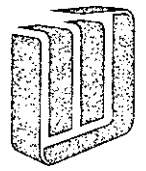


MAY 12 1992

8-3 Revised



MWD

Karen E. Dwyer
EXECUTIVE SECRETARY
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

May 11, 1992

To: Board of Directors (Ad Hoc Committee on Energy & Desalination--Action)
(Engineering & Operations Committee--Action)
(Finance & Insurance Committee--Action)

From: General Manager

Subject: Revision No. 2 to Appropriation No. 604 to Increase Funding
by \$2.15 Million to a Total of \$2.8 Million to Finance Estimated
Preliminary Engineering and Design Costs, through Fiscal Year
1992/93, for the 5-MGD Demonstration Plant for the Seawater
Desalination Program

Report

On May 11, 1992, the Joint Meeting of the Engineering
and Operations Committee and the Ad Hoc Committee on Energy and
Desalination recommend the following revision:

Recommendation

**AD HOC COMMITTEE ON ENERGY AND DESALINATION AND ENGINEERING AND
OPERATIONS COMMITTEE FOR ACTION.**

It is recommended that the General Manager be
authorized to initiate Environmental and Water Quality Studies,
Test Unit Development and Operation, Preliminary Engineering,
and Final Design for a 5-MGD Desalination Demonstration Plant.
The project shall include a periodic independent technical
review provided by a desalination technical consultant.

FINANCE AND INSURANCE COMMITTEE FOR ACTION.

It is recommended that the Board authorize an increase
of \$2.15 million to a total of \$2.8 million from the 1991
Revenue Bond Construction Fund to Appropriation No. 604 for
Estimated Costs of Environmental and Water Quality Studies,
Test Unit Operation, Preliminary Engineering, and Final Design
through June 30, 1993.

for Rubalkey
Carl Boronkay