

MINUTES OF THE PROPERTY MANAGEMENT COMMITTEE MEETING
WITH BOARD OF DIRECTORS
ORANGE COUNTY WATER DISTRICT
August 25, 2023 @ 12:00 p.m.

Director Meeks called the Property Management Committee meeting to order in Conference Room C-2. Members of the public also participated via Zoom. The Secretary called the roll and reported a quorum as follows:

Committee

Steve Sheldon (absent)
Natalie Meeks
Denis Bilodeau
Bruce Whitaker
Roger Yoh

Alternates

Valerie Amezcua
Dina Nguyen (absent)
Van Tran
Kelly Rowe
Cathy Green

OCWD Staff

Mike Markus, General Manager
Bruce Dosier, Director of IS/Property Management
Daniel Park, Property Manager
John Kennedy, Exec. Director
Lisa Haney, Exec. Director
Mehul Patel, Exec. Director
Jason Dadakis, Exec. Director
Jeremy Jungreis, General Counsel
Leticia Villarreal, Assistant District Secretary

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Bilodeau, seconded by Director Whitaker, and carried [5-0] as follows:

Ayes: Meeks, Bilodeau, Whitaker, Amezcua, Rowe

1. Meeting Minutes

The Minutes of the Property Management Committee meeting held July 28, 2023 were approved as presented.

2. Amendment to Pheasant Lease to Elaine Raahauge D.B.A. Mike Raahauge's Shooting Enterprises at Prado Basin for One-Year Extension

The Committee recommended that the Board at its September 6 Board meeting: Approve and authorize execution of Amendment Eighteen to Pheasant Lease to Elaine Raahauge DBA Mike Raahauge's Shooting Enterprises that provides for a one-year extension of the lease through September 30, 2024, with all other terms and conditions remaining the same.

MATTERS FOR CONSIDERATION

Directors Tran and Yoh arrived during this discussion.

3. Amendment to Lease to NSM Golf, LLC D.B.A. The Island Golf Center at Burriss Basin for Three-Year Extension

Property Manager Daniel Park reported that NSM Golf LLC D.B.A. The Islands Golf Center's (NSM) current lease will expire on September 30, 2023. Mr. Park stated that NSM has requested a three-year extension on its current lease. He advised that staff recommends the three-year extension as NSM continues to improve the property and the lease term coincides with the proposed term in the Caltrans lease. Ben Carotta, the proprietor of NSM, attended the meeting and thanked the Board for allowing NSM to bring the property back to life and hopes to continue the work.

Upon motion by Director Whitaker, seconded by Director Bilodeau and carried [5-0], the Committee recommended that the Board at its September 6 Board meeting: Approve and authorize execution of Amendment Five to Island Golf Lease to NSM Golf, LLC d.b.a. The Islands Golf that provides for a three-year lease extension expiring on September 30, 2026, and the annual CPI rental adjustment commence on October 1, 2023.

Ayes: Meeks, Bilodeau, Whitaker, Amezcua, Rowe

4. California Department of Transportation (CALTRANS) Property at Burriss Basin and Gentry Golf, Inc. D.B.A. The Islands Center Leasehold

Director of Information Services/Property Management Bruce Dosier recalled that there is a portion of Caltrans property that comes off the freeway onramp and into the basin and part of the District's basin that is under lease to NSM Golf. He stated the District staff continues to work with Caltrans on the decertification and acquisition of land, however progress has been slow due to potential impacts from adjacent development projects. He advised that Caltrans has proposed a new 3-year Directly Negotiated Lease Agreement with a monthly rate of \$1,141 and a 5% annual rental adjustment, while concurrently proceeding with the decertification process. He stated staff recommends the Board authorize the General Manager to negotiate and execute the new Lease Agreement subject to approval by legal counsel.

Upon motion by Director Yoh, seconded by Director Whitaker and carried [5-0], the Committee recommended that the Board at its September 6 Board meeting: Authorize the General Manager to negotiate and execute a new Three-year Directly Negotiated Lease Agreement with Caltrans at a rent of \$1,141 per month with 5% annual increase for the 1.3-acre property, subject to approval by legal counsel.

Ayes: Meeks, Bilodeau, Whitaker, Yoh, Amezcua

5. Proposed Cost Share Agreement with City of Orange to Replace Damaged Wall Along the Santa Ana River

Mr. Dosier stated that staff had previously brought this item to the Property committee in June 2023 when the city of Orange (City) had contacted the District advising that several sections of the existing concrete wall that runs along the Santa Ana River on East Riverdale had been significantly damaged and needed repairs. He recalled that in June the Committee had directed staff to discuss the option of demolishing the wall with no new fence with the city and engage Orange County Flood Control to share in the cost of the new fence. Mr. Dosier reported that the City advised that not having a fence would not be favorable for the nearby residents and that OC Flood Control declined to participate in the repair. He stated that the City proposed that the District pay half the estimated cost of the new fence plus a contingency reserve budget of \$80,000. He advised that staff recommends the District pay 50% of the fence replacement cost, not to exceed \$80,000, and the City would pay 100% of the wall demolition.

Upon motion by Director Bilodeau, seconded by Director Meeks and carried [5-0], the Committee recommended that the Board at its September 6 Board meeting: Authorize the General Manager to negotiate and execute an agreement with the City in which the City would pay one hundred percent (100% of the wall demolition, and the District would pay fifty percent (50%) of the fence replacement, not to exceed \$80,000.

AYES: Meeks, Bilodeau, Whitaker, Yoh, Amezcua

INFORMATIONAL ITEMS

6. Status Update Regarding the District's Imperial Highway Property

Mr. Dosier stated that there are still issues with the title company that is working with the District and Adams Streeter. He advised that the title report provided by Fidelity did not include the entire assessor's parcel that goes into the river. He noted the District is still working on getting clarification and will continue working with Adams Streeter and the city of Anaheim's (City) title company. Mr. Dosier mentioned that next steps would be to schedule a meeting with City staff and Caltrans to discuss potential access routes.

7. Status Update on the City of Anaheim's Proposed OC River Walk Project

Mr. Dosier stated that there was no update this month however staff will continue to present any progress to the Committee at future meetings.

8. Status Update on Planning Remediation of Former Prado Shooting Areas

Executive Director of Planning and Natural Resources Lisa Haney provided an update on the planned remediation of the former shooting areas at Pigeon Hill and the former Clay Target Range in Prado basin. Ms. Haney reminded the committee that the Department of Toxic Substances Control (DTSC) previously wanted to disallow the tentatively identified remedy for remediation. She advised that OCWD disagreed and challenged DTSC's decision. She stated OCWD, DTSC and legal counsel met to discuss the path forward. Ms. Haney reported that discussions were highly productive and DTSC ultimately determined that OCWD could resume work on the Remedial Action Plan.

CHAIR DIRECTION AS TO ITEMS TO AGENDIZE AS MATTERS FOR CONSIDERATION AT THE SEPTEMBER 6 BOARD MEETING

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 12:41 p.m.

DocuSigned by:

4BE7CBCFBE81440...
Natalie Meeks, Vice Chair