

May 22, 2024

STATEMENT OF PROCEEDINGS

The Minutes of the

***SANITATION DISTRICT
REGULAR MEETING***

COUNTY OF SAN DIEGO

STATEMENT OF PROCEEDINGS
COUNTY OF SAN DIEGO SANITATION DISTRICT
REGULAR MEETING
WEDNESDAY, MAY 22, 2024, 9:00 AM
COUNTY ADMINISTRATION CENTER, ROOM 310
1600 PACIFIC HIGHWAY
SAN DIEGO, CA 92101

A. **REGULAR SESSION:** Meeting was called to order at 9:11 a.m.

PRESENT: Directors Nora Vargas, Chair; Joel Anderson; Monica Montgomery Steppe, Jim Desmond; also, Ryan Sharp, Assistant Clerk of the Board of Directors.

ABSENT: Director Terra Lawson-Remer

B. **Statement (just cause) and/or Consideration of a Request to Participate Remotely (emergency circumstances) by a Director, if applicable.**

C. **Non-Agenda Public Communication: Opportunity for members of the public to speak to the Board on any subject matter within the Board's jurisdiction but not an item on today's agenda.**

NOTICE: THE BOARD OF SUPERVISORS MAY TAKE ANY ACTION WITH RESPECT TO THE ITEMS INCLUDED ON THIS AGENDA. RECOMMENDATIONS MADE BY COUNTY STAFF DO NOT LIMIT ACTIONS THAT THE BOARD OF SUPERVISORS MAY TAKE. MEMBERS OF THE PUBLIC SHOULD NOT RELY UPON THE RECOMMENDATIONS IN THE BOARD LETTER AS DETERMINATIVE OF THE ACTION THE BOARD OF SUPERVISORS MAY TAKE ON A PARTICULAR MATTER.

Agenda Items

- | Agenda # | Subject |
|-----------------|--|
| 1. | GENERAL SERVICES - SANITATION DISTRICT SEWER EASEMENT
QUITCLAIM IN THE EAST OTAY MESA SPECIFIC PLAN AREA AND CEQA
EXEMPTION (VACATION NO. 2023-0223)
[FUNDING SOURCE: DEPOSIT FROM THE APPLICANT] |
| 2. | ADOPT RESOLUTION FOR CERTIFICATION OF DISCLOSURES FOR
INTERIM FUNDING FOR EAST COUNTY ADVANCED WATER
PURIFICATION PROGRAM AND RELATED CEQA EXEMPTION |

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ADMINISTRATIVE INFORMATION

**1. SUBJECT: GENERAL SERVICES - SANITATION DISTRICT SEWER
EASEMENT QUITCLAIM IN THE EAST OTAY MESA SPECIFIC
PLAN AREA AND CEQA EXEMPTION (VACATION NO. 2023-0223)
(DISTRICT: 1)**

OVERVIEW

The Asset Management Division of the Department of General Services (DGS) is processing a request from the owner of Assessor's Parcel Number (APN) 648-072-07 to quitclaim the San Diego County Sanitation District's (District) interest in a sewer easement encumbering a portion of the owner's property. The owner's property is located on the easterly side of Enterprise Road in the East Otay Mesa Specific Plan Area of unincorporated San Diego County (Attachment A). Quitclaiming an easement is a process to give up all right, title, and interest granted to the District within that portion of the subject property. Health and Safety Code section 4743 authorizes the District to dispose of property or interests in property that are no longer required or needed. Quitclaiming a sewer easement can provide a public benefit by releasing the land for potentially improved use.

This quitclaim is being requested because the sewer line originally designed to be in the easement is no longer necessary because of the final orientation of the buildings on the subject property and the adjacent lot. Both lots will have sewer service directly from the sewer main located in Enterprise Road. Therefore, the District has determined this easement to be excess to its needs.

If authorized by the Board of Directors of the District, the Director of the Department of General Services or a designee will execute and record a deed to quitclaim the District's interest in the sewer easement described and depicted in Attachment B ("Sewer Easement Vacation").

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find that the proposed action is not subject to review under California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15060(c)(2) and (3) because it would only result in the quitclaiming of an unnecessary easement interest that is not needed for public purposes, and will not have a direct or reasonably foreseeable direct or indirect change in the environment and is therefore not a project as defined in CEQA Guidelines Section 15378, and even if such action was subject to review under CEQA, it is categorically exempt under CEQA Guidelines Section 15305 because it is a minor alteration in land use limitation that will not result in land use or density changes.
2. Find that the sewer easement is no longer required for District purposes.
3. Approve and authorize the Director, Department of General Services, or a designee, to execute and record a quitclaim deed for the sewer easement described in Attachment B.

EQUITY IMPACT STATEMENT

The removal of an encumbrance from private land that is no longer needed for sewer purposes will provide an overall public benefit and improve use of the land made available by the termination of the easement. The property is in a commercial area and the owner will be able to develop the property.

SUSTAINABILITY IMPACT STATEMENT

The County Sanitation District implements sustainability goals adopted by the County of San Diego (County). The proposed action to quitclaim a sewer easement contributes to the County Sustainability Goal No. 1 to engage the community to partner and participate in decisions that impact their lives and communities. This action will remove an encumbrance within the owner's property allowing them to develop the property.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year 2023-24 Operational Plan in the Department of General Services. If approved, this request will result in estimated costs and revenue of \$4,500 to obtain District authorization and process the proposed quitclaim. The funding source is a deposit from the applicant. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Director Montgomery Steppe, seconded by Director Desmond, the Board of Directors of the San Diego County Sanitation District took action as recommended, on Consent.

AYES: Vargas, Anderson, Montgomery Steppe, Desmond

ABSENT: Lawson-Remer

2. **SUBJECT: ADOPT RESOLUTION FOR CERTIFICATION OF DISCLOSURES FOR INTERIM FUNDING FOR EAST COUNTY ADVANCED WATER PURIFICATION PROGRAM AND RELATED CEQA EXEMPTION (DISTRICTS: 1, 2, & 4)**

OVERVIEW

The East County Advanced Water Purification program (ECAWP) is a regional water reuse project that includes the San Diego County Sanitation District (Sanitation District), Padre Dam Municipal Water District (Padre Dam), the City of El Cajon, and Helix Water District. The City of San Diego is also a partner for the regional brine wastewater pipeline portion of the ECAWP. The project is overseen by the ECAWP Joint Powers Authority (JPA), which was formed on October 30, 2019 (SA02) by the Sanitation District and other participating agencies. The ECAWP program is projected to provide less costly and more reliable wastewater and water services to residents in East County.

The ECAWP program will treat wastewater collected in the East County communities of Alpine, Lakeside, Winter Gardens, El Cajon, and Santee. The treatment facilities will produce purified drinking water that will be pumped to the Lake Jennings reservoir for storage and will be available for sale to Helix Water District and Padre Dam customers. This will reduce East County's reliance on the City of San Diego's Metro Wastewater System (Metro System) for wastewater services and the San Diego County Water Authority (SDCWA) for imported water

supplies. The ECAWP will create a local, clean, safe, and drought-proof drinking water supply using state-of-the-art technology to purify East County's recycled water, which will provide up to 30 percent of East County's drinking water supply once the program goes online in 2026.

The ECAWP has secured approximately \$169 million in grant funding and \$766 million in low interest loans. The overall cost for the work currently in construction is approximately \$950 million. Approximately \$383 million of the funding is provided by California's Clean Water State Revolving Funds (SRF). The SRF funding can be drawn down as the work is completed. There is a short-term need for funding between submitting construction invoices to SRF for reimbursement and receiving the funds. The ECAWP will address this short-term funding need using a 3-year interim note that is tax-exempt for a not-to-exceed amount of \$400 million. The JPA is the agency issuing the debt. The debt is not borne by the Sanitation District or the County. The Sanitation District and County have service agreements with the JPA. The Sanitation District, along with all other members of the JPA, needs to issue complete and accurate financial disclosures to the Fitch rating agency, a credit rating agency that rates the viability of investments relative to the likelihood of default. Outside bond counsel has reviewed the disclosure documents to ensure they are complete and accurate.

Today's action requests that the Board of Directors authorize the Clerk of the Board to adopt a resolution to certify the disclosures for an interim note for a not-to-exceed amount of \$400 million.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

Acting as Board of Directors San Diego County Sanitation District:

1. Find that the proposed project is categorically exempt from the California Environmental Quality Act (CEQA) as specified under Section 15061(b)(3) of the State CEQA Guidelines because it can be seen with certainty that there is no possibility providing a funding mechanism for an ongoing project without any change in the scope of the project may have a significant effect on the environment.
2. Adopt a resolution entitled: Resolution of the Board of Directors of the San Diego County Sanitation District authorizing staff to prepare Disclosure Information in Connection with the Issuance of Obligations by the East County Advanced Water Purification Joint Powers Authority, and Authorizing Other Actions.
3. Authorize the Clerk of the Board to attest to the accuracy of the Resolution and take such other action as may be necessary to demonstrate the Board's adoption of the Resolution in support of the issuance of debt by the East County Advanced Water Purification JPA.

EQUITY IMPACT STATEMENT

The San Diego County Sanitation District strives to preserve, enhance, and promote quality of life and environmental resources implementing programs and projects that improve regional community health and environmental quality, which is promoted through a regional partnership with the East County Advanced Water Purification Program. If the Board adopts today's Resolution, it will allow the Sanitation District to continue to promote local, clean, safe and drought-proof drinking water supply to the unincorporated community.

SUSTAINABILITY IMPACT STATEMENT

Today's action supports the East County Advanced Water Purification Program (ECAWP) which will contribute to social, health, and well-being sustainability benefits. The ECAWP will create and promote a local, clean, safe, and drought-proof drinking water supply using state-of-the-art technology to purify East San Diego County's recycled water. The ECAWP will also produce up to 30 percent of East County's drinking water supply, thereby advancing San Diego County's sustainability goal of increasing the availability of alternative water sources for drinking, landscaping, and agriculture. This action will help maintain a strong and resilient community.

FISCAL IMPACT

There is no fiscal impact to today's request to adopt the resolution. The interim note issued by the JPA will be paid with allocated Clean Water State Revolving Funds. The interim note is issued to provide liquidity and fill a short-term funding gap due to reimbursement delay from the SRF funding and to allow construction to stay on schedule. The debt is not held by the San Diego County Sanitation District or the County of San Diego.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Director Montgomery Steppe, seconded by Director Desmond, the Board of Directors of the San Diego County Sanitation District took action as recommended, on Consent, and adopted Resolution No. 24-047, entitled: RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY SANITATION DISTRICT AUTHORIZING STAFF TO PREPARE DISCLOSURE INFORMATION IN CONNECTION WITH THE ISSUANCE OF OBLIGATIONS BY THE EAST COUNTY ADVANCED WATER PURIFICATION JOINT POWERS AUTHORITY, AND AUTHORIZING OTHER ACTIONS.

AYES: Vargas, Anderson, Montgomery Steppe, Desmond

ABSENT: Lawson-Remer

There being no further business, the Board of Directors of the San Diego County Sanitation District adjourned at 2:46 p.m.

ANDREW POTTER
Clerk of the Board of Directors
of Sanitation District

Notes By: Valdivia

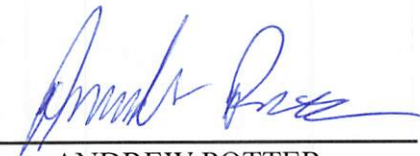
NOTE: This Statement of Proceedings sets forth all actions taken by the County of San Diego Board of Directors of the Sanitation District on the matters stated, but not necessarily the chronological sequence in which the matters were taken up.

Approved by the Board of Directors, on Wednesday, June 26, 2024.



NORA VARGAS
Chair

Attest:



ANDREW POTTER
Clerk of the Board