

 <div style="text-align: center;"> <h1 style="margin: 0;">Council Communication</h1> <p style="margin: 0;">Office of the City Manager</p> </div>	Date	August 24, 2009
	Agenda Item No. 64 Roll Call No. <u>09-</u> Communication No. <u>09-602</u> Submitted by: Jeb E. Brewer, P.E. City Engineer	

AGENDA HEADING:

Approving and authorizing the application for a Department of Transportation (DOT) Transportation Investment Generating Economic Recovery (TIGER) Grant Application for the Southeast Connector Project between SE 14th Street and SE 30th Street.

SYNOPSIS:

Recommend approval and authorization to apply for the DOT Grants for TIGER discretionary grant provided by the American Recovery and Reinvestment Act of 2009 (ARRA), for the Southeast Connector Project from SE 14th Street to SE 30th Street.

FISCAL IMPACT:

Amount: \$60 million of new unbudgeted grant monies requested will require \$5 million in City funds not currently programmed, if successful in obtaining grant.

Funding Source: The Southeast Connector, SE 14th to SE 18th, and Southeast Connector, SE 18th to SE 30th, projects are planned to be funded with the issuance of G.O. Bonds beginning in FY2012 – Adopted CIP Page Streets-37 and 38. If the grant is awarded, the timing of these two projects may require other projects to be delayed in order to prevent an increase in the Debt Service Levy.

Professional services to prepare the grant application totaling \$24,966 will come from STR 220, Southeast Connector – Environmental Impact Statement.

ADDITIONAL INFORMATION:

Up to \$1.5 billion was made available under ARRA for the Secretary of Transportation to make grants on a competitive basis for capital investments in surface transportation infrastructure projects that will have a significant impact on the nation, a metropolitan area or a region. Projects eligible for funding include, but are not limited to, highway or bridge projects, public transportation projects, passenger and freight rail or port infrastructure investments. The primary selection criteria are Long-Term Outcomes and Job Creation & Economic Stimulus. The secondary selection criteria are Innovation and Partnership.

Grants funded under the program must be greater than \$20 million, but less than \$300 million. Grants in excess of \$100 million must provide a significantly increased level of analysis. No more than 20 percent of the funds can be awarded to projects in a single state and the DOT must take measures to ensure an equitable geographic distribution of funds and an appropriate balance in addressing the needs of urban and rural communities. TIGER Discretionary Grants may be used for up to 100 percent of project costs, but priority will be given to projects where Federal funding is completing an overall financing package that includes non-Federal funds. Priority will also be given to projects that can be completed by

February 17, 2012.

This is a highly competitive grant. The Southeast Connector project satisfies many of the selection criteria identified in the grant, primarily economic development and improved transportation for the metropolitan area. Due to pending results of hydraulic modeling by the Iowa DOT and potential impact to the Corps of Engineer levee in the project area east of SE 30th Street, the grant application does not include the entire project to Highway 65. The estimated cost of the Southeast Connector from SE 14th to SE 30th Street is \$65 million. The grant application will be for \$60 million. If the grant is selected for funding, an amendment to the CIP will be necessary to fund the City's portion of the project. If selected, the City will also be responsible for increased reporting requirements. TIGER Grant applications are due by September 15, 2009. The DOT will announce the projects selected to receive TIGER Grant funds by February 17, 2010.

The grant application requires an extensive amount of research and analysis. The information is much more than on a typical application. Therefore, Wilbur Smith Associates has been contracted with to provide application services in the amount of \$24,966.

PREVIOUS COUNCIL ACTION(S):

Date: January 26, 2009

Roll Call Number: 09-137

Action: Authorizing notification of the City's preferred alternative for the Southeast Connector. (Council Communication No. 09-031) Moved by Meyer to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

If selected, the City will be asked to enter into a grant agreement, which would be followed by professional services agreement for final design, acquisition of right-of-way and construction contracts.

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