



Council Action Recommendation

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Meeting Date:

April 10, 2024 – Committee of the Whole
April 15, 2024 – City Council

Subject:

PI 5362 – Fir Avenue (C.S.A.H 1) and Friberg Avenue (MSAS No. 126) Roundabout Improvement Project: Local Road Improvement Program (LRIP) Grant Application

Recommendation:

1. Authorize the City Engineer to accept the Local Road Improvement Program (LRIP) Grant offer.

Background/Key Points:

Last December an application was submitted to the Local Road Improvement Program (LRIP) to fund a portion of the capital construction costs for the City's share of this project. I received the attached letter from the program administrator indicating \$790,000.00 has been allocated to this project. If acceptable, I will begin the grant acceptance process.

Budgetary Impact:

Pursuant to County/City Agreement and past joint ventures, the City shall pay for the following project costs:

- 1) One-third (1/3) of the cost of the street repair, sidewalk and lighting including the resurfaced area.
- 2) 100 percent of the cost of the non-storm sewer municipal utilities. To be determined and quantified during the final design phase.
- 3) One-third (1/3) of the cost of storm sewer placement based on the Mn/DOT stormwater analysis.
- 4) 100 percent of costs for permanent and/or temporary easements adjoining Friberg Avenue.
- 5) A pro rata portion of the total engineering costs for the project, in an amount representing the same ratio to the total engineering costs as Municipality's portion of the construction costs bears to the total construction contract cost.

The City's portion is estimated at approximately \$730,000 plus any non-eligible municipal storm work which is determined thru State Aid review. Sanitary sewer and watermain replacements are estimated at \$180,000 which have been budgeted in the City's 2024 CIP.

Originating Department:

Engineering Department

Respectfully Submitted:

Brian Yavarow, P.E. – City Engineer

Attachments: LRIP Notification Letter

April 1, 2024

Brian Yavarow
City of Fergus Falls
112 W. Washington Ave.
Fergus Falls, MN 56537

Re: 2023 Local Road Improvement Program Project Selection

Dear Brian Yavarow,

Thank you for your application submittal under the 2023 Local Road Improvement Program (LRIP) solicitation. The MSAS 123 (Friberg Ave.) project in City of Fergus Falls was selected for Local Road Improvement Program funds appropriated by the legislature in 2023. We have identified up to \$790,000.00 in LRIP funds for this project.

Enclosed is a State Fund Grantee User Guide that provides a summary of the process for developing and delivering a state grant bond or general funded project. Your first step will be to request a State Aid Project (SAP) number for this project if you don't already have one (or SP number if you also have federal funding). Please work with your district state aid engineer (DSAE) on next steps and throughout the project development process. Please email the SAP/SP number to me immediately after it is issued.

Following are a few other important notes:

- Items that are eligible for LRIP funds include reasonable elements associated with roadway construction, including basic landscaping and turf establishment. Landscaping planters, benches, bike racks, decorative fences, ornamental lighting, and other aesthetic treatments above the standard are generally not eligible. Other items that are not eligible include engineering, construction administration and inspection, right of way acquisition, and water main, sanitary sewer, or private utility work. Additionally, work on trunk highways or on trunk highway right of way is not eligible.
- Your agency will be required to execute an LRIP grant agreement prior to construction, which includes certification of right of way ownership by the agency and a resolution agreeing to finance any costs in excess of the grant amount before the grant can be authorized for reimbursement.
- The plan and engineer's estimate need to be developed with a separate a column that identifies LRIP participating items only. If more than one agency will ultimately own bond or general funded improvements, there will need to be separate LRIP participating columns on the engineer's estimate for each agency. Additionally, if this is the case, separate LRIP grant agreements will be required with each agency that will ultimately own bond or general funded improvements.
- Design standards:
 - Work on State Aid routes are subject to State Aid standards
 - Work on non-state aid routes will need to adhere to design standards as identified in [MnDOT State Aid Rules](#), the American Association of State Highway and Transportation Official (AASHTO) A Policy on Geometric Design of Highways and Streets, or other design standards as identified by the DSAE. Please consult with your DSAE to determine the appropriate design standards for your project.
- The DSAE will need to review, approve, and sign plans prior to advertising the construction contract.

- After DSAE plan approval, you will need a funding letter from the State Aid Programs office before advertising the construction contract. The LRIP amount in the funding letter will be based on a review of eligible items in the engineer's estimate.
- The State Aid Programs office will provide additional instructions for assembling and executing the LRIP grant agreement as part of the delivery of the funding letter.
- The final LRIP amount as included in one or more LRIP grant agreements will be based on the low bid documents. The LRIP grant amount is typically capped.
- The LRIP grant agreement should be fully executed before construction begins.

If you have questions, please contact me, Rashmi Brewer at rashmi.brewer@state.mn.us. I will be your primary contact for this LRIP grant selection.

Sincerely,



Rashmi Brewer, P.E.
State Aid State Programs Engineer

copy: Nathan Gannon, District 4 State Aid Engineer
enclosure: State Fund Grantee User Guide