

AGENDA ITEM: A-1

DATE: October 8, 2014

ACTION: Approved

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

SYNOPSIS MINUTES

Regular Meeting – September 10, 2014

PRESENT: Barbara Spagnola Mary (Ginny) Garelick
John Diodati Dale Guerra
Valerie Levulett Paul Donnelly
Bill Woodson Steven Shively

ABSENT: Richard Sadowski

STAFF: Rob Livick Public Services Director
Bruce Keogh Wastewater Treatment Manager
Rick Sauerwein Capitol Projects Manager
Jamie Boucher City Clerk
Kay Merrill Administrative Utilities Technician

CONSULTANT: John Rickenbach

Rob Livick announced this is the first meeting of the Water Reclamation Facility Citizen Advisory Committee (WRFCAC).

OATH OF OFFICE

Jamie Boucher administered the Oath of Office for members present.

Rob Livick stated he will facilitate the meeting until the election of officers, establish quorum and proceed with roll call. Richard Sadowski informed Rob Livick that he could not attend the meeting, but will watch the video so he can participate at the next meeting.

CALL TO ORDER

Rob Livick called the meeting to order at 3:00pm., asked for a moment of silence and led the Pledge of Allegiance.

Rob Livick asked the panel and staff to introduce themselves and present a brief background, which they did.

PUBLIC COMMENT

Rob Livick opened Public Comment period, and seeing none, closed Public Comment period.

- A. CONSENT CALENDAR - None
- B. OLD BUSINESS - None
- C. NEW BUSINESS

C-1 ELECTION OF CHAIR PERSON AND VICE CHAIR PERSON

Mary (Ginny) Garelick nominated John Diodati as Chair Person. The motion was seconded by Barbara Spagnola.

Rob Livick asked John Diodati if he would serve and he replied he would be honored. The motion passed unanimously. (8-0).

John Diodati asked for nominations for Vice-Chair Person. Bill Woodson nominated himself. The motion was seconded by Steven Shively and the motion passed unanimously. (8-0).

C-2 DISCUSSION REGARDING THE ROLE OF THE WRFCAC TO INFORM THE PROCESS OF DEVELOPING A WATER RECLAMATION FACILITY INCLUDING THE REQUISITE "BROWN ACT" REQUIREMENTS

Rob Livick stated because this is the first WRFCAC meeting, there is no staff report. This is a "Brown Act" Committee and subject to open meetings. In order to meet the "Brown Act" requirements, no more than four members may meet to discuss issues which will facilitate the formation of Sub-Committees. The role of this Committee is to act as an advising Committee to the City Council. Staff will bring information to the Committee to review and get the Committees overall impressions and the information will be brought to the City Council. The Committee will make Sub-Committees to research and provide more detail on specific issues.

John Rickenbach stated the essential role of the Committee is to be a bridge between the City Council and the general public. Council has directed staff and the consultant to prepare reports and wants feedback from the Committee. Council is looking for input relative to the big picture such as, are we on the right track, are there things in the report that should be considered or are incorrect. Focus on the big picture to help Council make a better decision.

Rob Livick turned the discussion back to the Committee.

Rob Livick clarified the following during discussion:

- The City Attorney will provide information to the Committee for the "Brown Act".
- Communication from the Committee members will be in the form of memos and a draft will be prepared to present to City Council based on the Committees discussion.
- Minutes will be approved in the next meeting.
- Discussion of meeting dates will take place In Item C-5.
- Reports will be prepared by the consultants with the Committee's recommendations and presented to City Council.
- Rob will get clarification on how the minutes will be circulated among the Committee.

Rob Livick opened Public Comment period, and seeing none, closed Public Comment period.

C-3 PRESENTATION OF AN OVERVIEW OF THE PROJECT AND COMMITTEE DISCUSSION – JFR CONSULTING

John Rickenbach presented a Project Overview:

- Summarize Project and Recent Council Actions
- Report Study of CMC Regional Option
- Next Steps and WRFCAC's Role

Goals for the New WRF are to:

- Produce Tertiary Treated Wastewater
- Reclaim Wastewater for a Variety of Purposes
- Allow for Onsite Composting
- Design for Energy Recovery
- Design to Treat for Contaminants of Emerging Concern
- Design for Other City Functions
- Ensure Compatibility with Neighboring Land Uses

Previous Public Input and City Council Direction and Recent Public Input Opportunities

- Stakeholder Interviews (July 2013)
- Public Workshop #1 (August 2013)
- Technical Presentation (September 2013)
- Public Workshop #2 (November 2013)
- First City Council Hearing (November 2013)
- City Council Recommends Sites (December 2013)
- City Council Establishes 5-Year Goal (February 2014)
- City Council Chooses Site; Directs CMC Study (May 2014)

Recent Reports and Findings

- Options Report (December 2013)
 - Narrowed 17 Sites from 2011 Screening Report to 7
 - Analysis based on relative weight of public concerns
 - Report assumed “City only”, not regional participation
 - Morro Valley (Site B) ranked highest
- Report on Reclamation and Recommended Sites (May 2014)
 - Identified Reclamation Opportunities in detail
 - Recommended Rancho Colina Site of four studied
 - Presented 5-Year Work Plan

City Council Direction

- Confirmed Goals for New WRF (December 2013)
- Established 5-Year Goal to be Operational (February 2014)
- Chose Three Preferred Sites for further study and refinement (December 2013)
 - Morro Valley (Site B)
 - Chorro Valley (Site C)
 - Giannini Property (Site G)
- Directed Staff to Report on:
 - Water Reclamation Opportunities
 - Schedule, Work Plan, and Cashflow Analysis
 - Project Management Approach
 - Technical Advisory Committee Structure
- Chose Rancho Colina Site as City’s Preferred Option (May 2014)
- Directed Investigation of Regional Option at CMC (May 2014)
- Council to Make Final Site Decision in Fall 2014

Types of Water Reuse Opportunities

- Irrigated Agriculture
- Landscaping, Parks and Golf Courses
- Streamflow Augmentation in Creeks
- Groundwater Recharge

Location of Water Reuse Opportunities

- 92 Sites identified from Cayucos to Chorro Valley
- Most (56) are in Morro Valley (mostly ag) and many have high demand
 - High demand per site can mean less distribution cost
- Only 4 are in in Chorro Valley (2 ag sites: golf course)
- Many (23) are in City (mostly parks, landscaping) but have less demand per site

Water Reuse Potential Demand

- Production could be over 1,200 AFY
- As much as 4,700 AFY demand in the Morro Bay region
- About 2,700 AFY is in Morro Valley (58%)
- Only about 1,100 AFY is in Chorro Valley (23%)
- Good reuse potential in both Morro Bay and Cayucos
- Suggests site near City on SR 41 could be regional hub

Water Reuse Quality Requirements

- Most reuse requires Disinfected Tertiary standards
 - 4,400 AF (or 93%)
 - Mostly ag (primarily avocados)
- Limited reuse at Disinfected Secondary standards
 - Includes City parks and landscaping

Streamflow Augmentation

- Nine creeks in the area are candidates
 - Morro Creek, Chorro Creek, and seven others
 - Many opportunities from Cayucos to Chorro Valley
- Permitting Requirements being investigated
- Possible uses
 - Groundwater recharge (if minimum discharge met)
 - Habitat enhancement (temperature and salinity)
 - Direct potable reuse not currently allowed

Refined WRF Site Analysis and Recommendation

2013 Options Report study Sites

- Site A – Chevron
- Site B – Morro Valley
- Site C – Chorro Valley
- Site D – CMC Wastewater Site
- Site E – Power Plant Site (southern portion)
- Site F – Panorama Site

- Site G – Giannini Property

Council Recommended Study Sites

- Morro Valley - Site B
- Chorro Valley –Site C
- Giannini Property – Site G

Refined Sites Studied in New Report

- Site 1 – Rancho Colina (part of Site B)
- Site 2 – Righetti (part of Site B)
- Site 3 – Tri-W (part of Site C)
- Site 4 – Giannini (part of Site G)

Site 1 – Rancho Colina

Overall Suitability High

- Advantages
 - Very Receptive Property Owner
 - Opportunity to replace old WWTP
 - Excellent Proximity to Reclamation
 - Previously Graded Site
 - Suitability as Regional Facility
 - Consistent with Coastal Policies
- Challenges (relative to other sites)
 - Distance up Highway 41 Could Affect Cost

John Rickenbach clarified on the Summary of Site Analysis and Findings chart that high is good and has a low impact for the different sites.

John Rickenbach stated City Council needs to choose a site and the 5-year plan cannot be implemented until a site is chosen.

Rob Livick stated there are two goals to the 5-Year Plan, first is to get the plant in operation before the end of the permit period and second, to spend as minimum as possible keeping the existing plant running noting the best way to do that is to get out of the existing plant as soon as possible.

John Rickenbach presented a slide show on the CMC Analysis:

CMC Analysis: Key Issues

- Rough Cost of Expanding Existing Site for Regional Flows
- Funding Options – Realistic Look at Grant and Loans
- Permitting Implications
- Potential Water Use Benefits to City
- Logistics of a Regional Partnership
- Implications for Morro Bay Rate Payers

Studies Underway

- Expansion-Related Cost (Carollo Engineers)
- Funding Options (Kestrel Consulting)
- Permitting for Discharge (Larry Walker Associates)
- Potential Water Use Benefits to City (Cleath-Harris)

Overview

- Summarize Project and Recent Council Actions
- Report Study of CMC Regional Option
- Next Steps and WRFCAC's Role

CMC Analysis: Reporting to City Council

- September 23 – Permitting Issues (LWA)
- October 14 – Funding Options (Kestrel)
- October 28 – Water Use Benefits (Cleath-Harris)
- November 12 – Full Report to Council (JFR Consulting)

John Rickenbach clarified the purpose of the consultants preliminary reports is to get input from City Council and from the general public. Ultimately, all of the reports will come together in a series of findings to be presented to Council prior to the November 12th meeting and Council will select a site. These reports will be received and filed and comments will be taken, but no action will be taken by the City Council.

CMC Analysis: Key Questions

- Potential Cost Savings?
- Relative Water supply Benefits?
- Relative Water Reclamation Opportunities?
- Unique regional benefits at CMC?
- Relative Regulatory or Logistical Constraints?
- Physical Constraints for Expansion?
- Environmental Issues?
- Discharge limitations that affect design?
- Is City's 5-Year Goal Achievable at CMC?
- City's role in constructing and operating a regional plant?

Rob Livick stated answers to questions and details will be addressed in the reports from the consultants.

WRFCAC's Role

- WRFCAC is the bridge between the public and decision makers
- Your input is invaluable to consultant team and staff
- Advise us if we're asking the right questions
- Review Technical Reports as they are available
 - Think "Big Picture" – are they addressing the right issues?
 - Provide alternate perspectives the Council can consider
 - Question the underlying assumptions if you disagree
 - Identify Technical Errors
- Avoid (to the extent possible)
 - Focusing on tiny details, grammatical errors on format
 - Editorializing without making your assumption clear

The overall goal is to help the City Council make good decisions.

Findings of May 2014 – Purpose of the Report

- Respond to City Council Direction
- Identify Water Reclamation (Reuse) Opportunities
- Recommend a Specific Site for the New WRF
- Present 5-Year Work Plan and Cashflow Analysis
- Recommend Project Management Strategy

The Council studied several sites for the WRF, and recommended the Rancho Colina site and presented a 5-Year Work Plan.

Rob Livick clarified the 5-Year Work Plan was implemented so the project can be completed prior to the end of the permit expiring.

Studies Underway

- Expansion-Related Cost (Carollo Engineers)
- Funding Options (Kestrel Consulting)
- Permitting for Discharge (Larry Walker Associates)
- Potential Water Use Benefits to City (Cleath-Harris)

Overview

- Summarize Project and Recent Council Actions
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Recommendations from these reports will be presented at the November 12, 2014 City Council meeting.

Bill Woodson requests staff forward as much information to them prior to meetings.

Rob Livick stated the reports will be posted on the City's website and encouraged the committee and the public to sign up for "Notify Me" to get recent updates, reports, agendas and minutes on the City's website.

John Diodati opened Public Comment.

Rob Kitzman asked which consultant/engineer group will address the use and validity of the outfall system.

John Rickenbach responded Mike Nunley (who works with John) will be addressing that in consultation with Carollo Engineers.

Rob Livick stated Larry Walker will be looking at permitting issues with the outfall relative to other discharge locations.

John Diodati closed Public Comment.

C-4 COMMITTEE DISCUSSION REGARDING SUBCOMMITTEE FORMATION

Rob Livick stated when forming this Committee there was discussion to form Sub-Committees. This Committee is not just for the site selection but for the overall development of the project. As the project moves forward there will be technical issues, environmental reviews, and permitting issues that the Committee will be reviewing. Suggestions for Sub-Committees were Finance, Coastal Issues and Land Use Planning, Treatment Technology, Project Delivery Method and Water Reuse.

John Diodati proposed the Committee form three Sub-Committees: Finance, Environmental, and Engineering/Water Resources. Staff will provide sub-categories for each Sub-Committee and at the next meeting elect Committee members to the Sub-Committees.

Rob Livick asked if it is the consensus of the Committee to form three Sub-Committees and all were in favor. For the next meeting staff will have a short list of subject areas for the three Sub-Committees.

John Diodati opened Public Comment, and seeing none, closed Public Comment.

C-5 SCHEDULE NEXT WRFCAC MEETING

The next WRFCAC meeting is scheduled for October 8, 2014 at 3:00pm. There will also be a meeting on October 22, 2014 and November 5, 2014 at 3:00pm. The meetings will then be held on the second Wednesday of the each month beginning December 10, 2014 at 3:00pm.

John Diodati opened Public Comment, and seeing none, closed Public Comment.

D. FUTURE AGENDA ITEMS

- The Committee will provide a list of subject areas for the three sub-committees: Finance, Environmental, and Engineering/Water Resources.
- Suggestions for future topics
- The Committee and staff will visit the proposed sites. The meeting will start early in order to visit the sites and then continue with the meeting.

MOTION: Bill Woodson moved to approve the schedule for the next WRFCAC meeting, Steve Shively seconded and the motion passed unanimously. (8-0).

E. ADJOURNMENT

The meeting adjourned at 4:45pm to the next regularly scheduled WRFCAC meeting at a location to be determined, on Wednesday October 8, 2014 at 3:00pm.

John Diodati, Chairperson

ATTEST:

Rob Livick, Secretary