



MEMORANDUM

To: Board of Directors
From: Peter C. Gorham, Director of Engineering
Date: March 12, 2010
Re: Oak Hill Phase 1 Sewer Project
cc: James M. Bowling, IV

The second required Public Hearing was held on March 10, 2010 at the Albemarle County Board of Supervisors meeting. A resolution approving the County's submission of the Virginia Community Development Block Grant (CDBG) application for the Oak Hill Phase 1 Sewer Project was passed unanimously.

The ACSA Staff in conjunction with the County of Albemarle Department of Housing will put the finishing touches on the application for submission to the Virginia Department of Housing and Community Development (VDHCD) before March 31, 2010. As of the date of this memo we have received 40 User Agreements, which is 4 shy of the 75% requirement of total households served. Of the User Agreements received 28 are from LMI households, which exceed the 51% requirement for the CDBG application.

During an individual work session with VDHCD staff and our project engineer, their staff posed the question as to why only a portion of the subdivision was being served by the current project. A survey in Oak Hill was conducted in September of 2007 to discover the interest among the residents for a sewer project in their neighborhood. That survey revealed small pockets of interest spread throughout the subdivision and the results were used to develop the scope of Phase 1. The ACSA staff doesn't know what bearing the VDHCD question might have on the review of our CDBG application, but we felt it should be brought to the Board's attention to be discussed.

The maximum allowable funds that can be applied to the project totals \$950,000 and the CDBG application, as it stands now, is requesting up to \$712,500 leaving an additional \$237,500 that could be requested to serve the

whole neighborhood. The ACSA staff estimates the cost of design and construction at \$605,000 to serve the remaining lots in the subdivision, approximately \$70,000 of which we would anticipate for design. There are approximately 22 homes remaining to be served in the subdivision. If these homes were added to the project and the CDBG application expanded, we would need a minimum of 16 additional User Agreements and anywhere from 3 to 13 additional LMI User Agreements, depending upon the response. The ACSA staff is asking for direction from the Board with respect to pursuing the design of the Oak Hill Phase 2 Sewer Project, or holding fast with the current design while the CDBG application is reviewed.

Board Action

We request direction from the Board of Directors on whether or not to pursue the design of Oak Hill Phase 2 Sewer Project.

PCG/anw/dmg

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