

# Mayor and Council Communication

DATE: 02/16/21

M&C FILE NUMBER: M&C 21-0128

LOG NAME: 603RDB90INTVCBPEAP-FNI

**SUBJECT**

(CD 3, 4, 5 and 7) Authorize Execution of an Engineering Agreement in the Amount of \$1,001,447.00 with Freese and Nichols, Inc., for Design of the 3<sup>rd</sup> Barrel Parallel Sanitary Sewer to the Twin 90-inch Sewers Serving the Village Creek Wastewater Treatment Plant, Bank Protection at the Village Creek Wastewater Treatment Plant and Pipeline Erosion Analysis at Five Low Water Crossings Project, Provide for Project Costs for a Total Project Amount of \$1,447,027.00, Adopt Resolution and Adopt Appropriation Ordinance

**RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize execution of an Engineering Agreement with Freese and Nichols, Inc., in the amount of \$1,001,447.00 for the 3rd Barrel Parallel Sanitary Sewer to the Twin 90-inch Sewers Serving the Village Creek Wastewater Treatment Plant, Bank Protection at the Village Creek Wastewater Treatment Plant and Pipeline Erosion Analysis at Five Low Water Crossings project;
2. Adopt the attached Resolution expressing official intent to reimburse expenditures with proceeds of future debt for the 3rd Barrel Parallel Sanitary Sewer to the Twin 90-inch Sewers Serving the Village Creek Wastewater Treatment Plant, Bank Protection at the Village Creek Wastewater Treatment Plant and Pipeline Erosion Analysis at Five Low Water Crossings project; and
3. Adopt the attached Appropriation Ordinance adjusting appropriations in the Water and Sewer Commercial Paper Fund by increasing appropriations in the amount of \$1,447,027.00 for the 3rd Barrel Parallel Sanitary Sewer to the Twin 90-inch Sewers Serving the Village Creek Wastewater Treatment Plant, Bank Protection at the Village Creek Wastewater Treatment Plant and Pipeline Erosion Analysis at Five Low Water Crossings project (City Project No. 103128) and decreasing appropriations in the Unspecified project (City Project No. UNSPEC) by the same amount.

**DISCUSSION:**

This Mayor and Council Communication (M&C) is to authorize the preparation of plans and specifications for the construction of 3rd Barrel Parallel Sanitary Sewer to the Twin 90-inch Sewers Serving the Village Creek Wastewater Treatment Plant and Bank Protection at the Village Creek Wastewater Treatment Plant project. In addition, erosion analysis will be conducted at five locations where large water or sanitary sewer mains cross local streams to identify what needs to be done to protect these assets.

Freese and Nichols, Inc., proposes to provide all the necessary design services and analysis for the project for a fee of \$1,001,447.00. Staff considers the proposed fee to be fair and reasonable for the scope of services proposed.

In addition to the contract amount, \$445,580.00 (Sewer: \$384,580.00; Water: \$61,000.00) is required for project management, real property acquisition, utility coordination, public outreach, and material testing.

This project will have no impact on the Water Department operating budget when complete.

Funding for 3rd barrel parallel sanitary sewer, bank protection, and pipeline erosion analysis is depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Commercial Paper - Fund 56019	\$0.00	\$1,447,027.00	\$1,447,027.00
Project Total	\$0.00	\$1,447,027.00	\$1,447,027.00

\*Numbers rounded for presentation purposes.

This project is anticipated to be included in a future revenue bond issue for the Water & Sewer Fund. Available cash within the Water and Sewer portfolio and the City's portfolio along with the appropriation authority authorized under the Callable Commercial Paper Program (CP) will be used to provide interim financing for this project until debt is issued. Once debt associated with this project is sold, bond proceeds will be used to reimburse the Water and Sewer portfolio and the City's portfolio in accordance with the attached reimbursement resolution. Under federal law, debt must be issued within approximately three years in order for these expenses to be reimbursable. Adoption of the attached resolution does not obligate the City to sell bonds, but preserves the ability of the City to reimburse itself from tax-exempt bond proceeds.

M/WBE OFFICE: Freese and Nichols, Inc., is in compliance with the City's BDE Ordinance by committing to 12 percent SBE participation. The City's SBE goal on this project is 10 percent..

The project is located in COUNCIL DISTRICTS 3, 4 ,5 and 7.

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the W&S Commercial Paper Fund for the 3rd Main to W Fork Trunk Mains project. Prior to any expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

**Submitted for City Manager's Office by:** Dana Burghdoff 8018

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