



Council Agenda Report

From: Casey Shepherd, Wastewater Resources Manager

Subject: Approval of Engineering Services for a New Sewage Lift Station on Union Road
CEQA Determination: The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Date: July 18, 2023

Facts

1. The City is currently experiencing significant growth on the eastern edge of City limits. Specifically, the Mill Road corridor has several proposed large development projects, primarily consisting of hotel and resort-style projects.
2. City staff are actively working with property owners and developers to extend wet utilities (i.e., water, wastewater, and recycled water) to Mill Road to facilitate economic development in the area.
3. Given the topography of the area, a new sewage lift station is required to capture and convey wastewater from the Mill Road area to the City's existing gravity sewer system.
4. A new lift station on Union Road will provide multiple benefits. The new lift station will:
 - Accommodate new flows from developments on Mill Road;
 - Allow existing, non-sewered facilities (e.g., Vina Robles Amphitheatre, Paso Sports Club, and Barney Schwartz Park) to tie into City sewer;
 - Provide sewer service to future developments in the Union Road area; and
 - Facilitate future development of the North Chandler Ranch Specific Plan area.
5. The City already has an established sewer easement on the Paso Robles Sports Club property, located at 2975 Union Road. The easement was dedicated to the City in 2009 in anticipation of a future sewage lift station. Additionally, approximately 1,600 linear feet of 6-inch diameter force main has already been constructed in Union Road in anticipation of a new sewage lift station.
6. The City requested Cannon Corp. (Cannon) of San Luis Obispo to prepare a scope of work and fee proposal for engineering services for the Union Road lift station. The work includes the preparation of plans, specifications, and cost estimates (PS&E).
7. Completing the design of the Union Road lift station will enable the City to establish an accurate construction budget and move forward with construction when appropriate, to coincide with the extension of the wet utilities in Mill Road.

Options

1. Take no action;
2. Authorize the City Manager to enter into a professional services agreement with Cannon for engineering services for an amount up to \$230,762; or
3. Provide alternative direction to staff.

Analysis and Conclusions

As the City of Paso Robles continues to grow, so does the need to expand City utilities to serve new development. The City has already completed large upgrades to the wastewater treatment plant that have created the capacity required to accommodate buildout. Along with increased treatment capacity, expansions to the City's sewer collection system are also necessary to accommodate growth. Planned developments along Mill Road are driving the need to extend City water, recycled water, and sewer utilities out to the area. Topographic constraints require that a new regional sewage lift station be built to capture and convey wastewater generated in the Mill Road and Union Road areas to the City's existing gravity sewer system.

Cannon is a local engineering firm specializing in municipal utility infrastructure with extensive City-specific water and wastewater design experience. Cannon's familiarity with City design standards will help improve efficiency and expedite the design process. Over the past few years professional engineering firms have been struggling with staffing shortages and large backlogs of work. However, Cannon has the staffing necessary to begin work immediately and complete this project in a timely manner. Cannon's scope of work satisfies all the requirements of the project, and their proposed fee is deemed competitive and consistent with industry standards. The City's purchasing policy typically requires engineering services in excess of \$150,000 to go through a formal request for proposals, however, staff recommends waiving this requirement for the Union Road lift station and believes the City is best serviced by Cannon for this particular project based on these enumerated factors. Upon completion of the lift station design, the City will have flexibility on when to begin construction. Without completion of the lift station design, the City may miss an opportunity to have developer-funded utilities installed out to Mill Road. Completion of this lift station design is a strategic action that will enable the City to keep pace with proposed development projects in the Union Road and Mill Road areas.

Fiscal Impact

The total cost of the proposed engineering services to Cannon totals \$230,762. The City's wastewater fund's FY 2023-24 capital improvement program budget includes \$1 million for design and construction of this lift station. As such, no further action is necessary.

Recommendation

(Option 2)

Approve Resolution 23-XXX, authorizing the City Manager to enter into a professional services agreement with Cannon, for Engineering Services for a New Sewage Lift Station on Union Road, for an amount up to \$230,762.

Attachments

- 01 - Resolution 23-XXX - Approval of Engineering Services for a New Sewage Lift Station on Union Road
 - a. Exhibit A – Cannon's Scope of Work and Fee Proposal