



Minnesota Highway 19 Reconstruction Project

PROJECT BUDGET

2023 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Program



Project Name: Minnesota Highway 19 Reconstruction Project

Project Type: Rural Capital Project - Road, Repair/Rehabilitation

Total Project Cost: \$29.09M

2023 RAISE Funds Requested: \$15.39M

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Supporting Information can be found at:

<https://www.srfconsulting.com/mn-th19-raise-grant/>

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PROJECT BUDGET

PROJECT COSTS

Total Project Cost: \$29.09 million

RAISE Grant Request Amount: \$15.39 million (53 percent of total project cost)

Availability and commitment of funding sources:

The total Project cost is \$29.09 million (Table 1) which includes construction, utilities, right-of-way, final design engineering, contingency, and construction administration. The construction cost also includes adjustments due to inflation based on Minnesota Department of Transportation's (MnDOT) guidance. **In addition to these, \$1.29 million in MnDOT state funds have been spent for environmental assessment and preliminary design to advance project delivery to date.** The City of Marshall secured \$832,776 million in local federal aid funds distributed through the Area Transportation Partnership (ATP). MnDOT has secured \$3 million in state funds and \$2.4 million in federal funds for the Project. Both of these secured funds are programmed in State of Minnesota's approved 2023 - 2026 [State Transportation](#)

[Improvement Program \(STIP\)](#) as Project No. 4204-40, as of Fall 2022. In addition, another \$4.4 million are committed by MnDOT in state funds for the Project. Table 1 presents the project budget. Detailed construction cost estimates and total project cost estimate, based on 30 percent engineering design, can be found [here](#).

Figure 1 Project Funding Breakdown

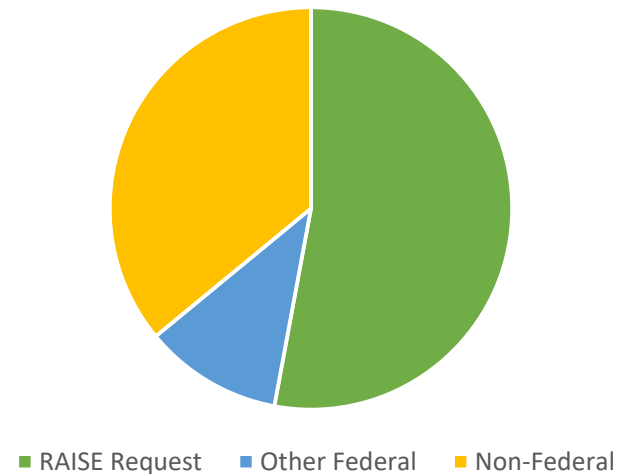


Table 1 [Project Funding Breakdown](#)

Project Components	Project Funding										Total Cost Estimate
	Federal Funding		Other Federal		Non-Federal						
	RAISE		FHWA		State of Minnesota		MnDOT		City of Marshall		
	Dollars	Percent Total	Dollars	Percent Total	Dollars	Percent Total	Dollars	Percent Total	Dollars	Percent Total	
Final Design Engineering	\$973,299	3%	\$0	0%	\$0	0%	\$0	0%	\$233,635	1%	\$1,206,934
Right-of-Way Acquisition	\$700,000	2%	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$700,000
Construction Costs	\$7,637,602	26%	\$3,232,776	11%	\$4,400,000	15%	\$3,000,000	10%	\$2,129,622	7%	\$20,400,000
Non-Letting Construction Cost	\$877,740	3%	\$0	0%	\$0	0%	\$0	0%	\$102,260	0%	\$980,000
Contingency	\$3,674,076	13%	\$0	0%	\$0	0%	\$0	0%	\$425,924	1%	\$4,100,000
Construction Administration	\$1,530,220	5%	\$0	0%	\$0	0%	\$0	0%	\$169,780	1%	\$1,700,000
Total Project Costs	\$15,392,937	53%	\$3,232,776	11%	\$4,400,000	15%	\$3,000,000	10%	\$3,061,221	11%	\$29,086,934

The total Project cost was divided across the three census tracts as per [USDOT's guidance](#). Since the Project centerline (see [Figure 4](#), Project Description) lies along the census tract boundary between tract 3604 and 3605 AND because tract 3605 is classified as an Area of Persistent Poverty (APP), all of the Project cost northeast of W Main St. was deemed to be spent in an APP community and therefore,

was allocated to tract 3605. The Project costs per census tracts are shown in Table 2 below.

Fifty-six percent of the total cost would be spent in census tract 3605 to implement improvements and provide significant benefits for the underserved community in the region.

Table 2 Project Cost by Census Tracts

Census Tracts	Project Costs per Census Tract	Percentage
3603	\$11,281,863	38.8%
3604	\$1,488,067	5.1%
3605 (APP)	\$16,317,004	56.1%
Total Project Cost	\$29,086,934	

NON-FEDERAL FUNDING SOURCE

MnDOT Funding

As of Fall 2022, the Project is included in the State of Minnesota's approved [2023-2026 State Transportation Improvement Program \(STIP\)](#) as Project No. 4204-40. MnDOT has secured \$3 million in state match from the Highway User Tax Distribution fund. MnDOT is committed to providing funding for the future ongoing maintenance and operations of the enhanced facility. Merit Criterion #6, State of Good Repair, provides additional details about MnDOT's operation and maintenance project commitment. MnDOT may increase the federal share on the project up to 81.42 percent.

State of Minnesota

MnDOT has centrally committed \$4.4 million of state funding for this Project, as stated in the [documentation here](#). The commitment was made by the Transportation Programming and Investment Committee (TP&IC) in March 2022. The source of state funding comes from bonding authority approved in 2021 Minnesota Session Law, 1st Special Session, Chapter 5.

City of Marshall

The City of Marshall supports the Project and will provide approximately \$3.06 million towards the construction costs, design costs, non-letting construction costs, and construction administration associated with the non-federally eligible items including sanitary and water main costs.

OTHER FEDERAL FUNDING SOURCES

The City of Marshall has secured \$832,776 for the Project through the state aid federal program and MnDOT has secured \$2.4 million through MnDOT federal funds. This funding is also programmed in the State of Minnesota's approved 2023-2026 [STIP](#) as Project No. 4204-40 and will be used towards the construction costs.

RAISE Funding Need

If the RAISE funding is not awarded, the Project would be significantly delayed. Without the proposed improvements, the corridor will continue to experience poor state of pavement and higher than average crash rates. The pavement will no longer be serviceable by 2027. The much-needed pedestrian/bicyclist improvements of Americans with Disabilities Act (ADA) compliant multimodal infrastructure will not get constructed, leading to gaps in multimodal connectivity. MnDOT may seek alternative funding sources in the future, but the scope will be significantly reduced. The City would not be able to upgrade utilities or improve aging infrastructure. The absence of funding and corresponding scope reduction would adversely impact the underserved population in the area.



BENEFIT COST ANALYSIS RESULTS

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 greater than 1.0.

Results of the benefit-cost analysis are included in Table 3.

Table 3 Total Project Results

	Initial Capital Cost (2020 Dollars)	Project Benefits (2020 Dollars)	Benefit-Cost Ratio (7% Discount Rate)	Net Present Value (2020 Dollars)
No Build vs. Build	\$20.9 million	\$24.7 million	1.18	\$3.8 million

FUNDING DOCUMENTATION

Links to funding documents are included as follows:

[Minnesota Department of Transportation](#)

[City of Marshall.](#)

All supporting documents and the RAISE grant application narrative are also available to view at the following webpage:

<https://www.srfconsulting.com/mn-th19-raise-grant/>

