

MEMORANDUM

TO: City Council
Jeff Mikorski, City Manager

FROM: Timothy L. Ball, General Manager, MUB

DATE: May 22, 2014

SUBJECT: **Storm Surcharge Rate Ordinance – Forest / Poplar Annexation**
COUNCIL COMMITTEE OF THE WHOLE MEETING INFORMATION
May 27, 2014

This will serve as a read ahead to help you prepare for the meeting. If you have any questions please feel free to contact me prior to the meeting on Tuesday evening.

Storm Surcharge Rate Ordinance – Forest / Poplar Annexation

Residents of the Oakview Subdivision are planning to petition City Council to annex their area. Such an annexation will enlarge the service area of the MUB stormwater utility, and will thus place responsibility upon MUB for stormwater management within the annexed area and within the surrounding watershed that drains into it.

The Oakview area is subject to frequent stormwater flooding, due to a combination of poorly managed stormwater practices throughout its watershed, and inadequate storm infrastructure to convey the resulting flows. Because of these extreme pre-existing conditions, MUB proposes that if the Oakview subdivision is annexed, a stormwater surcharge must be enacted on all properties draining into the subject area. The purpose of the surcharge will be to cover the cost of debt service incurred to immediately implement necessary improvements to the stormwater infrastructure.

Attachments are provided to describe the scope of the proposed improvements, the cost thereof, and the resulting surcharge.

All other MUB stormwater rates will remain unaffected.

Along with the draft Storm Surcharge ordinance, we provide the following related items:
Draft Reimbursement Resolution
Draft Bond Ordinance

All of these MUB sponsored ordinances may be tabled until the Oakview petitioners present an annexation ordinance for your consideration, so that they may follow the same schedule as the pending annexation ordinance.

I will attend the Council meeting of Tuesday May 27, and I will be happy to address any questions that you may have for me.

Of course, please feel free to contact me by phone or email if you have any questions.

Scope of Project – Is proposed to include the following components:

1. Sanitary sewer replacement
 - a. From Forest Drive upstream to a point near the cul de sac at Poplar Dr
 - b. Upgrade from 10" to 12" for future capacity
 - c. At MUB's expense
 - d. To be done regardless of fate of other project components
 - e. MUB will continue to own and maintain the sanitary sewer

2. New 48" storm culvert
 - a. From end of stream at 112 Forest to outfall at Burroughs Run at Morningside
 - b. Parallel to existing 24" storm which will be preserved
 - c. At expense of residents via surcharge on MUB stormwater bill, applies to:
 - i. Oakview
 - ii. Poplar Woods
 - iii. Windsor Estates
 - iv. Non-residential properties along ridgeline entering Windsor Estates
 - d. To be done only if Oakview is annexed
 - e. MUB will own and maintain existing and proposed storm sewers; existing must be conveyed to MUB by HOA
 - f. MUB will regulate surface water upon and from future development in the sub-watershed in accordance with its NPDES permit, Morgantown MS4 ordinances and best management practices

3. Stabilization of Stream
 - a. Along same route/length of sanitary sewer
 - i. Design standard as set by Corps of Engineers (USACE), but varies according to factors described below.
 - b. Full scope at MUB's expense, if:
 - i. Temporary Construction Easements are granted to MUB, and
 - ii. All project elements constructed simultaneously, and
 - iii. Oakview is annexed
 - iv. If conditions b.i , b.ii and b.iii are not (all) met, then:
 - c. Limited restoration at MUB's expense:
 - i. At points of sewer crossings only
 - ii. Using existing sanitary sewer rights of way, and

- d. Remaining stream areas stabilized at residents expense, if:
 - i. Temporary Construction Easements granted to MUB, and
 - ii. Oakview is annexed
 - iii. City Council adopts rate and surcharge to meet project debt service requirements.
 - iv. Property owners will continue to own the property through which the stream flows; MUB will maintain the stream. MUB will need TCE's from property owners for all future maintenance activities (at the time of such activities).
 - v. **It is hoped that this option can be avoided by keeping all work to be done simultaneously (see 3.b, above). Residents have not committed to accepting this additional cost.**

Timing and Sequencing

Timing and sequencing of the project will have profound affect on total cost, by whom the cost must be paid, and on the scope of work that will ultimately be done.

There are significant advantages to performing all the proposed work with simultaneous contracts. The advantages include:

- Deductive bid alternates reducing total project cost by \$17,235
- Reduced duration of disruption and inconvenience to the neighborhood
- Certainty of scope of work, allowing the most effective use of funds
- **Optimal mitigation of risk of downstream flooding**

MUB is currently under Order from the PSC to begin sanitary sewer work in May 2014. Because annexation cannot be accomplished that quickly, compliance with the PSC Order would effectively require that the construction of the replacement sanitary sewer and the proposed 48" storm sewer would then be done separately. While we are prepared to begin the sewer repair, we have filed a pleading with the PSC to allow for additional time to organize and fund the larger project.

Alts 1, 2, 5, and 6 reflect concurrent construction. Alts 1 and 2 are no longer possible because of the PSC Order, and because the County has declined to fund or finance the project. Alts 5 and 6 assume that the PSC timing constraint will be relaxed to allow MUB until September to begin sanitary construction.

If the sanitary and storm sewers are constructed separately, the above advantages would be lost. See Alts 3A, 3B, 4A, and 4B. Most significantly, because the fate of the 48 inch storm sewer would be uncertain, the sanitary sewer project would be forced:

- to add fortification of the sanitary sewer to protect it from the un-stabilized stream, at a cost of \$19,340
- to perform limited stream restoration in areas of the sanitary work, at a cost of \$82,134
- to delete originally planned stabilization of the entire stream length, at a savings of \$116,653. **This deletion is necessary because of the potential that improvements to the full stream length might exacerbate downstream flooding, if not accompanied by the proposed 48 inch storm pipe upgrade.**

Including the loss of the deductive alternative, MUB's net savings from removing the entire stream stabilization is only about \$7,000. This "savings" is insignificant compared to the lost benefit of the stream restoration that might not be done.

Compounding the above is the fact that if the stream stabilization would later be done as part of the delayed 48" storm construction, it would still cost the deferred (and now additional) \$116,653, and the \$100,000+ spent by MUB on pipe fortification and limited stream restoration would be essentially wasted. This scenario must be avoided.

For the above reasons, MUB has filed a request with the PSC for a time extension to allow MUB until September to begin sanitary construction. See Alts 5,6. Alt 5 assumes that the project proceeds by July 5; Alt 6 assumes that the project proceeds on/about Sept 5.

Current bids for the subject work will expire July 5. The contractor has verbally agreed to extend the bids to Sep 5, but with a possible price increase of up to 10%. In order to minimize possible price increases, the project should move forward literally ASAP. That schedule appears to be:

May 23	MUB issue RFP for bank loans
May 27	Committee of the Whole – present draft ordinances for annexation, bond issue, storm surcharge
June 3	City Council – 1 st reading of annexation, and bond issue
June 13	MUB receives bank rate quotes
June 17	City Council – 1 st reading storm surcharge, 2 nd reading of annexation, and bond issue

- July 1 City Council – 2nd reading storm surcharge, 3rd reading of bond issue
- July 11 MUB – close on financing (requires 1 week extension of construction bids)
- July 14 MUB – award construction contracts

Storm Surcharge

The cost of the 48" storm project will be paid by the residents of Oakview, and by the residents/property owners upstream of Oakview from where the storm waters originate. This is consistent with MUB's approach in other areas of its stormwater service area (think of unincorporated North Hills flowing into Suncrest as the poster child example). It is this protection and practice that forms the foundation of the residents' request to be annexed.

Projections of possible surcharge amounts are presented in a number of attached spread sheets, which correspond to the alternatives discussed above under Timing and Sequencing. The surcharge will be calculated to cover debt service on a loan, the principal of which will be the cost of the 48" storm project. The loan will be taken in the name of the City / MUB for the benefit of the residents served in the identified area. The surcharge will exist for the life of the bonds, and will terminate upon retirement of the bonds.

Due to the small size of the loan, we expect to finance it using a local bank loan. The alternative would be a conventional municipal bond. Either way, a bond ordinance is required. The bank loan would have a lower cost of issuance, and a possibly lower interest rate, but would probably have a shorter duration (15 or 20 years maximum, compared to 30 years for the municipal bond).

We will issue an RFP for bank quotes. It typically takes about 3 weeks for banks to respond. For that reason, the surcharge ordinance will probably follow a later introduction to City Council (by 1 meeting cycle).

If surplus funds remain following completion of construction, they will be accounted for and effectively placed into escrow, so that they may be applied to the remaining principal at the end of the life of the bond, thus shortening the duration of the surcharge. A shortage of project funds will be treated similarly, extending the duration of the surcharge. The surcharge can be revised annually to reflect a significant change (5% or more) in the number of customers being subject thereto.

Rights of Way & Temporary Construction Easements

MUB already possess sufficient rights of way to conduct the replacement of the sanitary sewer, including stream restoration related solely to the work on the sanitary sewer. But, for the general work of stabilizing the full length of the stream, which is unrelated to the sanitary sewer, we lack similar authority. For that reason, Temporary Construction Easements (TCE's) will be required.

To date, we have been granted only 16 of the 39 TCE's that are needed. All 39 TCE's will be necessary in order for the stream work to be done. And for the many reasons described above regarding the need for simultaneous contracting of all the work,, that translates into all TCE's being needed before ANY work can begin.

Progress on obtaining the TCE's has accelerated recently. Combined with the requested time extension from the PSC, we are optimistic that obtaining the remaining TCE's will not be a problem. The project budget does not include funds for obtaining TCE's.

Funding Scenarios

Forest / Poplar 48" Stormwater Culvert as MUB project with only Oakview annexed.
Residential equivalents based on impervious square feet

Location	Number of Homes	Estimated Project Cost	709,213.49	Option 6
Oakview	48	If County pays:	Then residents pay:	
Poplar Woods	25			
Morningside		\$100,000	\$609,213	
Greenbrier		\$150,000	\$559,213	
Windsor Ests	38			
Windsor Ests Apts	18 res equiv Sq ft			
Others Beyond 5 Subdiv's	95 res equiv Sq ft			
Total	224			

SURCHARGE SCENARIOS : Monthly per resident

Residents Share

Financing Terms

Interest rate Years	Financing Terms						
	3.5% 10	4.3% 20	4.8% 30	3.9% 15			
\$609,213	\$26.82	\$16.85	\$14.21		\$19.92		
\$559,213	\$24.61	\$15.47	\$13.05		\$18.28		

Funding Scenarios
 Forest / Poplar 48" Stormwater Culvert as MUB project with only Oakview annexed.
 Residential equivalents based on impervious square feet

Location	Number of Homes	Estimated Project Cost	652,068.05	Option 5
Oakview	48	If County pays:	Then residents pay:	
Poplar Woods	25			
Morningside		\$100,000	\$552,068	
Greenbrier		\$150,000	\$502,068	
Windsor Ests	38			
Windsor Ests Apts	18 res equiv Sq ft			
Others Beyond 5 Subdiv's	95 res equiv Sq ft			
Total	224			

SURCHARGE SCENARIOS : Monthly per resident

Residents Share	Interest rate Years	Financing Terms						
		3.5% 10	4.3% 20	4.8% 30	3.9% 15			
\$552,068		\$24.30	\$15.27	\$12.88		\$18.05		
\$502,068		\$22.10	\$13.89	\$11.71		\$16.41		

Funding Scenarios
 Forest / Poplar 48" Stormwater Culvert as MUB project with only Oakview annexed.
 Residential equivalents based on impervious square feet

Location	Number of Homes	Estimated Project Cost	827,922.49	Option 4B
Oakview	48	If County pays:	Then residents pay:	
Poplar Woods	25			
Morningside		\$100,000	\$727,922	
Greenbrier		\$150,000	\$677,922	
Windsor Ests	38			
Windsor Ests Apts	18 res equiv Sq ft			
Others Beyond 5 Subdiv's	95 res equiv Sq ft			
Total	224			

SURCHARGE SCENARIOS : Monthly per resident

Residents Share	Interest rate Years	Financing Terms				
		3.5%	4.3%	4.8%	3.9%	
		10	20	30	15	
\$727,922		\$32.04	\$20.14	\$16.98	\$23.80	
\$677,922		\$29.84	\$18.75	\$15.82	\$22.16	

Funding Scenarios
 Forest / Poplar 48" Stormwater Culvert as MUB project with only Oakview annexed.
 Residential equivalents based on impervious square feet

Location	Number of Homes	Estimated Project Cost	718,599.84	Option 4A
Oakview	48	If County pays:	Then residents pay:	
Poplar Woods	25			
Morningside		\$100,000	\$618,600	
Greenbrier		\$150,000	\$568,600	
Windsor Ests	38			
Windsor Ests Apts	18 res equiv Sq ft			
Others Beyond 5 Subdiv's	95 res equiv Sq ft			
Total	224			

SURCHARGE SCENARIOS : Monthly per resident

Residents Share	Interest rate Years	Financing Terms					
		3.5% 10	4.3% 20	4.8% 30	3.9% 15		
\$618,600		\$27.23	\$17.11	\$14.43	\$20.22		
\$568,600		\$25.03	\$15.73	\$13.27	\$18.59		

Funding Scenarios

5/15/14

Forest / Poplar 48" Stormwater Culvert as MUB project with only Oakview annexed.
 Residential equivalents based on impervious square feet

Location	Number of Homes	Estimated Project Cost	770,777.05	Option 3B
Oakview	48	If County pays:	Then residents pay:	
Poplar Woods	25			
Morningside		\$100,000	\$670,777	
Greenbrier		\$150,000	\$620,777	
Windsor Ests	38			
Windsor Ests Apts	18 res equiv Sq ft			
Others Beyond 5 Subdiv's	95 res equiv Sq ft			
Total	224			

SURCHARGE SCENARIOS : Monthly per resident

Residents Share

Financing Terms

Interest rate Years	Financing Terms							
	3.5% 10	4.3% 20	4.8% 30	3.9% 15				
\$670,777	\$29.53	\$18.56	\$15.65		\$21.93			
\$620,777	\$27.32	\$17.17	\$14.48		\$20.29			

Funding Scenarios

5/15/14

Forest / Poplar 48" Stormwater Culvert as MUB project with only Oakview annexed.

Residential equivalents based on impervious square feet

Location	Number of Homes	Estimated Project Cost	661,454.40	Option 3A
Oakview	48	If County pays:	Then residents pay:	
Poplar Woods	25			
Morningside		\$100,000	\$561,454	
Greenbrier		\$150,000	\$511,454	
Windsor Ests	38			
Windsor Ests Apts	18 res equiv Sq ft			
Others Beyond 5 Subdiv's	95 res equiv Sq ft			
Total	224			

SURCHARGE SCENARIOS : Monthly per resident

Residents Share

Financing Terms

Interest rate Years	3.5%		4.3%		4.8%		3.9%	
	10	20	30		15			
\$561,454	\$24.71	\$15.53	\$13.10		\$18.36			
\$511,454	\$22.51	\$14.15	\$11.93		\$16.72			

Funding Scenarios

5/15/14

Forest / Poplar 48" Stormwater Culvert as MUB project with only Oakview annexed.

Residential equivalents based on impervious square feet

Location	Number of Homes	Estimated Project Cost	\$627,068
Oakview	48	If County pays:	Then residents pay:
Poplar Woods	25		
Morningside		\$100,000	\$527,068
Greenbrier		\$150,000	\$477,068
Windsor Ests	38		
Windsor Ests Apts	18 res equiv Sq ft		
Others Beyond 5 Subdiv's	95 res equiv Sq ft		
Total	224		

Options 1, 2
NOT AVAILABLE

SURCHARGE SCENARIOS : Monthly per resident

Residents Share

Financing Terms

Interest rate Years	Financing Terms						
	3.5% 10	4.3% 20	4.8% 30				
\$527,068	\$23.20	\$14.58	\$12.30				
\$477,068	\$21.00	\$13.20	\$11.13				

ALT 6 - All work done with simultaneous contracts, but delayed to Sep 5
 48" Storm financed through MUB surcharge

	<u>Sanitary</u>	<u>Stream Component</u>	<u>48" Storm</u>	<u>Stream Component</u>
Original Bid				
12" Sanitary	261,817.00		516,253.10	
Stream	130,618.00	130,618.00	0.00	0.00
Transfer 48" storm components	(50,183.00)		55,201.30	
Sub Total	342,252.00	130,618.00	571,454.40	0.00
Post Bid Scope Changes				
Delete Original Stream Work	(130,618.00)	(130,618.00)		
Modified Stream per USACE	116,653.00	116,653.00		
Design Engineering	15,000.00		20,000.00	
Inspection	20,000.00		35,000.00	
Construction Engineering	10,000.00		10,000.00	
Contingencies @ 10%	34,225.20		57,145.44	
Sub Total	407,512.20	116,653.00	693,599.84	0.00
Deductive Alternative Cost of Borrowing	(7,848.65)		(9,386.35)	
	0.00		25,000.00	
Total	399,663.55	116,653.00	709,213.49	0.00

Notes:

- 1 This alternative requires approval by the PSC to allow sanitary sewer replacement to begin later than May. 90 day time extension will be requested.
- 2 Cost of borrowing is introduced because MUB must issue bonds instead of County funding.
- 3 Deductive Alternates are preserved
- 4 Sanitary sewer price does not increase 10% because MUB provides materials from inventory

ALT 5 - All work done with simultaneous contracts, and beginning by July 5, or soon thereafter
 48" Storm financed through MUB surcharge

	<u>Sanitary</u>	<u>Stream Component</u>	<u>48" Storm</u>	<u>Stream Component</u>
Original Bid				
12" Sanitary	261,817.00		469,321.00	
Stream	130,618.00	130,618.00	0.00	0.00
Transfer 48" storm components	(50,183.00)		50,183.00	
Sub Total	342,252.00	130,618.00	519,504.00	0.00
Post Bid Scope Changes				
Delete Original Stream Work	(130,618.00)	(130,618.00)		
Modified Stream per USACE	116,653.00	116,653.00		
Design Engineering	15,000.00		20,000.00	
Inspection	20,000.00		35,000.00	
Construction Engineering	10,000.00		10,000.00	
Contingencies @ 10%	34,225.20		51,950.40	
Sub Total	407,512.20	116,653.00	636,454.40	0.00
Deductive Alternative Cost of Borrowing	(7,848.65) 0.00		(9,386.35) 25,000.00	
Total	399,663.55	116,653.00	652,068.05	0.00

Notes:

- 1 This alternative requires approval by the PSC to allow sanitary sewer replacement to begin later than May. 90 day time extension will be requested.
- 2 Cost of borrowing is introduced because MUB must issue bonds instead of County funding.
- 3 Deductive Alternates are preserved

ALT 4B - Sanitary Sewer to begin in May per PSC, 48" storm done separately but DELAYED to Sep 5
 48" Storm financed through MUB surcharge

	<u>Sanitary</u>	<u>Stream Component</u>	<u>48" Storm</u>	<u>Stream Component</u>
Original Bid				
12" Sanitary - upgrade to Ductile Stream	281,157.00		516,253.10	
Transfer 48" storm components	(50,183.00)		55,201.30	
Sub Total	361,592.00	130,618.00	571,454.40	0.00
Post Bid Scope Changes				
Delete Original Stream Work	(130,618.00)	(130,618.00)		
Limited Stream Restoration	82,134.00	82,134.00		
Share USACE stream	7,330.35	7,330.35	109,322.65	109,322.65
Design Engineering	15,000.00		20,000.00	
Inspection	20,000.00		35,000.00	
Construction Engineering	10,000.00		10,000.00	
Contingencies @ 10%	34,225.20		57,145.44	
Sub Total	399,663.55	89,464.35	802,922.49	109,322.65
Deductive Alternative	0.00		0.00	
Cost of Borrowing	0.00		25,000.00	
Total	399,663.55	89,464.35	827,922.49	109,322.65

Notes:

- 1 Deductive Alternatives lost due to separate contracts and start dates
- 2 Sanitary sewer price increased due to fortification required by deleting stream stabilization from sanitary sewer contract.
- 3 Cost of borrowing is introduced because MUB must issue bonds instead of County funding.
- 4 48" storm pipe increased 10% due to time extension on bids.
- 5 Shared USACE stream cost is set to keep MUB's total project cost equal to Alt 2.

ALT 4A - Sanitary Sewer to begin in May per PSC, 48" storm done separately but DELAYED to Sep 5
 48" Storm financed through MUB surcharge

	<u>Sanitary</u>	<u>Stream Component</u>	<u>48" Storm</u>	<u>Stream Component</u>
Original Bid				
12" Sanitary - upgrade to Ductile Stream	281,157.00		516,253.10	
Transfer 48" storm components	(50,183.00)		55,201.30	
Sub Total	361,592.00	130,618.00	571,454.40	0.00
Post Bid Scope Changes				
Delete Original Stream Work Modified Stream per USACE Limited Stream Restoration	(130,618.00)	(130,618.00)		
Design Engineering	15,000.00		20,000.00	
Inspection	20,000.00		35,000.00	
Construction Engineering	10,000.00		10,000.00	
Contingencies @ 10%	34,225.20		57,145.44	
Sub Total	392,333.20	82,134.00	693,599.84	0.00
Deductive Alternative Cost of Borrowing	0.00		0.00	
			25,000.00	
Total	392,333.20	82,134.00	718,599.84	0.00

Notes:

- 1 Deductive Alternatives lost due to separate contracts and start dates
- 2 Sanitary sewer price increased due to fortification required by deleting stream stabilization from sanitary sewer contract.
- 3 Cost of borrowing is introduced because MUB must issue bonds instead of County funding.
- 4 48" storm pipe increased 10% due to time extension on bids.
- 5 USACE stream stabilization NOT done

ALT 3B - Sanitary Sewer to begin in May per PSC, 48" storm done separately but by July 5
 48" Storm financed through MUB surcharge

	<u>Sanitary</u>	<u>Stream Component</u>	<u>48" Storm</u>	<u>Stream Component</u>
Original Bid				
12" Sanitary - upgrade to Ductile Stream	281,157.00		469,321.00	
Transfer 48" storm components	(50,183.00)	130,618.00	50,183.00	0.00
Sub Total	361,592.00	130,618.00	519,504.00	0.00
Post Bid Scope Changes				
Delete Original Stream Work	(130,618.00)	(130,618.00)		
Limited Stream Restoration	82,134.00	82,134.00		
Share USACE stream	7,330.35	7,330.35	109,322.65	109,322.65
Design Engineering	15,000.00		20,000.00	
Inspection	20,000.00		35,000.00	
Construction Engineering	10,000.00		10,000.00	
Contingencies @ 10%	34,225.20		51,950.40	
Sub Total	399,663.55	89,464.35	745,777.05	109,322.65
Deductive Alternative	0.00		0.00	
Cost of Borrowing	0.00		25,000.00	
Total	399,663.55	89,464.35	770,777.05	109,322.65

Notes:

- 1 Deductive Alternatives lost due to separate contracts and start dates
- 2 Sanitary sewer price increased due to fortification required by deleting stream stabilization from sanitary sewer contract. Limited stream restoration still required.
- 3 Cost of borrowing is introduced because MUB must issue bonds instead of County funding.
- 4 Shared USACE stream cost is set to keep MUB's total project cost equal to Alt 2.

ALT 3A - Sanitary Sewer to begin in May per PSC, 48" storm done separately but by July 5
 48" Storm financed through MUB surcharge

	<u>Sanitary</u>	<u>Stream Component</u>	<u>48" Storm</u>	<u>Stream Component</u>
Original Bid				
12" Sanitary - upgrade to Ductile Stream	281,157.00		469,321.00	
Transfer 48" storm components	(50,183.00)	130,618.00	50,183.00	0.00
Sub Total	361,592.00	130,618.00	519,504.00	0.00
Post Bid Scope Changes				
Delete Original Stream Work	(130,618.00)	(130,618.00)		
Modified Stream per USACE Limited Stream Restoration	82,134.00	82,134.00		
Design Engineering	15,000.00		20,000.00	
Inspection	20,000.00		35,000.00	
Construction Engineering	10,000.00		10,000.00	
Contingencies @ 10%	34,225.20		51,950.40	
Sub Total	392,333.20	82,134.00	636,454.40	0.00
Deductive Alternative	0.00		0.00	
Cost of Borrowing	0.00		25,000.00	
Total	392,333.20	82,134.00	661,454.40	0.00

Notes:

- 1 Deductive Alternatives lost due to separate contracts and start dates
- 2 Sanitary sewer price increased due to fortification required by deleting stream stabilization from sanitary sewer contract. Limited stream restoration still required.
- 3 Cost of borrowing is introduced because MUB must issue bonds instead of County funding.
- 4 USACE stream stabilization NOT done

ALT 2 - All work done with simultaneous contracts, and beginning by July 5,
 AS LATER MODIFIED BY USACE.
 48" Storm financed by County

	<u>Sanitary</u>	<u>Stream Component</u>	<u>48" Storm</u>	<u>Stream Component</u>
Original Bid				
12" Sanitary	261,817.00		469,321.00	
Stream	130,618.00	130,618.00	0.00	0.00
Transfer 48" storm components	(50,183.00)		50,183.00	
Sub Total	342,252.00	130,618.00	519,504.00	0.00
Post Bid Scope Changes				
Delete Original Stream Work	(130,618.00)	(130,618.00)		
Modified Stream per USACE	116,653.00	116,653.00		
Design Engineering	15,000.00		20,000.00	
Inspection	20,000.00		35,000.00	
Construction Engineering	10,000.00		10,000.00	
Contingencies @ 10%	34,225.20		51,950.40	
Sub Total	407,512.20	116,653.00	636,454.40	0.00
Deductive Alternative Cost of Borrowing	(7,848.65) 0.00		(9,386.35) 0.00	
Total	399,663.55	116,653.00	627,068.05	0.00

Notes:

- 1 This alternative is no longer available due to the PSC Order requiring replacement of the sanitary sewer in beginning in May.

ALT 1 - All work done with simultaneous contracts, and beginning by July 5, AS FIRST BID
 48" Storm financed by County

	<u>Sanitary</u>	<u>Stream Component</u>	<u>48" Storm</u>	<u>Stream Component</u>
Original Bid				
12" Sanitary	261,817.00		469,321.00	
Stream	130,618.00	130,618.00	0.00	0.00
Transfer 48" storm components	(50,183.00)		50,183.00	
Sub Total	342,252.00	130,618.00	519,504.00	0.00
Post Bid Scope Changes				
Design Engineering	15,000.00		20,000.00	
Inspection	20,000.00		35,000.00	
Construction Engineering	10,000.00		10,000.00	
Contingencies @ 10%	34,225.20		51,950.40	
Sub Total	421,477.20	130,618.00	636,454.40	0.00
Deductive Alternative	(7,848.65)		(9,386.35)	
Cost of Borrowing	0.00		0.00	
Total	413,628.55	130,618.00	627,068.05	0.00

Notes:

- 1 This alternative is no longer available due to the PSC Order requiring replacement of the sanitary sewer in beginning in May.