

**CITY COUNCIL  
COMMUNICATION:**

**02-646**

**AGENDA:**

DECEMBER 16, 2002

**SUBJECT:**

STATE REVOLVING  
LOAN FUND  
APPLICATION FOR  
UPPER UNION PARK  
SEWER SEPARATION

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**SUBMITTED BY:**

WILLIAM G. STOWE  
PUBLIC WORKS  
DIRECTOR

JOHN F. MCKEE, P.E.  
ACTING CITY  
ENGINEER

**ITEM** \_\_\_\_\_

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**SYNOPSIS —**

On March 4, 2002, by Roll Call No. 02-602, the City Council of the City of Des Moines adopted the current Capital Improvement Program (CIP) that included the project titled Upper Union Park Sewer Separation Project to be funded by the issuance of sanitary sewer revenue bonds. The Iowa Department of Natural Resources (IDNR) has a program for funding the construction of wastewater projects through a State Revolving Loan Fund that offers a reduced interest rate when compared to revenue bonds. It is in the best interest of the City to submit an application for State Revolving Loan Funds to the IDNR in the amount of \$4.5 million.

**FISCAL IMPACT —**

The total cost of this project is estimated at \$4.5 million. Funds for this work are included in the current CIP budget, CIP page 20 – Sanitary Sewer Improvements, Upper Union Park Sewer Separation Project, Fund EN104, Organization ENG990000, Project SAE086, Activity ID 08-2003-002. If this loan is approved, it is anticipated that the City would save money since the interest rate on the loan would be less than the interest rate on sanitary sewer revenue bonds.

**RECOMMENDATION —**

**Approval.**

**BACKGROUND —**

The current CIP for the City includes the design and construction of a separate storm sewer in the Upper Union Park area. Construction of this storm sewer will significantly reduce residential flooding in the Upper Union Park Neighborhood area.

Currently, the area's storm sewer and sanitary sewer needs are served by an undersized combined sewer. Due to this combined sewer, during modest rains, basements in the area experience back-ups. This project is an extension of a project begun in the summer of 2002 to separate the sewers in this area. The separation will allow the storm water to outlet to the Des Moines river and the sanitary sewer to continue to the Wastewater Treatment Facility.

