

Department of Public Works – Engineering Division

MEMO

TO: Finance Committee
Utilities Committee

FROM: Paula Vandehey, Director of Public Works
Pete Neuberger, Staff Engineer

DATE: March 1, 2016

RE: Request for approval to reallocate funds in the amount of \$305,660 budgeted in 2016 for Leona Pond Land Acquisition to the Northland Pond Construction Project.
(Attachment) *CRITICAL TIMING*

The Department of Public Works is requesting approval to reallocate funds in the amount of \$305,660 budgeted in 2016 for Leona Pond Land Acquisition to the Northland Pond Construction Project.

Reason for Request

The current 5-Year Capital Improvement Program identifies the following items relevant to this request:

<u>Year</u>	<u>Description</u>	<u>Amount</u>
2016	Leona Pond Land Acquisition	\$359,800
2017	Northland Pond Construction	\$4,144,000
2018	Leona Pond Construction	\$1,530,000

The 2017 construction budget item for Northland Pond includes funds for the DNR wetlands mitigation in-lieu fee. However, DNR, which is currently reviewing the permit application, has notified the City that it cannot issue the permit for the pond until the in-lieu fee is paid. The in-lieu fee is the amount required to be paid to DNR for the loss of 3.4 acres of wetlands onsite, because there is not room onsite to replace the lost wetlands. The DNR has a program funded by in-lieu fees to develop offsite wetlands for the purpose of replacing wetlands lost in projects like this.

To stay on schedule to construct Northland Pond in 2017, the City needs DNR permits in hand in 2016. This is primarily because the City cannot apply for the necessary Outagamie County permit until the DNR permit has been issued.

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Since Leona Pond is not scheduled for construction until 2018, delaying the Leona Pond land purchase from 2016 into 2017 will not affect that construction schedule. Under this request, the remaining \$54,140 of 2016 Leona Pond Land Acquisition funds would be applied to miscellaneous Leona Pond Land Acquisition expenses in 2016, such as land appraisals and the Agricultural Impact Statement, while purchase of the land would occur in 2017, pending 2017 budget approval. This request effectively flips the years for expending funds for Leona Pond Land Acquisition and the Northland Pond In-Lieu Fee, without affecting construction schedule for either pond project.

Conclusion

Therefore, the Department of Public Works is requesting approval to reallocate funds in the amount of \$305,660 budgeted in 2016 for Leona Pond Land Acquisition to the Northland Pond Construction Project.