

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 24 A-B

DATE: July 1, 2008

STAFF: Rick Richter

SUBJECT

Items Relating to the I-25/SH 392 Interchange and Improvements Project.

RECOMMENDATION

Staff recommends adoption of the Resolution and of the Ordinance on First Reading.

FINANCIAL IMPACT

The Resolution authorizes a revised Intergovernmental Agreement with associated cost sharing commitments for the City's contribution.

The cost sharing agreement confirms the Town of Windsor and City of Fort Collins will contribute twenty five percent (25%) each, and Metro Acquisitions, LLC will contribute fifty percent (50%) of the costs for the Justification for Separate Action and 1601 Study. The total cost for the Justification for Separate Action is \$15,010. The City share is \$3,753 (25%) and this cost has not changed from the original agreement.

The Justification for Separate Action has been approved. The three parties of this agreement will now apply to Colorado Department of Transportation and Federal Highway Works Administration for approval of the Interchange Improvements in accordance with the 1601 Process and agree to share the project's initial consulting costs as well as the subsequent costs generated by the 1601 process. After receiving a proposal, the total cost of the 1601 study has increased from \$138,551 to \$199,749. The City's share of this amount will be \$49,937 (25%). As such, the total cost for the City contribution for these two actions is \$53,690. The funds will be transferred from the General Fund Community Opportunity account.

EXECUTIVE SUMMARY

- A. Resolution 2008-058 Authorizing the Mayor to Execute an Amendment to the Intergovernmental Agreement Regarding Highway 392 Interchange Between the City, the Town of Windsor and Metro Acquisitions, LLC.
- B. First Reading of Ordinance No. 078, 2008, Authorizing the Transfer of Existing Appropriations from the General Fund to the Capital Projects Fund for the I-25 and SH392 Interchange and Improvements Project.

This resolution authorizes an amended Intergovernmental Agreement between the Town of Windsor, City of Fort Collins, and the Developer (Metro Acquisitions, LLC) to share the cost of filing a Justification for Separate Action and processing a 1601 study for the I 25 and SH 392 Interchange. Ordinance No. 078, 2008 appropriates Fort Collins' portion of the cost for these processes.

The amended Intergovernmental Agreement divides the cost between Windsor, Fort Collins, and the Developer and increases the capped contribution from Fort Collins from \$38,391 to \$53,690.

BACKGROUND

With new growth in Windsor and southeast Fort Collins in recent years, the permanence of the existing I-25/392 interchange is significantly impacted. The interchange is an integral, yet poorly functioning part of the transportation network. In January 2006, the City of Fort Collins and the Town of Windsor entered into an Intergovernmental Agreement (IGA) to develop a plan for the improvement of the interchange, including implementation strategies. A plan was prepared and presented to both the City and Town, and affected interests.

The initial project cost for the 1601 study (presented to Council in March 2008 as part of the three party agreement to be divided between Windsor, Fort Collins and the Developer) was estimated at \$138,552.

In April, the City of Fort Collins and Town of Windsor received a proposal from DMJM Harris to perform the SH 392 and I 25 interchange 1601 Study. Staff reviewed the proposal and subsequently interviewed DMJM Harris. The interview panel was impressed with DMJM's qualifications and experience with studies of this type. (**Note:** Because staff is following the CDOT/Federal Highway Administration process of consultant selection, cost was not allowed as a criterion for the proposal.) After the interview with the consultant, the cost associated with their proposal was received. Their initial cost proposal was \$230,898.

The project team then held a scoping meeting with DMJM Harris at which time some items such as travel were eliminated, staff reduced efforts on other items, and adjusted consultant-assigned personnel on some tasks. As a result, the proposed project cost was reduced to \$199,749.

The initial project cost estimates were derived from Windsor's previous 1601 study at this location, initiated in 2004. After reviewing the RFP, clarifying CDOT requirements for the level of design, and addressing the number of City Council, Town Board Meetings, and public meetings expected, the Consultant fees increased significantly. Some of these services were not included in the 2004 Windsor proposal as there was only one jurisdiction involved, and less call for formal public outreach.

ATTACHMENTS

1. Summary of Council Work Session held on June 10, 2008.



Planning, Development & Transportation

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MEMORANDUM

Date: June 11, 2008

To: Mayor and City Council Members

Thru: Darin Atteberry, City Manager
Diane Jones, Deputy City Manager
Jeffrey Scheick, Director of Planning, Development, & Transportation

From: Mark Jackson, Transportation Group Director

RE: Work Session Summary: June 10, 2008, I25/SH 392 Project Update

The I25/SH 392 Project Update was presented by Mark Jackson and Diane Jones at the June 10, 2008 Work Session. City staff in attendance were Chuck Seest, Finance Director; Pete Wray, Senior City Planner; Rick Richter, Pavement Management Program Manager; and Denise Weston, Senior Transportation Planner. Larry Gilleland representing Lauth Development. Seven members of the City Council were present.

The topics addressed were:

- Progress Report on the 1601 Process.
- Update on the work of the Finance Committee for the 1601 process with regard to evaluating both the financing tools under consideration and the mix of financing tools for the proper funding scenario.
- Proposed joint meeting between Fort Collins City Council and Windsor Town Board to discuss continued partnership.

There was some discussion about why we are doing the 1601 Process and not letting the CDOT North I-25 EIS carry through to completion. The 1601 process done separately from the EIS would allow the project to gain 12 to 15 months towards earlier improvement of the I-25/SH-392 interchange.

Council questioned why only two finance packages. More options will be presented when we come back to Council in August.

Council expressed support for the funding tools presented as long as the intent of the funding package was to be fair to all parties.

Council expressed support for the proposed joint meeting between Fort Collins City Council and Windsor Town Board. Staff will attempt to set this meeting in July.

Next steps:

- Staff will set up the meeting between Fort Collins City Council and Windsor Town Board
- An item will be presented to City Council in July for formal approval to increase Fort Collins contribution to the cost of the 1601 consultant fees.
- Next Council Update August 2008.

RESOLUTION 2008-058
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT
TO THE INTERGOVERNMENTAL AGREEMENT REGARDING
HIGHWAY 392 INTERCHANGE BETWEEN THE CITY, THE TOWN
OF WINDSOR AND METRO ACQUISITIONS, LLC.

WHEREAS, by Resolution 2008-030, the Council of the City of Fort Collins authorized the execution of an intergovernmental agreement among the City, the Town of Windsor and Metro Acquisitions, LLC (the "Agreement") regarding the Highway 392 and Interstate 25 Interchange (the "Interchange"); and

WHEREAS, the Agreement provided for a cost sharing mechanism among the parties whereby Metro Acquisitions would pay 50% of the cost related to the design and approval of the Interchange (including the project's initial consulting costs as well as the subsequent costs generated by the 1601 Interchange Study and the cost of the Colorado Department of Transportation 1601 Review Process), while the Town of Windsor and the City of Fort Collins would equally divide the remaining 50%, which remaining amount was not to exceed \$76,782; and

WHEREAS, the City and the Town of Windsor received a proposal from DMJM Harris to perform the 1601 Study but at a cost which exceeded the cost contemplated by the Agreement; and

WHEREAS, the Council has determined that the increase in cost is reasonable under the circumstances and ought to be approved through an amendment to the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the Mayor is hereby authorized to execute an amendment to the Intergovernmental Agreement between the Town of Windsor, the City of Fort Collins, and Metro Acquisitions, LLC entitled "Intergovernmental Agreement Regarding Highway 392 Interchange" by amending paragraph 3(c) to read as follows:

- (c) The Parties acknowledge that certain costs related to the design and approval of the Interchange Improvements will be incurred at the outset of this project. The Parties therefore agree to share the project's initial consulting costs as well as the subsequent costs generated by the 1601 interchange study and the costs of the CDOT 1601 review process on the following basis: Developer to pay fifty percent (50%) **not to exceed \$107,380**; Town to pay twenty-five percent (25%); and City to pay twenty-five percent (25%). Notwithstanding the foregoing, the Parties agree that the total combined costs paid by Town and City shall not exceed ~~\$76,782.00~~ **\$107,380.00**; provided, however, that Town and City agree to equally share in the reimbursement of the Developer for Developer's contribution towards the costs for preparing and filing for a Justification for Separate Action and approval of the Interchange Improvements pursuant to the 1601 Approval Process if the Proposed Development does not proceed, up to a maximum amount of ~~\$76,782.00~~ **\$107,380.00**. Town and City will each contribute 50% to any

such Developer reimbursement under this provision. In such event, any engineering or other documents prepared for the Interchange Improvements will become the property of Town and City.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 1st day July, A.D. 2008.

Mayor

ATTEST:

City Clerk

ORDINANCE NO. 078, 2008
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE TRANSFER OF EXISTING APPROPRIATIONS
FROM THE GENERAL FUND TO THE CAPITAL PROJECTS FUND
FOR THE I-25 AND SH392 INTERCHANGE AND IMPROVEMENTS PROJECT

WHEREAS, the Interstate 25 and State Highway 392 Interchange (“Interchange”), located at Exit 262, borders the western edge of the Town of Windsor (“Town”) and the southeastern limits of the City of Fort Collins (“City”); and

WHEREAS, the Interchange is an integral part of the regional transportation network; and

WHEREAS, in recent years, the capacity of the Interchange has been significantly impacted by state and regional growth, as well as local growth in Windsor and southeast Fort Collins, so that the Interchange is unable to handle current traffic capacity during peak hours; and

WHEREAS, the Interchange is characterized by numerous design and operational deficiencies and substandard safety features; and

WHEREAS, pursuant to Resolution 2008-030, the City Council agreed to enter into an Intergovernmental Agreement among the Town of Windsor, City of Fort Collins and the Developer (Metro Acquisitions, LLC) for a cost sharing agreement to file a Justification for Separate Action (RSA) with the Colorado Department of Transportation (CDOT) and Federal Highway Works Administration (FHWA); and

WHEREAS, under the cost sharing agreement, the Town of Windsor and City of Fort Collins will each contribute twenty five percent (25%), and Metro Acquisitions, LLC will contribute fifty percent (50%) of the costs for the RSA and 1601 Study; and

WHEREAS, City staff has received proposals to perform the I 25 and SH 392 1601 Study and identified the costs of the Justification for Separate Action and the 1601 Study; and

WHEREAS, the estimated Fort Collins portion of the cost of the study is \$53,690, with available funds identified from existing appropriations in the General Fund Community Opportunity account; and

WHEREAS, Article V, Section 10, of the Charter authorizes the City Council to transfer by ordinance any unexpended and unencumbered appropriated amount or portion thereof from one fund to another fund, provided that the purpose for which the transferred funds are to be expended remains unchanged.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the unexpended appropriated amount of FIFTY THREE THOUSAND SIX

HUNDRED NINETY DOLLARS (\$53,690) is hereby authorized for transfer from the General Fund to the Capital Projects Fund – I-25 and SH 392 Interchange and Improvements Project.

Introduced, considered favorably on first reading, and ordered published this 1st day of July, A.D. 2008, and to be presented for final passage on the 15th day of July, A.D. 2008.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 15th day of July, A.D. 2008.

Mayor

ATTEST:

City Clerk