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# Memo

To: Mayor, Members of the Board of Commissioners,  
From: Paul S. Messick, Jr.  
CC: Town Manager  
Date: December 9, 2022  
RE: Bonus Allocation

Since the last meeting, CPI has responded to Board requests and concerns. In addition, CPI is proposing to amend the 2020 Bonus Allocation Agreement in certain respects as well. The documents are attached and described as follows:

1. Revised Board Resolution. (clean and blackline (pdf). The revised Board Resolution incorporates three initiatives: (1) Adoption of the revised Bonus Allocation Agreement for R-5930, (2) introduction of the Alternative Acceleration Procedure for R-5930 and (3) adoption of the First Amendment to the 2020 Bonus Allocation Agreement. This is the first time the concept of an Alternative Acceleration Procedure has been raised. CPI and DOT are in discussions related to alternative acceleration procedures that may achieve the acceleration of R-5930 at a lower cost to CPI. If CPI chooses an alternative acceleration procedure for R-5930, then the Town has resolved to cooperate with the alternative acceleration procedure. The Town's cooperation is related to serving as a conduit for dedication or right of way and contribution of funds paid by CPI. CPI has agreed to reimburse the Town for its reasonable expenses in either case. This is the same role as the Town would have in the Bonus Allocation Program and the same commitment by CPI to reimburse the Town for its reasonable costs.
2. First Amendment to 2020 Bonus Allocation. This document relates to the 2020 Bonus Allocation approved by the Board on August 10, 2020, regarding approximately \$1.9M in Bonus Allocation. The elements that have been changed are: (i) authorization of CPI to identify the road project to which the Bonus Allocation credit will be applied and (ii)

reimbursement to the Town of expenses it incurs in supporting the reimbursement process. This amendment also addresses the possibility that DOT prosecutes the work. The original 2020 Bonus Allocation Agreement presumed that CPI would prosecute the Work. Basically, CPI will have the authority to choose the Additional Roads so long the Additional Road selected by CPI also “serves the Town” (the statutory standard).

3. Revised Bonus Allocation Agreement re R-5930A. (clean and blackline (pdf) attached). This agreement has been revised to address Commissioner Shipp’s concerns raised in the Board meeting on November 28, 2022. However, If CPI chooses to pursue a different procedure to accelerate R-5930, (as set out in the Resolution) then the Bonus Allocation Agreement is of no further force and effect.
4. Summary. There are two fundamental goals set out in these documents: (1) Authorize CPI to choose the Additional Roads under the 2020 Bonus Allocation Agreement and (2) secure the Town’s cooperation to serve as a conduit for Right of Way and contribution of funds regardless of the procedure chosen by CPI to accelerate construction of R-5930.

**Recommended Action:**

Approve the Resolution to approve the revised 2022 Bonus Allocation Agreement, the First Amendment to the 2020 Bonus Allocation Agreement and Alternative Acceleration Procedures and authorize the execution of the Agreements.