



CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of City Council

FROM: Daniel Gho, Public Works Director, James Brezack, Brezack & Associates Planning

MEETING DATE: June 15, 2016

SUBJECT: Local Water Project - Quarterly Report

CEQA: Does Not Constitute a "Project" under the California Environmental Quality Act (CEQA)

RECOMMENDATION

Receive the second quarterly report on the progress of the Local Water Project.

DISCUSSION

The City has made significant progress toward the completion of the engineering design of a recycled water project, known as the City of Pacific Grove's Local Water Project (LWP or Project). The Project will replace approximately 125 acre-feet/year (0.11 million gallons annual daily average) of irrigation demands with non-potable supplies for the irrigation of the Municipal Golf Links and the El Carmelo Cemetery, and provide toilet flushing for two public restrooms. These demands are currently met using potable water from the California-American Water Company (Cal-Am).

City Staff and Brezack & Associates Planning have prepared for the City Council and the public the second Quarterly Report on the Project (Attachment 1). The Quarterly reports will occur throughout the calendar year, with the first already presented to Council at its April 6 meeting, followed by the second report in June, and additional reports to be presented in September and December. The reports will discuss the following four major topics: 1. Project Progress, 2. Engineering, Design and Permitting, 3. Construction Management, and 4. Public Outreach.

The report is intended to inform the Council and the public of recently completed and planned future activities that have or will be occurring with the Project between now and the next quarterly report.

FISCAL IMPACT

There is no Fiscal Impact to the City by receiving this report.

ATTACHMENTS

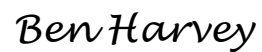
1. PG LWP 1st Quarterly Report
2. Project Schedule

RESPECTFULLY SUBMITTED:

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Daniel Gho
Public Works Director

REVIEWED BY:

A handwritten signature in black ink, appearing to read "Ben Harvey", written in a cursive style.

Ben Harvey
City Manager



Pacific Grove Local Water Project



Quarterly Progress Report No. 2

June 2016

Brezack & Associates Planning

Prepared by Brezack & Associates Planning

PGLWP Quarterly Progress Report June 2016 RT JMB 20160601.docx

TABLE OF CONTENTS

1	Project Progress Report	1
1.1	Project Summary	1
1.2	Overall Project Completion Status.....	1
1.3	Budget	2
2	Engineering Design and Permitting	1
2.1	Schedule.....	1
2.2	Accomplishments and Current Activities	1
2.3	Modifications from Conceptual Design.....	2
2.4	Future Activities.....	3
2.5	Other	3
3	Construction Management	7
3.1	Schedule.....	7
3.2	Construction Activities	7
3.3	Construction Activities Completed During Progress Period	7
3.4	Construction Activities Planned During Progress Period.....	7
3.5	Unresolved Issues.....	7
3.6	Construction Photos	7
4	Public Outreach.....	2

1 Project Progress Report

This Project Progress Report summarizes the actions and activities associated with the implementation of the Local Water Project. It includes discussion on the performance of PERC Water (DB Entity) during the second quarter of the work, roughly between March and May 2016.

DB Entity performance is measured relative to the DB compliance with the Design-Build Agreement (DB Agreement) for the City of Pacific Grove Local Water Project.

This report summarizes completed, current, and planned activities for the quarterly period.

1.1 Project Summary

The DB Agreement was executed between the City and PERC Water on August 7, 2015. PERC was issued a Design Notice to Proceed (NTP) on November 18, 2015. The scope of the DB Agreement generally includes permitting assistance, final design engineering, construction, start-up, commissioning and passage of acceptance testing for a 0.25 million gallon per day (mgd) recycled water treatment plant. The treatment plant will produce on average 125 acre-feet per year (AFY) of recycled water.

Overall, construction is projected to be complete by February 7, 2017. The target date of December 2016 was set as a City selected goal to have the construction completed and the plant producing water. This goal is consistent with, but not a requirement of, the implementation of the Cal-Am Cease and Desist Order. Acceptance testing would occur through April 2017 due to the lack of irrigation demands in the winter months. With testing occurring the first 4 months of the year the plant will be ready for the 2017 irrigation season.

1.2 Overall Project Completion Status

As of June 1, 2016, the overall design effort is approximately 100% complete. The overall physical construction effort is 0% complete. The City will not issue its Notice to Proceed for the construction activities until it has received the Final Budget Approval from the SWRCB. Table 1-1 presents major project milestones status and percent completion.

Table 1-1: Major Milestone Status

MILESTONE	COMPLETION DATE	PERCENT COMPLETE
Design Notice to Proceed	11/18/2015	100%
100 % Design and Specifications Submittals	6/1/2016	100%
Recycled Water WDR Permit	6/17/2016	90%
100 % Design and Specifications – City Approvals	6/24/2016	95%
City Approved Equipment Procurement Submittal Approval	7/26/2016	85%
Construction Notice to Proceed	6/27/16	0%
Construction Completion	2/7/17	0%
Full Project Implementation	7/10/17	0%

1.3 Budget

Table 1-2 summarizes the current budget status of the project, pay requests, amount paid out by the City, SRF Loan disbursement requests, and SRF Loan disbursements received to date.

Table 1-2: Summary of Project Budget and Payments

	BUDGET	PROGRESS PERIOD EXPENDITURES	EXPENDED TO DATE	BUDGET REMAINING
Total PERC Budget (Excluding Contingency)	\$5,630,736.00	\$326,500.00	\$740,000.00	\$4,890,736.00
PERC Contingency	\$730,000.00			\$730,000.00
Change Order				\$-
City Procured Equipment Owner's Representative Budget	\$1,101,829.00			\$1,101,829.00
Current Budget	\$217,615.00	\$61,876.25	\$100,518.25	\$117,096.75
Construction Grant	\$7,680,180.00	\$388,376.25	\$840,518.25	\$6,839,661.75
SRF Loan	\$2,415,000.00			
Pay Requests as of May 31 2016 (excluding retainage)	\$-	\$740,000.00		\$-
Paid to Date (excluding retainage)		\$740,000.00		\$-
SRF Loan Disbursement Requested		\$740,000.00		\$-
SRF Loan Disbursement Received		\$605,000.00		\$-

Table 1-3 summarizes tasks completed and associated costs from Brezack & Associates Planning for the Local Water Project.

Table 1-3: Brezack & Associates Costs

Date	MAJOR DELIVERABLE	BUDGET
10/16/2012	Alternative Water Supply Study	\$35,000.00
01/25/2013	Facility Planning Grant Proposal and Public Participation Proposal	\$25,000.00
03/27/2013	Draft Facility Plan Report	\$48,742.00
06/28/2013	Final Facility Plan Report, SRF Application, Regulatory Permitting, Agency Coordination	\$242,942.00
03/27/2014	Regulatory Permitting, DRAFT EIR	\$131,395.00
06/25/2014	Final EIR, Regulatory Permitting, DB Procurement	\$203,134.00
03/25/2015	DB Procurement, SRF Application	\$35,000.00
05/18/2015	Supplemental EIR	\$47,450.00
07/20/2015	DB Negotiation, SRF Administration	\$40,000.00
1/4/16	Owners Representative, Design Review, Regulatory Permitting, SRF Administration (Reimbursable from SRF Construction Loan)	\$217,615.00
	Total	\$991,300.00

2 Engineering Design and Permitting

2.1 Schedule

Table 2-1 present milestones completed within this reporting period. All activities are currently on schedule. Testing and Facility Start-up is currently scheduled for Q2 2017.

Table 2-1: Milestone Schedule

Milestone	Completion Date	Percent Complete
Design Notice to Proceed	11/18/2015	100%
100% Design and Specifications	5/30/2016	100%
WDR and Engineering Report Revision Submittal	5/18/2016	100%

2.2 Accomplishments and Current Activities

Table 2-2: Engineering Design Accomplishments and Current Activities

Deliverables	<ul style="list-style-type: none">✓ Geotechnical Report✓ Flow Monitoring and Water Quality Report✓ Equipment Proposal Reviews✓ 80% Design Submittal✓ 100% Design Submittal✓ Final Basis of Design Report
Meetings	<ul style="list-style-type: none">✓ 24 Weekly Progress Meetings✓ 1 Pre-Bid Meeting For Potential Sub-Contractors✓ 2 On-site Design Review Meetings

Table 2-3: Permitting Accomplishments and Current Activities

Deliverables	<ul style="list-style-type: none"> State Division of Drinking Water (DDW) Engineering Report – Response to Review Comments Submitted to State for Review Notice of Intent General Recycled Water WDR – Submitted to Regional Water Quality Control Board (RWQCB) for Review Monterey Regional Water Pollution Control Agency Discharge Permit – Application Submitted for Review Monterey Bay Unified Air Pollution Control District Approval to Construct -- Draft Application in Progress
Meetings	<ul style="list-style-type: none"> State Division of Drinking Water – Coordination Call Regional Water Quality Control Board - Coordination Call MRWPCA –Coordination Call

Table 2-4: Project Administration Accomplishment and Current Activities

Deliverables	<ul style="list-style-type: none"> SWRCB Division of Financial Assistance Initial Funding Agreement – Complete SWRCB Division of Financial Assistance Final Budget Approval Attachments – Submitted
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2.3 Modifications from Conceptual Design

The following modifications from the original conceptual design have been identified.

Modification	Purpose	Cost	Funding Source
1. PCB Remediation of Clarifier Office Area	Unanticipated Field Condition	\$65,000	City Contingency
2. Alkalinity Addition	Unanticipated Field Condition	\$40,000	City Contingency
3. Irrigation pipeline connections	Reduced new pipeline length	N/A	
4. Compactor/Washer Addition	Design addition to Headworks for reduced solid waste volume	N/A	Value Added from Reduced Pipeline Costs In Item 3.
5. Relocated WAS discharge pipeline	Minimize construction impacts to Ocean View	N/A	
6. Relocated Potable Water Pipeline to Cemetery Maintenance Building	Minimize construction impacts to cemetery	N/A	

2.4 Future Activities

Table 2-5: Engineering Design Activities

Deliverables	<ul style="list-style-type: none">• SWRCB Final Budget Approval• Construction Notice to Proceed
Meetings	<ul style="list-style-type: none">• Weekly Progress Meetings

Table 2-6: Permitting Activities

Deliverables	<ul style="list-style-type: none">• State DDW Engineering Report Approval• Notice of Intent Recycled Water Permit Approval• Monterey Bay Unified Air Pollution Control District Approval to Construct
Meetings	<ul style="list-style-type: none">• MRWPCA Project Update Meeting

2.5 Other

Construction Notice to Proceed will be issued to PERC following RWQCB issuance of the General Recycled Water WDR and SWRCB issuance of the Final Budget Approval Form.

Samples of design progress are presented below.

Figure 2-1: Northeast Corner Building Concept

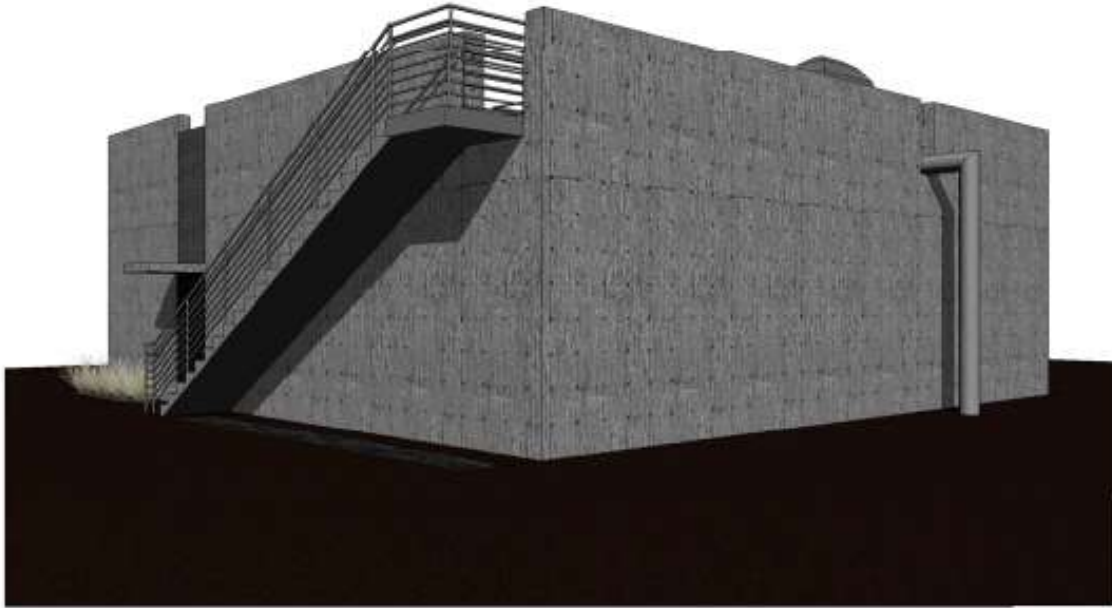


Figure 2-2: Southwest Corner Building Concept



Figure 2-3: Southeast Building Concept



Figure 2-4: Birds Eye View Building Concept

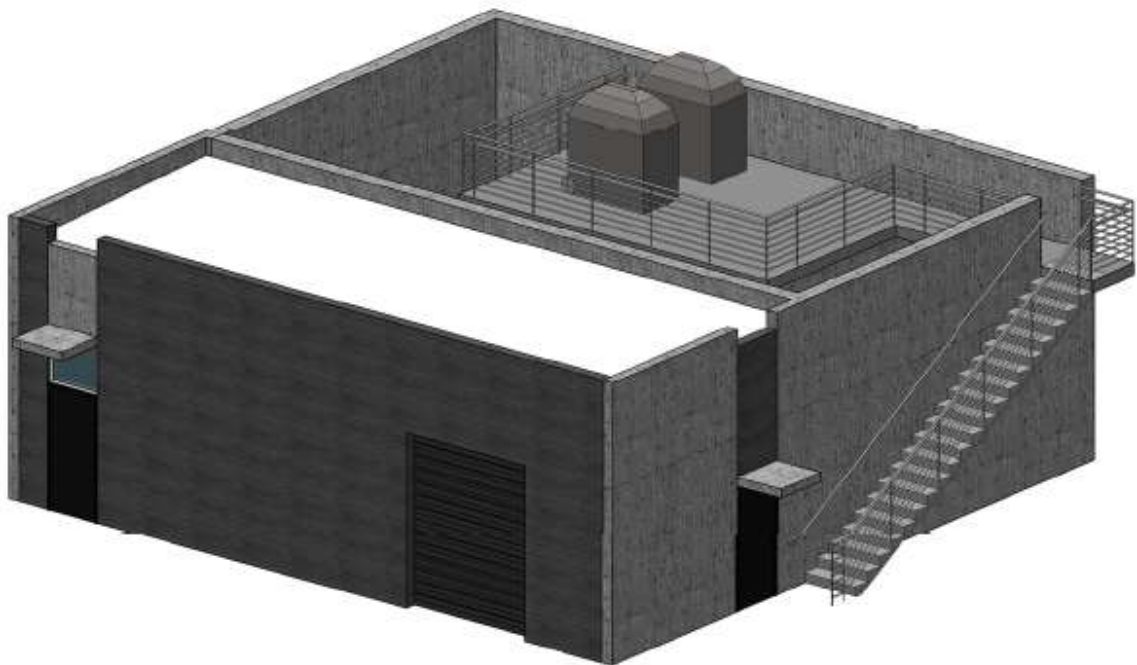
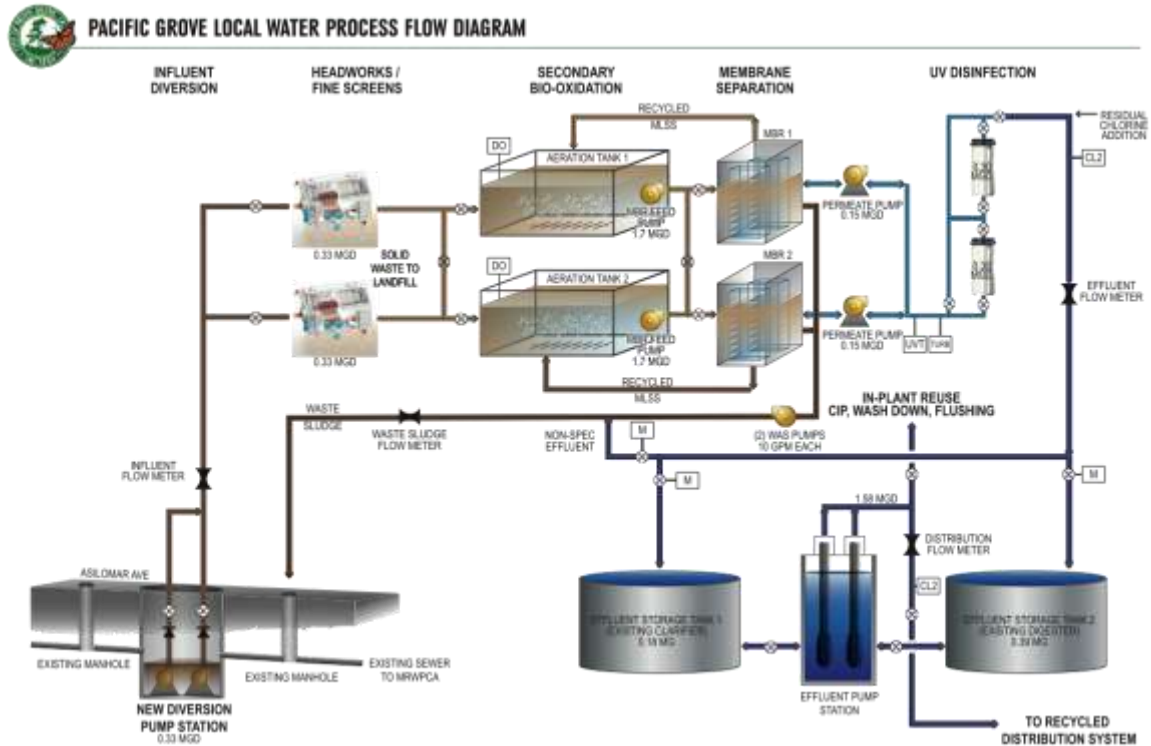


Figure 2-5: Process Flow Diagram



3 Construction Management

3.1 Schedule

No construction activities are in progress. Construction Notice to Proceed has not been issued.

3.2 Construction Activities

Table 3-1: Change Orders

Change Order Number	Description	Amount	Status
NONE			

Table 3-2: Potential Change Orders

Request Number	Description	Amount	Status
NONE			

Table 3-3: Contingency Expenditure

Description	Amount	Status
PCB Remediation	\$65,000	Obtaining bids

3.3 Construction Activities Completed During Progress Period

- Pre-bid design meeting
- Good Faith Effort for SBE/DBE/Local Business Contractors

3.4 Construction Activities Planned During Progress Period

- Construction Notice to Proceed

3.5 Unresolved Issues

- None

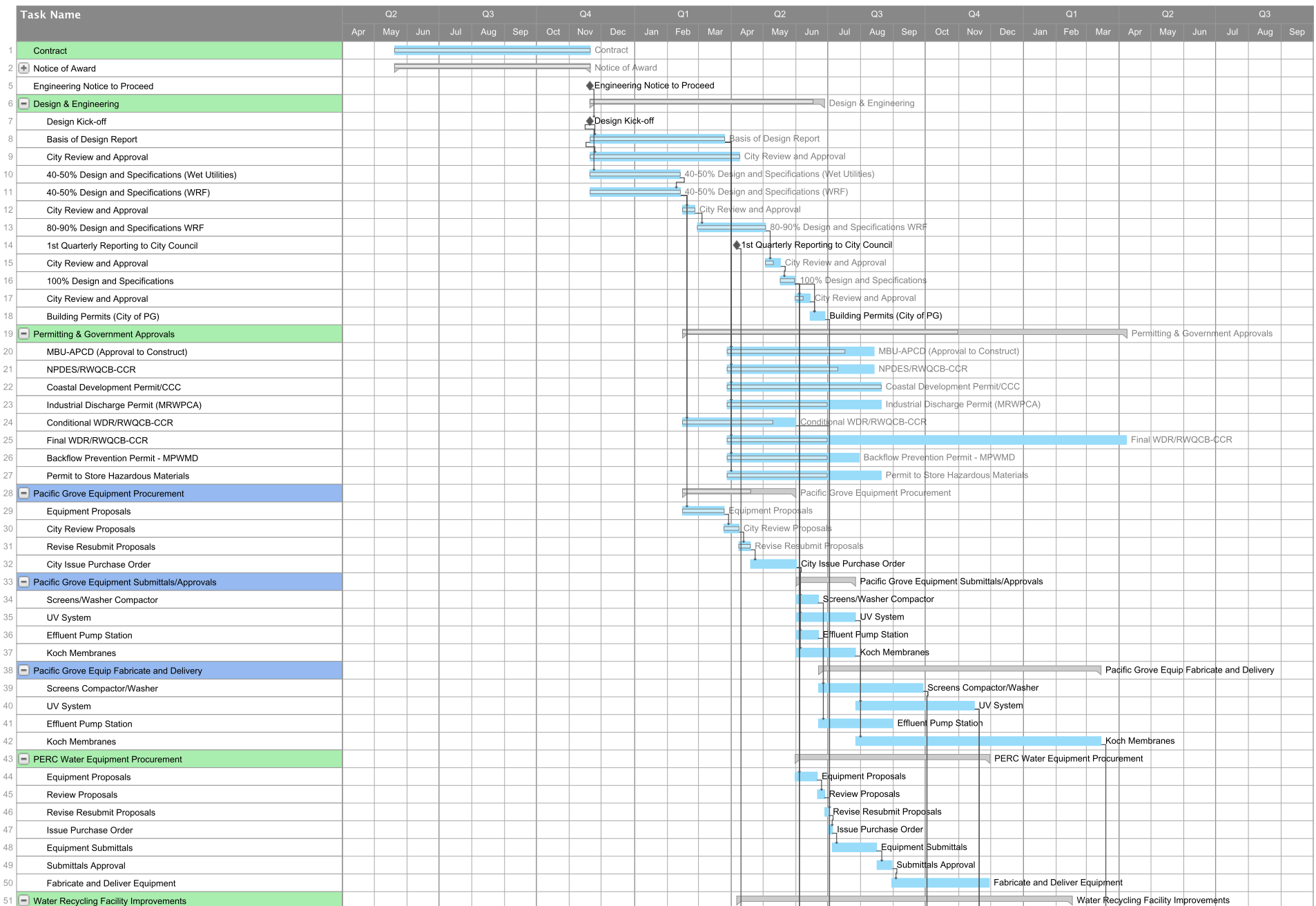
3.6 Construction Photos

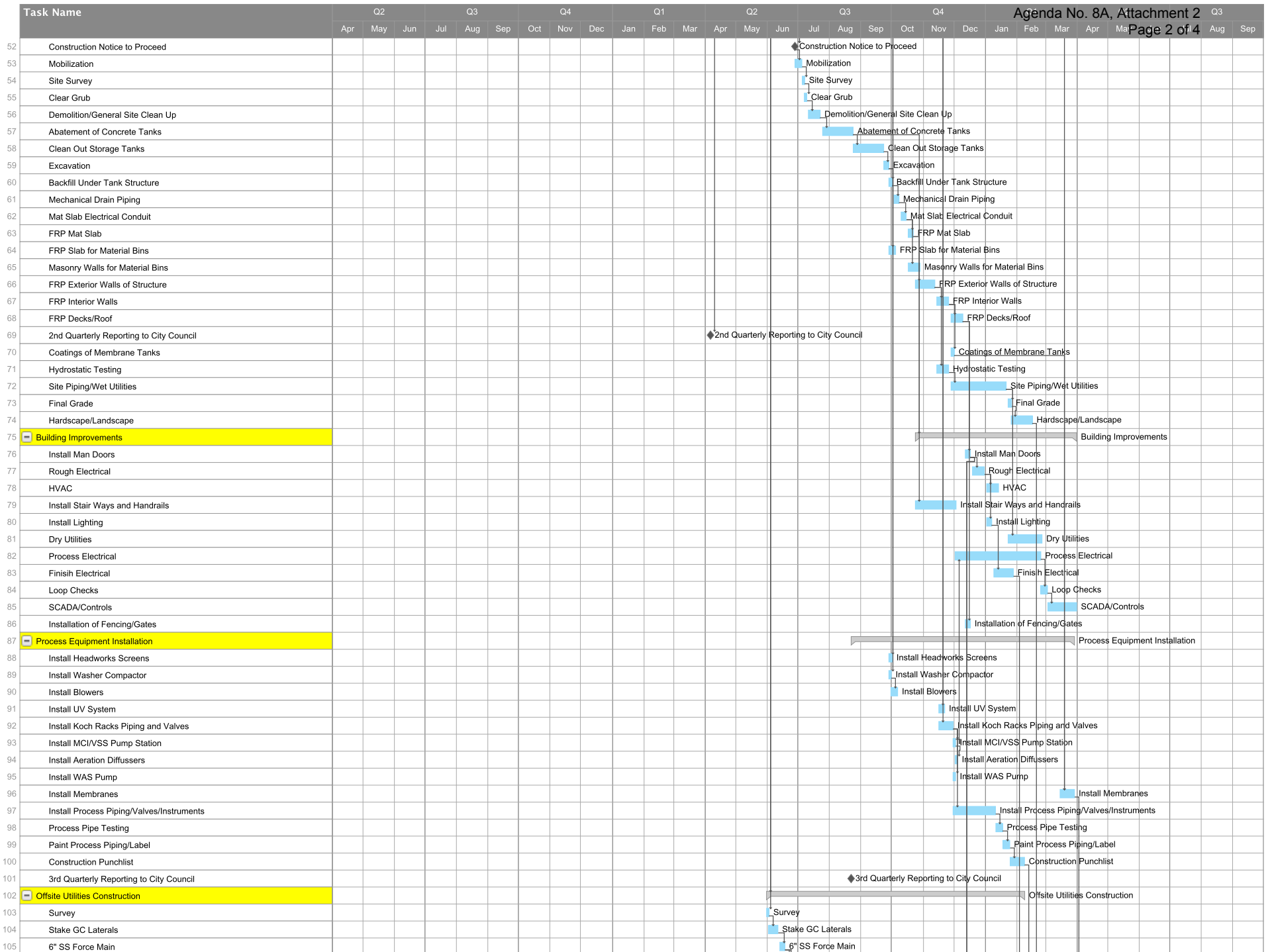
- None

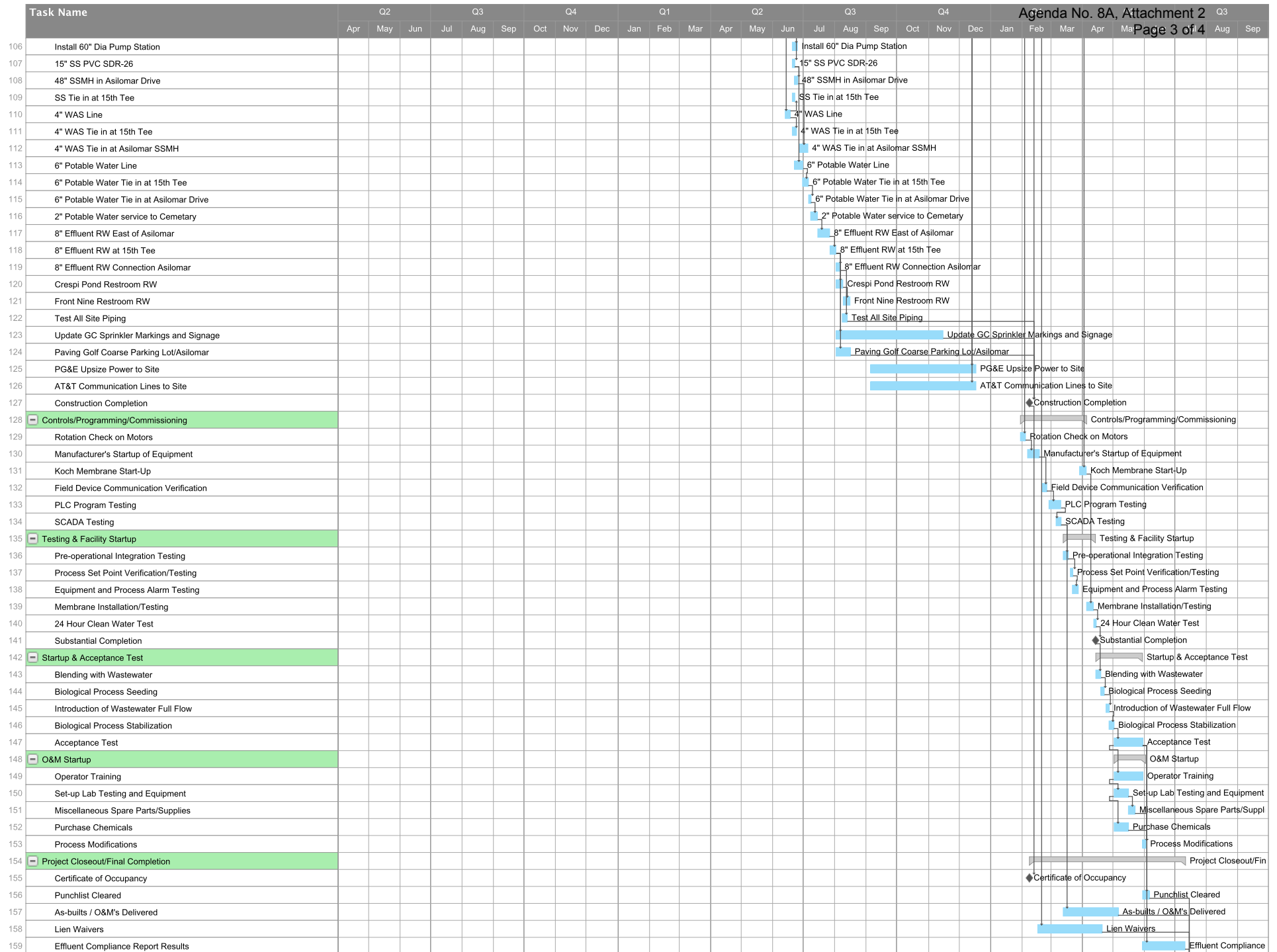
4 Public Outreach

No public outreach activities have occurred this progress period. Future public outreach activities include construction notifications around the project site.

Pacific Grove Rev. 1







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