



195 35<sup>th</sup> Street  
Marion, Iowa 52302  
[www.cityofmarion.org](http://www.cityofmarion.org)

## Council Memo

**DATE:** February 17, 2017

**TO:** Mayor, City Council Members

**CC:** Lon Pluckhahn, City Manager

**FROM:** Ryan Miller, Public Services Director

**RE:** Council Agenda Items- Work Session

**Exhibit(s):**

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**B.1 Resolution No.\_\_\_\_ approving Partial Payment #22 to Anderson-Bogert Engineers for the Public Services site plan development in the amount of \$2,570.00.**

**B.2 Resolution No.\_\_\_\_ approving Partial Payment #23 to Anderson-Bogert Engineers for the Public Services site plan development in the amount of \$750.00**

This is the 22<sup>nd</sup> and 23<sup>rd</sup> payment to Anderson-Bogert for site plan development of the Public Services Department. The site plan will allow for immediate expansion of the yard waste facility while incorporating design for future infrastructure and expansion of the Department. Work that has been completed up until this point includes site survey, geotechnical data, and topographic survey.



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**Exhibit(s):**

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### **B.3 Discussion regarding Eco Industrial Park Development.**

For the February 21<sup>st</sup>, 2017 City Council work session, information will be presented to the City Council regarding the proposed improvements for the Eco Industrial Park.

The Public Services Department has been facilitating plans for improvements that include the construction of new facilities that will allow for vehicle maintenance and equipment storage. The proposed infrastructure is designed around energy models that will allow for the improvements to be completed at a long term cost savings to the city.



## Eco Industrial Park 1<sup>st</sup> Addition

Construction of equipment storage and vehicle facilities to address current and future facility needs.

Conversion to Alternative Fuel Fleet (CNG) to provide cost savings and clean emissions.

# Eco Industrial Park 1<sup>st</sup> Addition Schedule of Improvements

I. Maintenance/Equipment Storage Facility -\$7 Million

II. Bulk Deicer Building-\$500,000

III. Utility Improvements



# Eco Industrial Park 1<sup>st</sup> Addition

## OBJECTIVE

Address facility needs through Energy Improvement Programming

Provide infrastructure improvements that will provide long term operational savings

**(Transportation Fuel Savings)**



[Back to Contents](#)

**Data 1: Public Service 15 Year Projection Total Fuel Consumption (SOURCE EIA PROJECTED FUEL SUMMARY & DEPARTMENT AVERAGE ANNUAL FUEL INCREASE)**

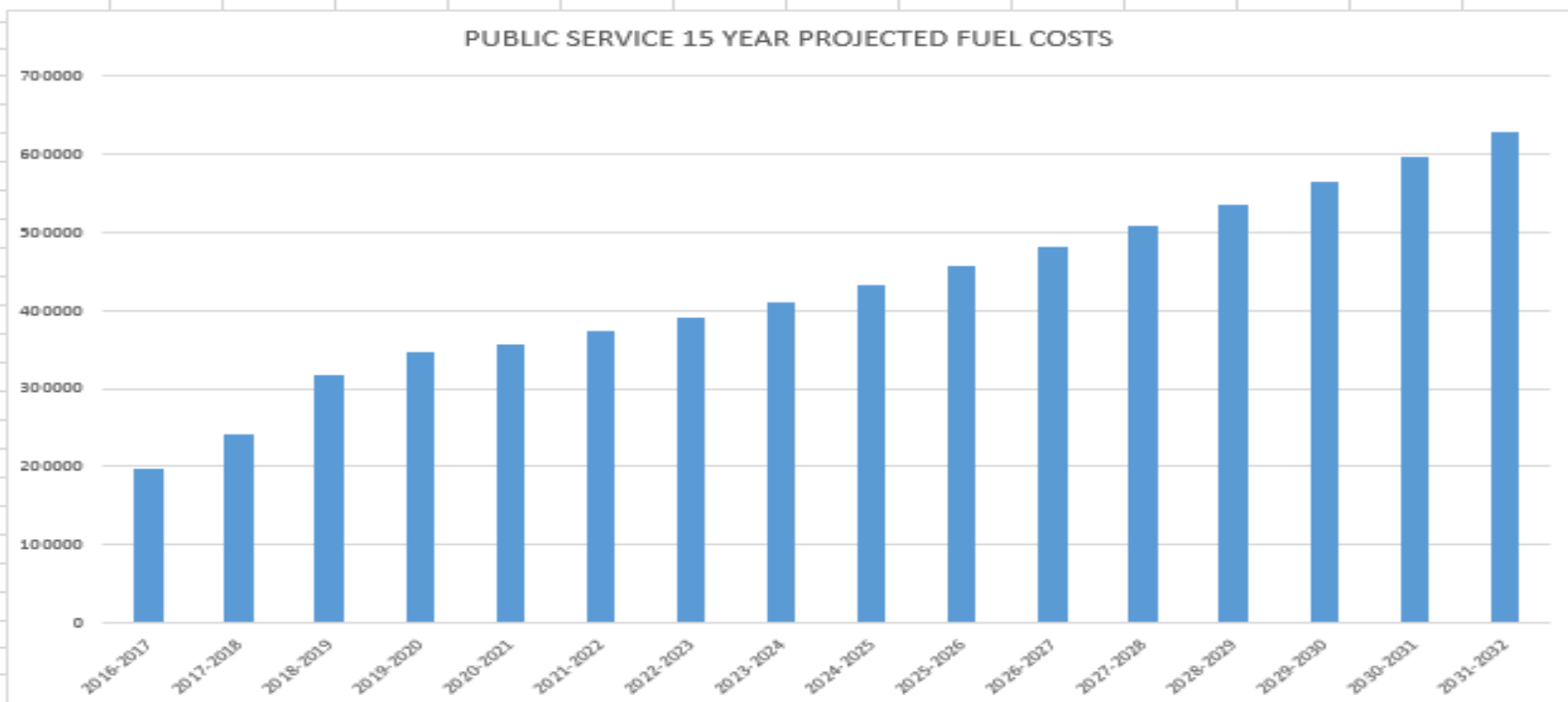
**ATTACHMENT C-5**

Sourcekey  
Date

**PTENUS\_DP  
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U.S.  
Premium  
Conventiona**

<u>YEAR</u>	<u>TOTAL PROJECTED FUEL COST</u>
2016-2017	198200
2017-2018	241742.4
2018-2019	318138.2
2019-2020	346440.4
2020-2021	356207.2
2021-2022	372921
2022-2023	390171.4
2023-2024	409770.5
2024-2025	433139.2
2025-2026	457622.3
2026-2027	481802
2027-2028	508274.2
2028-2029	535442.4
2029-2030	564538.9
2030-2031	595444.8
<u>2031-2032</u>	<u>627351</u>
	<b>6837205.9</b>

**Total: \$6,837,206.00**



**Workbook Contents**

*Fifteen Year Total Projected Fuel Costs (Dollars per Gallon)*

**Worksheet**

**Data 1**

Release Date: 7/25/2016  
 Next Release Date: 8/1/2016  
 Excel File Name: emm\_epmpu\_pte\_nus\_dpga.xls  
 Available from Web Page: [http://tonto.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=EMM\\_EPMPU\\_PTE\\_NUS\\_DPG&f=A](http://tonto.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=EMM_EPMPU_PTE_NUS_DPG&f=A)  
 Source: [Energy Information Administration](#)  
 For Help, Contact: [infoctr@eia.doe.gov](mailto:infoctr@eia.doe.gov)  
 (202) 586-8800

# Eco Industrial Park-Alternative Fuel Fleet Acquisition Budgetary Lease Payments Programmed (Projected 2018-2019 Fiscal Year)

Eco Industrial Capital Lease - Facility (\$7m-\$8m Budget-Preliminary)		
<b><u>Road Use</u></b>	<b><u>Account</u></b>	<b><u>2018 Budget</u></b>
110.210.6800.21	Principal Payments - Capital Lease - Facilities	\$187,609.94
110.210.6801.21	Interest Payments - Capital Lease - Facilities	<u>\$102,434.32</u>
		<b>\$290,044.26</b>
<b><u>Solid Waste</u></b>	<b><u>Account</u></b>	<b><u>2018 Budget</u></b>
670.840.6800.21	Principal Payments - Capital Lease - Facilities	\$93,804.97
670.840.6801.21	Interest Payments - Capital Lease - Facilities	<u>\$51,217.16</u>
		<b>\$145,022.13</b>
<b><u>Sewer</u></b>	<b><u>Account</u></b>	<b><u>2018 Budget</u></b>
610.815.6800.21	Principal Payments - Capital Lease - Facilities	\$93,804.97
610.815.6801.21	Interest Payments - Capital Lease - Facilities	<u>\$51,217.16</u>
		<b>\$145,022.13</b>





# Eco Industrial Park-Alternative Fuel Fleet Acquisition Budgetary Lease Payments Programmed

## OBJECTIVE

Programmed Facility Lease Payments will offset fuel current and future transportation fuel costs.

<b>Eco Industrial Capital Lease - Facility (\$7m-\$8m Budget-Preliminary)</b>		
<u>Road Use</u>	<u>Account</u>	<u>2018 Budget</u>
110.210.6800.21	Principal Payments - Capital Lease - Facilities	\$187,609.94
110.210.6801.21	Interest Payments - Capital Lease - Facilities	\$102,434.32
		<b>\$290,044.26</b>
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670.840.6800.21	Principal Payments - Capital Lease - Facilities	\$93,804.97
670.840.6801.21	Interest Payments - Capital Lease - Facilities	\$51,217.16
		<b>\$145,022.13</b>
<u>Sewer</u>	<u>Account</u>	<u>2018 Budget</u>
610.815.6800.21	Principal Payments - Capital Lease - Facilities	\$93,804.97
610.815.6801.21	Interest Payments - Capital Lease - Facilities	\$51,217.16
		<b>\$145,022.13</b>

# Eco Industrial Park-Fleet

Public Services Department is proposing the acquisition of new CNG chassis for the majority of the fleet.

Acquisition program will provide transportation fuel savings and reduced vehicle maintenance.

Financed through Lease Certificates (Certificates of Participation).

# Eco Industrial Park-Alternative Fuel Fleet Acquisition Budgetary Lease Payments for 2018/2019 Fiscal Year



## Eco Industrial Capital Lease - Equipment (Preliminary)

<u>Road Use</u>	<u>Account</u>	<u>2018 Budget</u>
110.210.6800.20	Principal Payments - Capital Lease - Equipment	\$204,163.95
110.210.6801.20	Interest Payments - Capital Lease - Equipment	\$67,553.93
		<b>\$271,717.88</b>
<u>Solid Waste</u>	<u>Account</u>	<u>2018 Budget</u>
670.840.6800.20	Principal Payments - Capital Lease - Equipment	\$186,751.30
670.840.6801.20	Interest Payments - Capital Lease - Equipment	\$61,796.06
		<b>\$248,547.36</b>
<u>Sewer</u>	<u>Account</u>	<u>2018 Budget</u>
610.815.6800.20	Principal Payments - Capital Lease - Equipment	\$75,744.96
610.815.6801.20	Interest Payments - Capital Lease - Equipment	\$25,064.40
		<b>\$100,809.36</b>

# Eco Industrial Park-Alternative Fuel Fleet Acquisition (Conventional Purchase)

## Conventional Schedule-Equipment

<u>Road Use Replacement</u>	<u>Account</u>	<u>2018 Budget</u>
111.210.6710	Vehicles	\$320,000
<u>Solid Waste Replacement</u>	<u>Account</u>	<u>2018 Budget</u>
675.840.6712	Vehicles	\$280,000
<u>Sewer</u>	<u>Account</u>	<u>2018 Budget</u>
610.815.6712	Equipment	\$115,000.00



# Eco Industrial Park-Alternative Fuel Fleet Acquisition (Expenditure Comparison)

<b>EXPENDITURE COMPARISON</b>			<b>EXPENDITURE COMPARISON</b>		
<b>Eco Industrial Capital Lease - Equipment (Preliminary)</b>			<b>Conventional Schedule-Equipment</b>		
<b>Road Use</b>	<b><u>Account</u></b>	<b><u>2018 Budget</u></b>	<b>Road Use Replacement</b>	<b><u>Account</u></b>	<b><u>2018 Budget</u></b>
110.210.6800.20	Principal Payments - Capital Lease - Equipment	\$204,163.95	111.210.6710	Vehicles	\$320,000
110.210.6801.20	Interest Payments - Capital Lease - Equipment	\$67,553.93			
		<b>\$271,717.88</b>			
<b>Solid Waste</b>	<b><u>Account</u></b>	<b><u>2018 Budget</u></b>	<b>Solid Waste Replacement</b>	<b><u>Account</u></b>	<b><u>2018 Budget</u></b>
670.840.6800.20	Principal Payments - Capital Lease - Equipment	\$186,751.30	675.840.6712	Vehicles	\$280,000
670.840.6801.20	Interest Payments - Capital Lease - Equipment	\$61,796.06			
		<b>\$248,547.36</b>			
<b>Sewer</b>	<b><u>Account</u></b>	<b><u>2018 Budget</u></b>	<b>Sewer</b>	<b><u>Account</u></b>	<b><u>2018 Budget</u></b>
610.815.6800.20	Principal Payments - Capital Lease - Equipment	\$75,744.96	610.815.6712	Equipment	\$115,000.00
610.815.6801.20	Interest Payments - Capital Lease - Equipment	\$25,064.40			
		<b>\$100,809.36</b>			

# PRELIMINARY TRANSACTION SCHEDULE- EQUIPMENT MAINTENANCE FACILITY

TRANSACTION SCHEDULE			JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT
ECO INDUSTRIAL PARK			2017	2017	2017	2017	2017	2017	2017	2017	2017
YEAR											
<b>PUBLIC SERVICE MAIN FACILITY</b>											
UNDERWRITING/PLACEMENT AGREEMENT	2017	PUBLIC SERVICE BOARD/MARION CITY COUNCIL			TARGET	TARGET					
BUDGET PROFILE	2017	PS DIRECTOR	REVIEW	TARGET	TARGET						
CONTRACTOR/DEVELOPER SELECTION	2017	STAFF/PUBLIC SERVICE BOARD	REVIEW	REVIEW	REVIEW	TARGET					
TERM SHEET	2017	PIPER JAFFREY/STAFF/PS BOARD/COUNCIL	REVIEW	REVIEW	REVIEW	TARGET					
PUBLIC HEARING	2017	MARION CITY COUNCIL				TARGET					
PURCHASE AGREEMENT	2017	DORSEY&WHITNEY/PIPER JAFFREY/STAFF/PS BOARD/COUNCIL	REVIEW	REVIEW	REVIEW	REVIEW	TARGET	TARGET			
LEASE CERTIFICATE PLACEMENT	2017	PIPER JAFFREY	REVIEW	REVIEW	REVIEW	REVIEW	REVIEW	REVIEW	REVIEW	REVIEW	REVIEW
ANCILLARY FINANCE SCHEDULE	2017	PS DIRECTOR									

# PRELIMINARY TRANSACTION SCHEDULE- EQUIPMENT ACQUISITION

TRANSACTION SCHEDULE	FISCAL YEAR	VENDOR	JAN 2017	FEB 2017	MARCH 2017	APRIL 2017	MAY 2017	JUNE 2017	JULY 2017	AUG 2017	SEPT 2017	OCT 2017
ALTERNATIVE FUEL EQUIPMENT										ZERO EMISSION PRODUCTION		
UNDERWRITING/PLACEMENT AGREEMENT	2017	PIPER JAFFERY	REVIEW	REVIEW	TARGET	TARGET						
BUDGET PROFILE	2017	PS DIRECTOR	REVIEW	REVIEW	TARGET							
SPECIFICATION REVIEW	2017	STAFF/PUBLIC SERVICE BOARD	REVIEW	REVIEW	REVIEW	REVIEW	TARGET					
BID LETTING	2017	STAFF/PUBLIC SERVICE BOARD	REVIEW	REVIEW	REVIEW	REVIEW	TARGET					
P&W AGREEMENT	2017	STAFF/PUBLIC SERVICE BOARD	REVIEW	REVIEW	REVIEW	REVIEW	TARGET					
LEASE CERTIFICATE PLACEMENT	2017		REVIEW	REVIEW	REVIEW	REVIEW	REVIEW	REVIEW	REVIEW	REVIEW	REVIEW	REVIEW
	2017											
	16-17											
	16-17											

## Eco Industrial Park 1<sup>st</sup> Addition

2017-2018-Budget Approval will allow to staff to execute Transaction Schedule (contractor selection, purchase agreement, etc).

Finalize site plane and facility designs-majority is completed.

Move towards initial bid lettings for site prep and utility work this spring.