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TO: Honorable County Commissioners
Scott Arneson, County Administrator

FROM: Jess L. Greenwood, Public Works Director

RE: 7 April 2026 County Board Meeting – REGULAR AGENDA
Local Road Improvement Program (LRIP) Grant Selection

Date: 1 April 2026

Summary

Goodhue County has been selected as a recipient of a Local Road Improvement Grant (LRIP) for the CSAH 1 / CSAH 66 roundabout project.

Background

In the fourth quarter of 2025, the State of Minnesota, through the Department of Transportation, announced a competitive funding opportunity under the Local Road Improvement Program (LRIP). Funding for this program was appropriated during the legislative session. Eligible applicants included townships, cities, and counties.

A total of 233 projects were submitted statewide, representing over \$233.4 million in requested funding and approximately \$1.143 billion in total project costs. The program had \$47 million in General Obligation (GO) bond funding available, resulting in 42 projects being selected for funding.

Goodhue County staff submitted the CSAH 1 / CSAH 66 roundabout project for consideration. On March 27, 2026, the County was notified that it had been awarded \$750,000 in LRIP funding for this project.

As with most state grant programs, the County Board will be required to formally enter into a grant agreement with the Minnesota Department of Transportation. Staff will present the agreement for Board consideration at a future meeting.

The Board may recall that this project was also awarded \$750,000 through the Highway Safety Improvement Program (HSIP). At that time, HSIP funding was not anticipated to be available until 2030, which impacted the previously planned 2027 construction schedule.

LRIP funds require that projects be under contract in 2027, with expenditures completed by 2028. To maximize the benefit of both funding sources, Goodhue County will need to amend its Five-Year Capital Improvement Plan to schedule construction of the roundabout in 2028 and advance the HSIP funding to align with that timeline. The HSIP funds will then be reimbursed in their programmed year of 2030.

This adjustment does not present a funding challenge, as the project was originally planned without reliance on these grant funds and already has an identified funding mechanism.

"To effectively promote the safety, health, and well-being of our residents"