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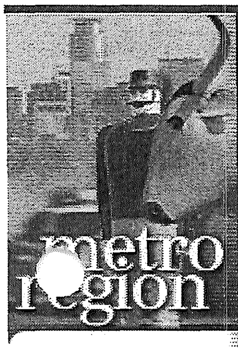


Last update: January 31, 2005 at 9:22 PM

Traffic gridlock looms large

David Peterson, Star Tribune
February 1, 2005 MET0201

Traffic gridlock continues to be by far the No. 1 gripe in the metro area, and the Metropolitan Council has a plan to attack it, if not solve it, Chairman Peter Bell said Monday in his annual State of the Region address.

Bell quoted the author of the book "Stuck in Traffic" as delivering the sobering news that "there are no solutions." But he staged his speech in Brooklyn Center, near where the council hopes to build two partial answers: a dedicated busway linking Minneapolis, Osseo and Rogers, and a commuter rail line heading northwest to Big Lake.

At the end of a year in which the council introduced the Twin Cities area to its first light-rail line, Bell also announced that:

- The council intends to make the region's water supply a "top priority," considering that it will need to find an extra 500 million gallons a day by 2030, often facing shortfalls in areas where the most growth is expected.
- The council will seek private contractors to run some of its most heavily subsidized bus routes, about 3 percent of its total operations.

Transit advocates such as Rep. Frank Hornstein, a Minneapolis DFLer, praised Bell's enthusiasm for transit options but said they could be constrained by the pledge of Bell's boss, Gov. Tim Pawlenty, to avoid any new taxes.

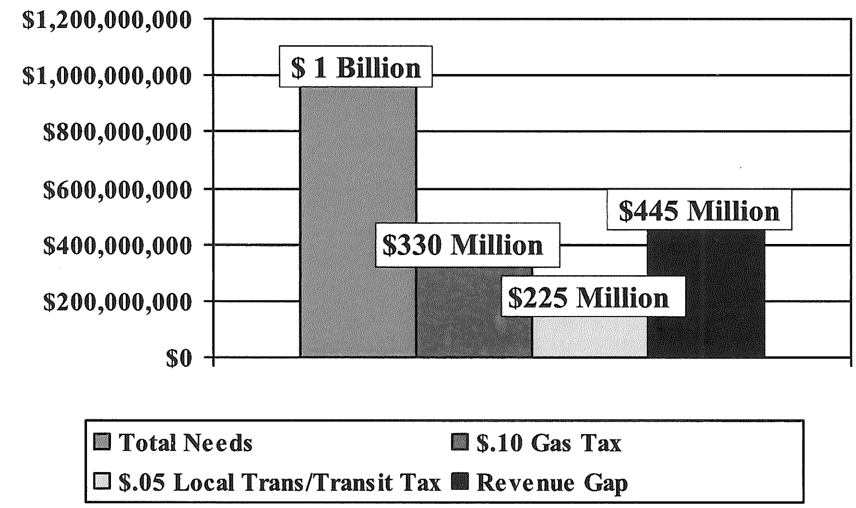
Bell also released the latest Met Council survey of area residents. Key findings included rankings of the region's biggest problems, an assessment of the quality of life here, consideration of options to address traffic jams and impressions of the Council's performance.

Association of Minnesota Counties'

2005 COMPREHENSIVE TRANSPORTATION FUNDING PROPOSAL

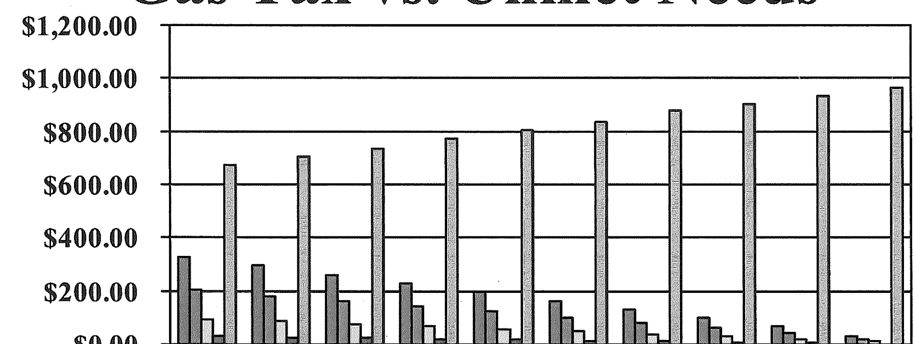
The Association of Minnesota Counties (AMC) is proposing a transportation funding package that increases revenue resources for transportation and transit to meet AMC's target of one billion new federal/state/local dollars. The elements used in the AMC Plan, include both hard and soft dollar amounts. In addition, it should be noted that the numbers used are estimates and are used for illustrative purposes only. The AMC proposal was finalized and adopted at the AMC Annual Conference on December 7.

Transportation Needs vs. Funding Options



MANY RECENT PROPOSALS INDICATE THAT THE COST OF UNMET STATE AND LOCAL TRANSPORTATION AND TRANSIT NEEDS RANGE FROM $650 MILLION TO AS HIGH AS $2 BILLION PER YEAR FOR TEN YEARS.

Gas Tax vs. Unmet Needs



	$0.10	0.09	0.08	0.07	0.06	0.05	0.04	0.03	0.02	0.01
Total Gas Tax	$326.70	294.03	261.36	228.69	196.02	163.35	130.68	98.1	65.34	32.67
State	202.6	182.37	162.08	141.82	121.56	101.3	81.04	60.78	40.52	20.26
County	94.7	85.23	75.76	66.29	56.82	47.37	37.88	28.41	18.94	9.47
City	29.4	26.46	23.52	20.58	17.64	14.7	11.76	8.82	5.88	2.94
Funding Gap	673.3	705.97	738.64	771.31	803.98	836.65	879.32	901.9	934.66	967.33

AMC Comprehensive Transportation Funding Package

The AMC plan includes the following elements:

1. **A five-cent gas tax increase in year one.**
2. **An additional five-cent gas tax increase in year two.**
3. **Indexing in year three.**
4. **A half-cent regional transit district sales tax (this would be allowed in any county, with the revenue dedicated to transportation and transit).**
5. **A combination of a local county option wheelage fee and registration fee increase.**
6. **Renewed commitment to the state bridge-bonding program.**
7. **Authority for local governments to use road impact fees.**
8. **New state GO and Revenue bonding.**
9. **Greater efficiency in current operations through system realignments.**
10. **New federal monies.**

Funding Sources	Current Annual Funding State Funds	Bonding	Est. New Federal (3)	5 Cent Gas Tax Increase Year One	Year Two	Indexing Year Three	Registration/ Wheelage Tax	Metro Regiona 0.005 Sales Tax	Non-Metro Regional .005 Sales Tax	Transit Cap. Regional Prop. Tax	New State Bonding	Road Impact Fees	Bridge Bonding	Efficiency Estimates	Total New State & Local	Total New State/Local/Fed.
Trunk Highways Construction (1)																
Metro	336		50	50.6	50.6			40			50			12	191.2	241.2
Greater MN	384		50	50.6	50.6			0			50			12	151.2	201.2
Local Roads/Bridges (2	540	20	25	62	62		120	20				?????	40	6	304	329
Transit																
Metro	187	20						160						15	160	160
Greater MN	24								30						30	30
Local Share Transit Ope	6									20			10		30	30
Ports/Rail/Air		5									10				10	10
Total	1477	45	125	163.2	163.2		20	220	30	20	110		50	45	876.4	1001.4

(1) Represents annual state HUTDF and federal highway aid funds spent on trunk highway road construction, program delivery and right-of-way. Does not include state funds for maintenance, operations & administration.

(2) Represents total state HUTDF funds for county and municipal state aid, for both construction and maintenance.

(3) Represents an estimate of Minnesota's increase for road construction under the 6-year federal transportation bill.

(4) Represents existing regional rail property tax authority. Levies would be used to fund local share of trasit capital costs.

Explanations of Each Element of the AMC Proposal

Estimated New Federal Money:
This proposal assumes one hundred and twenty five million dollars in new federal moneys under a new six-year federal transportation act. There is some concern that this money has already been committed under the current state construction program.

Gas Tax:
This proposal recommends a ten-cent gas tax increase, five cents in the first year and five cents in year two.

Indexing:
The proposal recommends indexing beginning in the third year. AMC recommends using the Wisconsin indexing model which allows the state legislation to suspend indexing in a particular year.

Wheelage Fee:
The AMC Plan recommends a combination of a wheelage fee and an increase in the motor vehicle registration fee. The estimate assumes a $20 fee on the majority of registrations and by a majority of counties. The amount and what vehicles it applies to would be determined as a local county option.

Registration Tax:
This plan increases the registration fee but assumes that the state backfill continues at the current level. Since counties receive only twenty nine percent of a tab increase, it is financially in the county interest to institute a wheelage fee rather than a tab fee increase.

Half Cent Metro Sales Tax:
This plan assumes a half-cent sales tax to be used for both transit and transportation in a metropolitan transit district.

Regional Non-Metro Half Cent Sales Tax:
This plan would allow for a local option to enact a transportation and transit sales tax by a transit district created at the local level.

Regional Property Tax:
Whenever incorporated, this assumes that the seven metro counties impose the property tax currently authorized by law for the local match for capital costs for transit.

Road Impact Fees:
Road impact fees grant local governments the option to impose a fee on developers commensurate with the increase in demand for access to the new development. For instance, if a developer were to add a thousand housing units in a subdivision that would require upgrades in a county road, some or all of that upgrade could be charged to the developer. This is similar to the special assessment process.

Bridge Bonding:
Generally this is an extension of the current bridge bonding program but on an accelerated pace.

New State Bonding:
This proposal assumes a level of state GO and revenue bonds for transportation and transit purposes. A factor could be included to require that the 62/29/9 division be imposed to cover the local costs involved with state projects.

Efficiency Estimates:
Other groups as part of their packages are using these estimates. It is extremely unclear how hard or soft these numbers are but it is recommended that they be used for both consistency and political reasons.

ASSOCIATION OF
AMC
MINNESOTA COUNTIES

125 Charles Avenue, St. Paul, MN 55103-2108
(651) 224-3344, fax: (651) 224-6540
www.mncounties.org

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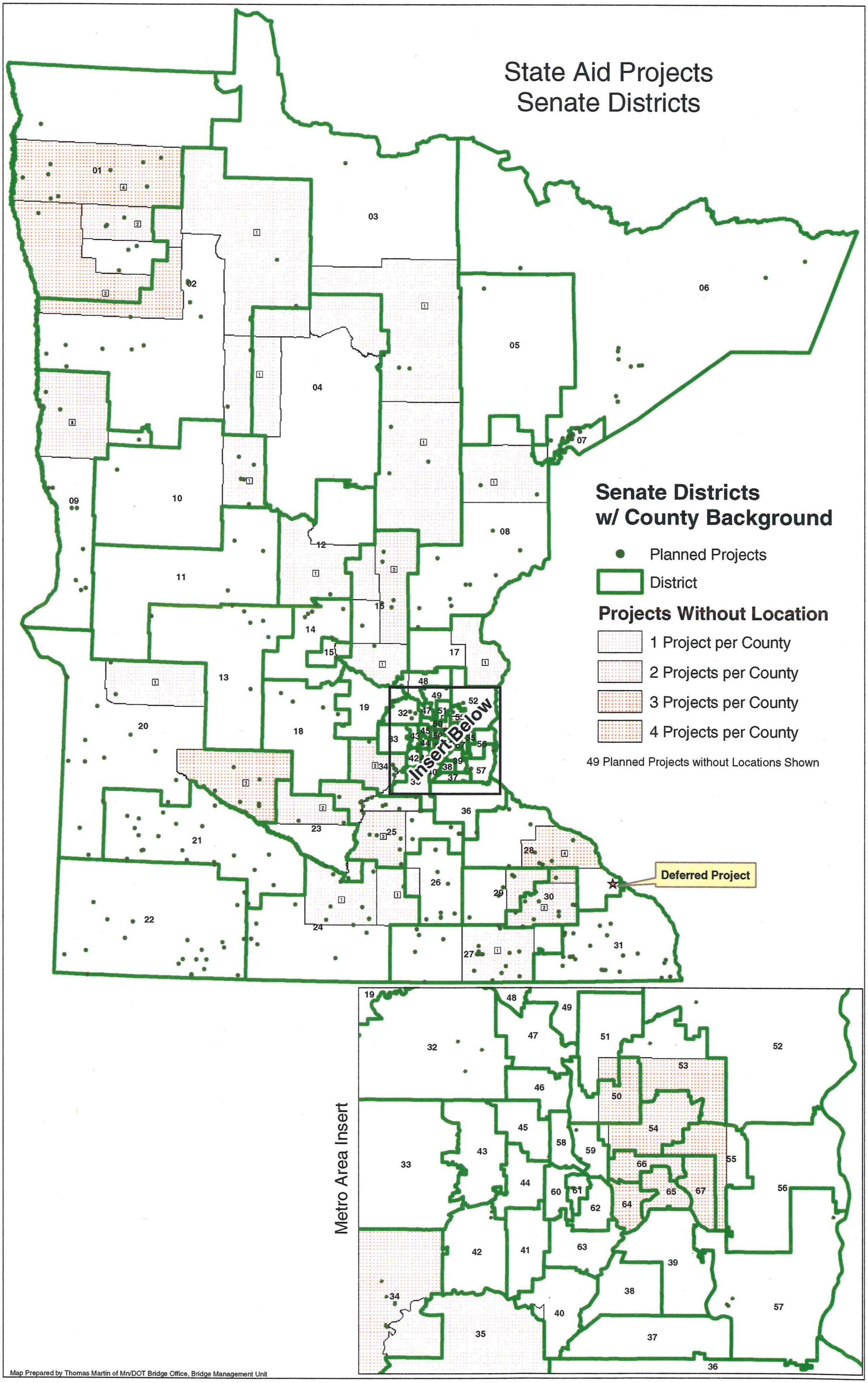

State Aid Projects
Senate Districts
Senate Districts
w/ County Background
Planned Projects
District
Projects Without Location
1 Project per County
2 Projects per County
3 Projects per County
4 Projects per County
49 Planned Projects without Locations Shown
Insert Below
Deferred Project
Metro Area Insert
Map Prepared by Thomas Martin of Mn/DOT Bridge Office, Bridge Management Unit

(1)

Minnesota Moves FASTER:

Summary

A long-term transportation funding plan developed by the Minnesota Chamber of Commerce

The Problem

Minnesotans are stalled in traffic – literally. The Urban Mobility Report, released in September 2004, confirmed what Minnesotans know firsthand.

Twin Cities motorists waste more time sitting in traffic than in other cities of similar size, according to a review of traffic trends in 85 urban areas across the nation. In 1982, Twin Cities travelers spent an average of three hours per year waiting in traffic. Today, the wait is 42 hours. In the metro area alone, motorists are wasting 93,000 gallons of fuel.

Congestion, especially during rush hour, impedes the movement of people and goods. The delays have a direct impact on the state's economy.

Minnesota Moves is a proposal of the Minnesota Chamber of Commerce and reflects a business vision for the future of transportation. The plan was adopted by the Minnesota Chamber Board of Directors in December 2004. The proposal will be presented to the 2005 Legislature.

The economic vitality of all Minnesotans depends on an integrated and well-funded transportation/transit network. Minnesota Moves proposes to accomplish this by targeting priority projects across the state.

Transportation infrastructure is at a crossroads. Stop-gap measures through bonding and other avenues have addressed pressing needs, but policy-makers have stalled for nearly two decades on enacting significant and stable funding for the system. Minnesota's fuel tax – a user fee– was last increased in 1988.

Funding is stagnant, but transportation and transit needs are not sitting idle. The impact is widespread in metropolitan and rural areas spanning from reduced economic productivity to more injuries and fatalities. For example, Minnesota has the nation's second fastest growing congestion rate; and 70 percent of the state's fatal crashes occur in Greater Minnesota.

Doing nothing will threaten the competitiveness of the state. State officials predict another 635,000 people and 312,000 jobs between 2000 and 2025 in the five-state region. The Department of Transportation estimates the state needs 99 new lane miles per year to keep pace with demand.

The Principles

Minnesota Moves was developed under the notion that a funding-only solution isn't working. This plan also proposes to let voters know what they are buying by linking new revenues with specific projects. Minnesota Moves strategically invests new resources around the acronym FASTER and addresses highway, transit, rail, air and port. On average, 54 percent of the new money is targeted for state highways (29 percent for metro, 25 percent for Greater Minnesota), 25 percent for transit, 18 percent for local roads and 3 percent for air/port/rail.

FASTER represents:

Freeways in the metropolitan area. Complete the existing beltway to be at least three continuous lanes and removal of bottlenecks. Support the FAST lanes concept for expansion in viable corridors.

Alternatives: Invest in nonhighway modes of travel, including air service at regional trade centers and improvements to rail and ports.

State and local roads: Expand and maintain interregional corridors and the 10-ton road network. Accelerate bridge replacements.

Transit: Develop an integrated Twin Cities transit network. Invest in Greater Minnesota transit systems.

Economic development: Enhance planning and program delivery at all government levels to emphasize the relationship between transportation and job creation.

Revenue: Establish efficiency benchmarks and clear accountability for program operations. Invest an additional $600 to $750 million annually for the next 15 years.

Parameters of plan

Minnesota's transportation needs are estimated at $1.1 billion annually, but taxpayers cannot realistically absorb such a permanent increase in the state budget. Minnesota Moves proposes to inject about $6 billion over 10 years into major transportation and transit projects. After that, most new revenues will be available for use as desired by their oversight unit of government. Putting money toward these priority concerns also ensures that other work in the Department of Transportation long-range plans – reconstruction and construction – will remain on schedule.

Minnesota Moves does not present itself as a cure-all, but rather is an accelerated funding plan to address priority projects that will make a difference in people's lives and the state's economy. Parameters of the plan – i.e. the 5-cent fuel-tax increase – are an acknowledgement that there are limits as to what legislators and the public will support.

By voting "yes" on a constitutional amendment, Minnesotans will be committing money and holding the Department of Transportation accountable to completing specific projects. The list was compiled in conjunction with long-range plans of the Department of Transportation and Metropolitan Council. (Lists and maps of proposed projects are attached.)

Paying for the plan

Minnesota Moves strikes a balance between increasing money and achieving greater efficiency in transportation operations. Proposed funding will be predictable and balanced among statewide needs. The new transportation money comes from use-based taxes and/or fees. (Revenue sources are spelled out in an accompanying chart.).

Citizens are inherently skeptical of government proposals to spend more money without accompanying accountability. Minnesota Moves emphasizes the need to reduce costs. Reforms are recommended to increase the efficiency and effectiveness of state transportation operations and policies with a targeted annual savings of $60 million. (Efficiencies are spelled out on an accompanying sheet.)

Furthermore, citizens will have final say by a vote in the 2006 general election. Projects and funding will be spelled out in a proposed amendment to the Minnesota Constitution and enabling legislation.

The Players

Minnesota Moves is a business vision for the state's transportation needs. The premise is simple: Investment in transportation/transit will stimulate the economy. The plan is a culmination of nearly a year of study with meetings conducted across the state. Growing support is broad-based throughout metropolitan and rural Minnesota. The draft plan was sent out less than two weeks ago, and already a number of organizations have signed on in support. The Chamber anticipates this list will grow substantially in the coming days.

Associations
Central Corridor Partnership
Metropolitan Coalition of Chambers
Minneapolis Downtown Council
Minnesota Shopping Center Association
National Association of Industrial and Office Properties

Chambers of Commerce
Anoka Area Chamber of Commerce
Burnsville Chamber of Commerce
Cloquet/Carlton County Chamber of Commerce
Cambridge Area Chamber of Commerce
Chamber of Commerce of Fargo Moorhead
Edina Chamber of Commerce
Elk River Area Chamber of Commerce
Greater Mankato Chamber of Commerce
International Falls Area Chamber of Commerce
Marshall Area Chamber of Commerce
Minneapolis Downtown Council
Minneapolis Regional Chamber of Commerce
Northern Dakota County Chambers of Commerce
Red Wing Area Chamber of Commerce
Richfield Chamber of Commerce
Rochester Area Chamber of Commerce
Saint Cloud Area Chamber of Commerce
Saint Paul Area Chamber of Commerce
Saint Peter Chamber of Commerce
Twin Cities North Chamber of Commerce
TwinWest Chamber of Commerce
Willmar Area Chamber of Commerce

Minnesota Moves FASTER:

Questions and Answers

What are Minnesota's transportation needs?

Numerous studies have documented the shortcomings in Minnesota's transportation network. Minnesota is only one of three states in which more than three-fourths of urban interstates are congested. Estimated unfunded needs in the state and local road/bridge and transit systems exceed $1.1 billion annually.

Minnesota Moves seeks to accelerate major transportation projects that remain unfunded in both metropolitan and Greater Minnesota.

What is the scope of the Minnesota Moves proposal?

Minnesota Moves identifies projects around the theme FASTER. The plan addresses metropolitan "freeways" and bottlenecks, investment in "alternative" modes to assist business travel and move goods, improvement of "state and local road" corridors, an integrated "transit" network, enhanced "economic development" and increased "revenue" with measurable goals for efficiency.

The plan is a culmination of a year of meetings across the state. Long-range blueprints of the Minnesota Department of Transportation and Metropolitan Council also were incorporated in combination with safety data, population patterns and freight movement.

How will Minnesotans pay for it?

Minnesota Moves proposes raising approximately $6 billion during 10 years, which is dependent upon citizens approving an amendment to the Minnesota Constitution. Funding relies heavily on increases in transportation-related user fees and taxes. The higher fuel tax and tab fees will cost the average Minnesota driver about 46 cents more per week.

Approximately 26 percent of the new funding comes from increased revenues. The rest comes from innovative financing techniques, such as bonding, efficiencies, and maximizing federal and local opportunities. For $1.6 billion generated in a higher fuel tax over a 10-year period, the state will receive $6 billion in new projects under Minnesota Moves.

Where does a 5-cent fuel tax increase put Minnesota relative to other states?

A 5-cent increase would place Minnesota tied for 11th nationally with Connecticut and Idaho. Wisconsin and New York are No. 1 and 2.

Gov. Tim Pawlenty has said he will not support a fuel-tax increase. What does that mean for this proposal?

Minnesota Moves proposes a constitutional amendment which means the people will have the final say on whether to raise a specific user fee – the fuel tax – to fund specific projects. Gov. Tim Pawlenty has made it clear that he intends to stick to his pledge of no new taxes, but he says he will not stand in the way of Minnesotans voting on a proposed Constitutional amendment to raise the fuel tax.

Why does the measure include a constitutional amendment?

A constitutional amendment addresses both policy and political considerations of transportation funding. From a policy perspective, businesses statewide have said the system should be financed with fees and taxes that are related to and affect the use of the transportation infrastructure. Minnesota Moves provides a contract with the public: If Minnesotans agree to raise these revenues, the state will complete these specific projects. A constitutional dedication gives voters assurance that the state will hold up its end of the contract.

From a political perspective, transportation funding has languished in the Legislature for almost two decades. The state's gas tax was last raised in 1988 to 20 cents per gallon. In comparison, Wisconsin is highest in the nation at 32 cents. Prospects for enacting a significant increase in transportation funding are dim for the near future given anticipated deficits. The governor is adhering to his "no new tax" pledge, and legislators in the past have been unable to reach consensus on an increase in the fuel tax.

A constitutional amendment solves both problems by legally committing the dollars to priority transportation and transit needs. Dedicating the dollars constitutionally protects voters from the possibility of the Legislature and/or Department of Transportation changing their minds and redirecting how the money will be spent. A statewide referendum is advisory only and does not bind legislators to action.

How does the program address efficiencies in transportation projects?

Road maintenance must be faster and less expensive if the state is to meet transportation needs. Minnesota Moves proposes saving $60 million annually by a variety of avenues such as reducing administrative costs, streamlining planning and approval processes, allowing innovative pilot projects, initiating a study on roadway classifications and design standards, making better use of technologies, and exploring the concept of charter agency status for the Minnesota Department of Transportation.

Why is the proposal targeted to specific projects and not just increased Minnesota Department of Transportation funding?

MnDOT dollars have focused on maintaining and preserving the existing system due to limited funding. As a result, many of the major expansion and safety projects keep getting pushed back. The public wants to see progress made on those projects.

Legislators and voters are more likely to support a constitutional amendment if they know what they are buying, and the funding is going to the major projects that the people are demanding. The projects were selected because they will have a tangible impact on people's lives and for their ability to grow jobs in Minnesota. The plan assures statewide distribution of money and addresses all modes of travel - highway, transit, rail, air and port.

How can the Minnesota Chamber support a significant investment in transportation when compared to other areas of state government, like education and human services?

The Minnesota Chamber has a history of supporting additional money to address specific and overriding, statewide concerns. In 1994, the Chamber supported creation of the Superfund to clean up hazardous waste sites. In 2004, the Chamber supported creation of a fee to clean up impaired waters.

In contrast, the Minnesota Chamber has a longstanding policy against raising general taxes – such as the sales tax – which simply increase the general fund and are not dedicated to a specific purpose.

When will the money be available, and how will it be used?

Lawmakers will be asked in 2005 to place the constitutional amendment on the next general election ballot. If approved by voters in 2006, money will be available in July 2007, which is the beginning of Fiscal Year 2008. This coincides with the end of the Governor's 2003 four-year bonding program. The program will last 10 years. At that time, ongoing revenues will be available for use as desired by MnDOT, the Metropolitan Council or other government units.

The new money – approximately $600 million annually - will be for priority transportation and transit projects in metropolitan and Greater Minnesota. In addition, the Department of Transportation will continue to receive about $1.3 billion annually, of which about 90 percent goes to maintain and preserve the existing system.

"My road" is not on the list of targeted projects. How will my area benefit from Minnesota Moves?

The plan proposes to accelerate priority road/transit projects that are on the drawing boards but remain unfunded. Directing money to those projects will free up the regular Department of Transportation budget to address ongoing needs throughout the state and speed up dollars to those projects farther down the list.

Projects were selected based on long-range blueprints of the Minnesota Department of Transportation and Metropolitan Council in combination with safety data, population patterns and freight movement.

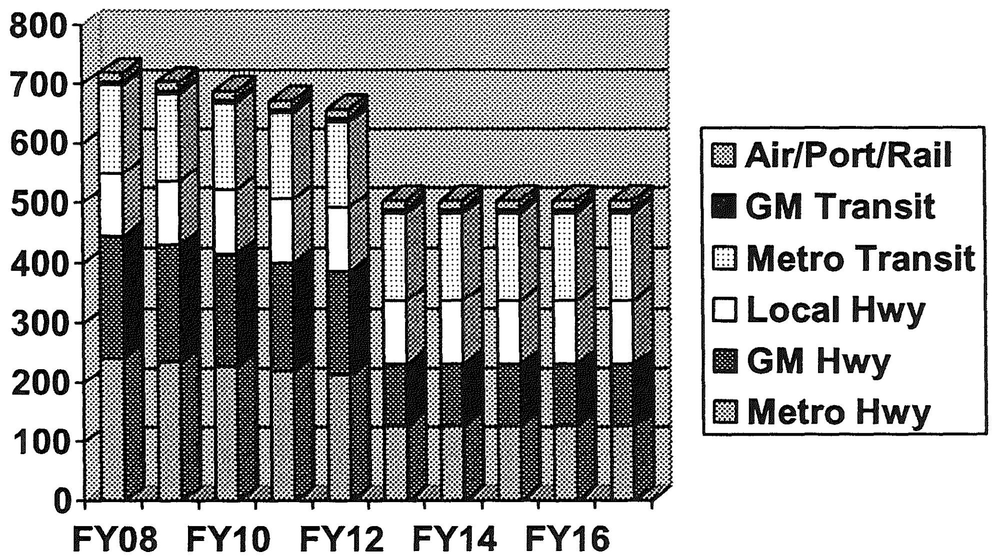
How much will the Minnesota Moves proposal cost me?

The average driver in Minnesota will pay $24 more annually in fuel tax under this proposal, using the assumption that the average vehicle in the United States is driven 12,000 miles per year.

Minnesota Moves FASTER:

Funding

TOTAL NEW FUNDING ($6 billion over 10 years):



Constitutional Amendment (5 cent fuel tax + 80% MVST dedication)

Minnesota Moves recommends a state constitutional amendment on the ballot in 2006 that includes several parts. All new revenues would be available starting in FY08 and dedicated to projects as identified in Minnesota Moves.

- Dedication of 80 percent of Motor Vehicle Sales Tax (MVST) for transportation. Beginning in FY08 the MVST would be distributed as follows: 32% to Highway User Tax Distribution Fund; 43% to metro transit; 5% to Greater Minnesota transit and remaining 20% of MVST stays in general fund. [1]
- Five-cent increase in fuel tax.
- $150 million in trunk highway bonds issued for five years starting in FY08.
- The first $160 million of new federal funding under the Transportation Equity Act Reauthorization bill.

Minnesota Chamber of Commerce Jan. 26, 2005

[1] The 43% to Metro Transit includes the current general fund appropriation for transit of approximately $70 million.

- The first $130 million of the FY2010, FY2012, FY2014 and FY2016 general obligation bonding bills will be used for transportation. Distributed as follows: 23% to local roads, 52.5% to metro transit, 1.5% to Greater Minnesota transit and 23% to air/port/rail.
- Efficiencies: All savings resulting from the reclassification of our roadway system, reorganization of the MnDOT workforce, recasting MnDOT as a charter agency, and project streamlining.

1 The 43% to Metro Transit includes the current general fund appropriation for transit of approximately $70 million.

Proposed New Revenues (FY08):

Efficiencies	$60
Fuel Tax	$160
Federal Funding	$160
GO Bonds	$65
Trunk Highway Bonds (5 yrs)	$150
MnPass/FAST Lanes	$20
Local Match (property tax)	$25
80% MVST	$72
	$719 in FY08 - $504 in FY17

* Revolving Loan Fund. $9 million in first year would be allocated to a right of way revolving loan fund. $3 million would be taken in first year from the Metro highway, Greater Minnesota Highway and Local government accounts for this purpose. This fund would be available to both state and local governments for purposes of purchasing right of way. (See Efficiencies section for additional detail)

* After FY17, ongoing revenues of $374 million would remain and would be available for use as desired by MnDOT, Met Council or unit of government to which funds are assigned.

Revenue Distribution:

	FY08	FY13
Metro Highways	33%	25%
Greater MN Highways	28%	21%
Local Roads/Bridges (1)	15%	21%
Transit	21%	29%
Air/Port/Rail	2%	3%

Minnesota Moves FASTER:

Efficiencies

Minnesota Moves emphasizes the need to reduce costs and recommends reforms to increase the efficiency and effectiveness of state operations and policies. Recommendations are made in the following areas with the goal of saving $60 million annually:

Dedicated funding – Linking money to specific projects will enable MnDOT and contractors to plan long-term, saving time and dollars.

Pilot projects – Allow MnDOT to experiment in the areas of municipal consent, wetland mitigation, performance-based specifications and commodity corridors (e.g. Highway 2 from Grand Rapids to Duluth), and then report findings and recommendations to the Legislature.

Streamline environmental permitting – Current review process is often long and cumbersome, resulting in delays and costlier projects.

Greater use of technology – Use of emerging technologies, such as Geographic Information Systems and Global Positioning Systems, offer improved performance and effectiveness.

Highway classification and standards – Design standards are determined in part by classification and in part by daily traffic counts and roadway function. Conduct a comprehensive study of roadway classifications and design standards to more effectively maintain roadway system.

Right of way acquisition revolving loan fund – Timely acquisition of right of way is important to controlling costs. Develop a statewide acquisition revolving loan account similar to the existing Metropolitan Council fund.

Charter agency – Explore the opportunity to operate MnDOT as a charter agency, modeled after Iowa's law. Charter agencies agree to be held accountable and produce certain measurable results; they agree to cut spending or generate revenue as part of these agreements.

Administration – MnDOT has taken several steps to improve performance and productivity. Target the savings to new projects.

Transit efficiencies – Instruct MnDOT and Met Council to evaluate additional opportunities for competitive procurement of services in transit operations.

Minnesota Moves FASTER:

Highway Projects

Metro Highway Projects:
FY2008-FY2012

Project	Description	MnDOT District	From-To	Construction Cost ('04)	Scheduled Date	MN Moves Scheduled Date
I-35E	4-6 lane Reconstruct Cayuga Bridge/Interchange.	Metro	University Ave. to Maryland Ave	$90	2014	FY08-FY12
I-35W	Add HOV/transit priority lane. Lake St. Interchange	Metro	46th St. to I-94	$350	2015-2023	FY08-FY12
I-494	4 lanes to 6	Metro	TH 55 to I-94	$100	After 2014	Begin FY08-FY12
TH 100	4 lanes to 6	Metro	36th St. – Cedar Lake Rd.	$105	2015	FY08-FY12
TH 610	Complete 4 lane freeway.	Metro	TH 169 to I-94	$150	After 2014	FY2008-FY2012
Total				$795		

Minnesota Moves FASTER:

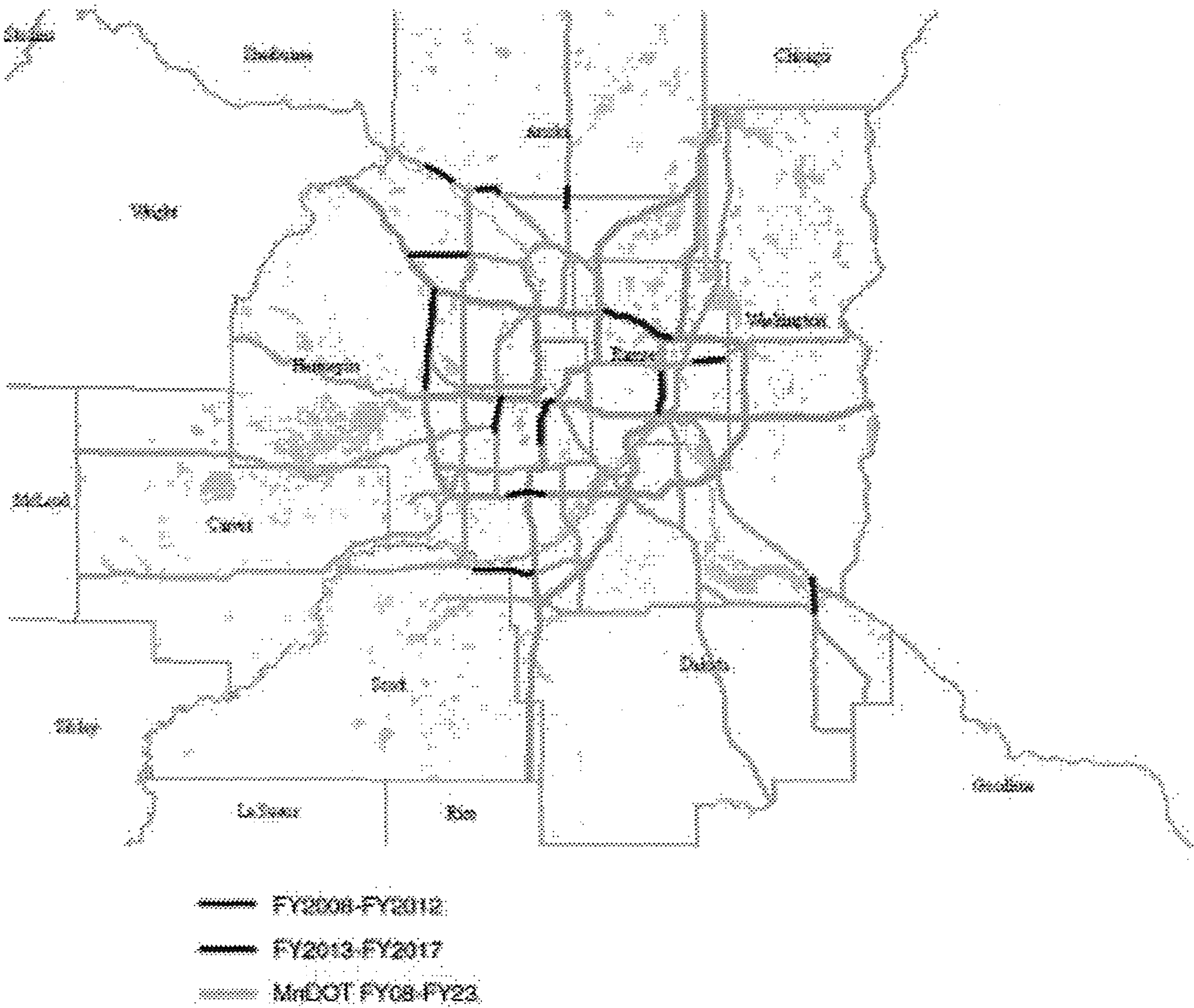
Metro Highway Projects:
FY2013-FY2017

Project	Description	MnDOT District	From-To	Construction Cost ('04)	Scheduled Date	MN Moves Scheduled Date
I-494	4 lanes to 6	Metro	TH 55 to I-94	$75	After 2014	Finish FY13-FY17
I-494	Intersection/ Reconstruct	Metro	I-494 & 35W	$230	2008-2014 need, unscheduled.	FY13-FY17
I-694	4-6 lane	Metro	I-35W to Rice	$195	2008-2014 need, unscheduled.	FY13-FY17
TH 10	Overpass	Metro	Fairoak Ave Anoka	$5	2008-2014 need, unscheduled	FY13-FY17
TH 10	Construct Interchange	Metro	Thurston Left/M255	$20	2008-2014 need, unscheduled	FY13-FY17
TH 13	6 lane expressway (including CSAH 5)	Metro	801b to I-35W	$128	2008-2014 need, unscheduled	FY13-FY17
TH 36	Interchanges	Metro	Hadley/ McKnight	$50	2008-2014 need, unscheduled	FY13-FY17
TH 61	Reconstruction	Metro	Hastings Bridge	$98	2019	FY13-FY17
TH 65	Interchange	Metro	CSAH 242	$25	2008-2014 need, unscheduled	FY13-FY17
Total				$827		

Funding for the Metro Area also includes the assumption of 1-2 FAST/HOT lanes. MnDOT is currently completing a review of potential FAST/HOT lane corridors. When that study is complete we will make recommendations on which corridors should be considered for this purpose. For the 2008-2012 metro highway projects, an inflation rate of 35% accounted for. Additional Metro highway revenues during this period are estimated at $1.14 billion. Revenue growth during this period is estimated at 10%. For the 2013-2017 metro highway projects, an inflation rate of 50% is accounted for. Additional Metro highway revenues during this period are estimated at $635 million plus an additional $725 million from projects that were planned during this time but accelerated into the 2008-2012 time period. Revenue growth during this period is estimated at 20%.
2004 Construction costs do include right of way costs but do not include program delivery costs. Program delivery costs are estimated to add an additional 18-20% to the cost of the project.

Minnesota Moves FASTER:

Metro Highway Projects



Minnesota Chamber of Commerce Jan. 26, 2005

Minnesota Moves FASTER:

Greater Minnesota Highway Projects
FY2008 – FY 2012

Project	MnDOT District	Description	From-To	Construction Cost millions ('04)	Scheduled Date	MN Moves Scheduled Date
I-35	1	Interchange	Mesaba Ave, Duluth	$5.5	2015-2023	FY08-FY12
TH 1	1	Reconstruct	W. TH 169 to Tower	$3.9	2008-2014 need, scheduled 2015-2023	FY08-FY12
TH 1	1	Passing Lanes	Tower to Ely	$5.5	2015-2023	FY08-FY12
TH 2	1	Reconstruct	Grand Rapids	$4.3	2008-2014 need, scheduled 2015-2023	FY08-FY12
TH 53	1	Passing lanes	Cook to Int'l Falls	$5.5	2015-2023	FY08-FY12
TH 61	1	Reconstruct	Two Harbors to Silver Cliff	$13.7	2008-2014 need, scheduled 2015-2023	FY08-FY12
TH 61	1	Reconstruct	Gooseberry to Champins	$12.3	2008 –2014 need, scheduled 2015-2023	FY08-FY12
TH 61	1	Reconstruct	CR34to Cascade River	$25.7	2008-2014 need, scheduled 2015-2023	FY08-FY12
TH 61	1	Reconstruct	Beaver Bay to Silver Bay	$9.3	2015-2023	FY08-FY12
TH 169	1	Reconstruct	N. TH 53 to TH 1	$16.5	2008-2014 need, scheduled 2015-2023	FY08-FY12
I-94/TH 10	3	River Crossing	Vicinity of Clearlake/ Clearwater I-94-TH10	$105	2008-2014 need, scheduled 2015-2023	FY08 – FY12
TH 10	3	Freeway	Through St. Cloud	$99	2015-2023	FY08-FY12
TH 12	3	2-4 lanes	TH 25 to Wright/Hennipen Co. line	$23.8	2008-2014 need, unscheduled	FY08-FY12
TH 23	3	Bypass	Paynesville	$20	2015-2023	FY08-FY12
TH 169	3	Reconstruct	Aitkin to N. jct TH 210	$5.9	2015-2023	FY08-FY12
TH 10	4	Phase 2	Detroit Lakes project	$9	2008-2014 need, scheduled 2015-2023	FY08-FY12
TH 75	4	Reconstruct/Intersection	Moorhead	$8.5	2015-2023	FY08-FY12
TH 14	6	2 lane to 4 lane	Owatonna to Waseca	$105	2008-2014 need, scheduled 2015-2023	FY08-FY12
TH 19	6	2 lanes to 4 lanes	I-35W to Northfield	$13.5	2008-2014 need, 2015-2023 scheduled	FY13-FY17
TH 52	6	Intersection	CSAH 9	$12.5	2008-2014 need, unscheduled	FY08-FY12
TH 63	6	2 lanes to 4	Stewartville to TH 16	$23.8	2015-2023	FY08-FY12

Minnesota Moves FASTER:

Project	Description	MnDOT District	From-To	Construction Cost ('04)	Scheduled Date	MN Moves Scheduled Date
TH 14	7	2 lane to 4 lane	West edge of N. Mankato	$17	2008-2014 need, scheduled 2015-2023	FY08-FY12
TH 60	7	2 lane to 4 lane	N of Bigelow to Worthington	$45	2008-2014 need, scheduled 2015-2023	FY08-FY12
TH 19	8	Reconstruct	Redwood Falls	$10	2015-2023	FY13-FY17
TH 71	8	Reconstruct	So. Of Willmar	$3	2015-2023	FY08-FY12
TH 71	8	2 to 3 lane express	CSAH 9 to US 2	$7	2008-2014 need, scheduled 2015-2023	FY08-FY12
Total				$580.9		

Greater Minnesota Highway Projects
FY2013-FY2017

Project	Description	MnDOT District	From-To	Construction Cost millions ('04)	Scheduled Date	MN Moves Scheduled Date
TH 61	Reconstruct	1	Tofte to CSAH 2	$6	2015-2023	FY13-FY17
TH 61	Reconstruct	1	3 mile no. of TH 1 to 4mile no. Cook CL	$27.3	2015-2023	FY13-FY17
TH 11	Safety Improvements	2	Roseau to Baudette	$8	2008-2014 need, unscheduled	FY 13-FY17
TH 59	Passing lanes	2	TH 1 to TH 2	$5	2015-2023 need, unscheduled	FY13-FY17
TH 10	Bypass	3	Big Lake	$74.4	2008-2014 need, 2024-2030 scheduled.	FY13-FY17
TH 10	2 lane to 4 lane	3	Wadena	$7	2008-2012 need, unscheduled	FY13-FY17
TH 10	Interchange Bypass	3	Royalton	$23.5	2008-2012 need, scheduled 2024-2030	FY13-FY17
TH 10	Interchanges	3	Benton Co.	$30	2008-2014 need, unscheduled	FY13-FY17
TH 25	Reconstruct	3	CSAH 12 to Jct. TH 55, Buffalo	$8	2008-2014 need, unscheduled	FY13-FY17
TH 169	Main St. Interchange	3	Elk River	$30	2008-2014 need, unscheduled	FY13-FY17
TH 371	Reconstruct	3	TH210 – Nisswa	$20	2015-2024 need, unscheduled	FY13-FY17
TH 29	Add shoulders	4	Alexandria to Parkers Prairie	$7	2008-2014 need, no scheduled date.	FY13-FY17

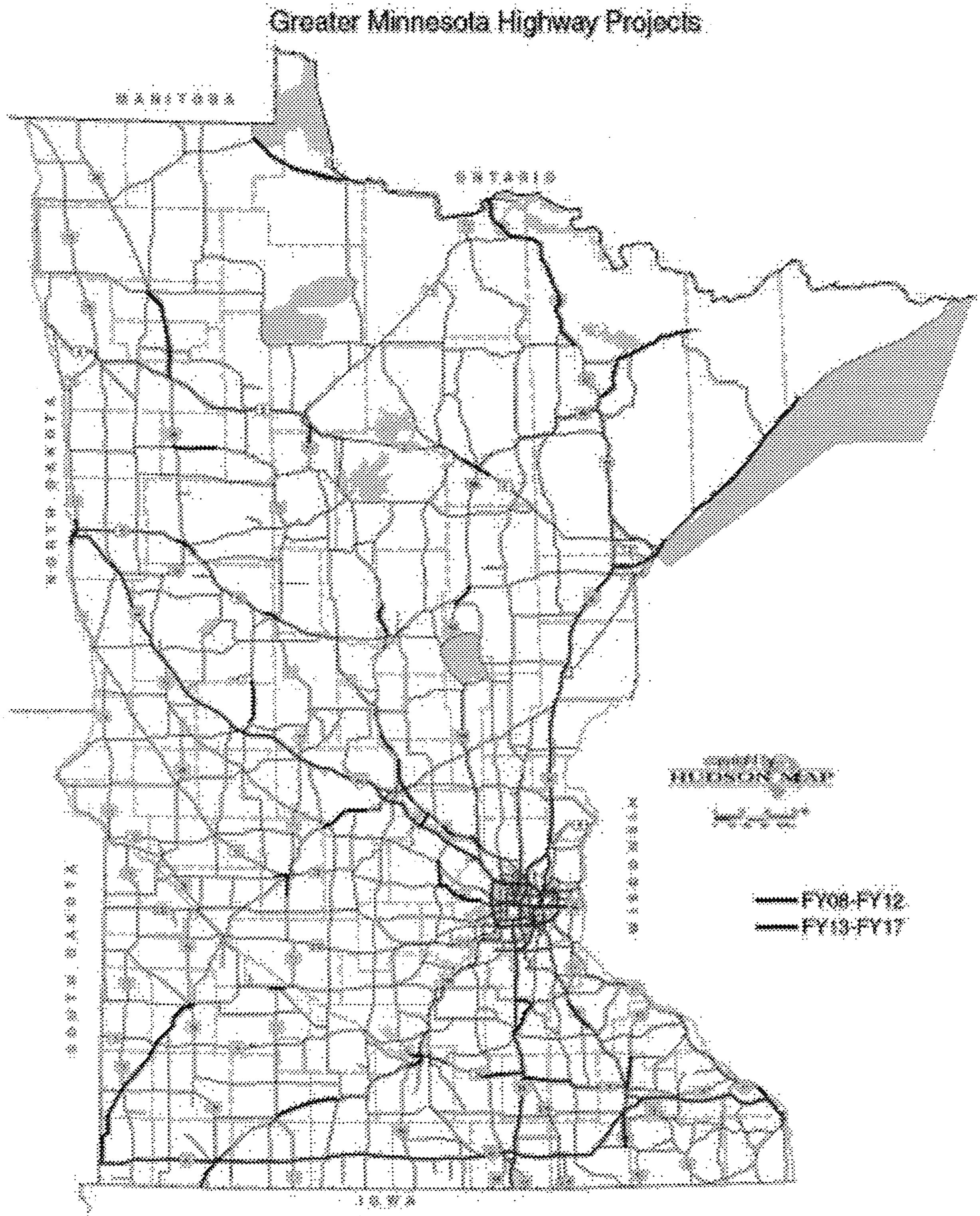
Minnesota Moves FASTER:

Greater Minnesota Highway Projects
FY2013-FY2017

Project	Description	MnDOT District	From-To	Construction Cost ('04)	Scheduled Date	MN Moves Scheduled Date
I-90	Bridge	6	La Crescent - Dresbach	$69.5	2008-2014 need, scheduled 2015-2023	FY13-FY17
TH 3	2-4 lanes	6	Faribault to Northfield	$42	2015-2023 need, unscheduled	FY13-FY17
TH 14	2 lanes to 4	6	Dodge Center to Owatonna	$47	2015 –2023 need. Unscheduled	FY13-FY17
TH 52	Interchange	6	TH 57/CR 8 Hader	$28	2008-2014 need, no scheduled date.	FY13-FY17
TH 63	2 lane to 4 lane	6	Rochester to TH 247	19.3	2024-2030 need, unscheduled	FY13-FY17
TH 60	2 lane to 4 lane	7	Windom to St. James	$59	2008-2014 need, scheduled 2024-2030	FY13-FY17
TH 169	New Interchanges	7	So. of Mankato	$30	2008-2014 need, scheduled 2024-2030	FY13-FY17
TH 23	2-4 lanes	8	Marshall to I-90	$60	Unscheduled	FY13-FY17
TH 23	2-4 lanes	7/8	Richmond to Paynesville	$25	2024-2030 need, unscheduled	FY13-FY17
TH 40	Widen	8	Airport to TH 12	$3	2008-2014 need, unscheduled	FY13-FY17
Total				$629		

For the 2008-2012 projects, an inflation rate of 30% is accounted for. Additional Greater Minnesota revenues during this period are estimated at $937 million. Revenue growth during this period is estimated at 10%. Additional Greater Minnesota revenues during this period are estimated at $530 million plus an additional $450 million from projects that were planned during this time but accelerated into the 2008-2012 time period. Revenue growth during this period is estimated at 20%. For the 2013-2017 projects, an inflation rate of 45% is accounted for. 2004 Construction costs do not include program delivery costs. These costs are estimated at 18-20% project costs.

Minnesota Moves FASTER:

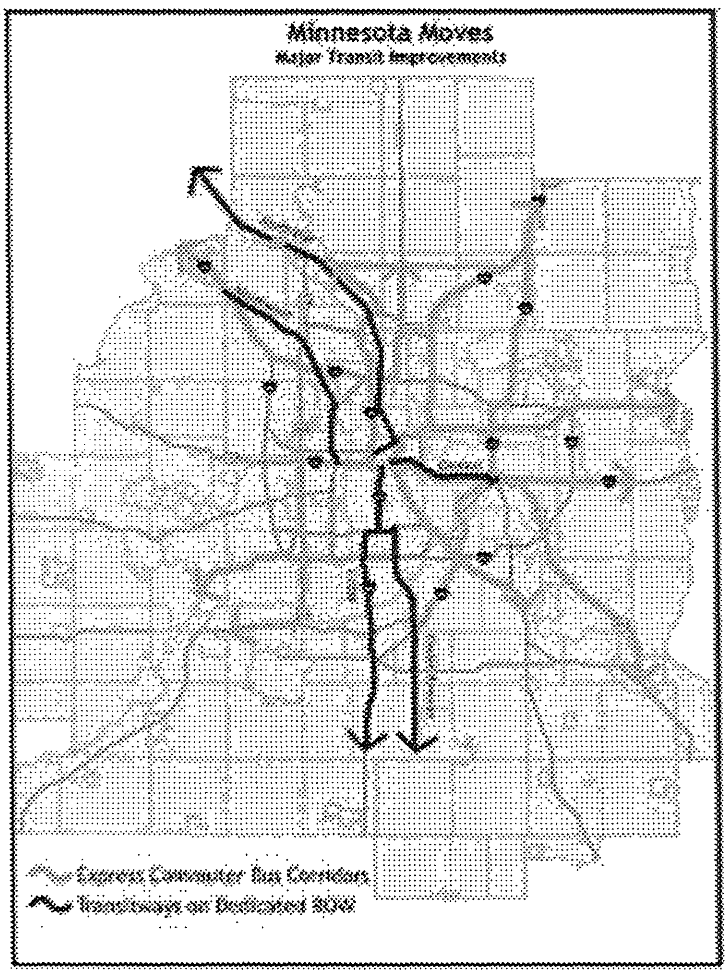


Minnesota Chamber of Commerce Jan. 26, 2005

Minnesota Moves FASTER:

Transit Projects

Project Description	Unfunded Capital Costs	State share of Capital costs	Local Share of Capital costs[1]	Operating Costs	Funding Date
Northwest BRT	$50m	$42.5[2]	$7.5	$2-5 m	2007-2008
Northstar Commuter Rail	$95 m	$87.5	$45	$6 m	2007-2008
Central Corridor LRT	$840 m	$357	$63	$6 m	2007-2012
Cedar Avenue BRT	$50 m	$42.5[2]	$7.5	$2-5 m	2007-2009
I-35W BRT	$50 m	$42.5[2]	$7.5	$2-5 m	2012-2013
Express Commuter Bus Corridors	$9-27 m/yr.			$8-80 m/yr.	2008-2017
Tier II Planning		$20			2008-2017



[1] Assumes a 15% local match requirement for capital costs.
[2] Some federal funding may become available to offset a portion of this cost.