

WEST BASIN MUNICIPAL WATER DISTRICT**JANUARY 5, 2005 - Water Resources**

Little, Dear

JANUARY 24, 2005 - 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 bids. 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. Tetra Tech and staff have plans to escalate the discussions to management at the home office following the holiday break.
- CSUDH (211 AFY) provided Tetra Tech the latest changes to the campus renovation plan to incorporate into the schematics. Schematics have been completed and submitted to CSUDH. The pre-bid meeting has been rescheduled for January, after which CSUDH will bid out with expectation to get construction started within 60 days.
- Staff has made significant progress with a potential new customer, Kadash Dying, located two blocks from District headquarters. They had not been returning phone calls until the water bottle with marketing tag was sent to them. After that, staff has met twice with management, secured a verbal commitment and Tetra Tech is proceeding with a retrofit design/estimate.

Water 3 Engineering

- 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 staff start over to justify the benefits of recycled water. Staff and Water 3 Engineering have developed a plan to escalate the discussions that will be implemented after the holidays.

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

Prudential Overall Supply	<u>AFY</u>
	27

Remaining Key Customers

Carson CoGen	<u>AFY</u>
	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

Private Anderson Park (City of Carson)	<u>AFY</u>
	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
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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	

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

<u>Remaining Key Customers</u>	<u>AFY</u>
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	

<u>Committed Customers</u>	<u>AFY</u>
None	

<u>Remaining Key Customers</u>	<u>AFY</u>
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	

<u>Committed Customers</u>	<u>AFY</u>
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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 %

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 January 5, 2005 and agendaized to the January 24, 2005 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