

# **Area Transportation Partnership 7 (ATP 7)**

Draft Minutes of December 11, 2020 Meeting – MnDOT, Mankato (via Skype)

**Members Present:** Jack Kolars, Troy Nemmers, Ronda Allis, Seth Greenwood, Greg Ous, Ryan Thilges, Nick Klisch, Peter Harff, Jeff Johnson, Mike Kuhle, Patrick La Course, Robert Goblirsch, Matt Widboom, Lisa Bigham

**Members Absent:** Don Wachal, Craig Rempp

**Others Present:** Sam Parker, Angie Piltaver, Angelica Tejada, Debra Yates, Charles Androsky, Melinda Estey, Rebecca Arndt, Anna Pierce, Rosemary Bruce-White, Shawn Schloesser, Joel Hanif, Cathleen Amick, Dan Sarff, Nate Willey, Chuck Ackman (for Sen. Amy Klobuchar)

**Legislative attendees:** Representative Paul Torkelson

## **Welcome, introductions, and opening business (Jack Kolars)**

- The September 11, 2020 minutes were approved (handout)
- Sam Parker stated the TA and STP solicitations is open; deadline is Jan. 8, 2021

## **STP – Small Urban – subcommittee update (Lisa Bigham)**

Lisa Bigham stated the subcommittee may consider adding more participants for the STP-Small Urban selection process. Currently two city engineers (Troy Nemmers, Jeff Johnson), the MnDOT State Aid Engineer (Lisa Bigham) and Mike Kuhle are on the subcommittee.

Jeff Johnson asked whether members of the subcommittee need to be members of the committee.

Ronda indicated the ATP Operating Procedures may allow for others.

Greg stated we will get subcommittee input on increasing participation. If the subcommittee recommends including all state aid city engineers for this solicitation, the proposal will be sent to the full ATP, most likely by email since the subcommittee will be reviewing projects before the ATP reconvenes in March. This will allow use of the new subcommittee for the current solicitation. Otherwise, changes could be considered and possibly implemented for next year along with clarifications in the Operating Procedures.

## **STIP amendments (Deb Yates/handout)**

Deb shared that the 2021 – 2024 STIP was approved and we are now operating under that STIP. The guidance for amending the STIP has been updated. She then reviewed the six total amendments with the ATP members. Two are MnDOT amendments. The others are for projects in Watonwan County, Blue Earth County, Waseca County and Faribault County.

### **Transportation Alternatives LOIs (Sam Parker)**

Sam Parker shared that we received five LOIs for FY25. These are from Eagle Lake, Windom, Jackson, Luverne, and Mankato; not all LOIs received are expected to move to a full application. The LOI process is optional, so there may be other applications. The deadline can be missed, and a full application can still be submitted. Deadline is Jan. 8, 2021.

### **STIP funding guidance (Ronda Allis)**

Ronda Allis stated that we are working under 2021-2024 STIP, and are now beginning the process to prepare the 2022 – 2025 STIP. She indicated that for the next STIP, the ATP-Managed Targets have not changed. Ronda indicated that this was not due to the US14 4-lane expansion project.

Ronda also indicated that for the District Funding Targets, there are no changes for FY2022 – 2024. Current target is about \$88.2 million. The new target for FY22 includes \$10 million extra, though, which is the grant match for the US14 4-lane project.

Ronda stated that in the new guidance for FY 2025, the original CHIP guidance last year of \$75.62 million has been reduced to \$62.5 million. Reductions in revenues due to COVID-19 and lack of a new Federal Surface Transportation Bill led to this reduction. If a new Surface Transportation Bill includes new/additional funds, and/or if the state revenue projects improve, there could still be changes to the target in the future. We have FLEX and shelf projects that can be moved up and into the STIP if this occurs.

### **Highway 14 funding (Peter Harff)**

Peter Harff provided information and a status update of the project. Peter stated that the project will mostly be on the same alignment with a bypass of Courtland. Interchanges planned at CR37 and CR12. Currently working on getting Municipal consent from Courtland city officials, negotiating with landowners for needed right-of-way and preparing the plans. Letting is scheduled for late Fall 2021 (November if possible), with construction starting in Spring 2022 and ending Fall 2023, weather depending.

Peter indicated the total cost will be \$86.5 million, and the TIFIA loan that is part of the funding package adds \$6.2 million over 35 years for financing costs at a favorable 0.805% interest rate. The breakdown of funding includes TIFIA loan at about \$40.9M, BUILD Grant at \$22M, State match at \$10M, Non-SRC funds at \$4M, District 7 STIP funds at \$6.1M and Nicollet County funds at \$3.5M.

Peter stated that this is the first time that MnDOT has ever used TIFIA funds and that the Legislature did some work to enable it. He stated that eligible costs are evolving, but the funding will be approximately \$41 million.

Greg thanked the Legislature, Peter, the project team and MnDOT Central Office for making the TIFIA loan program a funding resource. Jack thanked Rep. Torkelson for his work on behalf of the project.

### **MnDOT funding and bonding update**

Peter reviewed transportation funding sources, showing the changes in state revenue forecasts due to COVID. He shared that the projections have improved, but the state still will have \$244M less than prior to the pandemic largely due to losses in gas tax revenue. Future projections include a short-term rise in gas tax revenue, but long-term decreases as auto fuel efficiency improves.

Peter shared that the bonding bill that was approved includes money for Henderson area flood mitigation. This includes \$23M to MnDOT for the grade raise on Hwy 93; \$1.8M of General Obligation bonds to the City of Henderson; \$14M for the CSAH-6 grade raise to Sibley County; and funds for work on Hwy 19 where it crosses the project area.

Other notable amounts in the bonding bill that Peter shared include: \$84M to replace State Road Construction (SRC) revenues, of which District 7 will get a portion; \$75M for the Local Road Improvement Program; \$30M for local bridge replacement and rehabilitation; and \$2.9M for TEDI.

### **Transportation Updates**

- Transit:
  - Patrick LaCourse with Brown Co. Heartland Express stated he found out on Wednesday that rural transit would be fully funded from March 1 through the end of December 2021, with no local match needed. Rural transit will be protected at least through the end of 2021.
  - He also noted that Brown County hasn't had requests for food deliveries. They are running at about 40% capacity right now but are hopeful that the COVID-19 vaccine will improve ridership. They are fare free through the end of the year, but the County Commissioners will talk next week about fares for next year.
- MAPO:
  - Paul Vogel summarized the 2020 efforts, including completion of the LRTP update (2-yr project) with MAPO policy board approval in November; completion of two Intersection Control Evaluations (ICE); completion of the Warren Street Corridor Study; continuation of the US169 Corridor Study; and completion of the RTCC Phase 1 Planning Process (awaiting a host agency partner to be established prior to commencing Phase 2).
  - Charles Androsky summarized the upcoming (2021) efforts, including the upcoming engagement efforts for the US169 Corridor Study; Lookout

Drive/CSAH 13 Corridor Study; 2<sup>nd</sup> Street Corridor Study; Hwy. 14 Pedestrian Bridge Study; and a standard ICE for CSAH 16/60.

- Regional Development Commissions
  - SRDC: Rosemary Bruce White shared that they received five TA LOIs (three for D7 and two for D8); they are working on two SRTS planning efforts (one in D7); they have received one application from D7 for the next round of SRTS; that the RTCC process had been postponed due to UCAP focusing on services during the pandemic, but is now beginning to move forward again; and that they have demonstration projects underway.
  - RNDC: Shawn Schloesser shared that they are encouraging outreach for the Statewide Multimodal Transportation Plan, and that the Office of Transit and Active Transportation is working with them to update the RTCC Planning Process to ensure it moves forward. He also shared that RNDC is working with the City of Mapleton on their SRTS planning efforts for their future school.

### **Legislative Updates**

Representative Paul Torkelson provided an update. He stated that the recent revenue forecast change was good news. It wasn't the number the Legislature thought, but the Governor built the budget based on the latest numbers. Accessing sales tax dollars in a larger way right now, which is built into the budget.

He also shared that the bigger picture concern is transit since the numbers are down, including in the Metro. Northstar Commuter Rail is losing a lot of money. They had previously gotten some significant federal assistance, but that might be coming to an end soon.

Chuck Ackman from Sen. Klobuchar's office praised the BUILD grant win as an important part of the US14 4-lane project. He confirmed there is not yet a new Surface Transportation Bill, but a lot has been backlogged at the federal level due to working on COVID aid packages and other issues. He shared that Senator Klobuchar's office held virtual engagement events with various communities and attended the US169/41 overpass ribbon-cutting in person.

### **Adjournment**

- Greg Ous thanked Legislators, ATP members, and MnDOT staff for their work on ATP-7; thanked Matt Widboom for his service on ATP-7, wishing him well in future endeavors; and thanked Jack Kolars and Mike Kuhle for their leadership on the ATP.
- Jack Kolars adjourned the meeting.

### **Next Meeting**

The next meeting is scheduled for March 12, 2021