ITEM #: 9 DATE: <u>03-24-09</u>

COUNCIL ACTION FORM

SUBJECT: AGREEMENT FOR FUNDING OF FEDERAL STIMULUS PROGRAM PROJECT – SKUNK RIVER TRAIL (SOUTH RIVER VALLEY PARK TO CARR POOL)

BACKGROUND:

This project is for the construction of a shared use path from Carr Pool to South River Valley Park at East 13th Street. The project will use funding from the American Recovery and Reinvestment Act, which is also known as the Federal Stimulus. This project is shown in the City's Capital Improvement Plan in the 2010/11 and 2011/12 program years. Due to the timing requirements associated with the stimulus money, there is no time to acquire easements or land for path construction. Therefore, the shared use paths funded by this program will be constructed only on City property.

It is anticipated that this project will be bid in July, 2009. Before the project can proceed, the City must enter into an agreement with the Iowa Department of Transportation (IDOT).

This project will receive 100% funding in the amount of \$250,000 from Federal Stimulus funding. However, engineering and project administration costs are not covered by Federal Stimulus monies. Therefore, staff will need to identify savings from prior General Obligation bond issues to cover the costs of these unbudgeted activities.

ALTERNATIVES:

- 1. Approve the IDOT Agreement for Federal Stimulus funding for the Skunk River Trail (South River Valley Park to Carr Pool).
- 2. Reject the Agreement.

MANAGER'S RECOMMENDED ACTION:

By approving this agreement with the IDOT, it will be possible to move forward with construction of this segment of the Skunk River Trail and to meet the deadlines of the Federal Stimulus funding.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the IDOT Agreement for Federal Stimulus funding for the Skunk River Trail (South River Valley Park to Carr Pool).