

Open Work Session

Proposed Amendment to FY22-26 Capital Improvement Program (CIP) and FY22 Capital Budget for Piedmont Obstruction Removal Project November 16, 2021

Mr. Tony Rudy, Airport Manager, came before Council and said the original budgeted amount for this project was \$250,000 to bury utility lines along Airport Road and to remove some trees that were considered obstructions. He said the initial budgeted amount would have covered the program if there were only two poles to be removed, and if they had known all of the additional costs that were added on later. He said, as DPL started looking and designing this project, the engineers indicated that the third pole would have to be raised approximately eight feet to meet their design criteria and support the equipment that is on the pole. He said that raise actually put the third pole into the critical area they were trying to mitigate, so they had to actually go from removing two poles to removing four poles, so obviously that extended the area. He said, further, after they talked with DPL, they indicated that the cost of trenching and installing conduit along that whole stretch would be funded by the customer (us), so that was an added expense they did not anticipate. He said, furthermore, there are two other utilities on those poles – Comcast and Verizon, and they found out later that those costs would have to be covered as well to bury those lines in the ground. He said all of that greatly increased the cost of this project from what they originally anticipated; therefore, they are asking that unused funds from FY21 be transferred so they can cover these expenses and take care of this project.

Mr. McCain asked if the expenses are what is outlined in the Brief Book, to which Mr. Rudy responded, adding those to the current budget will cover the cost of this additional work. Mr. McCain said he is fine with that and knows that trying to get these poles has been an issue for a while. He said this has been a big hang-up, so they need to get these poles removed so they can resolve that. He said they do not have much choice, to which Mr. Rudy responded, for two of those three projects they are asking to transfer funds before they use CARES money to cover those projects.

Mr. Dodd asked if it is \$260,000, to which Mr. Rudy responded, the original budgeted amount was \$250,000, and then adding an additional \$264,563. Mr. Dodd asked if that is on top of the \$250,000, to which Mr. Rudy responded, yes.

Mr. Dodd asked Mr. Rudy to clarify his statement about CARES, to which Mr. Rudy responded, the two projects that were actually covered under CARES that were taken out of the FY21 budget were the site preparation for maintenance facility project, and their parking lot rehabilitation project. Mr. Dodd said what he is reading is that the \$260,000 was already absorbed by CARES.

Ms. Pam Oland, Director of Finance, then came before Council and said, in last year's 2021 budget, these items were funded by pay-go, but those projects were not started, and there has been no encumbrance against them. She said CARES money has now paid for two of the three projects, so they have these funds sitting in the capital project fund. She clarified, it is already moved out of the general fund and is in the capital project fund, and they are asking for the money to move from one capital project within the capital project fund to this other one to be able to accomplish this obstruction removal.

Mr. McCain said, at the end of the day, they were spending this money on capital projects and then got some CARES money, so now that money is sitting there and they can use it for this, to which Ms. Oland responded, correct. She explained, there is no additional money being requested from the general fund,

this is money that was already budgeted in 2021, already moved from 2021's results, and put into the capital project fund for these three projects. She said the Resolution Council will see would actually move it from specific account numbers they had set up into the obstruction removal account number. She said those are the financial mechanics of it, but there is no new money from the general fund, it is money that had been previously allocated, and they are asking to repurpose.

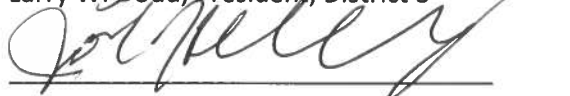
Mr. Dodd said that is what he wanted to clarify, and he agrees with Mr. McCain that it has to be done.

Mr. Dodd asked if they need to have a hearing on this with a Resolution, to which Mrs. Hurley responded, correct.

There was no further discussion.




Larry W. Dodd, President, District 3



Joe Holloway, Vice President, District 5



John T. Cannon, At-Large



William R. McCain, At-Large



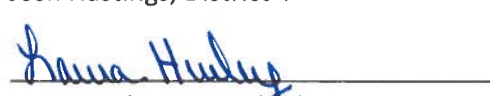
Ernest F. Davis, District 1



Nicole Acle, District 2



Josh Hastings, District 4



Laura Hurley, Council Administrator