



Legislation Text

File #: ID 15-0469, **Version:** 1

Resolution Authorizing the City Manager to Execute a Reimbursement Agreement with CIP Construction Company in an Amount Not to Exceed \$188,280.87 to Upgrade an Existing Undersized Storm Sewer and Water Line Along Lindsay Street and Eugene Street.

Department: Water Resources
Council District: 3

Public Hearing: N/A
Advertising Date/By: N/A

Contact 1 and Phone: Steven D. Drew, 373-7893
Contact 2 and Phone: Thomas Carruthers, 373-7406

PURPOSE:

To reimburse CIP Construction Company ("CIP") in an amount not to exceed \$188,280.87 for the upgrade of an existing undersized storm sewer and water line along Lindsay and Eugene Street.

BACKGROUND:

N.C.G.S. 160A-320 allows cities to reimburse property owners, developers, or their contractors for the costs associated with the design and construction of public enterprise improvements that are in addition to the improvements required by a city's land development regulations and are adjacent or ancillary to the private land development project. In order to enter into a reimbursement agreement pursuant to N.C.G.S. 160A-320, the City Council must make one of the following findings:

- i. The cost to design and construct the public enterprise improvements will not exceed the estimated cost of providing for those improvements through either eligible force account qualified labor or through the City's normal bidding processes; or
- ii. The coordination of separately constructed improvements would be impracticable.

CIP is a developer that has received City approval to construct Bellemeade Village, a \$50 million mixed-use development that includes six-story buildings with brick, stucco and cast concrete facades along Bellemeade and North Eugene Streets in the downtown business district. This development will include approximately 300 apartments and possibly 20,000 square feet of retail space. The City has requested CIP to upgrade the existing 30" RCP public storm sewer system that runs along Lindsay Street. This storm sewer system is currently severely undersized for existing conditions and its upgrade to a 42" RCP and 54" RCP further downstream is necessary to alleviate existing drainage issues onsite. This upgrade is not required by the City's Land Development Ordinance (LDO) for Bellemeade Village, but the City has asked CIP to make these improvements on its behalf, because the City believes that CIP can make these improvements at a lesser cost. Similarly, the City has asked CIP to upgrade the existing 6" cast iron (CI) water line (installed in early 1900's) starting north on Eugene Street to Battleground Avenue to a 12" DIP including the associated water connections and the abandonment of the existing 6" CI water line. The water line improvements are needed to improve fire flow and capacity available for the downtown area and are not required by the City's LDO for Bellemeade Village. Water Resources has reviewed the cost estimates from CIP for these requested public enterprise improvements and found that the estimated costs of \$188,280.87 do not exceed the City's estimated costs for constructing these improvements with the

City's own eligible force account qualified labor or through the City's normal bidding processes.

BUDGET IMPACT:

Funding for the stormwater improvements is budgeted in the following Stormwater Capital Improvement Fund account: Account #: 506-7014-01.6018 in the amount of \$ 59,811.50. Funding for the water improvements is budgeted in the following Water Resources Capital Improvement Fund account: Account 503-7024-03.6019 A15041 in the amount of \$128,469.37. A budget adjustment is needed to use these accounts.

RECOMMENDATION / ACTION REQUESTED: City Council is requested to authorize the reimbursement agreement for an amount not to exceed \$188,280.87.