

MINUTES/FLOOD RESPONSE COMMITTEE
Thursday, June 12, 1997 - 5:30 p.m.

Members present: Hafner, Bakken, Glassheim.

1. Matter of flood recovery construction contracting procedures.

Chuck Grotte, asst. dir. public works, distributed copies of a summary of the construction contracting procedures for the Flood Response Comm. He reported that he along with Mr. Schmisek, several of their consultants, FEMA reps. and staff working on the DSR's, reviewed what process should be for approval and award of contracts re. flood response, and asked for approval of the procedures contingent upon the city attorney's review and comment. Mr. Grotte reviewed the procedures with the committee (attached). He reported that upon review and approval by the city attorney, they would proceed with contracting based on these procedures.

Glassheim asked for listing of projects and approx. cost to be submitted to next higher body so aware of what is being done. Mr. Grotte stated that they would be involved in awarding of the contract, that staff would be involved in preparation and solicitation of bids and all contracts will be brought to this committee.

Moved by Bakken and Glassheim to approve the procedures, contingent upon review and comment by the city attorney. Motion carried.

1 a) Charlie Vein, Advanced Engineering, reported that while every-one in the city is receiving water, they are operating on a shoe-string; that they have temporary panel and switch, and if they fail most of the plant fails, that they are in the process of getting that equipment replaced, asking committee to look at water plant under an emergency situation until these repairs take place, that if they have to go through normal bid process that they set things back significantly in getting the reliability back to the water plant. He stated much of the work was done temporarily with idea that contractors would come back and do to permanent or mitigated state, and would like the council to approve negotiations with those three contractors: Hanson Electric, who has been working at the plant since 1984 (last expansion), and is currently under contract with the City; Lunseth Plumbing & Heating, who has also been involved since 1984, and Innes Construction, who is currently under contract. He stated the work to date comes under Category B

(Emer-gency Work) and is 100% grant eligible, but as they proceed there is some question whether that would be considered emergency, and if not becomes 75%-25% with City paying 15%. He stated est. costs for total water recovery at around \$7M. He also noted that before they write contracts and proceed with the work, the council would have to give approval for each individual contract.

Mr. Vein stated they were asking for approval of concept to proceed based on a force account or time and materials basis with the three contractors, and contract would have to come back to council.

Mr. Schmisek stated they are trying to lay groundwork to make sure

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FEMA is going to cover these costs, and rather than competitive bidding, declare this a continuing emergency project so that it can be negotiated, that this is an official action of the council that they have declared this an emergency and they can negotiate and select a contractor, but before award it will come back.

Moved by Bakken and Glassheim that this is a continuing emergency, and that Advanced Engineering proceed to negotiate with the contractors. Motion carried.

2. Matter of engineering agreements for:

- a) 1997 Flood Assistance - Wastewater System (Emergency), Proj. No. 4627.

Mr. Grotte reported this is a contract with Webster, Foster & Weston, that Mr. Hanson is present; but basically this is for emer-gency work that they have been doing with the wastewater system, both in collection and lift stations. He reported that the agree-ment is based on an hourly rate with no max. specified at this time because of the nature of the work, but basically same rates as used on previous contracts and recommended that the agreement be approved contingent upon the city attorney's review. He stated that hopefully most of this would be reimbursable through FEMA. It was so moved by Bakken and Glassheim that we authorize entering into the engineering agreement with Webster, Foster & Weston, contingent upon review of the agreement by the city attorney. Motion carried.

- b) 1997 Flood Assistance - Water System (Emergency), Proj. No. 4627.

Mr. Grotte reported this is similar, that WFW assisted in the restoration of the water distribution system and this is for past work and some continuing work on that effort, same rate, no max. Glassheim asked if they could get report on costs. Mr. Schmisek stated that his office could send out monthly report to council. Moved by Glassheim and Bakken to authorize entering into the engineering agreement with Webster, Foster and Weston, contingent upon review of the agreement by the city attorney. Motion carried.

c) 1997 Flood assistance - Wastewater Collection System (Restoration), Proj. No. 4654.

Mr. Grotte stated this is for restoration work vs. emergency work, agreement on hourly basis because not determined extent of damage and should be eligible for FEMA reimbursement. It was noted that the first two agreements would be 100% FEMA reimbursement and next two on 75%-25% (10% State and 15% local). Mr. Grotte reported that part of these costs do become part of the DSR costs in re-storing multiple lift stations; and this is design and contract management. Moved by Glassheim and Bakken to authorize entering into the engineering agreement with Webster, Foster & Weston, contingent upon review of the agreement by the city attorney. Motion carried.

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d) 1997 Flood Assistance - Wastewater Lift Station (Restoration), Proj. No. 4654.

Mr. Grotte reported this is similar, same rates. Moved by Glassheim and Bakken to authorize entering into the engineering agreement with Webster, Foster & Weston, contingent upon review of the agreement by the city attorney. Motion carried.

e) Water System Master Planning.

Mr. Grotte reported this agreement with Advanced Engineering, that Steve Burian was present; Mr. Grotte stated that for the past several years the City has been working on master planning for our water treatment distribution system (looking 10-20-50 years in the future) and had come up with plan, which has now changed with dike potentially being realigned through the middle of the water treatment plant, need to explore possibilities of other sites, cost of new plant, etc. and this plan would look at what those options are and give us some costs so can make some rational decisions. Mr. Burian stated draft would be completed by September 1, 30 day comment period. Mr. Grotte stated that this contract does

include a cost of not to exceed \$100,000 because better defined project; and stated to design and rebuild - 4 to 5 years; and need to reinvest in existing plant to continue its operation.

Mr. Burian reviewed three major scope items: updating and refining cost opinions to expand and improve existing system; develop planning-level based cost opinions to construct and operate a new system; and identifying improvement to existing plant and costs which must be implemented even if City decides to build a new plant. (Est. cost of new plant with expanded capacity, \$62.5M)

Moved by Glassheim and Bakken to authorize entering into an engineering agreement with Advanced Eng. & Environmental Services, Inc., contingent upon review by the city attorney. Motion carried.

f) Street Condition Evaluations.

Al Grasser, asst. city engineer, reported that local street repairs costs are potentially reimbursable through FEMA and the DSR process, the classified streets through Federal Hwy. Reconstruction Fund, but have to identify what damages may be and go through DSR process; started under emergency conditions to document condition of the streets immediately following the flood and contracted with Advanced Engineering and they subcontracted a digital imaging van (ran streets and equipment monitors streets and detects and documents the condition of the street). Tim Lykken, project engineer, and Bob Orthmeyer of Advanced Engineering were present to answer any questions in more detail. He stated they have project broken down into three phases, some work on phase I has been done, and they are assisting in preparation of DSR's, which is mechanism to request repairs and reimbursement through State and Federal Hwy. He stated that FEMA has told them that investigative procedures are not reimbursable directly, they will reimburse where they actually find damages and they will be pursuing reimbursement wherever they

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can. He reported that engineering costs est. at \$260,000. Mr. Schmisek stated funding possibly from Highway Users Funds and/or Loan and Stabilization Fund.

There was some discussion re. time frame of the project, Phase I completed by July 31; that Phase II which is to be completed 9 months after written notification to proceed is more of a long range assessment, and Phase III completed 3 months after

written notification, and these phases would not proceed without written notification by the City.

Moved by Glassheim and Bakken to authorize entering into the engineering agreement with Advanced Engineering, contingent upon review of the agreement by the city attorney. Motion carried.

3. Matter of purchase of 4-plexes.

4. Matter of purchase of additional property (702 Walnut St.)

Joel Manske, director of Housing Authority, presented proposal to allow Housing Authority to acquire 3 4-plex properties at 1110, 1114 and 1118 22nd Avenue South; that they had discussed need to get back multifamily housing inventory and trying to assess what damage is to the multifamily housing inventory in the city. He stated that owners of the property totally depreciated these units and had no intention of putting back on line. He saw this as an opportunity for the Housing Auth. to acquire and expand their affordable housing inventory. He stated his request is to allow Housing Auth. to acquire these properties, with intent of rehabbing the six units in the basements of those three buildings, and put back on line in 45 days.

Mr. Manske stated that next item is an in-fill housing proposal at 702 Walnut Street (house burned in February of 1997), to acquire that property, demolish building, reestablish infrastructure in the lot and relocate older housing unit on that lot.

Moved by Glassheim and Bakken to authorize Housing Authority to purchase and rehab. three 4-plexes at 1110, 1114 and 1118 22nd Avenue South to be used as rental housing for low income families, funding for acquisition and rehabilitation in the amount of \$283,000 from CDBG and/or HOME Program funds. Motion carried.

Moved by Glassheim and Bakken to authorize Housing Authority to acquire and demolish blighted property at 702 Walnut Street at cost of \$28,000, with property to be used as in-fill housing. Motion carried.

5. Matter of status of Buyout Program.

John O'Leary, director of Urban Development, reported they are in the process of redrafting their acquisition and relocation strategy in conjunction with HUD and FEMA attorneys and Mr. Swanson. He stated there is a rough draft prepared but

still needs additional work by legal counsel and will be meeting with him

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tomorrow, and hope to have finalized soon. Mr. Swanson stated that the application to the State is in the process of being drafted.

Mr. O'Leary reported that the disaster aid bill passed today and HUD looking for final version to see what caveats put on the bill and what flexibility they have given for use of the CDBG funds. He stated that buyouts will happen in conjunction with both Fema and CDBG monies, esp. houses in areas where totally destroyed and they are processing those applications, that they are approaching 90% of properties and will continue to seek out those, are developing some suggested priorities for acquisition; and hope to have back to committee within next week.

Bakken questioned status of the business loan fund. Mr. O'Leary reported they have processed half dozen applications out of those funds, that they have asked HUD reps. for formal clarification on several issues relative to that fund. He reported that the sup-plemental appropriation which relates to the acquisition and re-location program has caveats which aren't the same as the regular CDBG program, some exceptions that make the supplemental appropria-tion more conservative, and one stipulation is that you can't use CDBG money to replace other federal funds (ie., SBA); are in the process of designing other alternatives to help small businesses recover where they partner up CDBG with an SBA loan, and as soon as get final approval from HUD will bring back to ask for amendment to the program. He stated the first applications were processed out of last year's CDBG appropriation, which makes it legal to do what they did, but problem run out of money if only use last year's money and would like to pre-obligate supplemental program but problem with regulations. and should have back on Monday.

Bakken reported that he had been asked by some local business people whether it would make any sense to have the Aurora downtown and to use Aurora land for housing development. Mr. O'Leary reported that issue is being looked at by a couple parties, that consultants looking at that as potential possibility and so is re-envisioning downtown committee; he stated they are going to do analysis of total housing acquisition cost to see how far can go with redevelopment

efforts, but next step is to find out much funding will come to Grand Forks.

Hafner asked what next phases of buyout program are; Mr. O'Leary reported that next level should be addressed as plan is submitted

because plan will address acquisition process and priorities, and that will be brought back next week as well.

6. Other items:

Hafner stated that this committee should recommend to the full city council the opportunity to go to Winnipeg next Wednesday, June 18.

7. Proposal from ND Consensus Council.

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Dick Gross, deputy director and legal counsel for the North Dakota Consensus Council, which was founded in 1990, stated that the role of the Council since its founding is to help develop consensus on major issues of public policy, whether at State, local or regional level. He reported that in the last seven years they have done work which has resulted in the restructuring of ND judicial branch of government, produced tool test legislation to enable local government (county and municipal) to work together more easily, etc. and serve in facilitator capacity with a group involving all of the States in the Missouri River Basin. He stated they have utilized a variety of consensus building processes, and believe they could be of service to the cities of Grand Forks and East Grand Forks and would like to offer their continued services. He stated that he knew Grand Forks had been through a visioning process in the last two years, and they don't seek to duplicate what has been done, however, there might be some changes in attitude about what the future of Grand Forks might look like as a result of the flood so there might be additional input by the citizens. He stated that what they are seeking is an expression of interest, that they are not seeking funding from either city, they believe they can get funding from various federal agencies, foundations, the private sector and others who would be interested in helping this kind of process move ahead, but do need strong expression of interest from the City. He stated that based on discussions with the Mayor of East Grand Forks and some of his people they are anticipating that kind of expression of interest from him. He stated that processes in the two cities would be very different because City has assistance from HUD and other and because of degrees

of damage; and would be happy to work with the City in developing that process. He stated they have access to planning and policy people around the country.

Committee asked what process would be following the City's expression of interest, if given. Reps. of the ND Consensus Council stated they would first find out from council what they would want, that they might have local neighborhood meetings, bring in facilitators who have done similar work, look at visioning work whether changes as result of the flood, might be talking short term effort (2-3 weeks) or longer term effort (up to a year).

Mr. Vein stated some items excellent, some new and some already being worked on in some form and manner, some discussed with HUD, some potential for overlap, and would suggest that they would work with them to see what they would use or how they would use those services in the overall development of the city; that they are also working with FEMA in how to set up some neighborhood meetings and need to make sure coordinated effort no matter what they do. He stated they would have to sit down and discuss with them because wouldn't want to have duplication of services.

Mr. O'Leary stated he heard presentation few weeks ago and Tri-Chairs agree that public participation is crucial, that the HUD

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consultants also preach the same thing; that they do have several scheduled, planners, the CBD Re-Envisioning Downtown Committee (Clifford Comm.), and one ND Consensus Council would do, concerned that don't start fragmenting public participation efforts into lot of different directions, and need to sit down with consultants and these groups to discuss.

Reps. of the Consensus Council stated if only duplicating efforts would be mistake, but have done processes where brought City and State officials and others in on process and they do interact as citizens do. They stated they would be happy to meet with Tri-chairs, but one thing they would ask in advance that in order to receive any funding for their efforts they do some formal expression of interest.

Committee asked who they would be responsive to; Reps. of Consensus Council stated they would do whatever City set out as process they would follow. After further discussion, it was moved by Glassheim and Bakken that we express interest of Grand

Forks in working with North Dakota Consensus Council in creating views of our future. Motion carried.

8. Presentation of prelim. plans/cost for water plant.

Charlie Vein, Advanced Engineering, presented preliminary plans and costs re. water supply, treatment and distribution needs of the city in the immediate need (0-2 years), short-term (3-5 years) and long term (6-10 years) and that this plan is based on the require-ment that they would build a new plant, would look at prelim. planning and also look at alternative to building new plant. He reviewed tasks involved in immediate needs - mostly engineering tasks, furnishing of equipment needed as result of flood recovery, personnel needs and capital improvements, and reviewed breakdown of costs and source of funding (federal, state or city), and have tried to predict where funding come from (FEMA, CDBG, etc.). He stated numbers very preliminary but gives idea of magnitude they are dealing with. He stated that for immediate needs, they are looking at total of \$51M (\$18M directly flood related, \$20M work that was in planning/budgeting process, which included \$9M for expansion of sludge plant, design of \$7M project for 7mg reservoir). He stated that in the short-term plan, basically requirement for new plant - \$86M, some things on-going and continue to be; and long term needs include property acquisition administration/easements, engineering, wastewater treatment recycle line, watermain replace-ment and overhead storage, with bottom line \$155M (approx. year ago presented figures of \$80-100M).

Hafner asked if there was a way of separating processing industrial water from residential water; Steve Burian stated they would be exploring concepts. Mr. Vein stated that when talking new plant

they have to look at intakes, have no standby power at intakes, intakes are on wet side of anything, couldn't get to them, need to

evaluate how intakes are going to be constructed, transmission

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line, waste stream, different technologies.

Committee questioned funding, CDBG; Mr. Vein stated it was idea, but don't know where funding coming from and need to look at various sources (grants, loans, etc.) Information only.

9. Glassheim stated he wanted to bring to Tri-Chairs that employees working long hours, if they need addn. resources, encourage addn.staffing for month or longer as things need to

get done quicker than usual. Mr. Schmisek stated they are discussing.

10. Glassheim stated he reviewed damage disclosure; Mr. Swanson stated that the Attorney General's Office is doing more in-depth research - disclosure between buyer and seller and recording of affidavit which would appear in record, and will have more information later.

11. Glassheim reported he had received letter proposing lot for lot program, that citizen wanted to be reassured that rather than having their house condemned they could get a lot somewhere else and move it; Mr. Swanson stated that the acquisition of property doesn't involve eminent domain or condemnation, only thing they are doing which might require mandatory demolition of structure is where the structure poses imminent danger to public safety. Mr. Schmisek reported that program is being discussed by Tri-chairs and Espesgard task force.

12. 1997 Flood Recovery Financing Program - Information only.

Al Grasser, asst. city engineer, distributed copies of summary of the flood recovery financing program (est. costs): Public Building Rehab.: (public works bldgs. - bus garage, public works bldg., wastewater and water storage bldgs, etc.), \$1,405,030; Infrastructure Rehab.: wastewater treatment system, \$15,650,000. Road systems/Transportation, \$80,741,000, Parks Restoration (dikes, landscape, etc.), \$5,856,000, Dam (erosion repair), \$1,500,000, Overhead costs (adm./eng. and unanticipated costs), \$42,000,000, for total of \$172,518,500; Reconstruction of South Washington, \$11,822,900; Redevelopment of Destroyed Neighborhoods (includes only major trunk facilities), \$23,000,000; for a total of \$208,746,430. The summary also included breakdown of funding sources, FEMA/Corps, State and City.

Committee questioned status of southend drainway, whether they could accelerate that plan. Mr. Grasser reported they are doing first phase (through Chestnut St.), that this is critical to development of adj. property but doesn't do lot of good, gain benefit when hit Washington and Columbia Road, but have to be all way to Interstate before benefit to 32nd Ave.S.

Glassheim and Bakken moved to adjourn; mtg. adjourned at 7:40 p.m.

Alice Fontaine, City Clerk

Dated: 6/14/97

