



CITY COUNCIL AGENDA ITEMS

To: Mayor Graham and City Council
From: Dennis Sullivan, Director of Engineering & Public Works
Walter Denton, City Administrator
Date: July 5, 2005
Subject: Illinois Department of Natural Resources (IDNR) St. Ellen SAG
Reclamation Project Agreement (Resolution)

List of committees that have reviewed: Public Works Committee

Background: This is an agreement with IDNR for a grant in the amount of \$300,000 for the rehabilitation of water and sewer utility lines in the area adjacent to Elm and Orchard Streets in O'Fallon affected by mine subsidence. The total cost of the rehabilitation is estimated at \$500,000.

Legal Considerations, if any: Normal considerations for entering into an agreement with a state agency.

Budget Impact: Funds in the amount of \$200,000 were included in the FY-06 City Operating Budget to support the project.

Staff recommendation: Approve acceptance of the grant for \$300,000 and allow the Mayor to sign the agreement.