

MEMORANDUM

DATE: December 9, 2008
 TO: The Board of Supervisors
 FROM: Sanford B. Wanner, County Administrator
 SUBJECT: Dominion Power Easement – Palmer Lane

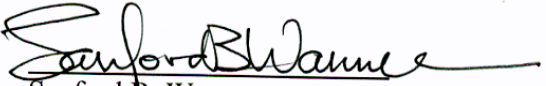
At the November 25, 2008, Board meeting, the Board approved converting the underground easement at Palmer Lane to an overhead easement and authorized me to sign the agreement pending the investigation of why it was now an overhead installation rather than an underground along the Ironbound Road project. The following information is provided for background on the conversion from underground installation to an overhead. The Ironbound Road widening project had been in our secondary six year plan for a number of years. Since the original inception of design discussions with the Virginia Department of Transportation (VDOT), we informed VDOT that the County wished for the project to include taking the existing overhead utilities which needed to be moved, and placing them underground. The VDOT project pays for the cost of relocating the overhead utilities to a new overhead location, and the County must pay the differential cost between the overhead to overhead and the overhead to underground.

As the project design moved forward, the County received a preliminary VDOT cost estimate of approximately \$1 million. Capital Improvements Project (CIP) funds in the underground utilities CIP account were managed with this approximate cost in mind. The first phase of the underground, from Monticello Avenue to Discovery Park Boulevard, was accomplished with the Route 321 intersection project and VDOT has been paid by the County.

In November 2007, VDOT sent us a revised cost estimate for the remaining work, dramatically increasing our share to approximately \$2.3 million. At that point it was deemed to be beyond our financial capabilities, and VDOT was informed that we wished to convert the project to a partial underground from Discovery Park Boulevard to Magazine Road. At Magazine Road the utilities will rise overhead for the remainder of the project to the Eastern State Hospital entrance. The agreed County cost of this partial underground project is \$1.46 million and on February 25, 2008, I informed VDOT that the County would agree to this amount to be paid over two fiscal years.

Prior to this decision to change the scope of the project, VDOT had already acquired an easement for underground utilities from several property owners including the County at the Palmer Lane properties. The Board action on the 25th, as I stated, approved conversion of the underground easement at the Palmer Lane properties to an overhead easement.

Due to the ever-increasing cost of undergrounding and our current and future fiscal situation, it is my recommendation that we enter into the agreement approved by the Board.


 Sanford B. Wanner

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