



**moulton niguel** water district

# CAPITAL IMPROVEMENT PROGRAM BUDGET

Fiscal Year 2016-2017

# AGENDA

- FY 2015-16 CIP Budget Review
- Proposed FY 2016-17 CIP Budget
  - 10-year CIP
  - Budget Changes
  - Valve Replacement Program
  - Annual Budget
- CIP Funding

# FY 2015-16 BUDGET REVIEW

- 10-year Budget - \$234.5 million
- FY 2015-16 Budget - \$46.8 million
  - Awarded Contracts - \$35.7 millions\*
  - Funds not yet Committed - \$11.1 million\*

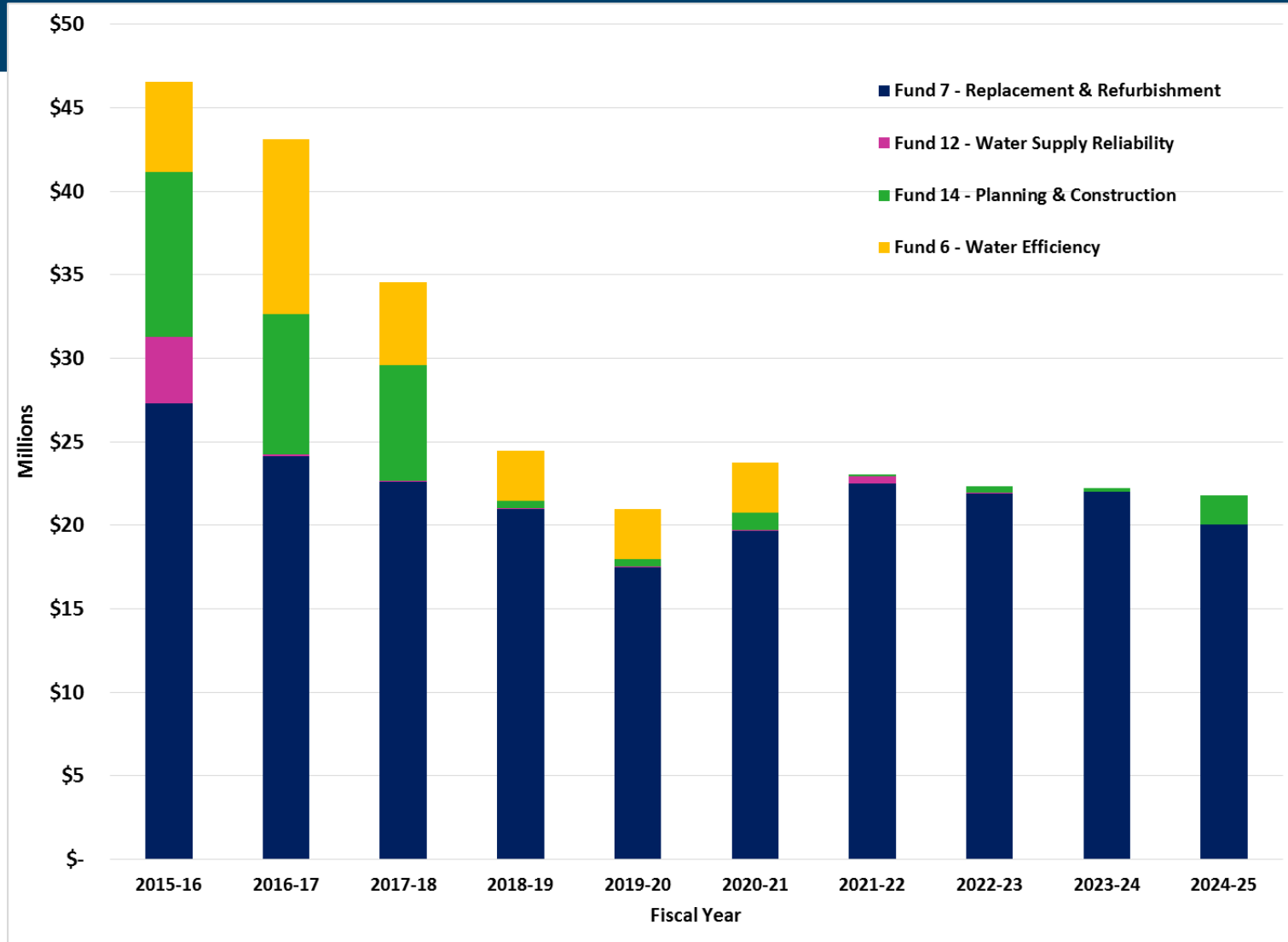
\*projected to the end of fiscal year

# PROPOSED 10-YEAR CIP

- Key Additions
  - Trampas Reservoir - \$15 million
  - Recycled Water Expansion – Phase V - \$12.5 million
- Budget Increases
  - Valve Replacement Program - \$20.3 million
  - Reservoir Recoating Program - \$6.6 million
  - Reservoir Management System - \$7.3 million

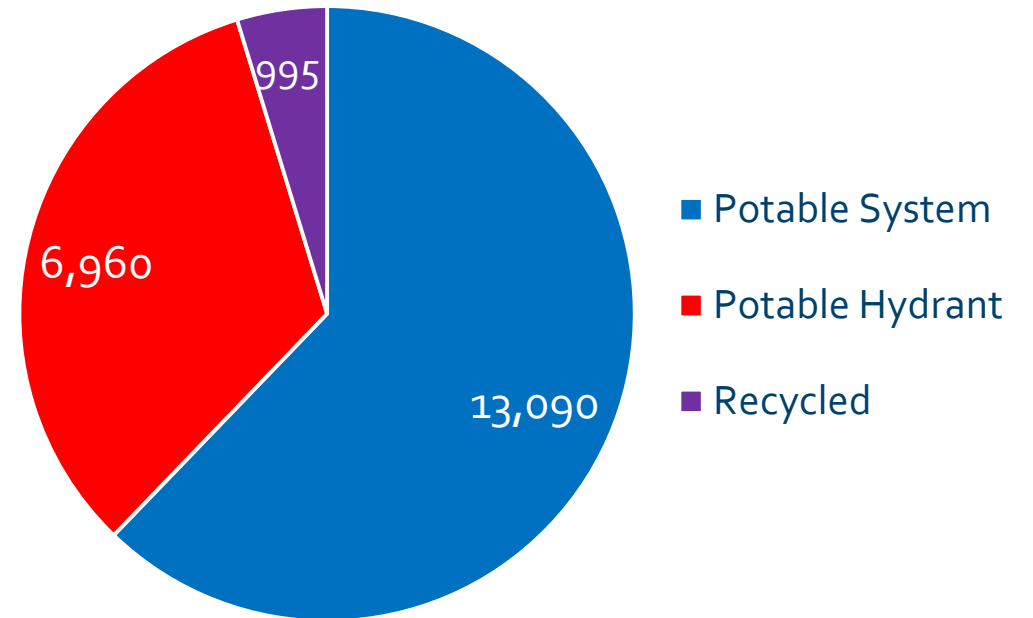
Fiscal Year	Proposed Budget (millions)
2016-17	\$46.6
2017-18	\$43.1
2018-19	\$34.6
2019-20	\$24.5
2020-21	\$21.0
2021-22	\$23.7
2022-23	\$23.1
2023-24	\$22.3
2024-25	\$22.2
2025-26	\$21.8
Total	\$282.9

# PROPOSED 10-YEAR CIP

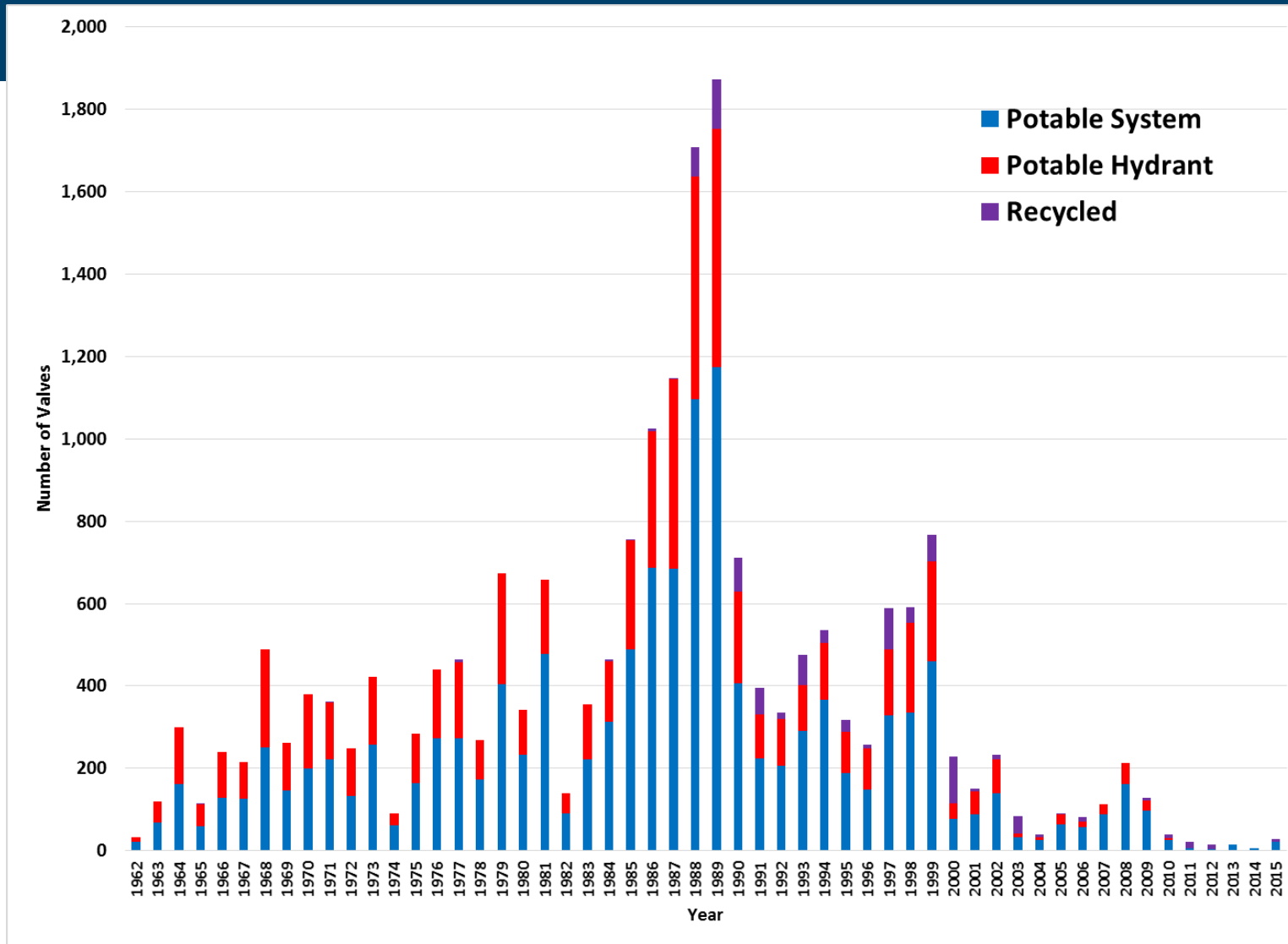


# VALVE REPLACEMENT PROGRAM

- Assets
  - About 21,000 valves
  - 15,000 25-years or older
- Current program status
  - Valve exercising – 6-year rotation, 3,500 per year
  - Valve replacement – 50 to 60 valves annually
    - Contract – 30 to 40
    - District staff – 20 to 25



# VALVE REPLACEMENT PROGRAM



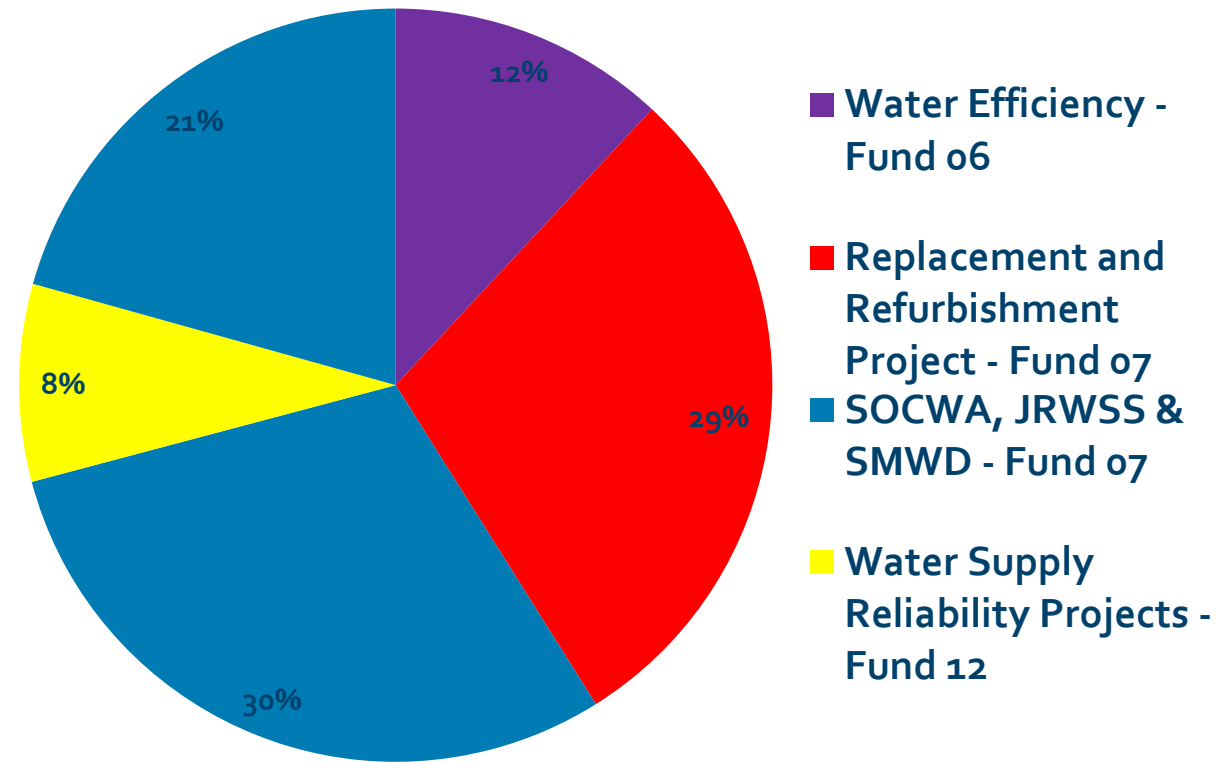
# VALVE REPLACEMENT PROGRAM

- Increase number of replacements
  - Decrease impacts to customers
  - Increase operational performance
  - Reduce water loss
- System evaluation to determine scope of program
  - Prioritize replacements by the number of customers impacted
  - About 4,000 system valves and 140 recycled valves to be evaluated for failure
  - Replace 1,245 valves over 10-years
- Expenditures
  - \$20 million in contract and material costs
  - Three new field crew members to implement program
  - Operational costs for additional staff and equipment to be further discussed at May budget workshop



# FY 2016-17 PROPOSED CIP

System	FY 2016-17 Proposed Budget (million)
District Wide	\$8.9
Potable Water	\$7.5
Recycled Water	\$7.0
Wastewater	
Collection	\$4.9
Treatment (SOCWA & Plant 3A)	\$12.0
<b>Sub-Total</b>	<b>\$40.3</b>
Regional (i.e. Baker, JRWSS, Upper Oso, etc)	\$5.8
Unanticipated Projects	\$0.5
<b>Total</b>	<b>\$46.6</b>



# FY 2016-17 PROPOSED PROJECTS

- 42 projects
  - 13 projects in construction      \$11.5 millions
  - 22 projects in designs      \$15.6 millions
  - 17 projects to be started      \$5.1 millions
- JPA projects      \$13.9 millions
- Unanticipated projects    \$0.5 million
- Key projects
  - Valve replacement
  - San Juan Creek 30-inch ETM replacement
  - District Operation Center
  - Crown Valley Reservoirs Recoating and Improvements
  - Reservoir Management System

# CIP FUNDING

- \$200.2 M rate funded (PAYGO)
- \$80 M debt issuance
- No change to rate projections



**moulton niguel** water district

# WATER SUPPLY ASSESSMENT

Agora Arts District Downtown

# AGORA ARTS DISTRICT DOWNTOWN: SITE PLAN

## Commercial

- 279,500 ft<sup>2</sup>
- Restaurants
- Retail
- Offices
- Classrooms
- Kiosks

## Residential

- 200 units
- 50 Studios
- 100 1-bds
- 50 2-bds



# WSA REQUIREMENTS

- SB 610 requires certain types of development projects subject to CEQA review to have a Water Supply Assessment.
- Agora Project triggered a WSA with commercial office > 250,000 sq. ft. and a mixed-use project with water demand equivalent to or exceeding 500 residential DUs.
- A WSA must address whether the projected supply for the **next 20 years** based on **normal, single dry, and multiple dry years** will meet the demand projected for the proposed project plus existing and planned future uses, including agricultural and manufacturing uses.
- ARCADIS was contracted to develop a demand projection for the Agora Project and prepare the WSA report.

# WSA DEVELOPMENT

- **Kick-off Meeting** - MNWD, Arcadis, City of Laguna Niguel, City's EIR consultant, the County, and the developer (The Lab) met to clarify WSA goals, identify data needs, and establish accurate project description, etc.
- **Agora Demand Projection TM** – Developer provided water use categories. Water use factors were based on MNWD's planning factors and other sources.
- **Demand/Supply Analysis** – MNWD's 2015 UWMP provided the basis for the demand and supply analysis.
- **WSA Report** – Compiles findings into a deliverable.

# WATER USE PROJECTIONS FROM AGORA ARTS DISTRICT DOWNTOWN

Demand by Sector	Fiscal Year Ending (AFY)					
	2015	2020	2025	2030	2035	2040
Commercial (indoor)	56	112	112	112	112	112
Residential (indoor)	13	27	27	27	27	27
Dedicated Landscape	1.1	2.2	2.2	2.2	2.2	2.2
<b>Total Agora Arts District Downtown Project</b>	<b>71</b>	<b>141</b>	<b>141</b>	<b>141</b>	<b>141</b>	<b>141</b>



# AGORA ARTS DISTRICT DOWNTOWN: CONCLUSION

- Projected demands from the Agora Project **are included** in MNWD's 2015 UWMP.
- Total projected demand from Agora Project at build-out (141 AFY) represents **0.4%** of MNWD's projected total demand in 2040 (35,225 AFY).
- MNWD's 2015 UWMP projects that MNWD will have sufficient supplies to meet demands for normal, single-dry, and multiple-dry years scenarios.
  - A 9% bump factor was applied to the total projected demand for single and multiple-dry years (per MWDOC guidance for South OC agencies).
- Based on findings of the UWMP, this WSA concludes that **MNWD** has **sufficient** supplies available to accommodate the proposed **Agora Arts District Downtown** projected water demands as required by SB 610.