



AGENDA ITEM COVERSHEET

PREPARED BY: Ed H. Parvin, Assistant Manager

DEPARTMENT: Executive

MEETING: Town Council – January 11, 2022

SUBJECT: Budget Amendment to pay the NCDOT administrative fees for the Island Greenway and Cape Fear Blvd MUP

BACKGROUND:

In August 2020 the Town unexpectedly received “close-out” invoices totally \$92,394 from NCDOT for administrative and Construction Inspections (CI) costs for the Island Greenway project. Project construction ended in March 2019, and final reimbursements were received in full as requested in March 2020. At no time during the 7 year project was there any communication from/with DOT that the Town was not being billed monthly for these services in accordance with the DOT provided Programs Management Handbook, and materials presented during WMPO grant workshops.

Over the past 1.5 years we have been working with WMPO and DOT staff concerning the invoices. We advised all that the charges were a complete surprise, and there had been no communication that there would be close-out charges. The Town had closed the project out and there was no money left in the budget. We also advised all it was the Town’s intent to dispute these charges for the following reasons:

1. Agreement executed in 2013 – prior to the EBS system; never received any account statements; was told occasionally throughout the project whether DOT staff were charging the project or not.
2. The Local Programs Management Handbook provided by DOT – states specifically that “The Department will deduct the LGA’s share of construction related costs from the reimbursement requests; also told this during start-up workshops by MPO.
3. Several rounds of reimbursements – no withholds for any – including the final reimbursement.
4. There were no budget status reports received from DOT throughout the course of the project. The only billing info. I received was after my inquiries described in 5 below.
5. Inquiries/emails with DOT reps. Ron Vancleef and Lydia McKeel gave estimates of CI charges to the grant, and advised that Fed. Hwy. had been reimbursing the local office.

6. Final call/project end email March 2019 asking if there were any outstanding costs, etc. – no response.
7. Invoices received August, 2020 - 17 mos. after project completion in March 2019.

After working with NCDOT and the Wilmington MPO we were able to reduce the costs from \$92,394 down to \$28,934.24. These projects are closed out so a budget amendment would be required to allocate these funds.

ACTION REQUESTED:

Staff recommends a budget amendment be approved to pay the remaining costs.

Island Greenway invoices:

1. \$22,687.89
2. \$142.48
3. \$354.38
4. \$1,530.86

Cape Fear Blvd.

1. \$305.37
2. \$3,913.26

TOTAL: \$28,934.24

RECOMMENDED MOTION:

Approval – Approve the budget amendment that will appropriate \$28,934.24 to account 10-630-074.

Denial – A statement of why the Town Council wishes to deny the budget amendment that includes direction for Town Staff and NCDOT.