

WEST BASIN MUNICIPAL WATER DISTRICT

OCTOBER 8, 2003 - Water Resources

McDonald, Little

OCTOBER 27, 2003 - Board Meeting

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CONSENT CALENDAR

RECYCLED WATER CUSTOMER DEVELOPMENT PROJECT UPDATESUMMARY:

The following provides the monthly update on the progress of the District's pursuit of recycled water customers.

WBMWD staff:

- Staff received a "Letter of Commitment" from the City of Torrance concerning several sites to be a part of the Madrona Lateral. Staff met with representatives of the City of Torrance to identify the location of fifteen backflow devices for the City Hall / Civic Center Complex in Torrance;
- California Water Service Company representatives have informed staff that a draft "Advice Letter" to the California Public Utilities Commission regarding proposed recycled water rates for the Palos Verdes Peninsula should be forthcoming in the next few weeks. This is an important milestone for customer development to secure commitments from the potential customers on the peninsula;
- Raytheon Corporation (600 AFY) in El Segundo has resumed talks with West Basin for recycled water conversion (discussions of recycled water use have been on and off again over a six-year period). Raytheon's interest has progressed to the level to include a tour of a power plant in the Central Basin service area that has successfully used recycled water in cooling towers over the past ten years. Raytheon staff was impressed with the power plant tour and after reviewing the water quality, expect to submit a proposal to management for approval to move forward with the conversion;
- Analysis of the alignment options for the Dye House Lateral (Lateral V) and the Dominguez Street Lateral (Lateral VII) has determined that a portion of the two laterals benefit by consolidating them into a single lateral. The summary graph for the new consolidated lateral is included in this month's update. Consultants will continue to pursue commitments for the new hybrid Lateral V. Commitments have been signed for 214 AFY segment along Wilmington Boulevard, but due to additional costs to construct a booster pump to maintain adequate pressure in this area, the segment is not feasible to be constructed as an individual project at this time; and
- Staff has presented a draft letter of endorsement to General Dyeing in Central Basin to consider signing as a statement of General Dyeing's support of recycled water for the dyeing process. The letter details the research done to date at General Dyeing and the commitment to complete the conversion process currently in process. WBMWD Consultants will use this document as an example of practical testing and favorable

response of recycled water in dye houses with hopes to expand this acceptance to other potential customers in the WBMWD service area.

Tetra Tech

Tetra Tech confirmed an estimate of the potential demand for recycled water at California State University at Dominguez Hills (CSUDH) of 212 AFY. This estimate will play a crucial part in this project because CSUDH intends to use a portion of retrofit funds advanced by West Basin to pay for a study of the campus irrigation system prior to any actual retrofit work taking place.

Water 3 Engineering

Water 3 Engineering (Water 3) staff continues to keep in contact with potential customers while waiting for General Dye to convert to recycled water in the Central Basin service area. Los Angeles County Parks & Recreation (LACPR) provided plans for several parks on the Athens Park Lateral. Water 3 Engineering is developing retrofit estimates for these locations and pursuing commitments from LACPR.

Water 3 has arranged a test use of recycled water at Cal Pacific Dyeing (135 AFY - Gardena). A date for the test will be determined in the next few weeks.

Detailed progress reports by each consultant are included in Exhibit "A". Each consultant was originally assigned 28-30 potential customers to pursue.

<b>Tetra Tech</b>
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Lateral:	Carson Co-Gen
Lateral Location:	Carson
Potential Customers:	11
Potential Consumption:	716 AFY*
Potential Revenue/Expense Ratio:	1.59
Customers Eliminated:	4
Consumption Eliminated:	137 AFY
Customers In Process:	7
Consumption In Process:	579 AFY
Engaged** Customers:	0
Possible Consumption:	- AFY
Possible Revenue/Expense Ratio:	0.00
Commitment Letters Signed	0
Acre-feet committed	- AFY
Committed Revenue/Expense Ratio:	0.00
Total Remaining Potential Customers:	7

Remaining Potential Consumption:	579 AFY *
Remaining Revenue/Expense Ratio:	1.50
Consumption Needed to Achieve R/E of 1.0:	213

\* Tetra Tech has reevaluated potential consumption that results in a net increase to Remaining Potential

\*\* Defined as having completed step #3

Staff Estimated Level of Completion:	35 %
Invoiced (\$181,454):	22 %

<b>Tetra Tech / Water 3 Engineering</b>
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Lateral:	Dye House / Dominguez Street
Lateral Location:	Carson
Potential Customers:	35
Potential Consumption:	3,891 AFY*
Potential Revenue/Expense Ratio:	1.41
Customers Eliminated:	12
Consumption Eliminated:	1, 907 AFY
Customers In Process:	3
Consumption In Process:	236 AFY
Engaged** Customers:	13
Possible Consumption:	1073 AFY
Possible Revenue/Expense Ratio:	.82
Commitment Letters Signed	7
Acre-feet committed	665 AFY
Committed Revenue/Expense Ratio:	.60
Total Remaining Potential Customers:	23
Remaining Potential Consumption:	1,984 AFY *
Remaining Revenue/Expense Ratio:	1.11
Consumption Needed to Achieve R/E of 1.0:	1,568 AFY

<b>Water 3 Engineering</b>
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Lateral:	North Main Street
Lateral Location:	Carson, LA County
Potential Customers:	8
Potential Consumption:	688 AFY
Potential Revenue/Expense Ratio:	1.37

Customers Eliminated:	2
Consumption Eliminated:	29 AFY
Customers In Process:	3
Consumption In Process:	177 AFY
Engaged** Customers:	3
Possible Consumption:	482 AFY
Possible Revenue/Expense Ratio:	1.20
Remaining Potential Customers:	6
Remaining Potential Consumption:	659 AFY
Remaining Revenue/Expense Ratio:	1.35
Consumption Needed to Achieve R/E of 1.0:	318 AFY

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Lateral:	SW LA College
Lateral Location:	LA County
Potential Customers:	3
Potential Consumption:	124 AFY
Potential Revenue/Expense Ratio:	1.35

Customers Eliminated:	0
Consumption Eliminated:	35 AFY (refinement by W3)

Customers In Process:	0
Consumption In Process:	0 AFY

Commitment Letters Signed	1
Acre-feet committed	63 AFY
Committed Revenue/Expense Ratio:	1.00

Engaged** Customers:	2
Possible Consumption:	26 AFY
Possible Revenue/Expense Ratio:	0.58

Remaining Potential Customers:	3
Remaining Potential Consumption:	92 AFY
Remaining Revenue/Expense Ratio:	1.20
Consumption Needed to Achieve R/E of 1.0:	63 AFY

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Lateral:	Athens Park
Lateral Location:	Gardena, City of LA, LA County
Potential Customers:	11
Potential Consumption:	970 AFY
Potential Revenue/Expense Ratio:	1.34

Customers Eliminated:	58
Consumption Eliminated:	215 AFY
Customers In Process:	3
Consumption In Process:	445 AFY
Engaged** Customers:	3
Possible Consumption:	310 AFY
Possible Revenue/Expense Ratio:	0.79
Remaining Potential Customers:	6
Remaining Potential Consumption:	755 AFY
Remaining Revenue/Expense Ratio:	1.22
Consumption Needed to Achieve R/E of 1.0:	481 AFY
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Lateral:	Avalon Extension
Lateral Location:	Carson
Potential Customers:	11
Potential Consumption:	285 AFY*
Potential Revenue/Expense Ratio:	1.20
Customers Eliminated:	TBD
Consumption Eliminated:	- AFY
Customers In Process:	11
Consumption In Process:	285 AFY
Engaged** Customers:	0
Possible Consumption:	- AFY
Possible Revenue/Expense Ratio:	0.00
Commitment Letters Signed	3
Acre-feet committed	37 AFY
Committed Revenue/Expense Ratio:	0.00
Total Remaining Potential Customers:	11
Remaining Potential Consumption:	248 AFY *
Remaining Revenue/Expense Ratio:	1.20
Consumption Needed to Achieve R/E of 1.0:	195
** Defined as completed step #3	
Staff Estimated Level of Completion:	25 %
Invoiced (\$90,179):	12 %

FISCAL IMPACTS:

Funds for this project are included in the Capital Improvement Program for fiscal year 2003-04 budget.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS

This item was reviewed by the Water Resources Committee on October 8, 2003 and agendaized to the October 27, 2003 Board meeting Consent Calendar.

RECOMMENDED MOTION:

This item is for information only.

LIST OF EXHIBITS:

Exhibit "A" - Detailed report of Customer Development status by consultant.  
Exhibit "B" - Customer Development Status Graph

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