

## Legislation Text

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File #: 15-7416, Version: 1

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### **Contract Amendment to Reimbursable Sewer Contract with Barclay Properties of Southpark LLC**

#### **Action:**

- A. Approve a contract amendment to the contract with Barclay Properties of Southpark, LLC. in the amount of \$4,250,000 for reimbursement of costs associated with the Little Sugar Creek Tributary to Fairview Road Sanitary Sewer Improvements Project, and**
- B. Adopt a Budget Ordinance to appropriate \$5,650,000 from Barclay Properties of Southpark, LLC.**

#### **Staff Resource(s):**

Angela Lee, Charlotte Water  
Ron Hargrove, Charlotte Water  
Carl Wilson, Charlotte Water

#### **Explanation**

- On November 28, 2016, the City Council:
  - Approved a 5-year reimbursable contract with Barclay Properties of Southpark LLC to provide sanitary sewer capacity for a development in the SouthPark area of Charlotte in the amount of \$1,750,000, and
  - Adopted a budget ordinance to appropriate \$350,000 received upfront from Barclay Properties of Southpark LLC.
- Under the original contract the developer will cover the costs of construction estimated to be approximately \$1,750,000 and then be reimbursed by Charlotte Water over five years.
- This original scope of the project included the replacement of approximately 6,000 linear feet of existing 8 and 10-inch gravity sewer that paralleled a tributary of Upper Little Sugar Creek south of Tyvola Road and Fairview Road, from Piedmont Row Drive to the Little Sugar Creek Sanitary Sewer Outfall in Park Road Park (City Council District 6).
- The estimated construction costs were based on the idea that the existing sewer main could be dug up and replaced or replaced via trenchless construction with a 15-inch diameter gravity sewer main.
- After the completion of preliminary engineering, it was discovered that a 15-inch gravity sewer would not provide adequate sewer capacity to support projected future growth in the area.
- The existing sewer line will now be replaced with 24 and 30-inch diameter gravity sewer mains, which will require additional easement acquisition and site work.
- This amendment will limit Barclay Properties of Southpark LLC cost to \$6 million.
  - The reimbursement agreement requires the eligible project costs to be reimbursed over five years in five equal payments after completion of the project.
- The total project costs are anticipated to be approximately \$14 million due to the increase in project scope.
- The portion of this project funded by the City will be covered within the existing program to replace capacity limited sewer in the Charlotte Water Community Investment Plan.
- The contract for Construction Manager at Risk Services for the Doby Creek and Little Sugar Creek Tributary to Fairview Road Sanitary Sewer Improvement Projects will be included on the March 26, 2018 Council Business Agenda.

**Fiscal Note**

Funding: Charlotte Water Community Investment Plan

**Attachment(s)**

Budget Ordinance

Map