

**City of Oak Harbor
City Council Agenda Bill**

Bill No. i.
Date: January 19, 2016
Subject: Clean Water Facility Update by
City Staff

FROM: Joe Stowell, City Engineer

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- ⊙ Bob Severns, Mayor
- ⊙ Doug Merriman, City Administrator/Finance Director
- ⊙ Nikki Esparza, City Attorney, as to form

RECOMMENDED ACTION

None.

BACKGROUND / SUMMARY INFORMATION

Regular Meeting Update on the Clean Water Facility Project.

LEGAL AUTHORITY

Requested by City Council.

FISCAL IMPACT

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

ATTACHMENTS

1. [Report on Project Update](#)

City of Oak Harbor
**Clean Water
 Facility Project**



CITY COUNCIL PROJECT UPDATE – January 19, 2016

The following is a snapshot of project activities and milestones, as well as anticipated upcoming activities and risks being monitored for the Oak Harbor Clean Water Facility Project. These updates are provided to City Council on a bi-weekly basis.

RECENT ACTIVITIES AND MILESTONES (PREVIOUS TWO WEEKS)

- Site Preparation Package B
 - Utilities are being relocated
 - Stone columns are being installed
- Windjammer Park Integration Plan
 - Finalized Citizen Advisory Group

ANTICIPATED/UPCOMING ACTIVITIES AND MILESTONES (NEXT SIX WEEKS)

- Site Preparation Package B
 - Stone column installation will be completed
 - Sheet piles will start arriving on site in February
- Proceed with development of the Windjammer Park Integration Plan
- 90% Design has begun with an anticipated completion in March.
- GMP #6 Award Recommendation is on the January 19, 2016 City Council Meeting.

CLEAN WATER FACILITY DESIGN STATUS

Item	Description	Progress %
Facility Design	Carollo Engineers have submitted 60% design drawings and are proceeding with the 90% documents.	60%

CONSTRUCTION PACKAGE STATUS

Item	Description	Progress %
Site Preparation Package B	The design for the deep excavation package is complete. Construction has begun.	Completed
Site Preparation Package C	Site Prep C bid opening occurred on December 17 th . GMP #6 will be presented to City Council for award on January 19 th .	Completed
Concrete Package	Design of the concrete structures for the Membrane Bioreactors and Aeration Basins is under way	60%

PERMIT ACQUISITIONS STATUS

Pending Permits	Description
<ul style="list-style-type: none"> • Boundary Line Adjustment • Foundation permit • Site Plan Amendment 	<ul style="list-style-type: none"> • The Boundary Line Adjustment nearly complete. • Site Prep C – Micropiles – The design team has applied for a foundation permit. • The design team is revising the site plan submittal to reflect Concept B and the community room.

CONSTRUCTION STATUS

Item	Description	Estimated Completion
GMP #2 (Outfall Construction)	The subcontractor has completed their work. We are currently finalizing the paperwork for this phase of work.	Final Closeout
GMP #3 (Site Preparation A)	The subcontractor has completed their work and the contract is being closed out.	Completed
GMP #4 (Site Preparation B)	Construction activities have begun	May 2016

COST AND FUNDING STATUS

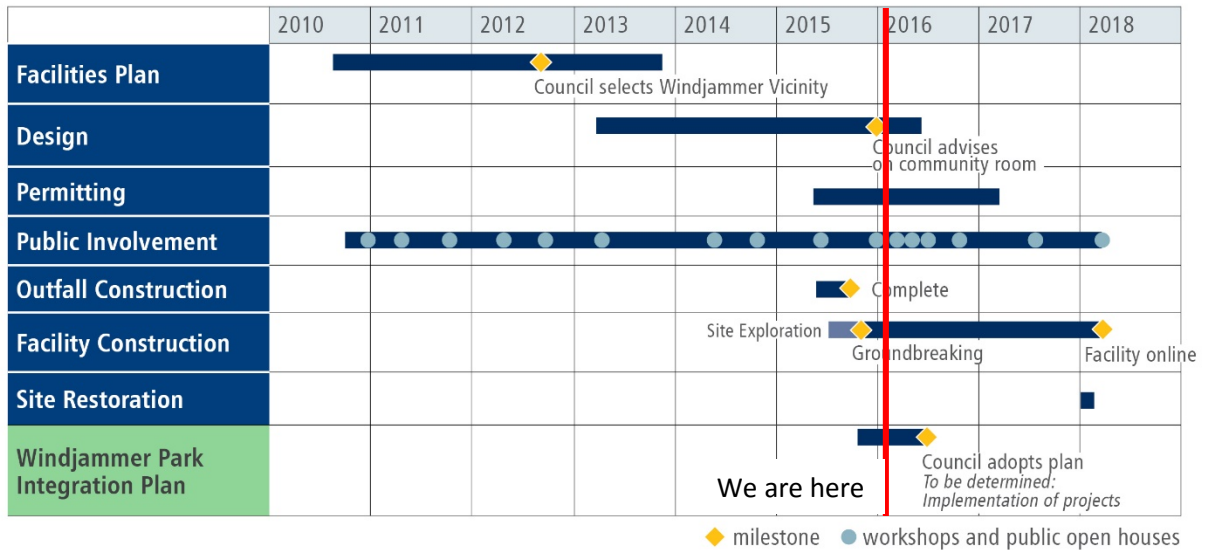
Major Cost Item	Cost Estimate	Description
GMP #1 (MBR/UV)	\$2,775,455.58 (includes sales tax)	Awarded by City Council on 12/2/2014 Includes Membrane Bioreactor and Ultra Violet Disinfection equipment procurement and design support. Does not include installation costs.
GMP #2 (Outfall)	\$2,164,488 (includes sales tax)	Awarded by City Council on 4/21/15 Construction of a new outfall from approximately the waterfront trail out into Oak Harbor Bay.
GMP #3 (Site Prep A)	\$908,872 (includes sales tax)	Approved by City Council 6/16/15. Preliminary site excavation and archaeological investigation. Preliminary results indicate this work will come in under budget or be delayed until Site Preparation Package B.
GMP #4 (Site Prep B)	\$5,109,549 (includes sales tax)	Site Preparation Package B will include utility relocates, minor demolition at the existing RBC Plant, stone column installation, sheet pile installation and deep excavation. City Council approved GMP #4 on October 20. .
Overall Project	TBD	60% design documents have been received by the City. Carollo and Hoffman completed cost estimates. Staff presented the updated cost estimate to City Council at a workshop on September 30th with options regarding biosolids handling and including a community/training room. 90% Design is expected to begin in October.
GMP #5 (Biosolids Dryer)	\$2,028,222	Bio-solids handling options were presented to City Council at a Special Workshop held on September 30 th . A Resolution and GMP #5 regarding a biosolids dryer were approved at the October 20 th City Council Meeting.
Community Room	TBD	City Council elected to include the Community Room into the project at the December 15, 2015 Meeting.

Funding: Pending	Description
2016 CWSRF – WWTP Construction	The City has been allocated \$15,631,311 at a reduced interest rate of 1.9% for 20 years and an additional \$463,154 forgivable principal for hardship and green project reserve. An additional \$4,586,846 in Centennial Grant was also offered. The 2016 CWSRF agreement has been drafted and is being reviewed.
2017 CWSRF - WWTP Construction	Application for 2017 CWSRF funding was submitted October 16, 2015.
Bonds	The City's financial advisor for the project, PFM, presented options for issuing bonds for the new Clean Water Facility at the September 30 th City Council Special Workshop. The City is reviewing our funding options with regards to CWSRF vs. Bonds to develop the most advantageous funding program for the project. The goal is to reduce the overall burden on the rate payers. City staff initiated preparation of POS statement necessary to issue revenue bonds.
Rates	HDR presented potential rate impacts of the new Clean Water Facility to City Council at a Special Workshop held September 30 th . Staff is currently reviewing the impacts of the funding sources listed above, current bond rates and the estimated cost of the project to determine how the project rates might be impacted by the construction cost increases and lower financing rates. Staff is proceeding with a bond sale in early this year.
Funding: In hand	Description
2015 CWSRF – Outfall Design and Construction	The City has received \$3,200,000 in low interest loans from DOE for design and construction of the new outfall for the wastewater treatment plant. The loan is for 20 years at 2.7% interest.
2015 CWSRF – WWTP Design	The City has received \$8,260,000 in low interest loans for design of the new wastewater treatment plant. The loan is for 20 years at 2.7% interest.
Department of Commerce Grant	The City has received a \$2,500,000 grant from the Governors Capital Improvement Program.
Bond Anticipation Note	Staff has secured interim financing through US Bank to bridge the gap between CWSRF reimbursements and the issuance of revenue bonds. We are anticipating a \$10,000,000 short term loan (6 months) at 0.64% interest.
Reserves	The sewer fund has been accumulating reserves that have been earmarked for this project.

COMMUNICATIONS AND OUTREACH STATUS

Upcoming activities or In-Progress activities	Description
Project communications plan	With initiation of the Site Prep B portion of the project, the project team has implemented the Good Neighbor Plan. A project brochure was sent to all addresses in the city. New project signs have been posted at the site.
Windjammer Park Integration Plan	A workshop with City Council was held on December 16 th highlighting City Council priorities. A Citizen Advisory Group is currently being established to develop a plan for the area surrounding the Clean Water Facility. The first meeting of the Citizen Advisory Group will be held January 20 th .

PROJECT SCHEDULE



PROJECT CONTACT INFORMATION

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Email

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Project team contact information

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