

RESOLUTION NUMBER R- 291138

ADOPTED ON JAN 11 1999

WHEREAS, the economy and employment and quality of life of the San Diego County region is dependent on a reliable and affordable water supply which requires cooperation of local water agencies both directly and through their joint imported water agency, the San Diego County Water Authority ("CWA"); and

WHEREAS, treated water surplus to CITY needs (Surplus), hereby defined as treated water surplus over the Otay Water Treatment Plant's peak daily demand, is available to serve OTAY from the Otay Water Treatment Plant; and

WHEREAS, by making Surplus treated water available to OTAY, the CITY and the region will benefit by increased use of existing resources and potential savings in future regional facilities; and

WHEREAS, by entering into an agreement to provide Surplus treated water to OTAY, the CITY will improve the efficiency of its treatment plant operations and generate additional income; and

WHEREAS, the CWA will benefit by being able to defer deliveries of approximately ten MGD of treated water to OTAY; and

WHEREAS, the CWA recommends that each of its member agencies provide sufficient water reserves to withstand up to ten days of cutoff from imported treated water supplies; and

WHEREAS, OTAY relies exclusively on imported treated water and on imported raw water treated by others, for supplying its service area with water; and

WHEREAS, OTAY has determined that the most viable approach to establishing adequate reserves is to build a maximum of five days covered treated water storage and to secure treated water supply commitments from other agencies for the remainder; and

WHEREAS, the City is willing to sell Surplus treated water to OTAY from the CITY's Otay Water Treatment Plant and additional treated water in the future; and

WHEREAS, OTAY's future needs (OTAY's Needs) are for 10 to 20 million gallons per day (MGD) of treated water; and

WHEREAS, the CITY is willing to expand its Otay Water Treatment Plant to meet future OTAY and CITY needs; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that the City Manager be and is hereby authorized and empowered to enter into an Agreement, a copy of which is on file in the Office of the City Clerk as Document No. R- 291138, with the Otay Water District regarding the purchase of surplus treated water from the City of San Diego.

BE IT FURTHER RESOLVED, that the City is authorized to sell OTAY treated water, surplus to the City's needs, from the CITY's Otay Water Treatment Plant upon execution of the agreement;

BE IT FURTHER RESOLVED, that the City is authorized to sell OTAY additional treated water;

BE IT FURTHER RESOLVED, that OTAY will pay the City's actual operating costs for treatment, which includes operation, maintenance, and overhead expenses, plus the prevailing CWA raw water rate regardless of whether local or imported raw water is treated;

BE IT FURTHER RESOLVED, that the agreement term is for fifty years.

APPROVED: CASEY GWINN, City Attorney

By *Lisa Foster*
Lisa Foster
Deputy City Attorney

LAF:jp
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Or.Dept:Water
Aud.Cert:
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