

AGENDA
PROPERTY MANAGEMENT COMMITTEE MEETING
WITH BOARD OF DIRECTORS *
ORANGE COUNTY WATER DISTRICT
18700 Ward Street, Fountain Valley CA 92708
Friday, April 26, 2024, 12:00 p.m. Conference Room C-2

*The OCWD Property Management Committee meeting is noticed as a joint meeting with the Board of Directors for the purpose of strict compliance with the Brown Act and it provides an opportunity for all Directors to hear presentations and participate in discussions. Directors receive no additional compensation or stipend as a result of simultaneously convening this meeting. Items recommended for approval at this meeting will be placed on **May 15, 2024**, Board meeting Agenda for approval.

This meeting will be held in person. As a convenience for the public, the meeting may also be accessed by Zoom Webinar and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the Zoom component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

Computer Audio: You can join the Zoom meeting by clicking on the following link:
<https://ocwd.zoom.us/j/81364630427>

Meeting ID: 813 6463 0427

Telephone Audio: (213) 338 8477

Teleconference Sites:
10382 Bonnie Drive, Garden Grove
19 Cannery, Buena Park
1454 Madison Street, Tustin
400 W. Civic Center Drive, Santa Ana
20 Civic Center, Santa Ana

* Members of the public may attend and participate at all locations.

ROLL CALL

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

RECOMMENDATION: Adopt resolution determining need to take immediate action on item(s) and that the need for action came to the attention of the District subsequent to the posting of the Agenda (requires two-thirds vote of the Board members present, or, if less than two-thirds of the members are present, a unanimous vote of those members present.)

VISITOR PARTICIPATION

Time has been reserved at this point in the agenda for persons wishing to comment for up to three minutes to the Board of Directors on any item that is not listed on the agenda, but within the subject matter jurisdiction of the District. By law, the Board of Directors is prohibited from taking action on such public comments. As appropriate, matters raised in these public comments will be referred to District staff or placed on the agenda of an upcoming Board meeting.

At this time, members of the public may also offer public comment for up to three minutes on any item on the Consent Calendar. While members of the public may not remove an item from the Consent Calendar for separate discussion, a Director may do so at the request of a member of the public.

CONSENT CALENDAR (ITEMS NO. 1 – 4)

All matters on the Consent Calendar are to be approved by one motion, without separate discussion on these items, unless a Board member or District staff request that specific items be removed from the Consent Calendar for separate consideration.

1. MINUTES OF PROPERTY MANAGEMENT COMMITTEE MEETING HELD MARCH 22, 2024

RECOMMENDATION: Approve minutes as presented

2. AMENDMENT TO DUCK HUNTING LEASE WITH ELAINE RAAHAUGE D.B.A. MIKE RAAHAUGE'S SHOOTING ENTERPRISES

RECOMMENDATION: Agendize for May 15 Board meeting: Approve and authorize execution of Amendment Twenty-Three to Lease with MRSE to extend the lease for a duck hunting concession on District property at Prado Basin for the 2024/25 duck hunting season with a new expiration date of June 30, 2025

3. AMENDMENT TO DUCK HUNTING LEASE WITH PRADO BASIN DUCK CLUB

RECOMMENDATION: Agendize for May 15 Board meeting: Approve and authorize execution of Amendment Nineteen to Lease with PBDC to extend the lease for a duck hunting concession on District property at Prado Basin for the 2024/25 duck hunting season with a new expiration date of June 30, 2025

4. APPRAISAL SERVICES FOR THE MID-BASIN INJECTION SITE RENTAL ADJUSTMENT

RECOMMENDATION: Agendize for May 15 Board meeting: Authorize execution of contract with CBRE for Appraisal Services for the appraisal of the Mid-Basin Injection Well Site in accordance with the Lease with Orange County Flood Control District

MATTERS FOR CONSIDERATION

5. CORONA RECREATION, INC. REQUEST TO EXPAND RADIO CONTROL ELECTRIC CAR TRACK AT WARNER BASIN

RECOMMENDATION: Agendize for May 15 Board meeting: Approve and authorize execution of Amendment Ten to Lease with Corona Recreation to expand the RC Track to include a removable asphalt track

6. PLANNING REMEDIATION OF FORMER PRADO SHOOTING AREAS –IN-PLACE REMEDIATION ALTERNATIVE COMPARISON

RECOMMENDATION: Agendize for May 15 Board meeting: Direct staff as appropriate

INFORMATIONAL ITEMS

7. STATUS UPDATE ON THE CITY OF ANAHEIM'S PROPOSED OC RIVER WALK PROJECT
8. STATUS UPDATE ON THE DISTRICT'S IMPERIAL HIGHWAY PROPERTY

9. QUARTERLY REPORT ON LEASES AND PERMITS/LICENSES FOR THE PERIOD ENDING MARCH 31, 2024

CHAIR DIRECTION AS TO ITEMS TO AGENDIZE AS MATTERS FOR CONSIDERATION AT THE MAY 15 BOARD MEETING

DIRECTORS' COMMENTS/REPORTS

GENERAL MANAGER'S COMMENTS/REPORTS

ADJOURNMENT

PROPERTY MANAGEMENT COMMITTEE

Committee Members

Steve Sheldon - Chair
Natalie Meeks - Vice Chair
Denis Bilodeau
Bruce Whitaker
Roger Yoh

Alternates

Valerie Amezcua - Alternate 1
Dina Nguyen - Alternate 2
Van Tran - Alternate 3
Erik Weigand - Alternate 4
Cathy Green - Alternate 5

In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted at the guard shack entrance and in the main lobby of the Orange County Water District, 18700 Ward Street, Fountain Valley, CA and on the OCWD website not less than 72 hours prior to the meeting date and time above. All written materials relating to each agenda item are available for public inspection in the office of the District Secretary. Backup material for the Agenda is available at the District offices for public review and can be viewed online at the District's website: www.ocwd.com

Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability-related modification or accommodation in order to participate in a meeting, including auxiliary aids or services, may request such modification or accommodation from the District Secretary at (714) 378-3234, by email at cfuller@ocwd.com, by fax at (714) 378-3373. Notification 24 hours prior to the meeting will enable District staff to make reasonable arrangements to assure accessibility to the meeting.

As a general rule, agenda reports or other written documentation has been prepared or organized with respect to each item of business listed on the agenda, and can be reviewed at www.ocwd.com. Copies of these materials and other disclosable public records distributed to all or a majority of the members of the Board of Directors in connection with an open session agenda item are also on file with and available for inspection at the Office of the District Secretary, 18700 Ward Street, Fountain Valley, California, during regular business hours, 8:00 am to 5:00 pm, Monday through Friday. If such writings are distributed to members of the Board of Directors on the day of a Board meeting, the writings will be available at the entrance to the Board of Directors meeting room at the Orange County Water District office.

MINUTES OF THE PROPERTY MANAGEMENT COMMITTEE MEETING
WITH BOARD OF DIRECTORS
ORANGE COUNTY WATER DISTRICT
March 22, 2024 @ 12:00 p.m.

Director Sheldon 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
Natalie Meeks Arrived 12:02 p.m.
Denis Bilodeau
Bruce Whitaker
Roger Yoh

OCWD Staff

John Kennedy, General Manager
Bruce Dosier, Director of IS/Property Management
Jeremy Jungreis, General Counsel
Daniel Park, Property Manager
Chris Olsen, Executive Director of Engineering & Water Resources
Mehul Patel, Executive Director of Operations
Lisa Haney, Executive Director of Planning & Natural Resources
Dave Mark, Principal Hydrogeologist
Leticia Villarreal, Assistant District Secretary

Alternates

Valerie Amezcua (absent)
Dina Nguyen (absent)
Van Tran (absent)
Erik Weigand
Cathy Green (absent)

CONSENT CALENDAR (ITEMS NO. 1 – 2)

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

Ayes: Sheldon, Meeks, Bilodeau, Whitaker, Yoh

1. Meeting Minutes

The Minutes of the Property Management Committee meeting held February 23, 2024 were approved as presented.

2. Proposed Agreement with City of Villa Park to Repair Storm Drain at Blue Diamond Basin and Establish Future Maintenance Responsibility

Recommended for approval at April 3 Board meeting: Authorize the General Manager to finalize negotiations and execute the Repair and Maintenance Agreement with the City of Villa Park for Drainage Facilities and Slope Repairs on District Property; and to negotiate and execute a Drainage Easement, subject to General Counsel approval

MATTERS FOR CONSIDERATION

3. Status Update on the California Department of Transportation (CALTRANS) Decertification of Property at Burris Basin

Director of IS/Property Bruce Dosier recalled that the District had started a decertification request back in 2017 with Caltrans for 1.39-acre property on the southern portion of Burris Basin where the Islands Golf is located. The area was previously believed thought to be District property but in reviewing the boundaries it was discovered to be Caltrans property. The District then entered an application requesting that Caltrans decertify the property. In the interim the District has had a rental agreement for the piece of land. He advised that Caltrans had recently sent staff a letter advising that Caltrans had seen a 2% annual increase in traffic flow on the adjacent northbound onramp from Ball

Road to State Route 57 (SR-57) freeway, and they anticipate having to widen it in the future, and that Caltrans will no longer consider the decertification of the parcel. Director Bilodeau shared that he and Director Meeks serve on the Toll Road board together and they would try to approach the Director of Caltrans, Lan Zhou to solicit a conversation to make some headway. Staff will continue to give committee updates.

INFORMATIONAL ITEMS

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

Mr. Dosier reported that at the January 24 committee meeting, Director Weigand had suggested contacting Assemblyperson Chen's and State Senator Min's office for assistance in meeting with Caltrans to discuss conceptual access to the Imperial Highway property. He shared that he and legislative affairs staff contacted both offices and they were responsive with getting back to staff and that he remains optimistic to have an update from Caltrans soon. He advised the committee that according to the District's real estate agents, the property continues to attract interest but until the access issue is resolved it is difficult to attract a tenant. He reported that the District's contracted civil engineering firm, Adams Streeter, continues to work on the Site Development Analysis for the property. Mr. Dosier will continue to bring monthly updates to the committee.

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

Mr. Dosier reported staff revised the draft Cooperative Agreement provided by the City of Anaheim and submitted it to the City on January 10, 2024. He reported that staff recently contacted the City for status on the draft and the District is waiting for their response. General Manager John Kennedy reported that he spoke with J.J. Jimenez, Parks Director for the City, who advised that the City was not ready to respond to the District's latest comments. He advised that the City is negotiating with several agencies, and they are not ready to address the level of detail in the draft provided by the District. Mr. Kennedy suggested inviting Mr. Jimenez to next month's committee meeting for an update.

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

Executive Director of Planning and Natural Resources Lisa Haney recalled that at the November 2023 committee meeting, staff updated the committee that DTSC had finally approved consolidating the two sites into one and formed a Corrective Action Management Unit (CAMU). Ms. Haney reported that 1) OCWD submitted a CEQA project description and updated project schedule to DTSC and a response is expected in early April. Once that is received, CEQA Technical Studies can begin. 2) OCWD is fine tuning the Remedial Action Plan (RAP) which is anticipated in Fall of 2024 which are the steps on how we will do the remediation work. 3) The Flyway Foundation sub-leases the USACE property, and OCWD needs approval from them for road access. Staff has met with them, and they are supportive and understanding of the work. 4) The District's consultant, AECOM, is updating their scope of work (SOW) and budget as they have incurred extra costs because of the delays and are including extra work not included in the original scope. She reported that obtaining the Temporary Exclusivity from USACE require review and concurrence from many departments within the USACE thus making it a slow process and timing of the project relies on obtaining written exclusivity agreement. She stated that to maintain the Summer 2025 remediation schedule OCWD must continue project planning prior to receiving key approvals and control of the schedule.

CHAIR DIRECTION AS TO ITEMS TO AGENDIZE AS MATTERS FOR CONSIDERATION AT THE APRIL 3 BOARD MEETING

It was agreed to place Item Nos. 2-3 on the on the Consent Calendar at the March 6 Board meeting.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 1:00 p.m.

Steve Sheldon, Chair

AGENDA ITEM SUBMITTAL

Meeting Date: April 26, 2024

To: Property Management Committee
Board of Directors

From: John Kennedy

Staff Contact: B. Dosier/D. Park

Budgeted: N/A

Budgeted Amount: N/A

Estimated Revenue: \$90,882

Funding Source: N/A

Program/ Line Item No. N/A

General Counsel Approval: Yes

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

**Subject: AMENDMENT TO DUCK HUNTING LEASE WITH ELAINE RAAHAUGE
D.B.A. MIKE RAAHAUGE'S SHOOTING ENTERPRISES**

SUMMARY

The District has a duck hunting lease with Elaine Raahauge d.b.a. Mike Raahauge's Shooting Enterprises (MRSE) on 450 acres of land in the constructed wetlands behind Prado Dam. The lease expires on June 30, 2024. MRSE has requested the lease be extended for one year to a new expiration date of June 30, 2025.

Attachment: Amendment Twenty-Three to Lease with Elaine Raahauge d.b.a. Mike Raahauge's Shooting Enterprises

RECOMMENDATION

Agendize for May 15 Board meeting: Approve and authorize execution of Amendment Twenty-Three to Lease with MRSE to extend the lease for a duck hunting concession on District property at Prado Basin for the 2024/25 duck hunting season with a new expiration date of June 30, 2025.

BACKGROUND/ANALYSIS

On November 2, 2005, the District entered into a short-term Lease with MRSE, to conduct a duck hunting concession on 450 acres of constructed wetlands. This Lease agreement includes a provision adjusting the monthly rent to \$200 in the event duck hunting cannot take place in any particular month. In subsequent years, the Board has authorized one-year lease extensions with annual 5% rent adjustments, and also approved the lease assignment to Elaine Raahauge after the passing of owner and husband, Mike Raahauge. MRSE is required to pay 50% of the annual rent prior to October 15th of each year, and the remaining 50% of the annual rent prior to December 15th of each year. The 2023/24 duck hunting season runs from October 21, 2024, to January 31, 2025.

With an expiration of June 30, 2024, MRSE has requested that the lease be extended for an additional year. Staff recommends that the lease be extended for one year to a new expiration date of June 30, 2025, with a 5% rent increase to \$90,882.

PRIOR RELEVANT BOARD ACTION(S)

6/07/2023, R23-6-73, Approve and authorize execution of Amendment Twenty-Two to Lease with MRSE to extend the lease for a duck hunting concession on District property at Prado Basin for the 2023/24 duck hunting season with a new expiration date of June 30, 2024.

6/15/2022, R22-6-70, Approve and authorize execution of Amendment Twenty-One to Lease with MRSE to extend the lease for a duck hunting concession on District property at Prado Basin for the 2022/23 duck hunting season with a new expiration date of June 30, 2023.

7/7/2021, R21-7-102, Approve and authorize execution of Amendment Twenty to Lease with MRSE to extend the lease for a duck hunting concession on District property at Prado Basin for the 2021/22 duck hunting season with a new expiration date of June 30, 2022.

8/5/2020, R20-8-98, Approve and authorize execution of Amendment Nineteen to Lease with MRSE to reduce Annual Rent for the 2020/21 duck hunting season by 20% to \$59,814

6/3/2020, R20-6-67, Approve Amendment Eighteen to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2020/21 duck hunting season with a new expiration date of June 30, 2021

7/17/19, R19-7-98, Approve Amendment Seventeen to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2019/20 duck hunting season with a new expiration date of June 30, 2020

7/18/18, R18-7-75, Approve Amendment Sixteen to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2018/19 duck hunting season with a new expiration date of June 30, 2019

6/7/17, R17-6-84, Approve Amendment Fifteen to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2017/18 duck hunting season with a new expiration date of June 30, 2018

6/15/16, R16-6-71, Approve Amendment Fourteen to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2016/17 duck hunting season with a new expiration date of June 30, 2017

7/1/15, R15-7-91, Approve Amendment Thirteen to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2015/16 duck hunting season with a new expiration date of June 30, 2016

6/4/14, R14-6-78, Approve Amendment Twelve to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2014/15 duck hunting season with a new expiration date of June 30, 2015

10/2/13, R13-10-127, Consent to Assignment of Lease to Elaine Raahauge d.b.a. Mike Raahauge's Shooting Enterprises and Approve Revised Amendment Eleven to Lease with Elaine Raahauge d.b.a. Mike Raahauge's Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2013/14 duck hunting season with a new expiration date of June 30, 2014

7/10/13, R13-7-83, Approve Amendment Eleven to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2012/13 duck hunting season with a new expiration date of June 30, 2014

6/6/12, R12-6-61, Approve Amendment Ten to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2011/12 duck hunting season with a new expiration date of June 30, 2013

6/1/11, R11-6-82 , Approve Amendment Nine to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2011/12 duck hunting season with a new expiration date of June 30, 2012

6/2/10, R10-6-86, Approve Amendment Eight to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2010/11 duck hunting season with a new expiration date of June 30, 2011

6/3/09, R09-6-100, Approve Amendment Seven to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2009/10 duck hunting season with a new expiration date of June 30, 2010

9/3/08, R08-9-119, Approve and authorize execution of Amendment Six to Lease with Mike Raahauge Shooting Enterprises to add the use of dog training in Pond 1 as an approved use on a year-round basis

6/4/08, R08-6-83, Approve Amendment Five to Lease with Mike Raahauge Shooting Enterprises to extend lease for a duck hunting concession on District Property at Prado Basin for the 2008/09 duck hunting season with a new expiration date of June 30, 2009

12/5/07, R07-12-169, Authorizing Amendment Four to Lease to restore the Premises to its full extent for the 2007/08 duck hunting season as defined in the Lease

5/2/07, R07-05- 67, Approve and authorize Amendment Three to Lease to reduce the Annual Rent to 10% of Gross Receipts due to the unavailability of most of the duck ponds with the Annual Rent modification to terminate on June 30, 2008; the Expiration Date of the Lease was extended to June 30, 2008; and the Premises was modified accordingly for the 2007/08 duck hunting season

10/18/06, R06-10-130, Approve and authorize Amendment Two to Lease to reduce the Annual Rent to 10% of Gross Receipts with the Annual Rent modification to terminate on June 30, 2007; reserved the right for the District to verify accounting records of Gross Receipts; revised the description of the Premises for the 2006/07 duck hunting season

6/7/06, R06-06-70, Authorizing Amendment One to Lease to extend Lease for one year to a new Expiration Date of June 30, 2007

11/2/05, R05-11-126, Approve and authorize execution of Lease with Mike Raahauge d.b.a. Mike Raahauge Shooting Enterprises for duck hunting on an annual basis at a rent of \$37,763 with an annual 5% rent adjustment with an expiration date of June 30 of each year and renewed by mutual consent

5/19/04, R04-5-60, Amendment Two to Lease, increases the annual rent adjustment from 2% to 3%, to a new expiration date of February 28, 2005 at a rent of \$36,663

5/21/03, R03-5-70, Reauthorizing Lease with Mike Raahauge Shooting Enterprises for Duck Hunting on District Property at Prado Basin, with a new expiration date of June 30, 2004 at a rent of \$35,595

3/20/02, R02-3-50, Reauthorizing Lease with Mike Raahauge Shooting Enterprises for Duck Hunting on District Property at Prado Basin with Term of August 19, 2002 to August 18, 2003 at a rent of \$34,095

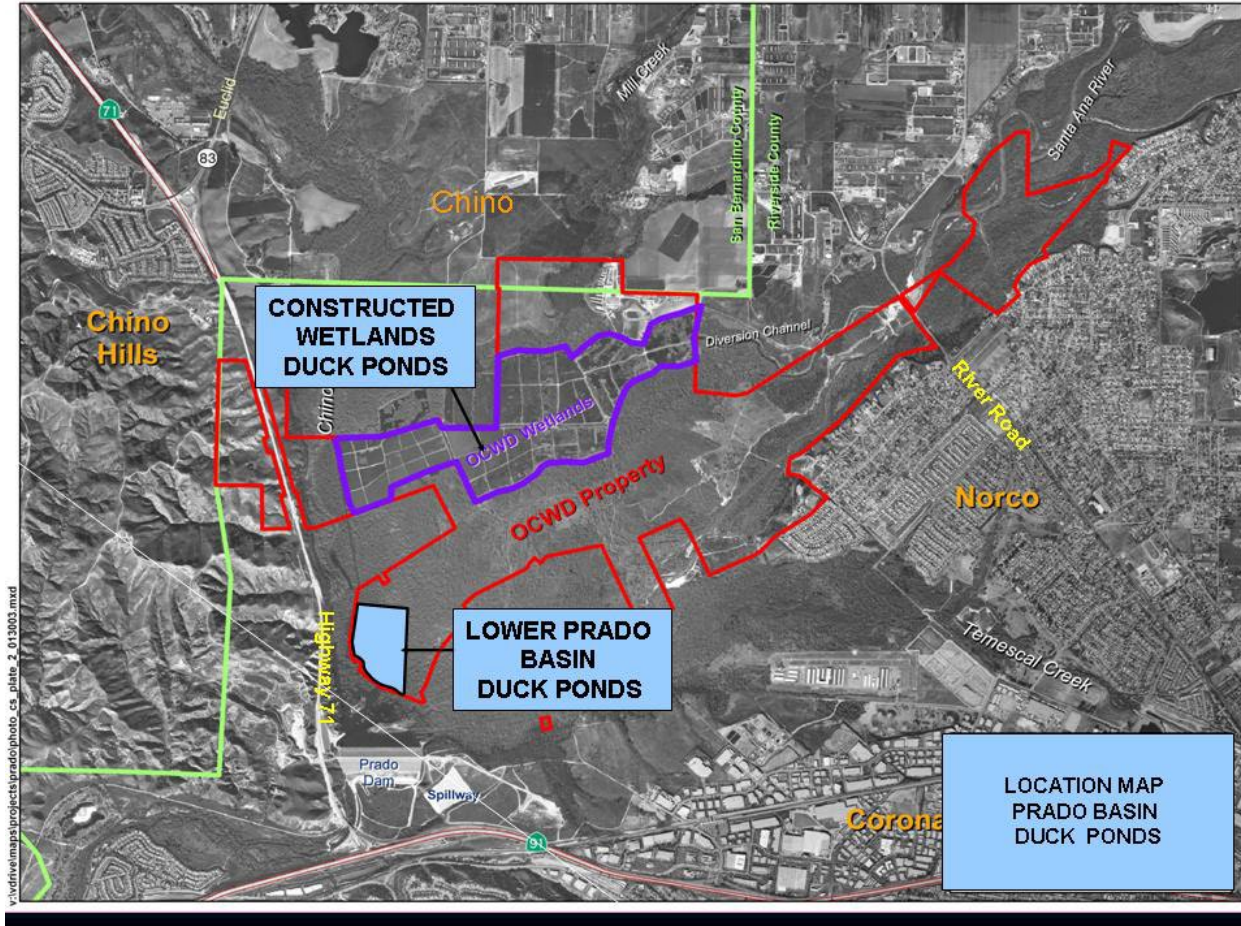
6/6/01, Motion 01-106, Reauthorizing Lease with Mike Raahauge Shooting Enterprises for Duck Hunting on District Property at Prado Basin for a Term of August 19, 2001 to August 18, 2002, at a rent of \$33,427

5/17/00, R2000-5-66, Reauthorizing Lease with Mike Raahauge Shooting Enterprises for Duck Hunting on District Property at Prado Basin

7/21/99, R99-7-85, Reauthorize Lease for One-Year Period Commencing August 19, 1999 with Mike Raahauge Shooting Enterprises for Duck Hunting Concession on District Property at Prado Basin

8/19/98, R98-8-125, Approving and Authorizing Execution of Five-Year Lease to Mike Raahauge Shooting Enterprises for Prado Basin Duck Hunting Concession

Location Map



AMENDMENT TWENTY-THREE TO LEASE

(Duck Hunting)

THIS AMENDMENT is made and entered into this 15th day of May 2024 by and between the **ORANGE COUNTY WATER DISTRICT**, a political subdivision of the State of California organized under Chapter 924 of the Statutes of 1933, as amended (hereinafter, the “Lessor”) and **ELAINE RAAHAUGE, D.B.A. MIKE RAAHAUGE’S SHOOTING ENTERPRISES** (hereinafter, the “Lessee”):

RECITALS

WHEREAS, on November 2, 2005, Lessor and Lessee entered into a written Lease (“Lease”) to conduct a duck hunting concession on certain lands owned by Lessor at Prado Basin in Riverside County, California, on an annual basis at a rent of \$37,763 with an annual 5% rent adjustment with an expiration date of June 30, 2006, provided that it may be renewed annually by mutual written consent of Lessor and Lessee. The Lease provides that in the event that duck hunting cannot occur in a calendar month, the rent is adjusted to \$200 for each month in which duck hunting did not occur;

WHEREAS, on June 7, 2006 Lessor extended the term of the Lease to June 30, 2007 for the 2006/07 duck hunting season;

WHEREAS, on October 18, 2006, Lessor reduced the Annual Rent to 10% of Gross Receipts with the Annual Rent modification (“Annual Rent Reduction”) to terminate on June 30, 2007, reserved the right for the District to verify accounting records of Gross Receipts, and revised the description of the Premises (“Premises Revision”) for the 2006/07 duck hunting season;

WHEREAS, on May 2, 2007, Lessor extended the Annual Rent Reduction, and the Expiration Date of the Lease to June 30, 2008, and extended the Premises Revision for the 2007/08 duck hunting season;

WHEREAS, on December 5, 2007 Lessor restored the full Premises as defined in the Lease;

WHEREAS, on June 4, 2008, Lessor granted Lessee an extension of Lease for one year to a new Expiration Date of June 30, 2009;

WHEREAS, on September 3, 2008, Lessor granted Lessee an additional use of Premises of dog training in Pond 1 on a year-round basis;

WHEREAS Lessor and Lessee have subsequently amended said Lease for one-year extensions annually;

WHEREAS, on October 2, 2013, the Board Consented to Assignment of Lease and Revised Amendment Eleven to Lease Agreement for Duck Hunting to change Lessee name to Elaine Raahauge d.b.a. Mike Raahauge’s Shooting Enterprises; to extend the lease for a duck hunting concession on District property at Prado Basin for the 2013/14

duck hunting season with a new expiration date of June 30, 2014; and revise Exhibit "A" to the Lease to remove Ponds E4 and E7 from the Premises;

WHEREAS, on June 4, 2014, Lessor granted Lessee an extension of Lease for one year to a new Expiration Date of June 30, 2015;

WHEREAS, on July 1, 2015, Lessor granted Lessee an extension of Lease for one year to a new Expiration Date of June 30, 2016; and

WHEREAS, on June 15, 2016, Lessor granted Lessee an extension of Lease for one year to a new Expiration Date of June 30, 2017, and amended Paragraph 4.2, (Conditions of Use) of the Lease, that allow Lessor's staff to review Lessee's placement and orientation of the duck hunting blinds within the Premises; and

WHEREAS, on June 7, 2017, Lessor granted Lessee an extension of Lease for one year to a new Expiration Date of June 30, 2018; and

WHEREAS, on July 18, 2018, Lessor granted Lessee an extension of Lease for one year to a new Expiration Date of June 30, 2019; and

WHEREAS, on July 17, 2019, Lessor granted Lessee an extension of Lease for one year to a new Expiration Date of June 30, 2020; and

WHEREAS, on June 3, 2020, Lessor granted Lessee an extension of Lease for one year to a new Expiration Date of June 30, 2021; and

WHEREAS, on August 5, 2020, Lessor reduced the Annual Rent for the 2020/21 duck hunting season by 20% to \$59,814; and

WHEREAS, on July 7, 2021, Lessor granted Lessee an extension of Lease for one year to a new Expiration Date of June 30, 2022; and

WHEREAS, on June 15, 2022, Lessor granted Lessee an extension of Lease for one year to a new Expiration Date of June 30, 2023; and

WHEREAS, on June 7, 2023, Lessor granted Lessee an extension of Lease for one year to a new Expiration Date of June 30, 2024; and

WHEREAS, both Lessee and Lessor wish to extend the Lease for one additional year to a new Lease Expiration Date of June 30, 2025.

NOW, THEREFORE, in consideration of the matters set forth in the foregoing recitals and the terms, covenants and conditions hereinafter contained, the parties do hereby agree as follows:

1. The Expiration Date in Lease Paragraph 1.2 (Original Lease Term) is hereby extended to June 30, 2025.

2. Each and every other term, covenant and condition of the Lease, as amended, not herein expressly modified is hereby ratified and confirmed and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed the Amendment to Lease as of the day and year first hereinabove written.

**APPROVED AS TO FORM:
RUTAN & TUCKER, LLP**

“LESSOR”

ORANGE COUNTY WATER DISTRICT
a political subdivision of the State of California
organized under Chapter 924 of the Statutes of
1933, as amended

By: _____
General Counsel for
Orange County Water District

By: _____
Cathy Green, President

By: _____
John Kennedy, General Manager

“LESSEE”

ELAINE RAAHAUGE d.b.a.
MIKE RAAHAUGE’S SHOOTING
ENTERPRISES

By: _____
Elaine Raahauge, Owner

AGENDA ITEM SUBMITTAL

Meeting Date: April 26, 2024

To: Property Management Committee
Board of Directors

From: John Kennedy

Staff Contact: B. Dosier/D. Park

Budgeted: N/A

Budgeted Amount: N/A

Revenue Estimate: \$19,530

Funding Source: N/A

Program/ Line Item No. N/A

General Counsel Approval: Yes

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

**Subject: AMENDMENT TO DUCK HUNTING LEASE WITH PRADO BASIN
DUCK CLUB**

SUMMARY

The District has a lease with Prado Basin Duck Club (PBDC), for approximately 66 acres in the lower Prado Basin duck ponds. The lease expires on June 30, 2024. Kelly Astor, President of PBDC, has requested the lease be extended for one year to June 30, 2025.

Attachment: Amendment Nineteen to Lease with Prado Basin Duck Club

RECOMMENDATION

Agendize for May 15 Board meeting: Approve and authorize execution of Amendment Nineteen to Lease with PBDC to extend the lease for a duck hunting concession on District property at Prado Basin for the 2024/25 duck hunting season with a new expiration date of June 30, 2025.

BACKGROUND/ANALYSIS

On May 21, 2003, the District entered into a lease agreement with PBDC, to conduct a duck hunting concession on 66 acres of land in the lower Prado Basin duck ponds. The lease agreement includes a 3% annual increase, with a provision approved by the Board on June 7, 2006, adjusting the monthly rent to \$200 in the event that duck hunting cannot take place in that month.

With an expiration of June 30, 2024, Mr. Astor has requested the lease be extended for an additional year. Staff recommends that the lease be extended for one year to a new expiration date of June 30, 2025, with a 3% rent adjustment increasing the annual rent from \$18,961 to \$19,530. As in previous years, the annual rent would be paid in two installments, on October 15th and December 1st.

PRIOR RELEVANT BOARD ACTION(S)

6/07/23, R23-6-74, Approve Amendment Eighteen to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2022/23 duck hunting season with a new expiration date of June 30, 2024.

6/15/22, R22-6-71, Approve Amendment Seventeen to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2022/23 duck hunting season with a new expiration date of June 30, 2023.

7/7/21, R21-7-103, Approve Amendment Sixteen to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2021/22 duck hunting season with a new expiration date of June 30, 2022.

6/3/20, R20-6-68, Approve Amendment Fifteen to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2020/21 duck hunting season with a new expiration date of June 30, 2021.

7/17/19, R19-7-99 , Approve Amendment Fourteen to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2019/20 duck hunting season with a new expiration date of June 30, 2020.

7/18/18, R18-7-76, Approve Amendment Thirteen to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2018/19 duck hunting season with a new expiration date of June 30, 2019.

7/5/17, R17-7-95, Approve Amendment Twelve to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2017/18 duck hunting seasons with a new expiration date of June 30, 2018, and to provide that the Lessee pay an amount up to \$8,000 per year for vector control costs.

3/15/17, M17-44, Approved an increase of \$90,000 to the Prado Wetlands General Fund budget for mosquito abatement at the Prado Wetlands

6/15/16, R16-6-72, Approve Amendment Eleven to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2016/17 duck hunting seasons with a new expiration date of June 30, 2017.

7/1/15, R15-7-92, Approve Amendment Ten to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2015/16 duck hunting seasons with a new expiration date of June 30, 2016.

6/4/14, R14-6-79, Approve Amendment Nine to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2014/15 duck hunting seasons with a new expiration date of June 30, 2015.

7/10/13, R13-7-82, Authorizing Amendment Eight to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2013/14 duck hunting seasons with a new expiration date of June 30, 2014.

6/6/12, R12-6-61, Approve Amendment Seven to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2012/13 duck hunting seasons with a new expiration date of June 30, 2013.

6/1/11, R11-6-83, Approve Amendment Five to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2011/12 duck hunting seasons with a new expiration date of June 30, 2012.

6/2/10, R10-6-87, Approve Amendment Five to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2010/11 duck hunting seasons with a new expiration date of June 30, 2011.

6/3/09, R09-6-101, Approve Amendment Four to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2009/10 duck hunting seasons with a new expiration date of June 30, 2010.

6/4/08, R08-6-84, Approve Amendment Three to Lease with Prado Basin Duck Club to extend lease for a duck hunting concession on District Property at Prado Basin for the 2008/09 duck hunting seasons with a new expiration date of June 30, 2009.

6/7/06, R06-6-71, Authorizing lease renewal with Prado Basin Duck Club with a new Expiration Date of June 30, 2008 and a rent adjustment provision to provide that in the event that duck hunting cannot occur in a calendar month, the rent is adjusted to \$200 for each month in which duck hunting did not occur.

5/19/04, R04-5-61, Two year renewal of Lease with Prado Basin Duck Club with a new Expiration Date of June 30, 2006.

5/21/03, R03-5-71, Lease granted to Prado Basin Duck Club for duck hunting in lower Prado Basin for the 2003/04 duck hunting season at a rent of \$10,500.

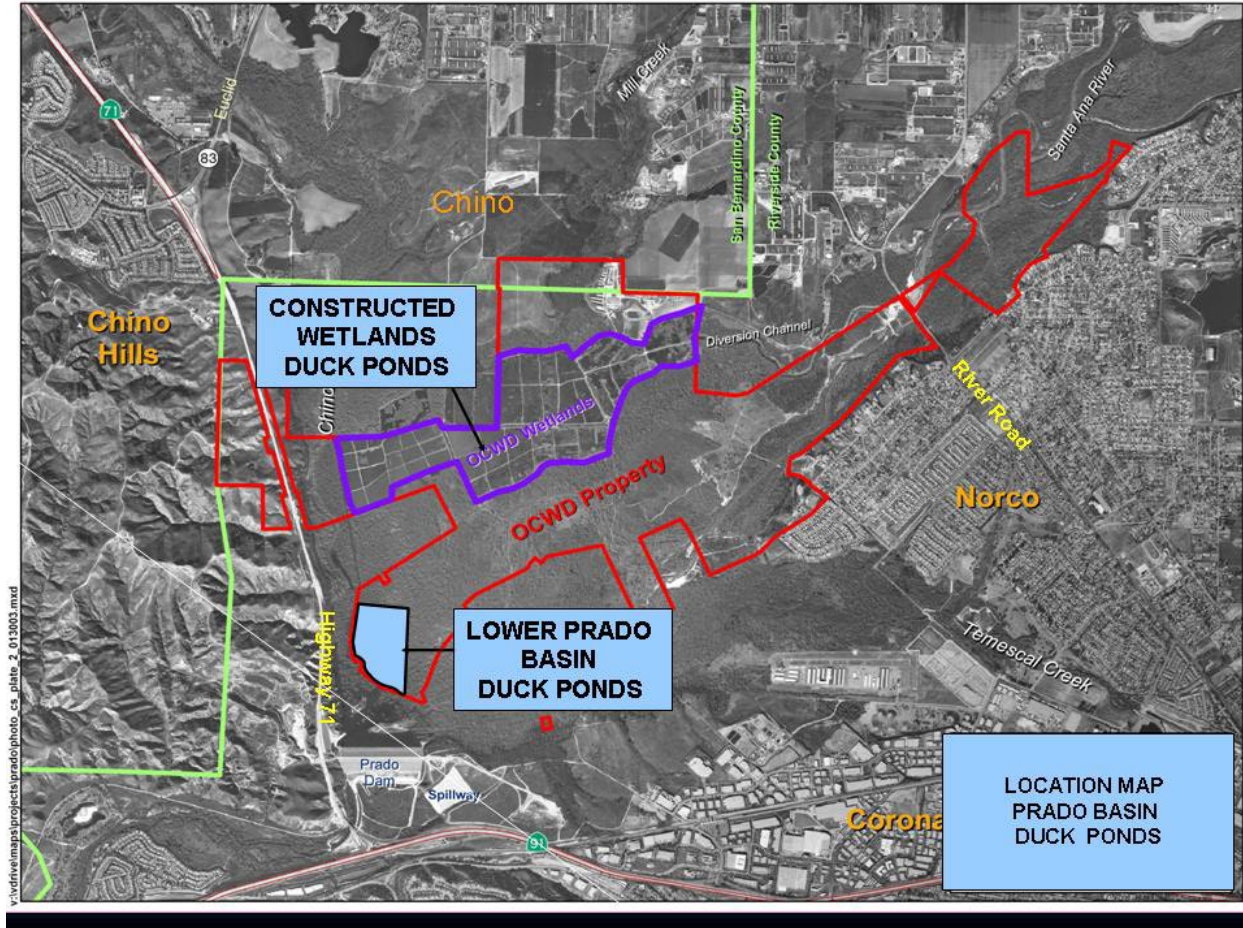
11/20/02, R02-11-169, Consent to Assignment of Interest of Duck Hunting Permit with John Kelly Astor d.b.a. Prado Basin Duck Club to Prado Basin Duck Club, a California Corporation.

10/16/02, R02-10-147, Authorize issuance of a permit to John Kelly Astor d.b.a. Prado Basin Duck Club to operate a Duck Hunting Concession in the Lower Prado Basin Duck Ponds for the one-year period of October 16, 2002 through October 15, 2003 for a fee of \$10,000 and report back to the Committee with at the end of the duck hunting season with the results of the duck hunting season.

12/19/01, R01-12-190, Authorize issuance of a Temporary Open Water Permit to John Kelly Astor for Duck Hunting in Lower Prado Basin for a fee of \$5,000 ending January 21, 2002.

11/19/01 M01-227 - Refer consideration of issuance of Duck Hunting Lease with John Kelly Astor and/or Implementation of Waterfowl Hunting Program with the State of California Department of Fish and Game in Lower Prado Basin in which unauthorized duck ponds have been constructed is hereby referred back to staff for further analysis.

Location Map



AMENDMENT NINETEEN TO LEASE

THIS AMENDMENT is made and entered into this 15th day of May, 2023 by and between the **ORANGE COUNTY WATER DISTRICT**, a political subdivision of the State of California organized under Chapter 924 of the Statutes of 1933, as amended (hereinafter, the "Lessor") and **PRADO BASIN DUCK CLUB**, a California corporation (hereinafter, the "Lessee").

RECITALS

WHEREAS, on May 21, 2003, Lessor and Lessee entered into a written Lease of real property (hereinafter, the "Lease") for the purpose of operating a duck hunting concession on certain lands owned by Lessor in Prado Basin on an annual rent basis of \$10,500 with an annual 3% rent adjustment with an expiration date of June 30, 2004;

WHEREAS, on May 19, 2004, Lessor granted Lessee an extension of the Lease for two years to a new Expiration Date of June 30, 2006;

WHEREAS, on June 7, 2006, Lessor granted Lessee an extension of Lease for two years to a new Expiration Date of June 30, 2008 and a rent adjustment provision to provide that in the event that duck hunting cannot occur in a calendar month, the rent is adjusted to \$200 for each month in which duck hunting did not occur;

WHEREAS, Lessor and Lessee have subsequently amended said Lease for one-year extensions annually;

WHEREAS, on June 5, 2017, Lessor granted Lessee an extension of Lease for one year to a new expiration of June 30, 2018, and to provide that the Lessee pay an amount up to \$8,000 per year for vector control costs;

WHEREAS, on July 18, 2018, Lessor granted Lessee an extension of Lease for one additional year to a new expiration of June 30, 2019;

WHEREAS, on July 17, 2019, Lessor granted Lessee an extension of Lease for one additional year to a new expiration of June 30, 2020;

WHEREAS, on June 3, 2020, Lessor granted Lessee an extension of Lease for one additional year to a new expiration of June 30, 2021;

WHEREAS, on July 7, 2021, Lessor granted Lessee an extension of Lease for one additional year to a new expiration of June 30, 2022;

WHEREAS, on June 15, 2022, Lessor granted Lessee an extension of Lease for one additional year to a new expiration of June 30, 2023;

WHEREAS, on June 7, 2023, Lessor granted Lessee an extension of Lease for one

additional year to a new expiration of June 30, 2024;

WHEREAS, both Lessee and Lessor wish to extend the Lease for one additional year to a new expiration of June 30, 2025.

NOW, THEREFORE, in consideration of the matters set forth in the foregoing recitals and the terms, covenants and conditions hereinafter contained, the parties do hereby agree as follows:

1. The Expiration Date in Lease Paragraph 1.2 (Original Lease Term) is hereby extended to June 30, 2025.
2. Each and every other term, covenant and condition of the Lease not herein expressly modified is hereby ratified and confirmed and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to Lease as of the day and year first hereinabove written.

“LESSOR”

APPROVED AS TO FORM:
RUTAN & TUCKER, LLP.

ORANGE COUNTY WATER DISTRICT,
a political subdivision of the State of California
organized under Chapter 924 of the Statues of
1933, as amended

By: _____
General Counsel for
Orange County Water District

By: _____
Cathy Green, President

By: _____
John Kennedy, General Manager

“LESSEE”

PRADO BASIN DUCK CLUB,
a California corporation

By: _____
Shawn Goldsberry, President

AGENDA ITEM SUBMITTAL

Meeting Date: April 26, 2024

To: Property Management Committee/
Board of Directors

From: John Kennedy

Staff Contact: B. Dosier/D. Park

Budgeted: No

Budgeted Amount: N/A

Cost Estimate: \$4,700

Funding Source: N/A

Program/ Line Item No. N/A

General Counsel Approval: N/A

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

**Subject: APPRAISAL SERVICES FOR THE MID-BASIN INJECTION SITE RENTAL
ADJUSTMENT**

SUMMARY

On June 18, 2013, the Orange County Flood Control District (County) and the District entered into a 30-year lease agreement (Lease) allowing the District to operate and maintain a groundwater injection system as part of the Mid-Basin Injection (MBI) Project. Pursuant to Section 7(B) of the Lease, on June 1, 2023, the first full month of the 11th year anniversary, in lieu of a CPI rent increase the rent payable is subject to an adjustment of 10% of the current appraised value of the Leased Premises only, and not the Licensed Areas. Staff recommends execution of an agreement with CBRE for Appraisal Services.

Attachments:

- Statement of Work for Appraisal
- CBRE Proposal and Contract

RECOMMENDATION

Agendize for May 15 Board meeting: Authorize execution of contract with CBRE for Appraisal Services for the appraisal of the Mid-Basin Injection Well Site in accordance with the Lease with Orange County Flood Control District.

BACKGROUND/ANALYSIS

The MBI Project included the design and construction of one injection well (MBI-1), two monitoring wells (SAR-10 and SAR-11), well housing, supply and discharge pipelines and appurtenances. These facilities are located on approximately 13,336 square feet of County owned land bordering Fountain Valley, CA and Santa Ana, CA near the intersection of Edinger Avenue and the Santa Ana River. The purpose of the DMBI project is to directly inject Groundwater Replenishment System (GWRS) purified water into the principal aquifer.

On June 18, 2013, the County and the District entered into a 30-year lease agreement allowing the District to operate and maintain the MBI facilities for a monthly fee of \$1,500. The fee was calculated using an appraisal land value of \$38 per square foot, originally used for land acquisitions for the County's nearby Edinger street widening

project, at a rate of return of 8% and applying a 50% discount. On June 23, 2020, the Lease was amended to add 360 square feet to the License Area, for an additional monthly fee of \$500, to accommodate the installation, maintenance and operation of a 36-inch pressurized water main and related facilities atop bridge nose piers along approximately 300 linear feet of County owned land on the north side of the Edinger Avenue bridge. The current total rent is \$2,420 per month and is adjusted annually according to the Consumer Price Index.

Pursuant to Section 7(B) of the Lease, on June 1, 2024 (the eleventh-year anniversary of the Effective Date) and at each ten-year interval thereafter, the rent is subject to an adjustment equal to ten (10%) of the current appraised value of the Leased Premises only, and not any Licensed Areas. The District is to select a Certified General Real Estate Appraiser from a list provided by the OC Public Works/Real Estate Services Departments (OCPW/Real Estate) and retain the appraisal services that are in accordance with a Statement of Work provided by OCPW/Real Estate at the District's sole cost and expense.

The following quotes were received for appraisal services from the following County approved appraisers:

1. CBRE, Inc.	\$4,700
2. Western Valuation Solutions	\$5,000
3. Pacific Real Estate Consultants	\$5,500
4. Shorecliffs Valuation Services	\$7,875

All are qualified appraisers offering an appraisal report prepared in conformance with and subject to the requirements of the Uniform Standards of Professional Appraisal Practice. Of the quotes received, CBRE provided the lowest quoted cost for the Appraisal Services.

Staff recommends execution of contract with CBRE for Appraisal Services to appraise the Leased Premises pursuant to the scope of work provided by OCPW/Real Estate.

PRIOR RELEVANT BOARD ACTION(S)

01/08/20, R20-1-1, Approving Amendment One to Lease Agreement with Orange County Flood Control District to expand Leased Area for Mid-Basin Injection Project

10/17/12, R12-162, The General Manager is authorized to negotiate the final terms of the Lease Agreement with OCFCD; and authorize execution of Lease Agreement for \$1,500 per month for long term use of the site for the Demonstration Mid-Basin Injection Project.

LOCATION MAP



MBI Centennial Park Map



Map of Amended Lease Area



OC PUBLIC WORKS
OC SURVEY
RIGHT-OF-WAY SERVICES

ROW ID No 2018-010

1" = 80'

EXHIBIT C

SHEET 1 OF 1

PROJECT: EDINGER AVE. & SANTA ANA RIVER OCWD PIPELINE

PREPARED BY:
ROW

REQUEST FOR BID PROPOSAL APPRAISAL SERVICES

- 1. PROJECT NAME:** Orange County Water District – Santa Ana River Well 10 Lease Site

Project No. & Parcel No. (if applicable): Not applicable

Client: Orange County Water District (OCWD)

Additional Intended Users: Orange County Flood Control District (OCFCD), Orange County CEO Real Estate

Confidentiality: Subject to applicable law, the content of this bid proposal request is considered “confidential information” and subject to treatment as such under the Ethics Rule of USPAP.

Contact/Phone Number: Daniel Park, Property Manager / 714-378-3265

- 2. SERVICE REQUIRED:** Appraisal Report

- 3. TYPE OF ESTATE TO BE VALUED:** Fee simple estate, “as if vacant,” of the larger parcel that the leased premises (a.k.a. subject property) is a part of.

In turn, the fee simple value estimate will be used to develop an estimate of the market rent of the leased premises in association with a ground rent reset provision that specifies annual rent will be reset to 10% of the “appraised value.”

- 4. INTENDED USE & PURPOSE OF THE APPRAISAL:**

The intended use of the appraisal is to satisfy Section 7B (Revision of Rent – Appraisal Adjustment) of the that certain ground lease agreement between OCFCD and OCWD, dated June 18, 2023, entitled “Lease Agreement (Mid-Basin Injection Well Project).”

The purpose of the appraisal is to form opinions of the market value of the fee simple estate, “as if vacant,” and the market rent of the leased premises in association with the ground rent reset provision. An acceptable definition of market value is the one used by agencies that regulate federally insured financial institutions in the United States.

- 5. IDENTIFICATION OF THE SUBJECT PROPERTY (Owner Name, Street Address, Assessor’s Parcel Nos.):**

The leased premises is located at the northwest corner of Edinger Avenue and the Santa Ana River. It represents the majority portion of a larger parcel, Orange County Assessor’s Parcel Number 144-531-36. The current owner of the larger parcel is OCFCD. The larger parcel is

zoned R-1 by the City of Fountain Valley and is bounded by single-family residential uses on the north and west sides.

A legal description of the leased premises and an associated sketch are included as Exhibits A and B, respectively, to the ground lease. According to the legal description, the leased premises contain 13,336 square feet. A copy of the ground lease is included as an attachment to this appraisal bid request.

6. DISCUSSION OF THE GROUND LEASE:

As noted, an appraisal is necessary to comply with Section 7B of the ground lease. Shown below are (1) a brief abstract of the ground lease and (2) the wording of Section 7B of the ground lease.

Brief Lease Abstract	
Lessor:	Orange County Flood Control District
Lessee:	Orange County Water District
Lease Commencement Date:	6/18/2013
Lease End Date:	6/17/2043
Lease Term:	30 years
Leased Area:	13,336 square feet
Use:	Groundwater Injection Well System
Tenant's Option to Terminate:	Any time, any reason upon 30 days written notice
Starting Rent (in 2013):	\$1,500 per month
Current Rent:	OCPWAcctg to Confirm; Estimated +/- \$1,957/mo.
Rent Escalations:	Annual CPI & Appraisal Adjustment (See Lease)
Date of 1st Rent Reset By Appraisal:	6/18/2024
Expense Basis of Lease:	Net

B. Appraisal Adjustment. DISTRICT and TENANT agree that in lieu of a CPI rent adjustment due on the first full month of the eleventh-year anniversary of the Effective Date of this Lease and at each ten-year interval thereafter, so long as this Lease remains in effect, the rental payable pursuant to Section 6 (Rent) shall be subject to an adjustment by appraisal. .

No less than 150 days prior to each scheduled appraisal rent adjustment effective date, the value of the Premises shall be determined by an appraisal prepared by an independent State-certified general real estate appraiser selected by TENANT from a list of appraisers provided by DISTRICT'S OC Public Works/Real Estate Services (OCPW/Real Estate), or designee, and shall be prepared in accordance with a scope of work provided by OCPW/Real Estate. TENANT shall have the right to review and comment on the proposed scope of work and OCPW/Real Estate shall give due consideration to such comments prior to TENANT'S delivery of the final scope of work to the appraiser. The scope of work shall not include in the valuation the value of any Tenant Facilities or improvements located on the Premises. The appraiser shall be retained by TENANT, at TENANT'S cost and TENANT shall provide a copy of the appraisal to Director.

Effective on the first day of the first full month of the 11th year anniversary of the Effective Date of this Lease and at 120-month intervals thereafter, the monthly rental shall be adjusted to equal ten percent (10%) of the then current appraised value of the Premises using the following formula:

$$\text{Monthly Rent} = (\text{Appraised Value of Premises} \times 10\%) \div 12$$

In no event shall the monthly rent be reduced by reason of any such appraisal rent adjustment.

Per the ground lease, the effective date of the first rent reset by appraisal is to occur “on the first day of the first full month of the 11th year anniversary of the Effective Date” of the lease. The parties to the lease have recently discussed the lease language and agreed that an anniversary occurs at the end of a year, rather than at the beginning of a year. As such, per a plain-meaning interpretation of the lease language, the rent reset shall occur at the end of the 11th year/beginning of the 12th year. In consideration of this, **the effective date of value for this appraisal is June 18, 2024 (a prospective date of value).**

7. SPECIAL INSTRUCTIONS:

The appraiser must develop and report the appraisal in accordance with the most current Uniform Standards of Professional Appraisal Practice (USPAP) and clearly delineate the scope of work, the limiting conditions and any extraordinary assumptions and/or hypothetical conditions.

The appraiser must, in the course of the appraisal, make such investigation, perform such studies and complete such analyses as is reasonably necessary to permit the development and substantiation of his or her opinion of value. Supporting information set forth in the Appraisal Report shall include detailed sales summary sheets and maps. Differences between the comparable sales and subject property shall be sufficiently described and explained – via an adjustment grid and accompanying narrative discussion – as to demonstrate how the market data reflects the value of the property being appraised. The appraiser shall personally inspect market data used in the report and the appraiser must personally verify the pertinent information relative to the comparable sales with the buyer or seller and/or their respective representatives.

8. FORMAT & DELIVERY:

The format of the appraisal shall be an Appraisal Report as identified under USPAP Standard Rule 2-2(a). A draft pdf version of the report, subject to OCWD and OCFCD review, should be sent to Daniel Park at dpark@ocwd.com. Upon acceptance of the draft report, a final pdf version of the report should be sent to Daniel Park at the same email address.

9. ATTACHMENTS:

1 – Aerial Photo of Subject	4 – Immediately Adjacent Properties
2 – Ground Level Photos of Subject	5 – Historic Aerial Photos of Subject
3 – Zoning Map	6 – Ground Lease

10. ADDITIONAL COMMENTS:

At this time, a preliminary title report is not available and has not been ordered.

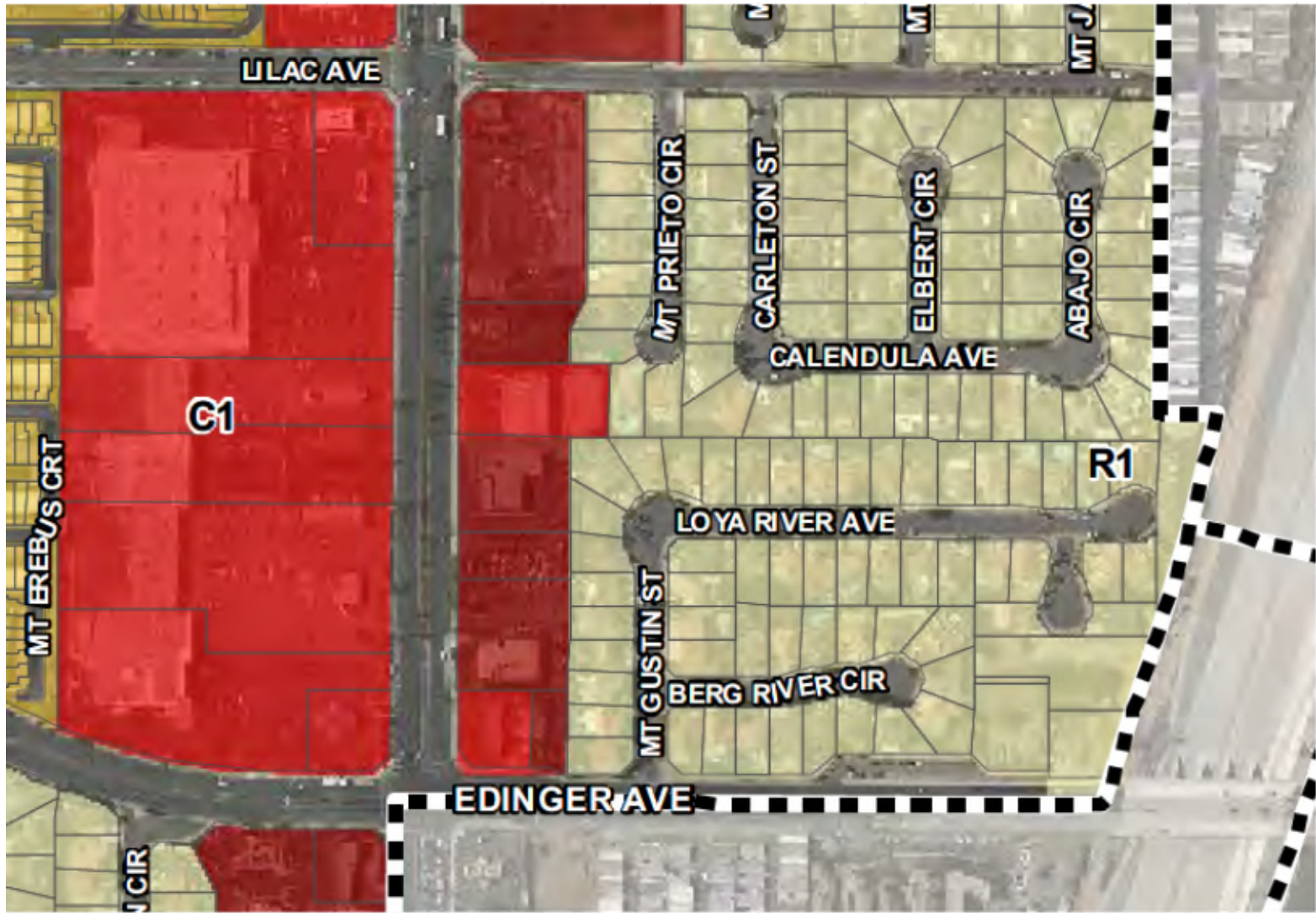
**1-AERIAL PHOTO OF
SUBJECT**



**2-GROUND LEVEL
PHOTOS OF SUBJECT**



3-ZONING MAP



**4-IMMEDIATELY
ADJACENT PROPERTIES**



● LAST SOLD ON APR 8, 2010 FOR \$600,000

12183 W EDINGER Ave W, Santa Ana, CA 92704

\$1,514,788 — — **2,672**
Redfin Estimate Beds Baths Sq Ft



Thinking of selling?

Estimated sale price

\$1.44M – \$1.71M

Reach more buyers when you sell with Redfin. Plus, you'll save **\$15,148** in fees. ☉

Is this your home?

Track this home's value and nearby sales activity

I own 12183 W EDINGER Ave W

[Schedule a selling consultation](#)

← [Feed](#) [Overview](#) [Property details](#) [Sale & tax history](#) [Public Facts](#) [Schools](#) [Climate](#) [Favorite](#) [Edit Facts](#) ↗



● OFF MARKET

12191 W Edinger Ave, Santa Ana, CA 92704

\$988,970 **4** **2** **1,296**
Redfin Estimate Beds Baths Sq Ft



Thinking of selling?

Estimated sale price

\$940,000 – \$1.12M

Reach more buyers when you sell with Redfin. Plus, you'll save **\$9,890** in fees. ☉

Is this your home?

Track this home's value and nearby sales activity

I own 12191 W Edinger Ave

[Schedule a selling consultation](#)

**5-HISTORIC AERIAL
PHOTOS OF SUBJECT**

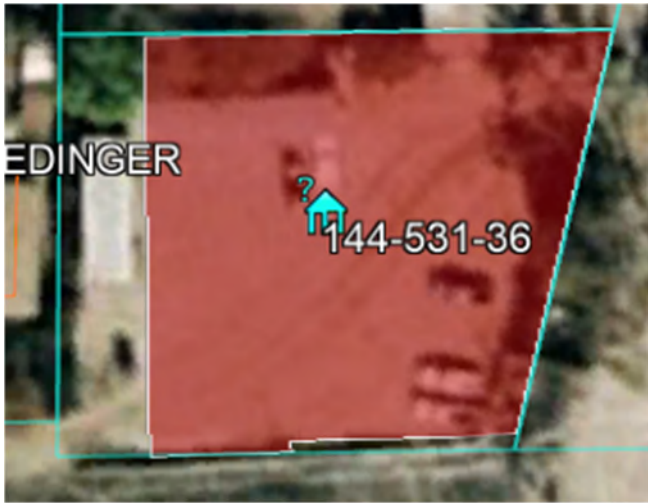
HISTORICAL AERIAL PHOTOS OF SUBJECT PROPERTY



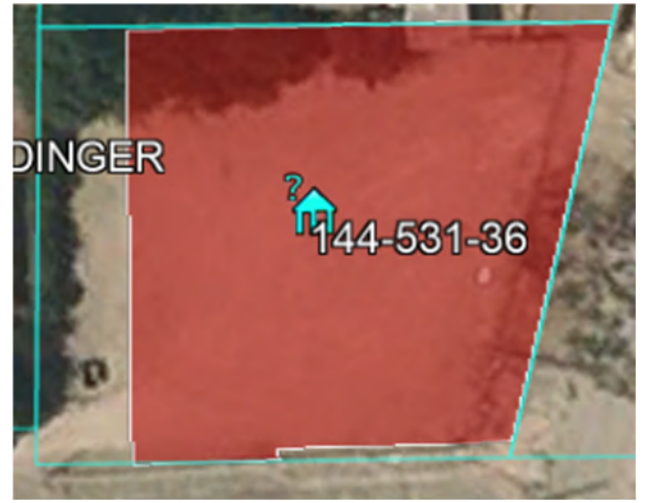
March 2001 Photo (Google Earth)



December 2003 Photo (Google Earth)



January 2006 Photo (Google Earth)



October 2007 Photo (Google Earth)



November 2009 Photo (Google Earth)



April 2013 Photo (Google Earth)



April 2014 Photo (Google Earth)

6-GROUND LEASE

LEASE AGREEMENT
(Mid-Basin Injection Well Project)

THIS LEASE AGREEMENT (“**Lease**”) is made JUNE 18, 2013, (“**Effective Date**”) by and between ORANGE COUNTY FLOOD CONTROL DISTRICT, a body politic and corporate, hereinafter referred to as “**DISTRICT**,” and ORANGE COUNTY WATER DISTRICT, subdivision of the State of California organized under Chapter 924 of the Statutes of 1933, as amended, , hereinafter referred to as “**TENANT**,” without regard to number and gender. DISTRICT and TENANT may sometimes hereinafter individually be referred to as “**Party**,” or jointly as “**Parties**.”

1. DEFINITIONS (PMA2.1 S)

The following words in this Lease have the significance attached to them in this Section unless otherwise apparent from context:

“**Board of Supervisors**” means the Board of Supervisors of the Orange County Flood Control District.

“**Director**” means the County of Orange, OC Public Works Director, or designee.

“**Auditor-Controller**” means the County of Orange, Auditor-Controller, or designee.

“**County**” means the County of Orange.

2. PREMISES (PMA3.1 S)

DISTRICT leases to TENANT that certain property hereinafter referred to as “**Premises**,” described in “**Exhibit A**” and shown on “**Exhibit B**,” which exhibits are attached hereto and by reference made a part hereof.

TENANT shall also have a non-exclusive license (“**License**”) to utilize DISTRICT’S property labeled “**License Area**” on said Exhibit B for ingress and egress purposes subject to the terms and conditions set forth hereunder. The License may be revoked or otherwise revised at the sole discretion of the Director.

3. USE (PMB1.1 N)

Except as provided hereinbelow in Section 4 (Interruption of Use), TENANT’S use of the Premises shall be exclusive and shall be limited to the construction, installation, operation, maintenance, repair and replacement of a groundwater injection well system consisting of an injection water supply pump, a monitoring well, utility metering device(s), sub-surface pipelines, groundwater injection well system appurtenances, fencing, gates and locks (“**TENANT Facilities**”). TENANT shall not park any vehicle on the Premises without Tenant being physically present on the Premises and at no time shall TENANT be permitted to park any vehicle within the License Area. TENANT agrees not to use the Premises for any other purpose nor to engage in or permit any other activity within or from the Premises. TENANT further agrees not to conduct or

permit to be conducted any public or private nuisance in, on, or from the Premises, or to commit or permit to be committed any waste within the Premises or License Area.

4. INTERRUPTION OF USE

DISTRICT reserves the right to use the Premises surface for the operation and maintenance of its flood control system, including use of the Premises for construction staging purposes, and as reasonably necessary therefor, Director, in Director's sole and absolute discretion, shall have the right to temporarily prohibit TENANT'S use of vehicles or equipment on, over or across the Premises.

TENANT agrees that its sole remedy for such prohibited access and/or use of the Premises shall be an abatement of rent due under Section 6 (Rent) of this Lease. Such rent abatement shall be based upon the proportionate area of the Premises over which TENANT is restricted from using and the number of days of such restricted use. DISTRICT shall not be liable for any other claim, including but not limited to loss of business or interruption of service.

Except in an emergency situation, Director shall endeavor to provide TENANT reasonable advance notice of planned activities which may restrict TENANT'S use of the Premises.

5. TERM (PMB2.1 N)

The term of this Lease shall be thirty (30) years commencing the Effective Date of this Lease. However, TENANT may terminate this Lease at any time for any reason upon thirty (30) days written notice to Director. In no event shall such termination become effective until TENANT has fully complied with the provisions of Section 18 (Condition of Premises Upon Termination) of the General Conditions attached to this Lease. Unless otherwise sooner terminated as provided for herein, TENANT'S License shall expire upon the termination of this Lease.

6. RENT (PMCI.1 S)

TENANT agrees to pay as rent for the Premises the sum of One Thousand, Five Hundred Dollars (\$1,500) per month, payable monthly in advance on or before the first day of each month so long as tenancy continues.

In the event the obligation to pay rent commences or terminates on some date other than the first or last day of the month, the first or last month's rent shall be prorated based upon a thirty (30) day month to reflect the actual period of tenancy.

7. REVISION OF RENT (PMC4.2 N)

A. Periodic Rent Adjustment. The rent specified in Section 6 (Rent) shall be subject to automatic annual adjustments in proportion to changes in the Consumer Price Index for Los Angeles-Riverside-Orange County, CA [All Urban Consumers-All Items, Not Seasonally adjusted (Base Period 1982-84=100)] promulgated by the Bureau of Labor Statistics of the U.S. Department of Labor ("CPI").

The automatic adjustment shall be effective on each anniversary of the Effective Date of this Lease (if the Effective Date of this Lease falls on a day other than the first day of the month, the automatic adjustment shall be effective on the first day of the month following the anniversary of the Effective Date of this Lease) and shall be calculated by means of the following formula, rounded up to the nearest dollar.

$$A = \$1,500 \times \frac{B}{C}$$

A = Adjusted Rent

B = CPI for the month prior to the month in which each rental rate adjustment is to become effective

C = CPI for the month in which the lease becomes effective

Notwithstanding the foregoing, in no event shall the rent be reduced by reason of any such adjustment. In the event that the CPI is not issued or published for the period for which such rent is to be adjusted and computed hereunder, or in the event that the Bureau of Labor Statistics of the U.S. Department of Labor should cease to publish said CPI figures, then any similar index published by any other branch or department of the U.S. Government shall be used and if none is so published, then another index generally recognized and authoritative shall be substituted by Director.

B. Appraisal Adjustment. DISTRICT and TENANT agree that in lieu of a CPI rent adjustment due on the first full month of the eleventh-year anniversary of the Effective Date of this Lease and at each ten-year interval thereafter, so long as this Lease remains in effect, the rental payable pursuant to Section 6 (Rent) shall be subject to an adjustment by appraisal. .

No less than 150 days prior to each scheduled appraisal rent adjustment effective date, the value of the Premises shall be determined by an appraisal prepared by an independent State-certified general real estate appraiser selected by TENANT from a list of appraisers provided by DISTRICT'S OC Public Works/Real Estate Services (OCPW/Real Estate), or designee, and shall be prepared in accordance with a scope of work provided by OCPW/Real Estate. TENANT shall have the right to review and comment on the proposed scope of work and OCPW/Real Estate shall give due consideration to such comments prior to TENANT'S delivery of the final scope of work to the appraiser. The scope of work shall not include in the valuation the value of any Tenant Facilities or improvements located on the Premises. The appraiser shall be retained by TENANT, at TENANT'S cost and TENANT shall provide a copy of the appraisal to Director.

Effective on the first day of the first full month of the 11th year anniversary of the Effective Date of this Lease and at 120-month intervals thereafter, the monthly rental shall be adjusted to equal ten percent (10%) of the then current appraised value of the Premises using the following formula:

$$\text{Monthly Rent} = (\text{Appraised Value of Premises} \times 10\%) \div 12$$

In no event shall the monthly rent be reduced by reason of any such appraisal rent adjustment.

8. RENT PAYMENT PROCEDURE (PMC6.4 S)

Rent payments shall be delivered to the Orange County Treasurer-Tax Collector, Revenue Recovery/Accounts Receivable Unit, P. O. Box 4005, Santa Ana, California 92702-4005 (or may be delivered to 11 Civic Center Plaza, Room G58, Santa Ana 92702). The designated place of payment may be changed at any time by Director upon ten (10) days' written notice to TENANT. Rent payments may be made by check payable to the Orange County Flood Control District with a notation that payment is for the Santa Ana River – Water Injection Lease. TENANT assumes all risk of loss if payments are made by mail.

All sums due under this Lease shall be paid in lawful money of the United States of America, without offset or deduction or prior notice or demand. No payment by TENANT or receipt by DISTRICT of a lesser amount than the payment due shall be deemed to be other than on account of the payment due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and DISTRICT shall accept such check or payment without prejudice to DISTRICT'S right to recover the balance of the amount due or pursue any other remedy in this Lease.

9. CHARGE FOR LATE PAYMENT (PMC7.1 S)

TENANT hereby acknowledges that the late payment of rent or any other sums due hereunder will cause DISTRICT to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include but are not limited to costs such as administrative processing of delinquent notices, increased accounting costs, etc.

Accordingly, if any payment of rent as specified in Section 6 (Rent) or of any other sum due DISTRICT is not received by DISTRICT by the due date, a late charge of one and one-half percent (1.5%) of the payment due and unpaid plus \$100 shall be added to the payment, and the total sum shall become immediately due and payable to DISTRICT. An additional charge of one and one-half percent (1.5%) of said payment, excluding late charges, shall be added for each additional month that said payment remains unpaid.

TENANT and DISTRICT hereby agree that such late charges represent a fair and reasonable estimate of the costs that DISTRICT will incur by reason of TENANT'S late payment. Acceptance of such late charges (and/or any portion of the overdue payment) by DISTRICT shall in no event constitute a waiver of TENANT'S default with respect to such overdue payment, or prevent DISTRICT from exercising any of the other rights and remedies granted hereunder.

10. MAINTENANCE OBLIGATIONS OF TENANT (PME2.1 N)

TENANT shall, to the satisfaction of Director, keep and maintain the Premises, TENANT Facilities, and all improvements of any kind which may be erected, installed, or made thereon by or on behalf of TENANT in good condition and in substantial repair. It shall be TENANT'S responsibility to take all steps necessary or appropriate to maintain such a standard of condition and repair at no cost to DISTRICT.

TENANT expressly agrees to maintain the License Area, the gate and fence within the License Area, the Premises, and TENANT Facilities in a safe, clean, wholesome, sanitary condition, to the complete satisfaction of Director, and in compliance with all applicable laws. TENANT further agrees to provide approved containers for trash and garbage and to keep the Premises free and clear of rubbish and litter. Director shall have the right to enter upon and inspect the Premises at any time for cleanliness and safety.

If TENANT fails to maintain or make repairs or replacements as required herein, Director shall notify TENANT in writing of said failure. Should TENANT fail to correct the situation within three days after receipt of written notice, Director may make the necessary correction or cause it to be made and the cost thereof, including but not limited to the cost of labor, materials, equipment, and an administrative fee equal to fifteen percent (15%) of the sum of such items, shall be paid by TENANT within 10 days of receipt of a statement of said cost from Director. Director may, at his/her option, choose other remedies available herein, or by law.

11. CONSTRUCTION AND MAINTENANCE (PMES2.2 N)

TENANT shall have all construction and/or maintenance plans approved in writing by Director prior to commencement of any work in, on or about the Premises; and upon completion of any such work, TENANT shall immediately notify Director in writing of such completion.

Director's approval of TENANT'S construction and/or maintenance plans shall not be deemed approval from the standpoint of structural safety, suitability for purpose or conformance with building or other codes or other governmental requirements. DISTRICT is not responsible for permitting of any construction and/or maintenance, design, assumptions or accuracy of TENANT'S construction and/or maintenance plans. Director will rely on the professional expertise of the Engineer of Record when approving TENANT'S construction and/or maintenance plans.

TENANT shall perform all construction and/or maintenance in such a manner that will not worsen flooding condition or shift flooding elsewhere and allow for unobstructed flood control operations and maintenance of the Channel by DISTRICT.

Should it be necessary for TENANT to conduct any construction or excavation activities or otherwise disturb the surface of the Premises subsequent to the completion of the initial installation of TENANT'S Facilities, TENANT agrees to notify Director in writing sixty no less than (60) days in advance of such planned activities, obtain Director's written approval of all plans, and prior to commencement of any such activities, obtain a permit for construction from the County with payment of normal processing fees. Said approval shall not be withheld unreasonably, nor shall said approval be necessary in any emergency situation or in conducting routine maintenance activities which do not involve disturbance of the surface area of the Premises.

Except in areas in which such activities require regulatory agency approval, or are otherwise designated as environmentally sensitive, TENANT shall have the right to cut such roots as may endanger or interfere with TENANT'S Facilities provided, however, that any excavation shall be made in such a manner as will cause the least injury to the surface of the ground and any

improvements and/or landscaping around such excavation, and that the earth so removed shall be replaced and the surface of the ground and any improvements and/or landscaping around such excavation, damaged shall be promptly restored by TENANT at its expense to the same condition as existed prior to excavation, to Director's satisfaction.

12. UTILITIES (PME 1.1N)

All utilities supplied to Premises for the purposes of conducting TENANT operations shall be separately metered. TENANT shall be responsible for and pay, prior to the delinquency date, all utility charges related to TENANT'S operations.

13. INSURANCE (PML10.1N)

A. General Requirements. TENANT agrees to purchase all required insurance at TENANT'S expense and to deposit with Director certificates of insurance, including all endorsements required herein, necessary to satisfy Director that the insurance provisions of this Lease have been complied with and to keep such insurance coverage and the certificates and endorsements therefor on deposit with the Director during the entire term of this Lease.

TENANT may self-insure for their insurance coverage provided such self-insurance meets or exceeds all provisions of the insurance requirements as stated herein throughout the term of this Lease. TENANT shall provide a Certificate of Self-Insurance verifying all the stated coverage minimums and comparable terms to Director.

This Lease shall automatically terminate at the same time TENANT'S insurance coverage is terminated. If within ten (10) business days after termination under this Section, TENANT obtains and provides evidence of the required insurance coverage acceptable to Director, this Lease may be reinstated at the sole discretion of Director. TENANT shall pay DISTRICT One Thousand Five Hundred Dollars (\$1,500.00) for processing the reinstatement of this Lease.

TENANT agrees that TENANT shall not operate on the Premises and/or use the License Area at any time the required insurance is not in full force and effect as evidenced by a certificate of insurance and necessary endorsements or, in the interim, an official binder being in the possession of Director. In no cases shall assurances by TENANT, its employees, agents, including any insurance agent, be construed as adequate evidence of insurance. Director will only accept valid certificates of insurance and endorsements, or in the interim, an insurance binder as adequate evidence of insurance. TENANT also agrees that upon cancellation, termination, or expiration of TENANT'S insurance, Director may take whatever steps are necessary to interrupt any operation from or on the Premises and/or use of the License Area until such time as the Director reinstates the Lease.

If TENANT fails to provide Director with a valid certificate of insurance and endorsements, or binder at any time during the term of the Lease, DISTRICT and TENANT agree that this shall constitute a material breach of the Lease. Whether or not a notice of default has been sent to TENANT, said material breach shall permit Director to take whatever steps necessary to interrupt any operation from or on the Premises and/or use of the License Area, and to prevent any persons, including, but not limited to, members of the general public, and TENANT'S

employees and agents, from entering the Premises until such time Director is provided with adequate evidence of insurance required herein. TENANT further agrees to hold DISTRICT and/or County harmless for any damages resulting from such interruption of business and possession, including, but not limited to, damages resulting from any loss of income or business resulting from actions performed by or on behalf of DISTRICT.

All contractors performing work on behalf of TENANT pursuant to this Lease shall obtain insurance subject to the same terms and conditions as set forth herein for TENANT. TENANT shall not allow contractors or subcontractors to work if contractors have less than the level of coverage required by DISTRICT from the TENANT under this Lease. It is the obligation of the TENANT to provide written notice of the insurance requirements to every contractor and to receive proof of insurance prior to allowing any contractor to begin work within the Premises and/or upon the License Area. Such proof of insurance must be maintained by TENANT through the entirety of this Lease and be available for inspection by Director at any reasonable time.

All self-insured retentions (**SIRs**) and deductibles shall be clearly stated on the Certificate of Insurance. If no SIRs or deductibles apply, indicate this on the Certificate of Insurance with a "0" by the appropriate line of coverage. Any self-insured retention (SIR) or deductible in excess of \$25,000 (\$5,000 for automobile liability), shall specifically be approved by County Executive Office of Risk Management ("**CEO/Risk Management**").

If the TENANT fails to maintain insurance acceptable to DISTRICT for the full term of this Lease, DISTRICT may terminate this Lease.

B. Qualified Insurer. The policy or policies of insurance must be issued by an insurer licensed to do business in the state of California (California Admitted Carrier) or have a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category) as determined by the most current edition of the Best's key Rating Guide/Property-Casualty/United States or ambest.com-

If the insurance carrier is not an admitted carrier in the state of California and does not have an A.M. Best rating of A-/VIII, the CEO/Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

C. Minimum Limits. The policy or policies of insurance maintained by the TENANT shall provide the minimum limits and coverage as set forth below:

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability including coverage for Pollution Liability	\$5,000,000 per occurrence \$5,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 limit per occurrence
Workers' Compensation	Statutory

Employers' Liability Insurance	\$1,000,000 per occurrence
Commercial Property Insurance on an "All Risk" or "Special Causes of Loss" basis covering all buildings, contents and any Tenant Facilities or improvements including Business Interruption/Loss of Rents with a 12 month limit.	100% of the Replacement Cost Value and no coinsurance provision

D. Coverage Forms. The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or a substitute form providing liability coverage as broad.

E. Endorsements.

i. The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of insurance:

a. an Additional Insured endorsement using ISO form CG 2010 or CG 2033 or a form at least as broad naming the Orange County Flood Control District and County of Orange, its elected and appointed officials, officers, employees, and agents as Additional Insureds; and

b. primary non-contributing endorsement evidencing that the TENANT'S insurance is primary and any insurance or self-insurance maintained by DISTRICT and/or County shall be excess and non-contributing.

ii. All insurance policies required by this contract shall waive all rights of subrogation against the Orange County Flood Control District, County of Orange and members of the Board of Supervisors, its elected and appointed officials, officers, agents and employees when acting within the scope of their appointment or employment.

iii. The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the Orange County Flood Control District, County of Orange, and members of the Board of Supervisors, its elected and appointed officials, officers, agents and employees.

iv. The Commercial Property policy shall be endorsed to include the County of Orange as a Loss Payee as respects its financial interest in the property. A Loss Payee endorsement shall be submitted with the Certificate of Insurance as evidence of this requirement.

v. All insurance policies required by this contract shall give DISTRICT thirty (30) days' notice in the event of cancellation and ten (10) days for non-payment of premium. This shall be evidenced by policy provisions or an endorsement separate from the Certificate of Insurance.

vi. The Commercial General Liability policy shall contain a severability of interests clause, also known as a "separation of insureds" clause (standard in the ISO CG 001 policy)

F. Delivery. Insurance certificates should be forwarded to DISTRICT address provided in the Section 18 (Notices) below or to an address provided by Director. TENANT has ten (10) business days to provide adequate evidence of insurance or this Lease may be cancelled.

G. Insurance Requirement Changes. DISTRICT expressly retains the right to require TENANT to increase or decrease insurance of any of the above insurance types throughout the term of this Lease. Any increase or decrease in insurance will be as deemed by CEO/Risk Management as appropriate to adequately protect DISTRICT.

Director shall notify TENANT in writing of changes in the insurance requirements. If TENANT does not deposit copies of acceptable certificates of insurance and endorsements with Director incorporating such changes within thirty (30) days of receipt of such notice, this Lease may be in breach without further notice to TENANT, and DISTRICT shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit TENANT'S liability hereunder nor to fulfill the indemnification provisions and requirements of this Lease, nor in any way to reduce the policy coverage and limits available from the insurer.

14. ASSIGNING, SUBLETTING, AND ENCUMBERING (PME7.2N)

Any mortgage, pledge, hypothecation, encumbrance, transfer, or assignment (hereinafter in this section referred to collectively as "**Encumbrance**") of TENANT'S interest in the Premises or the License Area, or any part or portion thereof, shall first be approved in writing by DISTRICT, unless otherwise provided herein. Failure to obtain DISTRICT'S required written approval of an Encumbrance will render such Encumbrance void. Occupancy of the Premises by a prospective transferee, or assignee before approval of the transfer, or assignment by DISTRICT shall constitute a breach of this Lease. The entry into subleases is prohibited and shall constitute a breach of this Lease.

If TENANT hereunder is a corporation or an unincorporated association or partnership, the Encumbrance of any stock or interest in said corporation, association or partnership in the aggregate exceeding 50% or that result in a change in control of such entity shall be deemed an assignment within the meaning of this Lease.

Should DISTRICT consent to any Encumbrance, such consent shall not constitute a waiver of any of the terms, covenants, or conditions of this Lease or be construed as DISTRICT'S consent to any further Encumbrance. Such terms, covenants or conditions shall apply to each and every Encumbrance hereunder and shall be severally binding upon each and every party thereto. Any document to mortgage, pledge, hypothecate, encumber, transfer, or assign the Premises or any part thereof shall not be inconsistent with the provisions of this Lease and in the event of any such inconsistency, the provisions of this Lease shall control.

DISTRICT agrees that it will not arbitrarily withhold consent to any Encumbrance, but DISTRICT may withhold consent at its sole discretion if any of the following conditions exist:

- A. TENANT or any of TENANT'S successors or assigns is in default of any term, covenant or condition of this Lease, whether notice of default has or has not been given by DISTRICT.
- B. The prospective Encumbrancer has not agreed in writing to keep, perform, and be bound by all the terms, covenants, and conditions of this Lease.
- C. All the terms, covenants, and conditions of Encumbrance, including the consideration therefor of any and every kind, have not been revealed in writing to Director.
- D. TENANT has not provided Director with a copy of all documents relating thereto including, but not limited to, appraisals if any.
- E. Any construction required of TENANT as a condition of this Lease has not been completed to the satisfaction of DISTRICT.
- F. The processing fee required by DISTRICT and set out below has not been paid to DISTRICT.

A processing fee of Two Thousand Five Hundred Dollars (\$2,500.00) shall be paid to DISTRICT for processing each consent to assignment, transfer, hypothecation, or sublease submitted to DISTRICT as required by this Lease. This processing fee shall be deemed earned by DISTRICT when paid and shall not be refundable.

The processing fee specified above shall be automatically adjusted for all consents required or requested subsequent to the second year of this Lease. Said adjustment shall be in proportion to the change in the CPI [as defined in Section 6 (Rent)], or any replacement index thereto. Said automatic adjustment shall be calculated by means of the following formula, then rounded to the nearest ten dollar figure:

$$A = \$2,500 \times \frac{B}{C}$$

Where A = adjusted processing fee
 B = CPI for the month prior to the month in which the request for consent to assignment, transfer or sublease is dated
 C = CPI for the month this Lease became effective

Notwithstanding the foregoing, in no event shall the processing fee be reduced by reason of any such adjustment.

15. MECHANICS LIENS OR STOP-NOTICES (PMD4.1 N)

TENANT shall at all times indemnify, defend with counsel approved in writing by DISTRICT, and save DISTRICT and County harmless from all claims, losses, demands, damages, cost, expenses, or liabilities in connection with the use, construction, repair, alteration, or installation

of any TENANT Facilities by TENANT within, upon, or under the Premises and/or the License Area, and from the cost of defending against such claims, including reasonable attorney fees and costs.

In the event a lien or stop-notice is imposed upon the Premises or License Area as a result of such construction, repair, alteration, or installation, TENANT shall either:

- A. Record a valid Release of Lien, or
- B. Procure and record a bond in accordance with Section 3143 or 3196 of the Civil Code, which frees the Premises from the claim of the lien or stop-notice and from any action brought to foreclose the lien.

Should TENANT fail to accomplish one of the two actions above within fifteen (15) days after the filing of such a lien or stop-notice, TENANT shall be deemed to be in default under this Lease and shall be subject to the provisions of Section 15 (Default In Terms of the Lease by Tenant) of the General Conditions attached hereto.

16. HAZARDOUS MATERIAL (PMF9.1 N)

A. Definition of Hazardous Materials. For purposes of this Lease, the term “**Hazardous Materials**” shall mean any hazardous or toxic substance, material, product, byproduct, or waste which is or shall become regulated by any governmental entity, including, without limitation, the County of Orange, the State of California or the United States government.

B. Use of Hazardous Materials. TENANT or TENANT’S employees, agents, independent contractors or invitees (collectively “**TENANT Parties**”) shall not cause or permit any Hazardous Materials to be brought upon, stored, kept, used, generated, released into the environment or disposed of on, under, from or about the Premises or the License Area (which for purposes of this clause shall include the subsurface soil and ground water). Notwithstanding the foregoing, TENANT may keep on or about the Premises small quantities of Hazardous Materials that are used in the ordinary, customary, and lawful cleaning of and business operations or the operation, maintenance or repair of TENANT Facilities on the Premises. Said permitted Hazardous Materials shall be stored in a safe location and shall be disposed of in a manner provided by law.

C. TENANT Obligations. If the presence of any Hazardous Materials on, under or about the Premises or the License Area caused or permitted by TENANT or TENANT Parties, results in (i) injury to any person, (ii) injury to or contamination of the Premises (or a portion thereof), or (iii) injury to or contamination of any real or personal property wherever situated, TENANT, at its sole cost and expense, shall promptly take all actions necessary or appropriate to return the Premises and/or to the License Area to the condition existing prior to the introduction of such Hazardous Materials to the Premises and/or the License Area and to remedy or repair any such injury or contamination. Without limiting any other rights or remedies of DISTRICT under this Lease, TENANT shall pay the cost of any cleanup or remedial work performed on, under, or about the Premises and/or the License Area as required by this Lease or by applicable laws in

connection with the removal, disposal, neutralization or other treatment of such Hazardous Materials caused or permitted by TENANT or TENANT Parties. Notwithstanding the foregoing, TENANT shall not take any remedial action in response to the presence, discharge or release, of any Hazardous Materials on, under or about the Premises and/or the License Area caused or permitted by TENANT or TENANT Parties, or enter into any settlement agreement, consent decree or other compromise with any governmental or quasi-governmental entity without first obtaining the prior written consent of the DISTRICT. All work performed or caused to be performed by TENANT as provided for above shall be done in good and workmanlike manner and in compliance with plans, specifications, permits and other requirements for such work approved by DISTRICT.

D. Indemnification for Hazardous Materials. To the fullest extent permitted by law, TENANT hereby agrees to indemnify, hold harmless, protect and defend (with attorneys acceptable to DISTRICT) DISTRICT and County, its elected officials, officers, employees, agents, independent contractors, and the Premises and/or the License Area, from and against any and all liabilities, losses, damages (including, but not limited, damages for the loss or restriction on use of rentable or usable space or any amenity of the Premises and/or the License Area or damages arising from any adverse impact on marketing and diminution in the value of the Premises), judgments, fines, demands, claims, recoveries, deficiencies, costs and expenses (including, but not limited to, reasonable attorneys' fees, disbursements and court costs and all other professional or consultant's expenses), whether foreseeable or unforeseeable, arising directly or indirectly out of the presence, use, generation, storage, treatment, on or off-site disposal or transportation of Hazardous Materials on, into, from, under or about the Premises by TENANT or TENANT Parties. The foregoing indemnity shall also specifically include the cost of any required or necessary repair, restoration, clean-up or detoxification of the Premises and/or the License Area and the preparation of any closure or other required plans.

17. BEST MANAGEMENT PRACTICES (PML 11.2 N)

TENANT and TENANT Parties shall conduct operations under this Lease so as to assure that pollutants do not enter municipal storm drain systems which systems are comprised of, but are not limited to curbs and gutters that are part of the street systems (“**Stormwater Drainage System**”), and to ensure that pollutants do not directly impact “Receiving Waters” (as used herein, Receiving Waters include, but are not limited to, rivers, creeks, streams, estuaries, lakes, harbors, bays and oceans).

The Santa Ana and San Diego Regional Water Quality Control Boards have issued National Pollutant Discharge Elimination System permits (“**Stormwater Permits**”) to the County of Orange, and to the Orange County Flood Control District and cities within Orange County, as co-permittees (hereinafter collectively referred to as “**County Parties**”) which regulate the discharge of urban runoff from areas within the County of Orange, including the Premises. The County Parties have enacted water quality ordinances that prohibit conditions and activities that may result in polluted runoff being discharged into the Stormwater Drainage System.

To assure compliance with the Stormwater Permits and water quality ordinances, the County Parties have developed a Drainage Area Management Plan (“**DAMP**”) which includes a Local Implementation Plan (“**LIP**”) for each jurisdiction that contains Best Management Practices

("BMPs") that parties using properties within Orange County must adhere to. As used herein, a BMP is defined as a technique, measure, or structural control that is used for a given set of conditions to manage the quantity and improve the quality of stormwater runoff in a cost effective manner. These BMPs are found within the DISTRICT'S LIP in the form of Model Maintenance Procedures and BMP Fact Sheets (the Model Maintenance Procedures and BMP Fact Sheets contained in the DAMP/LIP shall be referred to hereinafter collectively as "BMP Fact Sheets") and contain pollution prevention and source control techniques to eliminate non-stormwater discharges and minimize the impact of pollutants on stormwater runoff.

TENANT, TENANT Parties, and all persons authorized by TENANT to conduct activities on the Premises and/or the License Area shall, throughout the term of this Lease, comply with all applicable BMP Fact Sheets as they exist now or are modified, and shall comply with all other requirements of the Stormwater Permits, as they exist at the time this Lease commences or as the Stormwater Permits may be modified. TENANT agrees to maintain current copies of all applicable BMP Fact Sheets on the Lease Area throughout the term of this Lease. The BMPs applicable to uses authorized under this Lease must be performed as described within all applicable BMP Fact Sheets.

TENANT may propose alternative BMPs that meet or exceed the pollution prevention performance of the BMP Fact Sheets. Any such alternative BMPs shall be submitted to the Director for review and approval prior to implementation.

Director may enter the Premises and/or review TENANT'S records at any time to assure that activities conducted on the Premises or over the License Area comply with the requirements of this section. TENANT may be required to implement a self-evaluation program to demonstrate compliance with the requirements of this section.

18. NOTICES (PMF10.1 S)

All notices, documents, correspondence, and communications concerning this Lease shall be addressed as set forth in this clause, or as the parties may hereafter designate by written notice, and shall be sent through the United States mail, duly registered or certified with postage prepaid. Any such mailing shall be deemed served or delivered twenty four (24) hours after mailing. Each party may change the address for notices by giving the other party at least ten (10) calendar days prior written notice of the new address.

Notwithstanding the above, either party may also provide notices, documents, correspondence, or such other communications to the other by personal delivery, regular mail, or facsimile and, so given, shall be deemed to have been given upon receipt if provided by personal delivery or facsimile, or forty-eight (48) hours after mailing if provided by regular mail.

TO: DISTRICT
County of Orange
OC Public Works/Real Estate Services
RE: E01-706.1 - OCWD Lease
P. O. Box 4048
Santa Ana, CA 92702-4048
Facsimile: 714/834-2870

TO: TENANT
Orange County Water District
18700 Ward Street
P. O. Box 8300
Fountain Valley, CA 92728-8300
Facsimile: 714/378-3370
Attn: Property Management

19. AUTHORITY (PMES20.1S)

The Parties to this Lease represent and warrant that this Lease has been duly authorized and executed and constitutes the legally binding obligation of their respective organization or entity, enforceable in accordance with its terms.

20. GENERAL CONDITIONS

This Lease includes the General Conditions attached hereto and by this reference made a part hereof. In the event of any conflict between the provisions of this Lease and the provisions in the General Conditions, the provision of this Lease shall control.

21. COUNTERPARTS

This Lease may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[SIGNATURES ON FOLLOWING PAGES]

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IN WITNESS WHEREOF, the Parties have executed this Lease the day and year first above written.

Approved as to Form
Office of the County Counsel
Orange County, California

By: [Signature]
Deputy

Date: 4/15/2017

DISTRICT

ORANGE COUNTY FLOOD
CONTROL DISTRICT, a body corporate and
politic

By: [Signature]
Chairman, Board of Supervisors
Orange County, California

Signed and certified that a copy of this document
has been delivered to the
Chair of the Board per
G.C. Sec. 25103, Resolution 79-1535

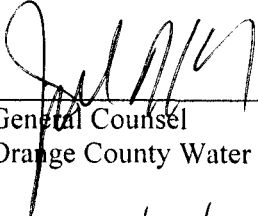
ATTEST:

[Signature]
Susan Novak
Clerk of the Board of Supervisors
Orange County Flood Control District
Orange County, California



TENANT'S signature on following page

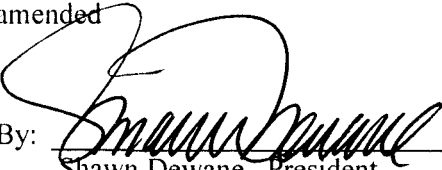
Approved as to Form
RUTAN & TUCKER, LLP.

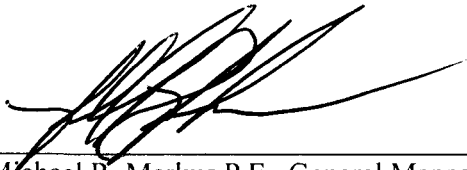
By: 
General Counsel
Orange County Water District

Date: 4/22/2013

TENANT

ORANGE COUNTY WATER DISTRICT,
subdivision of the State of California organized
under Chapter 924 of the Statutes of 1933, as
amended

By: 
Shawn Dewane, President

By: 
Michael R. Markus P.E., General Manager

GENERAL CONDITIONS (PMGE1.2-29.1)

1. TIME (PMGE1.2 S)

Time is of the essence of this Lease. Failure to comply with any time requirement of this Lease shall constitute a material breach of this Lease.

2. SIGNS (PMGE2.2 S)

TENANT agrees not to construct, maintain, or allow any signs, banners, flags, etc., upon the Premises or License Area except as approved by Director. TENANT further agrees not to construct, maintain, or allow billboards or outdoor advertising signs upon the Premises or License Area. Such signs are prohibited on DISTRICT property by Resolutions F60-23 and F60-65 of DISTRICT'S Board of Supervisors.

Unapproved signs, banners, flags, etc., may be removed by Director without prior notice to TENANT.

3. PERMITS AND LICENSES (PMGE3.2 S)

TENANT shall be required to obtain any and all approvals, permits and/or licenses which may be required in connection with the operation of the Premises as set out herein. No permit, approval, or consent given hereunder by DISTRICT, in its governmental capacity, shall affect or limit TENANT'S obligations hereunder, nor shall any approvals or consents given by DISTRICT, as a Party to this Lease, be deemed approval as to compliance or conformance with applicable governmental codes, laws, rules, or regulations.

4. LEASE ORGANIZATION (PMGE5.2 S)

The various headings and numbers herein, the grouping of provisions of this Lease into separate clauses and paragraphs, and the organization hereof, are for the purpose of convenience only and shall not be considered otherwise.

5. AMENDMENTS (PMGE6.2 S)

This Lease is the sole and only agreement between the Parties regarding the subject matter hereof; other agreements, either oral or written, are void. Any changes to this Lease shall be in writing and shall be properly executed by both Parties.

6. UNLAWFUL USE (PMGE7.2 S)

TENANT agrees no improvements shall be erected, placed upon, operated, nor maintained within the Premises or License Area, nor any business conducted or carried on therein or therefrom, in violation of the terms of this Lease, or of any regulation, order of law, statute, bylaw, or ordinance of a governmental agency having jurisdiction.

7. NONDISCRIMINATION (PMGE8.2 S)

TENANT agrees not to discriminate against any person or class of persons by reason of sex, age, race, color, creed, physical handicap, or national origin in employment practices and in the activities conducted pursuant to this Lease. TENANT shall make its accommodations and services available to the public on fair and reasonable terms.

8. INSPECTION (PMGE9.2 S)

DISTRICT or its authorized representative shall have the right at all reasonable times to inspect the Premises and License Area to determine if the provisions of this Lease are being complied with.

9. HOLD HARMLESS (PMGE10.2 N)

TENANT acknowledges that the Premises and License Area lie in, on or about an area commonly referred to as the Santa Ana River Flood Channel (hereinafter referred to as “**Channel**”) and may be subject to all hazards associated with flood conditions and TENANT agrees to assume all risks, financial or otherwise associated therewith, including, but not limited to any interruption in or restricted use of the Premises and/or the License Area, whether temporary or permanent due to DISTRICT’s use of, or operations conducted in, on, or about the Premises and/or the License Area.

TENANT hereby releases and waives all claims and recourse against DISTRICT, and COUNTY including the right of contribution for loss or damage of persons or property, arising from, growing out of or in any way connected with or related to this Lease except claims arising from the concurrent active or sole negligence of DISTRICT and/or COUNTY, their officers, agents, employees and contractors. TENANT hereby agrees to indemnify, defend (with counsel approved in writing by DISTRICT), and hold harmless, DISTRICT and COUNTY, their elected and appointed officials, officers, agents, employees and contractors against any and all claims, losses, demands, damages, cost, expenses or liability for injury to any persons or property, arising out of the operation or maintenance of the property described herein, and/or TENANT’S exercise of the rights under this Lease, except for liability arising out of the concurrent active or sole negligence of DISTRICT, and/or COUNTY, their elected and appointed officials, officers, agents, employees or contractors including the cost of defense of any lawsuit arising therefrom. If DISTRICT or COUNTY is/are named as co-defendant(s) in a lawsuit, TENANT shall notify DISTRICT of such fact and shall represent DISTRICT/COUNTY in such legal action unless DISTRICT/COUNTY undertakes to represent itself/themselves as co-defendant(s) in such legal action, in which event, TENANT shall pay to DISTRICT/COUNTY its/their litigation costs, expenses, and attorneys’ fees. If judgment is entered against DISTRICT/COUNTY and TENANT by a court of competent jurisdiction because of the concurrent active negligence of DISTRICT/COUNTY and TENANT, DISTRICT and TENANT agree that liability will be apportioned as determined by the court. Neither Party shall request a jury apportionment.

TENANT acknowledges that it is familiar with the language and provisions of California Civil Code Section 1542 which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which, if known by him or her, must have materially affected his or her settlement with the debtor.

TENANT, being aware of and understanding the terms of Section 1542, hereby waives all benefit of its provisions to the extent described in this paragraph.

10. TAXES AND ASSESSMENTS (PMGE11.2 S)

This Lease may create a possessory interest which is subject to the payment of taxes levied on such interest. It is understood and agreed that all taxes and assessments (including but not limited to said possessory interest tax) which become due and payable upon the Premises or upon fixtures, equipment, or other property installed or constructed thereon, shall be the full responsibility of TENANT, and TENANT shall cause said taxes and assessments to be paid promptly.

11. SUCCESSORS IN INTEREST (PMGE12.2 S)

Unless otherwise provided in this Lease, the terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators, and assigns of all the Parties hereto, all of whom shall be jointly and severally liable hereunder.

12. CIRCUMSTANCES WHICH EXCUSE PERFORMANCE (PMGE13.2 S)

If either Party shall be delayed or prevented from the performance of any act required hereunder by reason of Acts of God, restrictive governmental laws or regulations, or other cause without fault and beyond the control of the Party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. However, nothing in this Section shall excuse TENANT from the prompt payment of any rental or other charge required of TENANT except as may be expressly provided elsewhere in this Lease

13. PARTIAL INVALIDITY (PMGE14.2 S)

If any term, covenant, condition, or provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

14. WAIVER OF RIGHTS (PMGE15.2 S)

The failure of DISTRICT or TENANT to insist upon strict performance of any of the terms, covenants, or conditions of this Lease shall not be deemed a waiver of any right or remedy that DISTRICT or TENANT may have, and shall not be deemed a waiver of the right to require strict performance of all the terms, covenants, and conditions of the Lease thereafter, nor a waiver of any remedy for the subsequent breach or default of any term, covenant, or condition of the Lease. Any waiver, in order to be effective, must be signed by the Party whose right or remedy is being waived.

15. EVENTS OF DEFAULT AND REMEDIES (PMGE16.2 S)

- A. Events of Default. The occurrence of any one or more of the following events shall constitute a default hereunder by TENANT:
1. The abandonment or vacation of the Premises by TENANT.
 2. The failure by TENANT to make any payment of rent or any other sum payable hereunder by TENANT, as and when due, where such failure shall continue for a period of three (3) days after written notice thereof from DISTRICT to TENANT; provided, however, that any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure Section 1161 et seq.
 3. The failure or inability by TENANT to observe or perform any of the provisions of this Lease to be observed or performed by TENANT, other than specified in subparagraphs A.(1) or A.(2) above, where such failure shall continue for a period of ten (10) days after written notice thereof from DISTRICT to TENANT; provided, however, that any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure Section 1161 et seq.; provided, further, that if the nature of such failure is such that it can be cured by TENANT but that more than ten (10) days are reasonably required for its cure (for any reason other than financial inability), then TENANT shall not be deemed to be in default if TENANT shall commence such cure within said ten (10) days, and thereafter diligently prosecutes such cure to completion.
 4. The making by TENANT of any general assignment for the benefit of creditors.
 5. A case is commenced by or against TENANT under Chapters 7, 11 or 13 of the Bankruptcy Code, Title 11 of the United States Code as now in force or hereafter amended and if so commenced against TENANT, the same is not dismissed within sixty (60) days of such commencement.

6. The appointment of a trustee or receiver to take possession of substantially all of TENANT'S assets located at the Premises or of TENANT'S interest in this Lease, where such seizure is not discharged within thirty (30) days.
 7. TENANT'S convening of a meeting of its creditors or any class thereof for the purpose of effecting a moratorium upon or composition of its debts. In the event of any such default, neither this Lease nor any interests of TENANT in and to the Premises shall become an asset in any of such proceedings and, in any such event and in addition to any and all rights or remedies of the DISTRICT hereunder or by law; provided, it shall be lawful for the DISTRICT to declare the term hereof ended and to re-enter the Premises and take possession thereof and remove all persons therefrom, and TENANT and its creditors (other than DISTRICT) shall have no further claim thereon or hereunder.
- B. Remedies. In the event of any default by TENANT, then, in addition to any other remedies available to DISTRICT at law or in equity, DISTRICT may exercise the following remedies:
1. DISTRICT may terminate this Lease and all rights of TENANT hereunder by giving written notice of such termination to TENANT. In the event that DISTRICT shall so elect to terminate this Lease, then DISTRICT may recover from TENANT:
 - (a) The worth at the time of award of the unpaid rent and other charges, which had been earned as of the date of the termination hereof;
 - (b) The worth at the time of award of the amount by which the unpaid rent and other charges which would have been earned after the date of the termination hereof until the time of award exceeds the amount of such rental loss that TENANT proves could have been reasonably avoided;
 - (c) The worth at the time of award of the amount by which the unpaid rent and other charges for the balance of the term hereof after the time of award exceeds the amount of such rental loss that TENANT proves could be reasonably avoided;
 - (d) Any other amount necessary to compensate DISTRICT for all the detriment proximately caused by TENANT'S failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, the cost of recovering possession of the Premises, expenses of reletting, including necessary repair, renovation and alteration of the Premises, reasonable attorneys' fees, expert witness costs, and any other reasonable costs; and
 - (e) Any other amount which DISTRICT may by law hereafter be permitted to recover from TENANT to compensate DISTRICT for the detriment caused by TENANT'S default.

The term "rent" as used herein shall be deemed to be and to mean the annual rent and all other sums required to be paid by TENANT pursuant to the terms of this Lease. All such sums, other than the annual rent, shall be computed on the basis of the average monthly amount thereof accruing during the 24-month period immediately prior to default, except that if it becomes necessary to compute such rental before such 24-month period has occurred, then such sums shall be computed on the basis of the average monthly amount during such shorter period. As used in subparagraphs B.1.(a) and B.1.(b) above, the "worth at the time of award" shall be computed by allowing interest at the maximum rate permitted by law. As used in subparagraph B.1.(c) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%), but not in excess of ten percent (10%) per annum.

2. Continue this Lease in effect without terminating TENANT'S right to possession even though TENANT has breached this Lease and abandoned the Premises and to enforce all of DISTRICT'S rights and remedies under this Lease, at law or in equity, including the right to recover the rent as it becomes due under this Lease; provided, however, that DISTRICT may at any time thereafter elect to terminate this Lease for such previous breach by notifying TENANT in writing that TENANT'S right to possession of the Premises has been terminated.

Nothing in this Section shall be deemed to affect TENANT'S indemnity of DISTRICT liability or liabilities based upon occurrences prior to the termination of this Lease for personal injuries or property damage under the indemnification clause or clauses contained in this Lease.

No delay or omission of DISTRICT to exercise any right or remedy shall be construed as a waiver of such right or remedy or any default by TENANT hereunder. The acceptance by DISTRICT of rent or any other sums hereunder shall not be (a) a waiver of any preceding breach or default by TENANT of any provision thereof, other than the failure of TENANT to pay the particular rent or sum accepted, regardless of DISTRICT'S knowledge of such preceding breach or default at the time of acceptance of such rent or sum, or (b) waiver of DISTRICT'S right to exercise any remedy available to DISTRICT by virtue of such breach or default. No act or thing done by DISTRICT or DISTRICT'S agents during the term of this Lease shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender shall be valid unless in writing and signed by DISTRICT.

Any installment or rent due under this Lease or any other sums not paid to DISTRICT when due (other than interest) shall bear interest at the maximum rate allowed by law from the date such payment is due until paid, provided, however, that the payment of such interest shall not excuse or cure the default.

All covenants and agreements to be performed by TENANT under any of the terms of this Lease shall be performed by TENANT at TENANT'S sole cost and expenses and without any abatement of rent. If TENANT shall fail to pay any sum of money, other than rent required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder, or to provide any insurance or evidence of insurance to be provided by TENANT, then in addition to any other remedies provided herein, DISTRICT may, but shall not be obligated to do so, and without waiving or releasing TENANT from any obligations of TENANT, make any such payment or perform any such act on TENANT'S part to be made or performed as provided in this Lease or to provide such insurance. Any payment or performance of any act or the provision of any such insurance by DISTRICT on TENANT'S behalf shall not give rise to any responsibility of DISTRICT to continue making the same or similar payments or performing the same or similar acts. All costs, expenses, and other sums incurred or paid by DISTRICT in connection therewith, together with interest at the maximum rate permitted by law from the date incurred or paid by DISTRICT shall be deemed to be additional rent hereunder and shall be paid by TENANT with and at the same time as the next monthly installment of rent hereunder, and any default therein shall constitute a breach of the covenants and conditions of this Lease.

16. RESERVATIONS TO DISTRICT (PMGE18.2 S)

The Premises are accepted "as is" and "where is" by TENANT subject to any and all existing easements, encumbrances. DISTRICT reserves the right to install, lay, construct, maintain, repair, and operate such sanitary sewers, drains, storm water sewers, pipelines, manholes, and connections; water, oil, and gas pipelines; telephone and telegraph power lines; and the appliances and appurtenances necessary or convenient in connection therewith, in, over, upon, through, across, and along the Premises or any part thereof, and to enter the Premises for any and all such purposes. DISTRICT also reserves the right to grant franchises, easements, rights of way, and permits in, over, upon, through, across, and along any and all portions of the Premises. No right reserved by DISTRICT in this clause shall be so exercised as to interfere unreasonably with TENANT'S operations hereunder or to impair the security of any secured creditor of TENANT.

DISTRICT agrees that rights granted to third parties by reason of this Section shall contain provisions that the surface of the land shall be restored as nearly as practicable to its original condition upon the completion of any construction. DISTRICT further agrees that should the exercise of these rights temporarily interfere with the use of any or all of the Premises by TENANT, the rental shall be reduced in proportion to the interference with TENANT'S use of the Premises.

17. HOLDING OVER (PMGE19.2 S)

In the event TENANT shall continue in possession of the Premises after the term of this Lease, such possession shall not be considered a renewal of this Lease but a tenancy from month to month and shall be governed by the conditions and covenants contained in this Lease.

18. CONDITION OF PREMISES UPON TERMINATION (PMGE20.2 N)

A. Unless Director has provided TENANT with written notice that DISTRICT wishes to retain any or all TENANT Facilities, TENANT shall, at TENANT'S sole cost and expense no later than the expiration or sooner termination of this Lease:

1. abandon all water wells on the Premises in place, in accordance with state water well standards (e.g. CA Department of Water Resources Bulletins 74-81 and Bulletins 74-90); and,
2. remove all other TENANT Facilities, both surface and underground, located on or within the Premises and the License Area to Director's satisfaction which shall include, but not be limited to, compaction of filled excavations to ninety percent (90%) compaction as determined by California Test Method No. 216 and delivering the Premises and the License Area in a condition which allows for unrestricted use of the property.

B. Should TENANT fail to satisfy its obligations in the above sub-section 18.A., DISTRICT shall have the right to perform, or cause to be performed, any task necessary for the Premises and the License Area to be returned in conformance therewith at TENANT'S cost, including the cost of labor, materials, equipment, disposal fees and other costs Director determines to be reasonably related to such removal or abandonment, plus an administrative fee equal to fifteen percent (15%) of the sum of those items, without liability therefor to TENANT or to any person claiming under TENANT. Director shall present TENANT with an invoice for labor, materials, equipment, disposal fees and other costs Director determines to be reasonably related to removal of such TENANT Facilities which invoice TENANT agrees to pay within thirty (30) days of receipt.

19. DISPOSITION OF ABANDONED PERSONAL PROPERTY (PMGE21.2 S)

If TENANT abandons or quits the Premises or is dispossessed thereof by process of law or otherwise, title to any personal property belonging to and left on the Premises and/or the License Area fifteen (15) days after such event shall, at DISTRICT'S option, be deemed to have been transferred to DISTRICT. DISTRICT shall have the right to remove and to dispose of such property without liability therefor to TENANT or to any person claiming under TENANT, and shall have no need to account therefor.

20. QUITCLAIM OF TENANT'S INTEREST UPON TERMINATION (PMGE22.2 S)

Upon termination of this Lease for any reason, including but not limited to termination because of default by TENANT, TENANT shall execute, acknowledge, and deliver to DISTRICT, within thirty (30) days after receipt of written demand therefor, a good and sufficient deed whereby all right, title, and interest of TENANT in the Premises is quitclaimed to DISTRICT. Should TENANT fail or refuse to deliver the required deed to DISTRICT, DISTRICT may prepare and record a notice reciting the failure of TENANT to execute, acknowledge, and deliver such deed and said notice shall be conclusive evidence of the termination of this Lease and of all rights of TENANT or those claiming under TENANT in and to the Premises.

21. DISTRICT'S RIGHT TO RE-ENTER (PMGE23.2 S)

TENANT agrees to yield and peaceably deliver possession of the Premises to DISTRICT on the date of termination of this Lease, whatsoever the reason for such termination. Upon giving written notice of termination to TENANT, DISTRICT shall have the right to re-enter and take possession of the Premises on the date such termination becomes effective without further notice of any kind and without institution of summary or regular legal proceedings. Termination of the Lease and re-entry of the Premises by DISTRICT shall in no way alter or diminish any obligation of TENANT under the Lease terms and shall not constitute an acceptance or surrender.

TENANT waives any and all right of redemption under any existing or future law or statute in the event of eviction from or dispossession of the Premises for any lawful reason or in the event DISTRICT re-enters and takes possession of the Premises in a lawful manner.

22. PUBLIC RECORDS (PMGE25.2 S)

Any and all written information submitted to and/or obtained by DISTRICT from TENANT or any other person or entity having to do with or related to this Lease, the Premises, and/or the License Area, either pursuant to this Lease or otherwise, at the option of DISTRICT, may be treated as a public record open to inspection by the public pursuant to the California Records Act (Government Code Section 6250, etc.) as now in force or hereafter amended, or any Act in substitution thereof, or otherwise made available to the public and TENANT hereby waives, for itself, its agents, employees, subtenants, and any person claiming by, through or under TENANT, any right or claim that any such information is not a public record or that the same is a trade secret or confidential information and hereby agrees to indemnify and hold DISTRICT harmless from any and all claims, demands, liabilities, and/or obligations arising out of or resulting from a claim by TENANT or any third party that such information is a trade secret, or confidential, or not subject to inspection by the public, including without limitation reasonable attorneys' fees and costs.

23. RELATIONSHIP OF PARTIES (PMGE26.2 S)

The relationship of the Parties hereto is that of DISTRICT and TENANT, and it is expressly understood and agreed that DISTRICT does not in any way or for any purpose become a partner of, or a joint venture with TENANT in the conduct of TENANT'S business or otherwise, and the provisions of this Lease and the agreements relating to rent payable hereunder are included solely for the purpose of providing a method by which rental payments are to be measured and ascertained.

24. ATTORNEYS' FEES (PMGE28.1)

In any action or proceeding brought to enforce or interpret any provision of this Lease, or where any provision hereof is validly asserted as a defense, each Party shall bear its own attorneys' fees and costs.

25. VENUE (PMGE29.1)

The Parties hereto agree that this Lease has been negotiated and executed in the State of California and shall be governed by and construed under the laws of California. In the event of any legal action to enforce or interpret this Lease, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the Parties hereto specifically agree to waive any and all rights to request that an action be transferred for trial to another county.

EXHIBIT 'A'

LEGAL DESCRIPTION

ORANGE COUNTY WATER DISTRICT
SANTA ANA RIVER WELL 10
LEASE SITE

THAT PORTION OF PARCEL NO. E1-706 IN THE CITY OF FOUNTAIN VALLEY, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED IN THE GRANT DEED TO THE ORANGE COUNTY FLOOD CONTROL DISTRICT RECORDED FEBRUARY 9, 1961 IN BOOK 5625, PAGE 308, OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL AS DESCRIBED IN SAID GRANT DEED, SAID POINT BEING ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF THE SANTA ANA RIVER AS SHOWN ON RECORD OF SURVEY 92-1068 FILED IN BOOK 146, PAGES 10 THROUGH 20, INCLUSIVE, OF RECORD OF SURVEYS, IN THE OFFICE OF SAID COUNTY RECORDER, SAID POINT ALSO BEING ON A CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 22,743.33 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 72°30'20.6" EAST; THENCE SOUTHWESTERLY 125.63 FEET ALONG THE SOUTHEASTERLY BOUNDARY LINE OF SAID PARCEL AND SAID CURVE THROUGH A CENTRAL ANGLE OF 0°18'59.4" TO THE NORTHEAST CORNER OF THE EASEMENT TO THE COUNTY OF ORANGE PARCEL 119 AS DESCRIBED IN THE DOCUMENT RECORDED DECEMBER 3, 2012 AS INSTRUMENT NO. 2012000743969, OF OFFICIAL RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE ALONG THE BOUNDARY LINE OF SAID PARCEL 119 NORTH 89°33'45" WEST 50.63 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 119; THENCE CONTINUING ALONG THE BOUNDARY LINE OF SAID PARCEL 119 SOUTH 0°26'15" WEST 2.00 FEET TO A POINT ON THE NORTH BOUNDARY LINE OF THE 50.00 FOOT WIDE STREET AND HIGHWAY EASEMENT RESERVED TO THE COUNTY OF ORANGE IN SAID GRANT DEED; THENCE LEAVING THE BOUNDARY LINE OF SAID PARCEL 119 AND ALONG THE NORTH BOUNDARY LINE OF SAID STREET AND HIGHWAY EASEMENT NORTH 89°33'45" WEST 41.16 FEET TO A POINT ON A LINE PARALLEL WITH AND DISTANT 25.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES, FROM THE WESTERLY BOUNDARY LINE OF SAID PARCEL NO. E1-706; THENCE ALONG SAID PARALLEL LINE NORTH 0°25'15" EAST 122.00 FEET TO A POINT ON THE NORTH BOUNDARY LINE OF SAID PARCEL NO. E1-706; THENCE ALONG THE NORTH BOUNDARY LINE OF SAID PARCEL NO. E1-706 SOUTH 89°33'45" EAST 129.00 FEET TO THE POINT OF BEGINNING.

EXHIBIT 'A'

LEGAL DESCRIPTION

ORANGE COUNTY WATER DISTRICT
SANTA ANA RIVER WELL 10
LEASE SITE

THE AREA OF THE ABOVE DESCRIBED PARCEL IS 13,336 SQUARE FEET, MORE OR LESS.

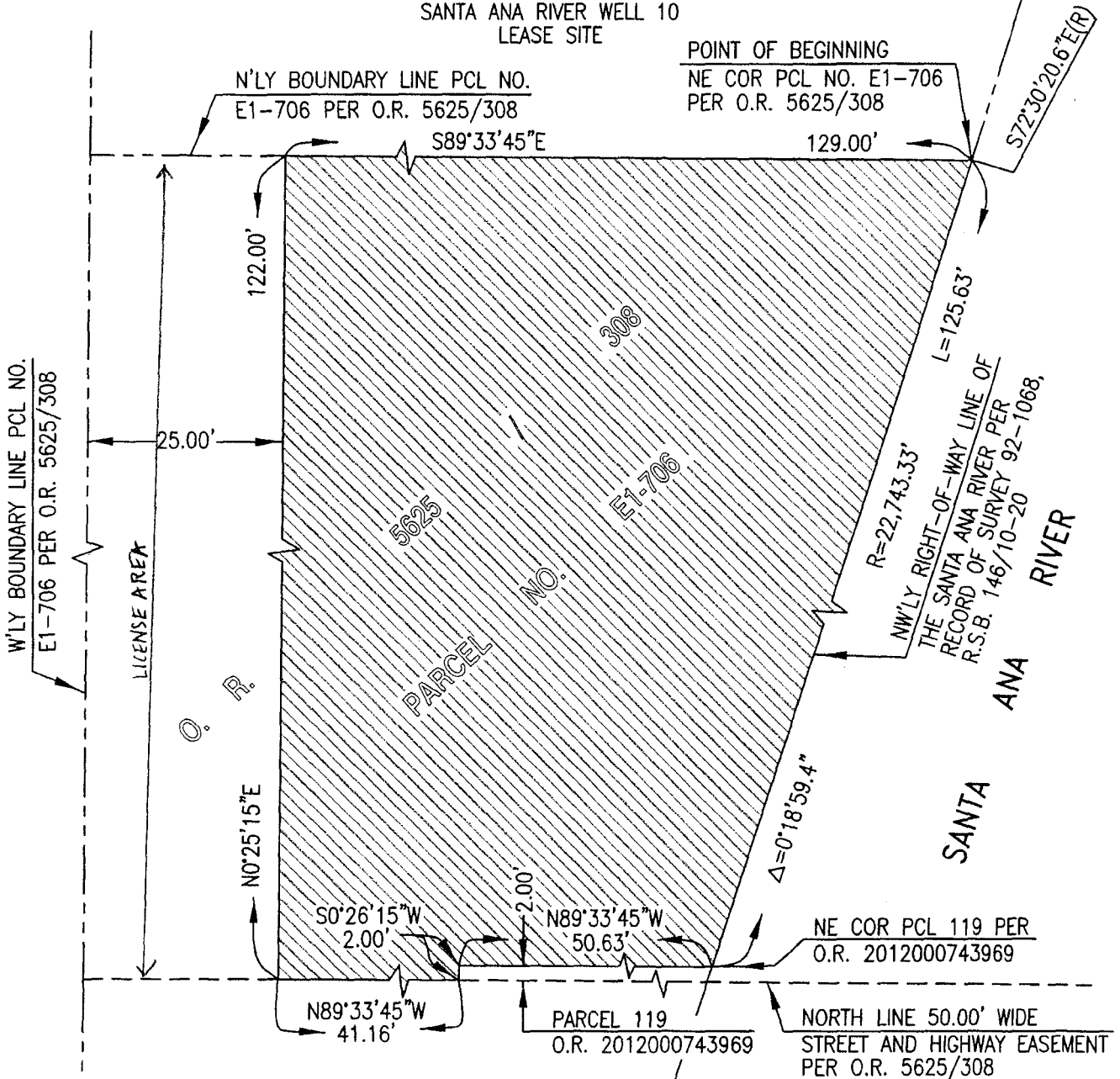
ALL AS SHOWN ON EXHIBIT 'B' ATTACHED HERETO AND MADE A PART HEREOF.



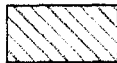
David A. Bush
4-09-13

EXHIBIT 'B'

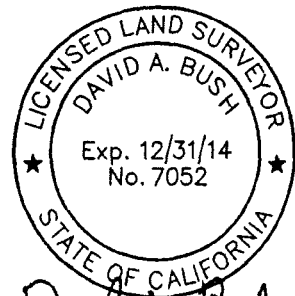
ORANGE COUNTY WATER DISTRICT
SANTA ANA RIVER WELL 10
LEASE SITE



SCALE: 1"=20'



AREA = 13,336± SQ. FT.



David A. Bush

Proposal and Contract for Services

CBRE, Inc.
5921 Owensmouth Avenue
Woodland Hills, CA 91367
www.cbre.us/valuation
Beth B. Finestone
Executive Vice President

April 8, 2024

Mr. Daniel Park
Property Manager
Orange County Water District
18700 Ward Street
Fountain Valley, California 92708
Phone: (714) 673-0241
Email: dpark@ocwd.com

RE: Assignment Agreement – Appraisal Services
Santa Ana River Well 10 Lease Site
Fountain Valley, California 92708
APN: 144-531-36

Dear Mr. Park:

We are pleased to submit this proposal and our Terms and Conditions for this assignment. This writing expresses our interest and availability for the completion of appraisal services concerning the Santa Ana River Well 10 Lease Site as referenced above. The subject property is comprised of a single parcel totaling approximately 13,336 square feet and is currently improved with a well referred to as the Mid-Basin Injection Well. It is located at the northwest corner of Edinger Avenue and the Santa Ana River within the City of Fountain Valley. It is currently owned by the Orange County Flood Control District (OCFCD) and is zoned R-1 and bounded single-family residential uses of the north and west sides.

We understand that you are seeking appraisal services for the subject property.

PROPOSAL SPECIFICATIONS

Purpose/Use: The purpose of the appraisal is to form opinions of the market value of the fee simple estate, “as if vacant,” and the market rent of the leased premises in association with the ground rent reset provision, which states that the ground rent will be determined by applying a 10% return to the underlying fee value. The date of value will be June 18, 2024, as per the existing lease. The appraisal will be used for rent renegotiation purposes.

Premise: Fee simple estate, “as if vacant,” of the larger parcel that the leased premises, namely the Mi-Basin Injection Well, is a part of. In turn, the fee simple value estimate will be used to develop an estimate of the market rent of the leased premises in association with a ground rent

reset provision that specifies annual rent will be reset to 10% of the "appraised value."

Intended User:

The client is the Orange County Water District (OCWD), and the intended users are OCFCD, Orange County CEO Real Estate, and such other parties and entities (if any) expressly recognized by CBRE as intended users (each an "Intended User" and collectively the "Intended Users") provided that any Intended User's use of, and reliance upon, any report produced by CBRE under this Agreement shall be subject to the Terms and Conditions attached hereto and incorporated herein (including, without limitation, any limitations of liability set forth in the attached Terms and Conditions).

Reliance:

Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof, whether as a result of its direct dissemination or by any other means, may not use or rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents, or have any liability in connection therewith.

Unless otherwise expressly identified in this Agreement, there are no third-party beneficiaries of this Agreement pertaining to this appraisal assignment or any reports produced by CBRE under this Agreement, and no other person or entity shall have any right, benefit or interest under this Agreement or with respect to any reports produced by CBRE under this Agreement.

Scope of Services:

Upon receiving authorization to proceed, we will review lease, including Section B of the ground lease. We would notify the property owner of our intent to appraise the property and to offer an opportunity to accompany us when we inspect the property. We would then complete a thorough inspection of the subject property and review available information about its history. We would conduct an independent investigation of market factors, including investigations into comparable land sales that would be relevant in the valuation of the underlying land. We would analyze this data and develop an opinion of the market value of the underlying land associated with the larger parcel. As instructed by the lease, we will then determine the market rent of the property by applying a 10% return to the underlying land value to determine the adjusted rent.

Based on our preliminary review of the existing lease, our date of value will be June 18, 2024 (a prospective date of value) which corresponds to the rent reset date in the lease.

	Upon completion of our analysis, we would prepare an appraisal report in full compliance with the <i>Uniform Standards of Professional Appraisal Practice</i> (USPAP), and with Section 7B of the ground lease.
Report Type:	Appraisal Report.
Appraisal Standards:	USPAP and with Section 7B of the ground lease.
Appraisal Fee and Timing:	For our services as described above, our fee and timing is proposed at \$4,700 and 3-4 weeks from receipt of notice to proceed. If cancelled by either party before completion, the fee will be based on our hourly rates in accordance with our on-call contract with the County of Orange for the time expended, plus actual expenses. Payment is due within 30 days of completion of services.
Expenses:	Fee includes all associated expenses except to the extent otherwise provided in the attached Terms and Conditions.
Retainer:	A retainer is not required for this assignment.
Supplemental Services:	Additional services requested for consultation, special studies, negotiations, preparation or appearance for testimony, and similar services will be provided upon request and will be billed additionally at the hourly rates in our on-call contract with the County.
Appraisal Requirements:	The appraisal reports will be prepared in accordance with USPAP and will clearly delineate the scope of work, the limiting conditions and any extraordinary assumptions and/or hypothetical conditions. Additionally, the appraisal will be prepared in compliance with Section 7B of the ground lease. Our draft pdf version of the report formatted under USPAP Standard Rule 2-2(a) will be sent to Mr. Park at the email address shown below. We understand that OCWD and OCFCD will review the draft appraisal report. Upon acceptance of the draft report, we will email one final pdf version of the report to Mr. Park at the email address at dpark@ocwd.com
Start Date:	The appraisal process will start upon receipt of your signed agreement.
Acceptance Date:	These specifications are subject to modification if this proposal is not accepted within 10 business days from the date of this letter.

When executed and delivered by all parties, this letter, together with the Terms and Conditions attached hereto and incorporated herein, will serve as the Agreement for appraisal services by and between CBRE and Client. Each person signing below represents that it is authorized to enter into this Agreement and to bind the respective parties, including all intended users, hereto.

We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.

Sincerely,

CBRE, Inc.
Valuation & Advisory Services



Beth B. Finestone, MAI, AI-GRS, FRICS, CRE
Executive Vice President
As Agent for CBRE, Inc.
T 818-251-3669
Beth.Finestone@cbre.com

Enclosures: Terms and Conditions
Professional Qualifications of Beth B. Finestone, MAI, AI-GRS, FRICS, CRE

AGREED AND ACCEPTED

FOR THE ORANGE COUNTY WATER DISTRICT ("CLIENT"):

_____ Signature	_____ Date
_____ Name	_____ Title
_____ Phone Number	_____ E-Mail Address

TERMS AND CONDITIONS

1. The Terms and Conditions herein are part of an assignment agreement (the "Agreement") for appraisal services ("Services") between CBRE, Inc. ("CBRE") and the client signing this Agreement and for whom the Services will be performed (the "Client") for the property identified herein (the "Property") and shall be deemed a part of such Agreement as though fully set forth therein. In addition, with respect to any appraisal report prepared by CBRE pursuant to the Agreement (the "Report"), any use of, or reliance on, the Report by any Intended User constitutes acceptance of these Terms and Conditions as well as acceptance of all qualifying statements, limiting conditions, and assumptions stated in the Report. The Agreement shall be governed and construed by the laws of the state where the CBRE office executing this Agreement is located without regard to conflicts of laws principles.
2. Client shall be responsible for the payment of all fees stipulated in this Agreement. Payment of the fees and preparation of the Report are not contingent upon any predetermined value or on any action or event resulting from the analyses, opinions, conclusions, or use of the Report. Final payment is due as provided in the Proposal Specifications Section of this Agreement. If a draft Report is requested, the fee is considered earned upon delivery of the draft Report. It is understood that the Client may cancel this assignment in writing at any time prior to delivery of the completed Report. In such event, the Client is obligated to pay CBRE for the time and expenses incurred (including, but not limited to, travel expenses to and from the job site) prior to the effective date of cancellation, with a minimum charge of \$500. Hard copies of the Reports are available at a cost of \$250 per original color copy and \$100 per photocopy (black and white), plus shipping fees of \$30 per Report.
3. If CBRE is subpoenaed or ordered to give testimony, produce documents or information, or otherwise required or requested by Client or a third party to participate in meetings, phone calls and conferences (except routine meetings, phone calls and conferences with the Client for the sole purpose of preparing the Report), litigation, or other legal proceedings (including preparation for such proceedings) because of, connected with or in any way pertaining to this assignment, the Report, CBRE's expertise, or the Property, Client shall pay CBRE's additional out-of-pocket costs and expenses, including but not limited to CBRE's reasonable attorneys' fees, and additional time incurred by CBRE based on CBRE's then-prevailing hourly rates and related fees. Such charges include and pertain to, but are not limited to, time spent in preparing for and providing court room testimony, depositions, travel time, mileage and related travel expenses, waiting time, document review and production, and preparation time (excluding preparation of the Report), meeting participation, and CBRE's other related commitment of time and expertise. Hourly charges and other fees for such participation will be provided upon request. In the event Client requests additional Services beyond the scope and purpose stated in the Agreement, Client agrees to pay additional fees for such services and to reimburse related expenses, whether or not the completed Report has been delivered to Client at the time of such request.
4. CBRE shall have the right to terminate this Agreement at any time for cause effective immediately upon written notice to Client on the occurrence of fraud or the willful misconduct of Client, its employees or agents, or without cause upon 5 days written notice.
5. In the event Client fails to make payments when due then, from the date due until paid, the amount due and payable shall bear interest at the maximum rate permitted in the state where the CBRE office executing this Agreement is located. EACH PARTY, AFTER HAVING THE OPPORTUNITY TO CONSULT WITH COUNSEL OF ITS CHOICE, KNOWINGLY AND VOLUNTARILY, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION IN ANY WAY RELATED TO THIS AGREEMENT.
6. CBRE assumes there are no major or significant items or issues affecting the Property that would require the expertise of a professional building contractor, engineer, or environmental consultant for CBRE to prepare a valid Report hereunder. Client acknowledges that such additional expertise is not covered in the fee and agrees that, if such additional expertise is required, it shall be provided by others at the discretion and direction of the Client, and solely at Client's additional cost and expense.
7. Client acknowledges that CBRE is being retained hereunder as an independent contractor to perform the Services described herein and nothing in this Agreement shall be deemed to create any other relationship between Client and CBRE. Unless otherwise stated in this Agreement, Client shall not designate or disclose CBRE or any of its agents or employees as an expert or opinion witness in any court, arbitration, or other legal proceedings without the prior written consent of CBRE.
8. This assignment shall be deemed concluded and the Services hereunder completed upon delivery to Client of the Report discussed herein.

9. All statements of fact in the Report which are used as the basis of CBRE's analyses, opinions, and conclusions will be true and correct to CBRE's actual knowledge and belief. CBRE does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the condition of the Property furnished to CBRE by Client or others. TO THE FULLEST EXTENT PERMITTED BY LAW, CBRE DISCLAIMS ANY GUARANTEE OR WARRANTY AS TO THE OPINIONS AND CONCLUSIONS PRESENTED ORALLY OR IN ANY REPORT, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE EVEN IF KNOWN TO CBRE. Furthermore, the conclusions and any permitted reliance on and use of the Report shall be subject to the assumptions, limitations, and qualifying statements contained in the Report.
10. CBRE shall have no responsibility for legal matters, including zoning, or questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The Report will not constitute a survey of the Property analyzed.
11. Client shall provide CBRE with such materials with respect to the assignment as are requested by CBRE and in the possession or under the control of Client. Client shall provide CBRE with sufficient access to the Property to be analyzed, and hereby grants permission for entry unless discussed in advance to the contrary.
12. The data gathered in the course of the assignment (except data furnished by Client, "Client Information") and the Report prepared pursuant to the Agreement are, and will remain, the property of CBRE. With respect to Client Information provided by Client, CBRE shall not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential and proprietary Client Information furnished to CBRE. Notwithstanding the foregoing to the contrary, CBRE is authorized by Client to disclose all or any portion of the Report and related data as may be required by applicable law, statute, government regulation, legal process, or judicial decree, including to appropriate representatives of the Appraisal Institute if such disclosure is required to enable CBRE or its employees and agents to comply with the Bylaws and Regulations of the Appraisal Institute as now or hereafter in effect.
13. Unless specifically noted, in preparing the Report CBRE will not be considering the possible existence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (collectively, "Hazardous Materials") on or affecting the Property, or the cost of encapsulation or removal thereof. Further, Client represents that there are no major or significant repairs, improvements or deferred maintenance of the Property that would require the expertise of a professional cost estimator, engineer, architect or contractor. If any such repairs, improvements or maintenance are needed, the estimates for such repairs, improvements or maintenance are to be prepared by other parties pursuant to a separate written agreement in Client's sole discretion and direction, and are not deemed part of the Services or otherwise covered as part of the fee hereunder.
14. In the event Client intends to use the Report in connection with a tax matter, Client acknowledges that CBRE provides no warranty, representation or prediction as to the outcome of such tax matter. Client understands and acknowledges that any relevant taxing authority (whether the Internal Revenue Service or any other federal, state or local taxing authority) may disagree with or reject the Report or otherwise disagree with Client's tax position, and further understands and acknowledges that the taxing authority may seek to collect additional taxes, interest, penalties or fees from Client beyond what may be suggested by the Report. Client agrees that CBRE shall have no responsibility or liability to Client or any other party for any such taxes, interest, penalties or fees and that Client will not seek damages or other compensation from CBRE relating to any such taxes, interest, penalties or fees imposed on Client, or for any attorneys' fees, costs or other expenses relating to Client's tax matters.
15. LIMITATION OF LIABILITY. NOTWITHSTANDING ANY PROVISION OF THIS AGREEMENT TO THE CONTRARY:
- (A) EXCEPT TO THE EXTENT ARISING FROM SECTION 16, OR SECTION 17 IF APPLICABLE, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR CONTRACTORS BE LIABLE TO THE OTHER PARTY, FOR ANY LOST OR PROSPECTIVE PROFITS OR ANY OTHER INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT OR OTHER EXEMPLARY LOSSES OR DAMAGES, WHETHER BASED IN CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT OR OTHERWISE, REGARDLESS OF THE FORESEEABILITY OR THE CAUSE THEREOF.
- (B) EXCEPT TO THE EXTENT ARISING FROM SECTION 16, OR SECTION 17 IF APPLICABLE, AGGREGATE DAMAGES IN CONNECTION WITH THIS AGREEMENT FOR EITHER PARTY (EXCLUDING THE OBLIGATION TO PAY THE FEES AND COSTS REQUIRED HEREUNDER) SHALL NOT EXCEED THE GREATER OF THE TOTAL FEES PAYABLE TO CBRE UNDER THIS AGREEMENT OR TEN THOUSAND DOLLARS (\$10,000).
- (C) CBRE SHALL HAVE NO LIABILITY WITH RESPECT TO ANY LOSS, DAMAGE, CLAIM OR EXPENSE INCURRED BY OR ASSERTED AGAINST CLIENT ARISING OUT OF, BASED UPON OR RESULTING FROM CLIENT'S OR ANY INTENDED USER'S FAILURE TO PROVIDE ACCURATE OR COMPLETE INFORMATION OR DOCUMENTATION

PERTAINING TO ANY SERVICES OR REPORT ORDERED UNDER OR IN CONNECTION WITH THIS AGREEMENT, INCLUDING CLIENT'S OR ANY INTENDED USER'S FAILURE, OR THE FAILURE OF ANY OF CLIENT'S OR ANY INTENDER USER'S RESPECTIVE OFFICERS, DIRECTORS, MEMBERS, PRINCIPALS, AGENTS OR EMPLOYEES, TO PROVIDE A COMPLETE AND ACCURATE COPY OF THE REPORT TO ANY THIRD PARTY. CBRE SHALL HAVE NO LIABILITY WHATSOEVER FOR REPORTS OR DELIVERABLES THAT ARE SUBMITTED IN DRAFT FORM.

(D) THE LIMITATIONS OF LIABILITY IN SUBSECTIONS 15(A) AND 15(B) ABOVE SHALL NOT APPLY IN THE EVENT OF A FINAL FINDING BY A COURT OF COMPETENT JURISDICTION THAT SUCH LIABILITY IS THE RESULT OF A PARTY'S FRAUD OR WILLFUL MISCONDUCT.

16. (a) Client shall not disseminate, distribute, make available or otherwise provide any Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Report, in whole or in part, in any offering, including, but not limited to any offering of the Property or any securities offering as defined by applicable law, or other material intended for review by other third parties) except (i) to any third party (a) identified in the Agreement as an Intended User subject to the terms and conditions of this Agreement or (b) otherwise expressly acknowledged in a separate writing executed by CBRE, such third party and Client, setting forth that such third party is an "Intended User" of the Report and providing CBRE with an acceptable release from such third party with respect to such Report or wherein Client provides acceptable indemnity protections to CBRE against any claims resulting directly from the distribution of the Report to such third party; (ii) to any third party service provider (including accountants, attorneys, rating agencies and auditors) using the Report in the course of providing Services for the sole benefit of an Intended User and limited to the Intended Use of the Report as defined in this Agreement, or (iii) to the extent required by applicable law, statute, government regulation, legal process, or judicial decree.
- (b) In the event CBRE consents, in writing, to Client incorporating or referencing the Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such other materials available to any such parties unless and until Client has provided CBRE with complete copies of such offering or other materials and CBRE has approved the inclusion of the Report, or reference to the Report and/or CBRE, in such offering and other materials in writing. Further, CBRE's consent to such inclusion of the Report, or reference to the Report and/or CBRE, in any securities offering is subject to (i) CBRE's and CBRE's securities counsel's review and approval, in writing, of any inclusion of the Report, or reference to the Report and/or CBRE, in such securities offering; (ii) Client shall not modify the Report, any such inclusion of or reference to the Report and/or CBRE in such securities offering once approved by CBRE and its securities counsel in writing; and (iii) Client shall reimburse CBRE for its out-of-pocket costs and expenses, including attorneys' fees, arising from legal review of such securities offering and related materials on CBRE's behalf.
- (c) In the absence of satisfying the conditions of this Section 16 with respect to any party who is not designated as an Intended User, in no event shall the receipt of a Report by such party extend any right to the party to use and rely on such Report, and CBRE shall have no liability for such unauthorized use and reliance on any Report.
- (d) In the event Client breaches the provisions of this Section 16, Client shall indemnify, defend and hold CBRE and its affiliates and their officers, directors, employees, contractors, agents and other representatives (CBRE and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the Report.
17. In the event Client incorporates or references the Report, in whole or in part, in any offering, including, but not limited to any offering of the Property or any securities offering as defined by applicable law, or other material intended for review by other parties, Client shall indemnify, defend and hold each of the Indemnified Parties harmless from and against any Damages in connection with (i) any transaction contemplated by this Agreement or in connection with the Report or the engagement of or performance of Services by any Indemnified Party hereunder, (ii) any Damages claimed by any user or recipient of the Report, whether or not an Intended User, (iii) any actual or alleged untrue statement of a material fact, or the actual or alleged failure to state a material fact necessary to make a statement not misleading in light of the circumstances under which it was made with respect to all information furnished to any Indemnified Party or made available to a prospective party to a transaction, or (iv) an actual or alleged violation of applicable law by an Intended User (including, without limitation, securities laws) or the negligent or intentional acts or omissions of an Intended User (including the failure to perform any duty imposed by law); and will reimburse each Indemnified Party for all reasonable fees and expenses (including fees and expenses of counsel) (collectively, "Expenses") as incurred in connection with investigating, preparing, pursuing or defending any threatened or pending claim, action, proceeding or investigation (collectively, "Proceedings") arising therefrom, and

regardless of whether such Indemnified Party is a formal party to such Proceeding. Client agrees not to enter into any waiver, release or settlement of any Proceeding (whether or not any Indemnified Party is a formal party to such Proceeding) without the prior written consent of CBRE (which consent will not be unreasonably withheld or delayed) unless such waiver, release or settlement includes an unconditional release of each Indemnified Party from all liability arising out of such Proceeding.

18. Time Period for Legal Action. Unless the time period is shorter under applicable law, except in connection with Section 16 and Section 17, CBRE and Client agree that any legal action or lawsuit by one party against the other party or its affiliates, officers, directors, employees, contractors, agents, or other representatives, whether based in contract, warranty, indemnity, negligence, strict liability or other tort or otherwise, relating to (a) this Agreement, (b) any Services or Reports under this Agreement or (c) any acts or conduct relating to such Services or Reports, shall be filed within two (2) years from the date of delivery to Client of the Report to which the claims or causes of action in the legal action or lawsuit relate. The time period stated in this section shall not be extended by any incapacity of a party or any delay in the discovery or accrual of the underlying claims, causes of action or damages.

19. Miscellaneous.

- (a) This Agreement contains the entire agreement and understanding of the parties with respect to the subject matter hereof. This Agreement may not be amended, modified or discharged, nor may any of its terms be waived except by written agreement of both parties. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. A signed copy of this Agreement transmitted by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.
- (b) Neither party shall assign this Agreement in whole or in part (other than by operation of law) to any person or entity without the prior written consent of the other party. Subject to the foregoing, this Agreement and all of its provisions shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns.
- (c) No consent or waiver, either expressed or implied, by a party to or of any breach or default, shall be construed to be a consent or waiver to or of any other breach or default in the performance of any obligations hereunder. Failure of a party to complain or declare the other party in default shall not constitute a waiver by such party of rights and remedies hereunder.
- (d) Except as hereinafter provided, no delay or failure in performance by a party shall constitute a default hereunder to the extent caused by Force Majeure. Unless the Force Majeure substantially frustrates performance of the Services, Force Majeure shall not operate to excuse, but only to delay, performance of the Services. If Services are delayed by reason of Force Majeure, CBRE promptly shall notify Client. Once the Force Majeure event ceases, CBRE shall resume performance of the Services as soon as possible. As used herein, "Force Majeure" means any event beyond the control of the Party claiming inability to perform its obligations and which such Party is unable to prevent by the exercise of reasonable diligence, including, without limitation, the combined action of workers, fire, acts of terrorism, catastrophes, changes in laws, condemnation of property, governmental actions or delays, national emergency, war, civil disturbance, floods, unusually severe weather conditions, endemic or pandemic, or other acts of God. Inability to pay or financial hardship shall not constitute Force Majeure regardless of the cause thereof and whether the reason is outside a party's control.
- (e) Any provision of this Agreement that, by its language, contemplates performance or observation subsequent to any termination or expiration of this Agreement shall survive such termination or expiration and shall continue in full force and effect.
- (f) If any provision of this Agreement, or application thereof to any person or circumstance, shall to any extent be invalid, then such provision shall be modified, if possible, to fulfill the intent of the parties reflected in the original provision. The remainder of this Agreement, or the application of such provision to person or circumstance other than those as to which it is held invalid, shall not be affected thereby, and each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.



VALUATION & ADVISORY SERVICES

Beth B. Finestone, MAI, AI-GRS, FRICS, CRE

Executive Vice President
Los Angeles, CA
T +1 818 290 5455
E Beth.Finestone@CBRE.com

Professional Experience

Beth B. Finestone, MAI, AI-GRS, FRICS, CRE, is an Executive Vice President for CBRE's Valuation & Advisory Services (VAS). She has been appraising in Southern California since 1981, specializing in valuation and consulting services related to public agency and right-of-way clients and for major investment-grade commercial properties and special purpose properties. She also has extensive expertise in valuing large tracts of land for conservation, mitigation and other purposes.

Ms. Finestone's clients include public agencies, right-of-way firms, lenders, institutional investors, major corporations, law firms, and individual property owners. Her services include a wide range of specialized studies including ground lease rent studies, partial interest acquisitions, value diminution (from both internal and external influences), market demand, feasibility, severance damages and project benefits, investment analysis, assessment allocation, reuse analysis, and the valuation of partial interests including leasehold, leased fee, possessory interests, and minority interests.

She is experienced in valuing full and partial acquisitions related to eminent domain actions. These services include the valuation of fee acquisitions, permanent and temporary easements, including the appraisal of railroad and other types of corridors, pipeline easements and transmission line easements.

She has been a featured speaker at Appraisal Institute, International Right of Way, and legal functions. She was the 2019 President of the Southern California Chapter of the Appraisal Institute, the largest chapter in the country.

Beth was previously a Managing Director for and a principal of Integra Realty Resources – Los Angeles. In addition, she was the Executive Director of Integra Realty Resources – Orange County. During her career, she has held senior positions with Finestone & Associates and Cushman & Wakefield.

Professional Affiliations / Accreditations

- Member: Appraisal Institute
- Designation: Appraisal Institute – General Review Specialist (AI-GRS)
- Fellow: Royal Institution of Chartered Surveyors
- Member: The Counselors of Real Estate
- Member: International Right of Way Association
- License: California State Certified General Real Estate Appraiser
- Certified: Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book)

Education

- M.B.A., Pepperdine University
- B.S., Kinesiology, University of California, Los Angeles
- Certified by the Appraisal Institute's program of continuing education for its designated members.

Recognition

- Los Angeles Business Journal 2009 Nominee for Executive of the Year – Women Making a Difference, May 2009
- Designated one of Real Estate Southern California’s 2006 Women of Influence, October 2006

Seminar Presentations

- *Corridors, Crops & Condemnation* (IRWA National Conference in San Diego, June 2015)
- *Eminent Domain Appraisals: Pitfalls & Value-Added Services* (RICS – Southern California Chapter, CPD Presentation, April 16, 2015)
- Government Buildings (Appraisal Institute, Special Purposes Seminar, July 15, 2014)
- *The Trouble with Ignoring Building Code Violators* (SCCAI 43rd Annual Litigation Seminar, Moderator, November 15, 2013)
- *Conflicting Mandates & Instructions Between USPAP, Yellow Book, & Caltrans Appraisal Guidelines* (IRWA Annual Valuation Seminar, April 24, 2012)
- *Current Issues in Real Estate Appraisal* (Lorman Education Services, live audio conference, March 8, 2012)
- *The Role of the Appraiser in Construction Defect Litigation: Measuring Damages from Construction Defects* (MCLE-approved presentation, January 11, 2012, March 4, 2010, and February 10, 2010)

Expert Testimony

Ms. Finestone has qualified as an expert witness in real estate matters and has testified before:

- Superior Courts: Los Angeles and Orange Counties
- Arbitration Hearings: Los Angeles County
- Tax Appeal Boards: Los Angeles and San Diego Counties

Representative Appraisal Assignments

- Appraisal of 50+ single-family residences (SFRs) impacted by the I-405 Widening Project in Costa Mesa. The acquisitions all involve temporary construction easements (TCEs). This assignment required an analysis of temporary severance damages due to impacts to rear yards as well as a valuation of all site improvements in the TCE areas. Appraisal of 50+ commercial properties impacted by various types of partial acquisitions related to the I-405. Some of the appraisals were extremely complex with significant severance damage studies required.
- Multiple appraisal assignments for LACMTA included:
 - Appraisal of a 1.25-acre parcel improved with a Class A, 12-story, medical office building constructed circa 1962, an adjacent one-story bank building and an attached four-story parking structure known as the Westwood Medical Plaza. It is located along the proposed Purple Line Subway Extension Project Corridor, specifically on the northeast corner of Wilshire Boulevard and Westwood Boulevard in the Westwood neighborhood within the City of Los Angeles. As part of this project, LACMTA is seeking acquire various permanent and temporary property interests, and to relocate existing tenants within the subject property. The purpose of this appraisal was to estimate the fair market value of the property interests (Parts Taken) to be acquired from the Larger Parcel and to make a determination as to the impact of the proposed acquisitions on the Remainder Parcel.
 - Appraisal of Wilshire Federal Building: Appraisal of a deep tunnel easement on the Wilshire frontage of the Federal Building as part of LACMTA’s Purple Line extension. Consideration was given to the redevelopment potential of the site and the benefits to the remainder, as well as to the value of the parts taken.
 - Appraisal involving the valuation of partial acquisitions impacting the Westfield Mall in Century City as part of LACMTA’s Purple Line extension. This assignment was challenging with respect to valuing the underlying land associated with the larger parcel. The property is unique due to its location and its size. Complexities involved determining the number of trips allocated to the site as this in part drives land value. Again, consideration was given to damages and benefits, as well as to the value of the parts taken.

- Appraisal of numerous surface and subsurface acquisitions were required on the Veteran's Administration property for the construction of a subway station and tunnel easements for LACMTA's Purple Line. Significant research was required relative to the VA specific plan and the highest and best use of the property. Consideration was given to damages and project benefits as well as the value of the parts acquired.
- Appraisal of 50± miles of pipeline easement running through UPRR and BNSF rail corridors in Urban Los Angeles.
- Multiple appraisal assignments for RCTC included:
 - Appraisal of parcels under more than 50 separate ownerships affected by acquisitions and easements for the SR-91 Corridor Improvement Project through the City of Corona. The complete summary appraisal reports and appraisal summary statements included a valuation of the properties in the before and after condition. Some of the properties had significant severance damage analyses due to loss of building improvements, parking, loading, etc.
 - City of Riverside 69 kV Electrical Transmission Line Project: Initially valued 22 residential and commercial properties in the City of Riverside. These properties all had a three-foot-wide partial taking along their frontage to accommodate the construction of a 69 kV transmission line. This represented Phase One of this assignment. Phase Two involved the partial taking of land over seven properties owned by UCR for the construction of a transmission line. The final phase involved approximately 100 properties of various types which were impacted by partial acquisitions for the construction of a transmission line. The final phase involved approximately 90 properties of various types which will be impacted by partial takes for the construction of a transmission line.
- Appraisal of in excess of 75 private properties on behalf of CHSRA. The property types included agricultural, commercial and residential. Most of the appraisals involved partial acquisitions. In addition, Ms. Finestone completed the appraisal of over 50 railroad corridor properties in conjunction with the high-speed rail project.
- Appraisal of the Del Mar Fairgrounds, Racetrack, and Horsepark (450 acres of land and over 1,000,000 square feet in improvements) for the California Department of General Services.
- Completed an appraisal of a property that represents one of the largest parcels of undeveloped and unprotected coastal property in Southern California (Banning Ranch). Much of the site had been occupied by oil operations since the 1940's. The appraisal of this property was very complex in that the highest and best use of the property was not clear at the onset of the assignment. This property consists of degraded wetlands, open space, and a small area with the potential for residential development. The goal of this project was to prepare an appraisal for acquisition purposes such that the buyer and seller could agree on a purchase price and put the property under contract.
- West Coyote Hills: Appraised Neighborhoods 1 and 3 of Vested Tentative Tract Map (VTTM) 17609. This is commonly referred to as Neighborhoods 1 and 3 of the West Coyotes Hills Property. Neighborhood 1 consists of 10.4± acres and was proposed for development with 16 residential units. Neighborhood 3 is 13.7± acres and was proposed for development with 59 residential units. Neighborhoods 1 and 3 were valued separately. The intended users of the report were the California State Coastal Conservancy, City of Fullerton, Wildlife Conservation Board, Rivers and Mountains Conservancy, California Department of Parks and Recreation, California Natural Resources Agency, and the US Fish and Wildlife Service. This report was prepared to Federal Standards in conformance with Yellow Book guidelines and the acquisition was made based on our appraisal.
- Appraisal in Fresno County for the State Department of Water Resources, which included 22 permanent flowage easements and three partial fee acquisitions. Some of the proposed flowage easements overlapped existing road and utility easements which had to be considered. Due to the nature of the flowage easements, substantial severance damages accrued to the remainder parcels which had to be considered. This assignment also included the consideration of orchard and crop values.
- Multiple appraisal assignments for the U.S. Department of the Interior, Appraisal and Valuation Services Office (AVSO) prepared to Federal Standards in accordance with Yellow Book guidelines. These were for acquisition purposes related to the San Joaquin River Restoration Project and for the acquisition land to be acquired for National Wilderness areas.

AGENDA ITEM SUBMITTAL

Meeting Date: April 26, 2024

To: Property Management Committee
Board of Directors

From: John Kennedy

Staff Contact: B. Dosier/D. Park

Budgeted: N/A

Budgeted Amount: N/A

Estimated Revenue: \$12,500/year

Funding Source: N/A

Program/ Line Item No. N/A

General Counsel Approval: N/A

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

Subject: CORONA RECREATION, INC. REQUEST TO EXPAND RADIO CONTROL ELECTRIC CAR TRACK AT WARNER BASIN

SUMMARY

On February 3, 2021, the District authorized Corona Recreation to construct and operate a radio control electric car dirt track (RC Track) on the Leased Premises, adjacent to the children's catch-out pond at the front entrance on La Palma Avenue. Corona Recreation has requested the RC Track be expanded to include a removable asphalt track on the empty grass area adjacent to the existing RC Track.

Attachments:

- RC Asphalt Track Proposal
- Amendment Ten to Lease

RECOMMENDATION

Agendize for May 15 Board meeting: Approve and authorize execution of Amendment Ten to Lease with Corona Recreation to expand the RC Track to include a removable asphalt track.

BACKGROUND/ANALYSIS

On September 20, 2006, the District entered into a Lease with Corona Recreation, for operating a fishing concession, including food services facilities, boat and motor rentals, sale of bait and tackle and overnight camping for fishing. The Lease expires on September 30, 2026.

On February 3, 2021, the District authorizes Lessee to construct and operate an RC Track on the Leased Premises, adjacent to the children's catch-out pond at the front entrance on La Palma Avenue. The RC Track had total annual revenue of \$72,387 in 2022, \$92,911 in 2023, and \$17,177 in the three months ending March 31, 2024. The Lessee pays the District 5% of gross revenue as rent, which includes the RC Track admission sales.

Mr. Douglas Elliott, President of Corona Recreation, informed staff that the RC Track "is a huge success and has become a very popular attraction for the local community and their families to enjoy". Recently, Mr. Elliott was informed that Cal Raceway, a local on-road asphalt track facility utilized for RC racing, would be closing after 28 years in business. Mr.

Elliott believes there is an opportunity to expand Corona Recreation's current RC Track business by offering an on-road RC Track option consisting of a 7,700 square foot removable asphalt track on the empty grass area adjacent to the existing RC Track. Further, Mr. Elliott estimates the two track venues combined will bring in a total annual gross income of \$250,000, of which the District will receive 5%.

Mr. Elliott estimates a total investment cost of \$125,450, which includes materials, construction labor, lighting, timing sensors, computer software, cameras, driver's platform, two storage Tuff Sheds, tents for the pit area, and tables/chairs for the pit area.



Staff has no objection to Mr. Elliott's request and recommends an amendment to the Lease to expand the RC Track to include the proposed removable asphalt track.

PRIOR RELEVANT BOARD ACTION(S)

11/15/23, R23-113, Authorize rent credit not to exceed \$27,900 as reimbursement for emergency branch removal and additional tree trimming services retained by Corona Recreation.

2/16/22, R22-2-14, Approve Rent Credit to Corona Recreation, Inc. for tree trimming at Warner Basin not to exceed \$19,000 as reimbursement for tree trimming services retained by Corona Recreation;

9/15/21, R21-9-136, Authorizing Amendment Nine to Lease Agreement with Corona Recreation, Inc. to extend the term of the Lease for an additional five years;

2/3/2021 R21-2-14, Approving Amendment Eight to Lease Agreement with Corona Recreation, Inc. to include operation of a radio control electric car dirt track at Warner Basin;

2/3/2021 R21-2-12, Approving Consent to Sublease to Asplundh, Inc., and Amendment to Lease to revise Alternate Premises at Anaheim Lake to include additional land for sublease to Asplundh and including the sublease use as a Use of Premises;

8/5/2020, R20-8-99, Approving rent credit to Corona Recreation, Inc. for tree trimming at Warner Basin.

10/3/18, R18-10-133, Approve Amendment Seven to Lease with Corona Recreation revising Premises to exclude the additional land for parking spaces, removing the sublease for parking as a Use of Premises and eliminating the La Palma Parking Lot Rent;

10/4/17, R17-10-125, Approve Amendment Six to Lease with Corona Recreation consenting to Amendment One of Parking Agreement with D.G. Performance Specialties, Inc. reducing parking spaces from 14 to 7 spaces and reducing the parking premises from 14 to 7 spaces;

7/20/16, R16-7-95, Consent to Second Amendment to Parking Sublease with Manheim Auctions, Inc. at Anaheim Lake on Wednesdays only at a rental rate of \$1,100 for each day of parking, with 50% of the rent to be paid to OCWD;

2/3/16, R16-2-12, Approving Amendment Five to Lease with Corona Recreation to exclude the sale of goods sold at Lessee's cost to Lessee's employees from Gross Receipts

5/20/15, R15-5-58 Approved Amendment Four to Lease with Corona Recreation for consent to Parking Sublease that amends the Lease Premises to include an additional area for the parking of 14 vehicles at Warner Basin by Sublessee D. G. Performance Specialties, Inc.

10/1/14, R14-10-130 Approve Amendment Three to Lease Agreement with Corona Recreation, Inc. for operations at Warner Basin and Anaheim Lake to revise monthly rent to \$6,200 or 5% of Gross Receipts, whichever is greater.

9/3/14, R14-9-00, Direct staff to negotiate a revised lease with Corona Recreation, Inc.

6/4/14, R14-6-77, Approve Amendment Two to Lease to Corona Recreation Inc. for Parking Lot Sublease with Manheim Auctions Inc. at Anaheim Lake to increase days of parking from Wednesday only to Tuesday, Wednesday, and Thursday of each week.

4/17/13, R13-4-42, Approve Amendment to Lease with Corona Recreation providing for a reduction of the rent to 5% of the gross revenues for the fishing concession through September 2014.

9/5/12, R12-9-107, Approve Consent to Parking Lease with Corona Recreation and Manheim Auctions Incorporated for rental of parking lot at Anaheim Lake.

1/16/08, R08-1-20, Approve Amendment One to Lease and consent to Parking Sublease with Corona Recreation, Inc. for sublease of existing and additional parking areas at Anaheim Lake (*Note: Lessee opted out of Amendment*).

9/20/06, R06-09-123, Approve lease to operate a fishing concession at Warner Basin and Anaheim Lake; approving lease of house at Anaheim Lake; and consent to parking lot sublease with California Automobile Dealers Association at Anaheim Lake.

4/6/05, R05-4-38, Approve Amendment Eight to reduce rent to \$2,500 per month for five consecutive month period when Lessee relocates fishing operation to Anaheim Lake due to District operations.

8/4/04, R04-8-101, Approve Amendment Seven to allow night fishing on Thursday, Friday, Saturday, and holidays that falls on Monday from 5:00 p.m. to 4:00 p.m. the flowing day.

5/19/04, R04-5-59, Approve and Authorize Amendment Six to Lease to Refurbish and Maintain the Concession Buildings at Lessee's Cost and Expense.

2/4/04, R04-2-18, Approve Consent to Parking Lease with Corona Recreation and CADE for rental of parking lot at Anaheim Lake.

1/17/01, R01-1-12, Approve and Authorize execution of Amendment No. 5 consenting to rental by Lessee of existing Miraloma Avenue parking lot on an occasional basis and not to exceed a three-month period, at a rental rate of 50 percent of all rent received by Lessee.

4/19/01, R01-1-11, Authorizing Execution of Amendment Four to Lease with Corona Recreation, Inc. consenting to a sublease with Gourmet Catering Enterprises LLC at a rental rate of 20 percent of all rent received by Corona Recreation.

4/19/00, R2000-4-53, Approve and authorize Amendment Three to provide a rent credit of \$22,153 and reinstatement of a prior rent credit of \$10,000 for construction of a new restroom, electrical work, and improvements to the catch-out pond.

3/18/98, R98-3-51A, Approving and authorizing Execution of Amendment Two to Lease for Warner Basin Fishing Concession to Provide a \$10,000 Rent Credit to Corona Recreation, Inc. for Construction of a Restroom.

1/21/98, R98-1-16, Approving and authorizing Execution of Assignment and Assumption of Lease Agreement and Consent to Assignment of Lease Agreement for Warner Basin Complex and Anaheim Lake Fishing Concession;

10/29/96, R96-11-181, Approved Amendment One to Outdoor Safaris Lease at Anaheim Lake/Warner Basin for Catch-Out Pond.

6/19/96, R96-6-107, Approved 10-Year Lease with Outdoor Safaris for fishing Concession at Warner Basin and Anaheim Lake.

LOCATION MAP



Huckleberry Kids RC Venue Santa Ana River Lakes

Request to Expand Remote Control Race Track

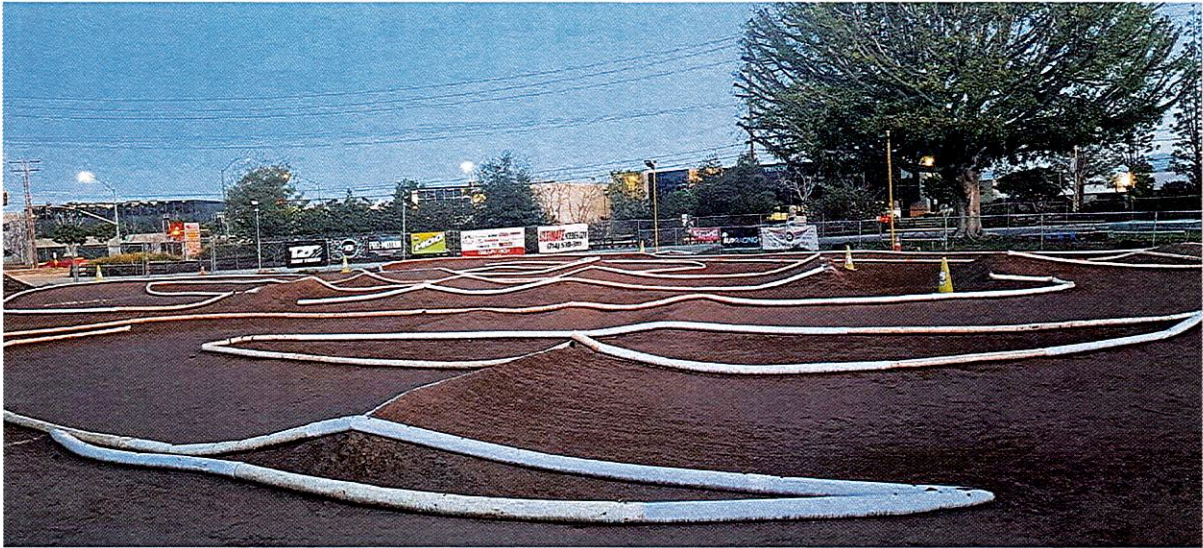


Approximately three years ago, we added an additional venue for kids and their families to enjoy adjacent to our kids fishing pond. This new venue called Huckleberry RC, is a remote control race track where kids could race their miniature off road cars around a professionally built and designed dirt track.

Huckleberry Kids Remote Control Race Track is a huge success and has become a very popular attraction for the local community and their families to enjoy. We constantly receive thanks and many compliments for our efforts to fill the need for the RC Racing Organization and many of the big regional races are now held at our racetrack. These efforts have been fun and provide another, clean, environmentally friendly, family oriented, recreational venue for the Orange County area. A WIN-WIN for the community and additional revenue for the Orange County Water District.

Please visit www.huckleberryrc.com








SHOOTOUT

SUNDAY NOV. 6TH, 2022

<p>1/8 E-BUGGY</p> <p>1/10 SCT 4X4</p> <p>1/8 E-TRUGGY</p> <p>1/10 E-TRUGGY</p> <p>ELECTRIC RC ONLY</p> <p>- ROOKIE</p> <p>- SPORTSMAN</p> <p>- EXPERT</p>	<p>PRE-REGISTRATION</p> <p>HUCKLEBERRYRC.COM</p> <p>\$25 CLASS ENTRY</p> <p>\$15 ADDITIONAL CLASS</p> <p>\$15 KIDS RACE (AGES 4-12)</p> <p>RACING STARTS AT 10AM</p>
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HOSTED BY MATT OLSON

DAY BEFORE PRACTICE 9AM TO 5PM

OR RACE DAY PRACTICE 8AM TO 10AM

OVERNIGHT CAMPING AVAILABLE

SAT. NIGHT NOV. 5 AT 6PM \$30

LOCATED AT SANTA ANA RIVER LAKES

4060 E. LA PALMA AVE - ANAHEIM, CA

ULTIMATE HOBBIES












This request is to expand the racing venue to include a removable asphalt track on the grass area next to the dirt track. The racetrack requires a rectangular configuration of approximately 70 feet in width and 110 feet long. Below is a photograph of the proposed racetrack location. The photograph shows the general location of the proposed racetrack. It fits perfectly within the shaded area, surrounded by the big Ficus trees. This area is not being utilized for any productive purpose.



We estimated cost to install 7,700 square feet of asphalt is an average of \$8.50 per square foot, equal to \$65,450.00. This would include all materials, labor, and base material for the asphalt pad. Additional investments would be required for lighting, timing sensors, computer software, cameras, construction of the driver's platform, two storage Tuff Sheds, tents for the pit area, and tables/chairs for the pit area. These additional costs are estimated to be \$60,000.00. This is a total estimated investment of \$125,450.00.

A huge opportunity just became available to us. Cal Raceway, a local on-road asphalt track is closing down due to a charter school taking over the property they utilized for RC racing.

Cal Raceway's loosing of their facility was devastating to all of the loyal race enthusiast who raced at Cal Raceway for 28 years. We met with the Professional Announcer, from Cal Raceway last week and discussed a plan to work with him. We discussed our plans for an asphalt raceway and he was thrilled and excited about the opportunity. He added that he would be happy to be our consultant in the design and development of the track and would encourage his large following of racers to move to the new facility and he would love to promote and announce the races.

He felt that the location next to our existing dirt race track and all of the other fun family activities Santa Ana River Lakes had to offer, made this a natural winner in that the expansion would synergistically benefit the success of both race tracks along with our other venues.

HUCKLEBERRY RC RACING TRACK

HOLIDAY BASH

MOD

RC GARAGE

MOD HOBBIES

MOD LIVE MEDIA

TUESDAY NIGHT 5 WEEK HOLIDAY RACING SERIES

RACING STARTS AT 7PM

CLASSES:
 1/8 E BUGGY
 1/8 E TRUGGY
 1/10 4X4 OPEN

PRICE:
 \$35 FIRST CLASS
 \$25 ADDITIONAL

\$10 OF EACH ENTRY GOES TO RACER PRIZES
 50% TO SERIES END PRIZES

EACH CLASS ENTRY GETS 1 TICKET PER RACE NIGHT ELIGIBLE FOR PRIZES
 50% GOES TO TOP 5 OF EACH CLASS (LARGER THE CLASS LARGER PAYOUT)
 PAYOUT IN THE FORM OF MOD BUCKS
 MONEY TO WINNERS CAN BE SPENT ON ANYTHING AT THE MOD POP UP SHOP TRACKSIDE IF NOT IN SHOP CAN BE SPECIAL ORDERED (IF OBTAINABLE)
 (ANY QUESTIONS PLEASE INQUIRE)

TOP 10 OF EACH CLASS CUSTOM PIT BOARD TROPHIES (END OF SERIES)

TOP 5 OF EACH CLASS PAYOUT (END OF SERIES)

TO BE ELIGIBLE FOR SERIES MUST ATTEND 3 OUT OF 5 (2 THROW OUTS)

DATES
 11/21
 11/28
 12/5
 12/12
 12/19

MOD LIVE MEDIA RACING BROADCAST AT EACH AND EVERY RACE FULL FOLLOW CAM

[Back](#)

Comments



Fishinglakesdotcom

https://youtu.be/Tn_1zwHM6ak?feature=shared



youtube.com

3/21/24 STOCKING THOUSANDS OF SIERRABOWS & BIG TROUT AT SANTA ANA RIVER LAKES



Robert Vildosola

Thank you it's a beautiful place and it was my first time camping there with my kids & grandkids we all love it 3 days two nights was peaceful. Anything we needed to do was store there nice people nice neighbors to fish with. God bless you thank you Santa Ana river lake for welcoming us

10m [Like](#) [Reply](#) [Message](#) [Hide](#)

1



Write a reply...

Request for Approval

The addition of a similar racing venue greatly increases the recreational activity available in the area and synergistically benefits the whole of the operations at Santa Ana River Lakes.

Both racing venues are environmentally friendly, using silent, all electric motors for the remote control cars. There are no fuel powered cars allowed on the two tracks. No sound pollution from loud fuel engines and no possible pollution from spilled oil-based fuels.

Both racetracks could be easily removed in the event it became necessary. The present location of both racetracks does not interfere with the Santa Ana River Lakes fishing operation nor the Water District operations.

It's respectfully requested that the Water District give approval for the construction of the new removable asphalt racetrack. All revenue received will be added to total revenue, for our total lease payment obligations to the Water District. Based upon the income produced year to date from our existing off-road track, the new asphalt track should produce as much if not more income and the synergistic boost of both venues operating together should conservatively bring in at least \$250,000.00 in gross income.

It is further respectfully requested that our lease be extended, concurrently with the approval of the racetrack approval, just like our last extension for five years, with an additional five-year option. Our present lease will expire on September 30, 2026, eighteen months from this date. This would allow us to amortize our capital expenditures for the new racetrack over a renewed lease periods and make additional capital investments to replace and improve other amenities around the Lakes.

Thank you!!

**AMENDMENT TEN TO LEASE
(Corona Recreation, Inc.)**

THIS AMENDMENT TEN TO LEASE (hereinafter, the "Amendment") is made and entered into as of the 15th day of May 2024 (the "Amendment Effective Date"), by and between the ORANGE COUNTY WATER DISTRICT, a political subdivision of the State of California (hereinafter, the "Lessor") and CORONA RECREATION, INC., a California corporation (hereinafter, the "Lessee").

RECITALS

WHEREAS, on September 20, 2006, Lessor and Lessee entered into a Lease (the "Lease") of real property for the purpose of operating a fishing concession for the general public and related forms of recreation including food services facilities, boat and motor rentals, sale of bait and tackle, overnight camping/fishing, sundry items and a catch-out pond, and related recreational activities;

WHEREAS, on January 16, 2008, Lessor and Lessee entered into an Amendment to Lease and Consent to Parking Sublease with Corona Recreation, Inc. for sublease of existing and additional parking areas at Anaheim Lake;

WHEREAS, on September 5, 2012, Lessor executed Consent to Parking Sublease with Lessee and Manheim Auctions Incorporated (hereinafter, the "Sublessee") for rental of parking lot at Anaheim Lake to Sublessee;

WHEREAS, on April 17, 2013, Lessor and Lessee entered into Amendment One to Lease providing for a reduction of the rent to 5% of the gross revenues for the fishing concession through September 2014;

WHEREAS, on June 4, 2014, Lessor and Lessee entered into Amendment Two to Lease to increase the number of days that parking by Sublessee at Anaheim Lake parking lot can occur from Wednesday only to Tuesday, Wednesday, and Thursday, with an increase in the rent from Sublessee from \$1,100 to \$2,000 for each Tuesday, Wednesday, and/or Thursday that Sublessee utilizes the leased Premises;

WHEREAS, on October 1, 2014, Lessee and Lessor entered into Amendment Three to Lease to extend the lease for 5 years with an option to renew for 5 additional years, adjust its Base Rent for its fishing operations to \$6,200 per month or 5% of Gross Receipts, whichever is greater, with annual rent adjustments based on increases in Gross Receipts not to exceed 10% in each year, to delete lease paragraph 4.8 (Water) for the use of the Bessie Walls Water Well (OCWD-BESS) from the lease from October 1, 2014 ("Amendment Effective Date"), and to reduce the termination period in paragraph 10.6 from 1 year to 6 months;

WHEREAS, on May 20, 2015, Lessee and Lessor entered into Amendment Four to Lease to Sublease 14 parking spaces at Warner Basin to D. G. Performance Specialties, Inc., a California corporation (Sublessee);

WHEREAS, on February 3, 2016, Lessee and Lessor entered into Amendment Five to Lease to exclude the sale of goods sold at Lessee's cost to Lessee's employees from Gross Receipts;

WHEREAS, on July 20, 2016, Lessor executed a Consent to Second Amendment to Parking Lease with Lessee and Mannheim Auctions, Inc. for the use of Miraloma parking lot by Mannheim Auctions, Inc. on Wednesdays only at a rental rate of \$1,100 for each day of parking, with 50% of the rent to be paid to OCWD;

WHEREAS, Lessee's sublease with Mannheim Auctions, Inc. ended July 31, 2017;

WHEREAS, on October 4, 2017, Lessee and Lessor entered into Amendment Six to Lease to revise the premises reducing the area for the parking of vehicles at Warner Basin by sublessee D.G. Performance Specialties, Inc. to seven (7) vehicles, and provides consent to the amendment to the Parking Sublease for the reduced number of vehicles and reduced rent of \$250 per month;

WHEREAS, Lessee's sublease with D.G. Performance Specialists, Inc. ended August 31, 2018, and Lessee has requested to revise the Lease premises to exclude the parking area that was subleased to D.G. Performance Specialists, Inc. from Lessee's premises;

WHEREAS, on October 3, 2018, Lessee and Lessor entered into Amendment Seven to Lease revising Premises to exclude the additional land for parking spaces, removing the sublease for parking as a Use of Premises and eliminating the La Palma Parking Lot Rent;

WHEREAS, on August 5, 2020, Lessor approved rent credit to Lessee for tree trimming services at Warner Basin;

WHEREAS, on February 3, 2021, Lessor approved sublease to Asplundh, Inc., and negotiation by the General Manager to negotiate Amendment to lease to revise Alternate Premises at Anaheim Lake to include additional land for sublease to Asplundh and including the sublease use as a Use of Premises;

WHEREAS, on February 3, 2021, Lessor and Lessee entered into Amendment Eight to Lease to include the use of a radio control (RC) electric car track at the front entrance of the Lease Premises located at Warner Basin on La Palma Avenue, adjacent to the children's catch-out pond;

WHEREAS, on September 15, 2021, Lessor and Lessee entered into Amendment Nine to exercise Subparagraph 1.4 (Option to Renew) of the Lease as amended, which allows for the extension of the term of the Lease for 5 additional years;

WHEREAS, on November 15, 2023, Lessor approved reimbursement for emergency branch removal and additional tree trimming services retained by Corona Recreation.

WHEREAS, Lessee desires to expand the RC electric car track to include a removable asphalt track on the grass area adjacent to the existing dirt track;

NOW, THEREFORE, in consideration of the matters set forth in the foregoing recitals and the terms, covenants and conditions hereinafter contained, the parties do hereby agree as follows:

1. Recitals: The above Recitals are incorporated herein by this reference.
2. Use of Premises: The Lease, dated September 20, 2006 Section 4.1 (Use of Premises) is hereby modified to add the following:

In addition to the approved uses, Lessor authorizes Lessee to construct and operate a radio control electric car asphalt track (Asphalt Track) on the Premises, on the empty grass area adjacent to the existing Dirt Track, as depicted on Exhibit "B", attached hereto and made a part hereof. For and during the term of this Lease, any additional improvements to the Asphalt Track shall be subject to the written approval of the General Manager or his designee.

3. Integration: This Amendment represents the entire understanding of Lessor and Lessee as to this amendment of the Lease and all other matters contained herein. No prior oral or written understanding shall be of any force or effect with regard to those matters covered by this Amendment. This Amendment supersedes and cancels any and all previous negotiations, arrangements, agreements or understandings, if any, between the parties, and none shall be used to interpret this Amendment.
4. Each and every other term, covenant and condition of the Lease not herein expressly modified or amended is hereby ratified and confirmed and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed the Amendment as of the day and year first hereinabove written.

<p>ORANGE COUNTY WATER DISTRICT a political subdivision of the State of California organized under Chapter 924 of the statutes of 1933, as amended</p> <p>By: _____ Cathy Green, President</p> <p>By: _____ John Kennedy, General Manager</p> <p>APPROVED AS TO FORM: RUTAN & TUCKER, LLP.</p> <p>By: _____ General Counsel for Orange County Water District</p>	<p>CORONA RECREATION, INC., a California corporation</p> <p>By: _____ Douglas Elliott, President</p> <p>By: _____ Bill Andrews, Vice President</p> <p>Lessee Information: Address for Notices: 497 South Country Hill Road Anaheim, CA 92808</p> <p>Attn: Doug Elliott Telephone Number: (714) 632-7851 Email Address:</p>
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Exhibit "B"



AGENDA ITEM SUBMITTAL

Meeting Date: April 26, 2024

To: Property Management Committee/
Board of Directors

From: John Kennedy

Staff Contact: K. O'Toole/L. Haney

Budgeted: N/A

Budget Amount: N/A

Cost Estimate: N/A

Funding Source: N/A

Program/Line Item No.: N/A

General Counsel Approval: N/A

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

**Subject: PLANNING REMEDIATION OF FORMER PRADO SHOOTING AREAS –
IN-PLACE REMEDIATION ALTERNATIVE COMPARISON**

SUMMARY

The District is working with the Department of Toxic Substances Control (DTSC) to address soil contamination at former shooting areas at Pigeon Hill and the Former Clay Target Range (FCTR) in Prado Basin. OCWD's current CAMU approach involves hauling material across Prado Basin and consolidating contaminated soils from both sites into a containment structure at Pigeon Hill. This update presents an alternative: in-place remediation, which has fewer permitting requirements, less access limitations, and is more cost effective.

RECOMMENDATION

Agendize for May 15 Board meeting: Direct staff as appropriate

DISCUSSION/ANALYSIS

Background

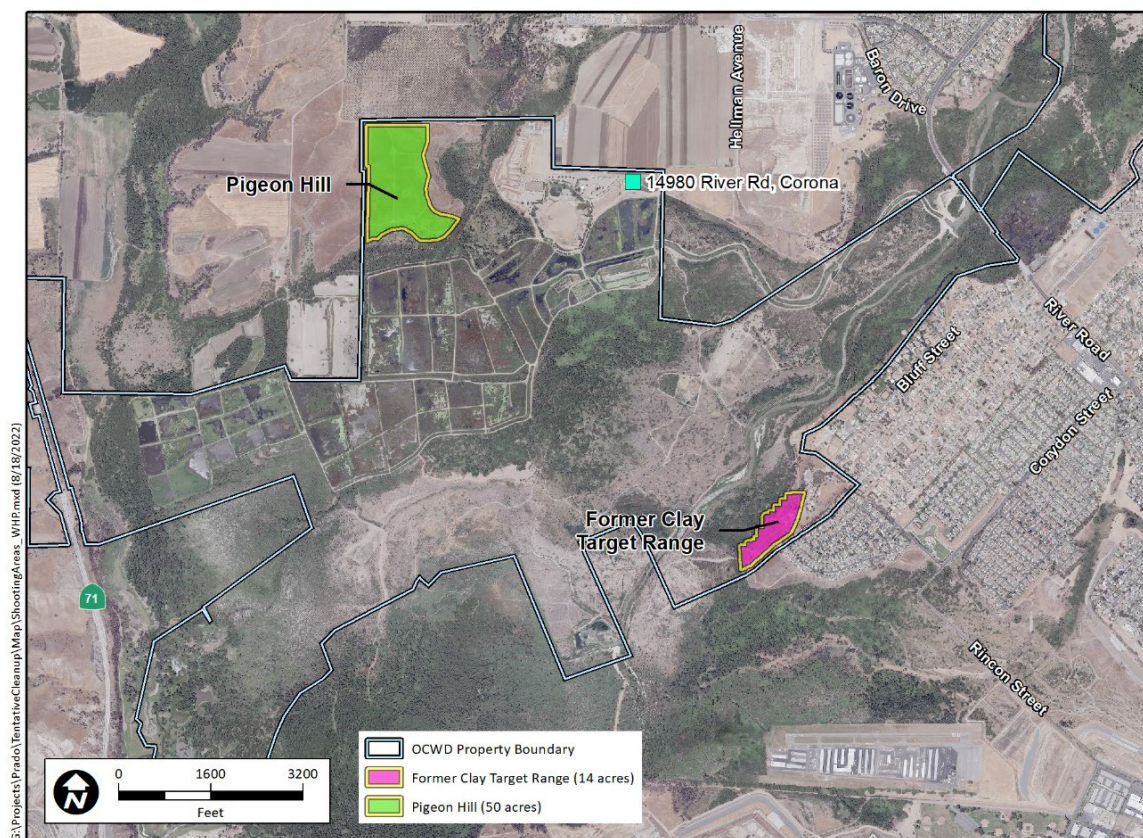
OCWD leases property in Prado Basin for hunting and shooting related activities. Areas formerly used for shooting related activities are known to be contaminated with residual lead shot, lead in soil and polycyclic aromatic hydrocarbons (PAHs). With DTSC oversight, a Remedial Investigation and Feasibility Study (RI/FS) to characterize the extent of contamination and develop remediation alternatives for two former shooting areas (Former Clay Target Range and Pigeon Hill) was completed and approved by DTSC in April 2022.

In June 2022, the Board identified waste consolidation in a Corrective Action Management Unit (CAMU) located at the Pigeon Hill site as the preferred remedy. This remediation approach would allow unrestricted land use for all of the Former Clay Target Range (FCTR). Waste consolidation requires transporting contaminated soil across Prado Basin using existing dirt roads on OCWD and US Army Corps of Engineers (USACE) property. Additionally, hauling requires permitting and constructing temporary crossings over the Santa Ana River on OCWD property and Mill Creek on

USACE property. Temporary crossings require the Project to obtain multiple environmental permits including a 401 permit from the Regional Water Quality Control Board, 404 and 408 permits from the USACE, and a 1600 permit from the California Department of Fish and Wildlife.

Planning efforts to support consolidation of contaminated material by hauling across the Basin represents a significant portion of the Projects anticipated costs and time. Use of USACE property necessitates that the Project also subject to the National Environmental Policy Act (NEPA) in addition to the California Environmental Quality Act (CEQA). Figure 1 shows the locations of the former shooting areas addressed by the remedies identified in the RI/FS.

Figure 1: Location Map for Pigeon Hill and Former Clay Target Range Sites



In late 2022, during the initial stages of developing the Remedial Action Plan (RAP), DTSC informed District staff that the preferred remedy might not comply with CAMU regulations. DTSC concern was that the proposed haul route from FCTR to Pigeon Hill, involved transporting contaminated material off OCWD-owned property. To address this issue, DTSC outlined specific regulatory requirements and environmental considerations that could allow OCWD to proceed with the preferred remedy. These regulations necessitate OCWD obtain written documentation granting temporary exclusive use of the haul route on USACE property during construction.

After obtaining verbal approval from USACE, OCWD staff developed a plan to maintain exclusive use of USACE property, which DTSC reviewed and approved. Ongoing discussions with USACE are aimed at finalizing the necessary approvals before obtaining written confirmation of exclusive use. This agreement would also involve consent from two USACE lessees: Flyway Foundation and Riverside County Parks and Recreation, as well as meeting time intensive permit obligations through the Corps process.

At the March 2024 Property Committee Meeting, staff provide an update on the status of the Project and the exclusivity agreement with the USACE. As part of the March update staff provided an overview of the necessary permits and approvals needed from outside regulatory agencies and the Army Corps to allow for the two necessary river crossings. These are summarized in Table 1.

Table 1: Permits and Approvals Required for Haul Route

Permit	Purpose	Responsible Agency
401	River Crossings	USACE
404	River Crossings	Regional Water Quality Control Board
408	River Crossings	USACE
1600	River Crossings	California Department of Fish & Wildlife
Exclusivity Agreement	Hauling on USACE Property	USACE Riverside County Parks Flyway Foundation

Additionally, staff informed the Committee of newly identified constraints on the remediation schedule that will limit the duration hauling can occur (e.g., flood season, bird nesting season, duck hunting season, and dove hunting season). A summary of the remediation schedule constraints for the preferred remedy are summarized in Table 2. Also, the Army Corps construction schedule for the spillway and other unidentified projects could constrain the timing of the Project.

Table 2: Remediation Schedule Constraints

Constraint	Season
Bird Nesting Season (Vireo)	April – August
Dove Hunting Season	September 1 - 14
Flood Season	October - March
Duck Hunting Season	~October 21 - Jan 31

The Committee noted that most of the permits, approvals and schedule constraints are related to the haul route and river crossings. In response, staff suggested an in-place remediation alternative that would potentially be more cost effective with less permit restraints. The Committee asked staff to assess the in-place alternative and provide a comparison with the CAMU consolidation approach for Committee consideration.

In-Place Remediation Alternative

In-place remediation would treat each contaminated area independently, while achieving the same level of remediation, with the exception of land use restrictions for approximately 1-acre of containment area at the FCTR.

For Pigeon Hill, in-place remediation would involve isolating lead shot contamination to prevent ingestion by birds. This would be achieved by covering approximately 1.4 acres of contaminated soil with clean river sediment sourced from existing OCWD stockpiles within the Prado Basin. About 765 cubic yards of sediment would be transported and placed over the contaminated area to a depth of 6 inches. Long-term operation and maintenance would include annual visual inspections and localized repairs if erosion of the sediment cap occurs.

For FCTR, in-place remediation would entail excavating approximately 14.1 acres of contaminated soil to a depth of around 6 inches. Contaminated soil would be screened to remove lead shot for recycling. An approximately 1-acre containment area will need to be sited at FCTR above elevation 566 feet. Additional work would be required to determine optimal location for the containment and sorting areas to minimize potential temporary impacts on nearby residents. Long-term operation and maintenance would involve installing and monitoring wells along with visual inspections. Although the containment area would impose land use restrictions on a portion of FCTR, recreational facilities or parking lots could be constructed on top of it.

Comparison of In-Place Remediation Alternative to CAMU Consolidation Approach

The in-place remediation alternative would achieve nearly identical remediation goals as the CAMU consolidation approach, except for potential land use restrictions for approximately 1-acre at FCTR. By remediating in-place many of the permits and agreements associated with the two river crossings can be avoided. This will greatly expedite the planning process and save the District substantial time and money. Remediating in-place also has the benefit of not requiring use of USACE property, removing the need to obtain a written exclusivity agreement from the USACE and coordinating with lessees. A comparison of the anticipated permits and agreements needed has been provided in Table 3.

Remediating in-place reduces schedule constraints including dove and duck hunting which would no longer be applicable and flood control constraints will only be in place during extreme wet weather events. This improves the likelihood of Project success and reduces risks to OCWD. Lastly, while difficult to quantify, the in-place alternative also reduces auxiliary impacts on OCWD lessees and operations and maintenance of Prado

treatment wetlands. For example, in-place remediation of Pigeon Hill by capping with sediment will be completed faster than if sorting and CAMU construction were to occur limiting downtime for the active shooting range.

Table 3: Comparison of Permits, Agreement and Schedule

	CAMU Consolidation	In-Place Remediation Alternative
Remediation Description	Waste Consolidation in CAMU at Pigeon Hill	Pigeon Hill Sediment Cap and FCTR ~1-acre Containment Area
Anticipated Permit Needs	<p>401: Permit for projects that may affect surface water quality</p> <p>404: Federal permit to dredge or fill within Waters of the US</p> <p>408: Permit to modify, alter or occupy existing USACE flood control facility</p> <p>1600: State permit for lake or streambed alterations</p>	408: Permit to modify, alter or occupy existing USACE flood control facility
Environmental Impact Analysis	CEQA & NEPA	CEQA
Exclusivity Agreements	USACE Riverside County Parks Flyway Foundation	None
Remediation Timing	Targeting 2025 (2026 likely)	2025 likely
Remediation Schedule Constraints	Nesting Season Duck & Dove Hunting Season Flood Season	Nesting Season
Public Participation	Yes	Yes

Additionally, a budget level comparison of the estimated cost of remediation and long-term O&M for the remediate in place alternative and current approach are included in Table 4. The two remediation strategies have many similarities, the key differences are the hauling and rivers crossings. These two components account for approximately \$520,000 additional cost reflected Table 4. Transporting and placing 765 cy of clean river sediment for the sediment cap at Pigeon Hill is estimated at \$10,000.

Table 4: Cost Comparison of Remediation and Long-Term O&M

	CAMU Consolidation	In-Place Remediation Alternative
River Crossings	\$250,000	\$0
Hauling	\$270,000	\$0
Clean Sediment Transportation	0	\$10,000

Total Remediation Costs	\$2,600,000	\$1,780,000
Long Term O&M	\$21,000/year	\$23,000/year

While a cost comparison to complete the planning and permitting portion of the project has not been included, AECOM has provided OCWD with a verbal estimate that consultant support to obtain the 401, 404, 408 and 1600 permits will be on the order of \$50,000. This does not include the permit fees, staff time, or potential schedule delays that will increase costs to the planning portion of the project with the current approach.

PRIOR RELEVANT BOARD ACTIONS

9/7/2022, R22-9-123 - 1) Authorize the General Manager to negotiate and execute Amendment No. 1 to the District's agreement with the Department of Toxic Substances Control Authorize to update the scope of work for preparation of the Remedial Action Plan, DTSC's Community Participation process, and revise the boundaries of the site; Authorize preparation of a Remedial Action Plan for the remediation of the Former Clay Target Range and Pigeon Hills area; and 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

6/1/2022, R22-6-67 - 1) Identify Alternative 4 (waste consolidation at Pigeon Hill site) with Land Use Scenario C (unrestricted land use at entire Former Clay Target Range site) as the tentatively identified preferred remedy, subject to completion of environmental documentation; and 2) Approve and authorize execution of Amendment No. 6 to Agreement No. 1321 with AECOM to prepare an Initial Study/Mitigated Negative Declaration for the former Prado shooting areas Pigeon Hill and Former Clay Target Range for an amount not to exceed \$94,128

9/15/2021, R21-9-143 - Approve and authorize execution of Amendment No. 5 to Agreement No. 1321 with AECOM to prepare an updated RI/FS for the former Prado shooting areas for an amount not to exceed \$87,998.

12/16/2020, R20-12-165 - Authorize approval of Amendment No.4 to Agreement No. 1321 with AECOM to conduct additional field sampling for an amount not to exceed \$74,411; authorize reimbursement for Department of Toxic Substances Control oversight expenses for the period from July 1, 2020 to June 30, 2021 for an amount not to exceed \$62,752

5/6/2020, R20-5-55 - Approving Amendment No. 3 to Agreement No. 1321 with AECOM to support a Supplemental Remedial Investigation, Focused Remedial Investigation/Feasibility Study and Remedial Action Plan for the Prado Shooting Areas for an amount not to exceed \$215,937.

9/18/19, M19-122 - Authorize \$67,068 additional funding for finalization of the risk assessment and waste consolidation plan at the Prado Shooting Range to be paid as follows: DTSC \$42,268 and AECOM \$24,800.

10/7/2015, R15-10-141 - Authorize the General Manager to finalize negotiations and execute an Agreement with AECOM Technical Services Inc. for an amount not to exceed \$222,938 for a focused remedial investigation and feasibility study of the Prado shooting areas.

7/1/15, M15-104 - Authorize issuance of a revised Request for Proposals for a Focused Remedial Investigation & Feasibility Study of the Prado Shooting Areas (to include a 20-year and 30-year study period).

02/04/15, M15-22, Authorizing Board President to appoint Property ad hoc Committee to review issues related to Elaine Raahauge d.b.a. Mike Raahauge's Shooting Enterprises.

AGENDA ITEM SUBMITTAL

Meeting Date: April 26, 2024

To: Property Management Committee/
Board of Directors

From: John Kennedy

Staff Contact: J. Kennedy / B. Dosier

Budgeted: N/A

Budgeted Amount: N/A

Estimated Revenue: N/A

Funding Source: N/A

Program/ Line Item No. N/A

General Counsel Approval: N/A

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

Subject: STATUS UPDATE ON THE CITY OF ANAHEIM'S PROPOSED OC RIVER WALK PROJECT

SUMMARY

The city of Anaheim (City) is planning the OC River Walk project that would be adjacent to and within the Santa Ana River between approximately Ball Road and Orangewood Avenue. The City's project goals include increasing public access and connectivity via new walking and bike trails, economic growth, enhancing aesthetics, and providing access to the river and includes constructing two inflatable rubber dams in the river to create two water features. The City and the District are negotiating a Cooperative Agreement. City staff will provide an update.

RECOMMENDATION

Informational.

BACKGROUND/ANALYSIS

The City is interested in the potential to impound water in the river with two new inflatable dams, similar in type to the District's existing inflatable rubber dams. The concept being assessed by the City would locate a new inflatable dam in the river between the 57-freeway crossing and the railroad crossing that enters the ARTIC station and one dam farther downstream.

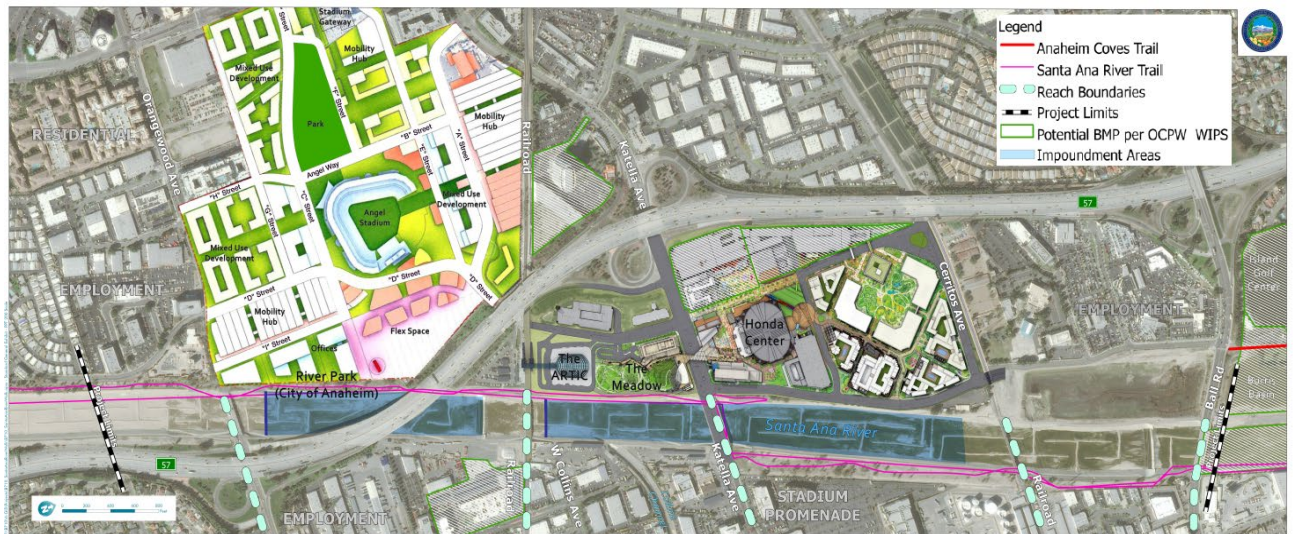
Figure 1 provides the precise location of the two dams. Most of the project area is on the Orange County Flood Control District property in the riverbed. The upper portion of the project area, north of the railroad crossing adjacent to the former Ball Road Recharge Basin, is on District property.

At the May 26, 2023, Property Committee meeting, staff was directed to work towards developing a Memorandum of Understanding (MOU) with the City sooner than later to allow the District and City to completely understand each agency's obligations with this unique project. Staff transmitted key deal points for the MOU on June 2, 2023, to the City who is taking the lead in preparing the MOU document and the City sent a draft Cooperative Agreement to District staff on August 31.

Based on direction by the Board of Directors at its May 26, 2023 and December 22 meeting, staff revised the draft Cooperative Agreement provided by the City and submitted it to the City on January 10, 2024.

City staff will update the Committee.

Figure 1 – Area of Potential Impoundment Area in Santa Ana River



PRIOR RELEVANT BOARD ACTION(S) N/A

AGENDA ITEM SUBMITTAL

Meeting Date: April 26, 2024

To: Property Management Committee/
Board of Directors

From: John Kennedy

Staff Contact: B. Dosier/D. Park

Budgeted: No

Budget Amount: \$0

Cost Estimate: \$0

Funding Source: N/A

Program/Line Item No.: N/A

General Counsel Approval: N/A

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

Subject: STATUS UPDATE ON THE DISTRICT'S IMPERIAL HIGHWAY PROPERTY

SUMMARY

The District owns a vacant 19-acre land parcel in the city of Anaheim, west of Imperial Highway and south of the Santa Ana River. At its May 17, 2023 meeting, the Board of Directors authorized staff to engage Adams Streeter Engineering to provide conceptual cost estimates for road access options and to develop key information relevant to the property that may be required to issue a Request for Quote/ Request for Proposals (RFQ/RFP) for potential development of the property. Staff will update the Committee.

RECOMMENDATION

Informational

DISCUSSION/ANALYSIS

The District owns a 19-acre land parcel in the city of Anaheim (APN 358-291-01) located west of Imperial Highway and south of the Santa Ana River (Property). The Property has access through a gate entrance on the southbound side of Imperial Highway, which passes over a portion of the Santa Ana River Trail. This trail and gate are maintained by the County of Orange, and the District has limited access to the Property for maintenance purposes, as outlined in a Grant Deed transfer in 1973 that conveyed portions of District land to Caltrans. Staff has contacted Caltrans regarding site access and the approval process for a potential tenant to obtain access rights from Imperial Highway to the Property, however this has been inconclusive.

The Property was previously leased by Sunny Slope to operate a wholesale container tree nursery and is currently vacant. At its November 16, 2022 meeting, the Board authorized staff to engage the services of Voit for six months to market the Property and seek other tenants as appropriate. Voit had a number of inquiries on the Property, however site was and continues to be an issue for most potential tenants and their intended use. Although the agreement with Voit terminated on May 31, 2023, as of recent communication with Mike Hefner, Voit Executive Vice President, Voit continues to receive inquiries for the site.

At its May 17, 2023 meeting, the Board authorized an agreement with Adams Streeter Engineering to prepare a Site Development Analysis of the District's Imperial Highway property to include 1) development of key information about the Property to explore issuing an RFQ/RFP for potential future development (this information includes analyzing the property

boundary, plotting existing easements, researching storm drains, sewer, water, and utilities, preparing grading, drainage, and water quality plans), and 2) development of high-level conceptual access options to the Property, meet with Caltrans and City of Anaheim staff to review and solicit feedback regarding the Property access concepts.

Staff requested to meet with Caltrans staff to review and solicit feedback regarding property access concepts. Caltrans staff requested an overview of the concepts in writing and on staff provided a letter dated January 4, 2024 addressed to District 12 interim director Mario Orso with an overview of various access concepts. Subsequently, as reported to the Committee at its March meeting, staff received a letter in which the new District 12 Director, Lan Zhou, responded that the inability to overcome the limitations posed by access control and the substantial construction and grading required appeared to render the options to gain access from Imperial Highway infeasible.

On April 3, 2024, staff met with Caltrans staff to discuss the access concepts to the property previously outlined in the January 4 letter. The discussion revolved primarily around two potential options: an “intersection” and a “roundabout”. Caltrans staff expressed reservations about both options. Their concerns stemmed from the fact that the Imperial Highway is access controlled. They explained that an intersection that would direct an off-ramp into the property, would not adhere to highway design standards, and such a configuration could potentially degrade traffic circulation, cause delays, and would necessitate specific justification for any alterations to the existing standards. Regarding the roundabout, Caltrans advised that to accommodate a large roadway such as Imperial Highway, the radius of a roundabout would need to be very wide, accommodating four lanes in each direction. They suggested that this would not be an improvement, as it would likely disrupt traffic flow and cause delays. The Caltrans team further advised that any proposed changes from the current condition would require a performance measurement analysis to determine feasibility, and ultimately, would require justification and approval from the California Transportation Commission.

As Caltrans advised that neither the “intersection” nor “roundabout” options were favorable, they suggested that OCWD explore an alternative option that did not include Imperial Highway, such as a bridge over the Santa Ana River.

Subsequent to the meeting with Caltrans, Adams Streeter facilitated a meeting with a traffic engineer involved in ongoing projects in the City of Anaheim and who is familiar with the Imperial Highway property and its access issues. He confirmed what Caltrans had discussed with staff, however, advised that at this point it is not a traffic engineering issue, but rather a use issue, and, depending on the proposed use, deviation from highway design standards could potentially be justified.

Staff will update the Committee.

Summary of Prior Steps Taken:

October 2022	Sunnyslope Trees notifies the District that it will vacate property December 1, 2022
November	Voit hired to market the property for lease
December	Sunnyslope vacated the property
<hr/>	
May 2023	Agreement approved with Adams Streeter for Site Development analysis. Agreement with Voit terminated May 31
June	Adams Streeter began work on boundaries and aerial survey of the property.
July	Adams Streeter continues working on boundaries – seeking clarification from Title Company
October	Title Company revises Preliminary Title Report (PTR) – provides update to boundary and ownership
November	Adams Streeter revising aerial survey of property Title Company revises Preliminary Title Report (PTR) – provide another update to boundary and ownership (clarified overlapping boundaries) Meeting with City of Anaheim staff to discuss potential access options
<hr/>	
January 2024	Letter sent to Interim Caltrans Director requesting meeting to discuss Property access.
February 2024	Reached out to Assemblyperson Chen and State Senator Chin’s offices for assistance in meeting with Caltrans.
March 2024	Letter received from Caltrans Director Lan Zhou
April 2024	Staff met with Caltrans to discuss letter received from Caltrans Director Lan Zhou and specifically about conceptual ideas for accessing the property

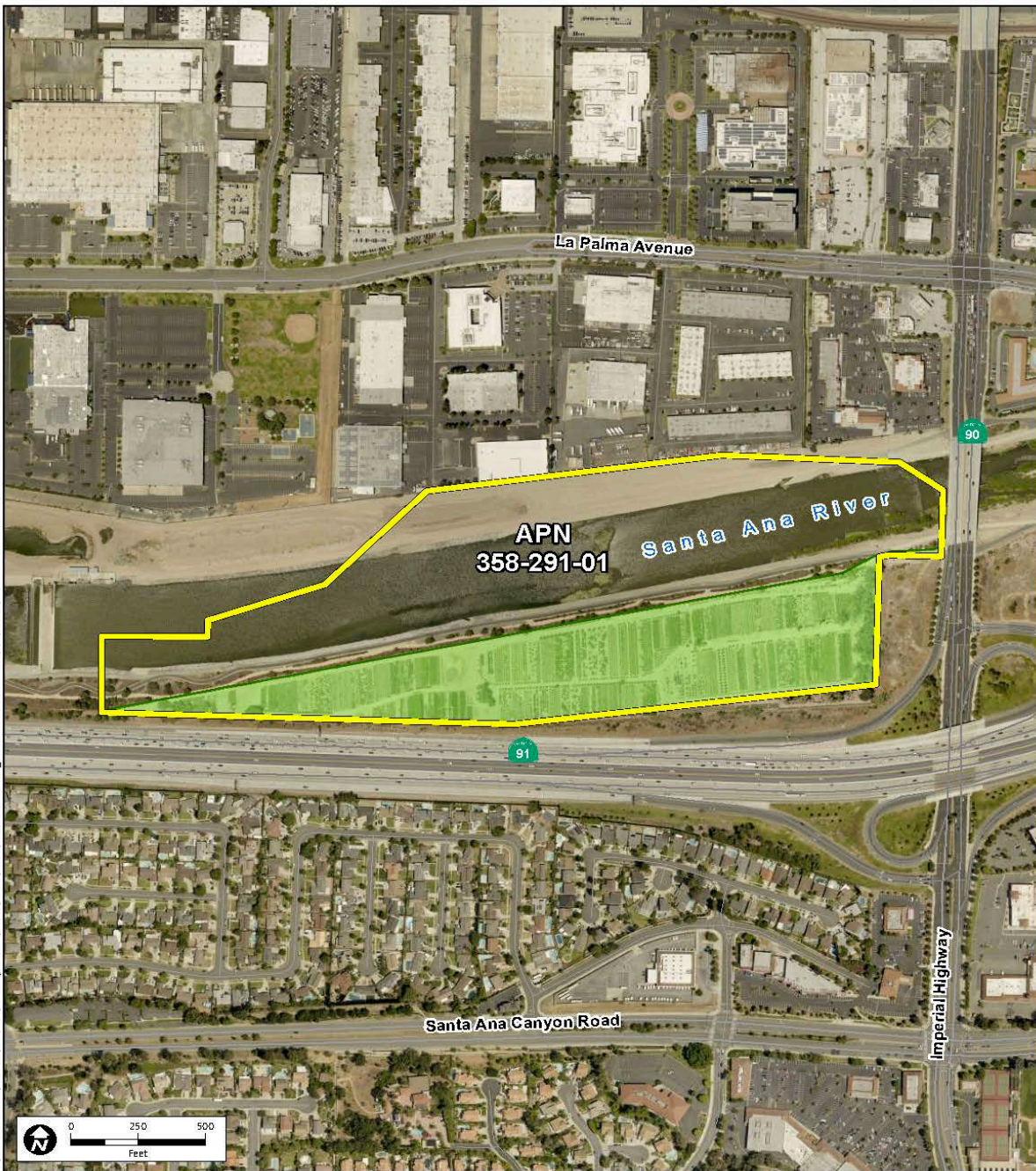
PRIOR RELEVANT BOARD ACTION(S)

5/17/2023, R23-05-61: Authorize the General Manager to negotiate and execute an agreement with Adams Streeter to prepare a Site Development Analysis of the District’s Imperial Highway property to include 1) development of key information about the Property, and 2) development of high-level conceptual access options to the Property, meet with Caltrans and City of Anaheim staff to review and solicit feedback regarding the Property access concepts; at a cost not to exceed \$73,550

3/15/2023, M23-33: Authorize staff to engage an engineering firm to provide conceptual cost estimates for the access options and to develop key information about the Property

11/16/2022, M22-116: Authorize staff to engage the services of Voit Real Estate Services to market the property being vacated by Sunny Slope Tree Farm for Lease

LOCATION MAP



K:\GIS\GISDataStore\OCWD\Property\Management\DanP\MXD\SunnySlopeTreeFarm_APN358-291-01.mxd (5/5/2022)



- OCWD Owned Parcel (APN 358-291-01)
- Sunny Slope Tree Farm Leased Area

Sunny Slope Tree Farm Co.
OCWD Lease APN 358-291-01

SOURCE: OCWD (05/2022); OCPW (2021)

GENDA ITEM SUBMITTAL

Meeting Date: April 26, 2024

To: Property Management Committee/
Board of Directors

From: John Kennedy

Staff Contact: B. Dosier/D. Park

Budgeted: N/A

Budget Amount: N/A

Cost Estimate: N/A

Funding Source: N/A

Program/Line Item No.: N/A

General Counsel Approval: N/A

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

**Subject: QUARTERLY REPORT ON LEASES AND PERMITS/LICENSES FOR
THE PERIOD ENDING MARCH 31, 2024**

SUMMARY

Attached for Board review is the Quarterly Report on Leases and Permits/Licenses for the period of January 1, 2024 to March 31, 2024.

Attachments: Summary Report of Leases & Permits/Licenses ending March 31, 2024.

RECOMMENDATION

Informational

BACKGROUND/ANALYSIS

The District has approximately 933 acres of land under 16 leases and 19 permits/licenses.

1st QUARTER RENT COMPARISON

1st Qtr. 2024	1st Qtr. 2023	Increase/(Decrease) 1st Qtr. 2024 vs. 1st Qtr. 2023	Percentage Increase/(Decrease) 1st Qtr. 2024 vs. 1st Qtr. 2023
\$435,778	\$399,211	\$36,567	9.16%

YEAR TO DATE RENT COMPARISON

Year to Date 2024	Year to Date 2023	Increase/(Decrease) YTD 2024 compared to 2023	Percentage Increase/(Decrease) YTD 2024 compared to 2023
\$435,778	\$339,211	\$36,567	9.16%

Note: The year over year increase in the 1st quarter was primarily due to the early recordation of the April 2024 rent payment from Mike Rahaauage Shooting Enterprises (\$19,613) and late recordation of the December 2023 rent from Sandwood Enterprises (\$13,175).

UPCOMING RENEWALS AND ACTIONS

RENEWALS

2024

2nd Quarter

- Lease with Prado Basin Duck Club expires on June 30, 2024
- Lease with Raahauge Shooting Enterprises, Duck Hunting Lease, expires on June 30, 2024

3rd Quarter

- Lease with Raahauge Shooting Enterprises, Pheasant Lease, expires on September 30, 2024

ACTIONS - Staff

All Lessees and Permittees/Licensees are in full compliance with the terms of their lease/permit/license, and all are current with their rent with the following exceptions:

- None

PROPERTY LICENSE AGREEMENT ISSUED BY GENERAL MANAGER IN 2024 YEAR-TO-DATE

- None

**SUMMARY REPORT
STATUS OF LEASES
1st QUARTER ENDED March 31, 2024**

Leases	Location	Monthly Rent	Annual Increase	1st Quarter Rent Paid	Year to Date	Status of Rent	Lease Violations	Expiration Date	Acres	Use
Anaheim Adventure Aqua Park	High Season - April-October	\$7,409.90	CPI April	\$ 336.00	\$ 336.00	Current	None	02-28-30	13.200	Aquapark
Anaheim Adventure Aqua Park	Low Season - November - March	\$2,167.20	CPI April							
Anaheim, City of Well 58	Anaheim Lake	Flat Fee \$1.00			N/A	Current	None	03-31-61	0.380	Production Water Well
Anaheim, City of	Burriss Basin	\$1.00/Annual			\$ -	Current	None	01-31-31	14.000	Park
County of Orange, Integrated Waste Mgt.	Smith Basin	Reports			N/A	Current	None	Automatic Annual Renewal	0.010	Monitoring wells for Reeve's Pit (executed 12/12/1996)
Corona Rec. Inc., Doug Elliott	Warner Basin	5% of Gross Receipts or \$8,248.92/mo.	CPI October	\$ 30,021.91	\$ 30,021.91	Current	None	09-30-26	128.150	Fishing concession.
North American Recycling & Crushing, LLC	Huckleberry Pond	\$79,073.73	3% April1	\$ 232,614.95	\$ 232,614.95	Current	None	03-31-27	5.650	Concrete/Asphalt crushing.
NSM Golf, LLC	Burriss Pit	\$10,418.48	CPI October	\$ 31,255.44	\$ 31,255.44	Current	None	09-30-26	15.000	Golf driving range - 5 year option.
Harvest Landscape Enterprises, Inc.	South of Lincoln Ave.	\$2,237.90	CPI April 1	\$ 4,328.62	\$ 4,328.62	Current	None	03-31-27	3.600	Container nursery.
Montoya Enterprises Inc. - Nursery	Santiago Basins	\$1,724.00	Fixed April 1	\$ 5,072.00	\$ 5,072.00	Current	None	03-31-29	2.600	Container nursery.
Newport Beach, City of	Seawater Pipeline	Flat Fee \$1			\$ -	Current	None	09-22-47		
Prado Basin Duck Club (1)	Prado Basin - Lower Ponds	\$18,409/annual	3% July 1		\$ -	Current	None	06-30-24	66.000	John Kelly Astor - Duck Hunting Concession
Raahauge Shooting Enterprises - Ducks (1)	Prado	Flat Fee \$82,432	5% July 1		\$ -	Current	None	06-30-24	450.000	Duck hunting, Oct. to Jan. Sporting clays/trap & skeet shooting. No rent increase until May 1, 2019
Raahauge Shooting Enterprises - Range	Prado	\$19,612.78	CPI May 2021	\$ 78,451.12	\$ 78,451.12	Current	None	04-30-47	135.000	Hunter safety classes, dog kennels, raising of game birds.
Raahauge Shooting Enterprises - Pheasant	Prado	\$250/mo.	N/A	\$ 1,000.00	\$ 1,000.00	Current	None	09-30-24	110.000	
Sandwood Inc.	Batavia Street	\$13,622.47	CPI April 1	\$ 52,698.12	\$ 52,698.12	Current	None	03-31-29	2.600	Sandbagging/Firewood
Yorba Linda Water District (2)	Warner Basin	\$5,283.62 / year 2023	3% December		\$ -	Current	None	12-31-62	0.4224	Production Water Well 21 Original Rent: \$3,817 - 8/22/2012 - w/ 3% annual increase
TOTAL FOR LEASES				\$ 435,778.16	\$ 435,778.16				933.412	

NOTES:

1. Prado Basin Duck Hunting & Raahauge Duck Hunting - (Rent due 50% by October 15 and 50% by December 15).
2. YLWD rent due on Dec. 31 of each year.

**SUMMARY REPORT
STATUS OF PERMITS/LICENSES
1st QUARTER ENDED March 31, 2024**

Permits/Licenses	Location	Monthly Rent	Annual Increase	1st Quarter Rent Paid	Year to Date	Status of Rent	Permit/License Violations	Expiration Date	Acres	Use
Anaheim Model Airplane Club & Scamps	Foster-Huckleberry Pond	Comm. Svc.		N/A	N/A	Current	None	Mo. to Mo.	115.820	Model airplane flying area.
Anaheim, City of Well Maintenance	Anaheim Lake	Comm. Svc.		N/A	N/A	Current	None	Mo. to Mo.	0.230	Maintain wells and pipeline.
Anaheim, City of	Burriss Basin	N/A		N/A	N/A	Current	None	Year to Year		Pumphouse
Anaheim, City of	Anaheim Lake	Flat Fee \$1.00		\$ -	\$ -	Current	None	09-30-61		Drain pipe Rio Vista Res.
Anaheim, City of	Huckleberry Basin	Flat Fee \$1,148		\$ -	\$ -	Current	None	10-28-39		Storm drain to Huckleberry
Boy Scouts of America, Troop 850	Santiago Bond Basin	Clean Premises			\$ -			Mo. to Mo.		Store 2 container trailers
CA Dept. of Forestry & Fire Protection	Prado - Highway 71	Fire Protection			N/A	Current	None	Mo. to Mo.		Cut fire break along fence - Highway 71.
Inland Empire Utility District	Prado Basin	WQ Report		\$ -	N/A	Current	None	03-31-34		Monitoring well site
Robert & Debra Peterson	Prado - Highway 71	Flat Fee \$1,148		\$ -	\$ -	Current	None	06-30-27		Access Permit / Fee increased from \$550 to \$1,148.
Orange, City of	Orange Reservoir No. 10	N/A		\$ -	N/A	Current	None	05-31-34		Antenna on Reservoir No. 10
										Temporary construction easement for the District's Deep Well #5 property located on the east side of Pacific Street at Spencer Ave in Fountain Valley
OC Transportation Authority (OCTA)	Deep Well #5	N/A		\$ -	\$ -					Arundo Removal.
SAWA	Prado Basin	Project Cost		\$ -	N/A	Current	None	12/31/2023		Cellular Comm. Relay Site
SCE & (formerly Royal Street Communications) T-Mobile (ATS) (1)	Riverdale Avenue, Orange	\$1,110.20	CPI November 1	\$ 3,330.60	\$ 3,330.60	Current	None	11-13-27		ATS contract renews with T-Mobile's renewal
Southern California Edison Co. (2)	Anaheim Lake	\$802.44 + CPI Annual			\$ -	Current	None	02-28-38		Relocate Power Pole
Serrano Irrigation District	Santiago Basin	Conj. well site #4		\$ -	N/A	Current	None	Annual Renewal	0.220	Conjunctive use well. R90-10-210 / orig exp: 7-1-10
T.E. Roberts	Huckleberry Basin	\$1,337/mo		\$ 4,011.00	\$ 4,011.00	Current	None	1/31/2025		Staging area for City of Anaheim Pipeline work
University of So. Calif.	Fullerton Airport/ Other Locations	N/A		\$ -	N/A	Current	None	Mo. to Mo.		Measure seismic activity in monitoring wells.
Western Riverside Co. Regional Wastewater	Prado Basin	Copy of Reports		\$ -	N/A	Current	None	6-30-46		Monitoring wells - 3
Yorba Linda Water District	Warner Basin Complex	Flat Fee \$550.00		\$ -	N/A	Current	None	12-31-60		Discharge from well water 20.
TOTAL FOR PERMITS/LICENSES				\$	7,341.60	\$	7,341.60		116.270	
TOTAL FOR LEASES & PERMITS/LICENSES				\$	443,119.76	\$	443,119.76		1,049.682	

NOTES:

1. Monthly Rent is 70% of \$1,266.77 which is adjusted by the CPI annually
2. SCE License Fee due on March 1 of each year

\$ -