FILANC
People doing the right thing
J.R. FILANC CONSTRUCTION COMPANY, INC. MAY 2007

21st-century alchemy

In the Middle Ages, alchemists hoped to discover a way to transmute a common substance into a substance of great value. Their efforts may have failed, but people have long been enchanted by the idea of possessing that magical power.

Well, forget changing lead into gold. How about converting sludge into renewable fuel, or seawater into drinking water? In today's world—one where long-term sustainability, economic soundness, beneficial reuse, and protecting the environment can no longer merely be visions but must be reality—these are alchemy at its most magical.

Biosolids to fuel

The Rialto Regional Biosolids Processing Facility will convert an average of 683 wet tons per day of biosolids from five Southern California municipalities into nearly 145 tons per day of renewable fuel. This fuel, called E-Fuel™, will be sold to a nearby cement kiln for use as an alternative to coal.

The new Rialto facility will be located next to the City of Rialto's Wastewater Treatment Plant No. 5, where Filanc completed a design-build remodel and expansion in

please see **Biosolids**, *inside*

Seawater to drinking water

The Carlsbad Desalination Plant will tap into the world's largest reservoir, the Pacific Ocean, to supply high-quality drinking water for as many as 300,000 residents in the drought-prone Southern California city of Carlsbad, as well as several nearby communities. The new facility could eventually provide as much as 15 percent of the region's drinking water, thus reducing dependence on imported water or rainfall.

This 50 mgd facility is being constructed adjacent to the Encina Power Station.

please see **Seawater**, *inside*

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Biosolids, *contined from front*

2000. Sewage that flows into the plant is currently being treated to Title 22 standards and released into the Santa Ana River. The new processing plant will extract the water from the remaining biosolids, and the dewatered product will be dried to form fuel via EnerTech Environmental's proprietary SlurryCarb ™ process, a technology that requires approximately two-thirds less energy than traditional sludge-drying methods.

The Rialto Regional Biosolids Processing Facility team

Although the facility is being constructed on land owned by the City of Rialto, a private company, EnerTech Environmental, owns this unique project.

EnerTech has contracted with HDR Design-Build for engineering, procurement and construction services, and Filanc is providing much of the procurement and all of the field construction to complete the project.

The timeline

Filanc began working with HDR and EnerTech in June 2006 to develop a scope and price for this design-build project. Construction began just a few weeks ago and is scheduled to be completed in late September 2008.

We're working on a fast-track schedule, with construction having begun while the design is still being finalized. Ultimately, the facility will accept sludge from the Orange County Sanitation District and the cities of San Bernardino, Rialto, and Riverside, all four of which have been Filanc clients, as well as the Sanitation Districts of Los Angeles County.

The spirit of restoration—Mayor Lori Holt Pfeiler and the Escondido City Council honored Filanc at the annual State of the City meeting in February. We were singled out for our outstanding efforts in restoring the 1930s building that now houses our company headquarters.

Seawater, *contined from front*

The power station system is cooled by seawater which is discharged back into the ocean. In addition to constructing the desalination facility itself, Filanc will build a pump station that will connect directly to this source of circulating seawater, capturing it before its discharge into the ocean and pumping it to the desal facility. We'll construct a second pump station that will pump the desalinated water to the distribution system that will carry it to the communities it will serve.

It takes a team **Walter Howard, American Water; Charles "Skip" Griffin, PBS&J; Walt Winrow, Poseidon; Luis Castilla, Acciona Agua; and Mark Filanc**

Though you may think desalination refers only to the removal of salt from seawater, the reverse osmosis process actually removes virtually any mineral and most biological or organic chemical compounds to produce drinking water that meets or exceeds all state and federal standards. And, though you may think the desalination process takes a long time, the opposite is true. From the moment a seawater molecule will enter the new desal facility, it will take a scant 20 minutes for it to become high-quality drinking water.

The Carlsbad Desalination Plant team

Poseidon Resources Corp. is leasing the project site from Cabrillo Power 1, the owner-operator of the Encina Power Station. For design, engineering, construction, and startup, Poseidon selected the team of Acciona Agua, Filanc, PBS&J and Pridesa/American Water. Development of a major project such as this one requires a large upfront capital investment and considerable risk. By forming a public-private desalination partnership with Poseidon and its team, Carlsbad has ensured a win-win solution to its critical need for a cost-certain, locally controlled, drought-proof supply of drinking water.

The timeline

Filanc is already hard at work, defining the design, providing value engineering concepts, and supporting Poseidon with the information it requires to obtain a Coastal Development Permit from the California Coastal Commission.

Construction is anticipated to begin late this year or early 2008 and to be completed in 2010.

Safety innovations in Yuma

Over the years, Filanc has earned an industry-wide reputation for continuously implementing aggressive, thorough, often-innovative safety programs. We constantly look for better ways to ensure a safety-conscious workforce, and the result has been a stellar safety record.

Recently, at the Agua Viva Water Treatment Facility jobsite in Yuma, we rolled out yet another new program when we established the Agua Viva Safety Committee. The members of this new committee represent all levels of project responsibility and include our Agua Viva site safety manager, our Arizona director of operations, our superintendent and project engineer, and rotating membership by a field foreman and one member of each crew.

These Filanc representatives are joined by representatives from each of our subcontractors and from our customer, the City of Yuma.

Working as a cohesive team, the committee members undertake a variety of activities, from performing injury and incident investigations, receiving safety training on a different topic each month, and promoting safety throughout the project, to keeping a scoreboard of findings and ensuring that any deficiencies are immediately corrected. Weekly walks include immediate training on the recognition of hazards, deficiencies, and unsafe environments.

The Agua Viva Safety Committee is something of a pilot program, but it, and the environment of teamwork it fosters, already are viewed as so important that we plan to deploy it to other Filanc jobsites in the future.

Looking for homegrown water

The City of Oceanside has a precious resource right underneath it: water. The Mission Basin, which replenishes itself naturally, is currently yielding more than 2 mgd of groundwater that is treated to become drinking water. Five wells are producing about 7 percent of the City's total water, but that amount will soon jump with the completion of Well Site 9—Phase 2 Mechanical Improvements.

Filanc's Repair & Maintenance Division has just started work on the project and is scheduled to complete it this August. 'Gator crews will be providing concrete pads, a sidewalk, asphalt pavement, fencing, and piping. In addition, they'll install and test City-supplied surge tank, pump column, and valves.

Well Site 9 is located on the grounds of the Mission Basin Desalting Facility, which was originally constructed in 1994 and subsequently expanded. Well 9 was drilled by the San Diego County Water Authority (SDCWA) under a Groundwater Recovery Program and during test pumping produced up to 2,200 gallons per minute. The success of this test means that water from Well 9 can be delivered to the desalting facility for treatment.

Design-build partnerships

When more than 500 leaders in the water/wastewater industry convened in Seattle at the 2007 Design-Build for Water/Wastewater Projects Conference, they explored integrated project delivery, learned new strategies, and shared their experiences. Among the invited speakers was Filanc Director of Engineering Services Omar Rodea, P.E., who teamed with HDR's Tanveer Rao, P.E. to present key aspects of successful collaborations and accountability among design-build stakeholders.

The Design-Build Institute of America (DBIA) sponsors the annual conference.

Staying ahead of the growth curve

I've written about our company's recent, and most welcome, growth spurt in previous issues of this newsletter, and I've even gone so far as to admit to a few growing pains. We at Filanc, however, have always been 100 percent committed to managing our growth carefully and thoughtfully. We are intent upon ensuring that Filanc is able to perform as efficiently and effectively as a large company as we did as a smaller one. At no stage in our growth are we willing to sacrifice one iota of the service that has earned us our reputation for treating our clients as partners for life.


Mark Filanc


Harry Cosmos


Vince Diaz


Gabe Rico

Several recent promotions and changes within our management team are specifically aimed at cementing a strong leadership for Filanc as we continue to grow. I have assumed the role of president and chief operating officer and will be managing all day-to-day operations of the business.

Our newly created position of vice president of construction operations has been filled by Harry Cosmos, who has been contributing to Filanc's success since 1988. In his new role, Harry assumes full responsibility for project oversight, including our regional operations.

Another new position, vice president of labor relations, is being assumed by Vince Diaz, who is now responsible for negotiating labor contracts and handling a myriad of issues related to employing a labor force that numbers as many as 250 workers. Vince has been a Filanc mainstay since 1988.

With Filanc since 1983, Gabe Rico has been hugely instrumental in shaping our company's success. Most recently he has been our vice president and chief estimator. Gabe's new role is as vice president of marketing and business development, and he is leading a newly created marketing department.

Believe me, being surrounded and supported by Peter, Harry, Vince, and Gabe gives me total confidence when I say Filanc is more than ready to meet whatever challenges growth brings.

—Mark Filanc

Inquiring minds want to know

Would you like to read more about some of the people, companies, organizations, and issues mentioned in this newsletter? We encourage you to visit these websites:

www.enertech.com—EnerTech Environmental
www.acciona-agua.com—Acciona Agua
www.amwater.com—American Water
www.carlsbad-desal.com—Poseidon Resources' Carlsbad desal project
www.pbsj.com—PBS&J
www.dbia.org—Design-Build Institute of America
www.ci.oceanside.ca.us—City of Oceanside
www.navyleague.net—Navy League of the United States
www.filanc.com—Check out our newly redesigned site

teamwork