

COUNCIL DECISION REQUEST

SUBJECT: Main Street Enhancement Grant

MEETING DATE: May 7, 2009

PAYSON GOAL: NEW: EXISTING:

ITEM NO.:

TENTATIVE SCHEDULE:

SUBMITTED BY: LaRon Garrett/ Ray Erlandsen

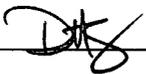
AMOUNT BUDGETED: 0

SUBMITTAL TO AGENDA

EXPENDITURE REQUIRED: \$200,000.00 ±

APPROVED BY TOWN MANAGER

CONT. FUNDING REQUIRED: 0



EXHIBITS: (A) Main Street Enhancement Grant Timeline, (B) Email from Bill Leister, CAAG

POSSIBLE ACTION:

I move to:

- (1) Submit a formal request to ADOT to temporarily delay the project for further evaluation and financial analysis.
OR
- (2) Submit a formal request to ADOT for permission to change the scope of the project to better reflect the current fiscal situation.
OR
- (3) Submit a formal request to ADOT to withdraw our application and resubmit in the future when fiscal abilities allow.
OR
- (4) Proceed with the project as originally planned.

SUMMARY OF THE BASIS FOR POSSIBLE ACTION:

In 2004, the Town of Payson was awarded a Transportation Enhancement Grant by the Arizona Department of Transportation (ADOT) in the amount of \$315,815 to improve a portion of West Main Street. The Grant consists of three phases. Phase I includes the application, award of the Grant, public meetings, the initial Scoping Letter, and the Final Project assessment. Phase II moves into the Project Design and approval of the Construction Documents. Phase III is the actual construction and completion of the project. Attached is a timeline depicting the above described sequence of events. We have completed Phase I and are ready to begin Phase II.

When the project began, the intent was to fund the project with matching funds to the ADOT Grant through the budget process. At this point the Town has expended \$54,211.61 to complete Phase I. To complete Phases II and III, approximately \$200,000.00 ± will be required from the Town. In light of the current fiscal situation, committing these funds to this project may not be feasible. When contacting representatives of ADOT and CAAG, they offered three options, as listed one (1) through three (3) above.

If Option (1) is chosen, the Town would need to submit a timeline with a specific plan to restart the project in the future. As no one can predict how revenues will be forthcoming, this option does not seem logical. Changing the scope of the project as Option (2) suggests would entail additional costs for planning, design and public meetings. It would also need to be approved by ADOT and, if the change is 10% different from the original scope, it would need to go before the ADOT Transportation Enhancement Review Committee (TERC) again. Option (3), to rescind our application and re-apply at a future date, is supported by both ADOT and CAAG representatives. They both agree that canceling the project now rather than delaying it and thus

MAY 07 2009 H.1

COUNCIL DECISION REQUEST

encumbering ADOT funds would allow ADOT to divert the funds to other communities who are ready to proceed immediately with their projects. This action would be looked upon favorably by the TERC in the future when the Town re-applied. Because the Town has completed Phase I, re-submittal in the future would be viewed by ADOT in a different light than other applications that had not yet begun. Option (4) does not seem to be reasonable at this time due to fiscal disparities.

Staff recommends selecting Option (3).

PROS: Option (3) is supported by both ADOT and CAAG representatives.

CONS:

PUBLIC INPUT (if any):

BOARD/COMMITTEE/COMMISSION ACTIONS/RECOMMENDATIONS (if any) (give dates and attach minutes):

FUNDING:

Account Number: 417-5-6428-01-8785	Title: Main STREET ENHANCEMENT	Amount: \$ 0
Account Number:	Title:	Amount: \$
Account Number:	Title:	Amount: \$
Account Number:	Title:	Amount: \$

FY09/10

Amount: \$ 0

Amount: \$

Amount: \$

Amount: \$

Total Cost: \$

BA
CFO: Hope La Cruz

Date: 4/28/09

COUNCIL DECISION REQUEST

EXHIBIT "A"

MAIN STREET ENHANCEMENT GRANT

TIMELINE

PHASE I	June	2001	Original application submitted
	July	2003	Application resubmitted
	February	2004	ADOT awarded grant
	February	2005	Public input meeting
	June	2006	Arizona Main Street Study (RBF)
	November	2006	Initial Scoping Letter
	Oct/Nov	2007	Additional public input meetings
	January	2008	Historic Resource Study
	August	2008	Project Assessment submitted to ADOT
	January	2009	ADOT Final Approval – Project Assessment
PHASE II		TBD	Project Design & Construction Documents
PHASE III		TBD	Construction & Project Completion

COUNCIL DECISION REQUEST

EXHIBIT "B"

----- Original Message -----

Subject: Main Street TE

From: "Bill Leister" <BLEister@caagcentral.org>

Date: Tue, March 31, 2009 5:12 pm

To: <bbeck@ci.payson.az.us>

Hi Bethany,

Sorry to take so long getting back to you. This Stimulus money is taking all my time lately.

As I explained to you on the phone, it would be better for the Town to cancel the project now rather than wait. The TERC would look more favorably on Payson if you cancelled now and reapplied when finances improve. It would actually be a selling point for me to use at the TERC some time in the future if you turned the money loose now and reapplied at a later date.

This program has very limited funding and the TERC would probably cancel the project in a few months anyway if some progress is not made. It's better to cancel it yourself and come back with a new application in a few years rather than sitting on the money.

Bill