

**ROCHELLE CITY COUNCIL
REGULAR MEETING 2/12/24
AGENDA ITEM NO. 2**

SUBJECT: Approve an Ordinance for the Wastewater Treatment Plant upgrades phase 2 notice of intent to award.

Staff Contact: Adam Lanning

Summary: The city held a bid opening on December 21st, 2023 for the phase 2 wastewater treatment plant upgrades and received 2 proposals. Each bid was opened and read aloud with base bids ranging from \$10,670,000 to \$11,675,000. The engineering cost estimate was \$8,705,000 with the base bid 22.6% over that estimate. This project was originally bid in 2022 and after rejecting the bids due to the excessive costs a redesign was done to reduce the overall cost. This project will be financed through the IEPA WPCRF program and currently includes \$3.4 million in principal forgiveness and a 20 year term at 1.36%. Willet Hoffmann conducted a rate analysis to determine the cost impact to users over the next 5 years and ranges from 2.2% to 3.2% annual increases to cover the loan payment plus all additional O&M costs. These projected rate increases fall with in the projections from the previous rate analysis. The first step in project approval is to sign a notice of intent to award the project contingent on the IEPA issuing the loan agreement.

Timeline for project:

Bids Advertisement - Complete
Pre-bid meeting - Complete
Bid Opening - Complete
Bid Award – February 12th 2024
Loan Agreement Obtained - March 8th 2024
Preconstruction Meeting - March 27th 2024
Construction Start - May 1st, 2024
Final - June, 2025

Funding Sources:

Source:	Budgeted Amount:	Proposed Expenditure:
		N/A

Recommendation: Approve an ordinance authorizing the City Manager to sign a notice of intent to award with the IEPA.

Supporting Documents:

Document Link 1
Document Link 2
Document Link 3