



Date: March 22, 2011

To: Thomas J. Bonfield, City Manager
Through: Theodore L. Voorhees, Deputy City Manager
Mark D. Ahrendsen, Director of Transportation
From: Felix Nwoko, Transportation Planning Manager
Subject: Agenda Item – Inter-local Agreement between the City of Durham and the Town of Hillsborough for Local Matching Funds for Federal Transportation Planning Grants

Executive Summary

The City of Durham and the Town of Hillsborough are members of the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO) and have entered into agreements with the members of the DCHC MPO (“member governments”) to make on-going transportation decisions within the Metropolitan Area Planning Boundary (MAB) covered by the DCHC MPO. Federal transportation funds generally provide 80% of the total cost of projects authorized by the DCHC MPO, while local governments provide the remaining 20% of the total cost (“the local match”). The Lead Planning Agency (LPA) for the DCHC MPO is the City of Durham Transportation Department. The LPA must administer and manage the DCHC MPO projects that benefit the entire metropolitan area.

The proposed Inter-local Agreement will allow the Town of Hillsborough to reimburse the City the local match for specific transportation projects authorized by the DCHC MPO, as well as subsequent amounts for future DCHC MPO authorized projects. The current project is the Downtown Hillsborough Transportation Management Study. The Town’s local match for the project is \$9,000.

Recommendation

It is recommended that the City Council authorize the City Manager to execute an Inter-local Agreement between the City of Durham and the Town of Hillsborough for local matching funds for Federal Transportation Planning Grants.

Background

The City of Durham is awarded a grant annually by the Federal Highway Administration (FHWA) through the North Carolina Department of Transportation (NCDOT) to conduct MPO transportation planning. The LPA receives this grant in order to carry out a comprehensive, continuing and cooperative transportation planning process as required by the federal transportation legislation, SAFETEA-LU, and other federal planning requirements. The funds are used for planning activities such as the development of the Transportation Improvement Program (TIP), update of the Long-Range Transportation Plan (LRTP), air quality analysis, a congestion management process, corridor and sub-area studies, transit planning, bicycle and pedestrian planning, climate change/greenhouse emission planning,

data collection, socio-economic data projections, update and maintenance of the regional travel forecast model, and related tasks.

The City's Department of Transportation is designated as the Lead Planning Agency (LPA) for the DCHC MPO. The LPA must administer and manage the DCHC MPO projects, contract for those projects and coordinate payment of the "local match" contributions from the member governments benefited by, interested in, or obligated to contribute to each project. Member governments of the DCHC MPO will facilitate such contracting by transferring approved funds to the City prior to contract execution.

Alternatives

- A. Approving this Inter-local Agreement provides a contractual mechanism for the Town of Hillsborough to make contributions to the MPO local matching funds required for federal transportation planning grant projects.

- B. Not approving the Inter-local Agreement and the financial burden of meeting the matching funds for future MPO projects will be borne by the City or the need to fulfill a planning activity within the MPO will not be met.

Financial Analysis

The proposed Inter-local Agreement will not require additional funds from the City and would require the Town of Hillsborough to pay the City of Durham \$9,000, or 20% of the estimated cost of the project. The remaining \$36,000, or 80% will come from federal funds. The amounts for these projects have previously been approved for funding by the Town and the DCHC MPO.

SDBE Summary

Due to the nature of this project, an SDBE summary is not needed.

Attachment

Inter-Local Agreement