



STAFF REPORT

AGENDA ITEM #: 20-81
COUNCIL MTG OF: August 18, 2020
FROM: Michael A. Fowler, P. E., Public Works Director
OFFERED BY: Michael A. Fowler, P. E., Public Works Director
PREPARED BY: Michael A. Fowler, P. E., Public Works Director
SUBJECT: Hood Pond Dam Improvements and Rail Trail Extension

PURPOSE

The purpose of this document is to seek Town Council approval to proceed with the Hood Pond Dam Improvement project and Rail Trail Extension, with supplemental funds required in order to proceed.

TOWN ADMINISTRATOR COMMENTS

Approval of this Resolution will allow the Town to finalize enhancements to Hood Pond Dam as directed by the NH Department of Environmental Services, and complete that section of the Rail Trail, which is one of the projects approved by the Council as part of Phase I of the Rec Facilities Plan.

BACKGROUND

Pursuant to Town Council direction provided in Spring 2020, the Department of Public Works has proceeded with solicitation of bid prices for NHDES mandated improvements to the Hood Pond dam and the extension of the Rail Trail between Hood Pond and North High Street. On July 30, 2020, American Excavating furnished the lowest bid (of four received) at a cost of \$465,000.

DISCUSSION

This project was previously bid in 2019, all bids were rejected due insufficient funding. The 2020 bid supplied by American Excavating is within \$10,000 of the 2019 bid. In order to sign the contract and begin construction, Town Council will need to approve a transfer of funding in order to proceed with project in 2020.

The accounting of funding required is provided below:

AEC bid	\$ 465,000
Contingency	\$ <u>60,000</u>
Construction Budget	\$ 525,000
Less Hood Dam Fund	\$ 180,000
Less Rail Trail Fund	\$ 120,000
Funds Needed:	\$ 225,000

FISCAL IMPACT

No tax impact after the transfer from funds already raised by taxation or other sources. The proposed financing plan is as follows:

Rail Trail - \$165,000		Dam Project - \$360,000	
Rail Trail Fund -	\$120K	Dam Bond -	\$180K
Recreation Bond -	<u>\$ 45K</u>	DCC TIF -	<u>\$180K</u>
	\$165K		\$360K

There currently remains \$119,000 in unallocated capital funds in the FY 21 Derry Commerce Corridor Budget. Upon completion of the project, the Town will calculate the final costs and present a Resolution to the Council to withdraw funds from the DCC TIF Fund Balance to pay for the balance. The current balance in the DCC TIF is approximately \$1.8M as of 6/30/20.

RECOMMENDED ACTION BY COUNCIL

Please see Resolution #2020-039 (Please read the Resolution)