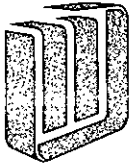


APR 14 1992



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

EXECUTIVE SECRETARY

Daren E. Duff
EXECUTIVE SECRETARY

March 24, 1992

To: Board of Directors (Engineering and Operations Committee--Action)
(Finance and Insurance Committee--Action)

From: General Manager

Subject: Revision No. 2 to Appropriation No. 609 to Increase Funding From
\$225,000 to \$750,000 to Finance Additional Studies, Preliminary
Design and Procurement for the Chlorine Release Containment and
Neutralization Program and Delegation of Power to Award Contracts

Report

In March 1991, your Board authorized Revision No. 1 to Appropriation No. 609 to increase funding to \$225,000 to finance all estimated costs for developing preliminary designs and cost estimates for the chlorine release containment and neutralization program at District facilities. This phase of the study, which included the development of preliminary designs for chlorine scrubbing at seven District facilities, was recently completed.

The chlorine safety program is now moving into the next phase, which will include: studies to determine which facilities will require chlorine containment, a thorough evaluation of all chlorine feed systems to determine what can be done to make them safer, and an investigation of new hardware that can make the storage and handling of chlorine safer. When new hardware or equipment is defined and determined to be beneficial and cost-effective, procedures will be initiated for procurement and installation. Additional studies will be conducted to determine if on-site generation of chlorine or sodium hypochlorite can be used as an alternative to shipping chlorine to District facilities. Studies will also be conducted to determine whether, and at which facilities, chlorine containment is justified based on regulatory, economic, and safety considerations.

The Administrative Code currently authorizes the General Manager to award contracts under \$250,000. Contracts in excess of \$250,000 are awarded by the Board. Because contracts under this appropriation may exceed the General Manager's authority, it is proposed that the Board delegate to the General Manager the power to award contracts funded under this appropriation.

It is proposed that Appropriation No. 609 be increased from \$225,000 to total of \$750,000 to finance the additional studies, design and procurement for the Chlorine Release Containment and Neutralization Requirements program. A breakdown of the total estimated costs is shown on Attachment A.

The proposed project is exempt from the provisions of the California Environmental Quality Act because it involves studies and minor modifications of existing facilities with no expansion of use.

Board Committee Assignments

This letter was referred for action to:

The Engineering and Operations Committee because of its jurisdiction over the initiation, scheduling, contracting and performance of construction programs; and operation, protection and maintenance of plants and facilities required for the production, exchange, sale, storage, treatment and delivery of water; and the selection of engineering and geologic consultants and the determination of the scope of their assignments pursuant to Administrative Code Section 2431(b), (c) and (h);

The Finance and Insurance Committee because of its responsibility to study, advise and make recommendations with regard to authorization of appropriations pursuant to Administrative Code Section 2441(d).

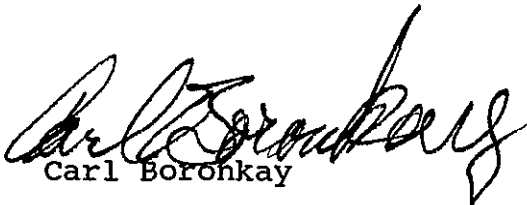
Recommendations

ENGINEERING AND OPERATIONS COMMITTEE FOR ACTION.

It is recommended that notwithstanding the provisions of Administrative Code Section 8113, the General Manager be delegated the authority to have all work performed, including delegation of authority to award contracts for continued studies and investigations of chlorine spill containment and neutralization technologies, systems, equipment, and alternatives; and for the procurement and installation of chlorine storage and handling equipment.

FINANCE AND INSURANCE COMMITTEE FOR ACTION.

It is recommended that the Board authorize an increase of \$525,000 in Appropriation No. 609 to a total of \$750,000 from the 1991 Revenue Bond Construction Fund, to finance all estimated costs for continued studies and investigations of chlorine spill containment and neutralization technologies, systems, equipment, and alternatives; and for the procurement and installation of chlorine storage and handling equipment.



Carl Boronkay

DWC/drc/atr
(apr609.rev)

Attachment A

Attachment A

FISCAL STATEMENT
(Program No. 5-6090-61)

A breakdown of the estimated costs is as follows:

| Labor: | <u>Revision 1</u> | <u>Revision 2</u> |
|----------------------------|-------------------|-------------------|
| Engineering Design | \$ 33,000 | \$ 95,000 |
| Operation and Maintenance | <u>0</u> | <u>20,000</u> |
| Total Labor | \$ 33,000 | \$ 115,000 |
| | | |
| Materials and Equipment | | \$ 250,000 |
| Incidental Expenses | 1,000 | 2,000 |
| Professional and Technical | 175,000 | 235,000 |
| Administrative Overhead | 16,000 | 62,000 |
| Contingency | <u>0</u> | <u>86,000</u> |
| Total | <u>\$ 225,000</u> | <u>\$ 750,000</u> |

Source of Funds: 1991 Revenue Bond Construction Fund

Projected Expenditure of Funds:

| | |
|-----------------------------|-------------------|
| Through Fiscal Year 1991/92 | \$ 290,000 |
| Fiscal Year 1992/93 | 460,000 |
| Total | <u>\$ 750,000</u> |

1991/1992 Capital Program:

| | |
|--|------------|
| Estimated Program Cost | \$ 500,000 |
| Program Estimate For Fiscal Year 1991/92 | \$ 291,100 |