

Mayor and Council Communication

DATE: 06/22/21

M&C FILE NUMBER: M&C 21-0476

LOG NAME: 60VCWRF GRIT AND THICKENING RPRA1 – FNI

SUBJECT

(CD 5) Authorize Execution of Amendment No. 1 in the Amount of \$394,134.00 to an Engineering Agreement with Freese & Nichols, Inc. for Resident Engineering and Construction Inspection Services for the Village Creek Water Reclamation Facility Grit Facility and South Influent Lift Station and the Thickening Process Improvements Projects, 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 the execution of Amendment No. 1 in the amount of \$394,134.00 to City Secretary Contract No. 54569, an Engineering Agreement with Freese & Nichols, Inc., for Resident Engineering and Construction Inspection Services for the Village Creek Water Reclamation Facility Grit Facility & South Influent Pump Station project for a revised contract amount of \$1,511,134.00;
2. Adopt the attached Resolution expressing Official Intent to Reimburse Expenditures with Proceeds from Future Debt for the Village Creek Reclamation Facility South Influent Pump Station project; and
3. Adopt the attached Appropriation Ordinance adjusting receipts and appropriations in the Water and Sewer Commercial Paper Fund in the amount of \$460,134.00, by increasing appropriations in the Village Creek Reclamation Facility Grit Facility & South Influent Pump Station project (City Project No. 100075) and decreasing appropriations in the Unspecified project (City Project No. UNSPEC) by the same amount.

DISCUSSION:

On September 15, 2020, Mayor and Council (M&C 20-0673), the City Council authorized a professional services agreement with Freese and Nichols, Inc., in the amount of \$1,117,000.00 for resident engineering and construction inspection services for the Village Creek Water Reclamation Facility Grit Facility in the amount of \$550,172.00 and Village Creek Water Reclamation Facility Thickening Process improvement in the amount of \$566,828.00.

On May 18, 2021 Mayor and Council (M&C 21-0356), the City Council authorized a contract in the amount of \$19,993,000.00 with Crescent Constructors, Inc., for the VCWRF South Influent Pump Station.

As part of Amendment No. 1, the Engineer will perform the construction phase services, by providing a part time Resident Engineer (RE) and full time Resident Project Representative (RPR) for the VCWRF South Influent Pump Station project.

In addition to the contract cost, \$66,000.00 is required for project management, material testing and inspection.

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 VCWRF Grit Facility and South Influent Pump Station project is depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
Water & Sewer Bonds 2017A Fund 56011	\$1,870,965.00	\$0.00	\$1,870,965.00
WS Capital Project 2019 Fund 56016	\$1,035,755.00	\$0.00	\$1,035,755.00
Water & Sewer Bond 2020A Fund 6017	\$27,552,151.00	\$0.00	\$27,552,151.00
W&S Rev Bonds Series 2021 Fund 56019	\$1,379,389.00	\$0.00	\$1,379,389.00
W&S Commercial Paper - Fund 56020	\$0.00	\$460,134.00	\$460,134.00

Project Total	\$31,838,260.00	\$460,134.00	\$32,298,394.00
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*Numbers rounded for presentation purposes.

DVIN: A waiver of the goal for Business Equity subcontracting requirements was requested, and approved by the DVIN, in accordance with the applicable Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

The project is located in COUNCIL DISTRICT 5, VCWRF serves all COUNCIL DISTRICTS.

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 VCWRF Grit Fac & S Influent PS project to support the approval of the above recommendation and execution of the amendment to agreement and contract. Prior to any expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

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

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Expedited