

**MEMORANDUM
DEPARTMENT OF FACILITY SERVICES
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **NOVEMBER 7, 2006**

From: **J.D. JAMES DURFEE / WILL DICKINSON**

Subject: **SHERIDAN WASTEWATER TREATMENT COMPLIANCE PROJECT**

ACTION REQUESTED / RECOMMENDATION: It is recommended that your Board:

1. Adopt the attached Resolution increasing the Sheridan Wastewater Pond Construction Project budget from \$800,000 to \$905,000, and authorizing a loan in the amount of \$135,000 from the County Service Area Revolving Fund to County Service Area 28, Zone 6.
2. Approve the attached Budget Revision appropriating the loan proceeds in Fiscal Year 2006/2007.

BACKGROUND: County Service Area 28, Zone 6 (Sheridan) serves the community of Sheridan, providing sewer collection and treatment, domestic water, and street light services.

On April 18, 2006, your Board approved an engineering services agreement with HydroScience Engineers Inc. (HSE) to design a new storage pond at the Sheridan wastewater treatment plant. On August 1, 2006, your Board authorized the Director of Facility Services to award a construction contract for the construction of the new storage pond and approve change orders for up to \$800,000. The project budget was based on an engineer's estimate of \$666,700. The construction contract was awarded on September 8, 2006 to the low bidder, Doug Veerkamp General Engineering Inc., for \$755,557.10. Although this left a construction contingency of only six percent, staff elected to proceed with award of the contract due to the urgent need to complete the work before the end of the 2006 construction season.

Construction is proceeding well, with very few contractor-generated change orders. Our engineering staff, however, has identified a design change that would significantly improve our ability to comply with regulatory requirements at the site. This change would require Veerkamp to install pumps and other equipment at a cost of \$105,000, which, when added to the bid cost plus other expected change orders, exceeds the construction budget authorized by your Board.

Staff has also identified a need for additional environmental consulting relating to the spray disposal project, which is the second phase of our compliance program at Sheridan. The anticipated cost of this work is \$30,000. If your Board approves staff's recommendation to fund this work, a contract will be prepared for signature by the Purchasing Manager.

ENVIRONMENTAL CLEARANCE: Your Board adopted an Initial Study and Mitigated Negative Declaration on August 1, 2006 as required by California Environmental Quality Act.

FISCAL IMPACT: The recommended loan from the CSA Revolving Fund totals \$135,000. The General Fund will provide funding for this project by transferring monies to the CSA Revolving Fund. To date, the CSA Revolving Fund has loaned the Sheridan CSA a total of \$1,095,000; with the new loan, total outstanding loans will increase to \$1,230,000.

WD/DA/m

CC: COUNTY EXECUTIVE OFFICE

ATTACHMENTS: RESOLUTION
BUDGET REVISION

T:\FAC\BSMEMO2006\SHERIDAN POND LOAN INCREASE

347

Before the Board of Supervisors County of Placer, State of California

Resolution _____

In the matter of: **A RESOLUTION AUTHORIZING
A LOAN FROM THE GENERAL FUND TO THE CSA
REVOLVING FUND FOR CSA 28 ZONE 6, AND INCREASING
THE SHERIDAN WASTEWATER POND CONSTRUCTION PROJECT
BUDGET FROM \$800,000 TO \$905,000.**

The following RESOLUTION was duly passed by the Board of Supervisors of the
County of Placer at a regular meeting _____, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Bill Santucci, Chairman
Placer County Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, CSA No. 28, Zone 6 (CSA 6) operates the sewage treatment ponds that serve the community of Sheridan; and,

WHEREAS, the Regional Water Quality Control Board has issued a Cease and Desist Order for CSA 6 that will force that CSA to eliminate effluent discharges by December 2006; and,

WHEREAS, the CSA does not have the funding necessary to complete improvement projects necessary to maintain compliance with the Cease and Desist Order, and requires loans to cover these costs, such loans to be accounted for in the CSA Revolving Fund; and,

WHEREAS, Government Code Section 25210.9C.(a) requires that the method and term of the loan not exceed 10 years and that interest will be charged on the loan at the rate earned by the Treasury, and that CSA 28, Zone 6 will begin repayment as monies become available.

NOW, THEREFORE BE IT RESOLVED, the Placer County Board of Supervisors does hereby authorize a loan from the General Fund to the CSA Revolving Fund for CSA No. 28, Zone No. 6 in the amount of \$135,000, to be appropriated in Fiscal Year 2006/07.

BE IT FURTHER RESOLVED, that this Board increases the Sheridan Wastewater Pond Construction Project budget from \$800,000 to \$905,000.

248

Fund=260 Subfund=700

BUDGET REVISION

POST DATE:

DEPT NO.	DOC TYPE	Total \$ Amount	TOTAL LINES
12 BR		135,000.00	2

Cash Transfer Required
 Reserve Cancellation Required
 Establish Reserve Required

Auditor-Controller
 County Executive
 Board of Supervisors

ESTIMATED REVENUE ADJUSTMENT										APPROPRIATION ADJUSTMENT												
DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	FCA	OBJ 3	PROJ.	PROJ. DIL	AMOUNT	DEPT NO.	1/C	Rev	Fund	Sub Fund	OCA	FCA	OBJ 3	PROJ.	PROJ. DIL	AMOUNT	
											12	014		502	6	996806	96806	4151				105,000.00
											12	014		502	6	996806	96806	2555				30,000.00
										TOTAL												
										0.00												
										135,000.00												

REASON FOR REVISION: To appropriation loan from CSA Revolving fund for the design change on the Sheridan Wastewater Pond Construction Project.

Prepared by Valerie Bourque Ext 6803

Department Head _____
Board of Supervisors _____

Date: 7/25/06
Page: _____

Budget Revision # _____ FOR INDIVIDUAL DEPT USE

249

