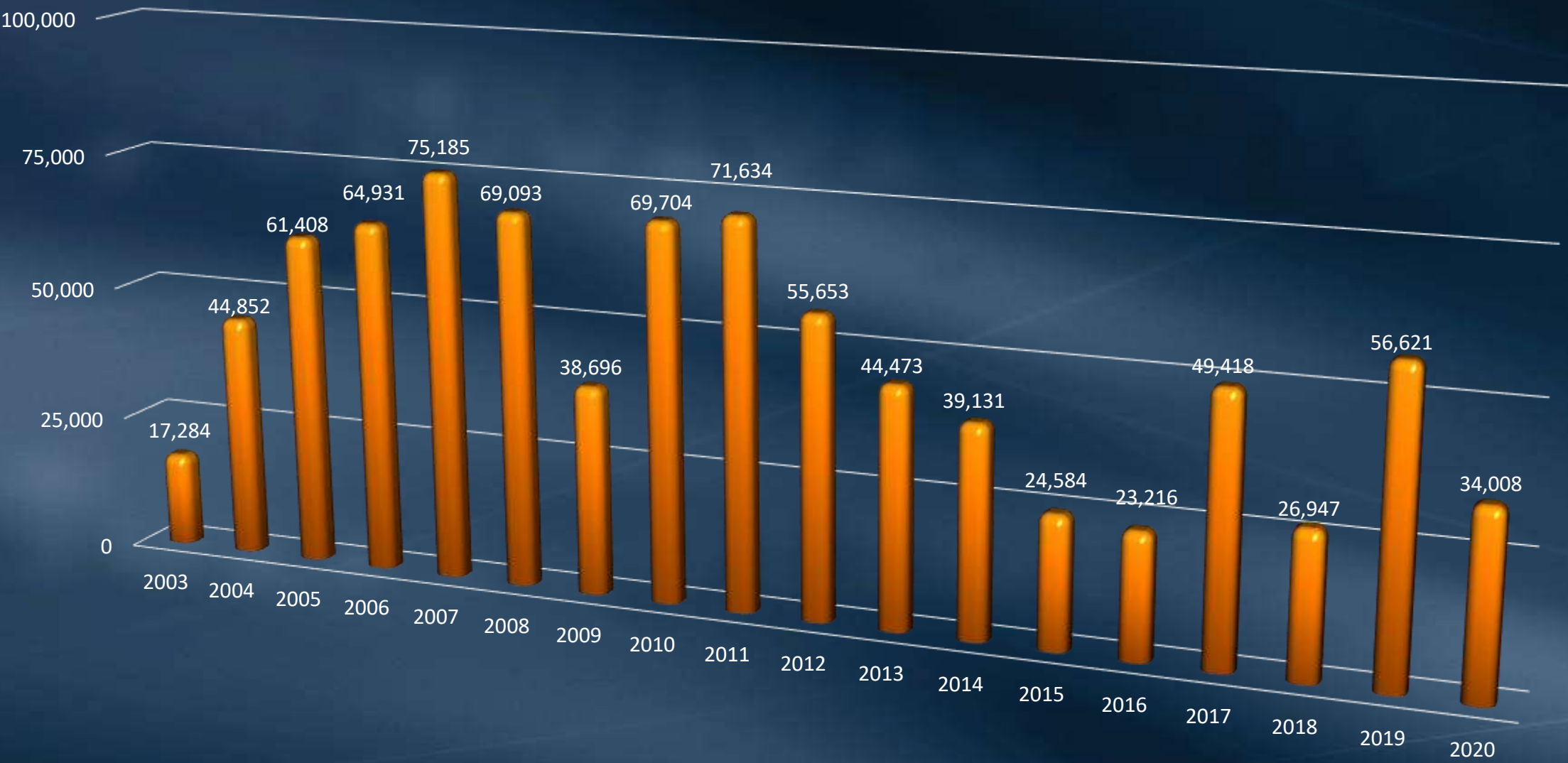


# Lakeview & Wildflower Trail

- Lakeview Trail
  - 22 Miles
  - Hiking & Biking
- Wildflower Trail
  - 1.3 Miles
  - Open seasonally during the Spring
  - 2019 Superbloom over 30,000 visitors



# Marina Visitors





# Western Science Center Museum

- Opened in 2006
- Average yearly attendance 60,000
- Multiple Exhibits
- Host yearly events
- Western Center Academy





# Valley-Wide Park

- Valley-Wide Park
  - Baseball/Softball
  - Soccer Fields
  - Pickleball Courts
- Valley-Wide Aquatic Center
  - Pool & Play Area
- Cross Country Trail





# North Hills Trail

- North Hills Trail
  - Built in 2003
  - 6 miles long
  - Equestrian & Pedestrian



Northeast Trailhead





# West Side Recreation Amenities

Northwest Trailhead



Clayton A. Record Jr. Viewpoint



# COVID-19 Impact

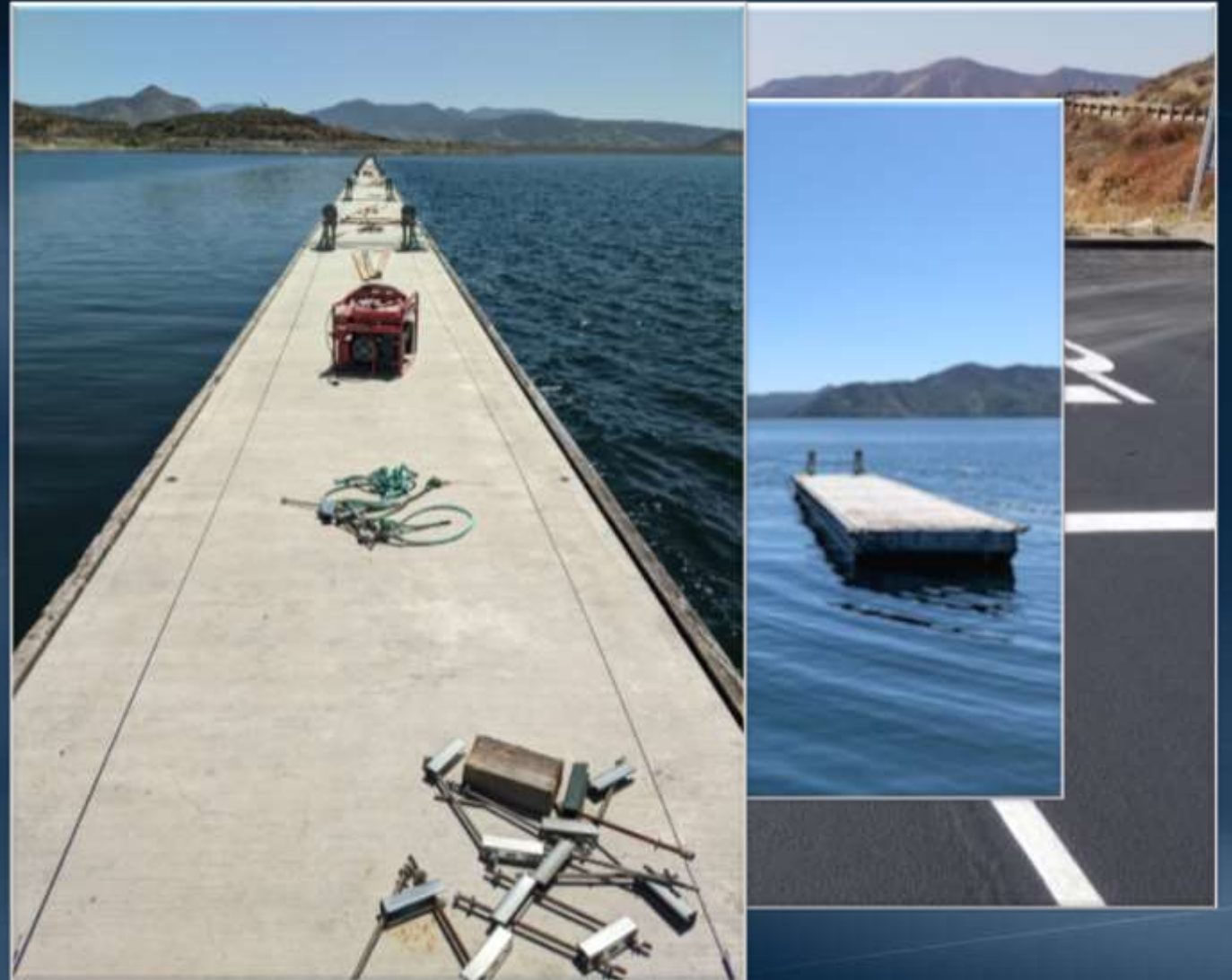
- DVL Marina closed March 25, 2020
- Western Science Center closed until August 21st
- Valley-Wide reopened
- Aquatic Center closed
- North Hills Trail & Viewpoint reopened
- Marina increased visitors after reopening





# Completed Rehabilitation Projects

- Angler Road Resurfacing
- Marina Parking Lot Resurfacing
- Floating Wave Attenuator Rehabilitation



# Current CIP Project – Floating Wave Attenuator

- Final Design Phase
- Additional Breakwater Protection
- Originally Planned
- Complete Wave-Attenuation System
- Enable expansion of rental fleet





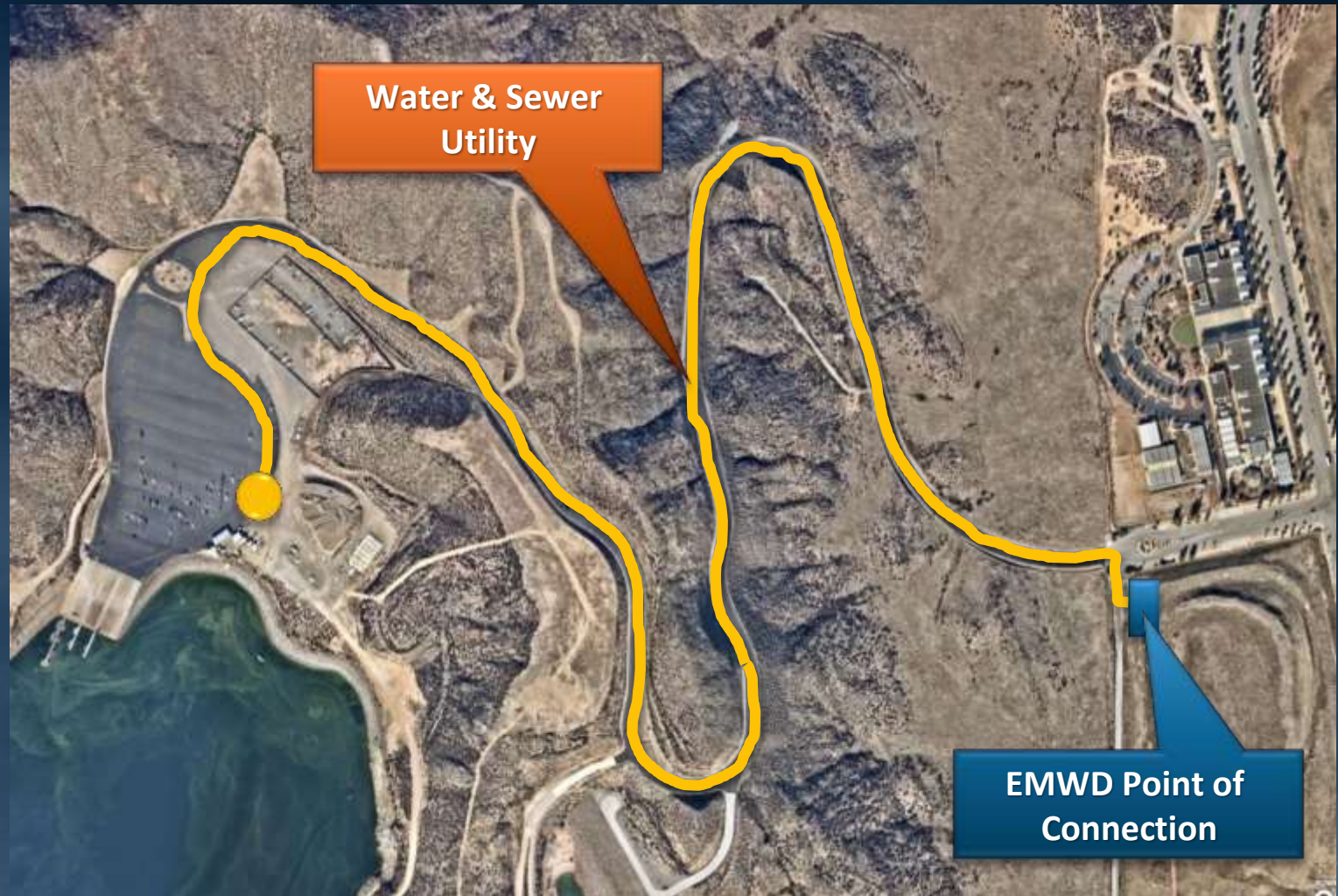
# Current CIP Project – San Diego Canal Trail

- Approximately 13 miles
- Uses existing patrol road
- Connects with Salt Creek Trail
- Links DVL & Lake Skinner
- Part of regional trail system
- Avoids sensitive areas of Multi-Species Reserve



# Current CIP Projects – Marina Utilities

- Brings potable water & sewer to Marina
- Promotes development & expands amenities
- Working with EMWD
- Future Board Action







# Authorize Agreement with Urban Park Concessionaires



# Marina Concessionaire Agreement

- 2018 Staff advertised RFP for long-term agreement
  - Securing Private Capital Investment
  - Expand recreational amenities, food services & events
- One respondent – Current Concessionaire
  - Limited proposal due to lack of infrastructure
- Staff focused efforts on CIP Projects to increase desirability
  - Floating Wave Attenuator
  - Marina water & sewer utilities
- Entered negotiations that includes capital investment by Urban Park Concessionaires

# Key Provisions

- Subject to Metropolitan's paramount rights
- Ten-Year term
- \$1,000 monthly credit for quagga mussel inspections
- Urban Park to invest \$750,000 in new boats, an e-bike program, Buoy field and related marina equipment
- Metropolitan termination within five years requires the reimbursement of up to \$75,000 for actual facility improvement expenses

# Key Provisions

- Rent based on:
  - Lake Elevation
  - Percentage of Gross Receipts
  - Four Tiers
- Metropolitan Reimbursement
- Rent deposited in maintenance fund

	Tier 1	Tier 2	Tier 3	Tier 4
	Able to launch	Able to launch	Able to launch	Unable to launch
Elevation (feet)	1736 and above	1690 - 1735	1655 - 1689	1654 and below or Metropolitan closure of the lake
Rent (% of gross receipts) pays into maintenance fund	15%	10%	5%	N/A
Expense Reimbursement	N/A	N/A	N/A	Not to exceed \$10,000 monthly, maximum 6 months

# Board Options

- Option #1
  - Authorize a 10-year agreement with Urban Park to maintain, operate and invest in the marina recreation facility at DVL.
- Option #2
  - Do not authorize the agreement.

# Staff Recommendation

- Option #1







# Desert Recreation

Real Property & Asset Management Committee

Item 6a

August 17, 2021

# Discussion Topics

- Future recreational facilities
- Existing recreational amenities
- Activity updates & next steps



# Service Area & Conveyance System Map



# Future Recreational Amenities



- Desert Housing Improvement Program **Concepts**

- Pools
- Clubhouses





# Future Recreational Amenities



- Clubhouses
- Community amenities
- Gym amenities



# Future Recreational Amenities

- Desert Housing Improvement Program Concepts
  - Playground, BBQ & picnic areas, solar panel shade structures
  - Walking trails with fitness stations





# Future Recreational Amenities

- Desert Housing Improvement Program Concepts
  - Dog Park
  - Multiuse sport court





# Future Recreational Amenities

- Desert Housing Improvement Program Concepts
  - Designated storage RV parking area





# Existing Recreational Amenities: Gene





# Existing Recreational Amenities : Gene

Pool & Lounge

Safety Signage

Safety Signage





# Existing Recreational Amenities : Gene

Basketball Court



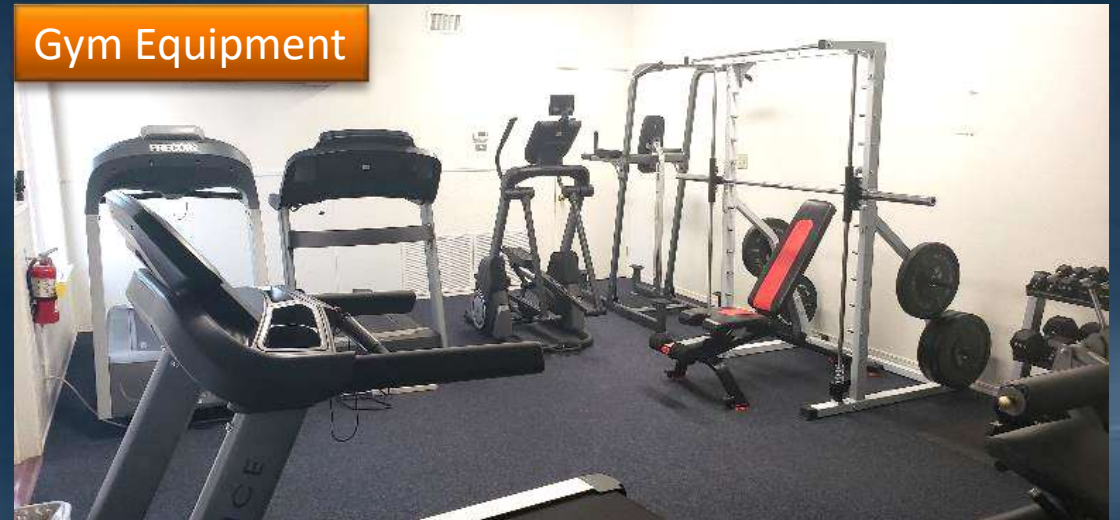
Multiuse Court



Recreation Hall



Gym Equipment





# Existing Recreational Amenities: Iron



An aerial photograph of an industrial and recreational area. In the upper left, a building with a white roof is marked with a location pin and labeled 'Iron Mountain Pumping Plant-72CL'. To the right of the pump plant, a small rectangular building is circled in orange. Below this, a larger area containing a swimming pool, a tennis court, and a basketball court is enclosed in a larger orange oval. The surrounding landscape is arid with sparse vegetation and several other industrial buildings.

Iron Mountain  
Pumping Plant-72CL



# Existing Recreational Amenities : Iron

Horseshoe Area



BBQ & Picnic Area



Golf & Frisbee



Playground





# Existing Recreational Amenities : Iron

Pool Area



Pool House



Safety Signage



Pool & Lounge Area





# Existing Recreational Amenities : Iron

- Amenities in need of maintenance or replacement





# Existing Recreational Amenities : Iron

- House converted to a gym in poor shape
  - Planned for demolition and replacement
  - Gym location alternatives





# Existing Recreational Amenities: Eagle





# Existing Recreational Amenities : Eagle





# Existing Recreational Amenities : Eagle

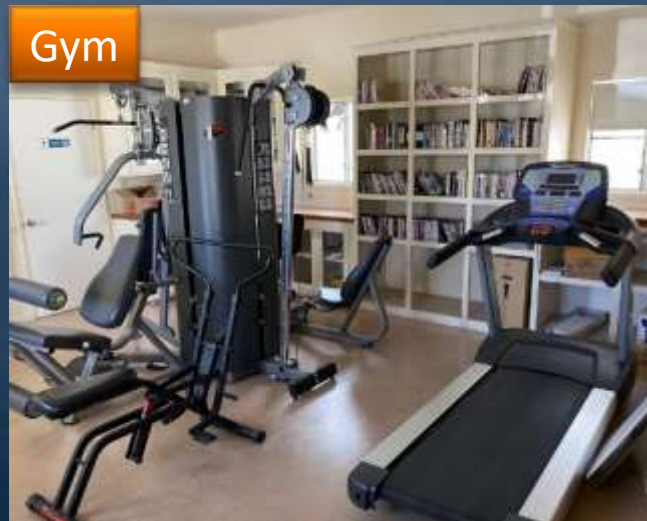
Safety Signage



Pool Area



Gym



Rec Room

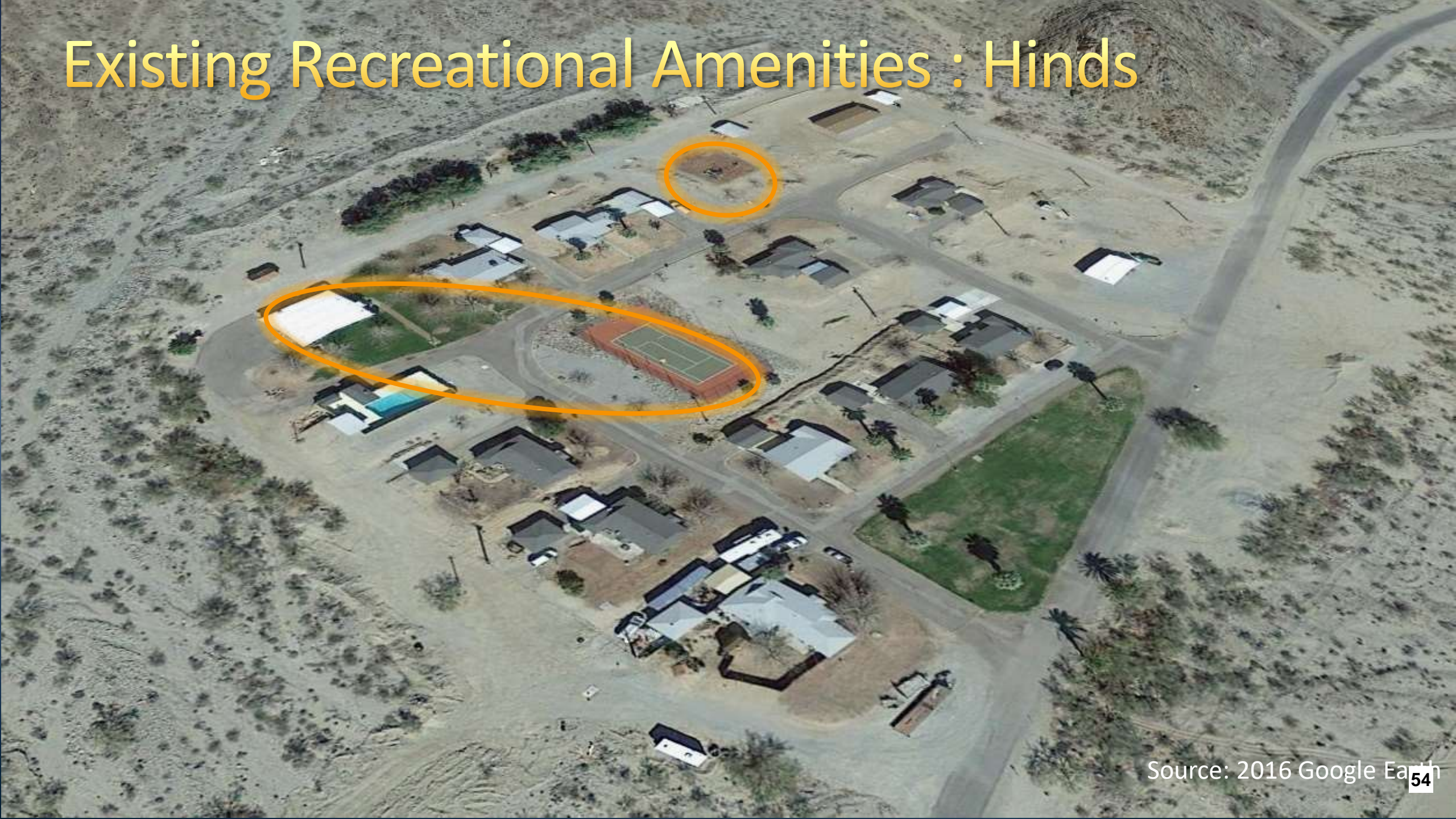


Multi-Sport Court





# Existing Recreational Amenities : Hinds





# Existing Recreational Amenities : Hinds

- Playground closed for resurfacing improvements
- Multiuse court needs resurfacing

Playground



Gym Equipment



Multiuse Sport Court





# Existing Recreational Amenities : Hinds

Hinds Clubhouse



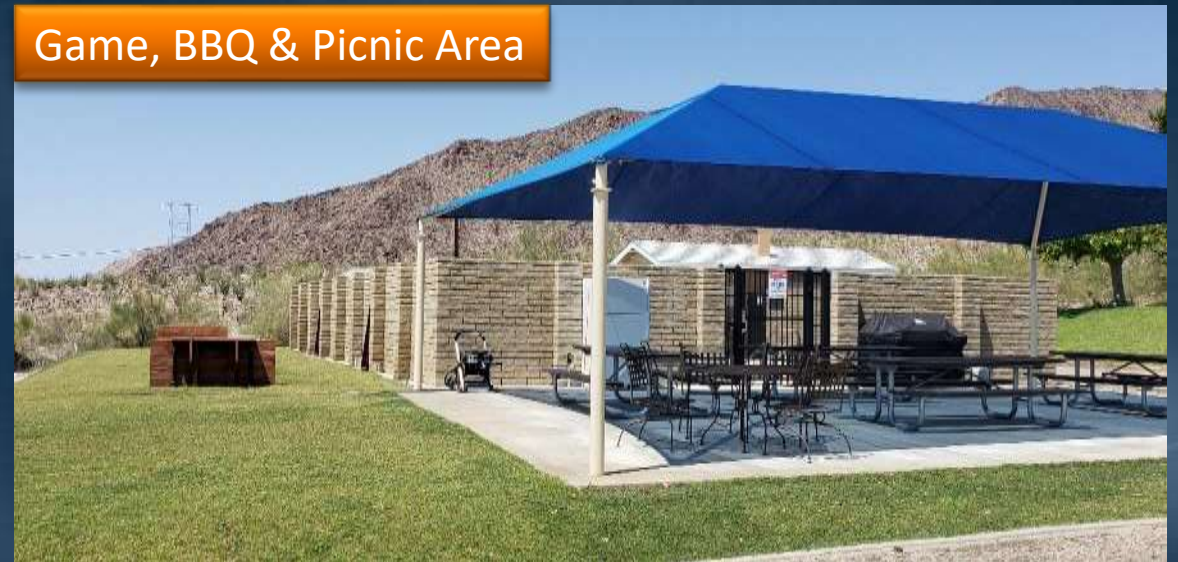
Pool Area



Safety Signage



Game, BBQ & Picnic Area





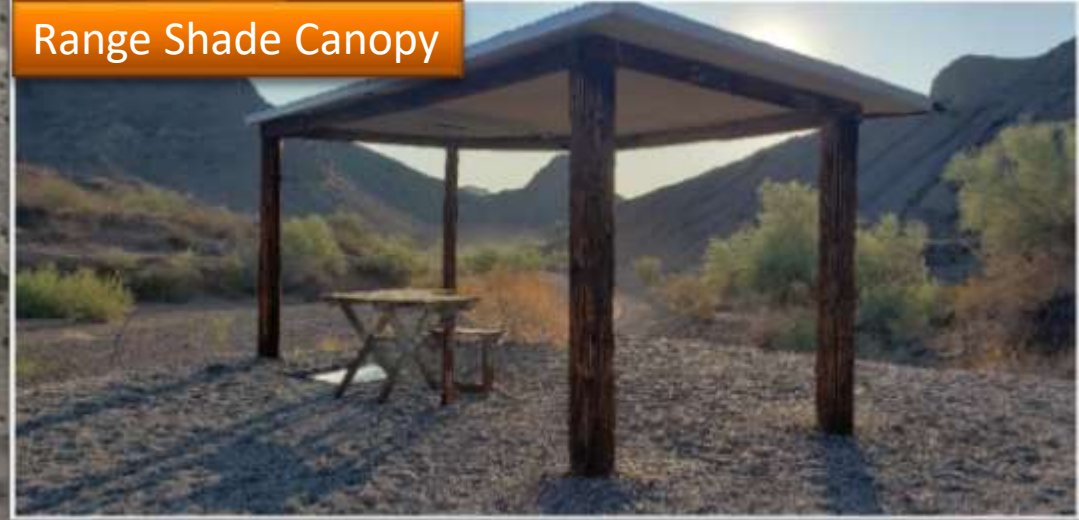
# Gene Shooting Range





# Gene Shooting Range

Range Shade Canopy



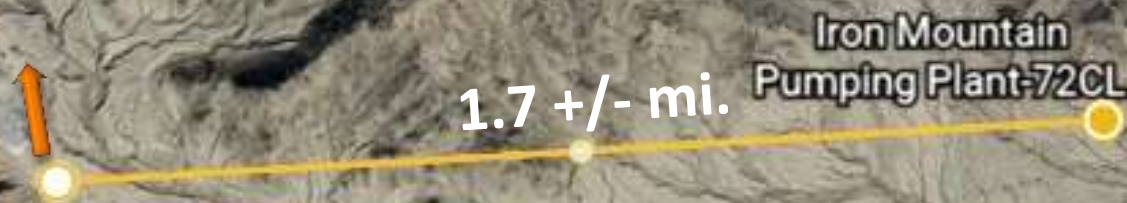
Range & Targets



Source: 2016 Google Earth



# Iron Village Shooting Range





# Iron Village Shooting Range



Source: 2016 Google Earth



# Eagle Village Shooting Range





# Eagle Village Shooting Range

Range Shade Canopy



Range & Targets





# Hinds Village Shooting Range

580 +/- ft.

Range Shade Canopy



Range & Targets



Source: 2016 Google Earth

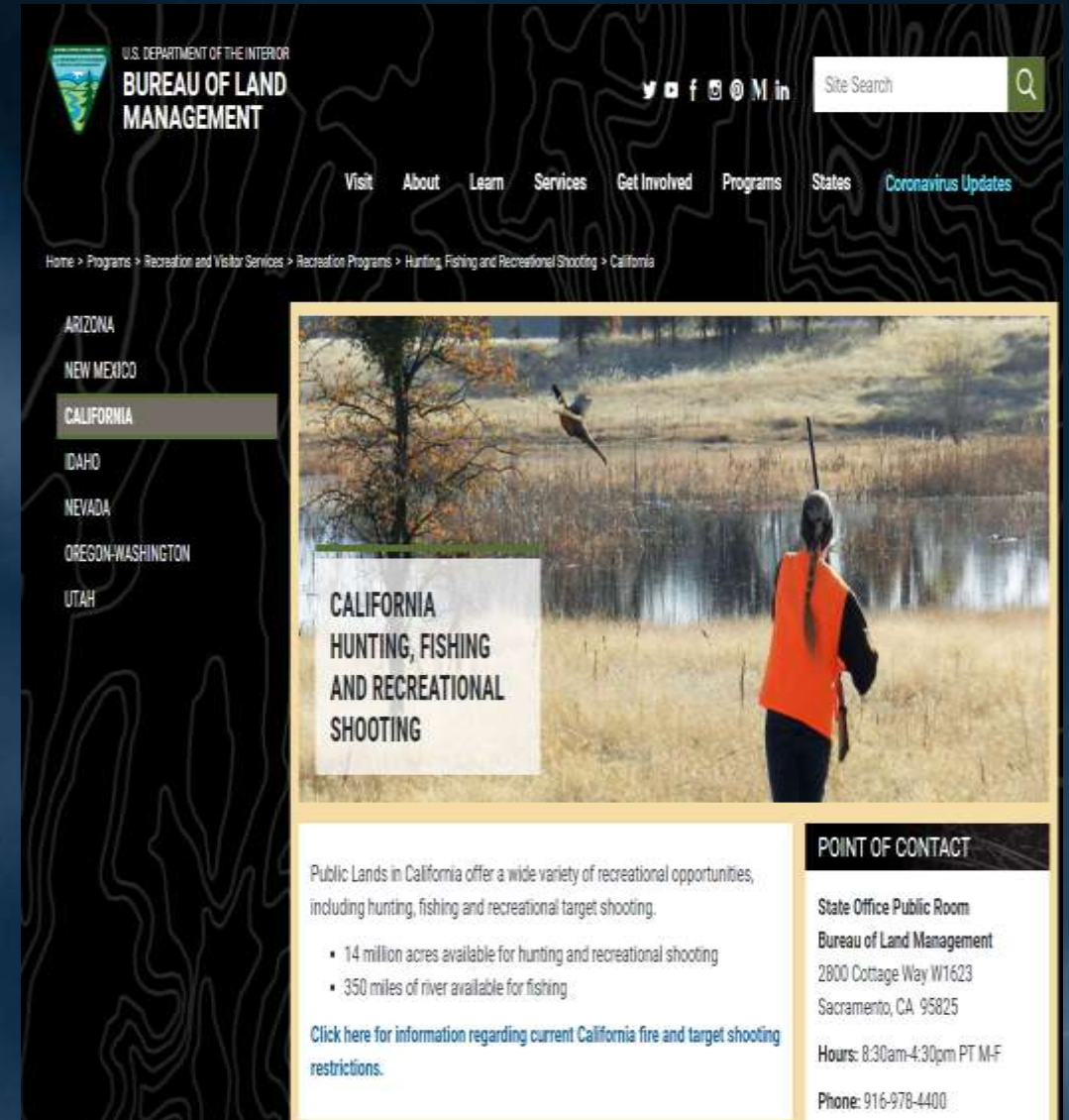


# Research Activities

- Ranges are located in Riverside & San Bernardino Counties
- Development plans required
  - Design, location and manner of development
  - County permit fees range : \$14 to \$30 K
- Entitlement Process required (up to 12 mos.)
  - Assessor Parcel Numbers (APN) required
    - Areas are part of 1932 Act Lands
    - No APN's but can be addressed with the CRA Reversionary Program
    - Subject to property tax
- Conditional Use Permits required (up to 12 mos.)

# Current Activities

- Conduct environmental assessment
  - No records available to review
  - Site Inspections
  - Site clean up
  - BLM lands may provide recreational opportunities:  
<https://www.blm.gov/programs/recreation/recreation-programs/recreational-shooting/california>





# Current Activities

- Engage shooting range Consultants
  - Scope of work and deliverables
    - Validate staff research
    - Current compliance
    - ID gap analysis to meet permitting requirements
    - Recommendations: design, construction, ROM cost estimate

# Next Steps

June 2021

- Shooting Ranges Deactivated
- Bargaining Units Notified

August 2021

- Engage Shooting Range Consultant

Implement Action

- Develop or revise operating policy?
- Negotiate with Bargaining Units?
- Other?

July 2021

- Engage Environmental Assessment Consultant

January 2022

- Finish research with Consultants
- Seek Board action



