

Los Cerritos Wetlands Authority

Date: August 12, 2015
To: Governing Board Members
From: Mark Stanley, Executive Officer
Subject: Agenda Item 10: Consideration of Resolution authorizing a lease agreement with D & S Washout Systems Inc. for partial use of the OTD parcel.

RECOMMENDATION: Adoption of a resolution authorizing the Executive Officer to enter into a lease agreement with D&S Washout Systems for partial use of the OTD parcel (LA County APN #7237-019-006).

BACKGROUND: The Offer to Dedicate (OTD) parcel is located on the northeast corner of Studebaker Road and 2nd Street in the City of Long Beach and commonly referred to as the 'Edison Parcel' or 'Offer To Dedicate (OTD) Parcel.' The OTD parcels is approximately five acres and within the LCWA jurisdiction on the northeast corner of the Los Cerritos Wetlands Complex, surrounding land uses to the north and east are industrial, please see Exhibit A, aerial map. The parcel lies on formerly marsh and low-lying area that has been graded to provide the present configuration. Dredge spoils and fill material were used to bring the site to its current grade. Historical uses of the site include equipment storage, and a maintenance facility consisting of office trailers and steel storage containers. Currently the OTD Parcel is being leased by Atkinson Construction and their lease agreement is being amended as part of Item 9 for the purpose of allowing partitioning of the OTD parcel for use of a lease area to D&S Washout Systems.

Recently D&S Washouts Systems a subcontractor to Atkinson Construction contacted staff to lease a portion of the OTD Parcel for the purpose of storing trucks, two large storage units, and other construction materials. Staff and D&S Washout Systems contacted Atkinson Construction for the possibility of partitioning the OTD parcel for the opportunity to lease a portion to D&S Washout Systems. Once all lessees agreed to distribute the OTD Parcel among the two lessees and negotiate a fair market value for the monthly lease fees, then staff begin to develop the lease agreement. Currently the lease agreement is being developed and will be reviewed by all parties before execution and to ensure due diligence and complete transparency of the process.

Exhibit A illustrates the lease area encompassing 16,000 square feet with a shared driveway to access the lease area. In coordination with Atkinson Construction the OTD parcel will be divided into two lease areas in order for both lessees to access the property. The current Atkinson Lease Agreement will require an amendment in order to reduce the leasing area and thus providing a lease area for D&S Washout Systems. Once the Atkinson Lease Agreement Amendment is executed, concurrently D&S Washout Systems lease agreement will also be executed and will begin a one-year lease for a portion of the OTD Parcel at a monthly lease fee of \$950.

The lease fees generated will provide revenue for the Los Cerritos Wetlands Stewardship Program and funding for management of the property. The OTD parcel offers a secure and out-of-sight location for storage of non-hazardous waste, construction materials and equipment. Further, these lease fees generate funding in the interim for miscellaneous administrative fees. In addition the administrative activities necessary to operate the lease agreements as well as insurance and security concerns would be minimal given the LCWA has on-call consultant services and a land manger on site.

The Los Cerritos Wetlands Stewardship Program will continue to utilize a portion of the OTD parcel if necessary.

FISCAL INFORMATION: D&S Washout Systems would lease a portion of the OTD Parcel for one year at a monthly lease fee of \$950 per month and the lease would begin once the lease agreement is executed and extend through September 1, 2016. The monthly lease fee would serve to fund property/land management costs, Los Cerritos Wetlands Stewardship Program, and other miscellaneous administrative costs.

Staff time to oversee and manage the lease agreement is minimal given the property has a developed drive-way, the site is secured, and it is graded and ready for use. Staff will maintain close relations with the lessee in order to minimize substantial issues that may arise; further the LCWA has on-call consultant services if the lessee requires immediate attention.



Shared Driveway

Atkinson Lease Area = 71,120 sq ft (1.63 acres)

16,000 sq ft

D&S Washout Systems Lease Area = 16,000 sq ft (0.37 acres)

Sluddebaker Rd

Westminster Blvd

August 12, 2015 Agenda Item 10

RESOLUTION 2015 - 09

RESOLUTION OF THE LOS CERRITOS WETLANDS AUTHORITY
ADOPT A RESOLUTION AUTHORIZING THE EXECUTIVE OFFICER TO ENTER INTO A
LEASE AGREEMENT WITH D&S WASHOUT SYSTEMS FOR PARTIAL USE OF THE OTD
PARCEL (LA COUNTY APN #7237-019-006).

WHEREAS, the Los Cerritos Wetlands Authority (Authority) has been established between the Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, the City of Seal Beach and the City of Long Beach to facilitate the acquisition, protection, conservation, restoration, maintenance and operation an environmental enhancement of the Los Cerritos Wetlands; and

WHEREAS, the LCWA adopts a resolution authorizing the Executive Officer into a lease agreement with D&S Washout Systems for partial use of the OTD parcel (LA County APN #7237-019-006); and

WHEREAS, this action is exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA); NOW

Therefore be it resolved, that the LCWA hereby:

1. FINDS that this action is consistent with the purposes and objectives of the LCWA.
2. FINDS that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act.
3. AUTHORIZES the Executive Officer to enter into a lease agreement with D&S Washout Systems for partial use of the OTD parcel (LA County APN #7237-019-006) and amend the FY15/16 budget and the lease agreement as necessary.
4. ADOPTS staff report dated August 12, 2015

~ End of Resolution ~

Passed and Adopted by the Board of the LOS CERRITOS WETLANDS AUTHORITY on August 12, 2015.

Joan Cardellino, Chair

ATTEST:

Terry Fujimoto
Deputy Attorney General