



Elliott Road Extension

Town Council

July 29, 2020

Recommendation - Elliott Road Extension

That the Council approve:

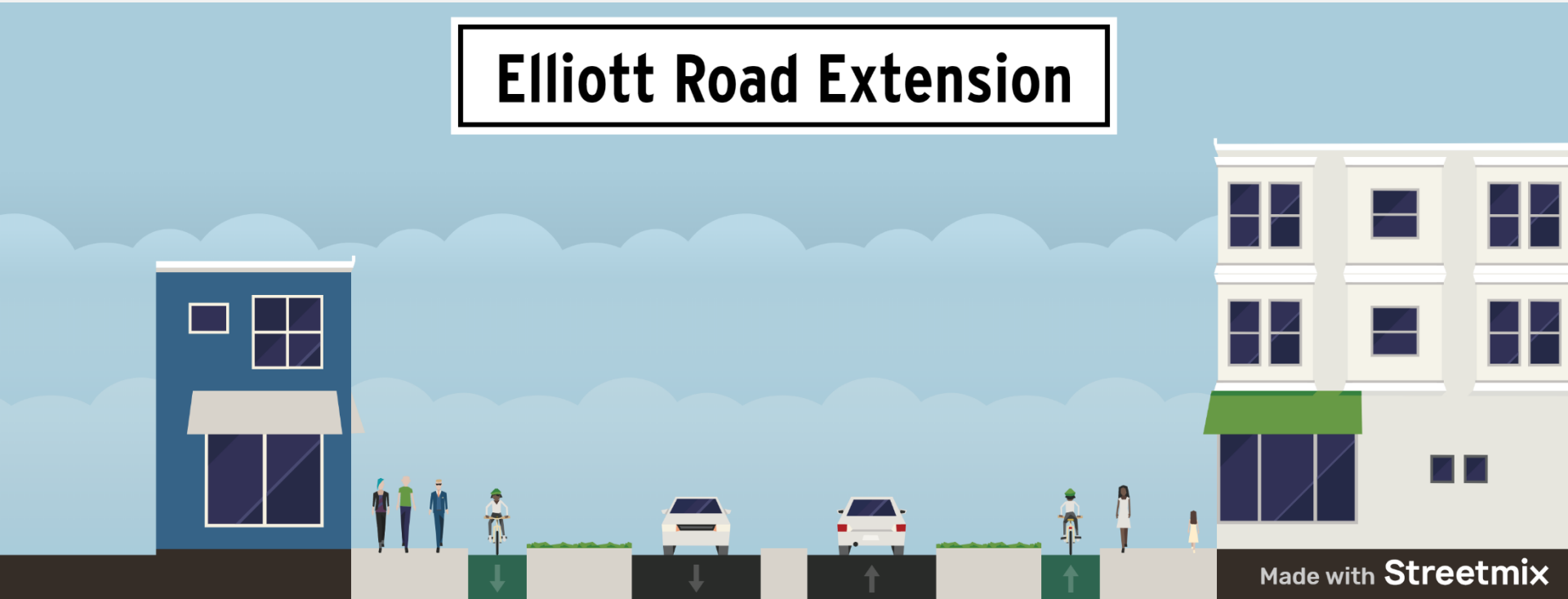
- **Resolution R-3** – Authorizing the Town Manager to execute a contract with Conti Enterprises, Inc. in an amount of \$6,047,442 to construct Elliott Road Extension
- **Resolution R-4** – Declaring the Town's intent to reimburse the Town for Elliott Road Extension project expenditures

Elliott Road Extension

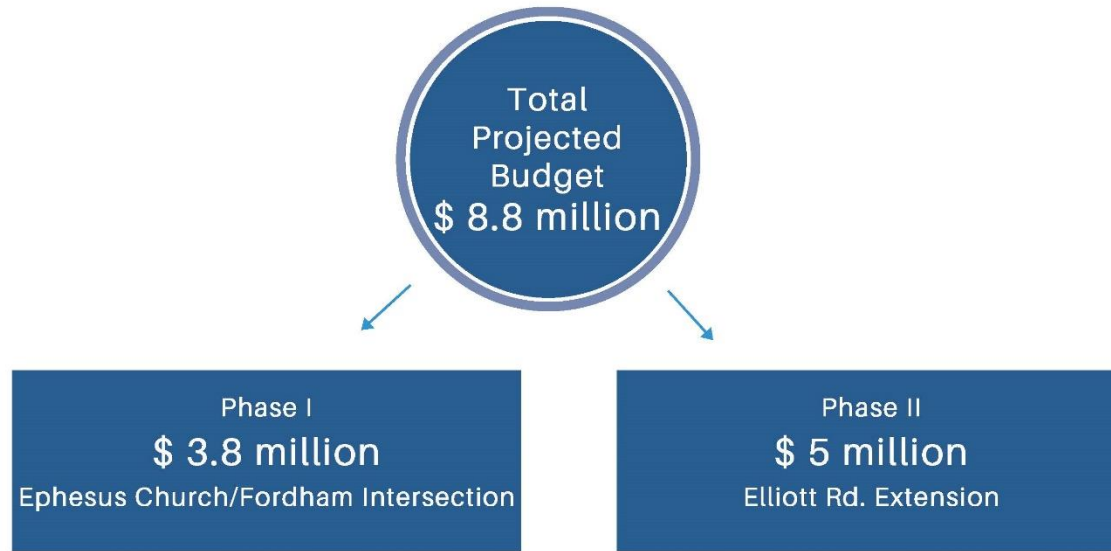


Elliott Road Extension

Elliott Road Extension



Total Budget – Ephesus Fordham Improvements



Two Planned Borrowings

- **\$4.7 million** in Feb. 2016
 - **\$3.8 million** for Phase I
 - **\$900,000** for Phase II
- **\$2.6 million** planned for Phase II
 - + **\$1.6 million** from NCDOT reimbursement

Road Costs – Elliott Road Extension

Road Costs Increased

- \$575,000 right-of-way
- \$250,000 streetlights
- \$90,000 permits
- \$450,000 construction administration/testing
- \$1.28 million increased construction costs, demolition, other utilities, misc.

2017
25% Plans
\$4.23 million

2020
100% Plans
\$6.88 million

Project Budget – Elliott Road Extension

Phase II
\$5.0 million



\$3.0 million available

- \$378,000 in the bank
- \$2.6 million to borrow
- \$434,000 *NCDOT reimbursement*

**Project
Budget
Decreased**

- \$580,000 to DHIC/Greenfield Commons
- \$500,000 to Hamilton Rd. Fire Station

Previous Funding Gap – Elliott Road Extension

1st Bidding Process

\$7.53m - total cost of road

(\$3m) - available

\$4.53 million - funding gap

*\$434,000 NCDOT reimbursement pending, but timeline unknown

Funding Gap – Elliott Road Extension

3 bids received on 7/24/2020

\$6.88m - total cost of road

(\$3m) - available

\$3.88 million - funding gap

*\$434,000 NCDOT reimbursement pending, but timeline unknown

Results of Re-Bid – Elliott Road Extension

Total Road Cost:

After 1st bid - \$7.53m

After re-bid - \$6.88m

Savings of ~\$650,000

Debt Financing

Debt service capacity available:

- Delay in Municipal Services Center project \$ 3.40 million
 - Lower market interest rate 0.68 million
- \$ 4.08 million

Next steps:

- Work with financial advisors & bond counsel to review financing options
- Return to Council in the fall for financing approvals

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