



MEMORANDUM

TO: Mayor Smith and City Council Members

FROM: Gregg Guetschow, City Manager

SUBJECT: Professional Services Agreement for Grant Application

DATE: February 10, 2012

Once or twice per year, streets and other properties near the intersection of Harris and Washington Streets experience flooding during rainstorms. In April 2011, Fitzgerald Henne and Associates completed a study and provided a recommendation for improvements intended to reduce the frequency of flooding. Its recommendation included upgrading some of the infrastructure to better handle larger flows of stormwater and route it to a detention pond to be constructed on vacant property adjacent to Hall Street that is owned by the Charlotte Country Club. The estimated cost of this alternative, excluding land acquisition, is \$1.2 million. Two alternatives were presented with costs of \$1.1 million and \$665,000 respectively. The first of these alternatives differs from the recommended solution primarily in the route that stormwater would take to get to the detention basin. The second alternative utilizes detention structures under the City Hall parking lot. While it has the lowest cost of the solutions analyzed, it is also the least effective in terms of the amount of stormwater that could be handled addressing storms with a frequency of five years as compared to storms with a frequency of ten years in the recommended solution and the first alternative.

You will find elsewhere in the agenda packet a proposal from Fitzgerald Henne for professional services related to applying for a grant for land acquisition related to the recommended solution. Public Works Director Schoonover has identified this source of funding as a practical way to reduce the costs associated with this project. By incorporating the detention basin into the development of a park or natural area that would include a trail system, it would fit the criteria used by Department of Natural Resources for its land acquisition grant program.

Representatives of the Charlotte Country Club have approached the City about the purchase of 34 acres of unused, vacant land. This acreage exceeds that necessary for the detention facility but the Country Club has expressed a reluctance to sell only the smaller parcel the City would require. Indications of price for the entire 34 acres, moreover, appear reasonable, particularly if the City is able to acquire grant funds to defray a portion of the acquisition cost.

Grant funds would not be available to defray the costs of the remainder of drainage improvements for this project. I expect that it would be necessary to establish a special assessment district to spread those costs against benefitting property owners, including

the City. Ms. Schoonover and I have not had time to develop a more complete presentation with regard to the development of this district and the per parcel costs that would be associated with the project.

Time is of the essence with regard to the submission of a grant application. It is for that reason that we are seeking authorization to proceed with the professional services agreement. Funds allocated to miscellaneous engineering services are available in the budget to cover a portion of the fee for these services. Ms. Schoonover believes that the remainder of the funds can be found through cost savings achieved in the Lincoln Park pavilion project.

In evaluating this request, Council should be aware that the odds of our receiving this funding are not good. There can be a lot of competition for these funds and ours might not be the most attractive project. That having been said, work necessary to submit the grant application will be of value to the City since, with or without grant funding, there is still a need to move forward with addressing the flooding problem.

Ms. Schoonover will be in attendance during Monday's meeting to answer additional questions that you might have.