

Mayor and Council Communication

DATE: 01/11/22

M&C FILE NUMBER: M&C 22-0042

LOG NAME: 60MARINECSSPI-KHA

SUBJECT

(CD 2 and CD 9) Authorize Execution of an Engineering Agreement with Kimley-Horn & Associates, Inc., in the Amount of \$1,454,775.00 for Design of Marine Creek Sanitary Sewer Parallel Interceptor, 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 Kimley-Horn & Associates, Inc., in the amount of \$1,454,775.00 for design of Marine Creek Sanitary Sewer Parallel Interceptor;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds of future debt for the Marine Creek Sanitary Sewer Parallel Interceptor 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 \$2,824,580.00 in the Marine Creek Sanitary Sewer Parallel Interceptor project (City Project No. 103497) 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 execution of an engineering agreement with Kimley-Horn & Associates in the amount of \$1,454,775.00 for the Marine Creek Sanitary Sewer Parallel Interceptor project for the preparation of plans and specifications for sanitary sewer main installation, rehabilitation and water main replacement on the following streets, alleys and easements.

| STREET | FROM | TO | SCOPE OF WORK | COUNCIL DISTRICT |
|---|----------------------------|---|---------------|------------------|
| NE 23 rd Street | Stockmans Drive | Samuels Avenue | Water & Sewer | 2 |
| Samuels Avenue | NE 23 rd Street | E. Northside Drive | Sewer | 2/9 |
| East Northside Drive | Samuels Avenue | 200 LF east of RR | Sewer | 9 |
| Samuels Avenue | Northpark Drive | NE 12 th Street | Water | 9 |
| NE 12 th Street | Samuels Avenue | Burlington Northern Railway right-of-way | Water/Sewer | 9 |
| NE 13 th Street | Samuels Avenue | Burlington Northern Railway right-of-way | Water/Sewer | 9 |
| NE 14 th Street | Samuels Avenue | Burlington Northern Railway right-of-way | Water/Sewer | 9 |
| NE 16 th Street | Samuels Avenue | Burlington Northern Railroad right-of-way | Water / Sewer | 9 |
| NE 17 th Street | Samuels Avenue | Burlington Northern Railroad right-of-way | Water / Sewer | 9 |
| Easement between Samuels Avenue and Burlington Northern Railroad right-of-way | 12 th Street | 1690 feet north | Sewer | 9 |

| | | | | |
|------------------------------------|----------------|---|---|---|
| Easement north of North Park Drive | Samuels Avenue | Burlington Northern Railroad right-of-way | Sewer Burlington Northern Railroad right-of-way | 9 |
|------------------------------------|----------------|---|---|---|

The proposed scope of services includes route analysis, floodplain and railroad permits, design survey, sewer main design, easement preparation and sub-surface utility environmental engineering.

The project includes design of a 42-inch parallel interception to sanitary sewer main M-279, design of a 68/72-inch parallel interceptor to sanitary sewer main M-245B and design for the rehabilitation of the existing sanitary sewer main M-279.

Kimley-Horn & Associates, Inc., proposes to provide all the necessary design services for the Marine Creek Sanitary Sewer Parallel Interceptor, for a fee of \$1,454,775.00. Staff considers the proposed fee to be fair and reasonable for the scope of services proposed. In addition to the contract amount, \$1,369,805.00 (Water: \$36,700.00; Sewer: \$1,333,105.00) is required for project management, utility coordination, real property acquisition 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 to provide reimbursement for these expenses. Adoption of this resolution does not obligate the City to sell bonds, but preserves the ability to reimburse the City from tax-exempt bond proceeds.

Funding for the Marine Creek Sanitary Sewer Parallel Interceptor project is depicted in the table below:

| FUND | Existing Appropriations | Additional Appropriations | Project Total* |
|---------------------------------|-------------------------|---------------------------|----------------|
| W&S Commercial Paper Fund 56020 | \$0.00 | \$2,824,580.00 | \$2,824,580.00 |
| Project Total | \$0.00 | \$2,824,580.00 | \$2,824,580.00 |

* Numbers rounded for presentation

Business Equity: Kimley-Horn & Associates, Inc., is in compliance with the City's Business Equity 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 DISTRICTS 2 and 9.

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 SS Main M-245B & M-279 REPL project to support the approval of the above recommendations 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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