

**TOWN OF BLACK MOUNTAIN BOARD OF ALDERMEN**  
**REQUEST FOR BOARD ACTION**  
**Meeting Date: March 14, 2011**

**SUBJECT:** Amendment to Capital Project Ordinance-Annexation Sewer Line Construction (McCoy, Avena, Blue Ridge Road areas)

**AGENDA INFORMATION**

**Agenda Location:** Consent Agenda  
**Item Number:** 4-B  
**Department:** Finance & Public Services Departments  
**Contact:** Mark Combs, Public Services Director  
Betsy Wilson, Finance Department Consultant  
**Presenter:** Marcy Onieal, Town Manager

**BRIEF SUMMARY:** Before the Town can draw down the proceeds from approved debt financing extended by NC Construction Grants & Loans for the Annexation Sewer Line Construction Project (McCoy, Avena, Blue Ridge Road areas), the Board must amend the capital project ordinance to reflect a revised project budget, based on the actual construction contract and current related costs. The original project ordinance, adopted May 14, 2007 was based on preliminary rough construction estimates totaling \$961,000. Debt financing was approved based on revised cost estimates in 2008 at a total of \$1.396 million. As we near completion of construction, it appears that actual costs will come in at just over \$1.1 million, and the associated capital project ordinance is being amended accordingly.

**MOTION FOR CONSIDERATION:** To approve as presented, amendments to the capital project ordinance for Annexation Sewer Line Construction (McCoy, Avena, Blue Ridge Road areas), originally adopted May 14, 2007, to reflect the change from original estimated budget to current estimated actual cost.

**FUNDING SOURCE:** No new funding required. Total project costs are expected to total \$1,130, 216, well under the previously approved total of \$1.396 million. Revenue anticipated for completion of the project includes \$974,344 in proceeds from debt financing and \$155,872 in Water Fund contribution. The 35% reimbursement expected from MSD, totaling approximately \$375,000, will be reserved for construction of the final annexation sewer extension project for which the Town is obligated in the Cragmont/Tabernacle area. Preliminary review and surveying of the area is currently underway by David E. Smith and Company, which has provided design, engineering and project management for all six sewer extension projects resulting from annexations in the early 80's.

**ATTACHMENTS:** revised project ordinance

**MANAGER'S COMMENTS AND RECOMMENDATIONS:** Adopt as presented.