



**CITY OF MORRO BAY  
WATER RECLAMATION FACILITY  
CITIZEN ADVISORY COMMITTEE (WRFCAC)  
MEETING AGENDA**

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*The City of Morro Bay provides essential public services and infrastructure to maintain a safe, clean and healthy place for residents and visitors to live, work and play.*

**January 4, 2018  
3:00 P.M. to 5:00 P.M.  
Morro Bay Veteran's Memorial Building  
209 Surf Street, Morro Bay, CA**

John Diodati  
Chairperson

Mary (Ginny) Garelick

Barbara Spagnola  
Vice Chairperson

Paul Donnelly

Ann Fullerton

Dale Guerra

Valerie Levulett

Richard Sadowski,  
Planning Commission

Stephen Shively,  
Public Works Advisory Board

ESTABLISH QUORUM AND CALL TO ORDER  
MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE  
ANNOUNCEMENTS/PRESENTATIONS

**PUBLIC COMMENT PERIOD**

Members of the audience wishing to address the Board on City business matters other than scheduled items may do so at this time. To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

- When recognized by the Chair, please come forward to the podium and state your name and address for the record. Board meetings are audio and video recorded and this information is voluntary and desired for the preparation of minutes.
- Comments are to be limited to three minutes.
- All remarks shall be addressed to the Board, as a whole, and not to any individual member thereof.
- The Board respectfully requests that you refrain from making slanderous, profane or personal remarks against any elected official, commission and/or staff.
- Please refrain from public displays or outbursts such as unsolicited applause, comments or cheering.
- Any disruptive activities that substantially interfere with the ability of the Board to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in Board meetings is welcome and your courtesy will be appreciated.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Public Works Department at (805) 772-6262. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**A. CONSENT CALENDAR**

A-1 Approval of minutes from the Water Reclamation Facility Citizen Advisory Committee meeting of December 5, 2017

**Staff Recommendation:** Approve minutes as submitted.

## B. BUSINESS ITEMS

### B-1 Draft Request for Proposals for WRF Onsite Improvements

**Recommendation:** Staff recommends the following:

- 1) WRFAC review, consider, and provide comments on the presentation; and
- 2) WRFAC recommend City Council select Design-Build teams for issuance of the RFP based on input from the Selection Committee.

### B-2 Review of Program Management Structure

**Recommendation:** Staff recommends the following:

Staff recommends that WRFAC review, consider, and provide comments and recommendations regarding the WRF program management structure.

## C. COMMITTEE MEMBER CLOSING COMMENTS

## D. ADJOURNMENT

Adjourn to the special Water Reclamation Facility Citizen Advisory Committee meeting at the Morro Bay Veteran's Memorial Building, 209 Surf Street, on January 11, 2018 at 3:00 p.m.

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This agenda is subject to amendment up to 72 hours prior to the date and time set for the meeting. Please refer to the agenda posted at the Public Works Department, 955 Shasta Avenue, for any revisions or call the department at 772-6262 for further information.

Materials related to an item on this agenda are available for public inspection during normal business hours in the Public Works Department, at Mill's/ASAP, 495 Morro Bay Boulevard, or the Morro Bay Library, 695 Harbor, Morro Bay, CA 93442.

This agenda may be found on the Internet at: [www.morrobayca.gov/wrfcac](http://www.morrobayca.gov/wrfcac) or you can subscribe to Notify Me for email notification when the Agenda is posted on the City's website. To subscribe, go to [www.morrobay.ca.us/notifyme](http://www.morrobay.ca.us/notifyme) and follow the instructions.

Materials related to an item on this agenda submitted to the Committee after publication of the agenda packet are available for inspection at the Public Works Department during normal business hours or at the scheduled meeting

MINUTES – WATER RECLAMATION FACILITY CITIZEN ADVISORY COMMITTEE (WRFCAC)  
REGULAR MEETING – December 5, 2017  
VETERAN’S MEMORIAL BUILDING – 3:00 to 5:00 P.M.

PRESENT:

Barbara Spagnola – Vice Chairperson  
Valerie Levulett  
Richard Sadowski  
Steve Shively  
Paul Donnelly  
Ann Fullerton

ABSENT:

John Diodati - Chairperson  
Mary (Ginny) Garelick  
Dale Guerra

STAFF:

Rob Livick	Public Works Director
Mike Nunley	WRF Program Manager
John Rickenbach	WRF Deputy Program Manager
Eileen Shields	Technical Engineer
Janeen Burlingame	Management Analyst
Joe Mueller	Utilities Division Manager

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 3:02 p.m. and a quorum was present.

MOMENT OF SILENCE/PLEDGE OF ALLEGIENCE  
ANNOUNCEMENTS

PUBLIC COMMENT

The public comment period was opened.

Barry Brandon, Morro Bay resident, wants to make sure that the plant we put in is designed for what is needed by looking at the cost of water, consumption rates and infiltration. Consider the plant size since we have parted with Cayucos.

The public comment period was closed.

A. CONSENT AGENDA

<https://youtu.be/gfCpWAdlGlc?t=12m15s>

A-1 Approval of Minutes of July 5, 2017 Meeting

Barbara Spagnola made a correction to the previous months minutes by providing the correct website address, (shown here) <https://www.epa.gov/waterfinancecenter> as addressed in the announcements from the previous meeting by Ginny Garelick

MOTION:

Barbara Spagnola moved to approve Item A-1 with the correction above. The motion was seconded by Steve Shively and carried 6-0-0 unanimously.

## B. BUSINESS ITEMS

### B-1 Fiscal Year End 2016/17 Financial Report

<https://youtu.be/gfCpWAdlGlc?t=13m38s>

Jennifer Calloway presented the 4<sup>th</sup> quarter Financial report.

The public comment period was opened.

Homer Alexander has suggestions for improving the financial reporting for Waste Water Improvement and Reclamation Project which include the timing of vendor invoices and financial reporting. Secondly recommending to the city staff that beginning with the 2018/2019 FY, that a separate budget and financial reporting be established for Water Reclamation.

The public comment period was closed.

Discussion, comments and questions continued amongst committee members, staff, and consultants.

### B-2 WRF Status Report

<https://youtu.be/gfCpWAdlGlc?t=34m15s>

The public comment period was opened, seeing none, the public comment period was closed.

Rob Livick present the WRF Status Report.

Rob Livick, Mike Nunley and John Rickenbach responded to the comments.

Discussion, comments and questions continued amongst committee members, staff, and consultants.

### B-3 Overview of Design-Build RFP Development Process

<https://youtu.be/gfCpWAdlGlc?t=1h3m9s>

Mike Nunley presented the overview of Design-Build RFP Development Process

The public comment period was opened.

Barry Brandon, Morro Bay resident, is concerned that we don't have an EIR and would like to see a plan that would go along with that. Let's not put the cart before the horse.

Tina Metzger, Morro Bay resident, agrees with the previous speaker and is questioning why we are six months behind with the draft EIR publication, what is plan B if the timeline is not met and what will happen if the WIFIA deadline is not met? She would like to know what are the city's plans.

The public comment period was closed.

Rob Livick, Mike Nunley and John Rickenbach responded to the comments.

Discussion, comments and questions continued amongst committee members, staff, and consultants.

**MOTION:** Barbara Spagnola moved that Steve Shively, Paul Donnelly and Valerie Levulett be assigned to the subcommittee to review the RFP's. The motion was seconded by Steve Shively. The motion carried 6-0-0 unanimously.

C. COMMITTEE MEMBER CLOSING COMMENTS  
<https://youtu.be/gfCpWAdlGlc?t=1h50m34s>

ADJOURNMENT

The meeting adjourned at 4:50 p.m. The next Regular Meeting will be held on January 4, 2018 at 3:00p.m. at the Veteran's Memorial Building located at 209 Surf Street, Morro Bay, CA.



**AGENDA NO: B-1**

**MEETING DATE: January 4, 2018**

## Staff Report

**DATE:** December 29, 2017  
**TO:** Water Reclamation Facility Citizens Advisory Committee  
**FROM:** Rob Livick, PE/LS – Public Works Director  
**SUBJECT:** Draft Request for Proposals for WRF Onsite Improvements

### RECOMMENDATION

Staff recommends the following:

- 1) WRFCAC review, consider, and provide comments on the presentation; and
- 2) WRFCAC recommend City Council select Design-Build teams for issuance of the RFP based on input from the Selection Committee.

### ALTERNATIVES

No alternatives are recommended.

### FISCAL IMPACT

No additional fiscal impact is proposed within this update. All work is proceeding within the City's fiscal year budget for the Water Reclamation Facility.

### DISCUSSION

As directed by City Council on October 10, staff is proceeding with an accelerated schedule to release the Request for Proposal (RFP) for WRF Onsite Improvements on January 24 and receive proposals by late April, in order to inform the rate study update process.

At the December 5 WRFCAC meeting, Paul Donnelly, Valerie Levulett, and Steve Shively were selected to participate in the review of Statements of Qualifications (SOQs) and proposals. On December 7, the City received SOQs from the following teams:

- 1) AECOM/WM Lyles Company Joint Venture
- 2) Filanc/Black & Veatch Joint Venture
- 3) Kiewit Infrastructure West Company and Tetra Tech, Inc.
- 4) Sundt/Parsons Joint Venture

The evaluation committee, consisting of the selected WRFCAC members and City staff, will be convening prior to the WRFCAC meeting to discuss the SOQs.

City staff and consultants will present an overview of the draft RFP, provide copies for review by WRFCAC members, and request input on the recommended shortlist for issuance of the RFP.

The schedule for review of the draft RFP will include this WRFCAC meeting on January 4, intended to provide an overview of the draft RFP; a special WRFCAC meeting on January 11, which will provide the opportunity for additional review and more detailed discussion; City Council study session on January 17, and City Council meeting for review and possible approval for release of the RFP on January 23.

Prepared By: mn

Dept Review: RL



AGENDA NO: B-2 Addendum

MEETING DATE: January 4, 2018

# Staff Report

**DATE:** December 28, 2017  
**TO:** Water Reclamation Facility (WRF) Citizens Advisory Committee (CAC)  
**FROM:** Rob Livick, PE/LS – Public Works Director  
**SUBJECT:** Review of Program Management Structure

## **RECOMMENDATION**

Staff recommends that WRF/CAC review, consider, and provide comments and recommendations regarding the WRF program management structure.

## **FISCAL IMPACT**

No additional fiscal impact is proposed within this review. All work performed by the Program Management consultant team is performed under a multiyear agreement that is annually reviewed and revised to reflect the next year's activities. That work is performed and paid on a time and materials basis with a budget not to exceed the total contract amount.

The recommendation will result in a reduction in fee for Program Management going forward, mainly related to public outreach and meeting attendance.

## **DISCUSSION**

As directed by City Council on September 26, staff has reviewed the existing Program Management structure and examined available resources in the Public Works Department.

### **Current Program Management Structure**

In 2015, then City of Morro Bay issued a Request for Proposal (RFP) for consulting services consisting of Program Management for the development, permitting and Construction of the City's new WRF. The City identified the need to have a consistent technical team provide support for the following activities:

- Meeting and outreach support
- Grant and loan pursuit management and technical support
- Permitting
- Master planning for recycled water
- Owner's representation during design, design-build, and construction procurement processes
- Development of preliminary plans, layouts, and studies
- Construction management
- Startup and operational support

The need for consultant services was identified, since the City required many areas of expertise but

Prepared By: rl

Dept Review: RL

determined it would not be cost-effective or feasible to individually hire civil, mechanical, wastewater process, architectural, permitting/land use, value engineering (for federal/state loan compliance), electrical, instrumentation and other professionals to develop the WRF Project. The Program Management Consulting Team was required to include all these services in their proposals.

MKN & Associates, Inc., was interviewed by a selection team consisting of a City Council Subcommittee, WRFCAC members and City staff and was selected to perform program management for the project. City Council approved the proposed scope of work and estimated fees and the contract was executed in August of 2015.

### **Review of Existing Public Works Department**

The City's Public Works Department is responsible for planning, engineering and maintaining the City's infrastructure in a safe and environmentally sensitive manner, including safe and reliable water deliveries, wastewater collection and treatment, and safe and accessible streets. Additionally, the City's Public Works Department provides a supporting role to the City's Community Development Department to insure new development is consistent with City requirements for public improvements, subdivision mapping, stormwater and flood damage prevention regulations. Public Works Department Engineering/Administrative staff currently consists of the Public Works Director, Utilities Manager, Environmental Programs Manager, Maintenance Superintendent, Management Analyst, Assistant Engineer, Engineering Technician and an Administrative Assistant. One position is currently open the journey level Senior Engineer.

The City needs at least one additional staff member to meet the responsibilities engineering and administrative responsibilities of the department. The options for addressing all the staffing needs are to hire more staff and continue to use consultants to fill in the short-term needs of the WRF Project; or hire engineering consultants (temporarily) to fill all the needs in the City's Public Works Department.

Hiring consultants to fill temporary needs in the department would allow the Public Works Director and Operations Manager to devote more time to day-to-day program management and outreach, but would require short-term consultant contracts to assist with "non-WRF" activities. This is a typical role for consultants and the City is more likely to find qualified, experienced individuals or firms to address streets, water, stormwater, and other areas outside of the WRF Project.

### **Recommended Modification to Program Management Structure**

City Council has established a goal of minimizing cost in all areas of the WRF Program. With this in mind, the Public Works Department proposes to realign staff priorities and hire contract support for projects outside the WRF to allow the Public Works Director to serve as the WRF Program Manager, with support from the Utilities Manager. The Program Management team would provide technical, management, permitting, and construction-phase support but outreach would be conducted directly by the City's WRF Program Manager (Public Works Director).

This will result in a reduction in scope and budget for the Program Management firm moving forward, while ensuring the City has the technical support (including owner's representation during the design-build process, permitting, construction-phase engineering and observation, and plan review support) required for a major public works project like the WRF Project.

### *Other Options for Program Management*

- Hire Additional City Staff to perform the Program WRF Program Management

Hiring staff to fill all the needs of the WRF Project is not feasible, since many of the efforts require disciplines and expertise outside of the typical skill set of engineering or operations staff. Since these needs are temporary, it is not feasible to find qualified, experienced staff who will fill as many temporary positions across as many disciplines needed for project execution. Using this approach

- Go out with an RFP for a New Program Management Team, while feasible, will result in project delays while the new program management team is procured and comes up to speed on the project. This will also result in higher costs to the program overall, due to a loss in efficiency and experience. City staff does not see a need to replace the current consultant team.

### **CONCLUSION**

Staff opines should there need to be a change in the program management structure, the Public Works Director provide the lead program management role with support from the Utilities Manager and the existing Program Management Team (MKN and Associates) providing technical support as needed to move the project on in conformance with the current critical path schedule. This option is one that the City can follow and still achieve the critical deadlines for the EIR, and funding applications, and keep the project moving forward without additional costs or delays. .