



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Dedicating a Revenue Source for Repayment of a Potential State Revolving Fund Loan for the White Slough Water Pollution Control Facility Improvements and Agreeing to Maintain the Revenue Source

MEETING DATE: July 2, 2003

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt the attached resolution that dedicates a revenue source to repay a potential State Revolving Fund Loan for the White Slough Water Pollution Control Facility (WSWPCF) Improvements and agreeing to continue to maintain the revenue source.

BACKGROUND INFORMATION: As a part of the State Revolving Fund Loan application for the WSWPCF improvements, the City must adopt a resolution that dedicates a revenue source for the loan repayment. The resolution must also agree to maintain this revenue source for the repayment.

The potential loan is to cover the expense of the first project in a series of improvements to the WSWPCF needed to comply with new discharge requirements. A copy of the project description for which we are receiving financial assistance is attached. The City operates a wastewater fund from monthly service charges which is held in a reserve to fund all or part of major maintenance and replacement work and approved projects to keep Wastewater facilities in good operational repair. The City also collects Development Impact Fees and Capacity Fees from new connections that are used for various improvements throughout the City. The City will dedicate the wastewater capital fund and an applicable portion of impact/capacity fees as the source of revenue to repay the loan. The City will also agree to maintain these funds as the revenue source.

The City is not committing to accepting a State loan at this point. However, due to the processing time required, if we are to meet the terms of our current permit which requires completion of tertiary filters in mid-2004 we need to start the State loan application process now.

FUNDING: None required

For 
Richard C. Prima, Jr.
Public Works Director

Prepared by Rebecca Areida, Management Analyst
RCP/RA/pmf

Attachments

cc: Fran Forkas, Water/Wastewater Superintendent
Del Kerlin, Assistant Wastewater Treatment Superintendent
West Yost and Associates

APPROVED: 

H. Dixon Flynn -- City Manager

PROJECT DESCRIPTION

INTRODUCTION

The City of Lodi (City) owns and operates the White Slough Water Pollution Control Facility (WPCF) located about 6.5 miles west-southwest of the City and adjacent to Interstate 5 for the purpose of providing wastewater treatment for residents and businesses located in its service area. In addition to the treatment of domestic and commercial wastewaters, a parallel treatment system is provided at the plant for the treatment of wastewater from industrial sources.

The original treatment facility was constructed in 1966 with a rated capacity of 3.5 MGD. Subsequent expansions in 1976 and 1990 resulted in a rated capacity of about 8.5 MGD. Treatment consists of influent screening and grit removal for preliminary treatment, primary sedimentation, activated sludge secondary treatment, chlorine disinfection and dechlorination prior to discharge. The treated effluent is discharged to Dredger Cut during the winter months and applied to agricultural fields during the summer months. Flotation thickeners are provided for thickening waste solids from the secondary treatment process. Primary solids and the thickened secondary solids are processed in anaerobic digesters and then stored in lagoons. The Lagoons are discharged with plant effluent and industrial wastewaters to agricultural lands during the summer months. Some of the plant effluent is used by the Northern California Power Agency electrical power plant which was constructed adjacent to the WPCF and by the local mosquito abatement district.

Effluent from the WPCF generally been able meet the discharge requirements issued by the California Regional Water Quality Control Board - Central Valley Region (CKWQCB). However, after the last expansion was completed, the requirements have included a bioassay standard for which the plant had not been designed to meet. Plant staff have been able to comply with this standard through a change in the operation of the secondary treatment process (operate in a nitrification mode to oxidize the ammonia in the wastewater). However, this change has the effect of reducing the effective treatment capacity of the plant. The most recent discharge requirements contain provisions that cannot be obtained through operational modifications and will require the construction of advanced treatment facilities and a relocation of the point of final discharge.

DESCRIPTION OF RECOMMENDED PROJECT

The objective of the recommended project for the City's WPCF is to provide additional plant capacity required to meet projected growth in the City's service area and to provide higher levels of treatment and an alternative point of discharge in order to comply with the requirements of the new discharge standards. These improvements will be accomplished in a series of projects as follows:

1. The first project will consist of the construction of modifications to the plant's aeration system to increase the oxygen delivery capability to the plant's secondary treatment process.

This will be accomplished by the removal of four existing multi-stage centrifugal blowers, motors, bases, and equipment pedestals; the installation of four new **Owner-furnished** multi-stage centrifugal blowers, motors, and bases; air piping, fitting, and valve additions and modifications; the construction of four new concrete equipment pedestals; and all associated electrical, controls, and instrumentation. The project also **includes** the removal and disposal **of sludge** from a sludge pond; the construction of a new sludge pond **levee**; piping and appurtenances; all associated work.

2. The second project will consist of the construction of effluent filtration and disinfection facilities.
3. The third (and final) project will consist of: replacement of the plant's screenings handling system; influent pumping system improvements; secondary treatment system **expansion** consisting of additional aeration tanks, a secondary clarifier, and an additional return sludge pumping; anaerobic digestion system expansion; operations building improvements; plant control system upgrades; effluent storage pond aeration systems *for* odor control; a wetlands treatment-system; a relocated outfall into Bishop Cut; and possible additional land application sites.

The **scope** of this loan application is for the work described for the first project only. The remaining projects will be constructed in subsequent years as required to comply with the time schedule contained in the adopted discharge requirements issued by the GRWQCR .

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RESOLUTION NO. 2003-114

A RESOLUTION OF THE LODI CITY COUNCIL DEDICATING A
REVENUE SOURCE FOR REPAYMENT OF A POTENTIAL STATE
REVOLVING FUND LOAN FOR THE WHITE SLOUGH WATER
POLLUTION CONTROL FACILITY IMPROVEMENTS AND AGREEING
TO MAINTAIN THE REVENUE SOURCE

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WHEREAS, the City of Lodi owns, operates, and maintains the White Slough Water Pollution Control Facility (WSWPCF); and

WHEREAS, WSWPCF is **currently operating** near the rated capacity, and increased capacity is required to provide wastewater treatment for **projected** community growth; and

WHEREAS, the WSWPCF is in **need** of improvements to enable **the** facility to remain in compliance with the current and anticipated **discharge permit requirements**; and

WHEREAS, the City of Lodi is **currently preparing** project plans and specifications for the WSWPCF Improvements to meet the needs of the **community**; and

WHEREAS, the State Water Resources Control Board (SWRCB) operates the State Revolving Fund (SRF), which provides low interest loans for wastewater treatment facility improvements; and

WHEREAS, the SWRCB requires that the City of Lodi **commit to operate** and maintain a Wastewater Capital Reserve Fund for the purpose of funding future expansion, major repair, or replacement of the facilities **funded** under these loans; and

WHEREAS, the City of Lodi operates a Wastewater Capital Reserve Fund from monthly service charges, which is held in a reserve to fund major maintenance and replacement work, and collects Development Impact Fees **and** Capacity Fees for approved projects to keep wastewater facilities in good operational repair; and

WHEREAS, the SWRCB requires that the City of Lodi commit a source of revenue for the repayment of the loans; and

WHEREAS, such loan shall not be a debt of the City of Lodi or a charge, lien, or encumbrance on any of its property or income or revenues other than the revenues which are pledged to payment thereof.

NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED that the City of Lodi will continue to operate and maintain the Wastewater Capital Reserve Fund, Development Impact Fees, and Capacity Fees in accordance with the SRF Policy requirements for the purpose of expansion, major repair, or replacement of the WSWPCF; and

BE IT FURTHER RESOLVED that the City of Lodi will repay SRF Loan No. C-06-4804-110 and any other associated SRF loans from the income received from a combination of the Wastewater Capital Reserve Fund and applicable portions of the Development Impact Fees and Capacity Fees collected and that these sources of revenue shall remain in effect until such loans are fully discharged unless modification or change of such dedication of these sources of revenue is approved in writing by the SWRCB, or is otherwise required by State or Federal law. Further, such loan shall not be a debt of the City of Lodi or a charge, lien, or encumbrance on any of its property or income or revenues other than the revenues, which are pledged to payment thereof.

Dated: July 2, 2003

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I hereby certify that Resolution No. 2003-114 was passed and adopted by the City Council of the City of Lodi at a regular meeting held on July 2, 2003, by the following vote:

AYES: COUNCILMEMBERS – Beckman, Hansen, Howard, Land, and Mayor Hitchcock

NOES: COUNCILMEMBERS – None

ABSENT: COUNCILMEMBERS – None

ABSTAIN: COUNCILMEMBERS – None



SUSAN J. BLACKSTON
City Clerk

CITY COUNCIL

SUSAN HITCHCOCK, Mayor
EMILY HOWARD
Mayor Pro Tempore
JOHN BECKMAN
LARRY D. HANSEN
KEITH LAND

CITY OF LODI
PUBLIC WORKS DEPARTMENT

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H. DIXON FLYNN
City Manager
SUSAN J. BLACKSTON
City Clerk
RANDALL A. HAYS
City Attorney
RICHARD C. PRIMA, JR.
Public Works Director

June 26, 2003

West Yost and Associates
1260 Lake Blvd Ste 240
Davis CA 95616

SUBJECT: Adopt Resolution Dedicating a Revenue Source for Repayment of a Potential State Revolving Fund Loan for the White Slough Water Pollution Control Facility Improvements and Agreeing to Maintain the Revenue Source

Enclosed is a copy of background information on an item on the City Council agenda of Wednesday, July 2, 2003. The meeting will be held at 7 p.m. in the City Council Chamber, Carnegie Forum, 305 West Pine Street.

This item is on the consent calendar and is usually not discussed unless a Council Member requests discussion. The public is given an opportunity to address items on the consent calendar at the appropriate time.

If you wish to write to the City Council, please address your letter to City Council, City of Lodi, P. O. Box 3006, Lodi, California, 95241-1910. Be sure to allow time for the mail. Or, you may hand-deliver the letter to City Hall, 221 West Pine Street.

If you wish to address the Council at the Council Meeting, be sure to fill out a speaker's card (available at the Carnegie Forum immediately prior to the start of the meeting) and give it to the City Clerk. If you have any questions about communicating with the Council, please contact Susan Blackston, City Clerk, at (209) 333-6702.

If you have any questions about the item itself, please call me at (209) 333-6759



for
Richard C. Prima, Jr.
Public Works Director

RCP/pmf

Enclosure

cc: City Clerk