

## **M.L. 2017, Chp. 96, Art., Sec. 2, Subd. 9g Project Abstract**

For the Period Ending December 31, 2022

**PROJECT TITLE:** Mesabi Trail Segments: T.H. 135 to Embarrass, and McKinley to Biwabik, and Soudan to Vermilion State Park Entrance Road

**PROJECT MANAGER:** Robert Manzoline

**AFFILIATION:** St. Louis and Lake Counties Regional Railroad Authority

**MAILING ADDRESS:** 111 Station 44 Road

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**FUNDING SOURCE:** Environment and Natural Resources Trust Fund

**LEGAL CITATION:** M.L. 2017, Chp. 86, Art., Sec. 2, Subd. 9g

**APPROPRIATION AMOUNT: \$2,269,000**

**AMOUNT SPENT: \$2,269,000**

**AMOUNT REMAINING: \$0**

### **Sound bite of Project Outcomes and Results**

This project was an important part of nearing the completion of a planned 162 mile long paved bicycle trail stretching from Grand Rapids to Ely, MN. The ENRTF funding along with other funds allowed for the completion of the T.H. 135 to Embarrass and Soudan to Vermilion State Park Entrance Road segments of the Mesabi Trail and for the near completion of the McKinley to Biwabik segment. Final work on the McKinley to Biwabik segment will be completed with ML 2021 ENRTF funds.

### **Overall Project Outcome and Results**

Both the T.H. 135 to Embarrass and the Soudan to Vermilion State Park segments are 100% completed. The ¾-mile aluminum dock and bridge rehabilitation through the Darwin Meyers Wildlife Management Area are very nice features on the T.H. 135 to Embarrass segment of the Mesabi Trail. Soudan to Vermilion State Park Entrance Road segment includes the Mesabi Trail built from the Soudan Underground Mine and connects with the Vermilion State Park and heading East towards Ely. For the McKinley to Biwabik segment engineering design and specifications remain at 95% completed. Currently, MN Department of Transportation is reviewing the Limited Use Permit to allow a portion of the trail to be along highway 135 into Biwabik. Once that review is approved, the design and specifications for this segment of the trail can be completed. A portion of this segment starting from Gilbert to McKinley was constructed using other funds MN DEED Grant for \$286,000 and an IRRR Grant for \$53,188. All funds from this M.L. 2017 Grant have been spent, which we will now use M.L. 2020, First Special Session, Chp. 6, Art. 5, Sec. 2, Subd. 9q along with additional funding sources to complete the trail from McKinley to Biwabik.

### **Project Results Use and Dissemination**

The Mesabi Trail news and updates are provided through a variety of media, marketing and publications. Web site is: Mesabitrail.com. The following are some of the groups & organizations that disseminate Mesabi Trail information and typically include updates of newly completed trail segments and activities:

- Club Mesabi (10,000 maps & web site: Mesabitrail.com)
- Iron Range Tourism (30,000 brochures & web site)
- MN Office of Tourism
- amperes radio
- Parks & Trails, Home & Away, other private magazines
- Over 250,000 trail users per year

- Great River Energy/Mesabi Trail annual tour
- Named by the Star Tribune as “Best of Minnesota” in year 2013
- Named by Bicycle Magazine as” top 10 in the country”
- Information distributed at over 70 locations including Chambers of Commerce, visitor centers, businesses
- MN DOT/Pedal MN bikeways map
- “Second best trail in Midwest USA” Dubuque Iowa, 2017

The Environmental and Natural Resources Trust Fund is acknowledged as a funder for the Mesabi Trail with recognition posted in each kiosk along the trail.

The Minnesota Environment and Natural Resources Trust Fund (ENRTF) will be acknowledged through use of the trust fund logo or attribution language on project print and electronic media, publications, signage, and other communications per the [ENRTF Acknowledgement Guidelines](#).



# Environment and Natural Resources Trust Fund (ENRTF) M.L. 2017 LCCMR Work Plan – Final Report

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**Date of Submission:** February 22, 2023

**Final Report**

**Date of Work Plan Approval:** 06/07/2017

**Project Completion Date:** December 31, 2022

**Does this submission include an amendment request?** Yes

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**PROJECT TITLE:** Mesabi Trail Segments T.H. 135 to Embarrass; and McKinley to Biwabik; and Soudan to Vermillion State Park Entrance Road.

**Project Manager:** Robert Manzoline

**Organization:** St. Louis and Lake Counties Regional Railroad Authority

**Mailing Address:** 111 Station 44 Road

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**Location:** St. Louis County

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**Total ENRTF Project Budget:**

**ENRTF Appropriation:** \$2,269,000

**Amount Spent:** \$2,269,000

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**Balance:** \$ 0

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**Legal Citation:** M.L. 2017, Chp. 96, Sec. 2, Subd. 09g

**Appropriation Language:** \$2,269,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with the St. Louis and Lake Counties Regional Railroad Authority for engineering and construction segments of the Mesabi Trail. This appropriation is available until June 30, 2020, by which time the project must be completed and final products delivered.

**I. PROJECT TITLE: Mesabi Trail Segments T.H. 135 to Embarrass; and McKinley to Biwabik; and Soudan to Vermillion State Park Entrance Road.**

**II. PROJECT STATEMENT:**

**General:** The Mesabi Trail is a planned 155 mile long paved trail from Grand Rapids to Ely. Approximately 115 miles of the trail, from Grand Rapids to Embarrass, has been completed since the trail inception in year 1996. The Mesabi Trail is owned and maintained by the St. Louis and Lake Counties Regional Railroad Authority (RRA). The trail serves as an alternate transportation corridor namely for non-motorized pedestrian, bike, ski, horses, and motorized snowmobile use where designated. The trail extends from the Mississippi River in Grand Rapids to the Boundary Waters Canoe Area in Ely.

The St. Louis and Lake Counties Regional Railroad Authority (RRA) performs the trail development work including liaison with agencies & local jurisdictions, public meetings, contract administration, right-of-way acquisition and other administrative functions. LCCMR funds will be used for environmental work, engineering work and construction. The RRA is experienced at leveraging funds, meeting specific funder requirements, matching non-state & non-federal sources and completion dates. The TH 135 to Embarrass segment will be funded using State funds. The Soudan to Vermillion State Park Entrance Road will be funded using State funds. The McKinley to Biwabik segment will be funded by a combination of state, federal and local funds all with varying rules and guidelines. The most prescriptive grantor(s) rules will be used advancing this project.

Do to the extensive Mesabi Trail length, the trail has been divided into attainable segments for development and construction. Segment development entails route evaluations, right-of-way considerations, environmental impacts and other factors. We have experienced development delay because of landownership issues, endangered species avoidance and cultural resource preservation that are beyond our control. When development delay occurs that may jeopardize the use of grant funds (deadlines) we have requested from LCCMR and other grantors funds be shifted to other trail segments ready to be constructed. A funding shift using LCCMR funds is cumbersome do to Legislative procedures/actions necessary for approval. If needed, we request LLCCMR Staff be granted some latitude to approve a funding shift to other Mesabi Trail segments ready for construction.

**Specific:** grant funds will be used for Mesabi Trail construction within three segments each further described as follows:

**T.H. 135 to Embarrass**

Grant funds will be used to construct a 4,000 LF floating dock over a wetland and reconstructing the former Lane 51 road bridge (circa 1928) over the Embarrass River. These improvements will used for the Mesabi Trail and users of the MN DNR Darwin Meyers Wildlife Management Area.

The TH 135 to Embarrass segment of the Mesabi Trail is approximately 6 miles in length. The majority of the trail construction work will be done using the 2016 LCCMR appropriation ML 2016, Chapter 186, Section 2, Subd. 9e in the amount of \$1.2 million. An extensive environmental study of three alternative routes was conducted in years 2014 and 2015. The preferred alternate has been selected. All alternative routes involved crossing of the Embarrass River and adjoining floodplain and wetland complexes. The preferred alternative route mitigates wetland impacts by using a floating bridge to cross the wetland. A floating bridge does negatively impact vegetation but allows water movement through the wetland without soil disturbance. The preferred alternative route will reuse parts of an existing roadway bridge that crosses the Embarrass River. The exiting bridge abutments, wing walls and steel girders will be used without new impacts to the Embarrass River. The existing concrete bridge deck will be removed and replaced with a wooden deck and wooden side rails. The

reconstructed bridge will achieve a live load rating of 10 tons and will be from time to time used by the MN DNR for vehicle movements within Darwin Meyers WMA.

### **McKinley to Biwabik**

This trail segment is 5.5 miles long making connections to the existing Mesabi Trail in the City of McKinley and within the City of Biwabik. This segment is a “key” piece of trail filling in a gap in the overall trail system that will make the Mesabi Trail continuous from Grand Rapids to Embarrass.

This segment is typical of other trail segments within the Mesabi Iron Range traversing the former McKinley and Mary Ellen mine sites.

This segment is has been worked on for several years resolving many environmental, land ownership and mining related issues. The environmental work on the trail is done with all agency permits/approvals received. Approximately 95% of the right-of-way has been acquired. The engineering work is also approximately 95% complete.

The estimated cost for constructing this segment is \$1,500,000. Federal High Priority Funds in the amount of \$1,004,976 have been secured for construction. The remaining funds needed to complete construction and project engineering/management will be from the 2017 Trust Fund.

### **Soudan to Vermillion State Park( VSP) Entrance Road**

This trail segment is 1.5 miles long making connections to the existing Mesabi Trail in Soudan and the existing trail with the Vermillion State Park.

This segment has also been worked on for several years and is prepared to begin construction in Fall 2016. The environmental work on the trail is done with all agency permits/approvals received excepting for the, MN State Historic Preservation Office do on September 19, 2016. The right-of-way has been secured by way of easements and leases from Breitung Township and the State of Minnesota. The engineering work is approximately 98% complete with final plan and specifications revisions being made.

This project is estimated to cost \$970,000 which is a very high cost in comparison to other Mesabi Trail miles built. The excessive cost is due to ledge rock removal that needs to occur near the Soudan Underground State Park in order for the trail to meet ADA accessibility. Rock removal costs are estimated to be \$300,000. This trail is currently funded by a Legacy grant in the amount of \$512,000 and DNR funds in the amount of \$300,000. Funds needed to complete construction and project engineering/management will be from the 2017 Trust Fund.

## **III. OVERALL PROJECT STATUS UPDATES:**

### **Project Status as of January 1, 2018**

### **Project Status as of July 1, 2018**

#### **T.H. 135 to Embarrass**

Planning and environmental documentation is complete with agency approvals and permits received to locate the trail on the preferred route alternative (Hwy 135 to Palo Tia Rd). Trail right-of-way is acquired. Design and engineering work is complete. The total project length is 5.2 miles consisting of 4.3 miles of 10’ wide bituminous trail construction; and 0.9 miles of floating dock; and reconstructing an existing bridge over the Embarrass River. This project is being funded in part by LCCMR grant ML 2016, Chp. 186, Sec. 2, Subd. 9(e).

Principal project components are as follows:

• Engineering, environmental, r-o-w (budgeted)	\$ 206,000
• 22,640 LF (4.3 miles) of new trail at a cost of	\$ 622,950
• 4,760 LF (0.9 miles) of new floating dock at a cost of	\$1,532,220
• Rehabilitate existing Embarrass River Bridge at a cost of	<u>\$ 158,100</u>
Total construction cost	\$2,519,270

Funding for this trail from two LCCMR grant sources:

• ML 2016, Chp. 186, Sec. 2, Subd. 9(e)	\$1,200,000
• ML 2017, Chapter 96, Sec. 2, Subd. 9(g) (this work plan)	<u>\$1,319,270</u>
Total funding	\$2,519,270

Construction bids have been received for this project and a contract award is pending. Work is scheduled to begin in October 2018 and substantially complete June 30, 2019.

### **McKinley to Biwabik**

Design, environmental, engineering and right-of-way acquisition is complete on 5.0 miles of this 5.5 mile long trail segment. We were not able to reach an agreement with one landowner for a trail easement causing the trail to be rerouted around this property for approximately 0.5 miles. This reroute is currently being evaluated with an environmental analysis and negotiation with the new landowner for a trail easement.

This reroute involves crossing wetlands and may include installation of a floating dock. The reroute is being evaluated with an environmental review consistent with NEPA including route alternatives, wetland delineations, cultural resource, wildlife, waters, and land use. We will have a better understanding of the reroute location, facilities and costs by the time of the next Work Plan report in January 2019.

### **Soudan to Vermillion State Park( VSP) Entrance Road**

This project is complete and opened for public use June 2018. Bob: didn't you say this was completed using other funds? And so weren't you going to add on Palo Tia Road to Hwy 21 (Phase 2)?

I did mistakenly say the entire project was funded with other funds, however, \$197, 515.49 of this grant was used for this project. The total project cost was approximately \$990,000. \$800,000 was funded by two other grant sources being MN DNR Parks and Legacy. LCCMR funds were used to pay \$195,308.87 for construction and \$2,206.62 for engineering services.

The remainder of funds budgeted were directed to construct the T.H. 135 to Embarrass (Palo Tia Road Phase 1) portion of the trail. We presented the funding shortfalls and requests for additional funding to LCCMR in years 2017 and 2018. The additional funding requests included funds to complete T.H. 135 to Embarrass [Phase 1](#) (2017 - this grant) and funds to construct Palo Tia Road to Hwy 21/[Sauna Road, Phase 2](#) (current 2019 legislation).

*8/31/20 LCCMR Staff Note: it is unclear to LCCMR staff what work on "Palo Tia Road to Hwy 21" is being funded under each of the appropriations -ML 2016, ML 2017 and ML 2019, given statements and reporting provided throughout this work plan. ML 2019 refers to a "Darwin Meyers Wildlife Management Area to County Road 21"*

segment. Is that the same one? This segment also seems to be referred to as “Palo Tia Rd to CR 21/Sauna Rd” as well as “T.H. 135 to Embarrass- Phase 2.” It appears as if TH 135 to Embarrass section was originally funded with ML 2016 but ultimately is being funded by ML 2016, ML 2017 and ML 2019.

9/18/20 response from SLLCRRRA: ML 2016 funds were used to complete only preliminary work on Activity 1 of the Hwy 135 to Embarrass Phase 2 (Palo Tia Rd. to C.R. 21/Sauna Rd.) The Hwy 135 to Embarrass segment was split into 2 phases due to funding available and the construction costs. There were unused funds for the Soudan to Vermillion State Park segment because other funding sources were acquired and used for that segment. The Rail Authority testified before the LCCMR Commission on June 21, 2018 and received approval to make that funding change. ML 2017 funds were used to complete the Hwy 135 to Embarrass Phase 1 (Hwy 135 to Palo Tia Rd.). ML 2019 funds were approved along with IRRRB funds to complete Phase 2. Remaining ML 2017 funds will be used along with Federal and additional grant funds to complete the McKinley to Biwabik segment. (YES these are the same segments. Language added above in blue to clarify.) (YES re: original funding vs. ultimate funding)

10/5/20 LCCMR Staff Note: The minutes reflect no LCCMR business taking place on Mesabi Trail on June 21, 2018. Furthermore, LCCMR does not provide verbal approvals for changes to work plans. The work plan needs to tell the full story of your project as a standalone document.

#### **Amendment request December 2018:**

Request to use funds previously budgeted for but not spent on Soudan to Vermillion State Park (VSP) Entrance Road to instead complete environmental work and trail acquisition and construction of 3.33 miles from Highway 135 to Palo Tia Road including the 0.9 mile long floating bridge.

8/31/20 LCCMR Note: This amendment did not include enough detail to assess. No changes were shown on the budget spreadsheet submitted at the time and no specific outcomes changed that we can see. This amendment request was not approved.

9/18/20 response from SLLCRRRA: It is stated in the PROJECT STATEMENT on page 2 that the funds would be used on three segments of the trail. ML 2017 funds were only used on the original three segments as described. Also, on page 3 under the Soudan to VSP it states that ML 2017 funds would be used to complete construction and project engineering and management. This issue is also explained in the Overall Project Status Updates on page 5 under the Soudan to VSP. As stated above the Rail Authority met with the LCCMR Commission on June 21, 2018 and received approval to use the ML 2017 funds on the other segments. Can I assume that the above amendment is not needed and that we can treat this as an update on how the funding was being used? If so then the December 2019 request would be Amendment No. 1, which has already been approved 8-3-20. I am also submitting an amendment to adjust the budget line items which I have called Amendment 2.

10/5/20 LCCMR Note: 1. The minutes reflect no LCCMR business taking place on Mesabi Trail on June 21, 2018. Furthermore, LCCMR does not provide verbal approvals for changes to work plans. 2. Please do not renumber anything. As requested before, please do not change anything in previous updates or amendments. 3. If you have an amendment or suspected amendment, the [amendment instructions](#) provided on multiple occasions say you need to contact staff first to discuss. Staff can provide guidance on whether/not an amendment is needed. If needed, the instructions need to be followed to provide an explanation of what the amendment is with respect to specific outcomes and \$ amount and description of specific budget items. For example, the December 2018 amendment request would have continued to state something like: “this would require us to move \$X from Environmental work budget line to the Trail, bridge, and facility construction line. This would result in Environmental budget change from \$x amount to \$y amount and Trail construction budget change from \$x amount to \$y amount.” The December 2018 amendment request did not provide enough information for staff to be able to evaluate and therefore was not approved. As stated in my emails, if you need to make an amendment request now, you should enter it with a current date and put the request in chronological order below.

**Project Status as of January 1, 2019 [submitted & revised 11/8/19]**

**Soudan to Vermilion State Park**

The project is complete and the final reports for this segment have been completed.

**McKinley to Biwabik**

No change

**Highway 135 to Embarrass (Palo Tia) Phase 1**

The right of way and easement acquisitions from Highway 135 to Palo Tia Road are complete. Construction of the floating dock to take place during the winter months when the wetlands can be frozen and will support construction equipment, as explained in ML 2016 report. Project construction will continue in the spring.

**Project Status as of July 1, 2019 [submitted & revised 11/8/19]**

**Soudan to Vermilion State Park**

No change

**McKinley to Biwabik**

No change

**Highway 135 to (Palo Tia) Phase 1**

Project is substantially complete as also explained in ML 2016 report.

**Highway 135 to Embarrass (Palo Tia Rd to CR 21/Sauna Rd Phase 2)**

This portion of the trail will follow the Palo Tia Road north to CR 21, then east along CR. 21 to Sauna Road. This portion of the trail is 1.9 miles long.

*8/31/20 LCCMR Staff Note: it is unclear to LCCMR staff what work on "Palo Tia Rd to CR 21/Sauna Rd Phase 2" segment is being funded with ML 2017 and what is being funding with ML 2019 given statements and reporting provided throughout this work plan.*

*9/18/20 response from SLLCRRRA: Remaining ML 2017 funds are being utilized for the McKinley to Biwabik segment of the trail. The completion of the trail from Palo Tia to CR. 21/Sauna Rd. (Phase 2) is funded by ML 2019 and \$250,000 IRRRB funds.*

**Amendment Request No. 2, November 2019**

**McKinley to Biwabik**

The changes required for the reroute make it necessary to extend the completion time for this project. The Federal High Priority Funds do not have a funding deadline. The Regional Railroad Authority is requesting ML 2017 Chp. 96, Sec. 2, Subd. 09g be amended to December 31, 2021. The time extension should allow enough

time to acquire additional funding, complete the redesign, address the environmental requirements, advertise for bids, and construct this segment of the trail. Please note that there will not be any additional right of way acquisition because the Regional Railroad Authority has already purchased the property for the proposed reroute.

Funding available for McKinley to Biwabik

ML 2017	\$ 718,762
Legacy L0-34-13-2B	\$ 179,763
Federal High Priority Funds	\$1,004,976
Total	\$1,903,501

Construction cost estimate	\$2,871,168
Engineering and Environmental Estimate	\$ 100,000
Construction Engineering 7% of bid estimate	\$ 182,000
Total Construction	\$3,153,168

Additional funding needed \$1,249,667

The Regional Railroad Authority will be applying for LCCMR funding and other funding sources to complete this project. If there is a funding shortfall, the project will be phased to fit the budget and completed at another date. This segment of the project has been going on for several years and is an important piece to complete the 155 mile project.

**Amendment approved by LCCMR 8/3/2020**

**Project Status as of January 3, 2020**

**McKinley to Biwabik**

The trail design, right of way acquisition, and environmental issues are 95% complete. There is a portion of the trail on the east end of the project that needs to be rerouted due to issues with a landowner. This portion of the trail will require the construction of a 1600' floating bridge. The construction of the floating bridge will involve additional costs for the bridge and wetlands impacts. Funds remaining from ML 2017 Chp. 96, Sec.2 Subd. 09g, remaining Legacy L034-13-2b, and Federal High Priority Funds HPPH H175(003) are budgeted for this project. The reroute and floating bridge will require additional engineering design, wetland mitigation and permitting. The Regional Railroad Authority has purchased the forty of land that is required to reroute the trail. The property purchased will enable a connection from of an existing railroad grade being utilized for the route to the established route on the west side of the City of Biwabik. The Regional Railroad Authority purchased the land with Rail Authority funds and no ML 2017 grant funds were used for the purchase of the land. This reroute will run along the shore of a body of water that covers about 25 acres. This route will provide for a unique experience for the bikers and walkers. It is anticipated that floating bridge will get a significant amount of use due to the fact that it will be located near the City of Biwabik. The net length of the trail will be shorter than originally planned, but the reroute will impact more wetlands.

The Regional Rail Authority has received notice that the \$1,000,000 funding request for the McKinley to Biwabik portion of the trail has been included in the 2020 draft language of the Environmental and Natural Resources Trust Fund Appropriations. St. Louis County has made a commitment to fund the additional costs if needed on the condition of the 2020 LCCMR grant being awarded.

**T.H. 135 to Palo Tia (Phase 1)**

Project is complete and open to the public. Final documentation is being completed and this segment is under the 1 year warranty period.

**Palo Tia Rd. to C.R. 21/Sauna Rd. (Phase 2)**

No change

**Soudan to Vermilion State Park Road**

Project is complete and open to the public

**Amendment Request No. 3 Budget adjustments October 21, 2020 (Amendment Approved by LCCMR 11/05/20)**

The scope of work under Activity No. 1 for the Hwy 135 to Embarrass segment involved more work and resulted in more expenses than originally budgeted. The original plan was to utilize an existing road bed. The road bed had settled and was now considered a wetland by the regulatory agencies. There was substantially more environmental work involved to permit and mitigate the construction of a 4000' long floating bridge and purchase of wetland credits through the Darwin Meyers Wildlife Management Area.

We are requesting funds be shifted from the Activity 2 (Engineering Design and Management) to Activity 1 (Environmental permitting). The original budget for the scope under Activity 1 was \$40,000. The additional work for Activity 1 was an additional \$109,215.86.

The original budget for Activity 2 was \$300,000. The amount required to complete Activity 2 was \$246,498.30 to date. It is anticipated it will require approximately \$2,000 to complete Activity 2 and final the project. The new budget for Activity 2 will be \$248,498.

This amendment request is to use the remaining funds for Activity 2 of \$51,501.70 and \$57,714.16 additional funds from Activity 3 (Trail Construction) budget to balance the budget for Activity 1. Activity 3 budget would then change from \$1,929,000 to \$1,871,286.

The remaining funds left in Activity 3 will be used to make the final payment for Phase 1 construction of the Hwy 135 to Palo Tia Rd., when the engineer completes the project completion documents and close out, which is expected before the end of the year. The remaining funds in Activity 3 will be used for the McKinley to Biwabik segment which is scheduled for completion next year with the federal transportation funds, and the ML 2020 appropriation. The Rail Authority will also continue to apply for other funding as it comes available as we have in the past on other segments.

**Project Status as of July 1, 2020- Waived by LCCMR**

**Project Status February 2, 2021 McKinley to Biwabik**

The plan design and project memorandum are complete and in the review process at Min. D.O.T. The wetland delineation is complete and is being reviewed by the A.C.O.E. Additional wetland credits will need to be purchased for the revised route for the McKinley to Biwabik segment. The RRA is waiting for final confirmation on the ML 2020 grant award. The project is scheduled for bidding and construction in 2021 pending the outcome of the ML 2020 grant. The RRA is also pursuing other funding sources.

**Project Status February 2, 2021 T.H. 135 to Palo Tia Rd. (Phase 1)**

Project is complete and open to the public. The project is under a 1 year warranty on construction.

**Project Status February 2, 2021 Soudan to Vermilion State Park Road**

No change

**February 2, 2021, Amendment Request No. 4, Budget Adjustments for Activity 1 Environmental Permitting and Activity 2 Engineering Design and Management. (Amendment Approved by LCCMR 3/19/21)**

The Regional Railroad Authority will need to adjust the budget for Activity 2, Engineering Design and Management for Phase 1, the T.H. 135 to Palo Tia Rd. segment. The budget for Activity 2 for Phase 1 was adjusted under Amendment No. 3, which was approved, for a sum of \$248,498. The final project closeout documents and engineering management for Phase 1 required more time to complete than anticipated due to the quantity verifications and calculations to resolve payments for construction. The total for Activity 2 for Phase 1, Engineering Design and Management was \$277,121.77. Part of this amendment will include a \$28,623.77 budget transfer from Activity 3, Construction, to Activity 2, Engineering Design and Management for Phase 1. This budget adjustment will final the payments for the T.H. 135 to Palo Tia segment.

The Regional Rail Authority has decided to budget \$40,000 for Activity 1, Environmental Permitting and \$25,000 for Activity 2, Engineering Design and Management for the McKinley to Biwabik segment. This amendment request is also to transfer \$40,000 to Activity 1 from Activity 3, Construction for Environmental Permitting, and \$25,000 to Activity 2 from Activity 3, Construction, for the McKinley to Biwabik segment. The purpose of the budget adjustments for Activity 1 and 2 for the McKinley to Biwabik segment is to have funds to pay for the work in progress on this segment. The ML 2020 grant request has been approved for this segment, but it is not certain when the grant will be awarded. It is anticipated that payments will need to be made to the engineer for work that will be completed. This will leave a balance of \$188,442.17 for Activity 3, Construction, in the ML 2017 grant that will be used for the McKinley to Biwabik segment along with other additional funding sources.

**February 2, 2021 Amendment Request No. 5 Time Extension for Project Completion (Amendment Approved by LCCMR 3/19/21)**

The Regional Railroad Authority is requesting an extension of the completion date to December 31, 2022 for the McKinley to Biwabik segment of the trail. The environmental issues for the floating bridge, the final trail alignment, and the delay in the ML 2020 funding for this segment of the trail will make it necessary to extend the completion date.

The Federal High Priority Funds for this project do not expire and Min. D. O. T. has agreed to extend the date for the use of the funds. (see letter attached). Min. D. O. T. has also increased the funding for this segment by an additional \$492,454. The total for the Federal High Priority Funds is now \$1,497,430.

**Project Status as of June 23, 2021**

**T.H. 135 to Palo Tia Rd. (Phase 1)**

No change

**Project Status as of June 23, 2021 Soudan to Vermillion State Park**

No change

**Project Status as of June 23, 2021, McKinley to Biwabik**

There was a revision to the design of the trail alignment at the request of Minnesota Power to avoid any conflicts with the trail and possible future power line upgrades. The revised design requires changes to the Army Corp wetland permitting. The project will go out for bids upon approval by the A.C.O.E. and the signed agreement with Min. D.O.T. for the Limited Use Permit for the trail in the Highway 135 right of way.

**June 23, 2021 Amendment Request No. 6, Budget Adjustments for Activity 1 Environmental and permitting, and Activity 2 Engineering design, survey, plans, specifications, and construction management for the McKinley to Biwabik segment. (Amendment Approved by LCCMR 8/16/2021)**

The purpose of the budget adjustments is to cover the anticipated costs to complete Activity 1 and 2 by transferring funds from the construction budget. Activity 1 Environmental and permitting budget needs to be increased \$8,442.00 with funds transferred from the construction budget. Activity 2 Engineering design, survey, plans, specifications, and construction management budget will be increased by \$180,000 with funds transferred from the construction budget. That will leave a zero balance in the construction budget in the ML 2017 grant. The construction phase will be paid by the Federal, Legacy, remaining Hwy 53 bonding bill funds, and the ML 2020 grant.

Note: The Rail Authority has received notice of additional \$286,115.68 in Bonding Funds from the Hwy 53 bridge and relocation project in Virginia that was designated for trails which is pending in this legislative session.

**Project Status as of January 1, 2022 (Submitted January 14, 2022)**

**T.H. 135 to Palo Tia Rd.**

Completed. No change

**Soudan to Vermillion State Park**

Completed. No change

**McKinley to Biwabik**

The design and specification plans are 95% complete. All wetland permits have been approved and now wetland mitigation credits are currently being purchased. The Limited Use Permit for allowing the trail along the MN DOT highways are currently in process. As soon as plans, specifications and permits are finished, the project will be bid. We are also working on a couple of easement issues that have arose due to the trail realignment and new landownership. We are anticipating construction to start in the spring or early summer 2022.

**Project Status as of July 1, 2022 (Submitted July 12, 2022)**

**T.H. 135 to Palo Tia Rd.**

Completed. No change

**Soudan to Vermillion State Park**

Completed. No change

**McKinley to Biwabik**

The design and specification plans remain at 95% completed. The trail alignment and design into Biwabik is taking longer than expected due to one property ownership issue for ensuring a trail route into Biwabik. MN DOT also has the Limited Use Permit application and currently reviewing. Currently, we are hoping to start constructing this segment of the Mesabi Trail by fall 2022, but this depends on the one property ownership issue. We have \$46,638 remaining funds on this grant. Once spent, we will then move to the ML 2021, First Special Session, Chp. 6, Art. 5, Sec. 2, Subd. 9q and other funds to complete the construction of this segment.

**Overall Project Outcomes and Results (to be submitted between December 31, 2022 and February 15, 2023)  
(Submitted February 22, 2023):**

Both the T.H. 135 to Embarrass and the Soudan to Vermilion State Park segments are 100% completed. The ¾-mile aluminum dock and bridge rehabilitation through the Darwin Meyers Wildlife Management Area are very nice features on the T.H. 135 to Embarrass segment of the Mesabi Trail. Soudan to Vermilion State Park Entrance Road segment includes the Mesabi Trail built from the Soudan Underground Mine and connects with the Vermilion State Park and heading East towards Ely. For the McKinley to Biwabik segment engineering design and specifications remain at 95% completed. Currently, MN Department of Transportation is reviewing the Limited Use Permit to allow a portion of the trail to be along highway 135 into Biwabik. Once that review is approved, the design and specifications for this segment of the trail can be completed. A portion of this segment starting from Gilbert to McKinley was constructed using other funds MN DEED Grant for \$286,000 and

an IRRR Grant for \$53,188. All funds from this M.L. 2017 Grant have been spent, which we will now use M.L. 2020, First Special Session, Chp. 6, Art. 5, Sec. 2, Subd. 9q along with additional funding sources to complete the trail from McKinley to Biwabik.

**(Amendment Request, February 22, 2023)**

In order to finalize this project, adjustments need to be made to the final budget:

Activity 1 – Environmental Work: Decrease the final budget by \$9,196 from \$197,658 to \$188,462. Activity 2 – Engineering, Design and Manage: Increase the final budget by \$9,196 from \$482,122 to \$491,318. There were more Engineering and Design costs due to the revising the trail routes to avoid property ownership and wetlands for these segments. The overall project budget remains the same at \$2,269,000.

**IV. PROJECT ACTIVITIES AND OUTCOMES:**

**ACTIVITY 1: Environmental work needed to comply with the Federal National Environmental Policy Act and the State of Minnesota Environmental Protection Act and Local Rules/Ordinance**

**Description:** Work involves securing the necessary approvals and permits from agencies before construction work can proceed. Agencies involved are the Federal Environmental Protection Agency, Federal Highway Administration, Federal Fish & Wildlife, Federal Army Corps of Engineers, MN Department of Natural Resources, MN Department of Transportation, MN State Historic Preservation Office, Minnesota Pollution Control Agency, Minnesota Board of Water and Soil Resources and the Local Board of Soil and Water Conservation.

The environmental work will be supported by engineering and surveying to locate alternative trail routes, locations of cultural resources, wetlands and land ownership and land use.

Work will be performed by a person or firm accredited by the Minnesota Board of Water and Soil Resources (BWSR) hereafter known as “Consultant”. Consultant will perform work needed to comply with NEPA and MEPA documenting trail route alternatives, cultural resource identification, wetland delineation & mitigation, fish & wildlife, endangered species, social impacts, economic impacts, state waters impacts, land use (4f) and other. Consultant will further evaluate and assure compliance with local ordinances, planning, zoning and codes.

As said within the Project Narrative, environmental work for the **McKinley/Biwabik** and **Soudan/VSP Entrance** Road segments is complete or nearly complete. Wetland mitigations have occurred on each of these segments.

Approximately 50% of the environmental work needed on the **TH 135/Embarrass** segment is complete. Preliminary reviews have been conducted by the Corps of Engineers and BWSR. Remaining environmental work will be performed following design. Wetland impacts cannot be avoided and a disturbance will take place. Impacted wetlands will need to be replaced at a ratio of 1.5:1 (1.5 = new wetlands created; 1 = wetlands impacted).

If this budget amount is not used for environmental work, a request will be made to shift remaining funds to Activity 3, Construction.

**Summary Budget Information for Activity 1:**

<b>ENRTF Budget:</b>	<del>\$197,658</del>
	\$188,462
<b>Amount Spent:</b>	<u>\$188,462</u>
<b>Balance:</b>	\$ 0

Outcome	Completion Date
1. COE, EPA, SHIPO, Easements, MN DNR, MPCA & Other secured	August 2018

**Activity 1 as of January 1, 2018**

**Activity 1 Status as of July 1, 2018**

**T. H. 135 to Embarrass (Palo Tia) Phase 1**

Project environmental documentation is complete. Local, state and federal agency permits have been received and are in order to begin construction. Field monitoring and reports will continue through the construction process.

**McKinley to Biwabik**

Environmental documentation has been performed on 5.0 miles of the 5.5 mile long project. As stated in the narrative, 0.5 miles of the planned trail is being rerouted and will require an environmental analysis. Preliminary field work has begun even though we have not reached an agreement with the landowner for a trail easement. Wetland delineations need to be conducted within the growing season which will be ending soon. Further environmental work will take place once an easement agreement has been acquired from the landowner. This project is being funded in part by a federal trail grant administered by the Federal Highway Administration (FHWA). Environmental documentation will be conducted and submitted in the form of a Project Memorandum to FHWA for approval.

**Soudan to Vermillion State Park( VSP) Entrance Road**

Environmental work is complete with final agency documentions submitted in August 2018.

**Palo Tia to Hwy 21 Phase 2**

Project environmental documentation is complete. Local, state and federal agency permits have been received.

**Activity 1 Status as of January 1, 2019 [submitted November 2019]**

**McKinley to Biwabik**

No change

**Soudan to Vermillion State Park**

No additional work necessary on this segment.

**Highway 135 to Embarrass (Palo Tia) Phase 1**

No additional work necessary, all permits are approved and right of way acquired.

**Highway 135 to Embarrass (Palo Tia to CR 21/Sauna Rd.) Phase 2**

No change

**Project Status as of July 1, 2019 [submitted November 2019]**

**Soudan to Vermilion State Park**

No change

**McKinley to Biwabik**

No change

**Highway 135 to Embarrass (Palo Tia) Phase 1**

No change

**Highway 135 to Embarrass (Palo Tia to CR 21/Sauna Rd. Phase 2)**

Wetland permits are in place, but may need to be amended depending on right of way outcomes. Right of way acquisition and easements is ongoing.

**Project Status as of January 1, 2020**

**Soudan to Vermilion State Park**

No Change

**Highway 135 to Embarrass (Hwy 135 to Palo Tia Rd.- Phase 1)**

Environmental and permitting work is complete. Construction is complete and construction pay requests and project close out are in progress.

**Highway 135 to Embarrass (Palo Tia RD. to CR. 21/Sauna Rd. Phase 2)**

The design is 95% complete. There will be some wetland amendments to be addressed in the spring. The project received an additional \$250,000 IRRRB grant to fund completion of this segment of the trail. The project is scheduled for construction in 2020. This project is also funded as part of the ML 2019 First Special Session, Chp. 4, Art. 2, Sec. 2, Subd. 9g LCCMR grant.

**McKinley to Biwabik**

The reroute of the east end of this segment of the trail will impact some additional wetlands for the construction of a floating bridge and the approaches to the end of the bridge. The wetland delineation is complete. There will be additional environmental work for the mitigation and permitting of the wetland impacts. There will be no additional right of way acquisition, because the Regional Railroad Authority owns the land in the area of the reroute. The Regional Railroad Authority purchased the land with Rail Authority funds and no ML 2017 grant funds were used for the purchase of the land.

The plan is complete and will be submitted to Min. D.O.T. for review because of the High Priority Funds for the project. The wetland delineation is complete. There will be some additional environmental work in the spring to complete the permitting and mitigation of the wetlands impacted by the floating bridge. The Regional Rail

Authority and St. Louis County Engineering will be completing the project memorandum and updating all the environmental permitting. The project is scheduled for construction in 2020.

**Project Status as of October 21, 2020 – Activity 1**

**Soudan to Vermilion State Park Road**

No change

**Hwy 135 to Embarrass (Hwy 135 to Palo Tia Rd. -Phase 1)**

No change

**Hwy 135 to Embarrass (Palo Tia Rd. to C.R. 21/Sauna Rd. – Phase 2)**

No ML 2017 funds are being used for the Phase 2 segment. Completion of Activities 1 will be funded by the ML 2019 grant and an I.R.R.R.B. grant as explained in the ML 2019 work plan.

**McKinley to Biwabik**

No change

**Project Status as of July 1, 2020- Waived by LCCMR**

**Project Status Activity 1, Environmental and permitting as of February 2, 2021, McKinley to Biwabik**

The additional wetland delineation and mitigation required for the realignment of the trail and construction of the floating bridge have been submitted to the A.C.O.E. and waiting approval. After A.O.C.E. approval, additional wetland credits will need to be purchased.

**Project Status Activity 1, Environmental and permitting February 2, 2021, Hwy 135 to Palo Tia Rd. (Phase 1)**

Project complete, no change

**Project Status Activity 1, Environmental and permitting as of February 2, 2021, Soudan to VSP Road**

Project complete no change

**Project Status Activity 1, Environmental and permitting as of June 23, 2021, McKinley to Biwabik**

The additional wetland delineation and mitigation required for the realignment of the trail and construction of the floating bridge have been submitted to the A.C.O.E. and waiting approval. The plans have been reviewed by Min. D.O.T. and the Limited Use Permit for the T.H. 135 right of way is being processed.

**Project Status Activity 1, Environmental and permitting June 23, 2021, Hwy 135 to Palo Tia Rd. (Phase 1)**

Project complete, no change

**Project Status Activity 1, Environmental and permitting as of June 23, 2021, Soudan to VSP Road**

Project complete no change

**Activity 1 Status as of January 1, 2022 (Submitted January 14, 2022)**

**Hwy 135 to Palo Tia Rd.**

Project completed, no change

**Soudan to Vermilion State Park**

Project completed, no change

**McKinley to Biwabik**

All wetland permits have been approved for the realignment of the trail and construction of the floating bridge. The wetland mitigation of purchasing credits is underway, the agreement is signed, and payment is forthcoming. The Limited Use Permit is still in process. We are working on a couple of easement issues due to realigning the trail and recent changes of landownership which will be resolved before the trail construction in those areas.

**Activity 1 Status as of July 1, 2022 (Submitted July 12, 2022)**

**Hwy 135 to Palo Tia Rd.**

Project completed, no change

**Soudan to Vermilion State Park**

Project completed, no change

**McKinley to Biwabik**

The wetland credits have been purchased and MN DOT has the Limited Use Permit application and currently reviewing for the trail route portion alongside highway 135. We have also received the necessary approvals from the federal archeologists.

**Activity 1 Outcomes and Results (to be submitted between December 31, 2022 and February 15, 2023)**

**(Submitted February 22, 2023):**

**Hwy 135 to Palo Tia Rd.**

Project completed, no change

**Soudan to Vermilion State Park**

Project completed, no change

**McKinley to Biwabik**

This activity is completed for this section.

**ACTIVITY 2: Engineering design, survey, plans, specification and construction management.**

**Description:** Engineering work will be done in accordance with the MN Dot Standards for Bicycle Trails. Engineering work begins with route(s) identification needed for NEPA work and then to more specific survey work once a preferred trail route alternative is selected. Engineer survey includes topographic, paying particular attention to vertical alignment for Americans' with disabilities access and horizontal curve for minimum speed, and property lines and other features needed for design. Engineer trail design is in accordance with MN Dot Standards, Federal Highway Administration (FHWA) and ASHTO and on-site conditions such as waterways, wetlands, hills, valleys determining the final trail design and plan. Engineer is also required to provide a MN Dot Project Memorandum which is a document summarizing the project including NEPA, right-of-way, design and other elements. Engineer is required to provide a Project Specification document that includes special construction needs, bidding documents, contracts and other. Engineer is required to provide construction management that includes on-site inspections, testing oversight, processing payments and other work for a completed project.

As said within the Project Narrative, engineering design, environmental support and survey work for the McKinley/Biwabik and Soudan/VSP Entrance Road segments is complete or nearly complete. Engineering work

for bidding, construction management, on-site inspections, testing oversight and processing payments will be needed.

Approximately 30% of the engineering work on the TH 135/Embarrass segment is complete.

If this budget amount is not used for environmental work, a request will be made to shift remaining funds to Activity 3, Construction.

**Description:**

<b>Summary Budget Information for Activity 2:</b>	<b>ENRTF Budget:</b>	<del>\$482,122</del>
		\$491,318
	<b>Amount Spent:</b>	<u>\$491,318</u>
	<b>Balance:</b>	\$ 0

Outcome	Completion Date
2. Plans, specifications, bid documents for/and construction	July 1, 2020

**Activity 2 Status as of January 1, 2018**

**Activity 2 Status as of July 1, 2018**

**T. H. 135 to Embarrass (Palo Tia Rd)**

Construction plans, specifications and bidding documents are complete. The project was publicly advertised for construction bids, bids were received and the engineer made a recommendation for contract approval. Engineer is currently reviewing shop drawings and assisting with negotiating cost reductions with the contractor. The engineer will oversee construction management.

**McKinley to Biwabik**

Engineering design and plans are complete for 5.0 of this 5.5 mile long segment. As stated within the project narrative, a 0.5 mile long trail reroute is underway. A limited amount of engineering work is needed to support the environmental analysis. Trail survey and design work will take place once an easement agreement has been reached with the landowner.

**Activity 2 Status as of January 1, 2019**

**Highway 135 to Embarrass (Palo Tia) Phase 1**

The project was advertised, bid, and awarded to the lowest responsible bidder. The contractor has completed many trail projects and has previous experience with the construction of the floating bridge. The engineer will complete the construction staking, on site project representation, and project management.

**Highway 135 to Embarrass (Palo Tia to CR 21/Sauna Rd) Phase 2**

The engineer is completing the design. This portion of the trail will be funded by other future grants.

*8/31/20 LCCMR Staff Note: it is unclear to LCCMR staff what work on "Palo Tia Rd to CR 21/Sauna Rd Phase 2" segment is being funded with ML 2017 and what is being funding with ML 2019 given statements and reporting provided throughout this work plan.*

*9/18/20 response from SLLCRRRA: ML 2017 funds were not used for Phase 2. ML 2017 funds were used on Activities 1, 2, and 3 of Phase 1. The remaining ML 2017 funds are being used for the McKinley to Biwabik segment. ML 2019 and IRRRB funds are being used to complete Phase 2.*

**McKinley to Biwabik**

No change

**Soudan to Vermilion Sate Park**

No change

**Activity 2 Status as of July 1, 2019 [submitted November 2019]**

**Highway 135 to Embarrass (Palo Tia) Phase 1**

Trail construction is substantially complete. The engineer has provided construction, project over site, and project management. The trail is anticipated to be completed in August 2019. The engineer will provide final project submittals and project close out.

**Highway 135 to Embarrass (Palo Tia to CR 21/Sauna Rd. Phase 2)**

The design is 80% complete. The project will be bid in February 2020. The engineer will provide construction staking, on site project observation, and project construction management.

*8/31/20 LCCMR Staff Note: it is unclear to LCCMR staff what work on "Palo Tia Rd to CR 21/Sauna Rd Phase 2" segment is being funded with ML 2017 and what is being funding with ML 2019 given statements and reporting provided throughout this work plan.*

*9/18/20 response from SLLCRRRA: ML 2017 funds were used on preliminary work under Activity 1, 2, and 3 for Phase 1. The remaining ML 2017 funds are being used to final Phase 1. The remaining funds will be used for the McKinley to Biwabik segment. ML 2019 and IRRRB funds will be used to complete Phase 2.*

**Activity 2 Status as of January 1, 2020**

**Soudan to Vermilion State Park**

No change

**Hwy 135 to Embarrass (Hwy 135 to Palo Tia Rd. Phase 1)**

The Project is complete. The pay requests and project completion documents are being completed.

**Hwy 135 to Embarrass (Palo Tia Rd to CR. 21/Sauna Rd. Phase 2)**

The design is 95% complete. The Phase 2 project is scheduled for construction in 2020 with ML 2019 funds and an additional \$250,000 IRRRB grant has been awarded for the construction of this project. The project engineer will provide the construction staking and management.

*8/31/20 LCCMR Staff Note: it is unclear to LCCMR staff what work on "Palo Tia Rd to CR 21/Sauna Rd Phase 2" segment is being funded with ML 2017 and what is being funding with ML 2019 given statements and reporting provided throughout this work plan.*

*9/18/20 response from SLLCRRRA Please see above note to this same question.*

#### **Mckinley to Biwabik**

The reroute will require design of approximately 3200' of trail. The design will also require a 1600 foot long floating bridge. The floating bridge design and specification has been improved and adapted to the use for a bike trail. The Regional Railroad Authority has used the floating bridge on four previous projects and has customized the design to the specific trail needs. The design consultant will utilize this design and specification. The design engineer will be notified to proceed with the additional design. The construction staking, construction management, administration, and final project close out will be completed by the design engineer's firm. The plan is complete. The plan will be submitted to Min.D.O.T. for plan review because of the High Priority Funds for the project. The project is scheduled for construction in 2020. The design engineer will provide the construction staking and project management.

#### **Activity 2 - Project Status as of October 21, 2020**

##### **Soudan to Vermilion State Park Road**

No change

##### **Hwy 135 to Embarrass (Hwy 135 to Palo Tia Rd. - Phase 1)**

No change

##### **Hwy 135 to Embarrass (Palo Tia Rd. to C.R. 21/Sauna Rd. – Phase 2)**

No funding from ML 2017 is being used for Activity 2. Activity 2 will be completed with ML 2019 grant funds and I.R.R.R. funds as reported in the ML 2019 work plan.

#### **Mckinley to Biwabik**

No change

#### **Project Status as of July 1, 2020- Waived by LCCMR**

**Project Status February 2, 2021, Activity 2 Engineering Design and Management, Soudan to VSP Rd.**  
Project complete, no change.

**Project Status February 2, 2021, Activity 2 Engineering Design and Management, Hwy 135 to Palo Tia Rd.**  
Project closeout documents complete

**Project Status February 2, 2021, Activity 2 Engineering Design and Management, McKinley to Biwabik**

Plan is complete and plan and project memorandum have been submitted to Min. D.O.T. for review. Bid documents planned for summer of 2021.

**Project Status June 23, 2021, Activity 2 Engineering Design and Management, Soudan to VSP Rd.**

Project complete, no change.

**Project Status June 23, 2021, Activity 2 Engineering Design and Management, Hwy 135 to Palo Tia Rd.**

Project closeout documents complete

**Project Status June 23, 2021, Activity 2 Engineering Design and Management, McKinley to Biwabik**

The design for the route was revised at the request of Minnesota Power to avoid any conflicts with the trail and future power line expansion. The plan is complete and the project will be bid in the summer of 2021 after approval of the Limited Use permit by Min. D.O.T. and the approval of the wetland permitting changes by the A.C.O.E.

**Activity 2 Status as of January 1, 2022 (Submitted January 14, 2022)**

**Hwy 135 to Palo Tia Rd.**

Project completed, no change

**Soudan to Vermilion State Park**

Project completed, no change

**McKinley to Biwabik**

The design plans and specifications are 95% complete, all wetland permitting is approved and mitigation through purchase of wetland credits is in process. The Limited Use Permit for the work along Hwy 135 is also submitted, under review by MN DOT. If all goes well, we are anticipating to begin construction this spring / summer.

**Activity 2 Status as of July 1, 2022 (Submitted July 12, 2022)**

**Hwy 135 to Palo Tia Rd.**

Project completed, no change

**Soudan to Vermilion State Park**

Project completed, no change

**McKinley to Biwabik**

The design plans and specifications are still 95% complete, all wetland permitting is approved and mitigation through purchase of wetland credits are completed. The Limited Use Permit for the work along Hwy 135 is also submitted, and under review by MN DOT. To finalize the design and specifications, the trail alignment and design into Biwabik is taking longer than expected due to the one property ownership issue and ensuring a trail route into Biwabik. We are now anticipating trail construction to begin later in 2022, which depends on ensuring the trail route and design into Biwabik.

**Activity 2 Outcomes and Results (to be submitted between December 31, 2021 and February 15, 2022)**

**(Submitted February 22, 2023):**

**Hwy 135 to Palo Tia Rd.**

Project completed, no change

**Soudan to Vermilion State Park**

Project completed, no change

**McKinley to Biwabik**

The engineering plans and specifications for this segment are 95% completed. We are in the process of having MN DOT review the Limited Use Permit to allow the last portion of this segment to be along the Highway 135 right of way. Once this is approved, the final design and specifications can be finalized and the bidding process for construction can begin. Other funds will be used to complete the engineering plans, design, specifications, and management along with trail construction.

**ACTIVITY 3: Trail Construction**

**Description:** The trail will be constructed by a responsible contractor. Contractor selection is based on a bidding process acceptable to MN Dot, FHWA. Contractor constructs the trail in accordance with engineer’s plan and specifications. Contractor is responsible to perform construction using methods that are in accordance with OSHA, NEPA and other industry standards. The following is a general description of each trail segment:

**T.H 135 to Embarrass**

Construct 5.2 miles of new trail from Hwy 135 to Palo Tia Road including installation of 4,760 LF floating dock (0.9 miles) over a wetland; and constructing 22,640 LF (4.3 miles) of 10’ wide bituminous surface trail; and reconstruction of the existing Lane 51 (circa 1928) bridge over the Embarrass River. We will allow a year for this work to take place beginning in June 2018 and completing in June 2019. This schedule will allow for fabrication of the floating dock and then installing the dock during the winter of 2018-2019.

**McKinley to Biwabik**

Construction of a 5.5 mile long, 10 feet wide bituminous surface trail beginning in the City of McKinley and making connection to the existing Mesabi Trail at County Road 21. The trail will then be constructed easterly to the City of Biwabik ending and making connection to the existing Mesabi Trail at 2<sup>nd</sup> Street North.

**Soudan to VSP Entrance Road**

Construction of a 1.5 mile long, 10 feet wide bituminous surface trail beginning in Soudan and making connection to the existing Mesabi Trail west of Stuntz Bay Road, The trail will then be constructed easterly to the Vermillion State Park Entrance Road and making connection to the existing Mesabi Trail.

**Summary Budget Information for Activity 3:**

<b>ENRTF Budget:</b>	\$1,589,220
<b>Amount Spent:</b>	<u>\$1,589,220</u>
<b>Balance:</b>	\$ 0

<b>Outcome</b>	<b>Completion Date</b>
<b>3. Construction</b>	July 1, 2020

**Activity 3 Status as of January 1, 2018**

**Activity 3 Status as of July 1, 2018**

**T.H 135 to Embarrass**

Trail construction bids have been received and a contract award is pending. We are currently negotiating with the contractor to reduce projects costs using value engineering and material changes.

Trees 3 inches in diameter and larger have been removed from the trail corridor to minimize roost sites of the threatened Northern Long Eared Bat. This work was performed as directed by the US Dept. of Fish & Wildlife.

A wetland mitigation consisting of 5.61 acres was completed and approved by MN Board of Water & Soil Management (BWSR) and Army Corp of Engineers. Wetlands disturbed were replaced by purchasing wetland credits from a BWSR approved bank at a cost of \$25,000 per acre. Total wetland credit costs are \$140,250.00.

### **McKinley to Biwabik**

Trees 3 inches in diameter and larger have been removed from the trail corridor to minimize roost sites of the threatened Northern Long Eared Bat. This work was performed as directed by the US Dept. of Fish & Wildlife.

No other construction activity has occurred.

### **Soudan to Vermillion State Park( VSP) Entrance Road- [updated November 2019]**

Trail construction began in year 2017 with final completion in June 2018. This trail is open to the public. \$197,515.49 of this grant was used for this project. The total project cost was approximately \$990,000. \$800,000 was funded by two other grant sources being MN DNR Parks and Legacy. LCCMR funds were used to pay \$195,308.87 for construction and \$2,206.62 for engineering services.

The remainder of funds budgeted for this trail were directed to construct the T.H. 135 to Embarrass (Palo Tia Rd), Phase 1. We presented the funding shortfalls and requests for additional funding to LCCMR in years 2017 and 2018. The additional funding requests included funds to complete T.H. 135 to Embarrass (2017 - this grant) and funds to construct Palo Tia Road to Hwy 21 (current 2019 legislation)

### **Highway 135 to (Palo Tia Road) Phase 1 [updated November 2019]**

A construction contract in the amount of \$2,391,702.40 (\$946,300.18 paid for by ML 2017) is pending with the low responsible bidder, Mesabi Bituminous. We are currently negotiating with the contractor to reduce construction costs through value engineering, construction technique, and material changes.

### **Highway 135 to Embarrass (Palo Tia to CR 21/Sauna Rd.) Phase 2**

No change, no construction

### **Activity 3 Status as of January 1, 2019 [submitted November 2019]**

#### **Highway 135 to Embarrass (Palo Tia Road) Phase 1**

The contractor is in the process of freezing the wetlands area in the WMA and will install the floating bridge when the ground is frozen enough to support the equipment. Construction of the floating bridge is anticipated to be complete in March. The contractor mobilized grading equipment onto the project and will continue grading when the frost is out of the ground. The remainder of the construction will continue in May when the road restrictions are removed. Refer to ML 2016 Update for more information.

**Soudan to Vermilion State Park**

No change

**McKinley to Biwabik**

No change

**Activity 3 Status as of July 1, 2019 [submitted November 2019]**

**Soudan to Vermilion State Park**

No change

**Highway 135 to Embarrass (Palo Tia Road) Phase 1**

The Project is substantially complete as also shown in the July 1, 2019 update in ML 2016. Trail earthwork, topsoil placed and graded, gravel and base materials in place, culverts, riprap, and storm water basins complete, floating bridge is installed, and the historic bridge rehab over the Embarrass River is complete. The contractor is scheduled to finish the project in August.

**Highway 135 to Embarrass (Palo Tia to CR 21/Sauna Rd.) Phase 2**

No change

**McKinley to Biwabik**

No Change

**Activity 3 Status as of January 1, 2020**

**Soudan to Vermilion State Park**

No change

**Hwy 135 to Embarrass (Hwy 135 to Palo Tia Rd. Phase 1 )**

Construction is complete. The pay requests and project completion documents and being completed.

**Hwy 135 to Embarrass (Palo Tia Rd. to CR. 21/Sauna Rd. Phase 2)**

No construction has taken place. The project is scheduled for construction in 2020 with ML 2019 funds. The project has received an additional \$250,000 IRRRB grant for construction.

**McKinley to Biwabik**

The majority of the trail route was cleared and grubbed by the Regional Railroad Authority in 2016 to avoid northern long eared bat hibernacula in preparation for construction. The trail was cleared up to a point where there was an issue with a property owner. The reroute will require minimal clearing, mostly shrub brush will be involved, which is on the property that the Authority already owns. The goal is start construction in July 2020 and finish in October 2021.

**Project Status Activity 3 as of October 21, 2020**

**Soudan to Vermilion State Park Road**

No change

**Hwy 135 to Embarrass (Hwy 135 to Palo Tia Rd. – Phase 1)**

No change

**Hwy 135 to Embarrass (Palo Tia Rd. to C.R. 21/Sauna rd.- Phase 2)**

No ML 2017 funds are being used to complete Activity 3 for the Palo Tia Rd. to C.R. 21/Sauna Rd. segment. ML 2019 and I.R.R.R.B. funds will be used to complete Activity 3 as reported in the ML 2019 work plan.

**McKinley to Biwabik**

No change

**Project Status as of July 1, 2020- Waived by LCCMR**

**Project Status as of February 2, 2021, Trail Construction, Soudan to Vermillion State Park Rd.**

No change

**Project Status as of February 2, 2021, Trail Construction, Hwy 135 to Palo Tia Rd. (Phase 1)**

Project is complete and under 1 year warranty on construction.

**Project Status as of February 2, 2021, Trail Construction, McKinley to Biwabik**

Construction planned for summer of 2021.

**Project Status as of June 23, 2021, Activity 3, Trail Construction, Soudan to Vermillion State Park Rd.**

No change

**Project Status as of June 23, 2021, Activity 3, Trail Construction, Hwy 135 to Palo Tia Rd. (Phase 1)**

Project is complete and under 1 year warranty on construction.

**Project Status as of June 23, 2021, Activity 3, Trail Construction, McKinley to Biwabik**

No change. The completion date for construction is December 2022 to coordinate with other funding.

**Activity 3 Status as of January 1, 2022 (Submitted January 14, 2022)**

**Hwy 135 to Palo Tia Rd.**

Project completed, no change

**Soudan to Vermillion State Park**

Project completed, no change

**McKinley to Biwabik**

As mentioned above, the design plans and specifications are 95% complete, all wetland permitting is approved and mitigation through purchase of wetland credits is in process. The Limited Use Permit for the work along

Hwy 135 is also submitted, under review by MN DOT. If all goes well, we are anticipating to begin construction this spring / summer.

**Activity 3 Status as of July 1, 2022 (Submitted July 12, 2022)**

**Hwy 135 to Palo Tia Rd.**

Project completed, no change

**Soudan to Vermilion State Park**

Project completed, no change

**McKinley to Biwabik**

As mentioned above, the design plans and specifications are 95% complete. The Limited Use Permit for the work along Hwy 135 is also submitted, under review by MN DOT. If all goes well, we are now anticipating to begin construction later in 2022, which depends on the property ownership issue into the City of Biwabik.

Construction will be paid for by other funds and the ML 2021 LCCMR grant.

**Activity 3 Project Outcomes and Results (to be submitted between December 31, 2022 and February 15, 2023)**

**(Submitted February 22, 2023):**

**Hwy 135 to Palo Tia Rd.**

Project completed, no change

**Soudan to Vermilion State Park**

Project completed, no change

**McKinley to Biwabik**

We are in the process of having MN DOT review the Limited Use Permit to allow the last portion of this segment to be along the Highway 135 right of way. Once this is approved, the final design and specifications can be finalized and the bidding process for construction can begin. A portion of this segment starting from Gilbert to McKinley was constructed using other funds MN DEED Grant for \$286,000 and an IRRR Grant for \$53,188. All funds from this M.L. 2017 Grant have been spent, which we will now use M.L. 2020, First Special Session, Chp. 6, Art. 5, Sec. 2, Subd. 9q along with additional funding sources to complete the trail from McKinley to Biwabik. The funds will be used to finalize the engineering plans, design, specifications, and management along with trail construction.

**V. DISSEMINATION:**

**Description:** Mesabi Trail news and updates are provided through a variety of media, marketing and publications. Web site is: Mesabitrail.com. The following are some of the groups & organizations that disseminate Mesabi Trail information and typically include updates of newly completed trail segments:

- Club Mesabi (15,000 maps & web site)
- Iron Range Tourism (30,000 brochures & web site)
- MN Office of Tourism
- MPR
- Parks & Trails, Home & Away, other private magazines
- 180,000 trail users per year
- Named by the Star Tribune as “Best of Minnesota” in year 2013

**Status as of January 1, 2018**

**Status as of July 1, 2018**

**Status as of January 1, 2019**

**Status as of July 1, 2019**

**Amendment Request Dec. 5, 2019**

*8/31/20 LCCMR staff note: no amendment request was included and no amendment was approved.*

**Status as of January 3, 2020**

**No new updates**

**Project Status as of July 1, 2020- Waived by LCCMR**

**Project Status as of January 1, 2021**

No new updates

**Project Status as of June 23, 2021**

No new updates

**Status as of January 1, 2022 (Submitted January 14, 2022)**

The St. Louis and Lake Counties Regional Railroad Authority will be publicly advertising Request For Proposals for a marketing consultant or firm to start creating a marketing plan to get more people using the trail. The marketing efforts are set to begin in April 2022 and will be paid for with non-ENRTF funds.

**Status as of July 1, 2022 (Submitted July 12, 2022)**

No new updates.

**Overall Project Outcomes and Results (to be submitted between December 31, 2022 and February 15, 2023)  
(Submitted February 22, 2023):**

The Mesabi Trail news and updates are provided through a variety of media, marketing and publications. Web site is: [Mesabitrail.com](http://Mesabitrail.com). The following are some of the groups & organizations that disseminate Mesabi Trail information and typically include updates of newly completed trail segments and activities:

- Club Mesabi (10,000 maps & web site: [Mesabitrail.com](http://Mesabitrail.com))
- Iron Range Tourism (30,000 brochures & web site)
- MN Office of Tourism
- amperes radio
- Parks & Trails, Home & Away, other private magazines
- Over 250,000 trail users per year
- Great River Energy/Mesabi Trail annual tour
- Named by the Star Tribune as “Best of Minnesota” in year 2013
- Named by Bicycle Magazine as” top 10 in the country”
- Information distributed at over 70 locations including Chambers of Commerce, visitor centers, businesses
- MN DOT/Pedal MN bikeways map
- “Second best trail in Midwest USA” Dubuque Iowa, 2017

The Environmental and Natural Resources Trust Fund is acknowledged as a funder for the Mesabi Trail with recognition posted in each kiosk along the trail.

The Minnesota Environment and Natural Resources Trust Fund (ENRTF) will be acknowledged through use of the trust fund logo or attribution language on project print and electronic media, publications, signage, and other communications per the [ENRTF Acknowledgement Guidelines](#).

**Final Report Summary:**

**VI. PROJECT BUDGET SUMMARY:**

**A. Preliminary ENRTF Budget Overview:**

**\*This section represents an overview of the preliminary budget at the start of the project. It will be reconciled with actual expenditures at the time of the final report.**

Please see budget spreadsheet

**Explanation of Use of Classified Staff:** N/A

**Explanation of Capital Expenditures Greater Than \$5,000:** Trail construction costs vary depending on the type of terrain or base being used. For example, constructing trail on an abandon railroad grade may cost a \$100,000 per mile while construction through a rocky terrain with bridges may cost in excess of \$500,000 per mile. This Project also includes one bridge rehabilitation and construction of a new floating bridge estimated to cost \$1.2 million.

**Total Number of Full-time Equivalent (FTE) Directly Funded with this ENRTF Appropriation: 18**

**Total Number of Full-time Equivalent (FTE) Estimated to Be Funded through Contracts with this ENRTF Appropriation: 6**

**B. Other Funds:**

Source of Funds	\$ Amount Proposed	\$ Amount Spent	Use of Other Funds
<b>Non-state</b>			
Federal	\$1,497,430	\$0	McKinley/Biwabik Construction
<b>State</b>			
Legacy	\$ 512,000	\$ 512,000	Soudan/VSP Entrance Construction
DNR	\$ 300,000	\$ 300,000	Soudan/VSP Entrance Construction
LCCMR ML 2016	\$1,200,000	\$1,200,000	Hwy 135 to Palo Tia Phase 1
Legacy L034-13-2B	\$ 534,501	\$ 354,738	McKinley to Biwabik
IRRRB	\$ 200,000	\$53,188	To be used for the Palo Tia Road to Embarrass (CR 21).
DEED Funds	\$286,115.68	\$286,000	DEED Funds amended to include McKinley to Biwabik trail (2021)
LCCMR ML 2021	\$1,000,000	\$113,668	5% completion of engineering and final construction of the McKinley to Biwabik segment.
<b>TOTAL OTHER FUNDS:</b>	<b>\$5,530,046.68</b>	<b>\$2,819,594</b>	

**VII. PROJECT STRATEGY:**

**A. Project Partners:**

- Lead - St. Louis and Lake Counties Regional Railroad Authority with assistance from St. Louis County Public Works
- Local Assistance – Breitung & Eagles Nest Townships, St. Louis County Land Department, MN DNR Forestry
- Funding and Trail Development Contributors – MN DNR, MNDOT, FHWA Enhancements, MN Legacy and Local Funds

**Partners receiving ENRTF funding: None**

**Partners NOT receiving ENRTF funding**

- *Name, Title, Affiliation, Role*

**B. Project Impact and Long-term Strategy:**

Long-term strategy for the Mesabi Trail has not changed since 1995 which is to construct a trail from Grand Rapids to Ely connecting 26 communities along the way as seen on enclosed map. A key component in this strategy is to maintain the completed trail as some parts/segments will be over 20 years old by the time the overall trail is finished. The Regional Railroad Authority has committed to maintain the trail and currently budgets over \$300,000 per year for maintenance costs.

Short-term impacts make local trails connections between communities and destinations.

**C. Funding History:**

Funding Source	Agency	Funding Amount	Use
<b>State Funding</b>			
1993: ML 93 Chp. 172, Sec. 14, Subd. 10(r)	LCCMR	700,000	Trail
1995: ML 95, Chp. 220, Sec. 19, Subd. 4(g)	LCCMR	150,000	Trail
1996: MS Chp. 463, Sec. 7, Subd. 14	State Bond	500,000	Trail
1997: ML 1997, Chp. 216, Sec. 15, Subd. 18	LCCMR	600,000	Trail
1999: ML 1999, Chp. 231, Sec. 16, Subd. 4b	LCCMR	1,000,000	Trail
2001: ML 2001, 1 <sup>st</sup> Special Session, Chp. 2, Sec. 14, Subd. 05	LCCMR	190,000	Mesabi Station
2003: ML 2003, Chp. 128, Article 1, Sec. 9, Subd. 6h	LCCMR	380,000	Trail
2005: ML 2005, First Special Session, Art. 2, Sec.11, Subd. 6(m)	LCCMR	1,000,000	Trail
2005: ML 2005, Chp. 20, Sec. 7, Subd. 15	State Bond	300,000	Mesabi Station
2006: ML 2006, Chp. 258, Sec. 7, Subd. 23	State Bond	950,000	Trail
2011: ML 2011, 1 <sup>st</sup> Special Session, Chp. 6, Art. 3, Sec. 3,Sub.c(1)	Legacy	512,000	Trail
2013: ML 2013, Chp. 137, Art. 3, Sec. 3, Subd. C4	Legacy	1,250,000	Trail
2014: ML 2014, Chp. 226, Sec. 2, Subd. 07c	LCCMR	1,000,000	Trail
2014: ML 2014, Chp. 312, Art. 12, Sec. 6, Subd. 4	Legacy	330,000	Trail
2015: ML 2015, Chp. 76, Sec. 2, Subd. 9i	LCCMR	1,000,000	Trail
2015: ML 2015, Chp. 2, Art. 3, Sec. 3, Subd. b	Legacy	1,800,000	Trail
2016: State Joint Powers Agreement, Vermilion State Park	MN DNR	300,000	Trail
2016: ML 2016, Chp. 186, Sec. 2, Subd. 9e	LCCMR	1,200,000	Trail

2017: ML 2017, Chp. 96, Sec. 2	LCCMR	2,269,000	Trail
2017: Legacy, approval pending Master Plan submission	Legacy	750,000	Trail
2017: State Bond for Wahlsten Road to Tower	State Bond	1,800,000	Trail
2018: LCCMR for CR 88 to Ely (including 2020 Fed TAP)	LCCMR	600,000	Trail
<b>Federal &amp; Local Funding</b>			
Federal HPP 2005 to present		2,900,000	Trail
Federal ARRA 2009		1,200,000	Trail & Mesabi Station
Federal Enh. 1995 to 2005		3,000,000	Trail
Federal Enh. 2005 to present		1,382,000	Trail
Federal Recreational Trails Program 2016		150,000	Trail
Federal TAP 2020		300,000	Trail
Local, IRRRB, RRA, SLC 1994 to 2017		3,000,000	Trail, r-o-w, legal, admin.

LCCMR 1999 to present	5,380,000
State Legacy 2014 to present	2,300,000
State Bond 2006 to present	3,450,000
Federal 1999 to present	10,534,981
Local 1996 to present	3,000,000

**VIII. REPORTING REQUIREMENTS:**

- The project is for 3 years, will begin on July 1, 2017, and end on December 31, 2021.

**Periodic project status update reports will be submitted** Periodic work plan status update reports will be submitted no later than at six month intervals on January 1 and July 1. A final report and associated products will be submitted between December 31, 2022 and February 15, 2023.

**IX. VISUAL COMPONENT or MAP(S):** see attached

**Environment and Natural Resources Trust Fund  
M.L. 2017 Project Budget**



**Project Title:** *Mesabi Trail Segments T.H. 135 to Embarrass; McKinley to Biwabik; and Soudan to Vermilion State Park Entrance Road*

**Legal Citation:** *ML 2017, Chp. 96, Sec. 2, Subd. 09g*

**Project Manager:** *Robert Manzoline*

**Organization:** *St. Louis and Lake Counties Regional Railroad Authority*

**M.L. 2017 ENRTF Appropriation:** \$ 2,269,000

**Project Length and Completion Date:** *Fill : 5 Years, December 31, 2022*

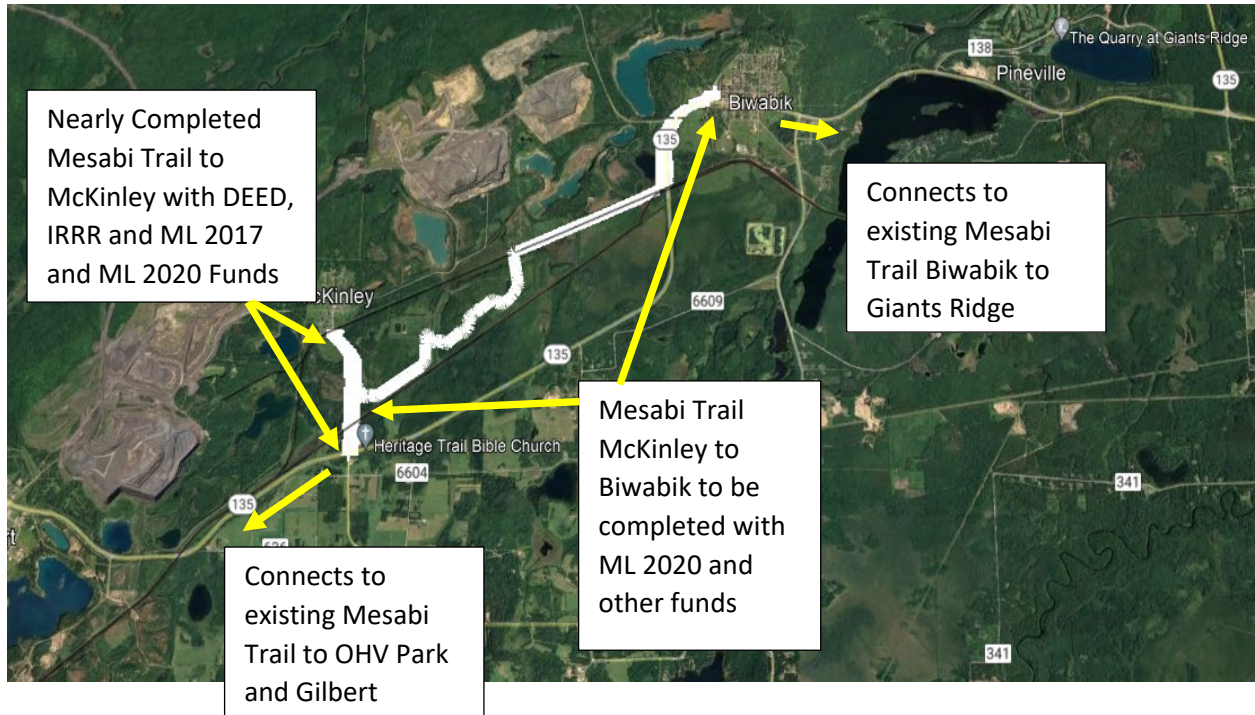
**Date of Report:** February 22, 2023 Final Report

ENVIRONMENT AND NATURAL RESOURCES TRUST FUND BUDGET	Activity 1 Budget	Activity 1 Budget Amendment 2/22/23	Amount spent	Activity 1 Balance	Activity 2 Budget	Activity 2 Budget Amendment 2/22/23	Amount spent	Activity 2 Balance	Activity 3 Budget	Amount spent	Activity 3 Balance	TOTAL BUDGET	TOTAL spent	TOTAL BALANCE
<b>BUDGET ITEM</b>	<i>Environmental Work</i>				<i>Engineering Design and Manage.</i>				<i>Trail Construction</i>					
<b>Professional/Technical/Service Contracts</b>														
<i>Environmental work preliminary to construction in accordance with federal NEPA, &amp; EPA; Minnesota MPCA, SHIPO, DNR, Local jurisdictions</i>	\$197,658	\$188,462	\$188,462	\$0								\$188,462	\$188,462	\$0
<i>Engineer for trail design, plans, specifications, bidding, and construction administration.</i>					\$482,122	\$491,318	\$491,318	\$0				\$491,318	\$491,318	\$0
<b>Capital Expenditures Over \$5,000</b>														
<i>Trail, Bridge, and facility construction</i>									\$1,589,220	\$1,589,220	\$0	\$1,589,220	\$1,589,220	\$0
<b>Column Total</b>	\$197,658	\$188,462	\$188,462	\$0	\$482,122	\$491,318	\$491,318	\$0	\$1,589,220	\$1,589,220	\$0	\$2,269,000	\$2,269,000	\$0

Mesabi Trail Segment T.H. 135 to Embarrass



## Mesabi Trail Segment McKinley to Biwabik



### Mesabi Trail Segment Soudan to Vermilion State Park Entrance Road

