

**City Council Agenda Items
and
Contracts, Leases or Agreements**

3/6/2012

City Council Meeting Date
Agenda Items Only

David Jurgens
Submitted By

Utilities
Division

Utilities
Department

Action Required:

Approval of a cost share agreement receiving \$150,000 from the City of Elkins for their share of replacement of the existing 4,500' long 10" Elkins Outfall Sewer Line with an 18" line.

Municipal Cost Share

Cost of this request	Category / Project Budget	Program Category / Project Name
5400.0940.4303.00		Water and Sewer Improvements
Account Number	Funds Used to Date	Program / Project Category Name
10010-01	\$ -	Water and Sewer Fund
Project Number	Remaining Balance	Fund Name

Budgeted Item

Budget Adjustment Attached

[Signature]
Department Director

17 Feb 12
Date

Previous Ordinance or Resolution # _____

[Signature]
City Attorney

2-17-12
Date

Original Contract Date: _____

Original Contract Number: _____

[Signature]
Finance and Internal Services Director

2-21-2012
Date

Received in City Clerk's Office 02-17-12 P12:34 RCVD
[Signature]

[Signature]
Chief of Staff

2-21-12
Date

Received in Mayor's Office
ENTERED 2/17/12
[Signature]

[Signature]
Mayor

2/22/12
Date

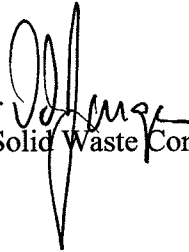
Comments:

To: Fayetteville City Council

Thru: Mayor Lioneld Jordan
Don Marr, Chief of Staff

From: David Jurgens, Utilities Director
Fayetteville Water, Sewer, and Solid Waste Committee

Date: February 17, 2012



Subject: Approval of a cost-share agreement receiving \$150,000 from the City of Elkins for their share of replacement of the Elkins Outfall sewer line

RECOMMENDATION

City Administration recommends approval of a cost share agreement receiving \$150,000 from the City of Elkins for their share of replacement of the existing 4,500' long 10" Elkins Outfall Sewer Line with an 18" pipe.

BACKGROUND

Southeast Fayetteville along Highway 16 East is served by a Fayetteville owned 10" sewer transmission main which also carries wastewater from Elkins. The area – both Fayetteville and Elkins – require additional capacity. Fayetteville received a \$485,000 2010 State Tribal and Assistance Grant (STAG) to install the larger pipeline. When completed, the new sewer line will allow service to a larger area south of Highway 16, expected to ultimately be within Fayetteville. The new pipeline has adequate capacity for the entire basin. Additionally, Elkins' new west pump station will be able to operate at its peak capacity of 600 gallons per minute, rather than at the 400 gpm rate at which it currently operates.

DISCUSSION

The Elkins City Council adopted Resolution 2010-19 on May 20, 2010, confirming Elkins' financial commitment to pay up to \$150,000 for up to 50% of the construction costs, after all STAG grant funds are applied. The Elkins City Council approved the cost share agreement and the \$150,000 appropriation on 16 February 2012.

The City of Fayetteville opened bids for this construction on January 31, 2012. Under a separate resolution, the City Council is considering awarding a construction contract to Rosetta Construction for \$692,223. Now that the construction cost is identified, the cost distribution between the three sources can be determined. The grant funding requires a 55% federal to 45% local match, so \$380,723 of STAG funds can be applied to this contract. Funding for the construction is shown below.

STAG	\$ 380,723
Elkins	\$ 150,000
Fayetteville	\$ 161,500
Total	\$ 692,223

BUDGET IMPACT

The \$150,000 will be applied directly to the Elkins Outfall Line construction project per the budget adjustment attached to the construction contract with Rosetta Construction.

RESOLUTION NO. _____

A RESOLUTION APPROVING A COST-SHARING AGREEMENT WITH THE CITY OF ELKINS IN AN AMOUNT NOT TO EXCEED \$150,000.00 FOR REPLACEMENT AND IMPROVEMENT OF THE ELKINS OUTFALL SEWER LINE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby approves a cost-sharing agreement with the City of Elkins in an amount not to exceed \$150,000.00 for replacement and improvement of the Elkins Outfall Sewer Line. A copy of the agreement is attached to this Resolution as Exhibit "A".

PASSED and APPROVED this 6th day of March, 2012.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

RESOLUTION NO. 2012- 02

A RESOLUTION AUTHORIZING ENTRY INTO AGREEMENT WITH FAYETTEVILLE AND FOR PAYMENT OF CITY OF ELKINS' PORTION OF COST SHARE AGREEMENT WITH FAYETTEVILLE ON UPGRADE OF SEWER INTERCEPTOR.

WHEREAS, The City of Elkins Water & Sewer Committee caused an assessment of critical capital needs for the Elkins Water & Sewer System to be performed by McClelland Engineers; and,

WHEREAS, McClelland Engineers determined that replacement of the gravity sewer interceptor from Lewis Woods to Mally Wagon Lift Station was necessary to increase the total capacity of Elkin Sewer Collection System; and,

WHEREAS, The City of Fayetteville has been notified of a grant from USEPA to fund 55% of the project cost to replace this sewer interceptor; and,

WHEREAS, The City of Fayetteville has requested Elkins consider cost-sharing the remaining 45% of this project cost with Fayetteville in an amount up-to \$150,000; and has tendered a Sewer Cost Share Agreement setting forth this understanding which formally commits the funds of the Elkins' Water and Sewer Department up to \$150,000.00.

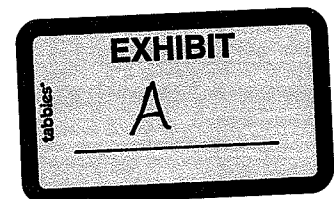
WHEREAS, The Elkins Water & Sewer Committee, in regular session, determined participating with Fayetteville is the most cost-effective method to replace the sewer interceptor; and,

WHEREAS, Elkins Water & Sewer Committee has determined the Elkins Water & Sewer Utility has sufficient funds to pay this cost share and recommends Elkins City Council enter into the Sewer Cost Share Agreement with the City of Fayetteville.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ELKINS, ARKANSAS:

That the City Council of Elkins Arkansas hereby approves the attached Sewer Cost Share Agreement to cost share with the City of Fayetteville up-to \$150,000.00 for the replacement of the gravity sewer interceptor from Lewis Woods to Mally Wagon Lift Station conditioned on Fayetteville performing the work to replace the sewer interceptor pursuant to the attached documents and applying STAG funds as set out in the agreement.

That the Mayor and Recorder-Treasurer are authorized to execute the attached agreement on behalf of the City of Elkins and upon presentation of an invoice in



conformity with such agreement to make payments as called for therein.

PASSED AND APPROVED this 16th day of February, 2012.



L. BRUCE LEDFORD, Mayor

ATTEST:



SUNNY LEDFORD, Recorder-Treasurer

JASON BATHON

SEWER COST SHARE AGREEMENT

The Sewer Main Cost Share Agreement (hereinafter "Agreement") dated FEB 16, 2012 between the City of Fayetteville (hereinafter "Fayetteville") and the City of Elkins (hereinafter "Elkins") hereby agree:

WHEREAS:

Fayetteville and Elkins have an existing Contract by which Fayetteville receives wastewater from Elkins and then transports and processes the wastewater in Fayetteville's Noland wastewater treatment facility and discharges treated wastewater effluent under Fayetteville's National Pollution Discharge Elimination System permit; and

Fayetteville must ensure that this role does not place financial burdens on Fayetteville's retail customers for which Fayetteville's retail customers receive no benefit; and

Elkins must ensure that this role does not place financial burdens on Elkins' retail customers for which Elkins' retail customers receive no benefit; and

It is to the mutual benefit of both cities that the gravity sewer line, sometimes referred to as Elkins outfall line, be replaced with a larger line to increase capacity for both Elkins and for this sewer basin of Fayetteville; and

Fayetteville has received a \$485,000 State Tribal and Assistance Grant (STAG) grant for use on this sewer line and the Fayetteville sewer basin flowing thereto which requires a 45% local funding match; and

Fayetteville has received bids wherein the construction cost is established as \$692,223.

NOW, THEREFORE, Fayetteville and Elkins agree as follows:


1. Upon the City Council and/or the Mayor approving this Sewer Main Cost Share Agreement, Elkins agrees to:
 - A. Pay 50% of the estimated construction costs which exceed the construction costs paid for with STAG grant funds, up to but not to exceed \$150,000, for the replacement of Elkins outfall sewer line, in accordance with Elkins Resolution 2010-19 passed on May 20, 2010.
 - B. Provide payment in full to Fayetteville within thirty (30) days after receipt of the invoice.

2. Fayetteville agrees to:
 - A. Provide the necessary and normal design, project management, inspection, and testing as necessary for a complete and acceptable sewer main installation.
 - B. Apply \$380,723 of STAG grant funds to the contract.
 - C. Pay all construction costs above those covered by the STAG funding and the \$150,000 Elkins cost share, including those created by change orders, if any.
 - D. Create an invoice within 30 days of the award of the construction contract.

3. By executing this Agreement, the persons signing on behalf of Elkins and Fayetteville each acknowledge and covenant that they have full legal authority to enter into this Agreement and bind the parties they represent.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the
16 day of FEB, 2012.

CITY OF ELKINS



Bruce Ledford, Mayor

ATTEST:



CITY OF FAYETTEVILLE

Lioneld Jordan, Mayor

Sondra Smith, City Clerk

