



**CITY OF DURHAM | NORTH CAROLINA**

**Date:** July 11, 2017

**To:** Thomas J. Bonfield, City Manager

**Through:** W. Bowman Ferguson, Deputy City Manager

**From:** Steven W. Hicks, Director, General Services Department

**Subject:** Grant Agreement with NC DOT and the City of Durham for the West Ellerbee Creek Trail Phase II project

**Executive Summary**

The West Ellerbee Creek Trail Phase II (WEC Trail) project is currently under construction. To date the project has received two federal Congestion Mitigation Air Quality (CMAQ) grants totaling \$1,440,240.00. These grant commitments are 63% of the value of the construction phase of the project; however the federal match maximum is 80%. In order to increase the federal contribution for construction up to 80%, additional funding was applied for through the Durham Chapel Hill Carborro Municipal Program Office (MPO). In June 2017, the MPO Board approved a grant in the amount of \$383,670.00. This will increase the federal commitment for construction up to 80%. To utilize this additional funding, City Council action authorizing the City Manager to execute a grant agreement with the North Carolina Department of Transportation (NC DOT) is required.

In March 2017, Council approved moving \$346,709.00 of appropriated CIP funds from the R. Kelly Bryant Bridge (RKBBS) Trail Project to the WEC Trail project in order to encumber construction contracts for the shovel-ready project. By accepting this third federal grant for the WEC Trail project, Council is able to take action to move borrowed funds back to the RKBBS Trail project.

**Recommendation**

The General Services Department recommends City Council approval of the following motions:

To authorize the City Manager to execute a Supplemental Municipal Agreement with NC DOT for the West Ellerbee Creek Trail Phase II project; and

To adopt a resolution to accept project related federal grant funding in the amount of \$383,670.00 from the NC DOT for the purposes of constructing the West Ellerbee Creek Trail Phase II project; and

To adopt an ordinance amending the General Capital Improvement Project Ordinance, Fiscal Year 2017-18, as amended, the same being Ordinance #15131, for the purpose of receiving additional funds in the amount of \$383,670.00 and transferring \$346,709.00 to the R. Kelly Bryant Bridge Trail project.

**Background**

The West Ellerbee Creek Trail Phase II will complete the Northern Section of the North/South Greenway Trail in Durham. This section of the greenway begins at Westover Park on Maryland Avenue, crosses Guess Road and continues along West Ellerbee Creek in a northeasterly direction going through a tunnel under Interstate 85, crossing North Pointe Drive at a new 4-way intersection, and ending on Broad Street connecting users to the Stadium Drive Trail.

To date, there have been two awarded federal Congestion Mitigation Air Quality grants for construction of this project; \$1,081,600.00 and \$358,640.00.

To date, the City has contributed \$1,458,709.00 toward the design, land acquisition, and construction of this project.

**Issues and Analysis**

Staff anticipates the following project schedule:

Construction Notice to Proceed	May 15, 2017
Substantial Completion	February 18, 2017
Federal grant reimbursements	Ongoing

**Alternatives**

City Council could choose not authorize the City Manager to sign the standard NC DOT grant agreement. This alternative is not recommended as it is it will maximize the available federal funding for the project. Accepting this third federal grant will allow the City to move borrowed CIP funds back to the R. Kelly Bryant Bridge Trail project.

**Financial Impact**

The financial impact of this request is authorization to enter into a Supplemental Municipal Agreement with NC DOT to receive an additional \$383,670.00 in grant funding. The grant requires a local match of \$95,918.00, however, this commitment has previously been made by Council and no additional project funds are being sought at this time. Funds for this project are currently budgeted and available as follows:

**FUNDING SOURCES**

Federal grants (previously accepted)	\$1,440,240.00
* Federal grant	\$383,670.00
Investment Income	\$15,302.54
Transfers from Other Funds	\$825,000.00
Misc. Revenue	\$266,717.46
Debt	\$351,689.00
* Restoration of borrowed funds	-\$346,709.43
<b>TOTAL</b>	<b>\$2,935,909.57</b>

**PROJECT EXPENSES**

Design	\$320,629.01
Property Acquisition, Permits, Surveys, and Reviews	\$110,625.11
Construction	\$2,228,201.71
Construction Contingency	\$222,820.17
NCDOT Administrative Fee 3%	\$53,633.57
<b>TOTAL</b>	<b>\$2,935,909.57</b>

\* Authority is requested as part of this agenda item.

**Equal Business Opportunity Summary**

Municipal Agreements with NC DOT 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 – NC DOT Supplemental Municipal Grant Agreement for Project C-5572
- Attachment B – Grant Resolution
- Attachment C – CIP Ordinance Amendment
- Attachment D – Vicinity Map