



WEST DES MOINES WATER WORKS BOARD OF TRUSTEES MEETING COMMUNICATION

DATE: May 17, 2023

ITEM:

6. Recommendation from Staff
 - a. Motion – Approving a Finance Agreement with the City of West Des Moines for South 11th Street Water Main Improvements

FINANCIAL IMPACT:

WDMWW is paying upfront for the project (estimated \$589,033) and will be reimbursed by the City of West Des Moines for the full amount upon project completion.

SUMMARY:

A developer has approached the City and West Des Moines Water Works about construction of a new warehouse along S. 11th Street. To provide fire protection to this warehouse, the S. 11th Street water main needed to be upsized from 6” diameter to 8” diameter. A finance agreement has been proposed to outline the reimbursement by the City of West Des Moines for the improvements as part of the developer’s agreement.

The agreement has been reviewed by WDMWW legal counsel and City of West Des Moines.

BACKGROUND:

Normally, the City of West Des Moines leads the public improvements needed for a development project but in this case, the only public improvements as part of the developer’s agreement are just the water main improvements. The Water Works has hired McClure Engineering to complete the design and is ordering construction later on this agenda. Construction is expected to be complete in Fall 2023.

RECOMMENDED ACTION BY THE BOARD OF TRUSTEES:

To Approve the Motion Entitled “Approving a Finance Agreement with the City of West Des Moine for South 11th Street Water Main Improvements.”

Prepared by: William J. Mahuce

Approved for Content by: Clara Murphy

FINANCE AGREEMENT BETWEEN THE CITY OF WEST DES MOINES AND WEST DES MOINES WATER WORKS FOR WORK ASSOCIATED WITH S. 11TH STREET WATER MAIN REPLACEMENT. THIS AGREEMENT (hereinafter "Agreement") made and entered into by and among the CITY OF WEST DES MOINES ("City") and BOARD OF TRUSTEES OF THE WEST DES MOINES WATER WORKS ("WDMWW") as of the dates set forth below.

PREAMBLE

WITNESSETH:

WHEREAS, City and WDMWW (collectively "Parties") desire to enter into an Agreement to define financial obligations for water related projects hereinafter described in order to upgrade the capacity of the potable water system and deliver said water at acceptable pressures and flows in support of industrial demands created by construction of the Renewal by Anderson Warehouse proposed for 275 S. 11th Street ("Development") which requires modifications to the existing water main adjacent to the Development; and

WHEREAS, to meet known and future anticipated objectives in providing necessary water service, certain improvements to water infrastructure within the WDMWW system must be designed and constructed; and

WHEREAS, the City desires to provide economic incentives in support of water delivery to existing and future development; and

WHEREAS, the parties desire to share in the cost of certain projects and proceed with necessary design, permitting, bidding and construction as provided herein; and

NOW THEREFORE, in consideration of the mutual undertakings hereby provided, the parties hereby agree as follows:

Part I – Responsibility of Project Costs

1. Project Components Eligible for Reimbursement.

WDMWW agrees to pay the entirety of costs associated with water infrastructure improvements and receive reimbursement by the City for the design, permitting, and construction costs associated with the water infrastructure as outlined in Part I, Section 2 and Part III, Section 1. Current estimated costs associated with this project are \$589,033. Once bids are accepted, WDMWW will not approve any change order or cumulative change orders above 10% of the bid without seeking prior approval from the City.

2. Reimbursable Infrastructure.

Infrastructure eligible for reimbursement shall include water main, hydrants, valves and other necessary water appurtenances along the alignments shown in Exhibit A.

Part II – Responsibilities of Improvement Construction, Ownership and Operation

1. Project Responsibility

WDMWW agrees to coordinate design, permitting and construction of necessary water main infrastructure to provide timely service to Development. WDMWW shall not be held liable for any impact to the timeline for contractor or supply chain issues. WDMWW will provide City an opportunity to review the design prior to bidding and will incorporate City review comments into the design. WDMWW shall act as primary agency for the construction project. WDMWW will not charge the City for project management but will be reimbursed for its standard inspection fees.

2. Operation and Maintenance.

Upon completion and acceptance of the water main, WDMWW shall operate and maintain the infrastructure as part of the municipal water system.

3. Ownership of Completed Improvements.

WDMWW will be the sole owner of the water main. Upon completion of the improvement, WDMWW will accept the assets into the WDMWW system.

Part III – General Provisions

1. Notices and Invoices.

All notices, project documents, balances, revisions and payments shall be in writing and may be personally delivered or sent US Post to the addresses hereafter provided. Mailed notices, payments or other correspondence shall be deemed received by the party to whom directed when they are postmarked. Such notices, payments and other correspondence shall be delivered or mailed to the following persons at the addresses listed:

Notices to City:

City Manager
City of West Des Moines
PO Box 65320
4200 Mills Civic Parkway
West Des Moines, IA 50265-0320

Notices to WDMWW:

General Manager
West Des Moines Water Works
1505 Railroad Avenue
West Des Moines, IA 50265

2. Payment.

Reimbursement to WDMWW shall be made after approval by the West Des Moines City Council at the first regularly scheduled meeting held following project acceptance by the WDMWW Board of Trustees. Payment shall be made by check or electronic transfer and delivered to the General Manager or designated alternate within seven (7) calendar days of the approval.

(Signature Pages Follow)

CITY OF WEST DES MOINES, IOWA
an Iowa municipality

Russ Trimble, Mayor

ATTEST:

Ryan T. Jacobson, City Clerk

COUNTY OF POLK)
) ss
STATE OF IOWA)

On this ____ day of _____, 20____, before me a Notary Public in and for said County, personally appeared Russ Trimble and Ryan T. Jacobson to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively of the City of West Des Moines, Iowa, a Municipal Corporation, created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipal Corporation, and that said instrument was signed and sealed on behalf of said Municipal Corporation by authority and resolution of its City Council as contained in the Resolution adopted under Roll Call No. 23-_____, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipal Corporation by it voluntarily executed.

Notary for the State of Iowa

**BOARD OF WATER WORKS TRUSTEES
OF THE CITY OF WEST DES MOINES, IOWA**

By: _____
Scott Brennan, Chair

Attest:

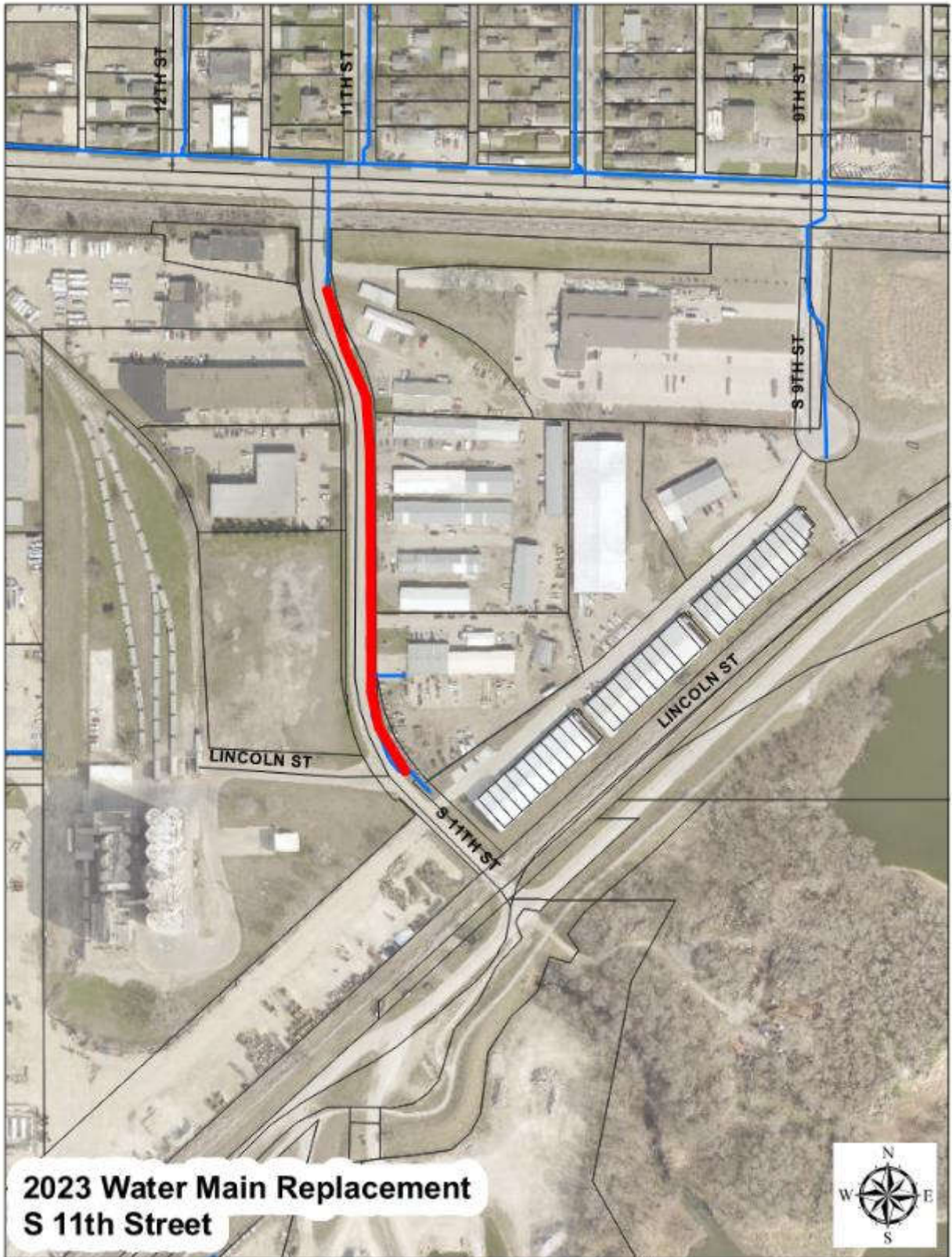
Christina Murphy, Secretary

COUNTY OF POLK)
) ss
STATE OF IOWA)

On this ____ day of _____, 20____, before me a Notary Public in and for said County, personally appeared Scott Brennan and Christina Murphy to me personally known, who being duly sworn, did say that they are the Board Chairman and Secretary of the BOARD OF WATER WORKS TRUSTEES OF THE CITY OF WEST DES MOINES, IOWA, that no seal has been procured by the entity; that the instrument was signed and sealed on behalf of the entity by authority of its Board as contained in the resolution adopted by the Board on the ____ day of _____, 20____, and that said Board Chairman and Secretary acknowledged the execution of the instrument to be the voluntary act and deed of the BOARD OF WATER WORKS TRUSTEES OF THE CITY OF WEST DES MOINES, IOWA, by it and by them voluntarily executed.

Notary for the State of Iowa

Exhibit A



**2023 Water Main Replacement
S 11th Street**