

WEST BASIN MUNICIPAL WATER DISTRICT**DECEMBER 8, 2004 - Water Resources**

Little, Kwan

DECEMBER 20, 2004 - Board Meeting

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Approved by: Richard Nagel

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

Dominguez Hills Village (Carson, 13 AFY) is just across the street from California State University, Dominguez Hills (CSUDH). Staff is developing a plan for prospective contractors to bid on. Victoria Street contains numerous utilities to work around including oil pipelines.

Consultants

Consultants are reporting a general economic downturn in the dye industry that has several prospective customers retreating from converting to recycled water. This situation has postponed prospective pioneering dye houses from tackling the conversion process at this time and further delayed the other dye houses from following the leader to conversion.

Tetra Tech

- Tetra Tech continues to pursue commitment with twice monthly phone follow-up with Carson Co-Gen, but no commitment has been forthcoming from this key customer; and
- CSUDH (211 AFY) has provided the latest changes to the campus renovation plan to Tetra Tech to incorporate into the schematics. Schematics have been completed and submitted to the CSUDH. A pre-bid meeting was scheduled for November 24, after which the CSUDH will put out for bid with expectation to have construction start after the first of the year.

Water 3 Engineering

- Secured a "Letter of Commitment" from the County Sanitation Districts of Los Angeles County for the Palos Verdes Landfill (150 AFY). They have chosen to draft their own version of a commitment;
- Marriott Golf Course in Manhattan Beach (50 AFY) has stepped back from its original desire for recycled water and deferred its grounds management firm, Valley Crest to review. Valley Crest appears to be unenthusiastic regarding recycled water and is asking that we start over to justify the benefits of recycled water;
- Staff and Water 3 Engineering met with Rolling Hills Country Club (RHCC) to discuss potential for recycled water use. With the acquisition of the Chandler Quarry, the golf

course also acquires rights to groundwater that may substantially diminish the need for recycled water. The groundwater is of a quality that may not be suitable for turf irrigation over the long-run. RHCC is reviewing the results before sharing them with West Basin; and

- L.A. County Parks – shakeup in management of the L.A. County office has suspended progress for these sites until a new Director has been appointed.

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

Tetra Tech

Lateral – Carson CoGen

	<u>Cust</u>	<u>AFY</u>	<u>R/E Ratio</u>
Potential	11	716	1.57
Customers Eliminated	4	(137)	
Customers In Process	5	509	
Engaged** Customers	0	0	
Commitment Letters Signed	1	27	.21
Total Remaining Potential Customers	5	482	1.40
Consumption Needed to Achieve R/E of 1.0		223	

Committed Customers AFY

Prudential Overall Supply 27

Remaining Key Customers AFY

Carson CoGen 336

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

** Defined as having completed step #3

Invoiced (\$244,539): 29 %

Tetra Tech / Water 3 Engineering

Lateral - Dye House / Dominguez Street

	<u>Cust</u>	<u>AFY</u>	<u>R/E Ratio</u>
Potential	35	3,891	1.41
Customers Eliminated	15	(1,949)	
Customers In Process	6	178	
Engaged** Customers	7	800	
Commitment Letters Signed	8	964	.77
Total Remaining Potential Customers	20	1,942	1.10
Consumption Needed to Achieve R/E of 1.0		1,568	

Committed Customers	AFY
Private Anderson Park (City of Carson)	19
Dominguez Tech Center	103
Edmund Kim	71
Pacific Continental Textile	394
Flo-Kem	11
Southern California Edison	21
Cal Trans	69
Sung Do	<u>276</u>
Total	964

Remaining Key Customers	AFY
CR Textile	320
Texollini, Inc.	<u>221</u>
Total	541

Water 3 Engineering

Lateral - North Main Street

	<u>Cust</u>	<u>AFY</u>	<u>R/E Ratio</u>
Potential	8	688	1.34
Customers Eliminated	2	(186)	
Customers In Process	3	177	
Engaged** Customers	3	482	
Commitment Letters Signed	0	0	
Total Remaining Potential Customers	6	502	1.20
Consumption Needed to Achieve R/E of 1.0		336	

Committed Customers	AFY
None	

Remaining Key Customers	AFY
Caitac	270
PNS Apparel	<u>145</u>
Total	415

Lateral - SW LA College

	<u>Cust</u>	<u>AFY</u>	<u>R/E Ratio</u>
Potential	3	124	1.28
Customers Eliminated	0	(32)	
Customers In Process	0	0	
Engaged** Customers	1	9	
Commitment Letters Signed	2	83	1.07

Total Remaining Potential Customers	1	9
Consumption Needed to Achieve R/E of 1.0		74

Committed Customers		AFY
Los Angeles Southwest College		63
Cal Trans – Western at 105		<u>20</u>
Total		83

Remaining Key Customers		AFY
None		0

Lateral - Athens Park

	<u>Cust</u>	<u>AFY</u>	<u>R/E Ratio</u>
Potential	11	970	1.34
Customers Eliminated	4	(188)	
Customers In Process	2	163	
Engaged** Customers	5	619	
Commitment Letters Signed	0	-0-	
Total Remaining Potential Customers	7	782	1.27
Consumption Needed to Achieve R/E of 1.0		461	

Committed Customers		AFY
None		

Remaining Key Customers		AFY
Delta Dyeing & Finishing		137
LA Co. - Ervin "Magic" Johnson Park		285
Swisstex California		<u>282</u>
Total		704

Lateral - Avalon Extension

	<u>Cust</u>	<u>AFY</u>	<u>R/E Ratio</u>
Potential	11	285	1.16
Customers Eliminated / Added	0	21	
Customers In Process	6	40	
Engaged** Customers	1	135	
Commitment Letters Signed	4	37	.29
Total Remaining Potential Customers	11	264	1.12
Consumption Needed to Achieve R/E of 1.0		210	

Committed Customers		AFY
City of Carson Parks		40

<u>Remaining Key Customers</u>	<u>AFY</u>
Cal Pacific Dyeing & Finishing	135

** Defined as completed step #3

Invoiced (\$166,273):	20 %
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FISCAL IMPACTS:

Funds are included in the Capital Improvement Program budget for Fiscal Year 2004-05.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Committee on December 8, 2004 and agendized to the December 20, 2004 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