

**CITY OF CLEMSON
AGENDA ITEM REQUEST FORM**

Requested by: Rick Cotton

Date Submitted: November 30, 2016

Council Meeting Date: December 5, 2016

Type of Request: (check only one)

- Report/Discussion
- Policy/Action
- Executive Session

Agenda Item Summary: (brief for public information and posted agenda)

Consider first reading of an Ordinance that authorizes issuance of Bond Anticipation Notes for the purpose of paying costs of the Cochran Road wastewater treatment plant engineering services for the future plant expansion and costs of construction of the office and laboratory building.

Agenda Item Detail: (expand as necessary for clarification)

City Council recently awarded a contract to Design South Professionals for the engineering design, permitting, construction bid documents, construction administration and other services to expand the Cochran Road wastewater treatment plant from 1.15 MGD to 2.0 MGD. The cost of these services will be \$1,041,450. The preliminary cost estimates of the entire project engineering and construction is \$14 million. These costs will be paid with a future issuance of utility revenue bonds or a State Revolving Fund loan.

Phase 1 of the Cochran Road WWTP expansion is the replacement of the existing office and laboratory facility. The estimated cost of that project is \$2.1 million, including engineering, architectural services, and construction of the facility. The City currently has approximately \$1.56 million of impact fees available for paying for this project. The difference on this project (approximately \$600,000) will need to be included in the future bond issue for the overall expansion project. The actual amount of the office and lab facility will be determined later this month when the bids are received and considered.

It is anticipated that the bond anticipation note (BAN) will not be issued until spring 2017, but the adoption of this ordinance will allow the process of issuing the notes to be initiated by staff and the City's bond counsel. It is anticipated that the revenue bonds or SRF loan for the project to be issued within one year of the BAN, with the schedule being dependent upon completion of the engineering design, permitting and bidding process.