



AGENDA NO: 7.c

MEETING DATE: February 11, 2025

Staff Report

TO: Honorable Mayor and City Council

DATE: January 30, 2025

FROM: Greg Kwolek, Public Works Director
Damaris Hanson, Utilities Division Manager

SUBJECT: Receive and File Fiscal Year 2024 Quarter 4 WRF Quarterly Report

RECOMMENDED ACTION

Review and file the Fiscal Year 2024 4th Quarter WRF Quarterly Report.

FISCAL IMPACT

None.

DISCUSSION

The purpose of the WRF Quarterly report is to provide status updates on schedule, budget, contract management, cashflow, key activities, and critical path items as they relate to the WRF program. The attached Quarterly report, which describes project budget, timelines, activities, and highlights, is different from prior reports in that it covers a full fiscal year rather than one quarter. This was done first because major construction activities associated with the project had already concluded, but also to save on costs associated with preparing the report. The report does not cover activities occurring after June 30, 2024.

The FY24 Q4 WRF Quarterly Report covers the period from July 1, 2023, to June 30, 2024, and the major highlights from this period include the following:

- FBV completed all construction punch list items.
- Construction Contract of the WRC reached final completion in January 2024.
- Anvil completed all construction punch list items.
- At City's request, the SRF program sent City a letter clarifying minimum requirements of the Recycled Water Program, which were determined to be injection of 412.5 acre feet per year of advanced purified water within five years of program completion.
- Construction contract for the Conveyance Facilities reached final completion in March 2024.
- All phases (Phases I through IV) of the ultraviolet (UV) disinfection challenge testing at the WRC were completed.
- The City successfully negotiated the contract terms and conditions of an Amendment to the State Revolving Fund Construction Loan Amendment including an additional \$21 million dollars of low-interest financing available for the project (amendment execution anticipated by August).
- The City advertised a contract for engineering design services for the design of the recycled

Prepared By: AC

Dept Review: GK

City Manager Review:

City Attorney Review: RWS

- water facilities component of the program.
- Confluence Engineering Solutions (Confluence) is the Program Manager for the recycled water facilities component of the WRF Program. Carollo Engineers (Carollo) will continue to lead the permitting effort of the recycled water facilities.
 - GSI Water Solutions (GSI) completed the Revised Draft Basis of Design Report (BOD) for the Indirect Potable Reuse (IPR) recycled water injection and extraction program based on the Cleath-Harris Geologists (CHG) Peer Review.
 - On June 11, 2024 the City Council selected the Cannon Corporation out of San Luis Obispo for engineering design services for the injection wells and recycled water pipelines, and approved contract amendments for Program Management, Permitting Support, and Hydrogeologic Support Services.
 - Between June 12 and June 21, 2024, City staff and the Recycled Water Program Team oversaw the completion of archeological and hydrogeologic coring/testing at the proposed injection well locations and archeological testing along the proposed pipeline alignments.

The Public Works Advisory Board review this quarterly report on October 16, 2024. The delay in bringing the report to the City Council was due to the Director of Public Works leave of absence.

This is the final formal WRF Quarterly Report in its current format. Subsequent reports covering activities of the Recycled Water project and will not be prepared by Carollo. Staff intends future reports to be in a simpler format to include:

- Financial summaries
- Project activities
- Accomplishments/Challenges

The report will be shared quarterly or biannually with the Public Works Advisory Board and the City Council.

ATTACHMENT(S)

1. Fiscal Year 2024 Quarter 4 Quarterly Report