

Recycled Water Committee
 GWR and Urban Reclamation Project Budgets
 June 19, 2014
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| Groundwater Replenishment Project UR-502 | FY14/15 Budget A | FY14/15 Budget B | FY14/15 Budget C |
|---|-------------------------|-------------------------|-------------------------|
| Technical Consultants | 828,000 | 470,000 | 230,000 |
| Legal | 285,000 | 0 | 0 |
| Environmental | 700,763 | 0 | 25,000 |
| Internal Labor | 250,000 | 10,000 | 10,000 |
| TOTALS | 2,063,763 | 480,000 | 265,000 |
| MPWMD Reimbursement | (1,547,822) | (360,000) | (198,750) |
| SRF Feasibility Grant | (74,883) | 0 | 0 |
| Total After Reimbursements | 441,058 | 120,000 | 66,250 |

Budget A is the “Continue-the-Project” Budget and includes the essential work for GWR to remain viable:

- completing the Settlement Agreement criteria prior to the CPUC workshop in December 2014,
- completing the requirements for the two grants (Feasibility Study and Facilities Plan), and
- completing existing contracts that include:
 - An essential contract with Denise Duffy & Associates (DDA) that must be approved so that there is no additional delay to the CEQA process. The DDA contract for \$468,763 completes the CEQA process from the existing contract (provides first administrative draft EIR sections) through the next rounds of administrative draft EIR, the DEIR, responding to comments, the FEIR, and the certification process (scope of work attached).
 - The Engineering Report contract (an essential part of the CDPH approval process) will be brought to the RWC and Board in July or August.
 - Additionally, there will be a few new contracts for some of the technical consultants to respond to the DEIR comments that will be initiated when the comments are received.

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- There are several existing contracts that must be honored to complete the CEQA DEIR technical support (to be completed in August) including the Feasibility Study/Facilities Plan work (to be completed in October), and the 10% designs (to be completed in July).

| <u>Settlement Agreement</u> <u>Criterion – Budget A</u> | | Cost |
|--|--|-------------|
| 0 Not mentioned, but necessary | CPUC Hearings-Legal Perkins Coie | 85,000 |
| 1 CEQA | Complete ADEIR, DEIR, and FEIR-Denise Duffy & Associates | 468,763 |
| | Program management for CEQA-Young | 42,000* |
| | Complete Technical Support-Existing Contracts | |
| | Groundwater-Todd | 35,000* |
| | Groundwater Modeling-Hydrometrics | 55,000* |
| | Source Control-Nellor | 15,000* |
| | Regulatory-Sheikh and Crook | 35,000* |
| | Advanced Treatment Plant-SPI | 20,000 |
| | Water Quality and Treatment-Trussell | 30,000 |
| | CEQA Legal-Perkins Coie | 135,000 |
| 2 Permits | Nellor | 35,000 |
| | Sheikh & Crook | 10,000 |
| 3 Source Water Agreements | Legal-Wellington, Lennihan, et.al. | 65,000 |
| 4 CDPH/IAP | Engineering Report-Nellor, Trussell, Todd, etc. | 200,000 |
| | IAP Meeting-NWRI | 25,000 |
| | Operator Training | |
| | Rent Pilot Facilities thru Oct. | 84,000 |
| | Training-SPI and Trussell | 80,000 |
| 5 Schedule | | 5,000 |
| 6 10% Design | Existing Contracts | |
| | Vadose Wells-Todd | 35,000* |
| | Injection Wells-Todd | 25,000* |
| | Pipelines to wells, power and perc.-E2 | 21,000* |
| | Salinas Pump Station and Ponds-E2 | 78,000* |

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| | | |
|-----------------------------------|--|------------------|
| | Reclamation Ditch/ Tembladero Slough-E2 | 25,000* |
| | Blanco Drain-E2 | 14,000* |
| | Product Water and Pump Station-E2 | 49,000* |
| 7 Funding Plan | MPWMD | 18,000 |
| | SRF Application-Brezack | 9,000* |
| 8 Water Purchase Agreement | MPWMD | 10,000 |
| 9 Externality Study | MPWMD | 40,000 |
| Feasibility Study/Facilities Plan | Brezack | 65,000* |
| Internal Labor for all activities | Staff | 250,000 |
| Total Budget A | | 2,063,763 |

* Existing Contracts

Budget B is the Public Outreach/Demonstration Budget.

A public outreach plan will be developed as soon as the water rights negotiations have been finalized. The plan implementation would probably start with the release of the Draft Environmental Impact Report (DEIR) this summer. A major part of the Plan is the pilot demonstration facilities as they are a great vehicle for informing the public of how safe and pure the water will be. Staff has been approached by the Santa Cruz and Soquel Creek Water Districts to rent the pilot facilities for their CEQA testing purposes. Also, if not purchased now, pilot facilities would be purchased as part of the GWR construction contract to allow a facility to try out different membranes and chemicals.

| | | |
|------------------------------------|-------------------------|----------------|
| Budget B | | |
| Internal Labor | | 10,000 |
| Purchase Pilot Facilities with AOP | | 395,00* |
| Consultants: | Thomas Brand Consulting | 50,000 |
| | Data Instincts | 25,000 |
| Total Budget B | | 480,000 |
| MPWMD Reimbursement | | (360,000) |
| Total After Reimbursements | | 120,000 |

* Purchase price reduced if pilot facilities rented within Budget A, above

Budget C is to pursue use of alternate source waters (Blanco Drain, Reclamation Ditch, and/or Tembladero Slough). Additional laboratory testing and analyses are required by CDPH as part of their permit process.

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| | | |
|-----------------------------------|---------------------------|----------------|
| Budget C | | |
| Internal Labor | | 10,000 |
| Laboratory Analyses: | Eaton | 165,000 |
| | MBAS | 45,000 |
| Pursue Future Grants | Various | 20,000 |
| CEQA | Denise Duffy & Associates | 25,000 |
| Total Budget C | | 265,000 |
| MPWMD Reimbursement | | (198,750) |
| Total After Reimbursements | | 66,250 |

| Groundwater Replenishment Project UR-502 | FY13/14 Budget D | FY13/14 Budget E | Total Combination of Budgets A-E |
|---|-------------------------|-------------------------|---|
| Technical Consultants | 1,378,000 | 340,000 | 3,246,000 |
| Legal | 0 | 50,000 | 335,000 |
| Environmental | 37,000 | 52,000 | 814,763 |
| Internal Labor | 75,000 | 25,000 | 370,000 |
| TOTALS | 1,490,000 | 467,000 | 4,765,763 |
| MPWMD Reimbursement | (1,117,500) | (350,250) | (3,574,322) |
| SRF Feasibility Grant | (0) | (0) | (74,883) |
| Total After Reimbursements | 372,500 | 116,750 | 1,116,558 |

Budget D is for 30% design. In order to start up GWR at the beginning of 2017, a Design/Build (D/B) would need to start work in July 2015. In order to obtain the best quote from a D/B firm, it is necessary to complete 30% designs for all the components. Selection of the D/B should be determined prior to the CPUC decision expected in July 2015. This item includes the design. Document for and selection of the D/B firm is shown as Budget E. CEQA work would be required if the project changes from the 10% design and the existing CEQA work.

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| Budget D | | |
|---|-------------------------------|------------------|
| Internal Labor | | 75,000 |
| 30% Design—Injection Wells, Vadose Zone Wells, Pipelines, Power, and Backwash | Todd (wells) | 200,000 |
| | E2 (rest) | 100,000 |
| 30% Design—Advanced Treatment Plant | SPI | 300,000 |
| | Trussell | 300,000 |
| | Design Optimization--Trussell | 95,000 |
| 30% Design—RTP Facilities | E2 | 95,000 |
| 30% Design—Reclamation Ditch/Tembladero Slough | E2 | 129,000 |
| 30% Design—Blanco Drain | E2 | 129,000 |
| IAP | NWRI | 30,000 |
| CEQA | Denise Duffy & Associates | 37,000 |
| Total Budget D | | 1,490,000 |
| MPWMD Reimbursement | | (1,117,500) |
| Total After Reimbursements | | 372,500 |

Budget E is for Design/Build preparation. Work would include obtaining the legal right to perform a D/B contract, developing a request for qualifications/proposals for D/B firms, and selection of the D/B firm prior to the CPUC project approval date of July 2015.

| Budget E | | |
|-----------------------------------|---------------------------|----------------|
| Internal Labor | | 25,000 |
| CEQA | Denise Duffy & Associates | 52,000 |
| Legal | Wellington et.al. | 50,000 |
| Specific Performance Criteria | Trussell | 150,000 |
| | SPI | 40,000 |
| Design/Build SOQ/RFP and Review | Trussell | 150,000 |
| Total Budget E | | 467,000 |
| MPWMD Reimbursement | | (350,250) |
| Total After Reimbursements | | 116,750 |

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RECOMMENDATION:

Staff requests that the Recycled Water Committee recommend that the Board approve Budget A, plus a contract with Denise Duffy & Associates for a cost not to exceed \$468,763 even if MPWMD has not decided to reimburse MRWPCA. Staff also requests that the Recycled Water Committee recommend that the Board approve Budgets B, C, D, and/or E.

Attachment 1: June 13, 2014 Scope of Work – Phase 4