IWVWD General Manager's Column March 22, 2017

"Major District Projects Making Significant Progress" By Don Zdeba

Indian Wells Valley Water District ("District") maintains a ten year capital spending program that is updated each fiscal year and reviewed and revised as needed at mid-year. The current plan identifies over \$41,000,000 in projects over the next ten years. These projects are necessary to ensure the reliability and safety of our production, transmission and distribution systems as well as replace and upgrade critical equipment and improve efficiencies. I thought I would take this opportunity to report the status of the three major projects the District has in progress at this time.

First, the District entered into an agreement with OpTerra Energy Services May 17, 2016 for a project to install 2.08 megawatts of solar photo-voltaic at six District sites including the District's administrative offices and five well sites. The project is being funded with an \$8,000,000 loan through Mission Bank. The project scope includes an energy efficiency component involving replacing indoor and outdoor lighting with light emitting diode (LED) lighting and upgrading the heating, ventilating and air conditioning (HVAC) units at the District office. If you have driven by any of the well sites within the project area or driven by the District office, you have no doubt noticed the panels have been erected and construction is in its final stages with interconnections with Southern California Edison targeted for completion by the end of May. Lighting upgrades are scheduled to commence this month with HVAC units scheduled for replacement in late April. The project will reduce District electricity spending by about 63% with OpTerra guaranteeing 95% of the energy savings. The project provides a hedge against rising electrical costs which will assist in reducing the volatility of water rates. Net savings over a 30-year life for the project is about \$9,300,000.

The second major project is the Water Supply Improvement Project (WSIP) approved by the Board of Directors in May 2012. There are two components to the project; upgrading the pumping unit at Well 34 to increase its pumping capacity from 1,200 gpm to 2,000 gpm and drilling a new well (35) equipped to produce 1,200 gpm. The cost of this project is in the neighborhood of \$3,350,000. The goal of the project is to provide sufficient redundancy in pumping capacity to be able to continue to meet customer demand following an event or failure impacting a significant portion of our production system. For example, should a mechanical or electrical failure that impacts the two arsenic treatment facilities at the same time during our peak pumping season, 40% of our system would be unavailable. The contract to upgrade the pumping unit at Well 34 was awarded to Layne Christensen this month. The first phase will be completed by July with final work completed in the fall when there is less demand on the system. Hydro Resources West was awarded the contract to drill Well 35. Mobilization occurred in January and the well was completed and cased last month. Well development and aquifer testing is in progress. The final site work including construction of the pumping plant will take place in the next fiscal year, after July 1st.

The last major project is the Automated Metering Infrastructure (AMI) pilot project utilizing Neptune's migratable R900® radio frequency (RF) technology. I featured this project in my last column so I will not go into great detail other than to mention the pilot project involves 468 meters throughout our service area communicating with three new towers and five collector antennas to relay information from those meters to the District office. The enhanced features and capabilities allow customers to monitor their water consumption and the District to alert customers to unusual trends that could indicate a problem. It also provides the District the ability to produce historical consumption graphs detailing daily or monthly usage for a single account when a customer has a concern about their bill. Our staff is currently learning the nuances of the system and we have already seen the conservation benefits of being able to identify possible customer leaks. The cost of the pilot project is \$500,000. Our plan is to expand the system throughout our service area by our Fiscal Year 2019.

These projects are examples of how we are constantly striving to reliably deliver to our customers the best quality water at reasonable prices while being good stewards of the resource.

Finally, a reminder that Ordinance 100 remains in effect. Beginning April 1st, Ordinance 100 allows three days per week landscape irrigation between the hours of 8:00 PM and 8:00 AM. Addresses ending in an even number may water Tuesdays, Thursdays and Saturdays while addresses ending in an even or odd number may water Wednesdays, Fridays and Sundays. No landscape watering on Mondays. Details of Ordinance 100 and general information about the District is available on our website, <u>www.iwvwd.com</u>.

For information related to state and local water issues, I encourage you to regularly visit the District's Facebook page (IWV Water District).