Highway and Freight
Investment Direction and Plan
Revenue and Investment Summary

TAC Funding and Programming
November 16, 2017
Today’s Topics-Highway and Freight Plan

• Quick recap of current plan
• Updated Revenue Forecast
• Changes to Highway Investments
What Feedback are We Looking for Today?

• Questions or clarifications about proposed changes to investments
• Questions or clarifications concerning forecasted revenues
• Outstanding issues that are not proposed to change
• Future work program items (things we need to study)
The Current Plan
Refresher
Highway Investment Philosophy

1. Priority is to operate, maintain and preserve the existing highway system
2. Preservation projects can be a catalyst for including other investments (i.e., safety and mobility improvements)
3. Prioritize today’s problems over forecasted problems
4. Existing infrastructure and right-of-way should be utilized to the maximum extent possible
Highway Investment Philosophy

5. Focus on lower cost/higher benefit solutions (e.g., 80% of the benefit at 50% of the cost)

6. Coordinate the timing of projects with local governments to achieve cost effective results with minimum disruption

7. Where mobility needs are identified, **explore in order:**
   - Traffic management technologies
   - Lower cost/high benefit spot mobility improvements
   - MnPASS lanes/managed lanes
   - Strategic capacity investments
Current Plan Outlook

- Large bridge bubble for Metro 10+ years out
- Continuing to meet pavement and bridge targets will require an increased percentage of MnDOT Metro District’s resources
- $0 available for mobility after 2023
- 2017 session provided short-term ability for limited investments
Highway Revenue Update
Highway Revenue Assumptions

- Uses MPO boundary, 2015-2040 timeframe
- MnSHIP is basis for MnDOT revenues
  - Includes FAST Act Freight program funding ($23m/yr)
  - Pavement & Bridge preservation targets drive investment
  - Mobility dollars available until 2023
- Includes new 2017 funding increase from Legislature including Corridors of Commerce
- Specific New Corridors of Commerce and Transportation and Economic Development Program (TED) projects not known at this time, but will be included in TPP
Highway Revenue Assumptions

• Local road revenue basis is State Auditor data
• Includes new/increased/shifted county sales tax and registration tax revenues for roads (Anoka, Carver, Dakota, Ramsey, Scott, Washington) since 2015
• Estimates for Sherburne & Wright counties urbanized area
2017 Legislation, New MnDOT $

• Spending occurs 2018-2022
• Corridors of Commerce: 50% metro = $200 M
• Base funding increase: metro receives 42% of $1.0 B or $423 M
  – 2/3 of funding will go to preservation needs such as pavement, bridges, storm water, construction mitigation, signs, fencing, lighting, and noise walls
  – 1/3 of funding will go mobility such as MnDOT's contribution to interchanges, main street projects, & CMSP
Highway Revenue Changes

• Current Plan $53 B: Increases to $55 B in TPP Update
• Changes from current TPP:
  – FAST Act
  – Include urbanized area of Wright & Sherburne, + $1.2 B (all agencies)
  – 2017 Legislature new $ and Corridors for Commerce to MnDOT, + $623 M
  – 2015-2017 MnDOT revenue includes beyond planned investment “August Redistributions”, one-time investments from MN Legislature
  – MnDOT Operations and Project Deliver Costs now fully accounted for, +$1.6 B
  – Local revenues inflation at 2%, was 2.5%, - $3.2 B
  – County sales and registration tax increases, + $880 M
### Inflation Impact

**Example: MnDOT Capital**

<table>
<thead>
<tr>
<th>Inflation Assumptions</th>
<th>2040 Results</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>Costs</td>
</tr>
<tr>
<td>Operations</td>
<td>2%</td>
</tr>
<tr>
<td>Capital</td>
<td>2%</td>
</tr>
</tbody>
</table>
Highway Investment Changes
## How Will We Get There?

*MnDOT Metro Area Highway Investment Summary 2018 TPP Update*

<table>
<thead>
<tr>
<th></th>
<th>Operations and Maint.</th>
<th>Program Delivery</th>
<th>Rebuild and Replace</th>
<th>Safety / Bicycle Ped.</th>
<th>Mobility</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Revenue Scenario 2015-2040</strong></td>
<td>$2.0 billion</td>
<td>$900 million</td>
<td>$6.9 billion</td>
<td>$700 million</td>
<td>$700 million</td>
<td>$11.2 billion</td>
</tr>
<tr>
<td></td>
<td>$2.9 billion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$14.3 billion</td>
</tr>
<tr>
<td><strong>Increased Revenue Scenario 2015-2040</strong></td>
<td>+ $1.0 billion</td>
<td>+ $700 million</td>
<td>+ $2/$2.5 billion</td>
<td>+ $600 million</td>
<td>+ $4/$5 billion</td>
<td>+ $8/$10 billion</td>
</tr>
</tbody>
</table>
Expected Changes
*Update Informed by Studies*

- Principal Arterial Intersection Conversion Study
- Congestion Management Safety Plan 4
- MnPASS III
- Highway Truck Corridors Study
- County Arterial Preservation Study
Principal Arterial Intersection Conversion Study

• 34 high priority intersections for grade separation

• Current Revenue
  – TH10/Fairoak Av
  – TH252/66th & 70th Av
  – TH169/Scott CR 14
  – TH36/Manning Av

• Increased Revenue
  – Remaining high priorities
Congestion Management Safety Plan 4 Study

- 2015 TIP projects
- Current Revenue: $40 M
- Increased Revenue: 10 year payback or better, $101 M
MnPASS III Study

Changes since 2015 TPP:
• I-35E North constructed
• I-35W South under construction

Current Revenue Scenario:
• $100 M I-35W North
• $100 M I-94 Central

Increased Revenue Scenario:
• Tier II (TH36, I35W, TH252, I494)
• Tier III corridors
Highway Truck Corridors Study

• Regional Investment
  – Highway project selection criteria for Regional Solicitation
  – Guidance to local investments
  – Guidance to federal and state funding programs
## 2019-2022 MnDOT Freight Awards

<table>
<thead>
<tr>
<th>Project</th>
<th>Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSAH 70 Expansion</td>
<td>$7,000,000</td>
</tr>
<tr>
<td>Concord Street Improvements</td>
<td>$7,560,000</td>
</tr>
<tr>
<td>CSAH 83 Reconstruction</td>
<td>$594,000</td>
</tr>
<tr>
<td>US 212 Freight Bottleneck Improvements</td>
<td>$15,000,000</td>
</tr>
<tr>
<td>Hwy 10/169 Safety and Mobility Improvements</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>TH 13 Port Access and Mobility Project</td>
<td>$15,000,000</td>
</tr>
<tr>
<td>TH 252 Interchange at 66th Ave</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Downtown Chaska Hwy 41 Improvements</td>
<td>$4,000,000</td>
</tr>
</tbody>
</table>

**Total**  $79,154,000
## Regional Solicitation Funding

### 2018-2021 Roadway Awards

<table>
<thead>
<tr>
<th>Current Revenue Scenario</th>
<th>2020</th>
<th>2015-2040 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridges</td>
<td>$5 M</td>
<td>$150 M</td>
</tr>
<tr>
<td>Roadway Expansion</td>
<td>$22 M</td>
<td>$670 M</td>
</tr>
<tr>
<td>Roadway Modernization</td>
<td>$22 M</td>
<td>$670 M</td>
</tr>
<tr>
<td>Roadway System Management</td>
<td>$3 M</td>
<td>$90 M</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$52 M</strong></td>
<td><strong>$1.6 B</strong></td>
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Congestion Management Process (CMP)

- Executive Summary in TPP
- Stand-alone document will be created in 2018
- Congestion Management Process Advisory Group will provide input
Work Program Items: Highway Studies

• System-to-System Interchanges
• Congestion Management Process (CMP)
• Connected and Autonomous Vehicles
• Others?
Work Program Items: Freight

• Develop process for coordinating truck counts on key truck corridors
• Investigate application of new and emerging technologies
• Others?
Thank you

Questions?

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