

C Community Development Committee
For the Metropolitan Council meeting of May 25, 2011

Item: 2011-139

ADVISORY INFORMATION

Date May 18, 2011
Prepared:
Subject: **Change in scope of Grants SG-2010-095 and SG-2010-104, Winter Recreation Area at Lake Elmo Park Reserve, Washington County**

Proposed Action:

That the Metropolitan Council authorize an amendment to grants SG-2010-095 and SG-2010-104 which changes the scope of the grants by replacing reference to remodeling a barn for a trailhead with constructing a new trailhead facility for the Winter Recreation Area at Lake Elmo Park Reserve.

Summary of Committee Discussion / Questions:

The Committee had no questions. The Committee unanimously approved the proposed action.



Community Development Committee

Meeting date: May 16, 2011

Business Item
Item: 2011-139

ADVISORY INFORMATION

Date:	May 9, 2011
Subject:	Change in scope of Grants SG-2010-095 and SG-2010-104, Winter Recreation Area at Lake Elmo Park Reserve, Washington County
District(s), Member(s):	Metropolitan Council District 12, Harry Melander
Policy/Legal Reference:	MN Statute 473.315
Staff Prepared/Presented:	Arne Stefferud, Planning Analyst-Parks (651-602-1360)
Division/Department:	Community Development Division, Parks

Proposed Action

That the Metropolitan Council authorize an amendment to grants SG-2010-095 and SG-2010-104 which changes the scope of the grants by replacing reference to remodeling a barn for a trailhead with constructing a new trailhead facility for the Winter Recreation Area at Lake Elmo Park Reserve.

Background

Washington County has requested an amendment to the scope of grants SG-2010-095 financed with a Fiscal Year (FY) 2011 Parks and Trails Fund appropriation and SG-2010-104 financed with 2010 State bonds by replacing reference to remodeling a barn for a trailhead with constructing a new trailhead facility for the Winter Recreation Area at Lake Elmo Park Reserve.

Rationale

The premise for the scope amendment is that bids to remodel a barn for the trailhead and to build a park road to the barn significantly exceed the amount available in the grants. Constructing a new trailhead facility in a location that nearly eliminates the need for a park road can be done with available grant funds.

Funding

Grant SG-2010-095 (\$716,000) was funded with a portion of the FY 2011 Parks and Trails Fund appropriation. Grant SG-2010-104 (\$350,000) was funded with a portion of the 2010 State bond appropriation for the 2010-11 Metropolitan Regional Parks Capital Improvement Program.

Known Support / Opposition

The Metropolitan Parks and Open Space Commission considered this matter at its May 3rd meeting and unanimously approved the recommendation.

METROPOLITAN COUNCIL
390 North Robert Street, St. Paul, MN 55101
Phone (651) 602-1000 TDD (651) 291-0904

DATE: April 25, 2011

TO: Metropolitan Parks and Open Space Commission

FROM: Arne Stefferud, Planning Analyst-Parks (651) 602-1360

SUBJECT: (2011-139) Change in scope of Grants SG-2010-095 and SG-2010-104, Winter Recreation Area at Lake Elmo Park Reserve, Washington County

INTRODUCTION

Washington County has requested an amendment to the scope of grants SG-2010-095 financed with a Fiscal Year (FY) 2011 Parks and Trails Fund appropriation and SG-2010-104 financed with 2010 State bonds by replacing reference to remodeling a barn for a trailhead with constructing a new trailhead facility for the Winter Recreation Area at Lake Elmo Park Reserve. The premise for the scope amendment is that bids to remodel a barn for the trailhead and to build a park road to the barn significantly exceed the amount available in the grants. Constructing a new trailhead facility in a location that nearly eliminates the need for a park road can be done with available grant funds. (See **Attachment 1: Letter from John Elholm, Washington County**)

The Metropolitan Council must consider and approve the proposed change in scope of the grants. This memorandum contains a review of this request under applicable terms of the appropriation legislation and grant agreements and recommends changing the scope of the grants as requested.

AUTHORITY TO REVIEW

Minnesota Statute Section 473.315 authorizes the “Metropolitan Council with the advice of the Metropolitan Parks and Open Space Commission to make grants from any funds available to it for recreation open space purposes to any municipality, park district or county located wholly or partially within the metropolitan area to cover the cost, or any portion of the cost, of acquiring or developing regional recreation open space in accordance with the [*Regional Recreation Open Space*] Policy Plan”.

ANALYSIS

The Minnesota Legislature under Laws of Minnesota 2009, chapter 172, article 3, section 3, appropriated money to the Metropolitan Council from the Parks and Trails Fund to be disbursed to regional park implementing agencies under a formula found in new Minnesota Statute 85.53. The Parks and Trails Fund appropriations are financed with a portion of 3/8ths cent sales and use tax that is in effect from 2009 to 2034 under Article XI, section 15 of the Minnesota Constitution. Under that section of the Constitution, appropriations from the Parks and Trails Fund, “may only be spent to support parks and trails of regional and statewide significance”.

Grant SG-2010-095 (\$716,000) was funded with a portion of the FY 2011 Parks and Trails Fund appropriation. The Metropolitan Council approved the grant on June 23, 2010. The appropriation that finances this grant expires on June 30, 2012. Grant SG-2010-104 (\$350,000) was funded with a portion of the 2010 State bond appropriation for the 2010-11 Metropolitan Regional Parks Capital Improvement Program. The Metropolitan Council approved the grant on September 9, 2010. This grant expires on December 31, 2013.

The current scope for Grant SG-2010-095 is:

“At Lake Elmo Park Reserve, complete Winter Recreation Area development that was started with FY 2010 Parks and Trails Fund grant SG-2009-024 including—plan winter recreation area project, develop or re-develop recreation facilities to accommodate evening use, install lighting for ski trails and site, develop roads and parking lot, remodel barn for use as a trailhead, and provide signage and other amenities to enhance park visitor’s experience.”

The current scope for Grant SG-2010-104 is:

“At Lake Elmo Park Reserve, complete Winter Recreation Area; including ski trail lighting, roads, parking, barn remodel, signage, and related infrastructure, amenities and landscaping. Supplements Grant SG-2009-024 and Grant SG-2010-095.”

As noted in the introduction, Washington County wants to change the scope of these grants by deleting reference to “remodel barn for trailhead” with “constructing a new trailhead facility.”

The proposed change in scope of grant SG-2010-095 is consistent with the Constitutional requirement that the grant support parks and trails of regional or statewide significance. Section 9.2 of the grant agreement states:

9.2 Amendments. Any amendments to this grant contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant contract, or their successors in office.

The proposed change in scope of grant SG-2010-104 is consistent with the following portions of section 6.06 of that grant agreement:

6.06 Changes in the Development Project. If the Grantee, for any reason, determines that a Development Project or any portion of it should not be undertaken, or that there should be a change in the scope or costs of the Development Project or any portion of it, the Grantee shall submit to the Council’s Regional Administrator a statement describing the situation and giving the reasons for the Grantee’s determination. The Grantee may, simultaneously with the submission of the statement or within a reasonable time thereafter, recommend alternative projects, activities, uses, expenditures, or allocations of grant funds.

...In determining whether to approve the Grantee’s recommendations, the Council shall give full regard to legislative determinations concerning development funding and to the general position that the total grant award herein should ultimately be made available to the Grantee for development.

CONCLUSION

1. The proposed change in scope of grant SG-2010-095 is consistent with applicable sections of the appropriation law that financed the grant (Laws of MN 2009, Chap. 172), and the Constitutional amendment that finances the grant which states that the appropriation from the Parks and Trails Fund, “may only be spent to support parks and trails of regional significance”.
2. The proposed change in scope of SG-2010-104 is consistent with section 6.06 of the grant agreement regarding changes in the development project.

RECOMMENDATION

That the Metropolitan Council authorize an amendment to grants SG-2010-095 and SG-2010-104 which changes the scope of the grants as described in this memorandum.

Attachment 1: Letter from John Elholm, Washington County



**Department of Transportation
and Physical Development
Parks Division**

Donald J. Theisen, P.E.
Director/County Engineer

John D. Elholm, CPRP
Parks Director

April 13, 2011

Arne Stefferud
Metropolitan Council
390 North Robert Street
St. Paul, MN 55101

RE: CHANGE IN SCOPE FOR GRANTS SG-2010-095 and SG-2010-104

Dear Arne:

Washington County has grant agreements in place for the construction of a Winter Recreation Area in Lake Elmo Park Reserve. The grants are for the installation of ski trail lighting, roads, parking, remodeling of a barn for a trailhead, and related amenities. We have received quotes for portions of this project and have found that costs are significantly higher than anticipated. Because of this, Washington County is interested in modifying the scope of grants SG-2010-095 and SG-2010-104.

The primary financial issue at hand relates directly to barn remodeling – both the cost of the remodel and the cost of bringing a road to the barn. We propose to build a new trailhead facility rather than remodel a barn, and select a new location that will nearly eliminate the need for a road. This new building and new location will be more cost effective than the original plan. Washington County requests that references to remodeling a barn for a trailhead be changed to constructing a new trailhead building in the aforementioned grants. All other elements of the grants should remain the same.

Please review this request at your earliest convenience, and have it considered at the May, 2011 Park and Open Space Commission, Community Development Committee and Council meetings if appropriate.

If you have any questions or need additional information, please let me know. I can be reached at (651) 430-4303 or at john.elholm@co.washington.mn.us.

Sincerely,

A handwritten signature in black ink, appearing to read "John D. Elholm".

John D. Elholm
Parks Director

c. Don Theisen

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