



**Date:** April 10, 2017

**To:** Thomas J. Bonfield, City Manager  
**Through:** Keith Chadwell, Deputy City Manager  
**From:** Terry Bellamy, Director of Transportation  
**Subject:** Supplemental Municipal Agreement for Construction of Bicycle and Pedestrian Facilities on Old Durham-Chapel Hill Road (TIP # EB-4707B)

**Executive Summary**

NCDOT project EB-4707B will construct bicycle lanes and sidewalks and improve access to transit services on a 1.76-mile section of Old Durham-Chapel Hill Road between Garrett Road and Pope Road in Durham. In addition, a roundabout will be constructed at the Pope Road intersection and pedestrian signals will be provided at the Farrington Road / Southwest Durham Drive intersection. The N.C. Department of Transportation (NCDOT) is responsible for planning, design, and construction, as well as right-of-way acquisition, utilities, and contract administration.

The City’s participation includes providing a local match to federal funds that have been allocated to the project by the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO). To move forward with the project, the City Council must approve a CIP Ordinance Amendment, which is currently within this same agenda cycle, and a resolution authorizing the City Manager to execute a supplemental agreement with the North Carolina Department of Transportation (NCDOT). The supplemental grant agreement requires the additional encumbrance of \$1,317,192 local funds for the project.

**Recommendation**

The Department of Transportation recommends that the City Council authorize the City Manager to execute a Supplemental Agreement with the North Carolina Department of Transportation (NCDOT) for \$1,317,192.00 (Attachment A).

**Background**

The need for bicycle and pedestrian improvements in the Old Durham-Chapel Hill Road corridor has been recognized since at least the early 1990s. The corridor is important for pedestrian and bicycle travel for several reasons. First, the road is among the most direct roadway links between Durham and Chapel Hill – it parallels the principal arterial highway between these municipalities, US 15-501, and provides a more suitable route for non-motorized travel than US 15-501, Erwin Road, or NC 54. Second, this roadway segment abuts existing and planned bicycle and pedestrian facilities on both ends. Finally, the corridor is proximate to many major trip generators such as Eastgate Plaza, New Hope Commons, Patterson Place, and South Square retail centers, dozens of neighborhoods and apartment complexes, Githens Middle School, offices, the New Hope Creek Trail and Old Chapel Hill Road Park, and the Gateway and Patterson

Place Stations for the proposed Durham-Orange Light Rail Transit project. Attachment B is a vicinity map of the project.

In February 2005, the DCHC MPO undertook a bicycle and pedestrian feasibility study for Old Durham-Chapel Hill Road between Garrett Rd in Durham and US 15-501 in Chapel Hill. During the development of the feasibility study, there was a design charrette, open house, and public survey. The final report of the feasibility study recommended bicycle lanes and sidewalks in the corridor and included constructability drawings and cost estimates. The Transportation Advisory Committee (now MPO Board) of the DCHC MPO approved the feasibility study final report in February 2006.

Design of the project began in 2008. In August 2010 NCDOT held an open house to provide the general public and businesses the opportunity to review the design plans, provide feedback on the improvements, and discuss project specifics with the NCDOT and consultant team. Following the open house, the design plans were finalized, and NCDOT commenced right-of-way acquisition and utility relocation for the project.

In February 2008, the original Municipal Agreement for project EB-4707 was approved. This was a three party agreement between the City of Durham, Town of Chapel Hill, and NCDOT. Since that time the project has been split into section A (Chapel Hill) and Section B (Durham). The project is being split so that section B can be let for construction in 2017. It is anticipated that section A will be let for construction in 2018.

Pope Road was used as the dividing line in estimating the share of the local match to be borne by each municipality. Pope Road was chosen because it signifies the annexation boundary between Durham and Chapel Hill. Sixty-five percent of the project length is in Durham, and 35 percent is in Chapel Hill. Per the existing agreement, preliminary engineering costs are based on a 65/35 percent split between Durham and Chapel Hill. Final right-of-way and construction costs for Chapel Hill and Durham are based on actual dollars expended east and west of Pope Road.

The Old Durham-Chapel Hill Road bicycle and pedestrian project has been in project development for more than a decade. There are several reasons for the significant delay and increase in project costs. These include higher costs for design, right-of-way (including utilities), and construction than were estimated in the feasibility study; additional time needed to address concerns of some property owners and neighborhood associations; additional time needed to purchase right-of-way and move utilities; and funding challenges for both the local governments and MPO.

### **Issues and Analysis**

EB-4707 is primarily funded with eighty percent federal funding awarded through the DCHC MPO with local matches provided by NCDOT, Durham, and Chapel Hill. The original Municipal Agreement states that Durham's local match is estimated to be \$445,640. NCDOT has only billed the City once for project expenses and thus only \$39,341.77 of the original \$445,640 has been spent, leaving \$406,298.23 encumbered towards the project.

The Supplemental Agreement estimates that the additional City Durham local match is \$1,317,192 for a total of \$1,762,832 of local funding.

The total project cost for the Preliminary Engineering for both segments of the project is \$1,309,600, and the Right-of-Way and Construction costs for the Durham segment of the project is \$8,826,532.

Over the years of developing this project, the MPO Board approved the addition of federal funding for the project several times as costs increased, and this federal funding is in the current Transportation Improvement Program (TIP). City of Durham staff also correspondingly planned for the additional local match required for this project in the Federal-State Match CIP project. The Supplemental Agreement does require \$238,463 additional funding for the Federal-State Match project. This is reflected in the Budget agenda item on this Council meeting agenda. A portion of the local match is also coming from NCDOT, which contributed \$250,000 in state funds toward the construction of the Pope Road roundabout.

A portion of the federal funding for the project comes from DCHC MPO's Surface Transportation Block Grant Direct Attributable (STBGDA) funds. Another portion comes from the federal earmark that was previously programmed for the acquisition of the Duke Belt Line corridor. In 2016, when the MPO learned of NCDOT's intention to repurpose the \$2,002,950 federal earmark, the MPO requested that NCDOT repurpose the funding towards the Old Durham-Chapel Hill Road project. NCDOT had originally proposed repurposing the funds for the Alston Avenue widening project, but the MPO successfully argued that the funding should instead be applied to an upcoming project in Durham with a similar bicycle and pedestrian focus. This change saved DCHC MPO STBGDA funding which can be used for other projects in the MPO area.

### **Alternatives**

The Durham City Council could decide to:

- Authorize the City Manager to execute the Supplemental Municipal Agreement; or,
- Send the item back to staff for further review; or,
- Not authorize the City Manager to execute the Supplemental Municipal Agreement. The City would then request that NCDOT not proceed with awarding the construction contract for the project.

### **Financial Impacts**

The City's participation includes providing a local match to the federal funds. Upon completion of the project, the City will be responsible for reimbursing NCDOT for this local match. The total estimated City cost for the project is \$1,762,832.00.

### **UBE Summary**

The municipal agreements with NCDOT require that their 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.

### **Attachments:**

Attachment A – NCDOT Supplemental Agreement for Project EB-4707B

Attachment B – Vicinity Map