

113 West Mountain Street Fayetteville, AR 72701 (479) 575-8323

Legislation Text

# File #: 2023-1271

## Washington Regional Medical Center Rail Road Crossing Completion

A RESOLUTION TO EXPRESS THE INTENT OF THE CITY COUNCIL TO COMMIT \$730,000.00 TO COMPLETE THE SIGNALIZATION AND ROAD WORK FOR THE FUTRALL DRIVE RAILROAD CROSSING

WHEREAS, on December 15, 2020, Ordinance 6393 was adopted authorizing Mayor Jordan to sign an agreement for up to \$550,000.00 with the Arkansas Missouri Railroad for the construction of a new railroad crossing at North Futrall Drive and North Gregg Avenue but included no funding for signalization or construction; and

**WHEREAS**, in 2021, Washington Regional Medical Center purchased 15 acres of property within the Drake Farms Development and is preparing for a planned expansion that will be served by this crossing; and

**WHEREAS**, staff recommends funding the completion of road work to connect the railroad crossing from the train tracks east to North Gregg Avenue and the signal reconfiguration work at Futrall Drive and North Gregg Avenue.

# NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

<u>Section 1</u>: That the City Council of the City of Fayetteville, Arkansas hereby expresses its intent to commit \$730,000.00 of 2019 Transportation Bond funds to complete the signalization and road work for the Futrall Drive Railroad Crossing..



#### **MEETING OF DECEMBER 5, 2023**

SUBJECT:	Washington Regional Medical Center Rail Road Crossing Completion
DATE:	
FROM:	Devin Howland, Director of Economic Vitality
THRU:	Susan Norton, Chief of Staff
то:	Mayor Jordan and City Council

#### **RECOMMENDATION:**

Staff recommends approval of a resolution committing \$730,000 to complete the signalization and road work for the Futrall Drive Railroad Crossing.

#### BACKGROUND:

In May 2020, Mayor Jordan introduced the Futrall Drive Railroad Crossing item, a 2019 Transportation Bond Project, to City Council for consideration. *The Arkansas Missouri Railroad requires the closure of an existing crossing if a municipality wishes to open a new crossing.* City Council immediately tabled the item indefinitely after Council Members expressed concerns over which crossings would close in exchange.

The item was returned to the Council in August, where it was tabled again after members of the City Council called for the removal of the funding for the signal and street work. Ordinance 6393 was adopted on December 15, 2020, authorizing Mayor Jordan to sign an agreement for up to \$550,000 with the Arkansas Missouri Railroad. The ordinance included no funding for signalization or construction.

In 2021, Washington Regional Medical Center (WRMC) purchased 15 acres of property within the Drake Farms Development (PIN: 765-15884-003 and 765-15773-003) and is preparing for their planned expansion.

#### DISCUSSION:

Three years after the item's initial introduction, staff suggests revisiting this project to fund the completion of the railroad crossing from the train tracks east to N Gregg Avenue and the signal reconfiguration work that WRMC needs to expand as they prepare for their next phase of construction at Drake Farms.

#### About Washington Regional Medical Center:

Washington Regional Medical Center is one of the most critical pillars of the City of Fayetteville's economy. Beyond their continued recognition as the #1 hospital in Arkansas for the third year in a row by the U.S. News & World Report, our hospital employs thousands of residents and keeps our community healthy. In 2022, WRMC performed nearly 27,000 surgeries as well as treated nearly 63,000 urgent care visits and 54,000 emergency room visits.

#### Project Details:

The WRMC Railroad completion project includes the road work east of the train tracks to N Gregg Avenue and

Mailing address: 113 W. Mountain Street Fayetteville, AR 72701 includes two primary parts:

- Completing road work to connect the crossing to N Gregg Avenue along with safety guards. Staff proposes covering the estimated cost of \$118,000 with Transportation Bond funds.
- **Reconfiguring the signal at Futrall Drive and N Gregg Avenue.** Signal reconfiguration is estimated at the contractor price of \$609,000, an amount that staff will explore lowering through the utilization of City crews and other means.

Any costs related to the crossing completion over the \$730,000 appropriated by this Resolution will be the responsibility of WRMC.

## **Economic Benefits:**

WRMC will expand across their new property over a series of phases. The following estimates were provided to staff and City Council in 2020 and do not account for inflation-related cost escalation that has undoubtedly increased anticipated construction costs:

- Phase 1: 100,000 square feet with 150 new full-time employees and capital investment of \$35M
- **Phase 2:** 250,000 square feet with at least 600 new full-time employees and capital investment of \$85M

The City and region will benefit greatly from the additional Graduate Medical Education programming, which can be supported through this expansion project. WRMC and the University of Arkansas for Medical Sciences (UAMS) have received accreditation for a new internal medicine residency program that kicked off in July 2023. The program will create approximately 92 residency slots in Northwest Arkansas by 2030, providing long-term economic benefits as healthcare professionals have a higher probability of staying in the local labor market where their residency is completed.

## **BUDGET/STAFF IMPACT:**

\$730,000 in 2019 Street Projects Bond Funds. The Public Works Department's staff time will be utilized for the reconfiguration of the signal at Futrall Drive and Gregg Avenue.

**ATTACHMENTS:** SRF (#3), Futrall Crossing Exhibit (#4), Futrall Crossing Cost Estimate (#5), Letter From WRMC COO (#6), Ordinance 6354 (#7), Ordinance 6393 (#8)



November 8, 2023

Dear Mayor Jordan,

Washington Regional Medical System is planning to expand its campus in Fayetteville to meet the growing health care needs of Northwest Arkansas. In 2021, Washington Regional acquired approximately 15 acres and an option to purchase an additional 25 acres in the Drake Farms development in Fayetteville, which is adjacent to the hospital campus.

Our medical center campus at North Hills opened in 2002 with 345,000 square feet of space. In less than 20 years, it has grown to over 724,000 square feet, and we are unable to expand any further. The property at Drake Farms will allow Washington Regional to plan for the next 25 years of growth by optimizing our medical center campus for higher acuity services and offering outpatient and lower acuity services at our expanded campus at the Drake Farms property.

Washington Regional currently employs over 3,400 team members which is a 95% growth in our workforce since 2012. Our team provides care in over 50 clinic locations and 125 departments of the hospital. We were able to serve nearly 190,000 unique patients this past year. In providing this exceptional care, we were able to provide over \$25 million dollars of care in community benefit. We are proud of these accomplishments, which recently earned us the ranking of #1 hospital in Arkansas by U.S. New & World Report for a third consecutive year.

Washington Regional's mission is to improve the health of people in the community we serve through compassionate, high-quality care, prevention and wellness education. We truly are the leading health care system in Northwest Arkansas ---- the best place to receive care and the best place to give care.

After consulting with and concurrence from your staff, your support of the Washington Regional Crossing Completion is appreciated and critical for the success of this regional development. Thank you and the City Council for this opportunity.

Sincerely,

Bh What

Birch G. Wright, MPA Chief Operating Officer and Administrator