



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

Date: January 16, 2007
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Paul Ostrow, Chair Ways & Means / Budget Committee

**Subject: 2007 Amendment #1 to Grant Agreements
Non-Motorized Transportation Pilot Project (NTP)**

Recommendation:

- a) Authorize the City Officers to execute Amendment #1 to the MnDOT Agreement No. 89757 between State of Minnesota and the City of Minneapolis (City Agreement C-23888) to provide up to \$2,474,892 in Federal grant funding for the Non-motorized Transportation Pilot Project for anticipated expenses through December 31, 2007.
- b) Authorize the City Officers to execute Amendment #1 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, 2007.
- c) Passage of the accompany resolution increasing the Public Works – Transportation Agency appropriation in the Permanent Improvement Projects Fund (0300-943-9462) from \$996,000 to \$2,474,892 and increase the revenue source (0300-943-9462 – Source 3210) from \$996,000 to \$2,474,892.

Previous Directives:

August 4, 2006 City Council – Authorize original grant agreements and appropriations
April 18, 2006 TPW Receive & File – Project Status Update

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, Traffic and Parking Services

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)

- 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
 - Business Plan: 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 other three pilot communities are Sheboygan, WI; Marin County, CA; and Columbia, MO. Only in Minnesota was 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 \$996,000 and December 31, 2006, respectively. To accommodate TLC efforts in calendar year 2007, MnDOT and TLC are requesting amendments to these existing agreements.

Public Works recommends amendments to each of the two existing agreements. The first agreement is between the City and MnDOT (C-23888), and the second between the City and TLC (C-23887). These agreements will cover the project activity period of June 7, 2006 through December 31, 2007. The project costs will be increased from \$996,000 to \$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 that will increase the funding and extend the end date. These future amendments will follow the typical City contract amendment process.

Amending The 2006 Capital Improvement Appropriation Resolution (2006R-413)

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the PW – Transportation Capital Agency in the Permanent Improvement Projects Fund (0300-943-9462) from \$996,000 to \$2,474,892 and increase the revenue source (0300-943-9462 - Source 3210) from \$996,000 to \$2,474,892.