

CITY OF SULTAN
AGENDA ITEM COVER SHEET

Agenda Item : A-2
Date: May 14, 2009
SUBJECT: Decline of Railroad Grade Crossing Grant

CONTACT PERSON: Donna Murphy Grants and Economic Development Coordinator

ISSUE:

To authorize Mayor Eslick to decline the \$20,000 grant offered to the City of Sultan from the Utilities and Transportation Commission for improvements to the Skywall Drive railroad crossing.

SUMMARY STATEMENT:

On January 19, 2006 the City of Sultan filed an application with the Washington Utilities and Transportation Commission requesting a \$20,000 grant to pay toward improvements to the Skywall Drive Railroad Crossing in partnership with the developer of Twin Rivers Estates agreeing to pay the amount owed above the \$20,000 grant.

On March 28, 2007 the City of Sultan contacted the Utilities and Transportation Commission and explained that the developer contracted to perform the work has delayed the project and would neither start nor finish the project by the established deadline. The Utilities and Transportation Commission rescinded the order granting disbursement of the funds and the project was held over for consideration during the next call for projects.

On August 7, 2007 the Utilities and Transportation Commission notified the City of Sultan that the 2006 grant application was again approved for funding. The \$20,000 grant must be spent by June 2009.

Staff recommends to Council to decline the \$20,000 grant offered to the City of Sultan for the following reasons:

1. The cost estimate from Burlington Northern Santa Fe Railroad to replace the wood crossing ties with concrete ties at the Skywall Drive Crossing was \$39,847 in 2006. Due to the economic downturn, the private partner in this Public/Private Partnership, the City and Mr. Dan Ramirez are not in the financial position to complete the scope of work and to pay the overage above \$20,000 on this project.
2. Also, time has run out for completing the project and spending the grant funds by June 30, 2009.
3. And finally, the City received an Email from Mr. Paul Curl with the Utilities and Transportation Commission stating that when he went to the City web site and reviewed the 2009-2014 TIP, the project had been split into two phases. Phase I would be

reconstruction of crossing only in 2009 and phase II would be reconstruction of the approach ramps in 2011. This was not acceptable to the Utilities and Transportation Commission since the funds approved for are identified in Phase II of the project and need to be expended by June 30, 2009.

Recommended Motion:

I move to authorize Mayor Eslick to decline the \$20,000 grant offered to the City of Sultan from the Utilities and Transportation Commission for improvements to the Skywall Drive railroad crossing.

ATTACHMENTS:

Project Agreement
2006 Cost Estimate