

Mayor and Council Communication

DATE: 09/28/21

M&C FILE NUMBER: M&C 21-0767

LOG NAME: 60VCWRFPCCLARIFIERP1PD-CDM

SUBJECT

(CD 5) Authorize Execution of an Engineering Agreement with CDM Smith, Inc., for \$1,433,000.00 for the Primary Clarifier Process Evaluation and Preliminary Design-Phase 1 Project, Village Creek Water Reclamation Facility, Adopt Attached Resolution Expressing Official Intent to Reimburse Expenditures with Proceeds of Future Debt and Adopt Attached Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of an engineering agreement with CDM Smith, Inc., in the amount of \$1,433,000.00 for process evaluation and engineering design of primary clarifiers process at the Village Creek Water Reclamation Facility Primary Clarifiers Replacement Phase 1 project;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds of future debt for Village Creek Water Reclamation Facility Primary Clarifiers Replacement- Phase 1 project (CPN 103295); and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water and Sewer Commercial Paper Fund by increasing appropriations in the amount of \$1,623,300.00 in the Village Creek Water Reclamation Facility Primary Clarifiers Replacement Phase 1 project (City Project No. 103295) and decreasing appropriations in the Unspecified project (City Project No. UNSPEC) by the same amount.

DISCUSSION:

Village Creek Water Reclamation Facility (VCWRF) currently has 18 primary clarifiers, consisting of 12 small 80-foot diameter clarifiers and six large 160-ft diameter clarifiers, located in the southeast corner of the plant. The 12 small primary clarifiers which were constructed in 1956, 1963, and 1971, have outlived their useful lives and are in need of replacement. This project provides for process evaluation and preliminary design for the improvement and replacement of the 12 small primary clarifiers.

The proposed scope of services consists of process evaluation, technical memos, preliminary design, cost estimates, and assessment of additional/improvement infrastructure necessary for the replacement of primary clarifiers 1-12.

CDM Smith, Inc. proposes to perform the necessary work for a fee not to exceed \$1,433,000.00. In addition to the contract amount, \$190,300.00 is required for project management and material testing.

This project is anticipated to be included in a future revenue bond issue for the Water and 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.

Funding for the Village Creek Water Reclamation Facility Primary Clarifiers Replacement project, are as depicted below:

FUNDING	Existing Appropriations	Additional Appropriations	Project Total
W&S Commercial Paper Fund 56020	\$0.00	\$1,623,300.00	\$1,623,300.00
Project Total	\$0.00	\$1,623,300.00	\$1,623,300.00

Business Equity - CDM Smith, Inc. is in compliance with the City's Business Equity Ordinance by committing to a 10 percent Business Equity participation on this project. The City's Business Equity goal on this project is 10 percent.

The VCWRF serves ALL COUNCIL DISTRICTS and is physically located in COUNCIL DISTRICT 5.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the UNSPEC project within the W&S Commercial Paper Fund and 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 VC Primary Clarifier REPL PH1 project to support the approval of the above recommendation and execution of the agreement. Prior to any expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

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Expedited