

Raymond - South Bend Regional Wastewater Coordinating Committee

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RWCC REGULAR MEETING Raymond City Hall May 31, 2012

- In attendance were: Eric deMontigny, Doug Welch, Bob Jungar, Patricia Neve, Kirk Church, Jason Dunsmoor, Jerry Bowman, Dean Parsons, John Dunsmoor, Dominic Miller, Jay Swift, and Cathi Read. Dale Little came in during the meeting.
- **INTRODUCTIONS: none necessary**
- **REVIEW AND APPROVAL OF APRIL 26, 2012 MEETING MINUTES**
 - A motion to accept the minutes was made by Jerry, seconded by John and passed unanimously.
- **CONVEYANCE PROJECT CLOSEOUT**
 - Landis and Landis warranty log
 - Nothing new
- **I/I PROJECT UPDATE**
 - Construction closeout
 - Dominic presented a summary of funds remaining:
 - All EPA money has been committed to project work.
 - After retainage, South Bend has \$3,823 in remaining grant funding.
 - After retainage, Raymond has \$14,135; however, there is retainage to consider as well as \$3,234 of remaining construction contracts cost for Schedule B (Raymond Pump Station 2, and \$1,500 set aside for WASDOT inspection fees for the highway crossing near McDonald's project.) According to an e-mail to Janet Cherry WSDOT has closed out this project. The \$1,500 is set aside just in case. Raymond will end up \$25,600 out of pocket (effectively reduced to \$20,300 if WSDOT does not bill for the \$1,500 set aside and through the reprioritization of South Bend funds). A motion to transfer South Bend's excess to Raymond was made by John and seconded by Jerry. The motion carried. This is a temporary switch which will be "paid back" with a subsequent project.

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- Change Order #10 was approved by the RWCC for signature by the City of Raymond. South Bend City Council has reviewed and approved. It is a no-cost change order granting Rognlin's an extension to their physical completion time schedule to June 29, 2012. The delay is the result of an incorrect fan being delivered and will allow for its installation as well as some miscellaneous punch list items. Substantial completion has permitted the use of the Raymond Pump Station. A temporary fan is currently being utilized. The pump station is working as designed. A motion to accept the change order was made by Jason, seconded by John and passed by the RWCC.

- **REGIONAL WWTP PROJECT UPDATE**

- Construction progress
 - Doug distributed construction progress pictures. Work continues on the equipment building ground floor slabs. It is expected that some equipment can be installed in the basement of this building the week of June 4.
 - The concrete work for the aerator and digester basins is complete.
 - Clarifier baffles have been installed. A pre-grout check-out of the sweep arm mechanism is scheduled for June 14th.
 - The bottom slab of the head works building is complete. Work has begun on the walls.
 - Electrical installation has been working out well. There has been very good coordination and cooperation with Totem.
 - UV structure walls are complete. The effluent portion has been completed.
 - G&O has expended 50.8% of their budget while Rognlin's has used 55.7% of their budget. Doug plans to meet with Conley's programmers to get them going on the programming for the plant control system. Work on programming will increase in the next couple of months.
- Change orders and potential construction issues
 - There may be a small change order to modify support brackets for the mixers. There was some confusion with the specs resulting in a larger gear box. This change order would probably mean about \$3,000 additional cost to be funded out of contingency.
- Dave at Rognlin's suggested that they may not be able to meet the mid-November date for liquid stream substantial completion. Ronglins may request

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an extension of the substantial completion date. Doug opined that he thought the request would be a no-cost change.

- Quality
 - Overall, G&O is pleased with the work being done by Rognlins.

- **REGIONAL PROJECT ACCOUNTING SPREADSHEET UPDATE**

- There are no changes beyond last month's update. There are placeholders for biosolids/decommissioning costs, especially for South Bend WWTP for which there is a wide range of costs until permitting and land application issues are settled. By next month, G&O thinks we should have a better handle on the budgets for these items.

- **ANNUAL BUDGETING PROCESS**

- The Inter Government Contract (IGC) states that the Administrative Manager shall put forth a budget by October for the RWCC's review and approval after which it is to be sent to the respective city councils for approval. The budgeting process includes establishing reserve accounts and a loan repayment schedule.
- Skip Rand, who is now retired from the Rural Community Assistance Corporation (RCAC), has worked with the Cities in the past and his input is considered invaluable. Todd has been talking with him to assist the RWCC in the budgeting process. His fee is \$54/hour. It's maybe possible to have Skip's charges paid for by Rural Development (RD). A motion for Jay to investigate the best way to utilize Skip's services was made by Jason, seconded by Jerry and passed by the RWCC. The means to retain Skip's services as a consultant need to be clarified. Should the RWCC hire him directly? Should Skip work as a sub-contractor to G&O? Is competitive selection necessary? Jay will investigate and advise and contact RD to see if his services are reimbursable using existing funding.
- Reserve accounts
 - Beginning December 2013 an amount of \$69,924 is to be deposited each year for ten years into a reserve account until the full amount of \$699,276 has been met.
 - A short lived asset account will be established after the RD loan is closed. This is estimated to be February 2013. \$33,500 will be deposited into this account each year.
 - RD's reserve requirements may include items that may already be completed, such as I/I projects. Repair and/or replacement of major equipment is likely included. Having a better handle on long term plant maintenance will be helpful in this part of the process.
- Loan repayment

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- Project loan funding is \$17,614,000. \$12,000,000 has been used to date. Debbie estimates the loan to close in February 2013 and the first biannual repayment of \$349,638 is estimated to start in August 2013 and every February/August thereafter.
- Each city's share is specified in the IGC.
- Operations and maintenance cost estimate status
 - O&M estimate was submitted by Dean at the February 2012 RWCC meeting; he indicated that it has not been updated since then, pending availability of additional O&M information.
 - Todd submitted a spreadsheet for an O&M budget based on Dean's estimates and data from the Westport facility to use as a starting point.
 - The numbers on Todd's spreadsheet are current and in line with all estimates including operating costs, debt service, reserves, wages, supplies, services, taxes, etc.
 - Jay provided a graph based on a comparison of O&M costs at five plants, showing how the cost per pound BOD treated goes down as BOD increases. The five plants were similar to the Willapa plant (conventional activated sludge with the MLE process), but were all larger than the Willapa plant, so the extrapolation to the Willapa plant was not clear-cut.
 - Todd included estimates for local OM costs based on the RD regional estimates.
 - A final FTE number will not be known until the regional plant is operating and staff has become familiar with the processes and level of effort for required operation and maintenance tasks. Todd's and Dean's estimate is 4, or perhaps 4-1/2 to 5. Debbie's estimate in 2009 was 3.75.
 - Asset maintenance must consider concrete assets that have a 50 year life, as well as, mechanical assets with a life of less than 25 years (short-lived). G&O will supply equipment replacement schedules.
 - Cathi will contact Skip for a copy of his short-lived asset form to use in the process.
- Schedule for completion of budgeting and council(s) approval
 - The cities' budgeting processes begins long before the RWCC budget is due. The RWCC budget review is to be complete by November 1, according to the IGC.
 - Todd's spreadsheets are good starting point. The RWCC will work with Skip, going through his spreadsheets to come up with a preliminary breakdown by next month. The budgeting process for the first year has many unknowns and will be the most arduous.

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- The chain of responsibilities begins with Dean. Dean and Todd will work together with Skip throughout the process. While the entire RWCC is involved in the budgeting this year, budgeting in the following years will be the responsibility of the lead city with approval by the RWCC.
 - The RWCC needs to schedule a workshop with Skip. The first order of business is to get Skip on board. Cathi will call him tomorrow (June 1, 2012).
 - Workshop discussion items will include input from the City Clerks
- **BIOSOLIDS REMOVAL / LAGOON DECOMMISSIONING INVESTIGATION**
 - Weyerhaeuser letter
 - Letters concerning the Raymond and South Bend decommissioning have gone to RD and to Ecology.
 - A 2-page fact sheet intended for landowners interested in land application of biosolids was sent to Kyle Dorsey at Ecology. In addition, the possibility of leaving all or some of the biosolids in the lagoons is being discussed with Kyle.
 - Can we leave all or part in lagoon? Kyle wants to talk about this issue. (It is unlikely based on past precedent, but we will play this out, as it may save a significant amount of money.)
 - A meeting with Kyle is scheduled for June 12th at the Seattle G&O office - 10:00 AM with a possible follow up meeting or site visit.
 - At stake is \$1.6 to \$4 million, depending on the amount of solids that are allowed to remain in the lagoons, the location of any biosolids application site(s) and the degree of restoration required.
 - Kyle wants to see pictures, loading rates, options, such as the future plans for the site.
 - Current criteria for leaving residual is 1 inch of biosolids. If material is mostly sand and sediment can we leave 5 or 10 inches if it is only 10-20% biosolids?
 - Is there an inexpensive way to move them in place? Can the material be dredged and washed with a mobile degritting system using the 3/8" screen requirement?
 - A letter from the City of South Bend to Weyerhaeuser should come from Kirk's office. South Bend needs to request a meeting with Karen Tiemen in the near future. There has been no response from her since Jay contacted her in March. Purchasing the property may be the lowest cost option and would be fundable through grants from RD, if that is the case.

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- Previous correspondence indicates that South Bend offered \$100/acre, Weyerhaeuser countered with \$1,000/acre. A letter in the file indicated that the appraised value was \$500/acre. A consensus needs to be reached to determine the maximum amount of an offer to acquire the land.
 - Lagoon area is 35 acres
 - Total parcel size is 171 acres, which includes the lagoons and the surrounding area.
 - What about the transmission line under river? Present plan is to cap it off and abandon in place. Alternative plan is to fill with grout; grouting a 1000 feet long line at \$10 to \$20/foot would be an expensive alternative.
 - Landowner contacts
 - No contact will be made with any landowner prior to the meeting with Ecology.
- **CENTRAL AVENUE SEWER DESIGN REVIEW AND DISCUSSION FOR THE CITY OF SOUTH BEND**
 - Dominic provided 60% design documents for the Central Avenue project. Comments are to be submitted to Dominic or Janet Cherry no later than June 8th. G&O plans are to advertise by the end of June with construction to begin in the latter part of August and being completed in early October. The contractor's work will be performed with the South Bend Labor Day festivities in mind.
 - Project funding is coming from RD grant money. There are three schedules proposed. If total available funds are insufficient to cover the entire project work can be broken down by the schedules. Schedules A (Central Avenue West) and C (First Street to Highway 101) are the most critical. Schedule B (Central Avenue East Alley) will be dependent on funding.
 - Central Ave design and CM is being funded out of Phase 2B fund pool which also fund lagoon decommissioning/biosolids removal, conveyance projects identified in the regional facility plan, and potentially odor control and/or fiber optic transmission.
 - Funds may be found in other places as well:
 - The I/I temporary money transfer to Raymond will be returned to South Bend.
 - Some contingency funds
 - The amount set aside for South Bend's biosolids removal and decommissioning could be greatly reduced depending on what South Bend decides or is permitted to do.

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- G&O will have a 90% estimate for the biosolids removal and lagoon decommissioning and Jay's updated spreadsheet and a funding plan by the next RWCC meeting.
- **SUMMIT RESTROOM FOR SOUTH BEND**
 - South Bend has selected the rest room building. Delivery is 75 to 90 days after the order is placed. Although the manufacturer is located in Spokane, the building must have L&I approval prior to shipment. Expected delivery is toward the end of August 2012.
 - The preparation necessary for installation includes a gravel pad, utilities, an asphalt apron to connect to the rails-to- trails paved trail, a grinder pump, and water service.
 - Rognlin's has quoted \$44,255 for the utilities and gravel pad work which would be covered by a change order under Schedule B.
 - The cost to deliver and set up the building and hook up is \$59,458. Total estimate is at \$103,713.
 - Previous estimates had the total cost at about \$95,000. This estimate did not include a grinder pump. Addition of the grinder pump increases the total estimate to \$110,000.
 - PUD will provide electrical service, although they have yet to submit their cost for that service. The cost could be \$10 to \$15,000 PUD has a requirement that lines must be underground; therefore, a trench will need to be dug. The RWCC approved G&O to request a quote from Rognlin's for the trenching work.
- **SET NEXT MEETING**
 - June 28th – South Bend – 5:30 PM
- **A MOTION TO ADJOURN WAS MADE BY JERRY AND SECONDED BY KIRK AT 7:40 PM.**