




BOARD LETTER APPROVAL

  
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Chief Administrative Officer

  
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**DAVID H. WRIGHT**  
Senior Assistant General Manager  
Power System

  
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**MARCIE L. EDWARDS**  
General Manager

**DATE:** April 24, 2015

**SUBJECT:** Barren Ridge Renewables Transmission Project (BRRTP) Public Hearing and Adoption of Resolution of Necessity Authorizing Commencement of Eminent Domain Proceedings to Acquire 46 Parcels (Properties) of Real Property in the Vicinity Northeast of Mojave and South of the Barren Ridge Switching Station (BRSS) in Kern County, South to the Area West of Lancaster Down to the Los Angeles (LA) County Line and South to the Vicinity of the California Aqueduct in LA County, California

**SUMMARY**

The public hearing and adoption of the attached proposed Resolution of Necessity will authorize the Los Angeles Department of Water and Power (LADWP) to acquire by eminent domain Properties in the in the vicinity northeast of Mojave and south of the BRSS in Kern County, south to the area west of Lancaster down to the LA County Line and south to the vicinity of the California Aqueduct in LA County, California. BRRTP is the construction of new high voltage transmission lines from the BRSS (north of Mojave, California) to the Rinaldi Substation and continuing from the Castaic Power Plant to the Haskell Switching Station. The BRRTP will provide access to clean, renewable energy resources in the Tehachapi Mountains and Mojave Desert areas of Southern California and is crucial for meeting the City of Los Angeles' (City of LA) Renewables Portfolio Standard (RPS).

LADWP presented offers to the owners of the Properties in July 2014, and finished in March 2015, but has not been able to reach negotiated purchases of the Properties. LADWP staff recommends proceeding with acquisition through eminent domain (the power to acquire private property for public purposes) because the Properties are necessary for the construction of the BRRTP. If the Board of Water and Power Commissioners (Board) adopts the proposed Resolution, LADWP will continue to negotiate voluntary purchases.

The attached Resolution of Necessity documents the findings that are required to authorize the initiation of eminent domain.

City Council approval is required by Charter Section 675(d)(1).

### **RECOMMENDATION**

It is recommended that the Board:

1. Hold a public hearing on the proposed Resolution of Necessity.
2. Consider and find the Final Environmental Impact Report (EIR) for the BR RTP certified on September 18, 2012, along with the adopted mitigation measures provides adequate environmental review of the BR RTP pursuant to the California Environmental Quality Act (CEQA).
3. Adopt the Resolution of Necessity making findings and authorizing the commencement of eminent domain actions to acquire the Properties for the BR RTP.
4. Request that City Council approve the Resolution of Necessity and authorize the exercise of eminent domain to acquire the Properties.

### **ALTERNATIVES CONSIDERED**

As required by law, LADWP made written offers to the owners of record of the Properties in amounts not less than the appraised Fair Market Values (FMV). LADWP retained acquisition agents and has been successful in reaching voluntary agreements with 261 of the 447 owners of the parcels in the segment northeast of Mojave and south of the BRSS in Kern County south to area west of Lancaster to the LA County Line and south to the vicinity of the California Aqueduct in LA County, California. To date, however, LADWP has not been able to reach agreements with the owners listed in the summary table of Properties. LADWP and its agents will continue to negotiate voluntary purchases of the Properties, but if we are unable to reach agreements with the owners, LADWP should initiate the eminent domain process to acquire the Properties to complete the BR RTP as approved on budget and on schedule.

### **FINANCIAL INFORMATION**

Funding for the acquisition of all the properties necessary for the BR RTP, including legal and transaction costs, is budgeted for \$22 Million.

### **BACKGROUND**

The BR RTP is essential for meeting LADWP's RPS goal of achieving a renewable energy mandate of 33 percent by the year 2020. The BR RTP will deliver power generated by wind and solar resources from the Tehachapi Mountains, Mojave Desert, and Owens Valley to the LA Basin.

The Project would be located in LA and Kern Counties, and would consist of:

- Expanding the existing BRSS,
- Constructing a new switching station in Haskell Canyon,
- Constructing 61 miles of a new 230 kilovolt (kV) double-circuit transmission line from the BRSS to Haskell Canyon,
- Reconductoring 76 miles of the existing Barren Ridge – Rinaldi (BR-RIN) 230 kV transmission line with larger-capacity conductors between the BRSS and the Rinaldi Substation,
- Adding 12 miles of new 230 kV circuit from Haskell Canyon to the Castaic Power Plant. LADWP must acquire the Properties for the construction of the BR RTP as they are located directly in the alignment of the approved BR RTP.

### Eminent Domain Process

The City of LA, acting by and through its LADWP, may acquire property by eminent domain for public use and electric supply purposes, both within and outside of its jurisdictional boundaries, in accordance with California Government Code Section 37350.5, Code of Civil Procedure Sections 1240.010 and 1240.125; Public Utilities Code Sections 10001 and 10004, and LA City Charter Section 675.

As required by Government Code Section 7267.2, written offers, based upon the approved appraisals, were presented to the owners of record of the Properties. While LADWP, through its acquisition consultants, has continued to negotiate with the owners to reach voluntary purchases, to date, LADWP has not been able to reach negotiated agreements with the owners of the Properties. Thus, the exercise of eminent domain would be necessary to acquire the Properties needed for the BR RTP in a timely manner to meet LADWP's RPS mandates.

In accordance with California Eminent Domain Law, LADWP mailed notices of this hearing to the owners of the Properties informing them of their right to appear and to be heard on the following issues:

1. Whether the public interest and necessity require the BR RTP.
2. Whether the BR RTP is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. Whether the subject parcel(s) is/are necessary for the BR RTP.
4. Whether either the offer(s) required by Section 7267.2 of the Government Code has/have been made to the owner or owners of record, or the offer(s) has/have not been made because the owner(s) cannot be located with reasonable diligence.
5. Whether the requisite environmental review of the BR RTP has been completed consistent with CEQA.

After the Board has held the public hearing, the Board must consider the certified final EIR and decide whether to adopt the proposed Resolution of Necessity to acquire the Properties by eminent domain. In order to adopt the Resolution of Necessity, the Board

must consider the testimony and evidence (including the information set forth in this Board Letter), and by a vote of two-thirds of its governing body, find and determine that the factors listed in items 1 through 5 above exist. Adoption of the Resolution of Necessity by the Board and approval by City Council will authorize LADWP's legal counsel to pursue legal action to acquire the Properties by eminent domain including seeking prejudgment possession of the Properties through a court order.

1. The Public Interest and Necessity Require the BR RTP

The BR RTP will be located in LA and Kern Counties, and will consist of:

- Expanding the existing BRSS,
- Constructing a new switching station in Haskell Canyon,
- Constructing 61 miles of a new 230 kV double-circuit transmission line from the BRSS to Haskell Canyon,
- Reconductoring 76 miles of the existing BR-RIN 230 kV transmission line with larger-capacity conductors between the BRSS and the Rinaldi Substation.
- Adding 12 miles of a new 230 kV circuit from Haskell Canyon to the Castaic Power Plant.

LADWP's purpose and need for the BR RTP along with the objectives are to:

- Allow interconnection and expansion of LADWP's renewable energy in the Tehachapi Mountains and Mojave Desert areas.
- Reduce the environmental impacts associated with greenhouse gas emissions and create a more sustainable environment.
- Assist LADWP in meeting RPS goals.
- Meet LADWP's future electrical energy demands.
- Increase LADWP's system reliability and flexibility in the utilization of renewable energy sources.
- Enable the delivery of renewable energy.

2. The BR RTP is Planned or Located in the Manner That will be Most Compatible With the Greatest Public Good and the Least Private Injury

The LADWP, United States Forest Service, and United States Bureau of Land Management prepared a joint Environmental Impact Statement (EIS)/EIR for the proposed BR RTP. Public participation was included in the environmental review process. The Draft EIS/EIR was released for a 60-day public comment period on August 26, 2011, and ending on October 25, 2011. The document was made available online, and at numerous repository sites. The EIR included an analysis of three route alternatives for the BR RTP plus the no action alternative.

The Final EIS/EIR (Released August 2012) contains comments and written responses to comments on the Draft EIS/EIR. LADWP certified the final EIR and approved the BR RTP selecting and adopting the Alternative 2 route at its Board meeting on September 18, 2012. The Alternative 2 route, which includes the

Properties, was selected because it contains all project components within a single utility corridor within the Angeles National Forest (ANF) and the immediate surrounding communities, which would limit the impact footprint of the BR RTP.

Alternative 2 consolidates all project components next to existing LADWP facilities, minimizing ongoing operation and maintenance impacts. The consolidation of facilities will allow LADWP to utilize the existing network of access roads, resulting in the least ground disturbing impacts among the action alternatives. Alternative 2, as adopted, is the shortest transmission line alignment at 61 miles long. Alternative 2 consists of three Segments: A, B, and G. Segment A is from the BRSS to north of Mojave and is common to the 3 Action Alternatives. Segment B is from Mojave to Lancaster, and Segment G is from Lancaster through Elizabeth Lake and Green Valley to the proposed Haskell Canyon Switching Station.

### 3. The Properties Described in the Resolution are Necessary for the BR RTP

The Properties are essential parts of the approximately 200-foot wide corridor of the adopted Alternative 2 project route that runs 61 miles from BRSS to the Haskell Canyon Switching Station, and parallels the LADWP's existing BR-RIN 230 kV and 500 kV Pacific Direct Current Intertie Transmission Lines for most of its existing alignment. The corridor provides spacing needed to maintain and protect three contiguous and parallel high voltage transmission line circuits.

The transmission lines include towers, conductors and ancillary equipment. Erection and maintenance of towers will require subsurface foundations and grounding devices. Ground, surface and overhead access will be necessary to construct, operate and maintain the towers, conductors and ancillary equipment. The LADWP historically has acquired the fee interest for transmission lines. Fee acquisition (purchase) of these Properties is necessary to provide continuous, uninterrupted legal access to ensure safe and reliable operation of the transmission lines. Purchase of these properties also ensures the control and preservation of the rights necessary for future maintenance and continuous operation of our facilities without interference by any outside parties. On occasion, access may be granted to adjacent owners and public entities to ensure that vehicle access and traffic circulation can be maintained.

### 4. The Offers Required by Section 7267.2 of the Government Code Were Made to the Owners of Record, or the Offers Have not Been Made to Certain Owners Because the Owners Could not be Located With Reasonable Diligence

LADWP staff has taken the following required actions for each of the Properties:

- Obtained appraisals from California Licensed General Real Estate Appraisers to determine the FMV of the Properties.
- Reviewed and approved the appraisals to establish the just compensation (purchase) offer amount.

- Determined the owners of the Properties and their interests therein by examining title reports for the Properties and searching County Assessor's Records, when needed.
- Sent written offers via certified mail, accompanied by an appraisal summary statement, to the owners of record of the Properties for the full amount of just compensation, which was not less than the approved appraised value.

The Properties (identified by assessor's parcel numbers), the record owners (as indicated by title reports obtained from Chicago Title Company), the approximate locations, the nature of the property interests sought, the amount offered for the Property(ies) and the date the offers were mailed are listed in the following summary table:

GL	APN	Owner	Approx Size (Acres)	Approx Location	Offer Amount	Date of Offer
17	225-343-25-00	Joseph Do and Hein Nguyen	0.452	2 ½ Miles North of Randsburg Cutoff Road	\$300	6/13/2014
26	224-401-11-00	Smile4u Inc.	0.747	2 ¼ Miles North of Randsburg Cutoff Road	\$450	6/13/2014
40	225-284-07	John Latkovic and Toril Latkovic	0.001	¾ Mile North of Randsburg Cutoff Road	\$100	6/13/2014
55	224-610-22-00	Johanna E. Keyzer, Trustee of the Johanna E. Keyzer Living Trust	1.972	1/8 Mile North of SR 58	\$1,800	6/13/2014
56	224-610-44-00	Sylvia M. Johnson	2.659	Adjacent Southerly of SR 58	\$6,700	6/13/2014
58	224-610-35-00	Sylvia M. Johnson	1.751	Adjacent Southerly of SR 58	\$4,400	6/13/2014
70	247-032-27-00	Exeter Fiduciary Services, LLC, as Trustee of Trust #14506	0.172	Aqueduct City	\$9,900	7/24/2014
83	247-061-06-00	Lafayette Slaughter; and Andrew Slaughter and Florence Loretta Slaughter, Trustees of the Andrew and Florence Slaughter Family Trust	0.172	Aqueduct City	\$9,900	6/4/2014
86	247-066-22-00	Maria Diaz and Roberto Diaz	0.172	Aqueduct City	\$9,900	7/24/2014
91	247-066-27	Josef Paas	0.057	Aqueduct City	\$3,300	6/4/2014
93	247-066-06-00	Sylvester Hartman	0.172	Aqueduct City	\$9,900	6/4/2014
97	247-065-38-00	Robert M. Straube and Esther M. Straube	0.230	Aqueduct City	\$13,200	6/4/2014
113.1	247-131-19-00 (formerly a portion of 247-131-15-00)	Ray Rubio and Elena Rubio	0.344	Aqueduct City	\$19,800	11/14/2014
113.2	247-131-18-00 (formerly a portion of 247-131-15-00)	Sandra P. Rodriguez	0.172	Aqueduct City	\$9,900	11/14/2014
131	247-206-17-00	Jackie M. Ross and Jeri W. Liggitt	0.402	Aqueduct City	\$28,050	6/4/2014

GL	APN	Owner	Approx Size (Acres)	Approx Location	Offer Amount	Date of Offer
136	224-242-40-00	Gunter Werner Zedler and Katherine Zedler, Trustees of the Zedler Family Trust, and Joan F. Jones as Trustee of the Jones Marital Trust	0.741	Adjacent Easterly of BR 58	\$2,200	7/8/2014
140	224-242-37-00 224-242-24	All Finance, LLC	1.668	Adjacent Westerly of UPRR	\$5,100	7/8/2014
168	237-271-05	David V. Butler and Paul C. Butler	10.266	Adjacent Southerly of Arroyo Ave	\$185,000	7/8/2014
186	237-322-12-00	Yvonne Hatfield Simone	2.981	¼ Mile North of Purdy Avenue	\$10,400	7/22/2014
200	345-062-47	James M. Edgeworth and Carol S. Edgeworth	3.258	1 ¼ Mile South of Sunset Ave	\$11,400	7/22/2014
201	345-062-46					
203	345-063-03-00	Walter V. Ferguson, Jr. and Nettie Lou Ferguson	3.351	1 ½ Miles South of Sunset Ave	\$13,400	7/22/2014
221	345-100-08-00	Hani Lufti, and Farris H. Haddad and Farha F. Haddad, and Kamel H. Sawalha and Rawda Sawalha, Trustees of the Sawalha Family Trust	3.144	1 Mile North of Backus Road	\$6,600	7/22/2014
240	346-214-37	Golden Land Company, Inc.	0.101	¼ Mile South of Backus Road	\$400	7/22/2014
297.1	359-052-05	Vivian Moreno and Successors as Trustee of the Revocable Living Trust of Vivian Moreno dated August 15, 2000	3.470	½ Mile South of Rosamond Blvd	\$8,700	3/23/2015
299.1	359-052-08	Mary E. Nickel and Theresa M. Proctor	2.400	½ Mile South of Rosamond Blvd	\$5,300	3/23/2015
300.1	359-052-02		4.540	1 Mile South of Rosamond Blvd		
301.1	359-031-03	Rosamond Ranch, L.P.	8.060	1 Mile South of Rosamond Blvd	\$221,900	3/23/2015
302.1	359-031-02		5.890	1 ½ Miles South of Rosamond Blvd		
305.1	359-032-01-01	Copa de Oro Land Company, a California general partnership, also known as Copa de Oro Properties, LLC, (formerly known as Kernross Estates, a California general partnership), as successor in interest to Rosamond 300, a General Partnership, which acquired title as Kernross Estates, a California General Partnership	2.050	3 Miles South of Rosamond Blvd	\$24,600	3/23/2015
306.1	359-032-17-00	Copa de Oro Land Company, a California General Partnership	2.040	3 ½ Miles South of Rosamond Blvd	\$24,500	3/23/2015
307.1	3261-032-040	Equity Trust Company Custodian FBO David L. Price IRA	4.622	Adjacent to Avenue A	\$25,400	11/14/2014

GL	APN	Owner	Approx Size (Acres)	Approx Location	Offer Amount	Date of Offer
307.2	3261-032-040U	David Tepper as trustee of The David Tepper Living Trust dtd August 11, 1989, and Equity Trust Company Custodian FBO David L. Price IRA	0.379	Adjacent to Avenue A	\$1,000	11/14/2014
322	3261-026-007	John H. Dilks and Frances N. Dilks, and the heirs or devisees of Harry V. Duty and Frances G. Duty, deceased	2.685	Adjacent to Avenue B	\$14,100	7/30/2014
330	3261-028-007	Mahmoud Mohamed Mahmoud and Essam Mohamed Mahmoud El Sayed	2.956	½ Mile South of Avenue B	\$13,300	7/30/2014
5	3261-029-019	W.S. Rogers and Inola Rogers, as Trustee(s) under the Testamentary Trust of Barbara Ann Rogers, deceased	2.500	1 Mile South of Avenue B	\$11,300	7/30/2014
343	3261-015-027	Rodolfo S. Ramos and Nenita V. Ramos	0.035	1 ¼ Miles South of Avenue B	\$200	7/30/2014
344	3261-015-030	Yuen Yuen Chin, trustee of the Yuen Yuen Chin Family Trust dated May 12, 2014, and Jack Wentse Huan and Carrie Weitsun Huan, trustees of the Jack and Carrie Huang Family Trust dated August 20, 2011	2.508	¾ Mile North of Avenue D	\$11,300	7/30/2014
349	3261-015-015	Larry Hideharu Miyagi, and Judy Keiko Shimabukuro, wife of Dennis Yoshihara Shimabukuro	0.023	½ Mile North of Avenue D	\$100	7/30/2014
362	3263-010-008	Carmelita C. Medios	6.285	1 ½ Miles South of Avenue D	\$30,400	11/14/2014
363.1	3263-010-008	Carmelita C. Medios	0.608	1 ½ Miles South of Avenue D	\$1,000	11/14/2014
372	3265-001-082	Violeta C. Bonilla	2.517	¼ Mile South of Avenue F	\$12,600	8/4/2014
391	3266-006-801	Southern California Edison Company	0.997	1 Mile North of Avenue H	\$5,000	8/6/2014
401	3266-019-003	Patrick M. Wilson, and Iuga J. Tafulu and Irene S. Tafulu	2.055	¼ Mile South of Fairmont-Neenach Road	\$11,300	8/4/2014
404	3266-019-001	Antonio P. Manahan, M.D., P.C.	0.176	Adjacent to Lancaster Road	\$800	8/4/2014
414	3267-016-027	Abdel R. Khalil	0.788	¼ Mile South of Avenue J	\$4,700	8/4/2014

LADWP's acquisition consultants have attempted to negotiate, and will continue to engage in negotiations, with the owners to acquire the Properties by voluntary purchase.

However, because the Properties have not yet been acquired by LADWP, the information in the summary table is provided to assist the Board in supporting the findings that must be made to authorize acquisition of the Properties by eminent domain.



The Chief Administrative Officer Report has been requested. It is anticipated before the Board meeting.

### **ENVIRONMENTAL DETERMINATION**

In accordance with CEQA and the National Environmental Policy Act, LADWP, along with its federal co-lead agencies, the United States Forest Service and United States Bureau of Land Management, prepared a joint EIS/EIR to disclose and evaluate the potential environmental impact associated with the construction and operation of the BRRTP. The Board certified the EIR, adopted mitigation measures and approved the Project on September 18, 2012.

A copy of the EIS/EIR is available for review on the LADWP public website:  
[https://www.ladwp.com/ladwp/faces/ladwp/aboutus/a-power/a-p-projects/a-p-p-barrenridgerenewabletransmission?\\_adf.ctrl-state=10c9zuzs8l4&\\_afLoop=552282907564205](https://www.ladwp.com/ladwp/faces/ladwp/aboutus/a-power/a-p-projects/a-p-p-barrenridgerenewabletransmission?_adf.ctrl-state=10c9zuzs8l4&_afLoop=552282907564205)

### **CITY ATTORNEY**

The Office of the City Attorney reviewed and approved the Resolution as to form and legality.

### **ATTACHMENTS**

- Resolution (Including Legal Descriptions and Maps of the Properties)
- Draft Ordinance
- Maps of BRRTP