



SUMMARY REPORT

Agenda Date: 10/4/2022

To: Board of Directors, Russian River County Sanitation District
Department or Agency Name(s): Russian River County Sanitation District
Staff Name and Phone Number: George Lincoln 707-521-1808
Vote Requirement: 4/5th
Supervisory District(s): Fifth

Title:

Engineering Services for Headworks, Lift Stations, and Force Main Project

Recommended Action:

- A) Authorize Sonoma County Water Agency's General Manager acting on behalf of the Russian River County Sanitation District to execute the First Amended and Restated Agreement for Condition Assessment, Engineering Analysis, and Engineering and Design Services for Russian River County Sanitation District Headworks, Lift Stations, and Force Main Project with West Yost Associates, in a form approved by County Counsel. The amended agreement increases the amount by \$620,000 and expands the scope of work to include two additional force mains and related work for a new not-to-exceed agreement total of \$2,789,335. There is no change to end date of June 30, 2028.
- B) Adopt a Resolution Authorizing Adjustment to the Board Adopted Budget for Fiscal Year 2022-2023 for the Russian River County Sanitation District Construction Fund in the amount of \$620,000 for Engineering Services for Headworks, Lift Stations, and Force Main Project. (4/5th Vote Required)

Executive Summary:

In 2020, Russian River County Sanitation District (District) was awarded a Clean Water State Revolving Fund (CWSRF) planning grant for \$810,085 to perform a condition assessment and limited preliminary design on improvements to the headworks, force main, and lift stations. At that time, CWSRF program rules strictly limited grant and loan amounts for planning and construction projects to \$8 million total per community over a five-year period.

As a result of the Bipartisan Infrastructure Law and the California Budget Act of 2021 (Infrastructure Appropriation Funds), the State Water Resources Control Board (SWRCB) received \$650 million for wastewater projects. Distributed through the CWSRF program, key provisions are that the funds must be encumbered by June 30, 2024, and liquidated by June 30, 2026. This large infusion of funds and the relatively short window of time to award and spend them has resulted in significant changes to the CWSRF program, including the ability to waive any programmatic or project-specific funding cap for the purposes of awarding the Infrastructure Appropriation Funds.

To utilize these new funds to the maximum extent possible, District is requesting authority to amend its engineering services agreement with West Yost Associates (Consultant) to add additional tasks and complete

additional design work so District can submit an application to the CWSRF program for a construction grant in the first half of calendar year 2023. The amended agreement increases the amount by \$620,000 for a new not-to-exceed agreement total of \$2,789,335. There is no change to end date of June 30, 2028.

Discussion:

HISTORY OF ITEM/BACKGROUND

District began operations in 1983. Its service area covers approximately 2,700 acres and includes the unincorporated areas of Rio Nido, Guerneville, Guernewood Park, and Vacation Beach. District provides service to approximately 3,300 parcels using a gravity collection system and treats wastewater from approximately 3,200 equivalent single-family dwellings. The collection system includes approximately 35 miles of gravity sewer pipeline and 11 lift stations that convey wastewater to the Russian River treatment facility.

After 35 years of operation, many of District's facilities are approaching the end of their useful life. District's annual budget finances the operation, maintenance, and administration of the collection system, lift stations, treatment plant, and disposal facilities that serve the Russian River area, as well as bond and loan repayment and infrastructure replacement. Rehabilitating or replacing the facilities could cost tens of millions of dollars.

In May 2020, the SWRCB awarded District \$810,085 to perform planning and design tasks for the rehabilitation of the headworks, lift stations, and force main to address ongoing violations and reduce the possibility of untreated sewage being discharged into the Russian River. At that time, CWSRF program rules strictly limited grant and loan amounts for planning and construction projects to \$8 million total per community over a five-year period.

As a result of the Infrastructure Appropriation Funds, the SWRCB received \$650 million for wastewater projects. Distributed through the CWSRF program, key provisions are that the funds must be encumbered by June 30, 2024, and liquidated by June 30, 2026. This large infusion of funds, and the relatively short window of time to award and spend them, has resulted in significant changes to the CWSRF program, including the ability to waive any programmatic or project-specific funding cap for the purposes of awarding the Infrastructure Appropriation Funds.

SWRCB Department of Financial Assistance staff has recommended amending District's current planning grant scope of work to include project design to 90 percent level. This would enable District to apply for a construction grant to complete design and construct improvements within the above timeframe for Infrastructure Appropriation Funds.

On June 13, 2022, District submitted a request to the SWRCB to amend its planning grant, to add funds to expand the current scope of work so District can submit an application to the CWSRF program for a construction grant in the first half of calendar year 2023. District will return to the Board for authorization to enter an agreement with SWRCB upon grant award.

To utilize these new funds to the maximum extent possible, District is requesting authority to amend its engineering services agreement with Consultant to add additional tasks so that District can submit an application to the CWSRF program for a construction grant in the first half of 2023.

District and Consultant first entered into an agreement for engineering and design services for the project in the amount of \$2,169,335. The agreement was presented to and authorized by the Board of Directors on November 7, 2021. To date, Consultant has completed the condition assessments and alternatives analysis for the force mains and prepared the draft project engineering report for submittal to CWSRF for approval.

SERVICES TO BE PERFORMED

Under the proposed amended agreement, Consultant will continue to perform condition assessments and preliminary designs as specified in the original agreement, and will complete additional work as follows:

- Additional lift station electrical work
- Additional force mains work
- Plans and Specifications
- Bidding and Construction Assistance

The additional cost for the first amended agreement is \$620,000, for a new not-to-exceed agreement total of \$2,789,335.

NEXT STEPS

If the Board approves this request to amend the Consultant agreement, pursuant to SWRCB's recommendation to amend the scope of work and seek additional CWSRF funds, District will proceed with completing the expanded design to take advantage of the time-limited Infrastructure Appropriation Funds. Assurances have been received from SWRCB, that funds expended under this additional scope of work will be reimbursable with CWSRF planning grant funds once the amended grant agreement is approved by SWRCB. Time is of the essence. Without the possibility of additional funding for infrastructure improvements, District will continue to struggle to maintain an aging system and risk sanitary sewer overflows and service disruptions.

County Strategic Plan: N/A

Sonoma Water Strategic Plan Alignment:

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

This item meets Strategy 1: Assess, maintain and upgrade wastewater treatment and water reuse systems by assessing and designing upgrades for District's headworks, lift stations, and force main.

Prior Board Actions:

11/02/21: Authorized Sonoma County Water Agency's General Manager acting on behalf of Russian River County Sanitation District to execute an agreement with West Yost Associates, in a form approved by County Counsel, for condition assessment, engineering analysis, and engineering and design services for Russian River County Sanitation District Headworks, Lift Stations, and Force Main Project through June 30, 2028, in the not-to-exceed

09/17/19: Approved resolution 19-0376 authorizing the General Manager to apply to the Clean Water State Revolving Fund on behalf of the Russian River County Sanitation District for this project's planning and construction applications at the District's facilities, execute financial assistance agreements, and carry out District's responsibilities under the agreements. Also approved resolution 19-0377 to authorize adjustments to the Board adopted budget for FY 19-20 for the planning project.

11/07/17: Approved resolution 17-0442 authorizing the General Manager to apply to the Clean Water State Revolving Fund on behalf of the Russian River County Sanitation District.

FISCAL SUMMARY

Expenditures	FY 22-23 Adopted	FY23-24 Projected	FY 24-25 Projected
Budgeted Expenses			
Additional Appropriation Requested	\$620,000		
Total Expenditures	\$620,000		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$620,000		
Use of Fund Balance			
Contingencies			
Total Sources	\$620,000		

Narrative Explanation of Fiscal Impacts:

Additional appropriations in the amount of \$620,000 are required to process this expense from District Construction Fund fund balance which is funded by sewer service charges and capacity charges. A budgetary resolution has been submitted with this item.

On June 13, 2022, District submitted a request to the SWRCB to amend its planning grant, to include the \$620,000 in expenses requested in this Board action to expand the current scope of work. If approved as expected, the new planning grant total will be \$2,900,036.

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

Agenda Date: 10/4/2022

Attachments:

Attachment 1: Resolution

Attachment 2: Selection Memo

Related Items “On File” with the Clerk of the Board:

None