

**MEETING OF THE TECHNICAL ADVISORY COMMITTEE (TAC)
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
4040 PARAMOUNT BLVD., LAKEWOOD, CA. 90712
10:00 AM, WEDNESDAY, OCTOBER 10, 2018**

AGENDA

Each item on the agenda, no matter how described, shall be deemed to include any appropriate motion, whether to adopt a minute motion, resolution, payment of any bill, approval of any matter or action, or any other action. Items listed as "For information" or "For discussion" may also be the subject of an "action" taken by the Board or a Committee at the same meeting.

1. DETERMINATION OF A QUORUM

2. PUBLIC COMMENT

Pursuant to Government Code Section 54954.3

3. DISCUSSION OF FIVE YEAR CAPITAL IMPROVEMENT PLAN AND RECOMMEND PROJECTS FOR INCLUSION IN THE PROPOSED 2018 BOND ISSUANCE

Staff Recommendation: The Technical Advisory Committee recommends the Capital Improvement Projects (CIP) Committee and WRD Board of Directors adopt the Updated Five-Year Capital Improvement Program for Fiscal Years 2018-19, through Fiscal Years 2022-2023 as submitted; and authorize staff to file a Notice of Exemption from CEQA.

4. ADJOURNMENT

The Committee will adjourn to the next regular meeting.

In compliance with the Americans with Disabilities Act (ADA), if special assistance is needed to participate in the meeting, please contact Deputy Secretary at (562) 921-5521 for assistance to enable the District to make reasonable accommodations.

All public records relating to an agenda item on this agenda are available for public inspection at the time the record is distributed to all, or a majority of all, members of the Board. Such records shall be available at the District office located at 4040 Paramount Boulevard, Lakewood, California 90712.

Agendas and minutes are available at the District's website, www.wrd.org.

EXHAUSTION OF ADMINISTRATIVE REMEDIES – If you challenge a District action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Deputy Secretary at, or prior to, the public hearing. Any written correspondence delivered to the District office before the District's final action on a matter will become a part of the administrative record.

**MEMORANDUM****ITEM NO. 3**

DATE: OCTOBER 10, 2018

TO: TECHNICAL ADVISORY COMMITTEE (TAC)

FROM: ROBB WHITAKER, GENERAL MANAGER

**SUBJECT: DISCUSSION OF FIVE YEAR CAPITAL IMPROVEMENT PLAN AND
RECOMMEND PROJECTS FOR INCLUSION IN THE PROPOSED
2018 BOND ISSUANCE**

SUMMARY

As part of the annual budget process, staff is updating WRD's Five-Year Capital Improvement (CIP) Program for Fiscal Years 2018-19 through 2022-23. The CIP is a short-range plan, which identifies capital projects and equipment purchases, provides a planning schedule and identifies options for financing the plan. Essentially, the plan provides a link between proposed capital improvement projects, master plans, strategic plans, and WRD's annual budget.

The CIP is also an effective tool to integrate capital improvements in ways that ensure that planning and execution for capital improvements is tied to realistic sources of income in order to finance the improvements, and define schedules so that there is adequate time for planning, design and committee/Board review prior to the desired project start date. The updated Five-Year CIP also includes continuing work on projects from prior years that have not been finalized.

Staff has performed an audit on the existing CIP process and identified lessons learned from previous CIP budgets and the 2015 bond issuance. Staff has developed an updated and improved CIP process to implement for fiscal year 2018-2019 and moving forward. This updated CIP process will help provide more accountability and oversight for project development, budgeting and economic analysis. Staff will present the improved CIP process to the committee.

The Updated Five-Year CIP is intended to serve as a planning tool and does not include a recommendation for project funding approval. Given the range of varying uses over

the next five years under the Updated Five-Year CIP, the CIP will not result in a reasonably foreseeable significant effect to the environment and is exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15061. Approval of funding for individual projects will be presented separately to the Board for consideration as the projects referenced within the CIP progress. If a specific action under the CIP would result in a reasonably foreseeable physical change to the environment, environmental review under CEQA in accordance with applicable law would be conducted at that time.

The draft Updated Five-Year CIP is being presented to the Capital Improvement Projects (CIP) Committee to receive feedback as part of the review and approval process. This process may occur over the course of several meetings.

FISCAL IMPACT

None at this time.

STAFF RECOMMENDATION

The Technical Advisory Committee recommends the Capital Improvement Projects (CIP) Committee and WRD Board of Directors adopt the Updated Five-Year Capital Improvement Program for Fiscal Years 2018-19, through Fiscal Years 2022-2023 as submitted; and authorize staff to file a Notice of Exemption from CEQA.

Proposed 2018 CIP - Version 3

Water Independence Now (WIN)	All Previous Expenditures Start of Project through 6/30/2018	FY 18-19 Projected Budget	FY 19-20 Projected Budget	FY 20-21 Projected Budget	FY 21-22 Projected Budget	FY 22-23 Projected Budget	Total 5-Year CIP Budget	Secured Grants	Secured Loans	Other (Multi-party/Partnerships)	Additional Funding	2018 Bond Issuance
ARC: Advanced Water Treatment Facility (AWTF)	\$ 115,640,875	\$ 73,250,000	\$ -	\$ -	\$ -	\$ -	\$ 73,250,000	\$ 9,000,000	\$ 35,000,000	\$ 4,100,000		\$ 25,150,000
ARC: New Water Development in lieu of Connection Fee	\$ -		\$ 15,000,000				\$ 15,000,000				\$ 15,000,000	\$ -
ARC: Advanced Water Treatment Facility (AWTF) Expansion	\$ -	\$ -	\$ -				\$ -			\$ -		\$ -
ARC: Advanced Water Treatment Facility (AWTF) Injection Well Expansion	\$ -	\$ -	\$ -				\$ -					\$ -
ARC: Whittier Parcel (Additional Injection, Spreading and/or Energy Management)	\$ -	\$ -	\$ 200,000				\$ 200,000					\$ 200,000
Leo J. Vander Lans Facility: Cerritos Interconnect Pipeline (includes preliminary design)	\$ 653,882	\$ 2,700,000	\$ 9,000,000	\$ -	\$ -	\$ -	\$ 11,700,000			\$ -	\$ 11,700,000	\$ -
Leo J Vander Lans Facility: Los Coyotes Direct Connect	\$ -	\$ 700,000	\$ 1,000,000	\$ 900,000	\$ 15,800,000	\$ 15,200,000	\$ 33,600,000					\$ 1,700,000
Leo J. Vander Lans Facility: Onsite injection Well Storage/Replenishment	\$ -	\$ 600,000	\$ 5,400,000				\$ 6,000,000			\$ -		\$ 6,000,000
Leo J. Vander Lans Facility: Offsite injection Well Storage/Replenishment	\$ -						\$ -					\$ -
Total	\$ 116,294,757	\$ 77,250,000	\$ 30,600,000	\$ 900,000	\$ 15,800,000	\$ 15,200,000	\$ 139,750,000	\$ 9,000,000	\$ 35,000,000	\$ 4,100,000	\$ 26,700,000	\$ 33,050,000

Regional Water Independence Program	All Previous Expenditures Start of Project through 6/30/2018	FY 18-19 Projected Budget	FY 19-20 Projected Budget	FY 20-21 Projected Budget	FY 21-22 Projected Budget	FY 22-23 Projected Budget	Total 5-Year CIP Budget	Secured Grants	Secured Loans	Other (Multi-party/Partnerships)	Additional Funding	2018 Bond Issuance
Regional Brackish Water Reclamation Program	\$ -	\$ 1,500,000	\$ 1,300,000				\$ 2,800,000	\$ 700,000		\$ -		\$ 2,100,000
Dominguez Gap Seawater Intrusion Barrier- Inland Injection Well Field	\$ -	\$ -	\$ 500,000	\$ 1,900,000	\$ 10,000,000	\$ -	\$ 12,400,000					\$ 500,000
Hyperion Replenishment Master Plan	\$ -	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 3,000,000			\$ 1,500,000		\$ 1,500,000
Regional Replenishment Resource Development	\$ -	\$ -	\$ 1,000,000				\$ 1,000,000					\$ 1,000,000
Well Construction and Loan Program	\$ -	\$ 5,200,000	\$ 5,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 13,200,000					\$ 10,200,000
Total	\$ -	\$ 6,700,000	\$ 8,000,000	\$ 2,900,000	\$ 11,000,000	\$ 1,000,000	\$ 29,600,000	\$ -	\$ -	\$ 1,500,000	\$ -	\$ 15,300,000

Basin Management Projects	All Previous Expenditures Start of Project through 6/30/2018	FY 18-19 Projected Budget	FY 19-20 Projected Budget	FY 20-21 Projected Budget	FY 21-22 Projected Budget	FY 22-23 Projected Budget	Total CIP Budget	Secured Grants	Secured Loans	Other (Multi-party/Partnerships)	Additional Funding	2018 Bond Issuance
Regional Groundwater Monitoring Program - Wells	\$ 10,591,337			\$ 900,000	\$ 1,800,000	\$ 900,000	\$ 3,600,000			\$ -		\$ -
Regional Groundwater Monitoring Program - Telemetry	\$ -			\$ 400,000	\$ 400,000	\$ 300,000	\$ 1,100,000					\$ -
Montebello Forebay Recharge Enhancement Study - Phase 2	\$ 719,182			\$ 200,000	\$ 200,000	\$ 200,000	\$ 600,000			\$ -		\$ -
Recycled Water Compliance Monitoring Wells at MFSG	\$ -	\$ 100,000	\$ 400,000				\$ 500,000					\$ 500,000
Total	\$ 11,310,519	\$ 100,000	\$ 400,000	\$ 1,500,000	\$ 2,400,000	\$ 1,400,000	\$ 5,800,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000

WRD Infrastructure Management Projects	All Previous Expenditures Start of Project through 6/30/2018	FY 18-19 Projected Budget	FY 19-20 Projected Budget	FY 20-21 Projected Budget	FY 21-22 Projected Budget	FY 22-23 Projected Budget	Total 5-Year CIP Budget	Secured Grants	Secured Loans	Other (Multi-party/Partnerships)	Additional Funding	2018 Bond Issuance
Asset Management Program	\$ 1,425,748	\$ 600,000	\$ 300,000				\$ 900,000			\$ -		\$ 900,000
Energy Management Plan Study and Implementation	\$ -	\$ 300,000	\$ 2,000,000				\$ 2,300,000					\$ 2,300,000
Monitoring Wells: SCADA Implementation	\$ 2,548,149				\$ 1,000,000	\$ 1,000,000	\$ 2,000,000					\$ -
Leo J. Vander Lans: SCADA Upgrades	\$ -	\$ 1,700,000	\$ 900,000				\$ 2,600,000					\$ 2,600,000
Goldsworthy : SCADA Upgrades	\$ -	\$ 800,000	\$ 500,000				\$ 1,300,000					\$ 1,300,000
Total	\$ 3,973,897	\$ 3,400,000	\$ 3,700,000	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 9,100,000	\$ -	\$ -	\$ -	\$ -	\$ 7,100,000

Groundwater Quality Protection & Remediation	All Previous Expenditures Start of Project through 6/30/2018	FY 18-19 Projected Budget	FY 19-20 Projected Budget	FY 20-21 Projected Budget	FY 21-22 Projected Budget	FY 22-23 Projected Budget	Total 5-Year CIP Budget	Secured Grants	Secured Loans	Other (Multi-party/Partnerships)	Additional Funding	2018 Bond Issuance
Perchlorate Remediation Project	\$ -	\$ 300,000	\$ 5,100,000	\$ 1,500,000	\$ 2,000,000	\$ 200,000	\$ 9,100,000	\$ 7,200,000		\$ -		\$ -
Contaminated Site Investigations, Cleanup and Monitoring Wells	\$ -	\$ 500,000	\$ 500,000				\$ 1,000,000					\$ 1,000,000
SDWP (DAC only)	\$ -						\$ -					\$ -
SDWP Program - Primary Contaminants (Grants)	\$ 4,153,860	\$ 3,200,000	\$ 1,600,000				\$ 4,800,000	\$ -	\$ -	\$ -		\$ 4,800,000
SDWP Program - Secondary Contaminants (Loans)	\$ -		\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 6,000,000					\$ 1,500,000
Total	\$ 4,153,860	\$ 4,000,000	\$ 8,700,000	\$ 1,500,000	\$ 2,000,000	\$ 200,000	\$ 14,900,000	\$ 7,200,000	\$ -	\$ -	\$ -	\$ 7,300,000

Facilities Management, Maintenance, and Repair	All Previous Expenditures Start of Project through 6/30/2018	FY 18-19 Projected Budget	FY 19-20 Projected Budget	FY 20-21 Projected Budget	FY 21-22 Projected Budget	FY 22-23 Projected Budget	Total 5-Year CIP Budget	Secured Grants	Secured Loans	Other (Multi-party/Partnerships)	Additional Funding	2018 Bond Issuance
WRD Office Building- Roof Replacement	\$ -	\$ 50,000	\$ 50,000		\$ -	\$ -	\$ 100,000			\$ -		\$ 100,000
WRD Office Building- HVAC Improvements Project	\$ -		\$ 2,350,000				\$ 2,350,000			\$ -		\$ 2,350,000
Operations and Storage Annex Facility Project	\$ 4,079,373	\$ 1,000,000	\$ 2,000,000				\$ 3,000,000			\$ -		\$ 3,000,000
Goldsworthy Desalter Upgrades	\$ -	\$ 250,000	\$ 250,000				\$ 500,000				\$ 500,000	\$ -
Leo J Vander Lans Upgrades	\$ -	\$ 1,000,000	\$ 750,000				\$ 1,750,000				\$ 1,750,000	\$ -
Rio Hondo and San Gabriel Spreading Grounds Improvements	\$ -	\$ 500,000	\$ 1,000,000				\$ 1,500,000					\$ 1,500,000
General Engineering (Labor, overhead, legislative, legal)	\$ -	\$ 3,000,000	\$ 3,090,000	\$ 3,182,700	\$ 3,278,181	\$ 3,376,526	\$ 15,927,407					\$ 6,090,000
Total	\$ 4,079,373	\$ 5,800,000	\$ 9,490,000	\$ 3,182,700	\$ 3,278,181	\$ 3,376,526	\$ 25,127,407	\$ -	\$ -	\$ -	\$ -	\$ 13,040,000

TOTAL CIP BUDGET	All Previous Expenditures Start of Project through 6/30/2018	FY 18-19 Projected Budget	FY 19-20 Projected Budget	FY 20-21 Projected Budget	FY 21-22 Projected Budget	FY 22-23 Projected Budget	Total 5-Year CIP Budget	Secured Grants	Secured Loans	Other (Multi-party/Partnerships)	Additional Funding	2018 Bond Issuance

Total	\$	128,500,000	\$	97,300,000	\$	60,900,000	\$	10,000,000	\$	35,500,000	\$	22,200,000	\$	218,500,000	\$	16,200,000	\$	35,000,000	\$	5,600,000	\$	26,700,000	\$	76,300,000
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