



Council Communication

Office of the City Manager

Date	November 19, 2007
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Agenda Item No.	64
Roll Call No.	<u>07-</u>
Communication No.	<u>07-680</u>
Submitted by:	Jeb E. Brewer, P.E. City Engineer

AGENDA HEADING:

Approving Project Cooperation Agreement between the City and the Department of the Army for construction of Phase I of the Principal Riverwalk and approving agreement among the City and the Principal Life Insurance Company and the Des Moines River Front Development Authority for responsibility of Non-Federal Sponsor financial obligations and work related to the Principal Riverwalk.

SYNOPSIS:

Recommend approval of the Project Cooperation Agreement (PCA) with the Department of the Army and the related agreement with Principal Life Insurance Company, (Barry Griswell, Chairman and CEO, 711 High Street Des Moines, Iowa), and the Des Moines River Front Development Authority (RDA), (Mary O'Keefe, President, 711 High Street, Des Moines, Iowa), to proceed with Corps of Engineer construction of the Principal Riverwalk. The PCA makes the City responsible for 50% of the project costs. Eligible work in-kind will be reviewed by the Corps of Engineers and credited towards the City's share. The agreement with Principal and RDA places financial responsibility with the RDA and Principal should the Corps of Engineers determine that a cash contribution is necessary per the terms of the PCA.

FISCAL IMPACT:

Amount: \$19,427,100 (City costs are limited to \$3,035,000)

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. To date, all City funds have been spent on completed work or committed. These funds are included in the Fiscal Year 2007-08 Capital Improvement Program, Riverwalk, PKS162 CP040PKS990000, Page Park Improvements – 23, Tax Increment.

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 the third party agreement included in this Council action.

ADDITIONAL INFORMATION:

The PCA includes the responsibilities of the Corps of Engineers and the City for financial obligations and work related to the project. In turn, the agreement with Principal and the RDA assigns responsibilities for funding and participating in the project. The RDA and Principal have executed the agreement.

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: July 23, 2007

Roll Call Number: 07-1407

Action: [Issuance](#) of Self-Certification of Financial Capability to the Corps of Engineers for the Principal Riverwalk Project. ([Council Communication No. 07-448](#)) Moved by Vlassis to adopt. Motion Carried 7-0.

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.

Date: March 24, 2003

Roll Call Number: 03-684

Action: Approved Phase I of the Principal Riverwalk Concept Plan and directed the City Manager to undertake several actions toward the implementation of Phase I of the Principal Riverwalk Concept Plan. ([Council Communication No. 03-132](#)). Moved by Vlassis to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Acceptance of completed project components.