

**ACTION TRANSMITTAL No. 2015-40**

**DATE:** February 8, 2016  
**TO:** Transportation Advisory Board  
**FROM:** Technical Advisory Committee  
**PREPARED BY:** Joe Barbeau, Senior Planner (651-602-1705)  
**SUBJECT:** Scott County STP Funding Change  
**REQUESTED ACTION:** Scott County requests defederalization of its 2018 County Highway 42 / Trunk Highway 13 intersection project (SP #070-642-024). Federal funds would be provided to its 2019 US Highway 169 / Trunk Highway 41 Interchange construction project (SP #070-596-013).  
**RECOMMENDED MOTION:** That the Transportation Advisory Board approve the defederalization request on the condition that the County will deliver both projects as approved in the TAB solicitation.

**BACKGROUND AND PURPOSE OF ACTION:** Scott County received \$5,936,000 of federal Surface Transportation Program (STP) funding in the 2014 Regional Solicitation for upgrades to CSAH 42, including signal upgrades at several intersections, median reconstruction, turn lanes, pavement rehabilitation, access modification,; construction of a trail and sidewalk, and utility relocation. Scott County also received STP funding in the same solicitation for construction of an interchange on US 169 at TH 41.

Because the CSAH 42 project, after several years of development and seeking funds, was being developed as a non-federal project, Scott County prefers that the project continue on that trajectory. Moving its federal funds to the US 169 interchange project in exchange for local funds would provide financial and staff-time efficiency for the County.

As is acknowledged in the attached County Board resolution, the County agrees to the following:

- Both projects will be delivered in fiscal year 2018. This is necessary because the CSAH 42 project is programmed for 2018 and the funds cannot be deferred until 2019 (the original program date for the US 169 project).
- Both projects are subject to the Council's Program Year Policy.
- Both projects will be completed as proposed in the 2014 Regional Solicitation. They are both subject to the Council's Scope Change Policy.
- Should all or part of the CSAH 42 project be unable to be completed, the County will reimburse the region for the appropriate amount.

The County's request is attached along with a County Board resolution.

**RELATIONSHIP TO REGIONAL POLICY:** Projects that receive funding through the regional solicitation process must have significant changes (such as, but not limited to, scope changes or program year extensions) approved by TAB.

**STAFF ANALYSIS:** This requested funding exchange does not change either project from a technical perspective, but does change which projects receive federal STP funding. Each project will continue to be monitored by MnDOT Metro District State Aid to assure that the projects are done as proposed and on time.

**COMMITTEE COMMENTS AND ACTION:** At its August 20, 2015, meeting, the TAC Funding and Programming Committee unanimously recommended approval of the defederalization request on the condition that the County will deliver both projects as approved in the TAB solicitation.

At its September 2, 2015 meeting, TAC unanimously recommended approval of the approval of the defederalization request on the condition that the County will deliver both projects as approved in the TAB solicitation.

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**ROUTING**

<b>TO</b>	<b>ACTION REQUESTED</b>	<b>DATE COMPLETED</b>
TAC Funding & Programming Committee	Review & Recommend	8/19/2015
Technical Advisory Committee	Review & Recommend	9/2/2015
Transportation Advisory Board	Review & Adopt	
Metropolitan Council Transportation Committee	Review & Recommend	
Metropolitan Council	Review & Concur	

## PROPOSAL

Scott County proposes to move federal funds from one federally funded project to a second project, thereby defederalizing one of the projects. Federal dollars from the CH 42/TH 13 Intersection project, programmed for delivery in FY 2018 would be reallocated to the TH 169/TH 41 Interchange project, programmed in FY 2019. Both projects were funded through the 2014 Regional Solicitation. The defederalized CH42/TH13 project would be delivered on or before the original TIP/STIP program year and as a Count or State Aid project, rather than a federal aid project. The TH 169/TH 41 project would be authorized in FY 2018, which is necessary due to its receipt of funds from a 2018 project.

<b>Project</b>	<b>Funding Type</b>	<b>Awarded</b>	<b>With Inflation</b>	<b>STIP Year</b>
TH 169/ TH 41 Interchange	STP	\$7,000,000	\$7,560,000	2019
CH 42/TH 13 Intersection	STP	\$5,600,000	\$5,936,000	2018

Scott County would like to reallocate the federal funds shown in the CH 42/TH 13 project to the TH 169/ TH 41 project. The County understands that the latter will be moved to year 2018 of the TIP/STIP. The inflation amounts will not change, as the County will have to Advance Construct the 2019 portion of the funds and be reimbursed in that program year. Total construction cost for the interchange is estimated at \$21,020,000 (uninflated).

Based on reallocating funds from the CH42/TH13 project to the TH 169/ TH 41 project, the federal funds would be at about 60 percent of the preliminary construct estimate of the interchange project, well under the 80 percent maximum.

**BOARD OF COUNTY COMMISSIONERS  
SCOTT COUNTY, MINNESOTA**

<b>Date:</b>	January 19, 2016
<b>Resolution No.:</b>	2016-007
<b>Motion by Commissioner:</b>	Wolf
<b>Seconded by Commissioner:</b>	Ulrich

**RESOLUTION NO. 2016-007; STATING AN UNDERSTANDING WITH THE TRANSPORTATION  
ADVISORY BOARD AND THE MINNESOTA DEPARTMENT OF TRANSPORTATION (MNDOT) FOR THE  
REALLOCATION OF FEDERAL SURFACE TRANSPORTATION PROGRAM FUNDS ON PROJECTS IN  
SCOTT COUNTY AND REQUESTING ACCEPTANCE BY THE TRANSPORTATION ADVISORY BOARD**

WHEREAS, Scott County has received federal Surface Transportation Program (STP) grants through the 2014 Transportation Advisory Board regional solicitation for two major projects in the County: 1) the Trunk Highway (TH) 169/TH 41/County Highway (CH) 78 Interchange; and 2) the CH 42 and TH 13 Intersection Reconstruction; and

WHEREAS, the 2016-2019 Transportation Improvement Program identifies the TH 169/TH 41/CH 78 Interchange project in program year 2019 with a total STP grant of \$7,560,000; and the CH 42 and TH 13 Intersection project in program year 2018 with a total STP grant of \$5,936,000; and

WHEREAS, all parties acknowledge that Federal funding on projects take more staffing resources and increase timelines and costs to deliver projects; and

WHEREAS, all three parties share a mutual goal of delivering federal-aid projects in a cost effective manner; and

WHEREAS, Scott County has identified an opportunity for such efficiencies and is requesting the federal funding grant in the amount of \$5,936,000 for the CH 42 and TH 13 Intersection project be reallocated to the larger TH 169/TH 41/CH 78 Interchange project; and

WHEREAS, the TH 169/TH 41/CH 78 Interchange project is significantly larger in scope and federal funding can be up to 80 percent of the total construction costs preliminarily estimated at \$21.02 million; and

WHEREAS, after discussion with the Transportation Advisory Board and the Minnesota Department of Transportation all parties have agreed that this is an efficient and effective approach to minimizing the costs for delivering locally led federal projects; and

WHEREAS, Scott County commits to deliver the CH 42 and TH 13 Intersection project in the designated 2018 program year under the State Aid process and it will comply with permits and environmental requirements as a State Aid Project; and

WHEREAS, if a scope change from the application submitted for the CH 42 and TH 13 Intersection project is needed, all parties understand that the Transportation Advisory Board policy on Scope changes will apply; and

WHEREAS, Mn/DOT State Aid staff will monitor the CH 42 and TH 13 Intersection project to ensure consistency with the project's application, project schedule to meet program year requirements and field monitor final construction for consistency with the plans; and

WHEREAS, Scott County understands that failure to deliver the CH 42 and TH 13 intersection project with the application scope or the program year could result in the need to repay a portion or all of the federal money back to the region for distribution to other regional projects; and

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<b>Seconded by Commissioner:</b>	Ulrich

WHEREAS, Scott County understands that the TH 169/TH 41/CH 78 Interchange project will need to be advanced to program year 2018 to facilitate this reallocation of the CH 42 and TH 13 Intersection project grant funds to this Interchange project; and

WHEREAS, Scott County understands that the grant funds for the TH 169/TH 41/CH 78 Interchange project will remain in program year 2019 and will need to be advanced by Scott County; and

WHEREAS, Scott County has provided project schedules that demonstrate its ability to deliver both projects by the timelines that Metro State Aid requires for federal-aid projects; and

WHEREAS, the TH 169/TH 41/CH 78 Interchange project will be delivered by Scott County using the local Federal Aid Delegated Contract Process; and

WHEREAS, all parties commit to assisting Scott County with this advanced delivery schedule on the TH 169/TH 41/CH 78 Interchange project and will ensure that this arrangement for funding reallocation is incorporated in the 2017-2020 Metropolitan Transportation Improvement Program and MnDOT Statewide Transportation Improvement Program.

NOW THEREFORE BE IT RESOLVED that the Board of Commissioners in and for the County of Scott Minnesota hereby commits to this understanding with the Transportation Advisory Board and the Minnesota Department of Transportation regarding the reallocation of CH 42 and TH 13 Intersection project grant funds to the TH 169/TH 41/CH 78 Interchange project; and

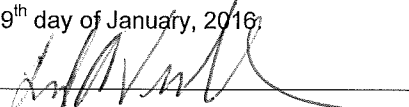
BE IT FURTHER RESOLVED, that the Board of Commissioners request that the Transportation Advisory Board approves this request by formal action at its February 17, 2016 meeting.

COMMISSIONERS	VOTE			
Wagner	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Wolf	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Beard	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Marschall	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Ulrich	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

State of Minnesota)  
County of Scott )

I, Gary L. Shelton, duly appointed qualified County Administrator for the County of Scott, State of Minnesota, do hereby certify that I have compared the foregoing copy of a resolution with the original minutes of the proceedings of the Board of County Commissioners, Scott County, Minnesota, at their session held on the 19th day of January, 2016 now on file in my office, and have found the same to be a true and correct copy thereof.

Witness my hand and official seal at Shakopee, Minnesota, this 19<sup>th</sup> day of January, 2016;

  
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County Administrator  
Administrator's Designee