

RESOLUTION NO. 2024-_____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY WATER AUTHORITY AUTHORIZING THE GENERAL MANAGER TO EXECUTE A SYSTEM CONSERVATION IMPLEMENTATION AGREEMENT WITH THE BUREAU OF RECLAMATION, AND ANY AMENDMENTS AND DOCUMENTS RELATED THERETO, TO SECURE LOWER COLORADO CONSERVATION PROGRAM, PHASE 2, FUNDING FROM THE U.S. DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION FOR THE CLAUDE “BUD” LEWIS CARLSBAD DESALINATION SUBSTATION PROJECT.

WHEREAS, the San Diego County Water Authority (Water Authority) is undertaking the Claude “Bud” Lewis Carlsbad Desalination Substation Project (Project) to facilitate a reliable energy source and lower energy costs to operate the desalination plant; and

WHEREAS, the Department of the Interior, through the U.S. Bureau of Reclamation (Reclamation), created the Lower Colorado River Basin Conservation and Efficiency Program (LC Conservation Program) to increase system conservation and efficiency opportunities to address the unprecedented drought in the Lower Colorado River Basin and ensure the Colorado River can function and support all who rely on it; and

WHEREAS, the LC Conservation Program is funded in part by the Inflation Reduction Act of 2022 that provides \$4 billion in funding specifically for water management and conservation efforts in the Colorado River Basin and other basins experiencing comparable levels of long-term drought; and

WHEREAS, by letter dated October 12, 2022, Reclamation announced a funding opportunity for voluntary participation in the first phase of the new Lower Colorado River Basin Conservation and Efficiency Program which provided funding for short-term system conservation contributions to Lake Mead; and

WHEREAS, by letter dated May 24, 2023, Reclamation announced a funding opportunity for voluntary participation in the LC Conservation Program Phase 2, which included *Enclosure 1 - Requirements for Lower Basin System Conservation and Efficiency Project Proposals* that described the proposal and selection requirements for projects that would provide long-term, durable system efficiency improvements that result in quantifiable, verifiable water savings in Lake Mead based on a recent history of use; and

WHEREAS, the Water Authority submitted an initial proposal to Reclamation under the LC Conservation Program Phase 2 proposal dated August 19, 2023, to expand capacity at the desalination plant to provide an amount of water to help stabilize the river; and

WHEREAS, the Water Authority, after a series of meetings with Reclamation, has revised its proposal into the aforementioned Project; and

WHEREAS, under this new proposal, the Water Authority would agree to make available to Reclamation up to 18,000 acre-feet of water over ten years to commence when construction begins on the Project. Prior to this, a system conservation implementation agreement (SCIA) would need to be executed under Phase 2 of the LC Conservation Program that would enable the Water Authority to leave supplies in the river as system conservation water; and

WHEREAS, participants in the LC Conservation Program Phase 2 are required to execute an SCIA with Reclamation containing terms and conditions for the design, implementation, monitoring, and evaluation of the LC Conservation Program Phase 2 Project; compensation to the entitlement holder proposing the Project; and the obligations of the Parties.

NOW, THEREFORE, the Board of Directors of the San Diego County Water Authority resolves that:

1. The General Manger is hereby authorized to apply for grant funds up to \$26.5 million under Phase 2 of the LC Conservation Program and commit the San Diego County Water Authority to the financial and legal obligations associated with receipt of Phase 2 grant funding.

2. The San Diego County Water Authority hereby authorizes the General Manager or designee to negotiate and execute an SCIA with the Bureau of Reclamation, and any amendments and documents related thereto, to secure funding pursuant to the LC Conservation Program Phase 2.

3. The San Diego County Water Authority commits to work with the U.S. Bureau of Reclamation and any other applicable federal agency to meet established deadlines for entering into and implementing an LC Conservation Program Phase 2 project that will provide water to benefit the Colorado River system.

4. It is the intent of the San Diego County Water Authority that this financial assistance will provide direct benefits to the Water Authority and its member agencies by reducing construction costs incurred for the Claude “Bud” Lewis Carlsbad Desalination Substation Project and the rates paid by the San Diego County Water Authority’s member agencies.

PASSED, APPROVED AND ADOPTED, this ___ day of December 2024.

AYES:

NOES:

ABSTAIN:

ABSENT:

Nick Serrano, Chair
Board of Directors

ATTEST:

Joy Lyndes, Secretary
Board of Directors

I, Kelly Walker, Clerk of the Board of Directors of the San Diego County Water Authority, certify that the vote shown above is correct and this Resolution No. 2024- ____ was duly adopted at the meeting of the Board of Directors on the date stated above.

Kelly Walker, Clerk of the Board

RESOLUTION NO. 2024-_____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY WATER AUTHORITY AUTHORIZING THE GENERAL MANAGER TO EXECUTE A SYSTEM CONSERVATION IMPLEMENTATION AGREEMENT WITH THE BUREAU OF RECLAMATION, AND ANY AMENDMENTS AND DOCUMENTS RELATED THERETO, TO SECURE LOWER COLORADO CONSERVATION PROGRAM, PHASE [Two](#), FUNDING FROM THE U.S. DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION FOR THE CLAUDE “BUD” LEWIS CARLSBAD DESALINATION SUBSTATION PROJECT.

WHEREAS, the San Diego County Water Authority (Water Authority) is undertaking the Claude “Bud” Lewis Carlsbad Desalination Substation Project (Project) to facilitate a reliable energy source and lower energy costs to operate the desalination plant; and

WHEREAS, the Department of the Interior, through the U.S. Bureau of Reclamation (Reclamation), created the Lower Colorado River Basin Conservation and Efficiency Program (LC Conservation Program) to increase system conservation and efficiency opportunities to address the unprecedented drought in the Lower Colorado River Basin and ensure the Colorado River can function and support all who rely on it; and

WHEREAS, the LC Conservation Program is funded in part by the Inflation Reduction Act of 2022 that provides \$4 billion in funding specifically for water management and conservation efforts in the Colorado River Basin and other basins experiencing comparable levels of long-term drought; and

WHEREAS, by letter dated October 12, 2022, Reclamation announced a funding opportunity for voluntary participation in the first phase of the new Lower Colorado River Basin Conservation and Efficiency Program which provided funding for short-term system conservation contributions to Lake Mead; and

WHEREAS, by letter dated May 24, 2023, Reclamation announced a funding opportunity for voluntary participation in the LC Conservation Program Phase [Two](#), which included *Enclosure 1 - Requirements for Lower Basin System Conservation and Efficiency Project Proposals* that described the proposal and selection requirements for projects that would provide long-term, durable system efficiency improvements that result in quantifiable, verifiable water savings in Lake Mead based on a recent history of use; and

WHEREAS, the Water Authority submitted an initial proposal to Reclamation under the LC Conservation Program Phase [Two](#) proposal dated August 19, 2023, to expand capacity at the desalination plant to provide an amount of water to help stabilize the river; and

WHEREAS, the Water Authority, after a series of meetings with Reclamation, has revised its proposal into the aforementioned Project; and

WHEREAS, under this new proposal, the Water Authority would agree to make available to Reclamation up to ~~45~~18,000 acre-feet of water over ten years to commence when construction begins on the Project. Prior to this, a system conservation implementation agreement (SCIA) would need to be executed under Phase 2 of the LC Conservation Program that would enable the Water Authority to leave supplies in the river as system conservation water; and

WHEREAS, participants in the LC Conservation Program Phase 2 are required to execute an SCIA with Reclamation containing terms and conditions for the design, implementation, monitoring, and evaluation of the LC Conservation Program Phase 2 Project; compensation to the entitlement holder proposing the Project; and the obligations of the Parties.

NOW, THEREFORE, the Board of Directors of the San Diego County Water Authority resolves that:

1. The General Manger is hereby authorized to apply for grant funds up to ~~\$24~~26.5 million under Phase 2 of the LC Conservation Program and commit the San Diego County Water Authority to the financial and legal obligations associated with receipt of Phase 2 grant funding.

2. The San Diego County Water Authority hereby authorizes the General Manager or designee to negotiate and execute an SCIA with the Bureau of Reclamation, and any amendments and documents related thereto, to secure funding pursuant to the LC Conservation Program Phase 2.

3. The San Diego County Water Authority commits to work with the U.S. Bureau of Reclamation and any other applicable federal agency to meet established deadlines for entering into and implementing an LC Conservation Program Phase 2 project that will provide water to benefit the Colorado River system.

4. It is the intent of the San Diego County Water Authority that this financial assistance will provide direct benefits to the Water Authority and its member agencies by reducing construction costs incurred for the Claude “Bud” Lewis Carlsbad Desalination Substation Project and the rates paid by the San Diego County Water Authority’s member agencies.

PASSED, APPROVED AND ADOPTED, this ___ day of December 2024.

AYES:

NOES:

ABSTAIN:

ABSENT:

Nick Serrano, Chair
Board of Directors

ATTEST:

Joy Lyndes, Secretary
Board of Directors

I, Kelly Walker, Clerk of the Board of Directors of the San Diego County Water Authority, certify that the vote shown above is correct and this Resolution No. 2024- ____ was duly adopted at the meeting of the Board of Directors on the date stated above.

Kelly Walker, Clerk of the Board