

**City Council
Agenda Memo**



**City Council
Meeting Date: September 11, 2014**

TO: Larry D. Gilley, City Manager

FROM: Tommy O'Brien, Director of Water Utilities

SUBJECT: Oral Resolution Authorizing Execution of Amendment No. 8 to the Professional Engineering Services Agreement with Enprotec/Hibbs & Todd to Continue Activities Associated with Regional Water Supply Projects for the Second Stage Short-Term Drought Strategy (Phase I)

GENERAL INFORMATION

During the next 12 months the initial short-term drought strategy projects will either be completed or nearing completion. Delivery of advanced treated wastewater into Lake Fort Phantom Hill remains scheduled to occur by the end of this year.

However, the effects of the drought continue to be a concern. Therefore, staff is proposing a second stage of short-term drought strategies. These strategies include transporting from 4 to 14 million gallons per day (MGD) of raw water from Possum Kingdom Reservoir (PK) to Abilene, and increasing the capacity of the Hargesheimer water treatment plant (WTP) to provide up to 12 MGD of potable water from its raw water source – Lake Ivie. It is proposed to construct the second stage short-term drought strategy improvements in three phases.

Phase I of the second stage strategy includes constructing and upgrading the pipelines and treatment facilities to provide up to 4 MGD raw water (approximately 3 MGD potable water) from PK; and the improvements necessary to increase the capacity of the Hargesheimer WTP to provide 12 MGD of potable water. The estimated total project cost of Phase I is \$70 million.

To have the Phase I improvements completed in approximately 8 to 12 months, staff is requesting an Amendment No. 8 to the Enprotec/Hibbs and Todd (eHT) Regional Water Supply contract to allow eHT to continue to work on regional water supply projects to address the current drought. The work associated with Amendment No. 8 is for the Phase I improvements and includes design of pipelines and treatment facilities for 4 MGD of raw water from PK; design of facilities at the Hargesheimer WTP to increase the capacity to provide 12 MGD of potable water; preparation of contract documents to preselect or prepurchase key equipment necessary for the expansion of Hargesheimer WTP and treatment of 4 MGD of raw water from PK; and the preparation of easement documents necessary for acquisition of land for the project improvements. It is anticipated that construction of the Phase I improvements will likely begin in early 2015.

Work to be performed under Amendment No. 8 will be structured for reimbursement based on actual time spent and expenses, with a total compensation not to exceed \$6 million.

FUNDING/FISCAL IMPACT

The proposed engineering services will be funded through the issuance of Certificates of Obligation to be sold in the near future. Any expenditure on the work will be paid by the Water Utility Fund and then will be reimbursed upon delivery of the obligation in the near future. There is a Reimbursement Resolution associated with this expenditure.

STAFF RECOMMENDATION

Staff recommends approval.

ATTACHMENTS

None.

Prepared by: Name <u>Tommy O'Brien</u> Title <u>Director of Water Utilities</u>	Item No. <u>7.6</u>	Disposition by City Council <input type="checkbox"/> Approved Ord/Res# _____ <input type="checkbox"/> Denied <input type="checkbox"/> Other _____ City Secretary
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