



Los Angeles
Department of
Water & Power

RESOLUTION NO. _____

BOARD LETTER APPROVAL

Handwritten signature of Michael S. Webster in blue ink.

MICHAEL S. WEBSTER
Executive Director – Power System
Engineering and Technical Services

Handwritten signature of Marcie L. Edwards in blue ink.

MARCIE L. EDWARDS
General Manager

DATE: March 2, 2016

SUBJECT: Grant of Easement to Big Bend Water District (P-87088)
Affecting the Mohave Switchyard, Clark County, Nevada;
Assessor Parcel Numbers 264-26-000-002; 264-21-501-002;
and 264-24-101-001

SUMMARY

The Los Angeles Department of Water and Power (LADWP), in partnership with Southern California Edison Company (SCE), Nevada Power Company (dba “NV Energy”), and the Salt River Project Agricultural Improvement and Power District, are owners of the Mohave Steam Generating Station (MSGs) property in Clark County, Nevada. The co-owners propose to grant an easement of 6.28 acres over MSGS property to Big Bend Water District, a political subdivision of the State of Nevada. LADWP owns a 10 percent interest in the MSGS property.

The purpose of the proposed agreement is to grant the Big Bend Water District an easement for water pipeline purposes, in, on, under, over, along and across certain real property in the City of Laughlin, County of Clark, State of Nevada. The Big Bend Water District will pay the co-owners \$57,586.40 for this easement. LADWP’s share of the compensation will be \$5,758.64.

This proposed water line easement will support future growth that developed along the perimeter of the MSGS property. Regardless of how or when the MSGS property is disposed of, general growth of the City of Laughlin has created operational constraints for the Water District. These constraints will be relieved once the water line expansion is completed.

RECOMMENDATION

It is requested that your Honorable Board approve and grant the proposed easement to the Big Bend Water District, approved as to form and legality by the City Attorney, and recommend that the Los Angeles City Council approve granting the easement by ordinance per Charter Section 675(d)(2).

ALTERNATIVES CONSIDERED

None. Should the Board decline to approve the Grant of Easement to Big Bend Water District, the agreement would not be able to proceed for further approval by City Council.

Easement agreements are more desirable since they are permanent. The Big Bend Water District can make substantial investments in the water infrastructure system without fear of land rights being revoked at any time.

FINANCIAL INFORMATION

LADWP will receive \$5,758.64 as its share of the consideration for the easement.

BACKGROUND

The MSGS power plant was taken out of service and fully demolished in 2012. The co-owners continue to own approximately 2,500 acres of project lands in Clark County, Nevada. Southern California Edison operates and manages the MSGS property on behalf of the co-owners.

LADWP currently owns 10 percent of the property that once supported the coal-fired MSGS in Laughlin, Nevada. LADWP has been a co-owner of the property, along with three other entities since 1971 and, together, make up the ownership body of this property.

Southern California Edison, the Salt River Project, and NV Energy are the three other co-owners of the MSGS property. SCE did perform an in-house evaluation of the proposed consideration of \$57,586.40 and found the amount to be reasonable for the easement rights being granted to Big Bend Water District.

This proposed easement is part of the MSGS ownership's responsibility of being good stewards of its property.

ENVIRONMENTAL DETERMINATION

In accordance with the California Environmental Quality Act (CEQA), it has been determined that the subject easement agreement is not subject to CEQA requirements

as described in CEQA Guidelines Section 15060(c)(2), since this action will not result in a direct or reasonably foreseeable indirect physical change in the environment.

CITY ATTORNEY

The Ordinance, required pursuant to Charter Section 675(d)(2), will be transmitted by the City Attorney's Office to the City Council for approval. A copy of the City Administrative Officer's report, dated February 8, 2016 is attached.

ATTACHMENTS

- Resolution
- Easement Grant to Big Bend Water District
- City Administrative Officer's report