



Legislation Text

File #: ID 18-0711, **Version:** 1

Resolution Approving an Application and Subsequent Grant Agreement with the Department of Commerce for \$1.5 Million to Assist with the Construction of the Birch Creek Utility Extension Project

Department: Water Resources
Council District: 1

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

Contact 1 and Phone: Steven Drew, 373-7893
Contact 2 and Phone: Kristine Williams, 373-2656

PURPOSE:

The City of Greensboro Water Resources Department requests to enter into a grant with the Department of Commerce for \$1.5 million to assist with the construction of the Birch Creek Utility Extension Project. The project, which is proposed to be funded through the grant and water and sewer revenue bonds, is estimated at \$3.0 million.

BACKGROUND:

On March 20, 2018, City Council approved a resolution authorizing an Economic Development Incentive Grant to Publix Supermarkets, Inc. and for the extension of water and sewer infrastructure. The resolution also indicated that the cost of the new water and sewer infrastructure was estimated to be \$3.0 million and it was planned to be funded by the City's Water and Sewer Extension Reserve Fund to design and construct the public water and sewer infrastructure improvements. The resolution listed the North Carolina Industrial Development Utility Fund Grant Program, if available, as a funding source for the water and sewer infrastructure.

Publix Supermarkets, Inc. announced on August 29, 2018 their commitment to the site. Shortly after, the Department of Commerce expressed support of the Birch Creek Utility extension and documentation is currently being prepared for the Authority to access approximately \$1.5 million in funding from the North Carolina Industrial Development Fund. The Birch Creek Water and Sewer Line Extension project includes the installation of water and sewer lines to support commercial/industrial development east of the City. Approximately 3,600 linear feet of 16-inch water lines will be installed parallel to Birch Creek Road and connect to a water main on Hwy. 70. In addition, approximately 9,600 linear feet of 12-inch, 18-inch, and 21-inch gravity sewer will connect to the existing 24-inch sewer outfall which further connects to the Stewart Mill Lift Station. Work consists of surveying, engineering design, permitting, bid preparation services, and construction of the water and sewer line extensions.

BUDGET IMPACT:

Funding in the amount of approximately \$1.5 million will be needed to supplement the grant to meet the estimate for design and construction. 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 the awarded grant funding.

RECOMMENDATION / ACTION REQUESTED:

It is recommended by the Water Resources Department that City Council approve an application and subsequent Grant Agreement with the Department of Commerce for \$1.5 million for the Birch Creek Utility Extension Project.