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# Memorandum

**To:** Brian Olson, Dir. Of Public Works  
**From:** James B. Lasher  
**Project:** Ramsey Municipal Parking Facility  
**Subject:** CMAQ Grant Authorization  
**Date:** September 1, 2011

The purpose of this memo is to outline the results of a meeting held with staff from Mn/DOT, FHWA and the Metropolitan Council on August 31, 2011 regarding the status of the City of Ramsey CMAQ Grant.

## BACKGROUND

The City of Ramsey applied for and was approved to receive a Congestion Mitigation Air Quality Grant (CMAQ) from the Metropolitan Council in 2005 for a total of \$5.6 Million. This grant is composed of 80% federal and 20% local funds and the use of the funds was programmed for 2009 implementation. The funds were allocated to two projects:

1. Ramsey Star Express Bus Service \$1.5 Million
2. Ramsey Parking Ramp Expansion \$4.1 Million

In 2007 the City request and was granted the ability to “pre-fund” the Ramsey Star Express Bus Service portion of the grant. This basically allows the City the right to start running bus service before the federal funds were available for that use. The agreement with the Met Council included that if the City did incur costs to run the bus prior to 2009, those costs could be re-paid to the City once the federal funds were available in 2009. To date, the City has been running this bus service and Met Council has begun the process of repaying the City that federal portion of the CMAQ grant.

In 2010, the City completed necessary plans for the Ramsey Parking Deck Expansion. Due to issues of potential winter construction costs along with various issues regarding land development and available parking within the current ramp, the City elected to delay the bidding and construction of the parking improvements until spring 2011. In June 2011 the City took bids for the parking ramp and subsequently awarded a Contract for Construction to Knutson Construction Co. on August 9, 2011. Due to an extremely competitive bidding climate, the Knutson Construction Co. bid was \$1.3 Million dollars under the available funds of \$4.10 Million.

Concurrent to this project award, the City of Ramsey was notified that the Governors Bonding Bill from the 2011 Legislative Session included funds for the construction of the Ramsey Rail Station. This was the culmination of years of work and effort by many parties to successfully provide a rail station at “The Core” on the Northstar Commuter Rail.

### Excess CMAQ Funds

As a result of the balance remaining in the CMAQ account due to highly competitive bids, I requested a meeting with Mn/DOT to begin discussions on how the City may utilize these funds within the limits of the approved CMAQ grant application. Through internal discussions with city staff, it was agreed that the highest priority improvement for the use of these funds would be a skyway connection to the new train station from the parking deck.

I requested a meeting with Mn/DOT State Aid staff on August 2, 2011 to begin discussions about this issue. Initially, Mn/DOT was supportive of this idea of use of funds but they did reserve judgment until they could discuss the issues with Met Council and FHWA staff. As a result of these discussions, a second meeting was called to bring all parties together to continue to review this issue.

On August 31, 2011 at meeting was held with MnDOT State Aid staff, Kevin Roggenbuck from the Met Council staff and Susan Moe, the local FHWA representative assigned to the Met Council.

The meeting began with my making a simple presentation and request that would allow the City to use excess CMAQ funds for a skyway connection. Without addressing this issue, the discussion turned to a potential problem using any of the CMAQ funds for parking improvements as a result of the recent approval of the rail station. The original CMAQ grant was for bus service and park and ride – the questions brought by FHWA and Met Council staff representatives were if the transit service were converted to rail from bus, would the original grant have scored well enough to be approved?

All agreed that at this point, the City is completing the project as originally approved and from MnDOT's position, this issue is not a cause for concern. However, the City Council should be aware that there may be a question upon the conversion of the transit service from bus to rail and how this impacts the original CMAQ grant. No recommendations or conclusions were reached at this meeting and all agreed to continue to discuss the issue.

I will be available to discuss this issue with your City Council at their September work session.

C: JoAnn Olsen – LSA  
William Fossing – LSA Design  
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