



Legislation Text

File #: 18-1133, **Version:** 2

Resolution to Approve an Michigan Natural Resources Trust Fund Grant Agreement for the Allen Creek Railroad Berm Opening Project and Accept and Appropriate up to \$300,000.00 in Grant Funds **(8 Votes Required)**

Attached for your review and consideration for approval is a resolution approving a Michigan Natural Resources Trust Fund (MNRTF) Development Project Agreement for the Allen Creek Railroad Berm Opening Project and accept and appropriate up to \$300,000.00 in grant funding.

In December of 2013, the City and its consultant, OHM Advisors, completed a feasibility study to determine if it was possible to create openings in the railroad berm near Allen Creek to accommodate passage of floodwaters, as well as to allow pedestrians to cross safely under the railroad to get to the park facilities to the north. The feasibility study indicated that it would be possible to lower the floodplain elevation in the area by as much as 6.5 feet as well as accommodate non-motorized access under the railroad.

The project aims at creating a new pedestrian connection linking downtown Ann Arbor and its neighborhoods with the Border to Border (B2B)/Iron Belle Trail through the railroad berm in the vicinity of Allen Creek. Pedestrian access is acceptable to the Michigan Department of Transportation (MDOT), who is the owner of the railroad.

On June 27, 2016, the Michigan State Police-Emergency Management Division (MSP-EM) provided City Staff with a Federal Emergency Management Agency (FEMA) Hazard Mitigation Assistance Grant agreement for the first phase of a two-phase project to construct stormwater culverts in the railroad berm. Phase one consisted of the engineering design, development of construction plans, and preparation of the phase two hazard mitigation grant application.

On January 3, 2017, City Council authorized a Professional Services Agreement with Bergmann Associates, Architects, Engineers, Landscape Architects & Surveyors, D.P.C. (Bergmann) to assist staff in developing and preparing the construction plans and the hazard mitigation grant application, which has now been submitted. Phase two is the construction phase, and is expected to occur in the Spring of 2019.

Budget/Fiscal Impact

The MNRTF Grant stipulates that matching funds of Four Million One Hundred Eighty Nine Thousand Nine Hundred (\$4,189,900.00) must be appropriated to match the MNRTF Grant. This amount was derived from MNRTF Grant eligible items based on the construction cost estimate.

The MNRTF Grant matching funds have been established in the approved City of Ann Arbor Capital Improvement Plan and are included in the approved Stormwater Utility Capital Budget and the Alternative Transportation Fund.

MNRTF views any other funds used for the project, including non-MNRTF grant funds, to constitute

local matching funds. The project's non-MNRTF grant funds constitute just over \$7 million, thus satisfying the local match requirement.

Project funding breakdown:

Stormwater Portion of Project Funding:

FEMA Grant	\$3,713,429.48
City Stormwater Utility Capital Budget	<u>\$1,420,459.83</u>
Total:	\$5,133,889.31

The cost of the non-motorized/pedestrian tunnel is not included in the FEMA grant. Funding for the non-motorized/pedestrian portion estimated costs is as follows:

Pedestrian Portion of Project Funding:

TAP Grant	\$971,250.00
City Alternative Transportation Fund	\$705,000.00
STP Grant (Advanced from Major Street Fund, to be reimbursed from STP grant funds)	\$314,255.00
MNRTF Grant (Advanced from Major Street Fund to be reimbursed from MNRTF grant funds)	<u>\$300,000.00</u>
Total:	\$2,290,505.00

Prepared by: Nicholas Hutchinson, P.E., City Engineer

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, The Michigan Department of Natural Resources approved a matching grant through the Michigan Natural Resources Trust Fund (MNRTF) for construction of Allen Creek Railroad Berm Opening Trail; and

Whereas, the Park Advisory Commission recommended approval of the grant application on February 28, 2017, and City Council approved the grant application on March 20, 2017;

RESOLVED, That City Council approves a grant agreement (Agreement) with the Michigan Department of Natural Resources(DEPARTMENT) for MNRTF grant funds of up to \$300,000.00, and that the City of Ann Arbor does specifically agree, but not by way of limitation, as follows:

1. To appropriate all funds necessary to complete the project during the project period and to provide Four Million One Hundred Eighty Nine Thousand Nine Hundred (\$4,189,900.00) dollars to match the grant authorized by the DEPARTMENT.
2. To maintain satisfactory financial accounts, documents, and records to make them available to the DEPARTMENT for auditing at reasonable times.
3. To construct the project and provide such funds, services, and materials as may be necessary to satisfy the terms of said Agreement.
4. To regulate the use of the facility constructed and reserved under this Agreement to assure the use thereof by the public on equal and reasonable terms.
5. To comply with any and all terms of said Agreement including all terms not specifically set forth in the foregoing portions of this resolution.

RESOLVED, That City Council accepts and appropriates \$300,000.00 of MNRTF grant funding to

increase the Allen Creek Railroad Berm Opening Project revenue and expenditure budgets;

RESOLVED, That Mayor and City Clerk be authorized and directed to execute the Agreement after approval as to substance by the City Administrator and as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution.