



SUMMARY REPORT

Agenda Date: 9/19/2023

To: Boards of Directors, Sonoma County Water Agency, Sonoma Valley County Sanitation District
Department or Agency Name(s): Sonoma County Water Agency, Sonoma Valley County Sanitation District
Staff Name and Phone Number: Doug Messenger 707-547-1952
Vote Requirement: Majority
Supervisorial District(s): First

Title:

Reimbursement for Fairview Lane Sewer Replacement

Recommended Action:

Authorize Sonoma County Water Agency's General Manager acting on behalf of Sonoma Valley County Sanitation District to execute an agreement with Milestone Construction Group, LLC, in a form approved by County Counsel, for reimbursement of sanitary sewer pipe replacement costs through June 30, 2024, in the not-to-exceed amount of \$118,560. (First District)

Executive Summary:

This item seeks to reimburse the housing developer, Milestone Construction Group, LLC (Milestone), for the costs associated with replacing 880 linear feet of sanitary sewer pipeline required by Sonoma Valley County Sanitation District (District) to accommodate the additional residents of Milestone's proposed affordable senior housing project, once completed. The District will apply the construction costs incurred by Milestone toward the required capacity charge and is requesting that the Board approve reimbursement of these costs in excess of the estimated capacity charge offset, up to but not exceeding \$118,560.

Discussion:

Milestone is the developer of the proposed Siesta Affordable Senior Housing Project (Housing Project) on Siesta Way in Boyes Hot Springs, California.

On March 18, 2021, the District sent a letter to Adobe Associates, Inc., the civil engineering firm designing Housing Project, informing them that a hydraulic capacity analysis of the sewage collection system downstream from the Housing Project indicated a need for mitigation measures so that the proposed Housing Project would not increase the risk of sanitary sewer overflows (SSO).

The District determined that while any mitigation measures preventing an increased risk of SSOs could be acceptable, the most appropriate mitigation would be to replace 880 feet of sanitary sewer pipe in Fairview Lane from manhole M103-26 to manhole M104-1 (Sewer Project). The Sewer Project provides capacity for both the additional contributory flows from the Housing Project and the existing sewer flows that occur during wet weather events. The District indicated that it would credit the costs incurred for design and construction against the Housing Project's sewer capacity charge ("connection fee" as stated in Article V of the District Sanitation Code and in Section VII of the District Ordinance No. 102).

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Since March 2021, Milestone has pursued the sanitary sewer replacement in Fairview Lane. As of December 2022, the overall Sewer Project costs are estimated to be \$1,208,513, as calculated by Milestone. The District has determined that the estimate is reasonable. The overall Sewer Project costs are expected to exceed the Housing Project’s expected sewer capacity charge of \$1,089,953 by \$118,560.

Milestone initiated construction of the project in June 2023, knowing that the requested reimbursement (\$118,560) beyond the sewer capacity charge would be subject to Board approval. The construction of the project was substantially complete by early July 2023.

Under the agreement, Milestone’s capacity charges will be credited and Milestone will be reimbursed for costs up to \$118,560 incurred for replacement of 880 feet of sanitary sewer pipe on Fairview Lane. The reimbursement cost will not exceed \$118,560; the term end date is June 30, 2024.

County of Sonoma Strategic Plan Alignment

N/A

Sonoma Water Strategic Plan Alignment

Wastewater Treatment and Water Reuse, Goal 1: Improve operational reliability of wastewater treatment and water reuse systems.

In addition to creating capacity for new flows from the Housing Project, the Sewer Project will reduce the risk and volume of Sanitary Sewer Overflows into Agua Caliente Creek.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

None

FISCAL SUMMARY

Expenditures	FY 23-24 Adopted	FY24-25 Projected	FY 25-26 Projected
Budgeted Expenses	\$118,560		
Additional Appropriation Requested			
Total Expenditures	\$118,560		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$118,560		
Use of Fund Balance			
Contingencies			
Total Sources	\$118,560		

Narrative Explanation of Fiscal Impacts:

Budgeted amount of \$118,560 is available from FY 2023/2024 appropriations for the Sonoma Valley County Sanitation District Construction Fund. District will apply the construction costs incurred by Milestone toward the required capacity charge. No additional appropriation is required.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

None

Related Items "On File" with the Clerk of the Board:

None