



One Water and Adaptation Committee

Authorize an amendment to LRP Agreement to extend start-of-operation deadline for San Diego Pure Water North City Project Phase I

Item 7-6

May 13, 2025

Item 7-6

Amendment to LRP Agreement for San Diego Pure Water North City Project Phase I

Subject

Authorize an amendment to LRP Agreement to extend the start of operation deadline for San Diego Pure Water North City Project Phase I

Purpose

To obtain Board approval to amend the LRP Agreement to extend the start of operation deadline for the San Diego Pure Water North City Project Phase I

Recommendation and Fiscal Impact

Staff recommends authorizing an amendment to the LRP Agreement to grant an extension to the start of operation deadline for the San Diego Pure Water North City Project Phase I.

No new fiscal obligations result from the proposed amendment. Payments will be shifted by three years, beginning in 2028.

Local Resources Program

Background

Provides incentives for Metropolitan's member agencies to develop new local projects to increase water supply reliability in the region



Recycled Water
(1982)



Groundwater Recovery
(1991)



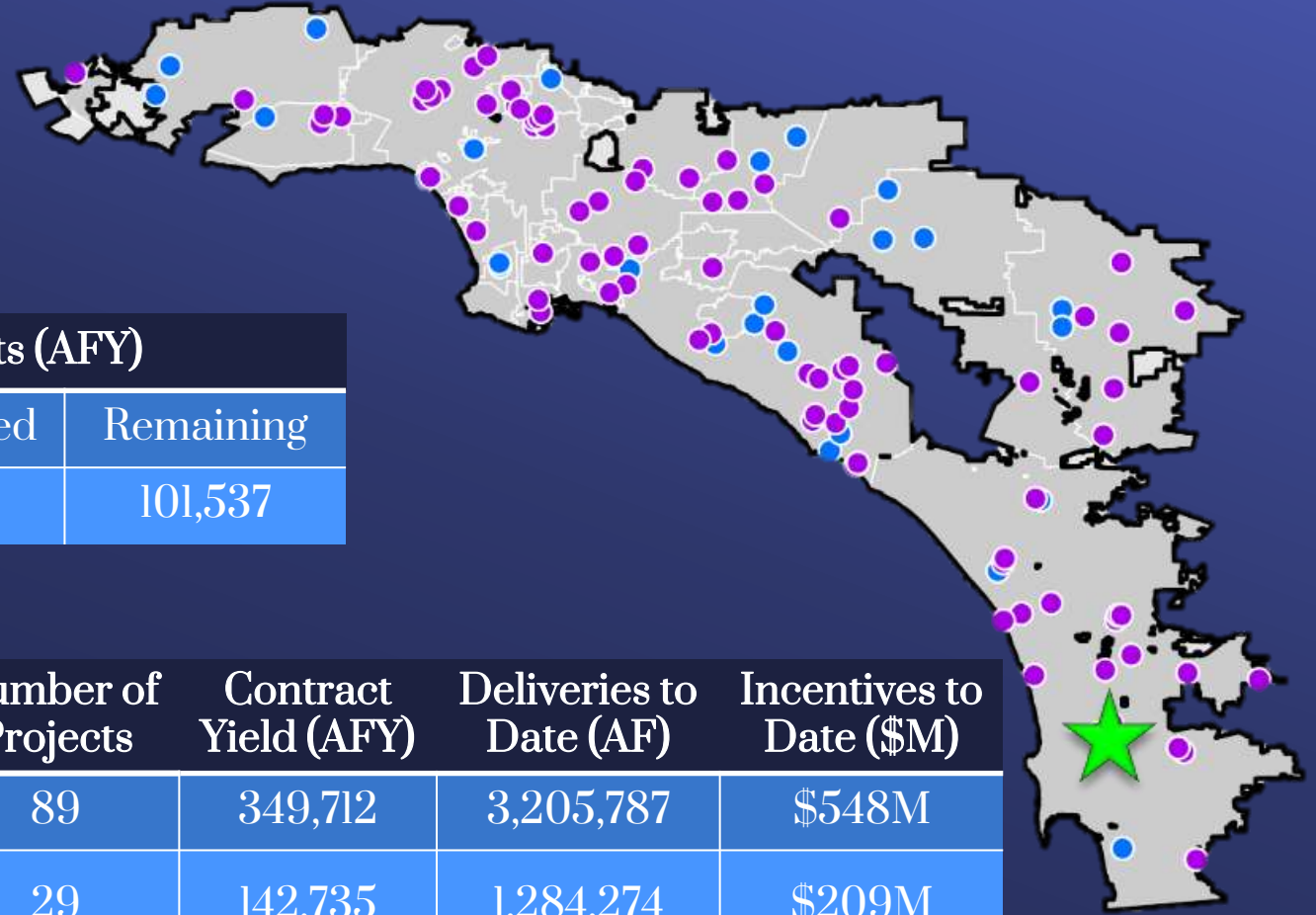
Seawater Desalination
(2014)

Local Resources Program

Program Status

LRP Targets (AFY)		
Target	Committed	Remaining
170,000	68,463	101,537

Type	Number of Projects	Contract Yield (AFY)	Deliveries to Date (AF)	Incentives to Date (\$M)
● Recycling	89	349,712	3,205,787	\$548M
● Groundwater Recovery	29	142,735	1,284,274	\$209M
Total	118	492,447	4,490,061	\$757M



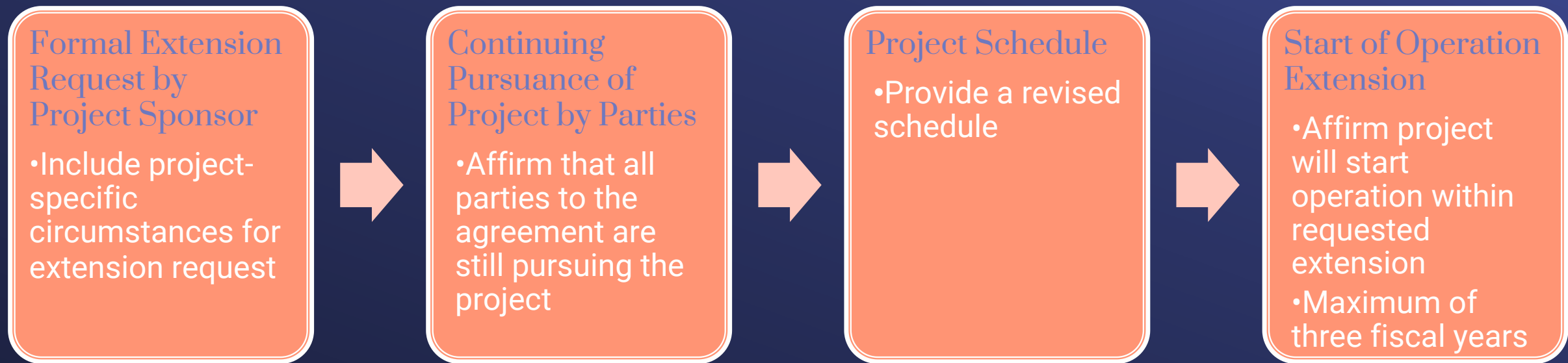
San Diego Pure Water North City Project Phase I

Project Details

- On December 10, 2019, the Board authorized the General Manager to enter into an LRP agreement with SDCWA and the City of San Diego
- North City Pure Water Facility
 - Advanced treatment processes (ozone, biological filtration, reverse osmosis, and ultraviolet disinfection)
 - Pipelines, pump stations, influent structure
 - Capacity: 33,600 acre-feet
- Purified water for surface water augmentation at Miramar Reservoir

Approved LRP Framework

- On June 8, 2021, the Board approved framework and criteria for member agency requests to extend the start of operation milestone
 - Project must be under construction and have an active LRP agreement
- Evaluation criteria for extensions:



- Extension requests meeting evaluation criteria must be approved by the Board.

Start of Operation Extension

Request Details

- SDCWA submitted formal request to extend start-of-operation milestone from June 30, 2025 to June 30, 2028.
 - Parties are committed to the completion of the project
 - Project will begin operation on or before June 30, 2028
- Reasons for additional time needed
 - Supply chain challenges impacted ability to acquire construction materials and equipment
 - Design modifications due to differing site conditions
 - Legal challenges and changes in state law requiring project labor agreements

Summary

- Extension request meets Board-approved criteria
- All other terms of existing LRP Agreement remain unchanged
 - Amendment changes the start of operation milestone
- No further CEQA review is required
- No change to the maximum financial commitment approved by the Board
 - Shifts the timing of expenditures

Board Options

- Option #1

Authorize an amendment to LRP Agreement to extend the start of operation deadline for the San Diego Pure Water North City Project Phase I; adopt CEQA determination that the proposed action was previously addressed in the City of San Diego's adopted 2018 Final EIR/EIS and that no future CEQA review is required
- Option #2

Do not extend the LRP Agreement start of operation deadline for the San Diego Pure Water North City Project Phase I

Staff Recommendation

- Option #1

Authorize an amendment to LRP Agreement to extend the start of operation deadline for the San Diego Pure Water North City Project Phase I; adopt CEQA determination that the proposed action was previously addressed in the City of San Diego's adopted 2018 Final EIR/EIS and that no future CEQA review is required

