

**CITY OF COOS BAY CITY COUNCIL**  
**Agenda Staff Report**

<b>MEETING DATE</b> June 27, 2016	<b>AGENDA ITEM NUMBER</b>
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TO: Mayor Shoji and City Councilors

FROM: Jim Hossley, Public Works Director *JH*

THROUGH: Rodger Craddock, City Manager *RCR*

ISSUE: Clarification of City Council's Direction Regarding Wastewater Treatment Plant #2

**BACKGROUND:**

At the June 21, 2016 City Council meeting, Council approved the following motion made by Councilor Daily:

"I move to establish a Council committee consisting of the Mayor, Councilor Brick and Councilor Leahy with Councilor Vaughn as an alternate committee person. The purpose of the committee is to select an attorney who specializes in wastewater treatment for the purpose of assessing the city's wastewater treatment operations with the intent of developing a request for proposal for private wastewater treatment with best available technology and that staff should be available to assist the attorney with things the attorney requests. Staff should not move forward with its current treatment plant plans unless the Council discovers through the specialty attorney that it is not viable to move forward with a private plant."

To ensure staff carries out the Council's desire, staff needs some clarification and direction from the City Council. Is it Council's intention to carry on with the previously approved piping project under Empire Boulevard to connect future improvements on the "new" WWTP2 site (east of Empire Boulevard) to the outfall pipe on the west side of Empire Boulevard? Staff assumes that whatever technology is used and whoever owns the facility, the pipe connection will need to be made. Should Council decide not to move forward with the project, it is likely that the newly constructed improvements to Empire Boulevard (in the vicinity of Fulton Avenue) will have to be dug up and replaced to make the connection when the new plant is constructed. Due to the federal source of funding for the Empire project, there is a 5-year moratorium on trench cutting the asphalt. Any asphalt trench cut within the 5-year period will require additional asphalt and infrastructure repair work that could substantial additional cost to the project.

**ADVANTAGES:**

Clarification will ensure that staff carries out the desires of the Council. Building the pipe connection project now has the advantage that Council has already approved the project and the CMGC has advertised for bids. The City has approved loan funds that can be used for the project at a low interest rate. The pipe project infrastructure will be needed regardless of the treatment

option built. DEQ may hold off on the MAO enforcement during the pipe construction period. An advantage to not building the piping project at this time is it may shorten the Empire Boulevard construction project by about 2 weeks.

**DISADVANTAGES:**

Should the City not move forward with the piping project, the CMGC has already sunk funds into the piping project and would invoice the City for that investment. Staff best guess at that cost is as high as \$200,000. Besides the bad public perception associated with cutting new pavement and sidewalk, doing the piping project after the Empire road project is complete could add substantially to the piping project cost due to asphalt and infrastructure repair. In addition, construction cost will continue to escalate as the project is delayed due to inflation of construction materials and construction labor costs. A disadvantage to building the pipe at this time is that a section of new piping section will require additional operational oversight until the new treatment facility is constructed. The reason for the additional oversight is that in order for the piping project to function properly for the new treatment facility it must function with a slight reverse grade until the new plant is on-line.

**BUDGET IMPLICATIONS:**

The project was approved for construction April 5th for an amount not to exceed \$868,277. The actual cost will be available after bids are open July 7<sup>th</sup>. The funds for the project are expected to come from the SRF loan. Should the project be delayed, it could cost the rate payers over \$400,000 more than moving forward with construction now.

**ACTION REQUESTED:**

If it pleases the City Council, provide staff with direction on how to proceed with the WWTP2 Empire Boulevard pipe crossing project.

**ATTACHMENTS**

None