



## MEMORANDUM

TO: Mayor and Board of Commissioners

FROM: Heather Meacham, Finance Director and Fred Royal, Town Engineer

SUBJECT: Budget Amendment for Sanitary Sewer Infiltration and Inflow (I&I)

DATE: July 25, 2016

**Background:** The Town has secured a loan approval of up to \$494,500 at 0% interest from the North Carolina Department of Environment and Natural Resources, Division of Water Infrastructure (DWI). They recently approved the construction drawings, specifications and Bid Manual prepared by Hydrostructures for the Sanitary Sewer Infiltration and Inflow (I&I) project. DWI has asked that the Town receive competitive bids and be under contract with a responsible Contractor by November 1, 2016. The Town received and opened bids on July 14, 2016 and Hydrostructures has recommended awarding the construction contract to Herring & Rivenbark, Inc. at a bid of \$382,293.00.

Previous amendments related to this project have been done on September 28, 2015 for \$31,565 for SSES services including manhole inspections, smoke testing, and video inspection of sewer mains. On November 23, 2015 for \$40,000 and February 8, 2016 for \$55,210 for Toomer Loop I/I Reduction design and plans, specs and bid package to DWI. Finally, for Bid Administration and Construction Inspection/Administration not to exceed \$42,550. The last three amendments will be reimbursed from the loan proceeds.

Based on the construction contract amount, the recommended contingency of 10% and the current costs already incurred there is a need for an additional \$65,000 which will not be reimbursed from the loan proceeds. This will allow the project to proceed with the expanded scope of work.

**Action Requested:** Adopt the resolution regarding awarding the construction contract to Herring & Rivenbark, Inc. as detailed in the recommendation letter from Hydrostructures and approve the Ordinance amending the FY 2016-2017 Operating Budget to finance the construction contract and contingency as detailed in the resolution.

ORDINANCE AMENDING THE  
TOWN OF PITTSBORO  
2016-2017 OPERATING BUDGET

Be it ordained by the Board of Commissioners of the Town of Pittsboro in regular session assembled on the 25th day of July, 2016.

**Transfer from Capital Reserve Fund**

Section 1. That the following **ENTERPRISE REVENUE** be increased by the amount indicated:

30-1000-000	Transfer from Other Fund	\$65,000.00
<b>TOTAL</b>		<b>\$65,000.00</b>

Section 2. That the following **ENTERPRISE EXPENDITURE** be increased by the amount indicated:

30-7200-450-48050	Contracted Services – I&I Project	\$65,000.00
<b>TOTAL</b>		<b>\$65,000.00</b>

Section 3. That the following **CAPITAL RESERVE REVENUE** be increased by the amount indicated:

71-3990-010	Fund Balance Appropriated	\$65,000.00
<b>TOTAL</b>		<b>\$65,000.00</b>

Section 4. That the following **CAPITAL RESERVE EXPENDITURE** be increased by the amount indicated:

71-3000-000	Transfer to Other Fund	\$65,000.00
<b>TOTAL</b>		<b>\$65,000.00</b>

Adopted this 25th day of July, 2016.

\_\_\_\_\_  
Cindy S. Perry, Mayor

ATTEST:

\_\_\_\_\_  
Alice F. Lloyd, CMC, NCCMC, Town Clerk