

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	March 28, 2011
	Agenda Item No. 48 Roll Call No. [_____] Communication No. <u>11-176</u> Submitted by: William G. Stowe, Assistant City Manager-Public Works Director and Jeb E. Brewer, P.E., City Engineer	

AGENDA HEADING:

Approving increase of total project costs in the Project Partnership Agreement (PPA) between the City and the Department of the Army for construction of the Des Moines and Raccoon Rivers Project for the Birdland Park Levee.

SYNOPSIS:

Recommend approval of increase of the total project costs in the PPA with the Department of the Army to proceed with Corps of Engineers construction of the Des Moines and Raccoon Rivers Project for the Birdland Park Levee. The modification to the agreement will allow the Corps of Engineers to raise the levee in anticipation of future changes to the 100-year flood level.

FISCAL IMPACT:

Amount: Up to \$1.4 million (Federal \$500,000, City \$900,000)

Funding Source: The Federal share includes a combination of appropriations and stimulus funds through the U.S. Army Corps of Engineers. The City increased cost share includes:

- \$850,000 for flood damage reduction from 2011-12 CIP, Flood Protection System Improvements, FLD008, Page Storm Water Improvements – 10.
- \$50,000 for recreation from 2011-12 CIP, Recreation Trails, PKS045, Page Park Improvements – 17, GO Bonds.

The City’s total cost share for the PPA is \$4.9 million. This includes \$350,000 for recreation costs. The remaining City share is for flood damage reduction, of which up to \$2,205,000 is funded by I-Jobs.

ADDITIONAL INFORMATION:

On October 12, 2009, by Roll Call No. 09-1833, City Council approved the PPA, with a Corps of Engineers defined project totaling \$8,827,615 for the Birdland Park Levee, wetland mitigation and downtown closure improvements. The PPA included a provision for a maximum total project cost of 120% of their estimate or \$10,593,138.

On March 22, 2010, by Roll Call No. 10-463, the City Council approved the Corps of Engineers request

to increase the total project costs to \$11,300,000. The increase was to secure the American Recovery and Reinvestment Act (ARRA) funding. The Corps of Engineers has requested that the City of Des Moines approve an increase to the total project costs to \$12.2 million. The increase at this time is being requested due to actual construction costs exceeding the government estimate and the results of the Des Moines River Regulated Flow Frequency Study. The study caused the Corps of Engineers to re-evaluate and propose modifications to the Birdland Levee Project in order to be able to achieve a 100-year certifiable levee. The estimated cost of the proposed changes will result in exceeding the current total project cost allowed in the PPA. To incorporate the changes, the total project cost must be increased. Similar changes are being made to the Central Place project; however, that work is included in a separate PPA that has not reached its total project cost maximum.

The PPA makes the City responsible for 35% of the flood damage reduction project costs and 50% of the recreation costs. Funding provided to-date, as well as eligible City costs, will be credited towards the City's share. By increasing the total project cost to \$12.2 million, the City is agreeing to a potential increase of local match of approximately \$400,000. In addition, \$500,000 of City funds are being authorized in the event project costs exceed the congressional authorization.

To ensure the Birdland and Central Place levees are constructed such that the 100-year certifiable levee is achieved, an additional \$500,000 of City funds are being authorized to cover project construction costs, should the Corps of Engineers costs exceed the congressionally authorized amount. Without this additional amount of City funds, the project could be in a position of experiencing significant delay waiting for Corps of Engineer review processes and further congressional authorization, or risk not being able to achieve certification. The additional City funds will also be used to support City required betterments to the construction project. The betterments include modifications beyond the Corps of Engineers requirements, including construction of a floodwall to minimize property impacts and allow the continued operation of the Cold Storage business in Birdland.

PREVIOUS COUNCIL ACTION(S):

Date: June 28, 2010

Roll Call Number: 10-1020

Action: [Approving](#) Project Partnership Agreement with the Department of the Army for construction of the Des Moines and Raccoon Rivers Project. ([Council Communication No. 10-411](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: May 24, 2010

Roll Call Number: 10-855

Action: [Approving](#) and authorizing the execution of Iowa Jobs Program Grant Award Agreement with the Iowa Jobs Board and the Iowa Finance Authority for \$2,205,000 for the Birdland Levee replacement. ([Council Communication No. 10-280](#)) Moved by Mahaffey to adopt. Motion Carried 7-0.

Date: March 22, 2010

Roll Call Number: 10-463

Action: [Increase](#) of total project costs in the Project Partnership Agreement with Department of the Army, for construction of the Des Moines and Raccoon Rivers Project for the Birdland Park Levee, (increase to \$11.3 Million, Federal share \$7.3 Million, City Share \$4 Million). ([Council Communication No. 10-164](#)) Moved by Mahaffey to adopt. Motion Carried 7-0.

Date: October 12, 2009

Roll Call Number: 09-1833 and 09-1834

Action: Items regarding Des Raccoon Rivers Project: ([Council Communication No. 09-720](#)) (A) [Approving](#) Project Partnership Agreement with Department of the Army for construction. Moved by Mahaffey to adopt. Motion Carried 7-0. (B) [Authorization](#) to proceed with acquisition of the necessary right-of-way and easements. Moved by Mahaffey to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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