



## CITY OF WASHINGTON, ILLINOIS City Council Agenda Communication

**Meeting Date:** 3-18-2024

**Prepared By:** Dennis Carr – City Engineer

**Agenda Item:** IEPA Project Plan and Water Rate Study

**Discussion:**

As was discussed during the Strategic Planning meeting and our last Committee of the whole meeting, our water fund has been operating at a deficit for a few years. Even though we are running at a deficit, there are still large capital expenditures that are approaching.

Staff has proposed several major improvements to our water system at both the Strategic Planning Session as well as with Crawford Murphy and Tilly (CMT). Some of these improvements include the construction of Water Tower #3, Cummings Lane Watermain Replacement, Business 24 Watermain Replacement, Bondurant Watermain Replacement, and Well #13.

The IEPA has a low-interest rate program that can be utilized for projects called the State Revolving Fund (SRF) Loan, which is similar to what is be utilized on the wastewater side. Similar to the wastewater side, the first step to obtaining an IEPA SRF Loan is to obtain “Project Plan” approval from the IEPA.

The Project Plan will need to include a rate study to show how the City will afford to pay the loan payment. The rate study will develop a financial plan for the utility, including the addition of the capital costs for the proposed capital improvements, and determine appropriate rates, including examination of the fixed and variable components of the rates along with a section in the written report documenting the methodology, analysis, and findings.

CMT has been providing the City with excellent service as it pertains to our water system and staff recommends continuing to use them.

**Fiscal Impact:**

CMT has provided a proposal to complete this project plan with assistance from Raftelis for a cost of \$70,000.

**Action Requested:** Staff requests approval to enter in agreement with CMT and Raftelis to assemble the Project Plan and water rate study for a not to exceed cost of \$70,000.



March 6, 2024

Mr. Dennis Carr  
City Engineer - City of Washington  
301 Walnut Street  
Washington, IL. 61571

**RE: City of Washington, IL – IEPA Project Plan  
Proposal for Engineering Services**

Dear Dennis:

Crawford, Murphy & Tilly, Inc. (CMT) is pleased to provide this proposal to provide professional engineering services to the City of Washington for the development of a Project Plan (meeting State-Revolving-Fund Loan Requirements) for the Potable Water System.

The City of Washington is considering several major improvements to their potable water system. Some of these improvements include the construction of Water Tower Number 3, Cummings Road Watermain Replacement, Well #13 and several watermain improvements throughout the City. The City of Washington expressed interest in utilizing an IEPA State-Revolving-Fund (SRF) Loan to fund these improvements. The first step to obtaining an IEPA SRF Loan is to obtain "Project Plan" approval from the IEPA.

The Project Plan will include a rate study. The rate study will develop a financial plan for the utility, including the addition of the capital costs for the proposed capital improvements, and determine appropriate rates, including examination of the fixed and variable components of the rates along with a section in the written report documenting the methodology, analysis, and findings.

Based on the information above and our understanding of the potable water system, we have assembled a detailed scope and engineering services, see attached Exhibit A. Using our 2024 Hourly Rates and Direct Costs, we propose to complete these services on a time and expense basis to a not to exceed amount of \$70,000.00.

We appreciate the opportunity to provide engineering services to City of Washington and working with you and the city staff on this project. Please feel free to reach out with any questions or if you need any additional detail.

Sincerely,

**Crawford, Murphy & Tilly**

A handwritten signature in black ink that reads "Scott L. DeSplinter". The signature is fluid and cursive, with the first name "Scott" and last name "DeSplinter" clearly legible.

Scott DeSplinter, PE  
Peoria/Moline Water Resources Group Manager

## EXHIBIT A

### City of Washington, Illinois Potable Water System Project Plan (SRF)

#### SCOPE OF SERVICES

The City of Washington is considering several major improvements to their potable water system. Some of these improvements include the construction of Water Tower Number 3, Cummings Road Watermain Replacement, Well #13 and several other watermain improvements throughout the City. The City of Washington expressed interest in utilizing an IEPA State-Revolving-Fund (SRF) Loan to fund these improvements. The first step to obtaining an IEPA SRF Loan is to obtain "Project Plan" approval from the IEPA.

The city has requested CMT's assistance with developing a project plan for the planned potable water system improvements. The IEPA has a Potable Water Project Planning Submittal Checklist which outlines the minimum requirements of a project plan, see Exhibit B.

It is assumed that the city will complete the financial rate calculations for the project plan. CMT will assist with providing the project costs and maintenance and operation cost for the proposed improvements. If the City requires assistance with the financial rate calculations and financing options, a Registered Municipal Advisor will need to be consulted.

The City last completed a rate study in 2018-2019 and it was completed by Raftelis Financial Consultants, Inc. (a Registered Municipal Advisor).

The **Scope of Services for Project Plan Engineering Services** shall consist of the following tasks:

1. **Planning Kickoff Meeting**– Meet with City staff to develop project requirements, schedule and obtain record information.
2. **Review Existing/Record Information** – CMT will utilize previous reports/study as a base for the existing facility. CMT will update these reports with current flows and testing data.
3. **Develop Preliminary Project Plan**
  - a. City's background (population served, customer base, and project location)
  - b. Description of Potable Water System
  - c. Description of Proposed Improvements (Water Tower #3 and Well #13)
  - d. System's compliance with all applicable laws and regulations
  - e. Basis of Design for the selected alternative
  - f. Inventory of Environmental Impacts
    - State Historical Preservation Office
    - EcoCAT
    - USACE (wetland) & IDNR-OWR (floodplain & floodway)
    - Illinois Department of Agriculture
    - Indian Tribes
  - g. Opinion of Probable Construction Costs
  - h. Estimated Loan Amount and Term (with City Assistance)

## EXHIBIT A

### City of Washington, Illinois Potable Water System Project Plan (SRF)

#### SCOPE OF SERVICES

i. Schedule for Project Implementation

4. **75% Planning Review Meeting** – Meet with the City Staff to discuss the proposed project plan and costs.
5. **Debt Service / Water Rates** – CMT will team with Raftelis to develop a financial plan for the utility, including the addition of the capital costs for the proposed capital improvements, and determine appropriate rates, including examination of the fixed and variable components of the rates along with a written report section documenting the methodology, analysis, and findings.
6. **Quality Assurance / Quality Control** – The QA/QC review of the final planning document
7. **Complete Final Project Plan and Submit to IEPA.**
8. **Project Management**

#### **Items not included in Scope of Work/Assumptions**

- Field surveys are not included in CMT's proposal. It is anticipated that the existing record drawings will be used for the existing conditions.
- Permit fees are not included in CMT's proposal.
- SRF Loan Application
- Construction Plans and Specifications
- Bidding Phase Services
- Construction Phase Services

This scope of services is based on a "not to exceed" proposal. If any of the above service are requested by East Moline, or if any effort identified herein is not needed, CMT is willing to adjust the scope and effort accordingly.