

Issue Analysis Form

Date: May 26, 2020

Item: Water Line Extension Projects Report

Lead Department: Engineering & Utilities

Contact Persons: Frank Haltom, Director



Description and Current Status

A presentation will be provided to update the Board of the anticipated costs associated with Food Lion Water System Upgrades (includes Route 460 Extension and Food Lion Booster Station Upgrades), and the Route 156 Waterline Extension.

On May 14, bids were received for the Route 460 water line extension. Bids for the Route 156 water line extension are due June 10. The Food Lion booster station upgrades are scheduled to be bid in September.

Food Lion Water System Upgrades:

Budget = \$2,100,000

Total Engineering – \$404,790

Title Search - \$12,990

Easement acquisition - \$11,500

Water line construction– 889,016 (apparent low bid)

Booster Station construction (estimated cost) – 1,150,500

Total Estimated Costs= \$2,468,796

Deficit of \$368,786

Route 156 Water line Extension:

Budget = \$2,640,000

Total Engineering – \$283,605

Title Search - \$48,447

Easement acquisition - \$20,500

Water line construction (estimated cost) – 3,135,000

Total Estimated costs= \$3,487,552

Deficit of \$847,552

It is anticipated the costs for these projects will exceed the allocated funds available. The presentation will provide the Board options to consider to include the following:

1. Proceed with Route 460 extension and award to apparent low bidder. Delay booster station upgrades (**fire flow conditions must be met for Love's Travel Center by other means**). Transfer remaining funds to Route 156 extension project to provide adequate funding.
2. Proceed with Route 460 extension and booster station upgrades. Transfer funds from Route 156 extension project to the Food Lion Water System Upgrades to provide adequate funding. Delay Route 156 extension project until funding source is identified.
3. In lieu of booster station upgrades, consider alternatives at lower cost to meet fire flow demands at Love's Travel Center utilizing Utility's fund balance, if needed.

4. Use Utility's fund balance to offset the deficits of each project.
5. The apparent low bid for Route 460 is approximately \$450,000 less than engineer's estimate. Delay award of Route 460 until bids are received for all projects to determine if bids will be within the available budgets. If funding is not sufficient, options listed above must be considered.

The Government Path

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|---|------------------------------|--|
| Does this require IDA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require BZA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require Planning Commission action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require Board of Supervisors action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Board Action Requested:

Consider options for transferring funds, delaying projects, or utilizing utility fund balance.

Fiscal Impact Statement

The Food Lion Water System Upgrades and the Route 156 Water Line Extension were included as part of the General Obligation borrowings, Bond Series Spring 2019. The projects are expected to be over budget by approximately \$1,154,911.

Prince George County Impact

Sufficient funds must be identified for the projects. Alternatively, one project can be delayed or canceled allowing a transfer of funds to the remaining projects.

Notes

Love's Travel Center has a fire flow demand that must be met as a condition of their certificate of occupancy. The booster station upgrade is the current means of meeting the fire flow demand. Alternative projects could meet this requirement at lower costs, but could delay its achievement.