



## ITEM REPORT UTILITIES COMMISSION

Agenda Date: 5/5/2026  
Agenda Section: Information Only

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**Department Origination:** Public Works

2027 CSAH 48 Trail (Highland Scenic Road) Trail Connection Project – Monthly Update

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**Agenda Item:**

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**Approval Required:** Simple Majority Vote

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### **BACKGROUND**

On July 16th, 2024 the City of Baxter approved the WSB Professional Services Contract for the 2026 CSAH 48 (Highland Scenic Road) Trail Connections Project (federally funded), municipal project number 4140. The first of two segments will connect Marohn Road/Foley Road to Ashdale Lane, and the second segment will connect Knollwood Drive. to Isle Drive. The pedestrian crossings at Marohn Road/Foley Road and Parkwood Drive are being updated as well with refuges/medians.

The project utilizes two grants that were awarded to the City of Baxter and Crow Wing County. A Highway Safety Improvement Program (HSIP) grant in the amount of \$750,000, and a Transportation Alternatives Program (TA) grant in the amount of \$461,369. The City of Baxter, Crow Wing County, and WSB have held meetings throughout the design stage to gather feedback, and the current plans and design are 100% complete.

Plans were updated to eliminate the need for a retaining wall along the trail. Upon initial State Aid review of the plans, they commented that the retaining wall needed to be cast in place, instead of modular block. This significantly increased the cost of the retaining wall and directly impacted the sanitary sewer. WSB and City Staff were able to quickly adjust the design to eliminate the retaining wall. This did require the need for additional easements, which were also quickly obtained.

The plans and specifications have been completed but still need final review and approval from State Aid and the Central Office. The project will be advertised and bid once final approvals have been received.

WSB and City Staff are also currently working with Crow Wing County to identify a cost share agreement. These conversations are ongoing and have the potential to offset some of the City of Baxter cost. The cost share agreement is currently being finalized. The current anticipated cost share amount based on the engineer's estimate is shown in the Financial Implications table.

Easements for the project have been negotiated and WSB and City Staff are in the process of finalizing the Right of Way Certificate for submittal to State Aid.

Tree removals were completed by City Staff and Landwerx ahead of the April 14<sup>th</sup> deadline.

### **FINANCIAL IMPLICATIONS**

WSB and City Staff have completed negotiations with property owners regarding easements. Easement acquisition did come in under the original budgeted amount.

With the removal of the retaining wall, both segments of the trail construction are currently anticipated to be properly funded. The tables below reflect the updated costs and project budget. The table also shows the current anticipated project cost for The City of Baxter with the anticipated Crow Wing County cost participation amount.

Budget Line Item	Project at Grant Award	Project at Engineering Award	Current Anticipated Project Costs
Construction Segment 1 (TA Portion)	\$ 385,695.83	\$ 383,286.00	\$ 570,719.03
Construction Segment 2 (HSIP Portion)	\$ 727,794.91	\$ 825,000.00	\$ 740,161.35
Construction Total	\$ 1,113,490.74	\$ 1,208,286.00	\$ 1,310,880.38
Engineering Segment 1 (TA Portion)	\$ 141,085.13	\$ 137,911.55	\$ 182,963.27
Engineering Segment 2 (HSIP Portion)	\$ 288,832.46	\$ 282,335.45	\$ 237,283.73
Engineering Total	\$ 429,917.59	\$ 420,247.00	\$ 420,247.00
ROW Acquisition Segment 1 (TA Portion)	\$ 37,650.00	\$ 37,650.00	\$ 63,230.00
ROW Acquisition Segment 2 (HSIP Portion)	\$ 33,350.00	\$ 33,350.00	\$ 8,200.00
ROW Acquisition Total	\$ 71,000.00	\$ 71,000.00	\$ 71,430.00
City Legal Segment 1 (TA Portion)	\$ 12,556.43	\$ 12,556.43	\$ 4,500.00
City Legal Segment 2 (HSIP Portion)	\$ 23,693.57	\$ 23,693.57	\$ 5,500.00
City Legal	\$ 36,250.00	\$ 36,250.00	\$ 10,000.00
Wetland Bank Credit			\$ 1,424.80
Total Project Budget	\$ 1,650,658.33	\$ 1,735,783.00	\$ 1,813,982.18

Project Funding Group	Project at Grant Award	Project at Engineering Award	Projected Funding
TA Grant (Segment 1)	\$ 308,556.66	\$ 306,629.00	\$ 456,575.22
HSIP Grant (Segment 2)	\$ 500,000.00	\$ 750,000.00	\$ 666,145.22
Crow Wing County	\$ 258,794.91	\$ 225,425.50	\$ 253,486.60
City of Baxter MSAS	\$ 583,306.77	\$ 453,728.50	\$ 458,808.13
Total Project Funding	\$ 1,650,658.33	\$ 1,735,783.00	\$ 1,835,015.17

City of Baxter:			
City of Baxter TA Cost Share (20%)	\$ 77,139.17	\$ 61,325.80	\$ 57,071.90
City of Baxter HSIP Cost Share (10%)	\$ 50,000.00	\$ 75,000.00	\$ 37,008.07
Remainder of Construction	\$ 177,794.91	\$ 15,331.20	\$ -
Engineering	\$ 429,917.59	\$ 420,247.00	\$ 302,267.77
ROW Acquisition	\$ 71,000.00	\$ 71,000.00	\$ 35,715.00
City Legal	\$ 36,250.00	\$ 36,250.00	\$ 5,000.00
Wetland Bank Credit			\$ 712.40
Total City Cost:	\$ 842,101.67	\$ 679,154.00	\$ 437,775.14
Available MSAS to City	\$ 583,306.77	\$ 453,728.50	\$ 458,808.13
Remaining City Cost (Amount needed to fund project)	\$ 258,794.91	\$ 225,425.50	\$ (21,032.99)

**STAFF RECOMMENDATIONS**

**COUNCIL ACTION REQUESTED**