AGENDA ITEM SUMMARY

DATE: 3/18/13 DEPARTMENT: PW - Wastewater DEPT. HEAD SIGNATURE: ____________________________

SUBJECT: Discussions of options presented by HDR Engineering for Wastewater Treatment Plant biosolids project, including removal of dome

AUTHORITY: ☐ ID Code ________ ☐ IAR ________ ☐ City Ordinance/Code ________
(IFAPPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:
The preliminary engineering report for a new biosolids facility was presented at the council meeting on March 4 with a good discussion on the intent of the project and scope of work including what the disposal options are. Going to a Class A biosolids (usable as fertilizer immediately) was dropped from the recommendation due to both the high capital and ongoing O&M costs with no discernible market to recover costs.

There may be some possibilities for ways to reduce the cost with different equipment than currently proposed, or phased construction (the design is for future flows so there may be ways to delay some equipment purchases).

The report prepared by HDR Engineering is a 30% design preliminary engineering report and the cost estimate for it has a -15%, +30% degree of accuracy (Cost Engineering standards) which gives a range of cost, including engineering, of $3.3 – 5.1 million. For a bond election we will need to specify an amount of the bond. Right now that would be a guess, albeit a fairly educated one.

A successful bond election in May would allow design to proceed through the summer, DEQ would be able to review and approve the project and bidding could be set for a more favorable time period; Jan – Feb; with construction in 2014. With a bond in place the design engineering costs would be covered with the bond funds.

Delaying a bond election beyond May would allow time to proceed with additional design engineering (60% design would have a -10%, +20% range). Additional engineering costs will require a review of the wastewater budget for increasing rates to cover the additional expense in order to remain in compliance with the refinanced bond requirements.

A spreadsheet with options for discussion is attached.

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS: Caselle #
Budget Line Item # ____________________________ YTD Line Item Balance ____________________________
Estimated Hours Spent to Date: ____________________________ Estimated Completion Date: ____________________________
Staff Contact: ____________________________ Phone #: ____________________________
Comments: ____________________________

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (IFAPPLICABLE)
☐ City Administrator ☐ Library ☐ Benefits Committee
☐ City Attorney ☐ Mayor ☐ Streets
☐ City Clerk ☐ Planning ☐ Treasurer
☐ Building ☐ Police ☐ ☐
☐ Engineer ☐ Public Works, Parks ☐ ☐
☐ Fire Dept. ☐ P & Z Commission ☐ ☐
RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:
Discuss fully.

ADMINISTRATIVE COMMENTS/APPROVAL:

City Administrator __________ Dept. Head Attend Meeting (circle one) Yes No

ACTION OF THE CITY COUNCIL:
Date ______________________

City Clerk ______________________

FOLLOW-UP:
*Ord./Res./Agrmt./Order Originals: Record
Copies (all info.):
Instrument # ______________________

*Additional/Exceptional Originals to: ______________________
Copies (AIS only)
<table>
<thead>
<tr>
<th>Leave As Is</th>
<th>Basic Dewatering (Facility Plan)</th>
<th>Phase Construction</th>
<th>Preliminary Engineering Report</th>
<th>Include Class A Option</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pro</td>
<td>Con</td>
<td>Pro</td>
<td>Con</td>
</tr>
<tr>
<td>No Capital Cost</td>
<td>Safety/Structural Issues</td>
<td>Lowest Capital Cost $2.7 Million</td>
<td>Trucking to Ohio Gulch Still Needed</td>
<td>2nd Lowest Immediate Capital Cost</td>
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<tr>
<td></td>
<td>Trucking Liability</td>
<td>Reduced trips to Ohio Gulch - 2/week</td>
<td>Continued Use of Dewatering Beds at Ohio Gulch</td>
<td>Reduced trips to Ohio Gulch - 2/month</td>
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<tr>
<td></td>
<td>Continued use of Ohio Gulch</td>
<td>Still requires use of tanker truck</td>
<td>Class B biosolids may not be produced in the cold-weather months or when flows increase</td>
<td>Class B Biosolids</td>
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<tr>
<td>Manpower/Productivity/Additional Staff</td>
<td>Reduced time on the road</td>
<td>Eliminates use of tanker truck</td>
<td>Requires use of dump truck</td>
<td>Eliminates use of tanker truck</td>
</tr>
<tr>
<td>High energy use/Still requires use of tanker truck</td>
<td></td>
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