



Service Responsiveness Teamwork

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August 19, 2016

Kishen Prathivadi, PE, PMP  
Engineering & Construction Contracts Manager  
Sewer Authority Mid-Coastside  
1000 N Cabrillo Hwy  
Half Moon Bay, CA 94019

Subject: Sewer Authority Mid-Coastside Recycled Water Project – SRT  
Consultants' Proposal

Dear Mr. Prathivadi,

SRT Consultants (SRT) is pleased to submit for your consideration this letter proposal to provide an update to the Sewer Authority Mid-Coastside (SAM) 2010 Recycled Water Facilities Planning Report, as requested by the City of Half Moon Bay (City). Please find below a description of the project understanding and scope, as per our communications with SAM staff, and a cost proposal for SRT to complete this work.

### **Project Understanding and Scope of Services**

On August 17, 2016 SRT Consultants (SRT) received the following electronic communication from the Sewer Authority Mid-Coastside (SAM)<sup>1</sup>:

*“Please provide a cost proposal to update the SRT 2010 Recycled Water Facilities Planning Report to cover the following items listed by City of Half Moon Bay:*

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<sup>1</sup> Please note that the scope description was copied verbatim from the electronic correspondence received by SRT from SAM on 08/17/2016

To confirm, the request from Director Ruddock was to update the December 2010 Recycled Water Facilities Planning Report to account for the need to add 30% to 50% Reverse Osmosis blending as determined by OCP as required to meet their WQ objectives. This change would affect various sections of the report and the backup analysis, including but not limited to:

- *Executive Summary*
- *Section 2.1.1 Marketing Study (with regard to clarification of OCP WQ objectives)*
- *Section 3.0 Treatment Options. This section currently does not discuss Reverse Osmosis. RO process description, details, equipment requirements, layout, etc. should be discussed similar to the other technologies.*
- *Section 4.0 Project Alternatives and 5.0 Facilities Project Plan. Neither of these sections currently discuss the addition of Reverse Osmosis. The new analysis should include a 30 to 50 percent blended RO stream as part of the project configuration. Facility sizing, storage (which would include new storage, not use of existing tankage), onsite piping and electrical requirements, access, etc. should be considered in the analysis at a conceptual level in order to develop layouts, needs, and costs to the same level as the original report.*
- *Section 6.0 Construction Financing Plan. This section should be updated based on revised analyses conducted for Sections 4.0 and 5.0. Note that CCWD “outside of the fence” costs should draw from the most recent information provided by CCWD.*
- *Operating costs presented in Section 6.0 need to account for reverse osmosis energy requirements in addition to other costs.”*

Based on our understanding of the City’s request, the scope of services detailed above is included in our February 12, 2016 proposal to SAM for the Recycled Water Project (RWP), incorporated herein by reference. The SRT/RMC Team’s February 12, 2016 RWP proposal included the following approach (see Page 3 of 37):

*“The SRT-RMC team has developed a comprehensive and focused approach to address SAM’s current needs. To effectively support SAM in its RWP advancement efforts, the SRT-RMC team proposes the following activities to be implemented through a two-step process:*

- *Immediately upon receiving the Notice-to-Proceed from SAM, the SRT-RMC team will initiate the development of up to three (3) treatment alternatives for recycled water, including development of site layouts and technical and cost benefits for alternative evaluation.*
- *Following completion of the alternative analysis process and upon receiving SAM’s concurrence with the preferred alternative, the SRT-RMC team will initiate environmental review and permitting under the*

California Environmental Quality Act (CEQA) and Local Coastal Program (City of Half Moon Bay LCP), and develop a coordinated approach to CEQA/LCP compliance with CCWD.

- Concurrently with the environmental review initiation, we will develop a detailed financing plan and submit grant/loan-funding applications following the execution of the SAM/CCWD and CCWD/OCP agreements.

The workflow for this proposed approach is presented below.

**STEP 1:**

- **DEVELOP AND ANALYZE ALTERNATIVES**
- **SELECT PREFERRED ALTERNATIVE**
- **DEVELOP BASIS OF DESIGN FOR THE PREFERRED ALTERNATIVE**
- **DEVELOP CAPITAL AND OPERATIONS AND MAINTENANCE COSTS FOR THE PREFERRED ALTERNATIVE**

**STEP 2:**

- **INITIATE CEQA/LCP REVIEW**
- **DEVELOP FINANCE PLAN**
- **DEVELOP IMPLEMENTATION SCHEDULE”**

Further, on Page 23 of said proposal, we also stated:

*“The SRT-RMC team would develop and evaluate up to three (3) alternative concepts for recycled water treatment. The three (3) alternatives to be developed would be determined based on initial meetings and input from the SAM staff, Board of Directors, and other stakeholders. Based on input from SAM staff on available areas and process facilities at the existing WWTP, the re-purposing of existing underutilized structures would be one of the components included in the water treatment alternative evaluation. Process options such as filtration technology and disinfection approaches would be evaluated, as well as “on-demand” vs. “controlled demand” storage and recycled water pump station operation.”*

We believe that to complete the scope of work requested by the City, we would need to complete the majority of STEP 1 tasks as outlined in our previous proposal and as quoted above and to complete the Finance Plan Development task of STEP 2.

**Schedule and Fee Estimate**

Based on our understanding of the Scope of Services outlined by the City and presented on Page 2 of this letter, SRT has developed a proposed schedule and corresponding fee estimate. Tables 1 and 2 include the proposed schedule and fee estimate, respectively.

*Table 1. Schedule Milestones and Task Durations*

<b>Tasks</b>	<b>Duration</b>	<b>Deliverable Date</b>
Receive Notice to Proceed from SAM	1 day	August 29, 2016
Develop Alternatives and Layouts	4 weeks	September 23, 2016
SAM Staff Review of Alternatives	2 weeks	October 7, 2016
Complete Draft Alternative Analysis (AA) Technical Memorandum (TM) for SAM Staff Review	4 weeks	November 1, 2016
SAM Staff Review	2 weeks	November 15, 2016
Final AA TM	2 weeks	November 29, 2016
Develop Draft Finance Plan (initiated after Draft AA TM has been reviewed by SAM)	2 weeks	November 29, 2016
SAM Staff Review	2 weeks	December 13, 2016
Final Finance Plan	2 weeks	December 27, 2016

This fee estimate is based on the schedule presented above and on the following key assumptions and limitations:

1. SAM will provide one consolidated set of comments to all draft deliverables within two (2) weeks of receipt of each submittal;
2. All submittals will be provided electronically only, no printing costs were included;
3. Alternative analysis will be limited to three (3) alternatives agreed-upon by all stakeholders.
4. Estimated recycled water demands (quantity and timing) provided by SAM would be used.
5. The development of a full user survey and demand estimate is excluded from this scope of work.
6. SAM would provide existing information (e.g., record drawings) of the existing WWTP, including utility and all yard piping information, in addition to the information provided by the stakeholders, including Coastside County Water District, Ocean Colony Partners, and others.
7. Existing survey information provided by SAM would be used. No topographic survey was included in the scope of work for this proposal.

*Table 2. Fee Estimate*

<b>Tasks</b>	<b>Fee Estimate</b>
Develop RW Treatment Alternatives	\$12,947
Develop Preliminary Site Layouts	\$11,179
Develop Alternative Analysis Matrix	\$10,941
Draft AA TM	\$17,881
Final AA TM	\$10,553
Prepare Draft Finance Plan	\$9,272
Prepare Final Finance Plan	\$9,272
<b>Fee Estimate Total</b>	<b>\$82,046</b>

We are also pleased to offer the following optional services that were not included in the above fee estimate and milestones.

#### OPTION 1: Peer Review of Draft AA TM and Board Workshop

This optional task is offered to provide SAM staff an opportunity to discuss the Draft AA TM findings with the SRT-RMC team and receive comments from the independent industry experts from Hazen and Sawyer.

##### *OPTIONAL SRT-RMC Team Deliverables:*

- Presentation materials and participation in a 4-hour workshop with staff

##### *SAM Deliverables:*

- Staff participation and facilities for the workshop

#### OPTION 2: Board Workshop to Review and Approve Preferred Alternative

Under this optional task, the SRT-RMC team together with the outside experts would prepare and participate in a public meeting with the SAM Board of Directors and other stakeholders with the goal of receiving input from the policy makers and stakeholders and concurrence with the proposed Preferred Alternative. This optional workshop would provide an opportunity for the stakeholders and policy makers to provide input to the RWP development process while streamlining the development of the project.

##### *OPTIONAL SRT-RMC Team Deliverables:*

- Presentation materials and participation in a 4-hour Board workshop

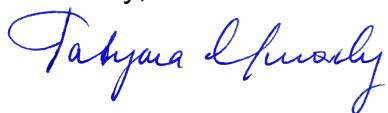
##### *SAM Deliverables:*

- Stakeholder participation and facilities for the workshop

The estimated additional fee for the optional services outlined above is \$31,639, which is in addition to the estimated \$82,046 fee for the core services outlined in this proposal.

Please call me at 415.776.5800, x301, if you have any questions about our proposal or require any additional information.

Sincerely,



Tanya Yurovsky, P.E.  
Principal  
SRT Consultants