

MINUTES OF THE
PROPERTY MANAGEMENT COMMITTEE MEETING
WITH BOARD OF DIRECTORS
ORANGE COUNTY WATER DISTRICT
August 26, 2022 @ 12:00 p.m.

Due to the continuing state of emergency declared by the Governor related to preventing the spread of COVID-19 and pursuant to Government Code Section 54953(e), Committee Chair Bilodeau called the Property Management Committee meeting to order via Zoom. Members of the public also participated via Zoom. The Secretary called the roll and reported a quorum as follows:

Committee

Denis Bilodeau
Roger Yoh
Cathy Green (absent)
Dina Nguyen (absent)
Tri Ta

Alternates

Bruce Whitaker
Nelida Mendoza
Kelly Rowe
Gloria Ma'ae (absent)
Steve Sheldon

OCWD Staff

Michael Markus, General Manager
Jeremy Jungreis, General Counsel
Janice Durant, District Secretary
Bruce Dosier, Director of Property/IS
Daniel Park, Property Manager
Greg Woodside, Executive Director of Planning
Mehul Patel, Executive Director of Operations

Others in attendance:

Doug Elliott, Corona Recreation
Ben Carotta, The Islands Golf
David Wabiszewski, Aquapark

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Yoh, seconded by Director Whitaker, and carried [5-0] as follows, with Director Bilodeau abstaining on Item No. 2.

Ayes: *Bilodeau, Yoh, Ta, Whitaker, Rowe*

Abstain: *Bilodeau, Item No. 2*

1. Minutes of the Meeting

The Minutes of the Property Management Committee meeting held July 22, 2022 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

Recommended for approval at September 7 Board meeting: Approve and authorize execution of Amendment Seventeen 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, 2023, with all other terms and conditions remaining the same.

MATTERS FOR CONSIDERATION

3. Anaheim Adventure Park, LLC (Aquapark) at Miraloma Basin Proposal to Operate a Pumpkin Patch and Christmas Tree Lot

Director Bilodeau noted that he would be abstaining on this item and requested that Director Yoh take over as Chair of the meeting. Director of IS/Property Management Bruce Dosier recalled that Anaheim Adventure Park (Aquapark) leases District land at Miraloma Basin for operation of an Aquapark. He stated that the Lessee has requested to operate a pumpkin patch and a Christmas

tree lot on the leased premises in an effort to generate additional revenue during the Aquapark's closure from October 1 to December 25. The Board requested assurances that OCWD would be indemnified for safety-related issues and that public safety would be paramount. Staff noted that safety issues would be worked out during the General Manager's negotiation of the terms of the Lease amendment.

Upon motion by Director Yoh, seconded by Director Rowe and carried [5-0], the Committee recommended that the Board at its September 7 Board meeting: Authorize the General Manager to negotiate and execute a lease amendment with Anaheim Adventure Park LLC (Aquapark) at Miraloma Basin to operate a pumpkin path and Christmas tree lot from October 1 through December 25.

Ayes: Yoh, Ta, Whitaker, Sheldon

Abstain: Bilodeau

Director Bilodeau resumed the Chair at this point in the meeting.

4. Amendment To Lease to NSM Golf, LLC D.B.A. The Island Golf Center at Burris Basin

Mr. Dosier recalled that NSM Golf, LLC dba The Islands Golf Center (NSM) operates a golf driving range at the southerly portion of Burris Basin in Anaheim under a Lease Agreement with OCWD which expires on September 30, 2022. He stated the Lessee has requested a one-year extension and noted that District staff continues to work with the California Department of Transportation (Caltrans) on the decertification of a portion of leased premises extending into the District's southerly portion of Burris Basin. Mr. Dosier explained that the District is currently in holdover on a month-to-month lease that expired on January 31, 2020, and that Caltrans has proposed a new longer term lease agreement which staff has yet to receive. In this regard, Mr. Dosier recommended inclusion of a provision in the renewal which allows the Board to adjust the Lessee's rent amount should Caltrans increase the rent on the portion of the leased Premises owned by Caltrans. He also stated that, like most of the District's leases, the Lease contains a provision for an annual Consumer Price Index (CPI) rent adjustment. Director Sheldon noted that the CPI for the past year has risen significantly while recreational activities revenue has decreased. The Board suggested that CPI adjustments be reviewed as a policy matter by the Committee or the full Board. Director Ta left the meeting prior to the vote on this item.

Upon motion by Director Whitaker, seconded by Director Mendoza, and carried [5-0], the Committee recommended that the Board at its September 7 Board meeting: Approve and authorize execution of Amendment Four to the Island Golf Lease to NSM Golf, LLC d.b.a. The Islands Golf that provides for a one-year lease extension expiring on September 30, 2023; with the annual CPI rent increase (and potential Caltrans Lease rent increase) put on hold pending potential future Board direction.

Ayes: Bilodeau, Yoh, Whitaker, Mendoza, Rowe

5. Amendment No. 1 to Agreement with DTSC and Amendment No. 7 to Agreement with Aecom for Former Prado Shooting Areas

Executive Director of Advanced Planning and Natural Resources Greg Woodside District advised that staff has been working with the California Department of Toxic Substances Control (DTSC) and consultant AECOM to prepare environmental documentation for remediation of the former shooting areas at Pigeon Hill and the former Clay Target Range in Prado. He stated the next steps in the process are to complete the environmental documentation to comply with the California Environmental Quality Act (CEQA) and prepare a Remedial Action Plan. Mr. Woodside advised that the District's agreement with DTSC also needs to be amended to update the scope of work and revise the boundaries of the site. Director Rowe requested information on ongoing public outreach in the area and Mr. Woodside responded that outreach begins next week with approximately 315 residents in the immediate area.

Upon motion by Director Whitaker, seconded by Director Bilodeau and carried [5-0], the Committee recommended that the Board at its September 7 Board meeting:

- 1) Authorize the General Manager to negotiate and execute Amendment No. 1 to the District's agreement with the Department of Toxic Substances Control to define the scope of work for preparation of the Remedial Action Plan and revise the boundaries of the site;**
- 2) Authorize preparation of Remedial Action Plan for the remediation of the Former Clay Target Range and Pigeon Hills area; and**
- 3) Approve and authorize execution of Amendment No. 7 to Agreement No. 1321 with AECOM to prepare a Remedial Action Plan for the Former Clay Target Range and Pigeon Hill area for an amount not to exceed \$155,048.**

6. Corona Recreation Request to Conceptually Approve Potential Sublease at Anaheim Lake

Mr. Dosier recalled that Corona Recreation conducts a fishing concession at the District's Warner Basin facility which includes a portion of the District's Anaheim Lake facility as an alternate premise. He stated that the Lessee has requested that the District conceptually approve a potential sublease at a to-be-determined area at the Anaheim Lake facility. Corona Recreation President Douglas Elliott explained that the Board had previously authorized him to sublease a portion of his leased premises for construction parking, but that the potential tenant walked away when the city of Anaheim cut the area down significantly due to their pipeline easements. Mr. Elliott presented other areas that might be suitable for a similar use at Anaheim Lake, noting that he estimates he can generate additional revenue of approximately \$25,000. Director Bilodeau pointed out that in addition to Anaheim's pipeline easements, some of the area at Anaheim Lake is owned by Orange County Flood Control District. Mr. Elliott also advised that the fishing concession area of Warner Basin has unusually large amounts of moss this year that is negatively impacting the fish and he requested OCWD assistance in removing it. Mr. Markus explained that the moss is seasonal and occurs each year in all of the District's basins. He stated staff would work with Mr. Elliott to evaluate potential areas at Anaheim Lake for suitability for subleasing and evaluate staff's availability to incorporate the moss removal in their workload.

Upon motion by Director Bilodeau, seconded by Director Yoh and carried [5-0], the Committee recommended that the Board at its September 7 Board meeting: Conceptually approve a Sublease by Corona Recreation at the District's Anaheim Lake facility to allow the Lessee to further explore the feasibility of a sublease with a prospective tenant.

Ayes: Bilodeau, Yoh, Whitaker, Mendoza, Rowe

INFORMATIONAL ITEM

7. Status Update on California Department of Transportation (Caltrans) Property at Burris Basin and NSM Golf, LLC D.B.A. The Islands Golf Center Leasehold

Mr. Dosier explained that the District owns Burris Basin which is a 116-acre recharge basin located in Anaheim. He stated that OCWD has been working with Anaheim since 2018 to decertify an area of \$1.3 acres that OCWD believed it owned but is actually owned by Caltrans. Mr. Dosier stated that Caltrans recently notified the District that the decertification is currently on hold due to a traffic study proposed by Anaheim in connection with the Orange County Bike Trail project in the area of Ball Road Basin.

Other Items

Mr. Dosier noted that while nothing official has been received, District Lessee Sunnyslope Tree Farms has verbally indicated that it is consolidating its plant materials at other locations and intends to terminate the lease. He advised that the Lessee indicated he would give formal notice at an appropriate time.

CHAIR DIRECTION AS TO ITEMS TO AGENDIZE AS MATTERS FOR CONSIDERATION AT THE SEPTEMBER 7 BOARD MEETING

It was agreed to place all items on the Consent Calendar at the September 7 Board meeting.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 1:30 p.m.

DocuSigned by:
Denis Bilodeau 10/28/2022
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Denis Bilodeau, Chair