

Legislation Text

File #: 24-0021, **Version:** 1

Item Description:

Agmt PW 06-40-24 with MnDOT for a grant from the State Funded Program for IIJA Discretionary Grant Assistance for multimodal improvements along CSAH 3 and CSAH 43 as part of the Metropolitan Council's B Line BRT project (phase two); adjust budget for CP 2193300; est rcv \$3,000,000

WHEREAS:

WHEREAS, Hennepin County has applied to the Commissioner of Transportation for a grant from the State Funded Program for Infrastructure Investment and Jobs Act (IIJA) Discretionary Grant Assistance; and

WHEREAS, the Commissioner of Transportation has given notice that funding for this project is available; and

WHEREAS, the amount of the grant has been determined to be \$3,000,000 by reason of the lowest responsible bid.

Resolution:

BE IT RESOLVED, that the County Administrator be authorized to execute Agreement PW 06-40-24 (State Contract No. 1055596) with the Minnesota Department of Transportation (MnDOT) for a grant from the State Funded Program IIJA Discretionary Grant Assistance for multimodal improvement project along County State Aid Highway (CSAH) 3 (Lake Street) and CSAH 43 (Lagoon Avenue) as part of the METRO B Line Project (phase two), county project (CP) 2193300, at a receivable of \$3,000,000; that the county does hereby agree to the terms and conditions of the grant consistent with Minnesota Laws 2023, Chapter 68, Article 1, Section 2, Subdivision 5(a), and will pay any additional amount by which the cost exceeds the estimate, and will return any amount appropriated for the project but not required; that upon review and approval by the County Attorney's Office, the Chair of the Board be authorized to sign the agreement on behalf of the county; and that the Controller be authorized to receive and disburse funds as directed; and

BE IT FURTHER RESOLVED, that the revenues for CP 2193300 be adjusted to add \$3,000,000 for a grant from the State Funded Program for IIJA Discretionary Grant Assistance; that revenue from the City of Minneapolis be decreased by \$966,000 (from \$6,432,426 to \$5,466,426); that the revenue from the county's state aid regular account be decreased by \$2,034,000 (from \$9,204,207 to \$7,170,207), without increasing the total project budget for CP 2193300; and that the Controller be authorized to accept and disburse funds as directed.

Background:

The Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law, provides infrastructure investments over federal fiscal years 2022 to 2026. This federal funding requires a local match, so MnDOT created the State Funded Program for IIJA Discretionary Grant Assistance with \$216.4 million in general funds provided by the Minnesota Legislature in the 2023 Session (Chapter 68, Article 4, Section 111). This funding is available to IIJA grant recipients for transportation-related purposes.

The county was awarded a \$12 million Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant for CP 2193300, which requires a 20% local match (Resolution 23-0287). The county intends to leverage the state grant for the local match, which will reduce the city and county's share of project costs. An executed agreement with MnDOT is required to receive these funds.

The project financing is provided by CP 2193300, Metro Transit B Line - Additional Scope, with expenses tracked in its associated subproject CP 2193302 (phase two). Construction for the project will begin construction in 2024 with substantial completion in 2025.

Current Request: This request is for authorization to execute Agreement PW 06-40-24 (State Contract No. 1055596) with MnDOT for a state grant for improvements along CSAH 3 and CSAH 43 as part of the METRO B Line Project (phase two), CP 2193300, with a county receivable of \$3 million.

Additionally, the request seeks authorization to adjust the budget for CP 2193300 to receive \$3 million in IIJA matching funds, decreasing revenue from the city by \$966,000 and revenue from the county's state aid regular account by \$2,034,000.

Impacts/Outcomes: Approval of this request will enable the county to receive the IIJA matching funds grant from MnDOT for a project that will improve accessibility, mobility, and safety for all users.

Budget table: CP 2193300 Metro Transit B Line - Additional Scope

REVENUE:	Budget to Date	Current Request	Future CIP Requests	Total Project
Property Tax	500,000			500,000
Wheelage Tax	1,800,000			1,800,000
Federal - Other - Roads	16,919,080			16,919,080
State Other (IIJA State Grant)		3,000,000		3,000,000
Mn/DOT State Aid - Regular	9,204,207	(2,034,000)		7,170,207
Minneapolis	6,432,426	(966,000)		5,466,426
Fund Transfer - Metro Tax - Active Transpo	1,500,000			1,500,000
Total	36,355,713	0		36,355,713
EXPENDITURE:				
	Budget to Date	Current Request	Future CIP Requests	Total Project
Construction	26,877,766			26,877,766
Consulting	4,298,727			4,298,727
Contingency	5,179,220			5,179,220
Total	36,355,713			36,355,713

Recommendation from County Administrator: Recommend Approval