

- 1. **Award No.**  
TBD
- 2. **Effective Date**  
See No. 17 Below
- 3. **Assistance Listings No.**  
20.933
- 4. **Award To**  
City of Billings  
210 North 27<sup>th</sup> Street  
Billings, Montana 59101  
Unique Entity Id.: MLYDN89CLXL5  
TIN No.: 81-6001237
- 5. **Sponsoring Office**  
U.S. Department of Transportation  
Federal Highway Administration  
Office of Acquisition & Grants Management  
1200 New Jersey Avenue, SE  
HCFA-32, Mail Drop E62-204  
Washington, DC 20590
- 6. **Period of Performance**  
Effective Date of Award – See No. 17
- 7. **Total Amount**  
Federal Share: \$11,656,765.00  
Recipient Share: \$ 6,918,650.00  
Total: \$18,575,415.00
- 8. **Type of Agreement**  
Grant
- 9. **Authority**  
Further Consolidated Appropriations Act, 2020  
(Pub. L. 116-94, Nov. 5, 2020)
- 10. **Procurement Request No.**  
TBD
- 11. **Federal Funds Obligated**  
\$11,656,765.00
- 12. **Submit Payment Requests To**  
See article 19.
- 13. **Payment Office**  
See article 19.
- 14. **Accounting and Appropriations Data**  
TBD
- 15. **Description of Project**  
Northwest Billings Connector and Marathon Trail

**RECIPIENT**

16. **Signature of Person Authorized to Sign**

\_\_\_\_\_  
Signature Date  
Name: William A. Cole  
Title: Mayor

**FEDERAL HIGHWAY ADMINISTRATION**

17. **Signature of Agreement Officer**

\_\_\_\_\_  
Signature Date  
Name:  
Title: Agreement Officer

**U.S. DEPARTMENT OF TRANSPORTATION**

**GRANT AGREEMENT UNDER THE  
FISCAL YEAR 2020 BUILD TRANSPORTATION GRANTS PROGRAM**

This agreement is between the United States Department of Transportation (the “USDOT”) and the City of Billings (the “**Recipient**”).

This agreement reflects the selection of the Recipient to receive a BUILD Grant for the Northwest Billings Connector and Marathon Trail.

The parties therefore agree to the following:

**Article 1  
GENERAL TERMS AND CONDITIONS**

**1.1 General Terms and Conditions.**

- (a) In this agreement, “**General Terms and Conditions**” means the content of the document titled “General Terms and Conditions Under The Fiscal Year 2020 BUILD Transportation Grants Program: FHWA Projects,” dated September 1, 2021, which is available at <http://go.usa.gov/xMcmU>. Articles 8 – 24 are in the General Terms and Conditions. The General Terms and Conditions are part of this agreement.
- (b) The Recipient states that it has knowledge of the General Terms and Conditions.
- (c) The Recipient acknowledges that the General Terms and Conditions impose obligations on the Recipient and that the Recipient’s non-compliance with the General Terms and Conditions may result in remedial action, terminating of the BUILD Grant, disallowing costs incurred for the Project, requiring the Recipient to refund to the USDOT the BUILD Grant, and reporting the non-compliance in the Federal-government-wide integrity and performance system.

**Article 2**  
**APPLICATION, PROJECT, AND AWARD**

**2.1 Application.** The application for funding was dated May 18, 2020, and titled “Northwest Billings Connector and Marathon Trail.” It contained Standard Form 424 and all information and attachments submitted with that form through Grants.gov.

**2.2 Project.** In this agreement, the “**Project**” means the project proposed in the application identified in section 2.1 as modified by the negotiated provisions of this agreement, including article 3 and attachments A-E.

**2.3 Federal Award and Federal Obligation.**

The USDOT hereby awards a BUILD Grant to the Recipient in the amount of \$11,656,765 and obligates that amount for the budget period.

**2.4 Award Dates.**

Budget Period End Date:	12/31/2025
Period of Performance End Date:	12/31/2025
Estimated Closeout Date:	12/31/2026

**2.5 Urban or Rural Designation.** The USDOT hereby designates this to be an award to a project in a rural.

**2.6 Federal Award Identification Number.** The Federal Award Identification Number is listed on page 1, line 1.

**Article 3**  
**SUMMARY PROJECT INFORMATION**

**3.1 Summary of Project’s Statement of Work.** (See Attachment A for additional details).

The project constructs (1) the Northwest Billings Connector (“Connector”) a five-mile stretch of two-lane rural roadway with a detached multi-use trail, from Alkali Creek Road/Skyway Drive to Highway 3/Zimmerman Trail, connecting the Heights and West and (2) the Marathon Trail a multi-use trail that will extend from the intersection of Highway 3/Zimmerman Trail east along the south side of Highway 3.

**3.2 Project’s Estimated Schedule.**

<b>Milestone</b>	<b>Schedule Date</b>
Actual NEPA Completion Date:	10/20/2021
Planned Plan, Specification, & Estimate (PS&E) Approval Date: <i>Planned Construction Package Approval Date?</i>	05/31/2022
Planned Construction Start Date:	10/03/2022
Planned Construction Substantial Completion and Open to Traffic Date:	10/01/2024
Actual NEPA Completion Date:	10/20/2021

**3.3 Project’s Estimated Budget.** (See Attachment B for additional details).

<b>Eligible Project Costs</b>	
BUILD Grant Amount:	\$11,656,765.00
Local Funds <sup>1</sup> :	\$6,918,650.00
<b>Total Eligible Project Cost:</b>	<b>\$18,575,415.00</b>
<sup>1</sup> City Gas Tax and Arterial Fees and Billings TrailNet Contribution	

**Article 4  
CRITICAL MILESTONE DEADLINES**

**4.1 Critical Milestone Deadlines.**

**None.** The parties have not identified any project-specific critical milestone deadlines for this award. The Recipient acknowledges the USDOT may terminate this award under section 16.1(a) on some conditions related to the Project’s estimated schedule, as listed in section 3.2.

**Article 5  
PARTY INFORMATION**

**5.1 Recipient’s Unique Entity Identifier.**

Recipient’s Unique Entity Identifier: MLYDN89CLXL5

**5.2 Recipient Contact(s).**

Lora Mattox, AICP  
Transportation Planner  
City of Billings, Montana  
2825 3<sup>rd</sup> Avenue North, 4<sup>th</sup> Floor, Billings, MT 59101  
(406) 247-8622  
[mattoxl@billingsmt.gov](mailto:mattoxl@billingsmt.gov)

**5.3 Recipient Key Personnel.**

<b>Name</b>	<b>Title or Position</b>
Chris Kukulski	City Administrator
Debi Meling	Public Works Director
Jennifer Duray	Deputy Public Works Director
Mac Fogelsong	City Engineer
Travis Harris	Staff Engineer II
Andy Zoeller	Finance Director
Wyeth Friday	Planning & Community Services Director
Scott Walker	Transportation Planning Coordinator
Lora Mattox	Transportation Planner

**5.4 USDOT Project Contact(s).**

David J. Villalobos  
Agreement Officer (AO)  
Federal Highway Administration  
Office of Acquisition and Grants Management  
HCFA-32, Mail Stop E62-310  
1200 New Jersey Avenue, S.E.  
Washington, DC 20590  
(202)-366-7430  
[david.villalobos@dot.gov](mailto:david.villalobos@dot.gov)

and

Travis Wheeler

Agreement Specialist (AS)  
Office of Acquisition and Grants Management  
HCFA-32, Mail Stop E65-119  
1200 New Jersey Avenue, S.E.  
Washington, DC 20590  
(202)-366-8887  
[Travis.wheeler@dot.gov](mailto:Travis.wheeler@dot.gov)

and

Alan Woodmansey  
Agreement Officer Representative (AOR)  
Operations Engineer  
FHWA-Montana  
585 Shepherd Way, Suite 2  
Helena, MT 59601  
406-441-3916  
[Alan.Woodmansey@dot.gov](mailto:Alan.Woodmansey@dot.gov)

#### **Article 1**

### **USDOT ADMINISTRATIVE INFORMATION**

#### **1.1 Payment System.**

USDOT Payment System: DELPHI eInvoicing

#### **1.2 Office for Subaward and Contract Authorization.**

USDOT Office for Subaward and Contract Authorization: FHWA Office of Acquisition and Grants Management

#### **Article 2**

### **SPECIAL GRANT TERMS**

There are no special terms for this award.

**ATTACHMENT A  
STATEMENT OF WORK**

The scope of work for this project includes the construction of the Northwest Billings Connector and Marathon Trail.

The Northwest Billings Connector is a five-mile stretch of two-lane rural section of roadway accompanied by a detached multi-use trail. It will create a new connection between the Heights and West End, with an eastern terminus of Alkali Creek Road/Skyway Drive and western terminus at the roundabout at Highway 3/Zimmerman Trail. As a multimodal corridor, it will include a 10-foot separated multi-use trail for the five-mile length of the corridor.

The Marathon Trail is a multi-use trail that will extend from the intersection of Highway 3/Zimmerman Trail through Airport Road along the south side of Highway 3. The paved 10-foot wide trail would replace unimproved/primitive trail that is presently in place. Trailheads would be provided near Zimmerman Trail and at the eastern terminus. The length of the proposed trail is approximately 2.9 miles.

**ATTACHMENT B  
 ESTIMATED PROJECT BUDGET**

**1. Supplementary Fund Source Table(s)**

The following tables supplement the budget information in section 3.2.

<b>Non-BUILD Previously Incurred Costs</b>	
Local Funds <sup>1</sup> :	\$1,259,080.00
Total:	\$1,259,080.00
<sup>1</sup> City Local Funds	

Reserved. This attachment B does not contain any supplementary fund source tables.

**2. Cost Classification Table**

<b>Cost Classification</b>	<b>Total Costs</b>	<b>Non-BUILD Previously Incurred Costs</b>	<b>Eligible Costs</b>
Land, structures, rights-of-way, appraisals, etc.	\$225,545	\$225,545	
Architectural and engineering fees	\$984,180	\$984,180	
Other architectural and engineering fees	\$49,355	\$49,355	
Construction	\$16,000,186		\$16,000,186
Construction Engineering/Administration	\$1,455,217		\$1,455,217
Contingency	\$1,120,013		\$1,120,013
<b>Project Total</b>	<b>\$19,834,495</b>	<b>\$1,259,080</b>	<b>\$18,575,415</b>

**ATTACHMENT C  
 PERFORMANCE MEASUREMENT TABLE**

**Study Area:** The study area will consist of Main Street corridor starting approximately at the intersections of 1<sup>st</sup> Avenue North, north to Wicks Lane in Billings Heights. Additionally, Airport Road from Main Street west to Zimmerman Trail will also be included. This area will see the biggest impact to traffic counts, congestion and air quality, transportation safety, transit and bike/pedestrian impacts (i.e. counts).

**Pre-project Measurement Date:** This report will be completed approximately 1-month prior to construction.

**Pre-project Report Date:** This report will be completed within 3-months of construction and of the new road and trail opening.

**Project Outcomes Report Date:** This report will be completed by summer 2027, approximately 4 years after completion.

**Table 1: Performance Measurement Table**

Measure	Description and Category of Measure	Measurement Period	Reporting Period
Auto Crash Rates by Type/Severity	<p style="text-align: center;">Safety</p> <p>Crashes will be measured by and reported based on Montana Department of Transportation data by the following severity categories: fatal, injury, and property-damage-only crashes.</p>	<p>Baseline Measurement:                      Number of crashes that include fatality, injury and property damage only as of approximately 2 months prior to construction. Based on timing of contract letting: August 1, 2022</p> <p>Post-construction Performance Measures:                      Number of crashes that include fatality, injury and property damage only calculated approximately</p> <p>January 31, 2024                      January 31, 2025                      January 31, 2026</p>	<p>Baseline Measurement:                      Pre-project Report Date:                      August 1, 2022</p> <p>Post-construction Performance Measures:                      For a period of 3 years, beginning</p> <p>January 31, 2025                      January 31, 2026                      January 31, 2027</p>

<b>Measure</b>	<b>Description and Category of Measure</b>	<b>Measurement Period</b>	<b>Reporting Period</b>
Average Daily Traffic (ADT)	<p align="center">Economic Competitiveness</p> <p>The total volume of vehicle traffic on Main Street at 1<sup>st</sup> Avenue North/Highway 87/Main Street; 6<sup>th</sup> Avenue North/Main Street; Airport Road/Main Street; Wicks Lane/Main Street; and, the Northwest Billings Connector at Alkali Creek Road and Highway 3/Zimmerman Trail</p>	<p>Baseline Measurement: Average Daily Traffic of the identified locations</p> <p>Based on timing of contract letting: August 1, 2022</p> <p>Post-construction Performance Measures: Average Daily Traffic of the identified locations calculated approximately</p> <p>January 31, 2024 January 31, 2025 January 31, 2026</p>	<p>Baseline Measurement: Pre-project Report Date: August 1, 2022</p> <p>Post-construction Performance Measures: For a period of 3 years, beginning</p> <p>January 31, 2025 January 31, 2026 January 31, 2027</p>
Bike and Pedestrian Count/Trips	<p align="center">Economic Competitiveness</p> <p>Average daily bicycle and pedestrian counts using National Bicycle &amp; Pedestrian Documentation Project methodology by conducting hourly counts at four locations along the new road and multi-use path locations. Counts will be collected on a typical weekday, Saturday and Sunday and will be conducted 3 consecutive months to develop a pattern.</p>	<p>Baseline Measurement: Average Daily Bicycle and Pedestrian Traffic at the identified locations</p> <p>Based on timing of contract letting: August 1, 2022</p> <p>Post-construction Performance Measures: Average Daily Traffic of the identified locations calculated approximately</p> <p>August 31, 2024 August 31, 2025 August 31, 2026</p>	<p>Baseline Measurement: Pre-project Report Date: August 1, 2022</p> <p>Post-construction Performance Measures: For a period of 3 years, beginning</p> <p>August 31, 2025 August 31, 2026 August 31, 2027</p>

## ATTACHMENT D MATERIAL CHANGES FROM APPLICATION

**Scope:** The project modification white paper approved by OST on March 23, 2022 described the modification from the original application by eliminating “design” elements from the BUILD grant project. The City’s intent is to use BUILD grant funds and local funds identified in the application for construction only. This funding will allow the City to construct the Northwest Billings Connector and Skyline Trail as identified in the Reduced/Scope Award.

**Schedule:** The schedule proposed in the original application has changed. The City stated in the grant application the intent to begin construction in 2021, however, due to unforeseen circumstances surrounding project elements, the City is requesting to modify the schedule.

The City is requesting to only conduct construction with the BUILD grant and the local contribution identified in the grant application. The grant application inadvertently included “design”. The City intended the funding package to only include construction. This misunderstanding triggered FHWA to request a Pre-Award Budget Narrative that has delayed the project by about a year. After clarification, the pre-award narrative is not required. In addition, during this time, the City, using other local funds completed the necessary NEPA (completed October 27, 2021) and design (including PSE submitted to state FHWA representative). The City is currently finalizing right-of-way activities. These activities were in accordance with FHWA requirements and included direct correspondence and coordination with FHWA staff.

The City proposed a modified schedule that proceeds with FHWA review and approval of the Project Modification White Paper. Once this White Paper has been accepted, the City will submit the draft grant agreement and construction budget narrative to FHWA. The modified schedule anticipates FHWA approval of the PS&E package in June 2022 and execution of the grant agreement in August 2022.

**Budget:** The original application requested \$16,779,769 of BUILD grant funding, and the project was awarded \$11,656,765 of BUILD 20 grant funds. The project modification white paper approved by OST on March 23, 2022 described the changes in the proposed budget.

The City requested to modify the BUILD project budget to remove the “design” element that was inadvertently included in the grant application as part of the total BUILD grant. The City used other city funding to complete pre-award activities.

The City identified a total \$7,085,000 in local funds available for the project, and along with the BUILD Modified Scope/Award of \$11,656,765, the total project estimate was \$18,741,765. Table 1 below outlines the most recent cost estimates for construction and indicates that the total project costs are reduced. Maintaining the reduced scope/award of \$11,656,765 in BUILD funds would reduce the City local contribution to \$6,918,650. However, the City anticipates that actual costs may rise due to increased construction cost associated with the material pricing, rising oil and concrete prices, and rise in wages. The new estimates reflected in Table 1 show a modified budget request for this project.

Although the total remaining project costs shows a reduction of \$166,350 from the reduced scope award, the overall cost share percentages show very minimal change. In other words, the

City contribution is remaining relatively unchanged and the City remains committed to the local match.

Therefore, the City requested to maintain the original BUILD award in the amount of \$11,656,765. The City requested to modify the original budget under the Reduced Scope/Award from \$7,085,000 to \$6,918,650 of local funds corresponding to a percentage change from 37.8% to 37.2%. The City will maintain the local balance of \$166,350 for any true costs.

The table below provides a summary comparison of the project budget.

Fund Source	Application		Section 3.3 and Attachment B	
	\$	%	\$	%
Total Project Cost	<b>\$23,864,769</b>	<b>100%</b>	<b>\$19,834,415.00</b>	<b>100%</b>
Total Non-BUILD Previously Incurred Cost			<b>\$1,259,000.00</b>	6.3%
Federal Funds	\$16,779,769	70%	<b>\$0</b>	0
Non-Federal Funds	\$7,085,000	30%	<b>\$1,259,000.00</b>	6.3%
Total Eligible Project Cost			<b>\$18,575,415.00</b>	<b>100%</b>
BUILD Funds	\$16,779,769	70%	<b>\$11,656,765.00</b>	62.8%
Non-Federal Funds	\$7,085,000	30%	<b>\$6,918,650.00</b>	37.2%

**ATTACHMENT E**  
**APPROVED PRE-AWARD COSTS**

**None.** The USDOT has not approved under this award any pre-award costs under 2 C.F.R. 200.458. Because unapproved costs incurred before the date of this agreement are not allowable costs under this award, the USDOT will neither reimburse those costs under this award nor consider them as a non-Federal cost sharing contribution to this award. Costs incurred before the date of this agreement are allowable costs under this award only if approved in writing by USDOT before being included the project costs and documented in this Attachment E. See section 19.2(b).