

MINUTES – WATER RECLAMATION FACILITY CITIZEN ADVISORY COMMITTEE (WRFCAC)
REGULAR MEETING – January 4, 2018
VETERAN’S MEMORIAL BUILDING – 3:00 to 5:00 P.M.

PRESENT: Valerie Levulett
Richard Sadowski
Mary (Ginny) Garelick
Barbara Spagnola – Vice Chairperson
Steve Shively
Paul Donnelly

ABSENT: Dale Guerra
Ann Fullerton
John Diodati - Chairperson

STAFF:	Rob Livick	Public Works Director
	Scott Collins	City Manager
	Joe Mueller	Utilities Division Manager
	Mike Nunley	WRF Program Manager
	John Rickenbach	WRF Deputy Program Manager
	Eileen Shields	WRF Technical Engineer
	Gina Gregory	Office Assistant

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 3:01 p.m. and a quorum was present.

MOMENT OF SILENCE/PLEDGE OF ALLEGIENCE
ANNOUNCEMENTS

Ginny Garelick provided an update on the EPA and it’s WIFIA (Water Infrastructure Finance and Innovation Act) program stating there was not a lot of new information posted on the website; however, noting non-profit organizations was something that hasn’t been considered, such as The Johnson Foundation, Rockefeller Foundation, Ford Foundation, Walton Family Foundation and Pisces Foundation. These are all sources of funding for Wastewater Treatment Plants.

Richard Sadowski stated Prop 1 funding in California is being reviewed noting there are six projects going on and there are other projects going as well that we could possibly get funding for. He provided the website for further information and links to the funding (California Water Environment Federation – www.cwea.org).

PUBLIC COMMENT

<https://youtu.be/uGDwXee9idl?t=4m9s>

The public comment period was opened.

Carol Truesdale, resident and homeowner of Morro Bay, thanked the Public Works Department for fixing some leaking tanks and pipes.

Bill Martony stated his concern with the bid process that requires companies to have done projects totaling \$80 million and feels there are companies out there who have done projects less than that who may be qualified. He would like to have the Bid Process re-evaluated.

David Nelson thanked the Committee for serving the public. He wants to know what the project is, why the costs have increased and feels the public has the same concerns. He feels contractors who have played a part in the planning should not be part of the bid process.

The public comment period was closed.

Rob Livick and Joe Mueller addressed the leak north of Highway 41.

A. CONSENT AGENDA

<https://youtu.be/uGDwXee9idl?t=10m35s>

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

MOTION: Paul Donnelley moved to approve Item A-1. The motion was seconded by Steve Shively and carried 6-0-0 unanimously.

B. BUSINESS ITEMS

B-1 Draft Request for Proposals for WRF Onsite Improvements

<https://youtu.be/uGDwXee9idl?t=11m5s>

Rob Livick introduced Mike Nunley who presented the staff report.

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

The public comment period was opened.

Barry Branin, Morro Bay, stated a concern on the projected flow rates, noting they should be lower with the strict water conservation program going on.

Jeff Heller, thanked the Committee for the hours they have put in on this project representing the community members. He is questioning why the only bidders are major international design firms and asked the Committee to reject the RFQ process.

Bart Beckman, Morro Bay, thanked the Committee for all their time and being there for the meetings. He expressed concerns about the data range used for the flow rates, the criteria proposed, and the need to address the demolition of the existing plant. His suggested if we can't get the costs down, to buy from Cayucos.

David Nelson stated the bids should be open to everyone and would like to know when this was chosen as the project.

Tom Rost, Morro Bay, has an issue with the way the RFQ was written, feeling it took the smaller contractors and design build contractors out of the bidding process; noting the costs are too high. He stated we should not design and build unless the size is known.

Vickie Baggett, Morro Bay, requests they recommend a new project manager for the current project, stating she feels there is much uncertainty and questions about the new plant and costs.

Bill Martony expressed concern as to whether we have the site secured and has questions about the pipeline easement that goes across farmland as opposed to going through the City and the streets.

Tina Metzger, Morro Bay, is concerned about the Nutmeg area leak and would like to remind everyone the Righetti Ranch is a high hazard landslide zone and would like to have that site taken off the list. She also thanked the Committee for their time and expressed concerned that the EIR is six months late.

Betty Winholtz expressed concern that all four companies in the RFP are multi-national and multi-international companies and wanted clarification if they are obliged to follow Federal Trade Agreements, why Black & Veatch can bid on this project. She would like clarification on the project description and if the plant is being built for current or future population and how many employees will be employed for this plant.

Nancy Bast, Morro Bay, stated there are a lot of unanswered questions about the project, the cost is too high, and would like the public to be listened to.

Kerrigan Mayhan, Morro Bay, thanked the Committee and agrees with all the commenters that have spoken this evening. He stated it's time to change project managers and has questions on costs noting he opposes another Prop 218 vote.

Carol Truesdale thanked everyone on the panel and the public for all their hours put in on this project. She stated the sewer plant is not affordable at this time and asked the WRFAC to listen to the people.

The public comment period was closed.

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

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

MOTION: Paul Donnelly moved that the meeting be extended past 5 P.M. The motion was seconded by Steve Shively. The motion carried 6-0-0.

MOTION: Paul Donnelly moved to recommend to the City Council that it accept staff's recommendation, select the design-build teams for issuance of the RFP based upon the input from the selection committee to have all four teams that were submitted as qualifications, and rather than shortlist them have interviews with the qualification's team, and have all four teams go right to RFP.

The motion was seconded by Steve Shively. The motion carried 5-1-0 by roll call vote with Vice Chairperson Spagnola, Commissioner's Shively, Donnelly, Levulett, Garelick voting yes and Commissioner Sadowski voting no.

B-2 Review of Program Management Structure
<https://youtu.be/uGDwXee9idl?t=2h13m42s>

Rob Livick presented the staff report.

The public comment period was opened.

Bart Beckman expressed concerns about program management, staffing needs, the costs, and the design of the plant.

Kerrigan Mayhan feels the WIFIA is not necessary. He stated there needs to be a stop on this project and questioned the costs and whether the money is coming from the 218 funds.

David Nelson stated he appreciates what the Committee is doing. He expressed concern that the project could be done at a lower cost by PERC or some other company that can build what we need for less.

Tom Rost stated fresh eyes are needed on the project, noting nobody has brought forward alternatives in an open forum of costs for small plants. He expressed concern about the affordability to citizens.

Barry Randall, Morro Bay, stated the \$150 million cost is too much and should look to Los Osos and their plant costs. He expressed concern about the flow rate per day.

Nancy Bast stated the City's infrastructure needs looking into and feels there needs to be someone looking out for the financial well-being of the citizens.

Jeff Heller thanked the Committee for all their work and staying late. He stated there should be an independent third party hired to manage bond money; someone needs to be an advocate for the community and who is in a financial position to manage this project.

Steve Stevens, Morro Bay, stated a new focus on the project needs to be taken and alternatives are important for the citizens and what they can afford.

Tina Metzger, Morro Bay, stated a new project manager needs to be put in place. She feels that people have no confidence in the consultants and questions the reports that are put out for the public and Council.

The public comment period was closed.

Rob Livick and Scott Collins responded to the comments.

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

MOTION: Richard Sadowski moved to recommend to City Council that the City has somebody outside of the current administration to look at this project with a new set of eyes.

The motion was seconded by Vice-Chairperson Spagnola. The motion did not pass with a vote of 3-3-0 by a roll call vote. Commissioner's Sadowski, Garelick and Vice-Chairperson Spagnola voting yes with Commissioner's Levulett, Donnelly and Shively voting no.

C. COMMITTEE MEMBER CLOSING COMMENTS

<https://youtu.be/uGDwXee9idl?t=3h19m50s>

Steve Shively stated as he sits on two boards, he likes to see the public participate and let them know that they are heard.

Paul Donnelly explained that he voted no on the last motion as he saw it as an additional expense.

Valerie Levulett thanked Tina Metzger for recognizing Rob Livick and trying to more equalize the workload.

Vice-Chairperson Barbara Spagnola addressed the public on what she hears about to delay or do not delay the project and referenced how much these delays cost over time. She wanted to confirm that the public is being heard and the Committee wants to keep the project moving and affordable.

Ginny Garelick echoed along with the other Committee members on keeping the project affordable and that is one of the reasons focusing on the WIFIA loans. She also stated the Committee is trying to do the best and are here to represent you.

Richard Sadowski stated he has been involved with this project since about 2003 when it was first started as an upgrade, noting the citizens of Morro Bay do not have the same agenda as a county and what's good for the City is not necessarily good for the County. The City should be focusing on fixing the infrastructure before moving on to a project like this. He asked to put the following into the record and written into the minutes:

“I, Richard E.T. Sadowski, U.S. citizen living in Morro Bay, a member of the Morro Bay Planning Commission, an appointed public official position, and a WRFCAC member, entrusted with the tort law of duty of care, am appealing to the California State Attorney General's office, Xavier Becerra, to investigate the Morro Bay WRF project and the negligence associated with the sewage exfiltration from our sewer collection lines into the Morro basin drinking water aquifer.”

ADJOURNMENT

The meeting adjourned at 6:30 p.m. The next Special Meeting will be held on January 11, 2018 at 3:00p.m. at the Veteran's Memorial Building located at 209 Surf Street, Morro Bay, CA.