

**AGENDA**  
**JOINT FACILITIES ADVISORY COMMITTEE**

**Thursday, February 8, 2018**  
**9:30 a.m.**

Held at the Santa Fe Irrigation District  
5920 Linea Del Cielo, Rancho Santa Fe, California 92067

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**CALL MEETING TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ORAL COMMUNICATIONS**

*Opportunity for members of the public to address the Board (Government Code Section 54954.3) Individuals may address the Board regarding items not appearing on the posted agenda, which are within the subject matter jurisdiction of the Board, at any time. Comments and inquiries pertaining to items listed on the agenda will be received during the deliberation of the agenda item. Speakers are asked to state their name, address, and topic, and to observe a time limit of three (3) minutes each. Members of the public desiring to address the Board are asked to complete a speaker's card, available at the table near the entrance, and present it to the Board Secretary prior to the start of the meeting.*

**ACTION AND DISCUSSION ITEMS**

1. Approval of the August 10, 2017 Committee Meeting Minutes (pages 2-3)
2. Lake Hodges Local Water Sharing Agreement (pages 4-5)

**REPORTS**

3. Joint Facilities Capital Improvement Program Report (verbal)
4. Joint Facilities Operations Report (verbal)
5. Committee Member Comments (verbal)

**ADJOURN**

***The next Joint Facilities Advisory Committee meeting is scheduled for Thursday, May 10, 2018, at 9:30 a.m. at the Santa Fe Irrigation District.***

***Assistance for the disabled:*** *If you are disabled in any way and need accommodation to participate in the Committee meeting, please call the Board Secretary at (858) 756-2424 for assistance at least three (3) working days prior to the meeting so the necessary arrangements can be made.*

**MINUTES**  
**JOINT FACILITIES ADVISORY COMMITTEE**

August 10, 2017  
Santa Fe Irrigation District  
5920 Linea del Cielo, Rancho Santa Fe, CA 92067

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**PRESENT:** San Dieguito Water District Members Tasha Boerner Horvath and Joe Mosca, and, and Santa Fe Irrigation District Director Augie Daddi were present.

**ABSENT:** Santa Fe Irrigation District Director Kenneth Dunford

**ALSO PRESENT:** Santa Fe Irrigation District General Manager Michael J. Bardin, Executive Assistant Kim Johnson, Engineering Services Manager Bill Hunter, Operations Manager Cor Shaffer, and San Dieguito Water District General Manager Bill O'Donnell were present.

SFID General Manager Bardin called the meeting to order at 9:30 a.m.

**ORAL COMMUNICATIONS**

There was no Oral Communication from the Public.

**ACTION AND DISCUSSION ITEMS**

1. APPOINTMENT OF COMMITTEE CHAIR

General Manager Bardin noted that as a result of changes in the Committee membership, it is necessary to appoint a Committee Chair.

Upon a motion by Director Boerner Horvath and second by Director Daddi, the Committee voted 3-0 to appoint Director Mosca as Committee Chair. (Dunford absent)

2. APPROVAL OF THE MAY 12, 2016 COMMITTEE MEETING MINUTES

Upon a motion by Director Boerner Horvath and second by Chairman Mosca, the Committee voted 3-0 to approve the May 12, 2016 minutes. (Dunford absent)

3. REVIEW OF JOINT FACILITIES ADVISORY COMMITTEE CHARTER

General Manager Bardin provided an overview of the responsibilities of the Committee and he and SDWD General Manager O'Donnell responded to questions from the Committee.

This item was for the Committee's information only. There was no action requested or required of the Committee.

#### 4. OVERVIEW OF LAKE HODGES WATER QUALITY IMPROVEMENT PROJECTS

General Manager Bardin introduced the item and Operations Manager Shaffer gave an overview of Lake Hodges projects. He and General Manager Bardin responded to questions from the Committee.

This item was for the Committee's information only. There was no action requested or required of the Committee.

### REPORTS

#### 5. JOINT FACILITIES CAPITAL IMPROVEMENT PROGRAM REPORT

Engineering Services Manager Hunter presented an update on the current capital improvement projects and responded to questions from the Committee.

There was no action requested or required of the Committee.

#### 6. JOINT FACILITIES OPERATIONS REPORT

Operations Manager Shaffer gave a report on operations activities and responded to questions from the Committee.

There was no action requested or required of the Committee.

#### 7. COMMITTEE MEMBER COMMENTS

Director Boerner Horvath commented that this Committee provides collaborative opportunities between the fairly small agencies and the projects that have been accomplished in a relatively short time is impressive.

Chairman Mosca added that it's beneficial to be very familiar with the joint projects and how they play a part in the regional plans. He commented that he feels the members provide a valuable resource to the full governing Board for each agency.

### INFORMATIONAL ITEMS - None

### ADJOURN

Chairman Mosca adjourned the meeting at 10:30 a.m.

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Chairman Joe Mosca

**DATE:** February 8, 2018  
**TO:** Joint Facilities Advisory Committee  
**FROM:** General Manager, Santa Fe Irrigation District  
**SUBJECT: Lake Hodges Local Water Sharing Agreement**

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This item is presented for informational purpose only. There is no action requested of the Joint Facilities Advisory Committee at this time. This agenda item is intended to provide background information regarding the development of a new Lake Hodges Local Water Sharing Agreement and an update on the status of the new agreement.

**BACKGROUND:**

Lake Hodges Dam and Reservoir (Lake Hodges) were constructed in 1919 by the San Dieguito Mutual Water Company (SDMWC). San Dieguito Water District (SDWD) entered into a contract for certain rights to Lake Hodges water with SDMWC in 1923. Santa Fe Irrigation District (SFID) entered into a contract in 1924. In 1925, the City of San Diego (San Diego) acquired Lake Hodges from SDMWC. Since 1925, SDWD and SFID (Districts) have continued to retain certain rights to Lake Hodges water pursuant to a series of agreements with San Diego.

In 1998, San Diego and the San Diego County Water Authority (SDCWA) entered into an agreement to utilize Lake Hodges as part of SDCWA's Emergency Storage Project (ESP). The ESP would result in the construction of new water infrastructure which would connect Lake Hodges to SDCWA's aqueduct system. Under the ESP, SDCWA would have certain storage rights in Lake Hodges and San Diego would have the ability to withdraw their share of Lake Hodges water. In March 1998, the Districts and the City of San Diego entered into a new agreement (1998 Agreement) regarding Lake Hodges water rights with the goal of clarifying water rights based on the changing conditions brought about by the proposed ESP.

In 2005, as construction of the ESP neared, the Districts and San Diego began examining the details of the 1998 Agreement. It soon became clear that the Districts and San Diego had different interpretations of some provisions in the 1998 Agreement, especially those related to the Districts' right to store water in Lake Hodges.

After discussions between the Districts and San Diego staff failed to resolve issues associated with the 1998 Agreement, the Districts filed a Complaint of Declaratory Relief and Specific Performance (Complaint) against San Diego. The Complaint sought judicial determination of the Districts' rights and duties regarding Lake Hodges. After filing the Complaint, the Districts and San Diego engaged in settlement negotiations to draft an amended agreement. Extensive negotiations led to the Amendment to and Restatement of the March 17, 1998 Agreement between the City of San Diego, Santa Fe Irrigation District and San Dieguito Water District Regarding Lake Hodges (Amended Agreement).

## **DISCUSSION:**

The Amended Agreement clarifies certain key terms regarding storage rights, sharing of water transfers from Lake Hodges and cost sharing. Details of the key terms are listed below.

### Storage Rights within Lake Hodges

Under the Amended Agreement, the Districts own 5,000 acre-feet of storage within Lake Hodges. Of the remaining storage, 5,000 acre-feet is owned by San Diego and 20,000 acre-feet is owned by SDCWA.

### Sharing of Water Transfers from Lake Hodges

Under the Amended Agreement, the Districts and San Diego equally share available diversion capacity in order to transfer water out of Lake Hodges. The ability to sell excess water provides the Districts with a potential new revenue source.

### Sharing of Costs Associated with Lake Hodges

Under the 1998 Agreement, the Districts' costs associated with Lake Hodges were based on the amount of water purchased. These costs varied considerably from year to year. Under the Amended Agreement, the Districts pay 25% of both the O&M and capital costs associated with Lake Hodges. This reduced the Districts' overall costs for utilizing Lake Hodges water.

Overall, the Amended Agreement addressed the complexities associated with having four agencies sharing one reservoir. Definitions are detailed and examples are included within the agreement where necessary. The amended agreement provides for a consistent and unified interpretation of all provisions within the agreement.

## **Proposed Lake Hodges Local Water Sharing Agreement**

SFID and SDWD staff have been working to draft a supplemental agreement to the Amended Agreement that clearly communicates and defines certain elements of the local water sharing relationship that the Districts enjoy. In essence, the proposed supplemental agreement addresses key items such as those listed above, allocating water supply, costs and other items between the Districts. Finalizing the proposed agreement will memorialize these items and provide clarity regarding accounting for water supply and costs for each of the Districts separately from the 2014 Amended Agreement.

Staff is finalizing a draft of the proposed *Lake Hodges Local Water Sharing Agreement* and it is anticipated that it will be brought forward for respective board consideration in the near future.

## **FISCAL IMPACT:**

Fiscal impacts associated with the amended agreement are discussed above.

Prepared by: Michael J. Bardin, General Manager, SFID