rtem 106 4-9-19 (R-2019-489)

RESOLUTION NUMBER R- 312305

DATE OF FINAL PASSAGE APR 1 5 2019

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE UNDERGROUND WATER PIPELINE EASEMENT TO OLIVENHAIN MUNICIPAL WATER DISTRICT AND UNDERGROUND ELECTRIC EASEMENT TO SAN DIEGO GAS & ELECTRIC COMPANY, AT THE PROPERTY COMMONLY KNOWN AS THE SURF CUP SPORTS PROPERTY (FORMERLY KNOWN AS THE SAN DIEGO POLO FIELDS) AND THE PROPERTY COMMONLY KNOWN AS THE FAIRBANKS RANCH COUNTRY CLUB (A BAY CLUB PROPERTY).

WHEREAS, Surf Cup Sports, LLC (Surf Cup) currently leases property owned by the City of San Diego (City) located at 14989 Via de la Valle, Del Mar, APN 302-261-01, commonly known as the Surf Cup Sports Property and formerly known as the San Diego Polo Fields (Surf Cup Sports Property), within the San Dieguito River Valley, adjacent to the Morgan Run Country Club (Morgan Run) to the north, Rancho Paseana to the east, the San Dieguito River and City-owned property located at 15150 San Dieguito Road, Rancho Santa Fe, APN 302-261-02, commonly known as the Fairbanks Ranch Country Club (Fairbanks Ranch Property) to the south, and Via de la Valle to the west; and

WHEREAS, as part of Surf Cup's operations pursuant to the lease, Surf Cup would like Olivenhain Municipal Water District (OMWD) to install a water line on a portion of the Surf Cup Sports Property and a portion of the Fairbanks Ranch Property, for access to recycled water for a proposed new irrigation system to be installed in both the east and west fields because currently Surf Cup receives very salty water from two wells; and

WHEREAS, the main field grass, Paspalum, is the most salt tolerant grass available, and it thrives at a ceiling of about 1,800 parts per million (ppm). Even with the Paspalum, the water is so salt-concentrated that the effective outcome is that every time Surf Cup waters the fields

they are essentially poisoning the grass. Among many negative effects, the increased salt levels actually block the delivery of water and fertilizer to the roots as well as weakens the overall health and re-generation ability of the plant; and

WHEREAS, another positive effect of using recycled water is that not only is the recycled water over four times cleaner, but it is also readily available and two times cheaper than potable water. During the summer months, the wells cannot keep up with their demands and Surf Cup is forced to use potable water to make up the difference, which is extremely costly. In concert with the new sprinkler system, Surf Cup's water use will be reduced from 1.3 million gallons to 400 thousand gallons per week, as the new system will increase efficiencies and allow them to water at night; and

WHEREAS, Surf Cup has consistently been watering the Surf Cup Sports Property at 4,400 ppm since commencement of the lease in September of 2016. The proposed recycled water service is guaranteed not to exceed 1,000 ppm; and

WHEREAS, in order to install the water line, OMWD would construct, repair, and maintain an underground recycled water pipeline and install a groundwater well and related groundwater well infrastructure on a portion of the Surf Cup Sports Property and a portion of the Fairbanks Ranch Property, currently leased by Bay Club Fairbanks Ranch (Bay Club); and

WHEREAS, the water line would also require an easement to San Diego Gas & Electric Company (SDG&E) for underground electrical facilities to power a groundwater well and related groundwater well infrastructure on a portion of the Surf Cup Sports Property; and

WHEREAS, the water line will allow access to an existing OMWD recycled water line which will be used for a proposed new irrigation system to be installed in both the east and west soccer fields on the Surf Cup Sports Property; and

WHEREAS, the well will be tested for one year to determine if there is sufficient groundwater to support a future brackish groundwater desalination effort. Water removed from the test well will be added to the pond adjacent to the soccer fields in the Surf Cup Sports

Property and will be used by Surf Cup to irrigate the Surf Cup Sports Property at no cost to Surf Cup or City; and

WHEREAS, the adjacent Fairbanks Ranch Property already has recycled water currently provided by OMWD. City does not provide recycled water to this area; and

WHEREAS, the proposed project will extend recycled water from the existing recycled water meter at Morgan Run to the eastern end of the Surf Cup Sports Property. The recycled water pipeline extension will be constructed via horizontal directional drilling (HDD) under the San Dieguito River from the existing meter site to a new meter site, which will be permanently installed in an existing unvegetated dirt lot. The connection point to OMWD's recycled water system will be on City property near Morgan Run's existing recycled water meter; and

WHEREAS, another part of the project is to install a groundwater test well and related groundwater well infrastructure, which will be maintained by either OMWD or SDG&E. This pilot well will be tested for one year to determine if there is sufficient groundwater to support a future brackish groundwater desalination effort. If hydrogeological conditions are favorable, OMWD could then consider pursuing a project to construct a small groundwater desalination plant that would produce at least one million gallons of local drinking water per day. Water removed from the test well will be added to the pond adjacent to the soccer fields on the Surf Cup Sports Property, and will be used by Surf Cup to irrigate the Surf Cup Sports Property at no cost to Surf Cup or City; and

WHEREAS, in accordance with Council Policy 700-10 and San Diego Municipal Code section 22.0907, the easements were exclusively negotiated with OMWD and SDGE; and

WHEREAS, the easements are offered at no cost to OMWD and SDGE because of the following public benefits: (1) the recycled water is cleaner than the currently available well water, which will improve the overall condition of the Surf Cup Sports Property; (2) recycled water is more readily available than potable water at the Surf Cup Sports Property; (3) no potable water will need to be used, which will benefit the availability of drinking water in the community; and (4) the adjacent Fairbanks Ranch Property already has recycled water installed, so the process will now be extended to an additional City-owned property; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the sale of the easements is at such price and upon such terms deemed to be fair and equitable and in the public interest.

BE IT FURTHER RESOLVED, that the Mayor, or his designee, is authorized and directed to grant an access and underground pipeline easement to Olivenhain Municipal Water District to construct and maintain a recycled water pipeline, groundwater well and related groundwater well infrastructure on a portion of City-owned property, APNs 302-261-01 and 302-261-02.

BE IT FURTHER RESOLVED, that the Mayor, or his designee, is authorized and directed to grant an underground electrical easement to San Diego Gas & Electric Company to power a groundwater well, and related groundwater infrastructure on a portion of City-owned property, APN 302-261-01.

BE IT FURTHER RESOLVED, that the Mayor, or his designee, is authorized to execute and deliver all such agreements and all other instruments to effect and complete the transaction contemplated by this Resolution.

APPROVED: MARA W. ELLIOTT, City Attorney ByHilda R. Mendoza Deputy City Attorney HRM:nja 03/07/19 Or. Dept: Real Estate Assets Doc. No.: 1951160 I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____ ELIZABETH S. MALAND City Clerk Approved: KEVIN L. FAULCONER, Mayor Vetoed: (date) KEVIN L. FAULCONER, Mayor

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|------------------------------------|-----------------|---------|------------------------------------|--|
| Councilmembers | Yeas | Nays | Not Present | Recused |
| Barbara Bry | | | | |
| Jennifer Campbell | | | | |
| Chris Ward | | | | |
| Monica Montgomery | | | | |
| Mark Kersey | | | | |
| Chris Cate | | | | |
| Scott Sherman | \mathbb{Z} | | | |
| Vivian Moreno | | | | |
| Georgette Gómez | \mathbb{Z} | | | |
| date the approved resolution | | | KEVIN L. FAL | |
| AUTHENTICATED BY: | | | | |
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