

WEST BASIN MUNICIPAL WATER DISTRICT

NOVEMBER 3, 2004 - Water Resources

Little, Dear

NOVEMBER 22, 2004 - Board Meeting

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Approved by: Richard Nagel

ACTION CALENDAR

PHASE IV EXPANSION PROJECT DESIGN-BUILD UPDATE/
SOUTHERN CALIFORNIA EDISON (SCE) ADDED FACILITY COST

SUMMARY:**Design-Build Construction Update**

The Design-Build Contractor is proceeding on schedule with construction efforts. Weekly construction review and quality control meetings are held at the Project site to monitor and coordinate all construction efforts. A summary of construction efforts to date are described below:

Recently Completed Work:

- Installation of Decarbonator Process piping and electrical duct banks;
- Reverse Osmosis System concrete foundation installation;
- Fire line Relocation;
- Installation of Decarbonator Tank;
- Microfiltration Break Tank demolition;
- Stormwater Protection Plan Implementation;
- Fiber Optic and Power Conduit Relocation; and
- Slab-on-Grade preparation for Solids High-Rate Clarifier, Microfiltration Units, and Reverse Osmosis Units.

Major Work in Progress:

- Pretreatment Site Slab-on-Grade preparation;
- Microfiltration System trenching, rebar, and conduit installation;
- Decarbonator Relocation;
- Decarbonator piping fabrication and installation; and
- Plate and Frame Press installation.

Monthly Construction Progress Report:

- Each month, a Construction Progress Report is prepared by the District's Program Manager, Butier Construction Managers, and submitted for review and approval. The purpose of the Progress Report is to maintain a comprehensive tracking of design and construction progress, scheduling, and costs associated with the Phase IV Expansion Project.

Permitting Update

Staff continues to work with the Department of Health Services and Orange County Water District to determine appropriate dosing and residual levels required for Hydrogen Peroxide as part of the Barrier Water Treatment Process.

SCE Added Facility Funding

As part of the Phase IV Plant Expansion Project, the expansion of Title 22 and Barrier treatment process capacity, along with various associated facilities within the Plant, will require the addition of several electrical power related facilities to meet increased power loading. To meet the Plant power demands, the District has contracted with SCE to provide equipment (such as transformers and substations) and electrical power for Plant operation. Equipment provided by SCE is maintained and paid for through monthly charges based on reserve capacity and installed facility value. The District maintains the option to either pay for installed facilities upfront or through SCE's finance program.

Currently, existing SCE facilities at the Water Recycling Plant are paid for through the SCE finance program and budgeted as operational costs. Associated costs for the additional Phase IV SCE equipment were provided and reviewed by staff. Based on an economic review of the costs, staff has determined that a cost savings of approximately \$4,300 per year, over the next 20 years, can be recognized by paying for the SCE facilities upfront. Maintenance costs will continue to be paid for under the Plant's operations budget.

The total estimated upfront cost for the Phase IV Project SCE facilities is \$226,000.

FISCAL IMPACTS:

The FY 2004-05 through 2005-06 Capital Improvement Plan Budget for the Phase IV Project includes sufficient funds to cover the additional upfront costs associated with the required SCE facilities.

ENVIRONMENTAL COMPLIANCE:

None.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Committee on November 3, 2004 and recommended for approval at the November 22, 2004 Board meeting.

RECOMMENDED MOTIONS:

That the Board authorizes the Co-Acting General Managers to authorize disbursement of funds to Southern California Edison to pay for upfront electrical equipment costs associated with the Phase IV Treatment Plant Expansion Project for a total amount not-to-exceed \$226,000.

EXHIBITS

Exhibit "A" - SCE Proposal for Added Facilities