
MEMORANDUM

TO: STEPHEN GIESBRECHT, MANAGER
FROM: KARL HAGERMAN, MOTOR POOL *KH*
SUBJECT: CITY CREEK DAM REHAB DESIGN – SUPPLEMENTAL BUDGET REQUEST
DATE: 11/3/2016
CC: BOROUGH ASSEMBLY
JODY TOW, FINANCE DIRECTOR
DEBBIE THOMPSON, BOROUGH CLERK
FILE

The water department wishes to move forward on design for the City Creek Dam Rehabilitation project, as mandated by periodic safety inspections and the State Dam Safety program. Decades of surface erosion on the spillway has created a situation where the dam's integrity is coming into question and it has come time to remedy this issue as well as other structural and functional problems noted in our inspections.

The department budgeted \$40,000 in the current fiscal year to accomplish preliminary engineering and environmental reporting required to seek a USDA Rural Development grant/loan to fund the work. Upon further discussion with USDA, the funding was more likely to be a low interest loan than a grant.

With the prospect of spending \$40,000 just to be able to apply for a loan, the department wishes to fund the entire project from water department reserves and spend the money earmarked for engineering reports directly on final design and construction documents. The entire project is estimated to cost \$420,000. The Borough will be money ahead by going straight to final design and construction, instead of spending money on studies and still having to pay for a final design at a later date.

The department has been working with PND Engineers, the firm that has been our consultant for the periodic safety inspections of the City Creek Dam, to secure a proposal for the design work. PND had supplied a written proposal for \$133,000 to accomplish the design, permitting and construction documents but further negotiations with my staff have cut that figure to an informal revised proposal of \$76,000 for the work.

At this time, the water department is requesting a supplemental appropriation of \$45,000 to be added to Capital Project 740, City Creek Dam Rehabilitation in the FY17 budget. This amount, in combination with previously budgeted funds, will allow for an award of design services in the near future.

Thank you for your consideration.