

May 3, 2022

To: Members of the Senate Capital Investment Committee

On behalf of the members of the Minnesota Transportation Alliance, I would like to thank Senator Jasinski for introducing SF4066, providing \$200 million for the Local Bride program and \$200 million for the Local Road Improvement Program. These programs have been included in the capital bonding bill for many years because these programs provide critical funding for local governments that combines with local and federal dollars to complete many important road and bridge projects.

Local Bridge Program

The 2020 MnDOT Bridge Annual Report identifies 15,152 bridges on the local system. Of these bridges, 9,565 are deficient, 786 in poor condition, and 1,438 have a load posting requirement restricting the weight/size of a vehicle that can cross it. The average construction cost to replace a bridge in 2020 was is \$708,143.

Counties and Cities pass city council or county board resolutions and have prioritized 772 deficient bridges in need of replacement over the next five years with an estimated total replacement cost of \$453 million. In 2020, local agencies replaced or rehabilitated 136 bridges statewide, totaling approximately \$67.1 million in construction costs. These bridges were funded from federal aid, state aid, state transportation bonds, township, and local funds.

One of the major benefits of the Local Bridge program is the impact that state bonds dollars can have when combined with other funding sources.

The majority of the bridges funded through this program require local governments to assume costs for design and construction engineering, right of way, bridge removal, and items not directly attributable to the bridge, such as roadway approach grading on either side of the bridge and roadway surfacing costs.

Bridges are a critical link in the state's transportation system and benefit the state's economy by providing connections for people and markets throughout the state. State financial assistance to local units of government is necessary because of the significant number of bridges and the high cost for replacement. Rehabilitation and replacement of bridges is too much for many local governments with local funds alone.

There is an ongoing need for local bridge funds as bridges are continually wearing out with new bridges being added to the deficient list as other bridges are repaired and replaced.

Local Road Improvement Program

In 2002, the legislature created the Local Road Improvement Program (Minn. Stat. 174.52) to help local communities finance transportation improvements on township, city, and county roads that meet the eligibility criteria of being regionally significant.

The most recent solicitation was completed in May of 2021 for \$75 million of funding appropriated by the legislature in 2020. Local governments submitted 425 applications for the program funding. The requested need for those applications was over \$344 million with a total project cost of \$835 million. The \$75 million awarded in 2021 will fund 75 local road projects throughout the state.

An important benefit of the Local Road Improvement Program is that – unlike the formula for distributing dollars in the Highway User Tax Distribution Fund – this program has no population threshold. Townships and small cities are eligible for funding directly from this program.

Please support the inclusion of \$200 million for the Local Bridge program and \$200 million for the Local Road Improvement Program in the 2022 Capital bonding bill.

Thank you.

Sincerely,

Margaret Donaboe

Margaret Donahoe Executive Director Minnesota Transportation Alliance