



# City of Grand Island

Tuesday, January 11, 2011

Council Session

## Item I4

**#2011-14 - Consideration of a Resolution Authorizing the Mayor to Sign a Letter of Intent on a Public/Private Project to Extend City Sanitary Sewer South Along US Highway 281**

Staff Contact: Gary R. Mader, Interim Public Works Director

# Council Agenda Memo

**From:** Gary R. Mader, Interim Public Works Director  
Jason Eley, Interim City Attorney

**Meeting:** January 11, 2011

**Subject:** Consideration of a Resolution Authorizing the Mayor to Sign a Letter of Intent on a Public/Private Project to extend City Sanitary Sewer South Along US Highway 281

**Item #'s:** I-4

**Presenter(s):** Gary R. Mader, Interim Public Works Director

## Background

A number of businesses along US Highway 281 in the vicinity of Interstate 80 are scheduled to spend significant dollars upgrading their private waste water treatment systems in 2011. The improvements are to address Nebraska Department of Environmental Quality (NDEQ) National Pollutant Discharge Elimination System (NPDES) permit issues.

As an alternative, the dollars that the businesses would spend upgrading their private systems could be put towards a public/private project to extend city sanitary sewer to serve their properties. A number of steps need to occur for a public/private extension of city sanitary sewer to replace the need for upgrades to the private treatment systems.

1. Provide a "Letter of Intent" to the NDEQ notifying them that the city is working with businesses on a public/ private project to extend city sanitary sewer to serve the properties. The letter would allow the city and businesses time to attempt to negotiate an agreement for the extension of city sanitary sewer.
2. Negotiation of project agreements between the city and the businesses. The details of the agreement are not yet fully known, but would include items such as:
  - a. Cost sharing
  - b. Operation and Maintenance responsibilities
  - c. Schedule

The Department made a presentation of this possible project and the city council discussed the possibility of extending sanitary sewer south along US Hwy 281 at the January 4, 2011 City Council Study Session.

## **Discussion**

If the council desires to pursue a potential project that would extend sanitary sewer south of Grand Island along US Hwy 281, an agreement between the City of Grand Island and the businesses would have to be negotiated before a project could move forward. In order to allow time for negotiation of the agreement, a “Letter of Intent” would need to be sent to the NDEQ advising them that the city is entering into negotiations with the businesses on a public/ private project that extends city sanitary sewer that would replace the private sanitary sewer systems. If negotiations do not conclude in an agreement, the businesses would re-schedule upgrades to their private waste water treatment systems in coordination with the NDEQ. A draft of the proposed letter to NDEQ is attached. The letter of intent is only an agreement to initiate negotiations, and approval of the Mayor signing such letter would not bind the City to anything other than to take part in negotiations and discuss details of how the project may proceed with the involved businesses.

## **Alternatives**

It appears that the 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. Take no action on the issue

## **Recommendation**

Public Works Administration recommends that the Council approve the resolution authorizing the Mayor to sign a letter of intent to extend City sanitary sewer south along US Highway 281.

## **Sample Motion**

Move to approve resolution.

January 11, 2011

Nebraska Department of Environmental Quality  
Suite 400, The Atrium  
Post Office Box 98922  
Lincoln, Nebraska 68509-8922

Re: "Letter of Intent" to work towards extending city sanitary sewer along US Hwy 281

It is our understanding that businesses along US Highway 281 near Interstate 80 are on a timetable with the Nebraska Department of Environmental Quality to improve their private waste water treatment systems. The City of Grand Island is willing to negotiate with those businesses towards a public/private project to extend city sanitary sewer mains to serve their properties.

The city would be lead entity in the project that would carry sanitary sewerage from their properties to the city's sanitary sewer collections system with construction of sanitary sewer force and gravity mains along US Highway 281. Upon completion, the project would have the businesses discharging sewerage into the city's system and allow the businesses to abandon their private waste water collection systems.

The city is beginning negotiations on an agreement with benefiting property owners on details of the project. The negotiated agreement will include items such as cost, ownership and maintenance responsibilities for the sanitary sewer lift stations, ownership and maintenance responsibilities on the sanitary sewer force main, etc. We anticipate the design, permitting and right-of-way acquisition work on the project will occur in 2011 with construction occurring in 2012. If for some reason the negotiations do not conclude in an agreement between the city and the businesses, the project will not commence.

Please feel free to call Interim Public Works Director- Gary Mader Manager of Engineering Services – Terry Brown if you have any questions about the sanitary sewer project.

Sincerely,

Mayor Jay Vavricek

RESOLUTION 2011-14

WHEREAS, a Study Session was held on January 4, 2011 to discuss the possibility of extending city sanitary sewer south along US Highway 281; and

WHEREAS, several businesses along US Highway 281 near Interstate 80 would have the option to connect to such sanitary sewer; and

WHEREAS, a letter of intent was requested addressed to the Nebraska Department of Environmental Quality notifying them that the City is willing to take part in negotiations with businesses along US Highway 281 regarding extending City sanitary sewer to serve the properties.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Mayor is hereby authorized to sign a letter of intent to the Nebraska Department of Environmental Quality for possible extension of city sanitary sewer south along US Highway 281.

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Adopted by the City Council of the City of Grand Island, Nebraska, January 11, 2011.

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Jay Vavricek, Mayor

Attest:

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RaNae Edwards, City Clerk

Approved as to Form	☐ _____
January 7, 2011	☐ City Attorney