

RESOLUTION 20-132

A RESOLUTION AUTHORIZING REIMBURSEMENT TO HEALTHY PETZ VETERINARY HOSPITAL LLC FOR THE INSTALLATION OF AN OVERSIZED WATER MAIN TO PROVIDE SERVICE AND MEET SPRINKLER SYSTEM REQUIREMENTS FOR THE EXISTING BUILDING AND EXPANSION AND FOR THE FUTURE DEVELOPMENT OF SURROUNDING PROPERTIES

WHEREAS, Healthy Petz Veterinary Hospital LLC (Developer) submitted application to the City of Spring Hill (City) for a building expansion to their existing facility located at 3809 Jim Warren Road; and

WHEREAS, the City Planning Commission approved the site plan for Healthy Petz Veterinary Hospital LLC on July 9, 2018; and

WHEREAS, the water supply line to the existing facility was 4-inches in diameter and needed to be increased to 8-inches in diameter in order to meet future building demand needs and sprinkler system requirements; and

WHEREAS, the City approached the Developer and requested that the proposed water main be upgraded to 10-inches in diameter in order to sufficiently support future area water demand needs; and

WHEREAS, according to Title 18, Section 18-145 of the Spring Hill Code of Ordinances, “a developer who extends a water or sewer line and is required by the city to install an oversized line shall be entitled to receive a credit against the payment of availability fees in accordance with the provisions of this section”; and

WHEREAS, the Board of Mayor and Aldermen adopted Resolution 18-27, A Resolution Establishing a Means to Calculate Oversizing Costs, that establishes a methodology for calculating the credit for oversizing of a water or sewer line; and

WHEREAS, the oversizing reimbursement shall be calculated and based upon 2-1/4 times the difference of the cost of materials as required by the Developer and the cost of materials as requested by the City; and

WHEREAS, material costs were obtained from two local material suppliers for the purposes of calculating the amount of the reimbursement to the Developer; and

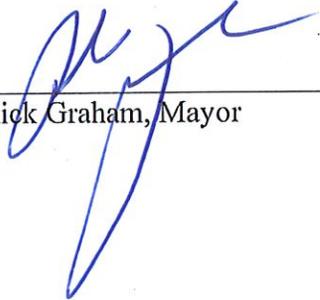
WHEREAS, three cost scenarios were developed reflecting material pricing from two local material suppliers as well as an averaging of the two estimates that are summarized in EXHIBIT “A” attached hereto; and

WHEREAS, the cost scenarios provided the following material cost difference and corresponding oversizing reimbursement amount:

	Material Cost Difference	Oversize Reimbursement
Scenario 1 (G&C Supply)	\$4,139.59	\$9,314.08
Scenario 2 (Southern Pipe)	\$4,275.26	\$9,620.01
Scenario 3 (Averaging)	\$4,207.43	\$9,466.72

NOW, THEREFORE BE IT RESOLVED, that the City of Spring Hill Board of Mayor and Aldermen, authorizes the reimbursement to Healthy Petz Veterinary Hospital LLC in the amount of \$9,466.72 representing the cost averaging scenario outlined in Exhibit A for the installation of an oversized water main to provide service and meet sprinkler system requirements for the existing building and expansion for the future development of surrounding properties.

Passed and Adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 21st day of September 2020.



Rick Graham, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney



REQUEST: Resolution 20-132 – Reimbursement to Healthy Petz Veterinary Hospital LLC for the Installation of an Oversized Water Main on Jim Warren Road

SUBMITTED BY: Thomas S, Wolf, P.E., City Engineer

DATE: September 21, 2020

ATTACHMENTS: Resolution 18-27
Exhibit "A" - Cost Analysis
January 22, 2020 E-Mail
Contractor Proposal
Contractor Invoice

PURPOSE:

To reimburse Healthy Petz Veterinary Hospital LLC for the installation of an oversized water main to provide service and meet sprinkler system requirements for the existing building and expansion and for the future development of surrounding properties.

BACKGROUND:

As part of the expansion of the Healthy Petz Veterinary Hospital at 3809 Jim Warren Road, the existing 4-inch diameter water line to the subject site had to be replaced with an 8-inch diameter water line in order to meet existing and proposed building demand needs and sprinkler system requirements. The City approached the Developer requesting that the proposed 8-inch diameter water line be upgraded to a 10-inch diameter water line to augment future water demands to surrounding properties. The City agreed to compensate the Developer for the upgrade, paying the difference in the material costs between an 8-inch and 10-inch diameter water line.

On January 22, 2020 via e-mail (attached), the Developer advised the City that his contractor had completed the water main installation on Jim Warren Road for his building expansion and that he was requesting a total reimbursement of \$18,500.00. for oversizing the water main. A copy of the contractor's Proposal and Invoice were attached to the e-mail for reference and

have been included with this Staff Report. A thorough review of the request for reimbursement and supporting documentation submitted was completed in light of adopted City policy and the City of Spring Hill Standard Specifications.

Resolution 18-27, A RESOLUTION ESTABLISHING A MEANS TO CALCULATE OVERSIZING COSTS (attached), states that a Developer who extends a water line and is required by the City to install an oversized line shall be entitled to receive a credit against the payment of available fees with the oversizing reimbursement being calculated and based upon 2-1/4 times the difference of the costs of materials between the Developer's required sized water line and appurtenances and the City's requested sized water line and appurtenances.

Material quotes were solicited from two (2) local suppliers, the results of which are summarized on Exhibit "A" Cost Analysis attached. Based upon said quotes, three (3) scenarios were evaluated. The first scenario based upon a quote from G & C Supply results in a material cost difference between 8-inch diameter piping and appurtenances and 10-inch diameter piping and appurtenances of \$4,139.59 and an oversize reimbursement of \$9,314.08. The second scenario based upon a quote from Southern Pipe results in a material cost difference of \$4,275.26 and an oversize reimbursement of \$9,620.01. The third scenario is an average of the two (2) quotes which results in a material cost difference of \$4,207.43 and an oversize reimbursement of \$9,466.72.

STAFF RECOMMENDATION:

Based upon the background information provided above, it is City staff's recommendation to reimburse Healthy Petz Veterinary Hospital LLC for the installation of an oversized water main on Jim Warren Road utilizing the average of the two (2) quotes received of \$9,466.72.

----- Forwarded message -----

From: John Zavaro <johnzavaro88@gmail.com>

Date: Wed, Jan 22, 2020 at 3:41 PM

Subject: Healthy Petz Veterinary Hospital LLC water line improvement

To: <tcnorman@springhilltn.org>, <sfoote@springhilltn.org>, Paul Varney <Varney64@gmail.com>

Dear TC and Steve,

We met last year before I started my expansion on Healthy Petz Veterinary Hospital LLC. My water supply line was 4 inches and needed to be enlarged to meet my sprinkler system requirements. I was informed that I would be financially responsible for providing water to my business from Port Royal Road to my site at 3809 Jim Warren Rd. I would also be required to bore under Jim Warren Rd. I only needed an 8 inch line to supply all of my needs. The City of Spring Hill requested that I upgrade the line to a 10 inch line and they would pay the difference in the project cost between an 8 and a 10 inch line.

I have completed the project and paid \$96,200 not including my general contractor's fee. I have enclosed the invoice from Hughes Excavating, LLC and the proposal that shows the difference in the material cost, bore, and labor cost. There were also 3 fire hydrants placed for the project. Healthy Petz is only required to have one fire hydrant. My reimbursement should be as follows:

Difference between 8" and 10" material \$4560.00

Difference between 8" and 10" bore \$2750.00

Difference between 8" and 10" labor \$2800.00

2 Fire Hydrant assemblies \$8500.00

Total reimbursement \$18,610.00

I did not include my contractor's fee that I have paid above this amount.

I feel that I have fulfilled my obligations and improved our cities infrastructure. I would really appreciate it if we could have anyone that ties on to this water line pay back some of the expense that I have incurred.

I have also relocated the power lines to run parallel to Jim Warren road at the cost of \$11,500. I am not asking the city to reimburse any of this project.

Thank you for your cooperation.

John Zavaro, DVM
Healthy Petz Veterinary Hospital LLC
3809 Jim Warren Rd
Spring Hill TN

PROPOSAL

May 5, 2019

FOR: Paul Varney

BY: Hughes Excavating, LLC
7596 South Harpeth Road
Primm Springs, TN 38476
Jacqueline W. Hughes

LOCATION: Healthy Petz Veterinary
Spring Hill, TN

Furnish and install 10", 6", 4", 1"
PVC water lines as per plans.
Furnish and install a double check
backflow. \$76,500.00

20" bore or open cut with casing
pipe at Jim Warren Road.
40 LF @ \$150.00 per hour. \$20,500.00

Rock Clause: Any unforeseen rock removal will be billed in addition
to original contract at \$150.00 per hour.

Proposal: \$97,000.00

*Difference between 8" & 10" MATERIALS - \$4,560.00
*Difference between 16" & 20" BORE - \$2,750.00
*Difference between 8" & 10" LABOR - \$2,800.00
*Manhole Frame Assembly Complete - \$4,250.00 Each

