



● Real Estate Activities Quarterly Report ending March 31, 2012

Summary and Accomplishments

This report provides an update on real estate activities for the period January through March 2012.

Eighteen transactions were executed during this reporting period, including several compatible secondary land uses by others; permits to assist in construction projects; following easements, telecommunication acquisitions and, parking and filming permits.

During this reporting period the Board:

- Approved development guidelines and the proposed Diamond Valley Lake land use planning concepts
- Approved five permanent easements and two long-term leases on various Metropolitan properties in the counties of Orange, Riverside and San Bernardino
- Affirmed the General Manager's surplus determination and authorized the General Manager to accept offers for the Sunset Parking Structure
- Affirmed the General Manager's determination that two parcels acquired for the construction of the Inland Feeder were surplus to Metropolitan's needs
- Authorized the purchase of approximately 2, 175 acres of Palo Verde property in Riverside and Imperial Counties

An agreement for environmental review and option to lease was executed with Solar Systems Pty Ltd., a subsidiary of Silex Systems, Ltd. for a proposed concentrated photovoltaic solar project located on approximately 10 acres of Metropolitan's Potrero Creek property near Beaumont in Riverside County.

Attachments

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| Attachment 1 | Deeds and grants accepted by Metropolitan to use others' privately-owned or publicly-owned real property |
| Attachment 2 | Leases and permits issued to others to use Metropolitan-owned land |
| Attachment 3 | Deeds granted to others that provide for compatible uses of Metropolitan-owned land or disposal of surplus property |

Detailed Report

Completed Transactions

Deeds and Grants Accepted by Metropolitan

[Attachment 1](#) is a listing of deeds and grants accepted. Two license agreements for telecommunications sites were completed. These agreements are for telecommunications facilities at Mt. Lukens near La Canada-Flintridge and the Palos Verdes site on the Palos Verdes Peninsula. A following easement was obtained from Chassan Properties, Inc., in conjunction with the Palo Verde Irrigation District crop rotation and forbearance program.

Leases and Permits Granted

Twelve transactions were executed and issued during this reporting period (see [Attachment 2](#)). These instruments allow others a compatible secondary use of Metropolitan-owned land. The agreements include two leases, seven entry permits, two entry permit amendments and one consent letter all of which conform to criteria affirmed by Metropolitan's Board.

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An entry permit was issued to the State of California Department of Water Resources to allow for temporary storage of construction equipment, vehicles and materials near the Inland Feeder right of way in the unincorporated Highland area in San Bernardino County. This permit is in conjunction with the construction, operation and maintenance of a water pipeline which will serve the San Bernardino Valley Municipal Water District.

The term of an entry permit to Canyon Crossings Corporate Center was amended to allow for additional time for access, temporary parking, street improvements, landscaping and utilities along a designated portion of the Box Springs Feeder right of way and to provide for compatible construction activities in conjunction with an adjacent development.

Eastern Municipal Water District (EMWD) was issued an entry permit to allow temporary construction activities and access on a portion of the Colorado River Aqueduct right of way. These activities include access for vehicles and an equipment staging area during the installation of conduit and ancillary improvements in conjunction with EMWD's adjacent Perris Water Filtration Bypass project.

El Paso Natural Gas Company was issued an entry permit to allow for a temporary work area to accommodate equipment installing a cathodic protection station on an existing easement owned by El Paso Natural Gas Company near the Colorado River Aqueduct right of way in San Bernardino County.

A letter of consent was issued to enXco Development Corporation allowing permission to access and survey a portion of property near Eagle Mountain Pumping Plant in Riverside County. The purpose of these non-invasive surveys and investigations is for the feasibility of constructing and operating a large-scale solar project, known as the Desert Harvest Solar Project.

A lease was granted to HayDay Farms, Inc. for agricultural purposes consisting of growing and harvesting of crops on approximately 7,000 acres of Metropolitan's Palo Verde property.

Indacochea Sheep Ranch was granted a year to year lease for agricultural activities on a portion of the Colorado River Aqueduct/Lakeview Pipeline right of way in Riverside County.

Jetset World Media, Inc. was issued a one-day permit for parking at the Metropolitan Headquarters Building in conjunction with separate events taking place at the Union Station train terminal.

An entry permit was issued to the County of Los Angeles to allow for access, surveys, invasive investigations, construction and staging in connection with modifications for the existing WB-26B service connection on the Culver City Feeder at the Venice Pressure Control Structure.

The term of an Entry Permit to County of Riverside was extended to allow for visual site inspections and non-invasive environmental surveys in conjunction with a proposed road project near Murrieta Hot Springs road in Murrieta. The inspections will be conducted on portions of Metropolitan's San Diego Pipeline Nos. 3, 4 and 5 rights of way.

Standard Pacific Homes was issued an entry permit to allow access to repair an existing slope and install a v-ditch to convey and dissipate flows across Metropolitan's access road at the Orange County Reservoir.

An entry permit was issued to WWE LH Productions, Inc. for use of areas at the Diamond Valley Lake Marina to film scenes for a reality television show titled WWE Legends House.

Deeds Granted to Others

Attachment 3 lists three agreements during this reporting period. The Soboba Band of Luiseno Indians (Soboba) received 21.718 acres of property near Diamond Valley Lake. This conveyance of property as authorized by Metropolitan's Board of Directors in June 2004 in connection with a settlement of the Soboba's water rights claims to the San Jacinto River. Two following easements at Palo Verde Irrigation District were quitclaimed to Metropolitan.

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Right-of-Way Protection

Staff is continuing to develop strategic right-of-way protection and conservation policies, evaluate changes in right of way conditions, and assess Metropolitan's responses to reduce or remediate existing and potential future risks.

Upcoming Board Items

- Affirm the General Manager's determination that The Metropolitan Water District of Southern California's Parcel Nos. 144-1-654, 144-1-647, and 144-1-677, Riverside County, Assessor Parcel Nos. 465-180-033 and 465-200-020 is surplus to Metropolitan's needs: 29.73 acres north of Domenigoni Parkway
- Authorize an option agreement for a long term lease with Eastern Municipal Water District for a proposed Recycled Water Storage Pond at Diamond Valley Lake
- Diamond Valley Lake Cal Poly Campus
- Valley Wide RV Park

**Deeds, Grants and Leases Accepted
During 3rd Quarter of FY 2011/12
January 31, 2012 through March 31, 2012**

GRANTOR	ACREAGE	TYPE	TERM	USE	RECORDING DATE	COSTS
American Tower Asset Sub, LLC	n/a	License	5 years	Allows for installation, maintenance and operation of radio and antenna equipment to support Metropolitan's telecommunication needs. This site is located at Mt. Lukins in the city of La Canada-Flintridge	n/a ⁽¹⁾	\$0
American Tower Asset Sub, LLC	n/a	License	5 years	Allows for installation, maintenance and operation of radio and antenna equipment to support Metropolitan's telecommunication needs. located at the Palos Verdes site on the Palos Verdes Peninsula.	n/a ⁽¹⁾	\$0
Chassan Properties, LLC	22 acres ⁽²⁾	Fallowing Easement	July 31 of the 35th full contract year (4/24/2006) ⁽³⁾	PVID Crop Rotation and Forbearance Program	1/4/2012	\$400 ⁽⁴⁾

TBD = To be Determined

n/a = Not Applicable

⁽¹⁾ This agreement was effective January 3, 2012, but was not recorded

⁽²⁾ Metropolitan accepted an easement to replace acreage quitclaimed by Stuhr recorded 1/4/2012 as document numbers 2012-0002763 and 2012-0002762 (reported in Attachment 3, Items 2 and 3). The new easement will maintain a total of 22 water toll acres encumbered under Landowner Agreement for Fallowing in the Palo Verde Irrigation District ("Landowner Agreement") filed as contract number 63924.

⁽³⁾ The fallowing easement terminates prior to July 31 of the 35th full contract year. Commencement date was 4/24/2006.

⁽⁴⁾ Title fees only; no additional compensation as paid to the Landowner, this was an adjustment of the Landowners Program Encumbered Land

**Leases and Permits Issued
During 3rd Quarter of FY 2011/12
January 2, 2012 through March 31, 2012**

LESSEE	ENTITY TYPE	ACREAGE	TYPE	TERM	USE	FEE/RENT	FREQUENCY
California, State of, Department of Water Resources (RL 2939)	Public	14.21 acres	Entry Permit	3 years	Allows for temporary storage of construction equipment, vehicles and materials near the Inland Feeder right of way in the unincorporated Highland area in San Bernardino County	\$56,747	One Time
Canyon Crossings Corporate Center (RL 2309)	Private	2 acres	Amendment No. 7 to Entry Permit	1 year	Extension to term allowing for access, temporary parking, street improvements, landscaping and utilities along a designated portion of the Box Springs Feeder right of way and provides for compatible construction activities in conjunction with an adjacent development. Adjacent development project is currently on hold; Canyon Crossings continues to perform site maintenance under terms of entry permit.	\$2,500	One Time
Eastern Municipal Water District (EMWD) (RL 3226)	Public	0.297 acre	Entry Permit	1 year	Allows for temporary construction activities and access for vehicles and equipment on a portion of the Colorado River Aqueduct right of way in conjunction EMWD's adjacent Perris Water Filtration Bypass project	\$500	One Time
El Paso Natural Gas Company (RL 3188)	Private	0.3443 acre	Entry Permit	1 year	Allows for a temporary work area to accommodate equipment installing a cathodic protect station on an existing easement owned by El Paso near the Colorado River Aqueduct right of way in San Bernardino County	\$1,500	One Time
enXco Development Corporation (RL 3232)	Private	n/a	Consent to Access	3-1/2 months	Allows for access to survey property near the Eagle Mountain Pumping Plant in conjunction with enXco's proposed Desert Harvest Solar Project	\$1,500	One Time
HayDay Farms, Inc. (RL 3225)	Private	7,000 acres	Lease	5 years	Allows for agricultural activities consisting of growing and harvesting irrigated crops	\$835,625	Semi-Annual
Indacochea Sheep Ranch (RL 3201)	Private	6.9 acres	Lease	Year to Year	Allows for agricultural activities on a portion of the Colorado River Aqueduct/Lakeview right of way in Riverside County	\$2,200	Annual
Jetset World Media, Inc. (RL3245)	Private	n/a ⁽¹⁾	Entry Permit	1 day	Allows use of parking areas at 700 North Alameda Street for an event held at Union Station train terminal	\$744 ⁽²⁾	One Time
Los Angeles, County of (RL 3220)	Public	0.42 acre	Entry Permit	1 year	Allows for access, surveys, invasive investigations, construction and staging in connection with modifications for the existing WB-26B service connection on the Culver City Feeder at the Venice Pressure Control Structure	\$1,500	One Time
Riverside, County of (RL 3125)	Public	17.87 acres	Amendment No. 1 to Entry Permit	1 year	Extension to term allowing visual site inspections and non-invasive environmental surveys in conjunction with a proposed road project near Murrieta Hot Springs road in Murrieta. The inspections will be conducted on portions of Metropolitan's San Diego Pipeline Nos. 3, 4 and 5 right of way	\$1,500	One Time
Standard Pacific Homes (RL 3228)	Private	16.08 acres	Entry Permit	2-1/2 months	Allows for access to repair an existing slope and install a v-ditch to convey and dissipate flows across Metropolitan's access road at the Orange County Reservoir	\$0 ⁽³⁾	n/a
WWE LH Productions, Inc. (RL 3248)	Private	n/a ⁽⁴⁾	Entry Permit	1 day	Allows use of areas at the Diamond Valley Lake Marina to film scenes for a reality television show titled WWE Legends House	\$1,170 ⁽⁵⁾	One Time

TBD = To be Determined

**Leases and Permits Issued
During 3rd Quarter of FY 2011/12
January 2, 2012 through March 31, 2012**

n/a = Not Applicable

- ⁽¹⁾ Temporary use of 62 parking spaces at the Metropolitan Headquarters Building
- ⁽²⁾ An additional \$500 refundable security deposit was collected and subsequently returned
- ⁽³⁾ Mutual benefits of stabilizing a slope within Metropolitan property to prevent future erosion
- ⁽⁴⁾ Temporary use of Diamond Valley Lake and marina for filming and use of Diamond Valley Lake Recreation area for parking activities
- ⁽⁵⁾ An additional \$5,000 refundable security deposit was collected and subsequently returned

Deeds Granted
During 3rd Quarter of FY 2011/12
January 1, 2012 through March 31, 2012

GRANTEE	ACREAGE	TYPE	TERM	USE	DOCUMENT RECORDING DATE	FEE/RENT	FREQUENCY
Soboba Band of Luiseno Indians (RL 3082)	21.718 acres	Warranty Deed	Permanent	Settlement with the Soboba Band of Luiseno Indians ⁽¹⁾	11/30/2011	\$0	n/a
Stuhr, Wayne A. and Bona Vera S. ⁽²⁾	2 acres	Quitclaim	Permanent	Relinquishment of following easement deed on Palo Verde property	1/4/2012	\$0	n/a
Stuhr, Wayne A. and Bona Vera S. ⁽²⁾	20 acres	Quitclaim	Permanent	Relinquishment of following easement deed on Palo Verde property	1/4/2012	\$0	n/a

TBD = To be Determined

n/a = Not Applicable

⁽¹⁾ Conveyance of property authorized by Metropolitan's Board of Directors in June 2004 (M.I. 45793) in connection with settlement of the Soboba's water rights claims to the San Jacinto River

⁽²⁾ Stuhr sold these parcels to ChasSan who is also enrolled in the PVID Following Program. At the request of ChasSan, Metropolitan moved the encumbered water toll acres to another parcel owned by ChasSan as recorded on document 2012-0002764 and reported on Attachment 1, Item 3.