



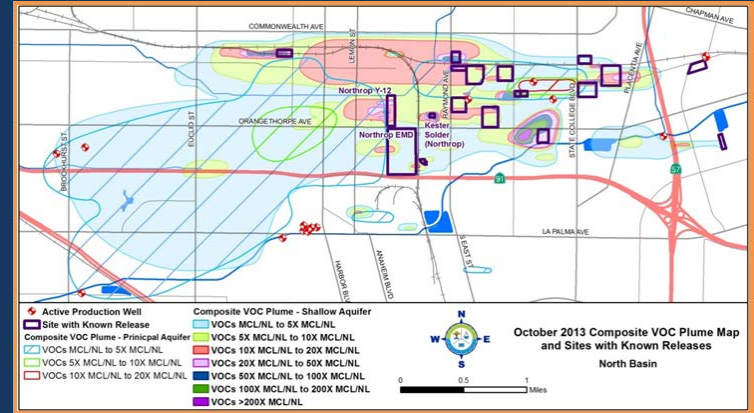
Groundwater Remediation Status

Board of Directors
September 16, 2015



North Basin Update

- Recent teleconference with the USEPA on their new regulatory oversight role
- Preliminary cost estimates for potable and industrial effluent discharge options
- Upcoming meeting with local industrial user regarding possible use of EW-1 effluent





Call with EPA, 9-11-15

- Reaction to EPA letter announcing their oversight role
- Discussion of local projects
 - EPA recognizes need for early action
 - Looking forward to robust NCP-compliant process
- RI-FS work by OCWD
 - Without having seen it, EPA cautiously optimistic that they will use it





Call with EPA, 9-11-15

- Notice Letters
 - Expected to be sent to PRPs and OCWD in late October inviting voluntary participation in the RI/FS
 - 60 to 90 days to respond and negotiate, although time frame may be extended
- Oversight Agreement (a.k.a. AOC)
 - EPA negotiates with OCWD and any interested PRPs
 - Includes “Statement of Work” that lays out NCP compliant RI/FS activities





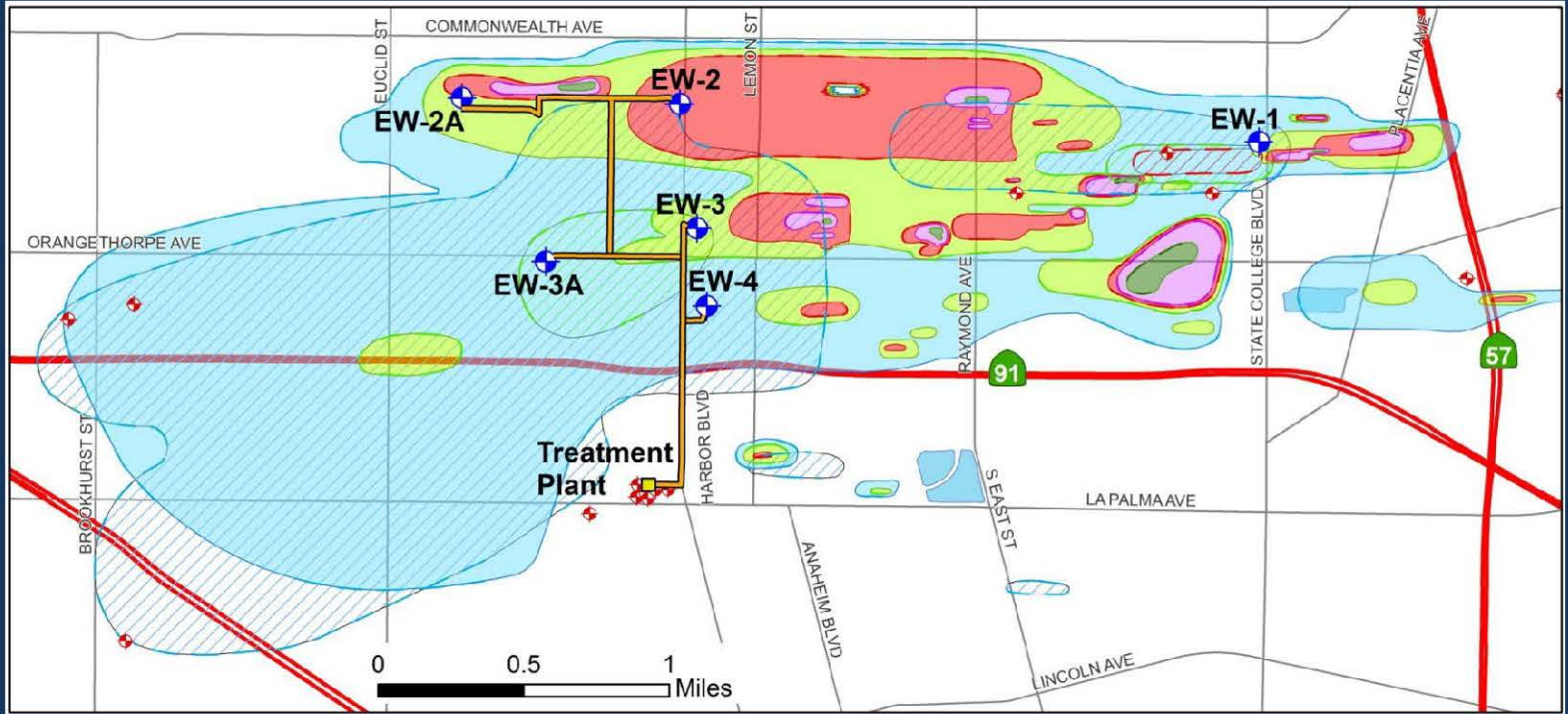
Call with EPA, 9-11-15

- EPA Activities:
 - EPA will focus on off-site groundwater
 - State (DTSC & RWQCB) will focus on source sites
- Community Involvement
 - EPA will take lead in close collaboration with OCWD, Fullerton, & Anaheim
 - Start with “targeted” meetings, including a presentation to the OCWD Board





Local Projects





Local Project Cost Estimate Compared to NBGPP

Alternative	Capital (Millions)	Annual OMM (Millions)	Total Cost with 30 years O&M without inflation (Millions)	Total Cost with 30 years O&M with 1% inflation (Millions)	Total Cost with 30 years O&M with 3% inflation (Millions)
<ul style="list-style-type: none"> EW-1 to industrial site & sewer 5 EWs to Fullerton water system 	\$38.8	\$5.4	\$200.8	\$228.5	\$303.4
<ul style="list-style-type: none"> Previous NBGPP 	\$44.8	\$4.9	\$191.6	\$216.7	\$284.6



Industrial Use of EW-1 Effluent

- Second Meeting Scheduled This Week
 - Technical Process Considerations
 - Industrial demand and disposal of excess water
 - Assurance that supply will remain drought-proof
 - Consumer Product Quality Assurance
 - Financial Considerations
 - Real Estate Considerations



South Basin Update

- OCWD role in South Basin PRP work plan reviews
- Textron Activities
- Pilot study near Hotel Terrace Drive



PRP Work Plan Reviews

- Comments on Soco West ignored by DTSC
- Requesting a meeting with DTSC and RWQCB to finalize interagency working roles and their oversight role on our RI/FS



Textron Activities

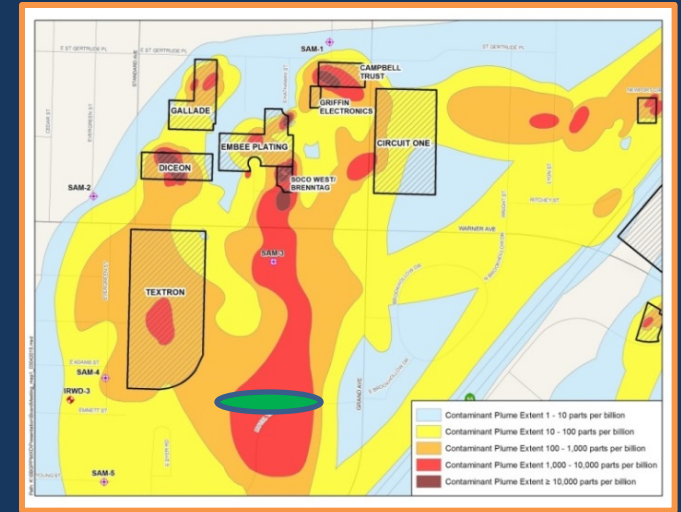
- Completed offsite site characterization work
- Integrating on and off-site remediation design



Pilot Study

Near Hotel Terrace Drive

- Remediation Pilot Study
 - The Hargis pilot study work plan will:
 - Provide preliminary engineering and a cost estimate for the pilot system
 - The pilot study will remove contaminated groundwater while providing hydrogeologic information needed for the eventual design of a long-term remedy





South Basin Update

- Remediation Pilot Study (cont.)
 - Current Activities:
 - Researching access to property and utilities for the pilot system
 - In October, staff will seek board authorization to prepare the work plan.



End of Presentation

SUMMARY OF PRELIMINARY ESTIMATED COSTS - September 2015

Component			30 Years, Zero Inflation		30 Years, 1% Inflation		30 Years, 3% Inflation	
	Capital	Annual OMM	Total OMM	Capital + Total OMM	Total OMM	Capital + Total OMM	Total OMM	Capital + Total OMM
EW- Industrial User	\$ 6,120,000	\$ 1,820,000	\$ 54,600,000	\$ 60,720,000	\$ 63,940,000	\$ 70,060,000	\$ 89,190,000	\$ 95,310,000
EW-1 to Sanitary Sewer	\$ 1,820,000	\$ 1,800,000	\$ 53,720,000	\$ 55,540,000	\$ 62,910,000	\$ 64,730,000	\$ 87,740,000	\$ 89,560,000
EW-1 to La Jolla Basin	\$ 12,080,000	\$ 1,230,000	\$ 36,680,000	\$ 48,760,000	\$ 42,960,000	\$ 55,040,000	\$ 59,910,000	\$ 71,990,000
5 EWs to Fullerton DWS	\$ 32,680,000	\$ 3,580,000	\$ 107,390,000	\$ 140,070,000	\$ 125,760,000	\$ 158,440,000	\$ 175,410,000	\$ 208,090,000
Alternativ								
EW-1 Industrial User Plus 5 wells to Fullerton	\$ 38,800,000	\$ 5,400,000	\$ 161,990,000	\$ 200,790,000	\$ 189,700,000	\$ 228,500,000	\$ 264,600,000	\$ 303,400,000
EW-1 to Sanitary Sewer Plus 5 wells to Fullerton	\$ 34,500,000	\$ 5,380,000	\$ 161,110,000	\$ 195,810,000	\$ 188,670,000	\$ 223,170,000	\$ 263,150,000	\$ 297,650,000
EW-1 to La Jolla Basin Plus 5 wells to Fullerton	\$ 44,760,000	\$ 4,810,000	\$ 144,070,000	\$ 188,830,000	\$ 168,720,000	\$ 213,480,000	\$ 235,320,000	\$ 280,080,000
Comparison with Prior								
North Basin GPP	\$ 44,760,000	\$ 4,900,000	\$ 146,830,000	\$ 191,590,000	\$ 171,950,000	\$ 216,710,000	\$ 239,830,000	\$ 284,590,000

Notes and Assumptions:

- These are planning level costs and are developed to minus 30 percent to plus 50 percent accuracy.
- Costs based on escalation of TetraTech August 2011 unit estimates to July 2015 using 20-City ENR Construction Cost Index.
- Pipeline quantities based on figure provided by OCWD in August 2015.
- Pipeline diameters based on TetraTech August 2011 estimate and AECOM May 2011 Preliminary Design Report.
- OMM = Operation, Maintenance and Monitoring.
- System Configuration:
 - Wells include EW-2, EW-2A, EW-3, EW-3A, EW-4. Combined flow rate of 2,300 gpm (1,960 gpm average).
 - Treatment plant located at City of Fullerton forebay distribution center.
 - Treatment train designed to provide potable water.
 - Treated effluent discharged into forebay of Fullerton distribution system.
 - Three configurations for EW-1: 50% treatment at Kimberly-Clark/50% sewer disposal; 100% sewer disposal; and 100% treatment at Kimberly-Clark or La Jolla Basin.