



City of Grand Island

Tuesday, July 28, 2015

Council Session

Item E-4

Public Hearing on Declaration of Intent to Use the Remainder of Clean Water State Revolving Fund (CWSRF) Loan Proceeds for Sanitary Sewer Collection System Improvements

Council action will take place under Resolutions item I-6.

Staff Contact: John Collins, P.E. - Public Works Director

Council Agenda Memo

From: Marvin Strong PE, Wastewater Plant Engineer

Meeting: July 28, 2015

Subject: Declaration of Intent to Use the Remainder of Clean Water State Revolving Fund (CWSRF) Loan Proceeds for Sanitary Sewer Collection System Improvements

Presenter(s): Marvin Strong P.E., Wastewater Plant Engineer
Anna White, Black & Veatch

Background

Public Works staff has updated a Six (6) Year Wastewater Capital Improvement Plan for the City of Grand Island based on the following:

- The comprehensive plan in CH2M Hill's "Wastewater Collection and Treatment Systems Comprehensive Plan Update"
- Black and Veatch's "Wastewater Treatment Plant and Collection System Improvements – Draft Technical Memorandum #2 Hydraulic Model Validation and Analysis"
- Wastewater Projects intended to accommodate growth

Examples of current Wastewater Projects and those included in the updated 6 Year Wastewater Capital Improvement Plan are:

- Plant – Headworks
- Airport Interlocal Agreement
- Sanitary Sewer Collection System Rehabilitation
 - North Interceptor Phase II
 - Abandon lift stations 2,8,10,13,15, and 19
 - Abandon lift station(s) #4 and #14
 - Lift Station #20 Forcemain rehabilitation
- Growth
 - Wildwood Industrial Subdivision (District 528)
 - 281 Sanitary Sewer Improvements (District 530T)
 - Sanitary Improvement District (SID#2) at I-80
 - Husker Highway
 - Westwood Park Residential Subdivision

Public Works representatives met with Nebraska Department of Environmental Quality (NDEQ) representatives in December 2013 and explored the possibility of obtaining a loan from the Clean Water State Revolving Loan Fund Program (CWSRF) administered by the NDEQ in lieu of Revenue Bonds to pay for the remaining wastewater projects. The NDEQ subsequently approved up to \$40,000,000 in CWSRF funds at 2 ¼% -2 1/2% interest rate for distribution over multiple years. Projects classified as “Green” receive a ¼% lower interest rate.

Discussion

After tonight’s public hearing and NDEQ’s 30 day comment period, it is expected that an ordinance will be presented to the City Council on September 8, 2015 to give formal approval to including Westwood Park Residential Subdivision and Lift Station #20 Forcemain rehabilitation in the remainder of the SRF Loan. With the above mentioned interest rates this will be within the constraints of the rate study approved last year.

Of the approved loan contracts, in the amount of \$35,000,000, the City has received a total of \$7,110,083 in reimbursements thus far.

To date the City currently has received \$34,021,034 in bond proceeds, and has expended \$31,025,444.88 (including interest).

Alternatives

Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council adopt the resolution to include Westwood Park Residential Subdivision and Lift Station #20 Forcemain rehabilitation in the remainder of the Clean Water State Revolving Loan Fund Program administered by the Nebraska Department of Environmental Quality.

Sample Motion

Move to approve the resolution.