



**Date:** October 20, 2011

**To:** Thomas J. Bonfield, City Manager  
**Through:** Theodore L. Voorhees, Deputy City Manager  
**From:** Marvin Williams, Director of Public Works  
Edward R. Venable, Manager of Engineering and Stormwater  
Robert N. Joyner Jr., Assistant Manager of Development Review  
**Subject:** Update on Failed and Struggling Developments

**Executive Summary**

No additional projects have been added to the list of failed developments.

Public Works Street Maintenance is working on repairs to the streets at Stoneybrook Cottages and Lynn Hollow subdivisions.

Public Works has installed the final asphalt surface course at Riverside on the Eno Subdivision, after including it in an existing paving contract. The City can now move to accept the streets at Riverside on the Eno for maintenance.

Public Works continues to work with the Attorney's office to assess whether there are any potentially responsible, viable parties to complete the work or secure additional funding.

**Recommendation**

The Department of Public Works recommends that the City Council receive the update on Failed and Struggling Developments.

**Background**

The Development Review Group of the Department of Public Works has been dealing with bankrupt and restructured developments to ensure public infrastructure is completed.

**Issues/Analysis**

Public Works Street Maintenance is working on repairs to the streets at Stoneybrook Cottages and Lynn Hollow.

Public Works has installed the final asphalt surface course at Riverside on the Eno Subdivision, after including it in an existing paving contract. The City can now move to accept the streets at Riverside on the Eno.

The next step for Public Works is to continue working with the Attorney's office to assess whether there are any potentially responsible, viable parties to complete the work or secure additional funding for the rest of the failed developments.

**Alternatives**

Alternatives section is not applicable for this update.

**Financial Impact**

Financial Impact section is not applicable for this update.

**SDBE Summary**

The SDBE Summary is not applicable for this update.

Figure 1-1 Progress Table

| Project              | HOA Meeting   | Money Available | Punchlist Created | Cost Estimate | Repairs Marked | City Work Scheduled | City Work Complete | EMP | Project Manual | Request Bids | Bids Received | Contract Awarded | Contract Complete | Streets Accepted | Project Closed |
|----------------------|---|-----------------|-------------------|---------------|----------------|---------------------|--------------------|-----|----------------|--------------|---------------|------------------|-------------------|------------------|----------------|
| Dunwoody             | 6/8/2011  | bond expired    |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Lynn Hollow          | 5/24/2011   |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Stoneybrook Cottages | 6/16/2011   |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Riverside on the Eno | 6/2/2011  |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Green Gardens        | 5/31/2011   |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Bay Pointe           | 5/31/2011   |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Windermere Ridge     | 6/1/2011  |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Pearl Knoll          | 6/9/2011  |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Ravenstone           | 5/31/2011   |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Stonehill Estates    | 5/26/2011   |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
|                      |   |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
|                      |   |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| <b>Key</b>           | Complete  | In Progress     | Litigation        | Not possible  |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| HOA Meeting          | Engineering Development Review must schedule a meeting with Homeowner Association to inform homeowners of their development's status and what actions the City might take.                    |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Money Available      | Engineering Development Review and City Attorneys must collect the available money into a City account and determine how the money can be spent.  |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Punchlist Created    | Engineering Inspections must determine what repairs or installations need to be completed before the City can accept the infrastructure   |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Cost Estimate        | Engineering Development Review must use current pricing information from Engineering Contracting to determine the cost of completing the punch list created by Engineering Inspections.       |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Repairs Marked       | Engineering Inspections must paint or otherwise indicate in the field where the repairs and installations to be completed.  |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| City Work Scheduled  | Work that the City of Durham can perform with its own forces must be coordinated with Street Maintenance and scheduled.   |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| City Work Complete   | Street Maintenance must complete the work that the City elects to perform with its own forces.  |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| EMP                  | Engineering Development review must develop an Engineering Modification Plan for the work that remains to be completed after City forces have completed their work.                           |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Project Manual       | Engineering Development Review and Engineering Contracting must create a Project Manual for the purposes of bidding the remaining work out to contractors                                     |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Request Bids         | Engineering Contracting must advertise and/or otherwise request bids for the work indicated in the Project Manual.  |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Bids Received        | Contractors must submit their bids by the deadline indicated in the Request for Bids.   |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Contract Awarded     | Engineering Contracting must award the contract to the contractor providing the winning bid.  |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Contract Complete    | The contractor must complete the work as indicated in the Project Manual and contract terms.  |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Streets Accepted     | Engineering Inspections must verify that the punchlist is complete, that no new issues have been created, and that the infrastructure is acceptable, then formally accept the infrastructure. |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |
| Project Closed       | Once all Departments have completed the infrastructure acceptance procedures, the project will be considered complete.  |                 |                   |               |                |                     |                    |     |                |              |               |                  |                   |                  |                |