

ITEM # 10
DATE 08-12-08

COUNCIL ACTION FORM

SUBJECT: 2005/2006 SHARED USE PATH SYSTEM (GRAND AVENUE – MURRAY DRIVE TO 20TH STREET)

BACKGROUND:

The annual Shared Use Path System provides for construction of shared use paths on street right-of-way, adjacent to streets, and through greenbelts. This project supports one of the City Council's priorities, connecting our community. Shared use paths located on arterial streets that can also serve as Safe Routes to School have been prioritized within the program.

The 2005/2006 program identified construction of a path along the west side of Grand Avenue from Murray Drive to 20th Street. The 8-foot path will extend the existing shared use path in place to the north. The completion date for this project will be November 30, 2008. This location also meets the priority criteria identified by Council in relation to the Pedestrian Walkway program; this is along an arterial street and is also a walking route to school. Staff has completed plans and specifications for this project with an estimated cost of \$128,000.

This project was identified to receive Federal Surface Transportation Program (STP) funding for 80 percent of eligible construction costs to a maximum of \$80,000. Because of the STP funding for the project, federal procedures must be followed for obtaining easements to facilitate path construction. Following these procedures and working with the adjoining landowners, which have included following the corporate structure and processes of Alliant Energy, have resulted in an extended delay in moving this project to the bidding stage. In order to use the STP funds, the project would still need to be bid through the Iowa DOT letting process, which would not allow construction to begin until spring of 2009. **Therefore, in order to permit construction to proceed in 2008, it is proposed that the STP funding allocated to this project be moved to the 2007/08 Shared Use Path project (Skunk River Trail – Bloomington Road to Ada Hayden), and that the corresponding Local Option Sales Tax funding from that project be used to fund the Grand Avenue path.**

The following is a table showing estimated project costs along with easement costs.

<u>Item</u>	<u>Projected Cost</u>
Estimated Construction Cost	\$128,000.00
Engineering and Contract Administration (est.)	\$ 30,000.00
Permanent Easements	\$ 5,613.05
Land Acquisition	\$ 4,559.60
Temporary Easements	\$ 14,870.29
Total Projected Cost	\$183,042.94

The following is a table showing **existing and proposed funding for this project:**

<u>Source</u>	<u>Existing Funding</u>	<u>Proposed Funding</u>
Local Option Sales Tax	\$14,471.00	\$98,685.94
Local Option Sales Tax (savings on previous shared use path projects)	\$84,357.00	\$84,357.00
STP funding	\$80,000.00	\$ -

The following is a table showing **existing and proposed funding for the 2007/08 Shared Use Path project (Skunk River Trail – Bloomington Road to Ada Hayden):**

<u>Source</u>	<u>Existing Funding</u>	<u>Proposed Funding</u>
Local Option Sales Tax	\$303,825.00	\$219,610.00
STP funding	\$71,175.00	\$151,175.00
Recreational Trail Grant	\$25,000.00	\$25,000.00

Because of the delay that has resulted from working through the easement procurement process, Alliant Energy has offered the City the opportunity to apply for a corporate grant of approximately \$2,500 that may be used for partial funding of the project. While these grants are awarded on a competitive basis and the potential award amount is not yet known or guaranteed, there may be the opportunity to offset a portion of the Local Option Sales Tax with these grant funds.

ALTERNATIVES:

1. Approve the 2005/2006 Shared Use Path System (Grand Avenue – Murray Drive to 20th Street) program by establishing September 3, 2008, as the date of letting and September 9, 2008, as the date for report of bids; and authorize use of Local Option Sales Tax funding from the 2007/08 Shared Use Path Project to replace the STP funding as proposed.
2. Maintain existing funding structures, follow IDOT letting requirements, and proceed with construction in the spring of 2009.
3. Reject the project.

MANAGER'S RECOMMENDED ACTION:

This project was scheduled to use federal enhancement funds for construction financing. This would have required following federal project development procedures, which have already taken over a year, thereby delaying construction until 2009. In order to facilitate construction commencing in the fall of 2008, this project could be financed entirely through Local Option Sales Tax revenues. The federal funding will be utilized for the 2007/08 Shared Use Path construction along the Skunk River, thereby reducing the amount of sales tax proceeds needed to complete the Skunk River project.

By approving the annual program and establishing September 3, 2008, as the date of letting and September 9, 2008, as the date for report of bids, it will be possible for construction to

be targeted for completion by November 30, 2008. The contract documents will specify that liquidated damages will be applied if the contract is not complete by November 30, 2008.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the 2005/2006 Shared Use Path System (Grand Avenue – Murray Drive to 20th Street) program by establishing September 3, 2008, as the date of letting and September 9, 2008, as the date for report of bids.