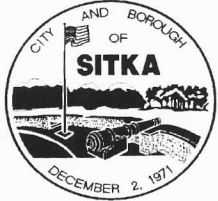


**Should this item be pulled the following motion would  
be in order:**

**POSSIBLE MOTION**

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I MOVE to authorize the transfer of \$200,000 from the Water Fund working capital and amend the contract with CH2MHill to complete the preliminary design of the UV facility.



# City and Borough of Sitka

## Public Works Department

### Environmental Division

## Memo

Date: April 21, 2010

To: Mayor McAdams & Assembly

Thru: Jim Dinley, Administrator *JED*  
Michael Harmon, Public Works Director *MH*  
Dave Wolf, Finance Director *DW, Acting*

From: Mark Buggins, Environmental Superintendent *MB*

Subject: **Drinking Water UV Disinfection Project Design Funding, CIP #90652**

### BACKGROUND

As you are aware the federal Long Term 2 Enhanced Surface Water Treatment rule (LT2) requires Sitka to add additional disinfection to our water treatment process. Water quality evaluations have led to the selection of Ultra Violet (UV) disinfection as the most cost effective method of complying with LT2. This \$7.4 million treatment facility must be fully operational in 2014.

### ANALYSIS

Public Works is actively seeking grants, low interest loans and stimulus funds to aid in the design and construction of this facility. In early August questionnaires for the ADEC Municipal Matching Grant (MMG) Program are due. MMG's are a 70% grant with a 30% match which can be a low interest loan. We will greatly improve our chances of receiving a MMG if we have 35-50% design drawings to submit with the questionnaire. To accomplish this goal we need to start the design work now.

### FISCAL NOTE

The draft FY11 Water Fund capital budget has \$400,000 for UV facility design. Public Works estimates the cost to complete 35-50% design drawings to be \$200,000. There is sufficient working capital in the Water Fund to accomplish this.

### RECOMMENDATION

Authorize the transfer of \$200,000 from the Water Fund working capital and amend the contract with CH2MHill to complete the preliminary design of the UV facility.