

Board of County Commissioners

Agenda Request

Date of Meeting: April 7, 2009

Date Submitted: March 18, 2009

To: Honorable Chairman and Members of the Board

From: Benjamin H. Pingree, County Administrator
Dale Dransfield, Eutaw Consultant

Subject: Request Board Review and Approval of Negotiations with Wildwood Golf Course and Authorize the Chairman to Execute the Reuse Water Agreement

Statement of Issue:

This agenda item proposes to update the Board on the final negotiations with owners of the Wildwood Golf Course regarding their acceptance of and payment for Reuse Water from the Otter Creek Wastewater Treatment Plant and requests Board approval to authorize the Chairman to execute the Reuse Water Agreement. The Golf Course agrees to pay for the amount of water used by them for irrigation purposes while providing the County with availability to dispose of a minimum of 340,000 gallons per day of reuse water.

Background:

The Board directed the planning and design of an upgrade to the County's Wastewater Treatment Plant to provide an increase in capacity to 1.6 mgd and effluent treatment to public access reuse standards. In order to obtain a permit for the additional disposal, the County has sought to find an acceptable reuse customer. The sprayfield currently owned and operated by the County at the Otter Creek facility has a permitted disposal capacity of 600,000 gallons per day. The Wildwood Golf Course makes a perfect customer for reuse, because of several factors. First they have lined ponds already installed on their property that will act as disposal sites. They have the ability to receive and use water even in wet weather conditions, and are willing to contract to do so. This is a very important factor, not found in all reuse customers. They are willing to pay for the portion of the reuse water that meets their needs for irrigation. Since the agreement was last presented to the Board on February 17, 2009, the Golf Course has returned the agreement requesting four additional provisions to add in the agreement. In addition, those provisions have been noted in the attached agreement (Attachment #1).

On February 17, 2009 the Board approved a draft of the agreement contingent on staff attempting to negotiate an "escape clause" to limit the possible number of years the County would be obligated to deliver the Reuse water at the prices stated in the agreement. Since that time, Wildwood has come back with an amended agreement which asks for the following (Attachment #2):

1. The rates to be fixed and not to be increased according to the CPI index.
2. Wildwood cannot accept 1,000,000,000 gallons per day.

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3. The words “that can be traced to the reuse water” must be taken out of the liability language since the only water Wildwood will be using is the reclaimed water. (Page #7, Liability of County).
4. To make sure that there are NO COSTS to Wildwood upfront. Wildwood is not able to fund anything new as a result of signing the agreement.

These requested changes have been incorporated into the agreement (Attachment #1). Permitting of the WWTP upgrade is dependent on disposal capacity for the effluent that the new plant will produce in addition to what the County's sprayfield can handle. It is therefore recommended that this agreement be signed so that design and permitting of the WWTP upgrade can proceed.

Analysis:

As presented in the Background section above, the latest draft agreement between the County and Wildwood is presented in Attachment #1. The elements of this agreement represent significant progress and concessions from both sides and stem from over a year of ongoing discussions and negotiations. The County absolutely needs to enter into this agreement before progress can be made in obtaining a permit to construct the new plant. The Northwest Florida Water Management District has reviewed this proposal and has agreed that it is indeed a beneficial arrangement and has committed to help fund its construction by signing a \$500,000 grant to the County for that express purpose.

While it is a policy decision of the Board whether or not to accept the requests proposed by the Golf Course, staff has incorporated the requested changes into the proposed agreement. Staff and the County Attorney have reviewed each and find them acceptable to the completion of the comprehensive sewer improvement plans being acted upon by Wakulla County at this time (and related to this agreement). Moreover, this agreement does allow for the distribution of at least 340,000 gallons treated water per day. That amount to be accommodated by Wildwood, combined with the existing sprayfield capacities at other County facilities, is sufficient to meet the County's needs per our permit application and agreement with Northwest Florida Water Management District (NWFMD). For clarity, Wildwood's existing facilities should accommodate up to 340,000 gallons per day, but not up to the initially requested 1,000,000 gallons per day.

In the original facilities plan reviewed by the Florida Department of Environmental Protection (FDEP), the selected alternative was to construct a RIB System (Rapid Infiltration Basin System) at the current County owned spray field. This alternative was rejected by DEP. The facilities plan was amended and the selected alternative was to partner with the NWFMD and the Wildwood Golf Course to construct a reuse line from the WWTP to the Golf Course. Originally it was thought that they could use 350,000 gallons per day. That has been modified to 340,000 gallons per day. The amended facilities plan called for the County to construct a public access reuse wastewater treatment facility capable of treating 1.6 million gallons per day, which is the estimated capacity needed to

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serve the 20 year life of the facility. In other words, with the addition of the Talquin customers currently using the Oyster Bay facility, the City of Sopchoppy, Wakulla Gardens, and all other growth in the County over the next 20 years, it is anticipated that a 1.6 million gallon per day plant would be needed.

The plan called for use of the current sprayfield (.6mgd) and the golf course (.34mgd) to permit the plant for .94mgd, then as growth occurs over the next 20 years to identify other reuse customers such as the high school, the middle school and the County sports complex.

In the last sit down negotiations the County held with the golf course, it was agreed that they would be willing to accept as much as a million gallons per day, so long as they only had to pay for their actual irrigation needs and as long as they would not be required to pay for the improvements needed on their property to accommodate the additional flows. This is a very recent development and was never considered prior to the last 60 days. In other words, if the County would construct the un-lined ponds on their property at County expense, they would be willing to accept the additional flows. Such an expansion may be an option for the county to act upon in the future and as the need arises and is accommodated by our facilities plan language, as follows:

The existing 41 acre, 0.600 MGD spray field would also remain in operation. The combined effluent disposal from the golf course and the spray field would total 0.950 MGD. The County would grow the re-use customer base over the 20-year life of the proposed 1.600 MGD treatment plant. The plan would be to construct a 1.6 MDG facility and permit the system to the current effluent discharge capacity. Future Capacity Analysis Reports would include an evaluation of the current re-use customer base and amend the permit to a greater treatment volume.

Summary:

After much negotiation and thought given to every possible outcome projected for the next 20 years, staff recommends that this agreement is in the best interest of the County and necessary in order to construct the needed upgrade to the County's Wastewater Treatment Facility.

Options:

1. Accept the proposed Agreement with Wildwood Golf Course and authorize the Chairman to execute the Reuse Water Agreement.
2. Do not accept the proposed Agreement with Wildwood Golf Course and do not authorize the Chairman to execute the Reuse Water Agreement.
3. Board direction.

Recommendation:

Option #1

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Attachments:

1. Reuse Water Agreement
2. Wildwood Negotiations