

## STAFF REPORT

AGENDA ITEM #: 23-97  
COUNCIL MTG OF: August 15, 2023  
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: Use of Bond Proceeds - Franklin Street Culvert

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### PURPOSE

The purpose of this document is to seek Town Council approval for the use of funds for construction of the Franklin Street culvert.

### TOWN ADMINISTRATOR COMMENTS

The Town Council is encouraged to accept staff's plan and sequencing to replace the Franklin Street culvert and then reorient our efforts to the Sunset Avenue culverts, utilizing available resources from the bond approve in 2022 and additional bridge aid appropriations from the State Legislature.

### BACKGROUND

DPW had identified the need to upgrade an existing metal pipe culvert on Franklin Street at Cheryl Avenue. The culvert has had some settling which is indicative of future structural issues. The existing culvert is believed to have been installed in the 1970's. Preliminary borings were conducted in 2021 to initially explore the soil conditions and utilities present near the culvert. The Town's bridge design consultant had submitted a design cost of \$100,000 to design and permit the new precast concrete structure to replace the existing metal pipe. At the February 15, 2022 meeting, Town Council authorized use of \$100,000 from the Bridge Fund to initiate the engineering design. Resolution #2022-035 authorized the issuance of \$1.6M in bonds to fund construction of three culvert projects on May 4, 2022. Resolution #2022-037 authorized the Supplemental Appropriation of \$1.6M for the three culvert projects on May 19, 2022.

Design and permitting has been completed for the Franklin Street culvert project. Bids were opened on August 4, 2023, and the lowest bid for the Franklin Street culvert project was \$843,840. The engineering consultant will also be furnishing construction administration services for \$79,208. The total for construction of the Franklin Street culvert will be \$923,048. It is recommended to add a small contingency for unforeseen construction conditions to create a round \$1,000,000, with unspent proceeds falling to the Sunset Avenue project.

### DISCUSSION

Staff have worked over the past 18-24 months to complete design and permitting. The original design plans included preliminary cost estimates. The Capital Improvement Plan (CIP) includes the following entries based on the preliminary construction estimates provided:

Sunset Avenue #1 Construction	Summer 2024	\$500,000
Sunset Avenue #2 Construction	Fall 2024	\$500,000
Franklin Street Construction	Summer 2024	\$600,000

TOTAL

**\$1,600,000**

The Franklin Street culvert project will be the first of three projects under construction using the bond proceeds. Although project costs exceeded the original estimates, the bids were competitive and reflected the status of construction costs in an inflationary environment.

The two Sunset Avenue culvert projects are also scheduled to be bid on shortly after September 2023. Once results for Sunset Avenue have been received, there can be discussion to review the need to supplement the remaining bond proceeds (\$600,000) with revenues banked in the Bridge Fund, which currently has a balance of \$825,000.

**FISCAL IMPACT**

No additional fiscal impact as the bond has been sold through the New Hampshire Municipal Bond Bank and principal and interest payments are included in the FY 24 budget.

**RECOMMENDED ACTION BY COUNCIL**

It is recommended that the Town Council authorize the use of \$1,000,000 of bond proceeds to construct a culvert on Franklin Street.

**RECOMMENDED MOTION**

See attached Resolution #2023-061.....



# RESOLUTION

Number 2023-061

To Authorize the Use of Bond Proceeds for Certain Culvert Improvements

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WHEREAS, Section 5.1 of the Town Charter designates the Town Council as the governing and legislative body of the Town; and,

WHEREAS, the Council previously authorized a Supplemental Appropriation for Culvert Improvements pursuant to Resolution #2022-037; and

WHEREAS, the Town Council concurred with the plan to address culvert deficiencies on Franklin Street and Sunset Avenue; and

WHEREAS, adequate funds are available to replace the Franklin Street Culvert;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Administrator is hereby authorized to obligate the sum of One Million Dollars (\$1,000,000) from the Culvert Improvement Bond for the Franklin Street Culvert project.

This Resolution shall take effect immediately upon its passage.

Adopted: August 15, 2023

Attest:

\_\_\_\_\_  
Charles Foote, Council Chair

Date: \_\_\_\_\_

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Cristina Guilford, Town Clerk

Date: \_\_\_\_\_

Archival Ref: TC agenda item #23-97

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