COUNCIL COMMUNICATION				
CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	23-370	Meeting:	August 7, 2023
	Agenda Item:	7	Roll Call:	23-1063
	Submitted by:	Steven L. Naber, P.E., City Engineer		r

AGENDA HEADING:

Approving and authorizing the application for a U.S. Department of Transportation (DOT) Infrastructure for Rebuilding America (INFRA) Grant for the Southeast Connector Project between SE 30th Street and U.S. Highway 65.

SYNOPSIS:

Recommend approval and authorization to apply for DOT INFRA funding as included in the 2023 Multimodal Project Discretionary Grant (MPDG) program for the Southeast Connector (SE 30th Street – U.S. Highway 65) Project.

FISCAL IMPACT:

<u>Amount</u>: \$59,000,000 – Construction Estimate

Funding Source: Various funding sources, as follows:

- o \$34,000,000 INFRA Grant
- \$11,284,000 Federal STBG funding allocated by the Des Moines Metropolitan Planning Organization
- \$13,716,000 2023-2024 CIP, Page 118, Southeast Connector SE 30th Street to US 65, ST256, GO Bonds, TIF Bonds and Proceeds from Federal Title 23 Excess Land Sales

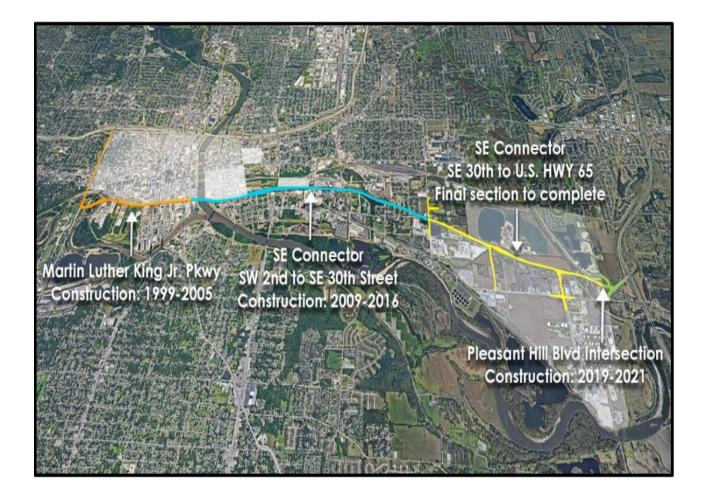
ADDITIONAL INFORMATION:

- The Infrastructure Investment and Jobs Act (Pub. L. No. 117-58, November 15, 2021) (Bipartisan Infrastructure Law, or BIL) provided funds to the Department across three (3) programs to invest in projects of national or regional significance the National Infrastructure Project Assistance grants program, found under 49 U.S.C. § 6701 (Mega), the Nationally Significant Multimodal Freight and Highways Projects grants program, found at 23 U.S.C. § 117 (Infrastructure for Rebuilding America or INFRA), and the Rural Surface Transportation Grant program, found at 23 U.S.C. § 173 (Rural).
- These three (3) grant programs under MPDG are awarded on a competitive basis for surface transportation infrastructure projects including highway and bridge, intercity passenger rail,

railway-highway grade crossing or separation, wildlife crossing, public transportation, marine highway, and freight projects, or groups of such projects – with significant national or regional impact, or to improve and expand the surface transportation infrastructure in rural areas.

- There is up to \$3.1 Billion available for the INFRA program. INFRA Grants may be used for up to 60 percent of future eligible project costs. For each fiscal year of INFRA funds, a minimum of 15 percent of available funds are reserved for small projects, and a maximum of 85 percent of funds are reserved for large projects.
- INFRA projects are split between large and small projects. Large projects are a minimum of \$100 Million. Small projects are less than \$100 Million. The program statute requires that at least 30 percent of the funds provided for INFRA small project grants must be used for projects located in rural areas.
- For a small project to be selected, the following is considered:
 - o cost-effectiveness of the proposed project;
 - o effect of the proposed project on mobility in the State and region; and
 - effect of the proposed project on safety on freight corridors with significant hazards, such as high winds, heavy snowfall, flooding, rockslides, mudslides, wildfire, wildlife crossing onto the roadway, or steep grades.
- Secretary of Transportation Peter Paul Montgomery Buttigieg issued the Notice of Funding Opportunity for the DOT's Fiscal Year (FY) 2023-2024 MPDG Opportunity on June 23, 2023, and applications must be submitted by end of day August 21, 2023.
- Completion of the final segment of the Southeast Connector between SE 30th Street and U.S. Highway 65 will improve freight movement through the area by connecting the National Highway System from Martin Luther King, Jr. Parkway and SE 14th Street (US Highway 69) and U.S. Highway 65 to serve area businesses and the transload facility. This will directly result in more efficient and lower cost shipping for the region.
- The estimated total project cost for the last 2.2-mile-segment of the Southeast Connector (SE 30th U.S. Highway 65) is nearly \$75 Million, with an estimated \$58 Million being for construction and the remaining for design, right-of-way acquisition, utility relocations and construction administration and inspection. Proposed construction includes two (2) lanes of roadway (one (1) lane in each direction), a 1,515-foot-long bridge, multi-use trail, the relocation and improvement of 4,000 feet of the SE Des Moines Levee system, storm water enhancements, as well as right-of-way and grading for future expansion of the roadway if future traffic volumes warrant.
- The INFRA grant application will incorporate possible expansion of the transload facility and include costs for infrastructure to support an expansion for public benefit. For planning purposes, \$1 million is the estimated cost for the infrastructure improvements (includes modification to the existing Southeast Connector stormwater detention basin system) for expansion of the transload facility.

- City staff recommend submitting an INFRA grant application for the Southeast Connector (SE 30th U.S. Highway 65) and infrastructure improvements for the transload facility expansion, requesting \$34 Million to help fund the \$59 Million estimated total construction cost.
- Receipt of the INFRA funding would support starting construction in 2025 (bidding in fall 2024).



PREVIOUS COUNCIL ACTION(S):

Date: February 20, 2023

Roll Call Number: 23-0203

<u>Action</u>: <u>Approving</u> and authorizing the application for a DOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Discretionary Grant for the Southeast Connector Project between SE 30th Street and US Highway 65. (<u>Council Communication No. 23-095</u>) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Pass: Sheumaker.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

If selected for an INFRA Grant, the City will be required to enter into a grant agreement that will be presented to City Council for consideration and approval.

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