



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Approve Budget Modification No. 5 to Modify Funding for Two-Phase Feasibility Study of Structural Stormwater Best Management Practices for the SMaRT Station® and the Concrete Recycling Facility and Modify Contract with Geosyntec Accordingly

BACKGROUND

Staff is preparing to issue a Request for Proposals (RFP) for design of stormwater improvements at the Sunnyvale Materials Recovery and Transfer Station (SMaRT Station). Providing a complete scope of work for the design RFP requires an addendum to a previously prepared Feasibility Study and Implementation Plan. The addendum would address additional paved roadway, the SMaRT Station scales facility and associated stormwater infrastructure.

In 2013, San Francisco Baykeeper (Baykeeper) filed a lawsuit claiming that the City had failed to comply with the Industrial Stormwater Permit requirements of the federal Clean Water Act with regard to stormwater runoff at the SMaRT Station and various locations on the closed Sunnyvale Landfill. On December 6, 2013, a negotiated settlement agreement between the City and Baykeeper became effective.

Among the required actions was a Feasibility Study to determine the most effective and cost-efficient Best Management Practices (BMPs) for managing stormwater at the SMaRT Station. Following City/Baykeeper agreement on the approach recommended by the Feasibility Study, the next step was an Implementation Plan/Timeline setting out the steps for implementation.

A similar Feasibility Study process was required for the concrete recycling facility on the East Hill of the closed Sunnyvale Landfill, unless the City could credibly demonstrate that pollutants detected in stormwater runoff were from sources other than the concrete recycling operation.

In September 2014 the City Council approved a contract with Geosyntec in the amount of \$166,887 for two projects related to the Baykeeper settlement: the SMaRT Station Feasibility Study and Implementation Plan (\$108,593) and the Concrete Recycling Facility Feasibility Study and Implementation Plan (\$74,983).

On July 1, 2015, the State Water Resources Control Board adopted a new Industrial General Stormwater Permit, expanding the description of industrial areas to cover haul roads adjacent to industrial sites. Under this new permit, the entrance road to the SMaRT Station and the entry/exit truck scales are considered to be industrial activities. Additional funds are needed to study this additional area and include its stormwater infrastructure in the Smart Station Feasibility Study and Implementation Plan.

EXISTING POLICY

Policy EM-10.3 - Reduced Runoff and Pollutant Discharge

Require the incorporation of appropriate stormwater treatment and control measures for industrial and commercial facilities as identified in the stormwater municipal regional permit.

ENVIRONMENTAL REVIEW

This project is exempt from the California Environmental Quality Act (CEQA) pursuant to California Code of Regulations Section 15262 in that it is a project involving only feasibility or planning studies for possible future actions which have not been approved, adopted, or funded by the City.

Appropriate CEQA review will be completed before construction of the stormwater improvements.

DISCUSSION

SMaRT Station: A Feasibility Study was prepared for the SMaRT Station, and submitted to Baykeeper at a total cost of \$105,865. Baykeeper and the City agreed on the conclusions on the Study and the subsequent Implementation Plan/Timeline, which is currently being implemented. The remaining unspent funds in this Fund 490 portion of the contract are \$2,441.

The first step of the Implementation Plan is to prepare the Scope of Work for a Request for Proposals (RFP) for design of SMaRT Station stormwater structural best management practices (BMPs). These improvements will separate industrial stormwater runoff at the facility from non-industrial runoff. To the extent possible, industrial runoff will be collected and piped to the adjacent Water Pollution Control Plant for treatment prior to discharge. The timeline agreed to by the City and Baykeeper shows the work complete and operational by July 31, 2018.

On July 1, 2015, subsequent to the preparation of the SMaRT Station Feasibility Study and Implementation Plan submissions, a new Industrial General Stormwater Permit was adopted by the State Water Resources Control Board. This new permit expands the description of industrial areas to cover haul roads adjacent to industrial sites. Under this permit, the entrance road to the SMaRT Station and the entry/exit truck scales are considered to be industrial activities. Therefore, the structural BMP improvements are required for this additional area.

Providing a complete scope of work for the design RFP requires an addendum to the Feasibility Study and Implementation Plan to address the additional area and its stormwater infrastructure. The preparation of this addendum is projected to cost \$23,727. A 10% contingency is recommended for this portion of the work, bringing the total to \$26,100. Accounting for the unspent \$2,441 remaining from the completed portion of the work requires a net appropriation increase of \$23,659 for Fund 490.

Concrete Recycling Facility: The City has provided a report to Baykeeper with evidence that indicates that the constituents previously reported in stormwater and exceeding Settlement target levels are attributable to naturally occurring metals in the landfill cover soil and/or native soils, which are not considered part of the industrial activities. Baykeeper agreed with this conclusion. Thus, the Feasibility Study for the Concrete Recycling Facility is unnecessary, and this phase of the not-to-exceed contract will not move forward, leaving \$74,983 unspent in the Fund 485 portion of the contract.

Staff is also asking Council to approve modifying the Geosyntec contract's scope of work consistent with the budget modification, i.e., to add to the scope of work the supplement to the SMaRT Station

feasibility study and to delete the concrete recycling facility feasibility study.

FISCAL IMPACT

Budget Modification No. 5 has been prepared to appropriate \$23,659 in additional funds for Project 831220, Structural Stormwater BMPs, SMaRT Station (Fund 490, SMaRT Station), for the Feasibility Study Addendum for the SMaRT Station. Expenses for the SMaRT Station Feasibility Study Addendum will be shared among the cities of Mountain View, Sunnyvale and Palo Alto consistent with the SMaRT Station Memorandum of Understanding. It is anticipated that Sunnyvale's share of this additional funding will be approximately \$12,000.

The proposed budget modification also de-funds Project 831210, Structural Stormwater BMPs, Concrete Recycling Facility (Fund 485, Solid Waste Management), in the amount of \$74,983 and returns Sunnyvale's \$62,917 net appropriation decrease to the Solid Waste Management Fund's Rate Stabilization Reserve.

The FY 2015/16 Budget includes \$596,100 in FY 2016/17 for design and construction of the SMaRT Station-related improvements. Staff may be returning to Council in future stages of the project with budget modification requests should the results of the study show a need for additional resources.

BUDGET MODIFICATION NO. 5 FISCAL YEAR 2015/2016

<u>Current</u>	<u>Increase (Decrease)</u>	<u>Revised</u>
SMaRT Station Fund - Equipment Replacement Sub-fund		
<u>Revenues:</u>		
Contribution frc\$64,488	\$7,334	\$71,822
Contribution frc\$58,493	\$4,259	\$62,752
Contribution frc\$152,020	\$12,066	\$164,086
<u>Expenditures:</u>		
Project 831220\$105,865 Stormwater BM	\$23,659	\$129,524
Solid Waste Management Fund		
<u>Expenditures</u>		
Project 831210\$74,983 Stormwater BM Recycling Facil	(\$74,983)	\$0
<u>Transfers</u>		
Transfer Out to\$152,020 Equipment Rep	\$12,066	\$164,086
<u>Reserves</u>		
Rate Stabilizati\$2,755,162	\$62,917	\$2,818,079

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

1) Approve Budget Modification No. 5 and 2) Modify the Geosyntec contract scope of work to delete the concrete recycling facility study and add the supplement to the SMaRT Station feasibility study.

Prepared by: Mark Bowers, Solid Waste Programs Division Manager

Reviewed by: John Stufflebean, Director, Environmental Services Department

Reviewed by: Grace K. Leung, Finance Director

Reviewed by: Jane Chambers, Interim Assistant City Manager

Approved by: Deanna J. Santana, City Manager