



Agenda Item Summary

File #: 24-00598

Agenda Date: 7/9/2024

Agenda Item Name:

Unsolicited Proposal RFP for Newnans Lake Watershed Restoration Project

Presenter:

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Description:

An unsolicited proposal was received by the Environmental Protection Department (EPD) from HGS, LLC, a subsidiary of Resource Environmental Solutions, LLC (commonly referred to as 'RES'). This agenda item is to authorize a Request for Proposal (RFP) process for projects to assist the County in implementing projects to meet its nutrient load reductions as required by the State.

Recommended Action:

Review the unsolicited proposal from RES; find that the proposal is a qualifying project in the County's best interest and serves public purpose; and direct staff to provide prepare a RFP, provide notification and otherwise comply with the public-private partnership process.

Prior Board Motions:

8/24/2016 Board approves contract with Florida Department of Environmental Protection (FDEP) for Phase 1 of the Newnans Lake Initiative.

4/5/2018 Board approves contract with FDEP for Phase 2 of the Newnans Lake Initiative and approves inter-fund loan from Stormwater Assessment to fund project.

2/28/2019 Board approves contract with Saint Johns River Water Management District (SJRWMD) for a second treatment weir on Little Hatchet Creek.

5/26/2019 Board approves inter-fund loan from Stormwater Assessment for the SJRWMD contract.

9/17/19 Board requested a presentation regarding the Newnans Lake Initiative.

11/12/2019 Staff update to Board of County Commissioners (BOCC) on Newnans Lake Initiative.

Fiscal Note:

EPD has been awarded \$1.1 million from FDEP and will provide a \$400,000 match from Fund 146, Stormwater Management Fund. Future phases are contingent upon receiving additional State funding with match requirements provided by the stormwater assessment.

Strategic Guide:

Environment

Background:

Alachua County Environmental Protection Department (EPD) has been working to improve water quality in Newnans Lake for decades. Newnans Lake was listed as an impaired waterbody in 2002 by

the Florida Department of Environmental Protection (FDEP) and has been included in the Orange Creek Basin Management Action Plan (BMAP) since 2004. The 2019 amendment to the BMAP specified load reduction allocations for each local Government within the Lake's watershed. Alachua County is required to reduce nitrogen loading by 5,239 pounds per year and phosphorus loading by 588 pounds per year.

In 2016, Phase 1 of the Newnans Lake Improvement Initiative was begun with \$456,000 of legislative funding. The phase was completed in December of 2017 and resulted in an assessment of phosphorus sources and dynamics in Little Hatchet Creek and Gum Root Swamp and development of potential projects to reduce phosphorus loads including permeable reactive weirs for phosphorus reduction located in Little Hatchet Creek.

In 2018, Phase 2 was begun using \$250,000 of legislative funding. This phase included additional project identification for Hatchet Creek and the design and permitting of a reactive treatment weir in Little Hatchet Creek for phosphorus removal. An additional treatment weir was funded in 2019 with cooperative funding from SJRWMD. Both weirs have been installed and EPD continues to maintain them.

Stormwater Assessment funds were utilized in 2020 to conduct a feasibility study and conceptual plan for a Newnan's Lake treatment wetland to address internal loading in the lake. Legislative appropriations were sought for this project but were not received. The study identified significant challenges (costs, energy demand, the need for a large area of land, ongoing operation and maintenance requirements, etc.) and EPD felt it would be best for a project of this scope to be a regional project coordinated by the Water Management District, as in other areas.

Alachua County has received an unsolicited proposal from HGS, LLC doing business as RES Environmental Operating Company, LLC, a subsidiary of Resource Environmental Solutions, LLC (commonly referred to as 'RES') for a turn-key Newnans Lake System Comprehensive Restoration project to achieve a load reduction in the watershed. Section 255.065, Florida Statutes, sets out the procurement procedures for Public-Private Partnership (P3).

A qualifying project for the purposes of P3 is defined in Section 255.065(1)(i):

1. A facility or project that serves a public purpose, including, but not limited to, any ferry or mass transit facility, vehicle parking facility, airport or seaport facility, rail facility or project, fuel supply facility, oil or gas pipeline, medical or nursing care facility, recreational facility, sporting or cultural facility, or educational facility or other building or facility that is used or will be used by a public educational institution, or any other public facility or infrastructure that is used or will be used by the public at large or in support of an accepted public purpose or activity;
2. An improvement, including equipment, of a building that will be principally used by a public entity or the public at large or that supports a service delivery system in the public sector;
3. A water, wastewater, or surface water management facility or other related infrastructure; or
4. Notwithstanding any provision of this section, for projects that involve a facility owned or operated by the governing board of a county, district, or municipal hospital or health care system, or projects that involve a facility owned or operated by a municipal electric utility, only those projects that the governing board designates as qualifying projects pursuant to this section.

The unsolicited proposal received from RES references a comprehensive watershed-scale project which would provide benefit to the County and the natural environment. The State has found that there is a public need for timely and cost-effective projects serving a public purpose. Use of a P3 selection process may allow for timely development or a streamlining of a large complex phased project in a shorter amount of time than traditionally occurs. Additionally, the P3 process enables the collaboration

of skills and assets from both private sector and the governmental entity for the benefit of the general public.

If this agenda item is approved, County staff would follow the P3 process, including but not limited to that of providing notice and putting out a request for proposal (RFP) requesting competing proposals in response to the unsolicited offer. The RFP would consider multiple phases for the project, due to funding sources. After the notification period has expired, the proposal(s) received from private entities would then be brought to the Board for consideration, ranking, and authorization would be sought to negotiate a comprehensive agreement with a selected private entity for the qualifying project. If negotiations are satisfactory, the proposed comprehensive agreement would be brought back to the Board for consideration and for the Board to make additional findings.

An unredacted version of the unsolicited proposal will be made available to the Board upon request. The entity has invoked protections related to trade secret information.