

U.S. DEPARTMENT OF TRANSPORTATION

**GRANT AGREEMENT UNDER THE
FISCAL YEAR 2025 BUILD PROGRAM**

This agreement is between the United States Department of Transportation (the “USDOT”) and the Minnesota Department of Transportation (the “Recipient”).

This agreement reflects the selection of the Recipient to receive a BUILD Grant for the Aerial Lift Bridge Rehabilitation.

If schedule A to this agreement identifies a Designated Subrecipient, that Designated Subrecipient is also a party to this agreement, and the parties want the Designated Subrecipient to carry out the project with the Recipient’s assistance and oversight.

The parties therefore agree to the following:

**ARTICLE 1
GENERAL TERMS AND CONDITIONS.**

1.1 General Terms and Conditions.

- (a) In this agreement, “General Terms and Conditions” means the content of the document titled “General Terms and Conditions Under the Fiscal Year 2025 BUILD Program: FHWA Projects,” dated November 4, 2025, which is available at <https://www.transportation.gov/BUILDgrants/grant-agreements>. The General Terms and Conditions reference the information contained in the schedules to this agreement. The General Terms and Conditions are part of this agreement.
- (b) The Recipient states that it has knowledge of the General Terms and Conditions.
- (c) The Recipient acknowledges that the General Terms and Conditions impose obligations on the Recipient and that the Recipient’s non-compliance with the General Terms and Conditions may result in remedial action, terminating of the BUILD Grant, disallowing costs incurred for the Project, requiring the Recipient to refund to the USDOT the BUILD Grant, and reporting the non-compliance in the Federal-government-wide integrity and performance system.

**ARTICLE 2
SPECIAL TERMS AND CONDITIONS.**

There are no special terms.

**SCHEDULE A
ADMINISTRATIVE INFORMATION**

1. Application.

Application Title: Duluth Aerial Lift Bridge Improvement Project

Application Date: February 28, 2024

2. Recipient's

See section 28.3 of the General Terms and Conditions.

3. Recipient Contact(s).

Kristine Elwood
State Aid Engineer
Minnesota Department of Transportation
395 John Ireland Blvd., MS 500
St. Paul, MN 55155
(651) 366-4831
Kristin.elwood@state.mn.us

Chris Nobach
Federal Aids Agreement & Special Programs Engineer
State Aid for Local Transportation
395 John Ireland Blvd., MS 500
St. Paul, MN 55155
(651) 366-3824
christopher.nobach@state.mn.us

4. Recipient Key Personnel.

None.

5. USDOT Project Contact(s).

Jason Spilak
Local/Grants Program Manager
FHWA Minnesota Division
180 E 5th St., Suite 930
(651) 291-6108
Jason.spilak@dot.gov

6. Payment System.

USDOT Payment System: FMIS

7. Office for Subaward and Contract Authorization.

USDOT Office for Subaward and Contract Authorization: FHWA Division

8. Federal Award Identification Number.

See section 28.2 of the General Terms and Conditions.

9. Designated Subrecipient.

Designated Subrecipient: City of Duluth

Designated Subrecipient Project Contacts:

Duncan Schwensohn, PE
Project Engineer
City of Duluth
411 W First Street, Room 240
Duluth, MN 55802
(218) 730-5107
dschwensohn@duluthmn.gov

SCHEDULE B PROJECT ACTIVITIES

1. General Project Description.

This project will rehabilitate the Duluth Aerial Lift Bridge which includes: surface preparation and repainting, lead abatement, replacement of deteriorated sections, miscellaneous structural steel repairs, repairs to spalled and delaminated concrete, and replacement of the bridge sidewalks.

2. Statement of Work.

Rehabilitation of the Aerial Lift Bridge in Duluth Minnesota

Surface preparation and repainting of failed protective paint system on the lift span truss, including all steel members below the roadway deck grating and those members extending to approximately 6 feet above the roadway deck (portions of truss within the de-icing salt spray zone);

Lead abatement and repainting of failed protective paint system on the bridge's overhead steel truss which connects the north and south towers;

Replacement of deteriorated sections of the lift span roadway deck grating;

Miscellaneous structural steel repairs to overhead truss, lift span truss, and roadway support members to restore section loss from corrosion;

Repairs to spalled and delaminated concrete on the bridge end abutments and tower column support pedestals; and

Replacement of the bridge sidewalks and support steel on both sides of the structure.

**SCHEDULE C
AWARD DATES AND PROJECT SCHEDULE**

1. Award Dates.

Budget Period End Date: 10/30/2033

Period of Performance End Date: See section 28.5 of the General Terms and Conditions

2. Estimated Project Schedule.

Milestone	Schedule Date
Planned Construction Start Date:	9/1/2026
Planned Construction Substantial Completion and Open to Traffic Date:	10/30/2030

3. Special Milestone Deadlines.

None.

**SCHEDULE D
AWARD AND PROJECT FINANCIAL INFORMATION**

1. Award Amount.

BUILD Grant Amount: \$11,200,000.00

2. Federal Obligation Information.

Federal Obligation Type: Single

3. Approved Project Budget.

<u>Eligible Project Costs</u>	
	<u>Total</u>
BUILD Funds:	\$11,200,000
Other Federal Funds:	\$1,500,000
Non-Federal Funds:	\$10,562,738
Total:	\$23,262,738

4. Cost Classification Table

Reserved.

5. Approved Pre-award Costs

On August 19, the Minnesota Department of Transportation (MN DOT) sent a written request to the FHWA Minnesota Division for advance construction (23 U.S.C. 115) authorization to begin work while Lake Superior is frozen over. The work can only be performed when the channel is frozen – otherwise it will impede the flow of freight traffic. The MNDOT requested advance construction for \$11,200,000 in RAISE Grant funds. The Division authorized advance construction on Sept. 1, 2025.

Activities under that authorization are approved pre-award costs under 2 CFR 200.458.

**SCHEDULE E
CHANGES FROM APPLICATION**

Scope: No changes.

Schedule: As the project moved toward final design, the Engineer determined that the scope of work to be completed during this project would take more time than was contemplated during preliminary design.

The table below compares the Project milestone dates.

Milestone	Application	Schedule C
Planned Construction Start Date:	April 1, 2026	September 1, 2026
Planned Construction Substantial Completion and Open to Traffic Date:	October 30, 2028	October 30, 2030

Budget: The application stated that the total project cost was \$14,000,000 with a Non-Federal commitment of \$2,800,000. The project has proceeded through design and has an updated construction cost estimate of \$23,262,738. No significant changes to the scope of the project since the application were made. As more detailed design was performed estimated costs increased. No additional BUILD money is being sought due to this increase; BUILD funds will provide approximately 48% of the funds required to construct this project.

The table below provides a summary comparison of the Project budget.

Fund Source	Application		Schedule D	
	\$	%	\$	%
Previously Incurred Costs				
Federal Funds				
Non-Federal Funds				
Total Previously Incurred Costs				
Future Eligible Project Costs				
BUILD Funds	11,200,000	80	11,200,000	48
Other Federal Funds			1,500,000	6
Non-Federal Funds	\$2,800,000	20	10,562,738	46
Total Future Eligible Project Costs	14,000,000		23,262,738	
Total Project Costs	14,000,000		23,262,738	

Other: N/A.

**SCHEDULE F
BUILD PROGRAM DESIGNATIONS**

1. Urban or Rural Designation.

Urban-Rural Designation: Rural

2. Capital or Planning Designation.

Capital-Planning Designation: Capital

3. Historically Disadvantaged Community/Area of Persistent Poverty Designation.

HDC/APP Designation: No

4. Funding Act.

Funding Act: IJJA

5. Security Risk Designation.

Security Risk Designation: Low

**SCHEDULE G
BUILD PERFORMANCE MEASUREMENT INFORMATION**

Study Area: Aerial Lift Bridge, Duluth MN

Baseline Measurement Date: August 1, 2026

Baseline Report Date: September 1, 2026

Table 1: Performance Measure Table

Performance Measure	Unit Reported
Bridge Condition Rating	Bridge Condition Rating
Severe Crashes	Total Severe Crashes per Year

**SCHEDULE H
LABOR AND WORK**

1. Efforts to Support Good-Paying Jobs and Strong Labor Standards

The Recipient states that rows marked with “X” in the following table are accurate:

	The Recipient or a project partner promotes robust job creation by supporting good-paying jobs directly related to the project with free and fair choice to join a union. <i>(Describe robust job creation and identify the good-paying jobs in the supporting narrative below.)</i>
X	The Recipient or a project partner will invest in high-quality workforce training programs such as registered apprenticeship programs to recruit, train, and retain skilled workers, and implement policies such as targeted hiring preferences. <i>(Describe the training programs in the supporting narrative below.)</i>
X	The Recipient or a project partner will partner with high-quality workforce development programs with supportive services to help train, place, and retain workers in good-paying jobs or registered apprenticeships including through the use of local and economic hiring preferences, linkage agreements with workforce programs, and proactive plans to prevent harassment. <i>(Describe the supportive services provided to trainees and employees, preferences, and policies in the supporting narrative below.)</i>
	The Recipient or a project partner will partner and engage with local unions or other worker-based organizations in the development and lifecycle of the project, including through evidence of project labor agreements and/or community benefit agreements. <i>(Describe the partnership or engagement with unions and/or other worker-based organizations and agreements in the supporting narrative below.)</i>
	The Recipient or a project partner will partner with communities or community groups to develop workforce strategies. <i>(Describe the partnership and workforce strategies in the supporting narrative below.)</i>
	The Recipient or a project partner has taken other actions related to the Project to create good-paying jobs with the free and fair choice to join a union and incorporate strong labor standards. <i>(Describe those actions in the supporting narrative below.)</i>
	The Recipient or a project partner has not yet taken actions related to the Project to create good-paying jobs with the free and fair choice to join a union and incorporate strong labor standards but, before beginning

	construction of the Project, will take relevant actions described in schedule B. <i>(Identify the relevant actions from schedule B in the supporting narrative below.)</i>
	The Recipient or a project partner has not taken actions related to the Project to improve good-paying jobs and strong labor standards and will not take those actions under this award.

2. Supporting Narrative.

The Recipient or a project partner will invest in high-quality workforce training programs such as registered apprenticeship programs to recruit, train, and retain skilled workers, and implement policies such as targeted hiring preferences.

City of Duluth Workforce Development is part of a statewide initiative to expand registered apprenticeship opportunities, and promote apprenticeships as a training pathway to high school students and jobseekers. Duluth Workforce Development also maintains a team of Community Liaisons, whose job it is to conduct outreach and engagement among teens, young adults, and adult jobseekers about careers in construction, and connect them to pre-apprenticeship and apprenticeship training opportunities. City of Duluth also supports construction pre-apprenticeship training by providing CDBG grants to community organizations that offer such programs, and Duluth Workforce Development provides ongoing support to these programs to help them recruit participants and connect to job opportunities on City-funded projects.

The Recipient or a project partner will partner with high-quality workforce development programs with supportive services to help train, place, and retain workers in good-paying jobs or registered apprenticeships including through the use of local and economic hiring preferences, linkage agreements with workforce programs, and proactive plans to prevent harassment.

City of Duluth Workforce Development is the provider of WIOA Title 1 services in Duluth. Anyone pursuing apprenticeship, or participating in an approved pre-apprenticeship program, may enroll in WIOA Adult/DW/Youth or other Career Pathway Training grants which include case management, job placement assistance, and supportive services funds. These funds can support work clothes/shoes, tools, transportation assistance, child care, or other work-related needs. Duluth Workforce Development administers the City’s Community Benefits Program, and serves as a primary point of contact for Minnesota Department of Transportation initiatives related to hiring requirements.

RECIPIENT SIGNATURE PAGE

The Recipient, intending to be legally bound, is signing this agreement on the date stated opposite that party's signature.

Minnesota Department of Transportation

_____ By: _____
Date Signature of Recipient's Authorized Representative
Kristine Elwood

Name
State Aid Engineer

Title

DESIGNATED SUBRECIPIENT SIGNATURE PAGE

The Designated Subrecipient, intending to be legally bound, is signing this agreement on the date stated opposite that party's signature.

City of Duluth

_____ By: _____
Date Signature of Designated Subrecipient's Authorized
Representative

Roger Reinert

Name

Mayor

Title

By: _____
Its City Attorney
Date: _____

By: _____
Its City Auditor
Date: _____

By: _____
Its City Clerk
Date: _____

USDOT SIGNATURE PAGE

The USDOT, intending to be legally bound, is signing this agreement on the date stated opposite that party's signature.

UNITED STATES DEPARTMENT OF
TRANSPORTATION

_____	By: _____
Date	Signature of USDOT's Authorized Representative
	Wendall Meyer

	Name
	FHWA Minnesota Division Administrator

	Title