



- RPDM Quarterly Report Ending March 31, 2015

Summary and Accomplishments

This report provides an update on real estate activities for the period January 1, 2015 through March 31, 2015.

During this reporting period:

- Thirty two transactions were executed, including compatible secondary use requests for office leases, access permits, parking permits, filming permits, construction easements, infrastructure permits, easements, encroachment and renewal agreements, and letters of consent.
- Staff completed review of appraisals prepared by an independent appraiser for nine temporary construction easements needed as part of the Etiwanda Pipeline North Liner Repair project and for properties that may be utilized for increased efficiency of operations at the F. E. Weymouth Water Treatment Plant.
- Staff completed five cost studies for the Orange County Feeder Relining Repair Project.
- Staff provided property research, valuation, and planning support to Bay Delta Initiatives related to potential near- and long-term projects in the Delta.
- Staff continued to work with Legal and Engineering Services to assure that Metropolitan has appropriate access for repair projects and appropriate rights for existing and proposed facilities within the Right of Way and Infrastructure Protection Program.
- Staff assisted External Affairs with an on-water tour of Diamond Valley Lake in conjunction with filming for San Diego television station. The group was researching sources of water for southern California and effects of the drought for an upcoming report. Staff also assisted External Affairs with on-water tour of Diamond Valley Lake for a NBC4 I-Team investigative producer preparing story on the effects of Delta seismic activity on southern California.
- The seasonal Flower Trail, located in the Multi-Species Reserve and accessed through the DVL Marina, opened February 7 to impressive displays of California wildflowers due to the spring rains. Three new picnic tables have been added courtesy of a local Hemet Eagle Scout project.
- Staff prepared the annual update to Metropolitan's dam inundation report which is used as part of Metropolitan's insurance underwriting.
- Staff conducted 15 tours for potential filming activities at the Joseph J. Jensen Water Treatment Plant, Metropolitan Headquarters Building and the Sunset Garage facility.

Purpose

Metropolitan Water District Administrative Code Section 2720: General Manager's Quarterly Reports
Metropolitan Water District Administrative Code Section 8257: Quarterly Reports

Attachments

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| Attachment 1 | Deeds and grants accepted by Metropolitan to use 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 lists four agreements that were accepted.

A permanent easement was acquired from Brett and Nicole Borkgren in exchange for Metropolitan granting them an encroachment and removal agreement to construct and maintain certain facilities on Metropolitan's existing pipeline easement within the Colorado River Aqueduct West Valley Feeder No. 1 right of way in Chatsworth.

An agreement and grant of easement was acquired from the State of California, Department of Parks and Recreation allowing for a limited-use secondary access road to the Robert B. Diemer Water Treatment Plant in Yorba Linda.

The Federal Aviation Administration issued Metropolitan a consent letter to allow for a crane to enter air space near the flight path of Ontario International Airport in conjunction with the Upper Feeder encasement Project.

An amendment to an existing entry permit was acquired from Worthington Investment Company et al and William L. Davis which allows for a term extension for access onto an adjacent property to perform seismic retrofit for the Upper Feeder located in Jurupa Valley, Riverside County.

Leases and Permits Granted

Twenty-three transactions were completed during this reporting period (see **Attachment 2**) allowing others a compatible secondary use of Metropolitan-owned land. The transaction related documents include eight lease amendments, three licenses, one license amendment, seven entry permits, two encroachment and removal agreements, and two letters of consent, all of which conform to Administrative Code provisions established by Metropolitan's Board.

Staff executed two short-term permits for parking at the Metropolitan Headquarters Building in conjunction with events taking place at the Union Station train terminal and two short-term permits for parking and catering activities at Metropolitan's Sunset Garage on Alpine Street in connection with the filming of a television series pilot.

Two filming permits were issued during this period. Neon Black Productions was issued a permit to allow filming at the Metropolitan Headquarters Building for an audio visual project and Turner Broadcasting System was issued a permit for filming at the Joseph Jensen Water Treatment Plant of scenes for the television series "The Last Ship."

Two letters of consent were issued to the city of Hemet for off-road driver training and to the United States Forest Service for access to Searl Parkway and use of the Diamond Valley Lake Training Center to perform physical and classroom training sessions. These consents were considered a public safety benefit.

Board Report (RPDM Quarterly Report Ending March 31, 2015)

Brett and Nicole Borkgren were granted permission allowing for the construction and maintenance of facilities over a portion of Metropolitan's existing pipeline easement within the Colorado River Aqueduct West Valley Feeder No. 1 right of way in Chatsworth.

An existing lease with FH II, LLC was amended to extend the term to facilitate construction of a passive greenbelt park on a portion of the Foothill Feeder Rialto Pipeline right of way in the city of San Bernardino. At the conclusion of construction, the city of San Bernardino will be responsible for ongoing maintenance.

La Habra Associates, LLC, was granted permission allowing for the construction and maintenance of facilities on Metropolitan's existing pipeline easement within the Lower Feeder right of way.

An existing lease with MWD Federal Credit Union was amended to relocate an ATM machine from Building 4 to Building 40 at the F. E. Weymouth Water Treatment Plant.

An existing lease with the city of Monterey Park was amended to provide additional acreage and use of property at a recreational area near Garvey Reservoir.

The city of Monterey Park Police Department was issued an entry permit to allow access onto property near Garvey Reservoir to perform coyote control.

An existing license granted to Orange County Water District was amended to revise the access area for grading of Santiago Creek for groundwater discharge.

A previously granted lease to Parsons Brinckerhoff, Inc. was amended to increase the office space on the third floor low rise at the Metropolitan Headquarters Building.

An existing lease with the county of Riverside at Lake Skinner was amended to continue the annual water use credit on property used for recreational activities.

A previously granted lease to San Diego County Water Authority was amended by changing the term to a month to month rental for office space on the first floor at the Metropolitan Headquarters Office.

Sunnylands Broadcasting, Inc. was issued a license to allow access to property along the Colorado River Aqueduct right of way in the county of Riverside to facilitate an offsite radio communications project on adjacent land owned by the Bureau of Land Management.

Two separate licenses were issued to the United States of America, Department of the Navy and United States of America, Department of the Army which allowed for a joint military training boat-lift training exercise on the water at Diamond Valley Lake. The three-day boat-lift exercise consisted of launching Navy boats onto the lake with Army helicopters working in the airspace above.

An existing lease granted to Western Oilfield Supply Company dba Rain for Rent was amended to increase the rent for storage of irrigation pipe on a portion of the Box Springs Feeder right of way in Riverside County.

A previously granted lease to Zaruka Investment Properties was amended to transfer the lease from Sierra La Verne Country Club, Inc. for access and landscaping purposes in conjunction with an adjoining golf course located on the Foothill Feeder Rialto Pipeline right of way in the city of La Verne.

Deeds Granted to Others

Attachment 3 lists five agreements during this reporting period.

The State of California Department of Parks and Recreation quitclaimed to Metropolitan a license agreement in exchange for the easement acquired for a limited-used secondary access road to the Robert B. Diemer Water Treatment Plant in Yorba Linda.

A permanent easement was granted to Cucamonga Valley Water District to allow for the construction operation and maintenance of two waterline crossings over and across a portion of Metropolitan's Foothill Feeder Rialto Pipeline right of way in the city of Rancho Cucamonga.

Board Report (RPDM Quarterly Report Ending March 31, 2015)

Los Angeles County Flood Control District was granted a permanent easement to allow for access and maintenance of an existing soil cement bank protection over an area near Metropolitan's Foothill Feeder right of way in the county of Los Angeles located near Newhall Ranch.

A permanent easement was granted to the county of Riverside for public road and utility purposes over and across a portion of Metropolitan's San Diego Aqueduct Canal right of way near Lake Skinner.

The city of South Gate was granted a permanent easement for sidewalk improvements over and across and portion of the Middle Cross Feeder Pipeline.

**Deeds, Grants and Leases Accepted
During 3rd Quarter of FY 2014/15
January 1, 2015 through March 31, 2015**

GRANTOR	ACREAGE	TYPE	TERM	USE	RECORDING DATE	COSTS
Borkgren, Brett and Nicole	0.058 acre	Permanent Easement	Permanent	Acquired in exchange for granting the property owner an encroachment and removal agreement to construct and maintain certain facilities on Metropolitan's existing pipeline easement within the Colorado River Aqueduct West Valley Feeder No. 1 right of way in Chatsworth	12/9/2014	\$0 ⁽¹⁾
California, State of, Department of Parks and Recreation	1.354 acres	Agreement and Grant of Easement	Permanent	Allows for a limited-use secondary access road to the Robert B. Diemer Water Treatment Plant in Yorba Linda	1/16/2015	\$1,290,000 ⁽²⁾
Federal Aviation Administration	n/a ⁽³⁾	Consent Letter	9 months	Allows for a crane to enter air space near the flight path for Ontario International Airport in conjunction with the Upper Feeder Encasement Project	n/a ⁽⁴⁾	\$0 ⁽¹⁾
Worthington Investment Company et al and Davis, William L.	4.25 acres	Amendment No. 1 to Entry Permit	16 months	Allows for extension of term for access onto an adjacent property to perform seismic retrofit for the Upper Feeder located in Jurupa Valley, Riverside County	n/a ⁽⁴⁾	\$0 ⁽¹⁾

TBD = To be Determined

n/a = Not Applicable

⁽¹⁾ Grantor did not request compensation

⁽²⁾ Amount paid to offset loss of recreational area and habitat values

⁽³⁾ No acreage computed; air space only

⁽⁴⁾ Recording not required

**Leases and Permits Issued
During 3rd Quarter of FY 2014/15
January 1, 2015 through March 30, 2015**

LESSEE	ENTITY TYPE	ACREAGE	TYPE	TERM	USE	FEE/RENT	FREQUENCY
ABC Studios (RL 3451)	Private	n/a ⁽¹⁾	Entry Permit	1 day	Allows use of parking and catering area at Metropolitan's Sunset Garage on Alpine Street in connection with a nearby filming of a television series pilot, "LA Crime"	\$3,000 ⁽²⁾	One Time
Borkgren, Brett and Nicole	Private	257 sq. ft.	Encroachment and Removal Agreement ⁽³⁾	Continuous ⁽⁴⁾	Allows to construct and maintain facilities over a portion of Metropolitan's existing pipeline easement within the Colorado River Aqueduct West Valley Feeder No. 1 right of way in Chatsworth	\$0 ⁽⁵⁾	n/a
CBS Television Studios (RL 3445)	Private	n/a ⁽¹⁾	Entry Permit	2 days	Allows use of parking at Metropolitan's Sunset Garage on Alpine Street in connection with a nearby filming of its television series, "NCIS"	\$6,600 ⁽⁶⁾	One Time
FH II, LLC (RL 2470)	Private	1.783 acres	Amendment No. 2 to Lease	6 months	Extends the term to facilitate construction of a passive greenbelt park on a portion of the Foothill Feeder Rialto Pipeline right of way in the city of San Bernardino	\$3,758	One Time
Hemet, City of (RL 3436)	Public	n/a ⁽⁷⁾	Letter of Consent	5 months ⁽⁸⁾	Allows for off-road driver training for fire fighters	\$0 ⁽⁹⁾	n/a
Jerde, Janice (RL 3447)	Private	n/a ⁽¹⁰⁾	Entry Permit	1 day	Allows use of parking spaces at 700 North Alameda Street in conjunction with an event being held at Union Station train terminal	\$2,400 ⁽⁶⁾	One Time
La Habra Associates, LLC	Private	80 sq. ft.	Encroachment and Removal Agreement ⁽¹¹⁾	Continuous ⁽⁴⁾	Allows for construction and maintenance of facilities on Metropolitan's existing pipeline easement within the Lower Feeder right of way	\$0 ⁽¹²⁾	n/a
MWD Federal Credit Union (RL 3318)	Private	25 sq. ft.	Amendment No. 1 to Lease	8 years	Allows for relocation of existing ATM machine from Building 4 to Building 40 at the F. E Weymouth Water Treatment Plant	\$0 ⁽¹³⁾	n/a
Monterey Park, City of (RL 524)	Public	0.196 acre	Amendment No. 1 to Lease	19 years	Provides additional acreage and use of property at a recreational area near Garvey Reservoir	\$0 ⁽¹⁴⁾	n/a
Monterey Park Police Department, City of (RL 3399)	Public	115 acres	Entry Permit	1 year	Allows access on property near Garvey Reservoir to perform trapping for coyote control	\$0 ⁽⁹⁾	n/a
NALEO Educational Fund (RL 3425)	Private	n/a ⁽¹⁰⁾	Entry Permit	1 day	Allows use of parking spaces at 700 North Alameda Street in conjunction with an event being held at Union Station train terminal	\$2,400 ⁽⁶⁾	One Time
Neon Black Productions, LLC (RL 3440)	Private	n/a ⁽¹⁵⁾	Entry Permit	2 days	Allows for filming at the Metropolitan Headquarters Building for an audio-visual production	\$11,196 ⁽¹⁶⁾	One Time
Orange County Water District (RL 2832)	Public	0.81 acre	Amendment No. 3 to License	1 year	Allows for revision to the access area for grading of Santiago Creek for groundwater discharge	\$0 ⁽¹⁷⁾	n/a
Parsons Brinckerhoff, Inc. (RL 3417)	Private	1,920 RSF ⁽¹⁸⁾	Amendment No. 1 to Lease	8 months	Allows use of additional office space on the third floor low rise at the Metropolitan Headquarters Building	\$4,224	Monthly
Riverside, County of (RL 294)	Public	251 acres	Amendment No. 6 to Lease	25 years ⁽¹⁹⁾	Provides for continuation of annual water use credit on property used for recreational activities at Lake Skinner ⁽²⁰⁾	\$0 ⁽²¹⁾	n/a
San Diego County Water Authority (RL 1946)	Public	449 sq. ft. RSF ⁽¹⁸⁾	Amendment No. 1 to Lease	Month to Month	Allows for use of office space on a month to month basis on the first floor at the Metropolitan Water District Headquarters Building	\$1,025 ⁽²²⁾	Monthly
Sunnylands Broadcasting, LLC (RL 3401)	Private	16 acres	License	3 years	Allows access to property along the Colorado River Aqueduct right of way in the county of Riverside to facilitate an offsite radio communications project on adjacent land owned by the Bureau of Land Management	\$4,000	One Time
Turner Broadcasting System (RL 3424)	Private	n/a ⁽²³⁾	Entry Permit	5 days	Allows for filming at the Joseph Jensen Water Treatment Plant of scenes for the television series "The Last Ship"	\$23,692 ⁽²⁴⁾	One Time
United States Forest Service (RL 3422)	Public	n/a ⁽²⁵⁾	Letter of Consent	1 year ⁽²⁶⁾	Allows temporary access to Searl Parkway and use of Diamond Valley Lake Training Center to perform physical and classroom training sessions	\$0 ⁽⁹⁾	n/a

**Leases and Permits Issued
During 3rd Quarter of FY 2014/15
January 1, 2015 through March 30, 2015**

LESSEE	ENTITY TYPE	ACREAGE	TYPE	TERM	USE	FEE/RENT	FREQUENCY
United States of America, Department of the Navy (RL 3421)	Public	n/a ⁽²⁷⁾	License	4 days	Allows military training boat-lift exercise on the water at Diamond Valley Lake, consisting of launching Navy boats onto the lake with Army helicopters working in the airspace above	\$0 ⁽⁹⁾	n/a
United States of America, Department of the Army (RL 3431)	Public	n/a ⁽²⁷⁾	License	4 days	Allows military training boat-lift exercise on the water at Diamond Valley Lake, consisting of launching Navy boats onto the lake with Army helicopters working in the airspace above	\$0 ⁽⁹⁾	n/a
Western Oilfield Supply Company dba Rain for Rent (RL 333)	Private	0.76 acre	Amendment No. 2 to Lease	Year to Year	Increases rent for storage of irrigation pipe on the Box Springs Feeder right of way in Riverside County	\$5,000	Yearly
Zaruka Investment Properties (RL 440)	Private	4.36 acres	Amendment No. 1 to Lease	Year to Year	Amends and assigns Lease from Sierra La Verne County Club, Inc. for access and landscaping purposes in conjunction with an adjoining golf course located on the Foothill Feeder Rialto Pipeline right of way in the city of La Verne	\$1,100	Yearly

TBD = To be Determined

n/a = Not Applicable

⁽¹⁾ Parking limited to 2nd and 3rd floor garage areas at the Sunset Garage facility in Los Angeles

⁽²⁾ An additional \$1,000 refundable security deposit was collected and subsequently returned

⁽³⁾ Document was recorded on 12/9/2014

⁽⁴⁾ Tenancy at Metropolitan's discretion with 30 days' notice to terminate

⁽⁵⁾ No fee; transaction was equal exchange of rights

⁽⁶⁾ An additional \$500 refundable security deposit was collected and subsequently returned

⁽⁷⁾ Temporary use of property on the east side of Diamond Valley Lake

⁽⁸⁾ Intermittent use through July 31, 2015 with minimum of 2 days notice

⁽⁹⁾ Provides benefit of public safety

⁽¹⁰⁾ Temporary use of 200 parking spaces at the Metropolitan Headquarters Building

⁽¹¹⁾ Document was recorded on 3/11/2015

⁽¹²⁾ No compensation; mutual resolution of dispute

⁽¹³⁾ Current monthly rent amount of \$2,394.03 allows for one ATM machine at F. E. Weymouth Water Treatment Plant

**Leases and Permits Issued
During 3rd Quarter of FY 2014/15
January 1, 2015 through March 30, 2015**

- ⁽¹⁴⁾ Settlement agreement provided additional property in consideration for less restrictive operational guidelines at Garvey Reservoir
- ⁽¹⁵⁾ Temporary use of areas on the 12th floor, freight elevator, loading dock and perimeter road
- ⁽¹⁶⁾ An additional \$10,000 refundable security deposit was collected and subsequently returned
- ⁽¹⁷⁾ No fee for amendment; revision made to access route to accommodate access for another lease on the property
- ⁽¹⁸⁾ RSF = Rentable Square Feet
Rentable Square Feet (RSF) is the area of a building, floor or suite used as the basis for calculating Base Rent which includes a pro-rata portion of the Building Common Area. Usable Square Feet (USF) is the total space occupied. Typically, the RSF is larger than USF because of lessee's use of common areas in the building such as lobbies and cafeteria
- ⁽¹⁹⁾ Original term of lease for 25 years - effective January 2, 2005 through January 1, 2030
- ⁽²⁰⁾ Water Use Credit not to exceed \$100,000 per year for operation and use in maintaining the Lake Skinner recreation area
Water Use Credit will terminate at such time that Eastern Municipal Water District is able to provide water service to the Lake Skinner recreation area
- ⁽²¹⁾ Mutual benefits of Metropolitan's defrayment of maintenance and site improvement expenses and providing community relations based on the availability of municipal recreational facilities
- ⁽²²⁾ Monthly rent is \$1,025 plus \$168 for two parking spaces
- ⁽²³⁾ Temporary use of areas including portions of pipe gallery 7-8 in module 2, ozone contactor cooling water strainer room, and gravel lot
- ⁽²⁴⁾ An additional \$25,000 security deposit was collected and subsequently returned
- ⁽²⁵⁾ Temporary use of Searl Parkway and the DVL Training Center
- ⁽²⁶⁾ Intermittent use with minimum of 2 days notice
- ⁽²⁷⁾ Temporary use of Diamond Valley Lake

Deeds Granted
During 3rd Quarter of FY 2014/15
January 1, 2015 through March 30, 2015

GRANTEE	ACREAGE	TYPE	TERM	USE	DOCUMENT RECORDING DATE	FEE/RENT	FREQUENCY
California, State of, Department of Parks and Recreation	9.415 acres	Quitclaim	Permanent	Release of license agreement in exchange for the easement acquired for a limited-use secondary access road to the Robert B. Diemer Water Treatment Plant in Yorba Linda	1/16/2015	\$0 ⁽¹⁾	n/a
Cucamonga Valley Water District (RL 3272)	0.103 acre	Easement	Permanent	Allows for the construction, operation and maintenance of two waterline crossings over and across a portion of Metropolitan's Foothill Feeder Rialto Pipeline right of way in the city of Rancho Cucamonga	3/3/2015	\$6,730	One Time
Los Angeles County Flood Control District (RL 2903)	2.33 acres	Easement	Permanent	Allows for access and maintenance of an existing soil cement bank protection over an area near Metropolitan's Foothill Feeder right of way in the county of Los Angeles near Newhall Ranch	12/10/2014	\$1,500	One Time
Riverside, County of (RL 2935)	0.75 acre	Easement	Permanent	Allows for public road and utility purposes over and across a portion of Metropolitan's San Diego Aqueduct Canal right of way near Lake Skinner	2/19/2015	\$33,500	One Time
South Gate, City of (RL 3408)	91 square feet	Easement	Permanent	Allows for sidewalk improvement purposes over and across a portion of the Middle Cross Feeder Pipeline	3/18/2015	\$7,000	One Time

TBD = To be Determined

n/a = Not Applicable

⁽¹⁾ No fee; transaction was equal exchange of property rights