



TOWN COUNCIL
Work Session
October 26, 2023
Cape Charles Civic Center
6:30 PM

1. Call to Order
 - A. Roll Call
 - B. Establish quorum
2. Items for Discussion:
 - A. Status of Capital Projects
 - B. Communications Protocol
3. Adjournment



Status of FY 2024 Capital Projects

October 26, 2023

General Procurement Issues/Strategies

- We've already implemented Economic Material Price Adjustment clauses into our contract specifications to help insulate contractors from recent material cost escalations associated with supply chain disruptions caused by the pandemic, however
- Material costs have started to stabilize, and have been replaced by spikes in labor costs due to a shortage of skilled workers; made worse by increasing demand fueled by significant government funding for infrastructure projects, thus driving up the cost of smaller construction projects
- The Eastern Shore also lacks a robust subcontractor base. This has been exacerbated by the current pace of residential construction in and around Town. Cost is driven up significantly if a general contractor must bring subcontractors from across the Bay
- We are attempting to deal with this problem by courting local contractors who might have existing relationships with subcontractors. The test case will be the visitor's center/restrooms. If this proves successful, the same approach could be used for the municipal building
- The approach we have taken on the library renovation is to combine our smaller job with the larger library building redevelopment project to create a better economy of scale
- There is also some opportunity to break out portions of the projects for contracting directly with vendors and subcontractors by the Town; putting us in a type of GC role. However, these opportunities are very limited due to Town staff capacity

Projects Underway

Community Trail, Phase 3

- Contractor – Conrad Brothers of Virginia
- Notice to Proceed – October 23, 2023
- Silt fencing, tree protection, traffic control measures in place
- Asphalt milling, vegetation removal, sidewalk demolition next week
- Work scheduled to complete end of February 2024
- Minor cost savings of \$10K achieved by not moving a utility pole
- Will need to contract separately for light poles (\$31K est.) and their installation (\$19K est.). Saves \$30K from general contractor's bid alternate which was not awarded

Inshore Breakwater & Inner Harbor Bulkhead Repair

- Contractor – Marine Contracting Corporation
- Notice to Proceed – September 12, 2023
- Contractor not yet mobilized to site; Still waiting for some materials to barge over
- Breakwater work should be completed by early December
- Bulkhead work (Phases 1&2) should be completed by January 2024
- Could not award Phase 3 of bulkhead repair due to high bids. Will need to submit another VPA ALP request next spring and advertise for construction bids

Library Renovation

- Two bids received. Significantly above cost estimate. Contract not awarded
- Timing of improvements now complicated by need to provide heat to library space very soon. Existing oil-fired furnace destroyed due to basement flooding
- Will need to stick with existing HVAC system by installing new furnace. Main cooling components of existing system are in good shape. Wall mounted heat exchangers are obsolete but workable; we'll replace those as needed
- Plans & specifications are being revised to remove the new HVAC system – about 80% of the work. Remaining structural repair and architectural components (break room, restroom, etc.) will be incorporated into the larger Library Redevelopment project with City & Guilds. Cost (approx. \$175K) will be netted out of the sale proceeds

Pending Projects

Keck Wells Pipeline & Finished Water Main

- Design & engineering by GHD 99% complete. Waiting for VAW to confirm need for well pumps with variable frequency drives to finalize plans & specifications
- VDH approval should take about a month after plans & specifications are finalized
- Hope to advertise for construction in January with contract award in February (if bids are reasonable)
- If awarded, should be completed by June 2024

Visitors Center & Restrooms

- One bid received. Extremely over cost estimate. Contract not awarded
- Plans & specifications provided to several local contractors to gauge interest in the project and obtain cost estimates before readvertising for bids
- Only one local contractor has expressed interest (that cost estimate is about 75% complete)
- Project will be readvertised when we feel there is a reasonable chance for a better bids

Municipal Building

- Plans & specifications by HBA 99% complete
- Project will not be advertised for bids until sufficient funding is available and a more favorable bidding climate develops, maybe spring/summer of 2024