EPORT OF GENERAL MANAGER		NO. <u>05-99</u>
DATE <u>April 20, 200</u>	05	C.D
BOARD OF RECREATION	N AND PARK COMMISSIONERS	S
	E HOT SPRINGS – LEASE FOR INT OF WATER AND POWER	PROPERTY OWNED BY THE
K. Chan J. Ko J. Combs F. M H. Fujita B. Jensen	lok	General Manager
Approved	Disapproved	Withdrawn

## **RECOMMENDATION:**

## That the Board:

- 1. Approve the new five-year lease, on file in the Board Office, with the City's Department of Water and Power (DWP) for the continued use of Whitmore Hot Springs in Mono County by Recreation and Parks staff who operate and maintain Camp High Sierra;
- Direct the Board Secretary to transmit the proposed lease to the City Attorney for review and concurrently to the Mayor for review and approval in accordance with Executive Directive No. 16 and upon obtaining approval, authorize the Board President and Secretary to execute said lease; and
- 3. After execution, authorize the Director of Finance to pay DWP all annual rental payments of \$500.00 due under the lease, dated retroactively to September 1, 2004, and authorize said Director to pay the annual property taxes on the leased property during the term of the lease from Fund 302/88, Account 6030.

## SUMMARY:

Since 1945 the Department of Recreation and Parks has been using the site known by staff as "Whitmore Hot Springs" and known to DWP as "Whitmore Tubs – Long Valley, property M23-040-03D." The site is located in Mono County approximately 30 miles north of Bishop near Lake Crowley, which to the DWP is called the Long Valley Reservoir as it is part of the Owens Valley-to-Los Angeles water supply system.

## REPORT OF GENERAL MANAGER

PG. 2 NO. <u>05</u>-99

Whitmore Hot Springs is eleven miles from Camp High Sierra, which itself is within the city of Mammoth Lakes. The Whitmore property is fenced and since 1951 has contained four Quonset huts; there is also a garage. One employee lives on site year-round to provide security; from June through September, three huts house staff assigned to Camp High Sierra. The fourth hut is used as a workshop and as storage for equipment.

Originally, Whitmore Hot Springs was part of a larger, 35-acre site governed by a license agreement from DWP; Recreation and Parks was to provide public programming including some activities at the lake. There were also plans to refurbish and improve an outdoor swimming pool filled by naturally heated water. However, by 1991 the Department had decided not to continue implementing these plans; the swimming pool area was leased to Mono County, and the license agreement was terminated. There had been chronic budgetary constraints, and the planned recreation uses seemed no longer viable because of other, nearby amenities available to the public. In 1993 DWP issued a five-year lease, subsequently renewed, to use the smaller, core site with the Quonset huts (Lease No. BL-1403). The reduced site occupies 3.91 acres. The terms of the proposed lease now under consideration are similar to those of the expired leases. The new annual payment will be \$500.00, and DWP has asked that Tracking Account No. 16207 be referenced on the Inter-Departmental Orders.

Staff recommends approval of the proposed lease because the Whitmore site is at a lower elevation than the camp, receiving less snow and therefore making winter storage easier and less costly. Moreover, the proximity of the national forest and resort area means that camp staff will lack cost-effective alternatives.

The Assistant General Manager and Superintendent of Operations East and the Camping Section Supervisor concur with staff's recommendations.

This Report was prepared by Joan Reitzel, Senior Management Analyst in Real Estate and Asset Management.