



Legislation Details (With Text)

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Title: Increase the Project Authorization for the Rosemary Street Parking Deck.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Reimbursement Resolution for East Rosemary Deck 03.06.pdf, 2. MemotoCouncilDeckBudgetFeb2024, 3. Council Questions with Staff Response, 4. Staff Presentation, 5. A RESOLUTION INCREASING THE PROJECT AUTHORIZATION BY UP TO \$3.02 MILLION FOR THE ROSEMARY STREET PARKING DECK (2024-03-06/R-4), 6. A RESOLUTION REIMBURSING THE TOWN FOR EAST ROSEMARY DECK EXPENDITURES (2024-03-06/R-5)

Date	Ver.	Action By	Action	Result
3/6/2024	1	Town Council	adopted	Pass
3/6/2024	1	Town Council	adopted	Pass

Increase the Project Authorization for the Rosemary Street Parking Deck.

Staff:

Chris Blue, Town Manager
 Mary Jane Nirdlinger, Deputy Town Manager
 Amy Oland, Director
 Lance Norris, Director
 Chad Brown, Capital Projects Manager

Department:

Town Manager
 Business Management
 Public Works

Overview: See staff memo.

☆ **Recommendation(s):**

That the Council increase the project authorization by up to **\$3.02** million to cover the materials and costs for completion.

Key Issues:

- The current cost estimate to complete the project, which includes materials fees, price escalation, and unforeseen construction needs, as well as design fees and other costs associated with the project, exceeds the approved project budget.
- The project authorization must be increased in order for the Town to finish paying for the project.

Fiscal Impact/Resources:

- The ultimate goal is for the Parking Fund to generate the revenues (parking fees) necessary to support the annual debt service payments on a borrowing.

- For now, excess project costs can temporarily be paid from Debt Service fund balance which allows the staff time to confirm final project costs beyond the known costs and to limit a future borrowing to only what is necessary. This strategy also expands our borrowing options to include Limited Obligation Bonds (LOBS) and installment financing.



Attachments:

- Authorizing Resolution
- Reimbursing Resolution
- Staff Memorandum

A RESOLUTION INCREASING THE PROJECT AUTHORIZATION BY UP TO \$3.02 MILLION FOR THE ROSEMARY STREET PARKING DECK (2024-03-06/R-4)

WHEREAS, the Council approved the Rosemary Street Parking Deck construction in June, 2021 with an overall project budget of \$39 million; and

WHEREAS, the Council approved an increase of up to \$9 million in the project authorization due to previously unknown site conditions which required different foundation design from the one originally bid and contracted for; and

WHEREAS, the change to the original design required a new construction method and previously unplanned materials and labor; and

WHEREAS, the redesign required adding time to the overall project schedule; and

WHEREAS, it continues to be important to the Town and the Downtown to complete the project as planned because it supports and is key to other redevelopment initiatives; and

WHEREAS, the project has continued through a time of economic uncertainty and unpredictable cost escalations; and

WHEREAS, the changes to the design, materials, schedule, and follow-on changes have been and will continue to be thoroughly evaluated by Town staff with the support of the architectural design team and a third-party independent reviewer; and

WHEREAS, the project is near completion and the final costs are more accurately known by the project team; and

WHEREAS, the Town staff will communicate any additional budget or schedule changes to the Council through the end of the project.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council increases the project authorization by up to \$3.02 million for the Rosemary Street Parking Deck project.

This the 6th day of March, 2024.

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

PRESENTER: Mary Jane Nirdlinger, Deputy Town Manager

RECOMMENDATION: That the Council approve the increase to the project authorization by up to \$3.02 million for the Rosemary Street Parking Deck project.