



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Details (With Text)

File #: '17-0664 **Version:** 1

Type: Agenda Item **Status:** Adopted

File created: 6/8/2017 **In control:** Engineering Committee

On agenda: 6/15/2017 **Final action:** 6/15/2017

Title: Authority to make payment of \$2,000,000.00 to the U.S. Army Corps of Engineers as an advance of funds for the non-federal sponsor's share of the costs associated with the Chicagoland Underflow Plan McCook Reservoir, Project 73-161-2H, Account 401-50000-645630

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
6/15/2017	1	Board of Commissioners	Approved	Pass
6/15/2017	1	Committee of the Whole	Recommended	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF JUNE 15, 2017

COMMITTEE ON ENGINEERING

Mr. David St. Pierre, Executive Director

Authority to make payment of \$2,000,000.00 to the U.S. Army Corps of Engineers as an advance of funds for the non-federal sponsor's share of the costs associated with the Chicagoland Underflow Plan McCook Reservoir, Project 73-161-2H, Account 401-50000-645630

Dear Sir:

On January 5, 2017, the Board of Commissioners authorized the payment of up to \$6,033,000.00 to the U.S. Army Corps of Engineers (Corps) for the Metropolitan Water Reclamation District of Greater Chicago's (District) share of the Chicagoland Underflow Plan (CUP) McCook Reservoir project costs for fiscal year (FY) 2017. The District's share was based upon the Corps' anticipated funding of \$18,100,000.00.

The federal government was operating under a continuing resolution authority (CRA) for the majority of FY17, in which there were no federal funds included for the McCook Reservoir work. Once the federal budget omnibus spending bill was finalized in early May, the Corps prepared a Work Plan to dedicate funding for specific projects, including those that were not specifically in the budget. The Work Plan was released in late May and included \$6.5 million for the McCook Reservoir, leading to a shortfall of approximately \$11.6 million compared to what was requested for FY17.

While our federal lobbyist and the Engineering Department are still working hard with the Corps to get additional funds for McCook this fiscal year through the reprogramming process and other routes, it may be necessary to further advance funds to keep projects on schedule. The Corps has prepared an estimate of the impact of the current funding shortfall which indicates that they will need \$2,000,000.00 in August to continue necessary Stage 1 construction activities without causing a delay. While the Corps will continue to pursue this funding internally, it may be necessary for the District to advance these funds next month to keep

the project on schedule. These advanced funds would tilt the District's cost share balance further ahead of what is required. The Engineering Department will request a breakdown of how the money would be used but it is anticipated to help pay for the Main Tunnel and Final Reservoir Preparations projects and continued engineering work.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize and approve a payment of up to \$2,000,000.00 to the Corps in 2017, upon receiving the written request from the Corps with details on how the money will be used.

It is further requested that the Executive Director recommend to the Board of Commissioners that the Chairman of the Committee on Finance, Clerk, and Treasurer be authorized and directed to make a payment to "FAO, USAED, Chicago" in the amount of up to \$2,000,000.00 as the non-federal share, via electronic funds transfer.

Funds are available in Account 401-50000-645630.

Requested, Catherine A. O'Connor, Director of Engineering, WSS:KMF

Recommended, David St. Pierre, Executive Director

Respectfully Submitted, Frank Avila, Chairman Committee on Engineering

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for June 15, 2017