

MOTION BY SUPERVISOR JANICE HAHN

June 12, 2018

**Agreements for Use of Palos Verdes Landfill and Botanic Gardens for California
Water Service Water System Augmentation Project**

California Water Service (CWS) is a public water utility company that provides water service to the Palos Verdes Peninsula. The CWS service area currently consists of the cities of Palos Verdes Estates, Rolling Hills, Rolling Hills Estates, Rancho Palos Verdes, and a portion of the City of Lomita. CWS, in cooperation with the County of Los Angeles, commissioned a Water System Master Plan (Master Plan) for the Palos Verdes service area. The Master Plan identified the high priority need to augment the existing water backbone system with new transmission mains to improve the capacity and reliability of the system. CWS' Master Plan details their intent to complete the installation of the augmented water transmission lines by October 2019. On April 10, 2018, the City of Rolling Hills Estates adopted Resolution 2416, adopting a Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program for the Master Plan, with the County participating as a responsible agency.

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- Ridley-Thomas _____
- Hahn _____
- Barger _____
- Kuehl _____

As part of CWS' water system augmentation project, CWS will need to install two water pipelines through the South Coast Botanic Garden (Garden). The Garden is located at 26300 Crenshaw Boulevard and is currently operated by the Department of Parks and Recreation (Parks). Parks has been working closely with CWS to ensure that any construction that will occur on the Garden property will result in minimal impact to the trees, plants, and wildlife located along the easement area where the two pipelines will be located. The two pipelines to be installed by CWS within the Garden property will measure 24 inches and 30 inches in diameter. CWS has requested from the County a temporary construction license and a right of entry permit/license to enter the area and perform the installation and construction work, in addition to a utility easement to operate the pipelines once construction is completed. CWS is prepared to compensate the County for the easement and the licenses and adhere to the terms set forth in Exhibit "A". Parks and the Chief Executive Office (CEO) have commissioned an appraisal to determine the value of the easement area and the temporary construction licensed area, and CWS has agreed to pay the appraised value. Pursuant to Government Code section 25526.6, the County may convey this easement and licenses to CWS as the conveyances are in the public interest, and these conveyances will not substantially conflict or interfere with the County's use of the Garden.

Due to the extensive time and work needed for the water system augmentation project, CWS has made an additional request of the County to use 4.5 acres of the County's Palos Verdes Landfill (Landfill) as a staging area. The Landfill is located at 25680 Hawthorne Blvd, Rolling Hills Estates and is operated and managed by County Sanitation District No. 5 of Los Angeles County (District). CWS' occupancy of the

Landfill property would begin upon approval of a license agreement by the County and would terminate in October 2019, subject to rights to extend. The District has agreed to allow for the Landfill's use as a staging area, subject to the terms provided in Exhibit "A". Similar to the easement and licensed area over the Garden, CEO has commissioned an appraisal to determine the monthly rental amount for the entire area that CWS will occupy on the Landfill. CWS has agreed to pay the appraised value and adhere to the terms as set forth in Exhibit "A". Pursuant to Government Code section 25526.6, the County may convey this temporary construction license to CWS as the conveyance is in the public interest, and this conveyance will not substantially conflict or interfere with the County's use of the Landfill.

The County will enter into two temporary construction license agreements and one right of entry permit/license for construction and staging. Upon completion of construction, the County will grant a utility easement to CWS for their new pipelines. The conveyance documents will include terms and conditions, including those as set forth in Exhibit "A" and as approved by County Counsel, in coordination with Parks, CEO, and District. The Board's approval of the following recommendations will allow the County and CWS to proceed with finalizing the proposed license agreements and utility easement to allow the water system project to timely proceed to completion in providing augmented and efficient water services to the Palos Verdes Peninsula community.

I, THEREFORE MOVE, that the Board of Supervisors:

- 1) Find that the project as discussed herein was considered as part of the adopted MND and that the County, acting as a responsible agency, is relying on said MND pursuant to Public Resources Code section 21167.3;
- 2) Find that the portion of the Palos Verdes Landfill and the South Coast Botanic Garden located at 25680 Hawthorne Boulevard, Rolling Hills Estates and 26300 Crenshaw Boulevard, Palos Verdes Peninsula, respectively, proposed to be used by California Water Service, for construction and staging purposes at the County's appraised value, is not currently needed for County purposes, will not substantially conflict or interfere with the County's use of these properties, and is in the public interest;
- 3) Find that the portion of the South Coast Botanic Garden proposed to be granted to California Water Service, for a water utility easement at the County's appraised value, is not currently needed for County purposes, will not substantially conflict or interfere with the County's use of the Garden, and is in the public interest;
- 4) Authorize the Chief Executive Officer, or her designee, to negotiate and execute the two Temporary Construction License Agreements, a Right of Entry Permit/License, a Utility Easement, and any other ancillary documentation approved as to form by County Counsel consistent with terms set forth in Exhibit "A," and authorize the Chief Executive Officer, or her designee to take all further actions necessary and appropriate to implement the terms and conditions of the License Agreements and Utility Easement;

5) Authorize the Auditor-Controller to deposit the funds received as consideration for the granting of the Temporary Construction License Agreement on the Landfill in the Asset Development Implementation Fund and deposit the funds received as consideration for the granting of the Temporary Construction License Agreement, Right of Entry Permit/License, and Utility Easement on the Garden with the Parks Department to be used for the Garden.

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EXHIBIT A

Outline of Real Estate Rights with Terms and Conditions for the Palos Verdes Peninsula Water Reliability Project

Dated June 8, 2018

Cal Water is seeking the following temporary construction rights and a permanent subsurface easement from the County of Los Angeles. The parties desire to agree upon the basic terms and conditions under which these rights will be granted. Once agreed upon, documents can be prepared in accordance with the below.

SANITATION DISTRICT MAINTAINED PROPERTY: APN 7548-008-902 Property of the County of Los Angeles

Temporary Construction License ("License"):

1. County is in the process of obtaining an appraisal for the District Site in order to determine the appropriate value to be charged. County will work with Cal Water on mutually agreeable instructions to the appraiser. The area needed is shown on the attached maps attached as Attachment 1 (the "District Site") and will be used for the following periods:
 - a. .2 acres will be used to house five construction trailers from June 2018 to October 31, 2019.
 - b. 3.5 acres will be used as a staging area from June 2018 to July 1, 2019
 - c. 1 acre will be used as a staging area from June 2018 to October 31, 2019
2. Cal Water will agree to pay the appraised value, as determined by the County appraisal, with monthly payments commencing within 30 days after receipt of the appraisal. In consideration, Cal Water may enter and use the District Site on the terms and conditions of the License prior to the appraisal being complete.
3. Cal Water has provided a work plan describing use and safety measures which is being reviewed by the County Sanitation District No. 5 of Los Angeles County ("Sanitation District").
4. The parties will start with a County form of construction license which will have standard provisions, including default and remedies.
5. Sanitation District's requirements to be contained in the License:
 - a. Cal Water is proposing that it be given access to the District Site Monday through Saturday 24-hours a day and Sunday from 8:00 am to 5:00 pm, with mobilization to begin as soon as possible after execution of the License. Notwithstanding the foregoing, at the commencement of the License, Cal Water shall only be permitted to use the District Site during daylight hours and shall not be on the District Site after 8:00 pm until

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lighting has been installed on the District Site pursuant to a lighting plan as set forth in Section 3h below. Cal Water understands that notwithstanding anything in the License, it shall conduct all work and activities at the District Site in accordance with all applicable laws, regulations and environmental clearances and Cal Water is solely responsible for such compliance.

- b. Cal Water understands its project could create a significant impact to the community. Cal Water will be responsible for all community relation issues, including notifying the community through a pre-construction meeting and/or mail. Cal Water's point of contact with the community to facilitate quick resolution of any potential issues or in case of emergency are as follows:
 - i. Website - www.pvpwaterproject.com
 - ii. Facebook - <https://www.facebook.com/pvpwaterproject>
 - iii. Email - PVPWaterProject@calwater.com
 - iv. Phone – 310-257-1400

- c. Cal Water shall be responsible for securing those portions of the District Site which are an attractive nuisance and for securing its personal property left on the District Site. Any property that is not secured is left at Cal Water's sole risk and the District or County shall not be responsible for loss or theft. Any fence shall be installed pursuant to a Fencing Plan approved by the District and the County; which plan shall be provided to County and the District for review and comment at least 2 weeks in advance of the date Cal Water desires to install the fence. Sanitation District will allow Cal Water to leave the gate located along Crenshaw Blvd open during the Sanitation District's working hours provided Cal Water manages the entrance to Sanitation District's satisfaction, including putting up appropriate signage and ensuring all gates are locked when not in use. Any theft, vandalism or damage to District's or County's property due to Cal Water's activities or negligence shall be the responsibility of Cal Water.

- d. The Work plan described in item 2 above will include measures to control and manage dust, and potential damage to landfill roads, including street sweeping at a minimum, traffic controls including compliance with the 15 mph speed limit on landfill property, and at least 1 dust control truck. Cal Water shall be responsible for any damage it causes to roads, pipes and other infrastructure.

- e. Cal Water shall be responsible for mitigating any traffic, noise, and light pollution associated with its project as set forth in the PV Peninsula Water Reliability Project Initial Study/Mitigated Negative Declaration dated January 2018 and prepared for the City of Rolling Hills Estates.

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- f. Cal Water shall be responsible for communicating with the Equestrian Center about its project. In no event shall Cal Water perform any activity that will cause County or Sanitation District to be in default under its lease with the Equestrian Center. Cal Water intends to place 5 trailers with power and water service. Cal Water shall be responsible for installation of meters and payment for their use of any utilities.
- g. Upon surrender of any portion of the District Site back to the County, Cal Water shall restore the property to the condition it was received in, reasonable wear and tear excepted.
- h. Cal Water shall provide lighting in the laydown area and on the road to provide visibility and to protect any landfill gas header lines prior to using the area after dark. The lighting shall be installed pursuant to a Lighting Plan approved by the District and the County; which plan shall be provided to County and the District for review and comment/approval at least 2 weeks in advance of the date it intends to access the District Site at night.
- i. The License shall reserve rights for the District's staff to access the District Site to perform surface gas monitoring. Cal Water shall maintain a path through gas monitoring grids.
- j. Cal Water will be required to obtain a Stormwater Construction Permit and prepare a Stormwater Pollution Prevention Plan (SWPPP) for the project. Cal Water shall provide a copy of the Permit and the SWPPP to the District.
- k. The License will include an indemnity from Cal Water to the County and the District and include the County and the District as additional insureds.

SOUTH COAST BOTANIC GARDEN: APN 7548-010-907 Property of the County of Los Angeles

The County and Cal Water will enter into an agreement (the "Agreement") which will include the following sections A-E below. The documents to be attached, including the permanent subsurface easement, the ROE and the Construction License shall be based on the County's standard forms.

A. Permanent Subsurface Easement:

- 1. Cal Water has requested a permanent subsurface non-exclusive easement for utility use through the South Coast Botanic Garden. The Agreement will acknowledge that the County will grant the permanent easement pursuant to a separate agreement which form will be attached. The Agreement will specify the consideration to be paid and how payment will be delivered.

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2. County is in the process of obtaining an appraisal in order to determine the appropriate value to be charged. County will work with Cal Water on mutually agreeable instructions to the appraiser. County cannot simply accept Cal Water's appraisal. The County is reviewing the legal descriptions provided and will advise if additional information is required
3. Cal Water will pay the appraised value, as determined by the County appraisal, at the time the permanent easement is recorded.

B. Existing 20-inch Main Line Easement:

1. With completion of the new Palos Verdes Peninsula Water Reliability Project, Cal Water will discontinue service from the existing water lines that lay within an existing non-exclusive easement on the South Coast Botanic Garden.
2. The existing water lines are to be filled with slurry at Cal Water's sole cost and expense and under the oversight of the Department of Toxic Control Substances (DTSC); provided, however, if DTSC agrees the pipeline can be abandoned in an alternative method, the County will accept such other DTSC approved method.
3. No credit or compensation will be provided to Cal Water for relinquishment of this easement. Cal Water therefore shall retain the easement and the rights therein.

C. ROE Permit

1. The Agreement will reference a ROE to be granted by the County and will grant Cal Water the right to temporarily use the existing road from the entrance of the Park to the work site as a haul route.
2. The cost for this ROE Permit is a \$500.00 flat fee.

D. Earpod Tree

1. Cal Water and the County shall implement the tree protection measures in the April 5, 2018 report by James Komen ("James Komen Report") regarding pre-construction, during construction, and post-construction at its sole cost and expense. Should any other additional efforts be needed to preserve the Earpod Tree which are not identified in the James Komen Report and which collectively exceed or are expected to exceed \$300,000, then the parties will meet to collaborate on the appropriate path forward and if needed, Koman, or a mutually agreeable arborist, will assist in

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deciding those next steps, which may include concluding it might be best to discontinue the tree saving efforts, and then Cal Water will pay the County \$26,900 for the tree and \$70,000 for the shade structure.

2. Notwithstanding the above measures, if the Earpod tree fails or dies in the first 7 years from the date of construction completion or it is clear the Earpod tree will not survive, Cal Water will pay the County \$26,900 for the tree and \$70,000 for the shade structure.
3. Cal Water will indemnify the County for any damages related to the failure of the Earpod Tree, which are in any way attributable to Cal Water, as determined by a mutually agreed upon arborist. Cal Water shall pay for said arborist. The period for the indemnity shall be for seven years from the date of construction completion, plus an additional period of time if the final construction monitoring report shows stress or other structural problems resulting from construction damage.

E. Temporary Construction License:

1. Cal Water has requested a temporary construction license (TCL) for staging activities connected with the Palos Verdes Peninsula Water Reliability Project in the South Coast Botanic Garden. The Agreement will acknowledge that the County will grant the TCL pursuant to a separate agreement which form will be attached. The Agreement will specify the consideration to be paid and how payment will be delivered.
2. County is in the process of obtaining an appraisal for this right in order to determine the appropriate value to be charged. County will work with Cal Water on mutually agreeable instructions to the appraiser. County cannot simply accept Cal Water's appraisal. The County is reviewing the legal descriptions provided and will advise if additional information is required
3. Cal Water will agree to pay the appraised value, as determined by the County appraisal, with monthly payments commencing within 30 days after receipt of the appraisal. In consideration, Cal Water may enter and use the District Site on the terms and conditions of the License prior to the appraisal being complete.
4. The term of this License will be approximately 7 months commencing upon 60 days prior written notice from Cal Water.
4. The TCL will permit Cal Water to work only Monday through Friday 7am – 5pm (the "Standard Working Hours").
5. Cal Water may work additional hours beyond the Standard Working Hours subject to prior written approval by the County and the South Coast

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Botanic Garden Foundation (SCBG), which shall be granted in their sole discretion.

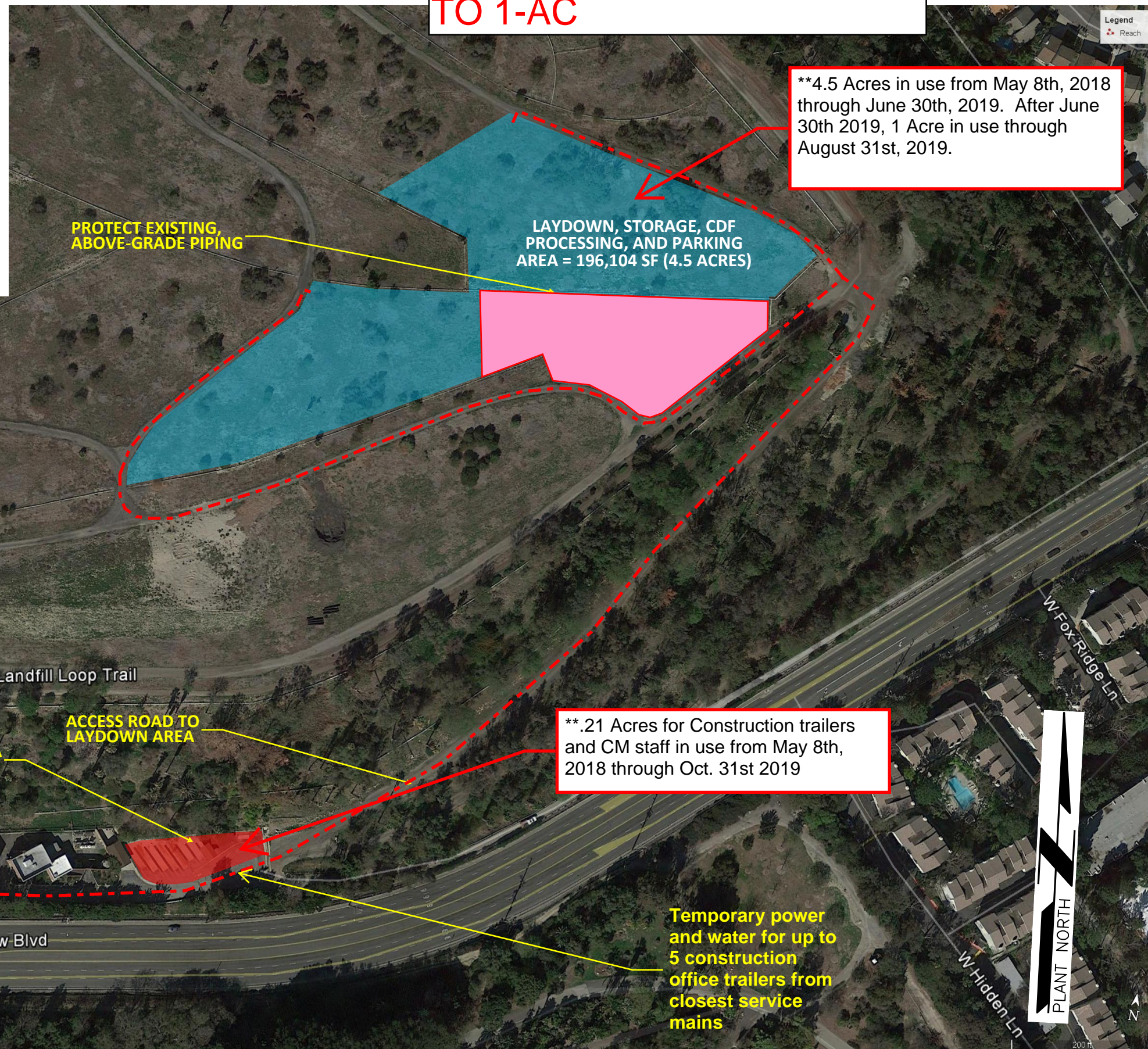
6. Cal Water will meet the terms for paving in the County's March 20, 2018 letter to Cal Water.
7. SCBG. Cal Water to work directly with SCBG to establish a plan to minimize the effects of construction activities on normal garden operations and guest inconveniences, and to re-attract visitor-ship following the project completion
8. Planting Restoration Plan. County agrees to the path to resolution provided in Cal Water's April 10, 2018 letter to County.
9. Soils Management Plan. Cal Water will continue to work with DTSC and County.
10. Traffic Management Plan. Cal Water will adhere to the Traffic Management Plan
11. Air Monitoring Plan. Cal Water to provide documentation from DTSC that an air monitoring plan is not required.
12. Access Plan. Cal Water will adhere to the Alternative Pedestrian and Construction Worker Access Plan.

LANDFILL LAYDOWN AREA

REVISED TO REDUCTION TO 1-AC

Planned Occupancy/Use

- Days of the week: Monday through Sunday
- Hours of the days: Mon thru Sat (24 hours), Sun (8am to 5pm)
- Pedestrian Vehicle traffic: Approx. 75 cars
- Construction vehicle traffic: Semi's, low boys/haulers, water trucks, dump trucks, concrete trucks, heavy equipment service trucks, etc. Typically the operating concurrently with "hours of the days" shown above.



**4.5 Acres in use from May 8th, 2018 through June 30th, 2019. After June 30th 2019, 1 Acre in use through August 31st, 2019.

**0.21 Acres for Construction trailers and CM staff in use from May 8th, 2018 through Oct. 31st 2019

Temporary power and water for up to 5 construction office trailers from closest service mains

LANDFILL LAYDOWN AREA

PROVIDED 4/5/2018

Planned Occupancy/Use

- Days of the week: Monday through Sunday
- Hours of the days: Mon thru Sat (24 hours), Sun (8am to 5pm)
- Pedestrian Vehicle traffic: Approx. 75 cars
- Construction vehicle traffic: Semi's, low boys/haulers, water trucks, dump trucks, concrete trucks, heavy equipment service trucks, etc. Typically the operating concurrently with "hours of the days" shown above.



1" = 150'