



CITY COUNCIL REPORT

February 19, 2007

TO: Phillip L. Nelson, City Manager

FROM: Brian Murphy, Assistant City Manager/Economic Development Services
Steve Vandette, City Engineer

SUBJECT: Federal Aid Funding for Major Roads – FY 2010 and 2011

Background:

- The Oakland County Federal Aid Funding Committee held their annual meeting on February 7, 2007 for the purpose of approving road improvement projects for federal aid funding. Oakland County typically receives federal funds in the range of \$20-24 million to distribute to projects within Oakland County in the various funding categories.
- The following projects were approved for funding:

Agency	Project Name	Limits	Federal Amount	Local Match	Year	Phase
Troy	Rochester	Torpey to Barclay	\$1,286,000	\$0 ¹	2009	CON
Troy	Wattles	East & West of Rochester	\$2,175,000	\$578,000	2010	CON
Troy	Stephenson	14 Mile to I-75	\$2,657,000	\$665,000 ²	2010	CON
Troy	Livernois	Long Lake to Square Lake	\$2,400,000	\$600,000	2011	ROW
RCOC	Crooks	Equity to Big Beaver	\$703,000	\$176,000 ³	2011	CON
RCOC	John R	14 Mile to Maple	\$669,000	\$168,000 ⁴	2011	CON
Clawson	Main (Livernois)	Lincoln to Maple	<u>\$2,124,000</u>	<u>\$1,416,000</u> ⁵	2011	CON
			\$12,014,000	\$3,603,000		

PHASE

ROW – Right-of-Way Acquisition

CON – Construction

¹ \$8,400,000 was previously approved as partial funding for this project in 2009 with a local match of \$3,386,000

² Proposed construction in 2008 using Local Jobs Today funding (local match up to 25% paid by MDOT and loan from MDOT secured to advance construct the project prior to receiving federal funds)

³ RRR project – Resurfacing, Restoration and Rehabilitation project scope rather than widening

⁴ RRR project – Resurfacing, Restoration and Rehabilitation project scope rather than widening

⁵ Proposed construction by Clawson in 2008 using Local Jobs Today funding (local match up to 25% paid by MDOT and remainder split by Clawson and Troy with loan from MDOT secured to advance construct the project prior to receiving federal funds)

Financial Considerations:

- By obligating previous phases of a project, the city has agreed to construct these projects at some time in the future and fund the local share of the project.
- In the event that actual construction of the roadway is not undertaken by the close of the twentieth fiscal year following the fiscal year in which the project contract covering the work is executed, the city would be required to repay all monies distributed for the previous project phases.

Legal Considerations:

- It is the responsibility of the local agency to complete all requirements for a specific phase in order to obligate the federal funds, including executing an agreement with the Michigan Department of Transportation (MDOT) which requires approval by City Council. Until obligation of the federal funds has been approved, no federal funds are available to the project phase and no local match is required.

Policy Considerations:

- Widening and reconstruction of major roads provides a safer road and relieves congestion (Goal I, III & V)
- The use of federal funds reduces the overall cost to the city (Goal II)