

City of Oak Harbor
City Council Regular Meeting
June 16, 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 6/16/2015

City of Oak Harbor Clean Water Facility Project



CITY COUNCIL PROJECT UPDATE – June 16, 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.
- All permits necessary to construct the project have been obtained.

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 has issued a Request for Proposal for the equipment with proposals due on **June 16, 2015**. Bids will be 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 has been prepared and submitted to Council for approval on June 16, 2015. Hoffman has proposed a self-perform agreement for this work. If approved, construction will start 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

6/16/2015

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.

DESIGN / CONSTRUCTION:

Wastewater Outfall Construction –

- **Hoffman and the outfall subcontractor have started moving onto the site to establish the construction staging area. Parts of the park near the existing sewage treatment plant will be utilized. In-water work will begin around June 15 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 expects to have 60% design drawings completed this month.** 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:

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 in 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:

Neighborhood Notification -

- **Citywide Mailer – Going out early next week**
- **Utility Bill Stuffer – Queued up for the next billing cycle**
- **Door Hangers – Being drafted for delivery to immediate neighbors**
- **Whidbey News Times – Advertisement**

Parking –Staff is finalizing agreements to satisfy temporary parking arrangements to satisfy easement requirements.

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.

Brett Arvidson PE
Project Engineer
360-279-4521
barvidson@oakharbor.org

Joe Stowell PE
City Engineer
360-279-4520
jstowell@oakharbor.org