

CITY OF WARRENSBURG
Public Works

Council Letter No.

January 23, 2019

Honorable Mayor and
Members of the City Council
City of Warrensburg, Missouri

Dear Mayor and Council Members:

SUBJECT: Discussion of INFRA Grant

BACKGROUND:

The U.S. Department of Transportation recently announced the second round of Infrastructure for Rebuilding America (INFRA) discretionary grant program. The INFRA program will make approximately \$855-902.5 million available to projects that are in line with the Administration's principles to help rebuild America's crumbling infrastructure. In addition to providing direct federal funding, the INFRA program aims to increase the total investment by state, local, and private partners.

The department will make awards under the INFRA program to both large and small projects. For a large project, the INFRA grant must be at least \$25 million. For a small project, the grant must be at least \$5 million.

ISSUE:

Staff consulted the expertise of HDR Engineering, which has done the initial conceptual design and cost estimation for the Maguire/US 50 Interchange Project, to evaluate as to submitting an application was feasibly and prudent at this time.

The following is a summary of our conversation with Cory Imhoff and Dustin Elliott of HDR.

The project has some good merit that would show well in a grant application:

- Operational benefits
- Safety benefits – although not quantified yet
- Consistency with long range planning (Comp Plan)
- Multi-modal connectivity (sidewalks connecting north to south)
- Concept plans completed and ready to move to final design quickly

After speaking internally with Cory and our national team of grant experts, the biggest thing we determined was that in order to be successful, the City would need to show proof in their application in March of a viable local match funding source. Average local matches that were successful in the first round were in the 40% range, which is higher than the minimum 20% match required. Basically, the higher the match, the better the chances of landing a grant.

For a \$15M project, a 40% match would be \$6M.

MoDOT indicated previously that they would likely be able to provide \$1M for the project. Perhaps MoDOT would be able to find a little more if the City had money dedicated.

We recommend not wasting effort on applying for this go around, but rather get ducks in a row for the next round.

1. Secure a funding source – the more the better, ideally at least \$6M
2. Get a cost share agreement in place with MoDOT
3. Prepare a Benefit Cost Analysis
 - a. Safety analysis
 - b. Potentially an operational analysis update since the data is getting pretty old

Having these things in place would put the City in a much better position to be ready for the next round.

RECOMMENDATIONS:

Staff is requesting City Council discussion regarding the INFRA grant and would like direction to develop a plan for funding as discussed per the recommendation made by HDR.

Sincerely,

Marvin Coleman
Director of Public Works

CC: City Manager