



## ITEM REPORT CITY COUNCIL

Agenda Date: 8/18/2026  
Agenda Section: Consent Agenda

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**Department Origination:** Public Works

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**Agenda Item:** Approve the Amended Construction Cost Share and Maintenance Agreement Between Crow Wing County and the City of Baxter for the 2026 CSAH 48 (Highland Scenic Road) Trail Connection Project, Municipal Project No. 4140

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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 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 11<sup>th</sup>, 2026.

Plans and specifications were approved at the July 7<sup>th</sup> City Council Meeting. The project was advertised July 8<sup>th</sup>, 15<sup>th</sup>, and 23<sup>rd</sup> of 2026 and bids were opened on July 30<sup>th</sup>, 2026 at 10:00 AM.

Young Excavating of Hackensack, Minnesota is the lowest responsible bidder in the amount of \$1,489,037.63 for the 2026 CSAH 48 Trail (Highland Scenic Road) Trail Connection Project, Municipal Project No. 4140.

Due to the bids coming in above the engineers estimate, the cost share agreement needs to be updated with Crow Wing County. The updated agreement is attached and reflects the updated construction costs.

### **FINANCIAL IMPLICATIONS**

The tables below reflect the updated costs after bid award and the 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                       | \$ 649,928.04              |
| Total Project Funding  | \$ 1,834,411.46                     | \$ 2,175,199.19            |

|                                                     |                |                 |
|-----------------------------------------------------|----------------|-----------------|
| 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  | \$ 649,928.04   |
| Remaining City Cost (Amount needed to fund project) | \$ (21,384.19) | \$ (183,805.67) |

## **STAFF RECOMMENDATIONS**

The Utilities Commission and staff recommends approving the Amended Construction Cost Share and Maintenance Agreement Between Crow Wing County and the City of Baxter for the 2026 CSAH 48 Trail (Highland Scenic Road) Trail Connection Project, Municipal Project No. 4140.

## **COUNCIL ACTION REQUESTED**

**MOTION** to approve the Amended Construction Cost Share and Maintenance Agreement Between Crow Wing County and the City of Baxter for the 2026 CSAH 48 Trail (Highland Scenic Road) Trail Connection Project, Municipal Project No. 4140.