

**Northeast Minnesota Area Transportation Partnership  
Steering Committee Meeting  
October 12, 2006  
Hampton Inn  
310 Canal Park Drive – Duluth, MN**

**Members Present**

Cindy Voigt  
John Foschi  
Marcus Hall  
Wayne Olson  
Walter Leu  
Doug Grindall  
David Salo  
John Welle  
Rick Goutermont  
John Suihkonen  
Chuck Schmit

**Representing**

City of Duluth  
MIC  
St. Louis County  
Carlton County  
Mn/DOT  
Koochiching County  
Cities > 5000  
Aitkin County  
Lake County  
Cities > 5000  
Cook County

**Others Present**

Bryan Anderson  
Ben VanTassel  
James Gittemeier  
Alan Goodman  
Ron Chicka  
John Minor  
Denny Johnson  
Gus Peterson

**Representing**

ARDC  
ARDC  
MIC  
Lake County  
MIC  
Mn/DOT  
Mn/DOT  
Mn/DOT

**Call to Order**

Chair David Salo called the meeting to order at 10:03 a.m. and introductions were made.

**Minutes of the June 26, 2006 Meeting**

Motion by Marcus Hall, second by Walter Leu, to approve the minutes. Motion passed.

## **2006 – 2007 Program Status**

Walter Leu reviewed the status of the 2006 & 2007 local programs and Gus Peterson reviewed the 2007 Mn/DOT program. Walter indicated that all FY 2006 local projects had been authorized and are proceeding to letting. Walt said that higher bid prices will likely mean projects will be capped at the time of letting thereby making the project proposers responsible for all cost overruns. He indicated there still may be an uncompleted railroad agreement involving the three crossing projects in the City of Cook. Gus indicated that was indeed the case, but the project had been authorized.

Gus Peterson then indicated that Mn/DOT had let nine projects to date totaling nearly \$40 million including nearly \$13 million in Advance Construction (AC) payback. He said the majority of Mn/DOT's fiscal year 2007 program had already been let and was under contract. He then reviewed the Mn/DOT Set – Asides and expressed concern at the number of supplemental agreements and cost overruns that had been processed to date.

## **2007 – 2009 STIP**

Denny Johnson said that all of the local and Mn/DOT projects submitted in the ATP's ATIP had been funded for fiscal years 2007 – 2009. Walt said there were 37 local projects included in the STIP for 2007. He reviewed that list of projects with the proposers that were in attendance to assure that they indeed were planning to deliver them in that timeframe.

## **2008 – 2011 ATIP**

Denny Johnson led the discussion related to development of the 2008 – 2011 ATIP.

- ***Process/Schedule*** – The process schedule will remain essentially the same as in past years except that the STIP will now contain four years of projects rather than the customary three. The deadline for submitting 2011 federal – aid project candidates will be December 15<sup>th</sup> for both the MIC and the rural areas. The ATP had approved an illustrative 2010 program last spring so essentially the solicitation done this year will be for 2011 projects only.
- ***Enhancements Process*** – Bryan Anderson said the enhancement project solicitation process is underway and the pre – applications are due on 11/3/2006. He said the Enhancement Workshop held in Virginia this year was poorly attended and that it would likely be held in Duluth next year. Walter said that consideration may have to be given to raising the \$400,000 federal cap currently in place for enhancements due to escalating costs. Wayne Olson said these rising costs may make it difficult for a county to cover the additional costs on other local enhancement projects they sponsor. Walter Leu mentioned that at some time in

the future, the ATP may have to consider using federal funds for non – routine maintenance of existing trails. Motion by Marcus Hall, second by Doug Grindall, that the ATP Work Group analyze the impact of rising construction costs on the enhancement projects included in the 2007 – 2010 program and make a recommendation to the Steering Committee regarding raising the federal cap and its associated impact to years in which projects are programmed. Motion passed.

- ***Project Cost Updates*** – Gus Peterson reviewed information regarding construction price trends. He indicated that the annual Composite Construction Cost Index had risen at an annual rate of 2.81% for the years 2000 thru 2004. From 2004 thru 2006, however, it had increased at an annual rate of 15.46%. Gus said it is unlikely this very high rate will continue forward indefinitely but will rather stabilize at these higher levels. He stressed the importance of everyone with projects in the 2007 – 2010 program to review their cost estimates to assure the numbers in the STIP are accurate. Gus said the deadline for returning the cost estimate updates would be December 15<sup>th</sup>.
- ***Investment Guidelines*** – Denny Johnson reviewed the 2008 – 2011 Investment Guidelines. The guidelines and supporting analyses now cover a four year period rather than the previous three year period.

He noted that a new category for safety projects (HSIP) had been added. It has been recommended that the ATP spend approximately \$1.5 million annually on these types of projects with two – thirds going to the local road system and one – third going to the trunk highway system. Mn/DOT is recommending that each ATP solicit HSIP projects for 2009 through 2011. Denny recommended that because this is not additional funding and that we already have a three year STIP through 2009, that the ATP not solicit specific projects at this time but keep placeholders in the program. He said that portions of Mn/DOT projects during the 2007 – 2009 timeframe were identified as being HSIP eligible, but that it would likely be difficult to get credit for this type of work beyond 2008. Stand alone safety projects and safety add-ons to preservation projects may be the only type of projects considered beyond 2008. A consultant has been hired to analyze the local and Mn/DOT systems and recommend specific HSIP project candidates by June, 2007. Ron Chicka said that some MPO's, including the MIC, are compiling data to identify safety "hot spots". Al Goodman suggested that counties may want to do a safety audit for their roads.

Marcus Hall noted that the local share of the program in terms of total dollars seems to be going down. Denny explained that is primarily due to less overmatching of federal – aid on the part of the locals. He noted that the 67% Mn/DOT road, 20% local road and 13% other category for the federal-aid investment split has been in place for a number of years and is still being followed. Wayne Olson asked if passage of the MVST Constitutional Amendment could influence the guidelines, especially as they relate to transit. Denny said that rural transit funding will likely not be significantly impacted even

if the amendment passes. The guidelines would be adjusted if significant changes in funding were realized. Motion by Rick Goutermont, second by John Suihkonen, to approve the Investment Guidelines. Motion passed with one nay vote.

### **MIC/County Team Prioritization Process**

Denny Johnson said that the ATP Work Group had discussed excluding the types of projects covered by separate investment guidelines such as transit and rail crossing safety projects from the county team prioritization process. Ron Chicka indicated the MIC plans to do that for their prioritization process this year. There was a substantial amount of discussion about the pros and cons of the proposal, and in the end no consensus was reached. The county team prioritization will remain the same as in past years; all types of projects will be ranked.

### **ATP/ATP Steering Committee Chair**

Motion by Walter Leu, second by Marcus Hall, that David Salo be reappointed as the chair of the ATP and ATP Steering Committee. Motion passed.

### **Other Business**

Bryan Anderson discussed the ATP website, [www.nemnatp.org](http://www.nemnatp.org) that is presently under construction. The website provides information about the ATP and ATP process, membership, schedule of upcoming meetings and the enhancement program. Links are also provided to the Mn/DOT District One and Mn/DOT Office of Investment Management websites as well as to the regional non – motorized trail website in NE Minnesota.

### **Next Meeting**

The next meeting of the ATP Steering Committee is scheduled for January 29, 2007, at a time and location to be determined.

### **Adjourn**

The meeting adjourned at 11:25 a.m.