

# Operations Facilities Assessment Study (OFAS)

Board Workshop  
February 12, 2014



**Moulton Niguel Water**  
Leading the Way in Service

# Agenda

- Project background and objectives
- Assessment of existing facilities
- Review spacing needs
- Summary of program options
- Recommendation and next steps

# 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

# Why was this project initiated?

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

- Space issues
- Significant facility improvements
- Security concerns
- Work efficiency
- Support regional activities
- Value of individual projects

# Project Objectives

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

- Centralized and Integrated
- Productive
- Transparent & Secure
- A Regional Benefit to the Community
- Pragmatic
- Value for the Dollars spent

# Assessment of Existing Facilities

- Existing facilities are in need of significant maintenance/ and/or replacement;
- Structures were constructed based on needs at the time, but not with future requirements in mind;
- Repair to facilities will not be sufficient to support current needs; additional space will be required;
- Existing sites may not be ideal for long-term sustainability;
- Cost-benefit of performing improvements to structures 20-40 years old

# Operations Facility Assessment

- Developed based on industry standards, review of current business operation, and input from staff/Board;
- Considers existing space and the needs for current staffing levels and projected staffing levels;
- Identified spaces include offices, public spaces, Board room, operations facilities, and the warehouse;
- Operations Facility Assessment report prepared by GPa, Inc.

# Operations Facility Assessment

Type of Space (Building Spaces)	Existing Facility (sf)	Current Needs (sf)	Future Needs (sf)
Office/Workspace	14,006	14,791	17,864
Board Room / Training Room	1,645	6,254	6,254
Emergency Operations Center	2,080	4,010	4,116
Common Areas	6,124	15,627	16,145
Maintenance Shops	1,873	6,750	6,750
Fleet Maintenance	3,841	9,860	9,860
Warehouse	16,429	21,106	21,106
<b>TOTAL</b>	<b>45,998</b>	<b>78,398</b>	<b>82,095</b>

- Only a slight increase in building space needs based on future needs
- Common areas include conference rooms, lobby, customer service, restrooms, multi-purpose room
- Board room also includes 16-person conference room, small meeting room, and storage



# Operations Facility Assessment

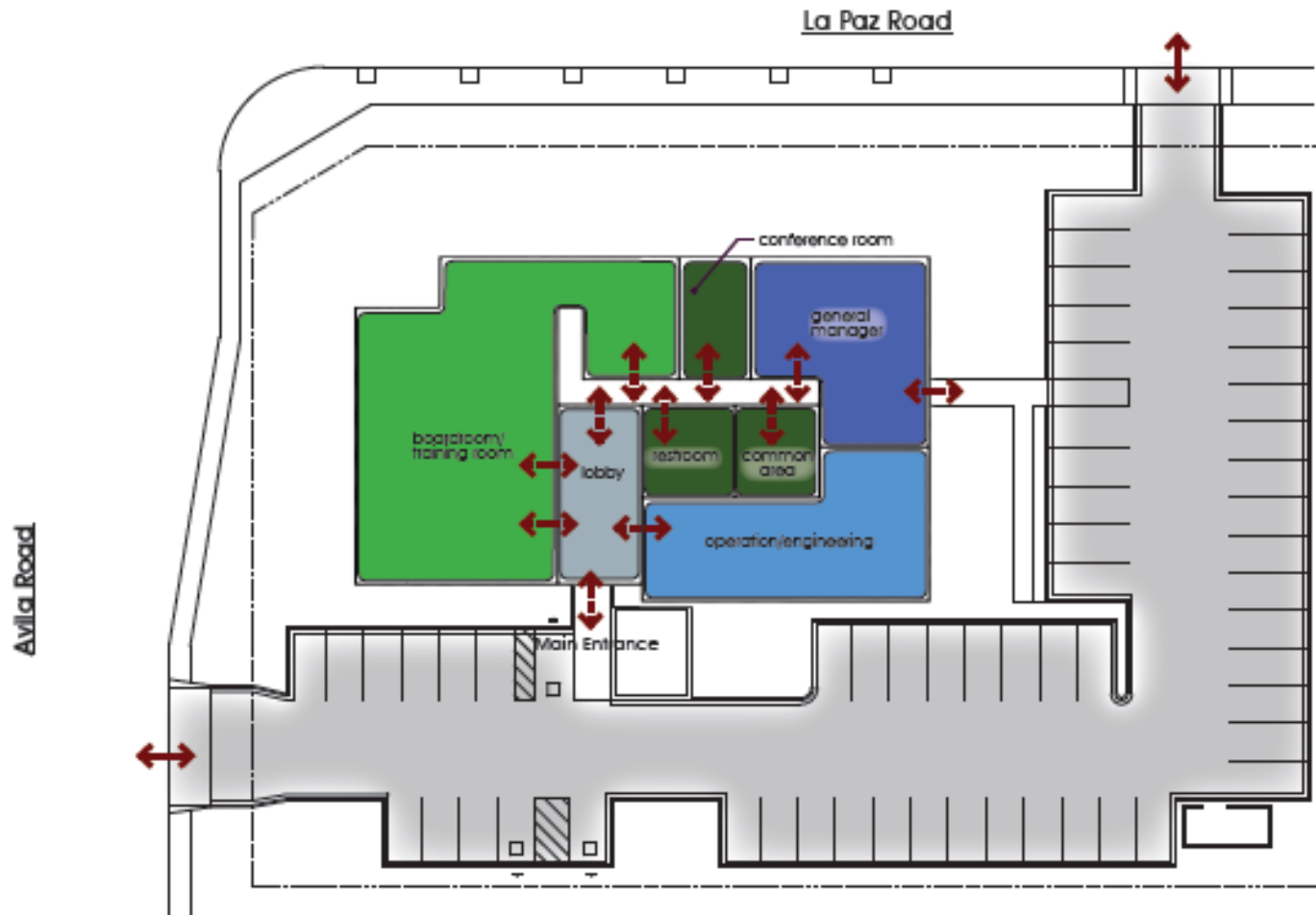
Type of Space (Site)	Existing Site (sf)	Current Needs (sf)	Future Needs (sf)
Buildings/Structures	45,998	78,398	82,095
Site Parking	99,493	151,785	187,155
Site Elements	25,998	44,434	44,434
Landscape	277,473	72,500	72,500
Circulation	90,000	90,000	90,000
<b>TOTAL (SF)</b>	<b>538,962</b>	<b>437,117</b>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

- 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.

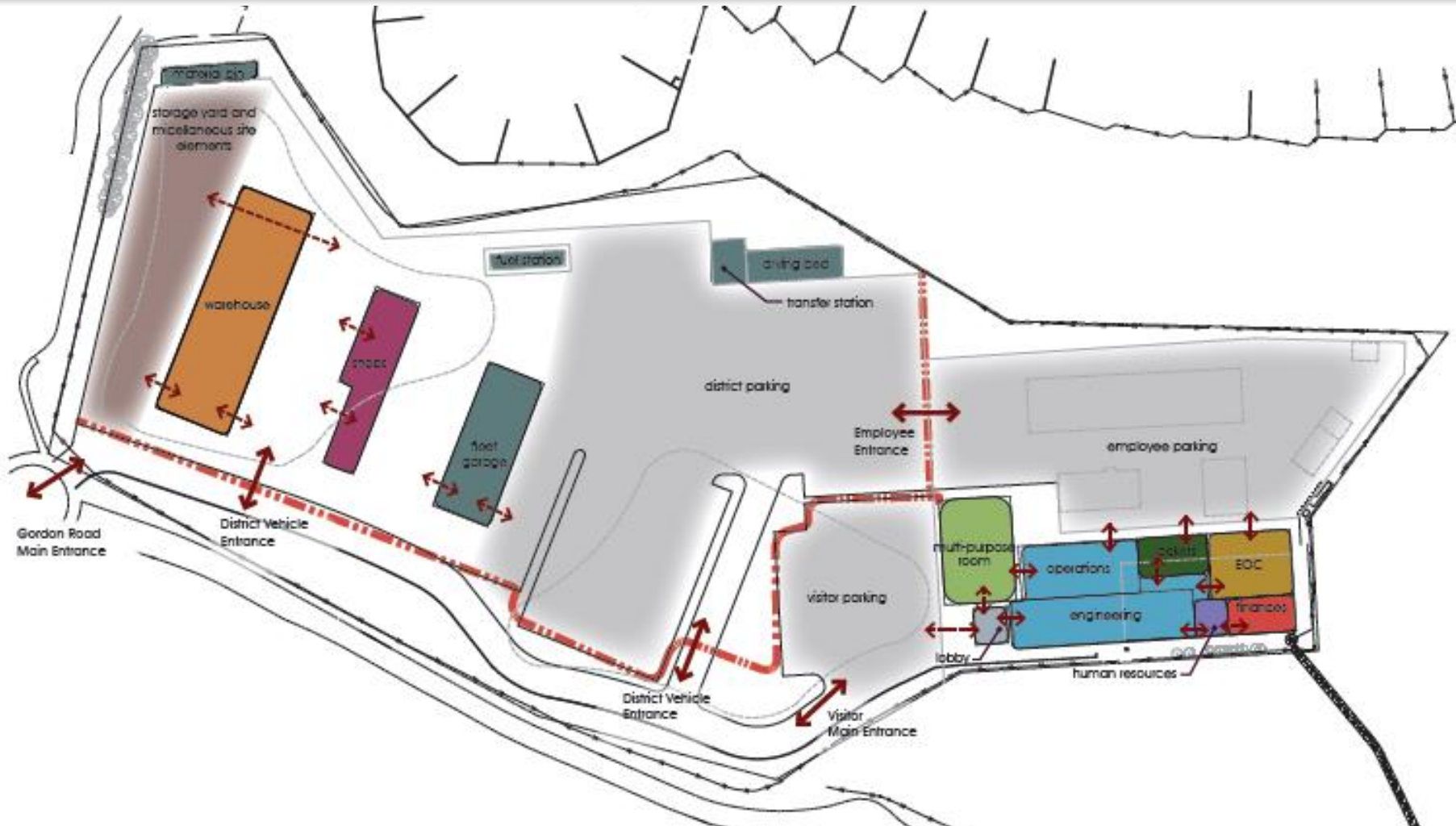
# Scenario Analysis

- Based on space needs, three scenarios were reviewed:
  - Renovate and/or expand on two existing sites;
  - Construct a new facility on a site to be determined;
  - Construct all necessary facilities at the existing Plant 2A site;
- Analysis was based on space needs, desired department adjacencies, developed block diagrams, and available spaces
- Pros and cons were developed for each scenario

# Scenario 1 – Use existing sites



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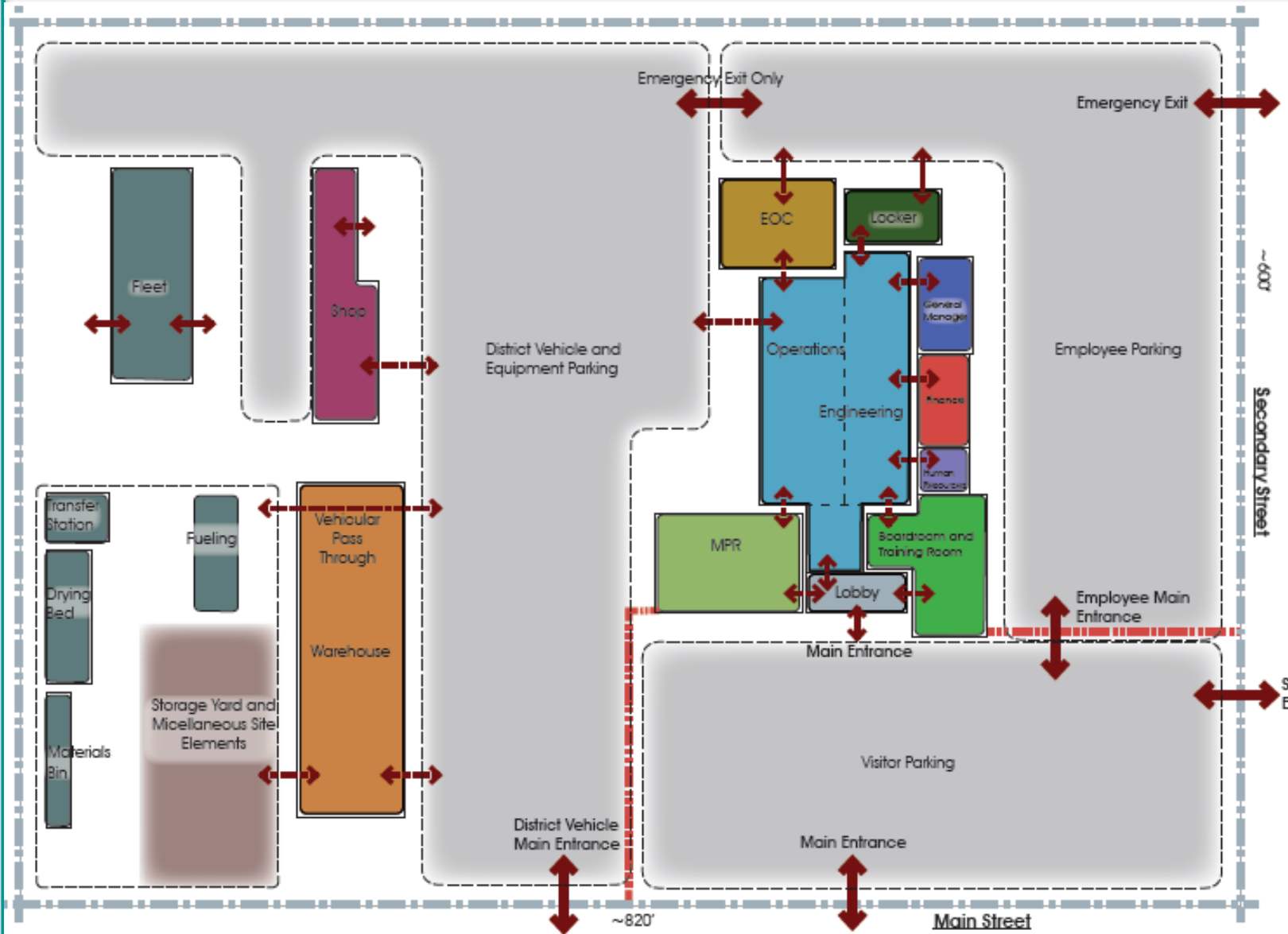
# Assessment of Scenario 1

- Main Office
  - Move out staff to create additional space/parking
  - Reconstruct front lobby, Board Room, offices, and restrooms
  - Address roof and other maintenance issues
- Plant 2A:
  - Reconstruct the telemetry building / server room
  - Remodel/Expand the administrative building and warehouse
  - Reconstruct the fleet, meter, and facility maintenance shops
  - Construct site improvements, including expanding site parking and providing physical security

# Assessment of Scenario 1

- Benefits include:
  - The District has the existing facilities
  - Main Office site is familiar to District customers
- Challenges include:
  - Business continuity
  - Existing structures and associated unknowns
  - Life cycle cost consideration
  - Extended construction window
  - Two operations facilities/sites
- Early Estimates at \$18 million

# Scenario 2 – Use new, undefined site

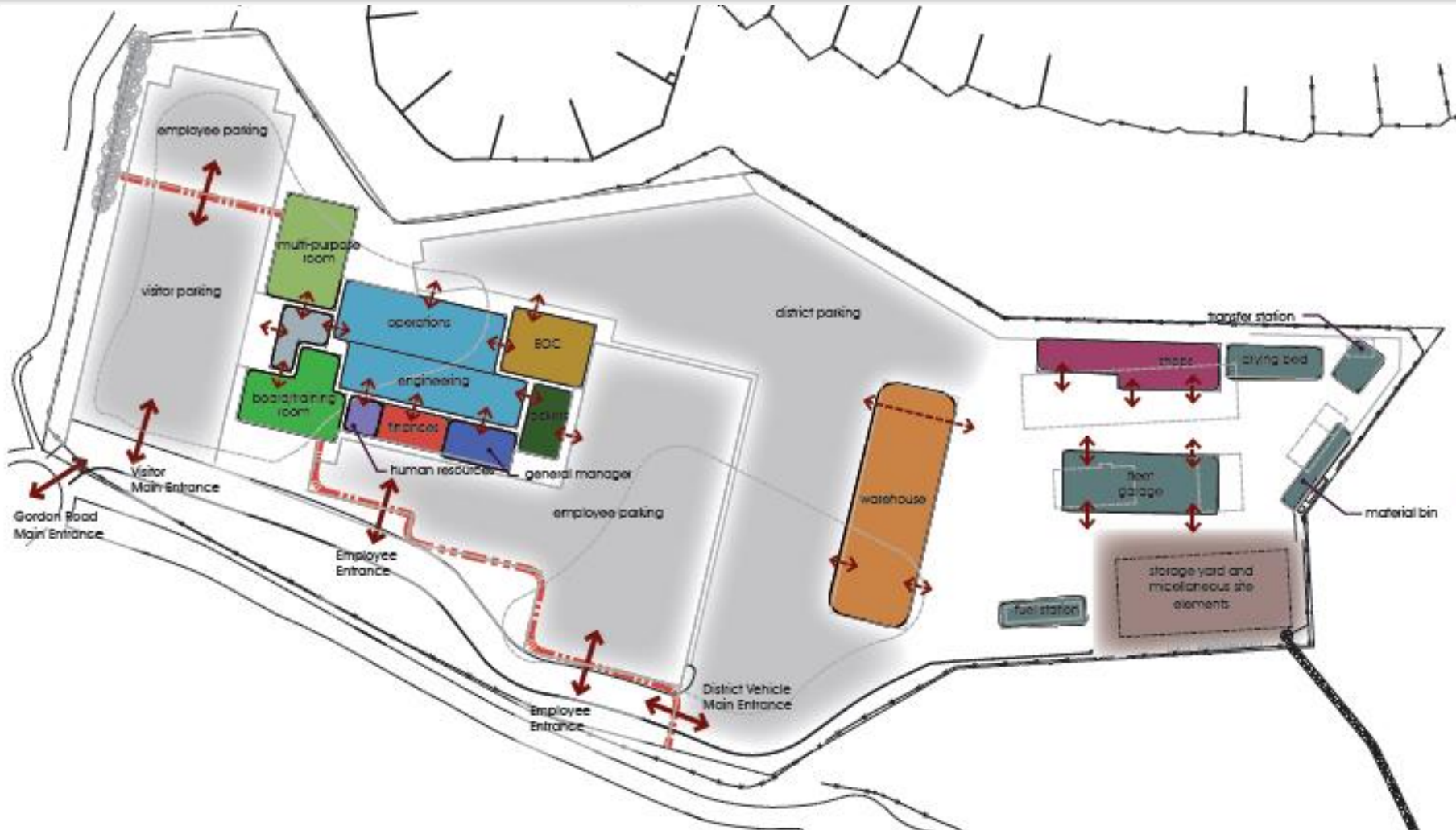


# Assessment of Scenario 2

- Benefits include:
  - Consolidation to a single-site for improved efficiencies
  - New facility to be constructed for 40-50 year life
  - Business continuity during construction
- Challenges include:
  - Site has not been acquired
  - Value of new land and surplus facilities is unknown
- Early Estimates at \$23 million



# Scenario 3 – Use Plant 2A Site



# Assessment of Scenario 3

- Benefits include:
  - Consolidation to a single-site for improved efficiencies
  - District already has the site
  - Business continuity during construction if phased appropriately
- Challenges include:
  - Impact to the District operations
  - Entry and exit at single-point
  - Public visibility and accessibility
  - Neighborhood impact to expanded operation
- Early Estimates at \$20 million

# Financial Analysis

- Project to be incorporated into the 10-year Capital Improvement Program
  - Early estimate variations of cost range about \$5 million
  - Total current CIP is approximately \$230 million
  - Updated 10-year CIP budget to be presented in April
- Long Range Finance Plan being developed in parallel
  - Sufficient reserves to support current expenditures for next 2+ years
  - Finance plan, along with Cost of Service analysis, to support funding for full CIP
  - Presentation of Finance Plan strategies to meet funding requirements in April

# Staff Recommendation

- Continue to evaluate Scenario 2
- Next steps include:
  - Continue to evaluate and identify potential site solutions
  - Further define project cost for Scenario 2 and include the potential cost of land
  - Review the potential value of surplus property
  - Board update and further action as required
  - Develop outreach plan/strategy