

FEB 14 1995



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Barbara E. Duff
EXECUTIVE SECRETARY

January 31, 1995

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

From: General Manager

Subject: Authorization for the General Manager to Enter Into an Agreement to
Temporarily Provide Contract Labor to Calleguas Municipal Water District for
Operation of the Lake Bard Water Filtration Plant

Report

Calleguas Municipal Water District (Calleguas) is currently constructing a new 50 million-gallon-per-day water filtration plant in Thousand Oaks. Calleguas currently does not have the staff to operate the new plant, and has inquired about the possibility of Metropolitan's staff operating the plant for up to three years until Calleguas' staff is trained. The plant is scheduled to start operations in April/May 1995, and will operate five-to-seven months a year during the summer months or during Metropolitan's shutdowns. The plant is a direct filtration plant with ozone facilities to address the Disinfection By-Product Regulations (DBP) and taste and odor episodes.

Staffing would consist of personnel from both Metropolitan and Calleguas. Metropolitan would provide the operational staffing, consisting of one plant manager, five operators, and one chemist (first year only). Calleguas will provide the maintenance and distribution system operations staff. The direct and additional labor costs for the facility are estimated to be approximately \$400,000 per year for staffing based on five months of operations. Additional services would include start-up, training, reservoir monitoring, and other services requested by Calleguas. All of Metropolitan's expenses for labor costs and expenditures for additional services would be fully reimbursable. It is also proposed that Metropolitan would extend its existing water treatment chemical procurement contract to cover the new plant. However, Calleguas would actually pay for the treatment chemicals used at the plant. Based on current productivity efforts, it is anticipated that this additional staffing can be accommodated without adding additional positions to those currently allocated for the Operations Division. The total contract cost to Calleguas for a three-year contract should be in the 1.5 to 2.0 million dollar range.

Time is of essence for approving the agreement to provide contract labor. Since the plant is scheduled to start up in April 1995, operations training and equipment evaluations must be initiated in March 1995. If Metropolitan is unable to provide this service, Calleguas needs to act expeditiously to obtain it elsewhere.

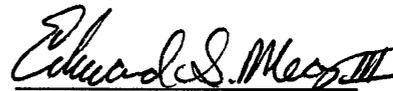
Both Metropolitan and Calleguas will benefit through this facility contract. Metropolitan's experience with ozone and in-line flocculation will expand. This is particularly valuable as our Jensen and Mills plants are scheduled to bring ozone on-line in 1998. Metropolitan's operators will return to their home plants when Calleguas' plant is shut down, providing training for other Metropolitan plant operators on ozone, and allowing rotational training opportunities. Calleguas will receive the value-added benefit of Metropolitan's extensive water treatment experience, and receive training for their operations staff to eventually take charge of plant operations. Metropolitan and Calleguas will have an ideal opportunity to demonstrate innovative ideas, such as the 12-hour operator shift. Metropolitan's staff will track the costs of this endeavor, and report periodically to the Board.

Recommendation

It is recommended that the General Manager be authorized to enter into a contract with Calleguas Municipal Water District in form approved by the General Counsel, substantially in conformance with the principles contained in Attachment 1, to provide staff to operate its Lake Bard Water Filtration Plant.

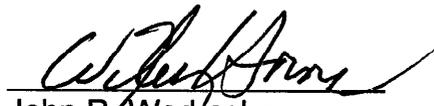
John R. Wodraska
General Manager

Submitted by:



Edward G. Means III
Chief of Operations

Concur:



John R. Wodraska
General Manager

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Attachment

ATTACHMENT 1

**METROPOLITAN WATER DISTRICT
&
CALLEGUAS MUNICIPAL WATER DISTRICT**

**CONTRACT FACILITY OPERATIONS
for
LAKE BARD WATER FILTRATION PLANT**

PRINCIPLES

- Temporary three year operations contract.
- Begin Operations in April 1995.
- Operation--5 to 7 months a year.
- All costs, including overhead, fully reimbursable.
- Metropolitan's staff will cooperate in training Calleguas's staff for certification testing and facility operations.
- Calleguas will provide all treatment plant maintenance as well as all operations and maintenance for all distribution system facilities.
- Metropolitan will warrant the qualifications of Metropolitan's staff.
- Metropolitan will provide treatment operations to attempt to meet all State and Federal water quality regulations at the plant effluent 100 percent of the time.
- With respect to treatment operations, each party will bear the risk for those matters under its control.
- Calleguas will assume all other liability including, but not limited to, that arising out of facility maintenance and distribution system operations.