

**Northeast Minnesota ATP  
Steering Committee Meeting  
Monday, June 29, 2009  
Lake Superior Conference Room  
Mn/DOT Duluth District Office**

**Members Present**

John Welle  
Mark LeBrun  
Jim Foldesi  
Ron Chicka  
Bill Parish  
Cindy Voigt  
David Salo  
Walter Leu  
Al Goodman  
Paul Bergman  
Doug Grindall  
Dave Christy  
Dennis Jensen

**Others Present**

James Gittemeier  
Ben VanTassel  
Al Goodman  
John Minor  
Rex Bordson  
Don Mohawk  
Denny Johnson  
Gus Peterson  
Lorraine Kramer

**Representing**

Aitkin County  
Pine County  
St. Louis County  
MIC  
Cook County  
City of Duluth  
Cities >5,000  
Mn/DOT  
Lake County  
Lake County  
Koochiching County  
Itasca County  
Transit

**Representing**

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

**Call to Order**

Chairman David Salo called the meeting to order at 10:00 am. Introductions were made.

**Minutes of the March 2, 2009 Meeting**

**Action Item:**

Motion by Paul Bergman, seconded by Walter Leu, to approve the minutes. Motion passed.

## **2009 Program Status**

Walter Leu reviewed the 2009 local program (handout) to report on each project's current status. The projects in red are projects that have been moved to 2010. Walter advised that total funding of local federal projects for 2009 is approximately \$41.5 million. He also mentioned that all HPP projects are now fully funded.

There was a question regarding the Duluth Aerial Lift Bridge economic stimulus project. Walt advised that \$5 million was allocated for this project and the bid came in at \$8 million (one bidder). They have now revised the scope of work and the project will be re-bid. Another project that had to be re-bid was the Mountain Iron streetscape project.

Gus Peterson reviewed the FY 2009 program status (handout). \$69.2 million was budgeted for D1 and as of May 31, 2009, we have a positive balance of approximately \$3 million. Gus advised that project adjustments will get us closer to a zero balance for FY 2009 or we will likely receive additional "equity" funding for FY 2010. An updated report will be published after the end of FY 2009 (June 30, 2009).

Al Goodman asked what types of projects are funded out of District "C" as shown in the FY 2009 program status handout. Gus explained that projects typically funded out of District "C" are projects of statewide interest such as ITS implementation or other types of work not normally dealt with at the ATP level. Walt said that these funds are taken off the top of the federal and state allocations before being distributed to the ATP's. He also said that the majority of the funds set aside are used on the trunk highway system.

## **2010 – 2013 Draft STIP Response**

Gus reviewed the 2010-2013 Draft STIP Response (handout) and advised that the ATP's total program is approximately \$250,000,000 in FY 2010. This is our largest annual program since the beginning of the ATP process and is primarily due to the infusion of over \$100 million of Chapter 152 state bonds. The program level drops back to approximately \$92 million in FY 2011 due to a \$10.1 million decrease in State TH funds and its subsequent impact on Mn/DOT's inability to fund High Priority Projects (HPP). Program totals in 2012 and 2013 are up over the \$100 million level as Mn/DOT HPP projects are once again being funded. Gus foresees no funding issues for local or transit projects. He asked the Steering Committee members to review the handout and make sure that all projects are entered accurately. The response to OIM is due in mid-July.

Gus also reviewed the FY 2010 ELLA projects (handout). If the Office of Investment Management funds any of these with FY 2009 dollars, we may be able to backfill with other projects.

One additional handout is the Illustrative Project Listing for the FY 2010-13 STIP. Illustrative projects are projects of regional significance that do not have the 30% or greater level of federal funding required to be shown in the regular STIP. If local jurisdictions have additional projects or changes to the current cost of these projects, they were requested to notify Gus before he submits the Final STIP Response. The Illustrative

Projects will be shown in the STIP as unfunded, however, jurisdictions can proceed with project development and the projects are eligible for special federal funding that may become available.

Walt also discussed ADA compliance. According to the FHWA, stand-alone ADA projects are eligible for HSIP funding and this would be an option to fund pro-active safety improvements in urban areas. It is unclear whether Mn/DOT or the FHWA will approve the use of HSIP funding for that purpose. The Steering Committee felt that Walt should further pursue this funding opportunity.

There was a lengthy discussion regarding audits on local construction projects using federal funds. Both St. Louis and Pine Counties have been audited. In the case of Pine County, the Mn/DOT auditor told them that all federal aid received for a project had to be returned due to a few minor irregularities that occurred during construction. Walt advised that on federal or local economic stimulus projects, local agencies need to be aware that the Mn/DOT contract administration manual must be followed. There was further discussion regarding project audits and the need for reasonable decisions by the auditors. Walt also suggested that consideration should be given to changing the local delegated contract process to follow State Aid contract procedures rather than Mn/DOT contract procedures.

Cindy Voigt mentioned that the Glenwood Street project (SP 118-162-13) is shown in FY 2011. She will send a note to Gus to show the project as AC funding for construction in 2010.

**Action Item:**

A motion was made by Cindy Voigt and seconded by Jim Foldesi to accept the 2010-2013 Draft STIP Response with possible further project adjustments based on feedback received from committee members. Motion passed.

**Transit Funding**

Don Mohawk reviewed the Office of Transit's ATP Funding Summary for Greater MN Transit Vehicles from 2004 thru 2012 (handout), including federal formula, federal discretionary and state bonds (District "C"). The NE MN ATP has declared transit to be a high priority and has clearly spent more STP funds for vehicle replacements than any of the other ATP's. Don said that the NE MN ATP receives the largest federal transit formula allocation in the state (\$1.3 million/year). Don said that with recent federal Economic Stimulus funding and likely statewide federal HPP and District "C" funding, the NE MN ATP will be at approximately \$1.7 million/year for 2009-2012 transit funding. Don advised that future federal HPP transit funding opportunities could allow funding transit needs thru the ATP closer to the \$1.3 million/year federal allocation target.

In FY 2010, the current level of STP funding is \$954,000, which is down substantially from the previous figure of \$3.5 million. This reduction is due to the influx of economic

stimulus funding. In FY 2011, the current allocation is \$168,000 which is also down substantially from the previous figure of \$1.1 million. This reduction results primarily from Arrowhead Transit using economic stimulus funding, different transit vehicles due to future changes in transit service and pulling their request for funding in that year.

The largest funding for buses continues to be in even numbered years (FY 2010, 2012 & 2014), as the DTA replaces 10 large buses every other year. Dennis Jensen mentioned that with the large DTA and Arrowhead Transit systems, bus ridership in northeast Minnesota is more than the ridership in all of the other Greater Minnesota ATP's combined. He also said that the poor condition of Duluth's streets has resulted in increased costs for DTA bus maintenance and repairs.

Both Walter and Denny thanked Don with appreciative comments for his efforts in looking into and finding other sources of funding for transit.

### **Next Meeting**

The next meeting of the ATP Steering Committee will be scheduled in October 2009. The date, time and location will be sent out when determined.

### **Adjourn**

Chairman David Salo adjourned the meeting at 11:30 AM.