



ITEM REPORT UTILITIES COMMISSION

Agenda Date: 8/5/2026
Agenda Section: Business Item

Department Origination: Public Works

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

Approval Required: Simple Majority Vote

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.

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 2026-050 to authorize the advertisement of bids for the project was approved at the July 7th City Council Meeting. The project was advertised July 8th, 15th, and 23rd of 2026 and bids were opened on July 30th, 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

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.