



Legislation Text

File #: 21-0130, Version: 1

Item:

Budget Amendment No. 21BCC000090 Appropriating \$6,920,596 of Sewer Utility Enterprise Fund Fund Balance (\$6,017,910 from the Sewer Utilities Enterprise Fund's unspent restricted System Development Fee funds and \$902,686 from unrestricted cash) and Transferring Those Funds to a New Capital Project and Capital Project Amendment No. 21 CPA000025 Appropriating \$6,920,596 and Creating a HUB RTP Sanitary Sewer and Reclaimed Water Extension Project (SE058) and to authorize the County Manager to execute the contract and any related contract amendments not to exceed a total project budget of \$6,920,596

Date Of BOCC Meeting: March 8,2021

Request For Board Action:

The Board is requested to approve Budget Amendment No. 21BCC000090 appropriating \$6,920,596 of Sewer Utility Enterprise Fund fund balance (\$6,017,910 from the Sewer Utilities Enterprise Fund's unspent restricted System Development Fee funds and \$902,686 from unrestricted cash) and transferring those funds to a new capital project and Capital Project Amendment No. 21 CPA000025 appropriating \$6,920,596 and creating a HUB RTP Sanitary Sewer and Reclaimed Water Extension project (SE058). The Board is also requested to award a construction contract to Pipeline Utilities, Inc. for the construction of the HUB RTP Sanitary Sewer and Reclaimed Water Extension Project in the amount of \$6,017,910 and to authorize the County Manager to execute the contract and any related contract amendments not to exceed a total project budget of \$6,920,596.

The Board approved the resolution for the creation of a Capital Reserve Fund for the purposes of accounting for and expending System Development Fees within the Enterprise Fund at the October 8, 2018 regular session Board meeting (e.g., item#18-1063). This was the result of the implementation of House Bill 436 and as required by NCGS 162A, Art. 8.

NCGS 162A, Art. 8 outlines the requirements for the collection and expenditure of system development fees. Statute requires these fees to be collected in a capital reserve fund (e.g., restricted bank account). The purpose of these restricted funds must outline specific projects and describe various funding sources. As Durham County used the system buy-in method for calculating system development fees, the revenue generated may only be used for rehabilitation projects that do not increase the treatment capacity of either the wastewater collections system or the Triangle Wastewater Treatment Plant.

Project details:

A Utility Contract for the Extension of the County Sanitary Sewer System and Reclaimed Water System was approved January 26, 2015. The extension of the County reuse water system is for approximately 10,000 feet of sixteen-inch reuse water line from the south corner of the NC Highway 147/Hopson Road interchange to the south side of Interstate 40 at the HUB RTP (formerly Park Center). The extension of the sanitary sewer system is for approximately 3,700 feet of 24-inch or greater sewer line from the existing 36-inch sewer north of NC Hwy 147 to the south side of Interstate 40 at the HUB RTP.

The lines are being installed in existing County easements with the exception of the reuse water lines in the Highway 147/Hopson Road interchange. In the interchange area, the lines will be installed in NC Department of Transportation right of way. The County owns reuse water carrier pipe under the NC 147 interchange, installed during the toll road construction project.

The reuse water distribution system extension can serve BASF and the HUB RTP redevelopment project. This extension will also be used for the future expansion of the reuse water system further north into Research Triangle Park.

The extension of the 24-inch or larger sewer line is a replacement of an existing 15-inch and 12-inch sewer line. The existing sewer lines are sufficient to serve the initial phases of the Research Triangle Park redevelopment; however, they will be insufficient to serve subsequent redevelopment projects north of Interstate 40. The 12-inch sewer line, constructed of vitrified clay pipe - subject to root intrusion and groundwater infiltration, shall be removed or abandoned in place. The 15-inch sewer shall be maintained for future parallel use. The larger sewer line extension will be used for the future extension of this main outfall further north into Research Triangle Park to serve future Research Triangle Park development projects.

Concurrent and parallel construction of the reuse water line and the sewer line prior to construction of the HUB RTP improvements is a more cost-effective alternative than installation after the HUB RTP improvements are installed. The construction project will be funded from the Utilities Enterprise Fund restricted unspent System Development Fees and per the approved CIP for the use of these restricted funds.

Durham County issued an Invitation for Bid (IFB 21-010) on September 13, 2020. IFB 21-010 was advertised in local newspapers and on the Durham County website. Additionally, the requirements were emailed to multiple contractors. Only one bid was received on October 22, 2020. As a result, an additional Invitation for Bid (IFB 21-010R1) was issued on November 2, 2020. Three bids were received on November 12, 2020. The bid tabulation is attached.

A fifteen percent contingency (\$6,017,910 contract award amount x 15% contingency = \$902,686 contingency = total project budget \$6,920,596) is recommended for the project to cover any unexpected expenses that may arise. None are anticipated at this time.

Alignment With Strategic Plan: Goal 4: Environmental Stewardship and Community Prosperity; Goal 5: Accountable, Efficient and Visionary Government

Resource Persons: Jay Gibson, General Manager; Stephanie Brixey, Deputy Director/POTW Director; Vince Chirichella, PE, Senior Project Manager; Susan Tezai, Chief Financial Officer.

County Manager's Recommendation: The County Manager recommends that the Board approve Budget Amendment No. 21BCC000090 appropriating \$6,920,596 of Sewer Utility Enterprise Fund fund balance (\$6,017,910 from the Sewer Utilities Enterprise Fund's unspent restricted System Development Fee funds and \$902,686 from unrestricted cash) and transferring those funds to a new capital project and Capital Project Amendment No. 21 CPA000025 appropriating \$6,920,596 and creating a HUB RTP Sanitary Sewer and Reclaimed Water Extension project (SE058). The Board is also recommended to award a construction contract to Pipeline Utilities, Inc. in the amount of \$6,017,910 and to authorize the County Manager to execute the contract and any related contract amendments not to exceed a total project budget of \$6,920,596.

County Manager: _____

