



City Council Meeting

Long Beach WPCP Consolidation

May 17, 2022



Presenters

- Joseph Febrizio, City of Long Beach, Commissioner of Public Works
- Peter Glus, PE, Vice President, Program Manager
- Jeffrey E. Storch, Attorney, Harris Beach PLLC

Meeting Overview

Project Must be Built

- It is required by Federal and State law, the plant's discharge permit, and the Administrative Consent Order.

Project is Fully Funded by Federal Grants

- FEMA 406 grant award commits FEMA funding for 90% of the eligible project costs.

DHSES statement: "...PW 00309 is not a capped grant; it will be based on actual costs associated with the FEMA approved eligible scope of work."

- GOSR 10% match commits HUD funding for the required local match to the FEMA 406 grant.

Agenda

1. Purpose and Background (J. Febrizio, Commissioner DPW)

2. Project Information (Peter Glus, Program Manager, PM-JV)

3. Funding (Jeff Storch, Attorney, Harris Beach PLLC)

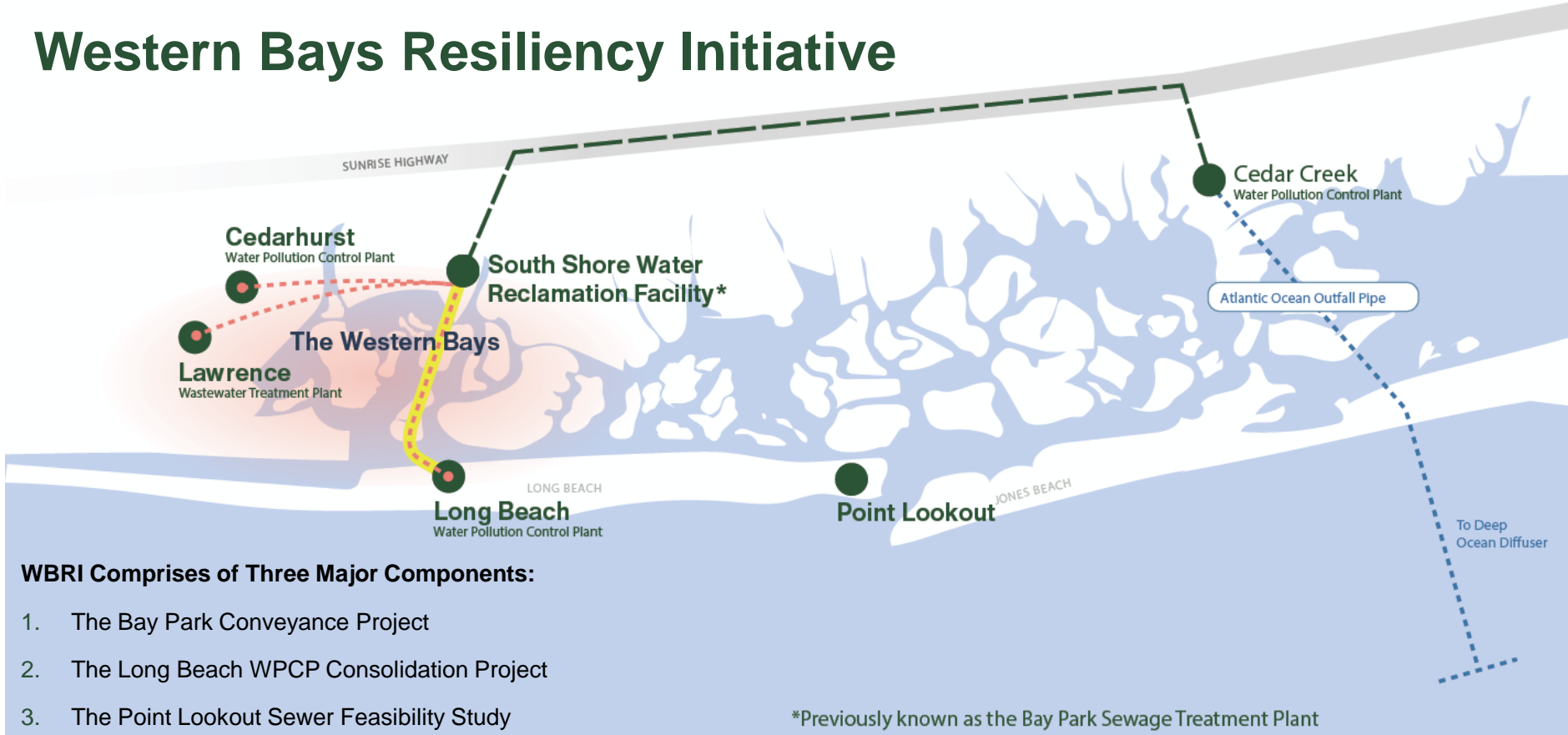
4. Next Steps (J. Febrizio, Commissioner DPW)

5. Q&A (J. Febrizio, Commissioner DPW)

1. Purpose and Background



Western Bays Resiliency Initiative



WBRI Comprises of Three Major Components:

1. The Bay Park Conveyance Project
2. The Long Beach WPCP Consolidation Project
3. The Point Lookout Sewer Feasibility Study

*Previously known as the Bay Park Sewage Treatment Plant

Statement of Benefits – LB WPCP Consolidation Project

The Project will mitigate risk of damage to the Long Beach wastewater treatment assets and reduce risk of service loss to residents of Long Beach.

This is one of the most regionally significant effects that we will see in our lifetime. It will eliminate two outfalls that currently discharge approximately 70 MGD of treated water into the bay.

By removing the current Long Beach outfall discharge to the bay, the Project will reduce nitrogen loading. That reduction will, in turn, lead to restoration of the ecosystem and with that other socio-economic benefits for the community.

Background (1/4)

- A. The NYSDEC changes discharge requirements for Ammonia (NH₃) and Chlorine. In 2008, the City's State Pollution Discharge Elimination System (SPDES) permit was modified, and new effluent limitations were mandated.
- B. The effluent requirements for ammonia (NH₃) were reduced from 23 mg/l to 9.5 mg/l. The effluent requirement for total residual chlorine (TRC) was reduced from 2.0 mg/l to 0.5 mg/l.
- C. In 2011, the City submitted an engineering report that provided a detailed analysis of the existing Water Pollution Control Plant and options available for achieving compliance for both ammonia and total residual chlorine revised standards. The report contained a compliance schedule to address ammonia and TRC reduction as well as several structural equipment deficiencies.
- D. October 29, 2012, Hurricane Sandy struck the south shore of Long Island. The City's Water Pollution Control Plant sustained severe damage.

Background (2/4)

- E. Components of 2011 compliance schedule were put on hold while over \$5 million dollars of repairs are undertaken at the City's Water Pollution Control Plant
- F. In 2016, the City completed the construction of a dechlorination facility to meet compliance with the new effluent limitation of 0.5 mg/l total residual chlorine. Cost is \$1 million.
- G. In June 2017, the NYSDEC and City executed an Order on Consent (the Order) to address several structural equipment deficiencies.
- H. The Order provides the City with two options for addressing ammonia reduction:
 1. Implement improvements that can achieve nitrogen (ammonia) reduction
 2. Convert the existing plant to a pump station and construct associated force main to divert flow to the South Shore WRF

Background (3/4)

- I. According to a July 2017 Engineering Report, the total cost for Option 1, including hardening the City's WPCP, is estimated to be approximately \$180 million. Option 2 is recommended.
- J. In July 2019, the City entered into a mutually beneficial Inter-Municipal Agreement (IMA) to convert the City's WPCP to a pump station and install the associated force main to divert flow to the South Shore WRF and ultimately to the Cedar Creek WPCP. Under the agreement, Nassau County will take over the City's entire sanitary sewer collection system as well.
- K. Appendix H of the IMA covers the initial financing plan. The City's burden is capped at approximately \$18 million. \$12 million is grant funded and \$6 million is cash. Remaining project balance (approximately \$65 million) listed as unsecured funds (not backed by any grants/loans).
- L. Nassau County initiates design through SMLP federal grant. The design of the force main and plant conversion to a pump station is then completed.

Background (4/4)

- M. In 2020, the City, in collaboration with Nassau County, submits a 406 Hazard Mitigation grant application under the FEMA Public Assistance Program.
- N. March 2022, the City is notified by the Governor's Office of Storm Recovery that it is awarded \$24 million towards the Long Beach WPCP Consolidation Project.
- O. April 2022, the City is awarded a grant under the FEMA 406 Hazard Mitigation that includes all items incorporated in the "Scope of Work" of the Project Worksheet. The scope of work for the Consolidation Project, plant-wide decommissioning, and hardening of the satellite pump stations, will be paid for through the grant at 90% of the project cost incurred.

ALL OF THE COSTS ASSOCIATED WITH THE PROJECT,
CURRENTLY ESTIMATED AT \$123,095,799 WILL BE COVERED
UNDER THE FEMA 406 HMP AND GOSR GRANTS.

2. Project Information

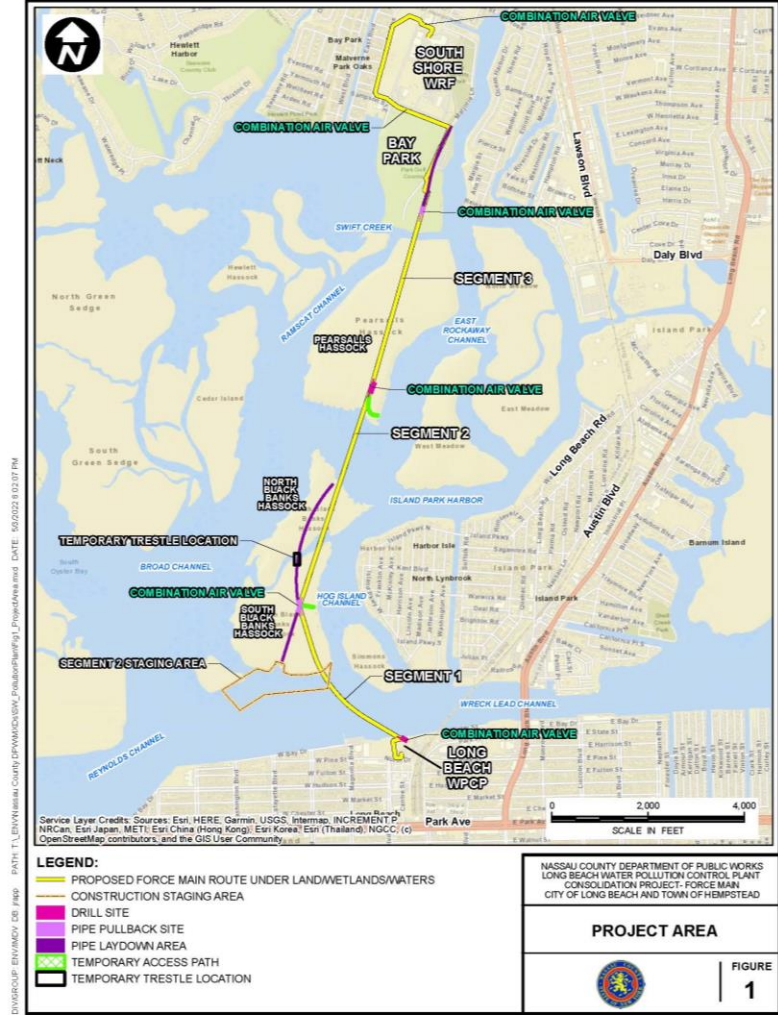


Project Scope

The Long Beach Consolidation Project will:

- Convert the existing pump station into a transfer station for pumping wastewater to the County's South Shore Water Reclamation Facility (WRF) for treatment
- Storm harden the pump station to withstand the 500-year storm surge
- Install a 24-inch diameter force main (pipeline) from the pump station to the South Shore WRF

Funding also includes storm hardening of collection system pump stations in Long Beach and plantwide decommissioning, which will be addressed by separate contracts.



Project Scope – Wetland Restoration & Mitigation

- **On-site and in-kind restoration of habitats** temporarily disturbed by construction. Project will have only about 435 square feet of permanent impacts on wetlands in Town of Hempstead.
- Design of **two salt marsh mitigation projects** approved to compensate for unavoidable impacts to federal and State wetlands.
 - **Pearsalls Hassock - 3.2 acres of low & high salt marsh** restored.
 - **South Black Banks Hassock – nearly 2 acres of low and high salt marsh** restored in area of historic dredge fill disposal and significant invasive species cover (i.e., *Phragmites australis*); 6,700 square feet of open water restored.
- Commitment to **monitoring program for 5 years** following completion of planting activities.
 - Compliance monitoring focuses on qualitative and quantitative evaluation of restored tidal hydrology and plant community development. Results and analysis will be presented in an annual report filed with the NYSDEC.
 - Results of compliance monitoring will inform adaptive management decisions such as the need for invasive species control or enhancement planting.

Permitting Status

- **NYSDEC:** NYSDEC issued the final permit on 9/17/2021.
- **USACE:** USACE issued the final permit on 4/15/2022.
- **USCG:** USCG issued Advance Approval for Temporary Trestle (for construction).
- **NYSDOS:** NYSDOS Coastal Management Program provided concurrence on 2/26/2021.
- **NEPA EA/FONSI:** Project changes not substantial; No revised Environmental Assessment required; Finding of No Significant Impact remains valid.
- **SWPPP:** PM-JV is updating SWPPP with revised pump station and force main design.
- **Other City Permits and Approvals:** County is coordinating with the City of Long Beach on requirements regarding City permits and approvals.

Project Schedule

Assuming:

- Advertise: June 2022
- Award: Q4 2022
- Notice to Proceed: Q1 2023
- Construction Complete: Q4 2025

3. Funding



Project Cost and Funding Partnership

Total Engineer Estimate (incl. design, construction, etc.) is approximately \$126 million. (Approximately \$3 million is reimbursed under SMLP, resulting in a balance of \$123 million for the purpose of this meeting.)

Funding Allocated to the Project: The Project has committed funding for 100% of the actual project costs between FEMA 460, HUD CDBG-DR Living with the Bay funds, EFC SMLP, and loan funds for working capital through EFC SRF.



Governor's Office of
Storm Recovery



Summary of State and Federal Grants

- **FEMA 406:** FEMA has approved the scope of work for cost reimbursement at 90% of the actual project costs. The Project Worksheet currently includes the full scope of work, including program management, planning, design, environmental studies, permitting and construction. Per FEMA policy, this figure will be updated with the final cost estimate and finalized with actual costs expended. These funds will be administered through DHSES with periodic reimbursement.
- **HUD CDBG-DR Living with the Bay Funds:** The remaining 10% of project actual costs will be reimbursed through HUD CDBG-DR Living with the Bay funds administered by GOSR.
- **EFC Working Capital:** EFC is providing a low interest loan through SRF for working capital, to be reimbursed by the FEMA and CDBG-DR grants.
- **SMLP:** A certain portion of costs to develop the initial design are covered under the SMLP program (approximately \$3.7 million in grant/loan); the funds were fully expended in 2021.

Financing and Related Issues (1/2)

1. The FEMA Public Assistance Program is a reimbursement program.
2. Under the FEMA Public Assistance Program, the City, as the current grant recipient is responsible to advance the funding for the Project.
3. To assist the City, the Environmental Facilities Corporation (EFC) is providing a short-term loan at a low interest rate. The bond authorization that is being voted on tonight is a pre-requisite for the EFC SRF (State Revolving Fund) loan. Under the SRF loan program, the City is required to authorized to bond for the full Project amount (currently estimated at \$123,095,799).
4. The City expressed its concerns regarding the potential responsibility for “non-reimbursable expenses” such as interest on the loan and costs (if any) not covered by the FEMA and/or GOSR grant.

Financing and Related Issues (2/2)

Resolution: The City and the County worked collaboratively on a solution. Any “non-reimbursable expenses, including interest on the loan, will be incorporated in the debt service for the facility and the City will continue to collect sewage revenue to pay down the debt. This will continue after the County takes over the system and until all debt is paid. This was memorialized in a “Construction Administration Memorandum” (CAM) to the original IMA.

Next Steps

1. Upon approval of the bond ordinance the SRF application can be finalized and submitted to EFC. Loan approval is a two-to-three-month process.
2. Concurrently, once the City is given bond authorization, Nassau County will obtain approval to advertise a request for bids to construct the Force Main and Pump Station projects. Both projects are 100% designed. Construction completion is anticipated in Q4 2025.

A photograph of a wetland area. In the foreground, there is a small, calm pond surrounded by tall, green grasses and reeds. The background shows a line of trees under a clear blue sky with a few wispy clouds.

Joe Febrizio

City of Long Beach, Commissioner of Public Works

Thank You! *Questions?*