

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

Bill No. 5.a.ii
Date: December 1, 2015
Subject: Clean Water Facility Project
Update

FROM: Cathy Rosen, Director of Public Works

FROM: Joe Stowell, City Engineer

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- Scott Dudley, Mayor
- Doug Merriman, City Administrator/Finance Director
- Nikki Esparza, City Attorney, as to form

RECOMMENDED ACTION

N/A

BACKGROUND / SUMMARY INFORMATION

Regular Council Meeting Report on the Clean Water Facility Project, as requested by City Council.

LEGAL AUTHORITY

Motion by City Council.

FISCAL IMPACT

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

ATTACHMENTS

1. [Report on Clean Water Facility](#)

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



CITY COUNCIL PROJECT UPDATE – December 1, 2015

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)

- November 17th - Groundbreaking Ceremony for the Clean Water Facility was a success.
- Mobilization for Site Preparation Package B is underway.
- Site Preparation Package C is being advertised.
- Design team making progress toward December 15th presentation of a larger community room.

ANTICIPATED/UPCOMING ACTIVITIES AND MILESTONES (NEXT SIX WEEKS)

- November – Recruit CAG members for Windjammer Park Integration Plan
- November/December – Winter project newsletter
- December 10th – Bid Opening for Site Preparation Package C (Micropiles)
- December 15th - Further information on the community room will be presented at the City Council Meeting.
- 90% Design is expected to begin this month with an anticipated completion in March.

DESIGN STATUS

Item	Description	Progress %
Facility Design	Carollo Engineers have submitted 60% design drawings and are proceeding with the 90% documents.	60%
Site Preparation Package B	The design for the deep excavation package is complete. Construction has begun.	completed
Site Preparation Package C	Site Prep C is out for bid with an anticipated bid opening of December 10 th and award on January 5 th pending permit acquisition.	completed

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"> • Application has been submitted. • Site Prep C – Micropiles – requires a foundation permit • Once a determination has been made on the community room, the design team needs to revise the site plan submittal to reflect Concept B and the decision on 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.	December 2015
GMP #3 (Site Preparation A)	The subcontractor has completed their work and the contract is being closed out.	November 2015
GMP #4 (Site Preparation B)	Construction activities have begun	May 2016

COST AND FUNDING STATUS

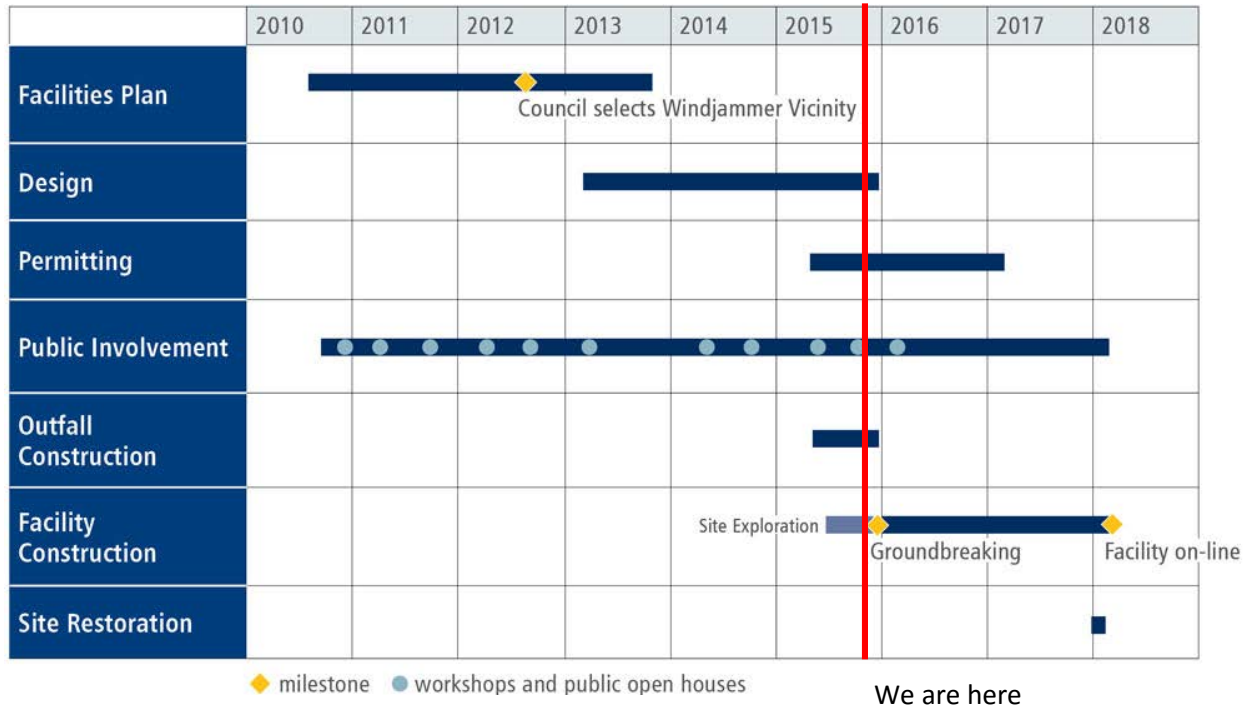
Major Cost Item	Cost Estimate	Description
GMP #1 (MBR/UV)	\$2,775,455.58 (includes sales tax)	Awarded by City Council on 12/2/2014 Includes Membrane Bioreactor and Ultra Violet Disinfection equipment procurement and design support. Does not include installation costs.
GMP #2 (Outfall)	\$2,164,488 (includes 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	Cost estimates and funding for the community room were presented with the 60% cost estimate on September 30 th and . The community room was discussed at the October 20 th City Council meeting. Council directed staff to explore a larger facility and report back on December 15 th .

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 is currently being drafted.
2017 CWSRF - WWTP Construction	Application for 2017 CWSRF funding was submitted October 16, 2015.
Department of Commerce Grant	Finalizing agreement for \$2,500,000 grant from the Governors Capital Improvement Program.
Bond Anticipation Note	Staff is taking the necessary steps to secure 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.
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.
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.
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 will be upgrading the Good Neighbor Plan.
Windjammer Park Integration Plan	An amendment to Carollo Engineer's contract on October 20 th includes development of the Windjammer Park Integration Plan. Staff is initiating activities in early November and will present a work plan to Council in mid-December.
Ground breaking Ceremony	A groundbreaking ceremony is scheduled for November 17 th at 3:00pm at the project site.

PROJECT SCHEDULE



PROJECT CONTACT INFORMATION

Web

www.oakharborcleanwater.org

Email

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General phone (24-hour)

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Mall

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Project team contact information

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