



City of Greensboro

Melvin Municipal
Office Building
300 W. Washington Street
Greensboro, NC 27401

Agenda Report

File Number: 2023-591

Agenda Item# I.13.

Agenda Date: 8/15/2023. **Department:** Water Resources

Meeting Type: Council Meeting **Category:** General Business Agenda

Title: 2023 – 591 Ordinance to Amend the Water Resources Capital Project Revenue Bond Fund Budget to Appropriate Funding for a Reimbursement Agreement for Utility Construction Services at the Greensboro-Randolph Megasite in the Amount of \$30,000,000

Council Priority: Place an ‘x’ in the box.

- | | |
|--|---|
| <input type="checkbox"/> Safest City | <input type="checkbox"/> Most Skilled Workforce |
| <input checked="" type="checkbox"/> Easiest Place to Do Business | <input type="checkbox"/> Most Connected City |
| <input type="checkbox"/> Youth Sports Capital | <input type="checkbox"/> Hub of Recreation and Entertainment |
| <input type="checkbox"/> Abundance of Attainable Housing | <input checked="" type="checkbox"/> Other/Admin <u>Infrastructure Improvement</u> |

Council District: N/A

Public Hearing: No

Advertising Date/By: N/A

Contact 1 and Phone: Michael Borchers, Ext. 2494

Contact 2 and Phone: Virginia Spillman, Ext. 3260

PURPOSE:

The City of Greensboro Water Resources Department requests approval to amend bond funding for the Water Resources Capital Project Revenue Bond Fund budget for a reimbursement agreement with the North Carolina Department of Transportation (NCDOT). The reimbursement agreement covers utility construction services supporting the Greensboro-Randolph Megasite. Council approval is requested for a budget ordinance to permit the expenditure of funds.

BACKGROUND:

On March 15, 2022 and December 20, 2022, City Council approved on each occasion \$20,000,000 in funding for the North Carolina Department of Transportation (NCDOT) for utility construction services supporting the Megasite. The funds approved thus far and with this final agenda item, will be paid to NCDOT in the form of a State reimbursement agreement. This form of agreement was best suited to meet the aggressive construction schedule for the Megasite considering NCDOT has overall construction management authority for the site including grading, roadway construction, and onsite utility improvements. The city’s funding through NCDOT covers utility construction of the on-site water and sewer lines to service the manufacturing and support buildings agreed to in the Master Agreement with Toyota. This final funding installment covers the costs tied to the installation of the public gravity sewer extension

Vision Statement: “A Community with Endless Economic Opportunities and Exceptional Quality of Life.”

serving the Megasite that will flow to the Sandy Creek Lift Station and the public sewer force main from the station to the city's sewer collection system.

Water Resources is requesting approval of a final funding installment of \$30,000,000 for the reimbursement agreement covering the continuing utility installation work at the Megasite. Supply chain issues, material and fuel price increases, aggressive construction schedules, large quantities of rock excavation, and other on-site construction changes and constraints are contributing factors to the higher total cost the City is responsible for covering through the utility reimbursement agreement. The costs include actual (material) quantities and the final totaled expenses once the utility construction work is complete. In determining the final settlement of expenses, the city of Greensboro's cost may be under the total requested funding level of \$70,000,000.

BUDGET IMPACT:

This amendment will increase the Water Resources Bond Fund budget by \$30,000,000 from revenue bond funding.

ACCOUNT NUMBER:

518-70-7099189.6016

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RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council adopt the budget ordinance to amend the Water Resources Capital Project Revenue Bond Fund Budget to appropriate funding for a reimbursement agreement with North Carolina Department of Transportation (NCDOT) for utility construction services supporting the Greensboro-Randolph Megasite.