

# Mayor and Council Communication

**DATE:** 11/09/21

**M&C FILE NUMBER:** M&C 21-0870

**LOG NAME:** 60SCSSRIPIVAB-LAN

**SUBJECT**

(CD 8) Authorize Execution of an Engineering Agreement with Lockwood Andrews & Newnam, Inc., in the Amount of \$1,465,634.00 for Design of the Sycamore Creek Sanitary Sewer Relief Interceptor, Phases IVA and IVB, 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 Lockwood Andrews & Newnam, Inc., in the amount of \$1,465,634.00 for the design of Sycamore Creek Sanitary Sewer Relief Interceptor, Phase IVA (Cobb Park Drive just south of Highway 287 to Glen Garden Drive) and Phase IVB (Briardale Road to just north of Seminary Drive);
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds of future debt for the Sycamore Creek Sanitary Sewer Relief Interceptor, Phases IVA & IVB 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 \$2,484,734.00 in the Sycamore Creek Sanitary Creek Sanitary Sewer Relief Interceptor Phases IVA and IVB project (City Project No. 103288) and decreasing appropriations in the Unspecified project (City Project No. UNSPEC) by the same amount.

**DISCUSSION:**

This Mayor and Council Communication is to authorize the preparation of plans and specifications for the Sycamore Creek Sanitary Sewer Relief Interceptor. The proposed project will provide additional capacity and help alleviate wet weather overflows in the Sycamore Creek Drainage Basin.

The proposed scope of services includes route analysis, design survey, sewer main design, easement preparation, floodplain permits and sub-surface utility engineering. Lockwood Andrews & Newnam, Inc., proposes to provide the necessary work for a fee not to exceed \$1,465,634.00. In addition to the contract amount, \$1,019,100.00 is required for project management, utility coordination, real property acquisition and material testing. This project is part of the Water Department's Sanitary Sewer Overflow Initiative Program.

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 Sycamore Creek Sanitary Creek Sanitary Sewer Relief Interceptor Phases IVA and IVB, are as depicted below:

<b>FUND</b>	<b>Existing Appropriations</b>	<b>Additional Appropriations</b>	<b>Project Total*</b>
W&S Commercial Paper Fund 56020	\$0.00	\$2,484,734.00	\$2,484,734.00
Project Total	\$0.00	\$2,484,734.00	\$2,484,734.00

This project will have no impact on the Water Department's operating budget.

Business Equity: Lockwood, Andrews & Newnam, Inc. is in compliance with the City's Business Ordinance by committing to 10 percent Business Equity participation on this project. The City's Business Equity goal on this project is 10 percent.

The project is located in COUNCIL DISTRICT 8.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are currently available in the Unspecified-All Funds 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 Sycamore Creek Main PHIV A&B 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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