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Department of Transportation

https://www.dot.state.mn.us/

AT A GLANCE

- Over 140,000 centerline miles (single roadway, regardless of the number of lanes) including trunk highways and local roads
- 4th largest roadway system in the nation
- 4,822 bridges greater than 10 feet in length on Trunk Highways (including railroad, pedestrian, and other structures)
- More than 150 million vehicle miles driven on average every day on the state highway system
- 351 construction projects planned in the FY24-25 biennium
- $36.7 billion in planned investments for state highways over the next 20 years (MN State Highway Investment Plan)
- 5,183 full-time equivalent employees as of FY24

The Minnesota Department of Transportation (MnDOT) works with our partners to support:

- 3 active Lake Superior and 4 Mississippi River system ports
- 34 transit providers serving all 80 non-metro counties
- 133 publicly owned state-funded airports

4,534 rail line miles serving 21 railroad companies, Northstar commuter, and Amtrak passenger service

PURPOSE

Transportation provides access to critical connections for all Minnesotans, supports a robust quality of life, underpins a healthy economy, and plays an important role in the stewardship of our environment.

Vision: Minnesota's multimodal transportation system maximizes the health of people, the environment, and our economy.

Mission: Connect and serve all people through a safe, equitable, and sustainable transportation system.

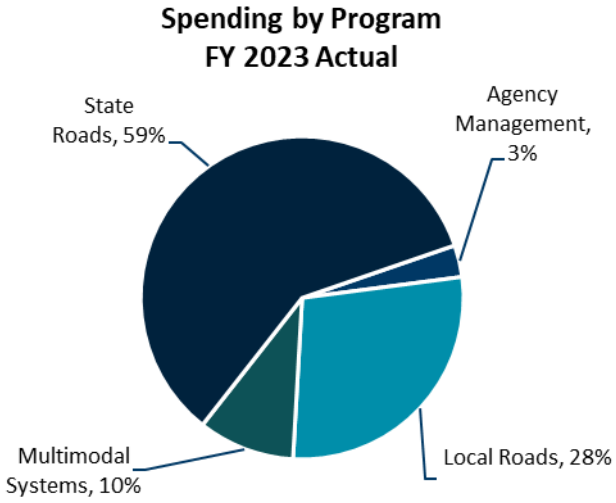
Values:

- Safety: We recognize safety is core to our work and build it into everything we do.
- Service: We take pride in our work and hold ourselves to the highest standards.
- Equity: We actively remove barriers to create an inclusive transportation system that benefits all.
- Sustainability: We act today to contribute to a better transportation system of the future.
- Innovation: We search for new ideas, experiment to learn and grow and create value for the public.
- Collaboration: We leverage the contributions of our team members and partners, acknowledging the impact we can have together.

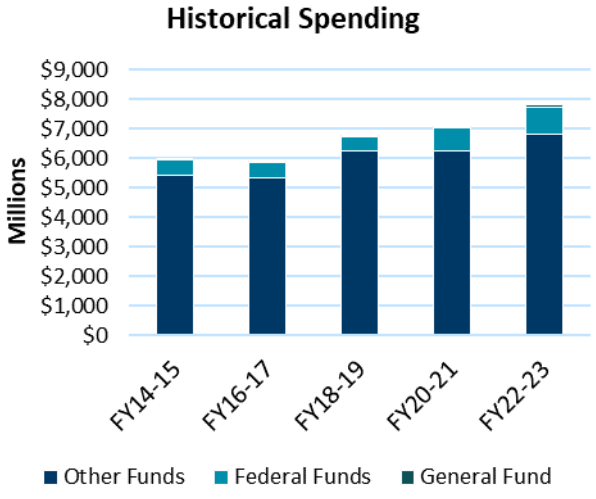
Funding is provided in four programs with 13 budget activities:

Multimodal Systems	State Roads	Local Roads	Agency Management
Aeronautics	Program Planning & Delivery	County State Aid Roads	Agency Services
Transit & Active Transportation	State Road Construction	Municipal State Aid Roads	Building Services
Freight & Rail Safety	Debt Service		
Passenger Rail	Operations & Maintenance		
	Statewide Radio Communications		

BUDGET



Spending includes Trunk Highway fund debt service transfer.
Source: Budget Planning & Analysis System (BPAS)



Spending includes Trunk Highway fund debt service transfer.
Source: Budget Planning & Analysis System (BPAS)

MnDOT is committed to efficiency and fiscal responsibility, while acknowledging that long-term investments are necessary to sufficiently address the maintenance and improvement needs of the transportation system. MnDOT strives to advance statewide strategic priorities and continues to build and maintain a comprehensive transportation system that serves all Minnesotans.

The primary source of financing for state-owned highways is the trunk highway fund, which is supported by motor fuel taxes, motor vehicle registration fees, and motor vehicle sales taxes. Other sources of transportation funding include transit assistance, county state aid highway, municipal state aid street, state airport, special revenue, general, and federal funds. The Federal Infrastructure Investment and Jobs Act (IIJA), which was signed into law on November 15, 2021, includes a continuation of federal formula funds as well as new areas of investment focused on carbon reduction, climate resiliency, restorative justice, and electric vehicle infrastructure. Minnesota, along with local and tribal governments, are also eligible for new and expanded competitive grant programs related to roads and bridges, transit, aviation, ports, and rail. In addition, in 2023 historic state investments for transportation were enacted by the legislature.

STRATEGIES

MnDOT's strategic initiatives demonstrate the agency's critical role in creating a safe, accessible, efficient, and reliable transportation system. MnDOT strives to advance statewide strategic priorities and continue to build and maintain a comprehensive transportation system that serves Minnesotans now and into the future - including enhancing pedestrian safety, reducing transportation's impact on greenhouse gas emissions, and cultivating a more diverse transportation industry and workforce. As stewards of the transportation system, we're committed to the following objectives:

- **Transportation Safety:** Safeguard transportation users as well as the communities the systems travel through. Apply proven strategies to reduce fatalities and serious injuries for all modes. Foster a culture of transportation safety in Minnesota (http://www.minnesotatzd.org/).
- **System Stewardship:** Strategically build, manage, maintain, and adapt the transportation system based on data, performance, and community needs. Ensure effective and efficient use of resources.
- **Climate Action:** Advance a sustainable and resilient transportation system. Enhance transportation options and technology to reduce greenhouse gas emissions. Adapt Minnesota's transportation system to a changing climate.
- **Critical Connections:** Maintain and improve multimodal transportation connections essential for Minnesotans' prosperity and quality of life. Strategically consider new connections that help meet performance targets and maximize social, economic, and environmental benefits.
- **Healthy Equitable Communities:** Foster healthy and vibrant places that reduce disparities and promote healthy outcomes for people, the environment, and our economy.
- **Open Decision-Making**: Make equitable transportation decisions through inclusive and collaborative processes that are supported by data and analysis.

MnDOT requires that the principles of "Complete Streets" be considered at all phases of planning and project development in the establishment, development, operation, and maintenance of a comprehensive, integrated, and connected multimodal transportation system (https://www.dot.state.mn.us/complete-streets/). This includes reviewing all modes of transportation, making conscious decisions about how and where each mode is served, addressing financial feasibility, and adhering to state transportation policy.

The Department of Transportation's legal authority comes from:
Minnesota Constitution, Article XIV, Public Highway System (https://www.revisor.mn.gov/constitution)
Roads, General Provisions, M.S. 160 (https://www.revisor.mn.gov/statutes/?id=160)
Trunk Highways, M.S. 161 (https://www.revisor.mn.gov/statutes/?id=161)
State-Aid Road Systems, M.S. 162 (https://www.revisor.mn.gov/statutes/?id=162)
Bridges, M.S. 165 (https://www.revisor.mn.gov/statutes/?id=165)
Trunk Highway Bonds, M.S. 167 (https://www.revisor.mn.gov/statutes/?id=167)
Traffic Regulations, M.S. 169 (https://www.revisor.mn.gov/statutes/?id=169)
Signs and Billboards Along Highways, M.S. 173 (https://www.revisor.mn.gov/statutes/?id=173)
Department of Transportation, M.S. 174 (https://www.revisor.mn.gov/statutes/?id=174)
Enforcement of Prevailing Wage, M.S. 177.44 (https://www.revisor.mn.gov/statutes/?id=177.44)
Rail Transportation, M.S. 218 (https://www.revisor.mn.gov/statutes/?id=218)
Railroad Safety, M.S. 219 (https://www.revisor.mn.gov/statutes/?id=219)
Regulation of Motor Carriers, M.S. 221 (https://www.revisor.mn.gov/statutes/?id=221)
Rail Service Improvement and Rail Bank, M.S. 222 (https://www.revisor.mn.gov/statutes/?id=222)
Airports and Aeronautics, M.S. 360 (https://www.revisor.mn.gov/statutes/?id=360

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Expenditures by Fund						
1000 - General	28,711	39,276	112,147	744,793	40,637	40,647
1050 - Transit Assistance	83,551	76,514	83,340	105,969	112,171	114,590
2000 - Restrict Misc Special Revenue	61,998	67,403	108,707	178,075	174,238	170,632
2001 - Other Misc Special Revenue	3,053	35,823	25,815	70,271	46,954	56,385
2050 - Environment & Natural Resources	52	144	401	64		
2500 - Municipal State Aid Street	152,566	201,126	214,345	263,286	278,780	283,002
2600 - County State Aid Highway	790,237	779,058	822,464	1,034,088	1,099,807	1,123,821
2700 - Trunk Highway	1,808,212	2,230,041	1,973,274	2,515,418	2,135,666	2,121,625
2710 - Highway Users Tax Distribution	119	55	85	232	292	232
2720 - State Airports	31,718	27,321	28,397	46,092	25,478	25,454
2721 - Hanger Loan Revolving	1,620					
2722 - Air Transportation Revolving	788	103	1,864	1,000	1,000	1,000
3000 - Federal	456,806	438,610	528,335	2,268,887	2,217,084	1,476,489
3520 - Transportation-Loc Bridge&Road	8,698	7,388	13,048	13,852		
4900 - 911 Emergency	9,464	9,947	10,103	10,397	10,384	10,384
Total	**3,437,593**	**3,912,809**	**3,922,323**	**7,252,424**	**6,142,491**	**5,424,261**
Biennial Change				3,824,345		392,005
Biennial % Change				52		4
Expenditures by Program						
Multimodal Systems	397,005	404,193	466,987	2,088,797	1,025,872	991,260
State Roads	1,792,307	2,216,413	1,979,871	2,589,424	2,173,250	2,158,867
Local Roads	1,153,351	1,166,470	1,357,488	2,097,380	2,766,172	2,100,024
Agency Management	94,931	125,732	117,977	476,823	177,197	174,110
Total	**3,437,593**	**3,912,809**	**3,922,323**	**7,252,424**	**6,142,491**	**5,424,261**
Expenditures by Category						
Compensation	509,668	534,583	574,973	614,421	626,882	638,687
Operating Expenses	505,604	568,912	554,693	1,542,643	923,786	894,176
Grants, Aids and Subsidies	1,475,748	1,485,459	1,719,558	3,497,542	2,724,570	2,728,642
Capital Outlay-Real Property	940,732	1,311,586	1,067,672	1,587,983	1,859,681	1,155,184
Other Financial Transaction	5,841	12,268	5,427	9,835	7,572	7,572

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Total	**3,437,593**	**3,912,809**	**3,922,323**	**7,252,424**	**6,142,491**	**5,424,261**
Full-Time Equivalents	**5,105.10**	**5,318.76**	**5,182.52**	**5,258.72**	**5,320.80**	**5,348.38**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
1000 - General						
Balance Forward In	875	79,936	61,793	694,504		
Direct Appropriation	143,333	33,784	943,633	80,919	47,077	47,206
Open Appropriation					1,780	1,790
Transfers In	1,501	1,487	1,829	1,875	1,875	1,875
Transfers Out	38,094	8,296	174,044	32,505	10,095	10,224
Cancellations		6,029	26,560			
Balance Forward Out	78,903	61,606	694,504			
Expenditures	**28,711**	**39,276**	**112,147**	**744,793**	**40,637**	**40,647**
Biennial Change in Expenditures				788,953		(775,656)
Biennial % Change in Expenditures				1,160		(91)
Full-Time Equivalents	26.09	32.45	36.83	38.12	38.06	38.02
1050 - Transit Assistance						
Balance Forward In	60,737	47,256	69,857	79,218	70,422	60,691
Receipts	65,397	63,948	92,701	97,173	102,440	106,102
Transfers In	416	540	700	700	700	700
Transfers Out	429	540	700	700	700	700
Balance Forward Out	42,569	34,690	79,218	70,422	60,691	52,203
Expenditures	**83,551**	**76,514**	**83,340**	**105,969**	**112,171**	**114,590**
Biennial Change in Expenditures				29,245		37,452
Biennial % Change in Expenditures				18		20
Full-Time Equivalents	3.70	3.90	5.67	5.67	4.98	4.91
2000 - Restrict Misc Special Revenue						
Balance Forward In	64,495	65,838	64,327	72,346	51,833	38,249
Receipts	41,370	44,895	127,161	206,951	224,037	245,515
Transfers In	6,500	6,500	749	1,500	1,500	1,500
Transfers Out	0		11,256	51,039	64,883	83,090
Net Loan Activity	(57)	451	91	150		
Balance Forward Out	50,309	50,281	72,366	51,833	38,249	31,542
Expenditures	**61,998**	**67,403**	**108,707**	**178,075**	**174,238**	**170,632**
Biennial Change in Expenditures				157,380		58,088
Biennial % Change in Expenditures				122		20

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
Full-Time Equivalents	47.02	44.56	39.62	39.68	36.72	36.68

2001 - Other Misc Special Revenue

Balance Forward In	9,451	9,276	9,661	28,449	9,078	9,023
Receipts	2,645	35,988	19,362	5,654	5,654	5,654
Transfers In			25,241	48,996	41,245	50,660
Transfers Out				3,750		
Balance Forward Out	9,043	9,440	28,448	9,078	9,023	8,952
Expenditures	**3,053**	**35,823**	**25,815**	**70,271**	**46,954**	**56,385**
Biennial Change in Expenditures				57,209		7,253
Biennial % Change in Expenditures				147		8
Full-Time Equivalents	10.02	8.66	11.05	10.71	10.75	10.75

2050 - Environment & Natural Resources

Balance Forward In		165	223	64		
Direct Appropriation	217	200				
Transfers In			249			
Cancellations			7			
Balance Forward Out	165	221	64			
Expenditures	**52**	**144**	**401**	**64**		
Biennial Change in Expenditures				269		(465)
Biennial % Change in Expenditures				137		(100)
Full-Time Equivalents	0.16	0.68	0.07			

2500 - Municipal State Aid Street

Balance Forward In	179,406	256,287	274,185	304,320	303,276	303,276
Direct Appropriation	226,238	220,678	241,353	262,242	278,780	283,002
Transfers In	5,000		5,000			
Transfers Out	38	21				
Cancellations	1,927	1,839	1,874			
Balance Forward Out	256,112	273,979	304,320	303,276	303,276	303,276
Expenditures	**152,566**	**201,126**	**214,345**	**263,286**	**278,780**	**283,002**
Biennial Change in Expenditures				123,939		84,151

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
Biennial % Change in Expenditures				35		18
Full-Time Equivalents	16.08	16.25	16.31	16.31	16.31	16.31

2600 - County State Aid Highway

Balance Forward In	748,510	836,101	902,248	1,004,094	1,012,206	1,025,830
Direct Appropriation	886,178	849,285	934,017	1,031,482	1,099,805	1,123,821
Transfers In	12,000		2,364	10,718	13,626	17,449
Transfers Out	15,122	68	6,850			
Cancellations	5,840	4,675	5,221			
Balance Forward Out	835,489	901,585	1,004,094	1,012,206	1,025,830	1,043,279
Expenditures	**790,237**	**779,058**	**822,464**	**1,034,088**	**1,099,807**	**1,123,821**
Biennial Change in Expenditures				287,257		367,076
Biennial % Change in Expenditures				18		20
Full-Time Equivalents	49.42	53.78	56.76	56.76	56.76	56.76

2700 - Trunk Highway

Balance Forward In	66,169	355,758	221,965	442,525	73,988	65,364
Direct Appropriation	2,207,785	2,372,122	2,353,078	2,368,420	2,351,896	2,374,996
Open Appropriation	11,019	9,284	10,290	12,052	15,065	12,052
Receipts	68,608	44,381	62,704	57,756	57,756	57,756
Transfers In	109,882	132,406	282,494	133,780	117,836	118,290
Transfers Out	315,636	383,092	360,812	385,472	414,264	437,823
Cancellations	66,049	82,830	153,915	39,655	1,247	1,242
Balance Forward Out	273,566	217,988	442,528	73,988	65,364	67,768
Expenditures	**1,808,212**	**2,230,041**	**1,973,274**	**2,515,418**	**2,135,666**	**2,121,625**
Biennial Change in Expenditures				450,439		(231,401)
Biennial % Change in Expenditures				11		(5)
Full-Time Equivalents	4,753.70	4,954.93	4,812.08	4,887.36	4,957.49	4,986.25

2710 - Highway Users Tax Distribution

Open Appropriation	2,493,331	2,555,611	2,666,111	2,911,226	3,126,805	3,222,914
Transfers Out	2,493,212	2,555,556	2,666,026	2,910,994	3,126,513	3,222,682
Expenditures	**119**	**55**	**85**	**232**	**292**	**232**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
Biennial Change in Expenditures				143		207
Biennial % Change in Expenditures				82		65

2720 - State Airports

Balance Forward In	12,343	7,959	8,628	20,638		
Direct Appropriation	25,360	25,368	40,368	25,368	25,368	25,368
Open Appropriation	46	37	38	86	110	86
Transfers In		2,000				
Transfers Out		2,300				
Cancellations		97				
Balance Forward Out	6,031	5,646	20,638			
Expenditures	**31,718**	**27,321**	**28,397**	**46,092**	**25,478**	**25,454**
Biennial Change in Expenditures				15,450		(23,557)
Biennial % Change in Expenditures				26		(32)
Full-Time Equivalents	34.20	35.83	38.25	38.25	38.25	38.25

2721 - Hanger Loan Revolving

Balance Forward In	2,320	2,346	1,839	1,295	1,036	777
Net Loan Activity	272	(506)	(544)	(259)	(259)	(259)
Balance Forward Out	972	1,839	1,295	1,036	777	518
Expenditures	**1,620**					
Biennial Change in Expenditures				(1,620)		0
Biennial % Change in Expenditures						

2722 - Air Transportation Revolving

Balance Forward In	1,017	1,325	2,233	1,790	2,690	2,690
Receipts	1,094	985	1,421	1,900	1,000	1,000
Balance Forward Out	1,323	2,207	1,790	2,690	2,690	2,690
Expenditures	**788**	**103**	**1,864**	**1,000**	**1,000**	**1,000**
Biennial Change in Expenditures				1,973		(864)
Biennial % Change in Expenditures				221		(30)

3000 - Federal

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Balance Forward In	762	1,647	3,938	3,088		
Receipts	456,700	439,185	527,486	2,265,799	2,217,084	1,476,489
Internal Billing Receipts	645	673	824			
Transfers Out			0			
Balance Forward Out	657	2,222	3,089			
Expenditures	**456,806**	**438,610**	**528,335**	**2,268,887**	**2,217,084**	**1,476,489**
Biennial Change in Expenditures				1,901,806		896,351
Biennial % Change in Expenditures				212		32
Full-Time Equivalents	122.00	122.37	121.15	121.13	116.75	115.72

3520 - Transportation-Loc Bridge&Road

Balance Forward In	26,743	26,925	26,900	13,852		
Receipts	8,879	7,364				
Balance Forward Out	26,925	26,900	13,852			
Expenditures	**8,698**	**7,388**	**13,048**	**13,852**		
Biennial Change in Expenditures				10,814		(26,900)
Biennial % Change in Expenditures				67		(100)

4900 - 911 Emergency

Balance Forward In		275		13		
Transfers In	9,675	9,675	10,116	10,384	10,384	10,384
Cancellations		3				
Balance Forward Out	211		13			
Expenditures	**9,464**	**9,947**	**10,103**	**10,397**	**10,384**	**10,384**
Biennial Change in Expenditures				1,089		268
Biennial % Change in Expenditures				6		1
Full-Time Equivalents	42.71	45.35	44.73	44.73	44.73	44.73

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Direct				
Fund: 1000 - General				
FY2025 Appropriations	**81,161**	**81,161**	**81,161**	**162,322**
Base Adjustments				
All Other One-Time Appropriations		(3,903)	(3,903)	(7,806)
Current Law Base Change		(29,949)	(29,820)	(59,769)
Allocated Reduction	(242)	(242)	(242)	(484)
Minnesota Paid Leave Allocation		10	10	20
Forecast Base	**80,919**	**47,077**	**47,206**	**94,283**
Fund: 2500 - Municipal State Aid Street				
FY2025 Appropriations	**251,748**	**251,748**	**251,748**	**503,496**
Base Adjustments				
November Forecast Adjustment	10,494	27,032	31,254	58,286
Forecast Base	**262,242**	**278,780**	**283,002**	**561,782**
Fund: 2600 - County State Aid Highway				
FY2025 Appropriations	**991,614**	**991,614**	**991,614**	**1,983,228**
Base Adjustments				
November Forecast Adjustment	39,868	108,191	132,207	240,398
Forecast Base	**1,031,482**	**1,099,805**	**1,123,821**	**2,223,626**
Fund: 2700 - Trunk Highway				
FY2025 Appropriations	**2,407,997**	**2,407,997**	**2,407,997**	**4,815,994**
Base Adjustments				
Biennial Appropriations		300	300	600
Current Law Base Change		(49,350)	(49,350)	(98,700)
Forecast Open Appropriation Adjustment	(39,577)			
November Forecast Adjustment		(7,051)	16,049	8,998
Forecast Base	**2,368,420**	**2,351,896**	**2,374,996**	**4,726,892**
Fund: 2720 - State Airports				
FY2025 Appropriations	**25,368**	**25,368**	**25,368**	**50,736**
Forecast Base	**25,368**	**25,368**	**25,368**	**50,736**
Open				
Fund: 1000 - General				
Base Adjustments				
Forecast Open Appropriation Adjustment		1,710	1,760	3,470

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
November Forecast Adjustment		70	30	100
Forecast Base		**1,780**	**1,790**	**3,570**
Fund: 2700 - Trunk Highway				
FY2025 Appropriations	**11,485**	**11,485**	**11,485**	**22,970**
Base Adjustments				
November Forecast Adjustment	567	3,580	567	4,147
Forecast Base	**12,052**	**15,065**	**12,052**	**27,117**
Fund: 2710 - Highway Users Tax Distribution				
FY2025 Appropriations	**2,886,854**	**2,886,854**	**2,886,854**	**5,773,708**
Base Adjustments				
November Forecast Adjustment	24,372	239,951	336,060	576,011
Forecast Base	**2,911,226**	**3,126,805**	**3,222,914**	**6,349,719**
Fund: 2720 - State Airports				
FY2025 Appropriations	**43**	**43**	**43**	**86**
Base Adjustments				
November Forecast Adjustment	43	67	43	110
Forecast Base	**86**	**110**	**86**	**196**
Dedicated				
Fund: 1050 - Transit Assistance				
Planned Spending	**105,969**	**112,171**	**114,590**	**226,761**
Forecast Base	**105,969**	**112,171**	**114,590**	**226,761**
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	**178,075**	**174,238**	**170,632**	**344,870**
Forecast Base	**178,075**	**174,238**	**170,632**	**344,870**
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	**70,271**	**46,954**	**56,385**	**103,339**
Forecast Base	**70,271**	**46,954**	**56,385**	**103,339**
Fund: 2700 - Trunk Highway				
Planned Spending	**25,833**	**20,467**	**20,469**	**40,936**
Forecast Base	**25,833**	**20,467**	**20,469**	**40,936**
Fund: 2722 - Air Transportation Revolving				
Planned Spending	**1,000**	**1,000**	**1,000**	**2,000**

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Forecast Base	1,000	1,000	1,000	2,000
Fund: 3000 - Federal				
Planned Spending	2,268,887	2,217,084	1,476,489	3,693,573
Forecast Base	2,268,887	2,217,084	1,476,489	3,693,573
Fund: 3520 - Transportation-Loc Bridge&Road				
Planned Spending	13,852			
Forecast Base	13,852			
Revenue Change Summary				
Dedicated				
Fund: 1050 - Transit Assistance				
Forecast Revenues	97,173	102,440	106,102	208,542
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	206,951	224,037	245,515	469,552
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	5,654	5,654	5,654	11,308
Fund: 2700 - Trunk Highway				
Forecast Revenues	57,756	57,756	57,756	115,512
Fund: 2722 - Air Transportation Revolving				
Forecast Revenues	1,900	1,000	1,000	2,000
Fund: 3000 - Federal				
Forecast Revenues	2,265,799	2,217,084	1,476,489	3,693,573
Non-Dedicated				
Fund: 1000 - General				
Forecast Revenues	2	2	2	4
Fund: 2500 - Municipal State Aid Street				
Forecast Revenues	13,352	11,464	7,463	18,927
Fund: 2600 - County State Aid Highway				

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Forecast Revenues	**73,235**	**68,502**	**57,389**	**125,891**
Fund: 2700 - Trunk Highway				
Forecast Revenues	**859,638**	**723,054**	**711,415**	**1,434,469**
Fund: 2710 - Highway Users Tax Distribution				
Forecast Revenues	**13,864**	**12,400**	**8,835**	**21,235**
Fund: 2720 - State Airports				
Forecast Revenues	**7,926**	**9,430**	**7,067**	**16,497**

https://www.dot.state.mn.us/aero/

AT A GLANCE

- 375+ airports in Minnesota:
  - 133 publicly owned airports receiving state funds
  - 6 privately owned airports for public use
  - 130 privately owned airports for private use
  - 30 key airports capable of supporting business jets, airfreight, and airlines
  - 9 airports which provide scheduled airline service: Minneapolis-St. Paul, Rochester, Duluth, St. Cloud, Brainerd, International Falls, Thief River Falls, Bemidji, and Hibbing
  - 39 seaplane bases and 125 hospital heliports
- General aviation results in $1.6 billion in annual economic activity and 13,147 jobs (excludes airports operated under Metropolitan Airports Commission)
- 72 percent of Minnesota public airports receive Federal Aviation Administration Airport Improvement Program funds
- 55 percent of public airports are owned by a city with a population less than 5,000 people
- 7,000+ Minnesota-registered aircraft
- 12,000+ licensed pilots
- 2,000+ registered unmanned aircraft systems (UAS, commonly known as drones)
- 350+ commercial operators provide agricultural spraying, aerial photography, UAS services, flight instruction, aircraft maintenance, and emergency response
- Statewide navigational systems maintained by MnDOT include:
  - 21 Instrument Landing Systems (ILS)
  - 6 Very High Frequency Omni-Directional Radio-Range Systems and Distance Measuring Equipment (VOR/DME)
  - 79 automated weather observation stations (AWOS)

PURPOSE AND CONTEXT

Aviation and the associated infrastructure (airports, weather stations, navigational tools, air highways) touches every corner of the state every day. Aviation infrastructure allows time-critical connections to destinations for people, products, and businesses of Minnesota. It is a key component of our multimodal transportation system within the state, region, and around the world. From local weather forecasting to critical lifesaving medical services, Minnesotans rely on aviation in unexpected ways.

Passenger travel is just the beginning of how Minnesotans use aviation. Farmers reap benefits from agricultural spraying, increasing crop yields through more efficient fertilizing, and aerial firefighting, mapping, and patrolling of utility lines help protect forested regions. Mail and package deliveries move goods across Minnesota. Drones provide a cost-effective way to conduct tasks from bridge inspections to search and rescue missions. Emergency response and patient transport services use heliports and runways at hospitals and airfields. Weather data collected by aviation infrastructure is essential for community-specific forecasts. Aviation infrastructure benefits every Minnesotan and is a tool people and businesses rely on.

In addition to being an essential asset, the aviation system is also a significant economic generator. The Statewide Airport Economic Impact Study (http://www.dot.state.mn.us/airport-economic-study/index.html) highlights how

each airport influences the economics of its community from Ada to Worthington. The study includes a detailed analysis for 126 of the 133 publicly owned airports in Minnesota and provides data to validate local airport financial contributions.

SERVICES PROVIDED

As the state aviation agency, MnDOT:

- Enforces state and federal safety standards through inspection and licensure of airports as well as commercial operators.
- Provides training to aircraft mechanics, seaplane pilots, and airport professionals.
- Registers drones and monitors the rapidly expanding development of people movers, unmanned aircraft, and commercial applications of remote technology.
- Collects aircraft registration and aircraft sales taxes to support the State Airports Fund.
- Plans and promotes the statewide system of airports.
- Provides technical resources and expertise to Minnesotans.
- Owns, operates, and maintains a statewide system of weather equipment, navigational equipment, and instrumentation used to keep airspace safe.
- Supports state government in need of efficient and cost-effective travel with passenger aircraft.

MnDOT is the ambassador and messenger for aviation across Minnesota. The State Aviation System Plan (SASP) (http://www.dot.state.mn.us/aero/planning/sasp.html) benchmarks the state of aviation in Minnesota, establishes the current condition of the airport system, and provides investment guidance by identifying performance gaps, quantifying needs, and promoting efficiency in operations. In fall of 2023, MnDOT completed an update of the SASP. The SASP has become an essential tool for Aeronautics, helping with decision making and prioritization of funding.

MnDOT distributes State Airport and Federal Funds to local governments to ensure the maximization of federal monies in support of development, maintenance, and operations of local airports. In a pre-pandemic typical year, MnDOT oversaw the distribution of approximately $20 million in state funding and $55 million in federal funding to local communities for construction, maintenance, and operations of local airports. MnDOT is midway through overseeing more than $330 million of aviation funds from federal pandemic programs such as Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations (CRRSAA), and American Rescue Plan Act (ARPA). An additional federal program, the Infrastructure Investment and Jobs Act (IIJA), has resulted in an additional $70 million in federal airport investment annually which is matched with approximately $3 million in state funding each year.

RESULTS

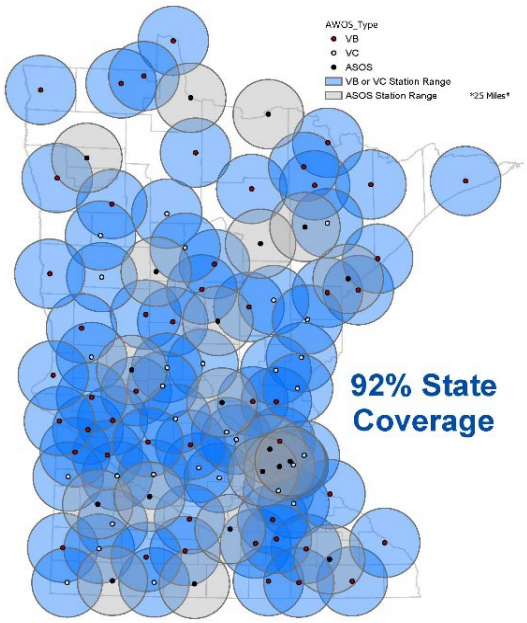
MnDOT conducted 50 airport/heliport inspections in 2023 and averages over 25 per year for the last decade. There were 750 commercial operators who were approved to provide for-hire aviation services. The Office of Aeronautics continues to support communities with land use planning near airports including airport zoning, meteorological tower notification, and permitting of tall towers. Each of these activities requires a review of the location, purpose, and impact on surrounding area and the safety of the public.

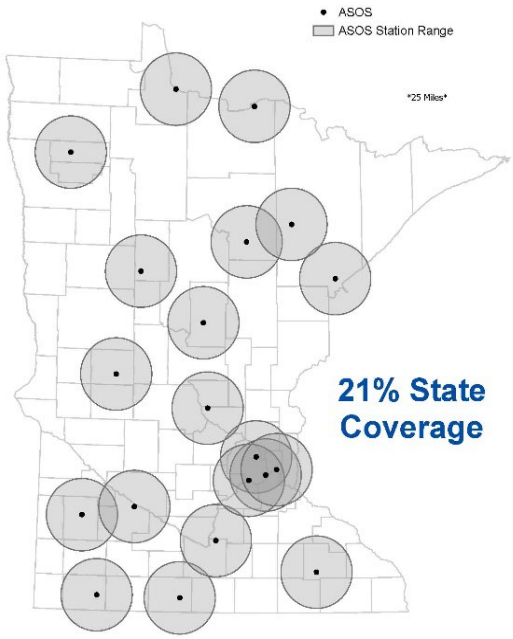
MnDOT is committed to safe operations in aviation and the promotion of careers in the airport community. We strive to leverage the skills and knowledge of professionals who can share best practices and lessons learned. Our staff supports the mission of three major conferences and two outreach events yearly.

- Our maintenance conference invites 400 mechanics and vendors to train up to licensure standard every year. The conference allows technicians to comply with their license requirements while learning about new technology that is otherwise more difficult to find.
- The annual three-day seaplane safety seminar brings 150 pilots to central Minnesota for skill-building to hone their safety knowledge and practice.
- The Minnesota Airports Conference provides an annual opportunity for 300 industry and government officials to exchange ideas on funding, trends, airport management, operations, maintenance, and best practices. The program also sponsors year-round activities to highlight careers in the industry.
- The Great Minnesota Aviation Gathering features educational sessions and vendors of aviation-related products. Educational topics include owner assisted maintenance, seaplane operations, ski plane operations, Minnesota aviation history, winter operations, and more.
- Mankato State Corporate Career Day is an event for Professional Flight and Aviation Management students to connect with business and organizations interested in general aviation careers.

MnDOT has seen increased drone usage across a multitude of applications over the past several years. There are now 434 businesses operating drones and 2,034 drones properly registered. MnDOT alone has about 875 mission hours flying drone aircraft. Minnesota statutes require aircraft used in the airspace over Minnesota to be registered with MnDOT.

Navigational Aids (Nav Aids) and Automated Weather Observing Systems (AWOS) may be the most impactful component of the aviation system to the everyday lives of Minnesotans. The 450 Nav Aids and 79 AWOS are the backbone of the system and have impacts well beyond aviation. In addition to providing the tools required to take off, fly, and land, they allow weather forecasting in local communities. In 2024, MnDOT received $15 million to replace 40 Aviation Weather Observation Systems. While these systems will be replaced over the next five years, additional investment will be needed in the near-term to modernize the remainder of the system. The figure on the left shows the coverage of both state and federal AWOS, and the image on the right shows just the federal AWOS coverage.





Chapter 360 Airports and Aeronautics M.S. 360.011-360.93 (https://www.revisor.mn.gov/statutes/?id=360) provides the legal authority for this activity.

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Expenditures by Fund						
1000 - General	2,616	4,336	15,476	33,511	1,743	1,743
2720 - State Airports	31,672	27,284	28,358	46,006	25,368	25,368
2721 - Hanger Loan Revolving	1,620					
2722 - Air Transportation Revolving	788	103	1,864	1,000	1,000	1,000
3000 - Federal	167,270	165,805	177,283	942,717	456,000	456,000
Total	**203,967**	**197,527**	**222,981**	**1,023,234**	**484,111**	**484,111**
Biennial Change				844,721		(277,993)
Biennial % Change				210		(22)
Expenditures by Category						
Compensation	4,458	4,757	5,597	5,877	5,946	6,033
Operating Expenses	6,113	4,997	7,225	7,310	6,239	6,152
Grants, Aids and Subsidies	192,425	186,399	203,508	1,009,027	471,350	471,350
Capital Outlay-Real Property	968	1,237	6,684	971	527	527
Other Financial Transaction	2	136	(34)	49	49	49
Total	**203,967**	**197,527**	**222,981**	**1,023,234**	**484,111**	**484,111**
Full-Time Equivalents	**38.69**	**41.90**	**44.53**	**44.53**	**44.53**	**44.53**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
1000 - General						
Balance Forward In		5,228	2,539	31,770		
Direct Appropriation	7,250	1,650	44,707	1,741	1,743	1,743
Cancellations		3				
Balance Forward Out	4,634	2,539	31,770			
Expenditures	**2,616**	**4,336**	**15,476**	**33,511**	**1,743**	**1,743**
Biennial Change in Expenditures				42,036		(45,501)
Biennial % Change in Expenditures				605		(93)
Full-Time Equivalents	4.24	6.07	6.28	6.28	6.28	6.28
2700 - Trunk Highway						
Full-Time Equivalents	0.25					
2720 - State Airports						
Balance Forward In	12,343	7,959	8,628	20,638		
Direct Appropriation	25,360	25,368	40,368	25,368	25,368	25,368
Transfers In		2,000				
Transfers Out		2,300				
Cancellations		97				
Balance Forward Out	6,031	5,646	20,638			
Expenditures	**31,672**	**27,284**	**28,358**	**46,006**	**25,368**	**25,368**
Biennial Change in Expenditures				15,408		(23,628)
Biennial % Change in Expenditures				26		(32)
Full-Time Equivalents	34.20	35.83	38.25	38.25	38.25	38.25
2721 - Hanger Loan Revolving						
Balance Forward In	2,320	2,346	1,839	1,295	1,036	777
Net Loan Activity	272	(506)	(544)	(259)	(259)	(259)
Balance Forward Out	972	1,839	1,295	1,036	777	518
Expenditures	**1,620**					
Biennial Change in Expenditures				(1,620)		0
Biennial % Change in Expenditures						

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
2722 - Air Transportation Revolving						
Balance Forward In	1,017	1,325	2,233	1,790	2,690	2,690
Receipts	1,094	985	1,421	1,900	1,000	1,000
Balance Forward Out	1,323	2,207	1,790	2,690	2,690	2,690
Expenditures	**788**	**103**	**1,864**	**1,000**	**1,000**	**1,000**
Biennial Change in Expenditures				1,973		(864)
Biennial % Change in Expenditures				221		(30)
3000 - Federal						
Receipts	167,270	165,805	177,283	942,717	456,000	456,000
Expenditures	**167,270**	**165,805**	**177,283**	**942,717**	**456,000**	**456,000**
Biennial Change in Expenditures				786,925		(208,000)
Biennial % Change in Expenditures				236		(19)

Program: Multimodal Systems
Activity: Transit and Active Transportation

http://www.dot.state.mn.us/transit/
http://www.dot.state.mn.us/saferoutes
http://www.dot.state.mn.us/bike/
http://www.dot.state.mn.us/peds/

AT A GLANCE

- All 80 counties in Greater Minnesota served by public transit
- 35 Greater Minnesota public transit systems funded in FY23, providing approximately 7.4 million rides
- 50 accessible vehicles funded for public and nonprofit-run systems in FY23
- 14 mobility management grants statewide funded in FY23
- Launched the Moving Greater Minnesota Forward Program to develop shared mobility concepts
- Finalized Statewide Pedestrian System Plan in FY22, and implementation planning activities focused on pedestrian safety, climate change impact mitigation, and winter maintenance in FY24.
- Established the Active Transportation Advisory Committee in FY24.

PURPOSE AND CONTEXT

MnDOT's Office of Transit and Active Transportation (OTAT) supports transit services to all 80 non-metro counties to meet the needs of transit users and supports walking and bicycling statewide. MnDOT continues to make the transportation system safer, easier, and more accessible to increase the use of transit, bicycling, and walking as a percentage of all trips statewide. MnDOT works closely with the Metropolitan Council on the planning, development, design, and construction of major transit projects in the Twin Cities seven-county metro area. MnDOT engages our customers and partners to provide planning and policy direction for transit, walking, and bicycling routes on a statewide basis.

SERVICES PROVIDED

Transit Planning and Grants

MnDOT provides grants (with funds from the Federal Transit Administration, state general funds, and motor vehicle leasing/sales taxes), planning support, and technical assistance to:

- Public transit service outside the Twin Cities metro area, including grants to purchase buses and bus facilities: Transit in Greater Minnesota - MnDOT (https://www.dot.state.mn.us/transit/index.html). Grants are issued to public, private, and nonprofit operators, and local, state, and tribal governments.
- Programs for travel options focused on seniors and persons with disabilities.
- Intercity Bus services: Intercity Bus Grant - Transit - MnDOT (https://www.dot.state.mn.us/transit/intercity-bus-grant.html), including state and federal funding to support intercity bus transportation service to non-urbanized communities within Minnesota.
- Regional Transportation Coordinating Organizations (https://coordinatemntransit.org/basic_page_with_colu/organizations/) to coordinate transportation providers, service agents, and the private sector to fill transportation gaps and streamline access to transportation.

Active Transportation Planning and Grants

MnDOT walking and bicycling services and programs (with funds from the Federal Highway Administration and state general funds) include:

- The Statewide Bicycle System Plan (http://www.dot.state.mn.us/bike/planning-research.html) and district bicycle plans which outline the vision and goals for bicycle transportation.
- Active Transportation (https://www.dot.state.mn.us/active-transportation-program/index.html) and Safe Routes to School (SRTS) (https://www.dot.state.mn.us/saferoutes/) programs that encourage walking and bicycling on the transportation network.
- The MnDOT Bicycle Facility Design Guide (http://www.dot.state.mn.us/bike/bicycle-facility-design-manual.html) with guidance for implementing bicycle facilities.
- MnDOT's Statewide Pedestrian System Plan (https://www.dot.state.mn.us/minnesotawalks/index.html) that identifies goals and strategies for creating spaces that are safe and convenient for people walking.
- The statewide Non-Motorized Traffic Monitoring Program (https://www.dot.state.mn.us/bike-ped-counting/index.html).
- The Demonstration Project Implementation Guide (https://www.dot.state.mn.us/saferoutes/demonstration-projects.html) to develop, implement, and evaluate demonstration projects to build support for safer walking and bicycling facilities.
- Providing strategic direction for the MnDOT-owned parking ramps in downtown Minneapolis to encourage carpooling, transit, and bicycle commuting. The parking ramps serve as bridges over Interstate 394 which surrounds Target Field. The ramps are managed by the City of Minneapolis on behalf of MnDOT.

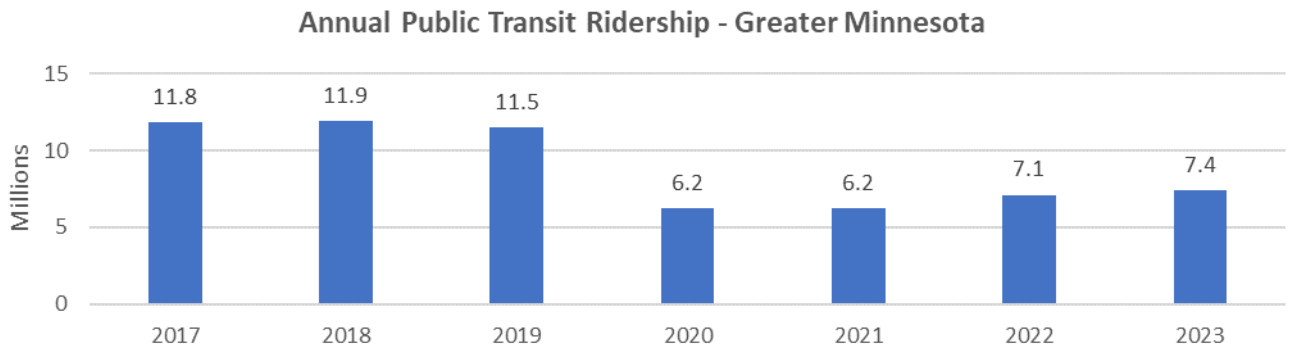
Light and Commuter Rail

MnDOT Metro District assists the Metropolitan Council and Metro Counties with planning, design, and construction of light rail transit, bus rapid transit, and commuter rail. This currently includes the Blue Line Extension and Green Line Extension light rail projects, the Gold Line and Purple Line bus rapid transit projects, and Riverview Corridor.

RESULTS

Public Transit in Greater Minnesota

There are 35 public transit systems serving at least a portion of all 80 counties in Greater Minnesota, delivering 7.1 million rides in 2022 and 7.4 million rides in 2023.



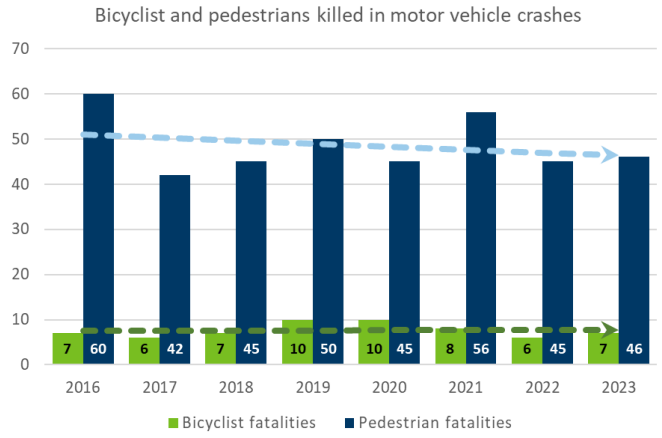
Minnesota Statute 174.24 (https://www.revisor.mn.gov/statutes/cite/174.24) requires MnDOT to develop a transit investment plan that contains a goal of meeting at least 90 percent of total transit service needs in Greater Minnesota by 2025. Between 2010-2015 public transit ridership increased approximately 10-15 percent. Ridership

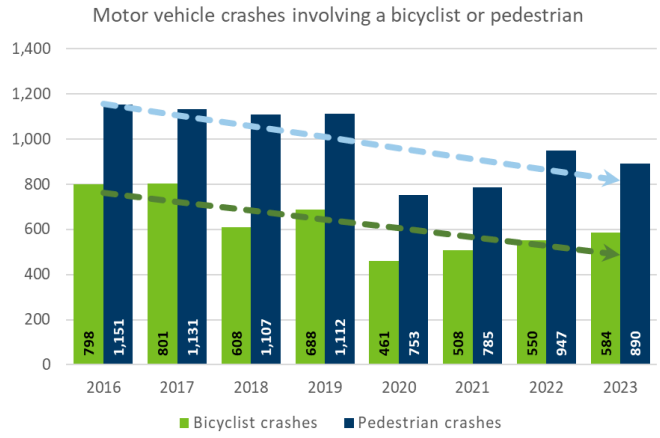
plateaued from 2016-2019 to approximately 11.5 million rides annually. In 2020-2021, during the COVID-19 pandemic, Greater Minnesota ridership dropped almost 45 percent, to 6.2 million each year. Since the last half of 2021 and into 2023, ridership continues to increase. The strongest ridership return has now shifted to the small urban systems in Greater Minnesota with the rural systems also coming back but at a slightly slower rate as compared to pre-pandemic numbers. The challenge facing public transit in Greater Minnesota is in assisting transit partners in navigating how the landscape has changed and will continue to evolve post pandemic.

Active Transportation Programs

The number of people walking and biking has remained steady over the past several years, as has the number of people killed while walking and biking. Fatalities have remained relatively constant despite a decrease in recent years in the overall number of vehicle crashes involving people walking and biking.

MnDOT is implementing its Statewide Pedestrian System Plan, which demonstrates the importance of pedestrian networks to the transportation system, prioritizes investments, and develops policy and implementation guidance to create walkable communities that are safe, convenient, and desirable for all. Implementation activities focus on identifying high-priority locations for pedestrian safety investment, mitigating the effects of climate change on people walking, and developing improved solutions for winter maintenance. MnDOT maintains a Bicycle Facility Design Manual (http://www.dot.state.mn.us/bike/bicycle-facility-design-manual.html) to support implementation of context-appropriate bicycle facilities within MnDOT right-of-way. OTAT provides technical assistance and feedback to district partners throughout the project development process. To continue tracking how and where people walk and bike, MnDOT staff and partners created the Strategic Plan for Counting People Walking and Bicycling (http://www.dot.state.mn.us/bike/documents/planning-research/strategic-plan.pdf).





Since 2005, MnDOT has awarded more than $55 million to Minnesota communities for Safe Routes to School (SRTS) projects. These projects have reached nearly 2,000 schools. In FY23 and FY24, the MnDOT SRTS program continued to offer statewide programs and grants for local projects including SRTS planning assistance, curriculum implementation, bike fleets, demonstration projects, local coordinators, infrastructure, and mini-grants (known as Boost grants).

These priorities are identified and implemented with ongoing feedback from statewide, regional, and local partners. Additional funding from the Federal Highway Administration for SRTS projects made the expansion of these programs possible through state FY22. Minnesota's SRTS program continues to build on identified strategic pursuits from its 2020 Strategic Plan. This plan guides SRTS practitioners and partners in building a stronger, more equitable SRTS program at the local, regional, and state levels.

MnDOT's Active Transportation Program provides assistance to make walking, biking, and rolling better throughout Minnesota. The program aims to increase the number of people walking and bicycling, and has supported 21 communities with planning assistance and 6 communities with quick-build / demonstration projects.

The legal authority for Transit and Active Transportation activity comes from:
Public Transit Participation Program, M.S. 174.24 (https://www.revisor.mn.gov/statutes/?id=174.24)
Minnesota Council on Transportation Access, M.S. 174.285 (https://www.revisor.mn.gov/statutes/?id=174.285)
Light Rail Transit, M.S. 174.35 (https://www.revisor.mn.gov/statutes/?id=174.35)
Active Transportation Program, M.S. 174.38 (https://www.revisor.mn.gov/statutes/cite/174.38)
Safe Routes to School Program, M.S. 174.40 (https://www.revisor.mn.gov/statutes/?id=174.40)
Transportation Alternatives Projects, M.S. 174.42 (https://www.revisor.mn.gov/statutes/?id=174.42)
Commuter Rail, M.S. 174.82 (https://www.revisor.mn.gov/statutes/?id=174.82)
Metropolitan Council authority on light rail transit and commuter rail, M.S. 473.3993-4057 (https://www.revisor.mn.gov/statutes/?id=473.3993)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Expenditures by Fund						
1000 - General	17,813	21,662	25,443	82,768	19,876	19,876
1050 - Transit Assistance	83,551	76,514	83,340	105,969	112,171	114,590
2000 - Restrict Misc Special Revenue	26,422	26,040	25,874	16,140	22,551	15,640
2001 - Other Misc Special Revenue			1,089	37,626	8,155	8,284
3000 - Federal	44,915	59,192	76,284	98,408	101,300	70,100
Total	**172,701**	**183,408**	**212,030**	**340,911**	**264,053**	**228,490**
Biennial Change				196,832		(60,398)
Biennial % Change				55		(11)
Expenditures by Category						
Compensation	6,881	6,736	7,200	7,838	7,158	7,243
Operating Expenses	26,587	28,889	30,840	62,497	26,136	19,197
Grants, Aids and Subsidies	138,238	147,417	173,629	269,214	229,398	200,689
Capital Outlay-Real Property	637			1,000	1,000	1,000
Other Financial Transaction	358	366	360	362	361	361
Total	**172,701**	**183,408**	**212,030**	**340,911**	**264,053**	**228,490**
Full-Time Equivalents	**59.10**	**57.93**	**55.40**	**54.93**	**51.31**	**51.18**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
1000 - General						
Balance Forward In		11,570	3,805	53,191		
Direct Appropriation	29,001	18,701	94,328	48,792	28,031	28,160
Transfers In	1,501	1,487	1,829	1,875	1,875	1,875
Transfers Out	1,501	1,495	21,329	21,090	10,030	10,159
Cancellations		4,797				
Balance Forward Out	11,188	3,805	53,190			
Expenditures	**17,813**	**21,662**	**25,443**	**82,768**	**19,876**	**19,876**
Biennial Change in Expenditures				68,736		(68,459)
Biennial % Change in Expenditures				174		(63)
Full-Time Equivalents	9.80	12.72	11.46	11.46	11.46	11.46
1050 - Transit Assistance						
Balance Forward In	60,737	47,256	69,857	79,218	70,422	60,691
Receipts	65,397	63,948	92,701	97,173	102,440	106,102
Transfers In	416	540	700	700	700	700
Transfers Out	429	540	700	700	700	700
Balance Forward Out	42,569	34,690	79,218	70,422	60,691	52,203
Expenditures	**83,551**	**76,514**	**83,340**	**105,969**	**112,171**	**114,590**
Biennial Change in Expenditures				29,245		37,452
Biennial % Change in Expenditures				18		20
Full-Time Equivalents	3.70	3.90	5.67	5.67	4.98	4.91
2000 - Restrict Misc Special Revenue						
Balance Forward In	19,175	18,028	16,497	7,421	6,921	10
Receipts	11,842	13,822	16,797	15,640	15,640	15,640
Balance Forward Out	4,595	5,810	7,420	6,921	10	10
Expenditures	**26,422**	**26,040**	**25,874**	**16,140**	**22,551**	**15,640**
Biennial Change in Expenditures				(10,448)		(3,823)
Biennial % Change in Expenditures				(20)		(9)
Full-Time Equivalents	12.88	11.22	8.28	7.81	4.99	4.96
2001 - Other Misc Special Revenue						
Balance Forward In				18,411		

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
Transfers In			19,500	22,965	8,155	8,284
Transfers Out				3,750		
Balance Forward Out			18,411			
Expenditures			**1,089**	**37,626**	**8,155**	**8,284**
Biennial Change in Expenditures				38,715		(22,276)
Biennial % Change in Expenditures						(58)

2700 - Trunk Highway

Full-Time Equivalents	0.48					

3000 - Federal

Balance Forward In	213	749	906	804		
Receipts	45,195	58,737	76,183	97,604	101,300	70,100
Internal Billing Receipts	506	496	616			
Transfers Out			0			
Balance Forward Out	493	293	805			
Expenditures	**44,915**	**59,192**	**76,284**	**98,408**	**101,300**	**70,100**
Biennial Change in Expenditures				70,584		(3,292)
Biennial % Change in Expenditures				68		(2)
Full-Time Equivalents	32.24	30.09	29.99	29.99	29.88	29.85

Program: Multimodal Systems
Activity: Freight and Rail Safety

https://www.dot.state.mn.us/ofrw/railroad/index.html

AT A GLANCE

- $2.4 million in state-funded Port Development Assistance Program (PDAP) grants
- $81.5 million in state and federally funded Minnesota Highway Freight Program construction projects
- $7 million in federal funds and $1.75 million in state funds for eight highway/rail grade crossing safety improvements, 19 outdated equipment replacements, ten preliminary engineering agreements, and one crossing closure
- Trunk Highway coordination on over $800 million of Minnesota roadway projects involving a railroad
- $5 million in state-funded Minnesota Rail Service Improvement (MRSI) grants
- $500,000 in improvements to weigh stations and weight enforcement facilities
- $100,000 in Rail Bank Property repairs and maintenance committed
- 1,176 business operating credentials issued to for-hire limousine operators, Special Transportation Service (STS) transporters, general freight carriers, household goods movers, and large building movers
- Minnesota's Unified Carrier Registration Program (UCR) for interstate motor carriers, brokers, and freight movers has a registration rate of 89 percent
- 3,625 vehicle safety inspections, and 444 audits on STS providers, for-hire limousine operators, and MN motor carriers
- 1,040 safety audits on new and existing interstate freight and passenger carrier operations
- 207 medical waivers issued to intrastate Commercial Motor Vehicle (CMV) drivers
- 84,160 permits issued to move over-sized or overweight loads
- 36,713 units and 16,175 subunits inspected by State Rail Inspectors
- 4,550 defects and 29 violations issued by State Rail Inspectors
- 1,081 reports submitted to the Federal Railroad Administration (FRA).

PURPOSE AND CONTEXT

The purpose of the Office of Freight and Commercial Vehicle Operations (OFCVO) is to improve the safety and performance of the state's multimodal freight transportation system through:

- Confirming railroad companies' compliance with state and federal safety standards
- Developing statewide and district freight plans that address mobility bottlenecks and safety gaps
- Improving public safety at highway-rail grade crossings by advancing infrastructure improvements
- Training on regulations and technical assistance
- Identifying and prioritizing freight infrastructure improvement projects
- Enforcing laws and rules governing motor carriers and other transportation service providers
- Auditing freight carriers and passenger services for sound transportation safety management practices
- Implementing improvements to weigh stations

MnDOT programs enhance Minnesota's freight mobility, safety, and economic competitiveness by improving access to regional, national, and global markets through the safe and efficient transportation of goods and people. MnDOT plans and invests in all the ways people and goods move throughout Minnesota—individually for each mode and collectively as a multimodal system. MnDOT helps build and maintain the infrastructure that supports

Minnesota's economy and local communities. To ensure all Minnesotans thrive now and into the future, MnDOT understands business-specific transportation requirements and identifies opportunities to provide a more responsive transportation system.

SERVICES PROVIDED

Oversize and Overweight Load Permits: Issue permits for trucks moving over-legal sized or overweight loads on MnDOT roads and assign routes that are suitable to protect road infrastructure and ensure traveler safety. Customers can apply for permits via desktop computer or mobile device, manage stored information for user accounts, and pay for permit costs through a PCI-compliant payment system.

Operating Credentials: Register and license freight operators and passenger service providers. These include interstate and intrastate property carriers, household goods movers, building/house movers, Motor Carrier of Passenger (e.g., motor coaches), for-hire limousine services, Special Transportation Services (STS) for the elderly and disabled, and Non-Emergency Medical Transportation (NEMT).

Safety Audits, Complaint Investigations, and Vehicle Inspections: Conduct audits (annual and random) on property carriers and passenger services to ensure companies have properly qualified drivers, safe operating vehicles, and are operating and maintaining records as required by statutes, laws, and rules. MnDOT investigates complaints about unsafe equipment or improper operating practices by these companies.

Hazardous Materials Incident Response: Assist local authorities, when requested, by providing technical guidance to first responders when a commercial vehicle incident happens involving hazardous materials.

Commercial Driver Medical Waiver: Within the guidelines provided by Minnesota statute, determine whether to approve a waiver for a person who has a physical impairment that would otherwise disqualify them from driving a commercial motor vehicle. This program is different from the Minnesota Department of Public Safety driver waiver program, which is specifically for school bus drivers.

Technical Assistance, Training, and Outreach: Conduct presentations and outreach sessions, and provide technical guidance, on federal and state laws, rules, and regulations that govern motor carriers related to the safe transportation of people and goods.

Truck Weigh Stations: Build and maintain facilities operated by the Minnesota State Patrol's Commercial Vehicle Enforcement Division. MnDOT provides funding, technical support, and collaboration with the State Patrol and MnDOT districts in maintaining and improving weigh station technologies and facilities infrastructure.

Rail Safety Inspection Program: Inspect railroad track, railcars, locomotives, signal and train control equipment, and hazardous materials shipments to ensure railroad compliance with federal and state safety standards.

Rail Crossing Safety Program: Monitor the safety performance of more than 4,100 rail grade crossings along Minnesota's public road system. Develop and implement MnDOT's Railroad Highway Grade Crossing Safety Improvement Program, a risk-based assessment used to identify at-risk crossing locations.

Freight and Rail Planning: Develop plans that improve Minnesota's freight transportation system. Plans include the Statewide Freight System and Investment Plan (http://www.dot.state.mn.us/planning/freightplan/index.html) and the State Rail Plan (http://www.dot.state.mn.us/planning/railplan/). Assistance provided for additional plans and studies both internal to the department's office and in support of other offices and districts.

Minnesota Highway Freight Program (MHFP): Identify and secure funding opportunities for eligible statewide highway and intermodal construction projects that provide measurable freight transportation benefits.

Port Development Assistance Program (PDAP): Provide port infrastructure grants to promote effective freight movement through Great Lakes and Mississippi River port terminals.

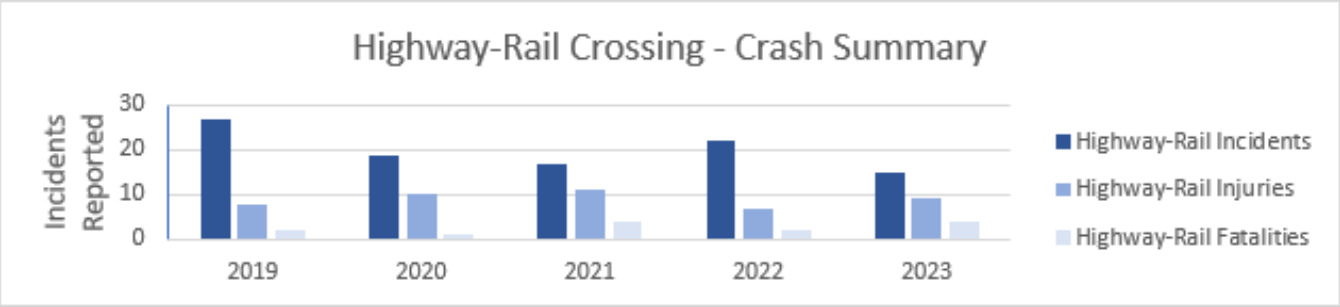
Minnesota Rail Service Improvement Program (MRSI): Provide grants for freight rail economic development projects and loans for infrastructure that improve freight rail service.

Minnesota Freight Advisory Committee (MFAC): Provide a forum for the exchange of ideas and to address issues between MnDOT and the private sector to develop and promote a safe, reliable, and sustainable freight transportation system in Minnesota.

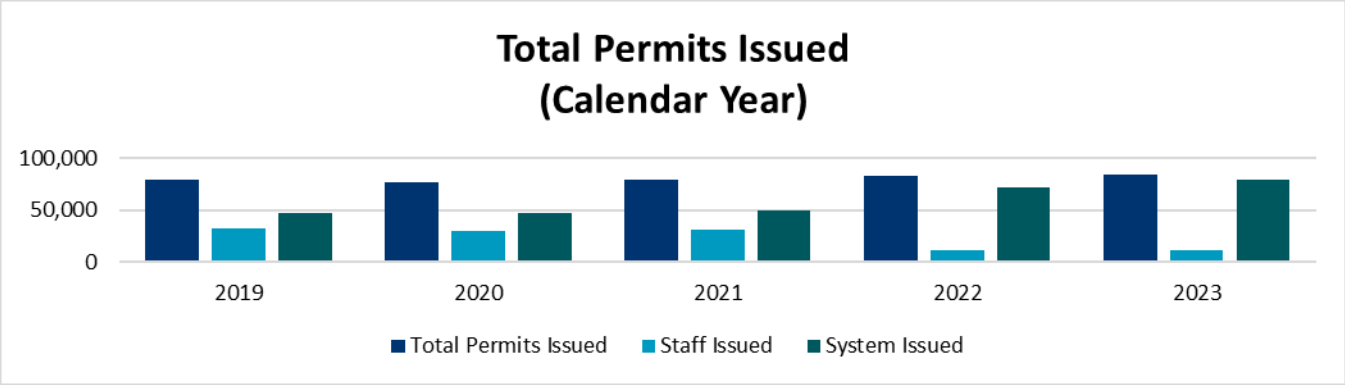
State Interagency Rail Group and State Rail Director: The Rail Director leads the State Interagency Rail Group that elevates coordination and partnership between the state and the railroads to actively promote safety and reduce risks and to ensure efficient movement of goods to support Minnesota's economy while minimizing the impacts of those operations to Minnesota's local communities.

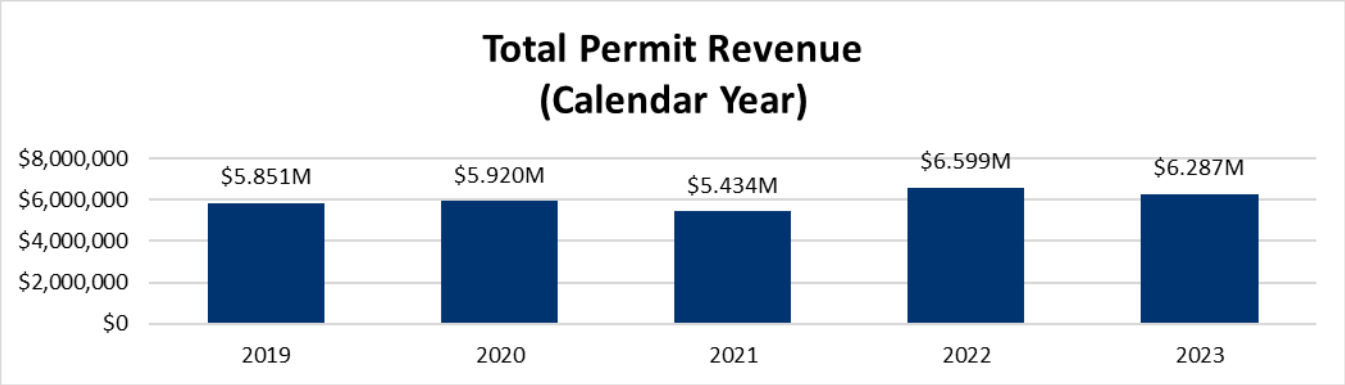
RESULTS

Rail Crossing Safety Program: Through improvements in infrastructure and public education, grade crossing incidents have substantially declined. Approximately one-third of Minnesota's 4,100 public road grade crossings have gates and/or flashing lights.



Oversize and Overweight Vehicle Permitting: A new system replacement, Minnesota SUPERLOAD, rolled into production March 2022. The Minnesota SUPERLOAD system can auto-issue over 90 percent of routine permits, including trip logs (logging trips associated with annual permits), which is a significant increase from the 60 percent rate of the previous system. Automation allows permit technicians more time and resources for complex permit applications and other critical tasks, resulting in faster turnaround times and higher customer satisfaction and trust. Overall, the new permitting and routing system has improved efficiency, safety, and data accuracy. These technological improvements positively impact the state and region by greatly increasing safety and the efficient transport of OSOW commodities in Minnesota. Total permits issued since 2019 has increased from 79,109 to 84,239 annually.





Motor Carrier Credentialing, Vehicle Inspections, Safety Reviews:

- M.S. 174.29 (https://www.revisor.mn.gov/statutes/cite/174.29)
- M.S. 174.30 (https://www.revisor.mn.gov/statutes/cite/174.30)
- MN Rules Chapter 8840 (https://www.revisor.mn.gov/rules/8840/)
- MN Rules Chapter 8880 (https://www.revisor.mn.gov/rules/8880/)
- M.S. Chapter 221 (https://www.revisor.mn.gov/statutes/cite/221)

Special Permits to Exceed Legal Size and Weight: M.S. 169.86 (https://www.revisor.mn.gov/statutes/cite/169.86)
Port Development Assistance Program: M.S. 457A (https://www.revisor.mn.gov/statutes/cite/457A)
Minnesota Rail Service Improvement (MRSI) Program and Rail Bank Program: M.S. 222 (https://www.revisor.mn.gov/statutes/cite/222)
Railroad Safety: M.S. 219 (https://www.revisor.mn.gov/statutes/cite/219)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Expenditures by Fund						
1000 - General	1,353	1,704	6,468	4,910	2,403	2,403
2000 - Restrict Misc Special Revenue	2,225	9,036	5,723	4,535	4,152	4,152
2001 - Other Misc Special Revenue	63		73	38		
2700 - Trunk Highway	5,222	5,128	5,116	8,326	6,917	6,918
3000 - Federal	11,135	6,832	10,329	19,047	21,585	21,535
Total	**19,998**	**22,700**	**27,708**	**36,856**	**35,057**	**35,008**
Biennial Change				21,867		5,501
Biennial % Change				51		9
Expenditures by Category						
Compensation	7,767	7,969	8,375	10,856	10,463	10,580
Operating Expenses	1,950	1,521	3,234	15,341	13,892	13,728
Grants, Aids and Subsidies	4,500	7,511	3,209			
Capital Outlay-Real Property	5,748	5,613	12,891	10,609	10,652	10,650
Other Financial Transaction	32	85	0	50	50	50
Total	**19,998**	**22,700**	**27,708**	**36,856**	**35,057**	**35,008**
Full-Time Equivalents	**72.96**	**76.61**	**73.21**	**72.69**	**73.08**	**72.88**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
1000 - General						
Balance Forward In	875	1,985	696	2,510		
Direct Appropriation	8,964	7,945	8,283	2,400	2,403	2,403
Transfers Out	6,553	6,530				
Cancellations		1,189				
Balance Forward Out	1,932	508	2,511			
Expenditures	**1,353**	**1,704**	**6,468**	**4,910**	**2,403**	**2,403**
Biennial Change in Expenditures				8,321		(6,572)
Biennial % Change in Expenditures				272		(58)
Full-Time Equivalents	8.48	9.74	8.62	8.62	8.62	8.62
2000 - Restrict Misc Special Revenue						
Balance Forward In	7,766	13,737	12,719	10,268	9,581	9,127
Receipts	1,360	1,053	2,456	2,198	2,198	2,198
Transfers In	6,500	6,500	749	1,500	1,500	1,500
Net Loan Activity	(57)	125	67	150		
Balance Forward Out	13,343	12,380	10,268	9,581	9,127	8,673
Expenditures	**2,225**	**9,036**	**5,723**	**4,535**	**4,152**	**4,152**
Biennial Change in Expenditures				(1,002)		(1,954)
Biennial % Change in Expenditures				(9)		(19)
Full-Time Equivalents	5.93	5.91	7.54	7.51	7.51	7.51
2001 - Other Misc Special Revenue						
Balance Forward In	174	111	111	38		
Balance Forward Out	111	111	38			
Expenditures	**63**		**73**	**38**		
Biennial Change in Expenditures				48		(111)
Biennial % Change in Expenditures						(100)
Full-Time Equivalents	0.46		0.48	0.24	0.48	0.48
2700 - Trunk Highway						
Balance Forward In	177	1,063	269	1,715	245	184
Direct Appropriation	5,878	5,878	6,367	6,666	6,666	6,666
Receipts	163	179	196	190	190	190

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
Transfers Out		1,000				
Cancellations		722				
Balance Forward Out	996	269	1,716	245	184	122
Expenditures	**5,222**	**5,128**	**5,116**	**8,326**	**6,917**	**6,918**
Biennial Change in Expenditures				3,092		393
Biennial % Change in Expenditures				30		3
Full-Time Equivalents	52.88	55.74	53.30	53.05	53.20	53.00

3000 - Federal

Balance Forward In	25	167	207			
Receipts	11,195	6,870	10,122	19,047	21,585	21,535
Internal Billing Receipts	140	176	208			
Balance Forward Out	86	205				
Expenditures	**11,135**	**6,832**	**10,329**	**19,047**	**21,585**	**21,535**
Biennial Change in Expenditures				11,409		13,744
Biennial % Change in Expenditures				64		47
Full-Time Equivalents	5.21	5.22	3.27	3.27	3.27	3.27

Program: Multimodal Systems
Activity: Passenger Rail

http://www.dot.state.mn.us/passengerrail/

AT A GLANCE

- Existing service
  - Borealis state-sponsored Passenger Rail service between MSP-Chicago started on May 21st, 2024.
  - Empire Builder (Chicago to Seattle and Portland via Minnesota)
  - Northstar Commuter Rail (Big Lake to Minneapolis)
- Future service
  - Minneapolis-Duluth/Superior Corridor Northern Lights Express (NLX)
- Previous initiatives
  - Minneapolis/St. Paul - Milwaukee High-Speed Rail Corridor to Chicago
- 385 miles of operating passenger rail service

PURPOSE AND CONTEXT

Passenger rail works in partnership with state partners, local governments, and regional rail authorities, Class One Railroads, community groups, and corridor advocates to deliver passenger rail services that are federally compliant, environmentally friendly, and sustainable to connect communities within Minnesota and with the national passenger rail system.

Passenger rail connects Minnesota communities and the region to increase mobility and access to employment, education, health care and commercial services. The most recent 2015 Statewide Rail Plan (https://www.dot.state.mn.us/planning/railplan/) identifies priority passenger rail corridors for development by MnDOT.

SERVICES PROVIDED

The Statewide Rail Plan identifies a network of passenger rail corridor opportunities to be developed over the next 25 years. This network provides alternative transportation options that connect Minnesota with the rest of the country. Passenger Rail leads partnership efforts that involve state partners, local agencies, regional rail authorities, Class One Railroads, community groups and corridor advocates to deliver passenger rail services. The corridor development activities include environmental review, preliminary engineering, and design.

Minnesota's current daily interstate passenger trains are The Amtrak Empire Builder, which connects Minnesota with Seattle and Chicago and The Borealis, which is a second daily train that runs between St. Paul, Milwaukee, and Chicago. This service began in May 2024 and became the first state sponsored interstate passenger line in almost 40 years.

The Passenger Rail Office is leading the Twin Cities to Duluth corridor (NLX) project and is currently in step one of the FRA's Corridor Identification and Development program (CIDP). The department has also secured state appropriations to match funding for the Federal State Partnership (FSP) program for service construction and equipment. This corridor will improve access to the recreational and commercial opportunities in the northeastern part of the state as well as the Twin Cities.

Passenger Rail is currently in the process of completing the NorthStar Commuter Rail Service extension/feasibility studies that will address the future needs and path for this service. The first scope was delivered to the Legislature in February 2024. The 2nd study will be submitted in February 2025.

Additionally, this office is a member of Regional Rail groups such as State-Amtrak Intercity Passenger Rail Committee (SAIPRC) and Midwest Interstate Passenger Rail Commission (MIPRC). These groups identify, advocate, and drive progress for Passenger Rail partnerships and corridors. The department is in the process of working through an FRA Long Distance Study which has proposed several new corridors, including MSP-San Antonio, MSP-Denver and MSP-Phoenix.

RESULTS

MnDOT Passenger Rail launched, in collaboration with Wisconsin DOT and Illinois DOT, The Borealis service between MSP and Chicago as of 2024; obtained state match funds in the amount of $194.7M for NLX; and recently received a $500,000 IIJA award from the FRA in step one of the Corridor ID Program for NLX.

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Borealis Ridership	Quantity	Amtrak Performance Reports	Service began in May 2024. No current historical trend to reference.	69,671 passengers through August 2024.

The legal authority for the Passenger Rail activity comes from: M.S. 174.632 (https://www.revisor.mn.gov/statutes/?id=174.632)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Expenditures by Fund						
1000 - General	339	559	4,265	212,482	5,743	5,743
3000 - Federal			2	475,314	236,908	237,908
Total	**339**	**559**	**4,267**	**687,796**	**242,651**	**243,651**
Biennial Change				691,166		(205,761)
Biennial % Change				77,005		(30)
Expenditures by Category						
Compensation	289	441	548	562	561	569
Operating Expenses	50	117	3,719	687,234	242,090	243,082
Total	**339**	**559**	**4,267**	**687,796**	**242,651**	**243,651**
Full-Time Equivalents	**1.97**	**2.83**	**3.24**	**4.01**	**4.00**	**4.00**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
1000 - General						
Balance Forward In		10,121	14,000	207,256		
Direct Appropriation	10,500	4,500	197,521	5,226	5,743	5,743
Transfers Out	40	22				
Cancellations		40				
Balance Forward Out	10,121	14,000	207,256			
Expenditures	**339**	**559**	**4,265**	**212,482**	**5,743**	**5,743**
Biennial Change in Expenditures				215,849		(205,261)
Biennial % Change in Expenditures				24,048		(95)
Full-Time Equivalents	1.97	2.83	3.22	4.01	4.00	4.00
3000 - Federal						
Receipts			2	475,314	236,908	237,908
Expenditures			**2**	**475,314**	**236,908**	**237,908**
Biennial Change in Expenditures				475,316		(500)
Biennial % Change in Expenditures						(0)
Full-Time Equivalents			0.02			

Program: State Roads
Activity: Program Planning and Delivery

http://www.dot.state.mn.us/planning/program/plans.html

AT A GLANCE

- $36.7 billion in planned investments for state highways over the next 20 years
- The 20-year Minnesota State Highway Investment Plan (MnSHIP) is updated every five years, and the last update was completed in February 2024
- The 10-year Capital Highway Investment Plan (CHIP) and 4-year State Transportation Improvement Program (STIP) are updated every year
- 50 or more research projects start each year with about 200 in progress at any given time

PURPOSE AND CONTEXT

MnDOT's transportation infrastructure is continuing to age. To address the system's shortcomings, MnDOT has adopted an asset management philosophy. This philosophy looks for the right fix at the right time to optimize system performance. The result is a comprehensive program of projects that rehabilitate and preserve Minnesota's infrastructure.

Program Planning and Delivery of the Trunk Highway system requires thoughtful short-, mid-, and long-range plans to fit the diverse needs of system stakeholders. This includes developing investment plans, conducting data analysis, reviewing performance outcomes, managing the capital program, designing construction plans, goal setting, construction project oversight, and inspection, as well as research and development.

MnDOT uses resources available to plan for and preserve infrastructure while providing oversight for the replacement and expansion of the existing system. MnDOT strives to meet the need for safety, mobility, and reliability for all modes of transportation. MnDOT's objective is to enhance its customer's trust by listening to their needs, engaging them in planning, and communicating effectively about the department's programs and projects.

By eliminating barriers to equitable contracting and employment opportunities, MnDOT is helping to cultivate a transportation sector that reflects the diverse communities of Minnesota. To advance inclusion and equity in the agency's workforce and in the transportation community, MnDOT continues to increase the number of women- and minority-owned businesses participating in highway construction contracts and promote participation of underrepresented groups in the transportation industry through training, small business advising programs, and other strategies tailored to the needs of targeted communities.

SERVICES PROVIDED

Highway System Planning

Highway planning includes assessing statewide infrastructure conditions, determining future needs for all highway users including automobiles, trucks, buses, bicycles, and pedestrians, and then making planning decisions based on projected available funding. The department strives to make policy and planning decisions that provide the greatest return on Minnesota's transportation system investment.

The Minnesota State Highway Investment Plan (MnSHIP) (http://www.dot.state.mn.us/planning/mnship/) is completed every five years and establishes capital investment priorities for the next 20 years. MnSHIP draws on public and stakeholder input performance management systems to establish investment scenarios which optimize

the highway system performance based on projected available funding. MnSHIP ensures that performance targets set by the federal government for interstate pavements and National Highway System bridges are met.

The Capital Highway Investment Plan (CHIP) (http://www.dot.state.mn.us/planning/10yearplan/) is a ten-year list of financially constrained projects that are selected to meet the investment priorities and performance targets established by MnSHIP. Pavement and bridge preservation projects are selected based upon the projected condition detail from the pavement and bridge management systems. The CHIP is updated annually.

The State Transportation Improvement Program (STIP) (http://www.dot.state.mn.us/planning/program/stip.html) includes the first four years of the CHIP. These projects are considered funded and committed for delivery. The last six years of the CHIP are priorities based upon the MnSHIP investment criteria, but may change as project scope matures and updated revenue forecasts become available.

MnDOT develops corridor studies and plans to identify future potential investments on specific highways. These studies allow affected stakeholders to help shape a common vision for the future of the corridor and inform the development of future highway improvement projects.

Develop Highway Improvement Projects

Development of highway improvement projects involves:

- **Scoping** determines the elements of a project that are needed to meet project goals and sets preliminary cost estimates and schedules.
- **Environmental Review** considers impacts of proposed projects to ensure compliance with environmental laws and policies to avoid, minimize, or mitigate environmental impacts.
- **Public Involvement and Engagement** includes public participation through meetings, media, local government input, and social media. The public is involved throughout the entire life of the project, including planning, design, scoping, environmental review, and construction.
- **Design** includes engineering studies and analysis, preparing construction plans, using performance based practical design, and flexible design standards to ensure roads meet project goals while minimizing costs.

Highway Construction Management Oversight

MnDOT monitors construction projects to ensure that the final product meets all specifications by doing the following:

- **Managing** the overall progress of state highway projects from project letting through construction completion and final project documentation.
- **Coordinating** the early stages of projects with unique features.
- **Creating** opportunities for small business participation and employment opportunities for minorities and women to work on MnDOT contracts.
- **Overseeing** quality management, material testing, project scheduling, and compliance with specifications.
- **Providing** sound fiscal management, financial tracking, and regulatory compliance.
- **Ensuring** that construction traffic control provides the most efficient and safest movement possible through work zones.

Sustainability

Sustainability (https://www.dot.state.mn.us/sustainability/) efforts at MnDOT focus on three areas: climate action, critical connections, and healthy, equitable and thriving communities. MnDOT coordinates with internal and external groups to seek input on sustainability and public health solutions to connect all people with a safe, equitable and sustainable transportation system.

Research and Development

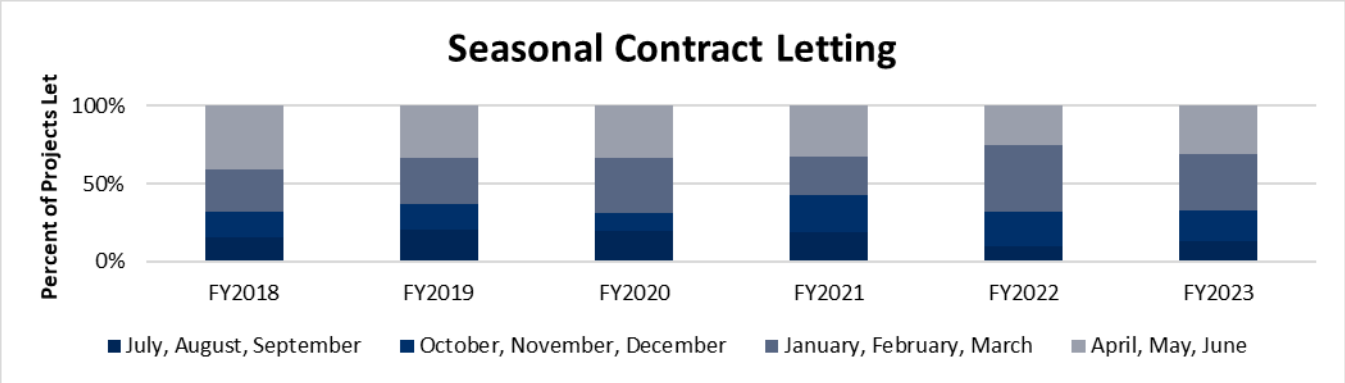
MnDOT develops and utilizes new technologies for Trunk Highway projects, such as cost-effective pavement designs, accelerated bridge construction techniques, and methods to improve highway safety. The program finds

ways to make roads last longer, perform better, cost less to build and maintain, be built faster, and have minimal environmental impact. Research Services manages research projects that serve as a resource for staff, as well as city and county engineers. Research and development include preparing for changes in transportation related to connected and automated vehicles (CAV). MnDOT collaborates with stakeholders to advance technology and mobility trends.

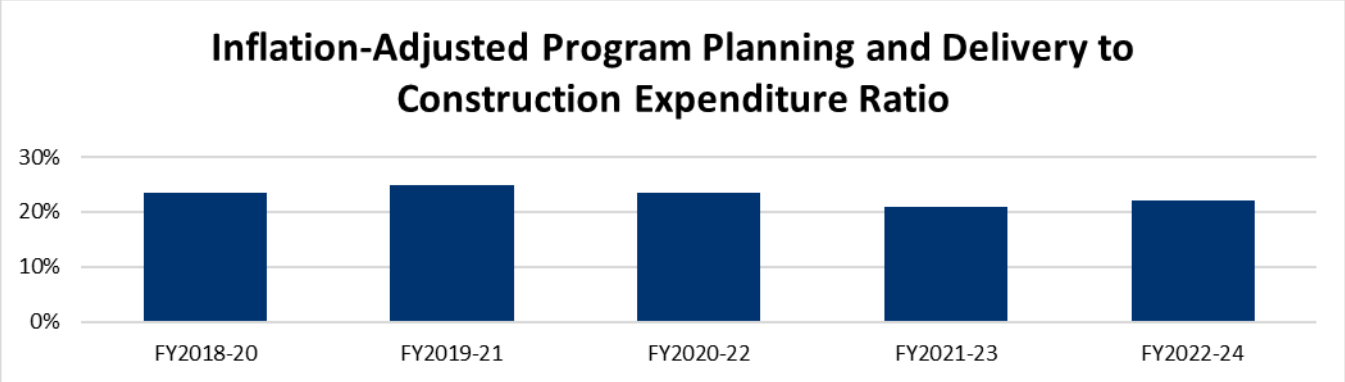
RESULTS

Project Delivery

To help ensure projects are delivered within budget and on time, MnDOT emphasizes project scheduling and monitoring. Balancing project lettings throughout the year increases the number of projects let during better bidding environments (October through March). This maximizes competition between bids and more evenly distributes the design work throughout the year, reducing the need for overtime.



Highway projects are much more complicated today than 20 years ago. Management of traffic in work zones, permitting regulations, and innovative design consume more design resources to minimize traffic disruptions and comply with state and federal regulations required to successfully deliver construction projects. In recent years, program planning and delivery activities have ranged in the low to mid-20 percent of construction project costs.



Expenditures reflect budgetary commitments (expenditures and encumbrances) and include consultant-led program planning and delivery.

The Department of Transportation's Program Planning and Delivery legal authority comes from:
Roads General Provisions M.S.160 (https://www.revisor.mn.gov/statutes/?id=160)
Trunk Highway M.S.161 (https://www.revisor.mn.gov/statutes/?id=161)
Department of Transportation M.S.174 (https://www.revisor.mn.gov/statutes/?id=174)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Expenditures by Fund						
1000 - General	4,900	3,640	5,890	35,260	2,000	2,000
2000 - Restrict Misc Special Revenue	6,895	7,490	9,553	35,134	33,323	33,330
2001 - Other Misc Special Revenue	901	933	1,076	3,823	3,184	3,199
2700 - Trunk Highway	236,746	275,687	274,168	354,590	309,872	309,872
3000 - Federal	30,483	34,648	47,773	136,725	103,520	93,105
Total	**279,925**	**322,399**	**338,460**	**565,532**	**451,899**	**441,506**
Biennial Change				301,668		(10,587)
Biennial % Change				50		(1)
Expenditures by Category						
Compensation	196,485	210,483	226,792	241,466	247,896	255,226
Operating Expenses	64,472	90,387	82,817	220,581	169,377	151,659
Grants, Aids and Subsidies	14,207	13,229	16,172	58,786	13,768	13,767
Capital Outlay-Real Property	4,098	6,028	11,996	41,677	20,096	20,092
Other Financial Transaction	664	2,272	683	3,022	762	762
Total	**279,925**	**322,399**	**338,460**	**565,532**	**451,899**	**441,506**
Full-Time Equivalents	**1,854.99**	**1,957.97**	**1,904.83**	**1,933.76**	**1,959.34**	**1,987.31**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
1000 - General						
Balance Forward In		32,230	28,590	33,260		
Direct Appropriation	37,130		26,120	2,000	2,000	2,000
Cancellations			15,560			
Balance Forward Out	32,230	28,590	33,260			
Expenditures	**4,900**	**3,640**	**5,890**	**35,260**	**2,000**	**2,000**
Biennial Change in Expenditures				32,611		(37,150)
Biennial % Change in Expenditures				382		(90)
Full-Time Equivalents			3.70	3.70	3.70	3.70
2000 - Restrict Misc Special Revenue						
Balance Forward In	3,248	4,692	5,918	5,571	3,030	2,300
Receipts	8,556	8,312	9,206	32,593	32,593	32,593
Transfers Out	0					
Net Loan Activity		326	24			
Balance Forward Out	4,908	5,840	5,595	3,030	2,300	1,563
Expenditures	**6,895**	**7,490**	**9,553**	**35,134**	**33,323**	**33,330**
Biennial Change in Expenditures				30,302		21,966
Biennial % Change in Expenditures				211		49
Full-Time Equivalents	8.12	6.06	4.01	3.97	3.83	3.82
2001 - Other Misc Special Revenue						
Balance Forward In	527	567	757	836	164	131
Receipts	726	937	1,155	3,151	3,151	3,151
Balance Forward Out	351	571	836	164	131	83
Expenditures	**901**	**933**	**1,076**	**3,823**	**3,184**	**3,199**
Biennial Change in Expenditures				3,064		1,484
Biennial % Change in Expenditures				167		30
Full-Time Equivalents	7.01	5.91	7.51	7.51	7.51	7.51
2700 - Trunk Highway						
Balance Forward In	8,789	42,554	6,579	46,842	6,439	4,954
Direct Appropriation	262,718	262,218	311,630	311,250	305,450	305,450
Receipts	3,887	2,012	2,841	2,937	2,937	2,937

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
Transfers In		5,393				
Transfers Out		13,943				
Cancellations		16,021	40			
Balance Forward Out	38,648	6,526	46,842	6,439	4,954	3,469
Expenditures	**236,746**	**275,687**	**274,168**	**354,590**	**309,872**	**309,872**
Biennial Change in Expenditures				116,325		(9,014)
Biennial % Change in Expenditures				23		(1)
Full-Time Equivalents	1,755.31	1,858.94	1,801.74	1,830.71	1,860.70	1,889.68

2710 - Highway Users Tax Distribution

Open Appropriation	2,493,212	2,555,556	2,666,026	2,910,994	3,126,513	3,222,682
Transfers Out	2,493,212	2,555,556	2,666,026	2,910,994	3,126,513	3,222,682

3000 - Federal

Balance Forward In	428	595	2,779	2,269		
Receipts	30,119	35,747	47,263	134,456	103,520	93,105
Balance Forward Out	63	1,693	2,269			
Expenditures	**30,483**	**34,648**	**47,773**	**136,725**	**103,520**	**93,105**
Biennial Change in Expenditures				119,367		12,127
Biennial % Change in Expenditures				183		7
Full-Time Equivalents	84.55	87.06	87.87	87.87	83.60	82.60

Program: State Roads
Activity: State Road Construction

http://www.minnesotago.org/
http://www.dot.state.mn.us/planning/program/stip.html
http://www.dot.state.mn.us/planning/mnship/
http://dot.state.mn.us/planning/10yearplan/index.html
https://www.dot.state.mn.us/projectselection/

AT A GLANCE

- State Road Construction is funded through direct appropriations from the Trunk Highway Fund, Federal Highway Trust Funds, and Trunk Highway Bond proceeds
- 271 construction projects were started in the 2022-23 biennium
- 351 construction projects are planned in the 2024-25 biennium
- Eight Corridors of Commerce projects received funding in 2023 (for construction between 2024 and 2027)

PURPOSE AND CONTEXT

The State Road Construction budget activity is the Trunk Highway System capital investment program for the construction, reconstruction, and improvement on the 12,000 miles of state-managed roads and bridges. State-managed roads include the National Highway System (NHS) and 7,600 miles of non-NHS Trunk Highways. Investments on these roads are primarily for system preservation, improvements, and expansion. MnDOT staff administers and provides oversight to hundreds of projects each season. Investment decisions reflect the priorities and policies identified in the planning documents developed by the agency based on state and federal goals and input from the public and transportation stakeholders. MnDOT strives to deliver measurable results through effective and efficient stewardship of state road construction resources. These investments build and maintain the infrastructure that supports Minnesota's economy and ensures communities thrive throughout the state.

SERVICES PROVIDED

MnDOT selects, designs, and manages construction projects to advance the objectives and performance measures in the Statewide Multimodal Transportation Plan. The investment priorities and direction are set in the 20-year Minnesota State Highway Investment Plan (MnSHIP) (http://www.dot.state.mn.us/planning/mnship). Individual construction projects are prioritized and selected within categories and programs using an objective and transparent scoring process based on the legislatively required Project Selection Policy. The annual construction program provides work for contractors across the state and opportunities for small business participation and employment to minorities and women to work on MnDOT contracts.

Trunk Highway System Preservation Construction
Trunk Highway preservation construction includes:

- Repairing and reconstructing highways and bridges to maintain the existing transportation system
- Planning for the preservation of highway and bridge investments in a timely and cost-effective manner
- Selecting preservation projects that provide a safety and reliability while minimizing costs

Trunk Highway System Expansion
Trunk Highway expansion includes:

- Adding capacity to the transportation system with new lanes, bridges, and interchanges
- Creating safer roadways with new turn lanes, wider shoulders, and roundabouts

- Completing critical connections through special legislation and bonding programs, such as the Corridors of Commerce program

Other Trunk Highway System Improvements

Other Trunk Highway system improvements involve investing in areas within the right of way but outside of the traditional highway footprint, including:

- Multimodal investments, including bike paths and pedestrian bridges
- Intelligent Traffic Systems, including ramp meters and changeable message signs
- Truck weigh stations and scales
- Rest areas

RESULTS

MnSHIP Outcomes (2023 to 2042)

MnSHIP identifies the investment priorities for the State Road and Bridge Construction Program and the outcomes of those investments. Based upon the estimated available funding, MnDOT's investment direction will focus on the following themes:

Maintain the Existing System

MnDOT continues to invest the majority of capital funds to maintain existing state highway infrastructure including pavements, bridges and roadside infrastructure. With additional state and federal funding, MnDOT is able to meet performance targets for Interstate pavement as well as NHS and non-NHS bridge condition.

Improve Mobility, Accessibility and Safety for All

The MnSHIP investment direction increases funding to improve mobility for all state highway system users. This includes motorists, freight haulers, transit users, pedestrians, and bicyclists. The investment direction includes increased funding for pedestrian infrastructure to achieve compliance with the Americans with Disabilities Act and help implement the Statewide Pedestrian System Plan and District Bicycle Plans. Safety funding is increased to improve safety at locations with high crash rates and to address safety for vulnerable road users.

Begin to Adapt to a Changing Future

Minnesota's climate is changing and will continue to do so. This plan includes a new Climate Resilience investment category under the Climate Action objective area to advance a sustainable and resilient transportation system. New technology is also transforming the way the transportation system is used. The MnSHIP investment direction includes funding to ensure state highways are best equipped for Connected and Automated Vehicles and enhanced Intelligent Transportation Systems to meet emerging technology needs.

Focus on Communities and Livability

Transportation can be a barrier, especially for underserved communities such as Black, Indigenous, and people of color, people with disabilities, people with low incomes and others. This plan funds a livable communities pilot program to improve connectivity across state highways. These include enhanced crossings, small freeway cap projects and under-bridge improvements. Many state highways serve as a major commercial corridor in cities and towns throughout the state. Cities, counties, and communities have many needs on these corridors. The MnSHIP investment direction includes a substantial increase in funding for urban pavement projects to address community priorities and deliver a more holistic and multimodal project.

Efficiencies

MnDOT works to be good stewards of public funds. The department takes a targeted approach to systematically identify and quantify efficiencies as well as find new areas for improvement. When MnDOT identifies savings on current projects, the department releases those funds to advance other projects. MnDOT uses a best practice case-analysis approach to evaluate and measure efficiency in project quality, time, and cost. MnDOT analyzes each case for implementation of cost saving strategies, designs, and processes. In FY 2024, there were

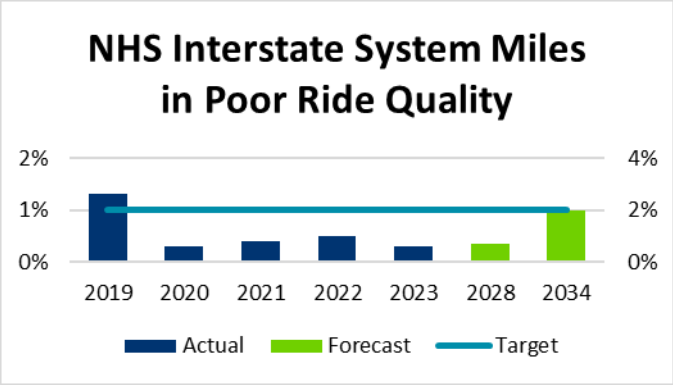
approximately $47 million in savings identified on major projects. Including fiscal year 2023 savings, MnDOT achieved an estimated $126 million in savings from these practices over the previous two fiscal years. MnDOT efficiencies are reported in the Major Highway Projects Report on the Legislative Reports (https://www.dot.state.mn.us/govrel/reports.html) website.

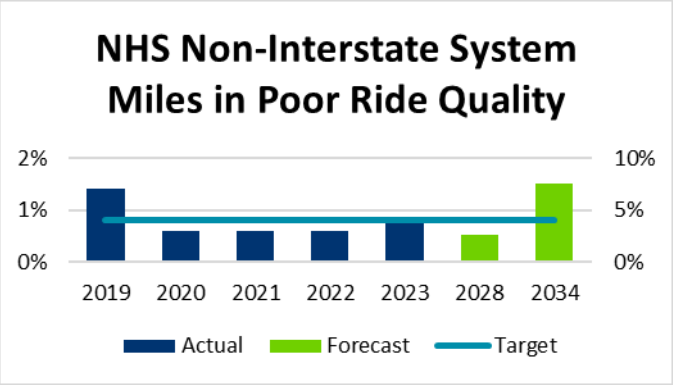
Performance Measures

MnDOT tracks the performance of the Trunk Highway system with measures which are published on the Performance Measure Dashboard (https://www.dot.state.mn.us/measures/).

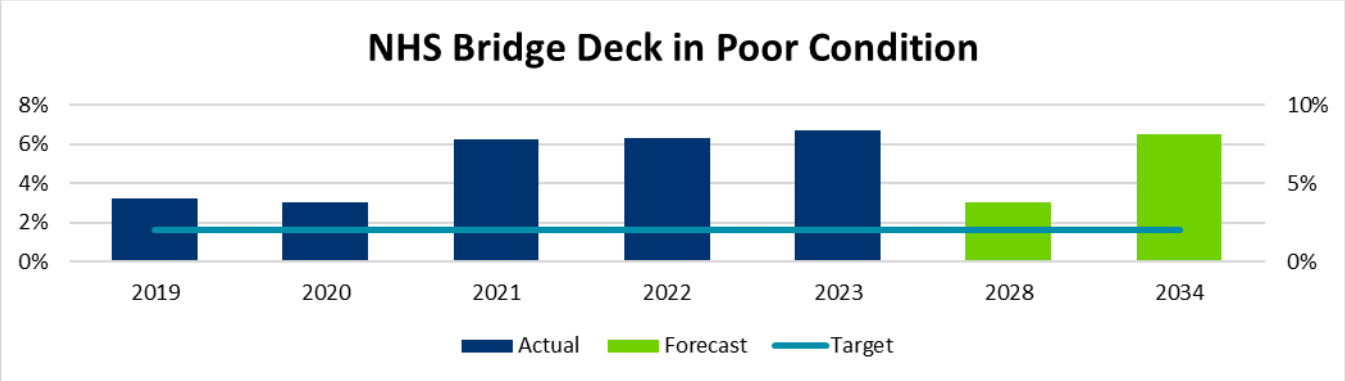
MnDOT prioritizes infrastructure improvements on National Highway System (NHS) routes and holds these roads to a higher performance standard than non-NHS routes. This approach allows MnDOT to comply with federal law and manage risks related to statewide travel. Pavement condition is measured by the percentage of miles of highway in poor condition. Poor ride quality can range from uneven surfaces to cracks in the road.

The target for the percent of miles in poor ride quality condition on NHS interstate routes is less than two percent. The target for NHS non-interstate routes is less than four percent. Poor ride quality is projected to increase to the target for NHS Interstate miles in 2034. Non-Interstate miles are projected to increase to above the target after 2029.





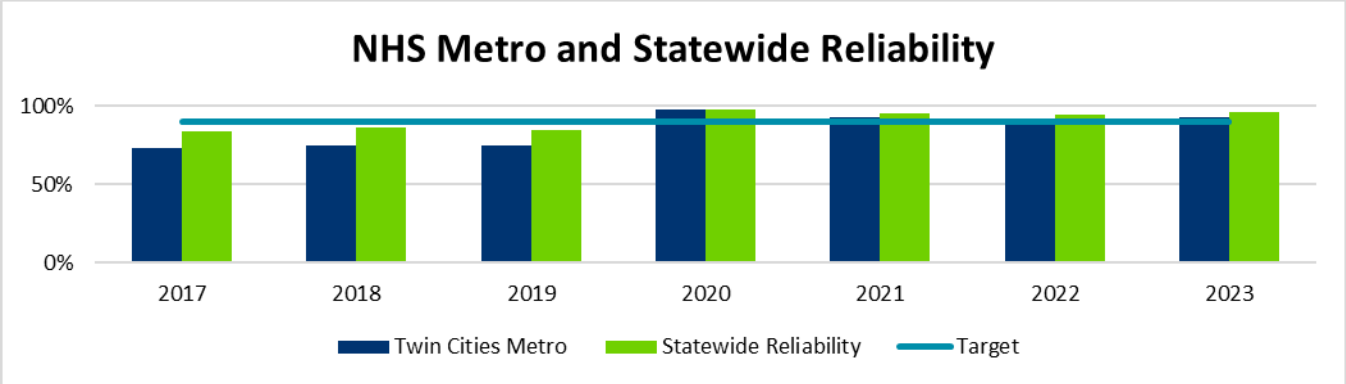
Bridge condition is measured by the percent of bridge deck area in poor condition. State highway bridges are inspected at least every two years. Bridges rated in poor condition are safe to drive on but are near the point where significant repair or replacement is needed. The target for the percent of NHS bridge deck area in poor condition is less than five percent. This measure exceeded the target in 2021 when the Blatnik Bridge, representing more than two percent of the total NHS bridge deck area, fell into poor condition. The Blatnik Bridge is scheduled to be replaced, with construction anticipated to start in 2027.



MnDOT's Complete Streets Policy applies to all phases of planning, scoping, project development, construction, operations, permitting and maintenance activities. This means addressing the safety and access needs of transportation system users of all ages and abilities, across urban, suburban, and rural settings. MnDOT approved a significant update to the policy in October 2022 and is currently institutionalizing the new implementation guidance and reporting process. MnDOT has focused on developing and delivering targeted training, providing ongoing technical assistance to staff with new or expanded roles, designing a new reporting platform, and updating project planning, design and delivery touchpoints to support consistent application. The agency will start reporting on new performance measures for the 2024-25 biennium based on these changes. New performance measures include tracking improvements for bicycling, walking, and safety improvements, as well as share of programmed projects that are meeting user group needs.

MnDOT defines metro area freeway congestion as traffic traveling at speeds less than 45 mph. Freeway system congestion has increased since the low of 1.4 percent in 2020. In 2023, approximately 22 percent of freeway miles experienced congestion, which remains below the 2019 level of 24.4 percent.

In addition to freeway congestion, MnDOT also monitors the reliability of travel times. Travel time reliability is a measure of the consistency or dependability in travel times from day to day. MnDOT tracks the percent of all person-miles traveled that are reliable on the interstate system and other NHS highways. Reliability of Minnesota's interstate and other NHS systems remained relatively consistent at both the metro and statewide levels from 2017 to 2019. Statewide travel tends to be more reliable than the metro area since the metro area experiences higher traffic volumes and congestion levels. In 2020, reliability reached nearly 100 percent on all systems due to the COVID-19 Pandemic and changing travel patterns. Reliability remained high in 2021, although there was a slight reduction as travel resumed and new travel patterns started to emerge.



The Department of Transportation's State Road Construction legal authority comes from:
Roads, General Provisions M.S.160 (https://www.revisor.mn.gov/statutes/?id=160)
Trunk Highways M.S.161 (https://www.revisor.mn.gov/statutes/?id=161)
Complete Streets M.S. 174.75 (https://www.revisor.mn.gov/statutes/?id=174.75)
TED M.S. 174.12 (https://www.revisor.mn.gov/statutes/cite/174.12)
Corridors of Commerce M.S. 161.088 (https://www.revisor.mn.gov/statutes/cite/161.088)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Expenditures by Fund						
1000 - General			10,300	1,500		
2000 - Restrict Misc Special Revenue	5,681	1,893	159	2,731	2,497	2,495
2001 - Other Misc Special Revenue		32,806	15,368	34		
2700 - Trunk Highway	1,097,514	1,374,230	1,166,135	1,492,314	1,228,626	1,217,596
3000 - Federal	198	2		11,060	4,060	11,000
Total	**1,103,393**	**1,408,931**	**1,191,961**	**1,507,639**	**1,235,183**	**1,231,091**
Biennial Change				187,275		(233,326)
Biennial % Change				7		(9)
Expenditures by Category						
Compensation	27,049	27,155	28,782	30,227	30,590	31,049
Operating Expenses	184,095	158,044	173,111	179,042	171,620	171,560
Capital Outlay-Real Property	891,496	1,223,069	989,724	1,297,870	1,032,473	1,027,982
Other Financial Transaction	753	664	343	500	500	500
Total	**1,103,393**	**1,408,931**	**1,191,961**	**1,507,639**	**1,235,183**	**1,231,091**
Full-Time Equivalents	**262.89**	**256.64**	**261.31**	**261.31**	**261.31**	**261.31**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
1000 - General						
Balance Forward In				1,500		
Direct Appropriation			164,450			
Transfers Out			152,650			
Balance Forward Out			1,500			
Expenditures			**10,300**	**1,500**		
Biennial Change in Expenditures				11,800		(11,800)
Biennial % Change in Expenditures						(100)
2000 - Restrict Misc Special Revenue						
Balance Forward In	11,439	6,311	4,062	4,865	3,704	2,777
Receipts	773	(356)	961	1,570	1,570	1,570
Balance Forward Out	6,532	4,061	4,864	3,704	2,777	1,852
Expenditures	**5,681**	**1,893**	**159**	**2,731**	**2,497**	**2,495**
Biennial Change in Expenditures				(4,684)		2,102
Biennial % Change in Expenditures				(62)		73
2001 - Other Misc Special Revenue						
Balance Forward In				34		
Receipts		32,806	15,402			
Balance Forward Out			34			
Expenditures		**32,806**	**15,368**	**34**		
Biennial Change in Expenditures				(17,404)		(15,402)
Biennial % Change in Expenditures						(100)
2700 - Trunk Highway						
Balance Forward In	44,880	227,643	200,066	305,330	59,501	54,228
Direct Appropriation	1,156,925	1,314,782	1,230,213	1,209,945	1,186,813	1,186,813
Receipts	45,900	22,709	39,336	36,540	36,540	36,540
Transfers In	77,795	84,648	244,938	87,945	81,979	82,438
Transfers Out	67,795	76,098	90,438	87,945	81,979	82,438
Cancellations		2,160	152,650			
Balance Forward Out	160,190	197,293	305,329	59,501	54,228	59,985
Expenditures	**1,097,514**	**1,374,230**	**1,166,135**	**1,492,314**	**1,228,626**	**1,217,596**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Biennial Change in Expenditures				186,704		(212,227)
Biennial % Change in Expenditures				8		(8)
Full-Time Equivalents	262.89	256.64	261.31	261.31	261.31	261.31

3000 - Federal

Receipts	198	2		11,060	4,060	11,000
Expenditures	**198**	**2**		**11,060**	**4,060**	**11,000**
Biennial Change in Expenditures				10,860		4,000
Biennial % Change in Expenditures				5,430		

Program: State Roads
Activity: Debt Service

http://www.dot.state.mn.us/policy/financial/fm007.html

AT A GLANCE

Trunk Highway General Obligation bonds:

- $5.6 billion authorized since 2000
- $4.1 billion sold since 2000
- $217 million in three-year average annual expenditures of bond-funded projects
- Debt service payments have grown from 7.4 percent of state revenues in Trunk Highway Fund in FY 2009 to 16 percent in FY 2025
- $4 billion in remaining debt service payments on all current bond authorizations

PURPOSE AND CONTEXT

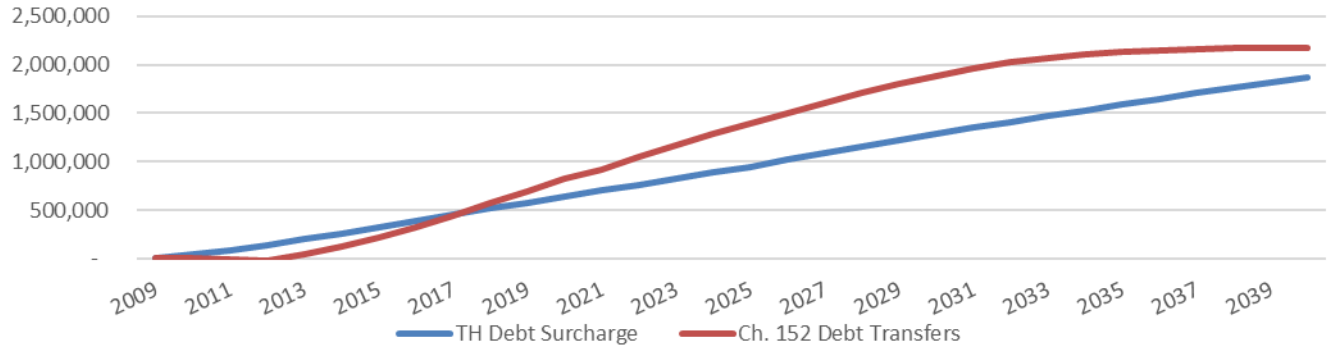
The state of Minnesota is authorized to issue General Obligation bonds for trunk highway purposes under Article XIV, section 11 of the Minnesota State Constitution. Bonds are purchased to advance construction projects beyond what the State Road Construction and federal funding programs can support in each period. The Minnesota Department of Transportation is also authorized to enter into local government advance agreements and into loan agreements using the Transportation Revolving Loan Fund. The debt service activity is funded by a direct appropriation from the Trunk Highway Fund. The Trunk Highway Fund, rather than the state's general fund, pays the debt service for Trunk Highway bonds.

SERVICES PROVIDED

This activity includes the required annual payment of the principal and interest on Trunk Highway bonds to the State Debt Service Fund from the Trunk Highway Fund, as well as payments to the Transportation Revolving Loan Fund for Trunk Highway loan agreements and repayments of advances from local governments.

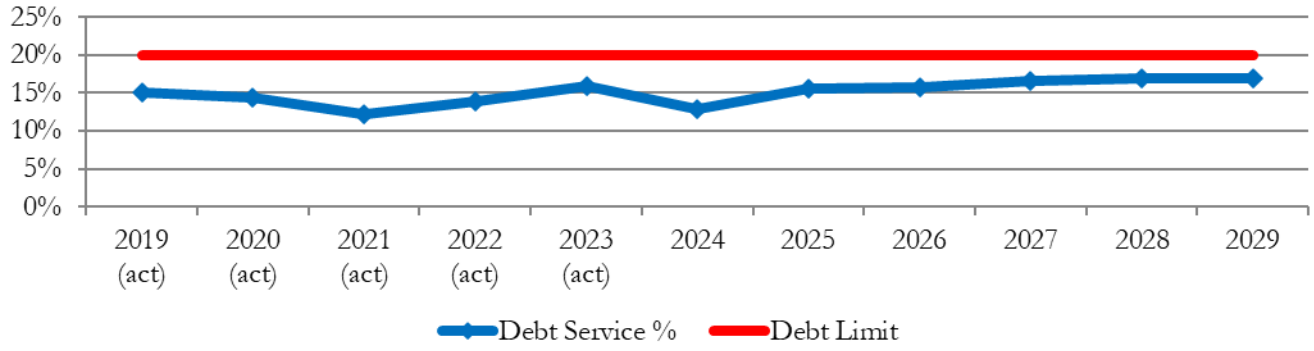
Trunk Highway bonds have become an increasingly common financing tool in recent years, especially since the $1.8 billion approved in Minnesota Laws of 2008, Chapter 152. The total cost of repaying the bonds generally ranges between $1.30 and $1.50 for every $1.00 of bonds authorized (depending on prevailing interest rates) and are repaid over 20 years.

The current gas tax rate includes 3.5 cents dedicated to the debt service on the $1.8 billion of trunk highway bonds authorized in Laws of Minnesota 2008, Chapter 152. The $1.8 billion authorized in 2008 represents 32 percent of the bonds authorized since 2000. The Department prepares an annual analysis of the gas tax debt service surcharge required by Minnesota Statute 296A.083. From FY 2009 to 2017, the debt surcharge revenue was greater than the debt service amounts – resulting in a positive amount transferred to the Trunk Highway Fund. Beginning in fiscal year (FY) 2018 and thereafter, the debt service payments become larger than the surcharge revenues, which will reduce the Trunk Highway Fund balance. In total, this imbalance is projected to result in a cumulative reduction to the Trunk Highway Fund balance of $521 million by the end of the FY 2026-2027 biennium. The full 3.5 cent tax will continue to be collected, but it falls short of recovering the debt service forecast amount of $2.2 billion from FY 2009 through FY 2039.



RESULTS

Bond financing, particularly when interest rates are low, is an important strategy for funding transportation projects. The key goal for the debt service activity is to balance the needs of the transportation system by maximizing the funding resources available within a financially sound debt management policy. In 2010, statutory language was enacted that required MnDOT to develop a debt management policy, Minnesota Statute 167.60 (https://www.revisor.mn.gov/statutes/cite/167.60). The policy is important to ensure that debt obligations do not materially impact funding levels for other budget activities. MnDOT policy states that debt service cannot exceed 20 percent of annual projected state revenues to the Trunk Highway Fund. The graph below depicts the most current debt service estimates compared with the policy limit. The current projected debt service peaks at 16.9 percent in FY 2028.



The Department of Transportation's Debt Service activity legal authority comes from:
Minnesota Constitution Article XIV, Section 6 and 11
(https://www.revisor.leg.state.mn.us/constitution/#article_14)
Trunk Highway Revolving Loan Account, M.S. 161.04, Subd. 3 and 4
(https://www.revisor.leg.state.mn.us/statutes/?id=161.04)
Advance Funding for Trunk Highway Projects, M.S. 161.361
(https://www.revisor.leg.state.mn.us/statutes/?id=161.361)
Trunk Highway Bond Account, M.S. 167.51
(https://www.revisor.mn.gov/statutes/cite/167.51)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
Expenditures by Fund						
2700 - Trunk Highway	923			3,000	3,000	3,000
Total	**923**			**3,000**	**3,000**	**3,000**
Biennial Change				2,077		3,000
Biennial % Change						
Expenditures by Category						
Capital Outlay-Real Property	976					
Other Financial Transaction	(52)			3,000	3,000	3,000
Total	**923**			**3,000**	**3,000**	**3,000**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
2700 - Trunk Highway						
Balance Forward In		21,788		38,430		
Direct Appropriation	300,590	281,064	268,336	251,817	296,575	319,675
Receipts	3,925	4,086	4,138	4,100	4,100	4,100
Transfers Out	217,063	251,994	234,044	252,917	297,675	320,775
Cancellations	64,741	54,944		38,430		
Balance Forward Out	21,788		38,430			
Expenditures	**923**			**3,000**	**3,000**	**3,000**
Biennial Change in Expenditures				2,077		3,000
Biennial % Change in Expenditures						

Program: State Roads
Activity: Operations and Maintenance

http://www.dot.state.mn.us/
http://www.dot.state.mn.us/maintenance/

AT A GLANCE

- 12,000 certified centerline state highway miles (approximately 29,000 lane miles), including the state-owned portion of the National Highway System (NHS)
- 3,375 traffic management systems
- 28,894 highway lighting fixtures
- 4,822 bridges greater than ten feet in length on Trunk Highway routes, including railroad, pedestrian, and other structures
- 38,519 highway culverts
- Approximately 260,000 acres of highway right of way (including wetlands and ponds)
- 869 plow trucks
- 6.7 million square feet of total building area owned and operated by MnDOT

PURPOSE AND CONTEXT

State-managed roads make up only 8.2 percent of Minnesota's roads but carry nearly 60 percent of total traffic volume with more than 91 million vehicle miles driven daily on average. Safety and efficiency are integral to the work the department performs daily.

MnDOT Maintenance:

- Clears snow and debris from Minnesota roadways
- Repairs and improves highways, bridges, shoulders, safety devices, and traffic management systems
- Maintains the fleet, equipment, and buildings necessary to perform maintenance activities
- Performs striping, signage, and roadway lighting structure activities
- Responds to emergencies 24 hours per day, 365 days per year and provides services regardless of snow, rain, floods, construction, or emergencies

MnDOT Operations address changing traffic and environmental conditions to ensure best performance from state roadways. Doing this in a cost-effective way reflects MnDOT standards for stewardship of public resources.

SERVICES PROVIDED

Bridges and Structures Maintenance

MnDOT inspects 4,901 highway bridges in accordance with state and federal requirements. Federal rules require that all bridges are inspected on a one- or two-year cycle. See the Bridge Office website (http://www.dot.state.mn.us/bridge/inspection.html) for more information on bridge inspection.

MnDOT performs preventive maintenance to extend the service life of state-managed bridges by protecting these assets from exposure to moisture and corrosive agents like salt. Preventive routine maintenance includes sealing cracks, joints, and railings, as well as spot painting, lubrication of expansion bearings, and flushing of the bridge deck and superstructure and substructure elements with water to remove winter residue to reduce the frequency and scope of future repairs.

Bridge condition is identified during an inspection, maintenance, or when a vehicle damages a bridge. High-priority repairs include deficiencies that could affect the safe function of the bridge or result in deterioration to a critical condition.

Traffic Devices Operation and Maintenance

To increase freeway and arterial efficiency, reduce crashes, and provide travelers with information, MnDOT operates the Regional Transportation Management Center (RTMC) (https://www.dot.state.mn.us/freeway-operations/rtmc.html), supports the Southern Regional Communication Center (SRCC), operates a central traffic signal control system, staffs district traffic engineering offices, and provides Electrical Services and the Freeway Incident Response Safety Team. These activities provide travelers with current travel times and critical roadway information, including Amber Alerts and road condition information from the department's Roadway Weather Information System. MnDOT also operates and maintains traffic signals, signs, lighting, barriers, and guardrails statewide. See MnDOT Traffic Engineering (http://www.dot.state.mn.us/trafficeng) and MN 511 (http://www.511mn.org) for more information.

To maximize existing transportation infrastructure, MnDOT implemented Transportation System Management and Operations (TSMO) strategies. These are operational strategies that increase safety by reducing the frequency, severity, and clearance times of crashes. This leads to more reliability, mobility, and efficiency by maximizing the existing roadway capacity and reducing congestion. Examples of TSMO strategies include traffic incident management, traveler information, safety service patrols, ramp metering, optimizing traffic signal timing, work zone management, and road weather management.

Road and Roadside Maintenance

To keep roads safe and in good operating condition, MnDOT patches potholes, seals cracks, paves road surfaces, removes debris, repairs or replaces culverts, maintains roadway shoulders, and responds to flooding. Maintenance crews mow, control noxious weeds, remove trees and brush, issue permits for public roadway activities like utility work, and maintain rest areas and weigh stations. See department websites for more information on roadway vegetation management (http://www.dot.state.mn.us/roadsides/vegetation/index.html) and rest areas (http://www.dot.state.mn.us/restareas/).

In July 2022, MnDOT submitted a required Transportation Asset Management Plan (TAMP) (http://www.dot.state.mn.us/assetmanagement/tamp.html) to the Federal Highway Administration. The plan describes asset inventory and condition information, performance measures and targets, risks, financial plans, and life cycle cost assessments. These assessments help MnDOT evaluate the cost effectiveness of existing management and investment practices as well as identify areas where process improvements can be made. The plan also acts as a vehicle for better integration between MnDOT's Capital Investment and Maintenance programs. MnDOT is currently working across the agency to fully implement the TAMP through a strategic implementation planning process.

MnDOT collects operations and maintenance cost data and a broader range of asset inventory and condition information and stores the data in a statewide enterprise asset management system called Transportation Asset Management System (TAMS). The benefits of TAMS are seen in areas such as storing information on asset inventories, condition assessments or capturing labor, equipment and material quantities, and costs via work orders for maintenance and operations work activities. The system is nearing full maturity with over 1.5 million assets in inventory, and numerous integrations and functions to support items such as field creation of work orders, damage restitution billing, uploads to the timesheet system, geographic information systems mapping integrations and outputs, performance measurement, etc.

Snow and Ice

MnDOT's snow and ice activities include pre-storm preparation, snow plowing, ice removal, and post-storm clean-up. Snow plowing on Minnesota's 12,000 centerline miles of roads is both resource- and labor-intensive. MnDOT maintains a flexible and responsive workforce to fight winter storms. During the winter, employees may be reassigned from other areas, such as construction or program planning and delivery, to plowing duties as needed.

MnDOT has statutory language (originally authorized in 2017 and modified in 2019) that allows using up to 50 percent of unappropriated Trunk Highway fund balance, instead of reducing other maintenance activities, for additional snow and ice needs in a fiscal year where expenditures exceed 100 percent of the established annual snow and ice expenditure level (Minnesota Statute 174.57 (https://www.revisor.mn.gov/statutes/cite/174.57)). In compliance with this statute, MnDOT developed estimated annual expenditure levels for snow and ice management for the 2022-23 biennium of $85 million per year. These estimates were based on historical average snow and ice management expenditures. In fiscal year (FY) 2023, MnDOT expended approximately $93 million on snow and ice management activities. For the 2026-27 biennium, the estimated annual expenditure level will increase to an estimated $95 million per year.

MnDOT maximizes its winter resources through proactive implementation of new technology and practices. One such area is the use of liquid brine. When salt is prewetted with liquids, less salt is more effective than dry salt in some circumstances. Using less salt lowers costs and reduces the impact to the environment. MnDOT's snow and ice performance measures are customer driven and based on extensive customer market research. See the department's website for more information on snow and ice http:/www.dot.state.mn.us/maintenance/) which includes the most current "Winter Maintenance Report".

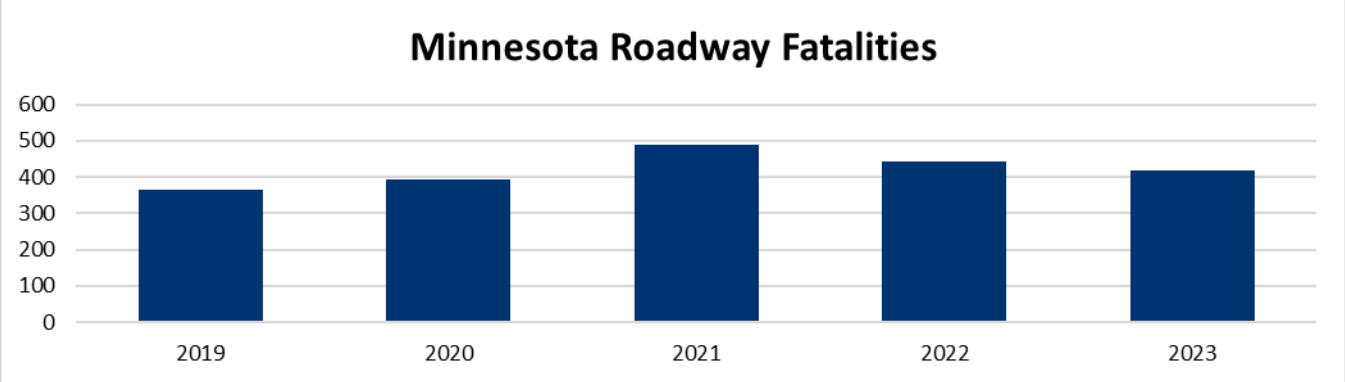
RESULTS

Bridges and Structures Maintenance Performance

MnDOT measures the timeliness of bridge inspections and of the completion of high-priority reactive maintenance. MnDOT aims to complete 100 percent of inspections on time. This goal exceeds the 95 percent target established in the National Bridge Inspection Standards. MnDOT also aims to complete 100 percent of high-priority reactive maintenance on time. This ensures the safe function and structural health of bridges. Additional performance measures are in development to track preventive maintenance activities.

Traffic Devices Operation and Maintenance

MnDOT is a partner in the Toward Zero Deaths Initiative (http://www.minnesotatzd.org/) to help reduce injuries and deaths on roads.

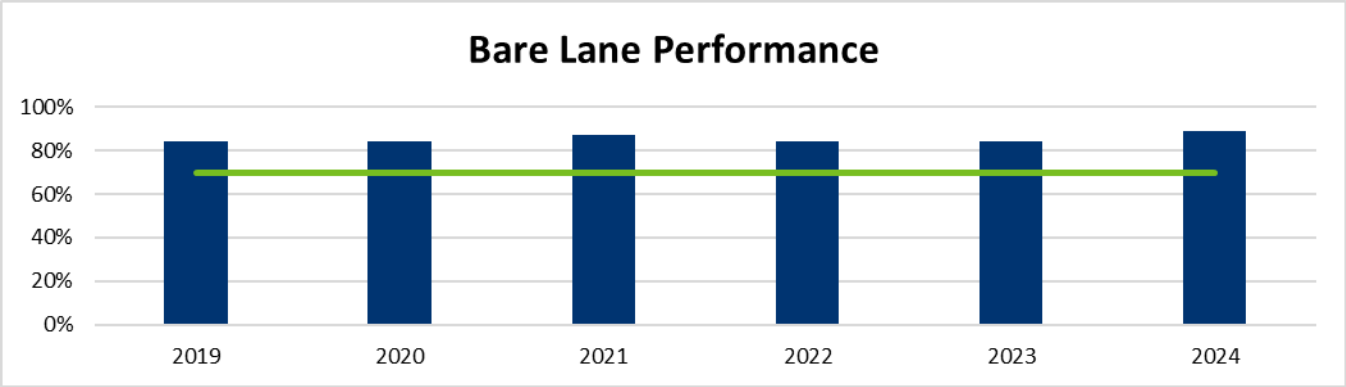


Recurring congestion is minimized through a sophisticated traffic management system, while non-recurring congestion (crashes, stalls) is reduced through quick clearance response. MnDOT expects congestion to remain the same or increase as the region continues to grow. Since 2010, MnDOT's strategy has shifted away from reducing congestion toward providing alternatives to congested travel. MnPASS Express Lanes provide for cost-effectively improving the efficiency and sustainability of the region's highway and transit systems. MnPASS uses market-based, congestion-pricing principles to manage travel demand during peak travel times and provide a congestion-free option for transit, carpools, motorcycles, and a fee-based option to solo motorists. Approximately 80 percent of MnPASS users are either riding on buses or in a carpool. The typical MnPASS lane operates as a regular lane open to all traffic nearly 90 percent of the time.

Traffic incidents, like crashes, cause major congestion on the Twin Cities metro area freeway system. Incident clearance time is measured on the system between six a.m. and seven p.m. on weekdays. The target is incident clearance within 35 minutes to minimize delays. MnDOT has met this target for the past seven years.

Snow and Ice Performance

After a snow or ice event, MnDOT returns roads to an acceptable driving condition. This is described as the "time to bare lane." MnDOT sets an objective window for time to bare lane which varies by the amount of traffic on the road. MnDOT strives to meet the objective for each roadway 70 percent of the time during the winter season.



The Department of Transportation's Maintenance and Operations activity legal authority comes from:
Roads General Provisions M.S.160 (https://www.revisor.mn.gov/statutes/?id=160)
Trunk Highway M.S.161 (https://www.revisor.mn.gov/statutes/?id=161)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Expenditures by Fund						
1000 - General				3,000		
2000 - Restrict Misc Special Revenue	17,482	19,510	16,821	8,241	7,539	7,639
2001 - Other Misc Special Revenue	248	211	190	585	560	561
2050 - Environment & Natural Resources	52	144	401	64		
2700 - Trunk Highway	367,025	443,729	407,247	464,830	440,618	440,619
3000 - Federal	2,807	657	720	11,295	11,950	11,950
Total	**387,614**	**464,252**	**425,378**	**488,015**	**460,667**	**460,769**
Biennial Change				61,527		8,043
Biennial % Change				7		1
Expenditures by Category						
Compensation	209,894	216,617	231,022	246,048	251,886	254,765
Operating Expenses	147,796	183,947	160,612	183,243	165,887	163,110
Grants, Aids and Subsidies	1	15	0	20	20	20
Capital Outlay-Real Property	27,233	56,069	30,668	56,491	40,661	40,661
Other Financial Transaction	2,690	7,603	3,076	2,213	2,213	2,213
Total	**387,614**	**464,252**	**425,378**	**488,015**	**460,667**	**460,769**
Full-Time Equivalents	**2,340.42**	**2,422.63**	**2,321.08**	**2,355.18**	**2,384.17**	**2,384.16**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
1000 - General						
Balance Forward In				2,000		
Direct Appropriation			2,000	1,000	0	0
Balance Forward Out			2,000			
Expenditures				**3,000**		
Biennial Change in Expenditures				3,000		(3,000)
Biennial % Change in Expenditures						
2000 - Restrict Misc Special Revenue						
Balance Forward In	14,115	13,335	14,096	15,508	12,143	9,522
Receipts	14,588	17,640	18,231	4,876	4,918	4,989
Balance Forward Out	11,220	11,465	15,506	12,143	9,522	6,872
Expenditures	**17,482**	**19,510**	**16,821**	**8,241**	**7,539**	**7,639**
Biennial Change in Expenditures				(11,930)		(9,884)
Biennial % Change in Expenditures				(32)		(39)
Full-Time Equivalents	17.24	17.74	15.26	15.66	15.66	15.66
2001 - Other Misc Special Revenue						
Balance Forward In	8,198	8,190	8,480	8,961	8,914	8,892
Receipts	224	501	670	538	538	538
Balance Forward Out	8,174	8,480	8,960	8,914	8,892	8,869
Expenditures	**248**	**211**	**190**	**585**	**560**	**561**
Biennial Change in Expenditures				315		346
Biennial % Change in Expenditures				69		45
Full-Time Equivalents	0.96	1.09	1.03	1.03	1.03	1.03
2050 - Environment & Natural Resources						
Balance Forward In		165	223	64		
Direct Appropriation	217	200				
Transfers In			249			
Cancellations			7			
Balance Forward Out	165	221	64			
Expenditures	**52**	**144**	**401**	**64**		
Biennial Change in Expenditures				269		(465)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Biennial % Change in Expenditures				137		(100)
Full-Time Equivalents	0.16	0.68	0.07			

2700 - Trunk Highway

Balance Forward In	10,883	41,545	13,084	32,320	6,603	5,098
Direct Appropriation	376,975	398,481	412,220	426,746	426,746	426,746
Receipts	13,009	13,658	14,264	12,367	12,367	12,367
Transfers In	30,779	41,058	36,331	44,610	34,610	34,610
Transfers Out	30,779	36,258	36,331	44,610	34,610	34,610
Cancellations		2,787				
Balance Forward Out	33,842	11,968	32,321	6,603	5,098	3,592
Expenditures	**367,025**	**443,729**	**407,247**	**464,830**	**440,618**	**440,619**
Biennial Change in Expenditures				61,322		9,160
Biennial % Change in Expenditures				8		1
Full-Time Equivalents	2,322.06	2,403.12	2,304.72	2,338.49	2,367.48	2,367.47

3000 - Federal

Balance Forward In	16	15	15	15		
Receipts	2,806	657	720	11,280	11,950	11,950
Balance Forward Out	15	15	15			
Expenditures	**2,807**	**657**	**720**	**11,295**	**11,950**	**11,950**
Biennial Change in Expenditures				8,551		11,885
Biennial % Change in Expenditures				247		99

Program: State Roads
Activity: Statewide Radio Communications

https://www.dot.state.mn.us/src/
https://dps.mn.gov/divisions/ecn/programs/armer/

AT A GLANCE

- Allied Radio Matrix for Emergency Response (ARMER) System
  - More than 95,000 active users/subscribers to the ARMER system
  - All 335 planned ARMER towers are now constructed and fully operational
  - Systems availability, when all sites are on the air and in service, is 99.9 percent
  - 645 tower leases with partners
- Radio/Electronic System Maintenance
  - 16 radio repair facilities statewide
  - 9,900 mobile and portable radios maintained for state agencies
  - 4,061 base station radios maintained for state agencies
  - 140 Road Weather Information System sites maintained across the state

PURPOSE AND CONTEXT

Statewide Radio Communications builds, maintains, owns, and operates the Allied Radio Matrix for Emergency Response (ARMER) system. This is Minnesota's shared public safety radio communication system that provides around-the-clock interoperable radio communication service to multiple federal, tribal, state, and local emergency response agencies.

ARMER serves the day-to-day and emergency two-way radio communication needs of MnDOT, the Department of Public Safety (DPS), and other state agencies, along with most local and regional law enforcement agencies. This includes police, fire, emergency medical, and public works services.

The system is a network of radio towers, equipment shelters, and radio transmission equipment which is shared by network users throughout the state. This is identified in the Statewide Radio Communication Plan maintained by the Statewide Emergency Communications Board (SECB).

Statewide Radio Communications strengthens relationships with all operating entities and stakeholders, including all 87 counties and their emergency services through meetings with the Regional Advisory Committees. Statewide Radio Communications strives for operational excellence by providing wide area network coverage of the interoperable system to its customers, of which there are more than 95,000 active users/subscribers on ARMER.

SERVICES PROVIDED

Part of Statewide Radio Communications' investment and planning function is to provide overall electrical engineering direction for the strategic and tactical planning of wireless voice and data systems for ARMER and other public safety or transportation applications (Road and Weather Information System (RWIS), automatic vehicle location (AVL), dispatcher console systems, audio loggers, remote site data connections, and camera systems). This includes electronic communication system engineering, design, and construction expertise to offices and districts and other state and local agencies. Statewide Radio Communications also serves as the public safety radio spectrum frequency advisor for the state of Minnesota.

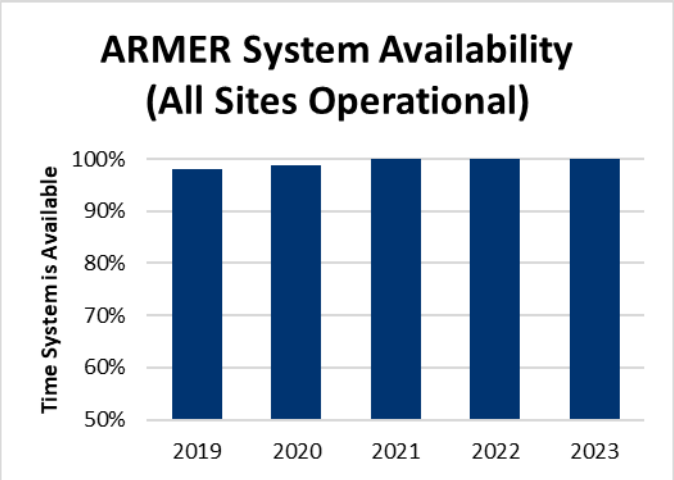
Management of the system requires monitoring, repairing, upgrading, and replacing the radio communications infrastructure, facilities, base stations, and mobile and portable radios. The agency also provides maintenance for electronic equipment, such as road weather information systems. The agency also manages and facilitates tower lease/rental space for other public and private wireless providers statewide.

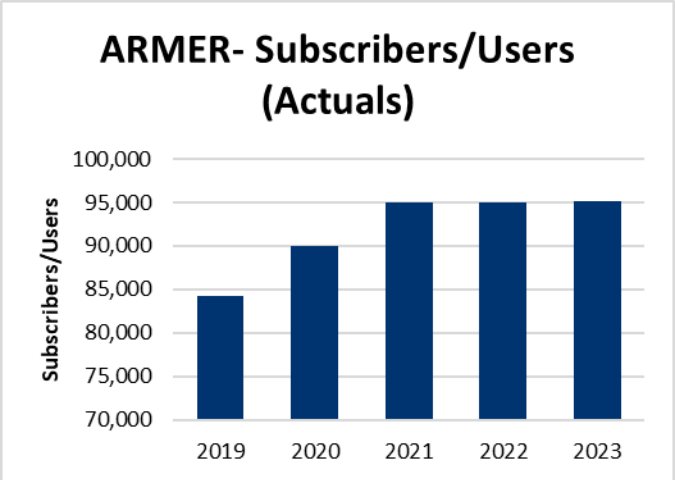
In working with other state and local agencies, including the Department of Public Safety and the Department of Natural Resources, Statewide Radio Communications provides emergency service response for public safety electronic communications systems and shared expertise and technical services. As the lead agency, infrastructure and resources are provided for Minnesota to allow its emergency responders to communicate daily with each other at any time, regardless of the nature or scope of an event.

Construction of the 335 planned tower sites is now complete. ARMER system coverage exceeds the legislatively mandated 95 percent of the land mass with mobile-level coverage within each county. The focus will now be ongoing system maintenance and operational needs, lifecycle planning to identify long-range replacement schedules and funding needs, and system upgrades to keep up with technology improvements. Lifecycle planning includes all elements of the system: antenna systems, microwave radio connectivity systems, radio towers, equipment buildings, and backup power systems.

RESULTS

MnDOT operates and provides routine maintenance to ARMER, including monthly reports, FCC licensing, and system improvements. ARMER is currently in version 7.15 and is in a five-year transition period to version 7.19. More than 95,000 active users subscribe to the Allied Radio Matrix for Emergency Response (ARMER) system. The number of system users has grown steadily since the first towers were built in 2001. All 335 planned ARMER towers are now constructed and fully operational. Systems availability, when all sites are on the air and in service, is 99.9 percent.





The legal authority for the Statewide Radio Communications activity comes from:
Public Safety Radio Communications, M.S. 174.70 (https://www.revisor.mn.gov/statutes/?id=174.70) and M.S. 403 (https://www.revisor.mn.gov/statutes/?id=403)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
Expenditures by Fund						
1000 - General	3	3	1,732	274	3	3
2000 - Restrict Misc Special Revenue	2,217	2,279	2,323	4,657	2,361	2,361
2001 - Other Misc Special Revenue	857	919	1,009	952	929	929
2700 - Trunk Highway	7,910	7,682	8,903	8,958	8,824	8,824
4900 - 911 Emergency	9,464	9,947	10,103	10,397	10,384	10,384
Total	**20,451**	**20,831**	**24,071**	**25,238**	**22,501**	**22,501**
Biennial Change				8,027		(4,307)
Biennial % Change				19		(9)
Expenditures by Category						
Compensation	8,746	9,244	10,139	10,864	10,966	11,125
Operating Expenses	10,230	10,898	11,608	12,587	10,021	9,862
Capital Outlay-Real Property	417	473	1,554	1,485	1,214	1,214
Other Financial Transaction	1,057	217	769	302	300	300
Total	**20,451**	**20,831**	**24,071**	**25,238**	**22,501**	**22,501**
Full-Time Equivalents	**81.96**	**87.08**	**87.45**	**87.55**	**87.35**	**87.35**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
1000 - General						
Balance Forward In		0	0	271		
Direct Appropriation	3	3	2,003	3	3	3
Cancellations		0				
Balance Forward Out	0		271			
Expenditures	**3**	**3**	**1,732**	**274**	**3**	**3**
Biennial Change in Expenditures				2,000		(2,000)
Biennial % Change in Expenditures				33,339		(100)
2000 - Restrict Misc Special Revenue						
Balance Forward In	2,066	2,186	2,250	2,296		
Receipts	2,332	2,344	2,370	2,361	2,361	2,361
Balance Forward Out	2,181	2,250	2,296			
Expenditures	**2,217**	**2,279**	**2,323**	**4,657**	**2,361**	**2,361**
Biennial Change in Expenditures				2,484		(2,258)
Biennial % Change in Expenditures				55		(32)
Full-Time Equivalents	0.01	0.13	0.02	0.22	0.22	0.22
2001 - Other Misc Special Revenue						
Balance Forward In	306	189	73	23		
Receipts	741	803	959	929	929	929
Balance Forward Out	189	73	23			
Expenditures	**857**	**919**	**1,009**	**952**	**929**	**929**
Biennial Change in Expenditures				184		(103)
Biennial % Change in Expenditures				10		(5)
Full-Time Equivalents	1.57	1.62	2.00	1.90	1.70	1.70
2700 - Trunk Highway						
Balance Forward In	1,437	1,640	1,963	1,634	1,200	900
Direct Appropriation	6,236	6,236	6,650	6,904	6,904	6,904
Receipts	1,722	1,735	1,925	1,620	1,620	1,620
Cancellations		0				
Balance Forward Out	1,485	1,928	1,635	1,200	900	600
Expenditures	**7,910**	**7,682**	**8,903**	**8,958**	**8,824**	**8,824**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
Biennial Change in Expenditures				2,269		(213)
Biennial % Change in Expenditures				15		(1)
Full-Time Equivalents	37.67	39.98	40.70	40.70	40.70	40.70

4900 - 911 Emergency

Balance Forward In		275		13		
Transfers In	9,675	9,675	10,116	10,384	10,384	10,384
Cancellations		3				
Balance Forward Out	211		13			
Expenditures	**9,464**	**9,947**	**10,103**	**10,397**	**10,384**	**10,384**
Biennial Change in Expenditures				1,089		268
Biennial % Change in Expenditures				6		1
Full-Time Equivalents	42.71	45.35	44.73	44.73	44.73	44.73

Program: Local Roads
Activity: County State Aid Roads

http://www.dot.state.mn.us/stateaid/

AT A GLANCE

- 87 counties
- 30,801 miles of County State Aid Highways (CSAH) make up approximately 20 percent of all Minnesota roadways
- 6,169 bridges on the CSAH system
- 1,961 bridges on county roads
- 55,140 township road miles
- 6,296 township bridges
- Annually approved on average:
  - 561 CSAH projects
  - 143 federal aid projects
  - 22 Local Road Improvement Program projects (county/township)
  - 131 Local Bridge Replacement Program projects (county)
  - 62 Township Bridge projects

PURPOSE AND CONTEXT

State Aid for Local Transportation (SALT) provides customer service to Minnesota counties through distribution of the annual allocation from the Highway User Tax Distribution Fund (HUTDF), general obligation bonding and state general funding for local bridges and road improvements, and Federal Highway Administration (FHWA) funds.

A portion of funds from the HUTDF are for construction and system maintenance on the County State Aid Highways (CSAH) system, with a small portion available to townships for road and bridge improvements. The other funding sources are primarily for construction on the CSAH system.

Counties select construction projects and perform maintenance activities within their jurisdictions, which include identified roads within cities with a population of less than 5,000. SALT reviews and approves local individual construction plans for compliance with state and federal laws, standards, and rules.

Through engaging its customers, SALT assists in planning for, constructing, and maintaining the CSAH system. This ensures the effective and efficient use of public resources for long-term investments that respond to the evolving needs of counties throughout the state.

SERVICES PROVIDED

Customer Service:
SALT actively partners with counties as they plan, construct, operate, and maintain Minnesota's multimodal transportation system to maximize investments and deliver a safe, efficient, and accessible transportation system for all. SALT provides counties with technical resources, materials, and subject matter expertise to assist them in delivering effective and efficient transportation system improvements. This includes crash information; interactive roadway and bridge mapping; program and project delivery guidance; communications; financial reimbursement, payment, and reporting processes; guidance and information on various state and federal funding sources; and training on many of these items. SALT provides technical assistance on highway and bridge design, transportation

safety, construction administration, grant management for state and federal funding, administration of federally funded projects, and overall management of the state aid system. SALT serves as a liaison between the counties and MnDOT and FHWA or other state and federal agencies to build upon a partnership that began over 60 years ago in creating a robust transportation system that serves all of Minnesota.

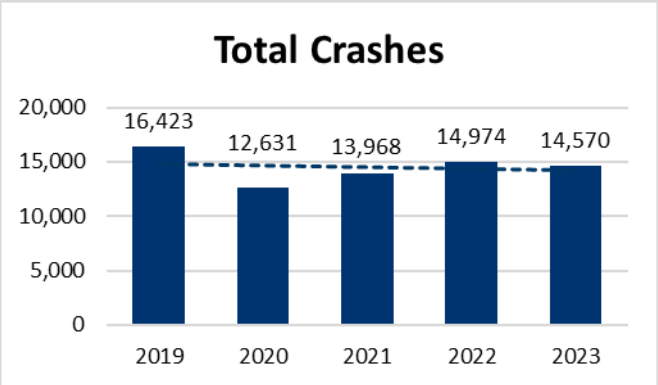
Federal Aid:
SALT also acts as an agent for the local authorities in the administration of their federal construction contracts to fulfill the state's obligations for federal oversight of all local federal aid projects. SALT assists local agencies in completing the requirements for federal aid, including public involvement, disadvantaged business participation, and documentation to comply with environment and historic preservation requirements.

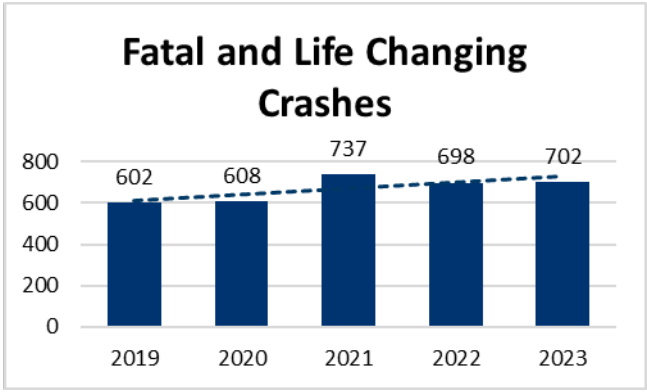
Other HUTDF Funding:

- Two percent of the available funds are set aside for an administrative account used for administrative costs incurred by SALT in carrying out the provisions relating to the state aid highway system.
- One percent of available funds are set aside for a disaster account to assist counties with extraordinary disaster costs when they arise.
- One-half of one percent of the available funds are set aside for a research account for the development, acquisition and application of new knowledge, and the exploration and implementation of new technologies for the local transportation system.
- Three-quarters of one percent of the available funds are set aside for the State Park Road Account to provide funding for access roads to state parks and recreational areas. These projects are selected by the Department of Natural Resources.
- The Town Road Account is distributed from the five percent set-aside from the HUTDF through the counties to townships for improvements of township roads.
- The Town Bridge Account is distributed from the five percent set aside from the HUTDF to counties for the replacement of deficient township bridges.

RESULTS

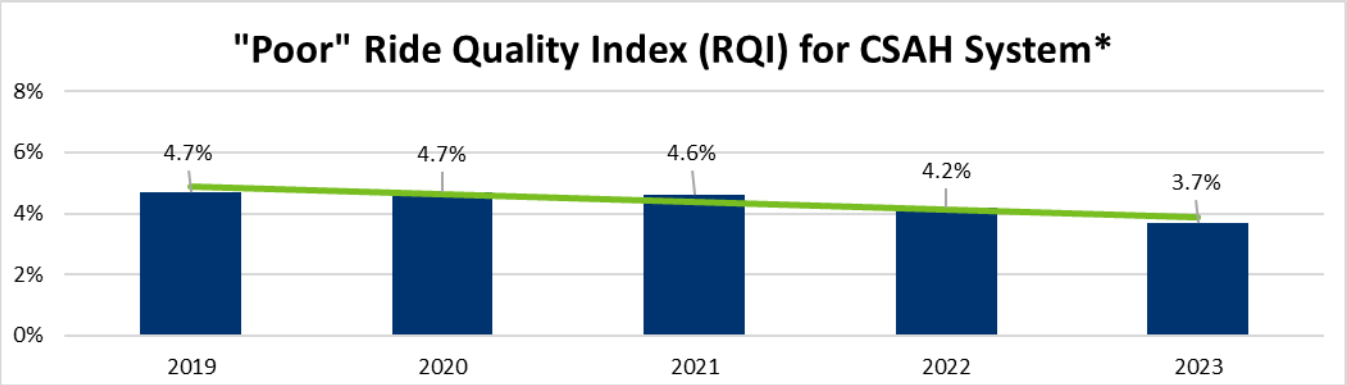
SAFETY
Safety on the CSAH system is measured in both the total number of crashes that occur, and the number of fatalities or life-changing crashes. Total crashes on the CSAH system declined steadily until 2016, plateaued with a slight uptick before the pandemic. In 2020, crashes decreased due to change in travel patterns but began rising again as post-pandemic travel returned to normal. Fatal and serious injury crashes plateaued from 2016 to 2020, spiked in 2021, and have since stabilized.





Pavement Condition

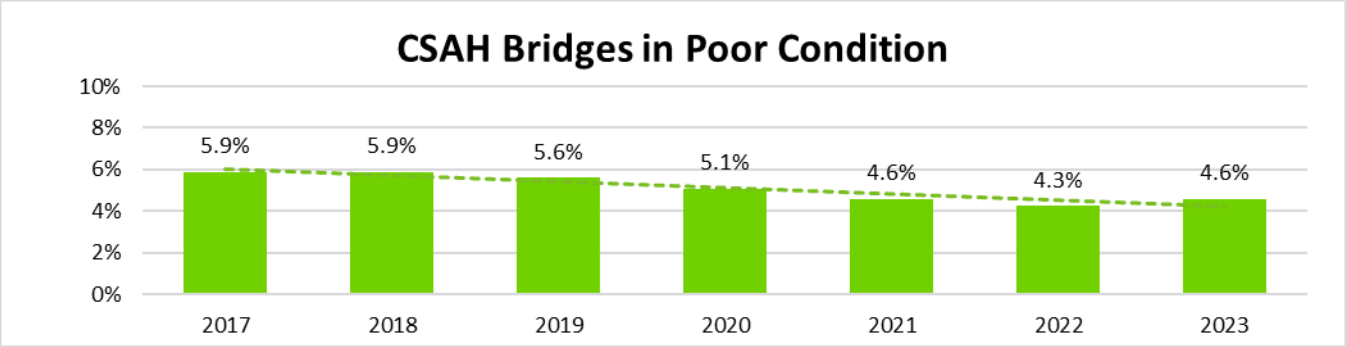
Over the past five years, pavement condition on the CSAH system has generally been improving as measured by a downward trend in the pavement condition metric, Ride Quality Index (RQI).

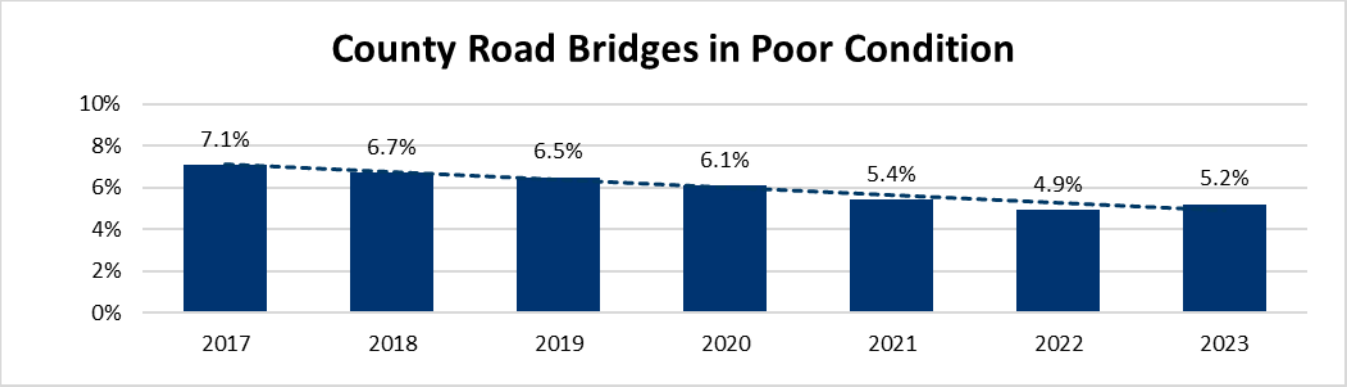


**** Values for each year are based on that year or the previous most recent year for all counties.***

Bridge Condition

The following charts show the percentage of bridges rated in "Poor" condition on the county state aid highway (CSAH) and county road system. For the CSAH system, there has been a decrease in poorly rated bridges between 2017 to 2023, 5.9 percent and 4.6 percent, respectively. The county road system also has seen a reduction in poorly rated bridges between 2017 to 2023, 7.1 percent and 5.2 percent, respectively. This indicates that county agencies are actively working on their bridge programs, and bridge conditions within the county system are improving.





The legal authority for the County State Aid Highways activity comes from:
Distribution of State Aid funds to counties and cities, Constitution of MN, Article XIV (https://www.revisor.mn.gov/constitution/#article_14)
Legal authority for the State Aid system, M.S. 162 (https://www.revisor.mn.gov/statutes/?id=162)

County State Aid Roads

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Expenditures by Fund						
1000 - General			27,000	38,900		
2000 - Restrict Misc Special Revenue	1,076	864	48,212	106,065	101,671	104,871
2600 - County State Aid Highway	790,237	779,058	822,464	1,034,088	1,099,807	1,123,821
3000 - Federal	199,997	171,474	215,944	510,921	1,249,381	543,891
3520 - Transportation-Loc Bridge&Road	8,698	7,388	13,048	13,852		
Total	**1,000,008**	**958,784**	**1,126,668**	**1,703,826**	**2,450,859**	**1,772,583**
Biennial Change				871,702		1,392,948
Biennial % Change				45		49
Expenditures by Category						
Compensation	8,099	8,850	10,089	10,529	10,637	10,772
Operating Expenses	6,605	5,237	8,223	21,951	18,738	19,505
Grants, Aids and Subsidies	976,732	926,696	1,094,968	1,516,748	1,670,877	1,691,699
Capital Outlay-Real Property	8,567	17,970	13,387	154,571	750,580	50,580
Other Financial Transaction	5	31	1	27	27	27
Total	**1,000,008**	**958,784**	**1,126,668**	**1,703,826**	**2,450,859**	**1,772,583**
Full-Time Equivalents	**52.26**	**57.28**	**61.27**	**61.27**	**61.27**	**61.27**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
1000 - General						
Balance Forward In				38,900		
Direct Appropriation	12,000		65,900			
Transfers Out	12,000					
Balance Forward Out			38,900			
Expenditures			**27,000**	**38,900**		
Biennial Change in Expenditures				65,900		(65,900)
Biennial % Change in Expenditures						(100)
2000 - Restrict Misc Special Revenue						
Balance Forward In	6,687	7,550	8,408	25,989	16,454	14,513
Receipts	1,919	1,722	65,794	96,530	99,730	102,930
Balance Forward Out	7,530	8,407	25,990	16,454	14,513	12,572
Expenditures	**1,076**	**864**	**48,212**	**106,065**	**101,671**	**104,871**
Biennial Change in Expenditures				152,337		52,265
Biennial % Change in Expenditures				7,853		34
Full-Time Equivalents	2.84	3.50	4.51	4.51	4.51	4.51
2600 - County State Aid Highway						
Balance Forward In	748,510	836,101	902,248	1,004,094	1,012,206	1,025,830
Direct Appropriation	886,178	849,285	934,017	1,031,482	1,099,805	1,123,821
Transfers In	12,000		2,364	10,718	13,626	17,449
Transfers Out	15,122	68	6,850			
Cancellations	5,840	4,675	5,221			
Balance Forward Out	835,489	901,585	1,004,094	1,012,206	1,025,830	1,043,279
Expenditures	**790,237**	**779,058**	**822,464**	**1,034,088**	**1,099,807**	**1,123,821**
Biennial Change in Expenditures				287,257		367,076
Biennial % Change in Expenditures				18		20
Full-Time Equivalents	49.42	53.78	56.76	56.76	56.76	56.76
3000 - Federal						
Balance Forward In	80	122	30			
Receipts	199,917	171,367	215,914	510,921	1,249,381	543,891
Balance Forward Out		15				

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
Expenditures	**199,997**	**171,474**	**215,944**	**510,921**	**1,249,381**	**543,891**
Biennial Change in Expenditures				355,395		1,066,407
Biennial % Change in Expenditures				96		147

3520 - Transportation-Loc Bridge&Road

Balance Forward In	26,743	26,925	26,900	13,852		
Receipts	8,879	7,364				
Balance Forward Out	26,925	26,900	13,852			
Expenditures	**8,698**	**7,388**	**13,048**	**13,852**		
Biennial Change in Expenditures				10,814		(26,900)
Biennial % Change in Expenditures				67		(100)

Program: Local Roads
Activity: Municipal State Aid Roads

http://www.dot.state.mn.us/stateaid/

AT A GLANCE

- 155 cities with a population greater than 5,000
- 3,927 miles of Municipal State Aid Streets (MSAS)
- 480 bridges on the MSAS system
- 561 bridges on city roads
- Annually approved on average:
  - 108 MSAS projects
  - 67 federal aid projects
  - 25 Local Road Improvement Program projects
  - 10 Local Bridge Replacement Program projects

PURPOSE AND CONTEXT

State Aid for Local Transportation (SALT) provides customer service to Minnesota cities with populations of 5,000 or greater through distribution of the annual allocation from the Highway User Tax Distribution Fund (HUTDF), general obligation bonding, state general funding for local bridge and road improvements, and Federal Highway Administration (FHWA) funds. Primarily, funds are used for construction and system maintenance on the Municipal State Aid Street (MSAS) system.

Cities select construction projects and perform maintenance activities. SALT reviews and approves individual local agency construction plans for compliance with state and federal laws, standards, and rules.

Through engaging its customers, SALT assists in planning for, constructing, and maintaining the MSAS system. This ensures the effective and efficient use of public resources for long-term investments that respond to the evolving needs of cities throughout the state.

SERVICES PROVIDED

Customer Service

SALT actively partners with cities as they plan, construct, operate, and maintain Minnesota's multimodal transportation system to maximize investments and deliver a safe, efficient, and accessible transportation system for all. SALT provides cities with technical resources, materials, and subject matter expertise to assist them in delivering effective and efficient transportation system improvements. This includes crash information; interactive roadway and bridge mapping; program and project delivery guidance; communications; financial reimbursement, payment, and reporting processes; guidance and information on various state and federal funding sources; and training on many of these items. SALT provides technical assistance in highway and bridge design, transportation safety, construction administration, grant management for state and federal funding, administration of federally funded projects, and overall management of the state aid system. SALT serves as a liaison between the cities and MnDOT and FHWA or other state and federal agencies to build upon a partnership that began over 60 years ago in creating a robust transportation system that serves all of Minnesota.

Federal Aid

SALT acts as an agent for the local authorities to administer the local federal construction contracts to fulfill the state's obligations for federal oversight of all local federal aid projects. SALT assists local agencies in completing the requirements for federal aid, including public involvement, disadvantaged business participation, and documentation to comply with environmental and historic preservation requirements.

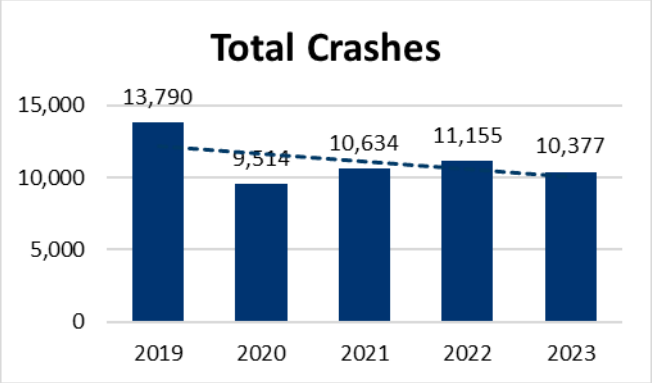
Other HUTD Funding:

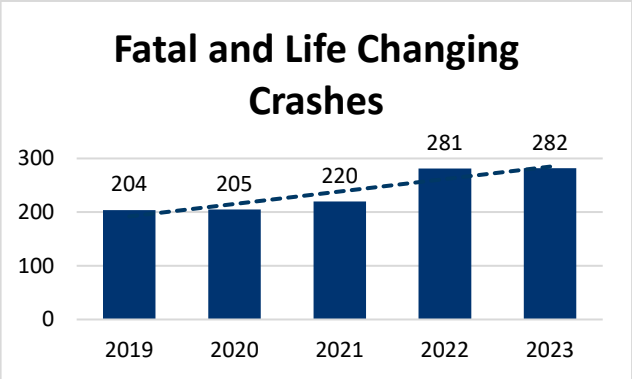
- Two percent of the available funds are set aside for an administrative account used for administrative costs incurred by SALT in carrying out the provisions relating to the state aid highway system.
- Two percent of available funds are set aside for a disaster account to assist cities with extraordinary disaster costs when they arise.
- One-half of one percent of the available funds are set aside for a research account for the development, acquisition, and application of new knowledge, and the exploration and implementation of new technologies for the local transportation system.

RESULTS

Safety

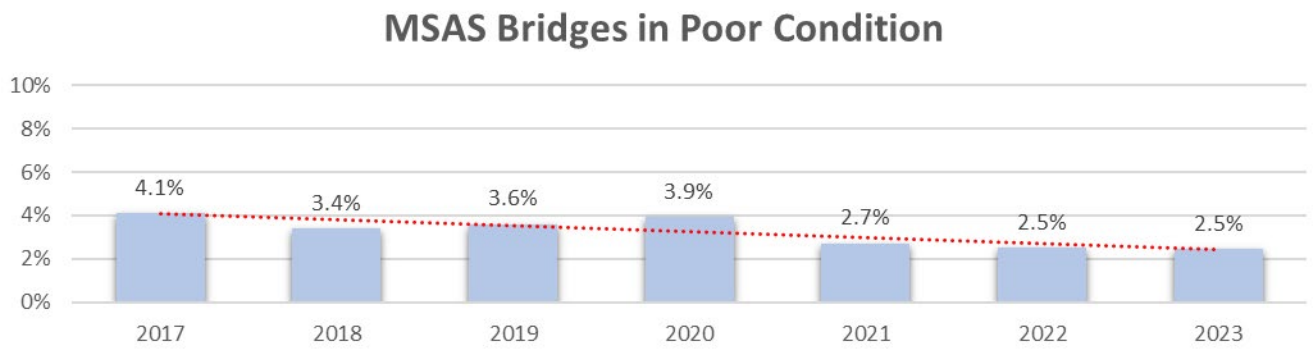
Safety on the MSAS system is measured in both the total number of crashes that occur and the number of severe crashes (fatalities and life-changing crashes). Although total crashes have decreased significantly since 2019 and remained below pre-pandemic levels through 2023, severe crashes have been steadily rising. Despite the lower crash totals, crashes that did occur on MSAS roads were more severe.

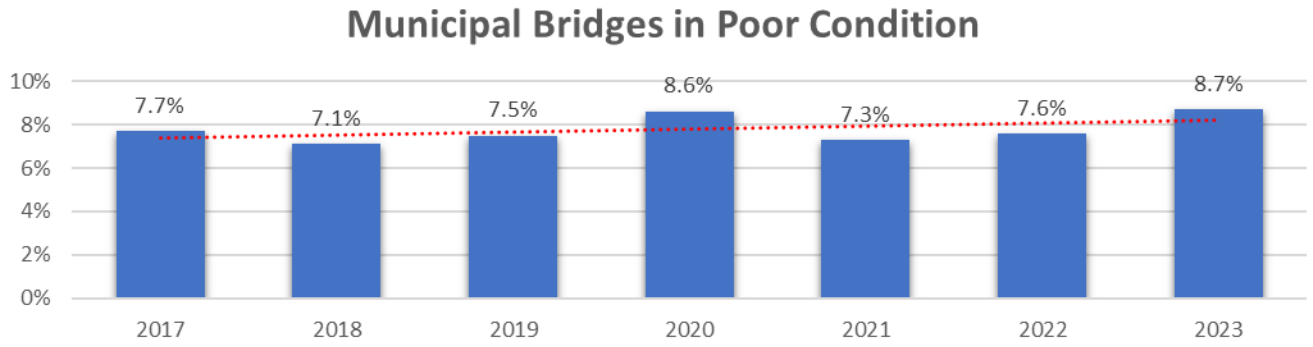




Bridge Condition

The following charts show the percentage of bridges rated in "Poor" condition on the municipal state aid streets (MSAS) and municipal road system. For the MSAS system, there has been a decrease in poorly rated bridges between 2017 to 2023, 4.1 percent and 2.5 percent, respectively. The municipal bridges rated in "poor" condition continue to fluctuate between 7.1 percent to 8.7 percent each year.





The legal authority for the Municipal State Aid Streets activity comes from:
Distribution of State Aid funds to counties and cities, Constitution of MN, Article XIV (https://www.revisor.mn.gov/constitution/#article_14)
Legal authority for the State Aid system, M.S. 162 (https://www.revisor.mn.gov/statutes/?id=162)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Expenditures by Fund						
1000 - General	776	6,560	10,734	100,706	1,000	1,000
2000 - Restrict Misc Special Revenue				131	63	63
2001 - Other Misc Special Revenue			5,741	26,031	33,090	42,376
2500 - Municipal State Aid Street	152,566	201,126	214,345	263,286	278,780	283,002
3000 - Federal				3,400	2,380	1,000
Total	**153,343**	**207,686**	**230,820**	**393,554**	**315,313**	**327,441**
Biennial Change				263,345		18,380
Biennial % Change				73		3
Expenditures by Category						
Compensation	2,376	2,482	2,630	2,669	2,733	2,833
Operating Expenses	1,345	1,332	1,470	5,178	4,214	4,281
Grants, Aids and Subsidies	149,621	203,871	226,719	385,704	308,363	320,324
Capital Outlay-Real Property		1		1	1	1
Other Financial Transaction	1	1	0	2	2	2
Total	**153,343**	**207,686**	**230,820**	**393,554**	**315,313**	**327,441**
Full-Time Equivalents	**16.08**	**16.25**	**16.31**	**16.31**	**16.31**	**16.31**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
1000 - General						
Balance Forward In		18,724	12,163	98,506		
Direct Appropriation	37,500		97,076	13,550	1,000	1,000
Transfers Out	18,000			11,350		
Balance Forward Out	18,724	12,163	98,505			
Expenditures	**776**	**6,560**	**10,734**	**100,706**	**1,000**	**1,000**
Biennial Change in Expenditures				104,104		(109,440)
Biennial % Change in Expenditures				1,419		(98)
2000 - Restrict Misc Special Revenue						
Balance Forward In			68	68		
Receipts		68	11,256	51,102	64,946	83,153
Transfers Out			11,256	51,039	64,883	83,090
Balance Forward Out		68	68			
Expenditures				**131**	**63**	**63**
Biennial Change in Expenditures				131		(5)
Biennial % Change in Expenditures						
2001 - Other Misc Special Revenue						
Transfers In			5,741	26,031	33,090	42,376
Expenditures			**5,741**	**26,031**	**33,090**	**42,376**
Biennial Change in Expenditures				31,772		43,694
Biennial % Change in Expenditures						138
2500 - Municipal State Aid Street						
Balance Forward In	179,406	256,287	274,185	304,320	303,276	303,276
Direct Appropriation	226,238	220,678	241,353	262,242	278,780	283,002
Transfers In	5,000		5,000			
Transfers Out	38	21				
Cancellations	1,927	1,839	1,874			
Balance Forward Out	256,112	273,979	304,320	303,276	303,276	303,276
Expenditures	**152,566**	**201,126**	**214,345**	**263,286**	**278,780**	**283,002**
Biennial Change in Expenditures				123,939		84,151
Biennial % Change in Expenditures				35		18

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
Full-Time Equivalents	16.08	16.25	16.31	16.31	16.31	16.31

3000 - Federal

Receipts	3,400	2,380	1,000
Expenditures	**3,400**	**2,380**	**1,000**
Biennial Change in Expenditures	3,400		(20)
Biennial % Change in Expenditures			

Program: Agency Management
Activity: Agency Services

http://www.dot.state.mn.us/funding/index.html
http://www.dot.state.mn.us/about/index.html
https://dot.state.mn.us/careers/student-grad.html

AT A GLANCE

- Accounts for approximately five percent of MnDOT's direct-appropriated operating budget in fiscal year (FY) 2024-25
  - Includes $205 million of one-time funding for Infrastructure Investment and Jobs Act (IIJA) match needs
- MnDOT workforce is 11 percent persons of color, 22 percent females, 10 percent persons who have declared disabilities, and 8 percent veterans in FY24
- Processed 150,845 payments to agency vendors in FY24
- Completed 1,959 data practice requests in 2023
- Completed 754 contract and grant audits (totaling $291.7 million), 117 pre-award audits (totaling $58 million), 161 overhead rate audits, 19 indirect cost rate reviews, 19 internal audits and reviews, and 16 highway construction project audits in FY23
- Administered 3,264 contracts and amendments in FY24, not including highway construction contracts and amendments
- The MnDOT website received more than 4.7 million visits from 2.8 million unique visitors totaling 12.2 million page views

PURPOSE AND CONTEXT

Agency Services directs the department's administrative, financial, technology, human and capital resources, audit, public engagement, policy, and legal compliance and counsel. Agency Services ensures that MnDOT activities are based on sound policy, comply with federal and state measures, and use proper accounting procedures when handling federal, state, and local funds. Agency Services also manages planning for, employing, and servicing a diverse and talented workforce of 5,018 full-time equivalent employees as of FY24.

SERVICES PROVIDED

Human Resources/Workforce Development provides a full range of human resource management and staffing services, workforce development and training, recruitment and retention, labor relations, policy development, employee insurance and benefits, consultation, planning, and oversight of human resources services.

General Administrative Support directs, supports, and assists MnDOT with compliance and regulatory requirements. These services include emergency management response and preparedness, business continuity, occupational safety and health, workers' compensation, business process improvement, automated business solution development and deployment, digital accessibility guidance and support to ensure MnDOT provides inclusive content, materials management, electronic document management and Microsoft business support and training, print and electronic media, purchasing and payables, technology investment management, conference room technology support, mobile device management, project management leadership support, vendor management, mail, inventory, information desk, fleet management, building and facility operations in the transportation building, and coordination of statewide security and office space planning initiatives.

Financial services include statewide financial planning, accounting, payroll, forecasting, analysis, budgeting, and management of federal, state, local, and bond funds.

Technology Investment Management provides leadership and management of agency-wide information technology plans, resources, and investments. Technology Investment Management collaborates with the Chief Business Technology Officer for IT staff and services at MnDOT.

Organizational Planning and Management (OPM) provides leaders with tools and practices that advance the strategic management of operating resources. OPM delivers and supports implementation of MnDOT's strategic plan, as well as district and office business plans.

Audit provides both internal and external audit services to assess internal controls, ensures costs are allowable and paid in compliance with laws, rules, and regulations, and ensures contracts and highway construction projects are properly and efficiently administered. MnDOT also coordinates with the Office of the Legislative Auditor, Office of the State Auditor, Federal Highway Administration (FHWA), and Office of the Inspector General on audits and investigations.

Office of Chief Counsel provides legal counsel to MnDOT leadership, committees, offices, and districts. Legal services also provides advice and transactional legal assistance to all offices and districts, and coordinates legal support from the Office of the Attorney General of Minnesota.

Communications and Public Engagement provides clear, reliable, and timely information to diverse audiences through various communication channels, including traditional news media, email, social media, websites, events, surveys, video, and print publications, about transportation projects, initiatives, and policies. This office also promotes continuity across the department's statewide public participation efforts by monitoring engagement practices, cultivating partnerships, capturing customer feedback, and ensuring a positive customer experience.

Equity and Diversity includes compliance with non-discrimination laws, affirmative action programming, organizational development, building inclusive work environments, and training for increased cultural competence.

Government Affairs works with the Governor's Office, state legislature, Congress, local governments, interest groups, and other states to develop and support policies, legislative reports, and trainings that will improve transportation operations and services, assist with transportation-related decisions and respond to inquiries from constituents.

Tribal Affairs develops policies, agreements, partnerships, employment training, and contracts to create more efficient, improved, and beneficial transportation services with the 11 Tribal Nations in Minnesota. Tribal Affairs maintains a diplomatic relationship with these sovereign nations to ensure consistent, equitable transit and transportation statewide, including in Indian Country. The office also oversees the Tribal-State Relations Training program to provide an enterprise-wide training program for all state employees. This empowers employees to work more effectively and efficiently with American Indian tribal governments.

RESULTS

MnDOT continues to work on strategic staffing and workforce development plans to identify skills and competencies needed for the department's future workforce. With a 12.3 percent turnover rate for fulltime permanent employees, the department is below the industry standard of 17.8 percent. The department's strategies for building a more diverse workforce include targeted recruitment efforts, internships and student worker positions, Employee Resource Groups, and an agency-wide unified diversity and inclusion plan.

Safeguarding MnDOT, the agency's internal control program, ensures agency goals are achieved while avoiding fraud, waste, and abuse of resources. Minnesota Management and Budget has approved the department's internal control certification annually since FY10.

The Office of Communications and Public Engagement provides market research services for MnDOT to capture the voice of the customer and share insights with policymakers and technical staff to better understand:

- The experiences of MnDOT's customers and stakeholders
- Community members' perceptions of agency communication, engagement, and project management
- Public opinions about MnDOT's performance in delivering key transportation services, such as building and maintaining roads and bridges, removing snow and ice from roads, making roadways safe, and communicating reliable and accurate information about transportation planning and projects

MnDOT had more than 227,000 email subscribers in end of FY23, and more than 246,000 email subscribers in end of FY24, a ten percent year-over-year growth. In FY23, MnDOT sent more than 1,300 emails to 4.24 million recipients with an overall engagement rate (recipients who open or click a link in an email) of 67.6 percent. In FY24, MnDOT sent more than 1,400 emails to 4.85 million recipients with an overall engagement rate of 63.8 percent. MnDOT has adopted text messaging as an additional engagement tool. 160,133 subscribers received texts in FY23, and MnDOT sent 326 total messages. 95,600 subscribers received texts in FY24, and MnDOT sent 205 total messages. MnDOT has more than 150,000 Facebook followers and 75,200 followers of the agency's primary X (formerly Twitter) account (@mndot) in FY24.

Results from MnDOT's most recent statewide public opinion tracking study in 2024 of over 1,400 Minnesotans indicate that public confidence remains high as nearly seven in ten Minnesotans favorably rate MnDOT's performance. Trust in MnDOT for prioritizing roadway users' safety is 86 percent, and 70 percent of Minnesotans say that MnDOT understands their needs and that the state's transportation system works for them.

In addition to the public opinion tracking study, MnDOT's customer experience survey is also given to those who have requested general information from MnDOT or specific assistance from the agency's Ombudsman program. In 2023, 67 percent of customer experience survey respondents rated MnDOT's response time as meeting or exceeding their expectations. Since the role was enacted in statute in 2013, Ombudsman staff have consistently gathered and provided information to the public while also facilitating discussions and mediating conflicts when appropriate. Common topics for investigation include construction, access, maintenance, encampments, drainage, signage, and noise.

One of the ways MnDOT builds public trust and confidence is through sound financial management practices. MnDOT's Office of Financial Management ensures adherence to legislatively approved budget and financial management policies that promote effective stewardship of transportation dollars. These policies relate to:

Advance construction (http://www.dot.state.mn.us/policy/financial/fm008.html)
Trunk Highway Fund balance (http://www.dot.state.mn.us/policy/financial/fm006.html)
Trunk Highway Fund cash balance (http://www.dot.state.mn.us/policy/financial/fm005.html)
State Airport Fund balance (http://www.dot.state.mn.us/policy/financial/fm012.html)
Debt service (http://www.dot.state.mn.us/policy/financial/fm007.html)
Greater Minnesota Transit Account Balance (http://www.dot.state.mn.us/policy/financial/fm022.html)

The legal authority for the Agency Services activity comes from:
Article XIV of the Minnesota Constitution (https://www.revisor.leg.state.mn.us/constitution/#article_14)
Duties of Commissioner, M.S. 174.03 (https://www.revisor.mn.gov/statutes/?id=174.03)
Commissioner's Powers and Duties, M.S. 174.02, subd. 2a (https://www.revisor.mn.gov/statutes/?id=174.02)
Internal Controls and Internal Auditing, M.S. 16A.057 (https://www.revisor.mn.gov/statutes/?id=16A.057)
Contract Management; Validity and Review, M.S. 16C.05, subd. 5
(https://www.revisor.mn.gov/statutes/?id=16C.05

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Expenditures by Fund						
1000 - General	856	759	4,784	231,427	6,089	6,089
2000 - Restrict Misc Special Revenue			36	121	76	76
2001 - Other Misc Special Revenue	3	2	124	63	55	55
2700 - Trunk Highway	64,453	70,339	77,151	103,504	96,744	93,731
2710 - Highway Users Tax Distribution	119	55	85	232	292	232
2720 - State Airports	46	37	38	86	110	86
3000 - Federal				60,000	30,000	30,000
Total	**65,477**	**71,191**	**82,218**	**395,433**	**133,366**	**130,269**
Biennial Change				340,983		(214,016)
Biennial % Change				250		(45)
Expenditures by Category						
Compensation	32,501	34,242	37,724	41,128	41,613	42,230
Operating Expenses	32,714	36,033	42,926	96,184	60,926	57,213
Grants, Aids and Subsidies		322	1,351	258,043	30,794	30,793
Capital Outlay-Real Property	178	97	172	45		
Other Financial Transaction	85	497	45	33	33	33
Total	**65,477**	**71,191**	**82,218**	**395,433**	**133,366**	**130,269**
Full-Time Equivalents	**279.96**	**294.07**	**306.84**	**320.13**	**333.08**	**333.03**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
1000 - General						
Balance Forward In		78		225,340		
Direct Appropriation	930	930	241,190	6,152	6,154	6,154
Transfers Out		249	65	65	65	65
Cancellations		0	11,000			
Balance Forward Out	74		225,341			
Expenditures	**856**	**759**	**4,784**	**231,427**	**6,089**	**6,089**
Biennial Change in Expenditures				234,596		(224,033)
Biennial % Change in Expenditures				14,530		(95)
Full-Time Equivalents	1.60	1.09	3.55	4.05	4.00	3.96
2000 - Restrict Misc Special Revenue						
Balance Forward In				45		
Receipts			81	76	76	76
Balance Forward Out			45			
Expenditures			**36**	**121**	**76**	**76**
Biennial Change in Expenditures				157		(5)
Biennial % Change in Expenditures						(3)
2001 - Other Misc Special Revenue						
Balance Forward In	1	2	5	8		
Receipts	4	5	127	55	55	55
Balance Forward Out	2	5	8			
Expenditures	**3**	**2**	**124**	**63**	**55**	**55**
Biennial Change in Expenditures				182		(77)
Biennial % Change in Expenditures				3,769		(41)
2700 - Trunk Highway						
Balance Forward In	3	6,003	4	9,773		
Direct Appropriation	58,469	63,269	76,627	81,677	81,677	81,677
Open Appropriation	11,019	9,284	10,290	12,052	15,065	12,052
Receipts	3	1	4	2	2	2
Transfers Out		3,800				
Cancellations		4,414				

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	Forecast Base FY27
Balance Forward Out	5,041	4	9,774			
Expenditures	**64,453**	**70,339**	**77,151**	**103,504**	**96,744**	**93,731**
Biennial Change in Expenditures				45,862		9,820
Biennial % Change in Expenditures				34		5
Full-Time Equivalents	278.36	292.98	303.29	316.08	329.08	329.07

2710 - Highway Users Tax Distribution

Open Appropriation	119	55	85	232	292	232
Expenditures	**119**	**55**	**85**	**232**	**292**	**232**
Biennial Change in Expenditures				143		207
Biennial % Change in Expenditures				82		65

2720 - State Airports

Open Appropriation	46	37	38	86	110	86
Expenditures	**46**	**37**	**38**	**86**	**110**	**86**
Biennial Change in Expenditures				42		72
Biennial % Change in Expenditures				51		58

3000 - Federal

Receipts				60,000	30,000	30,000
Expenditures				**60,000**	**30,000**	**30,000**
Biennial Change in Expenditures				60,000		0
Biennial % Change in Expenditures						

Program: Agency Management
Activity: Building Services

https://www.dot.state.mn.us/maintenance/facilities.html

AT A GLANCE

MnDOT owns and operates nearly 900 individual buildings at 278 sites with the total area of buildings measuring over 6.7 million square feet, including:

- 129 truck station sites (five additional truck station sites are leased)
- 18 regional headquarters and maintenance sites
- Four special service sites (MnROAD Research Facility, Arden Hills Training Center, Central Shop, Maplewood Materials Lab)
- 26 miscellaneous sites with buildings (storage sites, tunnel service buildings, anti-icing buildings, etc.)
- 39 salt and sand reloading sites (one additional salt and delivery site is leased and eight are on other government entities' property)
- 56 rest area buildings
- Nine weigh stations

MnDOT leases the Central Office headquarters building managed by MnDOT's Office of Administration, Facility Operations Section

PURPOSE AND CONTEXT

MnDOT facilities are located throughout the state to enable prompt and efficient service to the traveling public. MnDOT District and Special Service Site Facility Management staff oversee operations and maintenance of these buildings. MnDOT Building Services provides planning, design, and construction contract administration for building repairs, improvements, additions, and new construction for these facilities. MnDOT aims to plan, build, and operate facilities effectively and efficiently. MnDOT continues to strategically manage the department's resources to ensure that its facilities provide safety and security of its assets, employees, and the traveling public.

In addition, the MnDOT Office of Administration oversees the operations of the central office headquarters building. This includes coordinating with the Department of Administration as well as consultants and contractors to provide planning, design, and construction management for central office building repairs and improvements.

SERVICES PROVIDED

Long-range program planning and scoping, such as:

- Building programming and pre-design services for new and renovated buildings and sites
- Hiring and overseeing consultants for large capital projects and specialty projects
- Preparing designs, construction documents, and bid lettings.
- Administering building construction contracts
- Program planning and management for emergency building repairs.
- Managing and tracking building energy use
- Tracking building conditions, deferred maintenance
- Researching water use and wastewater treatment.

The truck station network is the center of MnDOT's maintenance and operations program. Agency facilities are strategically located across the state so that customer needs, especially snow and ice operations and system emergencies, can be promptly addressed. These facilities provide building space for staff, equipment, and materials, including snowplows and salt. MnDOT often shares space with other state agencies or local governments to take advantage of opportunities to reduce costs.

MnDOT Building Services is financed by a direct appropriation from the Trunk Highway Fund, which is used for salaries, consultant contracts, asset preservation, and small capital projects. Large capital projects are typically funded by Trunk Highway bonds. Building Services staff annually deliver 60-90 projects and manage approximately 50 consultant contracts each year.

Planning, Scoping, and Budget Development Services: During the annual building budget process, MnDOT reviews and plans for future building space requirements. The Facilities Improvement Plan provides the framework for project delivery for the next four years. In addition, 10- and 20-year plans offer a longer-range view. These timelines align with concurrent highway planning efforts.

The Facilities Improvement Plan is driven by operational deficiency evaluations and data captured in the Enterprise Real Property Facilities Condition Assessment (FCA). This information is used to assist decision makers in prioritizing capital projects of all sizes, including district headquarters, truck stations, and specialty buildings. Other processes identify annual maintenance and repair projects, which require licensed architects and engineers to develop plans and specifications.

Professional Architecture and Engineering Services: MnDOT architects and engineers perform or oversee all aspects of building design and construction. This includes conceptual design through preparation of contract documents, bidding, and construction contract administration. Building Services is adopting the same project scheduling tool that MnDOT uses to manage bridge and highway projects. This tool should improve project delivery in multiple ways; lettings will occur at the most favorable time of the year, construction will commence as soon as weather permits, and district customers will be able to track project start dates and schedules.

Building Operations and Maintenance: MnDOT Building Services develops facility standards in compliance with building codes and regulatory requirements, evaluates building and building system conditions, and provides direction for the maintenance of major building systems. Districts and Special Service Sites spend operating dollars for building/facility operations and maintenance activities.

RESULTS

During the fiscal 2024-25 biennium, the following building projects will be completed:

Regional Headquarters: Willmar unheated storage buildings (design completed and construction started); Waters Edge HVAC and remodel (design and construction started); Virginia headquarters campus (design and construction started)

Truck Stations and Special Service Sites: Hawley Truck Station campus (construction); Clearwater Truck Station campus (construction); Blue Earth truck station (design completed and construction started); Mendota Heights warm storage (construction); Eden Prairie warm storage (design and construction); Jordan truck station campus (design completed and construction started); MnROAD addition (design completed and construction started); Materials Certification Lab addition (design completed and construction started); Moorhead warm storage and unheated storage (design completed); Grand Marais truck station and unheated storage (design and construction completed); St. Peter truck station campus (design started); Brine buildings (design and construction) at several sites statewide; and salt storage shelters (design and construction) at several sites statewide

Safety Rest Areas: St. Croix (construction completed); Burgen Lake (design completed)

Truck Inspection Buildings: St. Croix (construction); Worthington (design completed and construction started); Saginaw (design completed and construction started)

Facility Condition Assessment (FCA)

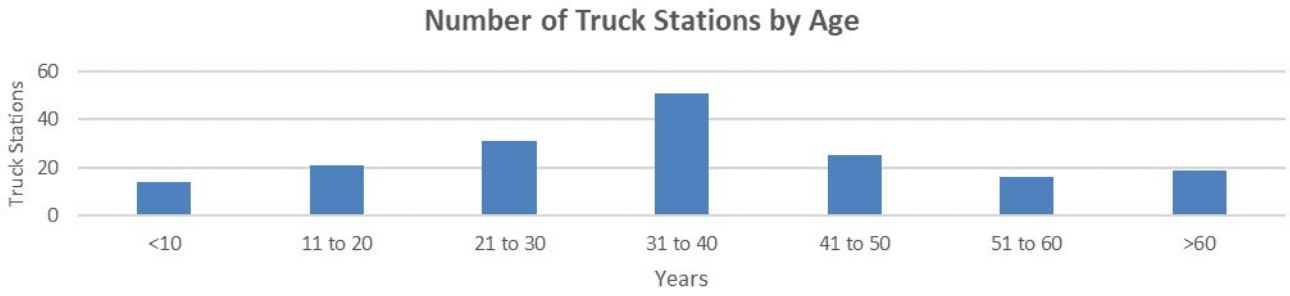
MnDOT is one of 19 state agencies implementing a program of periodic FCAs. The FCAs, combined with operational functionality assessments of buildings and sites, allow MnDOT to make data-driven building investment decisions and inform the development of the 4-, 10-, and 20-year plans. The continuous assessment of MnDOT's buildings allows the department to maximize the value of the department's existing resources.

The initial assessment in 2014 established a baseline condition for each of the 884 MnDOT-owned buildings which allows MnDOT to track building condition changes over time. The assessments are updated every three years on a rolling basis. As of July 2022, 22 percent of buildings are rated 'excellent', 38 percent are rated 'good', 33 percent are rated 'fair', 6 percent are rated 'poor', and 1 percent are rated 'crisis/emergency'.

The current replacement value of all MnDOT buildings is approximately $1.53 billion, and deferred maintenance is approximately $215 million. Both numbers are generated using the Department of Administration's standardized FCA program. Deferred maintenance is the total of essential, but unfunded, facilities maintenance work necessary to bring facilities and collateral equipment to the required facilities maintenance standards including unfunded maintenance requirements, repairs, and replacement of obsolete items. This is the total work that should be accomplished to maintain the facilities but that cannot be achieved within available resources. It does not include new construction, additions, or modifications.

Aging Infrastructure

The expected service life of a MnDOT truck station facility is 50 years. At the current replacement rate of two truck stations per year, MnDOT is operating on a replacement cycle of approximately 70 years. As the graph below indicates, many MnDOT buildings have already exceeded their expected service life. Over half of the 126 existing truck stations are more than 30 years old and will be candidates for replacement within the next 20 years.



Building Energy Management

MnDOT continues to utilize the state's B3 (Buildings, Benchmarks, and Beyond) Energy Benchmarking Tool, which contains utility consumption data from 98 percent of MnDOT sites. This data is analyzed on an ongoing basis to ensure that MnDOT's buildings use energy in the most efficient way possible. In calendar year 2021, building energy use per square foot was 28.5 percent lower than in the baseline year of 2008. The MnDOT Sustainability Report, Sustainability Reporting - Sustainability and Public Health – MnDOT, https://www.dot.state.mn.us/sustainability/sustainability-reporting.html) outlines MnDOT's sustainability efforts and performance targets and is used to support strategic direction and oversight for sustainability activities.

MnDOT Building Services also identifies and implements energy efficiency improvement opportunities and renewable energy measures. Specific initiatives include web-connected building automation systems, which provide more-advanced control sequences, monitor facility operational trends, and allow for adjustment of statewide mechanical systems from any remote location. Other efforts include assessment and recommissioning of existing equipment and replacement of outdated and over-sized equipment with energy efficient upgrades.

The legal authority for the Buildings Services activity comes from:
Duties of Commissioner, M.S. 174.03 (https://www.revisor.mn.gov/statutes/?id=174.03)
General Powers of Commissioner, M.S. 161.20 (https://www.revisor.mn.gov/statutes/?id=161.20)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
Expenditures by Fund						
1000 - General	55	55	55	55	1,780	1,790
2000 - Restrict Misc Special Revenue		291	5	320	5	5
2001 - Other Misc Special Revenue	980	951	1,146	1,119	981	981
2700 - Trunk Highway	28,418	53,244	34,554	79,896	41,065	41,065
Total	**29,454**	**54,541**	**35,760**	**81,390**	**43,831**	**43,841**
Biennial Change				33,155		(29,478)
Biennial % Change				39		(25)
Expenditures by Category						
Compensation	5,123	5,607	6,074	6,357	6,433	6,262
Operating Expenses	23,647	47,509	28,907	51,495	34,646	34,827
Grants, Aids and Subsidies	23		2			
Capital Outlay-Real Property	415	1,030	595	23,263	2,477	2,477
Other Financial Transaction	246	396	182	275	275	275
Total	**29,454**	**54,541**	**35,760**	**81,390**	**43,831**	**43,841**
Full-Time Equivalents	**43.82**	**47.57**	**47.05**	**47.05**	**45.05**	**45.05**

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27
1000 - General						
Direct Appropriation	55	55	55	55	0	0
Open Appropriation					1,780	1,790
Expenditures	**55**	**55**	**55**	**55**	**1,780**	**1,790**
Biennial Change in Expenditures				0		3,460
Biennial % Change in Expenditures				0		3,145
2000 - Restrict Misc Special Revenue						
Balance Forward In			310	315		
Receipts		291	9	5	5	5
Balance Forward Out			314			
Expenditures		**291**	**5**	**320**	**5**	**5**
Biennial Change in Expenditures				34		(315)
Biennial % Change in Expenditures						(97)
2001 - Other Misc Special Revenue						
Balance Forward In	245	217	235	138		
Receipts	951	935	1,049	981	981	981
Balance Forward Out	216	201	138			
Expenditures	**980**	**951**	**1,146**	**1,119**	**981**	**981**
Biennial Change in Expenditures				333		(303)
Biennial % Change in Expenditures				17		(13)
Full-Time Equivalents	0.02	0.04	0.03	0.03	0.03	0.03
2700 - Trunk Highway						
Balance Forward In		13,523		6,481		
Direct Appropriation	39,994	40,194	41,035	73,415	41,065	41,065
Transfers In	1,308	1,308	1,225	1,225	1,247	1,242
Cancellations	1,308	1,781	1,225	1,225	1,247	1,242
Balance Forward Out	11,576		6,481			
Expenditures	**28,418**	**53,244**	**34,554**	**79,896**	**41,065**	**41,065**
Biennial Change in Expenditures				32,788		(32,320)
Biennial % Change in Expenditures				40		(28)
Full-Time Equivalents	43.80	47.53	47.02	47.02	45.02	45.02

Counties	Supports
Aitkin Carlton Cook Itasca Koochiching Lake Pine St. Louis	• 355,508 people (6% of state population, 2023 estimate) • 19,446 sq. miles of land area (24% of state land area) • 1,554 centerline miles of state, U.S., and interstate highways (13% of state centerline miles) • 3,735 lane miles of state, U.S., and interstate highways (13% of state lane miles) • 544 bridges 10 ft or greater (11% of state bridges) • 815 miles of rail line (18% of state rail line miles) • 22 public airports (17% of state airports) • 8 public Class I rest areas (16% of state rest areas) **Resources in FY 2023** • 391 full-time employees • 2 regional offices • 84 snow removal trucks

SERVICES PROVIDED

Located in northeastern Minnesota, District 1 represents one-fourth of the state's total land area. Services provided by District 1 staff include the planning, design, construction, and maintenance of the state and federal highway system. District 1 staff offers aid and assistance to the county and city systems that qualify for state and federal dollars. District 1 also provides transit, trail, and rail coordination. Through many partnerships with local governments, agencies, and the public, District 1 provides a transportation system that meets the needs of Minnesotans.

District 1 is unique in many ways. It shares two of Minnesota's longest bridges—the Blatnik and Bong bridges—with Wisconsin. The district has two international border crossings. The Port of Duluth-Superior is one of the district's key partners. It is the largest freshwater port in the world, and it has access to four Class I railroads. It is a full-service multimodal hub for domestic and international trade. The district is home to hundreds of miles of paved trails. The Mesabi Trail—spanning from Grand Rapids to Ely—will be one of the nation's longest trail systems (155 miles) once complete. The four national scenic byways and six state scenic highways located in District 1 make up nearly half of Minnesota's scenic byways.

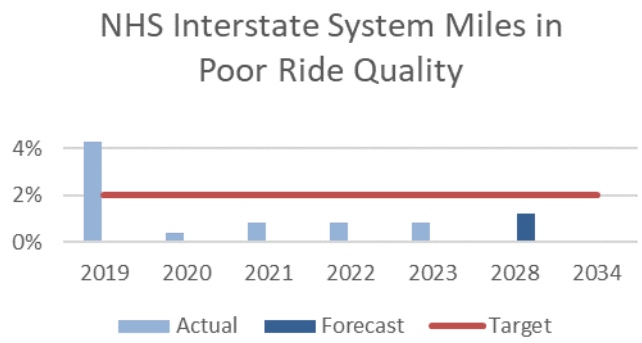
District 1's operations program strives to maintain, operate, and preserve transportation assets so they are safe, structurally sound, and aesthetically pleasing. These assets include highways, bridges, drainage structures, safety devices, facilities, rest areas, and equipment. Staff and equipment are located at 19 truck stations across the district, allowing efficient and independent mobilization for year-round maintenance operations. District 1 has harsh winter conditions and is committed to providing 24/7 service coverage for snow and ice condition response. Summer maintenance priorities include pavement repair, bridge inspection and repair, drainage, vegetation control, traffic services, guardrail maintenance, and natural disaster response.

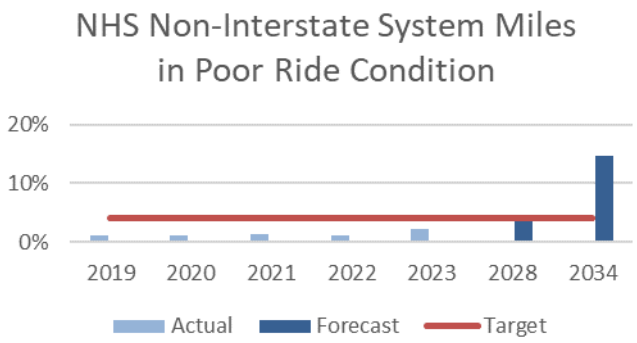
District 1 averages 26 construction projects annually, costing approximately $73 million per year. This district accounts for about 7 percent of state construction project spending annually.

PERFORMANCE INDICATORS

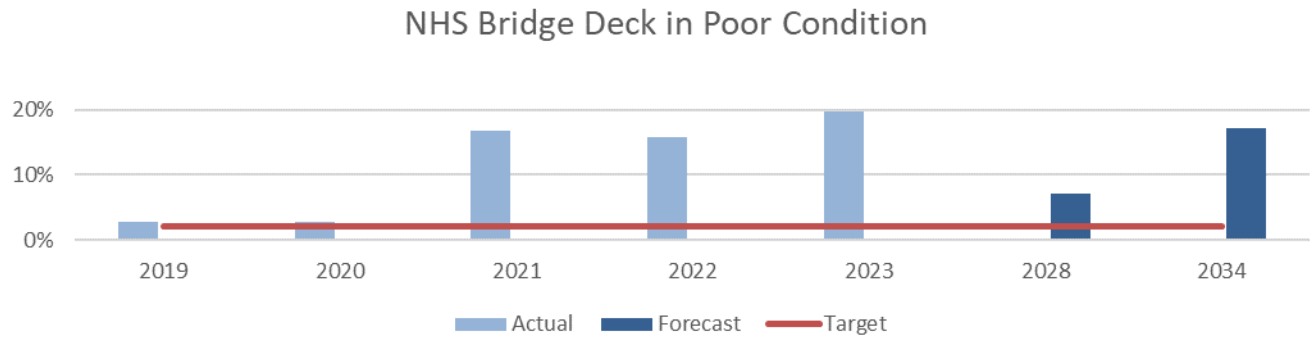
MnDOT tracks the performance of the Trunk Highway system with a number of different measures, many of which are published on the transportation performance website (https://performance.minnesotago.org/).

MnDOT prioritizes infrastructure improvements on National Highway System (NHS) routes and holds these roads to a higher performance standard than non-NHS routes. This approach allows MnDOT to comply with federal law and manage risks related to statewide travel. Pavement condition is measured by the percentage of miles of highway in poor condition. The system condition is projected to remain under the NHS Interstate System target goal after 2028.

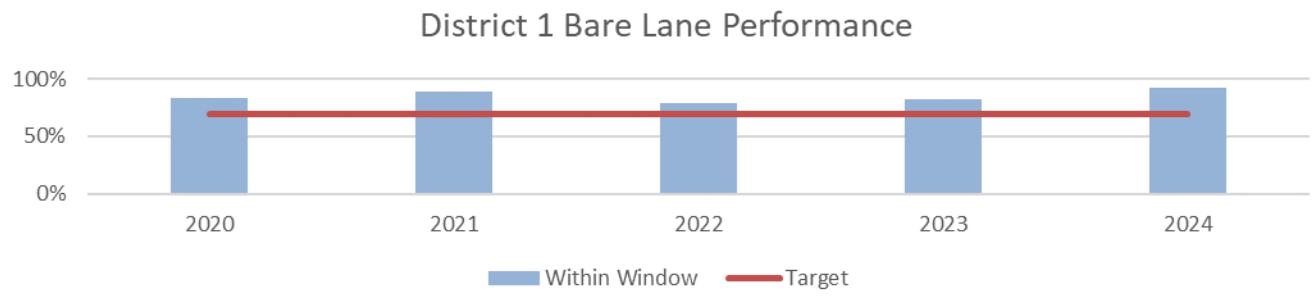




Bridge condition is measured by the percentage of bridge deck area in poor condition. NHS bridge condition is a concern in District 1. The Blatnik bridge is a significant portion of NHS deck area in poor condition. NHS bridge condition is projected to improve through 2028 and then decline by 2034.



After a snow or ice event, MnDOT returns roads to an acceptable driving condition. This is described as the “time to bare lane”. MnDOT sets an objective window for time to bare lane which varies by the amount of traffic on the road. MnDOT’s strives to meet the objective for each roadway 70 percent of the time during the winter season.



Counties

Beltrami
Clearwater
Hubbard
Kittson
Lake of the Woods
Marshall
Norman
Pennington
Polk
Red Lake
Roseau

*Parts of Cass, Itasca and Koochiching

Supports

- 164,318 people (3% of state population, 2023 estimate)
- 14,158 sq. miles of land area (18% of state land area)
- 1,802 centerline miles of state, U.S., and interstate highways (15% of state centerline miles)
- 3,903 lane miles of state, U.S., and interstate highways (13% of state lane miles)
- 363 bridges 10 ft or greater (8% of state bridges)
- 605 miles of rail line (13% of state rail line miles)
- 19 public airports (14% of state airports)
- 3 public Class 1 rest areas (6% of state rest areas)

Resources in FY 2023

- 264 full-time employees
- 3 regional offices
- 70 snow removal trucks

SERVICES PROVIDED

District 2 is in northwest Minnesota, bordered by North Dakota and Canada. The MnDOT team in District 2 plans, designs, constructs, and maintains the state and federal trunk highways within the district. They also manage the aid and assistance provided to local governments that qualify for state and federal transportation funding for roadways, bridges, trails, and transit systems. The top priorities for the District 2 construction program are preserving the existing system, making cost-effective safety improvements, and enhancing accessibility for all modes of transportation. District 2 continues to prioritize safety and mobility needs of its customers while continuously looking for partnership opportunities to maximize budgets.

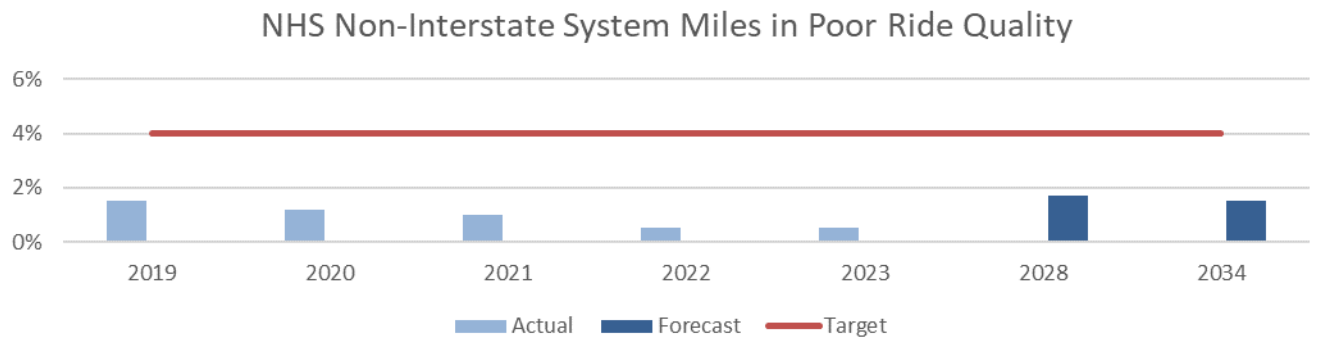
District 2 serves a large geographic area that is predominately rural, with farmland and prairie in the west and lakes and forests in the east. The area is characterized by the Red River Valley and the Northwoods. The Red River Valley is known for agriculture and is prone to flooding. The Northwoods is known for timber, lakes, and recreational opportunities. There are many small communities and four cities with a population of more than 5,000 within the district. All the lands of the Red Lake Nation and portions of the Leech Lake and White Earth reservations lie within the boundaries of District 2. There is a diverse economy in the district consisting of farming, timber production, manufacturing, and tourism. The major industries in District 2 include forestry, agriculture, and food processing.

District 2 averages 16 construction projects annually, costing approximately $73 million per year. This district accounts for about 7 percent of state construction project spending annually.

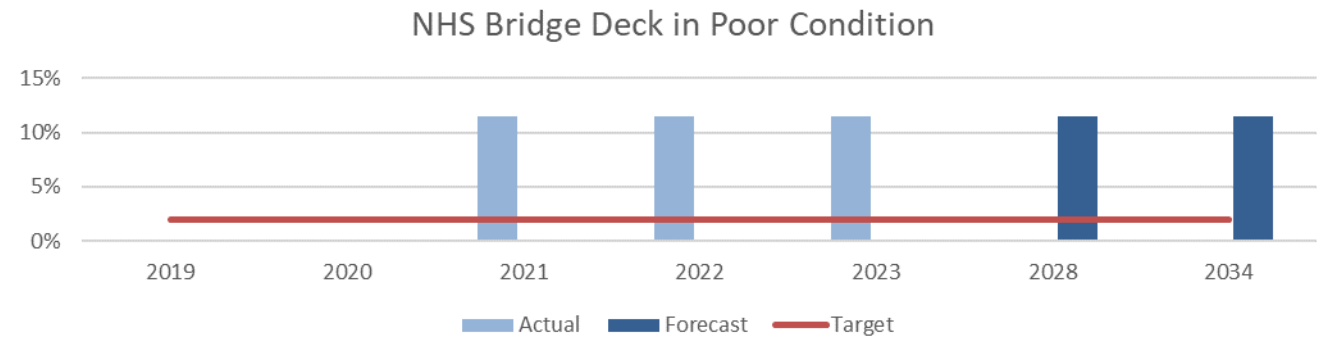
PERFORMANCE INDICATORS

MnDOT tracks the performance of the Trunk Highway system with a number of different measures, many of which are published on the transportation performance website (https://performance.minnesotago.org/).

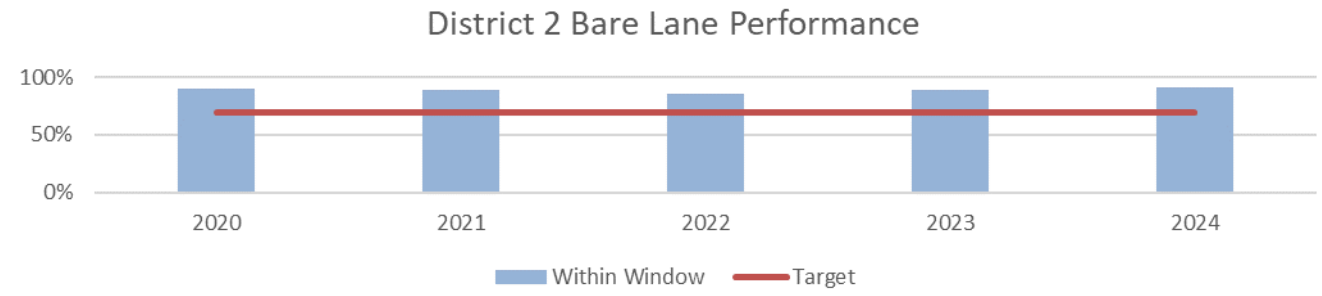
MnDOT prioritizes infrastructure improvements on National Highway System (NHS) routes. This approach allows MnDOT to comply with federal law and manage risks related to statewide travel. Pavement condition is measured by the percentage of miles of highway in poor condition. Poor ride quality can range from uneven surfaces to cracks in the road.



Bridge condition is measured by the percentage of bridge deck area in poor condition. State highway bridges are inspected at least every two years. Bridges rated in poor condition are safe to drive on but are near the point where significant investment in repair or replacement is needed. There was no District 2 bridge deck in poor condition from 2018 through 2020, but this figure grew to more than 10 percent in 2021.



After a snow or ice event, MnDOT returns roads to an acceptable driving condition. This is described as the “time to bare lane”. MnDOT sets an objective window for time to bare lane which varies by the amount of traffic on the road. MnDOT’s strives to meet the objective for each roadway 70 percent of the time during the winter season.



Counties

Benton
Cass
Crow Wing
Isanti
Kanabec
Mille Lacs
Morrison
Sherburne
Stearns
Todd
Wadena
Wright

Supports

- 710,478 people (12% of state population, 2023 estimate)
- 10,209 sq. miles of land area (13% of state land area)
- 1,586 centerline miles of state, U.S., and interstate highways (14% of state centerline miles)
- 4,007 lane miles of state, U.S., and interstate highways (14% of state lane miles)
- 432 bridges 10 ft or greater (9% of state bridges)
- 383 miles of rail line (8% of state rail line miles)
- 21 public airports (16% of state airports)
- 7 public Class 1 rest areas (14% of state rest areas)

Resources in FY 2023

- 438 full-time employees
- 2 regional offices
- 110 snow removal trucks

SERVICES PROVIDED

Located in central Minnesota, District 3 has the largest population base outside the Minneapolis/St. Paul metro area. The district covers 13 counties in the central part of the state and is home to 19 cities that have a population of over 5,000. These cities include Baxter, where District 3 is headquartered, and St. Cloud, which is home to another MnDOT office. There is a strong manufacturing presence in District 3, and there are several major corridors vital to freight movement cross the district. The tourism industry is a key driver within the district's economy, contributing to traffic volumes. The southern boundary of District 3 is located adjacent to the metro region and is rapidly becoming part of the greater urbanized area, with a strong commuter demand currently served by highways, buses, and park-and-ride lots.

The MnDOT team in District 3 plans, designs, constructs, and maintains the state and federal trunk highways within the district. Staff also manages the aid and assistance provided to local governments that qualify for state and federal transportation funding for roadways, bridges, trails, and transit systems. There are several corridors from the metro area coming into the district with high traffic volumes where safety and mobility needs are top priorities.

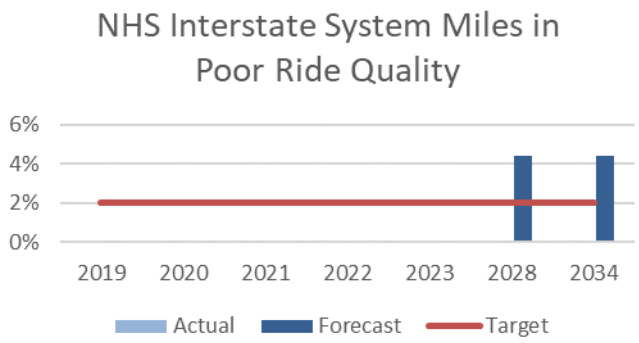
The district is more urban in Wright, Sherburne, and Stearns counties due to their proximity to the metro area. The district includes two metropolitan planning areas: the St. Cloud Area Planning Organization and portions of Wright and Sherburne Counties are part of the Twin Cities Metropolitan Council's extended urbanized area. The northern part of District 3 is home to the Brainerd Lakes Area, Lake Mille Lacs, and many other popular tourist destinations where traffic volumes increase seasonally and on weekends. The district is diverse and has several traditionally underserved populations, including the Mille Lacs Band of Ojibwe and portions of the Leech Lake reservation, the Hispanic and Somali communities, and the Amish community.

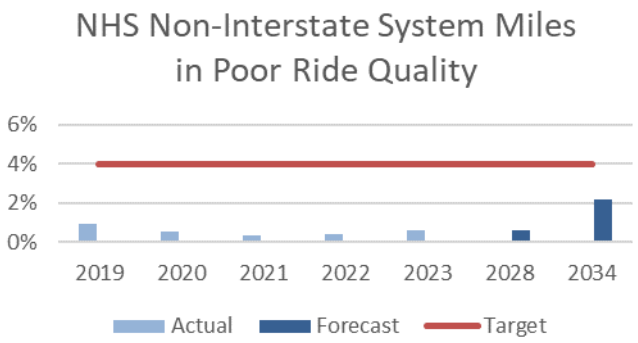
District 3 averages 24 construction projects annually, costing approximately $228 million per year. This district accounts for about 22 percent of state construction project spending annually.

PERFORMANCE INDICATORS

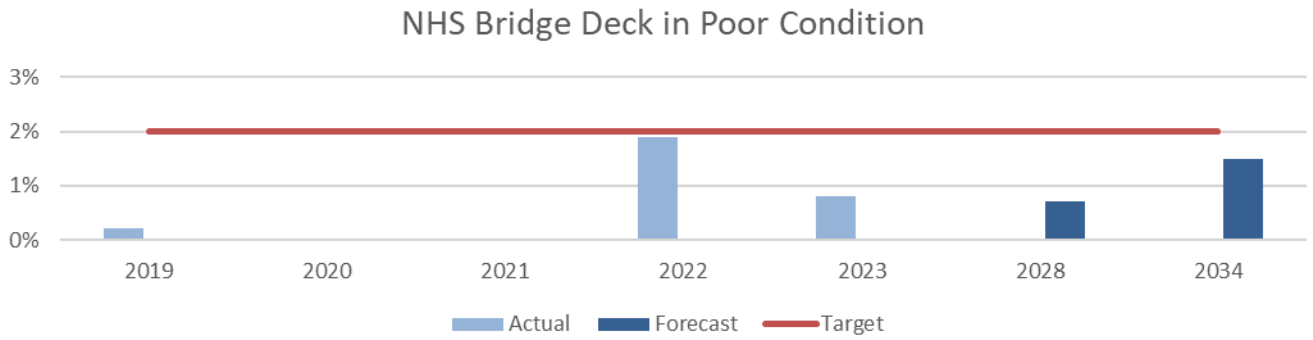
MnDOT tracks the performance of the Trunk Highway system with a number of different measures, many of which are published on the transportation performance website (https://performance.minnesotago.org/).

MnDOT prioritizes infrastructure improvements on National Highway System (NHS) routes. This approach allows MnDOT to comply with federal law and manage risks related to statewide travel. Pavement condition is measured by the percentage of miles of highway in poor condition. Poor ride quality can range from uneven surfaces to cracks in the road. The percentage of miles rated as poor in District 3 is forecasted to remain below target for non-interstate system miles but will go above target for interstate system miles.

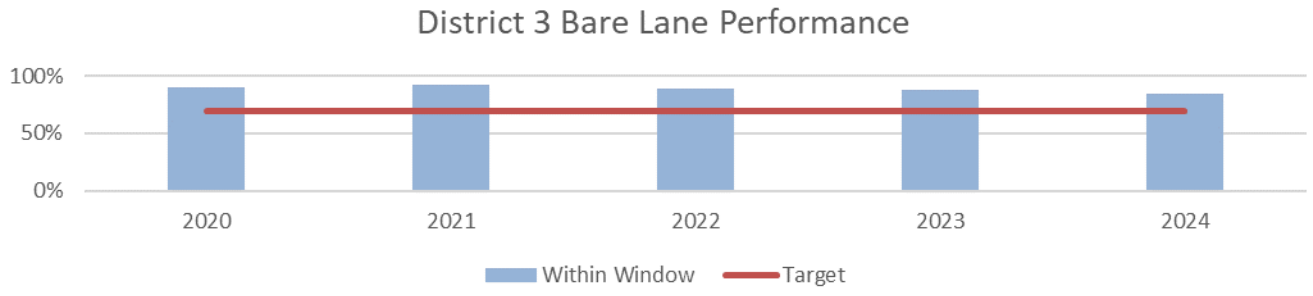




Bridge condition is measured by the percentage of bridge deck area in poor condition. State highway bridges are inspected at least every two years. Bridges rated in poor condition are safe to drive on but are near the point where significant investment in repair or replacement is needed.



After a snow or ice event, MnDOT returns roads to an acceptable driving condition. This is described as the “time to bare lane”. MnDOT sets an objective window for time to bare lane which varies by the amount of traffic on the road. MnDOT’s strives to meet the objective for each roadway 70 percent of the time during the winter season.



Counties	Supports
Becker Big Stone Clay Douglas Grant Mahnomen Otter Tail Pope Stevens Swift Traverse Wilkin	• 258,543 people (5% of state population, 2023 estimate) • 9,865 sq. miles of land area (12% of state land area) • 1,571 centerline miles of state, U.S., and interstate highways (13% of state centerline miles) • 3,576 lane miles of state, U.S., and interstate highways (12% of state lane miles) • 338 bridges 10 ft or greater (7% of state bridges) • 670 miles of rail line (15% of state rail line miles) • 19 public airports (14% of state airports) • 5 public Class 1 rest areas (10% of state rest areas) **Resources in FY 2023** • 271 full-time employees • 2 regional offices • 62 snow removal vehicles

SERVICES PROVIDED

District 4 is in west central Minnesota, with offices and truck stations strategically placed throughout the region to ensure the safety and efficiency of transportation. District 4 staff plan, design, construct, and maintain the state and federal highway systems within district boundaries, and staff also manage the aid and assistance given to county and city systems that qualify for state and federal dollars. District 4's staff follow a community-focused approach during project development, and they work closely with local partners to meet the needs of all transportation system users while minimizing environmental and construction impacts.

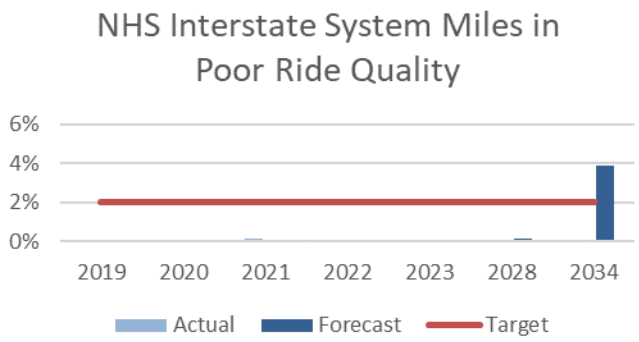
District 4 staff are committed to delivering a high level of service on roadways. The district invests in long-term fixes on major corridors such as Interstate 94 and Highway 10 to improve safety and mobility for freight haulers and the traveling public. Winter winds across western Minnesota create significant blowing snow and ice conditions. Through outreach efforts with landowners and farm operators, District 4 is leading the state's snow fence program and has installed more than 31 miles of permanent and temporary snow fencing across the region, with another 24 miles in the near future.

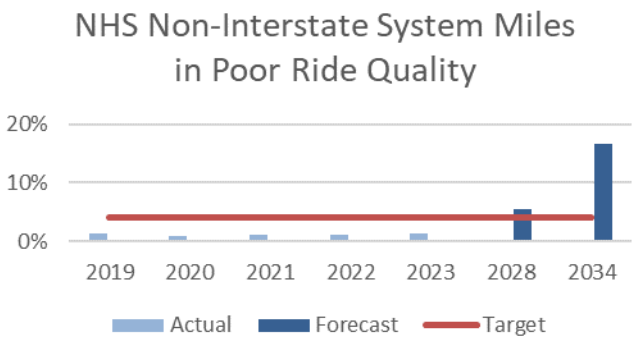
District 4 averages 20 construction projects annually, costing approximately $66 million per year. This district accounts for about 6 percent of state construction project spending annually.

PERFORMANCE INDICATORS

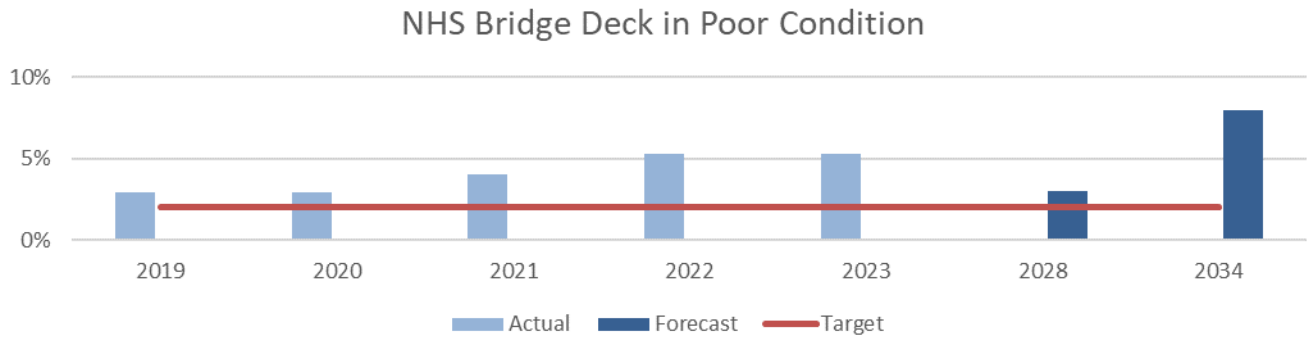
MnDOT tracks the performance of the Trunk Highway system with a number of different measures, many of which are published on the transportation performance website (https://performance.minnesotago.org/).

MnDOT prioritizes infrastructure improvements on National Highway System (NHS) routes. This approach allows MnDOT to comply with federal law and manage risks related to statewide travel. Pavement condition is measured by the percentage of miles of highway in poor condition. Poor ride quality can range from uneven surfaces to cracks in the road. Poor quality miles in District 4 is forecasted to remain below target through 2028.

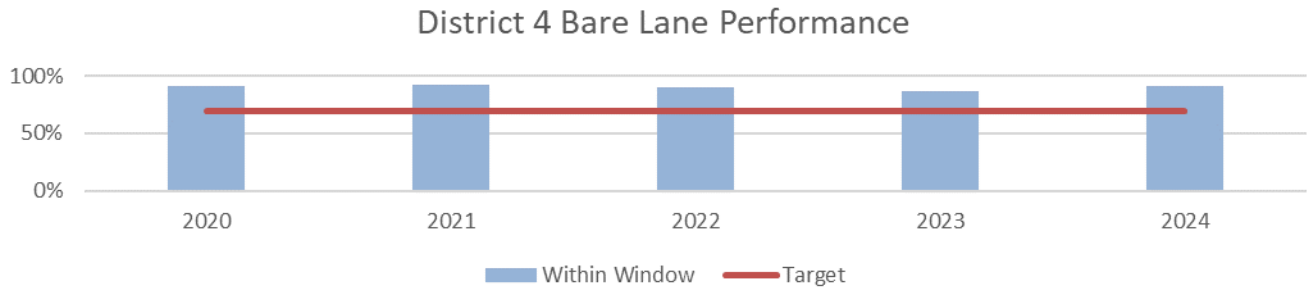




Bridge condition is measured by the percentage of bridge deck area in poor condition. State highway bridges are inspected at least every two years. Bridges rated in poor condition are safe to drive on but are near the point where significant investment in repair or replacement is needed. Bridge condition is projected to significantly worsen beyond 2028.



After a snow or ice event, MnDOT returns roads to an acceptable driving condition. This is described as the “time to bare lane”. MnDOT sets an objective window for time to bare lane which varies by the amount of traffic on the road. MnDOT’s strives to meet the objective for each roadway 70 percent of the time during the winter season.



Counties	Supports
Anoka Carver Chisago Dakota Hennepin Ramsey Scott Washington	• 3,207,193 people (57% of state population, 2023 estimate) • 3,237 sq. miles of land area (4% of state land area) • 1,081 centerline miles of state, U.S., and interstate highways (9% of state centerline miles) • 4,062 lane miles of state, U.S., and interstate highways (14% of state lane miles) • 1,450 bridges 10 ft or greater (30% of state bridges) • 646 miles of rail line (14% of state rail line miles) • 10 public airports (8% of state airports) including the Minneapolis/St. Paul International Airport • 5 public Class 1 rest areas (10% of state rest areas) **Resources in FY 2023** • 1,344 full-time employees • 3 regional offices and the Regional Transportation Management Center (RTMC) • 216 snow removal trucks

SERVICES PROVIDED

Located in eastern Minnesota, MnDOT's Metro District maintains a multimodal transportation system that includes state, federal, and interstate highways and roads within the eight-county Twin Cities metropolitan area. There are 84 state-aid eligible municipalities (population of 5,000 or greater) in the Metro District, along with the state's largest metropolitan planning organization (MPO), the Metropolitan Council. Minnesota's two largest cities, Minneapolis and St. Paul, are located within Metro District.

Major industries in the Metro District include business services, information technology, insurance, printing and publishing services, and medical devices. Metro District includes many universities, colleges, hospitals, and Fortune-500 company headquarters.

In coordination with cities, counties, MPOs, and consultants, the Metro District team plans, designs, constructs, and maintains highway systems. Metro District staff manage the aid and assistance given to regional, county, and city systems that qualify for state and federal dollars. MnDOT provides support for multimodal transportation in Metro District, including transit, rail, bicycle, and pedestrian systems.

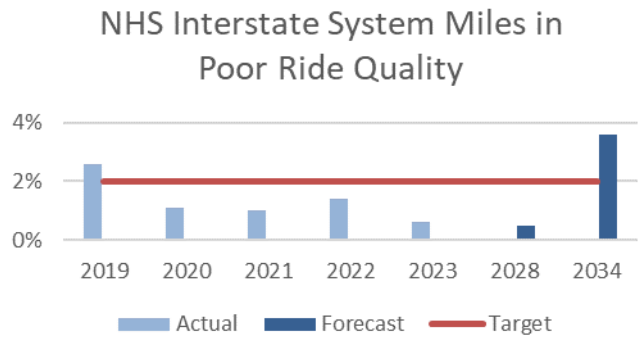
As commerce and the population grow in the Twin Cities, so does traffic congestion. Metro District manages congestion by operating the Regional Transportation Management Center (RTMC). The RTMC uses technologies and programs to benefit commuters in the Twin Cities metro area. These initiatives include ramp meters, traffic informational website 511 MN (http://511mn.org), dynamic message signs, the E-ZPASS system, and the Freeway Incident Response Safety Team (FIRST) program.

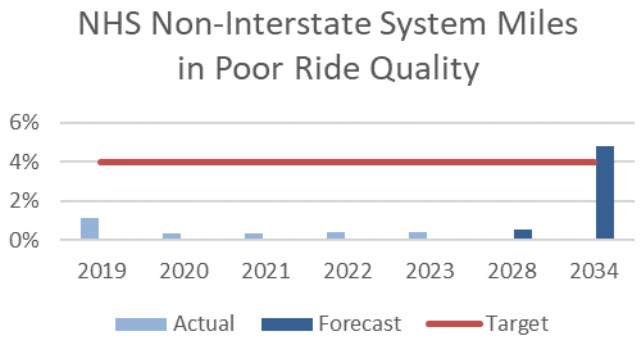
Metro District averages 68 construction projects annually, costing approximately $226 million per year. This district accounts for about 22 percent of state construction project spending annually.

PERFORMANCE INDICATORS

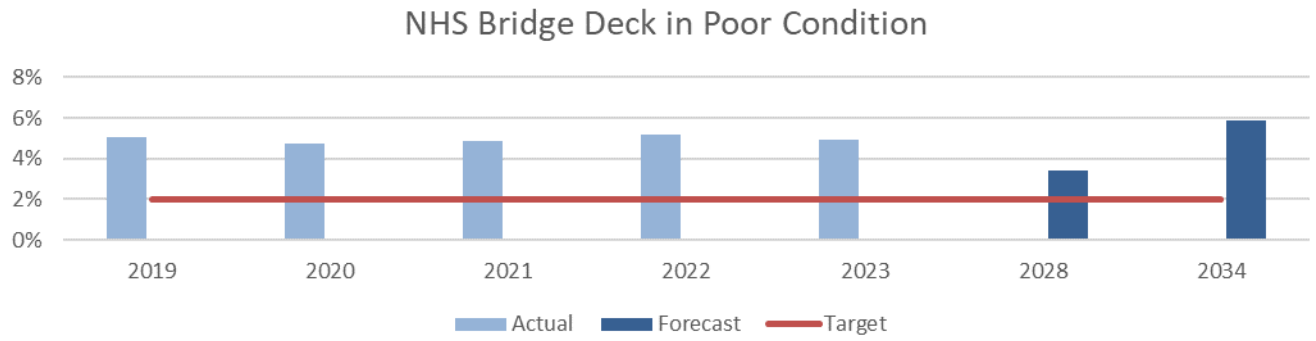
MnDOT tracks the performance of the Trunk Highway system with a number of different measures, many of which are published on the transportation performance website (https://performance.minnesotago.org/).

MnDOT prioritizes infrastructure improvements on National Highway System (NHS) routes. This approach allows MnDOT to comply with federal law and manage risks related to statewide travel. Pavement condition is measured by the percentage of miles of highway in poor condition. Poor ride quality can range from uneven surfaces to cracks in the road. The percentage in poor condition is estimated to significantly increase after 2028.

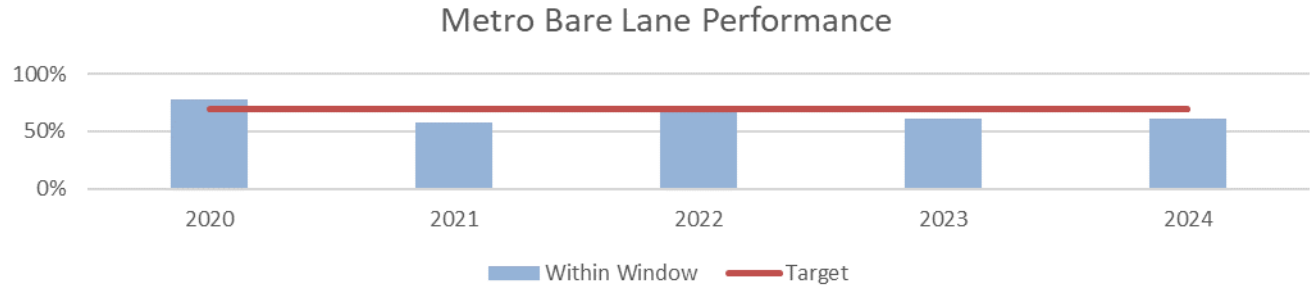




Bridge condition is measured by the percentage of bridge deck area in poor condition. State highway bridges are inspected at least every two years. Bridges rated in poor condition are safe to drive on but are near the point where significant investment in repair or replacement is needed. The percentage in poor condition is estimated to increase after 2028.



After a snow or ice event, MnDOT returns roads to an acceptable driving condition. This is described as the “time to bare lane”. MnDOT sets an objective window for time to bare lane which varies by the amount of traffic on the road. MnDOT’s strives to meet the objective for each roadway 70 percent of the time during the winter season.



Counties	Supports
Dodge Fillmore Freeborn Goodhue Houston Mower Olmsted Rice Steele Wabasha Winona	• 520,313 people (9% of state population, 2023 estimate) • 6,801 sq. miles of land area (9% of state land area) • 1,436 centerline miles of state, U.S., and interstate highways (12% of state centerline miles) • 3,755 lane miles of state, U.S., and interstate highways (13% of state lane miles) • 867 bridges 10 ft or greater (18% of state bridges) • 435 miles of rail line (10% of state rail line miles) • 11 public airports (8% of state airports) • 12 public Class 1 rest areas (24% of state rest areas) **Resources in FY 2023** • 432 full-time employees • 3 regional offices • 103 snow removal trucks

SERVICES PROVIDED

District 6 is in southeastern Minnesota. It has three regional offices located in Rochester, Owatonna, and Winona, which are also regional trade centers. Major industries in the district include education and knowledge creation, food and livestock processing, and footwear. Rochester, the state's third most populous city, is also home to internationally renowned medical care and testing facilities. Besides Rochester, there are five other communities with more than 20,000 people. There are 23 truck stations located in District 6, including three which are at regional offices. The district borders Wisconsin and Iowa in the east and south.

Over the next 10 years, most projects in District 6 will address pavement and bridge conditions. The district will also address roadside infrastructure (signage, culverts, guardrail, and lighting), safety improvements, pedestrian infrastructure that does not comply with the Americans with Disabilities Act, and bicycle infrastructure.

District 6 averaged 31 construction projects annually, costing approximately $114 million per year. This district accounts for about 11 percent of state construction project spending annually.

PERFORMANCE INDICATORS

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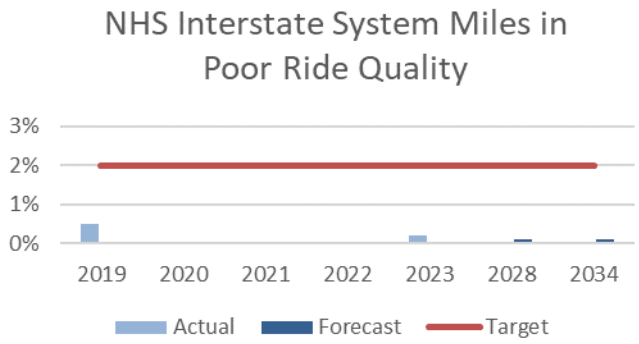
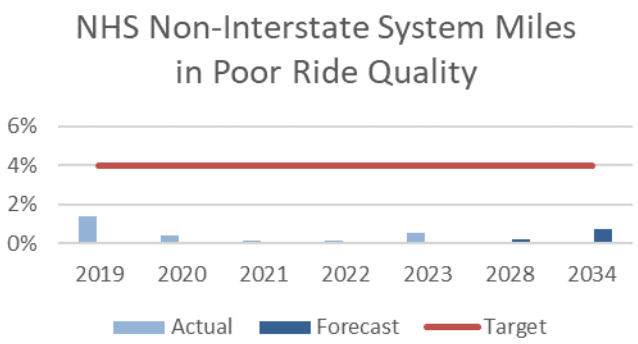
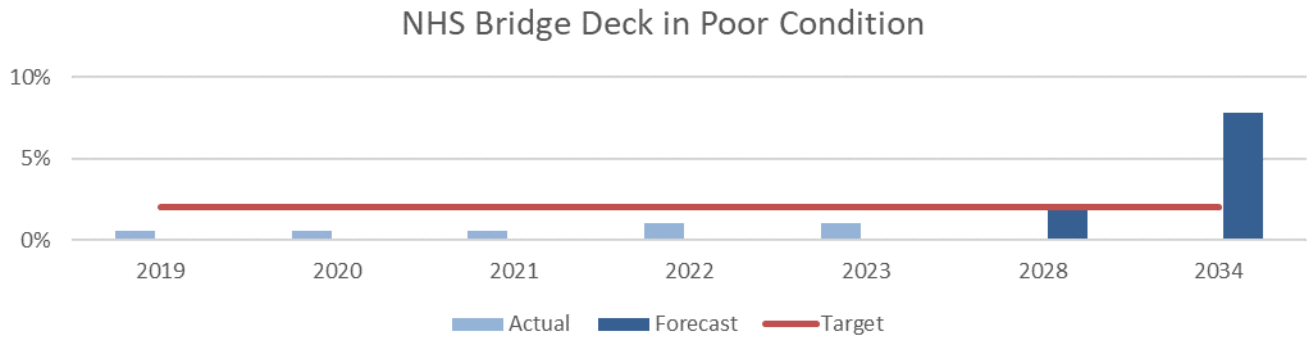




Bridge condition is measured by the percentage of bridge deck area in poor condition. State highway bridges are inspected at least every two years. Bridges rated in poor condition are safe to drive on but are near the point where significant investment in repair or replacement is needed. Bridge conditions are forecasted to significantly worsen after 2028.



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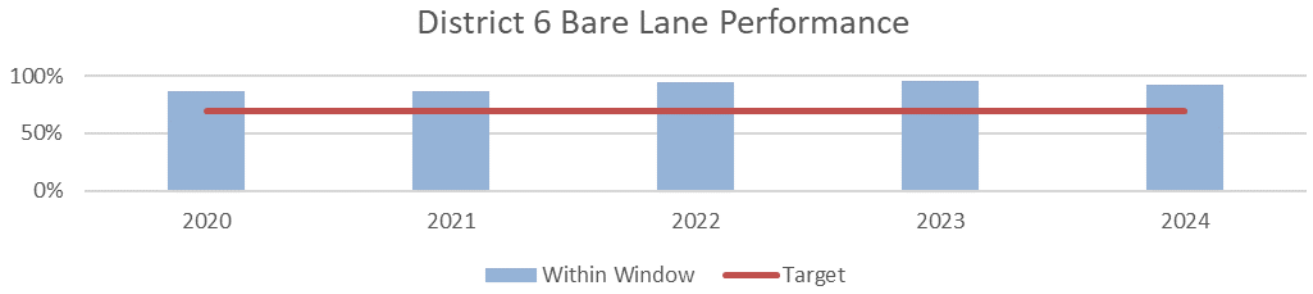

District 7

Counties	Supports
Blue Earth Brown Cottonwood Faribault Jackson Le Sueur Martin Nicollet Nobles Rock Sibley Waseca Watonwan	• 290,180 people (5% of state population, 2023 estimate) • 7,680 sq. miles of land area (10% of state land area) • 1,269 centerline miles of state, U.S., and interstate highways (11% of state centerline miles) • 3,233 lane miles of state, U.S., and interstate highways (11% of state lane miles) • 475 bridges 10 ft or greater (10% of state bridges) • 506 miles of rail line (11% of state rail line miles) • 14 public airports (11% of state airports) • 10 public Class 1 rest areas (20% of state rest areas) **Resources in FY 2023** • 350 full-time employees • 2 regional offices • 83 snow removal trucks

SERVICES PROVIDED

District 7 comprises of 13 counties in south central Minnesota. District 7 staff plan, design, and maintain the state and federal highway system. They also provide aid and assistance to cities and counties using state and federal dollars. Through partnerships with local governments, planning agencies, and the public, District 7 provides a coordinated transportation system that meets the needs of the many communities it serves.

Minnesota is recognized nationally for pork production. While there are hog farming operations throughout Minnesota, the majority are located within District 7. Crop farming and production are also prominent in this district. District 7 is home to important freight corridors such as US Hwy 169, Interstate 90, Minnesota Hwy 60, and US Hwy 14.

Maintaining farm-to-market roads through Minnesota's varying seasons is of great importance. In addition to the winter weather, flooding roads and mud slides present a challenge to District 7. There is also a growing need for urban reconstruction projects throughout District 7. These projects will help District 7 keep making progress towards achieving Americans with Disabilities Act (ADA) compliance on its sidewalk and curb ramps.

District 7 averages 24 construction projects annually, costing approximately $161 million per year. This district accounts for about 16 percent of state construction project spending annually.

PERFORMANCE INDICATORS

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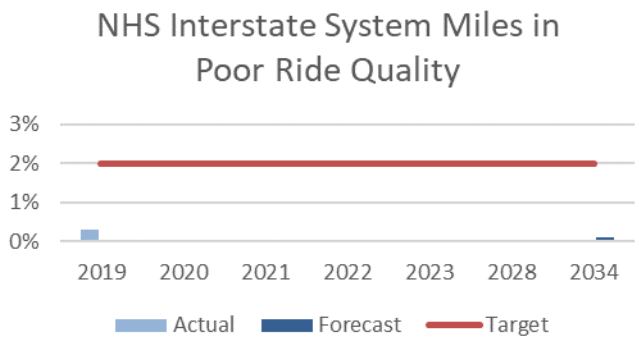

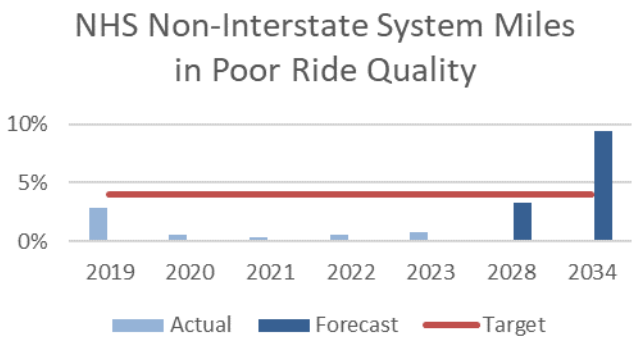

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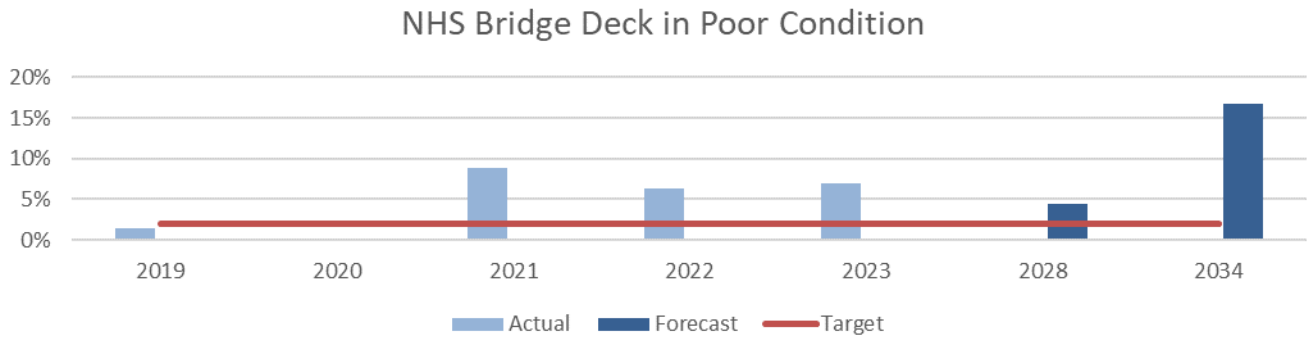

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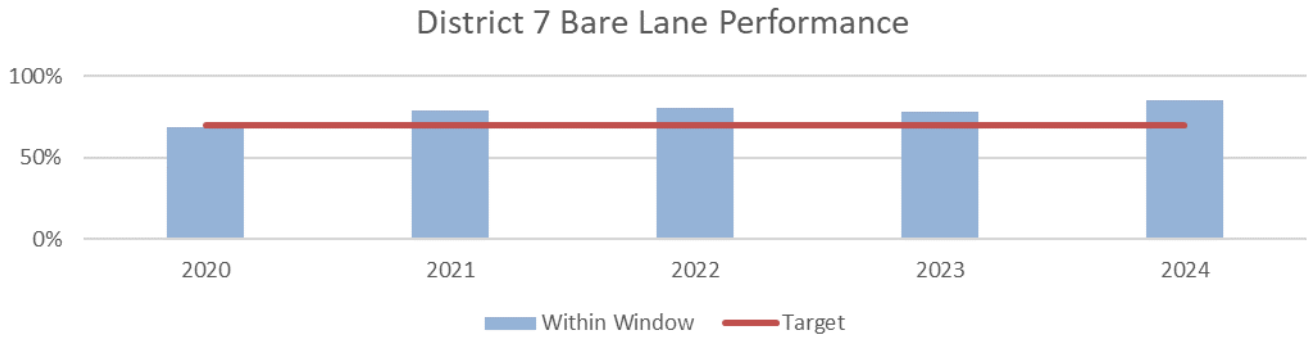

Counties	Supports
Chippewa Kandiyohi Lac qui Parle Lincoln Lyon McLeod Meeker Murray Pipestone Redwood Renville Yellow Medicine	• 210,651 people (4% of state population, 2023 estimate) • 8,305 sq. miles of land area (10% of state land area) • 1,406 centerline miles of state, U.S., and interstate highways (12% of state centerline miles) • 2,933 lane miles of state, U.S., and interstate highways (10% of state lane miles) • 353 bridges 10 ft or greater (7% of state bridges) • 474 miles of rail line (10% of state rail line miles) • 17 public airports (13% of state airports) **Resources in FY 2023** • 236 full-time employees • 3 regional offices • 49 snow removal trucks

SERVICES PROVIDED

District 8 covers 12 counties in the southwest portion of the state and is home to seven cities with a population over 5,000. These cities include Willmar, where District 8 is headquartered, along with Marshall and Hutchinson, which are home to additional MnDOT offices. There is a strong manufacturing presence in District 8 and several major corridors, such as Hwy 23 and 212, which are vital to freight movement cross the district. The district is diverse and has several traditionally underserved populations, including the Upper and Lower Sioux Communities as well as Hispanic, Somali, and Karen communities living throughout the district.

District 8 staff operate and maintain the state highway system in southwest Minnesota. District 8 staff also manage the financial aid and technical assistance given to county and city systems that qualify for state and federal dollars. The top priorities for the District 8 construction program are preserving the existing system, making cost-effective safety improvements, constructing two 4-lane segments of Highway 23 (the “north gap” and “south gap” on either side of the Paynesville bypass), and enhancing accessibility for all modes of transportation.

Agriculture is a large industry in the district, including soybeans, corn, and sugar beets. MnDOT is using technology to increase the use of salt brine and slurries to improve winter snow plowing operations. For example, District 8 has partnered with the sugar beet industry to use beet slurry to treat snow and ice on roadways. This partnership is a win for the environment, the sugar beet industry, and the state, as it reduces expensive salt usage and works better in temperatures where salt is ineffective in certain applications.

Food processing and manufacturing are other major economic generators in District 8. Several large dairies have been developed in the counties west of Willmar. This type of operation adds significant heavy commercial and milk tanker trucks to the highway system.

District 8 averages 17 construction projects annually, costing approximately $79 million per year. This district accounts for about 8 percent of state construction project spending annually.

PERFORMANCE INDICATORS

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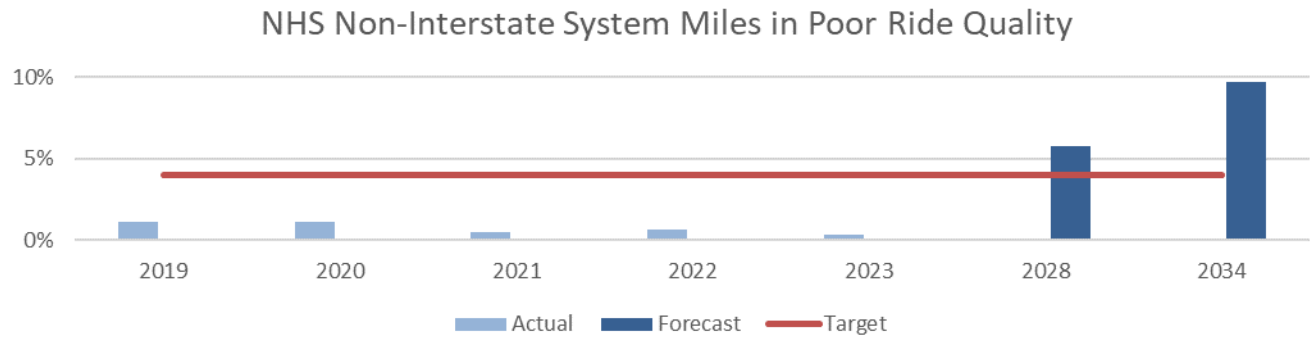
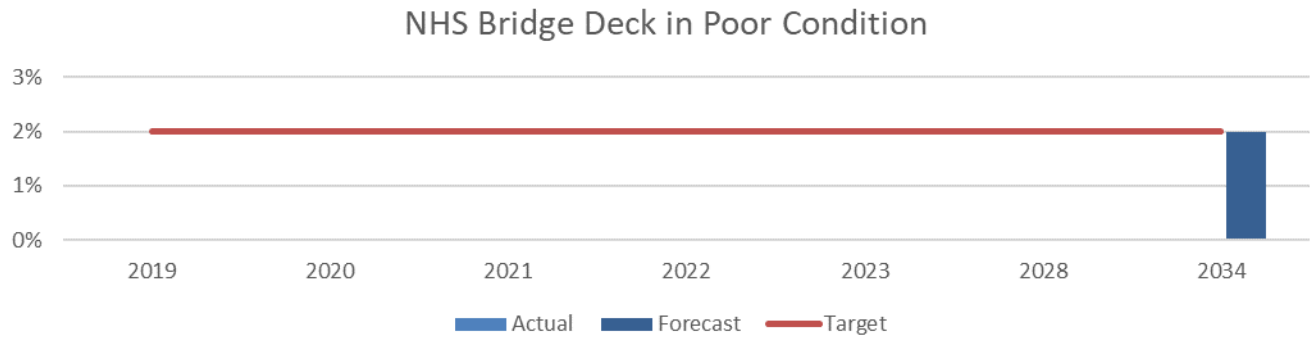


Bridge condition is measured by the percentage of bridge deck area in poor condition. State highway bridges are inspected at least every two years. Bridges rated in poor condition are safe to drive on but are near the point where significant investment in repair or replacement is needed. In District 8, there is currently no bridge deck in poor condition, but this figure is expected to increase by 2034.



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