

MINUTES OF THE  
PROPERTY MANAGEMENT COMMITTEE MEETING  
WITH BOARD OF DIRECTORS  
ORANGE COUNTY WATER DISTRICT  
February 26, 2016 @ 12:00 p.m.

Director Flory called the Property Management Committee meeting to order at 12 p.m. in Conference Room C-2. The Assistant District Secretary called the Roll and reported a quorum as follows.

Committee

Steve Sheldon (arrived 12:05 p.m.)  
Jan Flory  
Roman Reyna (arrived 12:05 p.m.)  
Dina Nguyen (not present)  
Roger Yoh

OCWD Staff

Mike Markus – General Manager  
Bruce Dosier - Director IS/Property  
Joel Kuperberg – General Counsel  
Judy-Rae Karlsen - Assistant District Secretary  
Don Jackson, John Kennedy, Scott Nygren,  
Chris Olsen, Greg Woodside, Dick Zembal

Alternates

Phil Anthony  
Denis Bilodeau  
Jordan Brandman (not present)  
Shawn Dewane (not present)  
Cathy Green

Others

Pamela Galera – City of Anaheim  
Alex Menor – Riverside County Transportation  
John McCarthy – Michael Baker International  
Bill Cathcart, Michael A. Green – Islands Golf Center

**CONSENT CALENDAR**

The Consent Calendar was approved upon motion by Director Anthony, seconded by Director Yoh and carried [5-0] as follows.

*[Yes- Flory, Yoh, Anthony, Bilodeau, Green/No - 0]*

1. Minutes of the Meeting

**The Minutes of the Property Management Committee meeting held January 22, 2016 were approved as presented.**

2. Easement and Assignment of Warranties with The Irvine Company for Pipeline Right of Way for Recycled Water in Bombero Street - Newport Beach

**Recommended by Committee for approval at March 16 Board meeting: 1) Approve and authorize execution of Easement Deed with the The Irvine Company for a recycled water pipeline easement in Bombero Street, Newport Beach to be constructed and installed by The Irvine Company prior to the Easement Deed being executed; and 2) Approve and authorize execution of Assignment of Warranties with the The Irvine Company to transfer to the Orange County Water District all of The Irvine Company's rights as to the Pipeline Warranties to OCWD for the recycled water pipeline in Bombero Street, Newport Beach.**

**MATTERS FOR CONSIDERATION**

Directors Sheldon and Reyna arrived during the following discussion.

3. Request for Rent Relief for the Islands Golf Center

Director of Property/IS Bruce Dosier reported that Islands Golf Center is \$26,284 delinquent in rent payments and has submitted a written request to the District for rent relief. He reviewed the District's history with Islands Golf Center and then summarized the correspondence between District staff and Mr. Cathcart and Mr. Green of Islands Golf Center. Mr. Dosier reported that he directed Property

Manager Don Jackson to send a letter to Mr. Green with a proposed a plan for payment of delinquent rent and outline additional lease related issues.

Mr. Cathcart and Mr. Green addressed the Committee and acknowledged the Islands Golf Center has financial issues, however they reported they are developing a business plan that will assist with cash flow and the payment of delinquent rent. Mr. Green noted the current financial hardship is due to the loss of golf balls while Burris Basin is drained; the loss of a sub-tenant due to the lack of business; the loss of revenue due to a decrease in customer attendance; and increased local competition from a golfing center in Orange.

The Committee discussed the issues and concerns presented and recommended the matter be deferred for 60 days to allow Mr. Green and Mr. Cathcart to gather more information, present financial statements with a proposed solution for the Committee to discuss and reconsider. The Committee then took the following action.

**Upon motion by Director Flory, seconded by Director Yoh and carried [5-0], the Committee recommended that the Board at its March 16 Board meeting: Defer this discussion for 60 days to allow Islands Golf Center to prepare requested documentation.**

*[Yes- Sheldon, Flory, Reyna, Yoh, Anthony/No - 0]*

4. Additional Deposit of Funds for General Plan Amendment and Zone Change Application with City of Anaheim for Ball Road Basin

Mr. Dosier stated the City of Anaheim has requested a deposit in the amount of \$20,000 to cover the cost for the City of Anaheim's Environmental Impact Report (EIR) peer review process. He advised the peer review of the EIR is part of the application for the General Plan Amendment and zone change. The Committee briefly discussed the matter and then took the following action.

**Upon motion by Director Anthony, seconded by Director Reyna and carried [5-0], the Committee recommended that the Board at its March 16 Board meeting: Authorize payment to the City of Anaheim of \$20,000 as an additional deposit of funds for the General Plan Amendment and Zone Change application to cover District costs for the City of Anaheim's Environmental Impact Report peer review process.**

*[Yes- Sheldon, Flory, Reyna, Yoh, Anthony/No - 0]*

## INFORMATIONAL ITEMS

5. Santa Ana River Trail Alignment through Prado Basin

Mr. Dosier briefly reviewed the history of the proposed Santa Ana River Trail. Mr. John McCarthy of Michael Baker International presented the overall project specifics and outlined the proposed trail alignment. He noted that a portion of the multi-use trail will be going through District property and those details will be presented for discussion as the trail alignment is finalized. Director Bilodeau suggested the property negotiations be agendized as a Closed Session matter when the trail alignment has been finalized.

6. Quarterly Report on Leases and Permits/Licenses for the Period Ending December 31, 2015

Mr. Dosier advised the Quarterly Report for the period ending December 31, 2015 is in the packet. He stated there were several renewals coming up for discussion and he already reported on the Islands Golf Center delinquency in the amount of \$26,284.

**ITEMS TO AGENDIZE ON CONSENT CALENDAR AT THE MARCH 16 BOARD MEETING**

The Committee recommended item No. 2-4 be placed on the Consent Calendar at the March 16 Board meeting.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 1:03 p.m.

  
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Stephen Sheldon, Chair