RECOMMENDED ACTION: To continue to provide adequate public utility services through asset rehabilitation and management, Staff recommends approval of Option 1.

ADMINISTRATIVE COMMENTS: The Knights Creek Sewer Trunk Line serves a very large basin covering the western area of the City. With continued development and the age and condition of the Sanitary Sewer Gravity Main, it is imperative to have this Rehabilitation and Upgrade Program to maintain the City's infrastructure.

ADMINISTRATIVE RECOMMENDATION: Approve the Design Services Proposal submitted by LEA in the amount of \$167,000.

Richard Hardy, City Manager