



Staff Report

Agenda Item: MOUNTAIN GATE ARSENIC TREATMENT SYSTEM – Consideration of approval for the Town staff to move forward with necessary steps to bring the Mountain Gate Arsenic Treatment System into operation on the water system.

Meeting Date: May 27, 2008

Prepared By: Wayne Debrosky, Utilities Director

Background: As Council is aware, the Arsenic Treatment System (ATS) for the Mountain Gate well requires several modifications before it will be considered operational on the Town's water system. Empire Construction was responsible to deliver a fully operational and permitted Arsenic system to the Town as part of their off-site water improvements for the Mountain Gate project. With their operations "frozen" and their recent bankruptcy filing, they've left the Town with a partially complete system that will not meet federal arsenic requirements. The Town must be in compliance on Arsenic Treatment by December 31, 2008, or cease using the Mountain Gate well to supply water to our customers. We do not have sufficient water supplies from our other sources to allow this to happen.

The following steps need to be taken to complete the ATS for the Mountain Gate well:

- A PRV, surge relief valve and well site improvements need to be designed and installed on the well line to the Mountain Gate Arsenic Treatment system prior to system start up
- The system needs to be disinfected.
- Training and system start-up need to be provided by Kinetico (the system manufacturer).
- A sewer line needs to be designed and constructed from the 89A reservoirs to the nearest sewer line (in the Valley View Cemetery) to carry the backwash water from the ATS to the wastewater treatment plant.

The design work for the PRV, surge relief valves and well site was completed by Shephard-Wesnitzer, Inc. (SWI) for Empire

Companies, but SWI never received payment for the design from Empire. SWI has also designed the sewer line extension to the Valley View Cemetery, and not been paid by Empire. If their fees are paid, SWI is willing to sell the plans to the Town.

Although the expenses for the Arsenic system are included as part of our claims through the bonding company on the Mountain Gate project (Bond Safeguard Insurance), we are not in a position to wait to resolve issues with the bonding company before starting this project due to the federal compliance issues. Therefore, we are proposing to move forward with this project, and seek reimbursement from Bond Safeguard.

In order to move forward with the most immediate issues, staff is recommending that the Council authorize staff to:

- Contract with Shepherd-Wesnitzer Inc. (SWI) in the amount of \$8,900.00 for the engineering, design, bid documents, and submittal of documentation for regulatory approval of a pressure relief valve (PRV), surge relief valve and associated well site improvements for the Mountain Gate Arsenic Treatment system; and,
- Contract with Kinetico to an amount not to exceed \$9,000 for training and system start-up.
- Contract with an appropriately licensed contractor to construct the pressure relief valve (PRV), surge relief valve and associated well site improvements.

The above three steps are the most critical to bringing the system into compliance. Additional steps that will need to be taken will include the design and construction of the sewer line the Valley View Cemetery, and entering a contract in the interim for a company to haul the backwash water to the wastewater plant. Those items will be presented to the Council for consideration at a later date, if required under our procurement code.

Recommendation: Staff recommends that the Council authorize staff to contract with Shepherd-Wesnitzer Inc. (SWI) in the amount of \$8,900.00 and Kinetico for up to \$9,000 in order to move forward with ATS start up, and additionally to follow appropriate procurement guidelines to hire an appropriately licensed contractor to construct the pressure relief valve (PRV), surge relief valve and associated well site improvements for the ATS.