



**Request for City Council Committee Action
From the Department of Public Works**

Date: January 22, 2008
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Subject: **2008 Amendment #2 to Grant Agreement (Contract Date Extension)
Non-Motorized Transportation Pilot Project (NTP)**

Recommendation:

- a) Authorize the City Officers to execute Amendment #2 to the City Agreement (C-23887) with Transit for Livable Communities (TLC) to perform specific work efforts as outlined in and in accordance with MnDOT Agreement No. 89757 that provides up to \$2,474,892 in Federal grant funding in effect for anticipated expenses through December 31, 2008.

Previous Directives:

August 4, 2006 City Council – Authorize original grant agreements and appropriations
April 18, 2006 TPW Receive & File – Project Status Update
January 26, 2007 City Council – Authorized Amendment #1 to grant agreements

Prepared by: Jon Wertjes, Director of Traffic and Parking Services, 673-2614

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters in Committee: Jon Wertjes

Permanent Review Committee (PRC)	Approval _____	Not applicable	_____ <u>X</u> _____
Policy review Group (PRG)	Approval _____	Not applicable	_____ <u>X</u> _____

Financial Impact (Check those that apply)

- X No financial impact - or - Action is within current department budget (If checked, go directly to Background/Supporting Information)
- ___ Action requires an appropriation increase to the Capital Budget
- ___ Action requires an appropriation increase to the Operating Budget
- ___ Action provides increased revenue for appropriation increase
- ___ Action requires use of contingency or reserves
- X Business Plan: X Action is within the plan. ___ Action requires a change to plan.
- ___ Other financial impact (Explain):
- ___ Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Background/Supporting Information

The Non-motorized Transportation Pilot Project (NTP) was authorized by the Federal Government on August 2005 as part of the SAFETEA-LU transportation bill. The Minneapolis area is one of four communities designated to serve as a pilot in determining “the extent to which bicycling and walking can carry a significant part of the transportation load, and represent a major portion of the transportation solution.” The three other pilot communities are Sheboygan, WI; Marin County, CA; and Columbia, MO. Minnesota is the only location with an independent non-profit (TLC) designated to carry out the program.

The City entered into two agreements, one with MnDOT and the other with Transit for Livable Communities (TLC). The City of Minneapolis is the fiscal agent for federal grant funding to TLC. Because the program falls under the State Aid Process, the funds are first released by the FHWA to Mn/DOT. But since Mn/DOT cannot allocate funds to a non-taxing authority, TLC needs a fiscal agent to carry out their administrative duties/preliminary engineering under federal law.

The current agreement expenditures and dates are limited to \$2,474,892 and December 31, 2007. To accommodate TLC efforts in calendar year 2008, the City and TLC need to amend the existing agreement to extend the date to December 31, 2008.

Public Works recommends Amendment #2 to the existing agreement between the City and TLC (C-23887) that would extend the contract date. Then, the agreement will cover the project activity period of June 7, 2006 through December 31, 2008. The project costs will remain at \$2,474,892, entirely consisting of a 100% grant and no match requirements.

It is expected that these two agreements will be further amended on an annual basis to increase the funding and extend the end date. These future amendments will follow the typical City contract amendment process.