

- **Diamond Valley Recreation  
Program Monthly Report for the month ending February 2006**

## Summary

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This report provides a narrative update on active projects for the Diamond Valley Lake Recreation (DVL) Program for the month ending February 28, 2006.

## Attachments

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Summary Financial Report for month ending February 28, 2006.

## Detailed Report

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### Searl Parkway Improvements

#### *Phase II*

The Searl Parkway Phase II project is a continuation of the Searl Parkway Phase I improvements. Searl Parkway Improvements Phase II will extend the Searl Parkway Phase I roadway and utilities further southward into the future east recreation area and provide access and service for the Valley-Wide Recreation facility. The length of the improvement is approximately 4500 feet and includes: underground utilities such as gas, phone, cable, power, sewer, water, reclaimed water, and a storm drain system; and, road improvements such as curb, gutter, road paving, striping, signage, sidewalks, lighting, and a median. The project was awarded at the February 2006 Board meeting. Notice to proceed was scheduled to be issued to the contractor in March 2006. Construction of this project is scheduled for completion in late 2006.

#### *Landscaping Phase I*

The landscaping work for Searl Parkway is being performed in two phases. The objective of the first phase is to have the landscaping in place at the entryway for The Center for Water Education and Western Center for Archeology and Paleontology in time for their Summer 2006 grand opening. The landscaping project was awarded at the February 2006 Board meeting. Notice to proceed, for Landscaping I, was scheduled to be issued to the contractor in March 2006. The project has duration of 65 working days.

#### *Landscaping Phase II*

The objective of the second phase landscaping project is to provide landscaping in the vicinity of the Searl Parkway Phase II project. The design for the Landscaping II project is schedule to be completed in December 2006.

### **Salt Creek Channel**

Part of the Searl Parkway Phase I improvements included the installation of sewer line service for the East Recreation Area. The connection to the existing sewer trunk line is off-site and the alignment runs north from the Searl Parkway and Domenigoni intersection, through the North Property, and crosses the Salt Creek Channel. This connection is required to provide service for Metropolitan's existing and future tenants.

During the winter of 2005, heavy rainfall unexpectedly exposed approximately 600 feet of newly constructed sewer line, along the Salt Creek Channel crossing. Metropolitan directed the on-site contractor to provide immediate protection for the sewer line that fell within the area limits of the approved CEQA documentation.

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Although this “band-aid” fix has been in place through this winter and the sewer line has been activated since, staff is concerned with risks associated with a damaged sewer line during next year’s rain storms. Staff initiated a study with consultants to identify a long-term solution to prevent exposure, rupture, and possible sewage spill into the Salt Creek Channel. During February, staff presented and obtained approval from Eastern Municipal Water District (EMWD) for the sewer line protection conceptual design, which will be completed in two phases..

Phase 1 of the sewer protection project will install a limited sized concrete blanket over portions of the Salt Creek Channel to prevent erosion over the active sewer line during next years winter storms.

Phase 2, the long-term protection, requires the initiation of a hydrology study that takes into consideration current conditions, as well as how the Salt Creek Channel is impacted after development of the East Recreation Area, the North Property and the surrounding development that are located in the FEMA designated flood zone. This holistic approach will be discussed with the City of Hemet and adjacent developers for purposes of discovering mutual benefits and efficiencies and would take approximately two years to complete.

### **East Marina Improvements**

#### *East Marina Utilities*

Utilities for the East Marina are currently being provided by trucking in water, trucking out sewage, by operating an electrical generator to provide power, and using cellular service, which provides unreliable communication. One objective of the East Marina Utilities project is to upgrade or enhance the Metropolitan facilities at Diamond Valley Lake East Marina by providing permanent utility hook-ups. A second and more important objective is to provide increased opportunities and options for future development at the East Marina. Staff is working with a consultant to study the best alternative for alignment of utility lines to the East Marina, and to prepare a preliminary cost estimate to construct the utility improvements. Staff plans to present a recommended alignment for the utility improvements and request authorization to proceed all work necessary prior to NTP at the May 2006 Board meeting.

#### *East Marina Lake Improvement*

Two capital improvements projects are currently needed to increase the efficiency and operational capacity of the recreation operations at the east marina. The first project is to develop plans for new boat docks, which are needed to protect Metropolitan’s fleet of 50 rental boats and pontoons. An additional 20 slips are proposed to provide slips for public use. The next project is a second wave attenuator, which will provide protection for the new boat docks and boats. Staff is working with a consultant to develop an economical and flexible approach, to allow room for future growth at the Marina. Staff plans to present proposals for these two projects and request authorization to proceed with all work necessary prior to NTP at the May 2006 Board meeting.

### **East Recreation Lake Technical Assessment**

A technical assessment study to establish design parameters for the 269-acre East Recreation Lake area, including the 80-acre recreation lake continues. The consultant’s report for this study will be finalized by March 2006 and includes eight elements: 1) Preliminary East Recreation Lake Design Development Plan; 2) Preliminary Swim Lagoon Design Development Plan; 3) East Recreation Groundwater Model; 4) East Recreation Lake Site Plan; 5) Existing and Proposed Infrastructure; 6) Proposed 18-inch Lake Fill Line; 7) Construction Cost Estimate; and, 8) Jurisdictional / Agency Requirements. Staff plans to present the study and request authorization to proceed with all work necessary prior to NTP to the Board in May 2006. Completion of this work will generate construction specification documents that will allow the construction of the East Recreation Lake at the earliest possible time frame by Metropolitan or another public or private entity.

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## **Trails Program**

Metropolitan's is working with local agencies, including Riverside County and the City of Hemet, and Shopoff/Centex to develop the trails system at DVL. The trails program goals are: 1) develop the trails system on an incremental basis; 2) maximize and combine federal, State, Metropolitan, and other regional and local funding; and, 3) respond to incremental growth in levels of utilization rather than the immediate development of the entire trails program. With these three goals in mind, the current trails program consists of improving the existing Lakeview Trail and planning the DVL-to-Lake Skinner Trail System.

The current plan for future upgrades of the Lakeview Trail is contingent upon receipt of State grant funding. Metropolitan applied for this funding last fall and anticipated notification of grant funding in early February 2006. However, although a state representative visited the trails project site in February, the state has not yet notified grant recipients. If the State does approve the grant funding, then staff will return to the Board for approval to utilize the grant funds.

Metropolitan is continuing to study alternative trail alignments for the DVL-to-Lake Skinner Trail.

## **Diamond Valley Lake Recreation and Land Development Program – RFP 760 Status Report**

At the November 8, 2005, Board meeting, the Chief Executive Officer was authorized to initiate negotiations with the Shopoff Group & Centex Homes (Shopoff/Centex) and continue discussions with the two remaining candidates, Lewis-Shea-Parsons-Ledo International and Lennar-Rancon LLC. Staff anticipates seeking Board approval to enter in an Exclusive Negotiating Agreement (ENA) with Shopoff/Centex at its March meeting. Once the ENA is approved, a schedule for future negotiations milestones will be recorded here.

## **Real Estate Appraisal and Disposition**

### *Remaining Residential Properties*

In February, Metropolitan completed the disposition of eleven residential properties that had previously been declared surplus. These properties were originally acquired during the construction of DVL and proceeds from this property sale will be allocated to the DVL recreation program. Use of these funds requires Board approval.

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## Tenant Construction Activities

The following projects are directed and managed by Metropolitan leaseholders or tenants. The purpose for including the following information in this report is to keep Metropolitan's Board apprised of the tenants' progress towards providing recreational facilities at DVL.

### *Valley-Wide Recreation and Park District*

Valley-Wide Recreation and Park District is managing its own construction contract for its aquatic center and administration building. The tenant reports that their project is approximately 80 percent complete and scheduled to be open to the public on June 2006.

### *Center for Water Education and Western Center for Archaeology and Paleontology*

The Center for Water Education and Western Center for Archaeology and Paleontology construction projects are independently managed and directed by their respective boards. Both projects are approximately 80 percent complete and scheduled to be open to the public on August 2006.



**Figures 1 and 2: Valley-Wide Recreation and Park District and The Center for Water Education**

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**DVR Program Budget**

The Diamond Valley Recreation (DVR) budget consists of unspent funds from the construction of Diamond Valley Lake, proceeds from the disposition of surplus lands previously acquired for the DVL Project, and funds from public and private sources as approved by the Board in August 2004. As of the end of February 2006, the DVR program budget has increased by \$4,672,726, due to surplus land sales.

<b>TABLE 1</b>			
Capital Investment Plan			
Activities Summary for month ending February 28, 2006			
Activities	Approved Budget (As of Feb. 2006)	Expended (Through Feb. 2006)	Percent of Budget Expended (Through Feb. 2006)
<b>PLANNING &amp; SUPPORT</b>	\$ 17,840,000	\$ 13,128,261	74%
<b>IN-DESIGN &amp; COST ESTIMATES</b>	\$ 911,500	\$ 754,421	83%
<b>IN-CONSTRUCTION PROJECTS</b>	\$ 41,446,220	\$ 27,901,798	67%
<b>COMPLETED PROJECTS</b>	\$ 6,666,495	\$ 6,666,495	100%
<b>REMAINING APPROVED FUNDS</b>	\$ 1,284,203		
<b>TOTAL</b>	<b>\$ 68,148,418</b>	<b>\$ 48,450,975</b>	<b>71%</b>

<b>AVAILABLE FUNDS</b>	\$ 24,651,582	Use of funds is subject to Board approval
<b>BUDGET</b>	\$ 92,800,000	

<b>SURPLUS PROPERTY SALES</b>	\$ 4,672,726	Use of funds is subject to Board approval
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**TABLE 2**

Capital Investment Plan

Project Detail for month ending February 28, 2006

PROJECTS	Approved Budgets (As of Feb. 2006)	Funds to Complete (Approval Req'd )	Estimated Costs (through FY 2008)
<b>PLANNING &amp; SUPPORT</b>			
Program Management	\$ 13,325,000	\$ 0	\$ 13,325,000
ERA / NP Development	\$ 3,330,000	\$ 0	\$ 3,330,000
Surplus Property	\$ 510,000	\$ 0	\$ 510,000
Geotechnical Investigations	\$ 675,000	\$ 0	\$ 675,000
<i>Subtotal</i>	<i>\$ 17,840,000</i>	<i>\$ 0</i>	<i>\$ 17,840,000</i>
<b>IN-DESIGN &amp; COST ESTIMATES</b>			
Salt Creek Channel Sewer Protection	\$ 0	\$ 750,000	\$ 750,000
East Marina Utilities Improvement	\$ 536,500	\$ 13,782,785	\$ 14,319,285
East Marina Lake Improvement	\$ 0	\$ 4,000,000	\$ 4,000,000
East Recreation Lake	\$ 375,000	\$ 3,125,000	\$ 3,500,000
Searl Pkwy Landscaping, Phase 2	\$ 0	\$ 3,278,000	\$ 3,278,000
DVL to Lake Skinner Trail	\$ 0	\$ 1,000,000	\$ 1,000,000
<i>Subtotal</i>	<i>\$ 911,500</i>	<i>\$ 25,935,785</i>	<i>\$ 26,847,285</i>
<b>IN-CONSTRUCTION PROJECTS</b>			
Searl Parkway Landscaping, Phase 1	\$ 2,746,700		\$ 2,746,700
Searl Parkway Improvement, Phase 2	\$ 8,375,000		\$ 8,375,000
Searl Parkway Improvement, Phase 1	\$ 14,366,000		\$ 14,366,000
East Marina Development / Boat Ramp	\$ 10,673,520		\$ 10,673,520
Valley Wide Rough Grading	\$ 4,664,000		\$ 4,664,000
Lake View Trail	\$ 580,000		\$ 580,000
Alternate Access Road	\$ 41,000		\$ 41,000
<i>Subtotal</i>	<i>\$ 41,446,220</i>	<i>\$ 0</i>	<i>\$ 41,446,220</i>
<b>COMPLETED PROJECTS</b>	<b>\$ 6,666,495</b>		<b>\$ 6,666,495</b>
<b>REMAINING APPROVED FUNDS</b>	<b>\$ 1,284,203</b>	<b>(\$ 1,284,203)</b>	<b>\$ 0</b>
<b>TOTAL</b>	<b>\$ 68,148,418</b>	<b>\$ 24,651,582<sup>1</sup></b>	<b>\$ 92,800,000</b>

<sup>1</sup> Use of funds is subject to Board approval