



Appendix D – Cost Participation Policy Cooperative Roadway Construction Projects

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The basic premise of the cost participation policy is that the County pays costs associated with County needs while municipalities pay costs associated with municipal or local needs. The cost of urban roadway construction is typically quite a bit higher than rural roadway construction, primarily due to increased complexity of projects in urban areas. Municipal or local needs in urban and urbanizing areas add to the complexity and overall construction costs. As a result, this cost participation policy is necessary for participating agencies to allocate appropriate funding levels to meet their specific needs.

This Cost Participation Policy is only a part of the overall collaborative partnership under implementation for County roadway projects in Rice County. Annually, the County Highway Engineer solicits input from municipalities and townships on the programming of County roadway construction projects in the County's Capital Improvement Plan (CIP). On specific programmed roadway projects, Rice County will request participation from the affected local agencies in developing reasonable design solutions, inclusion of local needs, public/property owner involvement, and planning for financial responsibilities.

This Cost Participation Policy applies only to County roadway projects identified in the County CIP. Locally-initiated and/or development-driven County roadway improvements shall be dealt with on an individual basis.

- 1. Purpose** – To establish policies for determining appropriate division of cost participation to be used by Rice County in funding cooperative roadway construction projects with municipalities, Minnesota Department of Transportation, and other agencies.
- 2. Scope** – The establishment of this cost participation policy is consistent with Minnesota Statutes, Sections 162.17, 373.01, 469.175, 471.59, and Amendments.
- 3. General Policies** –
 - a. A greater degree of County participation is afforded municipalities that have a population of less than 5,000 because of the absence of direct Municipal State Aid Street allocations.
 - b. It is recognized that there may be occasional differences between these policies and written participation policies of the Minnesota Department of Transportation. In those cases, the County Engineer will negotiate participation.
 - c. When federal aid highway funds are utilized on a County roadway project, these costs participation policies will be applied to the non-federal share of any specific item of work. In the event federal or state grant funds are made available to a project on a lump sum basis, the County will determine the items for which those funds will be utilized.

4. Cost Participation

The following represents the County Cost Participation Policy for County Road projects in Rice County. The Rice County Highway Engineer is the primary contact for County roadway planning, design, and construction projects. The County Engineer may be contacted for assistance at 507.332.6110.

a. Municipalities Over 5,000 in Population – Rice County will participate in 55% of the costs for the items outlined below. The remaining 45% of these costs are the municipality's responsibility.

- Removals
- Grading
- Travel Lanes (as required for capacity)
- Parking Lanes
- Shoulders
- Concrete Curb & Gutter (new or replacement)
- Concrete Median
- Culverts
- Retaining Walls (when constructed in lieu of right-of-way acquisition)
- Sidewalks (replacement)
- Bituminous Bike Path (new only if local agency adopts maintenance agreement)
- Bituminous Bike Path (replacement)
- Bituminous Overlay
- Traffic Signing & Striping
- Turf Restoration
- Driveway Replacement (affected by road construction)
- Wetland Mitigation (affected by road construction)

The following items are not eligible for Rice County cost participation and shall be the municipality's responsibility:

- Right-of-Way Acquisition
- Water Main Modification
- Sanitary Sewer Modification
- Other Utilities (telephone, gas, cable TV, electric, etc.)
- Street Lighting
- Intersecting Streets (outside county right-of-way)
- Sidewalks (new)
- Replace or Transplant Trees/Shrubs Within Right-of-Way
- New Landscaping

Rice County will participate at the same percentage as their share of the total contract items for the following activities:

- Design Engineering
- Construction Engineering
- Prorata Items (mobilization, traffic control, field office, etc.)

Other potential County participation items:

- Storm Sewer (100% of the State Aid-eligible amount)
- Traffic Signals (County will pay costs equivalent to the proportion of County legs entering the intersection)
- Replace or Transplant Trees/Shrubs Outside Right-of-Way (negotiated through right-of-way acquisition process)
- Bridges (by negotiation)

b. Municipalities Under 5,000 in Population – Rice County will participate in 100% of the costs for the following items:

- Right-of-Way Acquisition
- Design Engineering
- Construction Engineering
- Removals
- Grading
- Travel Lanes (as required for capacity)
- Parking Lanes
- Shoulders
- Concrete Curb & Gutter (new or replacement)
- Concrete Median
- Culverts
- Sidewalks (replacement)
- Bituminous Bike Path (new only if local agency adopts maintenance agreement)
- Bituminous Bike Path (replacement)
- Bituminous Overlay
- Traffic Signing & Striping
- Turf Restoration
- Driveway Replacement (affected by road construction)
- Wetland Mitigation (affected by road construction)

The following items are not eligible for Rice County cost participation and shall be the municipality's responsibility:

- Water Main Modification
- Sanitary Sewer Modification
- Other Utilities (telephone, gas, cable TV, electric, etc.)
- Street Lighting
- Intersecting Streets (outside county right-of-way)
- Sidewalks (new)
- Replace or Transplant Trees/Shrubs Within Right-of-Way
- New Landscaping

Rice County will participate at the same percentage as their share of the total contract items for the following activities:

- Prorata Items (mobilization, traffic control, field office, etc.)

Other potential County participation items:

- Storm Sewer (100% of the State Aid-eligible amount)
- Traffic Signals (County will pay costs equivalent to the proportion of County legs entering the intersection)
- Retaining Walls (75% when constructed in lieu of right-of-way acquisition)
- Replace or Transplant Trees/Shrubs Outside Right-of-Way (negotiated through right-of-way acquisition process)
- Bridges (by negotiation)