



MEMORANDUM

TO: CITY COUNCIL

FROM: BILL ROBESON, PUBLIC WORKS DIRECTOR

BY: SHANE TAYLOR, UTILITIES MANAGER

SUBJECT: CONSIDERATION TO APPROVE A PURCHASE ORDER WITH WALLACE GROUP FOR FATS, OIL AND GREASE (FOG) PROGRAM ADMINISTRATION AND INSPECTION AND SEWER SYSTEM MANAGEMENT PLAN (SSMP) REVISION

DATE: JULY 23, 2019

SUMMARY OF ACTION:

Approving a purchase order with Wallace Group will allow the City to continue to comply with Statewide General Waste Discharge Requirement 2006-0003-DWQ.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The FY 2019/20 budget includes \$27,000 for the FOG Program and \$22,000 for the SSMP Revision. Staff time for this program is approximately 40 hours/year.

RECOMMENDATION:

It is recommended the City Council approve a purchase order with Wallace Group in an amount not to exceed \$49,000 for the administration and inspection of the City's FOG Program and the SSMP Revision.

BACKGROUND:

The City's FOG Program outreach began in 2007 and remains a major component of the Sewer System Management Plan. In partnership with South San Luis Obispo County Sanitation District, along with the City of Grover Beach and the Oceano Community Services District, a FOG Ordinance was adopted establishing FOG regulations for the use of district food service establishments. The Ordinance sets uniform requirements for FOG discharges into the sanitary sewer system to aid in the prevention of blockages and overflows from the contribution and accumulation of fats, oils and greases.

The City's current SSMP was adopted on October 14, 2014. The SSMP must be updated every five (5) years per the State Water Resources Control Board (SWRCB).

ANALYSIS OF ISSUES:

In 2016 a Request for Proposals was issued to our On-Call Engineering Firms to provide regulatory compliance services. Two proposals were received and evaluated. The

CITY COUNCIL

CONSIDERATION TO APPROVE A PURCHASE ORDER WITH WALLACE GROUP FOR FATS, OIL AND GREASE PROGRAM ADMINISTRATION AND INSPECTIONS AND THE SEWER SYSTEM MANAGEMENT PLAN REVISION

JULY 23, 2019

PAGE 2

Wallace Group was chosen to provide not only FOG Program services, but sewer system management plan audits. The performance of the environmental compliance specialist from the Wallace Group has continued to provide excellent service to our 70 food service establishments (FSE's) that are permitted. The City of Grover Beach also use the Wallace Group for this service, which helps provide uniform program administration and inspection to all the FSE's in the district.

Under the approved on-call Agreement, additional work is authorized by way of a purchase order approved by the City. Staff recommends the Council approve a purchase order with the Wallace Group in an amount not to exceed \$49,000 for the administration and inspection of the City's FOG program and SSMP Revision.

ADVANTAGES:

Approval of this purchase order will allow continued FOG Program administration and inspection in order to continue to follow the City's Sewer System Management Plan.

DISADVANTAGES:

No disadvantages noted at this time other than the expense of \$49,000 to provide the service.

ALTERNATIVES:

1. Approve staff's recommendation;
2. Do not approve staff's recommendation; or
3. Provide direction to staff.

ENVIRONMENTAL REVIEW:

No environmental review is required for this item.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachment:

1. Wallace Group Proposal for the Fats, Oil, and Grease Program dated 5/3/19
2. Wallace Group Proposal for the Sewer System Management Plan Revision dated 5/3/19

TRANSMITTAL



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WATER RESOURCES

Date: May 3, 2019**Project Number:** PP19-6686-0915

To: Shane Taylor
City of Arroyo Grande
300 East Branch Street
Arroyo Grande, California 93421**VIA Email****Phone:** 805 473-5400**Fax:****Email:** staylor@arroyogrande.org

From: Bill Callahan
Senior Environmental
Compliance Specialist
WALLACE GROUP
612 Clarion Court
San Luis Obispo, CA 93401**Phone:** 805 544-4011**Fax:** 805 544-4294**Email:** billc@wallacegroup.us

Subject: Proposal for FOG Program 2019-2020

Please find attached our proposal for the above referenced project. If this proposal meets with your approval, please sign where indicated and return to our office, **to the attention of Kylie Castle** (kyliec@wallacegroup.us), **Marketing Coordinator**, which will serve as our notice-to-proceed on your project.

Please call me if you have any questions at 805 544-4011.

Thank you.

ATTACHMENT
PP19-6686
Exhibit A

WALLACE GROUP
A California Corporation612 CLARION CT
SAN LUIS OBISPO
CALIFORNIA 93401T 805 544-4011
F 805 544-4294www.wallacegroup.us

May 3, 2019

Shane Taylor
City of Arroyo Grande
300 East Branch Street
Arroyo Grande, California 93421

Subject: City of Arroyo Grande FOG Program FY 2019/20

Dear Mr. Taylor:

Wallace Group appreciates the opportunity to provide you with our proposal for Water Resources services for the above referenced project. Based on our discussion, the following Scope of Services has been prepared for your consideration:

PROJECT UNDERSTANDING

The City's FOG Program consists of permitting, semi-annual inspections, and follow-up on non-compliance with approximately 70 Food Service Establishments (FSEs). The City requested Wallace Group to prepare a proposal to manage and implement the FOG Inspection Program for the 2019/2020 Fiscal year.

SCOPE OF SERVICES

FOG Program Administration and Inspection

Wallace Group will perform FOG permitting, inspections, and re-inspections for the City's FSEs for the 2019/2020 fiscal year upon notification from the City to start work and receipt of a signed notice-to-proceed.

The FOG Program is an element of the City's Sewer System Management Plan (SSMP) which is a requirement of the Statewide General Waste Discharge Requirement 2006-0003-DWQ enacted by the State Water Resources Control Board. The FOG program will include:

- Meeting to discuss goals for the 2019/2020 fiscal year FOG Program:
 - One (1) hour FOG Program meeting to review the status of the existing Program
- Semi-annual inspection of approximately 70 FSEs
- Performance of re-inspections when needed to assist in FSE compliance
- Assistance with enforcements of significant violations
- Re-permitting of all FSEs enrolled in the FOG Program
- Permitting of new FSEs that opened for business in 2019/2020 fiscal year and removal from the FOG Program of those FSEs that have closed
- Issuance of monthly FOG program status reports



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Deliverables:

- Electronic copies of all inspection reports (PDF format)
- Electronic copies of FOG inspection procedure updates as applicable
- Electronic copies of all permit applications and permits issued (PDF format)
- Monthly reporting of FOG Inspection program status (PDF format)
- Electronic copies of updated outreach materials provided to FSEs as applicable (PDF format)
- Electronic copies of updated outreach materials for residential FOG education as applicable (Word format)
- Electronic copies of updated FOG Inspection Procedures (PDF format)

SCHEDULE

FOG Inspections will be conducted at six (6) month intervals with re-inspections occurring based on the status of each FSE's compliance status. All FSE FOG Permits will be issued for a three (3) year period.

ADDITIONAL SERVICES

Wallace Group can provide the following services, directly, upon request:

- FSE Storm Water Inspections and MS4 Program Support
- Development of Standard Operations and Maintenance Procedures and Emergency Response Procedures for Sanitary Sewer Systems

TO BE PROVIDED BY THE CLIENT

- Verification of current list of FSE's

PROJECT FEES

FOG Program Management

Wallace Group will perform the services denoted in the proposed Scope of Services in accordance with the attached Standard Billing Rates (Exhibit A). These estimates reflect the cost for program administration and to have one (1) inspector perform each inspection and re-inspection. These services will be invoiced monthly on an accrued cost basis, and our total fees, including reimbursables will not exceed our estimated fee of \$27,000 without receiving written authorization from the Client.

At your request, additional services to the Scope of Services will be performed by Wallace Group following the signature of our Contract Amendment or the initiation of a new contract.



TERMS AND CONDITIONS

In order to convey a clear understanding of the matters related to our mutual responsibilities regarding this proposal, the City of Arroyo Grande Agreement for Consultant Services dated April 6, 2018 is considered a part of our proposal agreement. If this proposal meets with your approval, please sign where indicated and return one original to our office and/or prepare a Purchase Order, which will serve as our notice-to-proceed.

We want to thank you for this opportunity to present our proposal for professional services. If you would like to discuss this proposal in greater detail, please feel free to contact me.

Sincerely,

WALLACE GROUP, a California Corporation

TERMS AND CONDITIONS ACCEPTED:

Bill Callahan
Senior Environmental Compliance Specialist
612 Clarion Court
San Luis Obispo
California 93401
T 805 544-4011
F 805 544-4294
www.wallacegroup.us

Signature

Printed Name

Title

Date

Attachments
kc: PP19-6866, 2017
Exhibit A

THIS PROPOSAL IS VALID FOR 60 DAYS FROM THE DATE OF THIS DOCUMENT.

Exhibit A
Standard Billing Rates



Public Works Administration Services:

Project Analyst I - IV	\$ 95 - \$140
Senior Project Analyst I - III	\$145 - \$155
Senior Environmental Compliance Specialist I - III	\$158 - \$166

Support Services:

Office Assistant	\$ 60
Project Assistant I - III	\$ 75 - \$ 85

Additional Professional Services:

Fees for expert witness preparation, testimony, court appearances, or depositions will be billed at the rate of \$300 an hour. As authorized in advance by the Client, overtime on a project will be billed at 1.5 times the employee's typical hourly rate.

Direct Expenses:

Direct expenses will be invoiced to the client and a handling charge of 15% may be added. Sample direct expenses include, but are not limited to the following:

- travel expenses
- sub-consultant services
- agency fees
- delivery/copy services
- mileage (per IRS rates)
- other direct expenses

Invoicing and Interest Charges:

Invoices are submitted monthly on an accrued cost basis in accordance with this Fee Schedule. A finance charge of 1.5% per month may be assessed on all balances that are thirty days past due.

Right to Revisions:

Wallace Group reserves the right to revise this Schedule of Fees on an annual basis, personnel classifications may be added as necessary.



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WATER RESOURCES

TRANSMITTAL

Date: May 3, 2019**Project Number:** PP19-6687-0915

To: Shane Taylor
City of Arroyo Grande
300 East Branch Street
Arroyo Grande, California 93421**VIA Email****Phone:** 805 473-5400**Fax:****Email:** staylor@arroyogrande.org

From: Bill Callahan
Senior Environmental
Compliance Specialist
WALLACE GROUP
612 Clarion Court
San Luis Obispo, CA 93401**Phone:** 805 544-4011**Fax:** 805 544-4294**Email:** billc@wallacegroup.us

Subject: Proposal for SSMP 5 Year Update 2019

Please find attached our proposal for the above referenced project. If this proposal meets with your approval, please sign where indicated and return to our office, **to the attention of Kylie Castle** (kyliec@wallacegroup.us), **Marketing Coordinator**, which will serve as our notice-to-proceed on your project.

Please call me if you have any questions at 805 544-4011.

Thank you.

ATTACHMENT
PP19-6687
Exhibit A

WALLACE GROUP
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www.wallacegroup.us

May 3, 2019

Shane Taylor
City of Arroyo Grande
300 East Branch Street
Arroyo Grande, California 93421

Subject: Regulatory Compliance Assistance: Sanitary Sewer Management Plan (SSMP) 5 -
Year Update 2019

Dear Mr. Taylor:

Wallace Group appreciates the opportunity to provide you with our proposal for Public Works Administration services for the above referenced project. Based on our discussion, the following revised Scope of Services has been prepared for your consideration:

PROJECT UNDERSTANDING

The State Water Resources Control Board (SWRCB) established Statewide General Wastewater Discharge Requirements (GWDR) for Sanitary Sewer Systems, Orders No. 2006-0003-DWQ and revised Monitoring and Reporting Program WQ 2013-0058-EXEC, which required all public entities that own or operate sanitary sewer systems greater than one mile in length in California to create, implement, and maintain a SSMP. WDR Order No. 2006-0003-DWQ requires all agencies to develop and update their SSMP as described below:

WDR Order No. 2006-0003-DWQ:

To facilitate proper funding and management of sanitary sewer systems, each Enrollee must develop and implement a system-specific Sewer System Management Plan (SSMP). To be effective, SSMPs must include provisions to provide proper and efficient management, operation, and maintenance of sanitary sewer systems, while taking into consideration risk management and cost benefit analysis. Additionally, an SSMP must contain a spill response plan that establishes standard procedures for immediate response to an SSO in a manner designed to minimize water quality impacts and potential nuisance conditions.

WDR Order No. 2006-0003-DWQ, Section D.14:

The SSMP must be updated every five (5) years, and must include any significant program changes. Re-certification by the governing board of the Enrollee is required in accordance with D.14 when significant updates to the SSMP are made. To complete the re-certification process, the Enrollee shall enter the data in the Online SSO Database and mail the form to the State Water Board, as described above.

The City of Arroyo Grande (City) SSMP was last formally updated by the City in 2014 and last audited in August 2018 as required by the WDR Order described above. The City is requesting assistance with a required 5-Year Update to their SSMP to address areas identified as deficient and/or out of compliance with the GWDRs. Based on the findings in the 2018 Audit and discussions with the City, we have prepared the following Scope of Services for your consideration:



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SCOPE OF SERVICES

Task 1: Project Management

This task includes coordination of project activities, including scheduling and budget controls, Client coordination, quality control, and other related project management activities.

Task 2: SSMP Update

Wallace Group will develop and update each of the eleven (11) elements of the City SSMP Revision 1, dated 2014.

The current City SSMP requires development and update for compliance with the SSSWDRs. The scope of the update will include 2013 MRP requirements and the recommendations identified in the 2018 SSMP Audit. Wallace Group Staff will work collaboratively with City staff to develop and update the existing SSMP and to obtain any additional materials and documentation necessary for this update. The SSMP will be formatted to clearly identify sections and sub-sections of document to applicable GWDRs. Appendices with reference materials will be included for each Element of the SSMP as applicable. The table below summarizes the scope of the recommended update:

Table 1- City of Arroyo Grande SSMP Summary of Recommended Updates

SSMP Requirement 2006 GWDR Section D.13	Wallace Group Recommended Updates
System History and Overview	Update general introduction, Executive Summary, and system description/overview.
i. Goal	Develop new Goals that are specific to the City’s collection and conveyance system. These goals will be assessed and measured in Element 9: Monitoring Measurement and Program Modifications.
ii. Organization	Update the City organization chart and SSO Chain of Communication for compliance with 2013 MRP requirements.
iii. Legal Authority	Include any necessary updates based on changes to the City Municipal Code and Ordinances.
iv. Operation and Maintenance Program	Update this section to reflect current practices and planned activities. Include references to City storm drain maps. Include descriptions of updated Rehabilitation/Replacement and Capital Improvement Plans and schedules. Include status of projects in CIP. Develop a plan and schedule as well as description of CCTV Program and additional areas identified in the Audit recommended for update. Include supporting documents; line cleaning and manhole logs, manhole inspection report template, and map revision sheet. Develop a plan and schedule for the development and implementation of Operations and Maintenance Standard Operating Procedures and associated Training Program.
v. Design and Performance Provisions	Include existing Public Works Design Standards and Testing Requirements the City will follow. Incorporate these documents or document links into appendices.



vi. Overflow Emergency Response Plan (OERP)	Update the OERP to reflect any changes in City operational strategies used to respond to SSOs. Develop a plan and schedule for the implementation of Emergency Operating Procedures (EOPs), associated Training Program, and additional areas found to be deficient in the 2018 Audit.
vii. Fats, Oils and Grease (FOG) Control Program	Minor updates to outline current FOG Program, High Maintenance Areas and FSEs.
viii. System Evaluation and Capacity Assurance Plan	Integrate the findings the 2012 WSMP into this Element with planned short and long-term CIP and funding information.
ix. Monitoring, Measurement, and Program Modifications	Create a program/matrix to schedule, track, and evaluate SSO trends, the effectiveness of Preventative Maintenance, and the effectiveness of each Element of the SSMP annually. Provide tracking schedule for implementation of each Element.
x. SSMP Program Audits	Create a SSMP Audit, SSMP revision and 5-year Update schedule. Identify Audit format.
xi. Communication Program	Update the plan and schedule to communicate SSMP revisions, implementation, and accomplishments with the public.

A general task list and schedule will be included with the final SSMP to help identify critical implementation dates and activities identified in the SSMP.

Wallace Group anticipates two (2) 3-hour meetings with City Staff to develop and finalize the SSMP.

Deliverables:

- Updated SSMP (One (1) hard copy and one (1) electronic PDF)
- Two (2) meetings with City staff are anticipated to complete final Updated SSMP

TO BE PROVIDED BY THE CLIENT

- Word version of existing 2014 SSMP
 - a. Additional items to be determined; collection system reports, records, procedures, and exhibits necessary to update SSMP.
- Additional Budgetary and Capital Projects information
- GIS or other electronic City Storm Drain Maps and Data
- Other Operations and Maintenance information, studies and reports that may be necessary for the update to the SSMP

SCHEDULE

Upon receipt of this signed purchase order, Wallace Group Public Works Regulatory Compliance Staff will work with City staff to develop a schedule for project completion. The City's 5-Year Update is due for recertification on or before August 2, 2019. Due to the timing of the execution of this contract (after July 1, 2019), Wallace Group does not anticipate the City completing a final 5-Year Update for City Council rectification prior to the August 2, 2019 deadline.



ADDITIONAL SERVICES

The following services may also benefit your project. Wallace Group can provide these services, directly or through sub-consultants; however, they are not included in the current Scope of Services or estimate of fees:

- MS4 Program Assistance
- Development of Standard O&M and Emergency Response Procedures for the City’s Sewer Collection and Conveyance System
- Additional meetings

PROJECT FEES

Wallace Group will perform the services denoted in the proposed Scope of Services on a time and materials basis for a cost not to exceed \$22,000. These services will be invoiced monthly on an accrued basis in accordance with the attached Schedule of Fees (Exhibit A). Reimbursables are included in the time and materials estimated fee amount stated above.

At your request, additional services to the Scope of Services will be performed by Wallace Group following the signature of our Contract Amendment or the initiation of a new contract.

TERMS AND CONDITIONS

In order to convey a clear understanding of the matters related to our mutual responsibilities regarding this proposal, the City of Arroyo Grande Agreement for Consultant Services dated March 1, 2015 is considered a part of our proposal agreement. If this proposal meets with your approval, please sign where indicated and return to our office and/or prepare a Purchase Order, which will serve as our notice-to-proceed.

We want to thank you for this opportunity to present our proposal for professional services. If you would like to discuss this proposal in greater detail, please feel free to contact me.

Sincerely,

WALLACE GROUP, a California Corporation

TERMS AND CONDITIONS ACCEPTED:

Bill Callahan
Senior Environmental Compliance Specialist
612 Clarion Court
San Luis Obispo
California 93401
T 805 544-4011
F 805 544-4294
www.wallacegroup.us

Signature

Printed Name

Title

Date

Attachments
kc: PP19-6687, 2017
Exhibit A

THIS PROPOSAL IS VALID FOR 60 DAYS FROM THE DATE OF THIS DOCUMENT.

Exhibit A
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Right to Revisions:

Wallace Group reserves the right to revise this Schedule of Fees on an annual basis, personnel classifications may be added as necessary.

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