



March 17, 2023

To: Shawn Purvis, Deputy Town Manager
From: Craig Setzer, Parks, Recreation and Cultural Resources Director
Re: Middle Creek Greenway Construction Funding Phase I and Phase II-B

The purpose of this memo is to provide Council with a recommendation to fund the construction of Middle Creek Greenway Phase I and Phase II-B.

Background

Middle Creek Greenway PHI and PHII-B (including Spur B) total 1.6 miles of greenway that link the Town of Apex to Holly Springs at Sunset Lake Road. The two phases start at Sunset Lake Road (adjacent to Sunset Hills Subdivision), run north to just beyond Colby Chase Drive (Pemberley Subdivision), and have a spur connecting to the Miramonte Subdivision. PHI will include a trailhead with parking at the town's southern terminus of the trail. The estimated budget for Middle Creek Greenway Phase I and Phase IIB was \$3,139,545 in 2021. Per the original estimate staff requested and received grant funding from Wake County for 49 percent (\$1,544,686). The Town of Apex would have been responsible for covering the remaining portion of \$1,594,859. Town staff received bids for Middle Creek Greenway PHI and PHII-B (including Spur B) on February 14 with the low bidder's total cost of \$5,357,976.

Discussion

The total cost of the project is \$2,218,431 above original estimates. In an attempt to address the shortfall staff has looked at alternatives to reduce the scope of the project. A reduction in the scope would require rebidding of the project and could also require review and amending of the Wake County funding agreement. Staff asked Wake County if any additional bond funds would be available, but the funds have all been allocated to different projects. Staff has identified several sources to cover the shortfall - \$600,000 from the CIP for Annual Miscellaneous Greenway Connections and \$1,618,431 to be split between the Recreation Capital Reserve Fund and General Fund fund balance. The use of Miscellaneous Greenway connections Annual CIP allocation will not deter or delay planned feasibility studies or design of priority corridors as staff was recently awarded feasibility funding for the northern portion of Middle Creek greenway and the Swift Creek connector into the Town of Cary. The upcoming 2023-24 allocation will allow staff to start design on the highest scoring studied corridor along with looking at the highest priority corridors for an additional feasibility study. The General Fund currently has approximately \$8.7 million available for allocation from fund balance and the Recreation Capital Reserve has \$5.8 million available.

Recommendation

For the Town to complete the Middle Creek Greenway, additional funding will need to be allocated. Staff has identified funding sources for the \$2,218,431 shortfall from current capital allocations, General Fund fund balance, and the Recreation Capital Reserve Fund. The use of these funds is consistent with the Town's commitment the 2017 Parks Bond projects, the assignment of Recreation Subdivision fees-in-lieu for greenway construction, and the completion a major greenway corridor within the town that has been highly prioritized in approved plans. Staff does not anticipate any delays or negative impact from reallocating the funds set aside for greenway feasibility studies, but does recognize that use of reserves from the General Fund and Recreation Capital Reserve would represent a decrease in funds available for other capital projects experiencing budget shortfalls or being considered by Town Council.