

- **Board of Directors**
Engineering, Operations and Real Property Committee

March 13, 2001 Board Meeting

10-5

Subject

Status of ground lease agreement between Metropolitan and the Western Center Community Foundation

Description

In November 1997, the Board approved the draft Recreation Plan for the Diamond Valley Lake (DVL) Recreation Project. The draft plan included the development of a museum to house an interpretive center, including displays and a curation facility for archaeology and paleontology discoveries made during the construction of DVL.

In July 1999, the Board approved the inclusion of the concept of the Western Center for Archaeology and Paleontology (Western Center) in the Recreation Project and authorized Metropolitan's General Manager to negotiate proposed terms and conditions for siting the proposed Western Center subject to Board approval.

Metropolitan supported Senate Bill 2977 legislation introduced in July 2000 by U.S. Sen. Dianne Feinstein (D-Calif.), and HR 4187 introduced by U.S. Rep. Ken Calvert (R-Riverside) in April 2000. In November 2000, President Clinton signed legislation that authorized \$14 million in federal funds for trails and a museum, including the Western Center.

In April 2000, Metropolitan established a Museum Feasibility Committee (now Special Committee on Museum Feasibility and Development) to evaluate opportunities to enhance its current educational, research and interpretive aspects of water resources development. Additionally, the committee reviewed the feasibility of developing a Metropolitan water history museum separate from the Western Center, and identified three primary objectives for its museum. The first objective is to house historical artifacts, photos, written accounts and artistic displays that detail the development of water in southern California. Items currently identified for use in creating a historical account of water development include archived records, historical photographs, engineering logs, construction documents and an extensive research library. Metropolitan has contacted its member agencies for assistance in identifying additional artifacts and historical documentation. The second objective is to provide a creative learning center with interactive and hands-on activities using a variety of media. Programs will revolve around themes of water reliability, water quality and fairness. The third objective is to encourage a collaborative relationship between Metropolitan and the Western Center to reduce overall expenditures of research and education programs. Additionally, the Western Center could house and curate archaeological and paleontological discoveries made at DVL, which would be a catalyst to attract patrons to both the Western Center and Metropolitan's museum.

Subject to Board approval, the proposed site for the Western Center and Metropolitan's museum will encompass 30 acres of land adjacent to Lyon Avenue and Domenigoni Parkway at the northwest corner of the DVL East Recreation area. Ten acres are proposed for the Metropolitan museum and interpretive center, 10 acres for the Western Center, and 10 acres for the future development of external exhibits, landscape demonstration gardens, and shared common areas with the Western Center. It is intended that the Western Center and Metropolitan's facilities will complement each other.

The ground lease agreement under consideration with the Western Center is for 10 acres with a term of 99 years at \$1 per year, commencing on the date of execution of the agreement by both parties. During the term of the lease, the Western Center shall occupy and use the property for construction and operation of a museum with research, curation and educational facilities.

The appropriate environmental documentation associated with the lease will occur prior to the execution of the ground lease agreement.

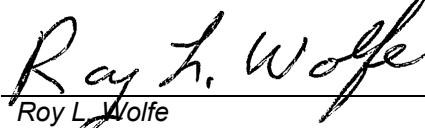
It is anticipated that the final ground lease agreement, with all terms and conditions for the maintenance and operation of the Western Center, will be completed by June 30, 2001.

Policy

Prior Board action (Board Item 9-2, July 9, 1999) the General Manager was authorized to negotiate a ground lease agreement pursuant to the Metropolitan Water District Administrative Code Sections: 8201 (Authorization to General Manager) and 8230 (Grants of Real Property Interests).


Fiscal Impact

The proposed planning, development and operation of the Western Center shall not be funded by Metropolitan, except such costs associated with providing the Western Center with a building pad site area with all associated infrastructure. S.B. 2977 (Feinstein, D-Calif.) provides for the establishment of an interpretive center and museum with matching funds of \$9 million to be administered by the Secretary of the Interior.



Roy L. Wolfe
Manager, Corporate Resources

2/28/2001
Date



Ronald R. Jester
General Manager

2/28/2001
Date