



RESOLUTION NO. \_\_\_\_\_

**BOARD LETTER APPROVAL**

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**RICHARD F. HARASICK**  
Senior Assistant General Manager  
Water System

A handwritten signature in blue ink, appearing to read "M. Adams", written over a horizontal line.

**MARTIN L. ADAMS**  
General Manager and Chief Engineer

**DATE:** September 24, 2020

**SUBJECT:** Sale of Two Easements to State of California for Road and Highway Purposes – Inyo County

**SUMMARY**

Water System is requesting approval of a Right of Way Contract-State Highway (Agreement) for the sale of two easements (Easements) over certain real properties owned by the City of Los Angeles (City) and under the management and control of LADWP to the State of California, Department of Transportation (State) for its Olancho-Cartago Four-Lane Project (Project). The Easements consist of two parcels, totaling 46.4 acres, identified as portions of Assessor Parcel Nos. 033-020-06, 033-020-07, and 033-020-18 located in the Olancho-Cartago area, County of Inyo, California.

Revenue generated from sale of the Easements is \$38,000.

City Council approval is required according to Charter Section 675(d)(2).

**RECOMMENDATION**

It is requested that the Board of Water and Power Commissioners adopt the attached Resolution approving and recommending City Council's approval of the Agreement for the sale of the Easements to the State and authorizing execution of the Easement Deeds as required in Charter Section 675(d).

**ALTERNATIVES CONSIDERED**

1. Not selling the Easements. Because of potential impacts to LADWP facilities. This will result in the State attempting to acquire the property through the Eminent Domain process.

2. Selling the property in fee versus easements. Easements will better protect the City's water rights.

## **FINANCIAL INFORMATION**

The sale of the Easements will generate revenue in the amount of \$38,000. The property was appraised by the State and reviewed by LADWP real estate staff.

## **BACKGROUND**

Project will convert approximately 12.6 miles of existing U.S. Highway 395 from a two-lane conventional highway to a four-lane expressway in the Olancho-Cartago area of County of Inyo. The existing highway alignment through the towns of Olancho and Cartago will be moved farther west, around the existing communities.

The State is requesting to purchase two Easements over City property for its Project. One easement, totaling 42.7 acres, is requested for highway purposes and the second easement, totaling 3.7 acres, is requested for roadway purposes.

In addition to purchasing Easements, the Project requires LADWP to relocate power lines, will result in a new bridge across the Los Angeles Aqueduct, and will result in the new highway being built over LADWP's Cartago Spill-Gate Main Water Line (Main Line) that supplies water to the Owens Lake Dust Mitigation Project. Additional agreements for power line relocation work, crossing the aqueduct, and crossing the Main Line are being negotiated to avoid impacts to LADWP facilities and operations. The Agreement only covers the selling of Easements to the State for its Project.

The State requested to purchase the Easements over City Property for its Project, and LADWP and the State have negotiated the Agreement for the sale of the Easements to the State. Staff believes that the proposed grant of Easements will not impact LADWP operations and use of the property.

The State needs immediate possession of the property to commence its Project and stay on schedule. On March 25, 2020, the California Transportation Commission adopted a Resolution of Necessity authorizing the State to condemn the Easements provided, however, the State has agreed not to file an eminent domain complaint while the two agencies work to obtain the necessary approvals from LADWP's Board of Water and Power Commissioners and Los Angeles City Council for the voluntary sale of the Easements to the State. LADWP reserves all rights and remedies to challenge any such legal proceeding.

In accordance with the Mayor's Executive Directive No. 4, the City Administrative Officer's Report (CAO) was approved on September 21, 2020.

## **ENVIRONMENTAL DETERMINATION**

In compliance with California Environmental Quality Act (CEQA) Guidelines Sections 15080-15097 (EIR previously adopted). In accordance with CEQA, an Environmental Impact Report (EIR) was prepared by California Department of Transportation, District 9, as the Lead Agency, to analyze the impacts associated with the construction and operation of the Olancho/Cartago Four-Lane Project. On December 6, 2019, California State Lands Commission, as a Responsible Agency, certified the EIR, adopted the Mitigation Monitoring and Reporting Program, Findings of Fact and Statement of Overriding Considerations, and approved the project.

## **CITY ATTORNEY**

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

## **ATTACHMENTS**

- Resolution
- Agreement
- Ordinance
- CAO Report