



Date: November 8, 2011

To: Thomas J. Bonfield, City Manager
Through: Theodore L. Voorhees, Deputy City Manager
From: Marvin G. Williams, Director of Public Works
Edward R. Venable, Manager of Engineering and Stormwater

Subject: American Tobacco Trail (ATT) Supplemental Agreement No. 3 EL-2921 E

Executive Summary

The Durham-Chapel Hill-Carrboro Metropolitan Planning Organization has allocated the City of Durham an additional \$2,791,377.00 in federal STP-DA funds for the American Tobacco Trail (ATT) Project. A local match of 20% (\$697,844.00) is required. To utilize these funds, the City Council must approve a CIP Ordinance Amendment and a resolution accepting the funds and authorizing the City Manager to execute Supplemental Agreement No. 3 with the North Carolina Department of Transportation (NCDOT).

Recommendation

The Department of Public Works recommends that the City Council:

1. Adopt an ordinance amending the General Capital Improvement Project Ordinance, Fiscal Year 2011-2012, as amended, the same being Ordinance No. 14139, for the purpose of receiving the additional grant revenue of \$2,791,377.00 and in addition \$285,000.00 for additional project costs and \$697,844.00 for the 20% grant match for the American Tobacco Trail, the total amendment being \$3,774,221.00;
2. Adopt a grant resolution amendment authorizing the City Manager to execute Supplemental Agreement #3 with the NCDOT in the amount of \$7,497,057.00;
3. Adopt an ordinance amending the General Capital Improvement Project Ordinance Fiscal Year 2011-2012, as amended, the same being Ordinance #14139 for the purpose of using \$285,000.00 of the 2007 Bond Funds in New Sidewalk Construction for the American Tobacco Trail Project; and
4. Adopt an ordinance amending the General Capital Improvement Project Ordinance Fiscal Year 2011-2012, as amended, the same being Ordinance #14139 for the purpose of using \$697,844.00 of the Federal and State Match Projects for the American Tobacco Trail Project.

Background

Bids for the ATT were received on July 15, 2011. The Low bid by Blythe Construction was \$7,753,042.35 and was approximately \$2,000,000.00 over the Engineer's estimate. Due to this cost difference, the City in concurrence with the NCDOT rejected all bids. The City has been seeking a source of funding for moving the project forward. The Metropolitan Planning Organization (MPO) which distributes federal transportation funding has recommended to NCDOT that \$2,791,377.00 be authorized for use on the ATT. A match is required of the City and those funds are being provided from the Transportation Department's Federal/State Match fund in an amount of \$697,844.00. An additional \$285,000.00 for professional services

is being provided from the 2007 Sidewalk Bond funds. Additional professional services are expected to be necessary because of re-advertising and rebidding this project

The new advertising date is targeted for November 15, 2011. This will allow construction to begin April 1, 2012 and be completed 13 months later on April 30, 2013. The Supplemental Agreement # 3 has a completion date of May 2014 which will allow for this project to be completed and closed out prior to the May 2014 date.

Issues/Analysis

The additional funding needed is summarized below:

NCDOT/STP-DA Federal Funds (80%)	\$ 2,791,377.00
Federal/State Match (CIP -20%)	<u>\$ 697,844.00</u>
TOTAL Federal Funding	\$ 3,489,221.00
2007 Sidewalk Bond Funds (CIP)	<u>\$ 285,000.00</u>
TOTAL Additional Funding	\$ 3,774,221.00

Public Works has determined a revised schedule for moving the project forward that will allow completion of the project in the spring of 2013. Moving this schedule forward is contingent on the funding sources being in place. No other alternatives have been identified for funding the ATT as it was originally conceived.

The additional funding of \$285,000.00 is being sought from the 2007 Bond Funds for New Sidewalk Construction that is currently programmed for construction of new sidewalks and trails. Transferring these funds will displace an equivalent dollar amount of sidewalks identified in the Durham Walks Plan. This is the only source of funding identified for completion of the American Tobacco Trail. The American Tobacco Trail pedestrian bridge is adjacent to the Fayetteville Road Bridge over Interstate 40. At the time of the construction of improvements related to the Streets of Southpoint Mall, the Fayetteville Road Bridge was determined to be unsafe for pedestrians. No pedestrian facilities were constructed and the future American Tobacco Trail Pedestrian Bridge was identified as a possible alternate sidewalk for pedestrians and bicyclists. Since the American Tobacco Trail serves as an alternate sidewalk for the Fayetteville Street corridor, it can be argued that this is an appropriate use of the 2007 New Sidewalk Construction Bonds, and though not specifically contemplated as a use for the funds, nevertheless an appropriate use that acknowledges the changing priorities of pedestrian needs.

Alternatives

City Council can choose to not agree with the funding sources and the project will not move forward as currently conceived.

Financial Impact

The federal STP-DA funds require a local match of \$697,844.00. Funds are available in the Federal-State Match CIP fund (LC100) to provide this match. The additional \$285,000.00 for additional project costs is available in the 2007 Sidewalk Bond funds. (LF100). The administration and management of this project will require a commitment of staff resources.

SDBE Summary

The municipal agreement with NCDOT requires that their participation procedures be followed for these projects. The Department of Equal Opportunity/Equity Assurance did not review this item for compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.