



# CITY OF SUFFOLK

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## COUNCIL REPORT

CITY MANAGER

Date: June 25, 1991

Subject: Bennetts Creek Dredging Project

### Background

The City has been working with the United States Army Corps of Engineers on the completion of the Bennetts Creek Dredging project. The Corps has indicated that Bennetts Creek is scheduled for dredging in the spring of 1992. The estimated total cost of project for the initial dredging is \$462,500. The City's share of that cost is approximately \$168,400. The City's costs include the preparation of the spoils site and a portion of the actual dredging costs.

### City Requirements

The Director of Management Services has met with representatives from the Corps and the Corps has provided a proposed project schedule as well as a list of the requirements and time frames that must be met by the City to keep the project on schedule.

The following is a brief synopsis of the activities that the City must complete to meet the Corps requirements for the project.

### Plans and Specifications

The Corps currently has engaged a firm to develop the engineering plans and specifications for the project. It is anticipated that the plans and specifications will be completed by July 15, 1991.

The usual procedure followed by the Corps in undertaking such projects is that the Corps is responsible for bidding out and contracting the work including the actual dredging and the preparation of the placement site for the dredged spoils. The City is responsible for the total costs associated with the preparation of the site. In a meeting with the Corps, it was requested that the Corps consider allowing the City to bid the contract for the preparation of the spoils site. The Corps has indicated that they do not foresee a problem with separating the project into phases



and permitting the City to bid the contract. City Staff is currently reviewing the feasibility of this option. The Corps has estimated that it will cost approximately \$50,000 for the site preparation. It is anticipated that the City may be able to reduce or control the cost of the site preparation work by overseeing the bidding and selection of the contractor.

In addition, according to the time schedule developed by the Corps, the site preparation work would not be undertaken until the spring of 1992 and once it is completed the dredging will begin. If the City takes over the bidding of the contract for the site work, then the City will be able to proceed with the preparation of the site rather than having to wait for the Corps time schedule. It is anticipated that the City can have the site work completed prior to the end of 1991. Therefore, when the Corps is permitted to begin dredging in the spring of 1992, the site work will be completed and the possibility of any delay in initiating the dredging due to the site preparation being uncompleted will be eliminated.

#### **Local Cooperation Agreement**

The Corps requires the City to enter into a Local Cooperation Agreement for the dredging project. Attached for your consideration is a copy of the agreement. As you can see, the agreement sets forth the construction procedures and the terms and conditions for the project including the allocation of costs. The Corps has indicated that the City does not have to enter into the agreement at this time; however, they are requesting that the City submit a letter of intent indicating that the agreement is acceptable and that the City will authorize the signing of this agreement prior to the beginning of construction for the project. Should Council so authorize, a letter of intent will be forwarded to the Corps stating the City's intent to sign the agreement.

#### **Funding**

The Corps has indicated that the City's share of the project is approximately \$168,400. The Corps will require the City to provide its share of the funding by the middle of October, 1991. As was mentioned previously, the City's share of the project is approximately \$168,400 and of that amount, it is estimated that the actual dredging will cost \$118,400 and the site preparation will cost \$50,000.

Should the City choose to contract out for the site preparation work, then the amount of funding that the City will have to provide to the Corps in October will be approximately \$118,400 with the additional \$50,000 to the contractor for the site work to be provided when the project is

completed. The Corps has indicated that the actual cost of the project will not be determined until the plans and specifications are completed and the project is bid out.

City Staff has met with representatives of the Bennetts Creek citizens group. Several of the businessmen in that area have offered to assist the City with financing for the project. The group has offered to fund the dredging project if the City agrees to repay the group over a one to two year time period.

#### Summary

The Corps has indicated that the Bennetts Creek Dredging project is scheduled for completion in the spring of 1992. The City has to meet several requirements to keep the project proceeding on schedule. The City is required to submit to the Corps a letter of intent to sign the Local Cooperation Agreement for the project by July 26, 1991. The City will be required to provide its share of funding for the project by mid-October of 1991.