

Item Title: Accept and Appropriate Additional Funds from The Town of Knightdale for Infrastructure Improvements on Flower Street

Specific Action Requested:

That the Board of Commissioners accepts and appropriates \$162,000 in additional funding from the Town of Knightdale for the construction of infrastructure improvements to Flower Street including curb and gutter, sidewalks, storm drainage system, and enhanced street lighting.

Item Summary:

Purpose: The Board of Commissioners approves the appropriation of funding not included in the adopted budget.

Background: On May 4, 2020, the Board of Commissioners approved the 2021 Housing Affordability and Community Revitalization Annual Action Plan. The plan allocated \$208,000 of CDBG funding through the CDBG Neighborhood Revitalization Program to construct infrastructure improvements on Flower Street in the Town of Knightdale. As a match to the CDBG funds, the Town appropriated \$68,255 for project funding over the allotted CDBG amount. The municipal agreement signed by the Town of Knightdale requires the Town to assume responsibility for all costs exceeding the estimated construction budget.

On September 28, 2022, Wake County's Facilities Design and Construction Department led the bid opening for the Flower Street project where all five (5) bid proposals submitted exceeded the original estimated construction budget due to significant increases in current construction and material costs. The lowest and most responsive bid had a budget of \$335,952.50, exceeding the original budget by \$59,697.50. On October 19, 2022, the Town of Knightdale approved and appropriated an additional \$162,000 to the Flower Street project to cover the additional project costs and contingency.

Board Goal: This action supports Community Health and Vitality Goal 5: Create and preserve affordable housing and Community Health and Vitality Goal 3: Support a higher quality of life for vulnerable residents and communities.

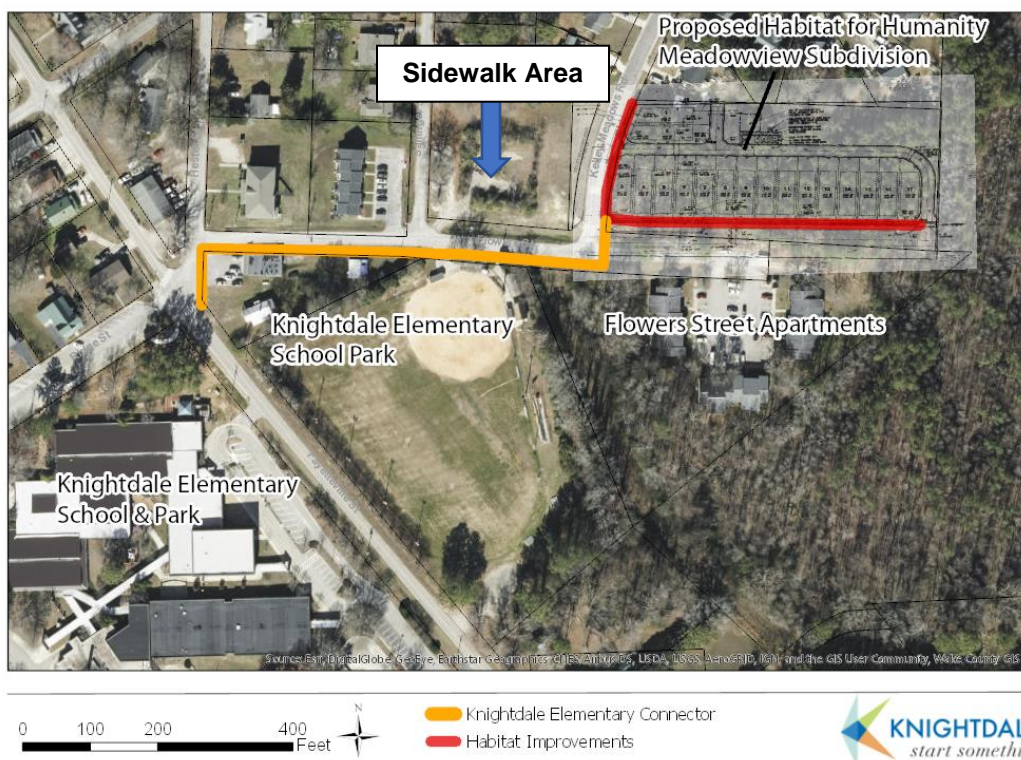
Fiscal Impact: The County will not be contributing additional funding to the project. With approval, Wake County will accept and appropriate \$162,000 in additional funding from the Town of Knightdale to cover the additional project costs.

Additional Information:

Wake County Housing Affordability and Community Revitalization administers Community Development Block Grant (CDBG) funds on behalf of municipalities in Wake County except the City of Raleigh and the Town of Cary, which receive their own entitlements. The County implements this funding through the Community Investment Partnership Program (formerly the Neighborhood Revitalization Program), a competitive request for proposals process whereby municipalities request funding for CDBG-eligible activities, with a preference for housing-related activities. In the 2020 cycle, The Town of Knightdale applied for and was awarded funding to support infrastructure improvements including installation of new curb and gutter, sidewalks, a storm drainage system, and enhanced street lighting. The added improvements will benefit low-moderate income residents in connecting the neighborhood to Knightdale Elementary School and Park with a safer pedestrian experience. The Town made a matching commitment of \$68,255, as well as a \$5,000 contribution to the rehabilitation of a duplex at 100-102 Maple Street in Knightdale. The County's CDBG funds will be used exclusively for making infrastructure improvements.

The map below illustrates the proposed improvements.

Flowers Street Improvements



Wake County and the Town of Knightdale entered into a Municipal Agreement on April 20, 2021, whereby Wake County is responsible for overseeing construction and directly paying the selected contractor. At the time of execution, the total project budget was \$276,255.00. On September 28, 2022, Wake County's Facilities Design and Construction

Department led the bid opening for the project. The lowest and most responsive bid had a budget of \$335,952.50, exceeding the original budget by \$59,697.50. The cost discrepancies are due to significantly higher construction and materials costs in the current market than when the project was conceived.

The Municipal Agreement states that the Town of Knightdale is responsible for any cost overages. On October 19, 2022, the Knightdale Town Council approved and appropriated an additional \$162,000 to the Flower Street project to cover the additional project costs and contingency. Authorization from the Board of Commissioners is required to receive these funds and appropriate them to cover project expenses.

The funding sources for the current project are listed in the table below.

Project Budget	
Original Project Funding:	
Community Development Block Grant	\$208,000
Town of Knightdale Match	\$68,255
Subtotal	\$276,255
Additional Project Funding Appropriations:	
Town of Knightdale – 10/19/2022	\$162,000
Subtotal	\$162,000
Total Project Budget	\$438,255

Attachments:

1. Budget Memo