

Transportation, Department of

Projects Summary
(\$ in Thousands)

| Project Title | 2010 Agency Priority Ranking | Agency Project Request for State Funds (\$ by Session) | | | | Governor's Recommendations 2010 | Governor's Planning Estimate | |
|--|------------------------------|--|-----------|-----------|-----------|---------------------------------|------------------------------|------|
| | | 2010 | 2012 | 2014 | Total | | 2012 | 2014 |
| Local Bridge Replacement Program | 1 | \$75,000 | \$75,000 | \$75,000 | \$225,000 | \$0 | \$0 | \$0 |
| Greater MN Transit Facilities | 2 | 29,140 | 10,000 | 10,000 | 49,140 | 0 | 0 | 0 |
| Local Road Improvement Fund Grants | 3 | 30,000 | 30,000 | 30,000 | 90,000 | 0 | 0 | 0 |
| Railroad Grade Warning Devices Replacement | 4 | 10,800 | 10,800 | 10,800 | 32,400 | 0 | 0 | 0 |
| Rochester Maintenance Facility | 5 | 2,200 | 20,800 | 13,000 | 36,000 | 0 | 0 | 0 |
| Maple Grove Truck Station | 6 | 15,800 | 0 | 0 | 15,800 | 0 | 0 | 0 |
| Arden Hills Training Center | 7 | 4,750 | 0 | 0 | 4,750 | 0 | 0 | 0 |
| Little Falls Truck Station | 8 | 3,300 | 0 | 0 | 3,300 | 0 | 0 | 0 |
| Maplewood Bridge Crew Building | 9 | 3,000 | 0 | 0 | 3,000 | 0 | 0 | 0 |
| Design Fees - Willmar HQ, Plymouth TS | 10 | 700 | 0 | 0 | 700 | 0 | 0 | 0 |
| Rail Service Improvements | 11 | 10,000 | 10,000 | 10,000 | 30,000 | 0 | 0 | 0 |
| Port Development Assistance | 12 | 10,000 | 10,000 | 10,000 | 30,000 | 0 | 0 | 0 |
| Crookston Vehicle Storage | | 0 | 0 | 3,500 | 3,500 | 0 | 0 | 0 |
| Design Fees-Crookston, Eden Praire, Mendota TS | | 0 | 915 | 0 | 915 | 0 | 0 | 0 |
| Eden Prairie Truck Station | | 0 | 0 | 3,650 | 3,650 | 0 | 0 | 0 |
| High Speed Rail Corridor State Match | | 0 | 100,000 | 100,000 | 200,000 | 0 | 0 | 0 |
| Mendota Truck Station Addition | | 0 | 0 | 4,200 | 4,200 | 0 | 0 | 0 |
| Plymouth Truck Station | | 0 | 4,800 | 0 | 4,800 | 0 | 0 | 0 |
| Willmar District Headquarters | | 0 | 4,000 | 0 | 4,000 | 0 | 0 | 0 |
| Total Project Requests | | \$194,690 | \$276,315 | \$270,150 | \$741,155 | \$0 | \$0 | \$0 |

Local Bridge Replacement Program

2010 STATE APPROPRIATION REQUEST: \$75,000,000

AGENCY PROJECT PRIORITY: 1 of 12

PROJECT LOCATION:

Project At A Glance

- ◆ \$75 million request
- ◆ Replace 960 deficient local bridges during the 2010-2011 construction season, maintaining our transportation infrastructure.
- ◆ Bridge projects requested in 87 counties and cities across the state. Will be supplemented with \$150 million of federal bridge replacement funds, state-aid funds, and local funds.

Project Description

This request for \$75 million in state funds is to replace or rehabilitate deficient bridges owned by local governments throughout the state.

One of Minnesota Department of Transportation (Mn/DOT's) priorities is to maintain and preserve Minnesota's existing transportation systems and infrastructure. Bridges are critical links in the transportation system and state financial assistance to local units of government is necessary because many structures are too costly to be replaced or rehabilitated with local funds alone.

State bridge replacement funds are used in two ways. The first way is to leverage or supplement other types of bridge replacement funding such as federal-aid, state-aid, and township bridge funds.

Federal-aid funds provide up to 80 percent of the bridge funding for eligible projects with the local governments responsible for providing the matching funds. Projects chosen for federal-aid are typically larger, more expensive projects, and even a 20 percent match is a significant cost for a local agency to bear. These funds provide the match.

On the state-aid system, these funds are used to share in the cost of bridge replacement. The high cost of bridges often makes it impractical to fund them completely with state-aid funds, and so these funds are used as a supplement. The cost split is usually 50/50.

On the township system, these funds are only used when a county has depleted its town bridge account. In those cases, these funds are used for 100 percent of the eligible construction costs.

The second way these funds are used is to provide funds for bridges that have no other source of federal-aid or state-aid funds. Bridges on the county road and city street systems are not eligible for state-aid or township bridge funds. Bridges less than 20 feet long are not eligible for federal-aid, and there are not sufficient federal-aid funds to replace all the bridges that are eligible. These funds are used for 100 percent of the eligible construction costs for county road and city street bridges.

Local government units share in the project by assuming all costs for design and construction engineering, right of way, bridge removal, and items not directly attributable to the bridge, such as approach grading and roadway surfacing costs. Whenever a bridge is replaced, it is required that the approach roadway meet current standards. The state-aid variance process is available when approach costs become unreasonable.

Other alternatives to replacing a bridge are always considered before funds are approved. Alternatives such as consolidating routes to eliminate a crossing, building a road in lieu of a bridge, and abandoning the road are common. Funds are made available, up to the cost of the equivalent replacement bridge, to make these alternative improvements practical and to remove a structure permanently from the bridge inventory.

In order to promote innovation and accelerated bridge construction (ABC) on the local system, \$5 million of the bridge bonds will be set-a-side. Benefits of ABC may include reduction of construction time, enhance constructability, and reduction of environmental impacts, minimize traffic disruption, and improved quality and life cycle costs. Elements and methods of ABC may include precast concrete elements, modular construction, structure placement methods, and innovative contracting.

Local Bridge Replacement Program

The January 2000 Legislative Study of State Bridge Grant Funding for Local Bridges says that this impending wave means the state will need to implement a continuous local bridge funding program to maintain the rate of progress in the reduction of deficient local bridges that has been seen in past years. Furthermore, the demand for resources to replace and repair deficient local bridges will increase significantly due to this wave of aging bridges combined with the large deck sizes of the newer bridges.

Impact On Agency Operating Budgets (Facilities Note)

Administration of this program through the State Aid for Local Transportation Division will be completed using the existing organization and infrastructure and within existing budgets.

Previous Appropriations for this Project

In the 2008 bonding bill, \$50 million was appropriated for this program and is projected to result in the replacement, rehabilitation, or removal of approximately 55 bridges. The 2006 bonding bill appropriated \$55 million for this program.

Funding for the program was first provided in 1976. In 1977, Minnesota had 4,856 deficient bridges on the local road systems. Minnesota's bridges are aging and each year more become structurally deficient or functionally obsolete due to deterioration and increased traffic. As of December 2008, there were 1,800 deficient county, city, and township bridges in Minnesota.

Other Considerations**Project Contact Person**

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Governor's Recommendations (To be completed by MMB at a later date)

Greater MN Transit Facilities

2010 STATE APPROPRIATION REQUEST: \$29,140,000

AGENCY PROJECT PRIORITY: 2 of 12

PROJECT LOCATION:

Project At A Glance

- ◆ \$29.14 million requested
- ◆ Countywide public transit provided in 68 of 80 greater Minnesota counties and municipal only service provide in 8 additional counties.
- ◆ Project supports \$29.14 million infrastructure needs of greater Minnesota public transit systems
- ◆ Partnership program (80 percent state, 20 percent local share) to construct facilities for garaging and maintaining transit vehicles

Project Description

The Public Transit Participation Program provides grants for operating and capital assistance to fund public transit service outside the metropolitan area. Bond funds provide grants for capital assistance only. Greater Minnesota transit systems are maturing and experiencing the need for facilities specifically designed to meet their needs for garaging and maintaining vehicles as well as office space for dispatching and other administrative activities. In the absence of appropriate space, these functions are often separated and poorly housed. Suitable facilities add useful life to transit vehicles, provide safe storage, and improve overall vehicle and service performance.

In areas of the state with the potential for coordinating multiple service providers and interlining of various transit services, multimodal transfer facilities are proposed. Additionally, some of the Greater Minnesota projects include parking facilities designed to support park and ride connections with transit services and park and pool connections between commuters. Parking facilities provide a transition point for persons operating their personal automobile to transit services and carpooling opportunities.

Project proposals are prioritized based on need and overall economic benefit. Minnesota Department of Transportation’s (Mn/DOT’s) Office of Transit, working with greater Minnesota transit systems and their ten year capital plans, has identified a list of potential facilities for 2010 and beyond. Past projects have included rehabilitated and newly constructed facilities in Crookston, Fairmont, Goodhue County, Hibbing, Roseau, Stearns County and Thief River Falls. In addition, facility projects are in various stages of construction for Meeker County and Rainbow Rider Transit. Projects included in this request:

| | |
|--|----------|
| Rochester Transit Garage | \$13.6 M |
| Mankato Bus Garage | 5.2M |
| Northfield Transit Station and Park and Ride | .52M |
| Duluth Multi-modal Terminal | 9.6M |
| Stewartville Park & Ride | .22 M |

Impact on Agency Operating Budgets (Facilities Notes)

The funding of this program will have no impact on operating budgets.

Previous Appropriations for this Project

The Minnesota Legislature appropriated \$2 million in bonding funds for this program in 2006 and an additional \$1 million in 2008. These funds have made a significant difference in transit systems’ ability to manage their fleets and provide quality service to Minnesota citizens.

Other Considerations

Some transit systems are forced to lease space configured for other uses, while others have no option but to park buses out of doors, even in the winter months. Availability of appropriate space for vehicles and maintenance capability is important to preserve critical community services.

There is an increasing need and demand in greater Minnesota for transportation alternatives. Providing the state funding match for transit facilities will assist providers in getting the longest possible life from their vehicles. This aligns with the department’s objective to preserve the

Greater MN Transit Facilities

transportation infrastructure and corresponds to the measure that seeks to improve the overall condition of the greater Minnesota public transit fleet.

Mn/DOT will partner with public transit systems in greater Minnesota to provide efficient and economical facilities and a healthy and safe workplace for employees.

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Governor's Recommendations (To be completed by MMB at a later date)

Local Road Improvement Fund Grants

2010 STATE APPROPRIATION REQUEST: \$30,000,000

AGENCY PROJECT PRIORITY: 3 of 12

PROJECT LOCATION:

Project At A Glance

- ◆ \$30 Million Request
- ◆ To provide \$15 million to assist counties with Rural Road Safety Projects to reduce traffic crashes, deaths, injuries, and property damage that cannot be funded through existing revenue sources.
- ◆ To provide \$15 million to assist cities, counties or townships with local road projects with statewide or regional significance and reduce traffic crashes, deaths, injuries, and property damage that cannot be funded through existing revenue sources.

Project Description

This request for \$30 million in state funds is to provide funding assistance to local agencies for construction, reconstruction, or reconditioning projects of local roads with statewide or regional significance and projects on county state aid highways designed to improve safety by reducing traffic crashes, deaths, injuries, and property damage. These are local projects that cannot be reasonably funded through other sources.

Local roads provide critical connections to the states interregional corridors and other trunk highways from towns, shipping points, industries, farms, recreational areas, and other markets. A well-developed local system is vital to any solution for reducing congestion on trunk highways.

A study of local road funding conducted for the legislature in January 2002 found a large and growing need for transportation system improvements. Existing funding mechanisms are limited in handling many of the situations and types of projects identified as important to the state of Minnesota.

State assistance is needed to supplement local effort and the highway user tax distribution fund in financing capital improvements to preserve and develop a balanced transportation system throughout the state. In 2002, the legislature created the Local Road Improvement Program (M.S. 174.52). The fund for this program has three accounts: The Trunk Highway Corridor Projects Account provides funding assistance to local agencies with the local share of costs of improving trunk highways through their communities.

The Local Road Account for Routes of Regional Significance provides funding assistance to local agency road projects that are significant to the state or region. Such projects may support economic development, provide capacity or congestion relief, provide connections to interregional corridors or other major highways, or eliminate hazards.

The Local Road Account for Rural Road Safety provides funding for projects on county state-aid highways intended to reduce traffic crashes, deaths, injuries, and property damage.

This request is for \$30 million for grants split between the Local Road Improvement Accounts for Routes of Regional Significance and Rural Road Safety.

Impact on Agency Operating Budgets (Facilities Note)

Administration of this program through the State Aid for Local Transportation Division will be completed using the existing organization and infrastructure and within existing budgets.

Previous Appropriations for this Project

The 2008 bonding bill provided \$10 million that was placed in the Rural Road Safety account of the Local Road Improvement Program, The \$10 million was distributed to counties statewide for the development and construction of 67 safety projects.

Local Road Improvement Fund Grants

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Governor's Recommendations (To be completed by MMB at a later date)

Railroad Grade Warning Devices Replacement

2010 STATE APPROPRIATION REQUEST: \$10,800,000

AGENCY PROJECT PRIORITY: 4 of 12

PROJECT LOCATION:

Project At A Glance

- ◆ **\$10.8 million request (\$5.4 million per year)**
- ◆ Replace aging grade crossing safety warning devices.

Background

The reliability and credibility of grade crossing warning devices is of utmost importance to the traveling public. Rapid advancements in technology have made older grade crossing warning devices obsolete and, at times, difficult to repair due to lack of parts. When a crossing signal malfunctions, the lights will flash in the same manner as if a train were approaching the crossing. The flashing of the lights will continue until the problem is corrected, which could take several hours. Drivers can confuse a signal with a long warning time with one that is malfunctioning. This confusion can lead a driver to make an assumption that a signal has malfunctioned resulting in the driver's decision to cross the tracks despite the flashing signal or lowered gates. Clearly this can have an adverse consequence if a train is approaching.

There are approximately 1,300 railroad-highway grade crossings signals in the state of Minnesota. The normal life cycle for railroad-highway grade crossings signals is 20 years. These signal systems need to be replaced as they get to the end of their design life. In order to manage this process, Mn/DOT is developing a statewide life cycle planning process, including a funding mechanism to make these improvements that will administer the state's investment in grade crossing warning devices. This life cycle planning process must address the need to replace approximately 70 signal systems per year.

Since older signal systems tend to experience more problems with malfunctioning equipment than newer equipment, signal modernizations need to be an integral component of Mn/DOT's efforts to maintain safety at railroad - highway grade crossings.

Project Description

The purpose of this funding request is to replace the aging grade crossing warning devices in the state. Given the number of grade crossings with active warning devices in the state, Mn/DOT estimates it will cost approximately \$5.4 million per year to address the state's railroad – highway grade crossing signal modernization needs.

Installing signals at grade crossings that are currently unsignalized continues to be Mn/DOT's highest investment priority for the grade crossing safety program. A federal set-aside program (Section 130 Program) pays 90% of the cost of these safety improvements. The \$5.4 million in federal dollars available annually provides funding for only 25 projects per year, a small percentage of the state's grade crossing safety needs.

The task is daunting, particularly with limited financial resources. The replacement of older signal equipment that has become obsolete, including the establishment of an ongoing funding source, should be an essential element of Minnesota's grade crossing safety improvement program.

Impact on Agency Operating Budgets (Facilities Notes)

The funding of this program will have no impact on department operating budgets.

Previous Appropriations for this Project

Minnesota's Grade Crossing Safety Improvement Program currently receives approximately \$5.4 million dollars per year from SAFETY-LU. In addition, the program receives \$600,000 annually from the Minnesota grade crossing safety account in the special revenue fund (M.S. 219.1651). The vast majority of these funds are used to install active warning devices at unsignalized crossings.

Railroad Grade Warning Devices Replacement

Other Considerations

A portion of bond proceeds for this activity may be needed to supplement Mn/DOT project management staff or be used for consultant project management assistance.

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Governor's Recommendations (To be completed by MMB at a later date)

Rochester Maintenance Facility

2010 STATE APPROPRIATION REQUEST: \$2,200,000

AGENCY PROJECT PRIORITY: 5 of 12

PROJECT LOCATION:

Project At A Glance

- ◆ Requesting \$2.2 million
- ◆ Site preparation for a new Rochester maintenance facility
- ◆ This project consists of approximately 110,500 square feet (ft²) maintenance facility that will include vehicle storage for road, bridge, and building maintenance equipment as well as a sign shop, vehicle maintenance and welding shops, an inventory Center, and crew support facilities.
- ◆ Existing district headquarters building remodeling
- ◆ This project consists of remodeling approximately 94,000 square feet (ft²) of the existing district headquarters for the Minnesota Department of Transportation (Mn/DOT) office and conference space, materials lab and space for Driver and Vehicle Services
- ◆ The site will also house a salt storage building, unheated storage building, fuel dispensing station, and yard storage.
- ◆ Located in the city of Rochester

Project Description: New Maintenance Facility (Phase 1 and 2)

This request is to fund three phases. Site preparation is phase one and is expected to cost \$2.2 million.

Phase 2 of this project will be requested in the 2012 capital budget request to construct the maintenance facility. This phase is expected to cost \$20.8 million. The construction of a new road maintenance facility of approximately 110,500 square foot servicing a minimum of 39 major pieces of snow plow and ancillary heavy equipment.

The facility will house a vehicle maintenance shop for 9 mechanics, welding shop and small equipment repair shop and provide shops and vehicle storage for bridge maintenance, the sign shop and building maintenance. The district inventory center will be housed in the new building along with office space and crew support facilities.

This facility is the central support and management location for District 6's 1,422 miles of state and federal highways, 207 miles of interstate roadways, 857 bridges, 3,538 miles of county state aid system roadways, 12 safety rest areas and 23 truck stations located throughout the district along with the management of approximately 20,000 acres of land.

Project Description: Existing District Headquarters Building Remodeling (Phase 3)

Phase 3 funding will be requested in the 2014 capital budget request for remodeling of the existing district headquarters building. This phase is expected to cost \$13 million. The existing two floors of office space will be renovated to provide office space for the District Management Team, business office and conference center. Driver and Vehicle Services will occupy the existing Materials Laboratory space as a tenant to Mn/DOT. The existing vehicle maintenance shop will be remodeled to provide two floors of office space for Mn/DOT program delivery and construction personnel.

A new materials laboratory will be built in part of the vehicle storage area vacated by road maintenance. This will separate the incompatible functions of general offices and workstations from the loud and odorous activities occurring in the materials lab and allow for a much needed expansion of the materials lab to accommodate its large workload.

The State Patrol office area will not change as part of this project.

Impact on Agency Operating Budgets (Facilities Notes)

Utility costs will increase moderately in this new facility. Current staff will be shifted from the existing facilities to this facility.

Rochester Maintenance Facility

Previous Appropriations for this Project

\$1,500,000 was appropriated in 2008 for Schematic Design, Design Development and Construction Document Phases of the project.

Other Considerations

This project will enable Mn/DOT staff to provide better customer service through enhanced equipment availability and prolonged life cycle use of taxpayer supported equipment.

Mn/DOT will be providing an energy efficient, functionally proficient, and economical facility supporting productive, healthy, and safe working environments for employees.

The new facility will alleviate operational inefficiencies due to existing office spaces and shop areas being insufficiently sized and equipped to serve current tasking.

The majority of existing plant equipment (boilers, air handlers) is near or beyond their life expectancy resulting in increased maintenance and inefficient operation. Significant investment is required to maintain operability of aged equipment.

Site development will handle storm water within the site to minimize current operational costs associated with storm water drainage,

Site development will improve facility identification and separate Mn/DOT equipment, employee, and private vehicle circulation to improve safety.

State Patrol's existing vehicle impound lot will be relocated to a more secure and visually screened portion of the site.

Site development will relocate an existing stream to enable Mn/DOT to more fully utilize the site and improve separation between yard activities and adjacent commercial (restaurant and hotel) and residential functions.

Design and construction efforts are phased to enable Mn/DOT to operate continually out of the Rochester site throughout the construction period.

Day lighting in staff work areas are a focus of the design. The current headquarters has half of the staff in the basement space with no access to daylight throughout their work day.

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Governor's Recommendations (To be completed by MMB at a later date)

Maple Grove Truck Station

2010 STATE APPROPRIATION REQUEST: \$15,800,000

AGENCY PROJECT PRIORITY: 6 of 12

PROJECT LOCATION:

| Project At A Glance |
|--|
| <ul style="list-style-type: none"> ◆ Requesting \$15.8 million ◆ A new Maple Grove Truck Station and mechanics facility ◆ This approximate 95,000 square feet (ft²) truck station facility will contain offices, shops, vehicle support, inventory space, storage spaces, and mechanics work bays ◆ The site will also house a salt storage building, an unheated storage building, fuel dispensing stations, and yard storage. ◆ Located in the city of Maple Grove |

Project Description

The project will consist of new construction on an approximate 30-acre site with an approximate 95,000 ft² truck station and vehicle maintenance facility with offices, mechanics repair bays, a welding shop and vehicle storage, and employee support areas. An unheated storage building, salt storage building, fuel dispensing stations, and yard storage will also be included on the site.

Minnesota Department of Transportation (Mn/DOT) plans to build a new Maple Grove truck station on the new site in Maple Grove, relocating this industrial facility from its current commercial development surroundings and allowing Mn/DOT to design and build a larger facility to current building codes and environmental regulations capable of supporting the expanding Maple Grove service area.

During the same capital construction request year, Mn/DOT had also planned to build a new mechanics facility at the Golden Valley Headquarters site. This site is small and located in a residential area along Highway 100.

Review of the existing Golden Valley site for compatibility with the surrounding residential area, and whether the current site is adequate to support an additional facility, led Mn/DOT to conclude that construction on another site was preferable.

Economic savings of combining the two facilities along with the economics of construction scale and site availability led Mn/DOT to place both the truck station and the mechanics facility in one building at the Maple Grove site.

Constructing on a larger site and combining two like facilities functions will allow Mn/DOT to gain efficiencies of scale and management cohesion by consolidating like functions and building a facility of a size to accommodate our larger snowplows and other highway engineering equipment. We would take advantage of new construction methods, build to current codes, allow for future expansion, and update current technologies in construction, communication, energy management, all of which will contribute to the health and welfare of Mn/DOT employees.

Impact on Agency Operating Budgets (Facilities Notes)

Utility costs will increase moderately in this new facility. Current staff will be shifted from the existing facilities to this facility.

Previous Appropriations for this Project

\$500,000 was appropriated in 2008 for Schematic Design, Design Development and Construction Document Phases of the project.

Other Considerations

The city of Maple Grove desires to purchase the old Maple Grove truck station and an ancillary pit site in Maple Grove. Appraisals were completed and valued at approximately \$3.3 million. Negotiations with the city are currently underway.

This new facility will be located to effectively meet Mn/DOT's long-range goals as it is situated on future Interstate 610 Right of Way.

Maple Grove Truck Station

The increasing traveler needs, as well as the need to support the agency's long-range strategic goals such as upgrading regional corridors, require that Mn/DOT provide a quality facility.

Mn/DOT will provide better customer service through enhanced equipment availability and by prolonging the life cycle use of taxpayer supported equipment.

Mn/DOT will provide an efficient and economical facility, and a healthy and safe workplace for employees.

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Governor's Recommendations (To be completed by MMB at a later date)

Arden Hills Training Center

2010 STATE APPROPRIATION REQUEST: \$4,750,000

AGENCY PROJECT PRIORITY: 7 of 12

PROJECT LOCATION:

Project At A Glance

- ◆ Requesting \$4.75 million.
- ◆ Addition and remodeling at the Arden Hills Training Center
- ◆ Construction of 35,000 square foot (ft²) conference center, containing a 9,000 ft² meeting room that is divisible into 4 smaller rooms, additional classrooms and support facilities
- ◆ Remodeling approximately 12,500 SF of office space for the State Patrol to consolidate their two metro districts offices
- ◆ Remodeling the existing classroom building to bring it to current standards

Project Description

The project will consist of new construction on an approximately 35,000 ft² conference center, containing a 9,000 ft² meeting room, that is divisible into 4 smaller rooms, a new entrance lobby and offices, catering kitchen, men's and women's restrooms and other support facilities.

Remodel the existing north building, approximately 12,500 ft² for office space for the State Patrol to consolidate two metro district offices and add a new entrance, elevator and stair.

Remodel the existing classroom building to bring it up to current codes and standards.

Impact on Agency Operating Budgets (Facilities Notes)

The conference facility will be used by the Minnesota Department of Transportation (Mn/DOT) for large meetings, saving the cost of renting large meeting room space.

Mn/DOT's Training Center has been host to multiple events sponsored by other state agencies. During FY08 & FY09, 12% (336 of 2,897) of the events held at Mn/DOT's Training Center were sponsored by other state agencies. State agencies that have held events at Mn/DOT's Training Center include DPS, PCA, DVS, DOA, MMB, and DNR. Expansion of Mn/DOT's Training Center to include the construction of a 9,000 square foot meeting room (dividable into multiple smaller rooms) will help address the ongoing issue all state agencies face when attempting to locate a large meeting space at a reasonable fee. Within the past 10 months we have been unable to accommodate 62 requests for training room space due to room unavailability or our inability to accommodate groups larger than 60. Discussions regarding the possible expansion of Mn/DOT's Training Center have had the involvement of the state of Minnesota's Training Manager to assist use in determining the overall state agency need for training and conference room space. The need exists and if the expansion is approved Mn/DOT would continue to partner with state agencies that have previously hosted events at the Mn/DOT Training Center and also reach out to additional agencies in an effort to assist them with their economical training and conference space needs.

The conference facility will be able to be used by other state agencies, providing revenue to Mn/DOT and cost savings to the other state agencies.

Utility costs will increase moderately in this new facility. Current staff will be shifted from the existing facilities to this facility.

Impact on Agency (State Patrol) Operating Budgets (Facilities Notes)

Remodel of the existing north building will allow State Patrol to consolidate three existing divisions (2-Golden Valley, 1-Oakdale) into one. A reduction in some operating costs is anticipated as well as an increase in overall efficiency.

Arden Hills Training Center**Previous Appropriations for this Project**

No funds to date have been appropriated for the project.

Other Considerations

Mn/DOT will be providing an efficient and economical facility and a healthy and safe workplace for employees.

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Governor's Recommendations (To be completed by MMB at a later date)

Little Falls Truck Station

2010 STATE APPROPRIATION REQUEST: \$3,300,000

AGENCY PROJECT PRIORITY: 8 of 12

PROJECT LOCATION:

Project At A Glance

- ◆ Requesting \$3.3 million to build a new Little Falls truck station
- ◆ This approximate 16,000 square feet (ft²) truck station facility will contain offices, shops, vehicle support, inventory space, storage spaces, and mechanics work bays
- ◆ The site will also house a salt storage building, an unheated storage building, fuel dispensing and yard storage.
- ◆ Located in the city of Little Falls

Project Description

The project will consist of new construction on an approximate 15-acre site with an estimated 16,000 ft² truck station and vehicle maintenance facility with offices, mechanics repair bays, vehicle storage, and employee support areas. The site will also include an unheated storage building, a salt storage building, and fuel dispensing station.

Minnesota Department of Transportation (Mn/DOT) plans to build the truck station on the new site in Little Falls.

Mn/DOT will design and build a larger facility, to current building codes and environmental regulations, capable of supporting the expanding Little Falls service delivery.

Impact on Agency Operating Budgets (Facilities Notes)

Utility costs will increase moderately in this new facility. Current staff will be shifted from the existing facilities.

Previous Appropriations for this Project

No funds to date have been appropriated for the project.

Other Considerations

The expansion of the trunk highway 371 inter-regional corridor has increased lane miles and usage on TH 371. This facility will be used to meet this increase in demand and maintain quality services in this region.

The increasing traveler needs, as well as the need to support Mn/DOT's long-range strategic goals of upgrading regional corridors, require that we provide a quality facility.

Mn/DOT will provide better customer service through enhanced equipment availability and by prolonging the life cycle of taxpayer supported equipment.

Mn/DOT will be providing an efficient and economical facility, and a healthy and safe workplace for employees.

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Governor's Recommendations

Maplewood Bridge Crew Building

2010 STATE APPROPRIATION REQUEST: \$3,000,000

AGENCY PROJECT PRIORITY: 9 of 12

PROJECT LOCATION:

Project At A Glance

- ◆ Requesting \$3 million for a new Maplewood Bridge Crew Building
- ◆ This approximate 15,400 square feet (ft²) facility for the New Bridge Crew to be located at an existing MNDOT site in Maplewood. It will contain offices, shops, vehicle storage and crew support spaces, The site will also house salt storage building, unheated storage building, fuel dispensing and yard storage.
- ◆ Located in the City of Maplewood

Project Description

The project will consist of new construction on the existing site in Maplewood that currently house Metro District Fleet Management Section. An approximate 15,400 ft² building to house the New Metro Bridge Crew that was created after the collapse of the I-35W Bridge.

The building will contain vehicle storage for 15 vehicles, welding and carpenter shops, office and crew support space for 8 to 12 bridge workers.

Impact on Agency Operating Budgets (Facilities Notes)

Utility costs will increase moderately in this new facility. Current staff will be shifted from the existing facilities to this facility.

Previous Appropriations for this Project

No funds to date have been appropriated for the project

Other Considerations

Mn/DOT will be providing an efficient and economical facility, and a healthy and safe workplace for employees.

Project Contact Person

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Governor's Recommendations (To be completed by MMB at a later date)

2010 STATE APPROPRIATION REQUEST: \$700,000

AGENCY PROJECT PRIORITY: 10 of 12

PROJECT LOCATION:

Project At A Glance

- ◆ Request \$700,000 for two projects
- ◆ Schematic, design development and investigative portions of a new Plymouth Truck Station, including the subsequent remodeling and upgrade of the existing facility, costing \$380,000
- ◆ Schematic, design development and investigative portions of a new district headquarters vehicle storage facility in Willmar, costing \$320,000

Project Description

Facilities need to be routinely constructed and/or upgraded to provide support for the Minnesota Department of Transportation (Mn/DOT) mission. Planning and design for these facilities needs to be accomplished to meet Mn/DOT's six year construction schedule.

This request is to provide the funding for:

Plymouth Truck Station (Schematic Design, Design Development and Investigative Services)

The project includes the schematic design, design development, and investigative portions of a facility design project for a truck station. This will be an addition to the existing truck station or will be a replacement on the existing site.

Willmar District Headquarters Vehicle Storage

The project includes the design, through construction documents, and investigative portions of a facility design project for a district headquarters vehicle storage facility located in Willmar.

Impact on Agency Operating Budgets (Facilities Notes)

Utility costs will increase moderately in these new buildings.

Previous Appropriations for this Project

None

Other Considerations

These projects will include site investigation, sustainability compliance, and the review of possible ground source heat and/or solar panels use where practicable, as well as the possible use of wind turbine technology.

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Governor's Recommendations (To be completed by MMB at a later date)

Rail Service Improvements

2010 STATE APPROPRIATION REQUEST: \$10,000,000

AGENCY PROJECT PRIORITY: 11 of 12

PROJECT LOCATION:

| Project At A Glance | |
|---|--|
| <ul style="list-style-type: none"> ◆ \$10 million request ◆ Preserves and improves rail-shipping opportunities in Minnesota to achieve a modally balanced freight transportation system and provide access to markets ◆ Serves the freight community in Minnesota in support of statewide economic development ◆ Provides long-term no-interest loans to regional railroad authorities, railroads, and shippers to improve rail facilities and increase railroad shipping ◆ | |

Project Description

The Minnesota Rail Service Improvement (MRSI) Program seeks to preserve and enhance rail service in the state. MRSI assists rail users (shippers) and rail carriers (the railroads) with infrastructure improvements, as well as preservation of rail corridors through land banking.

Minnesota’s short line and regional railroads provide a critical function in the rail network. They provide important freight connections between communities and to national and international markets served by the Class 1 railroads. Many of the smaller railroads in Minnesota are in need of capital improvements and rehabilitation to be able to operate safely and reliably. In addition, businesses that wish to ship or receive goods by rail must have adequate rail infrastructure, such as rail spurs, sidings and loading equipment. The MRSI Program assists with such needs.

The MRSI Program includes three primary elements: the Capital Improvement Loan Program, the Rail Line Rehabilitation Program and the Rail Bank Program.

Capital Improvement Loan Program:

- ◆ Both railroads and shippers are eligible to receive interest-free loans for capital improvements. Typical projects include upgrading small segments of rail lines, construction and extension of rail spurs, bridge replacement or upgrade, and development of loading or unloading facilities. Recipients must meet criteria to protect the investment of Minnesota taxpayers.

Rail Line Rehabilitation Program:

- ◆ The Rail Line Rehabilitation Program is a partnership program with a rail authority, rail shippers, and the Minnesota, Department of Transportation (Mn/DOT). This program loans money to rail authorities to rehabilitate operating, but deteriorating, rail lines. The program requires shipper financial participation and projects must meet criteria to protect the investment of Minnesota’s taxpayers. Rehabilitation loans have included 29 State funded rehabilitation projects and/or assistance to rail authorities to purchase short lines or regional railroads within the state of Minnesota.

Rail Bank Program:

- ◆ The Rail Bank Program acquires and preserves abandoned rail lines and right-of-way for future transportation use. Once acquired, Mn/DOT has a financial responsibility to maintain abandoned railroad property placed in the Rail Bank Program.

The MRSI Program was created in 1976 and funding was first authorized in 1978. In 1982, a Constitutional Amendment provided for general fund obligation bonds to be used for the MRSI Program. The MRSI Program has received general fund appropriations totaling \$19.0 million and general obligation bond appropriations totaling \$32.0 million over the life of the program. The bond proceeds, combined with federal grants and funding from railroads, shippers, local units of government, together with loan repayment proceeds have driven project investments exceeding \$134.5 million within the state of Minnesota.

Rail Service Improvements

There continues to be considerable interest on the part of shippers and railroads to participate in the MRSI Program. Solicitations for loans are issued on a regular basis and applications taken. Regional and statewide freight studies, as well as the State Rail Plan, identify needs that may be addressed by the MRSI Program.

Impact on Agency Operating Budgets (Facilities Notes)

This is a loan program. There is no impact on state operating budgets.

Previous Appropriations for this Program

The Minnesota Legislature originally appropriated \$3 million in general funds for this program in 1976. In 1977, an additional \$3 million in general funds were appropriated. The legislature has appropriated funding in the following years: 1979, \$3 million from the general fund; 1980, \$13.5 million in bonds; 1981, \$1 million from the general fund; 1984, \$12 million in bonds; 2001 and 2002, \$5 million and \$1 million, respectively from the general fund. The 2003 legislature reduced the amount of funding available to the MRSI Program by \$6.4 million for fiscal years 2004 and 2005. The MRSI Program has received \$1.5 and \$2.0 million, respectively, in 2006 and 2007. The 2008 legislature reduced funding available to the MRSI Program by \$3.0 million in each of years 2007 and 2008. In Fiscal Year 2009, the MRSI Program received \$3.0 million in General Obligation bonds. Direct project appropriations (both state bonding and federal assistance) are also administered through the program.

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Governor's Recommendations (To be completed by MMB at a later date)

2010 STATE APPROPRIATION REQUEST: \$10,000,000

AGENCY PROJECT PRIORITY: 12 of 12

PROJECT LOCATION:

Project At A Glance

- ◆ **\$10 million request**
- ◆ The Minnesota Port Development Assistance Program supports infrastructure needs of Minnesota's public ports on the Great Lakes and Inland River Navigation Systems.
- ◆ Partnership program to improve freight handling efficiency on Minnesota's commercial waterway systems, with typically 80 percent state grants and 20 percent local share.
- ◆

Project Description

The purpose of the Port Development Assistance Program is to 1) expedite the movement of commodities and passengers on the commercial navigation system; (2) enhance the commercial vessel construction and repair industry in Minnesota; and (3) promote economic development in and around ports and harbors in the state. (Source: Minnesota Statutes 457A.2)

Project proposals are prioritized based on need, employment generated and overall economic benefit. Minnesota Department of Transportation's (Mn/DOT's) Office of Freight and Commercial Vehicle Operations, working with the state's port authorities, have identified a list of potential terminal improvement projects for 2010 and beyond:

St Paul Port Authority

| | |
|---|--------------|
| River Terminal Dock Wall Rehabilitation/ Reconstruction (BT #1) | \$ 3,000,000 |
| Southport Dock Wall Construction (II) | \$ 1,000,000 |
| Rehabilitation of Port Authority Buildings | \$ 3,000,000 |
| Stormwater Management | \$ 1,000,000 |
| River Terminal Dock Wall Rehabilitation (Red Rock & Southport) | \$ 2,000,000 |
| Replacement of Railroad Crossings at BT # 1 | \$ 100,000 |

Duluth Seaway Port Authority

| | |
|----------------------------|--------------|
| Terminal Dock and Roadways | \$ 5,425,000 |
| Transit Shed | \$ 1,350,000 |
| East Warehouse Building | \$ 850,000 |
| Port Security | \$ 50,000 |
| Garfield Docks C & D | \$ 12,700,00 |
| 100K sq. ft. Warehouse | \$ 4,500,000 |

Port Authority of Winona

| | |
|--------------------------------|--------------|
| Commercial Harbor Dock Project | \$ 1,500,000 |
|--------------------------------|--------------|

Red Wing Port Authority

| | |
|--------------------------------|--------------|
| Bulkhead Wall Repair | \$ 75,000 |
| Upper Harbor Wall Construction | \$ 2,500,000 |

Impact on Agency Operating Budgets (Facilities Notes)

The funding of this program will have no impact on department operating budgets.

Previous Appropriations for this Project

The Minnesota Legislature originally appropriated \$3 million in bonding funds for this program in 1996. In 1998 the legislature appropriated \$3 million in bonding funds and \$1.5 million in general funds. In 2000 the legislature appropriated \$2 million in general funds. An additional \$2 million in bonding funds was appropriated in 2003. The 2003 legislature also authorized \$3.5 million in bonding, specifically for Winona for freight access improvement.

Recent legislative appropriations include:

- ◆ 2005 - \$2 million (bonds)
- ◆ 2006 - \$3 million (bonds)
- ◆ 2008 - \$500,000 (general funds)
- ◆ 2009 - \$3 million (bonds)

Total state appropriations to date are \$20,456,000.

Other Considerations

Neighboring states have had Port Development Assistance programs dating back to 1980 and have committed over \$50 million to rehabilitating their port infrastructure projects similar to Minnesota. Their programs are on a grant basis only.

Minnesota is further from the Atlantic Ocean and the Gulf of Mexico than all of our neighboring waterway states. This puts Minnesota at a geographic disadvantage as well as costing Minnesota shippers more to get their products to international markets.

According to Minnesota law, Port Development Assistance funds cannot be added to other state sponsored port investments. Port Development funds can be used with federal and local dollars to complete projects that benefit a port. An example of this is the rehabilitation of Port Terminal Drive in Duluth. Federal and city funds were used with Port Development funds. This was an

opportunity to leverage Port Development funds with federal, city and port authority funds to complete a total road project that would not have been possible without this partnership.

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Governor's Recommendations (To be completed by MMB at a later date)