



AGENDA ITEM #: 17-21
COUNCIL MTG OF: March 7, 2017
FROM: M. Fowler, Public Works Director
OFFERED BY: M. Fowler, Public Works Director
PREPARED BY: M. Fowler, Public Works Director
SUBJECT: Exit 4A – Environmental Impact Statement – NHDOT Services

STAFF REPORT
Public Hearing 3-7-17

PURPOSE

Staff seeks Town Council authorization to reassign funds from a \$1,116,598 supplemental appropriation made on June 7, 2016 for engineering work on the Exit 4A project.

TOWN ADMINISTRATOR COMMENTS

The Council is encouraged to schedule a public hearing and affirmatively act to transfer \$100,000 for NHDOT Professional Services associated with the Exit 4A project.

BACKGROUND

On July 15, 2014, the paradigm of the Exit 4A project changed when the former NHDOT Commissioner Christopher Clement expressed to the Derry Town Council that NHDOT would serve as project sponsor and seek federal funds for construction of the new interchange and collector roads. NHDOT has included the construction of Exit 4A in the approved statewide 10 year plan, to be completed by 2022.

On December 1, 2015, Derry Town Council voted unanimously to enter into an agreement with Londonderry and NHDOT committing to move forward on the Exit 4A project. This agreement memorialized the roles of each party and enumerated the maximum financial commitment from each community, not to exceed \$5,000,000. The towns are responsible for engineering costs related to generating the Environmental Impact Statement (EIS). The agreement also requires the towns to reimburse NHDOT for technical services on the Exit 4A project.

DISCUSSION

NHDOT and the two Towns worked to negotiate a scope and fee agreement for Amendment #7 with CLD in the amount of \$2,333,197, with Derry's 50% cost share of \$1,116,598. Amendment #7 will address a number of topics including base mapping, traffic studies, air quality, noise mitigation, water quality technical reports, historic and cultural resource review. The extensive level of detail was deemed necessary as a result of feedback received by the consultant team and NHDOT. NHDOT is concurrently reviewing CLD's work product and providing feedback to CLD.

NHDOT has now brought forward a cost proposal of \$200,000 with Derry's share of \$100,000. Since Derry does not have a standing appropriation for each cost item in the Exit 4A project, Town Council needs to either appropriate new funds or reassign funds already appropriated in order to cover these costs for professional services.

FISCAL IMPACT

The Exit 4A agreement obligates Derry to expend \$5,000,000 as its share of the total project cost. Project accounting is presented below:

Funds spent before 2015	\$1,753,416
Amendment #6 CLD	\$ 104,371
Amendment #7 CLD	\$1,116,598 (<i>\$100,000 to be reassigned from CLD to NHDOT</i>)

To Date Project Commitment \$2,974,385

The impact of reassigning \$100,000 from CLD to NHDOT will not be realized until later in their scope of work. A \$100,000 appropriation will ultimately be required to pay remaining future balances on Amendment #7, later in calendar year 2017.

RECOMMENDED ACTION BY COUNCIL

Staff recommends reassignment of \$100,000 from the \$1,116,598 supplemental appropriation approved on June 7, 2016 in Town Council Resolution #2016-008 for the purpose of reimbursing New Hampshire Department of Transportation for contractually obligated technical services on the Exit 4A project.

RECOMMENDED MOTION

The Derry Town Council MOVES to reassign \$100,000 from a supplemental appropriation of \$1,116,598 for Engineering Amendment #7 on the Exit 4A project. The purpose the funds will be cover staff costs for NHDOT to steer the Environmental Impact Statement (EIS) document for the Exit 4A project. The source of the funds will remain undesignated fund balance.

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