

**CITY OF OTTAWA, KANSAS
APPLICATION FOR**

FY 2014 National Infrastructure Investments “TIGER”

**U.S. DEPARTMENT OF TRANSPORTATION
GRANT FUNDING REQUEST**



**FOR DAVIS ROAD AND WALKING AND BIKING PATH
IMPROVEMENTS IN THE NORTHEAST OTTAWA INDUSTRIAL PARK**

April 25, 2014

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STATEMENT OF WORK

The City of Ottawa, Kansas is requesting \$4,617,689 through the U.S. Department of Transportation FY2014 National Infrastructure Investments grant program, known as the FY 2014 TIGER grant. This grant request will support two phases of a larger three phase transportation infrastructure project within the Northeast Ottawa Industrial Park. Total federal funding requested for this project is tentatively anticipated to be \$3,367,689 be locally matched by up to \$1,250,000 provided by the City of Ottawa as outlined in the narrative below. This financial commitment will be provided to assist in funding the following project:

Construct 2-lane Urban Arterial Street in the Northwest Ottawa Industrial Park, with:

- Turn lanes at major intersections and entrances;
- Sidewalks;
- ADA compliant sidewalk ramps;
- Shared use paths, including completion of bicycle and pedestrian pathways in portions of the industrial park;
- Curb and gutter, storm sewers and curb inlets;
- MUTCD pavement marking and permanent signage.

Project specifications:

- 12-inch hot mix asphalt pavement placed on 6" aggregate base;
- Will allow for Average Daily Traffic up to 12,000 vehicles per day;
- Will accommodate potential expansion to 4-lane facility under full build-out conditions.

Project location - Below is an aerial image of project build-out and connections to existing transportation infrastructure:

- 1.22 miles corridor from corner of Davis Road and South Industrial Road south to completed Kansas Department of Transportation funded corridor improvements beginning at corner of K-68 Highway and Davis Road and extending 0.14 miles north.

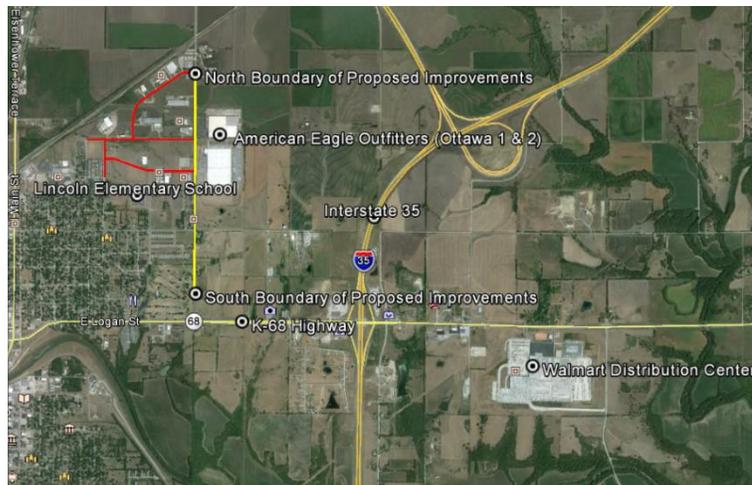


Figure 1 Image Showing Davis Road Project Corridor

Note: In the image above, yellow lines refer to areas where road improvement funding is requested; red lines are areas in the park that bicycle and pedestrian path funding is requested.

DETAILED PROJECT SCHEDULE

The following project schedule was developed by BG Consultants (City of Ottawa, Kansas's contracted city engineer).

November 2014-October 2015 Engineering Design (12 Months, In Process)

July 2014-October 2014 NEPA Review Process (3 Months, originally submitted in May 2013 as part of FY 2013 TIGER grant proposal)

May 2015-August 2015 Acquisition of Permits and Right-of Way (4 Months)

November 2015-December 2015 Advertise, Bid and Award Construction Contract (2 Months)

January 2015-January 2016 Construction of Project (1 Year)

DETAILED PROJECT BUDGET

The following is a detailed project budget for this proposal as created by BG Consultants, the City of Ottawa, Kansas's contracted City Engineering firm.

This budget shows the current cost for all three phases of the City of Ottawa grant project, previously submitted under the FY 2013 TIGER offering. This year's application scales back this request to include 2 of the 3 phases. Costs for this portion of the project are anticipated to be \$4,617,689, including a 20% contingency for construction costs per BG Consultants. By scaling back this project to only the two project phases described in later portions of this document, City staff hopes this project will receive additional consideration from the Department of Transportation over any consideration received for the FY 2013 grant application.

City staff would note that though the project has been significantly scaled back, concern is that completion of the third and final phase of the originally conceived project will be done at a dramatically higher cost, thereby increasing the total expenditure of the City and of future project partners. An example of this escalating cost is the 1.7% cost increase for phases 1 & 2 of the project from submission of the FY 2013 TIGER Grant to the FY 2014 TIGER Grant.

Option #3: 2-Lane Arterial					
Davis Road - K-68 to Sand Creek Road					
Item #	Description	Quantity	Unit	Unit Price	Total Price
1.	Removal of Existing Structures	1	L.S.	\$ 35,000.00	\$ 35,000.00
2.	Unclassified Excavation	25,000	C.Y.	\$ 5.00	\$ 125,000.00
3.	Compaction of Earthwork (Type B)	25,000	C.Y.	\$ 5.00	\$ 125,000.00
4.	6" AB-3 Subgrade	37,000	S.Y.	\$ 8.00	\$ 296,000.00
5.	12" Asphalt Surfacing (BM-2)	25,000	Tons	\$ 75.00	\$1,875,000.00
6.	Combined Curb & Gutter	15,000	L.F.	\$ 20.00	\$ 300,000.00
7.	Gravel Shoulder	1,000	S.Y.	\$ 8.00	\$ 8,000.00
8.	Concrete Pavement (8")(NRDJ)	1,500	S.Y.	\$ 60.00	\$ 90,000.00
9.	Concrete Pavement (8")	2,350	S.Y.	\$ 60.00	\$ 141,000.00
10.	Concrete Pavement (6")	800	S.Y.	\$ 50.00	\$ 40,000.00
11.	Concrete Sidewalk (4" A.E.)	10,000	S.Y.	\$ 35.00	\$ 350,000.00
12.	HMA 10' Shared Use Path	16,000	L.F.	\$ 35.00	\$ 560,000.00
13.	Sidewalk Ramps	28	Each	\$ 1,000.00	\$ 28,000.00
14.	Std. Curb Inlet (10')	26	Each	\$ 5,000.00	\$ 130,000.00
15.	Storm Sewer Pipe (18") (RCP)	3,200	L.F.	\$ 60.00	\$ 192,000.00
16.	Cross Road Pipe (24") (RCP)	1,700	L.F.	\$ 80.00	\$ 136,000.00
17.	End Sections(24") (RC)	4	Each	\$ 750.00	\$ 3,000.00
18.	Traffic Control	1	L.S.	\$ 20,000.00	\$ 20,000.00
19.	Pavement Marking Lines	12,000	L.F.	\$ 3.00	\$ 36,000.00
20.	Pavement Marking Symbols	1	L.S.	\$ 5,000.00	\$ 5,000.00
21.	Permanent Signing	1	L.S.	\$ 10,000.00	\$ 10,000.00
22.	Seeding, Fertilizing and Mulching	1	L.S.	\$ 10,000.00	\$ 10,000.00
23.	Contractor Construction Staking	1	L.S.	\$ 10,000.00	\$ 10,000.00
24.	Temporary Erosion Control	1	L.S.	\$ 75,000.00	\$ 75,000.00
25.	Mobilization	1	L.S.	\$150,000.00	\$ 150,000.00
Subtotal =					\$4,750,000.00
+ 20% Contingency =					\$ 950,000.00
Construction Total =					\$5,700,000.00
+ 25% Engineering Design, Bonding, Administration, Inspection =					\$1,425,000.00
Project Total =					\$7,125,000.00

Figure 2 Davis Road and Bicycle and Pedestrian Path Project Budget

I. DESCRIPTION OF PROJECT

City of Ottawa, Kansas Basic Information

- Located approximately 45 minutes south and west of the downtown Kansas City, Kansas/Missouri;
- Situated along Interstate 35 in Franklin County, Kansas;
- Approximate population of 12,649 (2010 U.S. Census) classifies the City as a “rural area” for the purposes of this grant request.

Expected Users of Project (Current Users)

The following list comprises the majority of individuals expected to utilize the rebuilt and expanded Davis Road in the Ottawa Industrial Park, and the sidewalks and bicycle and pedestrian walking path requested in this project.

1) Northeast Ottawa Industrial Park Employers and Employees:

- 17 industrial employers currently reside in the industrial park;
- Approximately 1,650 full-time individuals are employees within the industrial park with an additional 1,500 employees located in the park during peak holiday seasons.

The 4 largest employers (in order of size) are listed below:

American Eagle Outfitters Distribution Center

1529 Davis Road, Ottawa, Kansas

700 full-time Employees-Approximately (Plus 1,500 current seasonal employees, growing to 2,100 seasonal employees after expansion)

Cargotec Solutions

415 E. Dundee Street, Ottawa, Kansas (Ancillary Business to Northeast Ottawa Industrial Park)

275 Employees-Approximately

Midwest Cabinet Company, Inc.

1674 Industrial Avenue, Ottawa, Kansas

120 Employees- Approximately

COF Training Services

1416 Davis Road, Ottawa, Kansas

85 Employees/Clients-Approximately

Regarding Industrial Park Employee Traffic Safety:

- Currently, bicycle and pedestrian traffic must share the roadway with vehicular traffic;
- A significant number of developmentally disabled clients of COF training services, the fourth largest employer in the industrial park, walk or bike to the company's location.

Residential/Elementary School Traffic:

Approximately 25% of current Ottawa residential properties, housing roughly 3,200 persons, plus the newly constructed Lincoln Elementary School (see image below) lie less than one mile from the south boundary of the above described project.

The elementary school, itself, with 484 students, is located six-tenths of a mile from the American Eagle facility, the largest employer in the industrial park that generates the greatest amount of traffic. As a result, school personnel, families travelling to and from the school or running errands, and school children traversing the area on bicycles mix with the industrial traffic within the project corridor, increasing the element of danger within the industrial park.

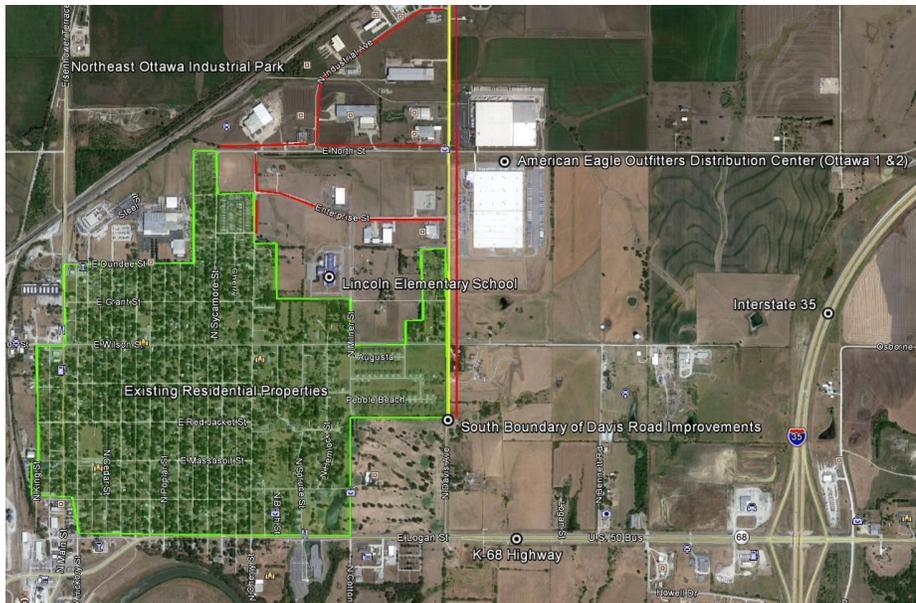


Figure 3 Aerial Image Showing Existing Surrounding Residential Property

2) Additional Daily Traffic:

A significant amount of transient traffic utilizes the project area each day (“Figure 1” above):

- Travelling through the park to access U.S. 59 Highway north of the industrial park;
- Travelling through the park to access K-68 Highway south of the industrial park;
- Entering and exiting the industrial park for the purpose of conducting business.

Expected Users of Project Improvements (Future Users): New and Seasonal Employees of Existing Industrial Park Businesses

Multiple existing industrial businesses located within the industrial park have either purchased property for future expansion or have discussed expansion plans with the City of Ottawa.

The largest proposed expansion is a plan for the American Eagle Outfitters distribution center. The company’s growth (per a site submitted to plan to the City of Ottawa) would add 360,000 square feet of warehouse and distribution center space to the existing complex, and increase its employment base by 43 percent, or approximately 300 full-time jobs. In addition to an increase of full-time employment, this additional construction is expected to increase the number of seasonal employees from 1,500 to 2,100 during American Eagle’s peak holiday season.

New Businesses Relocating to the Northeast Ottawa Industrial Park

In addition to the probability of the expansion of businesses currently residing in the industrial park, the area around our proposed project corridor has the capacity for growth. This is projected to occur through the addition of multiple new businesses in or near the industrial park:

- The City owns 30 acres of “shovel ready” property in the industrial park that will become a new home of 3 or 4 industrial businesses of, about, 30,000 square feet each.
- Approximately 700 to 800 acres of undeveloped property also exists within an approximately 0.5 mile radius of the project corridor, and is expected to be developed for industrial use in the medium-range future.

Demand for new business property is largely being driven in the Franklin County, Kansas region by the construction of “Logistics Park Kansas City”, a BNSF intermodal facility located approximately 25 minutes northeast of the Northeast Ottawa Industrial Park.

Approximately \$7.7 billion in new wages are anticipated in Kansas (Southwest Johnson County Economic Development Corporation), and 60 million square feet of new warehouse and industrial space in the Kansas City region are expected as a direct result of the project (Kansas City Business Journal, www.bizjournals.com/kansascity, May 10, 2013). For information about Logistics Park Kansas City, visit this link: www.logisticsparkkc.com.

Individual Use of Improved Areas:

Those taking advantage of the areas improved by our proposed project will include:

- Employees that are unable to use automobiles as a transportation method to work, including: employees unable to use an automobile for health or financial reasons; and employees unable to drive to work due to legal issues;
- Employees that would use bikes and pedestrian methods to travel to work voluntarily but don’t today due to safety concerns;
- Employees and area residents who would utilize the newly constructed bicycle and walking paths for health and wellness purposes (i.e. using the paths on breaks from work or as part of a formal health and wellness program).

In a recent survey of 100 local residents (including industrial park management and employees), 7.45% of respondents stated they would use a bicycle and walking path every day, 11.70% would use the path every day (weather permitting), 15.96% would use the path once or twice a week, 12.77% would use the path less than once a week and 19.15% would use the path extremely rarely. Only 32.98% stated they would never use the pathways.

Geospatial information

Project funds for the rebuild and expansion of Davis Road and the construction of walking and biking paths along Davis Road and within other areas of the industrial park could best be described as taking place within the below described project corridor:

Longitude: 38° 37’ 30.81” North

Latitude: 95° 14’ 57.55” West, **and:**

Longitude: 38° 38’ 34.78” North

Latitude: 95° 14’ 57.07” West

It should be noted that a section of Davis Road (the K-68 and Davis Road intersection) described below has recently been renovated through the application of local municipal funds and Kansas State Department of Transportation funding.

Road section recently improved:

Longitude: 38° 37' 22.99" North

Latitude: 95° 14' 57.48" West, and:

Longitude: 38° 37' 30.81" North

Latitude: 95° 14' 57.55" West

The above project has been completed and is not considered as "project match". It is, however, connected to our initiative and we request that the U.S. Department of Transportation consider it as a portion of our overall goal to improve this corridor as project funding is identified.

Connections to existing transportation infrastructure

Davis Road currently connects to multiple other transportation corridors within the immediate Ottawa, Kansas region. These corridors include:

- Interstate 35 which is connected to Davis Road via either K-68 access 0.90 miles east of the intersection of K-68 and Davis or through U.S. 59 Highway, which connects to the Interstate approximately 1.75 miles (distance travelled) southeast of the expected completion point of requested improvements.
- United States U.S. 59 Highway which is connected to the north end of Davis Road and connects Ottawa, Kansas to Lawrence, Kansas and the Interstate 70 trade corridor;
- Kansas K-68 Highway which connects to the south end of Davis Road and connects the industrial park to Pomona, Kansas, and Louisburg, Kansas.

How the project addresses the needs of rural areas

This project addresses the needs of rural Kansas through:

- Improvement of an existing vital transportation corridor in the largest industrial park in rural Franklin County, Kansas;
- Renovation of an existing 2-lane 24 foot wide "local road" to a 2-lane "urban arterial street" with turn lanes at major intersections and entrances, sidewalks and shared use paths and storm sewer utility improvements (see above "Statement of Work").

This project is designed to provide much needed improvements for existing businesses and employees, and to provide much needed long-term transportation improvements for new businesses that will locate in and around the industrial park.

As described, the Northeast Ottawa Industrial Park is poised for growth through expansion of American Eagle Outfitters and several large businesses that will relocate to the Ottawa region. The improvements requested in this project are estimated to:

- Provide adequate transportation infrastructure for the next 40 years*;
 - Grow the Davis Road corridor's transportation from a carrying capacity of 3,200 cars today (2010 figures) to 10,500-11,500 vehicles in 2050*.
- *The above estimates were compiled by BG Consultants and are included in their May 31, 2013 Preliminary Engineering Report for this project (attached to the formal grant application).

Additionally, this project will work to:

- Address the need within the industrial park (and the rural community it serves) for safe alternative forms of transportation;
- Allow for entrance, exit and travel through the industrial park by adding sidewalks and bicycle/ walking paths adjacent to Davis Road and through industrial park corridors.
- Address the transportation and safety needs of industrial park employees, incapable of utilizing automobiles to access their employers (i.e. the previously mentioned developmentally disabled employees/clients of COF Training services)
- Address the transportation and safety needs of those industrial park employees financially unable to afford automobile transport, and those employees who for some other reason, such as traffic violations, are unable to use an automobile.
- As mentioned above, allow for employees and area residents who would utilize the newly constructed bicycle and walking paths for health and wellness purposes (i.e. using the paths on work breaks or as part of a formal health and wellness program).

Transportation Challenges the Project Will Address/How project will Address Challenges

This City of Ottawa, Kansas FY 2014 TIGER grant project will address several key transportation challenges in the Northeast Ottawa Industrial Park:

1. Lack of Appropriate Roadway and Surface Conditions for Current Industrial Park Use:

The current roadway is an aging two-lane rural farm-to-market road 24 feet wide with open ditches paralleling the pavement to convey storm water run-off (see photos below):



Figure 4 Photo Showing Existing 1 Foot Shoulder



Figure 5 Showing Steep Ditch Storm Water Run-Off

Existing asphalt on roadway is expected to be approximately 9 inches in depth according to recent geotechnical exploration. Alligator cracking, thermal cracking and areas of subgrade degradation are present in areas of the project corridor.

Shoulders on this road are limited to a 1-foot wide paved shoulder (see photo above) on each side of the roadway. This creates tremendous safety issues for both existing industrial traffic and alternative traffic traveling through the industrial park including bicycle traffic and pedestrian travelers. Currently, between 1,000 and 3,200 vehicles (depending on the location within the road) travel on the portion of Davis Road proposed to be reconstructed as part of this grant. Approximately 6% to 10% of this traffic is heavy truck or bus traffic depending on the location within the project corridor.

In addition to aging roadways, current Davis Road conditions are considered unsafe as evidenced by 39 accidents which resulted in 18 injuries on the corridor between 2000 and 2013. Planned upgrades will dramatically improve roadway and transportation conditions and traveler safety along the corridor (see "[Safety](#)" section of this document, below).

The road surface to be constructed will be a 2-lane urban arterial curb and gutter street, with turn lanes at major intersections, and industrial facility entrances, and drainage to the storm water collection system.

The road surface will be a 12-inch hot mix asphalt on a 6 inch aggregate base with an estimated total lifespan of 40 years. Total estimated vehicle load this roadway is expected to capably handle is 10,500-11,500 vehicles per day. This, also, will meet the anticipated vehicle travel needs of the roadway for the next 30-40 years, creating a much more appropriate road surface for long-term use within the industrial park.

Other improvements will include the construction of appropriate sidewalks on the west side of the project corridor, a shared use (bike and walking trail) on the east side of the project corridor to assist the safe access of bike and pedestrian traffic to the industrial park.

2. Throughput of traffic in the park under current transportation conditions:

As mentioned, a primary component of the road reconstruction will be the addition of turning lanes at major intersections and at major industrial facility entrances. The construction of these turn lanes will be incorporated with the intent of eliminating traffic congestion in the industrial park, primarily attributed to shift changes at the American Eagle Outfitters distribution center and the co-mingling of employee traffic with transient truck and trailer traffic (estimated at between 6% and 10% of current traffic volumes depending on location within the park) attempting to access multiple locations in the industrial park.

3. Constraints on the Current Infrastructure Limiting Flexible Future Growth:

When deciding on the appropriate construction plan for the Davis Road improvement project, two other alternative construction plans were considered:

- Leaving the road in its current condition which creates a continuous annual maintenance burden on the City of Ottawa (estimated at approximately \$75,000 per year) to maintain the roadway with no additional long-term benefit;
- Construction of a four-to-five lane roadway system (including turning lanes) within the park to provide a transportation infrastructure with the capacity to serve a much greater than anticipated future traffic need (25,000 vehicles per day or more than twice the currently anticipated long-term demand).

Though the second alternative may have appeared reasonable, it would have resulted in a significant “overbuild” of the infrastructure (even considering the potential for greater industrial expansions and relocations into the industrial park) with not only a greater than necessary travel capacity but also an approximately \$3.4 million greater cost than the project proposed in this request.

Allowing for future expansion into a 4-lane facility under full build-out conditions can be accomplished by purchasing right-of-way for that potential future expansion during the proposed expanded 2-lane project build-out.

4. Lack of Existing Infrastructure for Alternative Forms of Transportation Within Park:

Under current infrastructure conditions within the Northeast Ottawa Industrial Park, a very limited amount of travel paths are available to and from or within the industrial park that allow for alternative forms of transportation (primarily bicycle and pedestrian traffic).

Under the proposed Davis Road improvement plan, approximately 3.6 miles of new bike and walking paths will be constructed, linking the industrial park not only to exterior travel corridors but also within the industrial park itself.

The purpose of these paths will be to eliminate the previously mentioned lack of means to access or travel through the industrial park via bike or as a pedestrian. Current conditions create tremendous hazards, as bikes or pedestrians are forced to travel on the normal road surface with other car and tractor trailer traffic. This is particularly evident when a portion of the ancillary traffic may be traveling from a residential area to Lincoln Elementary School as discussed above, or when developmentally disabled residents from the COF Training Services facility are travelling to jobs at 1516 N. Davis Avenue.

The paths will not only allow the employees of businesses within the industrial park to safely travel to and from their place of employment, but also provide a place to exercise, walk and bike during breaks or as part of a wellness initiative.

II. PROJECT PARTIES

Multiple project parties have assisted in the creation of the Ottawa, Kansas FY 2014 TIGER grant submission. These parties have included:

- The City of Ottawa, Kansas, applicant for this project;
- The Franklin County Development Council (the local economic development entity);
- Local employers who assisted in the review process for the project design submittal and have provided letters of support (included as attachments) to this project;
- American Eagle Outfitters distribution center staff who helped review various renditions of Davis Road improvement ideas;
- BG Consulting, engineer for the project; contracted City of Ottawa engineer.

The City of Ottawa, Kansas:

- Is a City Manager/Commission form of government with an annual budget of approximately \$47.6 million (including municipal utilities);
- was incorporated in 1866 and voted in 1867 to become a “city of the second class” under the jurisdiction of the State of Kansas;
- currently operates multiple municipally controlled utility services including electric, water, wastewater City owned broadband service (new in 2013) and multiple community owned amenities including a 4,500 foot municipal airport, multiple parks, an auditorium and other community facilities.

In 2012, the City of Ottawa had a general obligation bond rating of A1 according to Moody’s.

As the applicant for TIGER grant project funds, the City of Ottawa will continue to work with all listed partners and others, as appropriate, as a project build-out occurs.

III. GRANT FUNDS AND SOURCES/USES OF PROJECT FUNDS

1. Amount of Funding Requested

The City of Ottawa, Kansas is requesting U.S. Department of Transportation funding for a \$3,367,689 portion of the \$4,617,689 projected cost to complete the above proposed renovations of Davis Road, and the completion of industrial park sidewalks, bike and walking-paths, as described in this grant request.

This funding proposal represents a 74/26 percentage cost share between the U.S. Department of Transportation and the City of Ottawa, Kansas, considering the municipality’s \$1,250,000 match.

It should be noted that in addition to this local match, a non-countable public investment has taken place on the south end of the project corridor through the Kansas Department of Transportation who supplied \$1,422,000 in State funding to support improvements at the intersection of K-68 and Davis road in addition to \$470,000 that the City of Ottawa committed to that project.

2. Availability/Commitment of Fund Sources

The City of Ottawa will provide a local cash match of \$250,000. The City has also tentatively committed to seek \$1,000,000 in public bond financing to serve as further match. Commitment to receive these funds is tied to the availability of financing additional public debt through the City (in 2012 the City's Moody's general obligation bond rating was A1) and formal approval of the Ottawa City Commission to finance this debt package.

Although as a rural applicant, for TIGER discretionary grant funds, of the City of Ottawa is not required to provide match for this project, the City wishes to financially participate in this project partnership to the extent that it is fiscally able.

It should be noted that without U.S. Department of Transportation financing this project is not projected to be fully funded by State or Local dollars for many years in the future.

3. Use of Project Funds

A formal budget proposal for this project is included at the beginning of this document listed under the heading "[DETAILED PROJECT BUDGET](#)".

4. Additional Federal Funds Provided to Project Corridor (Not considered as Match)

As the following project has been completed, it cannot be considered as "project match". It is, however, connected to our initiative in the corridor and we request that the U.S. Department of Transportation consider it as a contribution when assessing our overall goal to improve this identified project corridor.

The State of Kansas, through the Kansas Department of Transportation recently completed a \$1,422,000 intersection improvement on the south end of the project boundary (intersection of K-68 and Davis Road), with a local (City of Ottawa) partnership match of \$470,000 to assist with that project. These funds may have been at least partially received through allocations from the U.S. Department of Transportation to the State of Kansas.

IV. SELECTION CRITERIA

a. Primary Selection Criteria

The following benefits to the United States as a whole and the Ottawa, Kansas region are expected as a result of completion of the stated improvements on Davis Road and the ancillary build-out of sidewalks and bicycle and walking trails in the Northeast Ottawa Industrial Park.

Long-Term Outcomes

i. State of Good Repair

Currently, Davis Road is in a state of partial disrepair as evidenced by an existing asphalt

surface that appears to have been in place for a significant amount of time (BG Consultants Preliminary Engineering Report, May 31st, 2013, attached) with significant signs of alligator cracking, thermal cracking and some areas of subgrade degradation, which has caused rutting and potholes in some areas of the road.

Plans for a renovated Davis Road will include the upgrade of the road from what can best be described as a rural farm to market road to a modern, urban 2-lane arterial street with turn lanes at major intersections and private employer turn-ins, storm sewers, sidewalks and shared use (bicycle and pedestrian) pathways to and from the park. Project plans also include bicycle and walking paths within major travel corridors within the industrial park.

According to the City's contracted engineering firm, BG Consultants, the anticipated lifespan of this project's ability to meet the traffic demands of Davis Road is approximately 40 years.

ii. Economic Competitiveness

The renovation of modern transportation options, specifically highway accessibility, in the Northeast Ottawa Industrial park will prove to be a catalyst of long-term economic vitality in Franklin County, Kansas. In a 2012 annual survey of corporate executives by *Area Development Online*, highway accessibility "Topped the list of individual site selection factors, with 93.8 percent of those surveyed ranking this factor as "very important" or "important"." (November, 2012, Area Development Online, www.areadevelopment.com)

As evidenced by these findings, access to highway systems (as supported currently by the Northeast Ottawa Industrial Park's immediate access to the K-68 Highway corridor, to the U.S. 59 Highway/Interstate 70 trade corridor and the Interstate 35/NAFTA trade corridor) as well as having reliable, safe, truck-capable roadways with access to these highways is extremely important. Quality, reliable transportation infrastructure is invaluable to the support of a company's supply chain management ability, and therefore a company's competitiveness and profitability in the market.

Access to highways and well-built, safe roadways will be an important decision point for existing companies searching for locations in which to expand their operation. The City of Ottawa and Franklin County believe this requested transportation project will be the deciding factor for many companies, and for the economic growth of our region.

iii. Quality of Life

Quality of life was a primary driver for creating the Davis Road design concept described in this grant application. Another critical need addressed in the roadway design was how to meet the current requirements of industrial traffic travelling Davis Road.

Approximately 1,000 to 3,200 vehicles currently travel the roadway per day (6%-10% of which are heavy trucks and buses, depending on the location within the corridor). Future projected traffic loads are (see preliminary engineering report attached to the grant application):

- 5,800 to 7,000 vehicles by 2030;
- 7,800 to 9,400 vehicles by 2040;
- 10,500 to 11,500 vehicles by 2050 (see preliminary engineering report attached to the grant application).

These totals speak to the critical need to safely remove bottlenecks and create safe turning options on to and off of Davis Road.

To accomplish this, project engineers designed a roadway that (without overbuilding) creates a rebuilt 2-lane urban arterial street with turn lanes at major intersections and at entrances to major employers along the roadway. This roadway is designed to more quickly clear traffic from Davis Road and allows drivers to save significant time travelling the roadway each year.

This travel time decrease results in significant cost savings for auto and heavy truck travel on the project corridor. According to estimates by BG Consultants in their benefit-cost analysis, these savings are estimated between \$6.5 Million (based on a 7% Discount Rate) and \$13.2 Million (based on a 3% Discount Rate, see "[Results of Benefit-Cost Analysis](#)" below).

Additionally, other design elements of the project (the completion of a walking and biking trail on the east side of Davis Road and the completion of walking and biking trails within the interior of the industrial park) also increase the long-term corporate livability of the industrial park, by providing access from nearby neighborhoods. By increasing health and wellness opportunities for employees, businesses may realize reduced corporate expense for workers compensation insurance and health insurance, thus improving their corporate bottom-line.

Lastly, the inclusion of walking and biking paths may reduce the perception that some employers experience, that the industrial park is not connected to the community as a whole.

iv. Environmental Sustainability

As we conceived this project, we became aware that we must actually address two forms of sustainability. As such, both are addressed herein.

The first form is that which is important for purposes of grant program accomplishment: environmental sustainability and the capacity for the completed project to perform to the extent intended or to surpass expectations.

The second form of sustainability is that which is important to members of the community utilizing the result of the completed project. Although members of the community are cognizant of the importance of a roadway that lasts, they are just as concerned about their personal well-being, that of their family, their employees and their co-workers.

Therefore, sustainability for this project will be achieved in the following ways: Sustainability will be achieved through the design for this project, which creates a viable transportation corridor designed with a lifespan of 40 years of anticipated traffic demand.

Sustainability will also be realized through the creation of a project that is expandable (from a 2-lane urban arterial street with turn lanes to a 4-lane facility) should the need arise for a greater than anticipated traffic demand.

As autos are able to travel more efficiently through the park with the addition of turning lanes, wait times and backlogs when travelling through the park will be reduced. This will reduce carbon emissions (estimated at between 8,887 grams of CO₂ per gallon of gasoline consumed and 10,180 grams of CO₂ per gallon of diesel fuel consumed according to a December 2011 U.S. Environmental Protection Agency Office of Transportation and Air Quality report).

Finally, by creating additional walking and biking trails in the industrial park, the City of Ottawa will create sustainability by reducing the number of automobiles travelling the project corridor, also reducing carbon emissions, and creating personal sustainability for current and future employees by emphasizing health and wellness as a community priority.

v. Safety

Multiple safety outcomes can be considered possible results of funding the City of Ottawa's TIGER grant proposal. These outcomes include:

1. Increased Safety by Eliminating Open Ditch Roads in Favor of Curb & Gutter:

Currently, the entire length of Davis Road from the intersection of K-68 and Davis to the intersection of Sand Creek Road and Davis (previously described as the project corridor), is a 2-lane open ditch roadway with one foot shoulders, with the minor exception of the previously described section of K-68 and Davis Road recently renovated by the State of Kansas DOT.

By replacing this existing open ditch roadway with curb and gutter roadway, a lower amount of accidents on the streets are expected to occur. According to the City of Ottawa Police Department, between the years of 2000 and 2013, 39 accidents resulted in 18 injuries on this portion of Davis Road. Many of these accidents could probably be counted as either "run-off-the road" (ROR) accidents or rear end collisions.

According to data released in a September 2008 study published by the Virginia Transportation Research Council (Evaluation of Crash Rates and Causal Factors for High-Risk Locations on Rural and Urban Two-Lane Highways in Virginia by Nicholas Garber, PHd and Elizabeth Kassebaum), ROR accidents and rear end accidents account for approximately 42% of all accidents on rural two-lane roads.

By adding curb and gutter to the roadway, making it more difficult for automobiles and heavy trucks to errantly leave the roadway, and by including turn lanes to major intersections and company entrances on Davis Road, the number of accidents in the industrial park should be reduced in proportion to the amount of accidents currently attributable to ROR and rear-end collisions or, to a comparable degree. An estimated "crash reduction savings" associated with these improvements is \$485,041 (based on a 7% Discount Rate) or \$800,913 (based on a 3% Discount Rate) over a 30 year period, after the construction of the project, based on the benefit-cost analysis conducted by BG Consultants (see "[Results of Benefit-Cost Analysis](#)" below).

2. Addition of Safe Options for Alternative Transportation for Industrial Park:

Bicycle and pedestrian traffic face severe risk of hazard travelling through the industrial park. These hazards are created primarily by the lack of delineated travel options in the industrial park. Those utilizing these modes of transportation are either forced into heavily trafficked roadways (utilized by 1,000 to 3,200 automobiles and heavy trucks) with only minor (1 foot) shoulders, or into steep ditches not appropriate for bicycles or pedestrians.

The need for safety improvements in this area is addressed in our proposal by the addition of approximately 3.6 miles of 10' bicycle and pedestrian walkways, travelling into the industrial park via north and south travel corridors and throughout other portions of the industrial park. This will greatly reduce the likelihood of bicycle, pedestrian, and automobile accidents.

b. Secondary Selection Criteria

i. Innovation

Steps to create innovation with this project are multi-fold. These innovations include:

Walking and biking paths as a portion of the design components

By creating walking and biking paths as a portion of the project design, the City of Ottawa is striving to meet not only the needs of automobile and heavy truck traffic within the industrial park but also the need for safer modes of alternative travel in the project corridor.

Additionally, by creating these alternative paths of transportation, the City can potentially create a reduction of carbon emissions by establishing a formal location for these alternative transportation mechanisms to take place.

Finally, by creating walking and biking paths, the City is placing emphasis on health and wellness for area residents and employees in the industrial park, an agenda that establishes support for the quality of life of employees and residents in our community.

Economic Development and Industrial Park Employers in the Design Process:

By including the Franklin County Development Council (the economic development entity tasked with assisting expansion of existing businesses and recruiting new industry to Franklin County) in the project design process, and by inviting several industrial park businesses to visit with the City about project design components, the City invited not only objective feedback for this project but also aimed to create additional community supporters of the project.

One of the most important stakeholders of the project, American Eagle Outfitters, which employs roughly 700 individuals on a regular basis and many more (up to 1,500 additional personnel) during peak holiday on-line retail purchase seasons was approached in mid-May 2013 regarding feedback for this project. The company will play an important role in project design feedback as we move forward.

Many other industrial businesses notified of the pending application by the City of Ottawa for the funding of this project supplied letters of support for this project. As previously mentioned, these letters of support are included as attachments to the formal project application.

ii. **Partnership**

Moving forward, many stakeholders originally approached for support and feedback regarding this project will continue to be involved until construction is complete.

These partners will continue to include the Franklin County Development Council, working alongside the City of Ottawa, seeking additional employer and community feedback to assist with the final design process of the roadway and walking and biking path design elements. The Franklin County Development Council will also play an important role in communicating project construction phase transitions (requirements in changing traffic patterns, etc.) to industrial park employers and area residents to ensure that required changes in traffic patterns, caused by construction, result in as little unnecessary concern as possible.

In addition to previously mentioned industrial park and economic development stakeholders, the City has reached out to local state and federal legislators for their support of this effort. This has primarily been done to allow them to understand, and support this initiative as a mechanism for job creation and retention in Ottawa and Franklin County, Kansas.

c. **Results of Benefits – Cost Analysis**

A monetized benefit-cost analysis for the Davis Road and ancillary sidewalk, bicycle and walking trail build-out, as proposed, showed an approximately a 2.16 to 1 or 3.63 to 1 benefit-cost ratio when assessing the cost and benefits of the project between 2014 and 2043. This assessment was made using a discount rate of 3.0 percent per year and 7.0 percent per year as directed by the TIGER BCA Resource Guide. Findings are described in 2013 dollars.

This analysis was completed by BG Consultants (City of Ottawa's contracted City Engineer who created the preliminary engineering report for this project) using standard analysis practices and the principles outlined in FHWA's Benefit-Cost Analysis Resource Guide. The monetized benefit-cost analysis considered the following benefits and costs:

Benefits

Although this is a relative short project at a length of 1.22 miles, drivers will save 2,640 hours per year on its initial opening rising to nearly 186,665 per year by 2044. The value of this time was calculated at \$12 per private car, \$22.90 per business car and \$24.70 per truck in 2019 dollars as required by the *Guide* based on a 2.0 mile length of drive taking 2.5 minutes.

A more forgiving cross section will save \$485,041 in property damage and bodily injury costs over the life of the project. The income and sales tax revenues created by project related construction jobs will create an additional \$400,000 in income for the Ottawa community.

Costs

Construction, environmental mitigation and engineering costs of \$4.62 million dollars in addition to projected long term maintenance costs of \$4,666 per year (\$140,000 over 30 years).

A table describing the benefits and costs of the Davis Road and ancillary sidewalk and bicycle and walking path project:

Table 1 Benefit-Cost Analysis Results

Benefits:	Total 2014 to 2043 Discounted Value (2012 Dollars)
Travel Time Savings Over 30 Year Period	\$6.5 Million (7% Discount Rate) & \$13.2 Million (3% Discount Rate)
Additional Income and Sales Tax Revenues from Construction Jobs Created	\$0.4 Million (One third of \$4.62 million Project Cost at 25% rate)
Crash Reduction Savings over 30 Year Period	\$0.485 Million (7% Discount Rate) & \$0.8 Million (3% Discount Rate)
Residual Value of Improvements after 2044	\$2.9 Million (62% of the new value)
Total Benefits	\$10.3 Million (7% Discount Rate) & \$17.2 Million (3% Discount Rate)
Costs:	
Capital Construction, Engineering and Right-of-Way	\$4.62 Million
Maintenance over 30 Year Period (Approx.)	\$0.14 Million
Total Costs:	\$4.76 Million
Total Benefits-Total Cost Ratio	2.16 to 1 (7% Discount Rate) & 3.63 to 1 (3% Discount Rate)

In addition to the benefits and costs monetized above, several other substantial benefits and less substantial costs of the proposed project should be discussed, though they are difficult to quantify. These benefits and costs have been discussed throughout this narrative and include:

Safety and Emergency Access Benefits

Flattening and widening the cross section will make it more forgiving, leading to less accidents and reducing the severity of the accidents that do happen. The City of Ottawa does not have a good model for forecasting exactly how many accidents could be avoided, injuries that could be avoided, or lives that could be saved by the improvements. However, these potential benefits are evident and would occur if the project is constructed.

Health and Recreation Benefits

The proposed sidewalks and bicycle and walking trail component of the project will enhance the minimal safe recreation, walking and biking opportunities for residents and workers in the project area. Though these benefits are unqualified, they would be substantial for the health and wellbeing of the Northeast Ottawa Industrial Park and greater community.

Long-Term Economic Development Growth in Ottawa

By renovating and expanding Davis Road, the City of Ottawa will create an opportunity for new business expansion and for assisting new businesses to locate in the community. One proposed expansion, with an existing site plan, is the addition of a 360,000 square foot warehouse at American Eagle Outfitters that will result in increased distribution capability and the addition of approximately 300 new jobs to the community (plus 600 seasonal jobs in addition to the 1,500 seasonal employees traditionally employed during the holiday season).

This expansion will be in addition to any other new businesses that locate to City of Ottawa owned property within the Northeast Ottawa Industrial Park, or in the approximately 700-800 acres of surrounding property.

Reduction in Auto Emissions Created by Alternative Transportation Methods

As mentioned previously, as travel is able to move more efficiently through the park, and vehicles are removed from the roadway (accomplished by the addition of turning lanes and the creation of safe methods of facilitating alternative modes of transportation in the park) emissions will be reduced within the industrial park. Estimates of CO₂ savings would be between 8,887 grams of CO₂ per gallon of gasoline eliminated, and 10,180 grams of CO₂ per gallon of diesel fuel eliminated, according to a December 2011 U.S. Environmental Protection Agency Office of Transportation and Air Quality report.

In summary, the monetized and non-monetized benefits of the project dramatically exceed the costs of investing and maintaining this needed road project.

V. Project Readiness

Demonstrated Ability to Meet Project Deadlines

The City of Ottawa, Kansas is poised to receive project funding by June 30, 2014 to allow the U.S. Department of Transportation to meet its September 30th, 2016 formal obligation deadline. By this date (August 31, 2015) the City of Ottawa is prepared to have the following project components completed in anticipation of receiving final project funding:

Approximately 83% of the Final Engineering Design Process

Anticipated Final Completion Date, October 2015

NEPA Review Process

Anticipated Final Completion Date, April 2015

Acquisition of Permits and Right-of-Way

Anticipated Final Completion Date, August 2015

To facilitate the completion of this project, the City commissioned the completion of a previously mentioned preliminary engineering study for the project area (including detailed budget analysis, build-out timeline, a proposed construction “phasing plan” and preliminary

plans and profiles of the project build-out) that was updated in May of 2013 (budget and project timeline updated for FY 2014 TIGER grant proposal in April 2014) by BG Consultants, the City of Ottawa, Kansas's contracted City engineer for this grant submission. In addition to beginning the in-process engineering required for this project, the City of Ottawa, Kansas has begun the process of submitting documentation to begin the NEPA process for this project in order to facilitate the completion of a hoped for "Categorical Exclusion" for this project well before the anticipated timeline described above.

The City has also begun the process of visiting with impacted Northeast Ottawa Industrial Park businesses to gain stakeholder support and receive vital input for the final project engineering process, to streamline final project readiness. The beginning of this input process is evidenced by inclusion of multiple letters of support for this project from industrial park business owners.

Technical Feasibility

As previously mentioned, the City of Ottawa updated a preliminary engineering report for this project that includes a detailed budget analysis, build-out timeline, a proposed construction "phasing plan" and preliminary plans and profiles of the project build-out.

The cost estimate for this project is presented in the "[**DETAILED PROJECT BUDGET**](#)" section of this document. This proposed project budget includes a 20% project contingency that should be adequate and appropriate given the project design and build-out requirements.

1. Scope, schedule and budget risk mitigation measures:

Though not specifically mentioned in the preliminary engineering report, the City of Ottawa is prepared to alter the scope of this project should any portion of the project face cost overruns or if the U.S. Department of Transportation is unable to fully fund this project. One option for handling this risk is to potentially build-out only one phase of the project as described below in the "Project Phasing" portion of this document or, to make some other modification based on the amount of funding available to assist this project.

The City has also prepared for time overruns by creating a build-out schedule that would be completed by January 2016 (approximately 15 months after the official Federal obligation of funds in October 2014) that should allow for weather contingencies or right-of-way acquisition contingencies. This project build-out schedule should reduce timeline concerns by U.S. Department of Transportation staff administering the grant completion process.

2. Right of Way Acquisition

Under the project timeline proposed in the preliminary engineering report, the City of Ottawa has planned a right-of-way acquisition timeline beginning in May of 2015 and lasting until August of 2015 (14 months prior to the September 2016 Federal funding obligation deadline). Under the preliminary engineering report (attached to the formal TIGER grant application), the anticipated right-of-way expansion for this project would be an additional 30 feet of right-of-way (in addition to the 70 feet of existing right-of-way the City of Ottawa currently owns in the project corridor) to allow for not only this project expansion but a 4-lane or 5-lane facility

in the case that traffic use on the roadway greatly outstrips the capacity of this project.

The average land value for the six properties on which additional right-of-way is required, is \$2.01 per square foot. Based upon a 100' proposed Right of Way and a 70'(+/-) existing Right of Way the additional Right of Way needed and land value is as follows:

Phase 1 - 109,500 square feet @ \$2.01 = \$220,095

Phase 2 - 87,000 square feet @ \$2.01 = \$174,870 Total = \$394,965

One positive aspect of this acquisition is that setbacks on the existing roadway have resulted in the construction of no building on the proposed additional right-of-way, greatly reducing potential issues for the right-of-way expansion process.

Financial Feasibility

City of Ottawa Grant Financing/Financial Capacity

In order to provide financial assistance for this project (to be counted as a 26% match for this project) the City of Ottawa is prepared to provide a match of \$250,000 as part of the City's \$471,000 allotment for 2014 City of Ottawa street improvements (see attached "City of Ottawa Budget Expenditure Summary"), and (per City Staff recommendation) to seek public bond financing for a \$1,000,000 portion of this project. In order to prove its ability to finance this portion of the project through public debt, the City would note that in 2012 its Moody's bond rating was A1 for both general obligation bonds (subject to alternative minimum tax) Series 2012A and general obligation refunding bonds Series 2012B.

With that statement, the City of Ottawa staff fully merit the use of bond financing to support this project and would not reasonably foresee a situation where this funding would not be viable to fund the proposed match of this grant.

Additional information regarding the City of Ottawa's financial position (a copy of the City of Ottawa's balance sheet from its most recent audit) is attached to the formal grant application. It should be noted (as evidenced by the lack of funding available for 2014 street improvements within the City budget) that though the City of Ottawa has placed this project as its highest street improvement priority in its 2014 Capital Improvement Plan (also attached to the formal project application) that funding for the full improvements listed above would take multiple years to materialize and would not, within the foreseeable future be able to fund this project in its entirety.

City of Ottawa Grant Management Ability

The City of Ottawa, Kansas is extremely well versed in managing state and federal grant funds. Past agencies the City of Ottawa has coordinated grant projects with include:

The Kansas Department of Transportation

Funder of the previously described Davis Road interchange project in the amount of \$1,424,000

The U.S. Department of Transportation

The following U.S. Department of Transportation programs have been administered by the **City of Ottawa (some as pass-through from the Kansas Department of Transportation)**:

- Formula Grant for “Other Than Urbanized Areas”
- Highway Planning and Construction Grants
- State and Community Highway Safety
- Airport Improvement Funding

U.S. Department of Homeland Security

(Received as a pass-through from the Kansas Adjutant General)

- State Domestic Preparedness Equipment Support

U.S. Department of Energy

(Received as a pass-through from the Kansas Corporation Commission)

- Energy Conservation & Conservation Block Grant (A.R.R.A Funds)

U.S. Department of Justice

(Received as a pass-through from the Kansas Governor’s Office)

- Public Safety Partnership & Community Policing Grant

Note that this is only a partial list of state and Federal projects the City of Ottawa, Kansas has participated in as a recent beneficiary.

Additional Detailed Project Budget Information

The following is a detailed project budget including percentage of costs per each project sector based on the “[**DETAILED PROJECT BUDGET**](#)” included in other portions of this document. It should be noted (as stated earlier) that this budget shows the cost for all three phases of the original project. The two phases delineated for this application cost \$4,617,689 of the total \$7,125,000 total project cost of all 3 phases.

Davis Road - K-68 to Sand Creek Road						Percentage
Item #	Description	Quantity	Unit	Unit Price	Total Price	of Subtotal
1.	Removal of Existing Structures	1	L.S.	\$ 35,000.00	\$ 35,000.00	0.74%
2.	Unclassified Excavation	25,000	C.Y.	\$ 5.00	\$ 125,000.00	2.63%
3.	Compaction of Earthwork (Type B)	25,000	C.Y.	\$ 5.00	\$ 125,000.00	2.63%
4.	6" AB-3 Subgrade	37,000	S.Y.	\$ 8.00	\$ 296,000.00	6.23%
5.	12" Asphalt Surfacing (BM-2)	25,000	Tons	\$ 75.00	\$1,875,000.00	39.47%
6.	Combined Curb & Gutter	15,000	L.F.	\$ 20.00	\$ 300,000.00	6.32%
7.	Gravel Shoulder	1,000	S.Y.	\$ 8.00	\$ 8,000.00	0.17%
8.	Concrete Pavement (8")(NRDJ)	1,500	S.Y.	\$ 60.00	\$ 90,000.00	1.89%
9.	Concrete Pavement (8")	2,350	S.Y.	\$ 60.00	\$ 141,000.00	2.97%
10.	Concrete Pavement (6")	800	S.Y.	\$ 50.00	\$ 40,000.00	0.84%
11.	Concrete Sidewalk (4" A.E.)	10,000	S.Y.	\$ 35.00	\$ 350,000.00	7.37%
12.	HMA 10' Shared Use Path	16,000	L.F.	\$ 35.00	\$ 560,000.00	11.79%
13.	Sidewalk Ramps	28	Each	\$ 1,000.00	\$ 28,000.00	0.59%
14.	Std. Curb Inlet (10')	26	Each	\$ 5,000.00	\$ 130,000.00	2.74%
15.	Storm Sewer Pipe (18") (RCP)	3,200	L.F.	\$ 60.00	\$ 192,000.00	4.04%
16.	Cross Road Pipe (24") (RCP)	1,700	L.F.	\$ 80.00	\$ 136,000.00	2.86%
17.	End Sections(24") (RC)	4	Each	\$ 750.00	\$ 3,000.00	0.06%
18.	Traffic Control	1	L.S.	\$ 20,000.00	\$ 20,000.00	0.42%
19.	Pavement Marking Lines	12,000	L.F.	\$ 3.00	\$ 36,000.00	0.76%
20.	Pavement Marking Symbols	1	L.S.	\$ 5,000.00	\$ 5,000.00	0.11%
21.	Permanent Signing	1	L.S.	\$ 10,000.00	\$ 10,000.00	0.21%
22.	Seeding, Fertilizing and Mulching	1	L.S.	\$ 10,000.00	\$ 10,000.00	0.21%
23.	Contractor Construction Staking	1	L.S.	\$ 10,000.00	\$ 10,000.00	0.21%
24.	Temporary Erosion Control	1	L.S.	\$ 75,000.00	\$ 75,000.00	1.58%
25.	Mobilization	1	L.S.	\$ 150,000.00	\$ 150,000.00	3.16%
Subtotal =					\$4,750,000.00	100.00%
+ 20% Contingency =					\$ 950,000.00	
Construction Total =					\$5,700,000.00	
+ 25% Engineering Design, Bonding, Administration, Inspection =					\$1,425,000.00	
Project Total =					\$7,125,000.00	

Project Phasing

The entire project for the Northeast Ottawa Industrial Park-Dave Road Rebuild and Bike/Walking Trail construction, as conceived, originally consisted of 3 phases. Each of the three phases is described in the attached Preliminary Engineering Report.

Though it is crucial that all three phases of the project be completed to provide the greatest improvement to public safety, funding is only being requested for two of the three phases at this time as a cost-saving measure. This will allow our jurisdiction to begin to address this critical need, while providing the Department of Transportation greater flexibility to provide aid to other jurisdictions across the Nation.

Per the preliminary engineering report created for this project (and attached to the formal grant application), a 2-phase construction phasing plan will be completed to allow this project to be structured in a way to minimize impacts on the business, residential, school and other traffic that uses this project.

A formal description of the current 2 phases of this project, including project phase budgets are listed below:

Phase 1

Phase 1 of the Northeast Ottawa Industrial Park-Davis Road Rebuild and Bike/Walking Trail Construction is the construction of the portion of Davis Road between the intersection of K-68 and Davis Road that remains following the Kansas Department of Transportation improvements at that intersection north to Garfield Avenue which would include approximately 0.69 miles of roadway and the construction of approximately 0.69 miles of sidewalk on the west side of Davis Road and 0.69 miles of bicycle and walking path on the east side of Davis Road. (see “Figure 6 Aerial Image Showing Project Phasing” below)

A budget for Phase 1 of the project would be approximately \$2,141,421 which is 46.37% of the total construction project cost for completing Phase 1 and Phase 2. It should be noted that this cost is \$35,796 or 1.7% greater than that submitted with our fall, 2013 proposal.

Phase 2

Phase 2 of construction build-out would include the reconstruction of the Davis Road from Garfield Avenue north to Industrial Avenue north which would encompass the construction of approximately 0.55 miles of roadway. This portion of the project would also include the construction of approximately 0.55 miles of sidewalk on the west side of Davis Road and 0.55 miles of bicycle and walking path on the east side of Davis Road.

Finally, this phase of construction would also include the construction of approximately 2.38 miles of ancillary bicycle and walking path on the west side of Davis Road on Industrial Avenue, North Street, North Cherry Street and Enterprise Street in the Northeast Ottawa Industrial Park. (see “Figure 6 Aerial Image Showing Project Phasing” below)

A budget for Phase 2 of the project would be approximately \$2,476,268 which is 53.63% of the total project cost for completing Phase 1 and Phase 2. It should be noted that this cost is \$41,393 or 1.7% greater than that submitted with our fall, 2013 proposal.

Please note that all portion of the project phasing described above are subject to change based on final engineering plans.

An aerial image showing the current two-phase construction plan along with the originally proposed third project phase is included below.



Figure 6 Aerial Image Showing Project Phasing

Project Timeline

The build-out-timeline included in the BG Consultants preliminary engineering plan included as an attachment to the application:

September 2013-August 2014 Engineering Design (12 Months, In Process)

December 2013-February 2014 NEPA Review Process (3 Months, Submitted in May 2013)

March 2014-June 2014 Acquisition of Permits and Right-of Way (4 Months)

September 2014-October 2014 Advertise, Bid and Award Construction Contract (2 Months)

November 2014-November 2015 Construction of Project (1 Year)

Assessment of Project Risks and Mitigation Strategies

Materials risks for this project include the following, including a mitigation strategy that could potentially be undertaken to minimize this risk:

1. Risk: Cost Overrun

Mitigation Strategy:

Two strategies are being undertaken to help eliminate the risk of cost overruns:

- The City of Ottawa is using the services of an engineering firm (BG Consultants) that has conducted multiple engineering projects in Ottawa, Kansas in the very near past (including the Kansas Department of Transportation K-68 and Davis Road intersection project on the south of the project corridor). BG Consultants is very familiar with the working conditions and going rates of construction projects in the area;
- By building the project in phases, any potential issues with overruns could easily be adjusted to create a less expansive project or a slightly revised project.

A proposed, readjusted construction plan would be the construction of only Phase 1 of the above described phasing plan which would include the reconstruction of the portion of Davis Road, between the intersection of K-68 and Davis Road, that remains following the Kansas Department of Transportation improvements at that intersection north to Garfield Avenue, including approximately 0.69 miles of roadway and the construction of approximately 0.69 miles of sidewalk on the west side of Davis Road and 0.69 miles of bicycle and walking path on the east side of Davis Road. (see “Figure 6 Aerial Image Showing Project Phasing” below)

A budget for Phase 1 of the project would be approximately \$2,141,421 which is 46.37% of the total currently proposed construction project cost for phase 1 and phase 2.

If project funding were scaled back by the U.S. Department of Transportation (to include only the phase described above or some other phasing plan) the City of Ottawa would propose a matching fund by the City that would continue at a 74/26 matching rate.

2. Risk: The City of Ottawa will be Delayed/Not Able to Obtain Easements or Permits Necessary to Complete Project

Mitigation Strategy

By recently completing portions of this project, the City of Ottawa hopes that the stakeholders of this project (in this case industrial park employers and property owners in the project corridor) are familiar with the City placing a high value on improving this roadway corridor.

Additionally, the City has worked to actively engage input on walking and biking paths through the industrial park by recently working alongside the Franklin County Development Council to create a formal survey of industrial park employers and community members to gain input and support for the proposed bicycle and walking path portions of this project. We have met individually with several businesses who shared comments or concerns regarding this portion of the project prior to the completion of this grant application. This has allowed them to become more engaged in the design and potential build-out process and many of these industrial business owners have supplied letters of support for this project.

Also, by recently undertaking improvements in the area (specifically working on the K-68 and Davis Road intersection), the City has created a much better understanding of any environmental concerns that would have created issues working in the project region, and we have established recent precedent for easement acquisition costs in the corridor.

Finally, by establishing a relatively short project build-out construction period, the City has created a scenario where overruns in the permit process would still be allowable under the greater U.S. Department of Transportation build-out window.

Planning Approvals

The following permits and approvals are anticipated to be required or are “to be determined” as to whether they are required to complete this construction process:

City of Ottawa, Kansas Planning and Codes Department:

The City Planning and Codes Department also responsible for the issuance of City building permits will be an integral component in the design and construction this project. Wynndee Lee, Director of the City Planning and Codes Department (phone: (785) 229-3620), has been intimately involved in the planning of this grant application, including assisting with creating preliminary commentary with industrial park businesses, and facilitating final design elements of the roadway and bicycle and walking paths included in this document.

Franklin County Right-of-Way Use Permit:

This permit is required when construction activities will encroach on right-of-ways in Franklin County's jurisdiction. **This permit should be applied for once engineering design bidding documents are $\pm 75\%$ complete.**

Kansas Department of Transportation Use of Highway Right-of-Way Permit:

This permit is required when construction activities encroach on right-of-ways in the Kansas Department of Transportation's jurisdiction. **Again, this permit should be completed once engineering design bidding documents are $\pm 75\%$ complete.**

National Environmental Policy Act:

Federally funded construction projects require an Environmental Impact Statement or Environmental Assessment. A Categorical Exclusion from providing either of the documents is an option for a federally funded project. Due to the nature of this project, a Categorical Exclusion is expected for the Davis Road renovation project and ancillary build-out of bicycle and walking paths. **City staff mailed documentation to begin this Categorical Exclusion process in May of 2013 and has received a letter of "No Effect" from the Kansas State Historic Preservation Office.** Documentation is attached to the grant application.

U.S Army Corps of Engineers Section 404 Permit:

If a capital improvement project includes placement or fill below the "ordinary high water mark" of a stream, Section 404 of the Federal Clean Water Act requires the project to be permitted by the U.S. Army Corps of Engineers. **It is currently to be determined (TBD) if this permit process will be applicable to this process.**

Waters of the United States:

Section 10 of the Rivers and Harbors Appropriation Act of 1899 gives the U.S. Army Corps of Engineers regulatory authority over any structure built in or near the "Waters of the United States". In addition to navigable waters, wetlands are also nearly always considered "Waters of the United States". To be considered a wetland, the area must have water, hydric soils and hydrophilic vegetation (plants that grow in oxygen free soil). **It is currently to be determined (TBD) if this permit process will be applicable to this process.**

Notice of Intent:

The Federal Clean Water Act requires a Notice of Intent (NOI) permit application be sent to the Kansas Department of Health and Environment. The NOI requests coverage of the project under requirements and conditions of the Kansas National Pollutant Discharge Elimination System for Storm Water Runoff from Construction Activities General Permit. **This permit should be applied for once engineering design bidding documents are ±90% complete.**

The following permits are tentatively considered to be “non-applicable” for this project:

Federal Emergency Management Agency Flood Plain Development Permit:

Project limits are not anticipated to impact a FEMA defined flood plain.

Kansas Department of Agriculture Division of Water Resources Stream Obstruction or Levee Laws:

The largest watershed impacting Davis Road is 160 acres, below the 240 acre threshold of this the stream obstruction limits and the proposed improvements would not act like a levee.

Legislative Support:

The following State of Kansas and legislators have expressed support for this project:

Kansas State House Member Blaine Finch
Kansas State Senator Caryn Tyson

Letters from these legislators are included as attachments to this document. Additionally, a letter of support from members of the Kansas U.S. Congressional delegation is also expected for this project. That letter will be mailed directly to the Secretary of Transportation Anthony Foxx. A copy of this letter will also be included in the web link with the other attachments.

VI. FEDERAL WAGE RATE CERTIFICATE

A certificate signed by the City of Ottawa City Manager Richard Nienstedt stating that the applicant will comply with the requirements of subchapter IV of chapter 31 of title 40, United States Code (federal wage rate requirements), as required by the FY 2014 Appropriations Act is attached the formal grant application.

ADDITIONAL PROJECT INFORMATION

FEASIBILITY OF PROJECT MILESTONES (CONCRETE EVIDENCE)

Feasibility of project milestones can most easily be assured by proper engineering and planning processes throughout the duration of a project.

To ensure that project milestones are met throughout the duration of this project, the City of

Ottawa, Kansas has hired BG Consultants, an engineering firm previously described in this document, and familiar with projects in and around the Ottawa, Kansas region to handle the preliminary engineering process. BG Consultants will also act in an advisory role (through the preliminary engineering process) to describe what permits will be required to complete this project (and when these permits should be initiated within the construction process).

Additionally, within the preliminary engineering report BG Consultants staff helped the City of Ottawa establish a series of concrete project milestones including the Engineering Design process (12 Months, In Process) the NEPA Review Process included in the permit description list (3 Months, Submitted in May 2013), the acquisition of permits and right-of way process (4 Months), the process to advertise, bid and award the construction contract (2 Months) and the construction of the project (1 Year).

Through this design process, the City has hopefully established non-subjective, well planned milestones that can be held-to throughout the design and construction process of this project.

TIGER GRANT PARTIAL FUNDING SCENARIOS

As mentioned in previous portions of this document, should the U.S. Department of Transportation be unable to fund the complete request, the City of Ottawa is willing to accept partial funding to complete one phase of the project. For formal partial funding options, please see the "Project Phasing" portion of this document above.

INABILITY OF PROJECT TO BE COMPLETED WITH TIGER GRANT FUNDING

Should this project not receive funding through FY 2014 TIGER Grant funding, the City of Ottawa will continue to seek alternative forms of funding from other state and federal sources (including other TIGER Grant allocations in years following this obligation).

Should no additional grant funds become available to assist with this project, the City will be faced with continuing to maintain the road surface as close to its current condition, for as long as possible (estimated by BG Consultants in their preliminary engineering report for this project) at approximately \$75,000 annually in 2014 dollars or \$1,500,000 over a 20 year span.

AVAILABILITY OF OTHER STATE/LOCAL FUNDING TO COMPLETE PROJECT

Currently, no primary State or Local funding sources have been readily available to assist with the complete scope of this project.

Like the project at the K-68 and Davis Road intersection, the City will continue to seek funds for sub-portions of this project, utilizing Kansas State Department of Transportation or local funding where available. As mentioned, the City of Ottawa has included this improvement in its "2014 Capital Improvement Plan" (attached to the formal grant application) which, though placing the project as its highest funding priority moving forward could only foreseeably fund approximately \$250,000 of the needed renovations based on current 2014 budget projections.

ATTACHMENTS/WEBLINK

The following attachments, along with this project narrative, are included as attachments to the formal City of Ottawa, Kansas grant application for the U.S. Department of Transportation FY 2014 National Infrastructure Investments “TIGER” grant program.

1. BG Consultants Preliminary Engineering Plan (labeled PER)
2. Letter of Support from U.S. Senator Moran, U.S. Senator Roberts and U.S. Representative Jenkins (mailed directly to Secretary Foxx and included as weblink)
3. Letters of Support from Kansas State Representative Blaine Finch, Kansas State Senator Caryn Tyson, (labeled LOS1)
4. Letters of Support from the Ottawa Area Chamber of Commerce, Board of Franklin County Commissioners, NEOSHO County Community College, United School District No. 290, Ottawa University, Franklin County Development Council, The Ottawa Herald, Ransom Memorial Hospital (labeled LOS2)
5. Letters of Support from Northeast Ottawa Industrial Park Businesses: COF Training Services, Inc. (2 letters of support), HASTY Awards, Mac Fasteners, Inc., U.S. Pipe Fabrication, Midwest Cabinet Co., Inc., ATC Truck Covers and Composites, American Eagle Outfitters (labeled LOS3)
6. City of Ottawa 2014 Capital Improvement Plan (labeled CIP)
7. City of Ottawa 2013 Budget Expenditure Summary (labeled OTTAWAES)
8. City of Ottawa NEPA Categorical Exclusion Request Letters (Labeled NEPA)
9. Kansas State Historical Society Letter of “No Effect” for Project NEPA Requirements (labeled SHPO)
10. BG Consultants Benefit-Cost Analysis: Injury Cost Savings Amounts (Labeled BCA- CSA)
11. BG Consultants Benefit-Cost Analysis: Value of Time Saved (Labeled BCA-VTS)
12. BG Consultants Benefit-Cost Analysis: Summary
13. City of Ottawa Federal Wage Rate Certification (labeled WRC)

Please note that these documents, along with the project narrative are available on-line at the following weblink:

<http://ottawaks.gov/Business/FiscalYear2014TigerGrant/tabid/185/Default.aspx>