

Operations Facilities Assessment Study (OFAS)

**Citizens' Advisory Committee
September 10, 2014**



Moulton Niguel Water

Leading the Way in Service

Overview

- Purpose: Provide information regarding the District's operations headquarters;
- The District has identified an immediate need to invest in new/updated facilities to meet current and future needs;
- Status quo with the existing facilities is not an option and investments need to be made;
- Alternatives have been evaluated to meet current and future District needs;
- A summary of the project recommendation.

District's Priorities for FY 13-14

(alphabetical order)

1. Asset Management Plan
2. ERP
3. Financial Planning (Budget)
4. Labor Terms Implementation
5. Operations Headquarters Assessment
6. Outreach
7. Procurement
8. Rates Review
9. Recruitment & Staffing
10. Water Reliability

Create an adequate work environment to maximize productivity, efficiency and savings while providing added value to the stakeholders served by the District

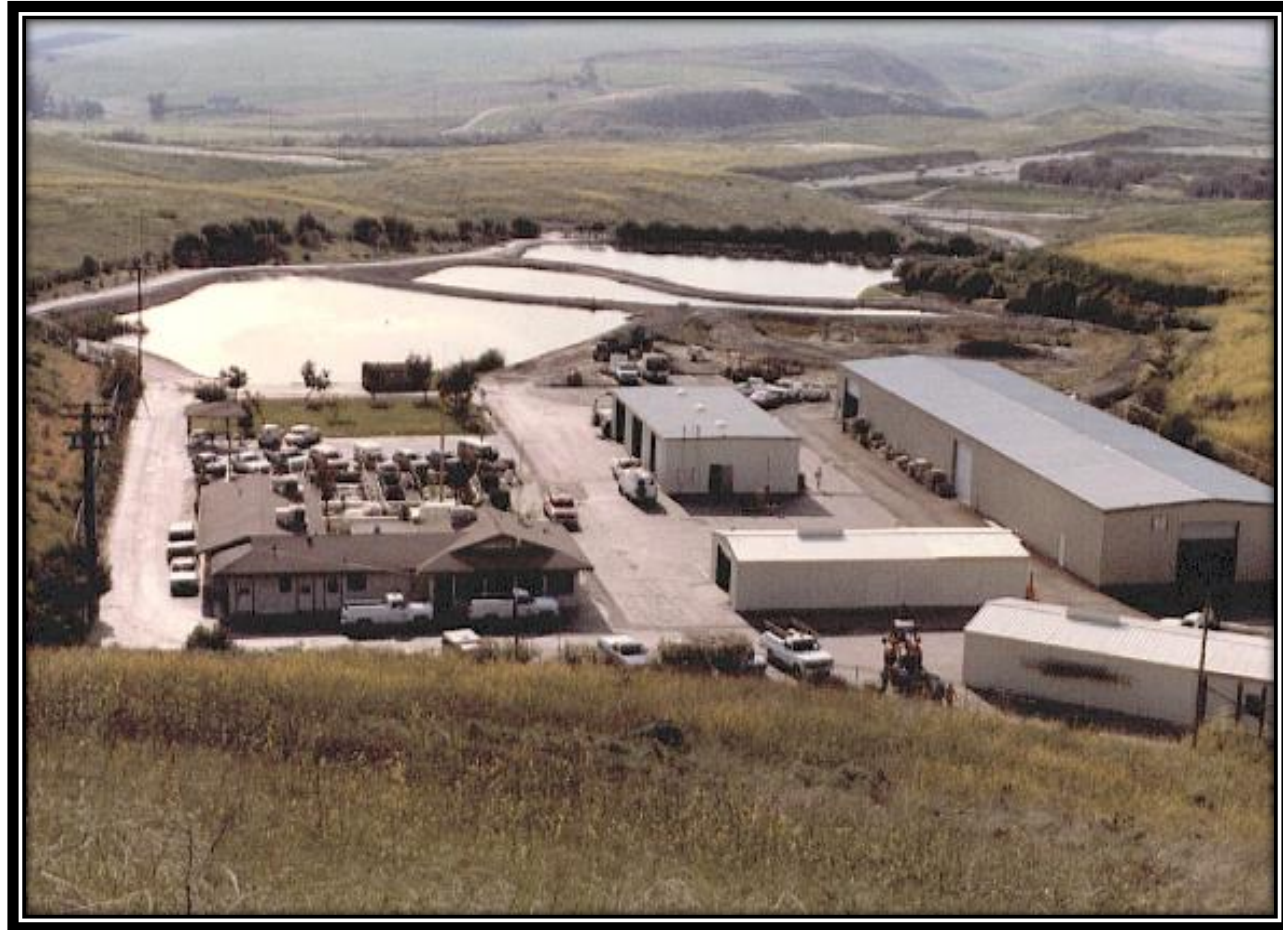
History: Main Office

- Constructed in 1974; expanded in 1982
- Staff of 15-20
- No other facilities in the vicinity



History: Plant 2A

- Began as wastewater plant in 1960s
- Residential growth occurred around site
- Staffing growth has primarily occurred here
- Last structure was added in 1997



Why was this project initiated?

Several challenges and projects had been identified to address operations facilities:

- Space issues
- Significant facility infrastructure improvements
- Security concerns
- Work efficiency and accountability
- Support regional activities
- Access

Need to address in a comprehensive manner and not as individual issues.

Main Office Challenges

- Overcrowded
- Significant lack of space (meeting/office)
- Inadequate customer reception area
- Security concerns
- Maintenance/Repair issues; building code
- Significant parking deficiency



Plant 2A Challenges

- Overcrowded
- Significant lack of space (meeting/office)
- Temporary structures became permanent and require significant repair or replacement
- Security and safety concerns
- Lack of privacy
- Significant parking deficiency



Plant 2A Challenges



Plant 2A Challenges



Needs Assessment Process

- Process
 - Developed based on industry standards
 - Conducted a survey of Board and Staff
 - Input from Customers
 - Identify needs of operations facilities
 - Understand challenges associated with operations
- Summary of findings
 - Documented Needs Assessment for current and future needs
 - Identified spaces include offices, public spaces, Board room, operations facilities, and the warehouse;
 - Operations Facility Assessment report

Operations Facility Assessment

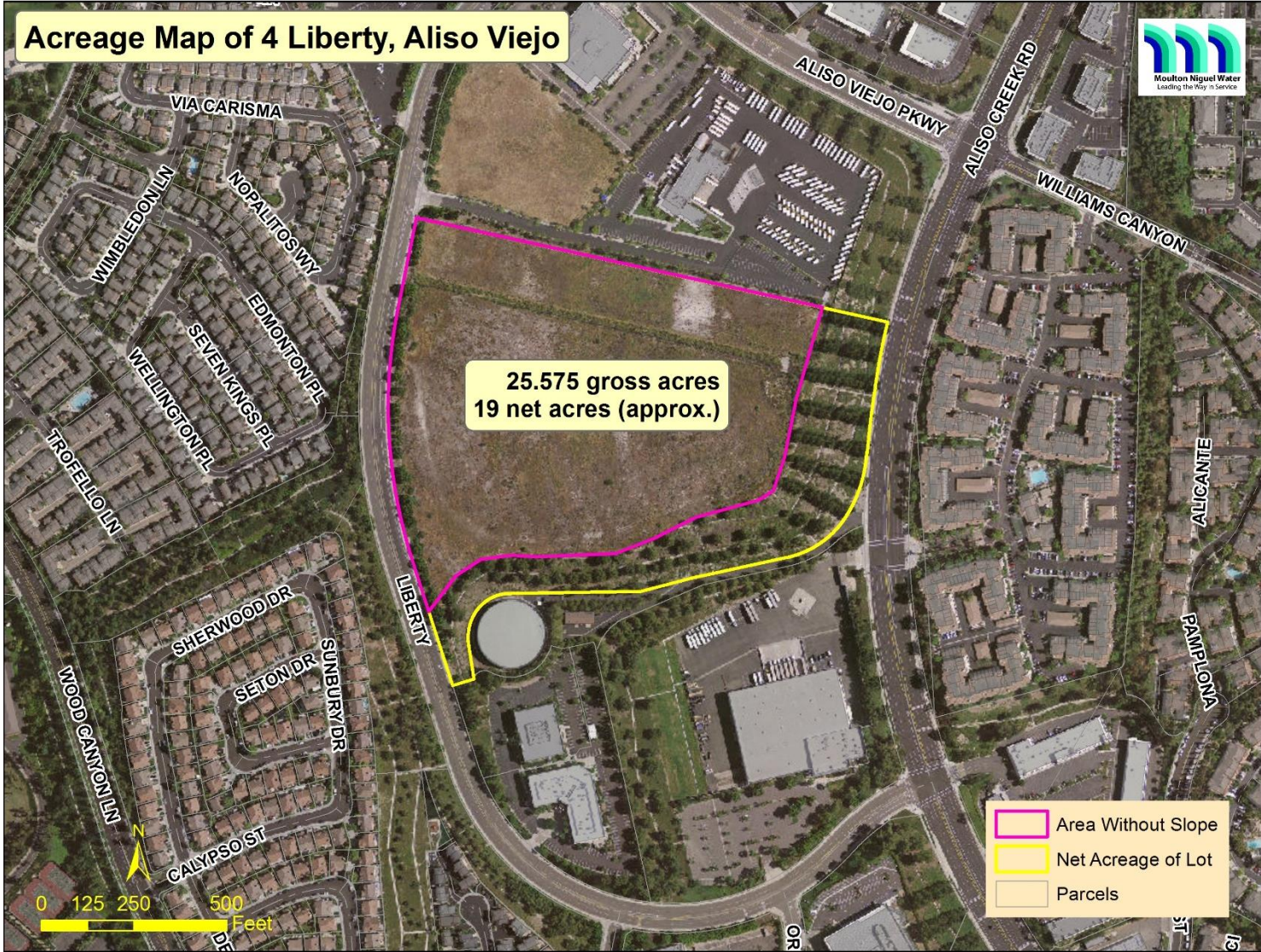
Type of Space (Site)	Existing Site (sf)	Current Needs (sf)	Future Needs (sf)
Buildings/Structures	45,998	78,398	82,095
Site Parking	99,493	151,785	187,155
Site Elements	25,998	44,434	44,434
Landscape	277,473	72,500	72,500
Circulation	90,000	90,000	90,000
TOTAL (SF)	538,962	437,117	476,184
TOTAL (Acres)	12.4	10.0	10.9

- Buildings/Structures increases associated with common areas, i.e. lobby, conference rooms, restrooms, etc. and increases for maintenance shops and the fleet garage
- The existing site combines the current spacing of the Main Office and Plant 2A
- Site elements include outdoor training areas, spoils bins, drying beds, etc.

Alternatives Analysis

- Based on Needs Assessment, recommendation was to evaluate:
 - Construct a new facility on a new site;
 - Construct all necessary facilities at the existing Plant 2A site;
- Criteria for site evaluation included:
 - Publicly accessible site within the District boundary
 - Approx. 10 acres of contiguous land w/ compatible adjacencies
 - Secure, functional, and efficient in its layout
 - Regional benefits to the community
 - Support long-term vision
 - Project Cost

4 Liberty Property



Assessment of 4 Liberty

- Benefits include:
 - Development on a graded lot allows for efficiency in design and layouts;
 - New facility to be constructed for 40-50 year life;
 - Business continuity during construction;
 - Compatible uses on adjacent properties (CUSD and Gas Co.);
 - Fewer unknowns during construction leading to more cost certainty
- Challenges include:
 - Requires the purchase of new property and disposition of existing properties

Plant 2A Property

Acreage Map of Plant 2A



11.04 gross acres



Assessment of Plant 2A

- Benefits include:
 - District already has the site
- Challenges include:
 - Significant impact to the District operations during construction;
 - Entry and exit at single-point;
 - Public visibility and accessibility;
 - Neighborhood impacts to expanded operation;
 - Reuse of some facilities will impact lifecycle cost;
 - Potential unknown liabilities associated for construction mitigation with neighbors

Financial Considerations

- Project has been incorporated into the 10-year Cash Flow Model
 - Project budget in 10-year CIP is \$23 Million
- Long Range Finance Plan being updated to reflect revised project cost and revenues
 - Sufficient reserves to support project without debt
 - Finance plan will support funding for full CIP
- Total Project Cost

Staff Recommendation

- Construction of new facilities at 4 Liberty based on:
 - Status quo is not an option;
 - Increased benefits, i.e. adjacent compatible uses, business continuity;
 - Avoidance of unforeseen costs, i.e. construction mitigation, business impacts, public accessibility;
 - Life-cycle cost benefits and potentially reduced claims;
 - 4 Liberty accomplishes all of the project objectives;
- Next Steps:
 - Negotiating agreement for consideration by the Board
 - Agreement terms/cost still under review