

**COUNCIL ACTION FORM**

**SUBJECT: ENGINEERING SERVICES AGREEMENT FOR THE NORTHWEST GROWTH PRIORITY AREA SANITARY SEWER STUDY**

**BACKGROUND:**

City Council was approached over two years ago by developers with an annexation request for 442 acres of land in the Northwest Priority Area. Since that time, City staff has prepared two reports comparing costs for growth to the Southwest, Northwest, and North. On July 15, 2008, the City Council confirmed their commitment to support growth in the Southwest and Northwest priority areas.

On August 28, 2008, City Council directed staff to develop a design concept for the sanitary sewer by working with interested property owners in an attempt to minimize negative impacts and disruption to the area, gather information about environmental concerns, and to explore streambed stabilization techniques. This would allow City Council and the developers to have a clear understanding of estimated costs of the sewer for an annexation agreement, and to reaffirm City Council's commitment to the priority areas.

The basic intent of the study will be to:

- Develop alternative sewer alignments for consideration.
- Perform an environmental inventory to establish botanical assemblages, zoological habitat, wetland areas, stream bank and stream channel assessment and cultural resources conditions in the proposed sanitary sewer corridor in the Northwest Growth Priority Area.
- Analyze the impacts and costs, permitting requirements and geotechnical issues associated with sanitary sewer construction alternatives
- Identify restoration and possible mitigation procedures to avoid, minimize, rectify, reduce and compensate for environmental impacts resulting from each suitable sanitary sewer construction alternative.
- Facilitate public involvement including the establishment of a Citizen's Advisory Committee to evaluate alternative design concepts with a recommendation of the preferred plan.
- Develop estimated costs for alternatives considered and investigate potential financing alternatives.

To facilitate a thorough study, Public Works held a public information meeting in October 2008 with residents of the Northwest Growth Priority Area to introduce them to the project and receive feedback before the request for proposals was completed. After the meeting with residents and developers, a request for competitive proposals to provide engineering services was sent out in December 2008. Three proposals were returned and evaluated by staff. It was determined that Stanley Consultants, Inc. of Des

Moines, Iowa, would provide the most effective services for the project. Stanley Consultants proposed enlisting the services of experts from Iowa State University and Drake University to assist in working with concerned citizens to complete the study. The cost of the proposed engineering services contract is not to exceed \$89,150. Funding for the study will come from savings in the SCADA CIP project at the WPC plant in the amount of \$80,000. The additional \$9,150 will come from unobligated Sanitary Sewer Funds. Stanley's proposal calls for the study to be completed by August of this year.

The study was dependant on the developers agreeing to proceed with a Traffic Impact Study to help determine the street/traffic improvements needed for the project area. The developer submitted an updated Traffic Impact Study for the Fieldstone area in October of 2008. Staff has reviewed the study and has no additional comments at this time. The study will need to be updated if there are changes to the layout or proposed land uses in the Fieldstone Development.

### **ALTERNATIVES:**

1. Approve the engineering services agreement with Stanley Consultants, Inc. of Des Moines, Iowa, for the Northwest Growth Priority Area Sanitary Sewer Extension Study in the amount of \$89,150.
2. Reject the engineering services agreement and direct staff to pursue other design options. This action will delay the sewer routing study until the City Council is assured that a developer is moving ahead with a project in the Northwest Growth Priority Area.

### **MANAGER'S RECOMMENDED ACTION:**

As you recall, a Limited Liability Corporation (LLC) has requested annexation into the City to complete the Fieldstone project, north of Ontario and west of North Dakota. City staff has recently been informed by a local developer who is a partner in the LLC that in order to move ahead with this project, they are attempting to sell off a portion of the proposed development to buy out one of the partners. The local developer has emphasized that they intend to construct the same project they have proposed, minus the land that is sold off. Therefore, while we are prepared to move ahead with the sewer routing study, at this time staff is not certain what the exact project will be or when it could begin.

However, assuming that the City Council remains committed to the Northwest Growth Priority Area, it should be assumed that a development will occur sometime in the future in this area. If this is the case, it would be advisable for the City to be proactive and have a sewer route in place to show to anyone interested in developing in the area. Therefore, it is the recommendation of the City Manager that the City Council accept Alternative No. 1, thereby approving the engineering services agreement with Stanley Consultants, Inc. of Des Moines, Iowa, for the Northwest Growth Priority Area Sanitary Sewer Extension Study in the amount of \$89,150.