

## FEBRUARY 2004 RECYCLED WATER SUMMARY

# Capital Projects Summary

### Active Projects - Phase I

- RP-1/RP-4 Pump Station (Budget \$7,748,000)

The pump station will deliver recycled water from RP-1 to RP-4 to meet the anticipated demand in the RP-4 service area. The project also included a pump station at RP-4 to pressurize the distribution system. The construction contract was awarded in March 2003. Construction will be completed by July 2004.

- RP-1 Chlorination Tank (Budget \$4,817,000)

TP-1 Outfall line has been used for chlorine contact time. The chlorination tank will increase the availability of the TP-1 Outfall line as a transmission main to deliver recycled water to farmers and dairies plus businesses and residential developments along the pipeline rather than using it for chlorine contact to meet the Title 22 requirement. The construction contract was awarded in March 2003. Construction will be completed by July 2004.



RP-1 Chlorine Contact Basin

- Pine Avenue Intertie (Phase I: Budget—Phase I & II \$1,066,000)

The Pine Avenue Intertie will connect the RP-2/CCWRF recycled water system with the RP-1 outfall thereby connecting all IEUA facilities. The Phase I construction contract was awarded in February 2003 and was completed in October 2003. Phase II is under construction and was completed in December 2003.



Pine Avenue Intertie Phase I

- Wineville Pipeline (Budget \$2,307,200)

The Wineville Pipeline will convey recycled water from the RP-4 outfall to Inland Paperboard and other customers in Ontario. The construction contract was awarded in March 2003 and is completed. Inland Paperboard Packaging will begin taking recycled water in March 2004.

- Reliant Pipeline (Budget \$1,115,476)

The Phase I Etiwanda recycled water pipeline delivers to the Reliant Energy Plant from RP-4 and when extended in Phase II will serve future demands to the North along Etiwanda Ave. The construction is completed and Reliant started to use recycled water in August 2003.

- Philadelphia Pipeline (Budget \$3,935,400)

The Philadelphia Pipeline will deliver recycled water to the Ely Basins for recharge and irrigation water to the new Kaiser Hospital facility and to other customers. The portion of the pipeline in front of the Kaiser facility is completed, however, the original alignment of the pipeline coming from RP-1 is redesigned to go along the parameter of the existing golf course due to the City of Ontario's termination of development of the planned soccer field. The construction will be completed in July 2004.

- Whittram Pipeline (Budget \$3,620,000)

The Whittram Pipeline will serve recycled water to the Banana and Hickory Basins. Project design is at 100% complete, construction is scheduled for completion by Summer 2004.

- RP-4 West Branch (Budget \$9,849,000)

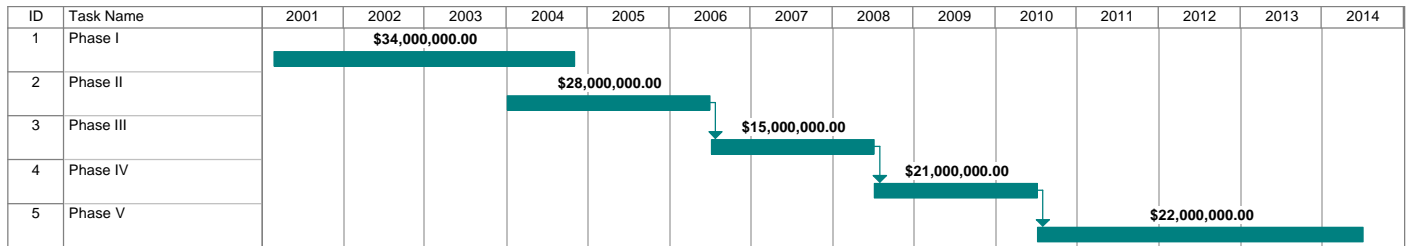
Design for the RP-4 West Branch is in process and will be completed in early 2004. The pipeline will serve the Turner Recharge Basins and Empire Lakes Golf Course as well as other customers in Ontario and CCWD. The project will be completed by Spring 2005.



Phase I Etiwanda Recycled Water Pipeline

**Total Budget—Active Projects—\$34,458,076**

## Total Implementation Plan



## Phase I Implementation Plan

ID	Task Name	Budget	Actual	Remaining	2003												2004											
					May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov					
1	RP-1/RP-4 Pump Station	\$7,748,000	\$676,171	\$7,071,829	[Progress bar]																							
2	RP-1 Chlorination Tank	\$4,817,000	\$597,101	\$4,219,899	[Progress bar]																							
3	Pine Avenue Intertie	\$1,066,000	\$251,228	\$814,772	[Progress bar]																							
4	Wineville Pipeline	\$2,307,200	\$257,415	\$2,049,785	[Progress bar]																							
5	Reliant Pipeline	\$1,115,476	\$371,207	\$744,269	[Progress bar]																							
6	Philadelphia Pipeline	\$3,935,400	\$262,053	\$3,673,347	[Progress bar]																							
7	Whittram Pipeline	\$3,620,000	\$76,151	\$3,543,849	[Progress bar]																							
8	RP-4 West Branch	\$9,849,000	\$86,549	\$9,762,451	[Progress bar]																							

## Financing Plan

### Program Financing Plan:

- Regional Capital Fund 25-30%
- SWRCB Grants 10-15%
- Federal Grants 20%
- SWRCB Loans 20-35%

### Annual Revenue:

- MWD LPP (Loan Repayment) \$2 Million
- MWD LRP\* \$1.8 Million
- Recycled Water Sales \$4-6 Million

\*Proposal submitted December 2003.

### Funding Phase I

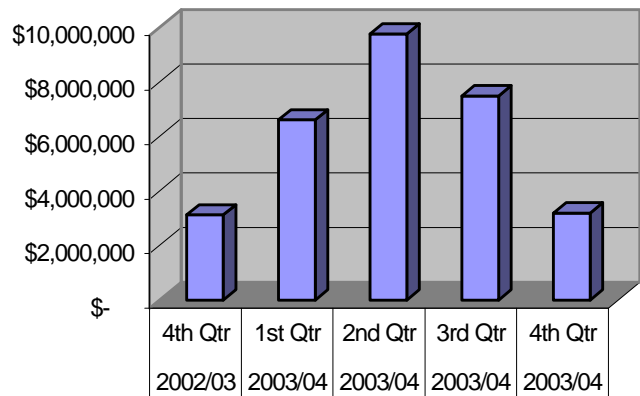
- Regional Capital Fund \$7,000,000
- SWRCB Recycling Grant \$5,000,000
- SWRCB Recycling Loan \$22,000,000

### Funding Phase II

- Regional Capital Fund \$3,000,000
- SWRCB Recycling Grant\* \$5,000,000
- SWRCB Loan\* \$20,000,000

\*SWRCB Funding application submitted in September 2003

## Regional Recycled Water Phase I—Projected Cash Flow

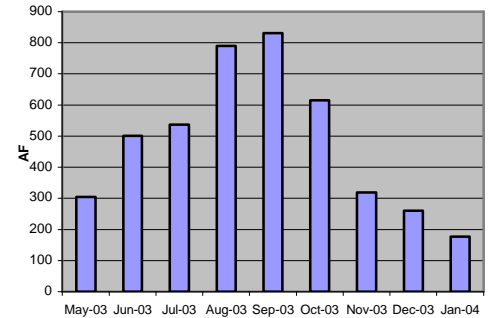


# Activity Summary

## New Customers in 2003

- CW Farm (former Arthur Farms)  
Started to use recycled water in March.
- Lewis Homes Corporation  
Started using recycled water in September 2003 for their grading operation.
- Big League Dreams  
Started to use recycled water in March.
- Fairfield Ranch Neighborhood Park  
Started to use recycled water in March.
- Higgins Brick  
Started to use recycled water in July
- Engelsma Dairy  
Started to use recycled water in August
- DBRS Medical System  
Started to use recycled water in August
- Central Chino Business Park  
Started to use recycled water in August
- Artesian HOA  
Started to use recycled water in August
- Reliant Energy  
Started to use recycled water in August
- Fairfield Ranch Business park Phase I  
Started to use recycled water in August
- Macro-Z Technology  
Started to use recycled water in December
- Industrial Real Estate Development  
Started to use recycled water in December

## Recycled Water Sales



Delivery Period	FY 2002-03	FY 2003-04
January	197	177
Year to Date	197	177
<b>FY Total</b>	<b>2,983</b>	<b>3,496</b>
<b>Budget</b>		<b>6,950</b>

## Operation & Planning

- The modification at the dechlorination station at Prado Park is completed.

## New Customers in 2004

- Fairfield Ranch Business Park Phase II  
Received an approval for the engineer's report from DHS. Needs to complete the cross-connection test prior to using recycled water.
- New Chino Hills High School and elementary school  
The school board has accepted to use recycled water on the school ground. The City of Chino Hills is in the process of preparing the engineer's report.
- Inland Paper Board  
In the process of negotiating with Inland Paper Board to use recycled water.
- Kaiser Hospital  
In the process of preparing the engineer's report. With the completion of Philadelphia pipeline in June, Kaiser will start to use recycled water.



New Kaiser Hospital Facility in Ontario

## Potential Customers in 2005

- City of Chino  
CIM (CalPoly & Laundry facility), OLS Energy, Paradise Textile, and Mission Linen
- City of Chino Hills  
Oak Crest Golf Course
- City of Ontario  
Ontario Mills, Crothall Laundry, and Agricultural customers
- City of Rancho Cucamonga  
Empire Lakes Golf Course

## Customer Development

■ Agricultural customers along the TP-1 Outfall line

Once the RP-1 chlorine contact basin is completed, many agricultural customers and other outfall customers could be served as early as early summer 2004. In the process of preparing priority list of customers now.

■ Focused Customer Marketing

Large customers with annual usage over 100 AFY will be targeted. IEUA staff is working closely with the retail agencies to develop an updated customer list and to coordinate marketing effort. The recycled water marketing database was distributed to the Cities of Chino, Chino Hills, Ontario, and Cucamonga Water District to aid with the customer and recycled water use tracking.

■ Targeted Major Customers in 2004

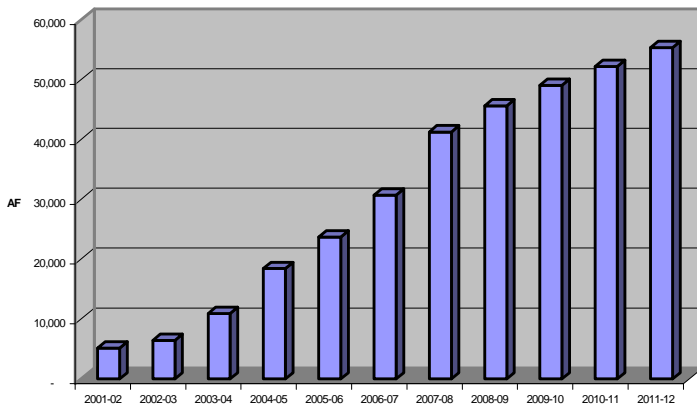
1. Empire Lakes Golf Course (May 2004)	800 AFY
2. Additional Farms on Outfall (April 2004)	1,200 AFY
3. Ontario Center Owners Association	260 AFY
4. California Co-generation	250 AFY
5. Oak Crest Golf Course	500 AFY
6. CIM (Farming Operation & Laundry Facility)	1,500 AFY



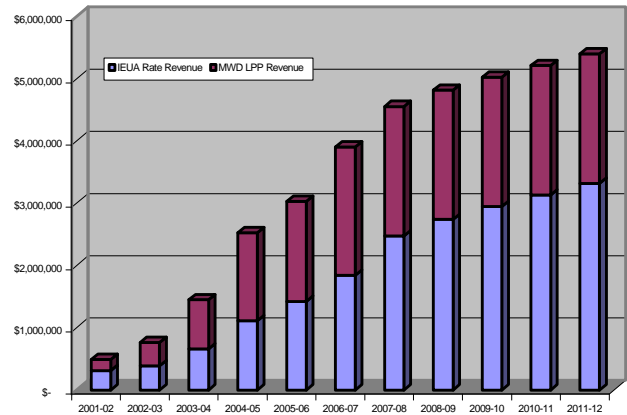
New Oak Crest Golf Course in Chino Hills

## Projected Sales & Revenue

Projected Recycled Water Sales



Projected Recycled Water Revenue



## Regulatory/Permits

- CEQA—PEIR Certified June, 2002
- CBWM Article X—Approved May, 2002
- SARWQCB Basin Plan Amd. January, 2004
- DHS Title 22 Report (Recharge) Spring, 2004
- SARWQCB Discharge Permit Summer, 2004