

MEMORANDUM

TO: Mayor and Board of Commissioners

FROM: Nancy Emslie, Finance Officer

SUBJECT: Amendment to Capital Project Ordinance for the East Street Sidewalk Extension Project

DATE: September 4, 2014

On November 12, 2013, the Board approved the capital project ordinance that established the \$170,000 budget for the East Street Sidewalk Extension Project of which \$136,000 (80%) will be from CMAQ grant proceeds and \$34,000 (20% match) from the Town's Powell Bill monies. The original budget reflected a construction expenditure of \$128,000, engineering/design expenditure of \$25,000 and a \$17,000 contingency expenditure.

On August 28, 2014, Staff received and opened six (6) bids to construct the proposed sidewalk. The apparent low bidder was \$24,000 higher than what was budgeted and approved.

At this point, we have options:

- 1) Select and approve a bid that reflects the higher project cost and approve the attached amended Budget Ordinance. This option helps to keep the project moving forward, but at an increased charge to the Powell Bill fund balance.
- 2) Rebid the project in the hopes of obtaining lower prices. This would delay the project to accompany the time to advertise the bids.
- 3) Reduce the scope of the project in order to guarantee lower bid prices. This option also delays the project.

Staff recommends the first option in order to keep the project moving forward. The Powell Bid fund balance is able to assume the increased cost.

The capital project ordinance amendment below replaces the capital project ordinance that was approved in November 2013. We anticipated that construction would begin in September 2014. The grant schedule requires that we are completely finished with this project by June 30, 2015.

RECOMMENDATIONS

That the Board of Commissioners adopt the attached capital project ordinance amending the project budget for the East Street Sidewalk Extension Project.

TOWN OF PITTSBORO
ORDINANCE AMENDING CAPITAL PROJECT BUDGET
FOR THE EAST STREET SIDEWALK EXTENSION PROJECT

Be It Ordained by the Board of Commissioners of the Town of Pittsboro in regular session assembled on the 8th day of September 2014.

To Amend the Capital Project Budget Ordinance for East Street Sidewalk Project

Section 1. That the following **EAST STREET SIDEWALK PROJECT REVENUE ITEMS** be amended to the amount indicated:

863850000	CMAQ GRANT PROCEEDS	\$136,000.00
863850100	TOWN CONTRIBUTION	58,700.00
TOTAL		\$194,700.00

Section 2. That the following **EAST STREET SIDEWALK PROJECT EXPENDITURE ITEMS** be amended to the amount indicated:

863000000	CONSTRUCTION	\$152,000.00
813001100	ENGINEERING/DESIGN	25,000.00
813001800	CONTINGENCY	17,700.00
TOTAL		\$194,700.00

Section 3. That the following **GENERAL FUND REVENUE ITEM** be amended to the amount indicated:

103990100	POWELL BILL FUND BALANCE APPROPRIATED	\$ 24,700.00
TOTAL		\$ 24,700.00

Section 4. That the following **GENERAL FUND EXPENDITURE ITEM** be amended to the amounts indicated:

103790086	TRANSFER TO EAST STREET SIDEWALK EXT PROJECT	\$ 24,700.00
TOTAL		\$ 24,700.00

Adopted this 8th day of September, 2014.

William G. Terry, Mayor

ATTEST:

Alice F. Lloyd, CMC, Town Clerk