



ITEM REPORT UTILITIES COMMISSION

Agenda Date: 10/7/2026
Agenda Section: Information Only

Department Origination: Public Works

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

Approval Required: No Action Required

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.

WSB and City Staff finalized a cost share agreement with Crow Wing County. The current cost share amount based on the engineer's estimate is shown in the Financial Implications table.

The plans, Right of Way Certificate, and specifications have been completed and reviewed by State Aid. They have also received final review and approval from the Central Office. The project was given federal authorization to advertise and bid on June 11th, 2026.

Resolution 2026-059 to accept bids and award the contract to Young Excavating in the amount of \$1,489,037.63 was adopted on August 18th, 2026.

Construction began August 31st, 2026 on the segment between Cedardale Lane and Marohn Road along with the Parkwood Drive crossing. The next segment is scheduled to begin October 5th, 2026.

City Staff and WSB have been meeting with State Aid and have determined that there are additional eligible costs for state aid funds. The financial implications table has been updated accordingly.

FINANCIAL IMPLICATIONS

The tables below reflect the updated costs and project budget.

Budget Line Item	Project Costs Based on Engineers Estimate	Project Costs Based on Bid Award
Construction Segment 1 (TA Portion)	\$ 569,524.03	\$ 637,434.88
Construction Segment 2 (HSIP Portion)	\$ 741,147.35	\$ 851,602.75
Construction Total	\$ 1,310,671.38	\$ 1,489,037.63
Engineering Segment 1 (TA Portion)	\$ 182,609.29	\$ 179,901.50
Engineering Segment 2 (HSIP Portion)	\$ 237,637.71	\$ 240,345.50
Engineering Total	\$ 420,247.00	\$ 420,247.00
ROW Acquisition Segment 1 (TA Portion)	\$ 62,430.00	\$ 62,430.00
ROW Acquisition Segment 2 (HSIP Portion)	\$ 8,200.00	\$ 8,200.00
ROW Acquisition Total	\$ 70,630.00	\$ 70,630.00
City Legal Segment 1 (TA Portion)	\$ 4,500.00	\$ 4,500.00
City Legal Segment 2 (HSIP Portion)	\$ 5,500.00	\$ 5,500.00
City Legal	\$ 10,000.00	\$ 10,000.00
Wetland Bank Credit	\$ 1,478.89	\$ 1,478.89
Total Project Budget	\$ 1,813,027.27	\$ 1,991,393.52

Project Funding Group	Funding Based on Engineers Estimate	Funding Based on Bid Award
TA Grant (Segment 1)	\$ 455,619.22	\$ 461,369.00
HSIP Grant (Segment 2)	\$ 667,032.62	\$ 750,000.00
Crow Wing County	\$ 253,024.64	\$ 313,902.15
City of Baxter MSAS	\$ 458,734.98	\$ 466,122.37
Total Project Funding	\$ 1,834,411.46	\$ 1,991,393.52

City of Baxter:		
City of Baxter TA Cost Share (20%)	\$ 56,952.40	\$ 57,671.13
City of Baxter HSIP Cost Share (10%)	\$ 37,057.37	\$ 41,662.50
Remainder of Construction	\$ -	\$ 39,500.69
Engineering	\$ 302,286.58	\$ 286,233.61
ROW Acquisition	\$ 35,315.00	\$ 35,315.00
City Legal	\$ 5,000.00	\$ 5,000.00
Wetland Bank Credit	\$ 739.45	\$ 739.45
Total City Cost:	\$ 437,350.80	\$ 466,122.37
Available MSAS to City	\$ 458,734.98	\$ 659,225.38
Remaining City Cost (Amount needed to fund project)	\$ (21,384.19)	\$ (193,103.01)

The City's portion of the project consists of \$466,122.37. Staff is proposing to utilize state aid funds to pay for the City's portion of the project. There is \$659,225.38 eligible for state aid funds on the project meaning there is \$193,103.01 of eligible state aid not being utilized.

STAFF RECOMMENDATIONS

COUNCIL ACTION REQUESTED