CLOSURE AND REPLACEMENT OF THE MAIN STREET

WASTEWATER TREATMENT PLANT

This document is a position paper of Larry Walker, candidate for the District 5 seat on the Escambia County Utilities Authority (ECUA). This paper was first prepared and posted in April 2004 and last updated on July 1, 2004.

Closure and replacement of the Main Street Wastewater Treatment Plant ("Main St.") is a major item on the public agenda of the Escambia County community in 2004. It has been made so mainly by efforts of the Pensacola Area Chamber of Commerce and the City of Pensacola, who consider the removal of Main St. to be essential to the commercial redevelopment of the western side of the downtown business area. The ECUA board responded to pressure from these sources by commissioning a "feasibility study" in 2003 regarding closure and replacement of Main St. In its December 2003 regular meeting, the ECUA board approved a policy alternative ("Option A") for closure of Main St. and replacement of its treatment capacity at another location.

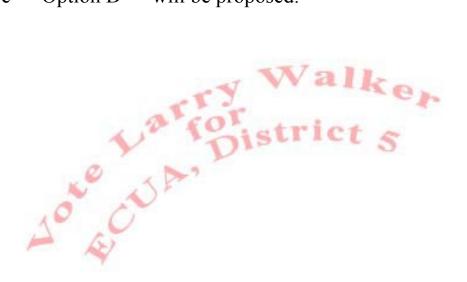
As a candidate for the District 5 seat on the ECUA board, I am particularly concerned about the effects of ECUA's proposed Option A on residents of District 5. I don't think Option A will ever happen, but, if it should, it would impose an unwanted major public facility on an area of District 5 that contains hundreds and hundreds of homes that could be negatively affected. It should be the role of the District 5 member to protect the interests of District 5 residents; unfortunately, the current ECUA District 5 member, Mr. Tegenkamp, has failed in that responsibility; instead, he is personally responsible for the ECUA's adoption of the Option A plan.

Part I. Removal of the Main Street Plant

Is a Desirable Policy Goal

In an ideal world, the Main St. plant would be closed and the Main St. site made available for commercial development. Removal of Main St. is essential to the development of the downtown west side; in turn, the development of that area is essential to long-range vitality of the entire Escambia County economy. If we want Escambia County as a whole to flourish economically; if we want Escambia County to be a place "in which thousands live the way millions wish they could" (to quote from former Mayor Vince Whibbs's famous welcoming speech); if we want Pensacola to be an historical and entertainment jewel of the greater Gulf Coast; if we want Pensacola, Pensacola Beach, and Perdido Key to be Mecca's for high-spending, high-tax paying visitors; and if we want Escambia County to offer more good jobs that will keep our children and grandchildren here—if we want all these things, and most citizens DO want them, removal of the Main St. plant is a desirable goal. The Main St. plant presently sits in the way of all these desirable goals, due to its domination of the downtown west side.

It is one thing for a policy goal to be desirable, however; it is quite another for it to be doable. To be accomplished, a policy proposal must be feasible. Feasibility, in turn, has several dimensions, any one of which could bring the noblest policy effort to a jarring halt. In Part II of this position paper, the infeasibility of Option A will be shown. In Part III, a better alternative—"Option D"—will be proposed.



Part II. "Option A" Will Not Work

Introduction: "Option A"

An effort to close and replace Main St. was initiated by ECUA in 2003 at the insistence of board member Robert Tegenkamp. Toward that end, the ECUA board approved the creation of an ad hoc committee with the oddly pompous name, the Strategic Main Street Replacement Team. This committee was made up of Mr. Tegenkamp and ten appointees, eight of them handpicked by Mr. Tegenkamp. Members of this group were, as follows:

STRATEGIC MAIN STREET REPLACEMENT TEAM

Mr. Eric J. Nickelsen, Chairman John S. Carr & Co. 601 S. Palafox Street

Honorable Robert Tegenkamp, Vice Chairman 1076 Candlewood Circle

Ms. Lois Benson 518 East Zarragossa Street

Ms. Nancy Fetterman 24 Lakeside Drive

ment Largor Walker Mr. Eugene Franklin Franklin Mortgage & Investment 5553 Shadow Grove Blvd

Ms. Rita E. Jones Post Office Box 2315 2561 N. 15th Avenue

J. Taylor Kirschenfeld (added by Mr. Perkins) Neighborhood and Environmental Services Department Escambia County staff

Mr. M. J. Menge 4080 Dunwoody Drive

Mr. Mort O'Sullivan O'Sullivan-Creel, LLP 316 S. Baylen Street

Mr. Ernie Rivers 3855 Scenic Highway

Mr. Richard Schram (added by Mr. Fink) 5893 Hurst Hammock Road

This ad hoc committee oversaw a \$200,000 "feasibility study" by two engineering firms. This study considered three options for closing Main St. The leading alternative of the three was labeled "Option A," and this analysis will focus on it. Weaknesses of Option A are also to be found in Options B and C. The formal report of the study by the Strategic Main Street Replacement Team was made to the ECUA board on December 3, 2003.

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At the December 2003 meeting, Mr. Tegenkamp asked the other members of the Authority to act on the recommendation of the Strategic Main Street Replacement Team by adopting Option A as ECUA policy. The ECUA board accepted the report of the feasibility study and the recommendation of the Strategic Main Street Replacement Team, approved Option A as a goal of ECUA policy, and dedicated \$25 million to the implementation of Option A. Since that time, no action has been taken by ECUA to undo the adoption of Option A as a policy goal or the assignment of \$25 million to the implementation of Option A. In short, the pursuit of Option A has been official, formal ECUA policy since December 2003, and it IS official, formal ECUA policy today. The Option A proposal is to close Main St. and replace it—at an initially estimated cost of \$164 million—with a single plant located on Gulf Power Company property near Gulf Power's Crist Plant. The Crist Plant is on the Escambia River, just north of the UWF campus. The proposed new wastewater treatment plant (WWTP) would have a daily treatment capacity of 20 million gallons per day (20 MGD), thereby replacing the entire treatment capacity of Main St., as currently permitted by the Florida Department of Environmental Protection (DEP).

A large force main—that is, a large pressurized pipeline, through which the sewage would be pumped—would be constructed from the Main St. site to the Crist Plant site. All current flow of the Main St. service area would continue to flow to Main St. then would be pumped from there to the new plant at the Crist site. Required future expansion of wastewater treatment capacity for this large service area would be made at the new plant site, also, presumably. Given the current flow through the plant, enlargement of the plant might be necessary within the next decade.

Option A Is NOT a Feasible Plan

Option A is NOT a feasible plan. It will not come to pass. This is so for four reasons:

Option A is not feasible financially. Option A is prohibitively expensive. The initially estimated cost of Option A is \$164 million. This amount is almost surely an under-estimate: in my 12 previous years on the ECUA board, I found that initial cost estimates of large projects almost always were low. In any event, even this low-ball estimate of \$164 million cannot be raised locally. In December 2003, the ECUA board approved an allocation of \$25 million as its share of the cost, with a clear message that ECUA would NOT be responsible for more than the \$25 million. To date, other local governments have not added a single dollar to this amount. Of particular significance, the City of Pensacola, which has the largest stake in the matter, has offered nothing to the financing of Option A in the seven months since the ECUA committed \$25 million. As principal advocate of Option A, Mr. Tegenkamp has envisioned a three-way division of the cost—one-third local, one-third state, and one-third federal. To put it simply, there is not a snowball's chance in Hell that this will happen. In fact, it is unlikely that any one of the three portions will be obtained.

In early May, there was a stir of excitement because the 2004 legislative session had produced a \$4.9 million grant for the project. (Actually, there is some question as to whether this money is actually for the closure of Main St.) If the grant IS for the Main St. closure plan, it falls grandly short of the \$55 million "state share" of the total estimated cost—some \$50 million short!

Meanwhile—in the months since the ECUA committed \$25 million in December 2003—there has been no sign of any federal money forthcoming; the County Commission has opted out of even contributing to a \$60,000 second study; and the Pensacola City Council, to my knowledge, has not even had the topic on its agenda.

Option A is not feasible environmentally. Effluent disposal is the most difficult part of wastewater treatment. In the initial presentation of the study report to the ECUA board, three effluent-disposal options were discussed. None of them is a reasonable plan for effluent disposal.

1. Discharge into the adjacent Escambia River. This idea is "DOA"—"dead on arrival." There is no net environmental benefit to taking effluent out of Pensacola Bay and dumping it into the Escambia River. The effluent does less harm in Pensacola Bay, actually, because tidal action disperses it and moves it out of Pensacola Bay, whereas, discharge into the Escambia River would simply build up in the river and in Escambia Bay. Anyone who thinks that Escambia River fishermen and others with interests in the Escambia River and Escambia Bay will sit by and let this disposal option be adopted must have a mullet net for a brain. Discharge into the Escambia River simply will not be permitted to happen by those who care about the Escambia River. (Approval by DEP is problematic, also.) And it SHOULD NOT happen, since the discharge to a body of surface water would be only relocated, not eliminated. Such relocation might be nice for devotees of Pensacola Bay, but it offers no net environmental gain for the community as a whole.

2. Discharge into wetlands. Disposal of properly treated wastewater by discharge into appropriate wetlands is THE approved method of effluent disposal today. (Incidentally, I was the first person at ECUA—board or staff—to promote wetlands disposal. I did so in 1988 at about the same time that the State of Florida reversed its position and began encouraging wetlands disposal. The end result was that, in the early 1990s, ECUA obtained the 1,000-acre Bayou Marcus wetlands and began using wetlands disposal at an enlarged Bayou Marcus plant.)

Unfortunately for the Option A plan, there are insufficient wetlands near the Crist Plant site to meet the disposal need; in fact, there are hardly any appropriate wetlands at all near the Crist Plant site. This alternative for effluent disposal would require pumping the effluent all the way from the Crist Plant site to a wetlands site somewhere "in the Molino area," according to the Tegenkamp committee's \$200,000 study. A pipeline of at least 15-20 miles would have to be constructed, at major expense, and the ongoing pumping costs along this long, uphill route would be terribly expensive. These features add up to a highly unrealistic proposal.

3. Discharge via a pipeline connecting the Crist site with an effluent pipeline from Cantonment to the Hurst Hammock area that is part of a previously planned joint project of International Paper (IP) and ECUA. This idea is better than either of the other two disposal alternatives mentioned in Option A, but it compares poorly to an alternative plan that will be proposed in Part II of this position paper. Essentially, my argument here is that, if you wish to use the joint ECUA-IP disposal program, why build a treatment plant several miles away at the Crist site? Instead, why not build an adequately sized ECUA wastewater treatment plant at IP?

Option A is not feasible politically. This is true in two respects. First, the majority of the ECUA board has shown little enthusiasm for the ideal of closing Main St., and the City and the County have offered no meaningful supportive action.

Daunted by the looming expense, if for no other reason, four of the five board members have offered little support for Option A or, for that matter, for the basic idea of eliminating Main St. Only a single ECUA member, Mr. Tegenkamp, has shown enthusiasm for Option A, and HIS enthusiasm has waned in the face of the hard realities that confront the plan. Support for Option A will be even less if Mr. Tegenkamp is not reelected in August.

Second, Option A lacks political feasibility because of the opposition of residents in the area surrounding the Crist Plant site. Residents from Fox Run on Nine Mile Road to King's Road on E. Kingsfield Road are expressing concern already. If a plant is seriously pushed for the Crist site, it will create a firestorm of opposition from people who do not want it "in their back yard." Option A will come to pass only if the ECUA board is unmoved by what will be a strong show of public opposition.

Added to the predictable opposition of residents surrounding the Crist Plant site will be the opposition of other citizens of the county, objecting mostly to Option A's huge expense. Representatives of the watchdog group, 8574 Citizens Alliance—the group that crystallized opposition to the City's Trillium project—were present at the ECUA board meeting of December 3, 2003, to express reservations concerning the projected cost of Option A. Members of that group have continued to express reservations about Option A since then.

<u>Finally, Option A is not feasible, due to lack of *land availability*. Gulf Power has no interest in selling any of the limited amount of open land surrounding the Crist Plant. A Gulf Power spokesman stated to me in May 2004, in crystal clear terms, that Gulf Power will retain the relatively limited open space that it now has at the Crist Plant because of possible expansion needs in the future. In addition, the company is restricted by homeland-security requirements from reducing the open-space buffer zone surrounding the Crist Plant. In short, Gulf Power is not willing to sell the land and probably could not do so if it wanted to, because of homeland-security requirements.</u>

Gulf Power's position regarding disposal of land at the Crist site has been widely known in Escambia County for years, and anyone who was not familiar with Gulf Power's position had only to ask a company spokesman. Gulf Power has never been anything other than straightforward in stating its position on the matter. In light of these facts, it is striking that the Tegenkamp strategic team, with its \$200,000 "feasibility study," would come up with a proposal that is transparently impossible on its face. It would appear either (a) that the Strategic Main Street Replacement Team did not think to ask Gulf Power the most basic of strategic questions or (b) that it purposefully ignored the Gulf Power position, employing a "Don't ask, so they won't tell" policy.

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<u>Summary</u>. Option A, as proposed by the ECUA's Strategic Main Street Replacement Team, is a nonstarter—"dead on arrival" —because it is not feasible financially, environmentally, or politically, and—most basically—because the necessary land is simply not available. Residents of the threatened area have little to fear from Option A, because it will never happen.

The questions that remain are two:

- □ Why did Mr. Tegenkamp initiate a proposal that, except for its impossible nature, MIGHT have been imposed on residents of District 5?
- Was the \$200,000 feasibility study a waste of money by the ECUA and its Strategic Main Street Replacement Team? At close glance, it appears to be "the study that leads to nowhere."

Part III. A Better Alternative

A Better Alternative

<u>—"Option D"</u>



There IS a better alternative. Let us begin by giving it a convenient name. Since the Strategic Main Street Replacement Team looked at three options, identified as Options A, B, and C, I will refer to my proposal as "Option D." The central feature of Option D is that it will use TWO plants, not one, to replace Main St. <u>Plant 1</u>. The first of these two plants ("Plant 1") will be located at the previously arranged site of a new WWTP at International Paper. ECUA and Champion/IP have had an agreement going back to the late 1990s for ECUA to construct a WWTP at the Cantonment paper mill. IP has already agreed to give to ECUA a certain piece of land for the ECUA plant site, along Highway 29 to the east of the IP plant. The initial plan is for the construction of an ECUA plant of 2.5-5.0 MGD capacity. My plan is to increase the size of that plant to, say, 10.5-13.0 MGD capacity, thereby replacing some 8 MGD of Main St capacity.

Positive features of Plant 1 include the following:

1. The location is already arranged. ECUA may have to pay IP for the larger WWTP footprint required, but it would be a relatively nominal cost, and there would be no zoning or permitting complications.

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2. This plant could make use of the already-planned effluent pipeline and wetlands disposal area of the original ECUA-Champion/IP joint project. The pipeline might have to be larger, eventually, and the required disposal area might have to be larger than is currently planned, eventually. It is also possible, however, that neither of these changes would be necessary, because the joint plan is that IP will re-use effluent from the ECUA treatment plant, thereby offsetting to some extent its use of IP-pumped groundwater. To the extent that this can be done, there would be no net increase in the flow of wastewater through the pipeline and into the wetlands area; consequently, it might be possible that neither the pipeline nor the disposal area would have to be enlarged.

At present, IP thinks that it might be able to use as much as 5 MGD of ECUA effluent; IP has not studied the matter of using a larger volume than that, and it is possible that it could take a larger amount.

3. Even in the worst case (that IP could use no additional ECUA effluent beyond 5 MGD), use of the pipeline and Hurst Hammock disposal area for some or all of the additional ECUA effluent would be a relatively cheap alternative. It costs money to replace a pipeline with a larger pipeline, but not as much as it costs to construct a new pipe somewhere else. IP spokespersons are doubtful that the capacity of the planned disposal area could be increased, but it might be possible to get it permitted for a larger volume or to expand the portion of Hurst Hammock that is to be used. Again, the cost would be relatively nominal. 4. If nothing else, location of a larger plant at the IP site would delay costs. The currently planned IP site is to be built in a modularized form, with only a 2.5 MGD plant initially, to be enlarged to 5 MGD as needed. The immediate service area of the original plan will initially produce only about 1 MGD. ECUA could instead immediately maximize use of the created capacity and could increase the size sooner and to a larger total size, but it could add the additional costs of this enlargement over time rather than all at once.

Likewise, even if the pipeline and wetlands area could not be permitted for larger volumes, ECUA could make immediate maximum use of its share of the permitted volume of the pipeline and wetlands, at no additional expense. Again, keep in mind that, to the extent that IP can use ECUA effluent to replace its own water in the papermaking process, there will be no increase in the total volume of water going through the pipeline and into the wetlands.

In sum, it is possible that, with respect to effluent disposal, a larger Plant 1 could be operated with either no additional cost or minimal additional cost, relative to the already planned cost to ECUA of the long-planned joint project.

5. If the Hurst Hammock wetlands could not handle all of the additional ECUA effluent, the remaining amount would have to go somewhere else. The current Option A includes the alternative of running an effluent pipeline to a wetlands area in Molino. That would be an expensive proposition, no matter where you start from, but it would be much less expensive to construct and operate such a line from IP to Molino than from the Crist Plant area to Molino.

6. Plant 1 would service the northern part of the ECUA wastewater collection system—say, from Nine Mile Road north. This would require a major trunk line northward from the southern border of this area to the IP location, and connections of east-west lines to that trunk line. This pipeline work would have some expense, but it would be far less than the expense of constructing a much larger trunk line from Main St. to the Crist location, breaking concrete all the way and going through already crowded rights of way. By comparison, a Plant 1 trunk line would be much shorter, would have a much less crowded ROW space all along its route, and would break much less concrete along its route. (It probably could go its entire length up the median of Highway 29.) Other expenses of re-routing sewage flow in the northern area would be minimal—just a matter of constructing a few connecting lines and reversing the direction of some lift-station pumps, the Larry Walker Campaign, Appreved by Larry Walker (Republican) 7. Talk of "phasing in" costs of Plant 1 might make one think, "Oh, no—delay!" But Option A would take years—if it was ever done—to overcome the NIMBY response of the affected public; to raise the \$164 million; to obtain the permits; to obtain the land from Gulf Power; to design the plant, the trunk line from Main St., the disposal line or lines, the disposal sites, and the other miscellaneous elements; and to actually construct all of the above. By contrast, the IP site is already available, the ROW for the joint pipeline is already obtained, the engineering of the currently planned pipeline is complete, IP owns the Hurst Hammock disposal area, and the original disposal plan has received a permit from the Florida Department of Environmental Protection. In short, the Plant 1 part of my Option D could occur much sooner—not later—than Option A.

8. Complaints of odor—IF this WWTP produced odor— would be minimal, because, after all, it will be located next to the paper mill. Because Plant 1 would be smaller than the Option A plant, the likelihood of odor is less. (The larger the plant, the greater the probability of odor.) Residents of the Canton-ment area are more likely to tolerate odor, if it should occur, because they have a collective stake in the survival of the IP plant. ECUA's joint project with IP <u>improves</u> the long-range prospects of the IP plant. The paper mill smells bad, but it smells like <u>good jobs</u> to several hundred families in Cantonment and the rest of District 5.

Plant 2. Plant 2 in Option D would be located at the ECUA's 1,000-acre wetlands at the intersection of Blue Angel Parkway and Lillian Highway. Plant II would be a 12 MGD plant and would use the currently unused southern 500 acres of the 1,000-acre ECUA property for wetlands disposal. ECUA's Bayou Marcus treatment plant is located in the northern 500 acres, which are used for wetlands disposal. This plant works great, and the wetlands disposal process there has been a smashing success.

Positive features of the proposed Plant 2 are, as follows:

1. ECUA owns the land, already.

2. Relatively few people live nearby. The intersection of Blue Angel Parkway and Lillian Highway still has an almost rural sense to it. Negative public reaction would be much less severe than at the Option A location. 3. The necessary disposal site would be literally on-site. No expensive effluent trunk line would be required.

4. There is good reason to assume that the target wetlands could be permitted for the necessary 12 MGD of disposal capacity. The northern 500 acres is currently permitted for only 8.2 MGD disposal, but that is all that ECUA pushed for, at the time. DEP gave indications at that time that the northern 500 acres' disposal permit could later be increased to 12 or 14 MGD. That gives one the expectation that the southern 500 acres could be permitted for 12 MGD.

5. Sewage that collects at the Main St. site would be pumped to Plant II. (The Main St. site would be downgraded from a full treatment plant to a much smaller collection site, with a giant lift station to pump sewage away from the site.) The cost of pipelining sewage from Main St. to Plant 2 would be minimal, because the Main St. site is <u>already connected</u> by sewage lines to the Bayou Marcus facility, which is a mile or less from the proposed site of Plant 2. The interconnection between Main St. and the Bayou Marcus plant was constructed in the 1990s as a redundancy measure, so that each major plant could be a back-up for the other plant, in the event of a breakdown at either plant. Because this interconnection already exists, the cost of connecting a new Plant 2 to the Main St. collection site would be minimal. It certainly would be far less than Option A's proposed cost of constructing a new force main from Main St. to the Crist Plant site. Operating costs would be less, also, because the distance to Bayou Marcus is shorter and has less uphill grade.

Summary. My Option D is a superior plan to Option A in each of several ways.

- It would be more feasible, financially. It would not cost as much as Option A.
- □ It would be more feasible, environmentally. Wetlands disposal would be available both for Plant 1 and for Plant 2, at relatively little expense.
- □ It would be more feasible, politically. Neither proposed plant site would arouse such large and fervent opposition as would Option A.
- It would be feasible because the necessary property is either already owned by ECUA or already offered to ECUA by IP, whereas, the Gulf Power land proposed as a plant site in Option A is simply not available.

Part IV. Conclusion

The conclusion of the matter may be stated simply: Option A of the Strategic Main Street Replacement Team is not a feasible option, and Option D, as identified in this position paper, is a better plan.

It may be that NO plan is feasible. This could be the outcome due to any of several factors: the cost may simply be too great; the City and the County may be unwilling to participate financially; ECUA may be unable to obtain financial aid from the state and national governments; ECUA may be unable to obtain disposal permits of sufficient quantity from Florida DEP for the Hurst Hammock wetlands area or for the southern 500 acres at Bayou Marcus; and/or other factors.

Cost to the Escambia County public is a major consideration, of course. The closing of Main St. is a desirable policy goal, but it must be possible to do it at a cost that does not impose a heavy burden on county residents. While I do not have a cost estimate of Option D—I have not had the benefit of a \$200,000 study—I am confident that my plan would be less expensive, both in construction costs and in operation costs, than Option A.

The Option D proposed here by me, Larry Walker, is more likely to be a feasible option. Those citizens who are eager to see the closure of Main St. should support Option D as a superior proposal to Option A. Those citizens who are concerned about their vicinity (or, more broadly, District 5) being a dumping ground for a downtown problem may see in Option D an alternative that is not unfair to them and that is therefore more worthy of support than is Option A.

The views expressed in this paper are those of Larry Walker, candidate for ECUA, District 5. These views were first posted on this website in April 2004 and have been most recently revised on June 30, 2004.

Postscript

Since the original posting of this position paper, Mr. Tegenkamp has retreated from his original promotion of Option A, saying that Option A was not "conclusive" and that he now has another preferred alternative. I invite him to make public the details of his proposal and permit the comparison of his new proposal with my Option D. Until he does so, one might assume that he has no genuine alternative to Option A.

In the meantime, if nothing else, Mr. Tegenkamp has unleashed a whirlwind, foisting an Option A on ECUA, on the community, and on possibly affected residents of District 5; creating unwarranted excitement and enthusiasm in those who want to see Main St. closed and creating fear and a sense of betrayal in those District 5 constituents who wonder who was looking out for their interests while Mr. Tegenkamp was meeting with his handpicked Strategic Main Street Replacement Team, spending \$200,000 on a "study that leads to nowhere," and coming up with a plan to construct a 20 MGD wastewater treatment plant "in their backyard."

