



**Council
Communication**
Office of the City Manager

Date

July 23, 2007

Agenda Item No. 24
Roll Call No. 07-
Communication No. 07-448
Submitted by: Jeb E. Brewer, P.E.
City Engineer

AGENDA HEADING:

Authorizing Issuance of Self-Certification of Financial Capability to the Corps of Engineers for the Principal Riverwalk Project.

SYNOPSIS:

This action authorizes the Finance Director to sign a self-certification of financial capability to the Corps of Engineers for the Principal Riverwalk project and finds that the terms of the draft Project Cooperation Agreement are in proper form. The self-certification is required by the Corps of Engineers before entering into a Project Cooperation Agreement. The Project Cooperation Agreement will provide for the construction of a cost-shared project using Des Moines Recreational River and Greenbelt funding.

FISCAL IMPACT:

Amount: \$19,427,100

Funding Source: The non-Federal cost share for the project is estimated at \$19,427,100. This includes the following: \$11,594,500 of work-in-kind credit for eligible design and construction costs incurred, \$3,029,500 credit for the value of land incorporated into the project, and an estimated \$4,803,100 for required cash contribution. City costs are limited to \$3,035,000 for the Principal Riverwalk project. These funds are included in the 2007-2008 CIP, Page Park-23, Riverwalk, PKS162, TIF.

The current Corps of Engineer's cost estimate of \$37,259,700, includes the non-Federal cost share of \$19,427,100 and Federal funding from the Des Moines Recreational River and Greenbelt of \$17,832,600. Principal Life Insurance Company and the Des Moines River Front Development Authority have committed to funding the required cash contribution, estimated at \$4.8 million, through a third party agreement to be executed in conjunction with the Project Cooperation Agreement.

ADDITIONAL INFORMATION:

The Corps of Engineers has requested a Self-Certification of Financial Capability that confirms the City's ability to satisfy the obligations described in the Project Cooperation Agreement (PCA). A draft PCA has been provided that includes the responsibilities of the Corps of Engineers and the City for financial obligations and work related to the project. In turn, an agreement with Principal Life Insurance Company and the Des Moines River Front Development Authority (RDA) that assigns responsibilities for funding and participating in the project has been prepared and approved to form. The RDA and Principal intend to execute the agreement once the Corps of Engineers provides a complete PCA.

The Corps of Engineers defined project is \$37,259,700. Portions of the defined project have already been completed, including design work and construction of the Long Look Garden, Riverpoint Trail, and Des Moines Union Railway Bridge. There are approximately \$20 million of remaining project components to be constructed. The remaining project components include the promenade on the east and west sides of the Des Moines River between the Des Moines Union Railway (a.k.a. "Red") Bridge and the proposed Center Street Bridge, the multi-purpose trail along the balustrade on the west side, the Court Avenue west plaza and kiosk building, stone facing of floodwalls, floodgates, lighting, and landscaping.

The Corps of Engineers defined project cost estimate does not include all of the Principal Riverwalk. The following items are not included in the Corps of Engineer's defined project estimate: Brenton Skating Plaza, Hansen Company Triangle, donated artwork, or the full value of projects constructed with other Federal funds, such as the Riverpoint Trail, Des Moines Union Railway Bridge, and the Center Street Bridge.

The design of remaining Riverwalk projects is being finalized. Construction of the remaining Riverwalk project components is dependant on receiving additional funding. Should Greenbelt funding become available for Federal Fiscal Year 2008, the Corps of Engineers will be able to begin their first Riverwalk construction project during the summer of 2008.

PREVIOUS COUNCIL ACTION(S):

Date: October 24, 2005

Roll Call Number: 05-2600

Action: Vision Iowa Program Grant Award Agreement for the construction of the Rediscovering the Rivers Project including the Principal Riverwalk and Meredith Riverpoint Trail. ([Council Communication No. 05-596](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: April 25, 2005

Roll Call Number: 05-1062

Action: Intergovernmental 28E Agreement with the Des Moines Riverfront Development Authority, for planning, constructing and maintaining riverfront improvements in the Downtown area. ([Council Communication No. 05-230](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: March 22, 2004

Roll Call Number: 04-599

Action: Execution of a Design Agreement with the Department of the Army for design of the Principal Riverwalk and related agreement with Principal Life Insurance Company. ([Council Communication No. 04-153](#)). Moved by Hensley to adopt. Motion Carried 6-1. Nays: Brooks.

Date: August 25, 2003

Roll Call Number: 03-2011

Action: Regarding the Principal Riverwalk and Riverfront use items (*including letter of assurance to the Corps of Engineers*). ([Council Communication No. 03-422](#)). Moved by Vlassis to adopt. Motion Carried 6-1. Absent: McPherson.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Project Cooperation Agreement with the Corps of Engineers and agreement with Principal Life Insurance Company and the Des Moines River Front Development Authority for responsibility of non-federal sponsor financial obligation and work related to the Des Moines Principal Riverwalk Project.