

SD 73 Reconstruction -

Improving Mobility, Safety, and Access to the Pine Ridge Reservation

WHITE RIVER TO KADOKA

FY 2023/2024 Multimodal Project Discretionary Grant (MPDG) Program

PROJECT BUDGET

Project Name: SD 73 Reconstruction – Improving Mobility, Safety, and Access to the Pine Ridge Reservation

Project Type: INFRA/Rural Project

Total Project Cost: \$29,692,231

Total Future Eligible Project Costs: \$27,967,839

FY 2023/2024 Rural Request: \$22,374,271

FY 2023/2024 INFRA Request: \$16,780,703

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Supporting Information can be found at:

<https://www.srfconsulting.com/sddot-sd73-248/>



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PROJECT BUDGET

PROJECT COSTS

Total Project Cost: \$29,692,231

Total Future Eligible Project Costs: \$27,967,839

FY 2023/2024 Rural Request: \$22,374,271 (80 percent of total future eligible costs)

FY 2023/2024 INFRA Request: \$16,780,703 (60 percent of total future eligible costs)

Availability and commitment of funding sources:

The South Dakota Department of Transportation (SDDOT) has prioritized this SD 73 Reconstruction – Improving Mobility, Safety, and Access to the Pine Ridge Reservation Project as its highest FY 2023/2024 MPDG priority project. The SDDOT is requesting grant funding for the Construction Project Only, SDDOT is requesting \$22,374,271 in Rural (Table 1), or \$16,780,703 in INFRA funds (Table 2), as part of this FY 2023/2024 MPDG application. Costs were developed using 90 percent design plans.

This Project is located in a rural area, a historically disadvantaged community, and an area of persistent poverty, so no local match is required. However, the SDDOT has already invested State dollars to see this project completed. Preliminary engineering, environmental documentation, final design, and right of way acquisition has already been or will be completed prior to grant obligation, and grant funding is not being requested for those activities. A Table showing previously incurred costs at time of this application and those anticipated to incur prior to construction / grant obligation can be seen [here](#).

Table 1 FY 2023/2024 Rural Cost Breakout

PROJECT COMPONENTS		PROJECT FUNDING				Total Cost Estimate
		Federal		Non-Federal (secured/committed)		
		MPDG		Applicant		
		Dollars	Percent Total	Dollars	Percent Total	
Non-Participating Costs	Prelim Design, NEPA, & Final Design (5.5% of Constr)	\$0	0%	\$1,399,392	81%	\$1,399,392
	Right-of-Way Acquisition & Utilities	\$0	0%	\$325,000	19%	\$325,000
	Total Incurred/Non-Participating Costs	\$0	0%	\$1,724,392	100%	\$1,724,392
Participating Costs	Construction Costs (2024 dollars)	\$20,354,796	73%	\$5,088,699	18%	\$25,443,495
	Construction Engineering & Admin (3.5% of Const)	\$712,418	3%	\$178,104	1%	\$890,522
	Contingency (5% of Const)	\$1,307,057	5%	\$326,764	1%	\$1,633,821
	Total Future Eligible Costs	\$22,374,271	80%	\$5,593,568	20%	\$27,967,839
MPDG Rural Request		\$22,374,271	80%	TOTAL PROJECT COST	\$29,692,231	
Other Federal		\$0	0%			
Non-Federal		\$5,593,568	20%			
TOTAL			100%			

Table 2 FY 2023/2024 INFRA Cost Breakout

PROJECT COMPONENTS		PROJECT FUNDING				Total Cost Estimate
		Federal		Non-Federal (secured/committed)		
		MPDG		Applicant		
		Dollars	Percent Total	Dollars	Percent Total	
Non-Participating Costs	Prelim Design, NEPA, & Final Design (5.5% of Constr)	\$0	0%	\$1,399,392	81%	\$1,399,392
	Right-of-Way Acquisition & Utilities	\$0	0%	\$325,000	19%	\$325,000
	Total Incurred/Non-Participating Costs	\$0	0%	\$1,724,392	100%	\$1,724,392
Participating Costs	Construction Costs (2024 dollars)	\$15,266,097	55%	\$10,177,398	36%	\$25,443,495
	Construction Engineering & Admin (3.5% of Const)	\$534,313	2%	\$356,209	1%	\$890,522
	Contingency (5% of Const)	\$980,293	4%	\$653,529	2%	\$1,633,821
	Total Future Eligible Costs	\$16,780,703	60%	\$11,187,136	40%	\$27,967,839
MPDG INFRA Request		\$16,780,703	60%	TOTAL PROJECT COST	\$29,692,231	
Other Federal		\$0	0%			
Non-Federal		\$11,187,136	40%			
TOTAL			100%			

PROJECT FUNDING BY CENSUS TRACT

The Project extends between two census tracts. The southern 2.4 miles of the 8.7-mile project, (27.5 percent), is located in Census tract 9412. This tract is located within the Pine Ridge Reservation, an area of persistent poverty (APP). This area is also identified in Climate and Economic Justice Screening Tool, developed by the White House Council on Environmental Quality (CEQ), as having five indicators of disadvantage including climate change, energy, health, housing, and workforce development. Because the Pine Ridge Reservation is a federally recognized reservation in the United States, the census tract 9412 automatically qualifies as a historically disadvantaged community.

Table 3 Census Tract Indicators

Tract	ACS 2021 Population	Distance	APP	HDC	CEJ
9611	957	6.3 miles along SD 73 and 1 mile of lighting along SD 248	Yes	No	3 indicators: Climate Change, Energy, & Health
9412	1,911	2.4 miles along SD 73	Yes	Yes	5 indicators: Climate Change, Energy, Health, Housing, & Workforce Development

The total project cost was divided across the two census tracts as per USDOT's guidance. Because both Census Tracts are located in an area of persistent poverty, 100 percent of the project dollars will be used to implement improvements and provide significant benefits for the underserved community in the region.

Table 4 **Project Cost by Census Tracts**

Census Tract(s)	Project Costs per Census Tract	Percentage
9611	\$ 22,164,017	74.6%
9412	\$ 7,528,214	25.4%
Total Project Cost: \$	\$29,692,231	100%

NON-FEDERAL FUNDING SOURCE

The Project is located in a rural area, a historically disadvantaged community, and in an area of persistent poverty. SDDOT will provide State Highway Funds to cover any necessary local match, any unanticipated project costs and/or to cover any project gap from federal funding received as part of this application..

SDDOT has a demonstrated history of managing federal discretionary grant award funding. SDDOT has dedicated staff to prepare necessary progress reports and management tasks as necessary. SDDOT has prepared a detailed budget for the project that extends through the grant obligation date. Thus, the Department has substantial lead time to reserve/ obligate funding for each of the project IDs. State highway projects are a top priority, thus, if funding adjustments are needed, SDDOT will delay lower priority projects to provide adequate funding for the SD 73 Reconstruction – Improving Mobility, Safety, and Access to the Pine Ridge Reservation Project.

MPDG Funding Need

A FY 2023/2024 MPDG request of construction costs of the project and would cover the funding gap. If FY 2023/2024 MPDG funding is not awarded, the Project could experience delays until funding is available. The traveling public including freight carriers, tourists, and residents within an area of persistent poverty and within the Pine Ridge Reservation will not realize the proposed improvements of the *SD 73 Reconstruction – Improving Mobility, Safety, and Access to the Pine Ridge Reservation Project*, and will not benefit from any of its planned improvements. Higher than average crash rates are likely to persist, and countermeasures to protect non-motorized roadway users will be delayed. The absence of funding would further adversely impact the underserved population in the area.

BENEFIT COST ANALYSIS

The benefit-cost analysis provides an indication of the economic desirability of a scenario, but results must be weighed by decision-makers along with the assessment of other effects and impacts. Projects are considered cost-effective if the benefit-cost ratio is at least 1.0. The larger the ratio number, the greater the benefits per unit cost. Results of the benefit-cost analysis are shown in Table 5.

Table 5 **Benefit Cost Analysis Table**

	Initial Capital Cost (2021 Dollars)	Project Benefits (2021 Dollars)	Benefit-Cost Ratio (7% Discount Rate)	Net Present Value (2021 Dollars)
No Build vs. Build	\$24.23 million	\$53.29 million	2.20	\$29.05 million

FUNDING DOCUMENTATION

Additional funding documentation including detailed cost estimates for each project ID as well as FY 2023/2024 MPDG Project Description, Merit Criteria, Project Readiness, and Benefit Cost Analysis documentation can be found at <https://www.srfconsulting.com/sddot-sd73-248/>.