

UPPER SAN GABRIEL VALLEY
MUNICIPAL WATER DISTRICT

11310 Valley Blvd. • El Monte, CA 91731
(626) 443-2297 • fax (626) 443-0617 • www.usgvmwd.org

AGENDA
WATER POLICY COMMITTEE
Wednesday, April 27, 2011 – 5:30 p.m.

COMMITTEE MEMBERS: Charles M. Treviño (Chairman)
Bill Robinson

ITEMS FOR DISCUSSION:

1. Public Comment.
2. Discussion Regarding Application for WaterSMART Grants for Advanced Water Treatment Pilot and Demonstration Project, and System Optimization Review. *(Staff recommendation enclosed.)*
3. Discussion Regarding Proposals Received for Engineering Services for the Design Phase of the City of Industry Phase IIB, Package 3 Recycled Water Pipeline Project. *(Staff recommendation enclosed.)*
4. Discussion Regarding Proposals Received for Engineering Services for the Design Phase of the City of Industry Phase IIB, Package 4 Recycled Water Pipeline Project. *(Staff recommendation enclosed.)*
5. Discussion Regarding Proposals Received for the Development of an Integrated Resources Plan (IRP). *(Staff recommendation enclosed.)*
6. Discussion Regarding Proposals Received for the Development of a Water Use Efficiency Master Plan. *(Staff recommendation enclosed.)*
7. Other Matters.
8. Adjournment.

NEXT MEETING: To be determined.

cc: Board of Directors
E-Mail Distribution List



MEMORANDUM

UPPER SAN GABRIEL VALLEY
MUNICIPAL WATER DISTRICT 

ITEM 2.

DATE: April 21, 2011
TO: Water Policy Committee
FROM: General Manager
SUBJECT: Adopt resolutions endorsing a WaterSMART Advanced Water Treatment Pilot and Demonstration Project Grant Application for Fiscal Year 2011 and a WaterSMART System Optimization Review Grant Application for Fiscal Year 2011.

Recommendation

It is recommended that the Board approve the attached resolutions endorsing a WaterSMART Advanced Water Treatment Pilot and Demonstration Project Grant Application for Fiscal Year 2011 (Attachment 1) and a WaterSMART System Optimization Review Grant Application for Fiscal Year 2011 (Attachment 2).

Background

The United States Bureau of Reclamation (Reclamation) has announced that applications for grant funding are being accepted for the Department of Interior's WaterSMART (Sustain and Manage America's Resources for Tomorrow) program for advanced water treatment pilot and demonstration projects and for system optimization reviews.

The **Advanced Water Treatment Pilot and Demonstration Project Grants** provide cost-shared funding for pilot and demonstration projects that will accelerate the adoption and use of advanced water treatment technologies to increase water supply. Projects funded under this program include treatment of brackish groundwater, seawater or impaired waters (recycled water). Grants of up to \$600,000 with a cost-share of up to 50 percent may be awarded on a competitive basis.

An application is being prepared for a pilot study of advanced treatment of recycled water for groundwater recharge in the Upper District's service area. The pilot study will evaluate the effectiveness of an innovative advanced treatment technology for recycled water with a potential of greatly reducing the capital and operating costs than other advanced treatment technologies (microfiltration, reverse osmosis and ultraviolet-light/hydrogen peroxide) that have been considered for a groundwater recharge project in the San Gabriel Valley. This project will position the Upper District with both regulatory agencies and grant funding agencies for consideration for demonstration and full scale project funding.

The **System Optimization Review Grants** provide cost-shared funding for studies that focus on improving water and energy efficiency throughout a system, district or river basin. This grant could help fund the Upper District's Integrated Resources Plan. The studies include an assessment of the potential for water management improvements and specific recommendations to increase efficiency.

Grants of up to \$300,000 with a cost-share of up to 50 percent may be awarded on a competitive basis. An application is being prepared for a system optimization review of Upper District's water use efficiency and water supply programs to develop recommendations to cost-effectively meet long term water demands.

The applications must be accompanied by resolutions adopted by the Board supporting submittal of the applications, identifying the person authorized to enter into agreements regarding the grants and verifying the capability to provide the non-federal share of the project costs. It is anticipated that results of Reclamation's review of the Advanced Water Treatment Pilot and Demonstration Project applications submitted will be available in July 2011 and that results of Reclamation's review of the System Optimization Review applications submitted will be available in June 2011.

Attachments

RESOLUTION NO. 5-11-497

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
UPPER SAN GABRIEL VALLEY MUNICIPAL WATER
DISTRICT ENDORSING A WATERSMART ADVANCED
TREATMENT PILOT AND DEMONSTRATION PROJECT
GRANT APPLICATION FOR FISCAL YEAR 2011 AND
CONDITIONALLY ACCEPTING GRANT IF OFFERED**

WHEREAS, the United States Bureau of Reclamation is currently offering grant opportunities through the WaterSMART: Advanced Water Treatment Pilot and Demonstration Project Grant Program for Fiscal Year (“FY”) 2011; and

WHEREAS, said WaterSMART: Advanced Water Treatment Pilot and Demonstration Project Grant Program for FY 2011 is a cost-shared program emphasizing adoption and use of advanced treatment technologies to increase water supply; and

WHEREAS, the Upper San Gabriel Valley Municipal Water District Board (the “Board”) supports the submission by the Upper San Gabriel Valley Municipal Water District (“Upper District”) of a grant application for the Ozonation and Biological Activated Carbon Advanced Treatment Pilot Project, approved by the General Manager of the Upper District, to the WaterSMART: Advanced Water Treatment Pilot and Demonstration Project Grant Program for FY 2011; and

WHEREAS, Upper District is capable of providing the amount of funding and/or in-kind contributions specified in the grant application funding plan; and

WHEREAS, if selected for a WaterSMART: Advanced Water Treatment Pilot and Demonstration Project Grant for FY 2011, Upper District will work with the United States Bureau of Reclamation to meet established deadlines for entering into a cooperative agreement;

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NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT as follows:

Section 1. The Board approves the submission of the application for the WaterSMART:
Advanced Water Treatment Pilot and Demonstration Project Grant for FY 2011 by Upper District.

Section 2. In the event funding is offered under the WaterSMART: Advanced Water
Treatment Pilot and Demonstration Project Grant Program for FY 2011 to Upper District, the
Board authorizes the General Manager of Upper District or his designee(s) to accept the grants and
sign any contract for administration of the grant funds; and the Chief Financial Officer to act as
the fiscal agent for any grant funding received.

Section 3. This Resolution shall take effect immediately.

Section 4. The Secretary shall certify to the adoption of this Resolution and henceforth
and thereafter the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this 3rd day of May, 2011.

PRESIDENT

ATTEST

SECRETARY

SEAL

RESOLUTION NO. 5-11-498**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE UPPER SAN GABRIEL VALLEY MUNICIPAL
WATER DISTRICT ENDORSING A WATERSMART
SYSTEM OPTIMIZATION REVIEW GRANT
APPLICATION FOR FISCAL YEAR 2011 AND
CONDITIONALLY ACCEPTING GRANT IF OFFERED**

WHEREAS, the United States Bureau of Reclamation is currently offering grant opportunities through the WaterSMART: System Optimization Review Grant Program for Fiscal Year (“FY”) 2011; and

WHEREAS, said WaterSMART: System Optimization Review Grant Program for FY 2011 is a cost-shared program emphasizing water and energy efficiency; and

WHEREAS, the Upper San Gabriel Valley Municipal Water District Board (the “Board”) supports the submission by the Upper San Gabriel Valley Municipal Water District (“Upper District”) of a grant application for the Upper San Gabriel Valley Municipal Water District Water Supply Optimization Review, approved by the General Manager of the Upper District, to the WaterSMART: System Optimization Review Grant Program for FY 2011; and

WHEREAS, Upper District is capable of providing the amount of funding and/or in-kind contributions specified in the grant application funding plan; and

WHEREAS, if selected for a WaterSMART: System Optimization Review Grant for FY 2011, Upper District will work with the United States Bureau of Reclamation to meet established deadlines for entering into a cooperative agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT as follows:

Section 1. The Board approves the submission of the application for the WaterSMART: System Optimization Review Grant for FY 2011 by Upper District.

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Section 2. In the event funding is offered under the WaterSMART: System Optimization Review Grant Program for FY 2011 to Upper District, the Board authorizes the General Manager of Upper District or his designee(s) to accept the grants and sign any contract for administration of the grant funds; and the Chief Financial Officer to act as the fiscal agent for any grant funding received.

Section 3. This Resolution shall take effect immediately.

Section 4. The Secretary shall certify to the adoption of this Resolution and henceforth and thereafter the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this 3rd day of May, 2011.

PRESIDENT _____

ATTEST

SECRETARY

SEAL



MEMORANDUM

UPPER SAN GABRIEL VALLEY
MUNICIPAL WATER DISTRICT 

ITEM 3

DATE: April 21, 2011

TO: Water Policy Committee

FROM: General Manager

SUBJECT: Authorize the General Manager to execute a professional services agreement with Tetra Tech, Inc. for a not-to-exceed amount of \$279,000 to provide engineering design for the City of Industry Phase IIB, **Package 3** Recycled Water Pipeline Project.

Recommendation

It is recommended that the Board authorize the General Manager to execute a professional services agreement with Tetra Tech, Inc. for a not-to-exceed amount of \$279,000 to provide engineering design for the City of Industry Phase IIB, **Package 3** Recycled Water Pipeline Project.

Background

The Upper District has approximately \$10 million remaining in State Revolving Loans and ARRA funding to invest in purple pipe projects as part of the City of Industry Phase IIB Recycled Water Project. The projects must be designed and constructed prior to December 31, 2012 to qualify for the funding. Time is of the essence to implement these projects and the design must start immediately in order to meet the December 31, 2012 deadline.

Package 3 is estimated to cost about \$4.4 million, including design and construction, and has a positive benefit-cost ratio of 1.2 relative to the cost of buying Tier 2 untreated water from Metropolitan over the next 30 years.

Professional services for engineering design are needed to design 27,500 linear feet of PVC pipeline for Upper District’s City of Industry Phase IIB, **Package 3** Recycled Water Pipeline Project. Requests for proposals were sent to eight firms on March 25, 2011. The Upper District received proposals on April 15, 2011, from Tetra Tech, LEE & RO, and RBF. A Proposal Evaluation Team consisting of representatives from the Upper District, San Gabriel Valley Water Company, and Stetson Engineers evaluated the proposals.

The proposals were evaluated based on their qualifications. Specifically, the consultants were scored and evaluated on the relevant experience and expertise of the project team, the consultants’ approach to the project, and the consultants’ staffing and level of staffing hours to complete the project in a timely manner.

Based on this review by the Proposal Evaluation Team, Tetra Tech, Inc. was ranked as best qualified to provide the required services. The resulting evaluation scores are as follows:

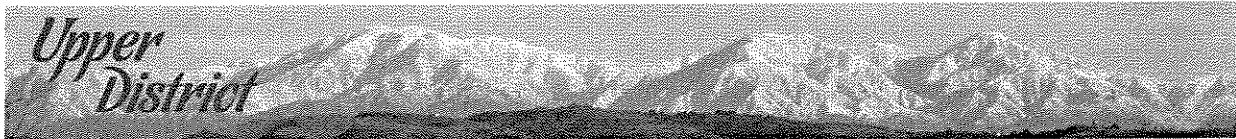
Tetra Tech, Inc.	91
LEE & RO	86
RBF	82

Subsequently, costs were compared. The proposal costs were:

Tetra Tech, Inc.	\$279,000
LEE & RO	\$259,926
RBF	\$336,252

Tetra Tech's proposal presented the best qualifications and superior understanding of the project. The fee presented by Tetra Tech falls in the lower range of the proposals, demonstrating an appropriate level of effort for the project.

Based on the result of qualifications-based evaluation and the comparable costs presented, the Proposal Evaluation Team recommends awarding the contract to Tetra Tech, Inc. as the best value of the qualified firms.



MEMORANDUM

UPPER SAN GABRIEL VALLEY
MUNICIPAL WATER DISTRICT 

ITEM 4

DATE: April 21, 2011
TO: Water Policy Committee
FROM: General Manager
SUBJECT: Authorize the General Manager to execute a professional services agreement with LEE & RO, Inc. for a not-to-exceed amount of \$255,146 to provide engineering design for the City of Industry Phase IIB, **Package 4** Recycled Water Pipeline Project.

Recommendation

It is recommended that the Board authorize the General Manager to execute a professional services agreement with LEE & RO, Inc. for a not-to-exceed amount of \$255,146 to provide engineering design for the City of Industry Phase IIB, **Package 4** Recycled Water Pipeline Project.

Background

The Upper District has approximately \$10 million remaining in State Revolving Loans and ARRA funding to invest in purple pipe projects as part of the City of Industry Phase IIB Recycled Water Project. The projects must be designed and constructed prior to December 31, 2012 to qualify for the funding. Time is of the essence to implement these projects and the design must start immediately in order to meet the December 31, 2012 deadline.

Package 4 is estimated to cost about \$4.4 million, including design and construction, and has a benefit-cost ratio of 1.0 relative to the cost of buying Tier 2 untreated water from Metropolitan over the next 30 years.

Professional services for engineering design are needed to design 24,000 linear feet of PVC pipeline for Upper District's City of Industry Phase IIB, **Package 4** Recycled Water Pipeline Project. Requests for proposals for professional services for engineering design were sent to eight firms on March 25, 2011. The Upper District received four proposals on April 15, 2011, from Tetra Tech, LEE & RO, RBF, and team CH2M HILL/HDR. A Proposal Evaluation Team consisting of representatives from the Upper District, San Gabriel Valley Water Company, and Stetson Engineers evaluated the proposals.

The proposals were evaluated based on their qualifications. Specifically, the consultants were scored and evaluated on the relevant experience and expertise of the project team, the consultants' approach to the project, and the consultants' staffing and level of staffing hours to complete the project in a timely manner.

Based on this review by the Proposal Evaluation Team, LEE & RO, Inc was ranked as best qualified to provide the required services. The resulting evaluation scores are as follows:

LEE & RO	92
Tetra Tech, Inc.	85
RBF	81
CH2M HILL/HDR	78

Subsequently, costs were compared. The proposal costs were:

LEE & RO, Inc.	\$255,146
Tetra Tech, Inc.	\$274,000
RBF	\$322,148
CH2M HILL/HDR	\$504,015

LEE & RO, Inc.'s proposal presented the best qualifications and superior understanding of the project. The fee presented by LEE & RO, Inc. falls in the lower range of the proposals, demonstrating an appropriate level of effort for the project.

Based on the result of qualifications-based evaluation and the comparable costs presented, the Proposal Evaluation Team recommends awarding the contract to LEE & RO, Inc. as the best value of the qualified firms.



MEMORANDUM

UPPER SAN GABRIEL VALLEY
MUNICIPAL WATER DISTRICT 

ITEM 5.

DATE: April 21, 2011
TO: Water Policy Committee
FROM: General Manager
SUBJECT: Authorize the General Manager to execute a professional services agreement with Camp Dresser and McKee (CDM), for a not-to-exceed amount of \$222,950, to provide services for the preparation of an Integrated Resources Plan.

Recommendation

It is recommended that the Board of Directors authorize the General Manager to execute a professional services agreement with Camp Dresser and McKee (CDM), for a not-to-exceed amount of \$222,950, to provide services for the preparation of an Integrated Resources Plan.

Background

An Integrated Resources Plan (IRP) provides a long-term strategy to guide a water district's investments in a balanced portfolio of water supplies that ensures a reliable and affordable long-term water supply.

Recent drought conditions and court-imposed restrictions on pumping water from the Sacramento River Delta have created uncertainty regarding the reliability and cost of water supply from the Metropolitan Water District of Southern California (Metropolitan). Surplus imported water was available 7 out of 10 years at a significant discount from full service rates. Surplus imported water is now estimated to be available only 3 out of 10 years or less. Therefore, Upper District must aggressively ensure the San Gabriel Valley's water supply reliability through investments in water use efficiency, recycling, stormwater capture and a reasonable reliance on imported water. Over the next 12 to 18 months, Upper District will develop an IRP to efficiently meet long-term water demands through a comprehensive, methodical process that includes coordination and input from Upper District's Board of Directors, staff and customers.

Selection process

Requests for proposals for development of an IRP were sent to seven firms. Upper District received three proposals including Camp Dresser & McKee (CDM), RMC Water and Environment and a team consisting of HDR/CH2MHILL/Pacific. A Proposal Evaluation Team consisting of representatives from the Main San Gabriel Basin Watermaster, La Puente Valley County Water District and Upper District evaluated the proposals. The proposals were evaluated on the proposing firm's experience with similar projects, qualifications of the proposed project manager and project team, project understanding and approach to the project and the level of effort and staffing plan required for the project. The Evaluation Team unanimously recommended selection of CDM to provide services for the preparation of the IRP. The resulting evaluation scores are as follows:

CDM	86
RMC Water and Environment	73
HDR/CH2MHILL/Pacifica Team	59

Subsequently, costs were compared for the base task. The base proposal costs were:

CDM	\$173,090
RMC Water and Environment	\$300,770
HDR/CH2MHILL/Pacifica Team	\$259,910

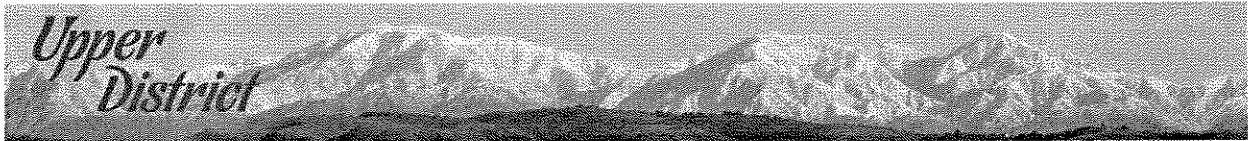
The CDM proposal presented the best qualifications with a team that completed more than 15 IRPs in California over the last 10 years, including a recent IRP for MWD, Eastern MWD, City of Pasadena and Rancho California Water District. The fee presented by CDM was the most competitive of all proposals, demonstrating an appropriate level of effort for the project.

Based on the result of qualifications-based evaluation and the comparable costs presented, the Proposal Evaluation Team recommends awarding the contract to CDM as the best value of the qualified firms. Additionally, the Evaluation Team recommends awarding an optional task item to prepare the water demand analysis for the Upper District in the amount of \$49,860, bringing the total not-to-exceed fee to \$222,950.

Additionally, Upper District is preparing a WaterSMART Grant Application due on April 27, 2011 to the Bureau of Reclamation, applying for 50 percent grant funding assistance toward this project, with up to \$150,000 in grant funding assistance. The results of this grant application will become available in late summer of 2011.

Scope of Services

CDM’s scope of services includes analysis of water demands, defining the quantity, quality and reliability of water supply needed, developing alternatives for meeting the “gap” in water supply reliability that is identified, evaluation of the water supply alternatives and description of the optimum water supply portfolio for Upper District with an implementation plan to obtain the portfolio. A preferred resources portfolio with cost-benefit analysis of the options will be developed over a series of stakeholder workshops, where the Upper District customers and Board Members will participate to develop the final report and recommendations.



MEMORANDUM

UPPER SAN GABRIEL VALLEY
MUNICIPAL WATER DISTRICT 

ITEM 6.

DATE: April 21, 2011
TO: Water Policy Committee
FROM: General Manager
SUBJECT: Authorize the General Manager to execute a professional service agreement to conduct required work for developing a Water Use Efficiency Master Plan.

Recommendation

It is recommended that the Board authorize the General Manager to execute a professional services agreement with A & N Technical Services Inc. (A&N), for a not-to-exceed amount of \$199,694 to conduct the required work necessary for developing the Upper District's Water Use Efficiency (WUE) Master Plan.

Background

Part of the Upper District's mission is to provide and complete projects that aggressively advance water use efficiency throughout the San Gabriel Valley. In pursuit of that mission, the Upper District actively implements a number of water use efficiency programs. The Upper District budgeted \$2.9 million in 2010/11 for water use efficiency programs.

In November of 2009, the State Legislature adopted SBX7 which mandates that retail water agencies shall reduce their customer base demands for water by 20 percent by 2020. Upper District needs to be well prepared to help its customers, the groundwater producers in the San Gabriel Valley, achieve this goal.

To most effectively and efficiently develop and implement water use efficiency programs, two things are needed: first, a detailed study of the San Gabriel Valley's water use efficiency potential and second, identification of specific water use efficiency programs that will achieve the greatest reduction in water use for the least cost. A WUE Master Plan will meet both of these needs and serve to guide Upper District's investment in water use efficiency programs. Developing and maintaining a WUE Master Plan is considered best practice among water supply reliability agencies like Upper District. Several Metropolitan Water District member agencies as well as other agencies throughout the state have WUE Master Plans.

A WUE Master Plan will provide a goal-oriented, performance-based and cost-effective strategy for a practical, long-term approach to design and implement water use efficiency measures. The plan will outline current and future water-use profiles, establish water use efficiency goals, identify conservation measures, estimate the costs and benefits of achieving water use efficiency by program, define program criteria and incentives and establish evaluation processes.

Selection process

The Upper District sent request for proposals to six (6) firms that provide WUE Master Planning services. The Upper District received one proposal from A&N. Upper District staff reviewed the proposal and found that the depth of experience, extensive background and vast technical expertise that A&N brings makes them a uniquely-qualified and highly desirable consulting firm for developing the Upper District's WUE Master Plan. A&N has developed many WUE Plans throughout the western United States, including plans for West Basin MWD, Central Basin MWD and Castaic Lake Water Agency. The proposed fee to complete the services is not-to-exceed \$199,694. Additionally, last month the Upper District submitted a WaterSMART Grant Application to the Bureau of Reclamation, applying for up to \$100,000 in grant funding assistance toward this project.