

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING THE ) RESOLUTION NO. 13-4409  
EXPENDITURE OF ADDITIONAL NATURAL )  
AREAS BOND MEASURE FUNDS FOR TRAIL ) Introduced by Chief Operating Officer Martha  
CONSTRUCTION AT BLUE LAKE REGIONAL ) Bennett, with the concurrence of Council  
PARK ) President Tom Hughes

WHEREAS, at the election held on November 7, 2006, the voters approved Ballot Measure 26-80, authorizing Metro to issue \$227.4 million of general obligation bonds to fund natural area acquisition and restoration that would protect lands near rivers and streams, fish and wildlife, and wildlife and trail corridors (the "Bond Measure"); and

WHEREAS, on November 5, 2009, the Metro Council approved Resolution No. 09-4084 allocating not more than \$135,000 in Bond Measure funds towards construction of a key missing gap of the 40-Mile Loop Trail within the Columbia Slough Target Area at Blue Lake Regional Park and also connecting to the Gresham to Fairview Trail; and

WHEREAS, environmental and public infrastructure conditions that were impossible to foresee at the outset of the Blue Lake trail project have resulted in additional design and engineering costs, and an increase in the estimated construction cost; and

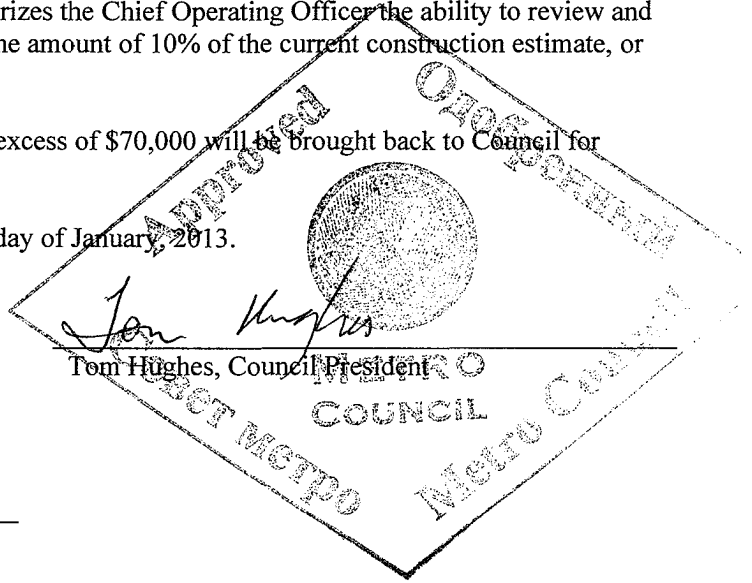
WHEREAS, the additional funds required to complete the project are \$280,000, to be used as local match to secure federal funding in the amount of \$842,500; and

WHEREAS, the Bond Measure allows funds to be spent on, among other things, capital projects to protect and enhance trail corridors.

BE IT RESOLVED that the Metro Council hereby:

1. Authorizes the Chief Operating Officer to contribute, from proceeds of the 2006 Natural Areas Bond, \$280,000 in additional funds towards the construction of a segment of the 40-Mile Loop Trail within the Columbia Slough Target Area in the vicinity of Blue Lake Regional Park.
2. Recognizes that the project is at a 90% construction document phase and that a construction contract is not currently in place, authorizes the Chief Operating Officer the ability to review and approve additional project funding in the amount of 10% of the current construction estimate, or \$70,000.
3. Requires that project cost over runs in excess of \$70,000 will be brought back to Council for review.

ADOPTED by the Metro Council this 24 day of January, 2013.



*Tom Hughes*  
Tom Hughes, Council President

Approved as to Form:

*[Signature]*  
Alison Kean Campbell, Metro Attorney

## **STAFF REPORT**

### **IN CONSIDERATION OF RESOLUTION NO. 13-4409, FOR THE PURPOSE OF APPROVING THE EXPENDITURE OF ADDITIONAL NATURAL AREAS BOND MEASURE FUNDS FOR TRAIL CONSTRUCTION AT BLUE LAKE REGIONAL PARK**

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Date: January 24, 2013

Prepared by: Rodney Wojtanik, 503-797-1846

## **BACKGROUND**

The “40-Mile Loop” trail is a loop system of trails that connect parks and natural areas from the Columbia, to the Sandy, to the Willamette River and Johnson Creek. The concept for this loop trail system was first developed in 1904 by the Olmsted Brothers’ in their report to the Portland Park Board. Much has happened in the past 108 years, the “40-Mile Loop Trail” is approximately 140 miles in length today, but some key gaps still exist. One such gap exists within Metro’s Blue Lake Regional Park. This gap, in Blue Lake Park, is one of the last major gaps in the Marine Drive Trail and it is the only gap that is on property entirely owned by Metro. Partner jurisdictions, including Troutdale, Gresham, the City of Portland, Multnomah County and Fairview either have or will complete their portions of the trail.

Closing this gap improves pedestrian and bicycle access to and from this regionally significant park. Blue Lake Park offers a wealth of opportunities for people of all ages and abilities. Blue Lake Park provides active and passive recreational opportunities as well as cultural interpretation and environmental education.

In 2009, Metro received \$842,500 in Federal Highway Administration (FHWA) transportation funds, in the form of a Congressional “High Priority Project” earmark, for the planning, engineering and construction of the Blue Lake segment of the 40-Mile Loop Trail. These types of funds are no longer available, and if this project does not move forward in a timely way, the federal commitment is in jeopardy. This section of trail is a key missing gap and will ultimately connect the Marine Drive Trail to the west, the Gresham to Fairview Trail to the south, as well as connect to an existing trail which leads to Chinook Landing Marine Park to the east. Local partners have agreed to close the one remaining gap to the east, connecting to the existing trail in Troutdale. Once these sections to the east are completed, the 40-Mile Loop trail will connect Blue Lake Regional Park to the Sandy River Delta Natural Area and Lewis and Clark State Park.

In November 2009, the Metro Council approved Resolution No. 09-4084 which approved the limited expenditure of 2006 Natural Areas Bond Measure funds to provide local match for this project.

The total project budget qualifying for the FHWA funding was initially estimated at just under one million dollars. A 10.27% local cash match was required to qualify for these federal funds. The estimated total Metro contribution was \$135,000. Metro identified the 2006 Natural Areas Bond Measure as the funding source for this federal match because the Bond Measure permits spending bond funds on capital costs to protect and enhance trail corridors (Ballot Measure No. 26-80, Ballot Title). This project is consistent with that requirement.

As the project went through site investigations, design development, and engineering analysis several unforeseen conditions were discovered which have had considerable project cost implications. These conditions include environmental factors, potential damage to public infrastructure (including the levee that protects from flooding), design complexities and permit challenges. These conditions have increased the design and engineering and subsequently, the construction costs of the project above those that were originally estimated at the time federal funding was secured. In addition, as the project enters the public

bidding phase, the Oregon Department of Transportation (ODOT), administrator of the federal funds, requires that additional contingency funds be made available for potential project over runs.

### **Project Status**

During the design process multiple revisions were required in the trail alignment and design. These revisions were required based on environmental, geotechnical and infrastructure impact concerns from several project stakeholders including the Multnomah County Drainage District, United States Army Corps of Engineers, State of Oregon Historic Preservation Office, and ODOT. These issue surfaced as the Team tried to find an alignment that worked with these various complicating factors and federal review processes.

After working closely with the project stakeholders, Metro, and the Drainage District submitted a Levee Encroachment Permit application to the Army Corps of Engineers in anticipation of obtaining their approval for the project. The Army Corps denied the permit and rejected the proposed trail alignment based on the location in relation to the levee's toe drain system. Based on this setback, the Design Team returned to the drawing board and proposed an alternative trail alignment. This conceptual alignment appears to satisfy all of the project stakeholders. The alternative trail alignment is currently being reviewed by the Army Corps of Engineers. The project team expects to be granted a Levee Encroachment Permit by mid-February. This additional design work, engineering analysis and the additional means and methods required during construction have increased the costs of the overall project.

ODOT will award the project if the lowest responsive bid comes in less than 10% above the engineer's estimate. If the bids come in more than 10%, additional value engineering will be conducted. ODOT would then rebid the project. Currently, the additional estimated investment required to complete the project is \$280,000.

Because the project is at a 90% construction document phase and Metro needs to produce the funding commitment letter to ODOT by March 2013 to enter the bid phase, staff requests that additional funding over and above the \$280,000 authorized herein be conditionally pre-authorized with review and approval by the Chief Operating Officer. These funds would be drawn upon if the overage is within 10% of the current construction estimate, or \$70,000. These funds may be necessary to go to bid if the final engineer's estimate is higher than the current total.

Should Metro decide that we are not prepared to move forward with completing the project at this time, Metro is responsible to pay for all design, engineering and ODOT expenses to date.

### **Timeline**

Due to the permit setbacks and additional design and engineering required, bidding is anticipated in May 2013 with construction to begin that summer. There are strict seasonal construction requirements about when Metro can build on the levee.

## **ANALYSIS/INFORMATION**

### **1. Known Opposition**

None.

### **2. Legal Antecedents**

Resolution No. 06-3672B, "For the Purpose of Submitting to the Voters of the Metro Area a General Obligation Bond Indebtedness in the Amount of \$227.4 Million to Fund Natural Area Acquisitions and Water Quality Protection," was adopted on March 9, 2006.

The voters' approved Metro's 2006 Natural Areas Bond Measure No. 26-80 at the general election held on November 7, 2006.

Resolution No. 09-4084 "Amending the Natural Areas Acquisition Refinement Plan for the Columbia Slough Target Area and Approving the Expenditure of Natural Areas Bond Measure Funds for Trail Construction at Blue Lake Regional Park," was adopted by the Metro Council on November 5, 2009, and allocated up to \$135,000 of bond proceeds as matching funds to receive the FHWA federal transportation funds for the design and construction of the Blue Lake Regional park trail.

**3. Anticipated Effects**

An additional investment of Bond Measure funds will leverage federal funding to construct a key remaining gap in the 40-Mile Loop Trail at Blue Lake Regional Park.

**4. Budget Impacts**

The construction opportunity identified in this Resolution will be funded entirely with funds from the 2006 Natural Area Bond Measure.

**RECOMMENDED ACTION**

The Chief Operating Officer recommends passage of Resolution No. 13-4409.