



AGENDA REPORT

City Council Meeting

TODAY'S DATE: July 25, 2024

MEETING DATE: August 7, 2024

TO: MAYOR AND CITY COUNCIL

FROM: Holly Ellis, Construction Manager

SUBJECT: Approve the Professional Services Agreement with Keller Associates for the Wastewater Treatment Plant Replacement Preliminary Engineering Report (No. A24-3257-1)

DESCRIPTION/BACKGROUND:

The City of Sandpoint owns and operates one wastewater treatment plant that discharges into the Pend Oreille River. Portions of this plant date back to the 1940s, with many components now obsolete, deteriorated, or undersized, making operations difficult. Although operators generally maintain treated water quality that meets discharge requirements, potential component failures could lead to excess pollutant discharge. Therefore, reconstructing the wastewater treatment plant is a high priority for the City.

In 2019, the City adopted a Wastewater Facility Plan outlining the need for a new facility with a capacity of approximately 10.7 million gallons per day (mgd), estimated to cost over \$60 million. This plan, along with the 2023 Wastewater Collection Evaluation Plan, which comprehensively assesses the performance of the existing collection system, informed the revenue requirements for the 2022 rate study.

To finance the reconstruction project, the City plans to leverage multiple funding sources. A recent increase in wastewater utility rates marks an initial step towards securing funds. Additionally, the City is considering a mix of funding sources, such as loans, bonds, and grants, and is actively pursuing grant funding to minimize the burden on ratepayers. One potential funding source is the State Revolving Loan Fund (SRF), administered by the Idaho Department of Environmental Quality (DEQ). At the beginning of each year, the DEQ opens a process for submitting Letters of Interest (LOI) for funding consideration.

On May 16, 2024, the City issued a Request for Qualifications to procure a qualified professional engineer(s) to develop a Preliminary Engineering Report (PER) and evaluate the feasibility of replacing the wastewater treatment plant. The PER will be developed in accordance with IDAPA-58 and build upon the 2019 Wastewater Facility Plan, to support a LOI submission for Clean Water SRF consideration by January 2025, as well as other funding opportunities. The City received three (3) Statements of Qualifications (SOQ). The SOQs were evaluated based upon the scoring criteria established and published within the RFQ. Staff successfully interviewed the top two (2) scoring firms and negotiated the preliminary design contract attached with Keller Associates. The solicitation is governed by Idaho Code § 67-2320 and was administered accordingly.

STAFF RECOMMENDATION:

Staff recommends approval of contract A24-3257-1 – Keller Associates in the total amount of \$432,920.00 for the Wastewater Treatment Plant Replacement Preliminary Engineering Report and authorize the Mayor to sign the Professional Services Agreement.

ACTION:

Move to approve the contract A24-3257-1 – Keller Associates in the total amount of \$432,920.00 for the Wastewater Treatment Plant Replacement Preliminary Engineering Report and authorize the Mayor to sign the Professional Services Agreement.

WILL THERE BE ANY FINANCIAL IMPACT? Yes **HAS THIS ITEM BEEN BUDGETED?** Yes

ATTACHMENTS:

Proposed Resolution

A24-3257-1 Keller Associates Professional Services Agreement