

Montgomery Herald

The Voice of Montgomery County, North Carolina

Handy ready to award sewer contracts

By Linda Beaulieu

May 15, 2009

http://www.montgomeryherald.com/articles/2009/05/15/news/top_stories/doc4a0d9854d57d3192500017.txt

Handy Sanitary District opened bids from 19 different bidders on the Badin Lake sewer project, April 9, and expects to award contracts for the project at the board's May 14 meeting. Michael Boaz, Handy general manager, said bid awards are contingent on approval from N.C. DENR's office of construction grants and loans, which typically takes 30 to 60 days after submission.

The project consists of five different contracts: constructing the force main from Handy District's border to Troy, which will handle waste treatment; line work in the individual neighborhoods, installation of pumps for the force main, installation of individual grinder pumps, and closing the lagoons and treatment plants at Uwharrie Point and Badin Shores Resort.

Of the low bidders expected to receive contracts, three were from North Carolina, including firms from Asheboro, Mt. Pleasant and Denver. Boaz said the out-of-state contractor has said he wants to hire local people, probably 10 to 12, instead of bringing in crews and paying for housing.

The total project cost is still expected to be just over \$18 million. The funding breakdown includes the already approved \$3 million grant from N.C. Clean Water Management Trust Fund and \$2.1 million from tap fees. Handy has applied for \$1 million in funding from N.C. Rural Center but that application is still pending. The remainder is a 20-year low interest loan from the State Revolving Fund.

Boaz said that bid totals were within the \$14.6 million construction budget, with the low bid on the force main at \$600,000 below engineer estimates. However, the bid for installation of individual grinder pumps was significantly higher than expected and is still being negotiated.

"Contractors don't do a lot of that kind of work and small lots in some of the neighborhoods will make it tough to get equipment in there," Boaz said. "The engineer's estimates were a little too hopeful."

Handy has received 720 of the expected 1,100 tap fees to date. The remainder have until July 1 or the start of construction to qualify for the reduced \$3,500 tap fee. After that date it goes up to \$7,500. If the timeline goes as expected, depending on the state's approval to begin construction, work could begin by the end of July or

early August.

Boaz said approximately 60 to 65 property owners applied for financial assistance with the tap fees. Of those 20 were approved and 30 to 35 have been asked to submit additional information. Of those who did not qualify, Boaz said the main reason was that their lake property is not the owner's primary residence.

Except for closing lagoons at Uwharrie Point and Badin Shores Resort, the other contracts will run simultaneously. Boaz said as soon as Handy gets a schedule from the grinder pump contractor, the board will send property owners a tentative schedule for their neighborhood. "The closer we get to that time, our goal is to set up times to meet with owners to help choose the pump locations on their property," he said.

Boaz said he is concerned about talk still circulating in the community of people disconnecting from Handy water service to avoid sewer hookup. However, he wants residents to remember that Handy's mandatory ordinance requires sewer hook up of all residences within 1,000 feet of a collection line which had Handy water service on or after Nov. 30, 2005.

Once begun, the project is expected to take 15 months and construction contracts include a \$400 a day penalty clause for failure to meet the deadline.