

- **Board of Directors**
Diamond Valley Recreation Special Committee

November 19, 2002 Board Meeting

8-5

Subject

Authorize \$200,000 for design of site grading for the Southern California Water Education Center and Western Center at the Diamond Valley Lake East Recreation Area (Approp. 15334)

Description

Metropolitan's Board has previously created the Foundation for the Southern California Water Education Center to construct a water education facility and museum at Diamond Valley Lake (DVL). Separately, the Western Center Community Foundation has been established for the construction of the Western Center for Archaeology and Paleontology. The two foundations are working cooperatively toward construction of a common campus for the two museums.

Previously, the Western Center Community Foundation had entered into a ground lease for a parcel within Metropolitan's Diamond Valley Lake East Recreation Area. Likewise, we negotiated and approved for execution, a similar ground lease with the Foundation for the Southern California Water Education Center. Under the terms of the leases, Metropolitan will perform rough grading of the property. Geotechnical testing of the soils at the originally proposed museum locations indicated that the cost to develop the sites was higher than initially estimated. Consequently, a new 22-acre site has been identified as the preferred site for both museums. The new site can be developed with less site preparation and at a corresponding reduction in cost.

Staff is currently revising lease terms with the two respective foundations for the new site. It is expected that Metropolitan will still perform the rough grading. Accordingly, staff intends to prepare the grading specifications and expedite the contract award process to enable groundbreaking to begin as quickly as possible and minimize any corresponding delay in construction of the museums.

This board action will authorize the design of site grading for the museum facilities at the DVL East Recreation Area. A detailed financial statement is included as [Attachment 1](#). Subsequent authorization and funding will be required for construction.

Policy

Metropolitan Water District Administrative Code § 5108: Capital Project Appropriation

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

An analysis was performed to examine the potential environmental impacts associated with implementing the Diamond Valley Lake Park Specific Plan (Specific Plan), which would include certain activities within the 538-acre site located in south Hemet in Riverside County. The proposed actions in this board letter are part of the Specific Plan. To comply with the CEQA, Metropolitan as the Lead Agency prepared a Mitigated Negative Declaration (MND). The MND was distributed for a 30-day public review period that began on June 4, 2002, and ended on July 3, 2002. Since that time, the document has been modified to address comments received during the public comment period and changes to the project description. The MND is entitled "Diamond Valley Lake Park Specific Plan MND (Metropolitan Report No. 1190)." It includes the Initial Study and Environmental Checklist form and was then distributed for a 30-day public review period that started on August 13, 2002, and ended on September 11, 2002. The Board adopted the MND and the Mitigation Monitoring and Reporting Program (MMRP) on October 8, 2002. Hence, the proposed actions fully comply with CEQA and the State CEQA

Guidelines. As such, no further environmental documentation is necessary for the Board to act on with respect to these two proposed actions.

The CEQA determination is: Determine that the proposed actions have been previously addressed in the adopted 2002 MND and the MMRP, and that no further environmental analysis or documentation is required.

CEQA determination for Option #2:

None required

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and

- a. Appropriate \$200,000; and
- b. Authorize all work in advance of award of a construction contract for site grading at the Southern California Water Education Center and Western Center.

Fiscal Impact: \$200,000 of out-of-scope CIP funds under Appropriation No. 15334. If the Board approves this recommendation, the fiscal year 2002/2003 CIP expenditure plan will be adjusted accordingly.

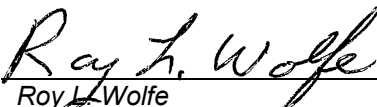
Option #2

Do not appropriate funds and do not authorize the proposed work. This option will require the ground lease tenants to perform their own site grading and is inconsistent with the terms of the executed ground lease.

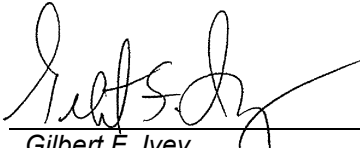
Fiscal Impact: Immediate cost savings of \$200,000 of unbudgeted CIP funds.

Staff Recommendation

Option #1


 Roy L. Wolfe
 Manager, Corporate Resources

10/16/2002
Date


 Gilbert F. Ivey
 for Ronald R. Gastelum
 Chief Executive Officer

10/16/2002
Date

Attachment 1 – Financial Statement for Diamond Valley Recreation Program

BLA #1838

Financial Statement for Diamond Valley Recreation Program

A breakdown of Board Action No. 3 for Approp. No. 15334 for design of the site grading at portions of the Diamond Valley Lake East Recreation Area is as follows:

	Previous Board Action No. 2 (Oct. 2002)	Current Board Action No. 3 (Nov. 2002)	New Total Appropriated Amount
Labor			
Design and Specifications	\$ 0	\$ 100,000	100,000
Owner Costs (Program Management, Bidding Process)	3,506,000	58,000	3,564,000
Materials and Supplies	0	5,000	5,000
Incidental Expenses	94,000	7,000	101,000
Professional/Technical Services	7,875,000	0	7,875,000
Equipment Use	0	3,000	3,000
Contracts	2,100,000	0	2,100,000
Remaining Budget	75,000	27,000	102,000
Total	\$ 13,650,000	\$ 200,000	\$ 13,850,000

Funding Request

Program Name:	Diamond Valley Recreation		
Source of Funds:	Construction Funds (General Obligation, Revenue Bonds, Pay-as-You-Go)		
Appropriation No.:	15334	Board Action No.:	3
Requested Amount:	\$ 200,000	Capital Program No.:	15334-R
Total Appropriated Amount:	\$ 13,850,000	Capital Program Page No.: (FY 2002/2003)	E-25
Total Program Estimate:	\$ 58,950,000	Program Goal:	Other