

RESOLUTION NUMBER R- 293457

ADOPTED ON JUL 17 2000

WHEREAS, The City of San Diego currently has two operating water reclamation facilities, the San Pasqual Water Reclamation Plant and the North City Water Reclamation Plant, which serve customers in the northern portion of the City; and

WHEREAS, the City's South Bay Water Reclamation Plant is currently under construction, and will be on line to serve customers in the southern portion of the City in late 2001; and

WHEREAS, as a condition of grant monies received from the Environmental Protection Agency, the City is required to beneficially reuse the output from the North City Water Reclamation Plant, at a rate of 25% beneficial reuse by 2003, and 50% beneficial reuse by 2010; and

WHEREAS, in order to meet these beneficial reuse conditions, a Beneficial Reuse Study is currently being conducted to identify the most cost effective ways to increase reclaimed water sales; and

WHEREAS, the Beneficial Reuse Study has identified the following issues as critical to development of a reclaimed water market: ensuring use of reclaimed water by new development; developing new classes of customers; constructing reclaimed water seasonal storage; and setting a reclaimed water rate which is based on the actual cost of service and encourages reclaimed water use; and

WHEREAS, staff have performed a cost of service study which has identified a methodology for setting a reclaimed water price in the future;

WHEREAS, preliminary steps must be taken to identify the potential demand for reclaimed water before the methodology from the cost of service study can be used to set a reclaimed water rate; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that the methodology identified in the reclaimed water cost of service study, which is contained in a document on file with the Office of the City Clerk as Document No. RR- 293457, is hereby approved, and that the Water Department be and is hereby authorized to negotiate contracts with large customers using the methodology.


BE IT FURTHER RESOLVED, that the Water Department be and is authorized to prepare a long term capital budget in accordance with the recommendations of the Beneficial Reuse Study.

BE IT FURTHER RESOLVED, that the Water Department be and is authorized to negotiate for the sale of reclaimed water to large wholesale and retail customers including, but not limited to Otay Water District; Olivenhain Municipal Water District, Black Mountain Ranch area developers, Marine Corps Air Station at Miramar, San Diego City Schools, and CALTRANS.

BE IT FURTHER RESOLVED, that the Water Department be and is authorized to issue a Request for Statements of Qualifications for a public/private partnership to develop a reclaimed water distribution system to maximize the beneficial reuse of reclaimed water produced by the South Bay Reclamation Plant, in the event excess capacity is available.

BE IT FURTHER RESOLVED, that the Water Department be and is authorized to develop a process between the Water Department and Planning and Development Review Department for identifying new developments which are potential reclaimed water customers and to incorporate reclaimed water usage into the project design for such developments.

APPROVED: CASEY GWINN, City Attorney

By 
Lisa Foster
Deputy City Attorney

LAF:rmc
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