

City of Fayetteville Staff Review Form

2020-0414

Legistar File ID

6/2/2020

City Council Meeting Date - Agenda Item Only  
N/A for Non-Agenda Item

Chris Brown

5/14/2020

ENGINEERING (621)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Approval of a Railroad Crossing and Maintenance Agreement and an Easement Agreement with the Arkansas and Missouri Railroad for a new railroad crossing at Futrall Drive and Gregg Avenue, Approval of a Budget Adjustment for Costs Related to the New Crossing, and Approval of a Project Contingency of \$ 28,344.86, for a Total Budget of \$750,000.

Budget Impact:

4602.860.7220-5809.00

Streets Project 2019 Bonds/Street Improvements

Account Number

Fund

46020.7220

Futrall/Gregg and Shiloh/Gregg RR Xngs

Project Number

Project Title

Budgeted Item? Yes

Current Budget \$ 20,000.00

Funds Obligated \$ 1,734.96

Current Balance \$ 18,265.04

Does item have a cost? Yes

Item Cost \$ 750,000.00

Budget Adjustment Attached? Yes

Budget Adjustment \$ 750,000.00

Remaining Budget \$ 18,265.04

V20180321

Purchase Order Number: \_\_\_\_\_

Previous Ordinance or Resolution # \_\_\_\_\_

Change Order Number: \_\_\_\_\_

Approval Date: \_\_\_\_\_

Original Contract Number: \_\_\_\_\_

Comments:



**MEETING OF AUGUST 4, 2020**

**TO:** Mayor and City Council

**THRU:** Susan Norton, Chief of Staff  
Garner Stoll, Development Services Director

**FROM:** Chris Brown, City Engineer

**DATE:** July 21, 2020

**SUBJECT:** **Item 2020-0414 Approval of a Railroad Crossing and Maintenance Agreement and an Easement Agreement with the Arkansas and Missouri Railroad for a new railroad crossing at Futrall Drive and Gregg Avenue, Approval of a Budget Adjustment for Costs Related to the New Crossing, and Approval of a Project Contingency of \$ 28,344.86, for a Total Budget of \$750,000.**

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**RECOMMENDATION:**

This item was tabled indefinitely at the June 4<sup>th</sup>, 2020 City Council Meeting pending resolution of questions from the City Council regarding the economic benefit of the proposed crossing. These questions were researched by staff; responses to the questions are detailed in the discussion section below. Staff recommends placing this item back on the City Council for the August 4, 2020 meeting.

Staff recommends approval of a New Railroad Crossing Cost and Maintenance Agreement and an Easement Agreement with the Arkansas and Missouri Railroad (AMRR) for a new railroad crossing near Shiloh Drive and Gregg Avenue. Staff also recommends approval of the budget adjustment to fund the cost of the railroad crossing agreement and associated costs of roadway and traffic signal modifications to complete the railroad crossing, including a contingency of \$28,344.86. Total project cost including contingency is \$750,000.

**BACKGROUND:**

The extension of Futrall Drive has long been on the City's Master Street Plan, to provide an additional access to approximately 150 acres of undeveloped property west of the railroad tracks, east of Garland Avenue, and north of Drake Street. This project was identified as a priority project in the 2019 bond program, as opportunities to partner with developers of the property arose. The connection will provide a more direct access from the property to the Fulbright Expressway, and will include pedestrian facilities to allow for safe crossings at the railroad and Gregg Avenue.

**DISCUSSION:**

AMRR has presented two agreements to the City. The first, a New Railroad Crossing and Maintenance Agreement, addresses terms of the construction and maintenance of the crossing, including:

- The City will reimburse the AMRR for the full cost of labor and materials for installation of the crossing signal, panels, and appurtenances necessary for a fully operational crossing. The estimated cost of the crossing installation is \$519,179.14.
- The City agrees to close the existing unimproved crossing at Garrett Dr. and Gregg Avenue.
- The City will pay a yearly maintenance fee of \$7,500, increasing by 2% per annum, for basic maintenance and wear and tear.
- The City and the AMRR agree to equally share the cost of repairs or major maintenance.

The second, an Easement Agreement, establishes the terms of the City's perpetual use of the AMRR property for the crossing. The most significant item in this contract is a requirement to maintain insurance in the amount of \$15 million.

In addition to these agreements, construction of the roadway connection from the railroad to Gregg Avenue and modification of the traffic signal to accommodate the 4<sup>th</sup> leg of the intersection and connect to the railroad signal are the responsibility of the City. The estimated cost of these improvements is \$202,476. Finally, a contingency of \$28,344.86 is recommended for unforeseen costs of the railroad crossing and/or the roadway/signal work.

The property developer was not prepared to share details of their development plan when this item was last presented, but has since provided conceptual plans totaling over \$150 Million in construction for phase 1 of their development, including a mixture of residential, restaurant/retail, and an anchor employer that would employ almost 1,000 employees. If these plans are developed to completion as proposed, the cost of the railroad crossing would be recovered by tax receipts from the construction alone, resulting in net profit to the City's tax base beginning in the first year post construction.

#### **BUDGET/STAFF IMPACT:**

As noted above, the total project estimate is:

Agreement with AMRR:	\$519,179.14
Roadway/signal work:	\$202,476
Contingency:	<u>\$28,344.86</u>
<b>Total:</b>	<b>\$750,000</b>

Funding for this work will come from the 2019 Transportation Bond Program. The original allocation in Phase 1 was \$1 million for two proposed signal crossings; the total for the two is now estimated at \$1.5 million; the additional \$1.5 million will come from contingency funds set aside in Phase 1 of the Bond Program.

#### **Attachments:**

New Railroad Crossing Cost and Maintenance Agreement  
 Easement Agreement  
 Estimate for Roadway and Signal Improvements  
 Project Vicinity Map  
 Vicinity Map of Crossing to be Closed



**MEETING OF JUNE 2, 2020**

**TO:** Mayor and City Council

**THRU:** Susan Norton, Chief of Staff  
Garner Stoll, Development Services Director

**FROM:** Chris Brown, City Engineer

**DATE:** May 13, 2020

**SUBJECT:** **Approval of a Railroad Crossing and Maintenance Agreement and an Easement Agreement with the Arkansas and Missouri Railroad for a new railroad crossing at Futrall Drive and Gregg Avenue, Approval of a Budget Adjustment for Costs Related to the New Crossing, and Approval of a Project Contingency of \$ 28,344.86, for a Total Budget of \$750,000.**

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**RECOMMENDATION:**

Staff recommends approval of a New Railroad Crossing Cost and Maintenance Agreement and an Easement Agreement with the Arkansas and Missouri Railroad (AMRR) for a new railroad crossing near Shiloh Drive and Gregg Avenue. Staff also recommends approval of the budget adjustment to fund the cost of the railroad crossing agreement and associated costs of roadway and traffic signal modifications to complete the railroad crossing, including a contingency of \$28,344.86. Total project cost including contingency is \$750,000.

**BACKGROUND:**

The extension of Futrall Drive has long been on the City's Master Street Plan, to provide an additional access to approximately 150 acres of undeveloped property west of the railroad tracks, east of Garland Avenue, and north of Drake Street. This project was identified as a priority project in the 2019 bond program, as opportunities to partner with developers of the property arose. The connection will provide a more direct access from the property to the Fulbright Expressway, and will include pedestrian facilities to allow for safe crossings at the railroad and Gregg Avenue.

**DISCUSSION:**

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- The City will reimburse the AMRR for the full cost of labor and materials for installation of the crossing signal, panels, and appurtenances necessary for a fully operational crossing. The estimated cost of the crossing installation is \$519,179.14.
- The City agrees to close the existing unimproved crossing at Garrett Dr. and Gregg Avenue.
- The City will pay a yearly maintenance fee of \$7,500, increasing by 2% per annum, for basic maintenance and wear and tear.

- The City and the AMRR agree to equally share the cost of repairs or major maintenance.

The second, an Easement Agreement, establishes the terms of the City's perpetual use of the AMRR property for the crossing. The most significant item in this contract is a requirement to maintain insurance in the amount of \$15 million.

In addition to these agreements, construction of the roadway connection from the railroad to Gregg Avenue and modification of the traffic signal to accommodate the 4<sup>th</sup> leg of the intersection and connect to the railroad signal are the responsibility of the City. The estimated cost of these improvements is \$202,476. Finally, a contingency of \$28,344.86 is recommended for unforeseen costs of the railroad crossing and/or the roadway/signal work.

#### **BUDGET/STAFF IMPACT:**

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Agreement with AMRR:	\$519,179.14
Roadway/signal work:	\$202,476
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Funding for this work will come from the 2019 Transportation Bond Program. The original allocation in Phase 1 was \$1 million for two proposed signal crossings; the total for the two is now estimated at \$1.5 million; the additional \$1.5 million will come from contingency funds set aside in Phase 1 of the Bond Program.

#### **Attachments:**

New Railroad Crossing Cost and Maintenance Agreement  
 Easement Agreement  
 Estimate for Roadway and Signal Improvements  
 Project Vicinity Map  
 Vicinity Map of Crossing to be Closed

## NEW RAILROAD CROSSING COST

### AND MAINTENANCE AGREEMENT

This Agreement, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020, by and between the **City of Fayetteville, Arkansas** (hereinafter "City") and **The Arkansas & Missouri Railroad Company**, (hereinafter "AMRR"),

#### WITNESSETH:

WHEREAS, City is in the process of planning a new crossing at Futrall Drive within the City limits at railroad milepost 349.45. The City proposes, for the benefit of the public, to add this crossing, pursuant to the Site Layout attached as Exhibit 1, and remove in its entirety, existing crossing at Garrett Drive; and

WHEREAS, it is understood that the contemplated crossing will be financed solely from funds appropriated by City and expended under its regulations.

NOW, THEREFORE, in consideration of the covenants and agreements contained in this agreement, subject to the provisions of the recitals above, it is agreed by and between the parties hereto as follows:

1. AMRR has provided an estimate for the cost of the crossing upgrade which is attached as Exhibit 2. This estimate does not include any track or railroad work required during utility installation- which is not subject to estimation at this time. The parties understand that the estimate is \$519,179.14 and the parties acknowledge that the ultimate cost of the crossing could be under or over this estimate. Both parties further acknowledge that any materials or crossing equipment supplied by the City shall be considered a part of the consideration of this agreement. Upon final completion of the project, all said materials and crossing equipment shall become the property of AMRR.

2. AMRR shall be reimbursed 100% of the actual approved cost (labor and material) for installing the new equipment and its invoices will be paid promptly. Material will be billed as it is ordered by AMRR. The City acknowledges that any work within 25 feet of the tracks requires a Flagging Services Agreement for railroad track protection, including, but not limited to, railroad flagging which is charged at the rate of \$95 per hour. A Flagging Services Agreement will be executed simultaneously with the execution of this Agreement.

3. Insurance. During upgrade construction, City shall ensure that any contractors they employ to perform work on the project in question will maintain a general liability insurance policy, the limits of which will be not less than Three Million Dollars (\$3,000,000) per person, Five Million Dollars (\$5,000,000) per accident and Three Million Dollars (\$3,000,000) for property damage. The policy shall name AMRR, its successor or assigns and City as insureds. Such policy shall contain a clause that the insurer will not cancel or change the insurance without giving AMRR, City, or their successors or assigns ten (10) days prior written notice, and a certificate of such insurance shall be delivered to AMRR prior to the inception of the construction of the crossing.

4. Maintenance and Repairs. The parties acknowledge that the crossing and equipment will require maintenance and repairs due to normal wear and tear and possibly damage from accidents, negligence or acts of nature. The City will not be liable for any damages caused solely by the negligence of AMRR. If damages are caused to the crossing and/or equipment by the acts of 3<sup>rd</sup> parties, AMRR and the City will coordinate to pursue any cause of action against said 3<sup>rd</sup> parties to recover the costs of repairs and any amount recovered will be applied accordingly. City will pay an annual crossing maintenance fee of \$7,500 effective upon execution of this Agreement and on each anniversary date thereafter for so long as the crossing remains open. On each anniversary date, the annual maintenance fee will increase by 2%. The annual maintenance fee will cover regulatory testing, basic maintenance and general wear and tear. Otherwise, City and AMRR will each be responsible for 50% of any capital expenditures for the equipment and the crossing surface. Except for emergency repairs, AMRR will give the City one hundred eighty (180) day written notice of any needed repairs or maintenance and the amount thereof. The crossing shall be maintained as specified above until such time as the parties mutually agree otherwise or upon a date certain that the crossing should be closed.

5. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to its subject matter and may not be modified or amended orally.

6. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Arkansas.

7. Binding Effect. The provisions of this Agreement shall be binding upon and inure to the benefit of each of the parties and their respective heirs, successors and assigns.

8. Both parties acknowledge that the signatories below have the appropriate authority to sign on behalf of the party they represent.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this \_\_\_\_ day of \_\_\_\_\_, 2020.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

**CITY OF FAYETTEVILLE, ARKANSAS**

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Print Name*

\_\_\_\_\_  
*Print Name*

\_\_\_\_\_  
*Title*

\_\_\_\_\_  
*Title*

**ACKNOWLEDGMENT**

STATE OF ARKANSAS       )  
  ) §§  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2020, before me, the undersigned, a Notary Public, duly commissioned, qualified, and acting, within and for said County and State, appeared in person, \_\_\_\_\_Lioneld Jordan and Kara Paxton, to me personally well-known who stated that they are the Mayor and City Clerk for the **CITY OF FAYETTEVILLE, ARKANSAS**, and are duly authorized in their capacity to execute the foregoing instrument and for and in the name and behalf of the City of Fayetteville, Arkansas, and further stated and acknowledged that they had so signed, executed, and delivered said foregoing instrument for the consideration, uses, and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year stated above.

My Commission Expires:

\_\_\_\_\_  
Notary Public

\_\_\_\_\_

ARKANSAS & MISSOURI RAILROAD COMPANY

Approved by:   
Signature

CAREN L. KRASKA  
Print Name

President  
Title

ACKNOWLEDGMENT

STATE OF ARKANSAS       )  
  ) §§  
COUNTY OF Washington    )

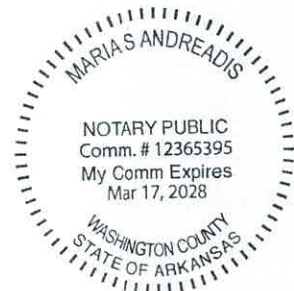
On this 15<sup>th</sup> day of May, 2020, before me, the undersigned, a Notary Public, duly commissioned, qualified, and acting, within and for said County and State, appeared in person, **CAREN L. KRASKA**, to me personally well-known who stated that she is the President of **ARKANSAS & MISSOURI RAILROAD COMPANY** and is duly authorized in her capacity to execute the foregoing instrument and for and in the name and behalf of Arkansas & Missouri Railroad Company, and further stated and acknowledged that she had so signed, executed, and delivered said foregoing instrument for the consideration, uses, and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year stated above.

  
Notary Public

My Commission Expires:

MARCH 17, 2028







Arkansas & Missouri Railroad  
306 E. Emma Ave  
Springdale, AR 72764

Date: September 18, 2019

To: City of Fayetteville  
Attn: Chris Brown

Job: Futrall Dr Fayetteville AR.

Item #	Qty	Description	Unit	Unit Price	Line Total
<b>Material</b>					
1	50	115lb Concrete Panel Material	Ft	\$200.81	\$10,040.50
2	40	10' Crosstie	Each	\$90.50	\$3,620.00
3	160	115# Relay Rail	Linear Foot	\$1,100.00	\$176,000.00
4	80	5.5" Base Pandrol Tie Plate	Each	\$24.00	\$1,920.00
5	160	Pandrol Clips	Each	\$2.95	\$472.00
6	3	Railroad Spikes	Keg	\$75.00	\$225.00
7	160	5.5" Anchors	Each	\$2.95	\$472.00
8	4	115 New / 1/4 worn Trans Rails	Each	\$970.00	\$3,880.00
9	8	115# Thermite Welds	Each	\$198.10	\$1,584.80
10	100	Ballast Truck Load	Truckload	\$17.00	\$1,700.00
					\$199,914.30
				Freight	\$1,250.00
				10% O/H	\$19,991.43
				Tax @ 9.75%	\$19,491.64
<b>Subtotal (material)</b>					<b>\$240,647.37</b>
<b>Labor</b>					
1	1	CWS - CTC Quote (Material & Labor)	Lump Sum	\$239,731.77	\$239,731.77
2	1	Contractor Labor (Track Contractor)	Lump Sum	\$15,500.00	\$15,500.00
3	1	Project Management/Administrative	Lump Sum	\$5,000.00	\$5,000.00
4	100	MOW EIC of Track Protection	Hour	\$95.00	\$9,500.00
5	20	Surfacing Crew	Hour	\$200.00	\$4,000.00
6	16	1-10-Ton Truck	Hour	\$150.00	\$2,400.00
7	16	1- Dump Truck w/Driver	Hour	\$150.00	\$2,400.00
<b>Subtotal (labor)</b>					<b>\$278,531.77</b>
<b>Total</b>					<b>\$519,179.14</b>

Prepared by: Jeromy Houchin

**EXHIBIT 2**

## RAILROAD CROSSING EASEMENT AGREEMENT

This Agreement, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020, by and between the **City of Fayetteville, Arkansas** (hereinafter "City") and **The Arkansas and Missouri Railroad Company**, (hereinafter "AMRR"),

### WITNESSETH:

WHEREAS, City is in the process of planning the construction of an extension of Futrall Drive within the City limits that would cross AMRR's tracks. The City proposes, for the benefit of the public, to install a new crossing at said location, pursuant to particular plans and specifications to be agreed upon by the parties; and

WHEREAS, the Easement is defined on **Exhibit 1** and incorporated herein by reference; and

WHEREAS, it is understood that the contemplated crossing will be financed from funds appropriated by City and expended under its regulations as established under the terms of a Crossing Agreement executed separately by the parties.

NOW, THEREFORE, in consideration of the covenants and agreements contained and subject to the provisions of the recitals above, it is agreed by and between the parties hereto as follows:

1. The City and AMRR have caused to be prepared plans and specifications for the project. Attached as **Exhibit 1** is the proposed plan. The parties acknowledge that this schematic drawing contains certain requirements and restrictions with regard to the construction in, near and around the Railroad and the City agrees to be bound by all of these requirements and restrictions contained in the plans, specifications, coordination notes and the separate Crossing Cost Agreement.

2. AMRR has provided an estimate for the cost of the crossing. The parties understand that the estimate is \$519,179.14 and the parties acknowledge that the ultimate cost of the crossing could be under or over this estimate.

3. The cost (labor and material) for installing the new crossing will be born by the City pursuant to the Crossing Cost Agreement.

4. After completion of the project, the Parties shall bear the expense of the maintenance, inspection, capital costs and operation of the crossing per the terms of the separate Crossing Agreement or any amendment thereto, so long as it is to be maintained as a crossing over the railroad or until it is mutually agreed between the parties that the project is no longer needed at the crossing or until the crossing is abandoned by AMRR or City, or other legal requirements making it necessary to cease operations and maintenance of the project. At that time, materials purchased and installed for the project may be moved to other locations on AMRR's lines within the States of Arkansas or Missouri or otherwise disposed of or sold by AMRR.

5. Limitation on Grant. This Easement does not grant to City the subsurface of any easement area, all such rights and privileges being reserved to AMRR.

6. Indemnification. The CITY OF FAYETTEVILLE shall cause any contractor employed by it or engaged by it to construct the improvements contemplated by this agreement to assume any and all liability for injury to or death of persons, all loss or damage to property, in any manner arising from or during the construction of the improvements contemplated by this agreement, however, such injury, death, loss, damage or destruction as aforesaid may occur or be caused. The CITY OF FAYETTEVILLE shall further cause any contractor engaged by it to construct the improvements contemplated by this agreement to indemnify and save and hold harmless the ARKANSAS & MISSOURI RAILROAD COMPANY from any and all claims, demands, suits, actions, damages, recoveries, judgments, costs and expenses arising or growing out of or in connection with such injury, death, loss, damage or destruction as aforesaid, which expense shall include the cost ARKANSAS & MISSOURI RAILROAD COMPANY incurs defending itself, including attorney fees and expenses.

7. Insurance. In further consideration for the grant of this Easement, City shall acquire a policy of liability insurance which shall insure AMRR in the amount of fifteen million dollars (\$15,000,000) from liability for injury or death to persons or damage to property arising from any persons using the crossing described on Exhibit 1, whether injuries are caused by the operation of the trains by AMRR or otherwise. At the option of AMRR such policy shall either name AMRR as a named insured or an additional insured of such policy. Said policy will be kept in full force and effect during the existence of this Easement and shall continue to insure AMRR for incidents arising during the existence of this Easement and until the crossing is terminated or abandoned per the terms of paragraph 5 above, regardless of when the claim is made. Such policy shall be subject to approval of AMRR and shall provide for notice to AMRR not less than 30 days of cancellation of such policy.

8. If any portion of this Easement or any provision in this Easement shall be found to be invalid or unenforceable, the remaining provisions shall continue to be fully effective and enforceable, and both parties consent to the modifications of this Easement in any manner as a court may deem necessary to preserve the grant of easement contained herein.

9. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to its subject matter and may not be modified or amended orally.

10. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Arkansas.

11. Binding Effect. The provisions of this Agreement shall be binding upon and inure to the benefit of each of the parties and their respective heirs, successors and assigns.

12. Both parties acknowledge that the signatories below have the appropriate authority to sign on behalf of the party they represent.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this \_\_\_\_ day of \_\_\_\_\_, 2020.

CITY OF FAYETTEVILLE, ARKANSAS

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Print Name*

\_\_\_\_\_  
*Print Name*

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**ACKNOWLEDGMENT**

STATE OF ARKANSAS     )  
  ) §§  
COUNTY OF WASHINGTON    )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2020, before me, the undersigned, a Notary Public, duly commissioned, qualified, and acting, within and for said County and State, appeared in person, **Lioneld Jordan and Kara Paxton**, to me personally well-known who stated that they are the **Mayor and City Clerk** for the **CITY OF FAYETTEVILLE, ARKANSAS**, and are duly authorized in their capacity to execute the foregoing instrument and for and in the name and behalf of the City of Fayetteville, Arkansas, and further stated and acknowledged that they had so signed, executed, and delivered said foregoing instrument for the consideration, uses, and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year stated above.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

ARKANSAS & MISSOURI RAILROAD

Approved by: \_\_\_\_\_

*Signature*

Caren L. Kraska  
*Print Name*

President  
*Title*

**ACKNOWLEDGMENT**

STATE OF ARKANSAS     )  
                                  ) §§  
COUNTY OF Washington )

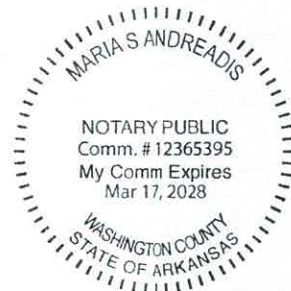
On this 15<sup>th</sup> day of May, 2020, before me, the undersigned, a Notary Public, duly commissioned, qualified, and acting, within and for said County and State, appeared in person, **CAREN L. KRASKA**, to me personally well-known who stated that she is the President of **ARKANSAS & MISSOURI RAILROAD COMPANY** and is duly authorized in her capacity to execute the foregoing instrument and for and in the name and behalf of Arkansas & Missouri Railroad Company, and further stated and acknowledged that she had so signed, executed, and delivered said foregoing instrument for the consideration, uses, and purposes therein mentioned and set forth.

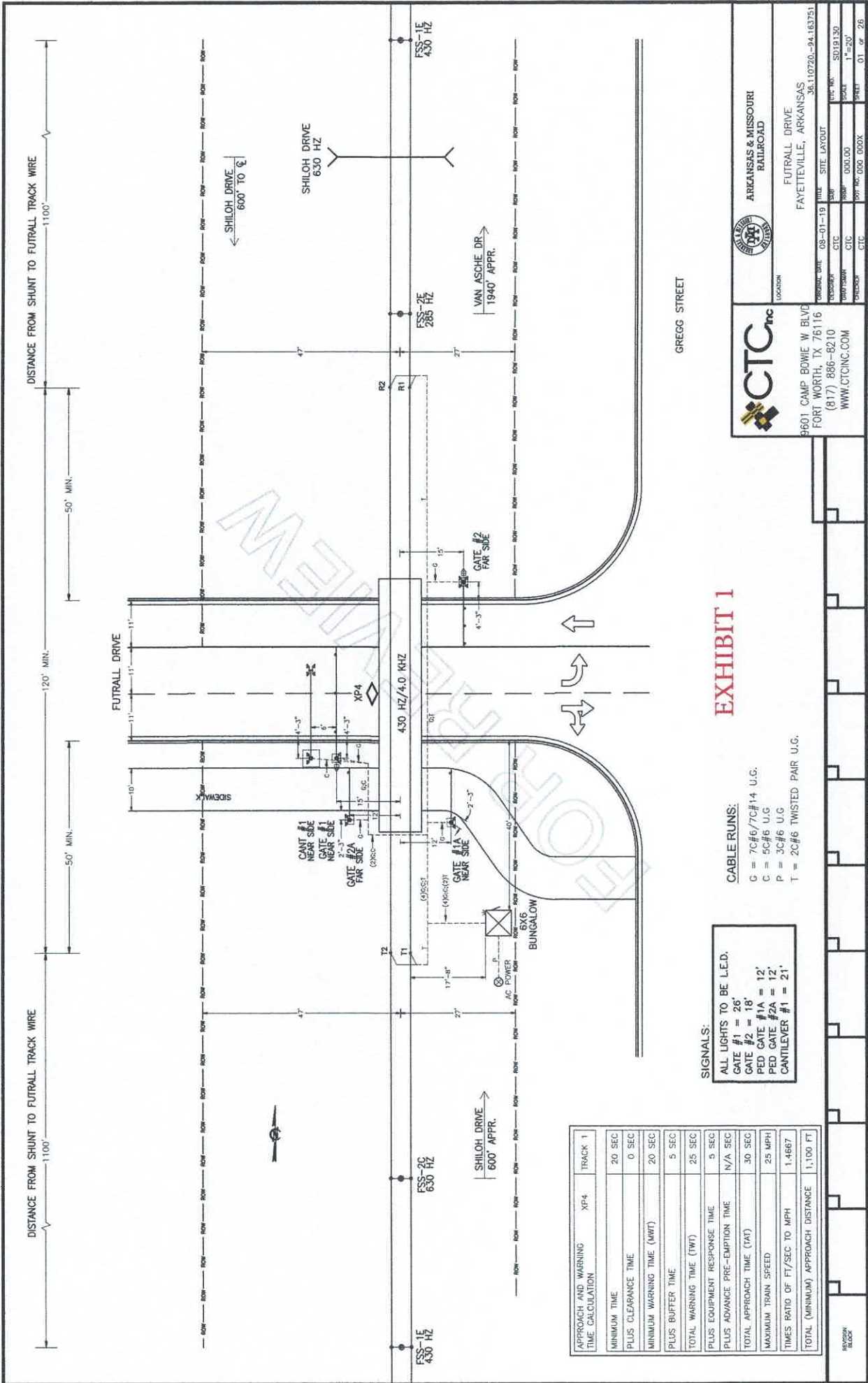
IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year stated above.

Maria S Andreadis  
Notary Public

My Commission Expires:

March 17, 2028





GREGG STREET

# EXHIBIT 1

## SIGNALS:

ALL LIGHTS TO BE L.E.D.  
 GATE #1 = 26'  
 GATE #2 = 18'  
 PED GATE #1A = 12'  
 PED GATE #2A = 12'  
 CANTILEVER #1 = 21'

## CABLE RUNS:

G = 7C#6/7C#14 U.G.  
 C = 5C#6 U.G.  
 P = 3C#6 U.G.  
 T = 2C#6 TWISTED PAIR U.G.

APPROACH AND WARNING TIME CALCULATION	XP4	TRACK 1
MINIMUM TIME	20 SEC	
PLUS CLEARANCE TIME	0 SEC	
MINIMUM WARNING TIME (MWT)	20 SEC	
PLUS BUFFER TIME	5 SEC	
TOTAL WARNING TIME (TWT)	25 SEC	
PLUS EQUIPMENT RESPONSE TIME	5 SEC	
PLUS ADVANCE PRE-EMPTION TIME	N/A SEC	
TOTAL APPROACH TIME (TAT)	30 SEC	
MAXIMUM TRAIN SPEED	25 MPH	
TIMES RATIO OF FT/SEC TO MPH	1.4667	
TOTAL (MINIMUM) APPROACH DISTANCE	1,100 FT	

**CTC**  
 3601 CAMP BOWIE W BLVD  
 FORT WORTH, TX 76116  
 (817) 886-8210  
 WWW.CTCINC.COM

ARKANSAS & MISSOURI  
 RAILROAD

LOCATION  
 FAYETTEVILLE, ARKANSAS  
 FUTURE DRIVE

DATE  
 08-01-19

REVISION  
 000.00

SCALE  
 1"=20'

PROJECT  
 01 OF 26



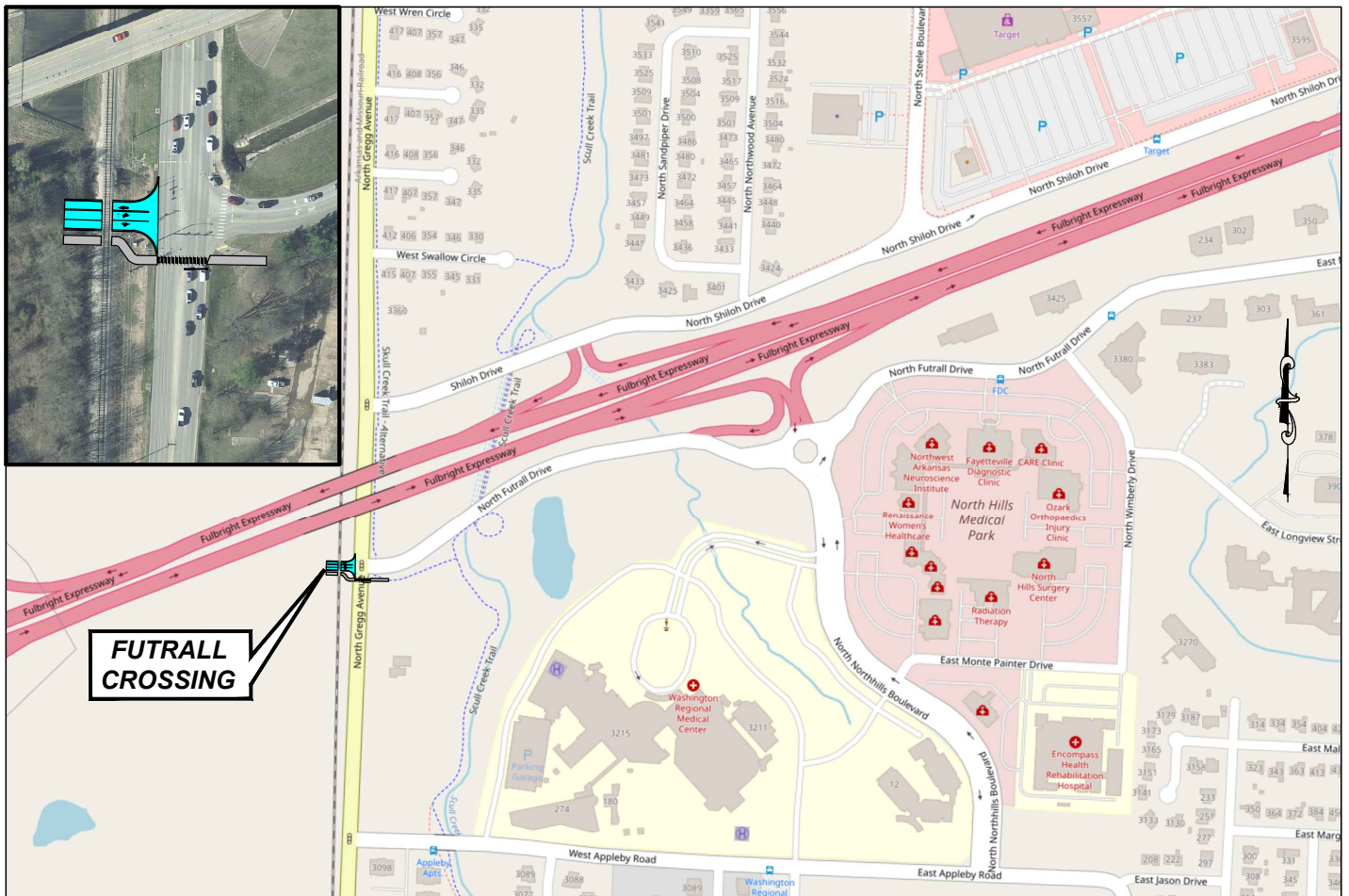
City of Fayetteville  
**Futrell Drive Railroad Crossing**  
 Preliminary Cost Estimate  
 10/10/2019

ITEM	DESCRIPTION	QTY.	UNIT	UNIT COST			EXTENDED COST
1	Mobilization	1	LS	x	\$	7,000.00	= \$ 7,000.00
2	Insurance and Bonding	1	LS	x	\$	10,000.00	= \$ 10,000.00
3	Construction Control (Staking)	1	LS	x	\$	3,000.00	= \$ 3,000.00
4	Traffic Control & Maintenance	1	LS	x	\$	5,000.00	= \$ 5,000.00
5	Erosion Control	1	LS	x	\$	4,500.00	= \$ 4,500.00
6	Clearing, Grubbing, & Demolition	1	LS	x	\$	6,000.00	= \$ 6,000.00
7	R&D Existing Curb and Gutter	125	LF	x	\$	10.00	= \$ 1,250.00
8	Unclassified Excavation	200	CY	x	\$	18.00	= \$ 3,600.00
9	Select Embankment	175	CY	x	\$	25.00	= \$ 4,375.00
10	Embankment	50	CY	x	\$	20.00	= \$ 1,000.00
11	Subgrade Preparation	260	SY	x	\$	5.00	= \$ 1,300.00
12	4" Topsoil Placement	280	SY	x	\$	6.00	= \$ 1,680.00
13	Solid Sod	305	SY	x	\$	5.00	= \$ 1,525.00
14	Class 7 Aggregate Base Course	120	TON	x	\$	40.00	= \$ 4,800.00
15	HMAC Surface Course (PG70-22)	40	TON	x	\$	100.00	= \$ 4,000.00
16	HMAC Binder Course (PG70-22)	40	TON	x	\$	100.00	= \$ 4,000.00
17	18" Concrete Curb & Gutter	160	LF	x	\$	20.00	= \$ 3,200.00
18	6" Concrete Trail w/Class 7 Base	140	SY	x	\$	65.00	= \$ 9,100.00
19	Striping	1	LS	x	\$	10,000.00	= \$ 10,000.00
20	Traffic Signs	1	LS	x	\$	2,500.00	= \$ 2,500.00
21	Traffic Signal Modifications	1	LS	x	\$	75,000.00	= \$ 75,000.00
22	24" Flared End Section	2	EA	x	\$	1,000.00	= \$ 2,000.00
23	24" RCP	60	LF	x	\$	65.00	= \$ 3,900.00
<b>Total Estimated Construction Costs</b>							<b>\$ 168,730.00</b>
<b>Contingency (20%)</b>							<b>\$ 33,746.00</b>
<b>Sub-Total</b>							<b>\$ 202,476.00</b>
<b>Railroad Costs</b>							<b>\$ 519,179.14</b>
<b>Total Estimated Project Cost</b>							<b>\$ 721,655.14</b>

# PROPOSED FUTRALL DRIVE RAILROAD CROSSING

*for the*  
**City of Fayetteville**

MAY 2020



VICINITY MAP



CITY OF  
**FAYETTEVILLE**  
ARKANSAS

[www.fayetteville-ar.gov](http://www.fayetteville-ar.gov)

**ENGINEERING DIVISION**

PHONE: (479) 575-8206  
113 W. MOUNTAIN STREET

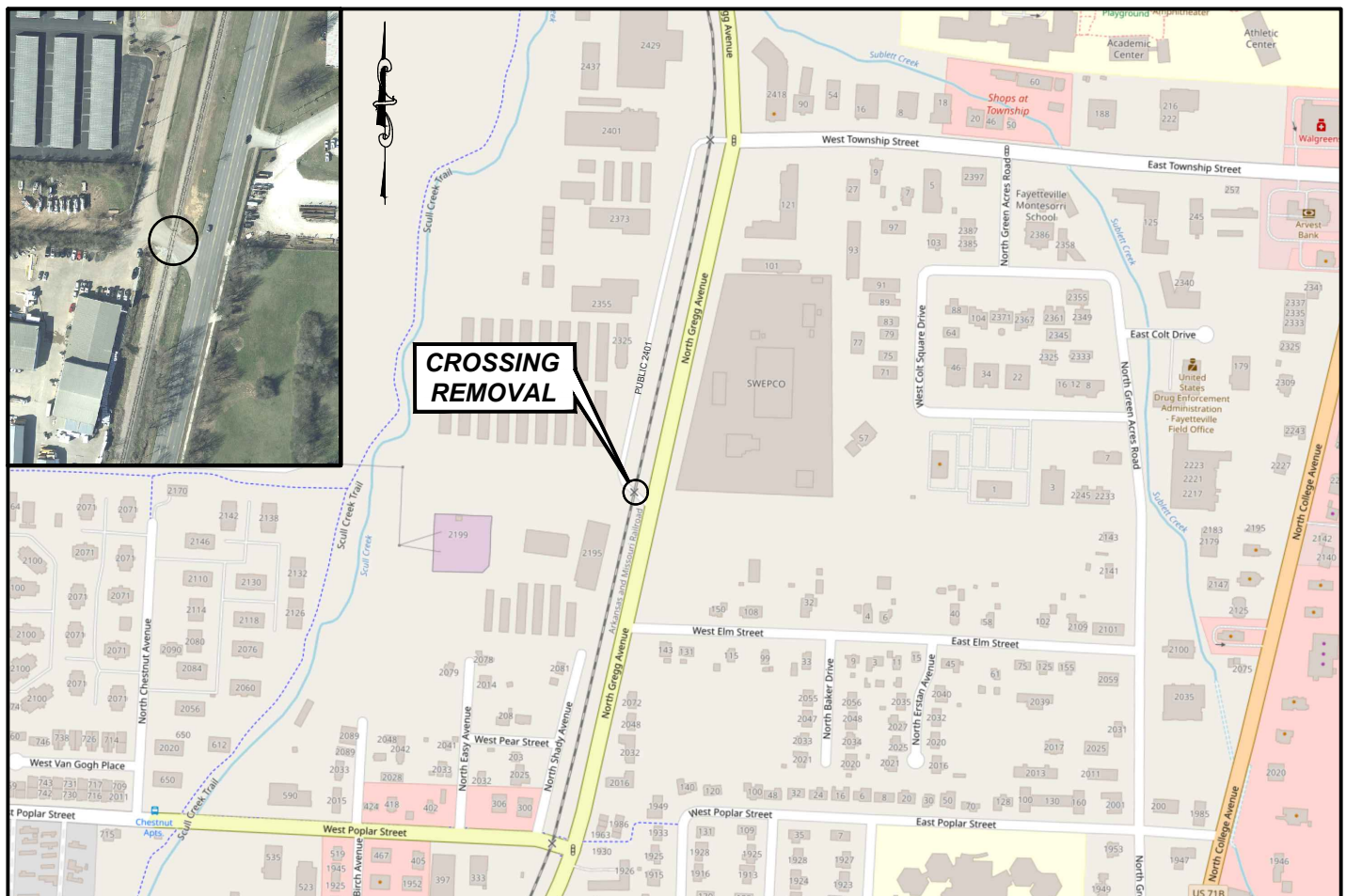
FAX NO: (479) 575-8202  
PROJECT: ENGR. No. 8126

# GARRETT DRIVE

*for the*

# City of Fayetteville

MAY 2020



VICINITY MAP



CITY OF  
**FAYETTEVILLE**  
ARKANSAS

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PHONE: (479) 575-8206

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113 W. MOUNTAIN STREET

PROJECT: ENGR. No. 8126



**TO:** Lioneld Jordan, Mayor

**THRU:** Susan Norton, Chief of Staff  
Garner Stoll, Development Services Director

**FROM:** Devin Howland, Director of Economic Vitality

**DATE:** August 4, 2020

**SUBJECT:** Estimate for full recapture of the costs of both railroad crossings and annual costs

**DISCUSSION:**

Item	Cost
Shiloh Railroad Crossing	\$750,000
Futrell Railroad Crossing	\$750,000
Annual Cost for both crossings for three years	\$61,208
Grade separated University pedestrian crossing	\$500,000
Total	\$2,061,208

While the University crossing is attached to the agreement for the railroad crossing at Shiloh, there is no specific reason for its association other than how the agreements were drafted. As such, this memo aims to show full recapture of all costs, including the grade separated pedestrian crossing at University, using sales tax revenue from both projects (Shiloh and Futrell).

Item	Time Period	Running Balance	
Initial Cost two crossings and underpass	Construction Complete	\$ 2,000,000.00	
Annual Cost for three years	Three years	\$ 61,208.00	
Revenue from phase 1 construction (both)	Year 1	\$ (619,500.00)	Estimated tax revenue paying back crossing costs
Revenue from first year of phase 1 operation (both)	Year 2	\$ (605,432.00)	
Revenue phase 2 construction (both)	Year 2-3	\$ (644,000.00)	
Revenue from second year of phase 1 operation (both)	Year 3	\$ (192,276.00)	
Year three net revenue (remaining from year 2 of phase 1) (both)	Year 3-3.5	\$ 426,476.32	

This exercise continues to show the many ways recapture can be calculated and realized by the City and the many moving variables which could influence it. Costs of construction materials, continued escalation of e-commerce sales, and the addition of additional developments are just a few examples. The table above outlines one such scenario where the developments could fully pay for the costs by the end of year 2 of operation of phase. And generate a profit for the City of \$426,476 that same year.



**TO:** Lioneld Jordan, Mayor

**THRU:** Susan Norton, Chief of Staff  
Garner Stoll, Development Services Director

**FROM:** Devin Howland, Director of Economic Vitality

**DATE:** August 4, 2020

**SUBJECT: Revenue Estimations: Washington Regional Expansion and Drake Farms**

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**DISCUSSION:**

The Futrell Drive railroad crossing which was identified as a phase one bond project is not being built as a speculative connection. While the connection is a part of the City's Master Street Plan, its purpose is the help facilitate a major expansion of one of the City of Fayetteville's anchor employers, Washington Regional. The connection also plays an integral role in the street network of Drake Farms, a walkable urban community which will be anchored by Washington Regional to the north.

The following report aims to provide a conservative view of the direct and indirect sales tax from the mix of uses developed through two separate phases. The revenue estimations do not include revenue from building permit fees, impact fees, or other uses likely to be developed as the property is carefully developed. The report outlines only developments that have been confirmed by the property owner and Washington Regional.

Base Item	Units
Washington Regional Sq. Ft.	350,000.00
Washington Regional Full Time Employees	750.00
Other Full Time Jobs on Site	240.00
Living Units/Residents	115/144
Total Investment	\$ 151,625,000.00
Restaurant Square Feet	18,000.00
Office Developments	2

**Economic Benefits:** The project offers significant economic benefits through tax revenue to the City of Fayetteville. While the revenue estimations below primarily annotate sales tax revenue, it is important to note the projects boast significant employment opportunities and increased payroll in one of Fayetteville's targeted industry sectors. While Drake Farms will be built out carefully over the coming years, the first few phases set the tone for careful and detailed development on such an important parcel. This report outlines the first two phases of development on the property and only reviews known projects. Additional developments may be constructed during the following phases.

***Phase One:***

- Washington Regional: 100,000 square foot building with 150 new full-time employees. Estimated capital investment of \$35,000,000 including fixtures.
- Multi-Family Apartments: 115 apartment units with an estimated 144 residents. Estimated investment of \$20,125,000.
- Two Office Buildings with 240 on-site full-time employees. Estimated Investment of \$17,500,000.
- Multiple Restaurants totaling 18,000 square feet. Sales per foot estimated at \$350.

<b>Annual Compounding Sales Tax Collection</b>				
<b>PHASE ONE: 100K Sq ft Washington Regional with 150 FTE. 18,000 Sq ft of Restaurant. 115 Apartment Units at \$175K per unit and 144 residents. \$17.5M Office Development(s) with 240 other onsite FTES.</b>	<b>YEAR 2 of full phase 1 build out</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>
<b>\$ 420,372.80</b>	<b>\$ 429,621.00</b>	<b>\$ 439,072.66</b>	<b>\$ 448,732.26</b>	<b>\$ 458,604.37</b>
2.2% Inflation Annually	\$ 9,248.20	\$ 9,451.66	\$ 9,659.60	\$ 9,872.11

*Sales Tax from Construction phase 1: \$451,500*

*Figure 1: Sales tax from construction is not included in the green bar.*

#### **Phase Two:**

- Washington Regional: 250,000 square feet of buildings with at least 600 new full-time employees. Estimated investment of \$85,000,000 including fixtures.

<b>Annual Compounding Sales Tax Collection</b>				
<b>PHASE TWO: 3-5 years Additional 250,000 sq. ft Washington Regional, multiple buildings plus at least 600 new FTE. Additional developments not currently known but will likely take place.</b>	<b>YEAR 2 of full phase 2 build out</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>
<b>\$ 653,453.67</b>	<b>\$ 667,829.65</b>	<b>\$ 682,521.90</b>	<b>\$ 697,537.38</b>	<b>\$ 712,883.21</b>
2.2% Inflation Annually	\$ 14,375.98	\$ 14,692.25	\$ 15,015.48	\$ 15,345.82

*Sales Tax from Construction phase 2: \$476,000*

*Figure 2: Sales tax from construction is not included in the green bar.*

Sales Estimates	Municipal Sales Tax Estimates
Estimated Internet Sales from (Residential)	Estimated Taxes from Internet Sales
\$ 432,000.00	\$ 8,640.00
Estimated Grocery Sales from (Residential)	Estimated Tax from Grocery Sales
\$ 433,440.00	\$ 8,668.80
Estimated Entertainment Sales from (Residential)	Estimated Taxes from Entertainment Sales
\$ 360,000.00	\$ 7,200.00
Estimated Eating Out Sales from (Residential)	Estimated Taxes from Eating Out
\$ 288,000.00	\$ 11,520.00
	Estimated Property Taxes to Fayetteville
	\$ 35,000.00
Estimated Retail Sales on site brick and mortar (Site)	Estimated Taxes from Retail Sales (Site)
-	\$ -
Estimated Restaurant Sales on site brick and mortar (Site)	Estimated Taxes from Restaurant Sales (Site)
\$ 6,300,000.00	\$ 252,000.00
Estimated Employee Retail Spend	Estimated Taxes from Employee Retail Spend
\$ 6,177,600.00	\$ 123,552.00
Estimated Restaurant Sales from (Employee Spend)	Estimated Taxes from Restaurant Sales from (Employee Spend)
\$ 3,088,800.00	\$ 123,552.00

#### Recapture of the cost for the Futrall railroad crossing:

Item	Time Period	Running Balance
Initial Cost	Construction Complete	\$ 750,000.00
Annual Cost for two years	Year 1-2	\$ 20,200.00
Phase 1 Construction revenue	Year 1	\$ (451,500.00)
Phase 1 Year 1 operation	Year 2	\$ (318,700.00)
Year 2 net revenue	Year 2	\$ 101,672.00

Estimated tax revenue paying  
back crossing

Conservatively, the crossing would likely pay for itself by the first year of operation of phase 1, estimated to begin in year 2 in the table above. However, it could be paid off sooner depending on the pace of development and continued escalation in areas such as internet sales tax. As additional developments are announced and spending patterns shift, staff will continue to monitor the recapture of the costs to install and operate the crossings.

#### Methodology and References:

Base Item	Unit
Restaurant Sales per foot	\$ 350.00
Internet Sales Per Person	\$ 3,000.00
Grocery Sales per resident	\$ 3,010.00
Annual Entertainment per resident	\$ 2,500.00
Eating out per resident	\$ 2,000.00
Weekly Retail Spend Per Employee	\$ 120.00
Weekly Restaurant spend per employee	\$ 60.00

The estimations for sales per foot, as well as employee spend per week were derived from reports prepared by *Gibbs Planning Group* for the project. The estimations for housing units were derived from reports prepared by *Zimmerman/Volk Associates Inc.* and the project developer. Internet sales tax per resident was derived using City of Fayetteville internet sales tax collection data and is consistent with other estimates shown to the City Council. Residential grocery, entertainment, and eating out sales per resident were derived from the Bureau of Labor Statistics data for the Fayetteville MSA.

**Final Notes:**

The development is consistent with the City's Future Land Use plan designated in City Plan 2040. The project holds many other benefits, such as tree preservation of historic one of a kind black walnut tree's planted by Noah Drake and serves as a major catalyst for future investment aligned with the City's growth concept map. Sales tax has also not been estimated for taxable materials purchased by on site employers or other businesses. Lastly, the economic revenue estimations do not include payroll, or other induced economic benefits the City and surrounding area will see in wake of the project(s).

**ATTACHMENTS:**

- Letter from Larry Shackelford, Chief Executive Officer of Washington Regional Medical Center

July 21, 2020

Dear Mayor Jordan,

In the period before the COVID-19 public health emergency, Washington Regional had embarked on an ambitious plan to further expand healthcare services to serve the growing Northwest Arkansas population and attract patients from surrounding areas. Our Board remains committed to the plan to realize that vision. Our organizational plan is aligned with the objectives outlined in a recent report commissioned by the Northwest Arkansas Council, which is to make our area a regional healthcare destination. We have long been concerned that area residents travel outside our region to seek specialty services that can and should be offered locally. According to the report, Northwest Arkansas loses \$950 million annually as a result of residents traveling to providers in other regions. Among other recommendations, the report calls for the region invest in the expansion of services to keep patients at home and attract new patients from other areas. The report concludes that such an investment will result in 6,000 new jobs and add \$3.4 billion to the local economy by 2040.

Washington Regional is the region's only locally owned and governed health system. Our board members live and work in Washington County and we believe our reputation as the region's leading healthcare provider has been attained as a direct function of our local governance which, in turn, makes our organization responsive to the needs of our community – not a corporate office located in another state. Washington Regional currently employs over 3,300 individuals in our community with an average annual wage in excess of \$70,000.

The original North Hills campus of Washington Regional was built in 2002 with a total of 340,641 sq. ft. Over the past decade our campus has experienced significant growth. Today, our campus consists of 707,731 sq. feet of space with the recent completion of our core hospital expansion. That growth has enabled us to offer cutting edge services that are on par with what might be found in much larger cities. For instance, we operate the region's only Comprehensive Stroke Program, a comprehensive neuroscience center, and a Level II Trauma Center, to name but a few. However, Washington Regional has reached the limits of physical capacity at the current North Hills campus. We must expand our foot print, and ideally that expansion would be adjacent to our current campus. We need to increase the clinical capacity available at our current campus, and for complex regulatory reasons, our ability to do that will largely be determined by our ability to secure additional real estate that abuts our current campus. The preliminary plans I have mentioned all point to that expansion occurring toward the North and West. The construction of our new business office at Gregg and Drake Streets demonstrate that commitment. Our significant growth opportunity, however, rests with the



**Drake Farms development. There simply is no other land of sufficient size available to Washington Regional that adjoins our campus.**

**My point in writing is to voice the support of Washington Regional and its Board for the Drake Farms project and the efforts of the City to develop the necessary infrastructure to bring that planned development to fruition. We believe Drake Farms will serve Fayetteville well into the future, bringing the type of mixed use development that the City favors to our community. This is an important project for Fayetteville, Washington Regional and the Northwest Arkansas region.**

**Sincerely,**

**Greg Lee  
Board Chair**

**J. Larry Shackelford  
President & CEO**