

AAMPO TRANSPORTATION POLICY COMMITTEE ACTION FORM

**SUBJECT: AMES AREA METROPOLITAN PLANNING ORGANIZATION (AAMPO)
FEDERAL HIGHWAY STIMULUS PROJECTS**

BACKGROUND:

It is anticipated that another bill will be passed for Federal Stimulus (Stimulus II). According to the Iowa Department of Transportation (DOT), the amount to be sub-allocated to the AAMPO will be \$2,099,562, which is the same amount that was received through the American Recovery and Reinvestment Act (ARRA) last year. It is anticipated that the bill will pass in mid-February and that funds will be apportioned on March 1.

Construction of the projects under this initiative will be financed with 100% stimulus funds up to the total allocated amount, without local match requirements. However, the City will be required to cover the costs to design these projects. For the Skunk River Trail, the City has \$448,825 of Local Option Sales Tax designated through the Capital Improvements Plan (CIP) that is available to use for engineering and administration expenses. The other two trails listed below are being added to the Transportation Improvements Plan (TIP) to qualify for the potential of Stimulus II competitive statewide trail funding.

A change provided in the Stimulus II rules will allow currently programmed projects to be used, which allows the Skunk River Trail to be programmed. These projects, recommended for the 2010 AAMPO Transportation Improvement Program (TIP), are shown below.

| <u>Project</u> | <u>Construction Estimate</u> | <u>Target Letting</u> |
|--|------------------------------|-----------------------|
| Skunk River Trail (Hunziker Youth Sports Complex to S. River Valley Park) (Shown in CIP for 2008/09, 2009/10, and 2010/11) | \$2,100,000 | December 21, 2010 |
| Vet Med Trail (S. 16 th Street to ISU Research Park) (Not currently programmed, pave existing granular trail) | \$175,000 | June 15, 2010 |
| State Nursery Trail (S. Duff Ave. to Crystal St.) (Not currently programmed, pave existing granular trail) | \$150,000 | June 15, 2010 |

In accordance with the Stimulus II requirements, these projects must be added to the AAMPO FY 2010 TIP in order to utilize the stimulus funding.

ALTERNATIVES:

1. Amend the AAMPO FY 2010 TIP to add the stimulus projects to FY 2010 in accordance with all applicable ARRA requirements.
2. Do not approve this TIP amendment.

ADMINISTRATOR'S RECOMMENDATION:

Should the proposed Federal Stimulus II legislation be passed, the AAMPO would receive approximately \$2,100,000 for trail and transportation project construction. Due to the complexity of construction, the City has been relying on potential competitive grant funding to finance the construction of these trail segments. Because of the competitive nature of these grants, there is a degree of uncertainty with this funding, which also comes with the requirement of a minimum 20% local match. Using Stimulus II would allow completion of the three remaining southern segments under one contract with 100% federal funding for construction.

This funding also comes with several restrictions for use on the roadway network. The funds must be used for rehabilitation or reconstruction on federal aid routes. The funds may not be used for routines maintenance (e.g. potholes) or construction on local streets, which accounts for the great majority of the City's roadway network. The original stimulus funding, ARRA 2009, allowed us to move three years ahead to complete anticipated improvements on our planned federal route street projects. Because of all of these factors, it is recommended that the Skunk River Trail from South River Valley Park to Hunziker Youth Sports Complex be designated for Federal Stimulus II funds. This also aligns with the Ames City Council goal to increase availability of alternative forms of transportation.

Approval of the addition of these projects into the 2010 TIP will allow the initiation of the project development process in accordance with the guidance and requirements of the Iowa DOT. This will enable a bid letting in 2010 with the probability of construction commencing during 2011.

Therefore, it is the recommendation of the Administrator that the AAMPO Policy Committee adopt Alternative No. 1, thereby amending the AAMPO FY 2010 TIP to add the indicated stimulus projects to FY 2010 in accordance with all applicable Stimulus II requirements.