



Securing Your Water Supply

May 2, 2018

TO THE BOARD OF DIRECTORS:

Brenda Dennstedt, President
Robert Stockton, Vice President
Donald D. Galleano, Secretary-Treasurer
S.R. "Al" Lopez
Thomas P. Evans

FROM: Craig D. Miller, General Manager

CONSIDER ADOPTION OF THE FISCAL YEAR 2018-2019 CAPITAL SPENDING PLAN

RECOMMENDATION:

Staff recommends that the Board of Directors approve the Fiscal Year 2018-2019 Capital Spending Plan

EXECUTIVE SUMMARY:

As staff presented at the April 18, 2018 Board Meeting, the long-term objective of the Capital Spending Plan is to develop a comprehensive report in the next 12 months that provides substantial information pertaining to proposed capital investments in the coming five years. This document will account for each project, thoroughly describe the goals and strategies for successful completion, while identifying the factors considered in prioritizing each item. As discussed, staff will account for the longer term items such as the SARCCUP and the Riverside North Aquifer Storage and Recovery Project (Rubber Dam) both in the Long-term Capital Planning Report and the District budget documentation, and narratives.

The proposed Capital Spending Plan for Fiscal Year 2018-2019 includes projected expenditures of \$37 million. State Revolving Fund financing is available for the La Sierra Project in the amount of \$16.2 million and grant funding from multiple sources is available for the Victoria Basin Recharge Project in the amount of \$3.0 million. In addition, the Active and Enhanced Recharge Projects which will be constructed by San Bernardino Valley Municipal Water District on behalf of Plaintiff Parties with defined water rights under the 1969 Judgment, have a combined \$2.9 million offset funded completely by the Plaintiff Parties. In total, these reduce the Fiscal Year 2018-

2019 Capital Spending Plan expenditures to a net of \$14.9 million.

The Capital Spending Plan Listing attached to this letter identifies projects that have been thoroughly vetted by staff. The planning process kicked off with an internal Capital Improvement Project (CIP) Committee meeting in November 2017. During the months of January through April 2018, six CIP Committee meetings were held to discuss and prioritize projects. Additionally, two meetings were held in March and April with the Finance team to review the overall financial impact of the Capital Spending Plan and further reduce annual expenditures or defer where possible.

BUDGET IMPACT:

Adoption of the Fiscal Year 2018-2019 Capital Spending Plan provides staff with spending authority for budgeted projects with a total cost of less than \$100,000 and provides the General Manager with a discretionary fund of \$300,000 to be expended on yet to be determined capital projects in accordance with the requirements and authority levels established by the Board of Directors. All projects with a total cost of more than \$100,000 will be presented to the Board of Directors for individual action.

DETAIL:

Reason for Action:

The Capital Spending Plan identifies the District's capital project priorities for the next Fiscal Year (FY 2018-2019) and gives a current view of the capital project forecast five years out into the future. The Plan also provides District staff with guidance in workload and project planning.

Solution:

Approve the Capital Spending Plan for Fiscal Year 2018-2019. Board approval of the Plan authorizes staff to move forward with identified capital project efforts, however; adoption of the Capital Spending Plan does not authorize all project efforts. All individual projects with total costs in excess of \$100,000 require further Board authorization. In addition, projects that are in the early investigation or planning stages that do not appear on the Capital Spending Plan listing, may be brought forward to the Board for individual consideration approval if the project has a compelling need.

BUSINESS PLAN REFERENCE:

No specific Business Plan reference; this action is part of Western's routine business activities.

Board of Directors
May 2, 2018
Page 3

CRAIG D. MILLER
General Manager

Attachment(s):

1. Fiscal Year 2018-2019 Capital Spending Plan Listing

Western Municipal Water District

Proposed Fiscal Year 2018/2019 Capital Spending Plan Listing

Updated: 4/23/2018

				2018/2019	(Offset) 2018/2019	2019/2020	(Offset) 2019/2020	2020/2021	(Offset) 2020/2021	2021/2022	(Offset) 2021/2022	2022/2023	(Offset) 2022/2023	Total
TOTAL				37,048,515	(22,140,784)	14,720,330	(2,900,000)	10,425,109	(1,400,000)	7,649,687	(1,400,000)	8,240,640	(1,400,000)	48,843,497
Net Totals					14,907,731		11,820,330		9,025,109		6,249,687		6,840,640	
Ref #	Project Name	Rank	Fund Description	2018/2019	(Offset) 2018/2019	2019/2020	(Offset) 2019/2020	2020/2021	(Offset) 2020/2021	2021/2022	(Offset) 2021/2022	2022/2023	(Offset) 2022/2023	Total
87.0	Active Recharge Project - SAR Tributaries	PRE 0	Water Resources Development	1,400,000	(1,400,000)	1,400,000	(1,400,000)	1,400,000	(1,400,000)	1,400,000	(1,400,000)	1,400,000	(1,400,000)	-
57.0	ADS Automation upgrade PLC and software	PRE 0	Arlington Asset Replacement	350,000										350,000
58.0	ADS Dist Pumps 1-4 Replacement	PRE 0	Arlington Asset Replacement	150,000		150,000		150,000						450,000
59.0	ADS MOV Replacement	PRE 0	Arlington Asset Replacement	20,000				20,000				20,000		60,000
60.0	ADS Process Control Analyzer Replacement at each Train A, B, and C	PRE 0	Arlington Asset Replacement	25,000		25,000								50,000
1.0	Content Management System	PRE 0	IT Projects	125,000		100,000		50,000		50,000		50,000		375,000
67.0	Distribution System Vault Hatch Replacement Program	PRE 0	Riv Potable Asset Replacement			100,000		100,000		100,000		100,000		400,000
88.0	Enhanced Recharge Project - SAR Spreading Basins	PRE 0	Water Resources Development	1,500,000	(1,500,000)	1,500,000	(1,500,000)							-
68.0	Facilities Security Improvements	PRE 0	IT Projects	75,000										75,000
51.0	GIS Application Improvements	PRE 0	IT Projects	150,000		50,000		50,000		50,000		50,000		350,000
55.0	GM < \$100k Projects	PRE 0	General District	300,000		300,000		300,000		300,000		300,000		1,500,000
52.0	Groundwater Database Management System (WISE)	PRE 0	IT Projects	50,000										50,000
20.0	La Sierra Regional Conveyance System	PRE 0	Riv Water Reliability	16,240,784	(16,240,784)									-
96.0	MARB Pipeline Replacement	PRE 0	March East AFC	500,000		2,000,000								2,500,000
49.0	Meter Replacement and Retrofit Project	PRE 0	Riv Potable System Improvement	1,364,353										1,364,353
22.0	MGL Blowoff Replacements	PRE 0	MGL Major Maint			325,000		650,000				650,000		1,625,000
24.0	MGL Emergency Plan	PRE 0	MGL Major Maint	200,000										200,000
25.0	MGL Isolation Valves	PRE 0	MGL Major Maint					50,000		100,000		1,150,000		1,300,000
26.0	MGL Materials for Emergency Repair	PRE 0	MGL Major Maint					150,000		1,000,000				1,150,000
31.0	North Well Rehabilitation	PRE 0	Murrieta Asset Replacement	3,600,000										3,600,000
72.0	Potable Distribution System Rehabilitation	PRE 0	Riv Potable System Improvement	25,000		150,000								175,000
73.0	Pump Motor Efficiency Program	PRE 0	Riv Potable Asset Replacement	150,000		150,000		150,000						450,000
74.0	Purchase New CCTV Inspection Vehicle	PRE 0	Fleet Expansion	46,768		46,768		46,768		46,768				187,072
75.0	Purchase New Hydro-Excavator	PRE 0	Fleet Expansion	108,122		108,122		108,122		108,122				432,488
77.0	Replace Valves at Oleander Pump Station	PRE 0	Riv NonPotable Asset Replacement	125,000										125,000
78.0	Reservoir Management	PRE 0	Riv Potable System Improvement	300,000		300,000								600,000
79.0	SCADA Master Plan	PRE 0	Ops Asset Replacement	150,000		150,000		150,000		150,000				600,000
40.0	Tank Fall Protection	PRE 0	Riv Potable System Improvement	250,000		250,000								500,000
92.0	Upper SAR HCP/SAR Integrated Model	PRE 0	Water Resources Development	700,000										700,000
80.0	VFD Replacement - Non-Potable System	PRE 0	Riv NonPotable Asset Replacement	75,000		75,000								150,000
81.0	VFD Replacement - Potable System	PRE 0	Riv Potable Asset Replacement	75,000		75,000								150,000
45.0	Victoria Basin Recharge Project	PRE 0	Arlington System Improvement	4,950,598	(3,000,000)									1,950,598
54.0	Wireless Microwave Wide Area Network (WAN) Expansion	PRE 0	IT Projects	50,000										50,000
83.0	WRCRWA Asset Replacement Contribution Requirement	PRE 0	LS Asset Asset Replacement	17,000		200,000		200,000		200,000		200,000		817,000
23.0	WRCRWA Non Asset Replacement Capital Projects	PRE 0	La Sierra System Improvement	600,000										600,000
46.0	WRCRWA Plant Odor Control	PRE 0	La Sierra System Improvement	200,000										200,000
85.0	WWRF Electrical Upgrades	PRE 0	WWRF Treatment System Improvement	35,000		35,000								70,000
47.0	WWRF Pond Improvements	PRE 0	WWRF Treatment System Improvement	85,000										85,000
7.0	Victoria Basin Pipeline and Wells (Phase II of Recharge Basin Project)	ENG 0	Arlington System Improvement											-

Ref #	Project Name	Rank	Fund Description	2018/2019	(Offset) 2018/2019	2019/2020	(Offset) 2019/2020	2020/2021	(Offset) 2020/2021	2021/2022	(Offset) 2021/2022	2022/2023	(Offset) 2022/2023	Total
3.0	Meridian Electrical Breaker Installation	ADM 1	HQ Facilities Improvement	200,000										200,000
4.0	1269 Force Main Replacement	ENG 1	WWRF Conveyance West Asset Replacement	142,750		3,000,000								3,142,750
56.0	1269 Submersible Pump Replacement	OPS 1	WWRF Conveyance East Asset Replacement	60,000		25,000		25,000						110,000
91.0	RPU Potable Intertie to Arlington Desalter (Fillmore/Magnolia	WR 1	Riv Potable System Improvement	100,000		750,000								850,000
50.0	Computer Systems, Servers, & Network Infrastructure	ADM 2	IT Projects	75,000		75,000		75,000		75,000		75,000		375,000
42.0	Tank Maintenance Program - Rainbow	ENG 2	Rainbow Asset Replacement	100,000				795,000		20,000		20,000		935,000
95.0	ADS Well Rehab	OPS 2	Arlington Asset Replacement	250,640		250,640		250,640		250,640		250,640		1,253,200
89.0	Meridian Landscape Update	WR 2	HQ Asset Replacement	250,000		100,000								350,000
2.0	IT Server Room Air Conditioner Replacement	ADM 3	HQ Asset Replacement			112,000								112,000
93.0	Reservoir Management - Murrieta	ENG 3	Murrieta Water	300,000										300,000
69.0	Monochloramine Analyzer	OPS 3	Riv Potable System Improvement	50,000										50,000
90.0	Riverside North Aquifer Storage & Recovery Project	WR 3	Water Resources Development									550,000		550,000
53.0	Meeting Room Technology Upgrade	ADM 4	HQ Facilities Improvement			75,000								75,000
17.0	Grizzly Ridge Rehabilitation	ENG 4	Murrieta Asset Replacement	75,000		575,000								650,000
70.0	Natural Gas Engine Overhaul Program	OPS 4	Riv Potable Asset Replacement	125,000		125,000		125,000		125,000		125,000		625,000
43.0	Tank Maintenance Program Non-Potable ~ Recycled	ENG 5	Riv NonPotable Asset Replacement	280,000		595,000		280,000		600,000		220,000		1,975,000
86.0	WWRF Oxidation Ditch TRC	OPS 5	WWRF Treatment System Improvement	150,000										150,000
37.0	Pipeline Replacement Program potable	ENG 6	Riv Potable Asset Replacement					2,000,000		2,000,000		2,000,000		6,000,000
84.0	WWRF Disinfection PLC Replacement	OPS 6	WWRF Treatment Asset Replacement	100,000										100,000
12.0	Electrical Facilities Upgrades Murrieta	ENG 7	Murrieta Asset Replacement	100,000										100,000
94.0	ADS RO Membrane Replacement	OPS 7	Arlington Asset Replacement			150,000		150,000		150,000				450,000
14.0	Facilities Master Plan Riverside Potable and Recycled	ENG 8	Riv Potable North AFC	210,000										210,000
76.0	Replace Existing Hydro-Vac Truck	OPS 8	Vehicles Asset Replacement			110,000		110,000		110,000		110,000		440,000
15.0	Facilities Master Plan Riverside Retail Sewer	ENG 9	WWRF Treatment AFC	157,500										157,500
63.0	Asphalt Replacement - Orangecrest	OPS 9	Riv Potable System Improvement			150,000								150,000
32.0	Operations Seismic Evaluation	ENG 10	Ops Facilities Improvement			157,500								157,500
61.0	ADS RO Feed Pump Replacement	OPS 10	Arlington Asset Replacement			100,000								100,000
21.0	MARB Sewer Collection System Infiltration Reduction Program	ENG 11	WWRF Conveyance East Asset Replacement	100,000										100,000
65.0	Asphalt Seal Coating Project Potable	OPS 11	Riv Potable System Improvement			50,000		50,000		50,000		50,000		200,000
33.0	Orange Crest Tank No 2	ENG 12	Riv Potable North AFC			400,000								400,000
64.0	Asphalt Seal Coating Project Non-Potable	OPS 12	Riv NonPotable Asset Replacement			25,000		25,000		25,000		25,000		100,000
48.0	WWRF Solids Handling	ENG 13	WWRF Treatment System Improvement			80,300								80,300
71.0	Operations Workspace Improvements	OPS 13	Ops Asset Replacement	30,000										30,000
13.0	Electrical Facilities Upgrades Riverside	ENG 14	Riv Potable Asset Replacement			100,000								100,000
82.0	Water Systems Operations Plan Implementation	OPS 14	Riv Potable System Improvement			100,000		100,000						200,000
41.0	Tank Maintenance Program - Murrieta	ENG 15	Murrieta Asset Replacement			80,000		595,000		220,000		220,000		1,115,000
66.0	District Metered Areas (DMA's)	OPS 15	Riv Potable System Improvement					150,000		150,000		80,000		380,000
39.0	Recycled Water System Air Vac Replacement	ENG 16	Riv NonPotable Asset Replacement			45,000		345,000						390,000
38.0	PVP Turnout at Western Way	ENG 17	Water Resources Development					1,075,000						1,075,000
5.0	1269 Lift Station	ENG 18	WWRF Conveyance East Asset Replacement					44,579		89,157				133,736
44.0	Tank Maintenance Program Potable	ENG 19	Riv Potable Asset Replacement					655,000		280,000		595,000		1,530,000
8.0	Bergamont Pump Station Upgrade	ENG 20	Riv Potable North AFC	200,000										200,000