



TO: Michael C Van Milligen, City Manager

FROM: Gus Psihoyos, City Engineer *G.P.*

DATE: October 20, 2016

RE: Bee Branch Watershed Flood Mitigation Project, HUD National Disaster Resilience Competition Grant, Infrastructure Contract

INTRODUCTION

The purpose of this memorandum is to seek authorization to enter into a contract with the Iowa Economic Development Authority in order for the City to utilize \$23,309,600 in Community Development Block Grant Program Disaster Recovery – National Disaster Resiliency funds for the Bee Branch Watershed Flood Mitigation Project.

BACKGROUND

In March 2015, the City was part of a State of Iowa Phase I application for U. S. Department of Housing and Urban Development (HUD) funds through the Community Development Block Grant National Disaster Resilience (CDBG-NDR) competition. The State was then invited to submit a Phase II application as part of the final round of the competition. Once again, the City was a key partner in determining the success of the Phase II application.

In January 2016, the State was awarded \$96.9 million in HUD National Disaster Resiliency Competition grant funds. Per the award, the City of Dubuque is to receive \$8.4 million for a comprehensive “Bee Branch Healthy Homes Resiliency Program” to help residents address residual impacts from the flooding experienced within the Bee Branch Watershed. The City is also to receive \$23.1 million for storm water infrastructure improvements associated with the Bee Branch Watershed Flood Mitigation Project. The infrastructure improvements are as follows:

1. Bee Branch Railroad Culvert Infrastructure Improvements involving the installation of culverts from the Lower Bee Branch Creek, through Canadian Pacific Railway property, to the Upper Bee Branch north of Garfield Avenue;
2. 22nd Street/Kaufmann Ave Storm Sewer Improvements involving the installation of a large diameter storm sewer from 22nd & Elm up Kaufmann Avenue to the Kaufmann & Kane intersection. The work includes inlets and local sewer connections to the storm sewer and the complete reconstruction of the street and other underground utilities along street right-of-way corridor.

3. 17th Street/W. Locust Street Storm Sewer Improvements involving the installation of a 96-inch diameter pipe from the Lower Bee Branch Creek through the Canadian Pacific Railway tracks to 17th Street then to the west along 17th Street and finally west along W. Locust Street towards Angella St. The work includes inlets and local sewer connections to the storm sewer and the complete reconstruction of the street and other underground utilities along street right-of-way corridor.

DISCUSSION

The Iowa Economic Development Authority (IEDA) has provided the attached contract (Contract) for the City's receipt of \$23,309,600 in Community Development Block Grant Program Disaster Recovery – National Disaster Resiliency funds for the Bee Branch Watershed Flood Mitigation Project. The funds are specifically for the improvements related to the Bee Branch Railroad Culvert Improvements, the 22nd Street/Kaufmann Ave Storm Sewer Improvements, and the 17th Street/W. Locust Street Storm Sewer Improvements. The City must also agree to contribute the previously budgeted \$21,600,000 for the improvements as local, Direct Leverage. The City must also agree to provide \$38,219,000 in Supporting Leverage, monies that the City previously budgeted for and has been utilizing to construct the Lower Bee Branch Creek Restoration Project, the Upper Bee Branch Creek Restoration Project, and the SRF Green Alleys constructed over the past couple of years. Finally, in order to receive and utilize the funding, the City must construct all of the improvements by the end of Fiscal Year 2021.

In order to ensure that the improvements related to the grant are completed by the end of Fiscal Year 2021, adjustments are necessary to the funding schedule previously established for other phases of the Bee Branch Watershed Flood Mitigation Project (Flood Mitigation Project). Table 1 below compares the funding schedule for the various phases of the Flood Mitigation Project established through the adoption of Resolution 176-15 to an updated, adjusted schedule that will ensure adherence to the terms of the Contract. Because of the inherent uncertainty of future bid results, additional adjustments to the funding schedule will be required and can be accomplished through the Capital Improvement Program Budget process.

Improvements	Schedule Established by Res. 176-15	Adjusted Construction Schedule Milestones
Flood Mitigation Gate Replacement	2015	2017
Lower Bee Branch Creek Restoration	2015	2016-2017
Upper Bee Branch Creek Restoration	2015-2016	2015-2017
Bee Branch Creek Railroad Culverts	2019	2018-2019

North End Storm Sewers	2017	2022-2023
22nd Street Storm Sewer	2017	2017-2021
Flood Mitigation Maintenance Facility	2015-2017	2022-2023
17th Street Storm Sewer	2019-2021	2018-2021
Water Plant Flood Protection	2022-2023	2023-2024
Pervious Pavement Systems (Green Alleys)	2023-2040	2015-2040

Table 1. Comparison of the funding schedule for the various phases of the Flood Mitigation Project established through the adoption of Resolution 176-15 to an updated, adjusted schedule that will ensure adherence to the terms of the HUD National Disaster Resilience Competition Grant Contract.

RECOMMENDATION

I recommend entering into the contract with the Iowa Economic Development Authority in order for the City to utilize \$23,309,600 in Community Development Block Grant Program Disaster Recovery – National Disaster Resiliency funds for the Bee Branch Watershed Flood Mitigation Project. I further recommend adjusting the funding schedule for the various phases of the Bee Branch Watershed Flood Mitigation Project through the Capital Improvement Program Budget process.

BUDGET IMPACT

The total amount awarded for the infrastructure elements of the Bee Branch Watershed Flood Mitigation Project is \$23,309,600. These funds are to be used for the Bee Branch Railroad Culverts Project, the 22nd Street/Kaufmann Avenue Storm Sewer Improvements Project, and the 17th Street/W. Locust Street Storm Sewer Improvements Project. The Contract does not distinguish between these projects so that project savings on any of these individual projects could be used to cover potential funding shortfalls on the others.

The adopted Fiscal Year 2017-2021 Capital Improvement Program Budget included \$3,900,000 for the 22nd Street Storm Sewer Improvements Project (Phase 8 of the Bee Branch Watershed Flood Mitigation Project) to improve the storm sewer system from Elm Street to Central Avenue. The HUD National Disaster Resiliency grant funding allows for the project improvements to extend westward along Kaufmann Avenue all the way to Kane Street.

The adopted Fiscal Year 2017-2021 Capital Improvement Program Budget included \$8,681,000 for the 17th Street Storm Sewer Improvements Project (Phase 12 of the Bee Branch Watershed Flood Mitigation Project) to improve the storm sewer system from the Lower Bee Branch along 17th Street to W. Locust Street. The HUD National Disaster Resiliency grant funding allows for the project improvements to extend westward along W. Locust Street towards Angella Street.

The adopted Fiscal Year 2017-2021 Capital Improvement Program Budget included \$18,248,700 for the culverts under the Canadian Pacific Railway property as part of the Bee Branch Creek Restoration Project (Phase 4 and 7 of the Bee Branch Watershed Flood Mitigation Project). The HUD National Disaster Resiliency grant provides funding for this effort.

Direct City leverage totals \$21,600,000; these funds have already been committed to the Bee Branch Watershed Flood Mitigation Project and were reflected in the adopted Fiscal Year 2017-2021 Capital Improvement Program Budget as reflected above.

REQUESTED ACTION

I respectfully request adoption of the attached resolution rescinding Resolution 176-15 and approving the execution of the contract with the Iowa Economic Development Authority in order for the City to utilize \$23,309,600 in Community Development Block Grant Program Disaster Recovery – National Disaster Resiliency funds for the Bee Branch Watershed Flood Mitigation Project.

Prepared by Deron Muehring

Cc: Crenna Brumwell, City Attorney
Teri Goodmann, Assistant City Manager
Jenny Larson, Budget Director
Jean Nachtmann, Finance Director
Deron Muehring, Civil Engineer