

**JOINT MEETING
CITY OF MORRO BAY AND CAYUCOS SANITARY DISTRICT
WASTEWATER TREATMENT PLANT
(UNDER JOINT POWERS AGREEMENT)**

Cayucos Sanitary District Board of Directors:

Robert Enns, President
Harold Fones, Vice-President
Shirley Lyon, Director
Michael Foster, Director
Dan Chivens, Director

City of Morro Bay City Council:

William Yates, Mayor
Noah Smukler, Vice-Mayor
Carla Borchard, Councilmember
Nancy Johnson, Councilmember
George Leage, Councilmember

AGENDA

MEETING DATE:

6:00 p.m., Thursday, March 8, 2012

HOSTED BY:

City of Morro Bay

MEETING PLACE:

Multi-Purpose Room, Community
Center
1001 Kennedy Way
Morro Bay, CA 93442

CALL TO ORDER AND ROLL CALL

PUBLIC COMMENT PERIOD

Members of the audience wishing to address the governing bodies on Morro Bay-Cayucos Wastewater Treatment Plant (WWTP) business matters may do so at this time. By the conditions of the Brown Act, the governing bodies may not discuss issues not on the agenda, but may set items for future agendas. When recognized by the Chair, please come forward to the podium and state your name and address for the record. Comments should be limited to three minutes. All remarks shall be addressed to the governing bodies, as a whole, and not to any individual member thereof. This governing body requests that you refrain from making slanderous, profane, or personal remarks. Please refrain from public displays or outburst such as unsolicited applause, comments, or cheering. Any disruptive activity that substantially interferes with the ability of this governing body to carry out its meeting will not be permitted and offenders will be requested to leave the meeting. Your participation in JPA meetings is welcome and your courtesy will be appreciated.

A. CONSENT CALENDAR

Unless an item is pulled for separate action by the City Council or Cayucos Sanitary District Board, the following items are approved without discussion

A-1 MINUTES OF JANUARY 12, 2012 JPA MEETING

Recommendation: Approve as submitted

A-2 WWTP OPERATIONS REPORT THROUGH JANUARY 2012

Recommendation: Receive and file

B. OLD BUSINESS

B-1 STATUS REPORT ON UPGRADE PROJECT AS OF MARCH 1, 2012

Recommendation: Receive the Status Report and direct staff accordingly

C. NEW BUSINESS

C-1 CONSIDERATION AND DISCUSSION REGARDING AMENDMENTS TO DUDEKS CONTRACT FOR THE COASTAL APPEALS PROCESS

Recommendation: Following consideration of this item, that the Council and District Board approve the proposed amendments to Dudek's contract for the Coastal Appeals Process

C-2 DISCUSSION REGARDING POSSIBLE FUNDING STRATEGIES AND ALTERNATIVES FOR THE DEVELOPMENT, OPERATION AND MAINTENANCE OF RECYCLED WATER FACILITIES AND RELATED IMPROVEMENTS – *Verbal report*

Recommendation: Following consideration of this item, that the Council and District Board direct staff accordingly

C-3 CONSIDERATION OF SCHEDULING A SPECIAL JOINT MEETING FOR THE PURPOSE OF RECEIVING A PRESENTATION THE “DRAFT 2012 RECYCLED WATER FEASIBILITY STUDY

Recommendation: Following consideration of this item, that the Council and District Board schedule a special meeting for March 14, 2012 at 6pm.

C-4 SCHEDULE NEXT JOINT MEETING AND AGENDA ITEMS

ADJOURNMENT - (Next meeting will be hosted by the Cayucos Sanitary District)

Copies of staff reports and other public documentation relating to each item of business for this meeting are available for inspection at Morro Bay City Hall at 595 Harbor Street and the Cayucos Sanitary District at 200 Ash Ave. A copy of this packet is available from the City of Morro Bay for copying at Mills Copy Center and from the Cayucos Sanitary District for a copy and duplication charge. Any person having questions regarding any agenda items may contact Bruce Keogh, Wastewater Division Manager (City of Morro Bay) at 772-6261 or Bill Callahan, District Manager (Cayucos Sanitary District) at 995-3290. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Public Services' Administrative Technician at (805) 772-6261, or the Cayucos Sanitary District at (805) 995-3290. Notification 24 hours prior to the meeting will enable the City and District to make reasonable arrangements to ensure accessibility to this meeting.

Materials related to an item on this Agenda submitted to the City of Morro Bay or the Cayucos Sanitary District after distribution of the agenda packet are available for public inspection at the scheduled meeting.

AGENDA ITEM: _____ A-1 _____

DATE: _____ March 8, 2012 _____

ACTION: _____

**JOINT MEETING
CITY OF MORRO BAY AND CAYUCOS SANITARY DISTRICT
WASTEWATER TREATMENT PLANT
(UNDER JOINT POWERS AGREEMENT)**

MINUTES

**CAYUCOS SANITARY DISTRICT
BOARD OF DIRECTORS:**

Robert Enns, President
Hal Fones, Vice-President
Shirley Lyon, Director
Michael Foster, Director
Dan Chivens, Director

**CITY OF MORRO BAY CITY COUNCIL
MEMBERS:**

William Yates, Mayor
Noah Smukler, Vice-Mayor
Carla Borchard, Councilmember
George Leage, Councilmember
Nancy Johnson, Councilmember

MEETING DATE:

6:00 p.m., Thursday, January 12, 2012

HOSTED BY:

City of Morro Bay

MEETING PLACE:

Multi-Purpose Room
Community Center
1001 Kennedy Way
Morro Bay, CA 93442

CALL TO ORDER AND ROLL CALL

Mayor Yates called the meeting to order at 6:00 p.m. and asked the record to show all Council members are present. President Enns asked the record to all Cayucos Sanitary District Board members present with the exception of Director Michael Foster.

Morro Bay staff members present were Andrea Lueker, Rob Livick, Rob Schultz, Bruce Keogh, Dylan Wade and Cindy Jacinth. Also present was JPA WWTP Project Manager Dennis Delzeit.

Cayucos Staff members present were Bill Callahan and District Counsel Tim Carmel.

PUBLIC COMMENT PERIOD

Members of the audience wishing to address the governing bodies on Morro Bay-Cayucos Wastewater Treatment Plant (WWTP) business matters may do so at this time. By the conditions of the Brown Act, the governing bodies may not discuss issues not on the agenda, but may set items for future agendas. When recognized by the Chair, please come forward to the podium and state your name and address for the record. Comments should be limited to three minutes.

Director Michael Foster arrived at 6:05pm

Mayor Yates opened Public Comment period:

- Marla Jo Brutan, resident of Morro Bay, questioned the insurance status of the WWTP.
- Barry Branin, resident of Morro Bay, addressed the contract with MWH to build the WWTP stating it needs to be terminated and stated the lobbyist contract is inappropriate.

Mayor Yates closed Public Comment period.

Yates asked staff to respond to Ms. Brutan's inquiry. Susan Slayton, Administrative Services Director responded that the WWTP does have current insurance and is in good standing.

A. CONSENT CALENDAR

A-1 MINUTES OF NOVEMBER 10, 2011 JPA MEETING

Director Fones asked to correct the minutes to reflect the correct motioner and seconder regarding his motion on page 3.

CAYUCOS MOTION: Fones made a motion to approve the minutes as corrected. The motion was seconded by Lyon and passed unanimously (5-0)

MORRO BAY MOTION: Borchard made a motion to approve the minutes as corrected. The motion was seconded by Smukler and passed unanimously (5-0)

B. OLD BUSINESS

B-1 STATUS REPORT ON UPGRADE PROJECT AS OF JANUARY 1, 2012

Recommendation: Receive the Status Report and direct staff accordingly

Dennis Delzeit presented the status report.

Councilmember Smukler discussed with Delzeit the reactivation status of the lobbyist consultant due to the cost.

Delzeit responded that in contact with two former Coastal Commissioners, it was advised to engage the lobbyist services early due to the complexity of the project.

Director Foster questioned why the consultant contract has been started so early without the decision makers involved first. Delzeit described the presentational materials that the lobbyist would prepare and present for Coastal Commissioners and staff in order to educate the Commissioners on the WWTP project and the major issues involved.

Foster stated the staff report implies that we have already reached our conclusions and asked Delzeit to use less subjective language.

Yates discussed with Delzeit the timing for the consultant's services. Delzeit clarified he has asked Ms. McCabe to resume services effective January 1, 2012 in order to allow enough time prior to the April 12th de novo hearing date.

Mayor Yates opened Public Comment period.

- Nancy Bast, resident of Morro Bay, asked what the bill to date has been from Dennis Delzeit.
- Richard Margetson, resident of Cayucos, questioned what the status of the meeting was in November with Coastal Commission staff.
- David Nelson, resident of Morro Bay, disagreed with the statement that we are on track and doing well. He addressed the status of the lobbyist and stated the JPA board are better lobbyists and stated the high cost of a lobbyist should not be paid when the JPA members could do the same thing.
- Marla Jo Brutan, resident of Morro Bay, addressed the status report and stated that most of the JPA members have no idea how long the WWTP time schedule is to complete the WWTP upgrade. Ms. Brutan expressed concerns about the community's ability to get this right stating this is not an upgrade project, but a new project, and will be required to use reclamation.

Mayor Yates closed Public Comment period.

Yates responded to the questions posed during Public Comment by asking Delzeit for his bill to date which is \$129,000. Yates also clarified that most major developments do use the services of a lobbyist.

C. NEW BUSINESS

C-1 PRESENTATION OF THE FY 2009/2010 WWTP AUDIT

Recommendation: Following consideration of this item, that the Council and District Board accept the report

Susan Slayton, Administrative Services Director, introduced the auditor, Robert Crosby of Crosby and Company who presented a brief overview of the 2009/10 audit report.

Councilmember Borchard and Mayor Yates both requested that the audit be submitted sooner next time as this is for the period ending 6/30/2010.

Councilmember Smukler expressed concern regarding the insurance increase and whether this is a trend that would be seen annually. Slayton responded that insurance is based on the value of the property, with fluctuations in value noted in 2009 and 2010.

Director Foster addressed the flood walls and whether a credit will be received from the insurance company. Rob Livick stated a flood proofing certificate would be necessary and need to be presented to the insurance company.

Mayor Yates opened Public Comment period:

- Richard Margetson, resident of Cayucos, agreed with Councilmember Borchard stating the State Revolving Loan Fund will require up to date financials.
- Barry Branin, resident of Morro Bay, addressed the decrease in operating loss noting that it is startling to say we lost a little more money.
- Marla Jo Brutan, resident of Morro Bay, addressed the Cayucos owned land and that deferred maintenance would bring down the total cost of property that would benefit the CSD. Ms. Brutan urged the JPA to reevaluate the Joint Powers Agreement. Also, Ms. Brutan asked for the elevation level of the floodwalls at the WWTP.

Mayor Yates closed Public Comment period.

Yates asked Bruce Keogh to respond to Ms. Brutan's question. Keogh replied that the wall has been built around the head works and it is about 30 to 32 inches above grade.

Councilmember Smukler discussed the change in contractual and professional services and asked staff to clarify Mr. Brannin's question. Bruce Keogh responded he would have to research to say how those numbers changed.

Smukler continued discussion with staff regarding the definition for contractual services and whether the discrepancy between contractual and professional services could be due how the invoices are coded in accounts payable.

Director Foster questioned whether these expenses are due to extra consultant services.

Councilmember Smukler asked for a simple public memo to illustrate in order to answer Mr. Brannin's question.

C-2 CONSIDERATION TO APPROVE FUNDING FOR MAINTENANCE ACTIVITIES FOR THE OCEAN OUTFALL

Recommendation: Following consideration of this item, that the Council and District Board approve funding for completion of maintenance activities on the ocean outfall

Keogh presented the staff report and showed a short video of the ocean outfall visual inspection performed by Carson Porter Diving which presented exceptional water clarity.

Yates opened Public Comment and hearing none, closed Public Comment period.

CAYUCOS MOTION: Foster moved to approve funding for completion of maintenance activities on the ocean outfall. Chivens seconded and the motion passed unanimously. (5-0)

MORRO BAY MOTION: Borchard moved to approve funding for completion of maintenance activities on the ocean outfall. Smukler seconded and the motion passed unanimously. (5-0)

Mayor Yates called for a break and the meeting resumed at 720pm.

C-3 CONSIDERATION AND DISCUSSION REGARDING AMENDMENTS TO DUDEKS CONTRACT FOR THE COASTAL APPEALS PROCESS

Recommendation: Following consideration of this item, that the Council and District Board approve the proposed amendments to Dudek's contract for the Coastal Appeals Process

Delzeit presented the staff report including the status of the Coastal Commission staff feedback on the fine screening analysis noting the project is on schedule.

Discussion from Morro Bay included:

Councilmember Borchard asked Delzeit to clarify the \$17,000 study cost. Delzeit responded that additional information is needed for water reclamation and a comparative study.

Dylan Wade, Capital Projects Manager, responded that the scope for the reclaimed water study was originally excluded from the Dudek contract.

Councilmember Smukler discussed with Delzeit the option of an analysis of adaptive reuse and piping infrastructure which could be used in the case of Chevron site. Smukler stated a study of the piping infrastructure is important to consider.

Discussion from Cayucos board included:

Director Foster discussed with Delzeit the reason for the reclamation study and how that relates to Cayucos specifically. Foster questioned whether a reclamation study is within the scope of the CSD. Rob Livick clarified that the Coastal Commission wants to see a study of reclaimed water before approving a project.

Director Foster also addressed the McCabe contract and the costs of \$42,000 already spent. Delzeit responded that new material exists now that McCabe has not reviewed yet and now that a tentative de novo date has been set, it is important to bring her up to date.

Director Chivens questioned a potential second hearing in August and what the likelihood is. Delzeit responded there are no guarantees in the Coastal Commission appeal process since they have taken over jurisdiction of the coastal permit.

Mayor Yates opened Public Comment period.

- Barry Brannin, resident of Morro Bay, addressed issue of recycling. He stated we have received two letters from the Coastal Commission that instructed us what to do and in the process MBCSD chose not to follow that direction. Dudek's scope of work has proposed an infrastructure to handle 300acre feet per year but the City dumps 1300 acre feet per year into the ocean. He stated we need a scope of work that makes sense and

encouraged the JPA to analyze a process that will meet the Coastal Commission's request that will handle all the recycled product we have.

- David Nelson, resident of Morro Bay, stated the JPA is not asking the right questions and needs to do this right. He stated he agrees with Director Foster noting it seems like some of the work from the consultant will have to be redone. He stated the Coastal Commission will listen if you hand it to them, because this is costing a lot of money.
- Al Barrow, resident of Los Osos, and an affordable housing advocate, stated this is a low paying income community and controlling costs are critical. Barrow asked what the cost goal per month is going to be.
- Marla Jo Brutan, resident of Morro Bay, stated the meeting has been void of actual content and expressed concern regarding Delzeit's report as compared to the Coastal Commission's December 9, 2011 minutes. Ms. Brutan presented on overheard a website resource for the public to access online to obtain additional information. Brutan disputed the contents of Delzeit's staff report compared to the Coastal Commission's minutes.
- Richard Margetson, resident of Cayucos, addressed page 3 of 4 on Delzeit's report regarding the extra costs proposed by Dudek. Margetson questioned why the community is absorbing these costs and not the consultant.
- Dorothy Cutter, resident of Morro Bay, stated her understanding was the Coastal Commission staff has said the JPA cannot put the plant in the same location as the old location and wants to know where the new plant is going to go.
- Jack McCurdy, resident of Morro Bay, read from a letter dated December 8, 2008 from the Coastal Commission to the City which states the WWTP will be capable of tertiary treatment and resultant water would be discharged through ocean outfall which could be reclaimed for other uses. A November 12, 2010 letter from the Coastal Commission staff to the City stated the DEIR proposal does not include a plan for water reclamation that meets expectations. He spoke in favor of water reclamation and stated a majority of the JPA has avoided and obstructed compliance with the Coastal Commission requirements which has caused delays and wasted time and money.

Mayor Yates closed Public Comment period.

Mayor Yates asked Delzeit to respond to questions presented during Public Comment. Delzeit clarified that regarding 300 acre feet versus 1300 acre feet, the determination was made that 300 acre feet was a realistic target based on prior studies.

Wade also clarified that in 2010, the WWTP produced and used about 1,250 acre feet per year in 2010. 300 acre feet represents approximately one quarter of that demand or all of our outdoor demand. It would be against the law to reuse effluent for direct re-use, so disposal options would have to be considered outside the City. To offset potable water demand, 300 acre feet is what is a realistic number.

Councilmember Smukler stated it is clear from Coastal Commission comments, that they are expecting us to go beyond the 300 acre feet and if we limit scope to just 300 acre feet, then the requirements will be missed from Coastal Commission. He suggested expanding the scope and escalating it to consider all levels of reclamation quantities to make some decisions from that.

Director Foster stated it is difficult to estimate time on contracts regarding cost overruns. He suggested that rather than Dudek estimate costs but should instead ask for a fixed fee price from Dudek through to completion from Coastal Commission.

President Enns thanked both Dudek representatives and Delzeit for doing a good job. He stated the JPA does not control what questions the Coastal Commission asks or requires. Enns noted that through all the public questions asked, the

JPA has spent a lot of money answering these questions. He is happy with Dudek's performance and supports approving Dudek's request.

CAYUCOS MOTION: Fones moved to approve staff recommendation. Lyon seconded and the motion passed with Foster voting no. (4-1)

MORRO BAY MOTION: Borchard moved to approve staff recommendation. Johnson seconded and the motion carried unanimously. (5-0)

C-4 SCHEDULE NEXT JOINT MEETING AND AGENDA ITEMS

ADJOURNMENT

Mayor Yates adjourned the meeting at 8:05p.m.

Minutes Recorded by:
Cindy Jacinth, Morro Bay Public Services Dept.

STAFF REPORT

**MORRO BAY-CAYUCOS J.P.A.
WASTEWATER TREATMENT PLANT**

to: Honorable Mayor and City Council, City of Morro Bay
Honorable President and Board of Directors, Cayucos Sanitary District

from: Bruce Keogh, Wastewater Division Manager

date: March 1, 2012

subject: WWTP Operations Report through January, 2012

recommendation:

This Department recommends this report be received and filed.

fiscal impact:

None

summary:

Attached, find copies of the Morro Bay-Cayucos Wastewater Treatment Plant monthly reports, from October 2011 to January 2012 and the WWTP flow summary, through January 2012. This information updates the item, from the November 10, 2011 meeting.

The City of Morro Bay-Cayucos Wastewater Treatment Plant

MONTHLY OPERATIONS SUMMARY **OCTOBER 2011**

Flow for the month of October averaged 1.079 Million Gallons per Day (MGD). Removal of suspended solids ranged from 92.3 % to 95.4 % for the month, with an average removal of 94.4 % for the month. BOD removal ranged from 78.5 % to 89.6 % for the month, with an average removal of 86.4 % for the month. Rainfall for the month was 0.28 inches. For the month of October, the plant was in compliance with the discharge and receiving-water limitations specified in the NPDES discharge permit. Other than normal operations and maintenance, the following items are noteworthy:

The following items are noteworthy concerning the upgrade project for the wwtp:
Activities during October 2011

- Dudek continued to work on the Alternative Sites Evaluation Phase2-Fine Screening Analysis. That Analysis is now limited to the evaluation of three sites - the current WWTP site; the Chevron property (Site 5/15) and the Righetti property (Site 16). The target date for the release of the draft Alternative Sites Evaluation Phase2-Fine Screening Analysis is November 3rd. The draft Analysis will be on the November 10, 2011 JPA agenda for consideration and discussion.
- MBCSD staff issued a reclaimed water survey to potential customers as part of the water reclamation component of the Analysis. The survey deadline is November 7th;
- During the past month, Dudek has continued to communicate with California Coastal Commission staff. The MBCSD staff and project manager are scheduled to meet with Coastal Commission staff in Santa Cruz on November 28 to submit the *de novo* materials.

During the month of October, plant staff continued with efforts for protection of critical plant facilities against moderate flooding. This project is designed to protect critical buildings and equipment in the event of moderate flooding at the plant. During October, staff from Doug Allred Construction completed improvements to the administration building to protect the building in the event of moderate flooding.

On October 4, staff from San Luis Powerhouse performed the quarterly maintenance and inspection on the emergency auxiliary generator; plant staff notified them to inspect and adjust the speed settings on the engine's governor as the engine appeared to be "surging or hunting" for the correct engine RPM's when the generator was tested under full load. They made minor adjustments to the governor settings and advised plant staff to monitor the engine performance when performing the monthly test of the generator under full load conditions.

On October 17, staff from Paul Reiger Boilers performed the annual inspection and maintenance procedures on the boilers used to heat the digesters. Overall the boilers appear to be in good operating condition, they did made minor adjustments to boiler #2 to improve boiler performance and efficiency.

On October 17, staff from Alpha Electric completed the installation of a battery back up system for the atmospheric gas monitors located at the headworks.

On October 19, plant staff performed inspection and maintenance procedures on the 14-inch check valve for secondary effluent pump #P4504.

On October 29, staff from Altech Corrosion Control Service performed the annual inspection and maintenance procedures of the plant cathodic protection system. Staff is waiting for the written report at this time; the report should provide any recommendations required to keep the cathodic protection system operating at its required efficiency.

On October 19, staff from Tom's Plumbing repaired the gas piping on the main gas meter at the plant. A pin hole leak in a section of corroded piping was discovered by the Gas Company during routine scheduled maintenance on the main gas meter at the plant in September.

On October 6, staff installed a new section of digester gas piping on digester #2, to replace an existing section of severely corroded piping. Staff at Santa Maria Tool fabricated the new section of piping that was installed. Per the requirements of the plants Air Pollution Control District permit, plant staff notified APCD staff that they had replaced the gas line.

The following reports were submitted to the appropriate agencies:

- The Discharge Monitoring Forms (DMR) for September 2011

The following reports were submitted to the CIWQS electronic reporting system:

- The September 2011 Monthly Monitoring Data

On October 10, at 2012 hour's staff responded to a high chlorine residual alarm at the plant. They adjusted the hypochlorite dosing pumps and performed a detailed inspection and no other problems were noted. Staff noted that the change in the alarm set point for the chlorine residual alarm was effective in prompting a quick response time.

On October 19, at 1915 hour's staff responded to a high chlorine residual alarm at the plant. They adjusted the pressure regulator on the discharge piping, made minor adjustments to the hypochlorite dosing pumps and performed a detailed inspection and no other problems were noted. Staff noted that the change in the alarm set point for the chlorine residual alarm was effective in prompting a quick response time.

During October, plant staff continued to investigate possible solutions to the struvite problem that has been noted at the plant. Struvite, which is crystal like material, appears to be building up in the discharge piping of the digesters. Staff is concerned that the

crystal like material will build up in the discharge piping of the digesters, and potentially impact the hydraulic capacity of those pipelines. Plant staff is currently in contact with various vendors and other treatment facilities in an attempt to correct the problem.

On October 7, Mr. Harvey Packard of the Regional Water Quality Control Board arrived at the plant to discuss a report of sewage on the beach. He was informed that the plant was operating within normal operational parameters and that the person reporting the incident may have seen water flowing from the storm drain pipe that terminates on the beach across from the plant.

On October 6, 12, 13, and 20, approximately 225 (the entire freshmen class) students from the Integrated Science Class from Morro Bay High School toured the plant. In addition to touring the plant, the students were provided public outreach on *toxoplasma gondii*, best management practices for the proper disposal of cat litter including not flushing cat litter, information on the proper disposal of pharmaceuticals and unused medications, information on the household hazardous waste facility at the plant, and collection system dos and don'ts for the care and well being of the collection system.

During the month of October, plant staff gave numerous tours to prospective applicants for the Operator-In-Training position that is currently open for applications. The deadline for applying for the position is November 18.

The National Estuary Program Volunteer Monitoring Program continued analysis of bacterial samples collected from throughout the watershed in the laboratory at the plant. The volunteers are using space provided in the lab by plant staff.

The permanent household hazardous waste collection facility (PHHWCF) at the plant continued to be well used by the public. Between twenty and fifty participants are using the facility each Saturday.

Bruce Keogh
Wastewater Division Manager
Lab/C/Bruce/Monthlys/October 2011

The City of Morro Bay-Cayucos Wastewater Treatment Plant

MONTHLY OPERATIONS SUMMARY

NOVEMBER 2011

Flow for the month of November averaged 1.108 Million Gallons per Day (MGD). Removal of suspended solids ranged from 93.1 % to 94.3 % for the month, with an average removal of 93.7 % for the month. BOD removal ranged from 82.5 % to 86.0 % for the month, with an average removal of 83.9 % for the month. Rainfall for the month was 1.84 inches. For the month of November, the plant was in compliance with the discharge and receiving-water limitations specified in the NPDES discharge permit. Other than normal operations and maintenance, the following items are noteworthy:

The following items are noteworthy activities concerning the upgrade project for the wwtp:

- Dudek completed the final draft of the Alternative Sites Evaluation Phase 2-Fine Screening Analysis (Analysis); The Analysis established criteria for evaluating the final three sites - the current WWTP site; the Chevron property and the Righetti property; Based upon these criteria the existing WWTP site is ranked as the preferred site.
- A presentation of the draft Alternative Sites Evaluation Phase 2-Fine Screening Analysis was made by Dudek to the JPA on November 10, 2011 and the JPA authorized submittal of the report to the California Coastal Commission;
- The Analysis was submitted to the California Coastal Commission staff for review.
- During November, Dudek has continued to communicate with California Coastal Commission staff. A meeting with the Coastal staff was scheduled for November 28 to solicit comments on the Analysis but was postponed by Coastal staff. Coastal staff stated they needed more time to review the report and the meeting is currently being rescheduled for early in December.
- The Coastal Commission staff has indicated that the de novo hearing is likely to be scheduled for April 2012.

On November 10, 11, 14 and 15, 192.2 wet tons (or 144.2 dry metric tons) of biosolids were hauled to McCarthy Farms, Inc., San Joaquin Compost Center in Lost Hills California. The biosolids will be composted and after composting will be used for soil amendment. Plant staff provided a copy of the Residual Biosolids Chemical Analysis conducted in September and Title 22 Certification for Non-hazardous Material prior to hauling.

On November 29, the driver of the sodium hypochlorite delivery truck reported to plant staff that he had overfilled the hypochlorite storage tank and that there was a small amount of sodium hypochlorite leaking from an opening in the top of the tank into the secondary containment tank. Plant staff notified the supplier, Brentag and they

dispatched a clean up crew on December 1 to pump out the excess hypochlorite and clean the area between the chemical storage tank and the secondary containment tank. They estimated the total volume to be approximately 300 gallons which included the water used to wash down and clean the containment area. Brentag staff is making arrangements to seal the hole in the top of the tank.

On November 3, staff from Coastline Equipment repaired a coolant leak on the front end loader. The repairs were covered under warranty.

On November 9, staff from San Luis Powerhouse performed minor repairs to the emergency auxiliary generator. They inspected and adjusted the speed settings on the engine's governor as the engine appeared to be "surging or hunting" for the correct engine RPM's when the generator was tested under full load. They made minor adjustments to the governor settings and advised plant staff to monitor the engine performance when performing the monthly test of the generator under full load conditions.

On November 3, staff from Titan Safety performed the quarterly calibration of the gas monitors located in the headworks. They also provided training on the calibration of the atmospheric monitors.

On November 16, plant staff completed major repairs to the headworks transfer fan. The repairs included the installation of new bearing pillow blocks and drive sheaves. The unit was placed on-line and is operating as designed.

On November 3, staff from Alpha Electric completed the installation of a battery back up for the gas monitors located in the headworks. They also completed repairs and modifications to the alarm system for the headworks gas monitors.

On November 16, staff installed a new sodium bisulfite chemical dosing pump. The new pump, LMI Model # B941 has a slightly higher pumping capacity and digital controls. The existing pump model (LMI Model # B731-72S) was discontinued by the manufacturer, prompting the change to the new style pump.

On November 18, plant staff installed new hydraulic hoses on the trailer mounted submersible hydraulic pump.

On November 17, plant staff replaced the sump pump and 120V outlet within electrical pull vault #6. The sump pump is designed to maintain the ground water within the pull vault at acceptable levels.

During November, plant staff placed new sand in the center columns of sludge drying beds #1, 2, 8, and 9. The new sand in the center column expedites the sludge drying process by allowing better percolation through the sand to the drains in the center column of the sludge drying beds.

On November 22, Mr. Tim Fuhs of the Air Pollution Control District (APCD) toured the plant as part of the annual APCD permit inspection process.

The following reports were submitted to the appropriate agencies:

- The Discharge Monitoring Forms (DMR) for October 2011

The following reports were submitted to the CIWQS electronic reporting system:

- The October 2011 Monthly Monitoring Data
- The Third Quarter Receiving Water Survey, August 2011

During November, plant staff continued to investigate possible solutions to the struvite problem that has been noted at the plant. Per instructions from staff at the SWRCB, they continued sampling digester supernatant on a weekly basis for magnesium, phosphate, and ammonia. All three compounds are critical in the formation of struvite.

On November 1, members of the City of Morro Bay Public Works Advisory Board toured the plant.

During the month of November, plant staff gave numerous tours to prospective applicants for the Operator-In-Training position that is currently open for applications. The deadline for applying for the position is November 18.

The National Estuary Program Volunteer Monitoring Program continued analysis of bacterial samples collected from throughout the watershed in the laboratory at the plant. The volunteers are using space provided in the lab by plant staff.

The permanent household hazardous waste collection facility (PHHWCF) at the plant continued to be well used by the public. Between twenty and fifty participants are using the facility each Saturday.

Bruce Keogh
Wastewater Division Manager
Lab/C/Bruce/Monthlys/November 2011

The City of Morro Bay-Cayucos Wastewater Treatment Plant

MONTHLY OPERATIONS SUMMARY **DECEMBER 2011**

Flow for the month of December averaged 1.044 Million Gallons per Day (MGD). Removal of suspended solids ranged from 90.2 % to 94.6 % for the month, with an average removal of 93.1 % for the month. BOD removal ranged from 77.8 % to 87.3 % for the month, with an average removal of 82.8 % for the month. Rainfall for the month was 0.29 inches. For the month of December, the plant was in compliance with the discharge and receiving-water limitations specified in the NPDES discharge permit. Other than normal operations and maintenance, the following items are noteworthy:

The following items are noteworthy activities concerning the upgrade project for the wwtp:

The focus of December's activities were to obtain comments from the California Coastal Commission (CCC) staff and prepare for the de novo hearing that is now tentatively scheduled for the April 11-13, 2012 meeting in Ventura.

- The draft Alternative Sites Evaluation Phase 2-Fine Screening Analysis (Analysis) was submitted to the California Coastal Commission staff for review;
- A meeting with the CCC staff was held on December 9 in Santa Cruz;
- Comments were exchanged at this meeting and Coastal staff stated that their review was not completed and final comments would be submitted to the MBCSD staff early January; The Analysis will be revised and resubmitted in response to comments received by Coastal Commission staff;
- In anticipation of the de novo hearing, communications/liaison services with McCabe and Company were reactivated effective January 1, 2012; McCabe & Company will prepare briefing materials and contact Coastal Commissioners to acquaint them with the project and the substantial issues analysis.
- The Chumash Nation representative was contacted and given an update on the project;

On December 12 and 13, the outfall pipeline and diffuser system was inspected by Carson Porter Diving. They reported that the outfall appears to be in good condition, with no plugged or broken diffusers. They said the spar buoys used to mark the location of the outfall and the associated ground tackle were in good condition. They did replace the bolts holding thirteen of the diffusers to the outfall. Based on the condition of the bolts that were removed they recommended that all the diffuser bolts should be replaced in the near future. Plant staff will be taking a request for additional funds to complete the bolt replacement project to the City Council and Cayucos Sanitary District Board at the January 12, 2012 JPA meeting.

On December 8, staff from Alpha Electric completed the replacement of a faulty agastat, one of numerous control devices used to control the auxiliary emergency generator switchgear. Following installation of the agastat, the generator and switchgear were

tested under full load conditions. Staff discovered that the generator was putting out an abnormally low voltage which caused issues with the battery back up for the level control system in the headworks. Staff consulted with staff at Powerhouse and they were able to walk Alpha Electric through the corrective procedures to increase the voltage from the generator. The generator was tested again under full load and the voltage output was correct and no problems were noted. A new battery back up unit for the level control system in the headworks was ordered and installed.

During December, plant staff pulled new electrical cable used to carry the control signals for the flow meters and chlorine residual analyzers from the administration building to various Motor Control Centers around the plant. The new cables will simplify the wiring schematics and provide redundancy to the control loops.

On December 16, staff performed temporary repairs to the check valve on Grit Pump #P2502. Staff is consulting with the manufacturer of the check valve on a solution for a permanent repair.

On December 17, staff installed a new sodium bisulfite chemical dosing pump replacing one of the older style bisulfite dosing pumps. The new pump, LMI Model # B941 has a slightly higher pumping capacity and digital controls. The existing pump model (LMI Model # B731-72S) was discontinued by the manufacturer, prompting the change to the new style pump.

On December 23, staff from North County Backflow Services tested and performed the annual inspection and maintenance procedures on the various backflow preventors located throughout the plant. No operational issues were noted during the inspection.

On December 20, staff from Kones Cranes performed the annual inspection of the three cranes at the plant. During the inspection process, they noted an issue with the cable on the jib crane at the headworks. They have scheduled a time to replace the existing cable on the jib crane. No other maintenance issues were identified during the inspection.

On December 12, Mr. Bruce Keogh met with Mr. Kamil Azury and Mr. Brad Haggeman as part of a peer review process of the South County Sanitation Districts wastewater treatment plant operations. The peer review team provided recommendations to District staff on ways to improve and enhance the Districts administrative and operational procedures.

On December 29, per instructions from staff at the San Luis County Environmental Health Services Division, plant staff electronically submitted a copy of an updated Hazardous Materials Business Plan for the WWTP.

On December 19, plant staff received notice from the Air Pollution Control District (APCD) that the annual APCD permit for the WWTP had been renewed through November 2012.

The following reports were submitted to the appropriate agencies:

- The Discharge Monitoring Forms (DMR) for November 2011

The following reports were submitted to the CIWQS electronic reporting system:

- The November 2011 Monthly Monitoring Data
- The Fourth Quarter Receiving Water Survey, October 2011

During December, plant staff continued to investigate possible solutions to the struvite problem that has been noted at the plant. Per instructions from staff at the SWRCB, they continued sampling digester supernatant on a weekly basis for magnesium, phosphate, and ammonia. All three compounds are critical in the formation of struvite.

On December 22, the City of Morro Bay extended a job offer to Mr. Neza Chavira for a Grade I Operator in Training position. Mr. Chavira is expected to start work on January 9, 2012.

The National Estuary Program Volunteer Monitoring Program continued analysis of bacterial samples collected from throughout the watershed in the laboratory at the plant. The volunteers are using space provided in the lab by plant staff.

The permanent household hazardous waste collection facility (PHHWCF) at the plant continued to be well used by the public. Between twenty and fifty participants are using the facility each Saturday.

Bruce Keogh
Wastewater Division Manager
Lab/C/Bruce/Monthlys/December 2011

The City of Morro Bay-Cayucos Wastewater Treatment Plant

MONTHLY OPERATIONS SUMMARY

JANUARY 2012

Flow for the month of December averaged 1.111 Million Gallons per Day (MGD). Removal of suspended solids ranged from 88.5 % to 93.4 % for the month, with an average removal of 91.5 % for the month. BOD removal ranged from 72.8 % to 87.5 % for the month, with an average removal of 78.3 % for the month. Rainfall for the month was 2.57 inches. For the month of January, the plant was in compliance with the discharge and receiving-water limitations specified in the NPDES discharge permit. Other than normal operations and maintenance, the following items are noteworthy:

The following items are noteworthy activities for January concerning the upgrade project for the wwtp:

- The City of Morro Bay and the Cayucos Sanitary District (MBCSD) authorized an amendment to the Dudek contract for additional analysis as required by the Coastal Commission staff;
- Dudek prepared the visual simulations for the alternative sites on the Chevron and Righetti properties. The drafts analysis was and submitted to the Coastal Commission staff for review. The tsunami analysis and the "highest and best use" analysis of the existing WWTP site has been prepared by Dudek and is under review by the MBCSD;
- Addendum to the Flood Study reflecting sea level rise and wave run up was submitted by City Staff and is being reviewed by the CCC staff coastal engineer.
- The Coastal Commission staff notified the MBCSD that the de novo hearing will not be scheduled for April, as previously anticipated. This is due to Coastal Staff management reorganizations and staffing reassignments. As of the date of this memorandum, communication with Coastal Commission staff is occurring to identify a revised date for the Coastal Commission hearing. MBCSD will be informed as soon as this information becomes available.

The 2011 Annual Report of sludge production and disposal activities was submitted to the Environmental Protection Agency (EPA) Region IX in San Francisco on January 12. The report covered the amount of sludge generated and the method of disposal. Annual biosolids production for 2011 was 144.2 dry metric tons. Of the 144.2 dry metric tons produced in 2011, all biosolids were transported to McCarthy Family Farms, Inc., San Joaquin Composting facility. There are no biosolids in storage at the plant at this time. Due to planned upgrades to the WWTP facility, the biosolids composting operation was discontinued in April 2011.

On January 26, plant staff checked the calibration the influent flow meter located in the metering manhole on the thirty-inch influent trunk line at the plant. To calibrate the meter, staff plugged the thirty-inch influent trunk line upstream of the twenty-seven inch Palmer-Bowlus flume to calibrate the meter to a zero flow set point. The meter was within the calibration set points listed in the November 2011 calibration by staff from Ponton Industries, the factory representatives for the meter manufacturer.

On December 8, staff from Alpha Electric completed the installation of a second video chart recorder used to track and record flow and chlorine residual. The second unit provides redundancy to the control loops used to monitor and control the flow totalizers and chlorine residual.

Plant staff shut down primary clarifier #1 at 1300 hours on January 10, so that the clarifier could be drained for inspection and maintenance. While the clarifier was off-line, they removed a small volume of rags and replaced sacrificial anodes on the pipe supports within the clarifier. Staff also replaced the rubber squeegee on the skimmer arm assembly for the collector drive. Staff began refilling the clarifier on December 11, at 1000 hours and the clarifier was flowing and operational at 1300 hours.

On January 12, staff discovered a fault with influent pump #2. The motor was removed and sent to Perrys Motors for inspection and repair. On January 19, the motor was reinstalled and it was discovered that the pump seal was leaking. The pump was pulled for inspection and repairs. The pump was reinstalled on January 30, and during the installation process, while adjusting the clearance of the impeller, staff discovered a crack in the upper pump housing bearing cup. The pump was removed and sent back to Perrys for further repairs.

During the month of January, while performing their annual motor inspections, staff from Perrys Motors replaced the motor on the flash mixer located at the chlorine contact chamber, the motor on the collector drive for the secondary clarifier, and the motor on the hot water recirculation pump for digester #2.

On January 5, plant staff removed and replaced a section of the discharge piping on Grit Pump #P2502. The existing pipe was badly corroded and worn due to the abrasive nature of the grit slurry that flows through the piping.

On January 28, staff replaced a sodium bisulfite chemical dosing pump with a pump that was in stock at the plant. The existing pump was re-built with a new diaphragm, shaft and seal, and new balls and seats. The rebuilt pump will serve as a spare pump should the need arise.

On January 13, staff from Alpha Electric installed a new battery back up in the headworks control panel. The existing battery backup had experienced issues during a test of the emergency auxiliary generator during December.

On January 9, staff from San Luis Powerhouse performed the quarterly maintenance and inspection on the emergency auxiliary generator. No issues were noted during the maintenance and inspection process.

On January 5, staff from Kones Cranes replaced the cable on the jib crane at the headworks, and adjusted the up/ down limit switches. Staff had noted a problem with the cable on the jib crane at the headworks during their regular inspection during December.

On January 29, staff responded to a power outage that occurred at 0639 hours; the power was restored at 0758 hours. A second outage occurred at 0837 when plant staff was on-site and the power was restored at 0855 hours. During the outage the emergency auxiliary generator provided power to the plant, no operational issues were noted with either the transfer of power to or from the auxiliary generator or with other plant processes.

On January 21, at 0630 hours, staff responded to a high chlorine residual alarm at the plant. Staff made minor adjustments to the dosing pumps and calibrated the chlorine residual analyzers. They performed a detailed inspection and no other problems were noted. Staff noted that the change in the alarm set point for the chlorine residual alarm was effective in prompting a quick response time.

On January 6, per instructions from staff at the San Luis County Environmental Health Services Division (EHS), plant staff faxed a copy of the updated Hazardous Materials Business Plan for the WWTP to EHS.

On December 19, plant staff received notice from the Air Pollution Control District (APCD) that the annual APCD permit for the WWTP had been renewed through November 2012.

The following reports were submitted to the appropriate agencies:

- The Discharge Monitoring Forms (DMR) for December 2011

The following reports were submitted to the CIWQS electronic reporting system:

- The December 2011 Monthly Monitoring Data

During December, plant staff continued to investigate possible solutions to the struvite problem that has been noted at the plant. Per instructions from staff at the SWRCB, they continued sampling digester supernatant on a weekly basis for magnesium, phosphate, and ammonia. All three compounds are critical in the formation of struvite.

On January 9, Mr. Neza Chavira began working for the treatment plant as a Grade I Operator in Training position. Mr. Chavira submitted his application for a Grade I Operator in Training certification from the State Water Resources Control Board Office of Operator Certification.

On January 24, Mr. Neza Chavira attended a CPR- First Aid Class sponsored by the OC CPR Training. The CPR/First Aid training is valid for two years.

The National Estuary Program Volunteer Monitoring Program continued analysis of bacterial samples collected from throughout the watershed in the laboratory at the plant. The volunteers are using space provided in the lab by plant staff.

The permanent household hazardous waste collection facility (PHHWCF) at the plant continued to be well used by the public. Between twenty and fifty participants are using the facility each Saturday.

Bruce Keogh
Wastewater Division Manager
Lab/C/Bruce/Monthlys/January 2012

| 2010 | Total Flow | Daily Flow | Total Flow | Daily Flow | % | Total Flow | Daily Flow | % | # of days | Dates |
|------------------------|---------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|-----------|--------------------------|
| | JAN | 42.053 | 1.357 | 11.058 | 0.357 | 26.3% | 30.995 | 1.000 | 73.7% | 31 |
| FEB | 35.432 | 1.265 | 9.845 | 0.352 | 27.8% | 25.587 | 0.914 | 72.2% | 28 | Feb 1-Feb 28, 2010 |
| MAR | 36.204 | 1.168 | 9.396 | 0.303 | 26.0% | 26.808 | 0.865 | 74.0% | 31 | March 1 - 31, 2010 |
| APR | 34.481 | 1.149 | 8.560 | 0.285 | 24.8% | 25.921 | 0.864 | 75.2% | 30 | April 1 - April 30, 2010 |
| MAY | 34.141 | 1.101 | 8.059 | 0.260 | 23.6% | 26.082 | 0.841 | 76.4% | 31 | May 1 - 31, 2010 |
| JUNE | 33.550 | 1.118 | 8.109 | 0.270 | 24.2% | 25.441 | 0.848 | 75.8% | 30 | June 1-30, 2010 |
| JULY | 39.626 | 1.278 | 10.695 | 0.345 | 27.0% | 28.931 | 0.933 | 73.0% | 31 | July 1-31, 2010 |
| AUG | 37.919 | 1.223 | 8.993 | 0.290 | 23.7% | 28.926 | 0.933 | 76.3% | 31 | August 1-31, 2010 |
| SEPT | 31.984 | 1.066 | 7.510 | 0.250 | 23.5% | 24.474 | 0.816 | 76.5% | 30 | September 1-30, 2010 |
| OCT | 32.144 | 1.037 | 7.490 | 0.242 | 23.3% | 24.654 | 0.795 | 76.7% | 31 | October 1-31, 2010 |
| NOV | 31.512 | 1.050 | 7.885 | 0.263 | 25.0% | 23.627 | 0.788 | 75.0% | 30 | November 1-30, 2010 |
| DEC | 44.378 | 1.432 | 14.061 | 0.454 | 31.7% | 30.317 | 0.978 | 68.3% | 31 | December 1-31, 2010 |
| ANNUAL AVERAGES | 36.119 | 1.187 | 9.305 | 0.306 | 25.6% | 26.814 | 0.881 | 74.4% | | |
| 2011 | Total Flow | Daily Flow | Total Flow | Daily Flow | % | Total Flow | Daily Flow | % | # of days | Dates |
| JAN | 42.338 | 1.366 | 12.089 | 0.390 | 28.6% | 30.249 | 0.976 | 71.4% | 31 | Jan 1-Jan 31, 2011 |
| FEB | 35.600 | 1.271 | 9.674 | 0.346 | 27.2% | 25.926 | 0.926 | 72.8% | 28 | Feb 1-Feb 28, 2011 |
| MAR | 47.887 | 1.545 | 13.770 | 0.444 | 28.8% | 34.117 | 1.101 | 71.2% | 31 | March 1 - 31, 2011 |
| APR | 38.937 | 1.298 | 9.117 | 0.304 | 23.4% | 29.820 | 0.994 | 76.6% | 30 | April 1 - April 30, 2011 |
| MAY | 37.092 | 1.197 | 8.704 | 0.281 | 23.5% | 28.388 | 0.916 | 76.5% | 31 | May 1 - 31, 2011 |
| JUNE | 37.769 | 1.259 | 9.381 | 0.313 | 24.8% | 28.388 | 0.946 | 75.2% | 30 | June 1-30, 2011 |
| JULY | 43.654 | 1.408 | 11.186 | 0.361 | 25.6% | 32.468 | 1.047 | 74.4% | 31 | July 1-31, 2011 |
| AUG | 38.518 | 1.243 | 9.080 | 0.293 | 23.6% | 29.438 | 0.950 | 76.4% | 31 | August 1-31, 2011 |
| SEPT | 33.263 | 1.109 | 7.526 | 0.251 | 22.6% | 25.737 | 0.858 | 77.4% | 30 | September 1-30, 2011 |
| OCT | 33.454 | 1.079 | 7.597 | 0.245 | 22.7% | 25.857 | 0.834 | 77.3% | 31 | October 1-31, 2011 |
| NOV | 33.240 | 1.108 | 7.589 | 0.253 | 22.8% | 25.651 | 0.855 | 77.2% | 30 | November 1-30, 2011 |
| DEC | 32.378 | 1.044 | 6.982 | 0.225 | 21.6% | 25.396 | 0.819 | 78.4% | 31 | December 1-31, 2011 |
| ANNUAL AVERAGES | 37.844 | 1.244 | 9.391 | 0.309 | 24.6% | 28.453 | 0.935 | 75.4% | | |
| 2012 | Total Flow | Daily Flow | Total Flow | Daily Flow | % | Total Flow | Daily Flow | % | # of days | Dates |
| JAN | 34.443 | 1.111 | 7.444 | 0.240 | 21.6% | 26.999 | 0.871 | 78.4% | 31 | Jan 1-Jan 31, 2011 |
| FEB | | 0.000 | | 0.000 | #DIV/0! | 0.000 | 0.000 | #DIV/0! | 28 | Feb 1-Feb 28, 2011 |
| MAR | | 0.000 | | 0.000 | #DIV/0! | 0.000 | 0.000 | #DIV/0! | 31 | March 1 - 31, 2011 |
| APR | | 0.000 | | 0.000 | #DIV/0! | 0.000 | 0.000 | #DIV/0! | 30 | April 1 - April 30, 2011 |
| MAY | | 0.000 | | 0.000 | #DIV/0! | 0.000 | 0.000 | #DIV/0! | 31 | May 1 - 31, 2011 |
| JUNE | | 0.000 | | 0.000 | #DIV/0! | 0.000 | 0.000 | #DIV/0! | 30 | June 1-30, 2011 |
| JULY | | 0.000 | | 0.000 | #DIV/0! | 0.000 | 0.000 | #DIV/0! | 31 | July 1-31, 2011 |
| AUG | | 0.000 | | 0.000 | #DIV/0! | 0.000 | 0.000 | #DIV/0! | 31 | August 1-31, 2011 |
| SEPT | | 0.000 | | 0.000 | #DIV/0! | 0.000 | 0.000 | #DIV/0! | 30 | September 1-30, 2011 |
| OCT | | 0.000 | | 0.000 | #DIV/0! | 0.000 | 0.000 | #DIV/0! | 31 | October 1-31, 2011 |
| NOV | | 0.000 | | 0.000 | #DIV/0! | 0.000 | 0.000 | #DIV/0! | 30 | November 1-30, 2011 |
| DEC | | 0.000 | | 0.000 | #DIV/0! | 0.000 | 0.000 | #DIV/0! | 31 | December 1-31, 2011 |

STAFF REPORT

**MORRO BAY-CAYUCOS J.P.A.
WASTEWATER TREATMENT PLANT**

To: Honorable Mayor and City Council, City of Morro Bay
Honorable President and Board of Directors, Cayucos Sanitary District

From: Dennis Delzeit, P.E., Project Manager

Date: March 1, 2012

Subject: Status Report on Upgrade Project as of March 1, 2012

Recommendation: Receive the status report and direct staff accordingly.

Activities during February 2012

- The monthly status report update was submitted to the Regional Water Quality Control Board, as required by approval of the force majeure time extension;
- Susan McCabe & Company has made contact with Coastal Commissioners. Several have expressed interest in early briefings and site visits. Briefing materials were finalized. Communications have begun with Commissioners.
- The following additional analysis materials were submitted to the Coastal Commission staff and are under review. These documents are also posted on the project web site:
 - Draft Addendum to the Flood Study
 - Draft Maximum Tsunami Flood Elevations Memo
 - Draft Fine Screen Evaluation Highest and Best Use Analysis Revisions
 - Draft Alternative Sites Visual Simulations (massing studies)

Looking Ahead---March 2012

- Communications with the Coastal Commission staff will continue for the purpose of establishing a revised date for the de novo Coastal Commission hearing;
- The regularly scheduled JPA meeting is March 8;
- The draft 2012 Recycled Water Feasibility Study will become public information following the March 8 JPA meeting. It will be posted on the project web site on March 9;
- A special JPA meeting is scheduled for March 14 for the purpose of receiving a presentation from Dudek on the draft 2012 Recycled Water Feasibility Study;

- The following additional analysis materials will be submitted to the Coastal Commission staff for review during March. These documents are also posted on the project web site:

Draft Updated 2012 Recycled Water Feasibility Study
 Draft Groundwater Basin Safe Yields and Seawater Intrusion Potential
 Technical Memo
 Comparative Cost Survey - Reclaimed Water

Fiscal Impact:

- No new expenditures are requested as part of this informational report. However, a separate agenda item is scheduled for the March 8 JPA meeting to request approval of an amendment to Dudek's contract for Dudek to provide a presentation to the JPA on March 14, of the draft 2012 Recycled Water Feasibility Study.

Discussion/Project Overview:

Major Milestone Schedule

- | | |
|--|--------------------------|
| • Council certified the EIR and approval of the Conditional Use Permit and Coastal Development Permit | January 11, 2011 |
| • Deadline for Coastal Commission Appeals | January 31, 2011 |
| • Coastal Commission substantial issue hearing | March 11, 2011 |
| • Public Outreach/Workshops | June 27 & 28, 2011 |
| • Deadline for the rough screening criteria and alternative sites public comments | July 15, 2011 |
| • Coastal Commission staff level meeting in Santa Cruz | August 25, 2011 |
| • Public release of the Rough Screening analysis | September 1, 2011 |
| • Rough Screening Analysis Presentation to the JPA | September 8, 2011 |
| • Public workshop- Alternative Sites Update | September 19, 2011 |
| • Deadline for public comments on the Rough Screening Analysis and Fine Screening criteria and alternative sites | September 30, 2011 |
| • Public release of the draft Fine Screening analysis | November 3, 2011 |
| • Fine Screening Analysis Presentation to the JPA | November 10, 2011 |
| • Coastal Commission staff level meeting in Santa Cruz (review de novo materials) | December 9, 2011 |
| • Coastal Commission de novo hearing | To be determined |
| • Submit SRF loan application to the State Board | On hold |
| • Issuance of SRF Financing Agreement | On hold |
| • Submit first SRF disbursement request to State Board | On hold |
| • Completion of the Design | On hold |
| • Advertise for Construction Bids | On hold |
| • Receive Construction Bids | On hold |
| • Award Construction Contract, after receiving State Revolving Fund Loan Approval | On hold |

- Start Construction On hold
- Completion of Construction On hold
- Achieve full compliance with federal secondary treatment Requirements Deadline on hold per force majeure

Dudek - California Coastal Commission - Substantial Issues Study

Dudek contract Fee Status:

- Original Contract Amount: \$345,485.00
- Amendment: \$110,157.00
- Revised Contract Amount: \$455,642.00
- Amount invoiced to date: \$352,947.32
- Amount remaining in contract: \$102,694.68
- Most recent billing amount (1/18/12): \$ 14,097.31
- Percent of contract billed: 77%

MWH Design

Final design of the project will resume after completion of the Coastal Commission Appeal Process.

MWH Contract Fee Status:

- Contract Amount: \$2,700,000.00
- Addendum #1, updated flows and loadings: \$ 9,000.00
- Addendum #2, advanced treatment options: \$ 9,600.00
- Addendum #3, updated cost estimate \$ 18,700.00
- Revised MWH Contract Amount: \$2,737,300.00
- Amount Billed to Date: \$ 474,490.33
- Amount Remaining: \$2,225,509.67
- Most Recent Billing Amount (10/7/11)¹ \$ 4,631.46
- Percent of Contract Billed: 18%

McCabe & Company) California Coastal Commission Communications/Liaison Services

The McCabe & Company contract was reactivated effective January 1, 2012 in anticipation of the de novo hearing that was previously targeted by Coastal staff for April. However, Coastal staffing changes has caused the hearing date to be postponed. We are hoping the CCC staff will schedule it for the June Commission meeting. The purpose of reactivating these services is to provide sufficient time for preparation of briefing materials, visits with each of the Coastal Commissioners to acquaint them with the MBCSD project and substantial issues analyses, provide feedback, assist in the preparation of the de novo hearing.

- Invoice 4/11/11: \$12,500 + \$857.47² = \$13,347.57

¹ The 5/2/11 invoice is for services rendered 1/1/11 through 1/28/11. MWH work was suspended on 11/19/10 except for completion of surveying, geotechnical report, floor plan layout and support at the PC and CC meetings in support of the permits.

- Invoice 5/3/11: \$12,500 + \$98.28³ = \$12,598.28
- Invoice 6/3/11: \$12,500 + \$4,032⁴= \$16,532.00
- Total billings from start of contract to suspension: \$42,477.85⁵

State Revolving Fund Loan:

The SRF process is on hold pending approval of the California Coastal Commission. Without a Coastal Development Permit from the CCC, the project components are unknown as is the total project cost.

Project Manager, Dennis Delzeit, Activities:

- Prepared and submitted the monthly report to the RWQCB;
- Prepared the monthly status report to the JPA;
- Updated the web site information;
- Reviewed, commented and coordinated with Dudek and MBCSD staff in preparation of the Dudek additional studies --- (Draft Addendum to the Flood Study, Draft Maximum Tsunami Flood Elevations, Memo Draft Fine Screen Evaluation Highest and Best Use Analysis Revisions, Draft Alternative Sites Visual Simulations /massing studies, draft 2012 Recycled Water Feasibility Study);
- Reviewed the Dudek invoice;
- Meetings with MBCSD/Teleconferences with Dudek on February 1 and February 17.

Dennis Delzeit's Contract Fee Status:

| | |
|---------------------------------------|--------------|
| ▪ Original Contract amount: | \$250,000.00 |
| ▪ Contract Amendment (PERC) | \$ 3,000.00 |
| ▪ Revised Contract Amount: | \$253,000.00 |
| ▪ Amount Billed to Date: | \$135,793.09 |
| ▪ Amount Remaining: | \$117,206.91 |
| ▪ Most Recent Billing Amount (2/1/12) | \$ 6,066.00 |
| ▪ Percentage of contract billed: | 54% |

² Travel expenses to Morro Bay and the Santa Cruz Coastal Commission hearing on 3/11/11. The contract fee is \$12,500 per month plus outside expenses.

³ Conference calls outside expenses.

⁴ This is the prorated fee from March 22 through 31 that was not previously billed.

⁵ This is the total fee for services from the beginning to the suspension of the contract: Feb 22 through May 31, 2011. No services were provided between May 31 through December 31, 2011.

STAFF REPORT

**MORRO BAY-CAYUCOS J.P.A.
WASTEWATER TREATMENT PLANT**

To: Honorable Mayor and City Council, City of Morro Bay
Honorable President and Board of Directors, Cayucos Sanitary District

From: Dennis Delzeit, P.E., Project Manager

Date: March 8, 2012

Subject: Consideration And Discussion Regarding Amendments To Dudek's
Contract For The Coastal Appeals Process

Recommendation:

Following consideration of this item, that the Council and District Board approve the proposed amendment to Dudek's contract for the Coastal Appeals Process.

Background and Discussion:

The Dudek letter dated February 28, 2012 is requesting a contract amendment for extra work scope services in the preparation of the substantial issues analysis, as required by the California Coastal Commission.

The expanded work scope involves:

Preparation and attendance of Dudek's three key personnel at the anticipated March 14, 2012 JPA meeting to present the results of the draft 2012 Recycled Water Feasibility Study. Dudek will prepare and deliver a PowerPoint presentation for the meeting and will be available during the presentation to answer questions on the study and/or supporting documentation, oversight, quality assurance management, production and currier delivery of 30 copies of the draft 2012 Recycled Water Feasibility Study, for a fee not to exceed \$10,560.

The substantial studies analysis has been accomplished at a rapid pace to provide documents requested by the Coastal Commission staff as the analyses are completed, to facilitate the agenizing of de novo Coastal Commission hearing. However, upon further consideration of the significance of the 2012 Recycled Water Feasibility Study it was thought that the JPA would desire to have a presentation of the Study at a public meeting so that the Council, District Board, and public could provide comments on the analysis. Hence, Dudek was requested to submit a proposal for the extra services and responded with their February 28, 2012 proposal letter.

Fiscal Impact:

| | |
|----------------------------------|------------------|
| The original contract amount is: | \$345,485 |
| Amendment #1: | \$110,157 |
| Amendment #2 request: | <u>\$ 10,560</u> |
| Revised contract amount: | \$466,202 |

Attachment:

Dudek's February 28, 2012 Letter



621 CHAPALA STREET
SANTA BARBARA, CALIFORNIA 93101
T 805.963.0651 F 805.963.2074

February 29, 2012

Bruce Keogh
Wastewater System Division Manager
City of Morro Bay
955 Shasta Avenue
Morro Bay, California 93422

SUBJECT: Contract Amendment Proposal for Additional Alternative Sites Evaluation and California Coastal Commission Coordination/Hearing Support Services, Morro Bay & Cayucos Sanitary District Wastewater Treatment Plant Upgrade Project, Cities of Morro Bay and Cayucos

Dear Mr. Keogh:

Dudek is pleased to submit this contract amendment proposal for continued alternative sites evaluation and California Coastal Commission coordination/hearing support services for the proposed Morro Bay and Cayucos Sanitary District (MBCSD) Wastewater Treatment Plant Upgrade Project. It is our understanding that the MBCSD desires additional support for the Wastewater Treatment Plant Upgrade Project related to production and presentation of the Draft 2012 Recycled Water Feasibility Study for a March 14, 2012 Joint Powers Agreement (JPA) meeting.

Proposed Contract Amendment Scope of Work

Per our discussion, this contract amendment proposal includes scope of work and costs estimates for the following:

- General project management and production of thirty (30) hard copies of the Draft 2012 Recycled Water Feasibility Study for a March 14th, 2012 JPA meeting. The hard copies will be delivered to MBCSD on Monday, March 12th, 2012. This task assumes the Draft 2012 Recycled Water Feasibility Study will not exceed 100, double-sided, colored pages and, in order to meet the proposed schedule, that the proposed scope of work is authorized no later than Thursday, March 8th, 2012. In addition, this amendment includes preparation and attendance of Dudek's three key personnel, Tom Falk, Alison Evans and April Winecki, at the March 14th, 2012 JPA meeting to present the results of the Draft 2012 Recycled Water Feasibility Study. Dudek will prepare and deliver a PowerPoint presentation to the JPA, and will be available to answer questions on the study and/or supporting documentation/appendices.

Proposed Contract Amendment Costs and Method of Payment

The total contract amendment proposal for the above scope of work is not-to-exceed **\$10,560.00**. Please keep in mind that this cost estimate reflects an efficient use of staff time needed to complete the scope of work we have outlined; tasks not addressed in this scope of work are not included in the estimated project cost. During the performance of our services, the need for additional or expanded services may be required or requested by Coastal and/or MBCSD staff. Likewise, certain services or tasks outlined above may not be necessary given the possibility of changing conditions or overlap with the responsibilities of other project team members. In either case, we will make every effort to keep you informed as to the actual and anticipated costs as work progresses and Dudek will provide you with a monthly detailed accounting of all costs incurred for the project.

Dudek proposes to complete this scope of work on a time-and-materials, not-to-exceed basis as described above for each phase of work. Dudek labor will continue to be billed according to our 2011 Standard Schedule of Charges per our original contract agreement.

If this contract proposal is acceptable to you, please sign below and return a copy of this letter to us at your earliest convenience. If you have any questions regarding this proposal or require additional information, please do not hesitate to give me a call at (805) 963-0651 Ext. 3532. I may also be e-mailed at awinecki@dudek.com.

Thank You,



April Winecki
Environmental Planner

AUTHORIZATION

Proposal Approved by Client:

Signature of Authorized Representative

Date

Printed Name, Title