



# TOWN OF KILL DEVIL HILLS

*Land Where Flight Began*

MEMORANDUM

December 10, 2018

TO: Mayor and Board of Commissioners

FROM: Debora P. Diaz, Town Manager

REF: New Business

**1. Recommendations for acceptance of bids, and related matters, for the following capital projects (Attached NB-1A and 1B)**

**A. Elevated water tank replacement, including drainage improvements and dedication of new easement in front of the Fire Station at 1634 North Croatan Highway**

**B. Public/private partnership sidewalks and drainage improvements project at the Dare Centre, 1700 North Croatan Highway**

Our Public Services Staff and Town Engineer Pete Burkheimer have done an excellent job in planning and coordinating all aspects of replacing the elevated water tank at 1634 North Croatan Highway, which is recommended to include:

- drainage improvements in front of the Fire Station;
- abandonment of an NC-DOT drainage easement between the Fire Station and Meekins Field, and creation of a new variable width drainage easement between the Town's property and US 158 on which the new drainage improvements will be constructed; and,
- sidewalk construction and drainage construction at the Dare Centre, which is adjacent to the proposed elevated tank work, through public/private partnership between the Town and Washington Prime Group, Inc., owner of the Dare Centre. Washington Prime Group has committed \$125,000 for this purpose, and a representative may attend this meeting to present the Board with a check for this purpose.

Mr. Burkheimer's explanations provide information on the bids and construction costs and include a spreadsheet on the overall bid summary. Mr. Albright's memorandum includes a table which sorts the recommended bids, engineering and construction oversite expenses, and improvements recommendations in an abbreviated manner, including which expenses will be Water Fund-related, and which will be General Fund/Streets-related.

Staff recommends the Board of Commissioners accept the bids for the elevated water tank replacement, and associated drainage improvements project in front of the Fire Station, the costs of which will be borne by the Water Fund, by approving the following motion to:

- Accept the bid from, and approve and authorize the Town Manager to execute the contract with, Landmark Structures for replacement of the elevated water tank at 1634 North Croatan Highway, as outlined, in the amount of \$2,855,000.00;
- Accept the bid from, and approve and authorize the Town Manager to execute the contract with Hatchell Concrete, Inc. for the Fire Station Drainage Relocation Project as outlined in the amount of \$423,533.00.
- Approve the engineering services agreement with American Engineering, and authorize its execution by the Town Manager, in the total amount of \$363,781.03 for construction oversight services (includes work by American \$77,500; Dewberry \$79,960; Quinn Consulting Services \$131,340.48; GET Solutions \$48,955; plus American's markup of sub-consultants for the grand total above);
- Approve a 10% not-to-exceed contingency for the elevated tank portions of the project in the amount of \$285,500 and 6% not-to-exceed contingency for the drainage portions of the project in the amount of \$25,411.98;
- Approve Budget Amendment #11 to provide funds for this project; and
- Approve abandonment of the existing drainage easement between the Fire Station and Meekins Field, and creation of a variable width easement between the Town's property and US 158, in front of the Fire Station, as presented in the engineer's attached drawing.

Staff further recommends approval of the US 158 Sidewalk Improvements Phase 3. A motion will be in order to:

- Approve the contract with Hatchell Concrete, Inc. for US 158 Sidewalk Improvements Phase 3 Project in the amount of \$384,622.33 and authorize its execution by the Town Manager;
- Approve the engineering services agreement with American Engineering in the total amount of \$18,000 for construction oversight services;
- Approve a 6% not-to-exceed contingency for the streets and drainage portions of the project in the amount of \$23,077.34; and
- Authorize expenditure of \$100,000 from the Sidewalk Capital Reserve Fund and approve Budget Amendment #13 to provide additional funds necessary for the Dare Centre sidewalk project.

Mr. Albright and Mr. Burkheimer will be present for additional review and to answer any questions the Board may have on these items.

**C. Final Phase of the Public Works Complex Capital Improvements Project  
(Attached NB-1C)**

Engineer Donald Booth of DJG, Inc, our consultants for the Public Works Complex Improvements Projects, will be present to address the Board on the recommendation to accept the bid from A. R. Chesson Construction for completion of the final phase of this project. The final phase includes construction of storage facilities for the Town's solid waste collection equipment; and, construction of state-mandated improvements at the Animal Control facility. The total bid from Chesson is \$4,084,250.00; engineering and contract administration will be \$65,710; and, the contingency amount is 10%, \$414,996, for a total project cost not to exceed \$4,564,956.

As this project is being funded through conventional financing, the Board of Commissioners took previous action on this project:

- Adoption of the Resolution Directing Staff to Request Financing Proposals from Banks.
- A public hearing was held on November 14, 2018 for the purpose of receiving public comment on the proposed financing contract for this project. BB&T submitted the recommended financing package: 4.07% fixed interest rate for the 15-year life of the loan.
- Adoption of the Resolution Approving Financing Terms [for the] Final Phase of the Public Works Complex Capital Improvements Project.
- Adoption of the Resolution Authorizing Staff to File an Application with the North Carolina Local Government Commission.
- Adoption of the Capital Project Ordinance for the Final Phase of the Public Works Complex Capital Improvements Project.

DJG and Staff recommend acceptance of this bid