

- **Board of Directors**  
**Asset and Recreation Committee**

November 14, 2006 Board Meeting

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7-2

### **Subject**

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Authorize expenditure of \$1.77 million from the Diamond Valley Recreation Appropriation for preliminary design of the east recreation lake complex, and amend agreement with David Evans and Associates, Inc. (Approp. 15334)

### **Description**

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The east recreation lake complex is a key feature of the Diamond Valley Lake (DVL) East Recreation Area (ERA). Staff is proceeding with a revised strategy that would pursue entitlement of the North Property for potential sale of the surplus property, and development of the recreation facilities to be funded through the current budget and land sale proceeds. A preliminary design of the east recreation lake complex will allow Metropolitan to determine what lake size and configuration can be constructed that will meet recreational requirements, while remaining within the budget and land sale proceeds.

A recreation lake was included as a feature in the 1991 board-certified Environmental Impact Report (EIR) for the Eastside Reservoir, the 1997 board-approved Draft Recreation Plan, and the 2002 board-authorized DVL Park Specific Plan. The proposed recreation lake has varied in size throughout these planning efforts, and is currently described as having a surface area between 70 and 190 acres in the Specific Plan. The size of the existing grading depression for the potential lake is approximately 70 acres, with a depth of seven to ten feet.

Through Request for Proposals (RFP) No. 668 (January 2005), David Evans and Associates, Inc. (DEA) was selected for design of the lake and surrounding facilities. DEA's team includes: DEA – project management, planning, civil engineering; Stanley R. Hoffman Associates – economic/fiscal analysis; The Dangermond Group – land planning; STO Design Group, Inc. – lake and swim lagoon planning and design; GeoCon – geotechnical engineering; Geoscience Support Services, Inc. – groundwater testing/modeling; Phoenix Planning – construction cost estimating; Project Line, Inc. – mechanical, electrical and plumbing; and Ian Davidson Landscape Architecture – landscape planning.

Design of the east recreation lake is planned to proceed in several phases. An agreement with DEA was authorized in 2005 for the initial phase of the work. The scope included conceptual design and a technical analysis of the existing depression area. DEA submitted a recreation lake conceptual design report in March 2006 addressing: general layout of proposed facilities; design criteria for the lake based on the existing depression (depth, size, shape, and liner); lake water quality (watershed management, water supply, water exchange, stocking, aeration, and maintenance); swim lagoon design (location and conceptual plan); groundwater (review of existing data); and other lake amenities (camping, day use area, parking, concessions, and landscaping). The report also included a conceptual-level construction methodology, cost estimate and permitting plan.

The conceptual plan was provided to the short-list of developers who proposed to simultaneously develop the North Property and ERA. However, those developers have elected not to pursue the DVL Recreation and Land Development Program. Consequently, staff is planning to move forward with preliminary design of the lake complex so that decisions can be made on how to pursue affordable options.

Preliminary design efforts include technical and non-technical tasks, such as: geotechnical investigations; groundwater testing, monitoring, and modeling, to support dewatering during construction and filling the lake; analysis of existing documentation to determine if on-site lake lining material exists; economic analysis of lake, swim lagoon, and associated recreational and commercial facilities; planning study to determine the appropriate

lake size, location, and configuration, including identification of recreational and commercial opportunities and activities; recreational analysis of proposed lake facilities (demographics, regional competition, and demand projections); and to further refine the cost estimate appropriate to the design level. Staff recommends that DEA perform this work. The preliminary design scope will also include an independent review of the proposed lake configuration by a panel of lake design experts. This review will focus on elements of the design necessary to support the recreational development guiding principle of creating self-sustaining facilities.

This board action provides authorization to spend \$1.77 million in previously appropriated funds, and increases the amount of the existing agreement with DEA from \$249,000 to \$1.2 million. In addition to the consulting agreement, requested funds include: \$434,000 for staff coordination associated with various jurisdictional agencies, minor geotechnical work, project management, and technical review; \$16,000 in incidentals; and \$120,000 in remaining funds. Staff would return to the Board for a decision on lake size and configuration, and authorization of final design at a later date.

Metropolitan has established an SBE participation level of 25 percent for DEA's agreement. This project has been evaluated and recommended by Metropolitan's Capital Investment Plan Evaluation Team, and funds have been included in the fiscal year 2006/07 capital budget.

## Policy

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Metropolitan Water District Administrative Code Section 8117: Professional and Technical Consultants

## California Environmental Quality Act (CEQA)

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CEQA determination for Option #1:

The proposed actions are not defined as a project under CEQA because they involve the creation of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project, which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the proposed actions in question may have a significant effect on the environment, the proposed actions are not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed actions are not subject to the provisions of CEQA pursuant to Sections 15378(b)(4) and 15061(b)(3) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

## Board Options

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### Option #1

Adopt the CEQA determination and

- a. Authorize expenditure of \$1.77 million from the Diamond Valley Lake Recreation Appropriation for preliminary design of the east recreation lake complex; and
- b. Authorize an increase of \$951,000 to the existing agreement with David Evans and Associates, Inc. for a new not-to-exceed total of \$1.2 million.

**Fiscal Impact:** \$1.77 million of budgeted and previously appropriated funds under Approp. 15334

**Business Analysis:** This option would allow Metropolitan to determine the lake size and configuration that can be constructed to meet recreational needs and afforded within current budget and land sale proceeds.

Final design would be authorized by the Board in the future.

**Option #2**

Discontinue Metropolitan's east recreation lake design activities and instead rely upon a developer to perform all lake-specific design activities.

**Fiscal Impact:** None

**Business Analysis:** This option would extend the schedule for the development of the East Recreation Area.

**Staff Recommendation**

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Option #1

  
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Jill T. Wicke  
Manager, Real Property Development and  
Management

10/18/2006

Date

  
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Jeffrey Kightlinger  
General Manager

10/18/2006

Date

BLA #4751