

# Staff Report

for the Board of Directors Meeting of April 10, 2019

**TO:** Honorable Board of Directors

**FROM:** Greg Jones, M.B.A., Assistant General Manager

**DATE:** April 4, 2019

**SUBJECT:** **Combie Sediment & Mercury Removal Project (FATR #2135)  
Purchase & Removal of Sediment Material**

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## **ADMINISTRATION**

### **RECOMMENDATION:**

Approve the purchase and removal of sediment material generated from the Combie Reservoir Sediment and Mercury Removal Project (FATR #2135), and authorize the General Manager to execute the appropriate documents.

### **BACKGROUND:**

On January 25, 2019 NID released a Request for Proposals for the purchase and removal of sediment material generated from the Combie Reservoir Sediment and Mercury Removal Project, FATR #2135.

At the June 20, 2018 Board of Directors meeting, staff informed the Board of its difficulty to determine market value for the sediment until it has been removed from the reservoir. Since then, staff has identified a location on Teichert property near the project processing area that can serve as short-term (3-year) storage for the extracted sediment. NID and Teichert have a lease agreement to temporarily store the sediment on four acres of Teichert property until it is removed.

The sediment has been thoroughly tested and our findings show the material tests well below DTSC human health screening levels and, when dry, pose no significant threat the human health. Further, the results did not find any elemental mercury in the sediment fractions and third party test results indicate that the material does not exceed California Environmental Protection Agency minimum residential thresholds for mercury in soil.

The *Agreement for the Purchase and Sale of Material* includes a purchase price of \$1.00 per cubic yard of sediment, loading and off hauling of material from the storage site, and clean up of the site upon completion. The Agreement ensures that the purchaser comply with appropriate CEQA conditions as well as a removal plan

created in coordination with Teichert Materials. The removal plan identifies agreed upon terms and conditions including working days & hours, ingress & egress on the site, insurance requirements, maintenance & repair of site, and notification of the hauling activities to the surrounding community.

NID sent the RFP to seventeen local and regional companies, including Teichert, Hansen Brothers Enterprises, Lorang Brothers Construction, Pronesti Excavation, S&P Contractors, Siller & Siller, T&S Contractors, Western Engineering, Andrew's Paving & Excavating, CME, McGuire & Hester, Gateway Pacific Contractors, Mountain Cascade, and Odin Construction. Odin Construction was the sole respondent to the RFP offering \$1.00 per cubic yard.

Currently, NID leases four acres of Teichert property at the project site for \$5,227.20 per month for the temporary storage of the sediment material. This lease will terminate upon the removal of all temporarily stored sediment material.

NID staff recommends the Board approve the purchase and removal of sediment material generated from the Combie Reservoir Sediment and Mercury Removal Project, FATR #2135 to Odin Construction for \$1.00/cy and authorize the General Manager to execute the necessary documents.

**BUDGETARY IMPACT:**

NID revenue benefit of up to \$70,000.