



## Legislation Text

---

**File #:** ID 17-0114, **Version:** 1

---

Resolution Approving an Application and Subsequent Agreement of a Grant with the Department of Commerce for \$1.418 Million to Assist with the Construction of the Greensboro-Randolph MegaSite Utility Extension Project

Department: Water Resources  
Council District: 1

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

Contact 1 and Phone: Steven D. Drew, 336-373-7893  
Contact 2 and Phone: Virginia Spillman, 336-373-3260

### **PURPOSE:**

The City of Greensboro Water Resources Department requests to enter into a grant with the Department of Commerce for a \$1.418 million to assist with the construction of the Greensboro-Randolph MegaSite Utility Extension Project. The project, which is proposed to be funded through the grant and water and sewer revenue bonds, is estimated at \$9.8 million for sewer extensions and \$20 million for water extensions.

### **BACKGROUND:**

On March 3, 2015 City Council approved a resolution authorizing staff to proceed with engineering design and permitting activities necessary for extending water and sewer utility services to the Greensboro-Randolph MegaSite. The current schedule calls for the completion of the design phase services and environmental assessment by July of 2017.

The Rural Infrastructure Authority expressed support of the Greensboro-Randolph MegaSite Utility extension at their December meeting, and documentation is currently being prepared for the Authority to access approximately \$1.418 million in additional funding from the Major Site Development Initiative. The sewer extension includes a proposed forcemain that extends down US 421 connected to a proposed lift station to pump the sewer from the MegaSite to the existing City sewer system. The cost of the sewer improvements is estimated to be about \$9.8 million. The proposed sewer will handle the proposed flow for the site and will connect to the Eastern Area Sewer System Improvements that are underway.

The Water Resources Department evaluated options to provide water service to the area, and determined that adding a new 16-inch transmission main sized for ultimate flow will add redundancy to our distribution system, ensure water quality, and meet MegaSite water supply requirements. The proposed path for the water line extends from US 421 down into Hwy 62 to connect to the City's water distribution system. The cost of the proposed water system is estimated at \$20 million.

Based on the proposed design and in accordance with industry utility standards and because of economies of

scale, constructing both systems at the same time is the most economical option for the project, and will help ensure that the City can meet the proposed timeline submitted to the Golden LEAF Foundation.

**BUDGET IMPACT:**

Funding in the amount of approximately \$1.4 million will be needed to supplement the grant to meet the engineer's estimate for sewer construction. The City of Greensboro was awarded \$7 million by the Golden LEAF Foundation for the Greensboro-Randolph MegaSite Sewer Extension on December 7, 2016. Water line construction is estimated at \$20 million. Funding will be needed at the start of construction, which is planned to begin within the next two years. Revenue bonds are planned for costs above awarded grant funding.

**RECOMMENDATION / ACTION REQUESTED:**

It is recommended by the Water Resources Department that City Council approve an application and subsequent agreement of a grant with the Department of Commerce for \$1.418 million for Greensboro-Randolph MegaSite Utility Extension Project.