City of Oak Harbor
City Council Regular Meeting
May 19, 2015

Wastewater Treatment Plant Update

City Administrator Comments

Waste Water Treatment Plant Staff Update

Larry Cort, City Administrator and Joe Stowell, City Engineer

Attachments

Update for 5/19/2015

City of Oak Harbor

Clean Water Facility Project

CITY COUNCIL PROJECT UPDATE – May 19, 2015: **WWW.OAKHARBORCLEANWATER.ORG**

PERMIT ACQUISITIONS:

Wastewater Outfall –

- **DNR Lease** – The DNR lease was approved at the May 5 Council meeting and returned to DNR for processing.
- **Grading Permit** – Hoffman Construction has obtained the grading permit.
- All other permits necessary to construct the project have been obtained.

Wastewater Treatment Plant

- **Site Plan Permit** – City Staff and Carollo are working on a way to issue appropriate permits given the unique delivery method of this project.
- **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 –

- 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.

DESIGN:

Wastewater Outfall –

- Design is completed. Construction is expected to begin in June, 2015

Wastewater Treatment Plant –

- **Parking** – Staff has presented a long term parking concept utilizing the Whidbey Bank Building site. Removing the Whidbey Bank Building is one approach to resolving the existing parking easements on the treatment plant site and provides for additional community parking at Windjammer Park. A Resolution regarding parking was introduced at the May 5 City Council Meeting and will be discussed further on May 19.
- Biosolids Dryer - Finalizing early procurement package for the optional Biosolids Dryer. This package will help refine the cost of this option and in no way commits the City to this particular method of managing biosolids. Staff will be returning to City Council later this summer to discuss biosolids options.

- Project Design – Carollo continues preparing the 60% design documents.
- Architectural Charrette – A charrette with the public architectural workgroup was conducted on May 6, 2015 . The information that was presented to the charette workgroup and the design workshop take-aways were sent to the Mayor and City Council via e-mail on May 13, 2015.
- Training Facility – Staff is currently including a Training Facility / Community Meeting space in the 60% design in order to obtain a more refined cost estimate that will assist the Council in making a decision regarding inclusion of a training facility in the final design.
- Value Engineering - Staff and Carollo are working with Hoffman to refine design elements and incorporate value engineering ideas.
- 60% Design Presentation - A 60% Design presentation and cost estimate is scheduled to be presented to the City Council in September.

Site Preparation Packages –

- CPT testing – The Cone Penetration Testing has been completed. Hoffman and Carollo are evaluating the results. This advanced geotechnical exploration will refine the soil conditions information and allow for better foundation design. Refining the foundation design allows for exact evaluation of foundation costs.
- Early site preparation and utility relocation – Carollo and Hoffman are preparing 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 would 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. This early site package is tentatively scheduled to be presented to the City Council in June for approval.
- 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:

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.

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.

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 it July. Staff intends to apply for additional funding next year to cover the remaining construction costs.

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.

OTHER ITEMS OF INTEREST:

Outfall Construction – Hoffman and the outfall subcontractor will move onto the site around June 1 to establish the construction staging area. Parts of the park near the existing sewage treatment plant will be utilized. In-stream work will begin around June 15 depending on tides. Some of the in-stream work will be conducted by a barge anchored in the harbor.

Construction Management – A contract with KBA, Inc was approved by City Council on the May 5, 2015 Council Meeting for construction management services related to construction of the outfall (GMP#2). KBA has started work on the initial stages of the project.

Carollo Services During Construction – A contract amendment with Carollo Engineers for construction services during the outfall construction (GMP#2)was approved at the May 5th City Council Meeting.

For information regarding this project status contact the following staff

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