

WRF Program Update



City of Morro Bay

WRF Citizen's Advisory Committee Meeting

October 4th, 2016

Overview

- Accomplishments and milestones
- Update on property negotiation
- Year-end summary for fiscal year (FY) 15/16
- Update on project financing
- Update on environmental review and permitting

Accomplishments and Milestones



Since August program update:

- EIR Scoping Meeting – Tuesday, August 16, 2016
- Evaluation of Alternatives – Lift Stations 2 & 3
- Preliminary pipeline alignments, field notes, and maps with utility conflicts
- Preliminary groundwater model of lower Morro Valley
- Initial assessment of water reclamation opportunities in Chorro Valley
- Continued compiling water quality and flow data
- Prepared and reviewed internal admin draft of the Facility Master Plan

Accomplishments and Milestones (cont.)



Since August program update (continued):

- Internally reviewed draft site plans for Phase 1 WRF
- Draft Memorandum of Understanding (MOU) with property owner at South Bay Boulevard
- Final Salinity Control Plan –development of draft ordinance, outreach materials, and draft report for future WRFCAC and Council consideration
- Initial draft architectural simulation of the property
- RWQCB meeting for existing WWTP discharge and WRF Program
- Coordinated with EIR consultant team on FMP progress

Update on Property Negotiation



- Centered around sufficient area for WRF phases, future solar generation, a potential future corporation yard
- Property owner's desire to minimize unusable property also considered
- FMP team & PM team have been developing draft site plans to inform the City's decision
- MOU will be brought to City Council for review & approval. Expected to be finalized in October
- City Attorney advised not to purchase the property until EIR certified (Nov 2017)

WRF Project Budget – FY 2015/16



| Fund/ Code | Object Name | Projected Budget | YTD Expenditures | Percent Expended | Variance |
|-------------------------|--|---------------------|--------------------|---------------------|--------------------|
| 599-8312 | Contractual Services | | | | |
| 6105 | Past Siting Studies (Completed - no further encumbrance) | -- | -- | -- | -- |
| 6105 | Current Consultant Contracts (see P. 2) | \$2,403,483 | \$1,430,369 | 59.51% | \$973,114 |
| 6105 | Water Rights Legal Support (See Note 2) | -- | \$0 | -- | -- |
| 6105 | Rate Study | | \$1,457 | -- | -- |
| | Subtotal | \$2,403,483 | \$1,431,826 | 59.57% | \$971,657 |
| 599-8312 | Labor (Fully Burdened) | | | | |
| 4910,4999 | Labor and Benefits | \$50,000 | \$70,128 | 140.26% | (\$20,128) |
| | Subtotal | \$50,000 | \$70,128 | 140.26% | (\$20,128) |
| 599-8312 | Other Costs | | | | |
| 6105, 6162 | Laboratory/Sampling | \$100,000 | \$21,910 | 21.91% | \$78,090 |
| 5199,6106, 6105,6710 | Printing and Advertising | -- | \$10,290 | -- | -- |
| 5199 | Software license and fees | \$42,205 | \$42,206 | 100.00% | (\$1) |
| 5199,7101 | Property Acquisition | \$31,000 | \$25,000 | 80.65% | \$6,000 |
| 5199, 6106, 6750 | Program office equipment | \$0 | \$3,746 | -- | -- |
| 5199, 6514 | Travel expense | -- | \$829 | -- | -- |
| | Subtotal | \$173,205 | \$103,981 | 60.03% | \$69,224 |
| | TOTALS | \$2,626,688 | \$1,605,934 | 61.14% | \$1,020,754 |

Updates to FY 15/16 Year End Summary



- All work within FY 15/16 City Budget
- Consultant Contract Total corrected – Cultural survey contract had been double-counted (not “double-paid!”)
- Revised methodology – Work dates for consultants, invoice dates for direct costs
- Total invoice amounts for consultants reported for YTD expenditures, had previously reported total payments

Project Financing Update



- State Revolving Fund (SRF) Planning Loan for \$10.3M
- Draft Agreement available in October (according to SWRCB Project Manager)
- City intends to pursue an SRF Construction Loan for balance of the Ph 1 WRF program
- SRF Construction Loan application can be completed once EIR is certified
- City also intends to identify and apply for state & federal construction grants
- Kestrel Consulting continues to monitor grant and funding opportunities

Environmental Review and Permitting



- Notice of Preparation (NOP) for the Environmental Impact Report (EIR) was released on August 7, 2016
- Scoping Meeting held on August 16
- Draft EIR expected release in Summer 2017; Final EIR in November 2017
- Program Management staff and EIR consultant are coordinating with . . .
 - Coastal Commission
 - Regional Water Quality Control Board
 - A variety of regulatory resource agencies such as CA Fish & Wildlife

Discussion