



# COBURG CITY COUNCIL

## ACTION ITEM

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### Coburg Loop Path – Funding Allocation Request

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Meeting Date	Staff Contact	Phone	Email
November 14, 2023	Adam Hanks	541-682-7851	Adam.Hanks@ci.coburg.or.us

#### REQUESTED COUNCIL ACTION

Authorize the additional expenditure of Street Fund monies for the Lane Metropolitan Planning Organization (MPO) local funding match due to additional grant funds being allocated to the project by the MPO to enable the project to be constructed as originally designed and intended.

#### Suggested Motion

*I move to authorize the City Administrator to commit an additional \$25,880.40 of Street Funds from FY23-24 budgeted appropriations to the Coburg Loop Path project to meet the local match associated with the additional grant funds recently allocated to the project.*

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#### BACKGROUND

The City of Coburg received funding in 2022 from the Lane MPO for an extension of the Coburg Loop Path from Serenity Lane to Trails End Park, along with street preservation work on North Industrial Way which runs parallel to the proposed Loop Path extension. Project costs estimates have exceeded initial cost estimates several times, with additional funds being successfully requested to keep the project viable.

As additional funding was being requested, a lower cost alternative path design was also developed in anticipation of funding not becoming available. Recent MPO additional funding of \$252,000 allocated to the project now provides the opportunity to return to the original design of the path being completely separated from the N Industrial Way road surface, a much safer and enjoyable experience for pedestrians and cyclists.

The project has always included a 10.27% local funding match, with \$47,500 coming via a land donation from a property owner on N Industrial where a compatible sidewalk path has already been installed. Acceptance of the additional grant funding allocation of \$252,000 requires that the City commit to the additional local match of \$25,880.40.

With the recent additional \$252,000 allocation, the current total cost estimate for both project components is \$1,503,203.20 with a City local funding match of \$154,173.57. The credit associated with the land donation of \$47,500 reduces the out-of-pocket local match to

\$106,673.57, of which \$80,793.17 has been previously approved and budgeted to the project(s).

With an affirmative commitment from the City of Coburg, the project will immediately move forward to complete the required engineering and environmental reviews in anticipation of a March/April bid release and a summer construction timeline.

It is important to also note that the City would be responsible for all actual project costs that exceed the current project estimate and the current contract agreement requires contract award if the highest scoring bid is within 10% of the current project estimate.

### **RECOMMENDATION AND ALTERNATIVES**

1. Authorize the allocation of \$25,880.40 of existing Street Fund appropriations with the understanding that Staff may recommend the utilization of contingency funds from the Street Fund (\$100,000 budgeted) as project estimates for this and other Street Fund capital projects are solidified in the coming months.
2. Do not authorize the allocation of \$25,880.40 and direct staff to work with the project team to implement the alternative design utilizing the N Industrial Way road surface for a portion of the path reducing the project cost so that the additional grant funds and local match are not necessary for the project to move forward.

### **BUDGET / FINANCIAL IMPACT**

The immediate impact of this decision is an additional commitment of \$25,880.40 in the Street Fund. As noted, the Street Fund has several significant capital projects that have yet to go to bid so it is difficult to have complete clarity whether or not project cost estimate overruns will necessitate the utilization of contingency, of which \$100,000 is available in the Street Fund.

It is likely that at least one and possibly all of the streets/transportation projects will extend in the 2024-25 fiscal year which provides an opportunity to review the financial condition of the Street Fund in March of 2024 and determine whether the use of contingency is necessary while also having the benefit of one or more of the projects having been through the bid/award process with projects costs known and able to be mapped out over both fiscal years.

### **PUBLIC INVOLVEMENT**

This project has been in discussion, planning and development for well over a year locally and beyond that in regional transportation funding allocation discussions. The most recent public opportunity to learn and comment on the project was at the June 13, 2023 Council meeting. The project staff report for that meeting provides an excellent project history to date.

### **NEXT STEPS**

Staff will inform the Project Team of the decision of Council and will move forward with either the originally designed project or the alternative design depending on the decision to allocate the additional local match funds. In either case, the intention is for the project(s) to be bid in the spring and constructed in the summer of 2024.

### **ATTACHMENT**

1. June 13, 2023 Council Meeting Staff Report
2. Coburg Loop-N Industrial Way Project Agreement (ODOT, City of Eugene, City of Coburg)