

 TOWN OF CAPE CHARLES	AGENDA TITLE: Wastewater Treatment Plant (WWTP) Status		AGENDA DATE: March 10, 2011
	SUBJECT/PROPOSAL/REQUEST: Update on construction.		ITEM NUMBER:
	ATTACHMENTS: None.		FOR COUNCIL: Action () Information (X)
	STAFF CONTACT (s): Bob Panek	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

The Town awarded a \$14.7M contract for construction of the new WWTP to W.M. Schlosser Company in September 2009. Two change orders have been executed: \$164K for over-excavation of unsuitable material; \$177K for modifications to enable effluent reuse. These change orders bring the contract value to \$15M. The total project is now estimated at \$19.2M, including design, engineering, construction management and inspection. This includes the water reuse modification. We are funding the project as follows:

1. \$6.0M - Virginia Clean Water Revolving Loan Fund (VCWRLF) principal forgiveness loan (equivalent of a grant), underwritten by the American Recovery and Reinvestment Act (ARRA) of 2009 (Federal stimulus).
2. \$8.0M - Water Quality Improvement Fund (WQIF) grant.
3. \$5.2M - VCWRLF zero-interest loan.

DISCUSSION:

Construction is on schedule as of the February 2011 progress meeting. Structures are being closed in and major equipment being set in place.

We have had one introductory fraud prevention visit from the U.S. Environmental Protection Agency (EPA) Inspector General's office, and ARRA compliance inspections by both the Virginia Department of Environmental Quality (DEQ) and the EPA. Several minor ARRA administrative issues have been corrected. We had an EPA inquiry concerning the country of origin for sluice gates being used in our project; we've confirmed that they are manufactured in the U.S.

We have had four interim project evaluations by DEQ. No significant issues have been raised.

Several additional wage determinations have been requested from the U.S. Department of Labor under the Davis – Bacon Act and have been approved. One additional wage classification is being prepared by the contractor.

About \$6.2M has been billed to date, all of which has been reimbursed from WQIF and VCWRLF.

RECOMMENDATION:

Provided for information only.

