

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO APPLY FOR AND ACCEPT TDOT STATE INDUSTRIAL ACCESS AND/OR LOCAL INTERSTATE CONNECTOR FUNDING FOR THE EXTENSION OF FERDINAND PIECH WAY AND AUTHORIZING PAYMENT OF LOCAL MATCHING FUNDS UP TO THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) TO BE SHARED EQUALLY WITH HAMILTON COUNTY GOVERNMENT PURSUANT TO THE ENTERPRISE SOUTH INDUSTRIAL PARK MASTER INTERLOCAL AGREEMENT.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That the Mayor is hereby authorized to execute any and all documents necessary to apply for and accept TDOT State Industrial Access and/or Local Interstate Connector funding for the extension of Ferdinand Piech Way and authorizing payment of local matching funds up to \$300,000.00 to be shared equally with Hamilton County Government pursuant to the Enterprise South Industrial Park Master Interlocal Agreement.

ADOPTED: _____, 2013

/mms

City of Chattanooga



Resolution Request Form

(This form is only required for resolutions requiring expenditure of City funds)

Date: December 2, 2013

Preparer: William C. Payne

Department: Transportation

Brief Description of Purpose for Resolution:

Resolution Number (if approved by Council): _____

A City Council Action is requested to authorize the Mayor to execute any and all documents necessary to apply for and accept TDOT State Industrial Access and/or Local Interstate Connector funding for the extension of Ferdinand Piech Way, and authorizing payment of local matching funds up to \$300,000 to be shared equally with Hamilton County Government pursuant to the Enterprise South Industrial Park Master Interlocal Agreement.

P

Please refer to sample Resolution on page 9 of the back up material when preparing council.

Name of Vendor/Contractor/Grant, etc.	TDOT	New Contract/Project? (Yes or No)	Yes
Total project cost \$	300,000	Funds Budgeted? (YES or NO)	Yes
Total City of Chattanooga Portion \$	150,000	Provide Fund	4016
City Amount Funded \$	300,000	Provide Cost Center	K17307
New City Funding Required \$		Proposed Funding Source if not budgeted	
City's Match Percentage %		Grant Period (if applicable)	

List all other funding sources and amount for each contributor.

Amount(s)	Grantor(s)
\$150,000.00	Hamilton County
\$	

Agency Grant Number _____

CFDA Number if known _____

Other comments: (Include contingency amount, contractor, and other information useful in preparing resolution)

Public Works Capital Budget

Approved by: _____

Reviewed by: FINANCE OFFICE

DESIGNATED OFFICIAL/ADMINISTRATOR

Please submit completed form to @budget, City Attorney and City Finance Officer



City of Chattanooga

Andy Berke, Mayor

Department of Public Works

Engineering Division

Development Resource Center

1250 Market Street, Suite 2100 • Chattanooga, TN 37402-2713

(423) 643-6190 • Fax (423) 643-6008

November 27, 2013

Mr. Paul Degges, Chief Engineer
Tennessee Department of Transportation
Suite 700, James K. Polk Building
505 Deaderick Street
Nashville, TN 37243-0349

**Re: State Industrial Access (SIA) Roadway Application
Volkswagen Assembly Plant, Enterprise South Industrial Park, Chattanooga, TN
from Volkswagen Drive to Highway 58**

Dear Mr. Degges,

In continuation of the commitments made to Volkswagen by the City, County, and State under the MOU item 6.3, the City is making application to TDOT under the State Industrial Access program to complete the connector road from 58 Hwy to Volkswagen Drive through the Volkswagen Assembly Plant. As part of the agreement to allow the public road to come through their property, Volkswagen has made the following conditions:

1. The entire resulting road, existing Ferdinand Piech Way (private) plus current unnamed SIA road to Highway 58, shall be named Ferdinand Piech Way.
2. During the application and decision process for this road, the City of Chattanooga will request that the capacity of the entire road be four lanes.
3. During the application and decision process, Volkswagen Chattanooga shall input into the details and parameters of the road, especially with regards to the entrance points into Volkswagen Facilities.
4. Street lighting shall be included as part of the road through the existing Volkswagen property.

Enclosed you will find the SIA application with the resolution adopted by the City Council on December 17, 2013, authorizing the Mayor to apply for and accept funding for this project. As part of the packet we have included a site map, location map and proposed typical section.

We understand this project might also be eligible for Local Interstate Connector funding and request your review of this application under both programs to determine which program is best suited for this particular project.

Water Quality Management
(423) 643-5877
FAX: (423) 643-5862

Engineering Division
(423)-643-6190
FAX: (423)643-6008

Technical Information Center
(423) 643-6033
FAX: (423) 643-6027

The City looks forward to working with you on securing funding for this project. If you have any questions, please feel to contact Bill Payne, either by phone; 423-643-6160 or by email; payne_bill@chattanooga.gov .

Sincerely,

Lee Norris
Administrator Public Works

cc: Blythe Bailey, Chattanooga Transportation Department Administrator
Bert Kuyrkendall, Chattanooga Transportation Engineer
Bill Payne, City Engineer
Dennis Malone, Assistant City Engineer
Jason Payne, Engineering Coordinator
Wes Hughen, TDOT Region 2
Scott Medlin, TDOT Region 2
Central File



**STATE INDUSTRIAL ACCESS (SIA)
PROGRAM**

**For the development of
Industrial Highways**

**PROCEDURES AND APPLICATION
PACKET**

TENNESSEE DEPARTMENT OF TRANSPORTATION

November 11, 2013

STATE INDUSTRIAL ACCESS (SIA) PROGRAM

The Industrial Highway Act of 1959 (T.C.A. 54-5-403) authorizes the Tennessee Department of Transportation (TDOT) to contract with cities and counties for the development of "Industrial Highways" to provide access to industrial areas and to facilitate the development and expansion of industry within the State of Tennessee.

TDOT implements the Industrial Highway Act through the department's State Industrial Access Program. The department will consider and approve Industrial Highways based on project eligibility, economic criteria, physical constraints, and available funding.

REQUIREMENTS and PROCEDURES

Presented in this section are the requirements and procedures for preparing and submitting an SIA application to TDOT and developing projects under the State Industrial Access Program. For information about project eligibility contact TDOT's Project Management Division at (615) 532-3207.

1. Project Eligibility for Consideration

The proposed project is required to be eligible as an industrial highway. An "Industrial Highway" is defined as any road or street designated and located to provide access to an industry site or industrial park. The designated roadways may be eligible for the funding under the TDOT SIA Program. An Industrial Highway cannot be constructed on private property.

2. Field Review

Representatives from TDOT and the local city and/or county will review the proposed project in the field. The purpose of the review is to confirm the “Eligibility for Consideration” of the project, discuss the parameters of the project, and gather information to develop a cost estimate for the project.

3. Application

The Application consists of four items:

- a. An Application Form detailing information about the proposed industry or industry expansion and the local government participation,
- b. Location Map depicting the location of the proposed industry in relation to the city or county submitting the application,
- c. Site Map depicting the current and proposed roadways, industry site, and plant or building entrance locations,
- d. A certified Resolution or Ordinance indicating the Application for SIA funding is an official action by the local government. (A sample Resolution is presented on pages 9 & 10.)

4. Consideration

TDOT will consider and approve Industrial Highways based on project eligibility, economic criteria, physical constraints, and available funding.

5. Approval

Upon approval of the Application, TDOT and the local government will execute a contract defining the responsibilities of each party. Appropriate monetary deposits will be submitted by the applicant.

6. Project Activities

Design, right-of-way acquisition, and utility relocation activities will precede in accordance with the responsibilities defined in the contract.

7. Project Design

The typical section for Industrial Highway projects is two-12 ft. lanes with 4 ft. stone shoulders. Additional design features may be requested and paid for by the Applicant. The additional work may be included in the construction contract as non-participating items and will be at no cost to TDOT.

8. Permits

Environmental Permits

The following two conditions will determine the responsibility for obtaining environmental permits. Environmental Guidelines for Industrial Highways is described on pages 6 - 8.

- a. When TDOT is performing the construction phase of the project, whether by TDOT maintenance forces or project contract, TDOT will conduct the technical studies and obtain all environmental permits
- b. When the local government is performing the construction phase, it will be responsible for the technical studies and for obtaining all environmental permits for the work performed.

Permits Required for Plant or Building Site

The local government is responsible for obtaining all federal, state, and local permits for all other development of the plant or building site.

9. Construction

The project may be constructed by one of the following three options:

- a. The project may be let to contract or constructed by the local government
- b. The project may be let to contract or constructed by TDOT
- c. The project may be let to contract or constructed by a partnership between the local government and TDOT

The local government should clearly mark the preferred option in SECTION III RESPONSIBILITIES of the Application Form.

10. After Construction

The local government assumes full responsibility for the maintenance of the Industrial Highway after construction is completed.

ENVIRONMENTAL GUIDELINES FOR INDUSTRIAL HIGHWAYS

Transportation projects that do not involve federal aid funding and do not otherwise constitute a major federal action are exempt from the provisions of National Environmental Policy Act of 1969 (NEPA).

Federal court law, however, has established that under some circumstances, NEPA may apply to a non-federal project.

In a 2001 Tennessee case (*Southwest Williamson County Community Association v. Slater, et al.*), the Sixth Circuit Court of Appeals defined two alternative tests for determining whether a non-federal project might actually constitute a major federal action to the extent that the requirements of NEPA would apply. The two tests identified in this case are:

1. When the non-federal project restricts or limits the statutorily prescribed federal decision-makers' choice of reasonable alternatives; or
2. When the federal-decision makers have authority to exercise sufficient control or responsibility over the non-federal project so as to influence the outcome of the project.

State-funded transportation projects that require the acquisition of right-of-way and/or the construction of new roadways and other transportation facilities must undergo a rigorous environmental review.

The environmental review is documented in a Tennessee Environmental Evaluation Report (referred to as a TEER) that will be made available for public review.

A TEER is prepared for a state-funded transportation project that meets both of the following criteria:

- Is a transportation route (including a bridge project); and
- Requires acquisition or disturbance of at least one acre of new or additional right-of-way, unless there are special circumstances that would necessitate the preparation of a TEER for a project with less than one acre of property acquisition.

Special circumstances that would result in the need to prepare a TEER under the second criterion listed above include, but are not limited to, the following:

1. Displacement of any commercial or residential occupants;

2. The use of land from a property or district that is listed on or eligible for listing on the National Register of Historic Places or a National Historic Landmark, which would cause an adverse effect to that resource;
3. The use of land from a public park or recreation area, designated forest, or wildlife management area;
4. Work that requires a US Coast Guard construction permit, or an individual US Army Corps of Engineers Section 404 Permit;
5. Construction in, across, or adjacent to a river designated as a component of the National System of Wild and Scenic Rivers or high quality streams, including streams designated as Outstanding National Resource Waters (ONRW), as designated by Tennessee's water quality standard;
6. Work encroaching on a regulatory floodway or work affecting the base floodplain (100-year flood) elevation of a water course or lake;
7. Work in wetlands;
8. Change in access control;
9. A known hazardous materials site within the proposed right-of-way;
10. An adverse effect to federal or state designated threatened or endangered species or their critical habitat; or
11. A formal request for the preparation of a TEER is received from a local citizen, group or organization, and the request is based on identified environmental concerns.

For the Tennessee Department of Transportation (TDOT) Environmental Procedures Manual relating to State-Funded projects in its entirety visit the following site:

<http://www.tdot.state.tn.us/environment/manuals/Chapter10TEERProcessApril07.pdf>

Early identification of sensitive areas will enable TDOT to implement changes to avoid environmental impacts, coordinate with state and federal agencies, and obtain required permits prior to construction of an SIA roadway.

If these sensitive areas cannot be completely avoided, the impacts must be minimized, and the effects of the proposed project must be mitigated.

These activities have the potential to lengthen the project schedule and increase project cost.

If the local government chooses to prepare the project plans, the local government must provide the TDOT Environmental Division with accurate maps or aerial photography on which to base technical environmental studies.

When TDOT is performing the construction phase of the project, whether by TDOT maintenance forces or project contract, TDOT will conduct the technical studies and obtain all environmental permits.

When the local government is performing the construction phase, it will be responsible for the technical studies and for obtaining all environmental permits for the work performed.

SAMPLE RESOLUTION

WHEREAS, _____, Tennessee, is vitally interested in the
(City, Town or County)

economic welfare of its citizens and wishes to provide the necessary leadership to enhance this area's capabilities for growth and development, and

WHEREAS, the provision of jobs to area citizens by local industry is both necessary and vital to the economic well-being of the _____, and
(City, Town or County)

WHEREAS, the Industrial Highway Act of 1959 authorizes the Tennessee Department of Transportation to contract with cities and counties for the construction and maintenance of "Industrial Highways" to provide access to industrial areas and to facilitate the development and expansion of industry within the State of Tennessee, and

WHEREAS, on _____ the _____ plans to construct a
(Date) (Company)
_____ in the _____, and
(Type of Company) (City, Town or County)

WHEREAS, the construction of an industrial access road to serve said proposed plant is necessary and vital to the successful completion of this project and the future economic well-being of this area,

NOW, THEREFORE BE IT RESOLVED by the _____, that
(City, Town or County)

a contract be entered into with the Tennessee Department of Transportation for assistance in construction and completion of the herein proposed industrial access highway under the provisions of the Industrial Highway Act of 1959.

Adopted this _____ day of _____ 20_____.

City/Town Mayor or County Mayor

ATTEST:

Recorder, City or County

APPLICATION
STATE INDUSTRIAL ACCESS (SIA) PROGRAM

**For the development of
Industrial Highways**

It is the intent and purpose of this Application to provide the Tennessee Department of Transportation (TDOT) with information necessary to properly consider justification of the required highway facility.

The Application Form included in this section should be completed by the local city, town or county government and submitted to the TDOT Regional Coordinator for the State Industrial Access Program. The contact information for the Regional Coordinators can be found at <http://www.tdot.state.tn.us/projectmgmt/sia.asp> The Regional Coordinators are ready to answer questions and provides additional information about the SIA Program.

APPLICATION FORM

TO: Commissioner
Tennessee Department of Transportation
Suite 700, James K. Polk Building
Nashville, TN 37243-0349

SUBJECT: Application to the Tennessee Department of Transportation
For Assistance in the Construction of an Industrial Highway

It is the desire of The City of Chattanooga to make application to the
(local government)

Tennessee Department of Transportation for assistance in the construction of an
Industrial Highway under the provisions of the Industrial Highway Act of 1959.

To expedite the review of this Application and furnish the necessary information for
the economic analysis of the proposal, the following information is being provided.

I. General

A. Industry name: Volkswagen Group of America(Supplier Park)

B. Type of industry: Automobile Manufacturer

C. Location: Chattanooga, Tennessee

D. Are taxes paid by industry? X Yes No

If YES, the county tax rate is \$1.565% (School Tax only); the city tax rate is \$0.00

E. The daily number of heavy trucks (three or more axles) expected to use the proposed Industrial Highway is 250+

II. Proposed Industry Development and Commitment

NOTE: If this is an expansion to an existing facility, **the data is for the expansion only.**

A. Initial employment (number of employees at new facility construction related to this SIA project): Supplier Park is the support buildings for VW

B. Anticipated date of initial production: 4/01/2011

C. Expected full employment in five years (number of employees at new facility construction related to this SIA project): 960

D. Anticipated date of full employment: 12/01/2011

E. Average hourly wage: \$

or average annual payroll (based on initial employment): \$18,928,000M

F. Estimated value of land, improvements, plant and equipment: \$30,000,000

Below are the estimated figures for Section II Proposed Development and Commitment

<u>Total (not new) Supplier Park Buildings</u>	<u>4</u>	<u>6</u>
A. Remains the same language.		
B. Anticipated date if initial production	6/1/2014	6/1/2014
C. Expected employment in five years	1820	2730
D. Anticipated full employment date	6/1/2015	6/1/2015
E. Average hourly or annual payroll	\$37,856,000	\$56,784,000
F. Estimated value of land, imprv, plant & equip	\$60,000,000	\$90,000,000

III. Responsibilities

A. The local government will perform all work including:

- Obtaining environmental clearances and permits
- Letting the construction project
- Performing construction inspection.

See: *THE LOCAL GOVERNMENT GUIDELINES* at <http://www.tdot.state.tn.us/local/projectinfo.htm> or call the Office of Local Programs at 615-741-5314 for details of all procedures and policies.

Mark here if this is the desired method.



If you have chosen option A, proceed to Section IV.

B. The local government indicates below the desired responsibility option for each phase of project development. The indicated responsibilities will be used as a basis for preparing a contract between TDOT and the local government.

Survey and Design

Option 1

The local government will provide the survey and design either with its own forces or by employing a consultant.

The survey and design will be performed at no cost to TDOT and must meet TDOT standards and guidelines. The work will be coordinated with the appropriate TDOT Regional Survey & Design Office.

Option 2

TDOT will perform the survey and design of the project with no cost to the local government.

Permits

The following three conditions will determine the responsibility for obtaining environmental permits. Environmental Guidelines for Industrial Highways are described on pages 6 - 8.

- a. When TDOT is performing the construction phase of the project, whether by TDOT maintenance forces or by project contract, TDOT will conduct the technical studies and obtain all environmental permits. This will be at no cost to the local government.
- b. When the local government is performing the construction phase, it will be responsible for the technical studies and for obtaining all environmental permits for the work performed. This will be at no cost to TDOT.
- c. The local government intends to have work performed in preparation for SIA construction project, such as the construction of the roadbed. It will be the responsibility of the local government to comply with all environmental state and federal laws, rules, and regulations and obtain any required environmental permits for this work.

Known environmentally sensitive areas:

- An unnamed tributary to Poe Branch parallel to portions of the proposed alignment. The tributary is protected by a fifty foot (50') wide conservation easement.
- A high quality wetland is adjacent to the northern terminus at the connection to the SIA project currently under construction by TDOT's contractor. The entire wetland is protected by a conservation easement.

Right of Way/Utilities/Railroad Crossings

 Option 1

The local government will secure donations or purchase the right-of-way for the project in accordance with State policies and procedures. This will be at no cost to TDOT and must be coordinated with the regional Right-of-Way Office.

TDOT's Regional Utility Office will make initial contact, notify and distribute plans to the utility companies.

The local government will be responsible for contracting for the adjustment of all conflicting utilities and the cost of relocating reimbursable utilities with no cost to TDOT.

To qualify as a reimbursable utility cost, the utility that is being relocated due to the SIA project must have been located outside the existing right-of-way.

Railroad crossings will be coordinated by TDOT with the local government paying one hundred percent (100%) of the railroad-roadway crossing work cost.

Is there a railroad crossing(s) on or within 200 ft. of the project?
YES No

 X Option 2

TDOT will purchase the right-of-way for the project. The local government will pay fifty percent (50%) of the cost.

The relocation of the utilities will be coordinated and contracted by TDOT's Utility Office. The local government will pay fifty percent (50%) of the reimbursable cost for relocating the utilities.

To qualify as a reimbursable utility cost, the utility that is being relocated due to the SIA project must have been located outside the existing right-of-way.

Railroad crossings will be coordinated by TDOT with local government paying fifty percent (50%) of the railroad-roadway crossing work cost.

Is there a railroad crossing(s) on or within 200 ft. of the project?

YES No X

Construction

The standard SIA section is two-12 ft. lanes with 4 ft. gravel shoulders and In most cases the typical TDOT pavement design consists of 10 inches of base stone, 3 inches "A" mix, 2 inches "BM-2" mix and 1.25 inches "D" mix. The Regional Coordinator for the SIA Program can provide the specific pavement design requirements. Construction will be done by one of the following:

Local government maintenance forces or by construction contract let by the local government in accordance with the "Local Government Guidelines".

The local government must be determined to be staffed and equipped to manage the project. This determination will be done by TDOT's Local Program Development Office prior to the submission of the implementation contract to the local government.

TDOT will fund the construction at no cost to the local government.

TDOT forces or through a TDOT construction contract.

TDOT will fund the construction at no cost to the local government.

The local government requests additional construction work beyond the scope of the standard SIA typical section.

The cost of the additional work shall be at no cost to TDOT and will be paid by the local government. Describe additional work:

- See attached typical section drawing.
- The City understands that items outside of the standard cross section may be considered for payment by TDOT since they are requests from Volkswagen in exchange for allowing the public road to come through their property.
- The City is willing to allow use of an Inverted Pavement Design on this project if deemed appropriate by TDOT.

IV. Exhibits

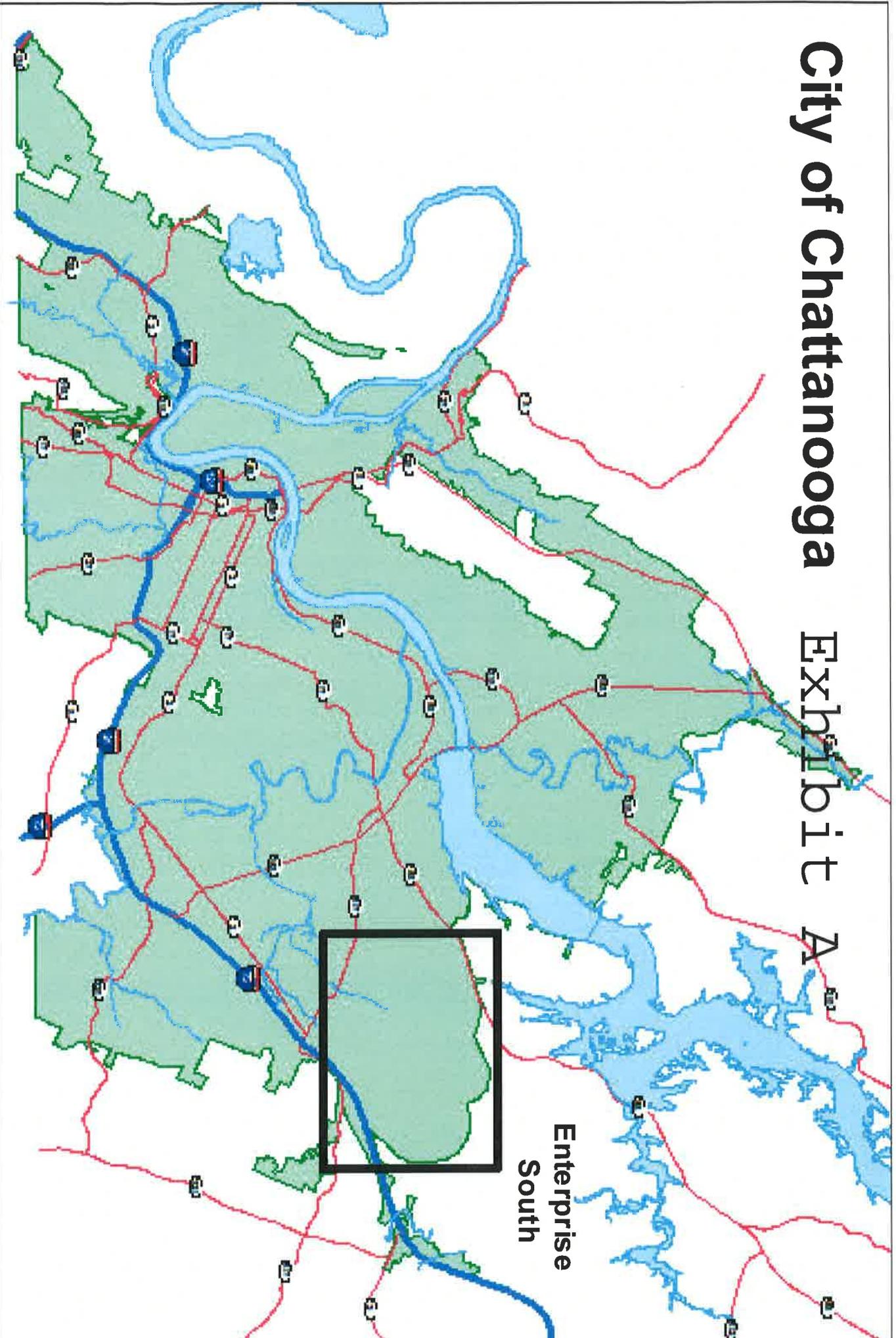
To ensure clarification of the proposed industrial site location the following two maps should be attached to the Application Form

Location Map – map showing the location of the proposed industry in relation to the city or county making the application

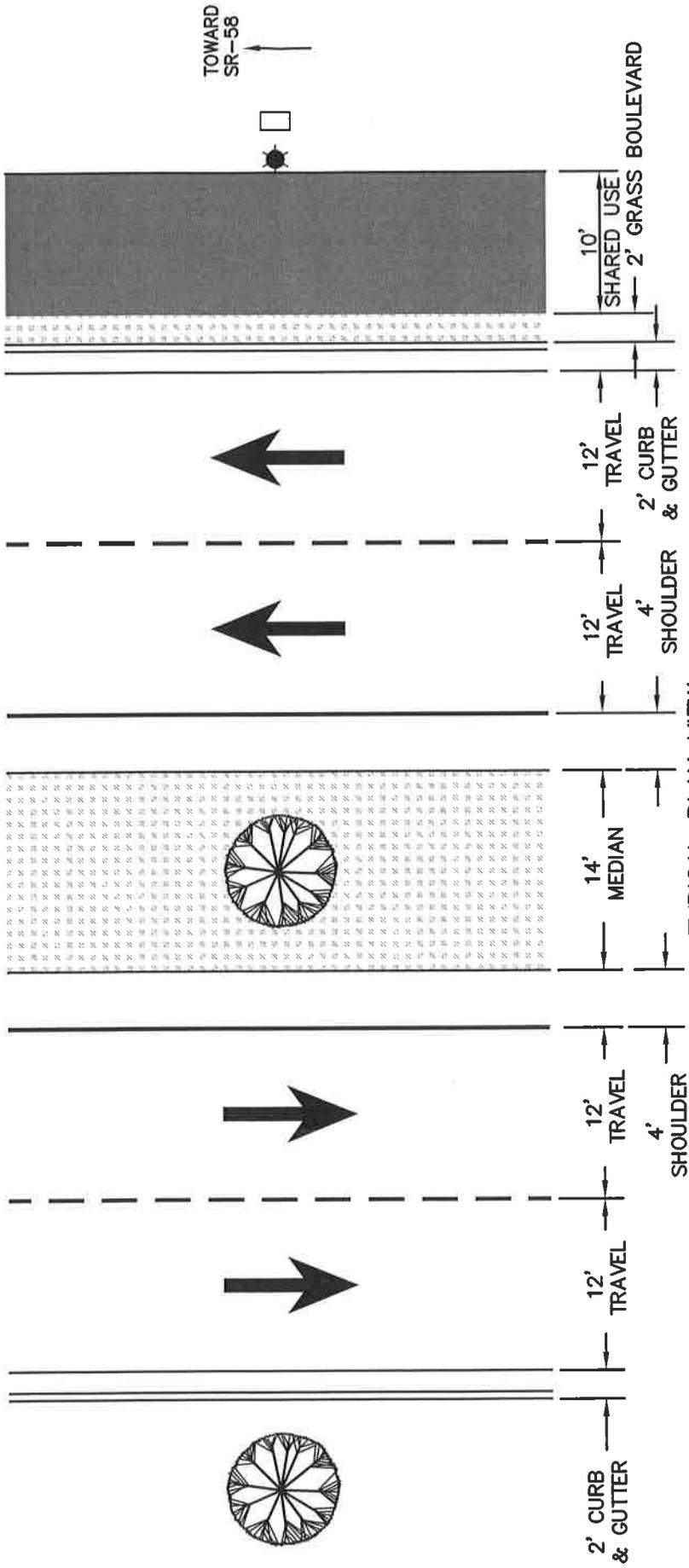
Site Map – map showing the location of the industrial park or site, proposed plant location, road names, and access points to the proposed industry. This should also show the plant site footprint and plant entrance locations. Show approximate measurements. This map must be drawn to scale.

City of Chattanooga

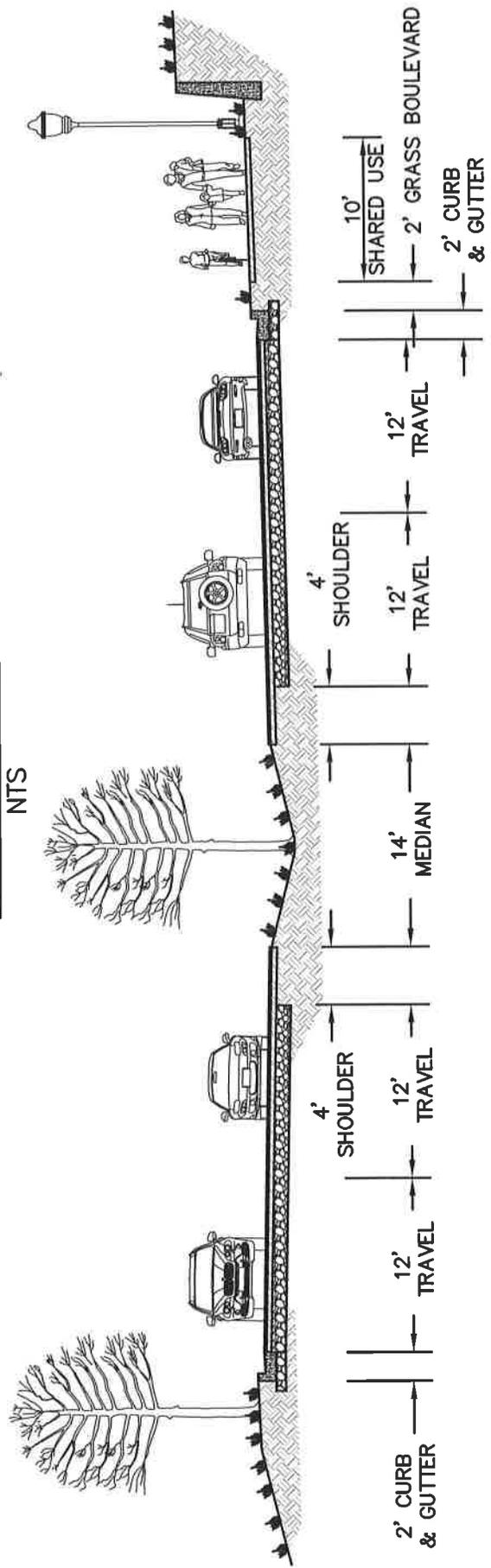
Exhibit A



**Enterprise
South**



TYPICAL PLAN VIEW
NTS



TYPICAL SECTION VIEW
NTS

Road Section Legend

- 4 Lane
- 5 Lane
- 4 or 5 Lane
- 4 Lane VW SIA Road across wetland

Potential Public Road Connection from SR-58 to I-75 via Volkswagen Drive and VW SIA rd.

