

LAKE LURE TOWN COUNCIL REGULAR MEETING PACKET

Tuesday, February 28, 2012 (6 p.m.)



Mayor Bob Keith

Commissioner John Moore

Commissioner Mary Ann Silvey

Commissioner Diane Barrett

Commissioner Bob Cameron



SPECIAL MEETING OF THE LAKE LURE TOWN COUNCIL

Tuesday, February 28, 2012
6:00 p.m.
Lake Lure Municipal Center

AGENDA

1. Call to Order
2. Consider Approval of a Budget Amendment
From the Parks and Recreation Board Regarding
Morse Park Project Expense
Ed Dittmer,
Parks & Rec. Board
Chairman
3. Discussion of Potential Dates to Hold a Special Meeting/Budget Workshop
4. Adjournment

Agenda Item: 2

Andi Calvert

From: Lake Lure Town Manager [townmgr@townoflakelure.com]
Sent: Wednesday, February 22, 2012 5:44 PM
To: 'Lake Lure Mayor'; 'Sam Karr'; 'Andi Calvert'; 'Ed Dittmer'
Subject: Morse Park project budget

All: Ed debriefed me on the latest developments with the costs for the Morse Park drainage/wetlands enhancement project. He would like to bring a budget amendment to the council at their special meeting on the 28th, but we've already advertised it and can't add to the agenda.

Andi, do you think the council could schedule a second special meeting on the same day (either before or after) and advertise it? This could have whatever agenda they like.

As to the budget amendment, Parks & Rec proposed to the council last year that it might be an \$80,000 project and council spread that over two years. Then, recently, it looked like it was going to be a \$180-200,000 project that would have to be spread over three years. Now, they're back to around \$100,000 in this fiscal year and \$20,000 to follow next year. I think there is logic to this...here's some language you can consider using in your budget amendment request to council:

- Use fund balance to increase this year's Morse Park project budget from \$40,000 to \$100,000 in order to take advantage of a single mobilization, get the job essentially done and to save tens of thousands over the 3-year approach. All that would be necessary in next year's budget is \$20,000 of finish and planting.
- We've not had to dip into fund balance for 3 years, but have instead contributed savings to it. Well, technically, at the end of FY 10 or 11, we did re-use some of the contributed surplus to pay a COLA increase to employees.
- The fund balance is there for these purposes: (1) to serve as an insurance against unforeseen expenses or revenue shortfalls, (2) to take advantage of unanticipated investment opportunities. I'd categorize the Morse park opportunity as the latter...we can use our savings to pay for the entire construction phase of the project now in order to realize savings that go away if we stretch the project out in phases.

Chris Braund

Town Manager
 (828) 625-9983 x101



23 February 2012

From: Ed Dittmer, Chairman, Parks and Recreation Board

To: Mayor Bob Keith
Commissioner John Moore
Commissioner Mary Ann Silvey
Commissioner Bob Cameron
Commissioner Diane Barrett

Subject: Morse Park Stormwater Drainage and Wetland Restoration and Enhancement Plan

Town Council last year endorsed the subject project which was estimated by our consultant Equinox Environmental at a total construction and wetland restoration cost of \$80K. That cost did not include any permitting or erosion control plan costs, nor any bid processing, or project management cost, and was originally projected to be done all at one time this year. Last year Town Council endorsed the plan but directed that the project be funded over two budget years and thus appropriated only \$40K for this fiscal year with the intent to appropriate the other \$40K in the FY2012/2013 CIP budget to complete the project.

Since any work in wetlands requires a myriad of federal and state permit approvals and an erosion control plan coupled with the close follow-up scrutiny by those agencies and because of the minimal drainage grade in Morse Park, we hired Equinox who developed the plan to guide us through the permitting maze, develop and get approved an erosion control plan, assist in the bidding process, and provide project management responsibilities. With the required permitting, bidding process, and erosion control plan fees incurred to date, there is only approximately \$33K left this FY. Only having the Equinox guesstimate of the approved plan total project cost and not knowing actual construction cost figures, in January we put out an initial bid package to three companies that were recommended by our consultant firm Equinox with experience in wetland projects. As we were not fully funded at the estimated project cost, we had to spread the project cost over three FYs to keep any one year budget requests manageable in the overall Town budget. We included a request in the initial bid package for bids to do all of the earthmoving/piping/culverts/seeding/ and wetland planting called for in the approved plan at one time, as well as asking for bids broken down into three phases as follow:

Phase 1 of this phased plan was to take advantage of the lowered lake level and water table this winter/spring to do all of the dredging, grading, tree removal, seeding, etc. to create a land bridge at the head of the pond in the park and diverting the stormwater drainage in the park from the near wetland to several ponds of varied depth in the middle wetland in the park in order to filter pollutants in the stormwater and take the first step in wetland restoration to create an attractive wetland habitat in the middle wetland and providing a channel through a culvert under the existing walking path for the water to proceed gradually into the far wetland and eventual outflow into the lake.

Phase 2 of the project under this phased plan was to be put off until next fiscal year off season to spread out costs and would consist of laying underground piping to channel stormwater drainage from the parking areas in Morse Park to the current near wetland near the entrance to Morse Park Gardens for subsequent gradual flow into the revamped middle wetland area created under Phase1. This would remove the current grassed drainage ditch in the middle of the Meadow event area and remove any standing pools of water in the parking lots and near the picnic shelter area in the park after heavy rains.

Also during this phase, the area over the buried piping between the existing meadow and the sediment spoils berm would be leveled out and seeded to create additional grassed meadow event space.

Phase 3 of the phased plan is the wetland enhancement part of the plan and involves essentially only planting and landscaping to make all of the three wetlands and adjacent areas of Morse Park Gardens inviting places for wetland plant and animal habitat, with additional walking paths and wetland habitat educational signage in the area. For budgeting reasons, this Phase 3 of the Morse Park Plan had been put off to follow in the fall of 2013 after all of the earth disturbance has been completed under phases 1 and 2. To adhere to Council's direction to spread the project cost out over more than one fiscal year carries an inflation factor and increases equipment mobilization costs greatly and incurs temporary soil stabilization costs with temporary matting and seeding until permanent planting can be accomplished

That was the plan, but actual bids have now come in on these three phases of the project, as well as a cost of doing all of the construction work of the project at once rather than in phases, and new realities take hold and we have had to relook at our project strategy. The average of the two low bids came in at approximately \$185K for the entire project construction and enhancement cost, much above the \$80K cost projected by our plan consultants Equinox. At last Council meeting, It was proposed that Phase 1 of the revised plan be down-scaled to cut cost by eliminating all of the expense associated with any dredging and grading to create the several ponds in the middle wetland area, instead creating only an 8 foot wide channel for stormwater to flow slowly from the near wetland, through the cut creating the fill for the land bridge, and then on through a culvert to the far wetland. Straw wattles and temporary seeding would be laid over any disturbed earth within the required time frame. Several of the existing low wetland areas with standing shallow water when the lake is at full pond would be left generally undisturbed at this time in order to hopefully bring Phase 1 costs to within this year's remaining budget.

Fred Grogan of Equinox, the project manager, challenged the three initial contractor bids we had received and new bids were solicited reflecting a reduced scope of Phase 1 and revised bids for the remainder of the project, with the deferred work in the middle wetland now becoming phase 3 of the revised plan, with the wetland enhancement planting now becoming phase 4. Since the three contractors that have submitted bids on the project are all grading firms essentially, we propose to rebid at the appropriate time the wetland enhancement planting phase directly to wetland landscapers to avoid middleman contractor costs and if those bids are too high, we would propose that we work to preserve wetland plants currently in the undisturbed wetland area for replanting, along with additional wetland plant species called for in the Morse Park Wetland Restoration and Enhancement Plan, and perhaps consider do the enhancement work in-house with Public Works, although such efforts have not been successful in the past.

We subsequently received revised bids from the three bidding contractors and, although in one case lower than the original bid, the other two bids came in an average of \$20K more expensive to forgo doing all of the Middle wetland construction and restoration at the same time. Curiously, one bidder came in \$58K less to do all of construction and restoration work in three phases, rather than in two (indicating perhaps how inflated his original bid was to do all at once (less the planting), but the downscaled phase 1 bid from this contractor still came in \$25K over what we have this year in the budget.

At the February Town Council meeting, I briefed you on the new realities associated with the project and asked for a commitment to go ahead with a scaled-down Phase 1 of the plan this FY if we could bring costs down further. The Council supported this request with the instruction to seek a local

grading contractor bid. I immediately contacted Tim Edwards (of Tim Edwards Landscaping, Inc.) who has been under contract to the Town to do sediment dredging projects for the Lake Operations Department. Since the bidding process was still open and the projected cost above the legal threshold, we had to present him with the same project plans and specs and bidding packages as the other three contractors had received and gave him an on-site walkthrough and description of the scope of the project and the project phases we had had to resort to. Last Monday we received a bid from Tim Edwards, but he had partnered with Terry Baker of Construction Specialties & Design Builders Inc. (CSDB) to have Terry do the required surveying, which is essential to this job due to the mere 3 foot grade difference from the drainage piping inlet headwall near the Visitor Center all the way to the planned outlet at the far wetland in Morse Park at the confluence of Broad River into the lake.. The Edwards Landscaping/CSDB bid came within our budget for the downscaled phase 1 and was approximately \$26K under the revised bid total of the next lowest bid (Suttles Grading of Marion, NC) for the downscaled phase 1. Edwards Landscaping/ CSDB has been notified of their bid selection for the downscaled phase 1 and Tim plans to have the grading completed within 2 weeks after contract signing. No contract, though, has yet been signed as we continue to negotiate a lower surveying cost. The Edwards Landscaping/CSDB bid to do all construction work in three phases overall was \$68.7K under the average bid of the other three bidders.

Last Wednesday a required pre-construction meeting was held with Tim Edwards and Terry Baker, along with project manager Fred Grogan/Equinox, Liz Hair/Army Corps of Engineers, Clint Calhoun, Shannon Baldwin, and me to make sure the selected phase 1 contractor was fully aware of the required scope of work and expectations and wetland equipment limitations. At this meeting a number of questions were raised on what soils can be used for the landbridge and what areas can be disturbed to obtain the soils needed for the landbridge. The downscaled phase 1 plan limits the amount of available material to this end, as well as affecting the availability of the soil cover over the piping and the subsequent leveling in the Meadow and adjacent wetland area that has had to be delayed until next FY due to this year's budget. The major earthmoving that would provide all needed soil material under the plan has been put off until phase 3 because of cost. Also delaying doing all of the earthmoving construction into three separate phases to stay within current and projected budgets carries an inflation factor and increases equipment mobilization costs greatly, and incurs temporary soil stabilization costs with temporary matting and seeding until permanent seeding and planting can be accomplished in any later phases of the project, and potentially it could result in several thousands of dollars in increased costs doing it over three FYs and result in our Town showcase park and resident and tourist attraction to be in a multi-year state of construction. We also run the risk of not getting the total project completed in the allotted time frame of the permit and the Town therefore being liable for wetland mitigation or restoration costs.

Edwards Landscaping/CSDB has submitted a bid of \$109.5K to do all of the project construction work (revised phases 1, 2, and 3) at one time, starting by 1 March, but I am attempting to get the surveying cost of this estimate reduced by \$10K. This bid of \$109.5K is approximately \$46K under the average of the other three bidders to do all construction at one time. On behalf of the Parks and Recreation Board, I strongly recommend that Council authorize a budget adjustment of an additional \$80K this fiscal year to the Parks and Recreation CIP budget to get all of the Morse Park construction completed as originally planned at one time over the next month for the reasons outlined above, so as to get all of the construction work done now at a reduced cost, and to provide some minimal flexibility to cover any possible unanticipated but necessary change order. If I can get the cost reduced to \$100K or less, the difference would be returned to the Town General Fund. This would obviate the need for any such Morse Park construction funding over the next two years, and only an estimated wetland enhancement planting cost of approximately \$20K along with remaining project management expenses would be

asked for next FY to complete the Morse Park project and meet the deadline required by the USACE permit to get the entire project completed, including the wetland enhancement.

I brought Town Manager Chris Braund up to date on the project and about this budget request before his vacation departure and have provided his view as expressed in a follow-on email to me, Mayor Keith, and Sam Karr:

As to the budget amendment, Parks & Rec proposed to the council last year that it might be an \$80,000 project and council spread that over two years. Then, recently, it looked like it was going to be a \$180-200,000 project that would have to be spread over three years. Now, they're back to around \$100,000 in this fiscal year and \$20,000 to follow next year. I think there is logic to this...here's some language you can consider using in your budget amendment request to council:

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When I discussed the Morse Park project on Wednesday with Chris, I was hopeful that Tim Edwards would be able to lower by \$10K the surveying cost in his bid and reduce his overall bid to at least \$100K for the entire construction work, or perhaps he seek another surveyor. That has not yet happened. As our project budget remaining this FY is \$33K, a minimum of \$77K budget upward adjustment would be required at this time, with an additional \$3K contingency requested, if Council approves the funding of a single year Morse Park construction project as recommended.

If we are ever to achieve our goal of making Morse Park an attraction destination for our residents and visitors and a place to experience and be proud of, while enhancing the wetland habitat, expanding the walking path system, and making the meadow event area larger, more useable, and free of drainage pools, I believe this project is a necessary step to achieving that goal. On behalf of the Parks and Recreation Board I respectfully request favorable consideration of this budget adjustment request.

Ed

Cc: Financial Director Sam Karr
Community Development Director Shannon Baldwin
Town Clerk Andi Calvert

Agenda Item: 3

Andi Calvert

From: Lake Lure Town Manager [townmgr@townoflakelure.com]
Sent: Tuesday, February 21, 2012 9:22 AM
To: 'Sam Karr'; 'Julie Scherer'; 'Andi Calvert '
Cc: Bob Cameron; Bob Keith; Diane Barrett; John W. Moore; Mary Ann Dotson
Subject: Budget Workshop

Andi & Sam: at the February 28th special council meeting, the council should schedule a budget workshop in mid-to-late March. It should be all day and include the following:

- 1) iPad training (1 hr)
- 2) Review department operational budgets (4 hours)
- 3) Hear presentations by golf course operators (3 hours)

Thanks -

Chris Braund
Town Manager
(828) 625-9983 x101

