

- **Board of Directors**  
**Asset, Real Estate and Infrastructure Policy Committee**

February 11, 2003 Board Meeting

---

**8-6**

---

**Subject**

---

Appropriate \$1.142 million for an agreement with Eastern Municipal Water District to provide off-site water service in support of the Diamond Valley East Recreation Program (Approp. 15334)

---

**Description**

---

The Diamond Valley East Recreation Area is planned for the site immediately adjacent to Diamond Valley Lake's East Dam. The recreation amenities currently planned for this area are: (1) the Southern California Water Education Center, (2) the Western Center for Archeology and Paleontology, (3) Valley-Wide Park and Aquatic Facility, (4) a recreation lake with day-use picnic area, and (5) a youth camp.

Although the area has been rough-graded as part of the East Dam construction, the site currently remains in an undeveloped state. As the site developer, Metropolitan is responsible for the installation of the infrastructure to support the planned recreation amenities. Water service is among the utilities that Metropolitan must provide as part of the supporting infrastructure.

Eastern Municipal Water District is the local agency responsible for providing water and sewer services to the East Recreation Area. EMWD has identified a program for improving water service to the local area. Improvements include the construction of a 3.2-million-gallon water tank, a water pressure booster station, and associated piping. A reimbursement agreement is being negotiated that identifies Metropolitan's pro-rata share of the costs for the off-site improvements. In order to expedite the construction of these improvements an initial payment will be made to EMWD pending resolution of the final agreement amount. In addition, Metropolitan is obligated to install the on-site portion of the water and sewer system.

This board action will authorize an initial payment to EMWD for off-site improvements associated with water service at the DVL East Recreation Area. A detailed financial statement is included as **Attachment 1**. Future authorization and funding will be required to complete the infrastructure for the DVL East Recreation Area.

---

**Policy**

---

Metropolitan Water District Administrative Code § 5108: Capital Project Appropriation  
Metropolitan Water District Administrative Code § 8118: Contracts in Excess of \$250,000 Not Requiring Prior Board Approval

---

**California Environmental Quality Act (CEQA)**

---

CEQA determination for Staff Recommendation:

An analysis was conducted to examine the potential environmental impacts associated with implementing the Diamond Valley Lake Park Specific Plan, which would include certain activities within the 538-acre site located in the city of Hemet in Riverside County. The proposed action in this board letter is part of the Specific Plan. To comply with CEQA, Metropolitan as the Lead Agency prepared a Mitigated Negative Declaration. 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 latest 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 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 on October 8, 2002. On

November 18, 1999, EMWD, acting as a Lead Agency, adopted a Final MND for the Searl Pressure Zone Improvements Project, which is available in the Executive Secretary's office for review. EMWD's document analyzed the off-site water service improvements as described in this board letter. Metropolitan, as Responsible Agency under CEQA, is required to certify that it has reviewed and considered the information in EMWD's adopted Final MND and adopt the Lead Agency's findings prior to approval of the proposed action.

The CEQA determination is: Review and consider information provided in EMWD's 1999 adopted Final MND, and adopt the Lead Agency's findings related to the proposed action.


### **Staff Recommendation**

---

Adopt the CEQA determination and increase Appropriation No.15334 by \$1.142 million to cover Metropolitan's initial share of costs for off-site utility improvements pursuant to an agreement with EMWD to provide a water system to support development of the DVL East Recreation Area.

**Fiscal Impact:** \$1.142 million in budgeted CIP funds

|   |                            |
|---|----------------------------|
| <br>_____<br>Roy L. Wolfe<br>Manager, Corporate Resources | 1/21/2003<br>_____<br>Date |
|---|----------------------------|

|  |                            |
|--|----------------------------|
| <br>_____<br>Ronald R. Gastelum<br>Chief Executive Officer | 1/22/2003<br>_____<br>Date |
|--|----------------------------|

### **Attachment 1 – Financial Statement for Diamond Valley East Recreation Program**

BLA #1876

**Financial Statement for Diamond Valley East Recreation Program**

A breakdown of Board Action No. 6 for Approp. No. 15334 for water service for the Diamond Valley East Recreation Program is as follows:

|  | <b>Previous Board<br/>Action No. 5<br/>(Jan. 2003)</b> | <b>Current<br/>Board Action<br/>No. 6<br/>(Feb. 2003)</b> | <b>New Total<br/>Appropriated<br/>Amount</b> |
|--|--|---|--|
| Labor  |  |   |  |
| Design and Specifications                          | \$ 164,000   | \$ 0  | \$ 164,000                                   |
| Owner Costs (Program Management)                   | 3,848,000  | 90,000  | 3,938,000                                    |
| Construction Management, Support and<br>Inspection | 0  | 147,000   | 147,000                                      |
| Materials and Supplies                             | 15,000   | 0   | 15,000                                       |
| Incidental Expenses                                | 121,000  | 0   | 121,000                                      |
| Professional/Technical Services                    | 9,856,000  | 0   | 9,856,000                                    |
| Equipment Use                                      | 13,000   | 5,000   | 18,000                                       |
| Contracts  | 2,100,000  | 900,000   | 3,000,000                                    |
| Remaining Budget                                   | 278,000  | 0   | 278,000                                      |
| <b>Total</b>                                       | <b>\$ 16,395,000</b>                                   | <b>\$ 1,142,000</b>                                       | <b>\$17,537,000</b>                          |

**Funding Request**

|                                   |   |                                  |         |
|-----------------------------------|---|----------------------------------|---------|
| <b>Program Name:</b>              | Diamond Valley East Recreation  |                                  |         |
| <b>Source of Funds:</b>           | Construction Funds (General Obligation, Revenue Bonds, Pay-as-You-Go) |                                  |         |
| <b>Appropriation No.:</b>         | 15334   | <b>Board Action No.:</b>         | 6       |
| <b>Requested Amount:</b>          | \$ 1,142,000  | <b>Capital Program No.:</b>      | 15334-R |
| <b>Total Appropriated Amount:</b> | \$ 17,537,000   | <b>Capital Program Page No.:</b> | E-25    |
| <b>Total Program Estimate:</b>    | \$ 58,950,000   | <b>Program Goal:</b>             | Other   |