

LEE COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY **BLUE SHEET NO: 20040361-UTL**

1. REQUESTED MOTION:
ACTION REQUESTED:

Authorize the Chairman, on behalf of the Lee County Board of County Commissioners, to sign the Certificates of Financial Responsibility for both the *Pinewoods WTP* Class I Deep Injection Well, and related Monitoring Wells; and, the *Three Oaks WWTP* Class I Deep Injection Well, and related Monitoring Wells.

WHY ACTION IS NECESSARY:
 Requires Board authorization.

WHAT ACTION ACCOMPLISHES:
 Enables Lee County Utilities to comply with the permitting to demonstrate and maintain financial responsibility and resources necessary to enable the Permittee to close, plug, and abandon the underground injection operations, if necessary. The amount of funds that is needed to be available, should this action become necessary, is \$175,525.00 for the *Pinewoods WTP* Deep Injection Well and \$309,063.00 for the *Three Oaks WWTP* Deep Injection Well.

2. DEPARTMENTAL CATEGORY: 10
COMMISSION DISTRICT #: 5

C10J

3. MEETING DATE: 04-13-2004

4. AGENDA:

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

5. REQUIREMENT/PURPOSE:

- (Specify)
- STATUTE _____
 - ORDINANCE _____
 - ADMIN. CODE 62-528.435(9)
 - OTHER Certificate

6. REQUESTOR OF INFORMATION:

- A. COMMISSIONER: _____
- B. DEPARTMENT: Lee County-Public Works
- C. DIVISION/SECTION: Utilities Division
- BY: Rick Diaz, P.E., Utilities Director
- DATE: 3/26/04

7. BACKGROUND:



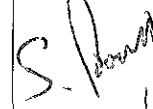
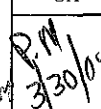
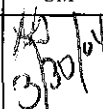
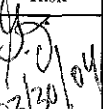
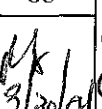
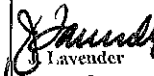
The *Pinewoods WTP* and the *Three Oaks WWTP* were acquired through the GES Acquisition on July 1, 2003; therefore, these two CIP projects were created. The *Pinewoods WTP* and the *Three Oaks WWTP* are in need of a substantial amount of improvements and must be expanded to provide for future growth.

The *Pinewoods WTP* generates a maximum of 0.438 MGD of concentrate waste stream which is treated at the *Three Oaks WWTP*. A contract with Water Resource Solutions for the *Pinewoods Plant* expansion has been approved by the Board through the GES Resolution E-03-08, Board Date 7/1/03, Blue Sheet No. 20030669. The Resolution was created declaring a limited, temporary emergency relative to the acquisition of the Gulf Environmental Services water and wastewater facilities.

(CONT'D.)

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
					OA	OM	Risk	GC	
 Date: 3/29/04	N/A Date:	N/A Date:	 Date: 3/26/04	 Date: 3/29/04	 Date: 3/30/04	 Date: 3/30/04	 Date: 3/30/04	 Date: 3/30/04	 Date: 3/26/04

10. COMMISSION ACTION:

- _____ APPROVED
- _____ DENIED
- _____ DEFERRED
- _____ OTHER

Rec. by CoAtty
 Date: 3/29/04
 Time: 2:18 PM
 Forwarded To: Admin 3/29/04

RECEIVED BY
 COUNTY ADMIN: [Signature]
 03/29/04
 4:30 PM SCF
 COUNTY ADMIN
 FORWARDED TO: [Signature]
 3/31/04
 2:30 PM

The proposed *Pinewoods WTP* 2.5 MGD expansion will require the construction of a Class I Deep Injection Well (DIW) for the disposal of the brine produced by the reverse osmosis water treatment process. Additionally, the construction of the Class I Deep Injection Well will immediately increase 0.438 MGD treatment capacity at the Three Oaks WWTP, allowing the connection of some of the existing or proposed developments requesting such services.

If it becomes necessary to close, plug, and abandon the underground injection operation at the *Pinewoods WTP*, funding would be made available in Utilities Reserve for Contingencies Account GC5890148700.

The *Three Oaks WWTP* will also be expanded from 3.0 MGD to 6.0 MGD treatment capacity. A design contract with MWH Americas for the expansion has been approved by the Board through the GES Resolution E-03-08, Board date 7-1-03, Blue Sheet #20030669. The proposed expansion includes the construction of a Class I Deep Injection Well to increase disposal capacity of the WWTP.

If it becomes necessary to close, plug, and abandon the underground injection operation at the *Three Oaks WWTP*, funding would be made available in Utilities Reserve for Contingencies Account GC5890148700.

- Attachments:
- 4 Certificates of Financial Responsibility for *Pinewoods WTP* Deep Injection Well
 - 4 Cost Estimates for Plugging & Abandonment of the *Pinewoods WTP* Deep Injection Well

 - 4 Certificates of Financial Responsibility for *Three Oaks WWTP* Deep Injection Well
 - 4 Cost Estimates for Plugging & Abandonment of the *Three Oaks WWTP* Deep Injection Well

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 _____, 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: Pinewoods Water Treatment Facility
Facility Address: Corkscrew Rd.
Facility Contact: Ivan Velez, P.E.
Phone Number: (239) 479 8166
Latitude/Longitude of Injection Well: 26° 26' 31.6" / 81° 45' 24.8"
DEP/EPA Identification Number: FLS
Current Plugging and Abandonment Cost Estimate: \$175,525

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)

John E. Albion
(Print Name)

Chairman, Board of County Commissioners
(Title)

(Date)

APPROVED AS TO FORM:

Office of the County Attorney

TABLE A.

PINWOODS INJECTION WELL AND DUAL ZONE MONITORING WELLS
ESTIMATED PLUGGING COSTS (IN 2004 DOLLARS)

Item	Unit Cost	Number	Estimated Total Cost
Injection Well:			
1. Mobilization	\$25,000	1	\$ 25,000
2. Kill well, salvage tubing/wellhead equipment	\$ 5,000	1	5,000
3. Geophysical logging	\$12,500	1	12,500
4. Set bridge plug and cement injection casing to surface	\$1500 + \$15/ft ³ cement	2850	44,250
5. Cut off aboveground casing sections; install monument	\$ 750	1	750
Subtotal:			\$ 87,500
Dual Zone Monitoring Well: Lower Monitoring Zone (Open Hole 1650 - 1725')			
1. Mobilization	\$15,000	1	\$15,000
2. Kill well, salvage wellhead equipment	\$ 5,000	1	5,000
3. Geophysical logging	\$12,500	1	12,500
4. Cement grout	\$15/ft ³	350	5,250
5. Cut off aboveground casing sections; install monument	\$ 750	1	750
Subtotal:			\$ 38,500

TABLE A.

PINEWOODS INJECTION WELL AND DUAL ZONE MONITORING WELLS
ESTIMATED PLUGGING COSTS (IN 2004 DOLLARS)
- CONTINUED -

Item	Unit Cost	Number	Estimated Total Cost
Upper Monitoring Zone (Open Hole 1420 - 70'):			
1. Mobilization	----	1	----
2. Kill well, salvage wellhead equipment	----	1	----
3. Geophysical logging	----	1	----
4. Cement grout	\$15/ft ³	1775	\$ 26,625
5. Cut off aboveground casing sections; install monument	----	1	----
Subtotal:			\$ 26,625
TOTAL ESTIMATED P&A COSTS:			\$152,625
CONTINGENCY (15%):			\$22,900
TOTAL ESTIMATED COST:			\$175,525

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 _____, 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: Three Oaks Wastewater Treatment Facility

Facility Address: Three Oaks Parkway

Facility Contact: Ivan Velez, P.E.

Phone Number: (239) 479 8166

Latitude/Longitude of Injection Well: 26° 28' 15.6" / 81° 47' 35.7"

DEP/EPA Identification Number: FLS

Current Plugging and Abandonment Cost Estimate: \$309,063

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)

John E. Albion

(Print Name)

Chairman, Board of County Commissioners

(Title)

APPROVED AS TO FORM:

Office of the County Attorney

(Date)

**Table 6-1
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	0-2500	1	L.S.	\$10,000	\$10,000
Fill Injection Zone with Gravel	2510-3000	1500	C.F.	\$10	\$15,000
Fill Casing with Neat Cement	0-2510	5500	C.F.	\$25	\$137,500
Subtotal					\$197,500
Contingency (15%)					\$29,625
Total					\$227,125
DUAL ZONE MONITORING WELL					
Item	Depth Interval	Estimated Quantity	Unit	Unit Price	Total Price
Mobilization & Demobilization	0-1850	1	L.S.	\$10,000	\$10,000
Geophysical Logging	0-1850	1	L.S.	\$5,000	\$5,000
Fill Annular Zone with Neat Cement	0-1450	1750	C.F.	\$25	\$43,750
Fill Final Casing with Neat Cement	0-1850	500	C.F.	\$25	\$12,500
Subtotal					\$71,250
Contingency (15%)					\$10,688
Total					\$81,938
ESTIMATED PLUGGING AND ABANDONMENT COST					\$309,063