

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



CITY COUNCIL PROJECT UPDATE – July 7, 2015

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PERMIT ACQUISITIONS:

Wastewater Outfall –

- **Construction is currently under way. Staff and our Construction Management team are tracking permit requirements and ensuring compliance.**

Wastewater Treatment Plant

- **Site Preparation A – Applications for city permits have been submitted. A grading permit will be issued at time of construction.** Other Permits – Staff is actively pursuing many other permits necessary to construct the project. As they come to fruition, they will be presented in this section.

COST ESTIMATES:

Wastewater Outfall –

- **Guaranteed Maximum Price No. 2 - Awarded by City Council on April 21, 2015 in the amount of \$2,164,488 (includes sales tax).**

Wastewater Treatment Plant –

- **Overall Project - Project team is evaluating cost saving measures to incorporate into 60% design. There will likely be several Guaranteed Maximum Price amendments that comprise the total cost of the treatment plant. As they are developed, they will be presented in this section.**
- **Biosolids Dryer - Hoffman received proposals on June 16, 2015.** The Proposals will be evaluated and used to further refine the cost estimates for the different biosolids handling options. Staff will be returning to City Council later this summer to discuss potential biosolids options and seek City Council approval of the preferred option.
- **Site Preparation Package A – Guaranteed Maximum Price No. 3 - Site Preparation Package A - Partial Excavation and Archaeological Survey was approved by Council June 16, 2015. Hoffman has a self-perform agreement for this work with construction starting after July 6, 2015.** Carollo and Hoffman have prepared an early site preparation package separate from the Deep Excavation Package that will begin the utility relocation and archaeological process. This early site preparation package will allow the City to investigate archaeological conditions without delaying expensive construction activities with potential finds. Early validation of the site conditions will lead to reducing the large contingency amounts dedicated to archaeology and soil stabilization. Information gathered during this phase of work is necessary to determine which soil stabilization method will be used (stone columns, pipe piles, etc.) allowing the design team to further refine the cost estimate for the project.

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DESIGN / CONSTRUCTION:

Wastewater Outfall Construction –

- **Hoffman and the outfall subcontractor have started excavation of the upland areas. Parts of the park near the existing sewage treatment plant will be utilized. In-water work will continue depending on tides. Some of the in-water work will be conducted by a barge anchored in the harbor.**

Wastewater Treatment Plant –

- **Overall Project Design – Carollo Engineers have submitted 60% design drawings.** A 60% Design presentation and cost estimate is scheduled to be presented to the City Council in September.
- **Deep Excavation Package** - The design for the deep excavation package is underway and tentatively scheduled for Council approval in September, following completion of 60% design.

FUNDING:

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.

2016 CWSRF – WWTP Construction – The City has submitted an application for construction of the treatment plant and has been tentatively awarded \$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. Final award will not occur until state legislature has passed the state budget in July. Staff intends to apply for additional funding next year to cover the remaining construction costs.

2017 CWSRF - WWTP Construction – **Applications for 2017 CWSRF funding are due in October 16, 2015.**

Bonds – 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.

Reserves – The sewer fund has been accumulating reserves that have been earmarked for this project.

Rates – 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.

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OTHER ITEMS OF INTEREST:

Neighborhood Notification -

- **Citywide Mailer – Has been delivered.**
- **Utility Bill Stuffer –Was included in the June 20 bill cycle.**
- **Door Hangers – Being delivered to immediate neighbors**
- **Whidbey News Times – Advertisement is being prepared**

Parking – Agreements to satisfy parking requirements are on tonight’s agenda.

Bolded items indicate updates from previous editions

Standard text indicates no significant change since the last update.

To sign up for the e-mail distribution list, please send an e-mail to treatmentplant@oakharbor.org or call the treatment plant information line at 360-914-7000.

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