

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # *B-6

Urgent Routine

AGENDA DATE August 25, 2015

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Close Out All Remaining Contracts and Project Activities Associated with the Decommissioning of the Former Honor Farm Property Located at 8224 West Grayson Road, East of the Town of Grayson, and Related Actions

STAFF RECOMMENDATIONS:

1. Authorize the Project Manager to close out contracts with Black Water Consulting Engineers, Inc. and Synagro-WWT, Inc. for project activities associated with the decommissioning of the Former Honor Farm property located at 8224 West Grayson Road, East of the Town of Grayson.
2. Authorize the Project Manager to take all of the necessary actions to complete the close of escrow and complete the County's obligations under the Purchase and Sale Agreement for the Former Honor Farm Property.
3. Authorize the Project Manager to schedule a presentation at a future Board of Supervisors meeting to recognize the transfer of the former Honor Farm property to Camp Taylor.

FISCAL IMPACT:

With the Board of Supervisors approval, this series of recommended actions will close out all activities, including two contracts related to the decommissioning and closure of the former Honor Farm property in preparation for the completion of the sale of the property to Camp Taylor, Inc.

(Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2015-402

On motion of Supervisor Monteith, Seconded by Supervisor O'Brien

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST: 
CHRISTINE FERRARO TALLMAN, Clerk

File No.

FISCAL IMPACT: (Continued)

On April 1, 2014, the Board of Supervisors authorized the Project Manager to execute a contract with Black Water Consulting Engineers, Inc., of Modesto, California for the site closure and decommissioning of the former Honor Farm property for the lump sum amount not to exceed \$171,276. On January 27, 2015, The Board of Supervisors authorized Amendment No. 1 totaling \$24,647 with Black Water Consulting Engineers' to conduct additional civil engineering services related to the former Honor Farm's water well system. Approval of Amendment No. 1 increased the lump sum contract amount not to exceed \$195,923. The completion of the decommissioning work, lot line adjustment, demolition of three structures and WWTF closure marks the completion of work by Black Water Consulting Engineers, Inc., and it is recommended to close out the Black Water Consulting Engineers contract and release the retention of \$9,796.

On September 29, 2014, the Board of Supervisors approved a contract with Synagro-WWT, Inc., for the maintenance and decommissioning of the Waste Water Treatment Facility (WWTF) for an amount not to exceed \$425,417. Work commenced on the project on November 10, 2014. Synagro-WWT, Inc. completed all work at the site on schedule by May 8, 2015 at a total cost of \$359,035.26. Staff now recommends close out of the Synagro-WWT, Inc. contract and release of retention of \$18,799.47.

The total project budget approved by the Board of Supervisors for the actual decommissioning and clean up only was \$867,590. The project is anticipated to be completed within existing appropriations with no additional cost to the General Fund. There are still a few remaining expenses which have not been recorded, primarily cost applied charges from the General Services Agency Facilities Maintenance Division for their support of closeout activities. At this time, the Project Manager is requesting Board of Supervisors approval to take all of the necessary actions to close the project out, and return any remaining funds to the Chief Executive Office Plant Acquisition legal budget unit, the original source of funding for this effort.

Finally, funds used to secure the property were budgeted in the CEO Plant Acquisition Budget and were funded by proceeds from the Insurance Claim from the Honor Farm fire. All County expenses will cease upon the upcoming close of escrow.

DISCUSSION:

The Sheriff relocated all staff, inmates and activities from the former Honor Farm property located at 8224 West Grayson Road, Modesto, to the new Unit Two Jail facility at the Public Safety Center in August 2013. The Board of Supervisors approved a contract with Black Water Consulting Engineers, Inc. of Modesto to prepare an Engineering Report detailing the condition of the facilities and re-use potential. The Engineering Report was completed and accepted by the Board of Supervisors on June

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17, 2014 along with a Surplus and Disposition Plan for the 21.60 acre property spanning three adjacent parcels.

On July 29, 2014, the Board of Supervisors declared the former Honor Farm property as surplus and adopted a Resolution declaring the County's intent to sell it at a minimum price of \$723,000. A Request for Offers was published in early August, 2014. In response to the Request for Offers, one written Offer of \$723,000 was received from Camp Taylor, Inc., a local non-profit public benefit corporation that serves children with heart disease and their families.

On September 30, 2014, the Board of Supervisors approved the sale of the property to Camp Taylor, conditioned on the County's completion of various maintenance and decommissioning responsibilities. The sale was also conditioned on Camp Taylor obtaining a Conditional Use Permit for the reuse of this property as a Children's Camp.

Camp Taylor is a California non-profit public benefit corporation that offers free medically supervised residential camp programs helping children with heart disease and their families. Sale of the former jail property for use by Camp Taylor will provide a permanent place to establish the organization's headquarters and camp facilities for its many children, families, staff and benefactors at a beautiful setting along the San Joaquin River adjacent to Laird Regional Park. Camp Taylor's application for a Conditional Use Permit was approved by the Stanislaus County Planning Commission on July 2, 2015.

The County's decommissioning responsibilities included:

a. Closure of the Wastewater Treatment Facility (WWTF).

On September 29, 2014, the Board of Supervisors approved a contract with Synagro-WWT, Inc., for the maintenance and decommissioning of the WWTF for an amount not to exceed \$425,417. Work commenced on the project on November 10, 2014. The work included the removal of accumulated biosolids and infrastructure, testing and analysis of soil conditions and final grading of the site.

The WWTF has been operating under Waste Discharge Order No. 5-01-018 issued by the Central Valley Regional Water Quality Control Board which requires closure of the facility per State regulations prior to rescission of the Order's reporting mandates.

Synagro-WWT, Inc. completed all work at the site including disconnection of WWTF utilities, removal of the biosolids, hauling, infrastructure, testing and final grading on schedule by May 8, 2015.

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A Workplan for the Closure of the WWTF was submitted and approved by the Central Valley Regional Water Quality Control Board (RWQCB) on July 23, 2015. The final actions directed by the RWQCB staff were to demolish three groundwater monitoring wells and to submit a full WWTF Closure Report to the State Board.

The three groundwater monitoring wells were demolished on August 14, 2015, and the WWTF Closure Report was submitted to the RWQCB staff on August 18, 2015. Final action by the RWQCB is required to rescind Waste Discharge Order No. 5-01-018 and to terminate the County's responsibilities for monitoring and periodic reporting of the WWTF operations, and payment of State fees. County staff anticipates that the RWQCB will consider rescission of the WDR Order in October, 2015, completing full closure of the WWTF.

The Purchase and Sale Agreement anticipated the County's activities would be completed simultaneously with the real estate transaction.

- b. Complete a lot line adjustment to reflect the actual separation of the former Honor Farm from the remainder of Laird Regional Park and to consolidate two additional County-owned parcels occupied by the former jail facilities.

County staff filed a lot line adjustment (No. PLN2015-0038) with the County Planning and Community Development Department on May 13, 2014. The lot line adjustment includes the merger of three parcels and the relocation of the lot line between the former Honor Farm and Laird Regional Park. The resulting adjustment included a separate 0.06 acre parcel for the water well that serves the former Honor Farm property and a single new parcel of 21.98 acres containing the former Honor Farm facilities, for a total area of 22.04 acres. The final lot line adjustment was recorded by the Stanislaus County Recorder (Document 2015-0048587-00) on June 23, 2015.

This lot line adjustment increased the surplus land area from 21.60 acres to 22.04 acres. Using the same property appraisal value, the overall cost of the property is therefore increased from \$723,000 to \$736,200.

With the Board's authorization, granted on June 30, 2015, the Project Manager is in the process of executing an Amendment to the Purchase and Sale Agreement whereby Camp Taylor will pay the County an additional \$13,200 for a small adjacent parcel of property on which a water well sits and whereby both Camp Taylor and the County will grant one another access and use easements to the water well and the electricity necessary to power the water well. The reason for the additional property sale is that the County's Department of Environmental Resources opined that the County could not purvey water to Camp Taylor from a water well on its property unless it became a commercial water purveyor. Accordingly, the County is selling the small water well parcel to Camp Taylor at the same price per acre as the rest of the former Honor Farm property. The County is reserving to itself the right to

purchase back the water well parcel should Camp Taylor ever cease its use of the water well.

- c. Demolition and removal of three structures deemed in the Engineering Report to be not suitable for re-use or occupancy, including Barracks 4, a Guard Shack and a modular Paint Booth.

The Project Manager issued a Request for Bids for Demolition of Barracks 4, a Guard Shack and a Paint Booth on January 11, 2015. Double B Demolition, Inc., of Folsom, CA was the successful low bidder at \$49,440 and was issued a Notice to Proceed on April 13, 2015. The 60-day work schedule was completed on May 8, 2015 on budget.

- d. County abandonment of former public right of way within the Laird Park and former Honor Farm sites where roads previously had existed.

The former road alignments through Laird Regional Park were abandoned by action of the Board of Supervisors on October 21, 2014.

The completion of this work will also mark the completion of Black Water Consulting Engineers, Inc. contract.

Amendment to Purchase and Sale Agreement

The Board of Supervisors approved amending the Purchase and Sale Agreement on June 30, 2015. The amended Purchase and Sale Agreement extends the deadline for filing of Camp Taylor's Conditional Use Permit application; revised the total sale price from \$723,000 to \$736,200 due to the adjusted total land area with the water well parcel; provided for fire, maintenance and emergency access by Stanislaus County across the former Honor Farm property to Laird Park; and provided for utility and access easements across Stanislaus County's Laird Park to the water well for maintenance and transmission of water to the former Honor Farm.

When the effort to clean and sell this property began, the goal was to limit the County's financial exposure for the entire clean up and sales effort. In the June 17, 2014 Board of Supervisors Action Item, it specifically stated:

"The Project Manager seeks Board of Supervisors authorization to proceed with all actions necessary to perform various maintenance and decommissioning activities for the site to prepare the property for disposition, as long as the Projects are within the Project Budget." Further, "The maintenance and decommission activities recommended in the Engineering Report currently exceed the available funding set aside. Concurrent with these activities, staff will recommend the Board of Supervisors approve the surplus of the property and use the proceeds from the sale to offset the

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final decommissioning costs. Ultimately the cost to decommission and sale the property may exceed available one time sources of funding from its sale.”

Sources of funding include the sale of the property, insurance proceeds from the Honor Farm fire and proceeds from the recent vandalism as well as funds budgeted in September, 2009 for maintenance of the then operational WWTF. While the expenses for all decommissioning, clean up, demolition and security have exceeded the proceeds from the actual property sale, it has been accomplished within the Project Budget and Funding approved by the Board of Supervisors for this effort. The successful closure ends the County’s fiscal and property exposure for this property when escrow closes and ownership and liability for the property.

All work associated with the close-out, decommissioning and preparation for transfer of this public property, formerly the Honor Farm, to a private use has been completed. The actions to remove biosolids, decommission and close the Wastewater Treatment Facility and to seek State rescission of Waste Discharge Requirements Order 5-01-018 minimize the County’s exposure and complete cleanup of the site after 58 years use as a jail facility.

It is also recommended that a presentation be scheduled at a future Board of Supervisors meeting to recognize the transfer of the former Honor Farm property to Camp Taylor.

POLICY ISSUES:

These actions support the Board of Supervisors’ priority to provide Efficient Delivery of Public Services by the surplus and sale of the former Honor Farm property no longer functional for County use, and alleviating ongoing liability for operational and maintenance costs and potential property liability for the unoccupied site.

STAFFING IMPACT:

Final closure of the former Honor Farm property and sale to Camp Taylor, Inc. will end the County’s responsibilities for maintenance and operation of the vacated site. The site currently is maintained by General Services Agency Facilities staff as needed, including payment of minimal utility charges.

CONTACT PERSON:

Patricia Hill Thomas, Chief Operations Officer. Telephone: (209) 525-6333.

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL VALLEY REGION
ORDER R5-2015-0139

RESCINDING WASTE DISCHARGE REQUIREMENTS/NPDES PERMITS

The California Regional Water Quality Control Board, Central Valley Region, finds that the following Board adopted Orders and Resolutions are no longer applicable for the reasons shown:

- a. Waste Discharge Requirements Order No. 98-092, adopted on 17 April 1998, prescribes requirements for the discharge from Adin Community Services District, Modoc County (Facility). The Facility is comprised of a wastewater collection system with lift stations and six treatment ponds. The Facility is now regulated under Water Quality Order 2014-0153-DWQ (General Order) for discharges to land from small domestic systems with a maximum average daily flow of 100,000 gallons or less. Therefore, it is appropriate to rescind Waste Discharge Requirements Order 98-092.
- b. Order R5-2005-0021, adopted on 27 January 2005, prescribes requirements for the California Department of Corrections and Rehabilitation (CDCR) to discharge treated groundwater from remediation systems operated to mitigate the effects of an underground storage tank (UST) release at the California Correctional Institution Tehachapi motor pool. Extracted groundwater was treated to remove gasoline constituents and discharged into a shallow unlined percolation area. Remediation systems discharged from September 2004 until December 2006 and February 2007 until March 2010. The CDCR no longer uses the remediation system and the UST release case will be closed. The CDCR requested that Order R5-2005-0021 be rescinded by letter of 27 August 2015.
- c. Waste Discharge Requirements Order No. 96-049, adopted on 23 February 1996, prescribes requirements for the discharge from the Hearst Corporation Wyntoon Estate LLC, Shasta and Siskiyou Counties (Facility). The Facility is comprised of a wastewater collection system with lift stations and package wastewater treatment facility and leach field disposal system. The Facility is now regulated under Water Quality Order 2014-0153-DWQ (General Order) for discharges to land from small domestic systems with a maximum average daily flow of 100,000 gallons or less. Therefore, it is appropriate to rescind Waste Discharge Requirements Order No. 96-049.
- d. Waste Discharge Requirements Order 5-01-018, adopted on 26 January 2001, prescribes requirements for the treatment and disposal of domestic wastewater generated at the Laird Park County Honor Farm in San Joaquin County. The

facility included the use of an unlined aeration pond, and four unlined evaporation/percolation ponds. In an inspection letter dated 22 September 2015, the Central Valley Regional Water Quality Control Board confirmed that the headworks of the former WWTF had been removed, the former wastewater ponds had been backfilled to prevent runoff, and three on-site groundwater monitoring wells had been abandoned. Because the facility is no longer in operation and all related infrastructure has been removed, it is appropriate to rescind WDRs Order 5-01-018

- e. Waste Discharge Requirements Order 90-017, adopted on 26 January 1990, prescribes requirements for the discharge of washwater from gold recovery processes to a settling/ percolation pond. Mining operations included a washing unit, sluice box, settling pond, and tailings disposal area. According to an inspection report issued by the United States Department of Agriculture Forest Service dated 27 October 2015, the wash plant facility and ponds have been removed, and appropriate Best Management Practices have been implemented to prevent further discharge to land. Because the facility is no longer in operation and that reclamation activities have been completed to the satisfaction of the Forest Service, it is appropriate to rescind WDRs Order 90-017
- f. Waste Discharge Requirements Order No. 5-00-261, adopted on 8 December 2000, prescribes requirements for the discharge from Sugar Pine Conservation Camp (Facility). The Facility is comprised of a wastewater collection system with a lift station and four treatment ponds. The Facility is now regulated under Water Quality Order 2014-0153-DWQ (General Order) for discharges to land from small domestic systems with a maximum average daily flow of 100,000 gallons or less. Therefore, it is appropriate to rescind Waste Discharge Requirements Order 5-00-261.

IT IS HEREBY ORDERED that the above orders are rescinded.

I, PAMELA C. CREEDON, Executive Officer, do hereby certify the foregoing is a full, true, and correct copy of an Order adopted by the California Regional Water Quality Control Board, Central Valley Region on, December 11, 2015.

Original signed by

PAMELA C. CREEDON, Executive Officer