



CITY OF APPLETON

MEMORANDUM

Date: 08/12/2024
To: Finance Committee
From: Pete Neuberger, Deputy Director of Public Works
Subject: Request to Approve State/Municipal Financial Agreement for I-41/Ballard Interchange Project (2025 City Cost Share \$435,200).

The Department of Public Works (DPW) is requesting authorization for the City of Appleton to enter into a State/Municipal Financial Agreement (SMFA) for the I-41/Ballard Interchange Project. The SMFA is attached.

- Per SMFA page 2, total project cost estimate is \$23.87 Million, including:
 - \$23.02 Million State/Federal funds
 - \$411,015 Outagamie County funds
 - \$435,200 City of Appleton funds
- Project bid letting is scheduled for October 2024.
- Start of construction is scheduled for spring of 2025.
- WisDOT intends to issue an SMFA update as needed based on actual bids received.
- WisDOT requests local partners enter into the SMFA at this time to allow for an orderly and efficient bidding and award process this fall.
- City Cost Share is included in DPW's 2025 CIP budget request.

Thank you for your consideration.



**ORIGINAL
STATE/MUNICIPAL
FINANCIAL AGREEMENT FOR
A STATE – LET HIGHWAY
PROJECT**

Date: 6/20/2024
 ID: 1130-65-76 (Design: 1130-63-01)
 Road Name: IH 41
 Title: Appleton – De Pere
 Limits: Ballard Road (CTH E) Interchange
 County: Outagamie
 Roadway Length: 0.51 Miles

The signatories City of Appleton and Outagamie County, hereinafter called the Municipality, through its undersigned duly authorized officers or officials, hereby requests the State of Wisconsin Department of Transportation, hereinafter called the State, to initiate and affect the highway or street improvement hereinafter described.

The authority for the Municipality to enter into this agreement with the State is provided by Section 86.25(1), (2), and (3) of the Statutes.

NEEDS AND ESTIMATE SUMMARY:

Existing Facility - Describe and give reason for request:

The IH 41 Project corridor, which has four travel lanes – two in each direction – is congested and sees a higher rate of crashes than similarly configured freeways in Wisconsin. By federal standards, the project area has multiple roadway design deficiencies, and much of its pavement and several bridges are nearing the end of their useful lives and must be replaced.

Much of the original pavement in the corridor was built in the 1960s and has reached the end of its useful life, meaning further rehabilitations are no longer cost-effective. The project corridor also has narrow road shoulders, outdated ramp designs, and interchanges spaced too closely to one another – deficiencies that can contribute to safety and operational problems.

Proposed Improvement – Nature of work:

WisDOT identified the diverging diamond interchange as the preferred alternative for the County E interchange. At the County E interchange, the diverging diamond interchange (DDI) is the safest interchange option, has the best traffic operations, and has the support of the Municipality. Impacts between alternatives considered are not substantially different.

County E will be reconstructed, and bike lanes will be added from Capitol Drive to Evergreen Drive. Sidewalk and shared use paths impacted by reconstruction will be replaced. New storm sewer will be installed within the project limits. The existing structures carrying County E over IH 41 will be replaced with structures B-44-0324 and B-44-0325. Retaining walls R-44-0040 and R-44-0041 will be constructed. Sign structures S-44-0367, S-44-0369, S-44-0370, S-44-0371, S-44-0372, and S-44-0373 will be constructed. New traffic signals will be installed at the IH 41/County E ramp terminals. MUTCD compliant signing and pavement markings will be installed with the project

The trees in the Ballard Interchange median will be replaced with the project.

Describe non-participating work included in the project and other work necessary to finish the project completely which will be undertaken independently by the municipality:

The core and west approach to the County E/ Capitol Drive intersection will be reconstructed to allow for the addition of an eastbound left turn lane (two total eastbound left turn lanes after reconstruction). Bike lanes will be constructed on both sides of the Capitol Drive. Sidewalk will be replaced on the north side of Capitol Drive. The limits of the reconstruction of Capitol Drive extend from the core of the County E/ Capitol Drive intersection to 250 ft west of Commerce Court.

Work along Capitol Drive and Ballard and Capitol Drive intersection core will also include storm sewer installation, erosion control, fertilizer/seed/mulch, permanent signing, traffic signals, pavement marking and temporary traffic

control.

Landscaping elements such as trees, bushes, and grass will be added to the medians and islands of the IH 41 and Ballard Road diverging diamond interchange (DDI).

City of Appleton Intelligent Transportation Systems (ITS) infrastructure will be added to the IH 41 and Ballard Road DDI

SUMMARY OF COSTS

Phase ¹	Total Est. Cost	Federal/State Funds	%	City of Appleton	%	County of Outagamie	%
Design Engineering	N/A	N/A	100%	\$0	0%	\$0	0%
Real Estate Acquisition	N/A	N/A	100%	\$0	0%	\$0	0%
Municipal Utility Coordination:	N/A	N/A	100%	\$0	0%	\$0	0%
Construction ²:							
Category 1000 – Roadway	\$23,000,000.00	\$23,000,000.00	100%	\$0	0%	\$0	0%
Category 16XX – 100% Outagamie County Funded	\$15.00	\$0	0%	\$0	0%	\$15.00	100%
Category 18XX – 100% State Funded	\$1,000.00	\$1,000.00	100%	\$0	0%	\$0	0%
Category 20XX – B-44-0324			100%	\$0	0%	\$0	0%
Category 20XX – B-44-0325			100%	\$0	0%	\$0	0%
Category XXXX – Ballard and Capitol Intersection	\$618,000.00	\$0	0%	\$309,000.00	50%	\$309,000.00	50%
Category XXXX – Ballard Rd Interchange Landscaping (CSS)	\$200,000.00	\$0	0%	\$100,000.00	50%	\$100,000.00	50%
Category XXXX – Ballard Rd Tree Replacement (18 Trees)	\$20,000.00	\$16,000.00	80%	\$2,000.00	10%	\$2,000.00	10%
Category XXXX – City of Appleton ITS	\$24,000.00	\$0	0%	\$24,000.00	100%	\$0	0%
Category XXXX – City of Appleton Sanitary Manhole Adjustments	\$2,000.00	\$1,800.00	90%	\$200.00	10%	\$0	0%
Subtotal	\$23,865,015.00	\$23,017,800.00		\$435,200.00		\$411,015.00	
Total Est. Cost Distribution	\$23,865,015.00	\$23,017,800.00		\$435,200.00		\$411,015.00	

¹. Costs shown are estimates only and may be updated as design progresses

². Estimates include construction engineering, estimated at 15%.

This request shall constitute agreement between the Municipality and the State; is subject to the terms and conditions that follow (pages [3] – [7]); is made by the undersigned under proper authority to make such request for the designated Municipality, upon signature by the State, upon fully executed signature of applicable State Municipal Maintenance Agreement and delivery to the Municipality. The initiation and accomplishment of the improvement will be subject to the applicable federal and state regulations. No term or provision of neither the State/Municipal Financial Agreement nor any of its attachments may be changed, waived, or terminated orally but only by an instrument in writing executed by both parties to the State/Municipal Financial Agreement.

Signed for and in behalf of the City of Appleton	
Name <small>(print)</small>	Title
Signature	Date
Signed for and in behalf of Outagamie County	
Name <small>(print)</small>	Title
Signature	Date
Signed for and in behalf of the State	
Name <small>(print)</small>	Title
Signature	Date

(please sign in blue ink)

TERMS AND CONDITIONS:

1. The Municipality shall pay to the State all costs incurred by the State in connection with the improvement which exceeds federal/state financing commitments or are ineligible for federal/state financing. Local participation shall be limited to the items and percentages set forth in the Summary of Costs table, which shows Municipal funding participation. In order to guarantee the Municipality’s foregoing agreements to pay the State, the Municipality, through its above duly authorized officers or officials, agrees and authorizes the State to set off and withhold the required reimbursement amount as determined by the State from General Transportation Aids or any moneys otherwise due and payable by the State to the Municipality.
2. Funding of each project phase is subject to inclusion in an approved program and per the State’s Facility Development Manual (FDM) standards. Federal aid and/or state transportation fund financing will be limited to participation in the costs of the following items as specified in the Summary of Costs:
 - (a) Design engineering and state review services.
 - (b) Real Estate necessitated for the improvement.
 - (c) Compensable utility adjustment and railroad force work necessitated for the project.
 - (d) The grading, base, pavement, curb and gutter, and structure costs to State standards, excluding the cost of parking areas.
 - (e) Storm sewer mains, culverts, laterals, manholes, inlets, catch basins, and connections for surface water drainage of the improvement; including replacement and/or adjustments of existing storm sewer manhole covers, and inlet grates as needed.
 - (f) Construction engineering incidental to inspection and supervision of actual construction work, except for inspection, staking, and testing of sanitary sewer and water main.
 - (g) Signing and pavement marking necessitated for the safe and efficient flow of traffic, including detour

routes.

- (h) Replacement of existing sidewalks necessitated by construction and construction of new sidewalk at the time of construction. Sidewalk is considered to be new if it's constructed in a location where it has not existed before.
 - (i) Replacement of existing driveways, in kind, necessitated by the project.
 - (j) New installations or alteration resulting from roadway construction of standard State street lighting and traffic signals or devices. Alteration may include salvaging and replacement of existing components.
 - (k) WisDOT will replace the existing trees located in the median of the Ballard Road interchange
3. Work necessary to complete the improvement to be financed entirely by the Municipality or other utility or facility owner includes the following items:
- (a) New installations of or alteration of sanitary sewers and connections, water, gas, electric, telephone, telegraph, fire or police alarm facilities, parking meters, and similar utilities.
 - (b) New installation or alteration of signs not necessary for the safe and efficient flow of traffic.
 - (c) Roadway and bridge width in excess of standards.
 - (d) Construction inspection, staking, and material testing and acceptance for construction of sanitary sewer and water main.
 - (e) Provide complete plans, specifications, and estimates for sanitary sewer and water main work. The Municipality assumes full responsibility for the design, installation, inspection, testing, and operation of the sanitary sewer and water system. This relieves the State and all of its employees from the liability for all suits, actions, or claims resulting from the sanitary sewer and water system construction.
 - (f) Parking lane costs.
 - (g) Coordinate, clean up, and fund any hazardous materials encountered for city utility construction. All hazardous material cleanup work shall be performed in accordance with state and federal regulations.
 - (h) Ballard and Capitol Intersection costs.
 - Compensable utility adjustment and railroad force work necessitated for the project.
 - The grading, base, pavement, curb and gutter, and structure costs to State standards
 - Storm sewer mains, culverts, laterals, manholes, inlets, catch basins, and connections for surface water drainage of the improvement; including replacement and/or adjustments of existing storm sewer manhole covers and inlet grates as needed.
 - Signing and pavement marking necessitated for the safe and efficient flow of traffic.
 - Replacement of existing sidewalks necessitated by construction and construction of new sidewalk at the time of construction. Sidewalk is considered to be new if it's constructed in a location where it has not existed before.
 - Replacement of existing driveways, in kind, necessitated by the project.
 - New installations or alteration resulting from roadway construction of standard street lighting and traffic signals or devices. Alteration may include salvaging and replacement of existing components.
 - (i) Ballard Road Interchange Landscaping (CSS)
 - (j) City of Appleton Intelligent Transportation System (ITS)

4. As the work progresses, the Municipality will be billed for work completed which is not chargeable to federal/state funds. Upon completion of the project, a final audit will be made to determine the final division of costs.
5. If the Municipality should withdraw the project, it shall reimburse the State for any costs incurred by the State on behalf of the project.
6. The work will be administered by the State and may include items not eligible for federal/state participation.
7. The Municipality shall, in cooperation with the State, assist with public relations for the project and announcements to the press and such outlets as would generally alert the affected property owners and the community of the nature, extent, and timing of the project and arrangements for handling traffic within and around the project.
8. Basis for local participation:

Design Engineering, Real Estate Acquisition, Utility Coordination:

The State will pay 100% of the cost for design engineering, real estate acquisition, and utility coordination.

Costs for design engineering, real estate acquisition, and utility coordination are shown as not applicable (N/A) in the summary of costs table due to the complexities of isolating individual Let Project costs from the Appleton-Green Bay corridor wide design ID (1130-63-01) and this information is not relevant to the municipal construction cost share.

Construction ID: 1130-65-76

The Project Agreement will be revised, if necessary, as the project progresses. All costs shown are approximate and subject to final audit.

Category 1000 – Roadway Items

The State will pay 100% of the construction costs under Category 1000 – Roadway Items unless otherwise noted.

Category 16XX – Outagamie County

In accordance with Local Participation Policy Section 3-25-5 of the State’s Program Management Manual proposed improvements requested by the Municipality within the project limits, but outside the original project scope, are considered 100% the responsibility of the Municipality.

Item Number	Item Description	Units	Estimated Qty	Unit Price	Amount
305.0120	Base Aggregate Dense 1 ¼-Inch	TON	1	\$13	\$13.00

1130-65-76 Construction Total	\$13.00
15% Construction Engineering	\$2.00
1130-65-76 Project Total	\$15.00

Category 18XX – 100% State Funded

The State will pay 100% of the construction costs under Category 18XX – 100% State Funded Items unless otherwise noted.

Category 20XX – B-44-0324

The State will pay 100% of the construction costs under Category 20XX – B-44-0324 unless otherwise noted.

Category 20XX – B-44-0325

The State will pay 100% of the construction costs under Category 20XX – B-44-0325 unless otherwise noted.

Category XXXX – Ballard and Capitol Intersection

In accordance with Local Participation Policy Section 3-25-5 of the State’s Program Management Manual proposed improvements requested by the Municipality within the project limits, but outside the original project scope, are considered 100% the responsibility of the Municipality.

Category XXXX - Ballard Rd Interchange Landscaping (CSS)

In accordance with the Local Participation Policy Section 3-25-5 of the State’s Program Management Manual Wis. Stat. 85.0205 (1m) prevents the use of improvement funds on elements of a highway improvement project that are determined to be primarily related to the aesthetic preferences of communities adjacent to the improvement. These aesthetic preferences are commonly called community sensitive solutions (CSS) or community sensitive design (CSD).

In accordance with Local Participation Policy Section 3-25-5 of the State’s Program Management Manual proposed improvements requested by the Municipality within the project limits, but outside the original project scope, are considered 100% the responsibility of the Municipality.

Category XXXX - Ballard Rd Tree Replacement

In accordance with the Local Participation Policy Section 3-25-15 of the State’s Program Management Manual landscaping replacement in the median or terrace area that is approved by WisDOT is eligible for WisDOT participation.

Landscaping is 80 percent eligible for WisDOT participation when placement is in the right-of-way or when the municipality or WisDOT legally arranges for placement on private property in cases where there is insufficient space in the right-of-way.

Landscaping will be consistent with the adopted WisDOT standards (limited to trees and shrubs as appropriate), provided the municipality or property owner accepts responsibility for the maintenance of the landscaping items.

Category XXXX - City of Appleton Intelligent Transportation System (ITS)

In accordance with Local Participation Policy Section 3-25-5 of the State’s Program Management Manual proposed improvements requested by the Municipality within the project limits, but outside the original project scope, are considered 100% the responsibility of the Municipality.

Category XXXX – City of Appleton Sanitary Manhole Adjustments

Wisconsin State Statute 84.295 (4m) Municipal Utility Relocation; Freeway Construction

- (a) The state shall pay 90 percent of the eligible costs of the relocation or replacement of any municipal utility facilities required by the construction of any freeway undertaken by the department. The affected municipal utility shall pay the balance of such costs.

Item Number	Item Description	Units	Estimated Qty	Unit Price	Amount
SPV.0060	Special 1200. Adjusting Sanitary Manhole	EACH	1	\$1,739	\$1,739

1130-65-76 Construction Total	\$1,739
15% Construction Engineering	\$261
1130-65-76 Project Total	\$2,000
10% Municipal Participation	\$200

Comments and Clarification: This agreement is an active agreement that may need to be amended as the project is designed. It is understood that these amendments may be needed as some issues have not been fully evaluated or resolved. The purpose of this agreement is to specify the local and state involvement in funding the project. A signed agreement is required before the State will prepare or participate in the preparation of detailed designs, acquire right-of-way, or participate in construction of a project that merits local involvement.