

EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO

DATE ISSUED: May 27, 2010
ATTENTION: Natural Resources and Culture Committee,
Agenda of June 16, 2010
ORIGINATING DEPARTMENT: Public Utilities Department
SUBJECT: Award Indirect Potable Reuse/Reservoir Augmentation
Demonstration Project – Advanced Water Purification
Facility
COUNCIL DISTRICT(S): All
CONTACT/PHONE NUMBER: Marsi Steirer (619) 533-4112

REQUESTED ACTION:

Council authorization to enter into an Agreement with Camp Dresser and McKee (CDM) to design, procure, install, test and operate the Indirect Potable Reuse/Reservoir Augmentation Demonstration Project (Demonstration Project) – Advanced Water Purification (AWP) Facility for the amount of \$6,600,000. CDM (prime consultant) and MWH (sub-consultant) will join efforts to provide these services to the City. This work is anticipated to begin in fall of 2010, and the contract duration will be three years.

STAFF RECOMMENDATION:

Staff recommends approval of the requested action and expenditure of funds.

EXECUTIVE SUMMARY:

In January 2004, the City Council approved a study to evaluate options to increase the use of recycled water produced at the City's two water reclamation plants. The Water Reuse Study Report (March 2006) outlines the process undertaken to develop six options to maximize reuse, provides details on stakeholder involvement and outreach efforts, and the water quality research undertaken to assess public health impacts (www.sandiego.gov/water/waterreusestudy). Water Reuse Study stakeholders identified Reservoir Augmentation of the City's San Vicente Reservoir, also known as the NC-3, as the preferred reuse strategy.

At their October 29, 2007 meeting, the City Council voted to proceed with the Demonstration Project. On November 18, 2008, a rate increase to fund the Demonstration Project was approved, and went into effect on January 1, 2009. The Demonstration Project budget is \$11,811,000, and this contract (\$6,600,000) for services associated with the demonstration facility is part of this City Council approved program budget.

On February 4, 2010, the Public Utilities Department issued a Request for Proposals for the Demonstration Project – AWP Facility. The scope of services includes: design, procure, install, test and operate a demonstration-scale AWP Facility at North City Water Reclamation Plant; develop a testing and monitoring plan for the AWP Facility; provide a cost estimate for a full-scale AWP Facility based on results from the demonstration facility testing; prepare a Project Report based on the operation and testing of the demonstration facility; and assist with public tours of the AWP Facility as part of the public outreach and education program. A selection

committee was formed to evaluate consultant proposals composed of City staff, the Assistant General Manager of the Orange County Water District, and an Independent Rates Oversight Member – Chair of Environmental and Technical Subcommittee. On April 9, 2010, interviews with four consulting firms were held and the CDM-MWH team was selected.

EQUAL OPPORTUNITY CONTRACTING:

This Agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2702) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

FISCAL CONSIDERATIONS:

The total estimated cost of this project is \$6,600,000. Enterprise Funding of \$6,600,000 is available from, CIP S-10127 Demonstration Project – Advanced Water Purification Facility Fund 700011, Water, for this purpose. No future funding is anticipated for this project. A Comptroller Certificate will be provided prior to contract award.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

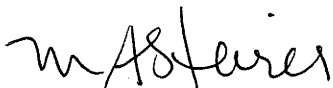
On October 29 and December 3, 2007, the City Council voted (R-303095 and R-303096) to undertake the Demonstration Project. On December 4, 2007, the City Council directed (R-303237) the Public Utilities Department to add the Demonstration Project to the Integrated Regional Water Management Plan and grant application. On November 18, 2008, the City Council approved (R-304434) a temporary water rate increase to fund the Demonstration Project. On March 24, 2009 Council approved (R-304764) the Limnology Study of San Vicente Reservoir. On January 26, 2010 Council approved (R-305584) the Project Management and Public Outreach contract. Staff provides monthly updates to the Natural Resources and Culture Committee. This agreement was presented and supported by the Independent Rates Oversight Committee at their May 17, 2010 meeting. This item will be considered by the Natural Resources and Culture Committee on June 16, 2010.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Preparation of the Water Reuse Study Report involved significant stakeholder involvement and public outreach activities. Once the AWP Facility is operational, it will be available for public tours.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

The California Department of Public Health and the San Diego Regional Water Quality Control Board are the state agencies that will permit the full-scale IPR/RA project. The National Water Research Institute, a nonprofit organization, has organized a ten-member Independent Advisory Panel (IAP) to provide expert peer review on the technical, scientific, regulatory, and policy aspects of the proposed Demonstration Project.



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Interim Assistant Public Utilities Director



Alex Ruiz
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