

November 20, 2025

Membrane Aerated Biofilm Reactor (MABR) Equipment Purchase Agreement for Nutrient Management, District Project 100078

Board of Directors

Nitin Goel, P.E.

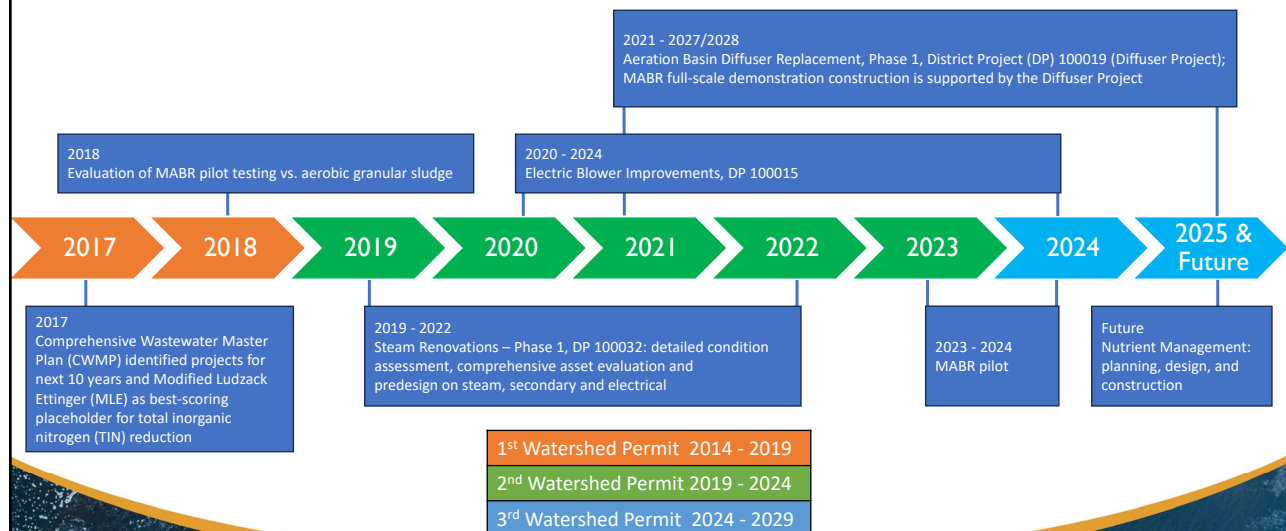
Operations Optimization Division Manager

Nate Hodges, P.E.

Senior Engineer



Recent Secondary Process Improvement Projects



Full-Scale Demonstration Testing

Results will be crucial in determining the optimal nutrient alternative.



Successful Completion of MABR Pilot



Full-Scale Demonstration of MABR in Existing Aeration Tanks (as part of the Nutrient Management, DP 100078)



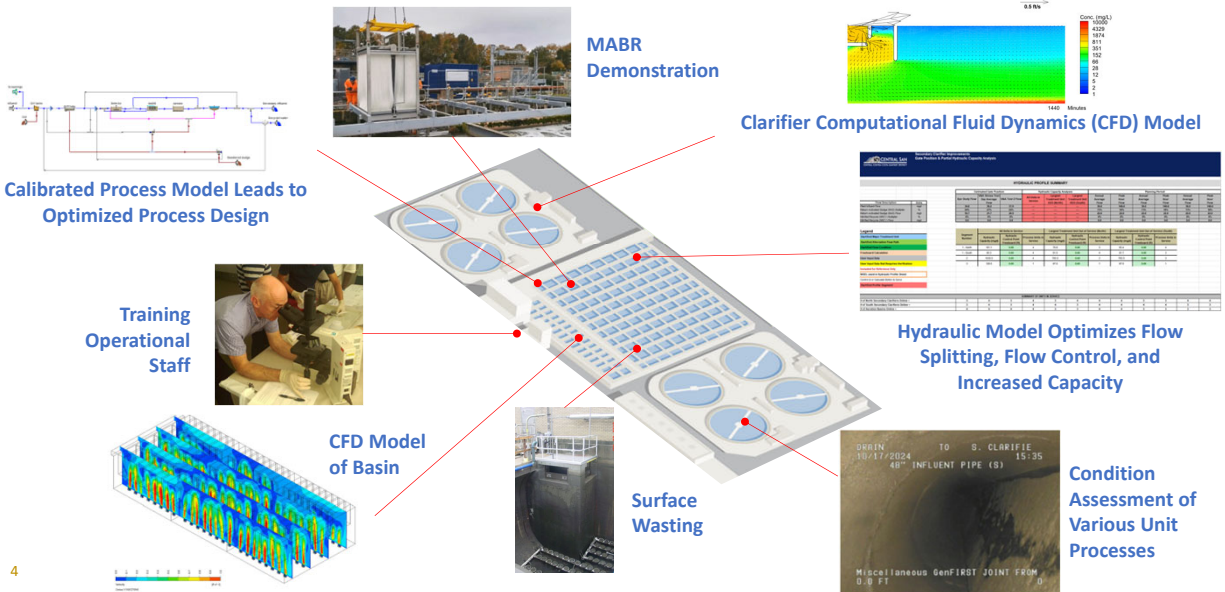
MABR Only



Conventional Biological Nutrient Removal

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Key Components for Full-Scale Demonstration Testing



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Full-Scale MABR Demonstration Testing Elements

Items already brought to the Board of Directors' attention:

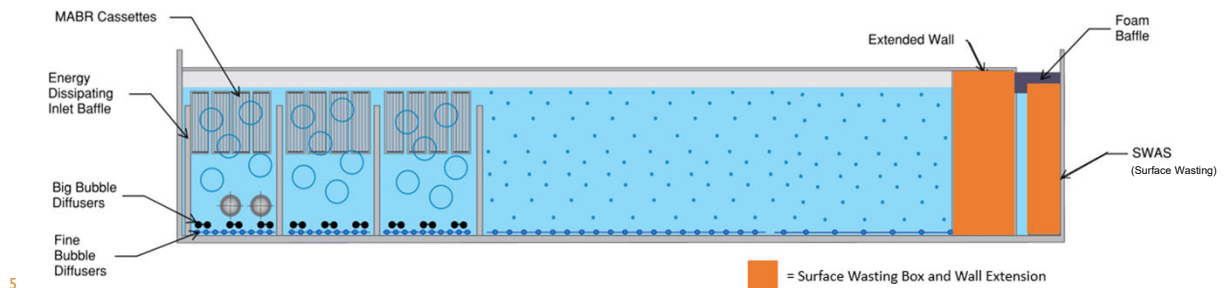
- Diffuser upgrades
- Baffles
- Construct surface wasting box and wall extension
- Big bubble mixing

Item for today's discussion:

- Procurement of MABR equipment

Item for future discussion:

- MABR installation contract



Procurement of MABR Equipment for Full-Scale Demonstration Testing



Key Details

- 44 cassettes to be installed in aeration tank #2
- Veolia WTS Systems USA, Inc. to provide services through installation/commissioning
- Same equipment supplier used for the MABR pilot in 2024

Schedule

- Planning to release for fabrication by December 1, 2025
- Expected delivery by June 1, 2026

Estimated Full-Scale MABR Demonstration Costs for Nutrient Management, DP 100078

Board Approval Date	Scope of Work	Delivery Method	Costs in Millions (M)
March 27, 2025	MABR structural materials and large bubble mixing equipment	Change Order	\$1.4M
April 3, 2025	Professional Engineering Services and staff cost	N/A	\$1.4M (\$1.4M is approx. consulting fees and staff labor cost for MABR item this fiscal year; part of Nutrient Management consulting fee of \$3.5M)
July 3, 2025	MABR structural installation labor	Change Order	\$1.5M
August 21, 2025	SWAS, large bubble system (excluding equipment), MABR air and process piping	Change Order	\$4.5M
November 20, 2025 (Pending)	MABR cassettes and special services (start-up and commissioning support services)	District-Furnished Contract	\$5.8M (\$5.512M for MABR equipment and \$0.288M contingency)
TBD	Installation of MABR equipment	TBD	\$2.0M (estimated)
Total MABR Estimated Costs:			\$16.6M*

*For Fiscal Year (FY) 2025-26, \$9M is allocated in the Capital Improvement Budget. Staff is not currently recommending a budget amendment as most MABR-related expenditures are anticipated to occur later in the fiscal year and likely continue into FY 2026-27. Any necessary budget adjustments will be presented to the Board at a future date.

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Recommended Board Action

1. Adopt the resolution making findings to confirm and declare exemption from the competitive bid process to fulfill and implement the MABR full-scale demonstration;
2. Authorize the General Manager to execute an equipment purchase contract with Veolia WTS Systems USA, Inc. in an amount not to exceed \$5,800,000 for MABR equipment for the Nutrient Management, DP 100078; and
3. Find the Agreement exempt from the California Environmental Quality Act.

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