

CENTRAL BASIN MUNICIPAL WATER DISTRICT

JANUARY 7, 2004 - Water Resources
Morse, Cole

JANUARY 26, 2004 - Board Meeting

Prepared by: Paul Cook/Mark Tettermer

Submitted by: Paul E. Shoenberger

Approved by: Darryl G. Miller

CONSENT CALENDAR

CITY OF VERNON RECYCLED WATER SERVICE UPDATE

SUMMARY:

In July 2002, the City of Vernon (City) and Central Basin entered into an agreement in which Central Basin is to provide up to 1,500 acre-feet per year of recycled water to the City for use at its future Malburg Generating Station, which is currently under construction. In that agreement, the City agreed to pay for all improvements and associated costs to design and construct approximately 1.8-miles of 12- and 18-inch diameter pipeline and a booster pump, known as the Hollydale Pump Station that will be located in Hollydale Park in the City of South Gate.

Because the Hollydale Pump Station is outside of the City, the City approached Central Basin and requested that Central Basin hire a construction management firm. The City, consistent with the agreement, agreed to reimburse Central Basin for its expenses.

After further consideration, staff is recommending that Central Basin pay for the construction management and not seek reimbursement from the City as this will, in the long run, increase project costs for Central Basin.

The City drafted a Memorandum of Understanding that "clarifies" the relationship between the City and Central Basin regarding construction management as well as the boundary for ownership, operation and maintenance of the pipelines. This draft document is being reviewed by Central Basin legal counsel.

This document was reviewed by the Water Resources Committee on January 7, 2004. The Committee directed staff to bring the proposed MOU language back to the Board in the form of an amendment to the July 2002 contract between the City and Central Basin. Staff is working with the City to draft this amendment, and will bring this to the Water Resources Committee in February or March 2004.

FISCAL IMPACTS:

The funds for construction management are included in the Capital Improvement Program budget for FY 2003-04 and FY 2004-05.

ENVIRONMENTAL COMPLIANCE:

Environmental compliance measures are being addressed by the City of Vernon, as they are the lead agency for the construction effort. CEQA documentation has been completed; a Categorical Exemption was filed and posted.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Committee on January 7, 2004 and the MOU was deferred to the February Committee. This item was revised as a construction update for the January 26, 2004 Board meeting Consent Calendar.

RECOMMENDED MOTION:

This item is for information only.

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