

WEST BASIN MUNICIPAL WATER DISTRICT

AUGUST 15, 2005 – Water Resources
Little, Baker

AUGUST 22, 2005 – Board Meeting

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Approved by: Richard Nagel

ACTION CALENDAR

AMENDMENT TO AGREEMENT W766 WITH ARCO AND DOMINGUEZ

SUMMARY:

In 1997, West Basin, Atlantic Richfield Corporation (ARCO), and Dominguez Water Company (Dominguez) entered into Agreement W766 that described the terms and conditions for serving recycled water to the cooling towers at ARCO's Carson refinery. Since 1997, ARCO has changed ownership and is now BP. Dominguez has also changed ownership and is now California Water Service Company (CWSC). The refinery uses about 3,200 acre-feet per year of recycled water. BP would like to expand the use of recycled water in the refinery and use high-quality recycled water in their steam plant. BP is investing \$25 million to construct a second pass reverse osmosis plant on the refinery site to further treat the reverse osmosis recycled water purchased from West Basin for use in their steam plant. BP would own and operate the new Reverse Osmosis facility. However, the current agreement with BP does not specifically allow the recycled water to be used as boiler feedwater. This amendment would allow such use and other needs as identified. This increase in recycled water use at BP will not require an expansion at the Juanita Millender-McDonald Carson Regional Water Recycling Plant.

FISCAL IMPACTS:

This would allow increased recycled water sales to BP and increased recycled water revenues.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Committee on August 15, 2005 and was recommended for approval at the August 22, 2005 Board meeting.

RECOMMENDED MOTION:

That the Board authorizes the Co-General Managers to amend Agreement W766 with Arco (BP) and Dominguez (CWSC) to allow use of recycled water as boiler feedwater and to update the companies' names.

LIST OF EXHIBITS:

None.