



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

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TRANSMITTAL LETTER FOR BOARD MEETING OF OCTOBER 18, 2018

COMMITTEE ON STORMWATER MANAGEMENT

Mr. John P. Murray, Acting Executive Director

Authority to negotiate and enter into a Project Partnership Agreement with the Department of the Army, represented by the United States Army Corps of Engineers, for the McCook Levee Flood Risk Management Project, and make payment to the Corps in an amount not to exceed \$2,145,500.00, Account 501-50000-645630.

Dear Sir:

Authority is requested to negotiate and enter into a Project Partnership Agreement (PPA) with the Department of the Army, represented by the United States Army Corps of Engineers (Corps), for the McCook Levee Flood Risk Management Project, and to make payment to the Corps in an amount not to exceed \$2,145,500.00.

Based on hydraulic modeling and survey data collected by the District, it appears the McCook Levee may be overtopped during significant storm events. Upon reviewing the District's findings with the Corps, a Federal Interest Determination was completed and the Corps received authorization to conduct a study on a portion of the McCook Levee under Section 205, Flood Control Act of 1948 (Section 20) to investigate measures to address flood risks in communities of McCook, Lyons, and Summit, Illinois. Section 205 authorizes the Secretary of the Army, in cooperation with non-Federal interests, to plan and construct flood risk management projects costing up to \$10,000,000.00.

Under an authority granted by the Board of Commissioners on February 16, 2017, the District entered into a Feasibility Cost Sharing Agreement with the Corps to collaborate on a feasibility study to analyze the McCook Levee. Under the terms of the FSCA, the District agreed to assume the role of local sponsor and has collaborated with the Corps in assessing the feasibility of a McCook Levee project to reduce the risk of levee overtopping.

The Corps completed its feasibility study, which has been approved by the Great Lakes and Ohio River Division of the Corps, and is preparing to commence final design of the levee improvements. The Corps wishes to enter into a PPA with the District for design and construction, whereby the pending project costs at the time of the agreement would be shared as follows: 65 percent Federal and 35 percent non-Federal. Such an agreement would be consistent with the ongoing collaboration between the District and the Corps.

The PPA will define the collaborative responsibilities of both the Corps and the District. As the non-Federal local sponsor, the District's responsibilities will include the acquisition of required rights-of-way and easements for the construction and maintenance of the levee improvements. The District will also be responsible for maintaining the structural components of the levee, upon construction of the levee improvements.

Design and construction costs of the project are estimated not to exceed \$6,130,000.00, of which the District's share would not exceed \$2,145,500.00. Payments to the Corps will be made in installments, as determined by the Corps. The District may also be able to obtain credit towards the non-Federal Sponsor's share through

in-kind contributions as defined in the PPA.

The Board of Commissioners should be aware that the PPA must not deviate from the Federal Acquisition Regulation (FAR), 48 C.F.R., which governs all federal procurement. Specifically, the regulations outlined in Part 19 covering the use of small business programs and Part 22, which outlines the application of labor laws, must be adhered to on any potential project that may result from this PPA. It is requested that the Board of Commissioners allow exemptions to the District's Multi-Project Labor Agreement and Affirmative Action Ordinance, when found to be in conflict with the FAR.

Based on the foregoing, it is respectfully requested that the Board of Commissioners grant authority to negotiate and enter into a PPA with the Corps, for design and construction of the McCook Levee Flood Risk Management Project, and to authorize payment, by direct voucher, in an amount not to exceed \$2,145,500.00 to the Corps for the District's non-Federal cost share participation. Final amount of payment will be determined considering any credit for in-kind services provided by the District. It is further requested that the Chairman of the Committee on Finance, Acting Executive Director, and Clerk be authorized to execute said agreement on behalf of the District, as well as any documents necessary to effectuate the transaction and conveyance, upon approval by the Director of Engineering as to technical matters and by the General Counsel as to form and legality.

Funds for the 2019 expenditure in the amount of \$2,145,500.00 are contingent on the Board of Commissioners' approval of the District's budget for that year.

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

Recommended, John P. Murray, Acting Executive Director

Respectfully Submitted, Debra Shore, Chairman Committee on Stormwater Management

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for October 18, 2018