



**CITY OF POQUOSON**

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Office of the City Manager  
J. Randall Wheeler

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September 12, 2016

**TO:** City Council

**FROM:** Theresa Owens, Finance Director

**THROUGH:** Randy Wheeler, City Manager

**SUBJECT:** Contract with C.P.G, Inc. and Additional Appropriation for FY 2017

In August 2014, the City accepted a Hazard Mitigation Grant (HMGP) from the Federal Emergency Management Agency (FEMA) through the Virginia Department of Emergency Management (VDEM) to elevate ten homes in the City.

Plans for each house have been drawn and approved by the homeowners. The City issued three IFB's. The first was for all ten houses. That bid had four bidders and came in more than 100% over budget. We were advised by VDEM to rebid the houses. In an effort to try to make the contract more attractive to contractors, we made some modification and split the bid into two bids, having five houses on each. We had one bidder, C.P.G, Inc., for each and it was still more than 100% over budget. The cost of the houses included in the Phase 1 IFB was \$944,907 and for Phase 2 the costs were \$988,009. We met with VDEM to try to come up with a solution. VDEM made contact with FEMA and they were able to get additional grant funding for the City.

In addition to the grant eligible costs of the elevation, the contracts include Council approved options. Change orders on these options will only be issued if the homeowner approves the option in writing and it is paid for in advance.

Attached for consideration is a resolution authorizing the City Manager to enter into two contracts with C.P.G., Inc. to elevate the ten homes included in the HMGP grant and an ordinance appropriating the additional funding for the grant as well as unbudgeted carryover funding from FY 2016.

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO TWO CONTRACTS WITH C.P.G., INC FOR THE ELEVATION OF TEN HOUSES IDENTIFIED UNDER HMGP GRANT 4072-002**

**WHEREAS**, on August 25, 2014, City Council adopted Resolution No. 3927 which accepted the Hazard Mitigation Grant entitled "City of Poquoson Elevation of 10 Residential Structures" for the elevation of ten homes; and

**WHEREAS**, staff has issued three Invitation for Bids (IFBs) for the elevations; and

**WHEREAS**, the first IFB issued included all ten homes and the responses all exceeded 100% of the grant allowance; and

**WHEREAS**, as a result the bid was canceled and rebid by issuing two separate IFBs (Phase 1 and Phase 2) each including five houses; and

**WHEREAS**, the result of the Phase 1 IFB was \$944,907 and the result of the Phase 2 IFB was \$988,009 both together exceeded the total budget; and

**WHEREAS**, the City requested from the Virginia Department of Emergency Management and was awarded additional funding in an amount sufficient to meet the total bid amount for the two phases; and

**WHEREAS**, staff has reviewed the results of the bids and has determined that C.P.G., Inc. meets the needs of the City.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Poquoson, Virginia:

**Section 1:** That the City Manager is hereby authorized to do all things necessary to enter into contracts with C.P.G., Inc. for the elevation of the ten homes described on Phases 1 and 2 of HMGP Grant 4072-002.

**Section 2:** That the City Manager is hereby authorized to approve change orders associated with homeowner approved and paid options.

**Section 3:** That this resolution shall become effective immediately upon adoption.

ADOPTED: \_\_\_\_\_

TESTE: \_\_\_\_\_

City Clerk

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE MAKING ADDITIONAL APPROPRIATIONS  
AND TRANSFERS FOR FISCAL YEAR 2016-2017**

**WHEREAS**, the City has been awarded \$1,051,637 in additional Hazard Mitigation Grant Program (HMGP) funding, and

**WHEREAS**, \$142,522 in HMGP funding from FY 2016 has not been appropriated.

**NOW, THEREFORE, BE IT ORDAINED**, by the Council of the City of Poquoson, Virginia:

**Section 1:** That an additional \$1,194,159 in revenues in the Special Revenue Fund be and the same hereby are appropriated within the Fiscal Year 2016-2017 Budget as follows:

**SPECIAL REVENUE FUND**

**Revenues:**

Federal-HMGP Grant 4072	\$895,619
State-HMGP Grant 4072	238,832
Homeowner contribution	<u>59,708</u>

<b>TOTAL</b>	<b><u>\$1,194,159</u></b>
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**Expenditures:**

HMGP Grant 4072	<u>\$1,194,159</u>
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<b>TOTAL</b>	<b><u>\$1,194,159</u></b>
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Section 2: That the second reading of this ordinance is hereby dispensed with and the provisions contained herein shall become effective immediately upon adoption.

**ADOPTED:** \_\_\_\_\_

**TESTE:** \_\_\_\_\_

**City Clerk**