

LEE COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

BLUE SHEET NO: 20020280-UTL

1. REQUESTED MOTION:

ACTION REQUESTED:

Authorize the Chairman, on behalf of the Lee County Board of Commissioners, to sign the FDEP Underground Injection Control Program Certificate of Financial Responsibility for the North Lee County WTP Class I Injection Well, and related Monitoring Wells.

WHY ACTION IS NECESSARY:

The Florida Administrative Code, Rule 62-528.435(9) requires the Permittee to demonstrate and maintain financial responsibility and resources necessary to enable the Permittee to close, plug, and abandon the underground injection operation, if necessary. The amount of funds that is needed to be available, should this action be necessary, is \$294,688.00.

WHAT ACTION ACCOMPLISHES:

Enables Lee County Utilities to comply with the permitting requirements necessary to construct the North Lee County WTP Test Production Wells and Class I Injection Well.

2. DEPARTMENTAL CATEGORY: 10 - UTILITIES
COMMISSION DISTRICT #: 4

C10C

3. MEETING DATE:

04-02-2002

4. AGENDA:

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- WALK ON
- TIME REQUIRED: _____

5. REQUIREMENT/PURPOSE:

(Specify)

- STATUTE _____
- ORDINANCE _____
- ADMIN. CODE _____
- OTHER *Certificate*

6. REQUESTOR OF INFORMATION:

- A. COMMISSIONER: _____
- B. DEPARTMENT: *Lee County - Public Works*
- C. DIVISION/SECTION: *Utilities Division*
- BY: *Rick Diaz, Utilities Director*
- DATE: *3/19/02*

7. BACKGROUND:

On June 5, 2001, the Board approved Change Order No. 3 for the Final Design Phase of the 5 MGD proposed water treatment facility for a contract increase of \$1,197,370.

On May 8, 1996, the Board approved the ranking of consultants and authorized negotiations to commence with the number one ranked firm. The ranking was as follows: 1) Montgomery Watson Americas, Inc., n/k/a Montgomery Watson Harza, Inc.; 2) CH2M Hill, Inc.; 3) Kimley Horn & Associates, Inc.

Contract negotiations were successful with the number one ranked firm, Montgomery Watson Americas, Inc. (n/k/a Montgomery Watson Harza, Inc.) and required Board approval of the final agreement. Phase I engineering was needed to establish the preliminary design including recommended water sources, plant location, water treatment process and capital cost estimates prior to the design of this Water Treatment Plant. Phase II provided final design including drawings, specifications and permits needed for construction. This is an approved CIP Project #7084, which is needed to supply part of the long-term water demands of the utility.

8. MANAGEMENT RECOMMENDATIONS:

9. RECOMMENDED APPROVAL

(A) DEPARTMENT DIRECTOR	(B) PURCH. OR CONTRACTS	(C) HUMAN RESOURCES	(D) OTHER	(E) COUNTY ATTORNEY	(F) BUDGET SERVICES			(G) COUNTY MANAGER
					OM	Risk	GC	
<i>J. Lavender</i> Date: <i>3-19-02</i>		N/A	<i>[Signature]</i> Date: <i>3-19-02</i>	<i>[Signature]</i> Date: <i>3/19/02</i>	<i>[Signature]</i> Date: <i>3/21/02</i>	<i>[Signature]</i> Date: <i>3/21/02</i>	<i>[Signature]</i> Date: <i>3-21-02</i>	<i>J. Lavender</i> Date: <i>3-19-02</i>

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

Rec. by CoAtty
Date: *3/19/02*
Time: *4:00pm*
Forwarded To:
Budget
3/20/02

RECEIVED BY
COUNTY ADMIN.
3/20 900
COUNTY ADMIN.
FORWARDED TO:
3/21 435

On March 26, 1997, the B.O.C.C. approved the award of Professional Service Agreement for CN-96-08, North Lee County Water Treatment Plant, to Montgomery Watson Americas, Inc. (n/k/a Montgomery Watson Harza, Inc.) for a contract amount not-to-exceed \$1,001,900.00. Montgomery-Watson proceeded with the Preliminary Design of the project where various alternatives were considered. The alternatives evaluated were the construction of a new 5 MGD capacity Plant within the North Fort Myers area. The sources of raw water considered were the Sandstone Aquifer and the Mid-Hawthorn aquifer. The third alternative considered was the expansion of the Olga Water Treatment Plant by an additional 5 MGD capacity. After a detailed evaluation of the alternatives was completed, it was deemed by staff, at that time, that the most economically feasible alternative was the Olga Water Treatment Plant expansion with the Olga Plant design to meet Stage I Disinfection Byproducts rule requirements, with future expansion capabilities up to a total capacity of 20 MGD.

Montgomery Watson began the Final Design of the Olga Water Treatment Plant Expansion. After reviewing the 30% design plans, serious considerations were given to the following factors influencing the project and its total cost:

1. Availability of fresh river water to meet demands during periods of droughts being experienced at the present.
2. Additional costs associated with the development of ASR wells as required and needed for drought periods.
3. Additional improvements needed to meet Stage II Disinfection Byproducts rule requirement that will be in effect by the year 2003.
4. Additional costs associated with the transmission system improvement.

After serious consideration was given to the different alternatives, staff feels that due to the present experience with limited fresh water flows from the river, it is best to construct a plant with a more reliable source of water at this time. It is recommended that a reverse osmosis treatment plant with a supply of raw water from the Lower Hawthorn Aquifer be constructed at this time, and the existing Olga Plant remain at the same capacity, but should be improved to meet Stage II Disinfection Byproducts rule requirements by the year 2003.

Therefore, on February 19, 2002, the BOCC approved Change Order No. 4 to the North Lee County Water Treatment Facilities Project, Contract No. 407 with Montgomery Watson Harza, Inc. for the Phase 3, Class I Injection Well; Test/Production Wells, and the Construction Management Services of the 5-million gallons per day (MGD) new reverse osmosis treatment plant project to be located in North Fort Myers for a not-to-exceed amount of \$8,433,500.00.

In order to move forward with the FDEP permitting process, Lee County Utilities now requests the BOCC to sign the attached Certificates of Financial Responsibility for the NLC WTP Injection Wells demonstrating that Lee County will maintain the resources necessary to properly close, plug, and abandon the injection well and related monitoring wells should this action ever be necessary. The amount of funds required to be available is \$294,688.00.

Attachments: 4 Certificates of Financial Responsibility
4 Cost Estimates for the Plugging and Abandonment of the NLC Injection Well

Funds would be available in Account #20708448730.506540

CERTIFICATION OF FINANCIAL RESPONSIBILITY

The County of Lee, a unit of local government of the State of Florida, hereby certifies that it has unconditionally obligated itself to have the financial resources necessary to close, plug, and abandon its Class I underground injection well(s) and related monitoring wells, as required by Chapter 62-528, Florida Administrative Code. It is further understood that the cost estimate to conduct plugging and abandonment, established on February 13, 2002, shall be reviewed on an annual basis and this obligation shall incorporate accumulated inflation costs. An annual adjustment exceeding 10 percent in any one year shall require submission of an updated certification form.

List of Injection Wells Covered By This Agreement:
(for each injection well list the following information)

Facility Name: North Lee County Water Treatment Plant

Facility Address: Durrance Road

Facility Contact: Ivan Velez, P.E.

Phone Number: (941) 479-8166

Latitude/Longitude of Injection Well: 26° 43' 50"/81° 47' 22"

DEP/EPA Identification Number: FLS

Current Plugging and Abandonment Cost Estimate: \$294,688.00

It is hereby understood that the cancellation of this certification may not take place without the prior written consent of the Secretary of the Florida Department of Environmental Protection.

(Signature)

(Print Name)

(Title)

(Date)

**NORTH LEE COUNTY INJECTION WELL
PLUGGING AND ABANDONMENT COST ESTIMATE**

CLASS I INJECTION WELL

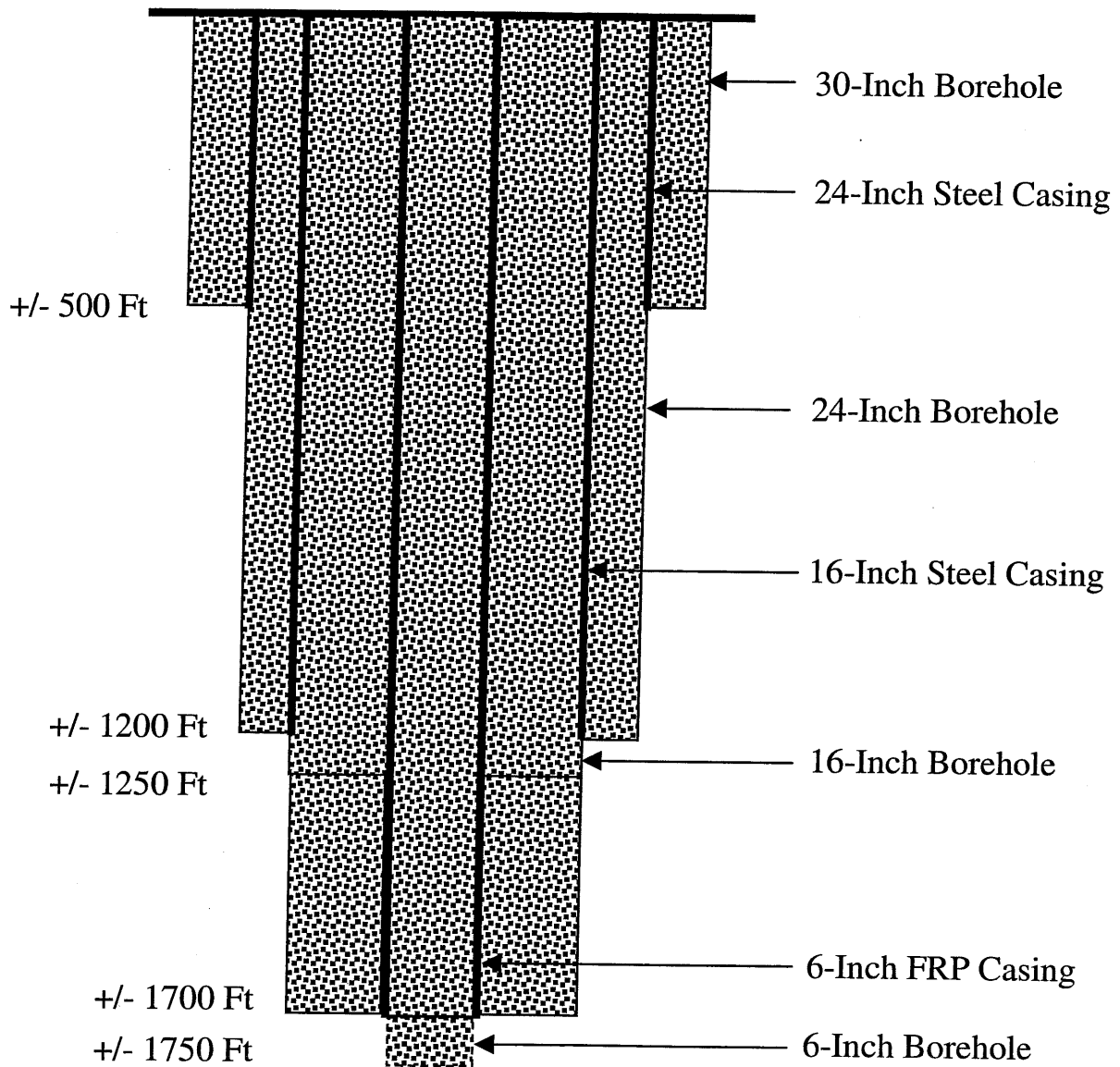
Item	Depth Interval	Estimated Quantity	Unit	Unit Price	Total Price
Mobilization & Demobilization	0-3000	1	L.S.	\$30,000	\$30,000
Geophysical Logging	0-3000	1	L.S.	\$5,000	\$5,000
Remove Tubing & Packer	0-2400	1	L.S.	\$10,000	\$10,000
Fill Injection Zone with Gravel	2410-3000	1000	C.F.	\$15	\$15,000
Fill Casing with Neat Cement	0-2410	5300	C.F.	\$25	\$132,500
Subtotal					\$192,500
Contingency (15%)					\$28,875
Total					\$221,375

DUAL ZONE MONITORING WELL

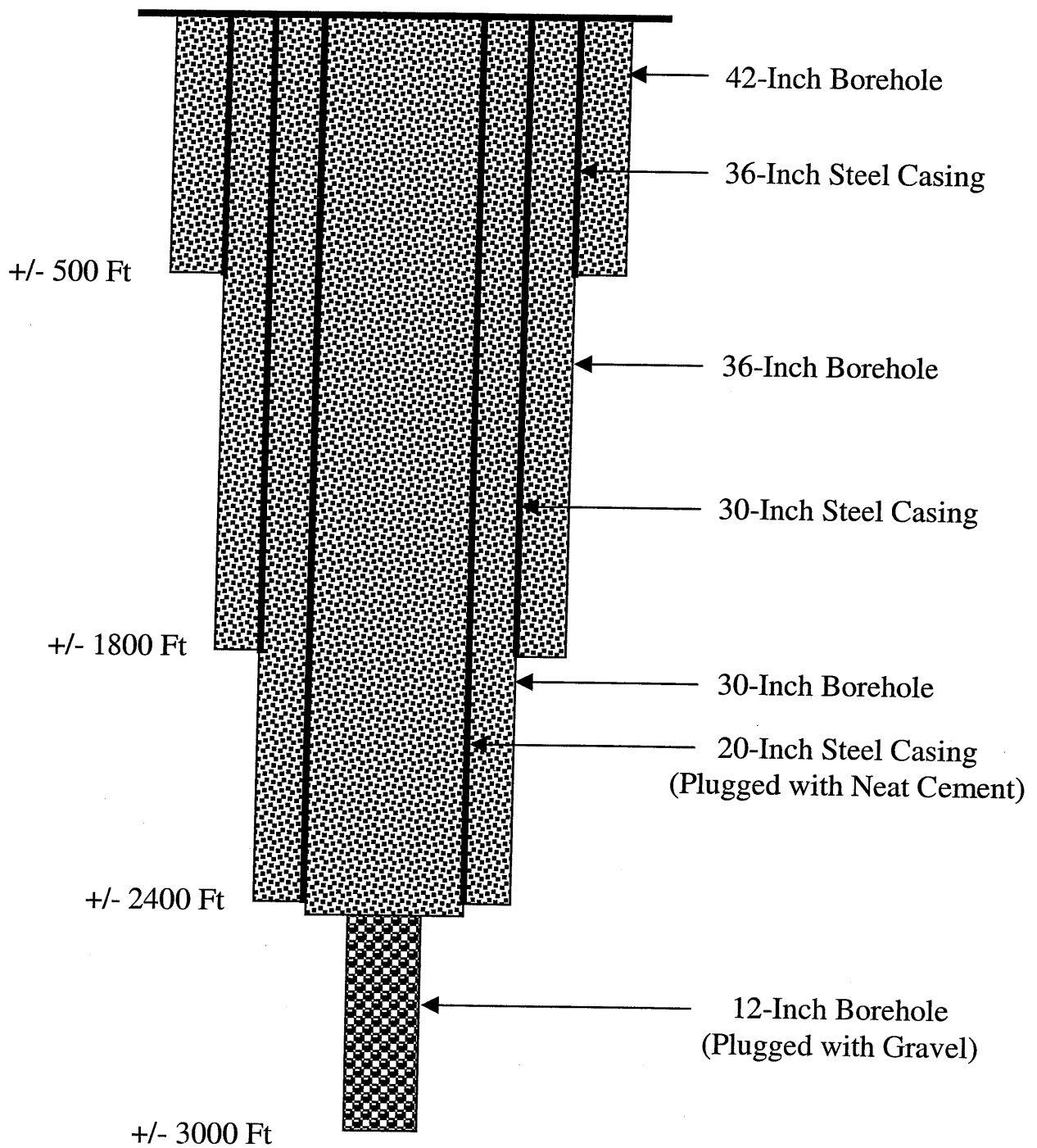
Item	Depth Interval	Estimated Quantity	Unit	Unit Price	Total Price
Mobilization & Demobilization	0-1750	1	L.S.	\$10,000	\$10,000
Geophysical Logging	0-1750	1	L.S.	\$5,000	\$5,000
Fill Annular Zone with Neat Cement	0-1250	1550	C.F.	\$25	\$38,750
Fill Final Casing with Neat Cement	0-1750	400	C.F.	\$25	\$10,000
Subtotal					\$63,750
Contingency (15%)					\$9,563
Total					\$73,313

ESTIMATED PLUGGING AND ABANDONMENT COST

\$294,688



NORTH LEE COUNTY WTP
DUAL ZONE MONITOR WELL
PLUGGING & ABANDONMENT



NORTH LEE COUNTY WTP
CLASS I INJECTION WELL
PLUGGING & ABANDONMENT