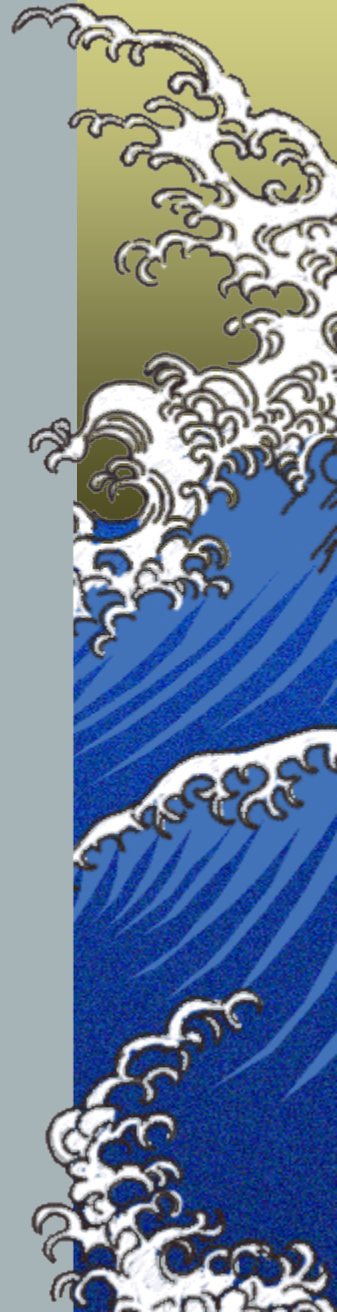


Status Report on Desalination Project

January 29th, 2009

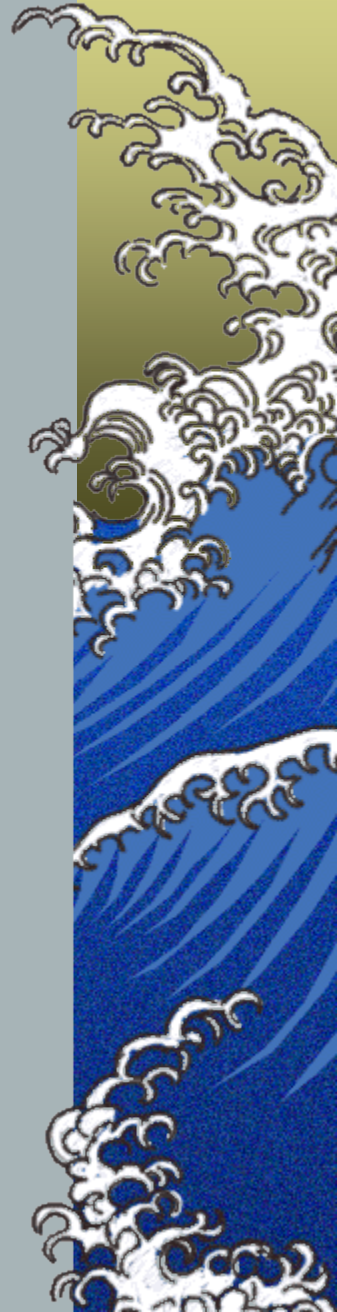
*CCSD Board Meeting, Regular
Business Discussion Item 8.B*

Bob Gresens, District Engineer



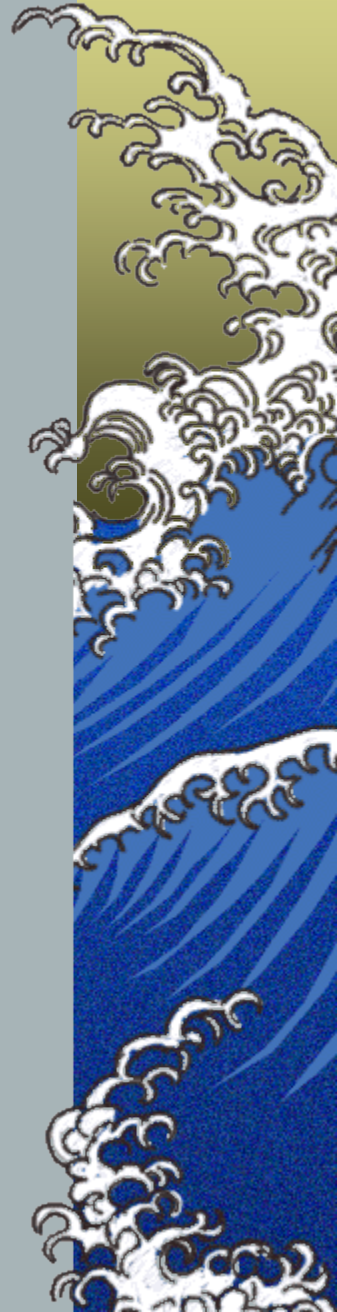
Presentation Outline

- ▶ *Background*
- ▶ *Recent & Current Activities*
- ▶ *Near-Term Activities*
- ▶ *Project Schedule Overview*
- ▶ *Key Areas of Concern*
- ▶ *Recommendations*
- ▶ *Questions*



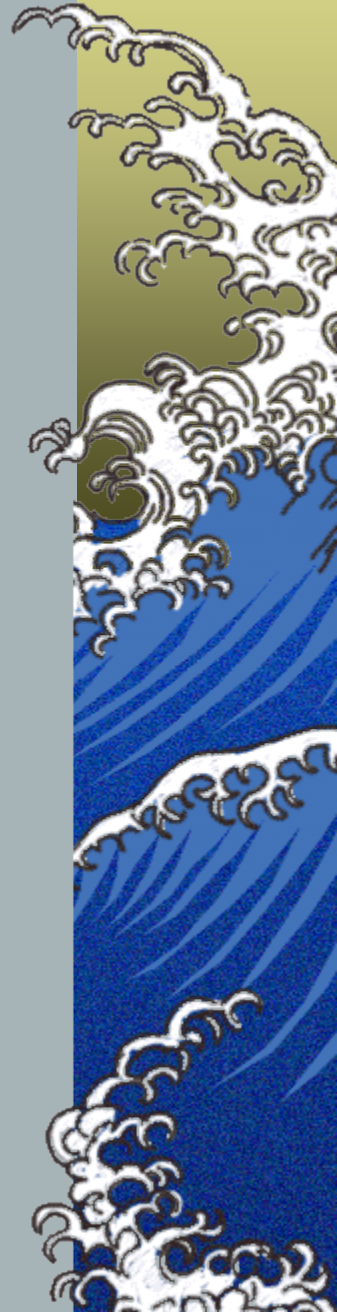
Background

- ▶ *12/13/2007 : CCC geotechnical investigation permit appeal/reconsideration hearing: ...can other beach areas in Cambria work for desalination?*
- ▶ *July 21, 2008: CCSD consultant completed geophysical exploration report on the Santa Rosa Creek beach area – paleochannels found*
- ▶ *Summer/Fall 2008: Army Corps - reprograms earlier WRDA funds back to the CCSD project*
- ▶ *Fall 2008: Army Corps consulting contract for follow-up geotechnical investigation*



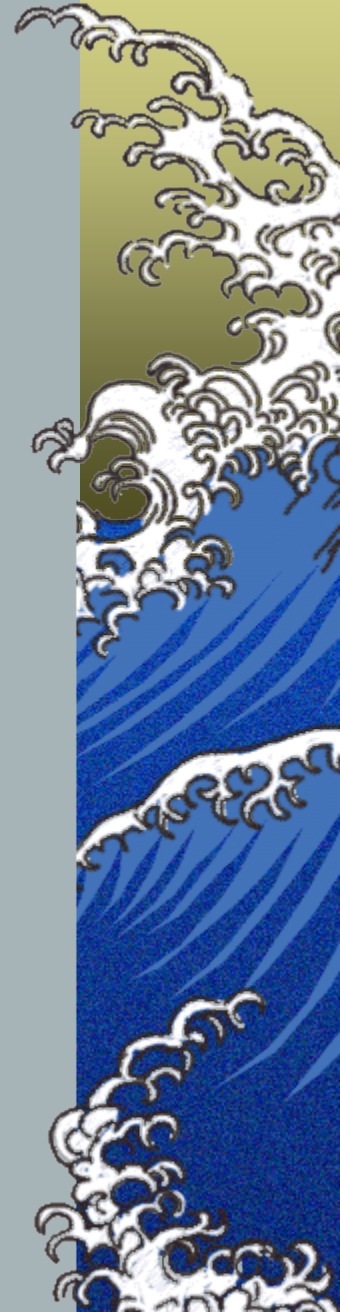
Recent & Current Activities

- ▶ *1/08/2009: Army Corps consultant completed admin review draft of Initial Investigation and Analysis Plan (IIAP) to guide the geotechnical investigation and initial computer modeling:*
 - ▶ *Initial focus on the Santa Rosa Creek beach area*
 - ▶ *Provides project description for env. clearance docs*
 - ▶ *Data should support a future project-level EIR/EIS*
- ▶ *1/27/2009: Detailed staff review completed on draft IIAP*
- ▶ *Current: Army Corps & Consulting Team updating the IIAP.*

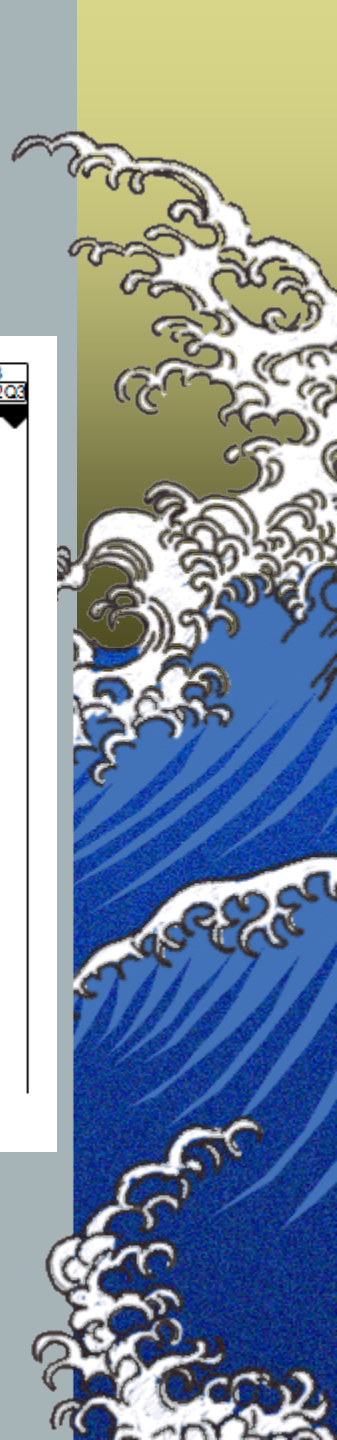
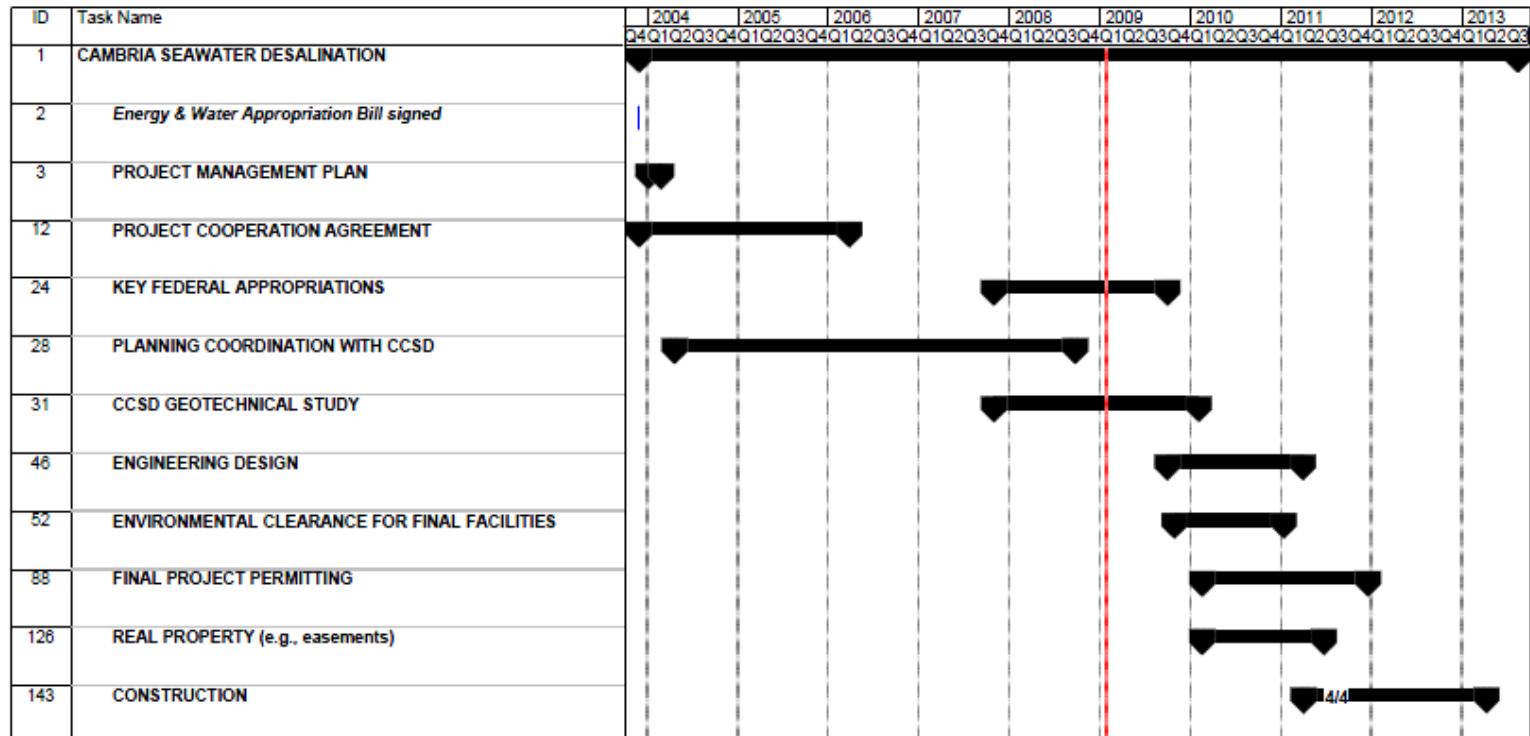


Near-Term Activities

- ▶ *Army Corps & consultant to finalize Initial Investigation and Analysis Plan (IIAP) on pending geotechnical investigation*
- ▶ *Development of environmental clearance documents to support planned investigation activities (E.g., an Environmental Assessment and possibly an Initial Study/Mitigated Negative Declaration)*
- ▶ *Discussions with regulatory agencies*
- ▶ *CCSD submittal of Federal FY09/10 funding requests*

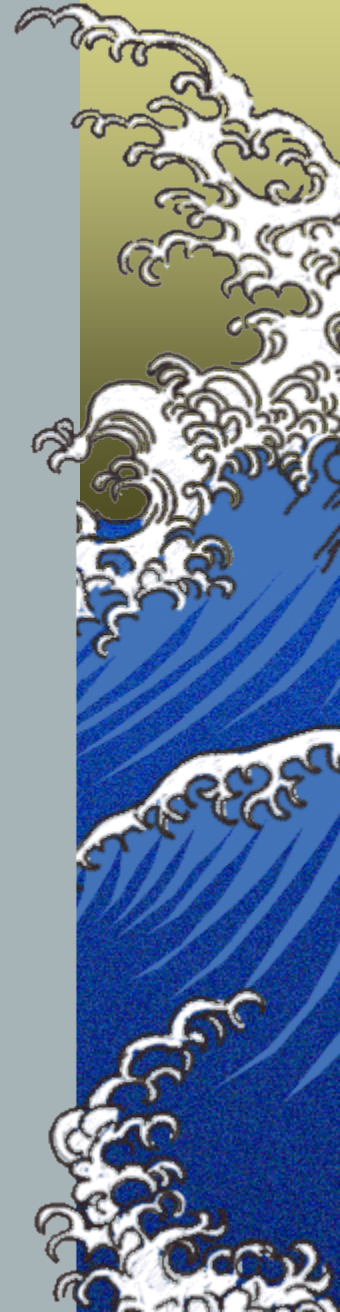


Project Schedule Overview

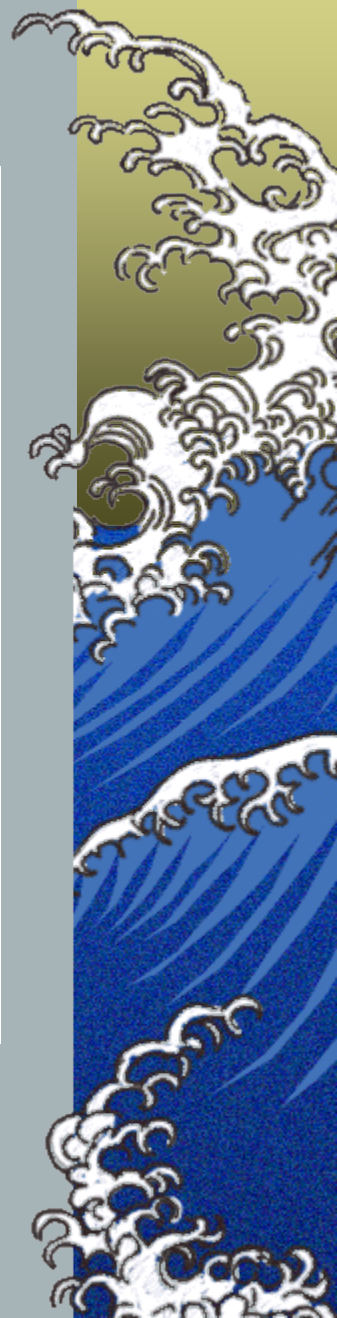
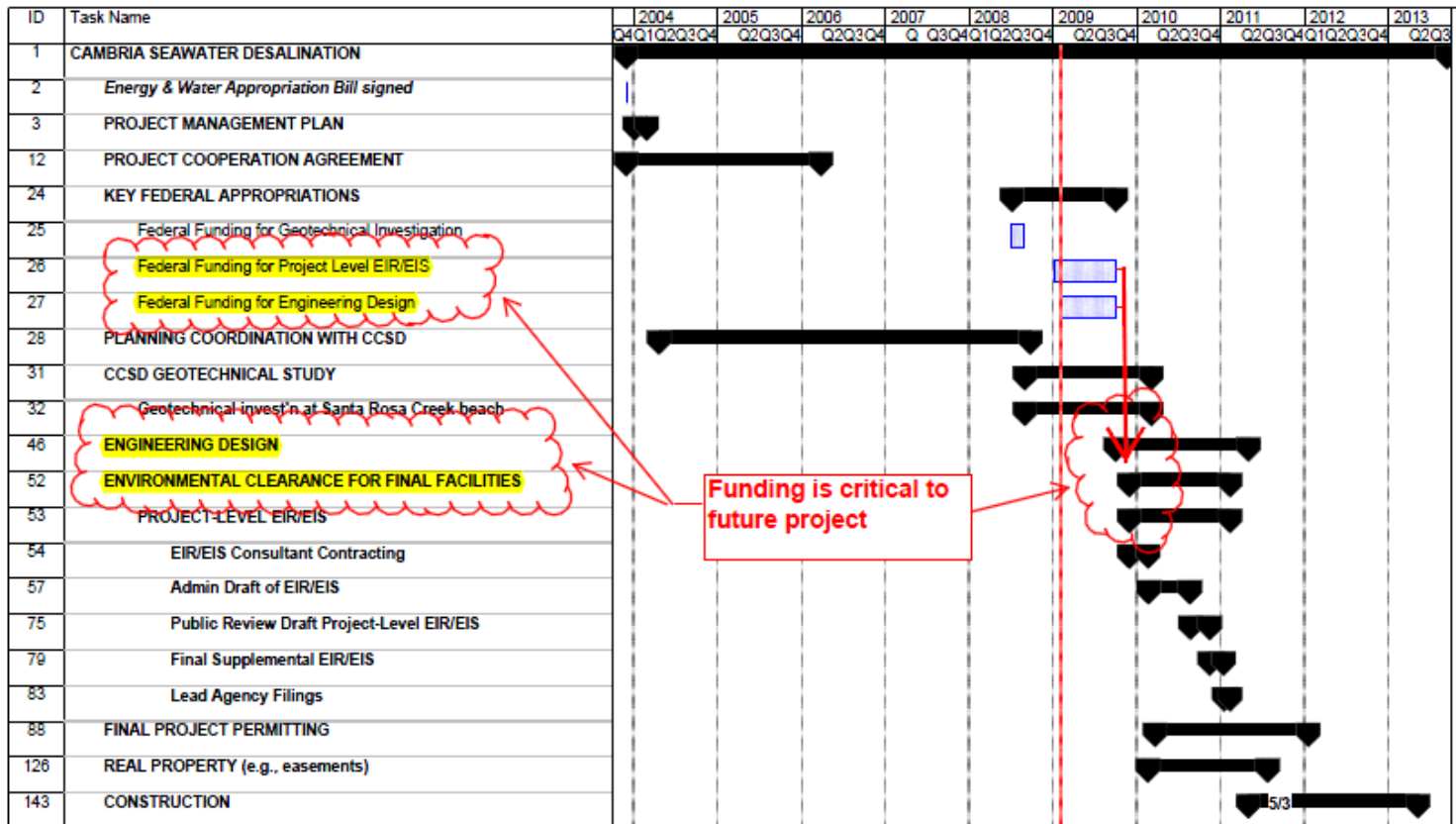


Key Areas of Concern

- ▶ *1) Project funding: Future progress depends upon funding appropriations.*
- ▶ *2) Project funding: Will local funding be available should it be needed?*
- ▶ *3) Project funding: Need Army Corps to execute the PCA amendment on the \$3 million credit.*



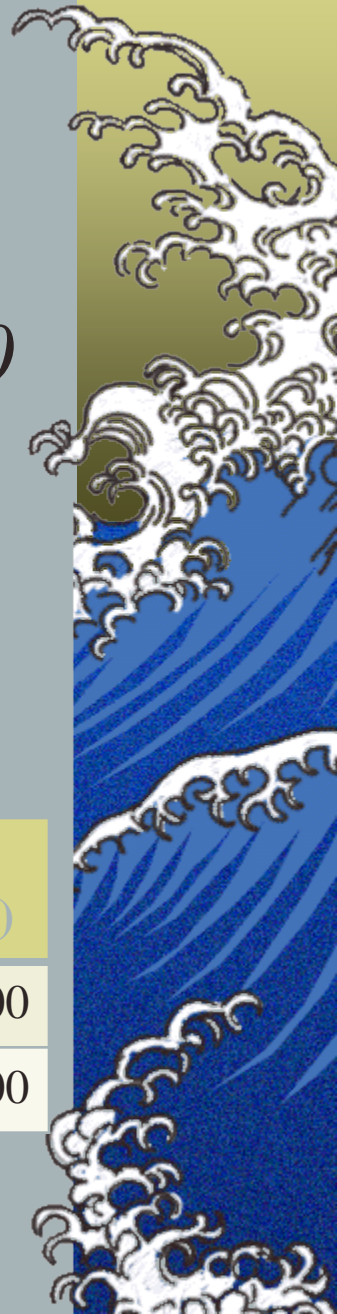
Progress Tied to Funding



Funding Summary

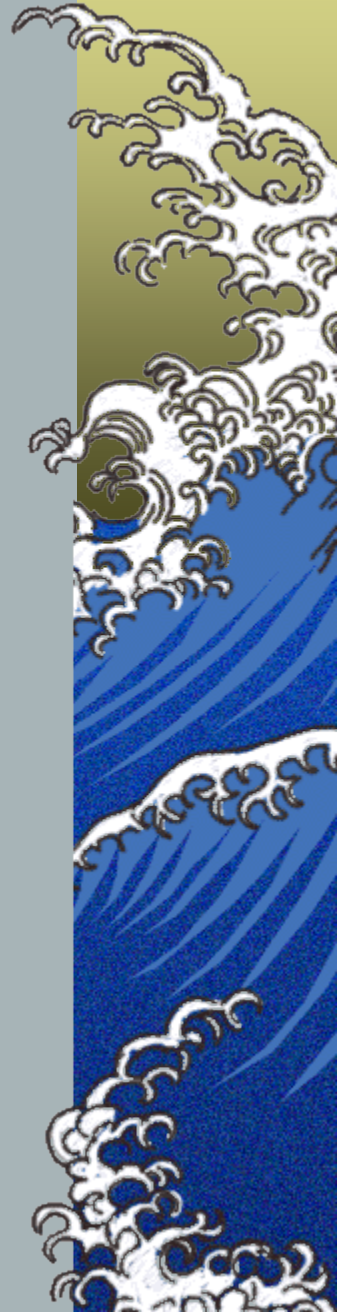
- ▶ *Reprogrammed Corps funding ~ \$715,000*
- ▶ *Corps consulting contract ~ \$477,000*
- ▶ *Corps staff time in addition to contract \$*
- ▶ *Estimated total project cost:*

Description	June 2008 \$	Construction Mid-point \$ (June 2012, inflated @ 4%/yr)
Desalination	14,000,000	16,400,000
Desal with solar	17,200,000	20,100,000



Recommendations

- ▶ *Pursue Federal Appropriations for Federal FY 09/10*
- ▶ *Develop contingency funding plan:*
 - ▶ *Without a signed PCA amendment, need to assume 25% local funding*
 - ▶ *Without subsequent Federal FY appropriations, project stops unless funded locally.*



Questions?

