



Emergency Intertie Project

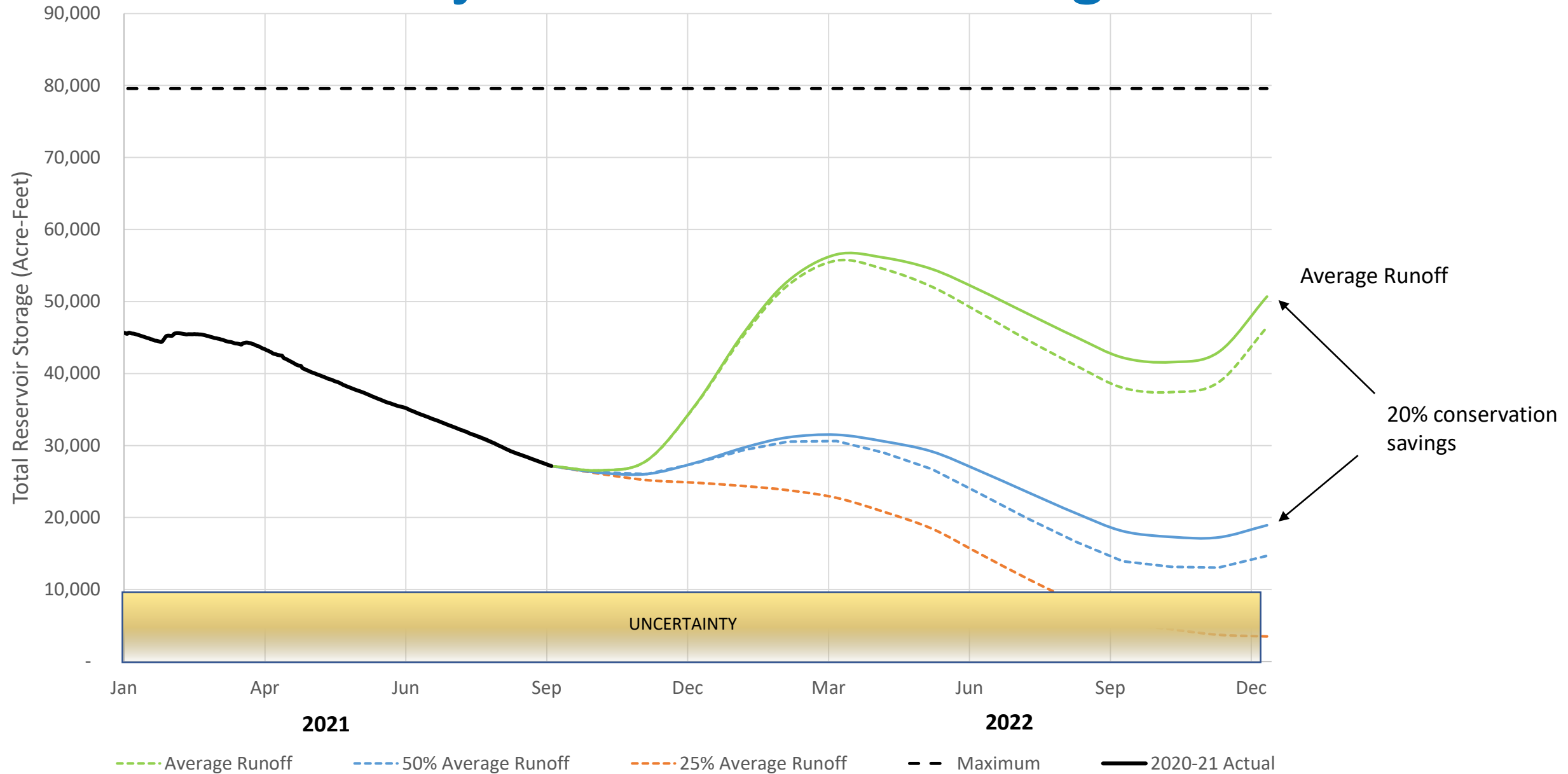
October 19th, 2021



Overview

- Project Background
- Short Term Options
- Emergency Intertie Project Update
- Pre-purchase of Materials
- Recommendations
- Next Steps

Projected Reservoir Storage

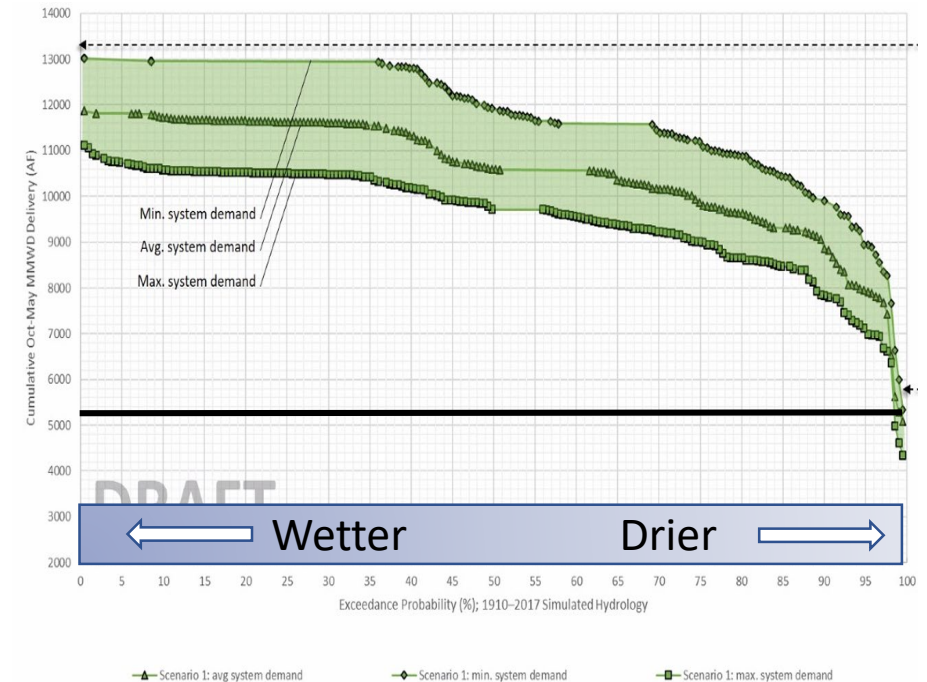


Summary of Short Term Options

- No ideal options exist
- Continued **demand management**
- **Winter water** - requires adequate precipitation, regulatory approval, collaboration with other contractors and regardless we plan to pursue this option.
- **Desalination** – Temporary facility, limited capacity, complex permitting and operation, would require significant near term commitment to reserve equipment.
- **Emergency Intertie project** – infrastructure component is progressing very well and a lot of work to be done on water transfers and wheeling and addressing construction related impacts.

Pivot to Winter Water from Desalination

- Desalination:
 - High cost and complexity for temporary facilities
 - Insufficient volume of water
 - Not feasible approach for current drought
- Winter Water:
 - Intriguing concept developed by Sonoma Water
 - excess stream flow Oct - May
 - Analysis by Sonoma found opportunities ranging from ~6TAF to 2TAF depending on rainfall
- Winter water in conjunction with intertie to provide additional supply in lieu of temporary desalination



Emergency Intertie Project Roadmap

- ✓ MOU with EBMUD to allow us to conduct engineering studies to finalize approach before developing the wheeling agreement – ***(Board Authorization October 5)***
- ✓ Project Engineering – Technical feasibility established and we are pursuing contract amendment for final design of pipe segment on the bridge – ***(Board Authorization Oct 5)***.
- California Environmental Quality Act Notice of Exemption – ***(Board Authorization October 19)***
- Approve the agreement with Contra Costa Water District for conveyance, storage and exchange of transfer water – ***(Board Authorization October 19)***
- Pre-purchase agreements for certain long lead items – ***(Board Authorization October 19)***
- Water Purchase – ***(Board Authorization November)***
- Agreement with East Bay Municipal Utility District – ***(Board Authorization December)***
- Award of Construction for pipeline work – ***(Board Authorization January 2022)***

California Environmental Quality Act Compliance

- District staff and consultants have prepared a notice of exemption based on finding that the Emergency Intertie Project is statutorily Exempt from further CEQA review and analysis, which would not at all be possible to complete within the necessary time lines for the project.
- The project approval will allow staff to file the NOE and help us make the necessary findings required by CEQA.
- This in turn will help us move the project forward, *but does not legally obligate the Board to proceed if circumstances change.*

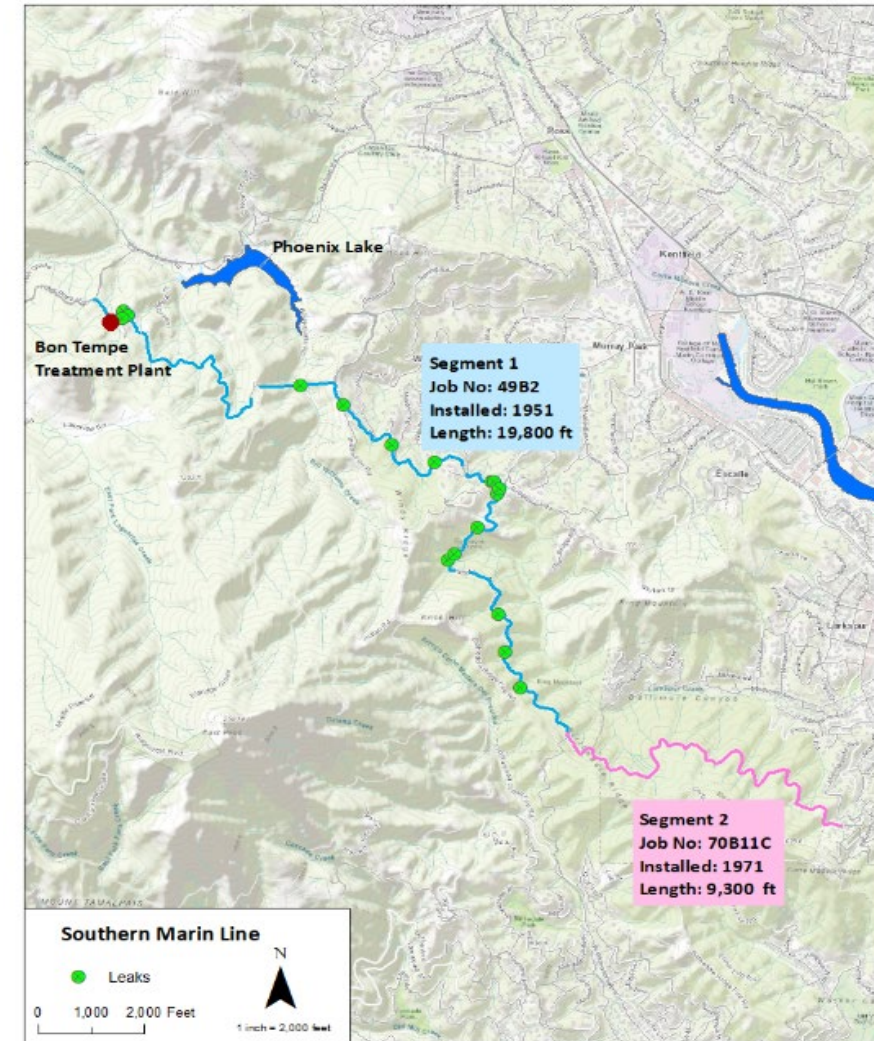
Cooperative Agreement with Contra Costa Water District

- Key Elements of the Agreement:
 - Use of CCWD facilities to convey and store transfer water
 - Potential access to previously stored water in Los Vaqueros
 - Work cooperatively through regulatory approvals
 - Operational Coordination
 - Cost for conveyance and storage
 - Incomplete transfer of water
- Not a commitment to purchase water at this stage

Pre-purchase of Materials - October 19

- Materials cost:
 - Pipe - \$17.5M (includes 5% contingency)
 - Pump stations - \$3.7
 - Tanks - \$2M

Total = \$23.2M
- Risk Mitigation:
 - Analysis indicates ~50% of the pipe can be re-purposed for pipe replacement projects:
 - Schedule of manufacturing indicates raw materials ordered 10/21/21, however pipe fab begins Feb 1, 2022
 - Purchase spec includes language for manufacturer to assist District in reselling pipe or using materials
 - Pump stations likely not purchased independent of this project however can be used for emergency response at a number of locations
 - Tanks may be deployed as replacements or retained for emergency response



Pre-Purchase of Materials Example Scenario

- Early January and rains have filled the reservoirs and the board decides not to pursue the project
- What would we do with materials for which orders were placed?
 - Pumps (\$3.7M) – these would improve emergency response
 - Tanks (\$1.9M) – these could be reused in the system as replacements
 - Pipeline – (\$16.7M) – Indications are nothing fabricated until February 2022, if pipes were fabricated likely not all and we can reuse up to 50%, residual raw materials we would seek to sell.

Summary of Recommendations

- Approve a resolution to:
 - Approve the Emergency Intertie Project
 - Approve the agreement with Contra Costa Water District and authorize the General Manager to finalize and execute the agreement
 - Approve the pre-purchase of certain materials for the project and authorize the General Manager to finalize and execute supply agreements for pipe, tanks and pump stations not to exceed \$23,242,064.78 which includes 5% contingency of \$836,233

Next Steps

- Continue demand management
- Continue outreach on the project to stakeholders and agencies
- Work with affected parties to understand and address construction impacts
- Regular updates to the board
- Develop materials to support discussion of what level of rainfall and runoff would be needed to reduce the need for the intertie project