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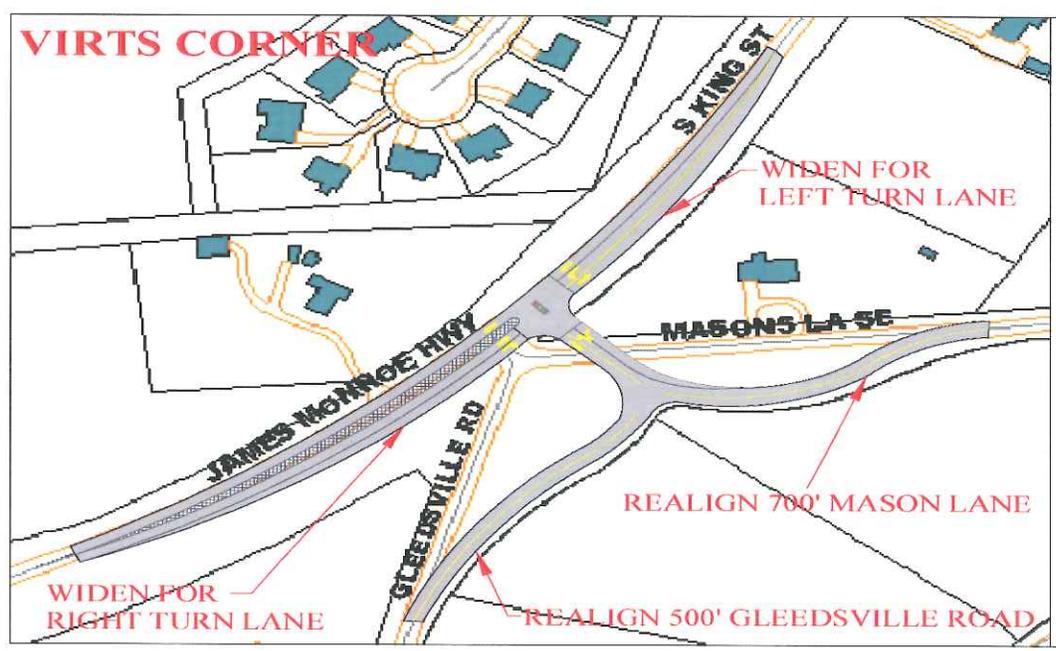
Town of Leesburg
Town Manager



The Town of Leesburg
INTEROFFICE MEMORANDUM
OFFICE OF CAPITAL PROJECTS

To: John Wells, Town Manger
From: Renée LaFollette, Director Capital Projects *RLF*
Via: Kaj Dentler, Deputy Town Manager *KD*
Re: Virts Corner Funding
Date: December 3, 2012

The Virts Corner Project improves the intersection of South King Street, Masons Lane, and Gleedsville Road at the southern corporate limits of the Town. The project includes the realignment of Gleedsville Road to intersect Masons Lane, which will then intersect with South King Street at a right angle with a traffic signal. This will eliminate the "K" shaped intersection and install appropriate turn lanes per the map below. The project is included in the approved FY 2012-2017 Capital Improvements Program (CIP).



The plans for the project are approved and all property rights have been obtained. The majority of the utility relocations have been completed, with the remaining underway. Based on the plans being approved and the utilities relocated, VDOT is ready to authorize the Town to advertise for construction bids.

In preparing to advertise for bids, the Town prepared a final construction cost estimate for the project, based on the approved plans. This construction cost estimate revealed that the funding budgeted in the approved CIP is not sufficient and approximately \$1.33 million in additional funding is required as follows:

Budget Item	CIP Budget Amount (FY2012-2017)	Estimated Actual Amount Needed	Difference
Design	\$205,000	\$230,000	\$25,000
Land	\$84,000	\$90,000	\$6,000
Utility Relocation	\$835,000	\$835,000	\$0
Construction (incl. contingency)	\$1,605,000	\$2,600,000	\$995,000
Inspection and Construction Mgt	\$0.00	\$300,000	\$300,000
TOTAL PROJECT COST	\$2,729,000	\$4,055,000	\$1,326,000

There are several items that have caused this funding gap including higher than expected costs for the utility relocation, land acquisition, and design. However, the primary increase is the estimated cost for construction. Since the project concept was originally developed, the limits of construction have increased to include longer turn lanes on South King Street than were previously anticipated. Also, a decision was made to use consulting services for inspection and construction management to keep the Town in compliance with VDOT rules related to revenue sharing projects. These costs were not considered in the original estimates.

In order to close the funding gap, we recommend the following:

- 1. Use Proffer money originally slated for the Battlefield Parkway (Kincaid Boulevard to Route 7) project. \$641,583.93 is available.**

The funding program proposed for the Battlefield Parkway project included \$887,000 in local proffer funds. Because the project was below budget, a portion of that proffer was not utilized. An interpretation has been made by Brian Boucher, Deputy Director of Planning and Zoning, and Jeanette Irby, Town Attorney, that the remaining proffer funds could be utilized for the Virts Corner project. Although the original proffer was "earmarked" for the Battlefield Parkway project, the interpretation indicates that recent changes to the Virginia State code will allow the unused funds to be used for another transportation related project such as Virts Corner. In conversations with Jan Vaughan, VDOT Northern Virginia Urban Program Manager, there are no issues with the Town not sending these proffer funds to VDOT since the project came in under budget and there is funding that will be coming back to the Town from the Battlefield project. The exact amount of those funds is not known at this time.

2. Transfer VDOT Revenue Sharing Funds and Loudoun County Gas Tax from the South King Street Widening Project. Approximately \$342,200 is available each in Revenue Sharing and matching Gas Tax funds totaling \$684,400.

The South King Street Widening Project currently has \$1 million in VDOT Revenue Sharing which is matched with \$1 million in Loudoun County Gas Tax funding. Based on the current estimates, it appears that there is sufficient funding available for the South King Street Widening project to include construction, inspection, right-of-way, utility relocations, and contingencies for all aspects of the project in both phases one and two. Based on discussions with Jan Vaughan, VDOT Northern Virginia Urban Program Manager, the Revenue Sharing funds can be administratively transferred from the South King Street Widening project to the Virts Corner project.

As a result, in order to correct the funding gap, the next steps required are:

1. Requesting VDOT to administratively move the Revenue Sharing funding from the South King Street Widening project to Virts Corner.
2. VDOT will amend the Appendix A of the Town/State Agreement for the Town's signature.
3. Request authorization from VDOT to advertise the Virts Corner project.
4. After receipt of construction bids, and at the time of construction contract award, amend the project budget in the Town CIP to reflect the changes in the budget and funding sources.

cc: Jeanette Irby, Town Attorney
Brian Boucher, Deputy P&Z Director

STREETS, HIGHWAYS, BUILDINGS AND GROUNDS PROJECTS

TITLE: Virts Corner Improvements (07312)
STATUS: Ongoing

PROGRAM DESCRIPTION: This project improves the intersection of South King Street, Masons Lane, and Gleedsville Road at the southern corporate limits of the Town. Included in the project is the realignment of Masons Lane to intersect South King Street at a right angle, realignment of Gleedsville Road to intersect with Masons Lane further from South King Street, and installing a traffic signal and turn lanes on South King Street. A primary gateway sign will be constructed as part of this project.

UTILITY RELOCATION START DATE: Winter 2011/2012

CONSTRUCTION START DATE: Spring 2013

ESTIMATED COMPLETION DATE: Spring 2014

PLANNED FINANCING

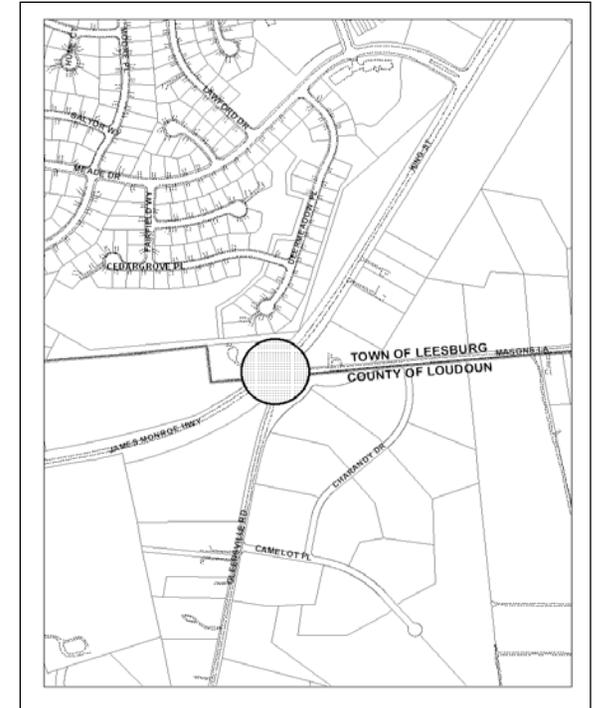
Sources:	Total Required Project Funding	Funded through 6/30/11	PLANNED FINANCING						TOTAL for 6-Yr CIP	Future Funds Required
			2012	2013	2014	2015	2016	2017		
G.O. Bonds	\$569,331	\$76,163	\$210,000		\$283,168				\$493,168	
Proffer	\$641,584			\$641,584					\$641,584	
Loudoun Co Gas Tax	1,532,885	58,837		283,416	1,190,632				1,474,048	
VDOT	1,311,200	44,448	740,552		526,200				1,266,752	
TOTAL	\$4,055,000	\$179,448	\$950,552	\$925,000	\$2,000,000				\$3,875,552	

PLANNED EXPENDITURES

Uses:	Total Project Cost	Exp through 6/30/11	PLANNED EXPENDITURES						TOTAL for 6-Yr CIP	Future Funds Required
			2012	2013	2014	2015	2016	2017		
Land	\$90,000	\$90,000								
Design/Eng.	230,000	89,448	\$115,552	25,000					\$140,552	
Utility R eloc.	835,000		835,000						835,000	
Construction	2,900,000			900,000	2,000,000				2,900,000	
TOTAL	\$4,055,000	\$179,448	\$950,552	\$925,000	\$2,000,000				\$3,875,552	

OPERATING IMPACT

Operating/Maintenance:	2012	2013	2014	2015	2016	2017	TOTAL for 6-Yr CIP
Electricity			\$600	\$612	\$624	\$637	\$2,473



OPERATING IMPACT: Minimal additional electricity cost.

GOAL ADDRESSED:

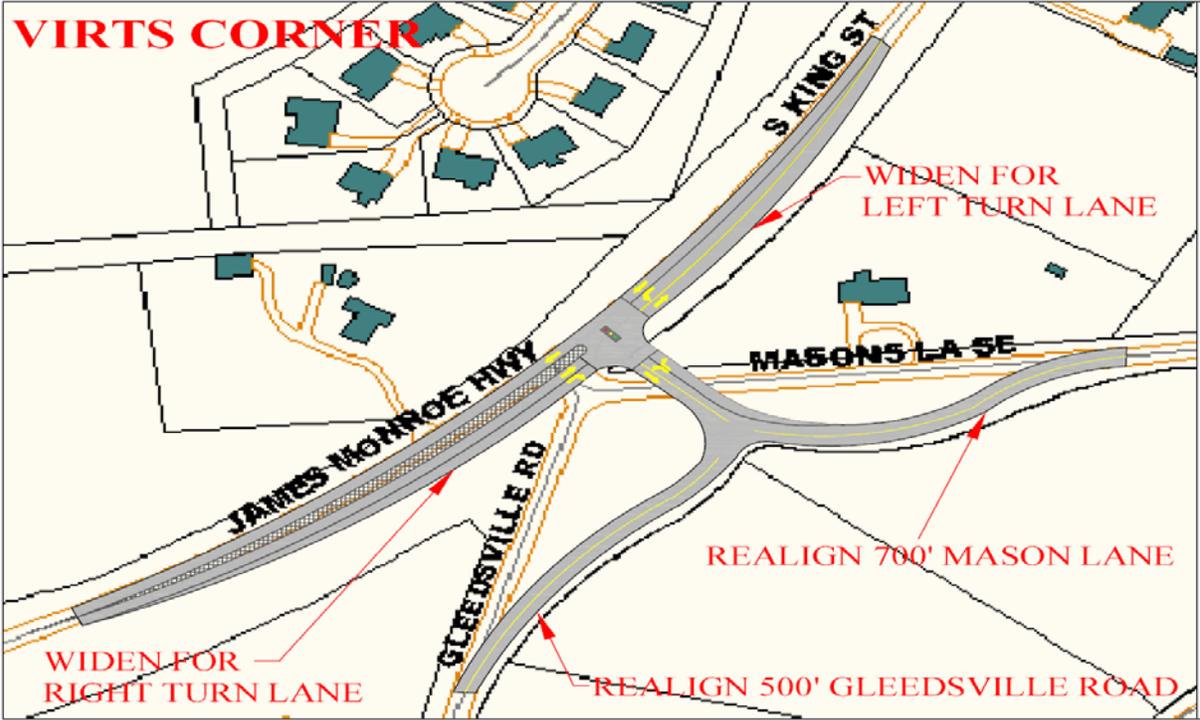
2005 Town Plan

The Transportation element recommends widening Route 15 Business (South King) to four lanes.

The Southwest Sector objective calls for the design of South King Street with consideration given to its being a gateway to the Town and an essential segment of the Journey through Hallowed Ground.

Amending the Fiscal Year 2012 - 2017 Capital Improvements Program (CIP) for Virts Corner Improvements and awarding the construction contract for the Virts Corner Improvements project

Design Map



PRESENTED MARCH 12, 2013

RESOLUTION NO. 2013-

ADOPTED _____

A RESOLUTION: AMENDING THE FY 2012 – 2017 CAPITAL IMPROVEMENTS PROGRAM (CIP) FOR VIRTS CORNER IMPROVEMENTS AND AWARDING THE CONSTRUCTION CONTRACT FOR THE VIRTS CORNER IMPROVEMENTS PROJECT TO GENERAL EXCAVATION, INC. IN THE AMOUNT OF \$2,151,636.80.

WHEREAS, the Virts Corner Improvements project is shown in the FY 2012 – 2017 CIP as a funded Capital Project; and

WHEREAS, the budget shown in the amount of \$2,729,000 is insufficient; and

WHEREAS, as funding plan is in place to provide the necessary additional funding, in the amount of \$1,326,000; and

WHEREAS, the additional funding is provided by: utilizing unspent proffer money from the Battlefield Parkway (Kincaid to Route 7) in the amount of \$641,584; and Virginia Department of Transportation (VDOT) Revenue Sharing funding in the amount of \$684,400 that is split 50/50 between VDOT Revenue Sharing funds and the matching Loudoun County Gas Tax funding from the South King Street Widening Project, Phase I; and

WHEREAS, with this funding the total project cost is \$4,055,000 to cover design, land acquisition, utility relocation, construction, construction inspection, and contingencies; and

WHEREAS, the VDOT has authorized the transfer of the Revenue Sharing funds and has revised the appropriate forms for both projects; and

WHEREAS, in response to public solicitation for bids for construction of the Virts Corner Improvements project, the Town received six bids on February 21, 2013 from the following firms:

- General Excavation, Inc. \$2,151,636.80
- William Hazel, Inc. \$2,209,433.25
- Fort Myers Construction Corporation \$2,238,962.95
- Arthur Construction Co., Inc. \$2,451,773.75
- Jeffrey Stack Inc. \$2,563,975.00
- A&M Concrete Corporation \$2,676,496.00

A RESOLUTION: AMENDING THE FY 2012 – 2017 CAPITAL IMPROVEMENTS PROGRAM (CIP) FOR VIRTS CORNER IMPROVEMENTS AND AWARDING THE CONSTRUCTION CONTRACT FOR THE VIRTS CORNER IMPROVEMENTS PROJECT TO GENERAL EXCAVATION, INC. IN THE AMOUNT OF \$2,151,636.80.

WHEREAS, the bids were evaluated by the Director of the Office of Capital Projects and the Chief Procurement Officer in accordance with the Town Procurement Policy; and

WHEREAS, General Excavation, Inc. was determined the lowest responsive and responsible bidder; and

WHEREAS, this is a unit price contract and the estimated quantities multiplied by the unit price have established the not to exceed contract price; and

WHEREAS, change order procedures are detailed in the bid specifications; and

WHEREAS, the amendment to the FY 2012 – 2017 CIP provides sufficient funding for the project.

THEREFORE, RESOLVED by the Council of the Town of Leesburg in Virginia that:

- I. The Town Manager is authorized to execute a contract in a form approved by the Town Attorney with General Excavation, Inc. in the amount of \$2,151,636.80 for the construction of the Virts Corner Improvements project.
- II. The amended CIP page for the Virts Corner Improvements project is approved and funding is appropriated for a total project cost of \$4,055,000.

PASSED this _____ day of _____, 2013.

Kristen C. Umstatt, Mayor
Town of Leesburg

ATTEST:

Clerk of Council