



City of Grand Forks
Staff Report
City Council – September 2, 2025

Agenda Item: Preliminary Engineering Reimbursement Agreement for City Project No. 8987– Gateway Dr & N 43rd St Intersection Improvements

Submitted by: Engineering Department, David Kuharenko, PE (Assistant City Engineer)
Joel Holweger (Project & Program Coordinator)

Staff Recommended Action: **Approve Preliminary Engineering Reimbursement Agreement for City Project No. 8987– Gateway Dr & N 43rd St Intersection Improvements and Any Necessary Budget Amendments.**

Council Action:

BACKGROUND:

The agreement under consideration for approval is the North Dakota Department of Transportation’s (NDDOT) standard preliminary engineering reimbursement agreement. The agreement itself is that the NDDOT agrees to proceed with the preliminary engineering and with the construction of the project, the City agrees to reimburse the NDDOT for all preliminary engineering expenses incurred if the City terminates or materially reduces the project scope. NDDOT staff will be designing this project internally, so there will be no selection process for Engineering services.

This proposed project was selected and programmed through the Highway Safety Improvement Program (HSIP), which provides Federal grant funding through the Federal Highway Administration (FHWA) and administered through the NDDOT. Roadways eligible for funding under the HSIP include classified streets within the city. Since Gateway Dr is classified as a Primary Regional road, cost sharing is anticipated to be a 90% Federal/10% State/0% City share.

The proposed project is anticipated to increase safety within the corridor by reducing conflicts within the intersection, as well as modifying access. The improvements constructed on this intersection will fall in line with the future I-29 access improvements at the adjacent interstate interchange identified in the MPO’s I-29 corridor study, including the installation of retaining walls, modifications of loop ramps, and the addition of right turn lanes to existing interstate ramps etc. The proposed Gateway Dr/N 43rd St project would include the following improvements:

- Relocate access to the frontage road on North side of the current intersection.

- Create access control in the current intersection. This would include modification of current medians to accommodate access control. This modification would not allow eastbound traffic on Gateway Drive to turn northbound onto the Gateway Drive frontage road or traffic on N 43rd St to cross Gateway Dr.
- New striping layouts corresponding with the modified intersection.

ANALYSIS AND FINDINGS OF FACT:

- The total construction cost for this project is currently estimated and requested for the 2026-2029 STIP at \$1,213,000.
- Federal and State funding will generally be utilized per the following:
 - Total project cost- \$1,213,000
 - Federal Share- \$1,091,700
 - State Share- \$121,300
 - City Share- \$0
- The project funding split is anticipated to be 90% Federal/10% State/0% City for eligible items.
- The basis of the attached Agreement is that the NDDOT agrees to proceed with the preliminary engineering of the project, and the City agrees to reimburse the NDDOT for all preliminary engineering expenses incurred if the City terminates or materially reduces the project scope.
- The project is shown in Street/Infrastructure Fund 4815 where \$121,300 city share is shown in the six-year CIP in 2027 in the 2025 city budget for a contingency of funding changes.
- Construction is expected to take place during the 2027 construction season.

SUPPORT MATERIALS:

- Pertinent pages of Proposed Agreement (3 pages)
- Project Location Map (1 page)
- Page 543 of the 2025 City Budget showing this project in the CIP (1 page)

MEMO TO: Chad Orn
Deputy Director for Planning

FROM: Palo, George H. Urban Project Manager

DATE: 08/13/2025

SUBJECT: 38250954: HEN-6-002(149)355 (PCN 24584) Preliminary Engineering Reimbursement Agreement.

This project is a Highway Safety Improvement Project (HSIP) for US Highway 2 at the intersection of 43rd St. in Grand Forks ND. The project includes intersection improvements and access modifications.

This agreement solidifies the City's agreement with the NDDOT proceeding with the project development process. If the City decides they no longer want the project or support it, this agreement outlines their role in reimbursement to NDDOT for engineering services.

If you have any questions, please contact me at (701) 787-6539.

38/ghp

Contract Routing:
Stacey Hanson;
Derek Pfeifer;
Nicole Lagasse;
David Kuharenko (assign City Signers);
City Attorney;
City Auditor;
City Mayor/President of Commission;
George Palo;
Clint Morgenstern;
Chad Orn.

NDDOT Contract No. 38250954
Project No. HEN-6-002(149)355
PCN No. 24584

**North Dakota Department of Transportation
PRELIMINARY ENGINEERING REIMBURSEMENT AGREEMENT**

This agreement is between the state of North Dakota, acting by and through its Director of Transportation, hereinafter referred to as NDDOT, whose address is 608 East Boulevard Avenue, Bismarck, North Dakota 58505-0700, and City of Grand Forks, North Dakota, hereinafter referred to as the City.

WHEREAS, the City agrees that NDDOT proceed with project development activities on US Highway 2 intersecting with 43rd St, HEN-6-002(149)355 (PCN 24584); and;

WHEREAS, the City agrees that the project be developed in accordance with NDDOT policies and with the scope of work identified in Attachment A, attached hereto and incorporated by reference.

NOW, THEREFORE, it is agreed that NDDOT will take all necessary steps in project development to deliver an environmental document and set of design plans approved by the City, and construct the project by scheduling a bid opening at such time as funding and project completion allows.

The City agrees that should it unilaterally and voluntarily terminate this agreement by whatever means or action, it shall reimburse NDDOT for any and all costs it has incurred for engineering services under this agreement.

The City further agrees that should it request or otherwise cause a material alteration to, or a reduction of the scope of the project, it shall reimburse NDDOT for any and all costs it has incurred for engineering services under this agreement.

In the event the City fails to reimburse NDDOT, such failure shall constitute an assignment of funds, derived from the State Highway Tax Distribution Fund now or hereafter coming into the hands of the State Treasurer to the credit of the City, and that the State Treasurer is hereby directed to deliver and pay over to NDDOT all funds credited to the City until the total thereof equals the sum billed pursuant to this agreement.

Appendices A and E of the Title VI Assurances, attached, are hereby incorporated into and made a part of this agreement.

The Risk Management Appendix, attached, is hereby incorporated and made a part of this agreement.



Executed by the city of Grand Forks, at Grand Forks North Dakota, the last date below signed.

APPROVED:

CITY ATTORNEY (TYPE OR PRINT)

SIGNATURE

DATE

City of _____

NAME (TYPE OR PRINT)

SIGNATURE

*

TITLE

DATE

ATTEST:

CITY AUDITOR (TYPE OR PRINT)

SIGNATURE

DATE

Executed for the North Dakota Department of Transportation by the Director at Bismarck, North Dakota, the last date below signed.

APPROVED as to substance by:

Derek Pfeifer

LOCAL GOVERNMENT ENGINEER (TYPE OR PRINT)

SIGNATURE

08/14/25

DATE

NORTH DAKOTA
DEPARTMENT OF TRANSPORTATION

DIRECTOR (TYPE OR PRINT)

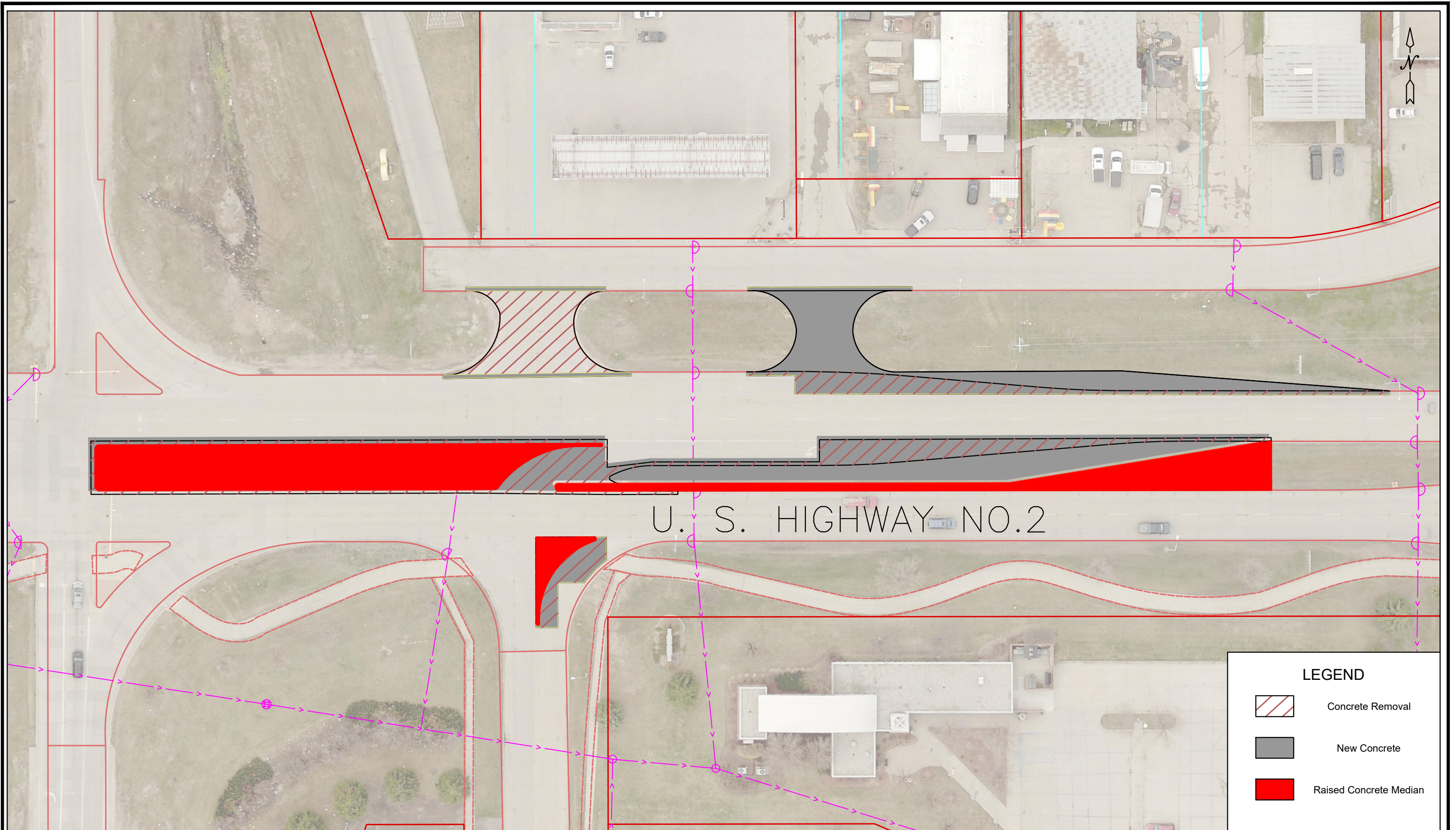
SIGNATURE

DATE




*Mayor or President City Commission

CLA 17057 (Div. 38)
L.D. Approved 7-17-89; 10-23





U. S. HIGHWAY NO.2

LEGEND	
	Concrete Removal
	New Concrete
	Raised Concrete Median

City of Grand Forks
 2025 City Budget
 CIP (Continued)
 Six Year CIP Summary Listing

By Project Type

Department	Category/Project Source of Funds	2025	2026	2027	2028	2029	2030	Outyears	Estimated Total Cost
Streets & Bikepaths									
	Soflie Bridge Expansion Joint Replacement								
	Federal Share Regional	21,883	-	-	-	-	-		21,883
	State Share	2,453	-	-	-	-	-		2,453
	City Share (Street/Infrastructure)	10,000	-	-	-	-	-		10,000
	Total	34,336	-	-	-	-	-		34,336
	N 4th St (1st Ave N to 2nd Ave N)								
	Federal Share Urban	2,244,000	-	-	-	-	-		2,244,000
	City Share (Street/Infrastructure)	561,000	-	-	-	-	-		561,000
	Total	2,805,000	-	-	-	-	-		2,805,000
	Speed Minder Sign								
	Federal Share Urban	36,000	-	-	-	-	-		36,000
	City Share (Street/Infrastructure)	4,000	-	-	-	-	-		4,000
	Total	40,000	-	-	-	-	-		40,000
	S Washington St (Demers Ave to Hammerling) Microseal								
	Federal Share Regional	331,813	-	-	-	-	-		331,813
	State Share	37,187	-	-	-	-	-		37,187
	City Share (Street/Infrastructure)	41,000	-	-	-	-	-		41,000
	Total	410,000	-	-	-	-	-		410,000
	47th Ave S (Columbia Rd to S 34th St)								
	State Flex Fund	5,000,000	-	-	-	-	-		5,000,000
	City Share (Street/Infrastructure)	1,000,000	-	-	-	-	-		1,000,000
	Total	6,000,000	-	-	-	-	-		6,000,000
	Demers Ave (Central Fire Sta to N 6th St) CPR & Grind								
	Federal Share Regional	1,667,967	-	-	-	-	-		1,667,967
	State Share	186,533	-	-	-	-	-		186,533
	City Share (Street/Infrastructure)	210,000	-	-	-	-	-		210,000
	Total	2,064,900	-	-	-	-	-		2,064,900
	S Washington & 28th Ave S Turn Lane Extension								
	Federal Share Regional	-	251,100	-	-	-	-		251,100
	State Share	-	13,950	-	-	-	-		13,950
	City Share (Street/Infrastructure)	-	15,000	-	-	-	-		15,000
	Total	-	280,050	-	-	-	-		280,050
	Point Bridge Rehabilitation								
	Federal Share Regional	-	920,000	-	-	-	-		920,000
	Other Share (TBD)	-	1,150,000	-	-	-	-		1,150,000
	City Share (Street/Infrastructure)	-	230,000	-	-	-	-		230,000
	Total	-	2,300,000	-	-	-	-		2,300,000
	Gateway Dr (Red River to I-29) CPR & Grind								
	Federal Share Regional	-	-	3,557,600	-	-	-		3,557,600
	State Share	-	-	889,400	-	-	-		889,400
	City Share (Street/Infrastructure)	-	-	50,000	-	-	-		50,000
	Total	-	-	4,497,000	-	-	-		4,497,000
	N Washington St (1st Ave N to 8th Ave N)								
	Federal Share Regional	-	-	8,047,679	-	-	-		8,047,679
	State Share	-	-	901,921	-	-	-		901,921
	City Share (Street/Infrastructure)	-	-	1,000,000	-	-	-		1,000,000
	Total	-	-	9,949,600	-	-	-		9,949,600
	Us 2/Gateway Dr & N Columbia Rd Intersection Improvements								
	Federal Share HSIP	-	-	2,263,500	-	-	-		2,263,500
	State Share	-	-	-	-	-	-		-
	City Share (Street/Infrastructure)	-	-	251,500	-	-	-		251,500
	Total	-	-	2,515,000	-	-	-		2,515,000
	Us 2/Gateway Dr & N Columbia Rd Intersection Improvements								
	Federal Share HSIP	-	-	1,091,700	-	-	-		1,091,700
	State Share	-	-	-	-	-	-		-
	City Share (Street/Infrastructure)	-	-	121,300	-	-	-		121,300
	Total	-	-	1,213,000	-	-	-		1,213,000
	S 48th St (Demers Ave to 11th Ave S)								
	Federal Share Urban	-	-	5,167,000	-	-	-		5,167,000
	City Share (Street/Infrastructure)	-	-	3,149,000	-	-	-		3,149,000
	Total	-	-	8,316,000	-	-	-		8,316,000