



STAFF REPORT

March 6, 2024

File Number 0600-10; A-2651-1

SUBJECT

AMENDMENT NO. 1 TO THE 2003 AGREEMENT RELATING TO SUPPLEMENTAL WATER AMONG THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, THE SAN LUIS REY SETTLEMENT PARTIES, AND THE UNITED STATES

DEPARTMENT

Utilities Department

RECOMMENDATION

Request the City Council adopt Resolution No. 2024-24, authorizing the Mayor to execute, on behalf of the City of Escondido, Amendment No. 1 to the 2003 Agreement Relating to Supplemental Water Among the Metropolitan Water District of Southern California, the San Luis Rey Settlement Parties, and the United States (“MWD Exchange Agreement”).

Staff Recommendation: Approval (Utilities: Angela Morrow)

Presenter: Angela Morrow, Interim Director of Utilities

ESSENTIAL SERVICE – Yes, Clean Water

COUNCIL PRIORITY –

FISCAL ANALYSIS

There is no anticipated fiscal impact of the proposed amendment.

PREVIOUS ACTION

In 2003, the City Council authorized the Mayor to execute, on behalf of the City, the MWD Exchange Agreement.

In 2017, the City Council authorized the Mayor to execute, on behalf of the City, the “San Luis Water Rights Settlement Agreement” and related agreements.

On July 20, 2022, the City Council adopted Resolution No. 2022-102 authorizing the Mayor to execute, on behalf of the City, a letter amending Exhibit B of the MWD Exchange Agreement.



CITY *of* ESCONDIDO

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BACKGROUND

The City of Escondido is among the San Luis Rey Settlement Parties as a party to the 2017 “San Luis Water Rights Settlement Agreement” (“Settlement Agreement”). The San Luis Rey Settlement Parties are also parties to the MWD Exchange Agreement. The MWD Exchange Agreement governs the delivery of Supplemental Water delivered to the San Luis Rey Indian Water Authority (“SLRIWA”), the City of Escondido, and the Vista Irrigation District via the distribution systems of the Metropolitan Water District of Southern California (“MWD”) and the San Diego County Water Authority (“SDCWA”) per the terms of the Settlement Agreement.

Under the San Luis Rey Indian Water Rights Settlement Act, the United States agreed to permanently furnish the San Luis Rey Settlement Parties: (1) a supply of up to 16,000 acre-feet of water conserved annually by lining certain previously unlined portions of the All American Canal and its Coachella Branch, and (2) a permanent supply of power capacity and energy through the Yuma Area Contractors to transport the Supplemental Water.

The Yuma Area Contractors provided MWD a notice of termination of the Financial Mechanism Agreement, which has served as the means of achieving the Yuma Area Contractors’ required provision of power capacity and energy as required under the MWD Exchange Agreement, and thus the need for the Amendment.

The MWD Exchange Agreement may be amended pursuant to Section 14 thereof, generally, and Section 4.b.1 specifically anticipates possible changes to the location where electrical energy provided by the Yuma Area Contractors is furnished to MWD. This amendment changes the delivery location of power capacity and energy from Gene Tie to Parker.

RESOLUTIONS

- a. Resolution No. 2024-24
- b. Resolution No. 2024-24 – Exhibit “A”: Amendment No. 1 to the MWD Exchange Agreement.