

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

To: **BOARD OF SUPERVISORS**

Date: **MARCH 10, 2009**

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

Subject: **SEWER MAINTENANCE DISTRICT 1 WASTEWATER TREATMENT PLANT
UPGRADE AND EXPANSION**

ACTION REQUESTED / RECOMMENDATION: Staff recommends that your Board take the following actions related to the upgrade and expansion of the Sewer Maintenance District 1 (SMD 1) wastewater treatment plant (Plant 1):

1. Approve an agreement with Owen Psomas to prepare the preliminary design and Design Report, in an amount not to exceed \$499,160, and authorize the Chairman to execute same.
2. Authorize staff to proceed with a Request for Proposals (RFP) for the final project design.
3. Authorize staff to proceed with an RFP for preparation of an Environmental Impact Report.
4. Approve the attached Budget Revision to move \$600,000 from the FY 2008/09 SMD 1 Operating Budget to a new capital project budget to provide adequate funding to complete preliminary design of the Plant 1 Upgrade Project.
5. Direct staff to continue to explore opportunities for additional grant funding of the Regional Sewer Project and to request an extension of time for compliance with Regional Water Quality Control Board permit requirements.

BACKGROUND: SMD 1 provides sewer service to approximately 7,800 Equivalent Dwelling Units in the North Auburn area. Plant 1, constructed in 1961, uses biological and filtration processes that cannot meet current regulatory standards included in the permit for Plant 1 approved by the Regional Water Quality Control Board (RWQCB) in June 2005. The terms of this permit and an accompanying Cease and Desist Order include compliance schedules for meeting the new discharge standards. These compliance schedules give the County protection from fines; however, they are set to expire on March 1, 2010, which will leave the County at risk of fines and third party lawsuits. Staff anticipates minimum mandatory fines of \$111,000 per year, but they may be considerably higher if discretionary fines are levied by the RWQCB.

On June 24, 2008 and January 13, 2009, your Board held workshops to discuss two alternatives for achieving regulatory compliance at Plant 1. The two alternatives are to upgrade Plant 1 on the existing site (Upgrade Project) or abandon Plant 1 and construct a pump station and pipeline to convey SMD 1 sewage to the City of Lincoln treatment plant (Regional Project). Both options are currently under consideration. Staff is waiting for a determination regarding availability of Federal stimulus funding before making a recommendation on which alternative to pursue.

Completion of either project will require additional time beyond the 2010 compliance deadline. In order to limit the extent of mandatory and discretionary fines, staff recommends immediately beginning work on the Plant 1 Pre-design while continuing to seek the additional Federal funding necessary to make the Regional Project more affordable. This will allow the County to demonstrate progress and to come into compliance more quickly if the Upgrade Project is

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selected. If the Regionalization Project is ultimately selected, all work can be stopped on the Upgrade Project.

Owen Psomas is on the County's prequalified consultant list for Civil Engineering & Design, Wastewater Treatment Systems. Owen Psomas successfully provided engineering services for the design and construction of the 2001 Ammonia Removal Project at Plant 1 and provided a more recent planning level report describing the necessary improvements and compliance issues for the upgrade of Plant 1. This experience has provided Owen Psomas with a uniquely detailed knowledge of Plant 1 and will allow them to complete the work within the necessary timeframe. The cost to perform the required work included in this agreement is consistent with staff estimates.

Although we would typically go through the RFP process to select a consultant to prepare the preliminary design and Design Report, following that process would not allow the work to be completed within the timeframes necessary to demonstrate progress to the RWQCB. Section 1.3(a) of the Purchasing Policy Manual allows for exceptions to the competitive proposal process for professional engineering services when a consultant is uniquely qualified. For the reasons stated above, staff believes that Owen Psomas is uniquely qualified to perform the work and is recommending that your Board approve the agreement for the preliminary design and Design Report without going through the competitive proposal process.

In addition, staff requests authorization to proceed with an RFP for the final design of the Upgrade Project and an RFP for preparation of the necessary environmental documentation for either the Upgrade or Regionalization Project. The RFP process takes 5-6 months to complete, so it would be best to begin the process now in order to avoid delays later.

ENVIRONMENTAL CLEARANCE: Approval of an agreement for engineering services is not considered a project under the California Environmental Quality Act. An Environmental Impact Report addressing the potential impacts of the proposed project will be prepared concurrently with the project design.

FISCAL IMPACT: The cost for completing the work included in the proposed agreement with Owen Psomas is an amount not to exceed \$499,160. Approval of the attached Budget Revision will move funding from the FY 2008/09 SMD 1 Operating Budget to a new Capital Project to provide adequate funding for the pre-design Agreement. Funding for the design contract and Environmental Impact Report contract will be requested in the FY 2009/10 Preliminary Budget.

A COPY OF THE AGREEMENT IS AVAILABLE FOR REVIEW AT THE CLERK OF THE BOARD'S OFFICE.

ATTACHMENT: BUDGET REVISION

JD/WD/LM

CC: COUNTY EXECUTIVE OFFICE

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PAS DOCUMENT NO. _____

Dept = 12 Fund = 502, Subfund 1 OCA=990726

BUDGET REVISION

POST DATE:

DEPT NO.	DOC TYPE	Total \$ Amount	TOTAL LINES
12	BR	1,800,000.00	3

Cash Transfer Required
 Reserve Cancellation Required
 Establish Reserve Required

Auditor-Controller *mg*
 County Executive
 Board of Supervisors

ESTIMATED REVENUE ADJUSTMENT										APPROPRIATION ADJUSTMENT											
DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT	DEPT. NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT
12	006		140		991078	04835	8990			600,000.00	12	014		140		991078	04835	4151			600,000.00
											12	034		140		991078	04835	4151	704835	010000	600,000.00
TOTAL										600,000.00	TOTAL										1,200,000.00

REASON FOR REVISION: To appropriate revenue from Sewer Maintenance District #1 and create a capital project for the SMD#1 Wastewater Treatment Plant Updgrade and Expansion per BOS 3/10/2009.

Prepared by Valerie Bayne Ext 6803
 Department Head Valerie Bayne
 Board of Supervisors _____

Date: 3/10/09
 Page: _____

Budget Revision # _____ FOR INDIVIDUAL DEPT USE

