

# Grants to Political Subdivisions

# Projects Summary (\$ in Thousands)

Project Title	2006 Agency Priority Ranking	Agency Project Request for State Funds (\$ by Session)				Governor's Recommendations 2006	Governor's Planning Estimate	
		2006	2008	2010	Total		2008	2010
Albert Lea: Three Projects	ABL-1	\$1,602	\$0	\$0	\$1,602	\$0	\$0	\$0
Agassiz Recreational Trail Bridges	AGZ-1	648	0	0	648	0	0	0
Aitkin County: Two Projects	AIT-1	2,250	0	0	2,250	0	0	0
Bemidji: Two Projects	BEM-1	3,500	14,000	0	17,500	3,000	0	0
Burnsville/Savage/EKS Water Treatment Plant	BUR-1	3,000	0	0	3,000	0	0	0
Carlton County: St. Louis River Trail	CAR-1	500	0	0	500	0	0	0
Cottage Grove: TH 10/61 Corridor Vista Enhancement	CGR-1	1,000	750	750	2,500	0	0	0
Central Range Sanitary Sewer Wastewater Treatment	CIR-1	20,000	0	0	20,000	0	0	0
Coleraine: CSAH 61, Powell Ave improvements	COL-1	515	0	0	515	0	0	0
Central MN Regional Parks & Trails: 3 Projects	CPT-1	2,860	0	0	2,860	0	0	0
City of Carlton: Water Tower Improvements	CRL-1	250	0	0	250	0	0	0
Dakota County: Seven Projects	DAK-1	30,760	1,100	16,660	48,520	0	0	0
Dayton: Land Acquisition I-94/Brockton Ln Interchange	DAY-1	1,600	0	0	1,600	0	0	0
DECC / UMD Arena (listed in Duluth requests)	DEC-1	0	0	0	0	0	0	0
Detroit Lakes: TH34 Multi-Use Trail	DET-1	4,620	0	0	4,620	0	0	0
Duluth: Six Projects	DUL-1	34,862	4,900	1,900	41,662	0	0	0
Ely: Joint Public Works Facility	ELY-1	1,400	0	0	1,400	0	0	0
East Range Sanitary Initiative	ERJ-1	350	0	0	350	0	0	0
Faribault: Four Projects	FAR-1	13,018	3,625	3,586	20,229	0	0	0
Fridley: Springbrook Nature Center (SPRING)	FRD-1	2,500	0	0	2,500	0	0	0
Gonvick: Northern Emergency Training Administration Ctr	GNV-1	2,000	0	0	2,000	0	0	0
Grand Rapids: South Side Fire Hall	GRA-1	1,111	0	0	1,111	0	0	0
Grand Rapids EDA: North Central Res & Tech Lab	GRE-1	3,000	0	0	3,000	0	0	0
Hennepin County: Three Projects	HEN-1	34,300	0	0	34,300	0	0	0
Inver Grove Hts: Heritage Village Park Development	IGH-1	8,301	0	0	8,301	0	0	0
Itasca County: Two Projects	ITA-1	56,620	37,380	0	94,000	7,000	0	0
Koochiching: Renewable Energy Clean Air Project	KOO-1	10,000	0	0	10,000	1,000	0	0
Lake County: Three Projects	LAK-1	2,987	0	0	2,987	0	0	0
Lewis and Clark Rural Water System	LUV-1	3,137	0	0	3,137	0	0	0
McLeod County Rail: Glencoe RR Congestion Mitigation	MCR-1	700	0	0	700	0	0	0
Mille Lacs County: Soo Line Memorial Trail Bridge	MLC-1	259	0	0	259	0	0	0
Minneapolis Park & Recreation Board: Three Projects	MPB-1	6,250	0	0	6,250	0	0	0
Minneapolis: Seven Projects	MPL-1	105,456	4,570	7,000	117,026	0	0	0
Morrison County: Soo Line Corridor Park N Ride	MRS-1	101	0	0	101	0	0	0
Mt. Iron: Sustainable & Renewable Energy Park	MTI-1	500	0	0	500	0	0	0
MN Valley Regional Rail: Phase IV Rehabilitation	MVR-1	4,000	0	0	4,000	0	0	0
Midway Township: Reconstruct Sanitary Sewer #1	MWY-1	600	0	0	600	0	0	0

# Grants to Political Subdivisions

# Projects Summary (\$ in Thousands)

Osseo: NW Hennepin Regional Family Svc Ctr	OSS-1	1,500	0	0	1,500	0	0	0
Palisade: Wastewater Treatment Facility mod/expans	PAL-1	199	0	0	199	0	0	0
Richfield: Two Projects	RCH-1	5,182	0	0	5,182	0	0	0
Richmond Wastewater Treatment Plant	RCM-1	3,966	0	0	3,966	0	0	0
Rochester: Three Projects	ROC-1	13,271	0	1,306	14,577	0	0	0
Roseville: John Rose MN OVAL Improvements	ROV-1	960	0	0	960	0	0	0
Ramsey RRA: Four Projects	RRR-1	63,500	5,000	10,000	78,500	0	0	0
Ramsey County: Lower Afton Trail	RSY-1	321	0	0	321	0	0	0
Red Wing: Maple St Community Arts & Recreation Ctr	RW-1	400	0	0	400	0	0	0
Scott: Regional Public Safety Training Facility	SCT-1	4,220	0	0	4,220	0	0	0
Shell Rock Watershed: Two Projects	SHL-1	790	0	0	790	0	0	0
Silver Bay: Redevelopment of Abandoned Apt Complex	SIL-1	170	0	0	170	0	0	0
St. Louis County: Three Projects	SLC-1	5,835	18,690	0	24,525	0	0	0
St Louis Park: TH7/Wooddale Ave Reconstruction	SLP-1	1,000	0	0	1,000	0	0	0
So. St Paul: Port Crosby Landfill Closure, Remediation	SSP-1	4,500	0	0	4,500	0	0	0
St. Cloud: Three Projects	STC-1	12,000	2,000	2,000	16,000	2,000	0	0
St. Michael: TH241 Adjacent Improvements	STM-1	2,605	0	0	2,605	0	0	0
St. Paul: Six Projects	STP-1	55,250	25,300	27,000	107,550	0	0	0
Thompson: Light Industrial Park	THM-1	400	0	0	400	0	0	0
Three Rivers Park District: Silver Lake	TRP-1	2,250	1,500	0	3,750	0	0	0
Virginia: Two Projects	VIR-1	1,250	2,500	2,500	6,250	0	0	0
Town of White Road/Recreation Trail Project	WHI-1	400	100	0	500	0	0	0
Winona: Shakespeare Festival Economic Dev.	WIN-1	250	10,000	0	10,250	0	0	0
Willmar: Wastewater Treatment Plant Relocation	WLM-1	4,000	5,000	1,000	10,000	0	0	0
Western Mesabi Mine: Canisteo Pit Outflow Control	WM-1	2,783	0	0	2,783	0	0	0
Wright: Regional Park Land Acquisition, Protection	WRI-1	6,000	0	0	6,000	0	0	0
Wrenshall: Water Tower Improvements	WRN-1	150	0	0	150	0	0	0
Washington RRA: Red Rock Corridor Transitway	WRR-1	1,000	2,500	87,000	90,500	0	0	0
Wild Rice Watershed District: Three Projects	WW-1	4,920	2,000	2,000	8,920	0	0	0
Southwest MN Regional Event Center	XSW-1	12,774	0	0	12,774	0	0	0
<b>Total Project Requests</b>		<b>\$576,403</b>	<b>\$140,915</b>	<b>\$162,702</b>	<b>\$880,020</b>	<b>\$13,000</b>	<b>\$0</b>	<b>\$0</b>

### Requests Received from Local Political Subdivisions

The Department of Finance received local project requests for state capital funding assistance from a variety of local political subdivisions throughout the state. The Department received requests from 66 political subdivisions on or before the November 1, 2005 statutory submission deadline.

These local requests are collectively grouped into this section of the capital budget as "Grants to Political Subdivisions." The section contains a project narrative for each political subdivision that submitted a capital budget request. One request, for the Southwest Minnesota Regional Event Center, is also included in this section. This project, which would be located on the campus of Southwest Minnesota State University, was not requested by MnSCU and therefore is included here as a local request.

In cases where a political subdivision submitted more than one request, the narrative includes the project description for each project, presented in the priority order that was determined by the local unit. The dollar amounts listed in the Projects Summary table reflect the total amount of state funding requested for all projects submitted by a political subdivision.

### Other Requests Received

Three additional local requests were received by the Department of Finance, but were forwarded to other state agencies for their information. These were requests for business development infrastructure grants, redevelopment grants and total maximum daily load grants, that were submitted as preliminary requests by the city of Moorhead on behalf of the Coalition of Greater Minnesota Cities. The department forwarded these requests to the Department of Employment and Economic Development for review.

The Department of Finance also received other local project requests after the November 1 application deadline. Those requests are not included in this document.

### Statutory Criteria for Department of Finance Review of Local Projects

The commissioner of finance must evaluate all requests from political subdivisions for state capital assistance based on the criteria contained in

M.S. § 16A.86. This evaluation follows each political subdivision's request narrative. The evaluation criteria are:

- ◆ the political subdivision has provided for local, private, and user financing for the project to the maximum extent possible;
- ◆ the project helps fulfill an important state mission;
- ◆ the project is of regional or statewide significance;
- ◆ the project will not require new or any additional state operating subsidies;
- ◆ the project will not expand the state's role in a new policy area;
- ◆ state funding for the project will not create significant inequities among local jurisdictions;
- ◆ the project will not compete with other facilities in such a manner that they lose a significant number of users to the new project;
- ◆ the governing bodies of those political subdivisions primarily benefiting from the project have passed resolutions in support of the project and have prioritized their requests when submitting multiple requests;
- ◆ the project has submitted a project predesign to the commissioner of Administration; and
- ◆ the state's share of project costs must be no more than 50% of total capital costs (except for local school projects or disaster recovery projects).

Following each political subdivision's narrative description of its capital project request(s), the Department of Finance provides a summary evaluation for these local projects, as required by M.S. 16A.86.

Local project requests are becoming more prevalent in the state capital budget process. In recent bonding bills, many local projects have received state funding based on various non-state matching requirements. These ratios have been inconsistent. The rationale for local matching requirements are several -- match requirements recognize the local benefit of such projects, allow limited state funds to extend to additional projects to the extent supplemented by local funds, require local governments to have a greater stake in the success of the project, and enable local projects to be funded at a higher level because of the infusion of state resources.

## Albert Lea: Three Projects

**2006 STATE APPROPRIATION REQUEST:** \$1,602,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Albert Lea)

**PROJECT LOCATION:** City of Albert Lea

#### Project At A Glance

The city of Albert Lea requests state funding for three capital projects (in priority order):

- ◆ \$542,500 to upgrade two storm sewer lift stations and one sanitary sewer lift station to address the problem of the city's sanitary sewer system being overloaded during periods of heavy rainfall
- ◆ \$917,150 to construct a remediation system to clean up the soil and groundwater contamination in the North Edgewater Park (the former Albert Lea Dump site)
- ◆ \$142,500 in state funding to revitalize Katherine Island by replacing the existing bridge and reconstructing the retaining wall

#### Project Description

##### Priority 1: Lift Station Upgrades

The city of Albert Lea is requesting \$542,500 in state funding to upgrade three lift stations. Albert Lea has established an Inflow and Infiltration Program to address the problem of the city sanitary sewer system being overloaded during periods of heavy rainfall. During periods of saturated soils and heavy rainfalls, the city of Albert Lea's sanitary sewer system becomes overloaded and in order to prevent wastewater from backing up into approximately 1,200 basements, the city of Albert Lea is forced to pump out the sanitary sewer system and into the city storm sewer system which eventually discharges into Albert Lea and Fountain Lakes.

In order to prevent this, the city of Albert Lea is working on upgrading two storm sewer lift stations and one sanitary sewer lift station in order to decrease the likelihood that the city will have to discharge sewage from the sanitary sewer system. The projects involve the following:

⇒ 8th Avenue Storm Sewer Lift Station:

This lift station was built in 1957 to address the storm water needs of a residential area. In 1961, the city of Albert Lea allowed the Minnesota Department of Transportation to connect the storm sewer system from Highway 13 into this lift station. Because of this, the area that the lift station serviced increased from approximately 60 acres to over 300 acres. As this area continues to develop, the wetlands and holding ponds that provided flood storage have been replaced with buildings and pavement. The storm sewer system is no longer adequate to address the increasing amount of storm water. An upgrade to this lift station is proposed.

⇒ Pearl Street Sanitary Sewer Lift Station:

This lift station is located in an area that frequently floods. Over time, the building and lift station have deteriorated. The pumps at this location have also shown to be undersized during heavy rainfalls when large amounts of inflow and infiltration are occurring. This project proposes to relocate the lift station to a higher elevation out of the flood plain and to upgrade the size of the pumps.

⇒ Virginia Place Storm Sewer Lift Station Upgrades:

This project involves upgrading the electrical system of the storm sewer lift station to ensure that the pumps operate when needed.

**Priority 1 Total Project Cost:** The total cost of the lift station upgrade project is \$1.085 million. The city will pay 50% of the project cost from city funds.

The city will have the lift station upgrade project ready for construction in mid-2006. The upgrades of all three stations will be completed by October 2007.

##### Priority 2: Edgewater Park/Former Albert Lea Dump Remediation

This request is for \$917,150 in state funding to construct a remediation system to clean up the soil and groundwater contamination in the North Edgewater Park, former Albert Lea Dump site in Albert Lea.

This 30-acre site is located at the northern end of Fountain Lake in Albert Lea, Freeborn County, in south-central Minnesota. It is one of the most-used

## Albert Lea: Three Projects

parks in Freeborn County with facilities for band performances, picnic areas, and fishing. It is also home to the Bayside Ski Club for practices and performances.

From 1956 to 1972, the site served as the "Albert Lea Dump." During this time the borrow pits were filled with mixed-municipal sanitary waste and open burning was practiced at the dump. After the site was closed in 1972, it was covered with four to five feet of lake sediment dredged from Fountain Lake. The city of Albert Lea subsequently developed the site as North Edgewater Park.

Contaminated groundwater was found to be discharging into Fountain Lake at concentrations exceeding Minnesota Surface Water Quality Standards. Other potential human health and ecological hazards were identified. Consequently, the site has been the focus of several multi-media environmental investigations undertaken by both the city of Albert Lea and the Minnesota Pollution Control Agency (MPCA).

**Priority 2 Total Project Cost:** The total cost of the Edgewater Park remediation project is \$1.834 million. The city is requesting state funding for 50% of the project cost. The city is currently exploring different funding sources for the remaining 50% of the project cost.

This project could begin in late 2006. It would be completed one year later.

**Priority 3: Katherine Island Stabilization**

The city of Albert Lea is requesting \$142,500 in state funding to revitalize Katherine Island. Katherine Island was acquired by the city of Albert Lea in 1913. The bridge was constructed in 1939 at a cost of approximately \$1,000. The island has since become the centerpiece of Albert Lea. Katherine Island is easily recognizable as "Albert Lea." Many local organizations use a depiction of the island as part of their logo. Several weddings and family celebrations are held there every year.

With the large fluctuations in water levels, flooding and ice have damaged the retaining wall and the bridge to this island. Heavy winds erode away the soils behind the existing retaining wall and repairs are made to the island on an annual basis. The bridge pilings have shifted and the walkway is now slanted. The usage of the bridge is limited to no more than six people at one

time in order to ensure the bridge structure remains safe for crossing. The project will replace the existing bridge and reconstruct the retaining wall.

**Priority 3 Total Project Cost:** The total cost of the Katherine Island stabilization project is \$285,000. The city will pay 50% of the project cost from city funds.

The city will have the Katherine Island project ready for construction in mid-2006. The project will take approximately four months to complete.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The city of Albert Lea will own and maintain each of the facilities listed here.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**Albert Lea: Three Projects**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? For each project, 50% of project costs are to be provided from non-state funding sources.
2.	Does project fulfill an important state mission? Wastewater treatment and environmental cleanup are important state missions. The state has existing grant programs to provide financial assistance in these areas.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? These projects are viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 10/24/05 has been received from the Albert Lea City Council for the three projects.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is not required for local government projects where the construction costs are less than \$1.5 million. It is not clear from the information submitted whether a predesign would be required for the Edgewater Park project.
10.	Is project disaster related? No.

## Agassiz Recreational Trail Bridges

**2006 STATE APPROPRIATION REQUEST:** \$648,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Agassiz Recreational Trails Jt Pwrs Bd)

**PROJECT LOCATION:** Recreational trail sites in Clay, Norman counties

**Project At A Glance**

\$648,090 in state funding is requested to purchase and install three 170 feet long bridges to complete the Agassiz Recreational Trail (ART), located in northwest Minnesota.

**Project Description**

The Agassiz Recreational Trail Joint Powers Board requests \$648,090 in state funding to purchase and install three 170 foot long bridges to complete the 53 mile, multi-use, Agassiz Recreational Trail, located in northwest Minnesota.

This project would eliminate the three current bypasses on the state, county, and township roads, creating a safer trail. Installing the bridges will complete the trail allowing more people to utilize it.

The Agassiz Recreational Trail makes up 10% of the non-state owned all-terrain vehicle (ATV) trails in Minnesota. Current users of the trail are bikers, hikers, horse back riders, ATVs, snowmobiling, and cross country skiers.

Since the outdoor recreational opportunities for northwest Minnesota are very limited, the four major eco-regions that this trail crosses possess a vast educational opportunity. The economic benefit of the trail would be to draw people into the communities of northwest Minnesota to increase our tourism and highlight our abundant natural resources. Many species of birds, deer, moose, squirrels, fox, beaver, and other animals are abundant in this area and can be readily seen from the trail.

**Total Project Cost:** The total cost of this project is \$1,287,290. For this project, the Agassiz Recreational Trail Joint Powers Board will contribute \$300,000 in federal funds and \$332,200 in local funds.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

Clay, Norman, and Polk counties jointly own the Agassiz Recreational Trail. The Norman County Soil and Water Conservation District operates the trails.

The project has a start date of October 2006 and an end date of December 2007.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Agassiz Recreational Trail Bridges**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are provided from non-state funding sources.
2.	Does project fulfill an important state mission? Providing recreational opportunities is an important state mission in Minnesota. The state has existing grant programs to provide funding in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 10/13/05 has been received from the Agassiz Recreational Trail Joint Powers Board.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways.
10.	Is project disaster related? No.



## Aitkin County: Two Projects

**2006 STATE APPROPRIATION REQUEST:** \$2,250,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Aitkin County)

**PROJECT LOCATION:** Aitkin county

#### Project At A Glance

Aitkin county requests state funding for two capital projects (in priority order):

- ◆ \$1.75 million for the Great River Road paving completion project
- ◆ \$500,000 for the renovation of Marcum House, on the Long Lake Conservation Center campus

#### Project Descriptions

##### Priority 1: Great River Road Paving Project

This request is for \$1.75 million in state funding to pave the last remaining unpaved portion of the Great River Road (GRR) in the United States. The Great River Road follows the Mississippi River from its source in Itasca County to the Gulf of Mexico. Aitkin County has approximately 83 river miles flowing through it. Twenty-one miles remain unpaved. The GRR is of state and national importance as the means for citizens to view the Mighty Mississippi as it flows through the United States.

**Priority 1 Total Project Cost:** The total cost of the GRR paving project is \$10.45 million. The county will contribute \$1.75 million to the project, and an additional \$1.25 million in in-kind engineering and construction. Federal funds (High Priority Funds, Federal Transportation Bill) of \$5.7 million will also be used for the project. The paving project is expected start construction in June 2006 and be completed and ready for occupancy in June 2007

##### Priority 2: Marcum House Renovation, Long Lake Conservation Center

This request is for \$500,000 in state funds to renovate the Marcum House located on the campus of the Long Lake Conservation Center (LLCC). Repairs needed to the Marcum House include bringing dorms and

classrooms up to state building and fire codes, converting existing space to classroom and teaching areas and general repairs. The LLCC was the first Residential Environmental Learning Center (RELC) in the state of Minnesota. A major part of LLCC programming is the "Long Lake Experience" a "hands on" environmental educational program for 5th and 6th grade school children. Currently, approximately 6,000 elementary students from across the state of Minnesota attend LLCC each year. Repairs to the Marcum House will allow LLCC to attract additional students to participate in this unique environmental learning experience. Aitkin County is unique among all other counties in the state of Minnesota in its owning and operating an environmental learning center. Long Lake Conservation Center's mission statement is: To promote wise use of natural resources and foster proper conservation citizenship by making students aware of the interdependence of humans and the environment. Awareness and environmental education among our young people is vitally important to the present and future of all of Minnesota and not just Aitkin County.

**Priority 2 Total Project Cost:** The total cost of the Marcum House renovation is \$1 million. Aitkin County will contribute \$500,000 to the project. The project is expected start construction in August 2006 and be completed and ready for occupancy in February 2007.

#### Impact on Agency Operating Budgets (Facilities Notes)

None.

#### Previous Appropriations for this Project

None.

#### Other Considerations

In both cases, Aitkin County will own and operate the facility and will provide operation funds.

**Aitkin County: Two Projects****Project Contact Persons****For the Great River Road Paving Project:**

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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**Aitkin County: Two Projects**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? For the Great River Road paving project, 17% in state funding will be used to match 50% federal funds and a 33% local contribution. For the Marcum House project, 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Transportation is an important state mission. The state has existing grant programs to provide financial assistance in this area. The state role in funding the county's second priority project is unclear.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? These projects are viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 11/01/05 has been received from the Aitkin County Board of Commissioners.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways. Predesign is also not required for local government projects where the construction costs are less than \$1.5 million.
10.	Is project disaster related? No.

## Bemidji: Two Projects

**2006 STATE APPROPRIATION REQUEST:** \$3,500,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Bemidji)

**PROJECT LOCATION:** City of Bemidji

#### Project At A Glance

The city of Bemidji requests funding for two projects (in priority order):

- ◆ \$3 million in state funding for planning, design and site development of the Bemidji Regional Event Center. The Regional Event Center will also be the home of Bemidji State University's hockey program.
- ◆ \$500,000 in state funding to design and construct a bridge over Trunk Highway (TH) 197 as part of the Paul Bunyan State Trail.

#### Project Description

##### Priority 1: The Bemidji Regional Event Center

Bemidji's number one priority is a request for \$3 million for planning, design, and site development for a proposed Regional Event Center. The Regional Event Center will be located in downtown Bemidji. Having a downtown location will encourage the redevelopment of the urban core of the city. The site was chosen not only for the direct impact on the downtown area. It was also the site with the greatest potential economic impact on the region.

The city of Bemidji is requesting \$3 million in planning, predesign, and site development funds for the Bemidji Regional Event Center. The city has been researching the need for a Regional Event Center since 1992. Recently, a group of 25 community leaders under the auspices of *Bemidji Leads!* began meeting to identify the area's desire future and what needs to be done to reach that destiny. After years of hard work and public input, *Bemidji Leads!* identified seventeen destiny drivers, which are bold regional goals that are integral to Bemidji reaching its desired future. The proposed regional events center was the most critical destiny driver identified by *Bemidji Leads!* A community-wide action team was formed to develop a regional events center

in Bemidji by 2008. The plan for the proposed center was developed through broad-based regional leadership. Because of its far-reaching economic impact, the project has received the support of nearly every private and public leader in the region.

The Bemidji Regional Event Center will be a 3,500-seat arena with attached conferencing space. The center will be designed to be multi-purpose to best meet the quality of life needs of people in north central Minnesota. It will be used for events, conferences, trade shows, performing arts, and recreation. When constructed, the Bemidji Event Center will include an estimated 200,000 square feet of space.

The event center is critical to the future success of the entire region. It will have an estimated \$15 million economic impact annually in what is widely viewed as the most economically distressed region in the state. In addition, every other region in Minnesota has access to an event center similar to the one proposed here. In fact, every major regional center in the state has a civic event center with the exception of Bemidji and north-central Minnesota. In today's economy, quality of life is of supreme importance to economic development. An event center would clearly boost the quality of life in the region.

An additional benefit of the Bemidji Event Center is that it has a willing anchor tenant that will enable the center to operate as an economic engine and financial success for the region.

Bemidji State University has agreed to make the Bemidji Regional Event Center the home of its Division 1 hockey program. The partnership with Bemidji State University is a win-win situation: the University meets the facility needs of its growing Division 1 hockey program, and the region is able to leverage additional components (convention space, meeting rooms, etc.) that would not be possible without a stable anchor tenant.

Such a reciprocal relationship between Bemidji State University and the community will also be beneficial to the state. It is clear that the facility needs of the University's hockey program must be addressed in the near-term. The latest estimate for developing a hockey arena for Bemidji State is \$25 million. The proposed Regional Event Center would meet the University's needs and do so with a proposed state investment of \$17 million.

## Bemidji: Two Projects

**Priority 1 Total Project Cost:** The estimated total project cost of the Bemidji Regional Event Center (including planning, predesign, and site development costs) is \$38 million. The city of Bemidji is requesting \$3 million in 2006 for planning. The city also expects to submit a request to the state in 2008 that is equivalent to 40% of the cost of the project. The city of Bemidji will assume responsibility for the remainder of the cost.

The Center will meet the needs of both Bemidji State University and the regional community. In addition, the Center has garnered the broad-based regional support it needs to be successful.

**Priority 2: Paul Bunyan Trail TH197 Overpass**

Bemidji's number two priority is a request for \$500,000 in state funding to design and construct a bridge over TH 197 as a part of the Paul Bunyan State Trail. The project has statewide and regional significance, as the Paul Bunyan State Trail needs to cross TH 197. Current traffic counts by the Minnesota Department of Transportation (Mn/DOT) show approximately 22,000 vehicles per day. The highway is six lanes wide where the crossing needs to be constructed. The Paul Bunyan State Trail is a regional and statewide asset that when complete will run from the cities of Brainerd-Baxter to Bemidji and Bemidji State Park.

**Priority 2 Total Project Cost:**

The total project cost of the overpass project is approximately \$1 million. The \$500,000 in state funding will be dedicated towards construction.

The city will provide a \$500,000 match for the project. The city has previously purchased the land necessary to construct the bridge including the approaches on both the north and the south end of the bridge. A portion of the city's \$500,000 match will be used for the design cost with the balance towards the construction augmented by the \$500,000 from the state.

Assuming the bonding is approved the state in the spring of 2006, the project would be designed over the summer and winter of 2006 with construction scheduled to begin May of 2007 and completed by August 2007.

**Impact on Agency Operating Budgets (Facilities Notes)**

Regarding Priority 1: The city does not anticipate requesting state funds to operate the Bemidji Regional Events Center.

Regarding Priority 2: Any increase in state agency operating budgets from the overpass would only be the standard maintenance amounts that the Department of Natural Resources (DNR) would expend on any segment of trail.

**Previous Appropriations for these Projects**

None.

**Other Considerations**

**Regarding Priority 1:** The Bemidji Regional Event Center will be owned by the city of Bemidji. The city anticipates hiring a private management firm to operate and maintain the Regional Event Center.

The project schedule for the Regional Event Center is:

- ◆ Planning and Design Phase - June 2006
- ◆ Construction - June 2008
- ◆ Occupancy - October 2009

The city will be requesting state assistance for 40% of the cost of constructing the Regional Event Center in 2008. The Bemidji community will be responsible for 60% of the cost of constructing the Regional Event Center. The non-state funds for the project will come from a combination of private and philanthropic contributions and the proceeds from a ½% local option sales tax. The city will be requesting authority to extend its existing ½% sales tax for the local share of the project. The city intends to have a referendum on the extension of the local option sales tax in November 2006.

**Regarding Priority 2:** The bridge would be owned and operated by the DNR as a part of the Paul Bunyan State Trail. No additional state funds will be requested for the overpass. However, this is part of a larger Paul Bunyan State Trail connection project which we anticipate state funding for in future years to complete the Paul Bunyan State Trail.

**Bemidji: Two Projects****Projects Contact Person**

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**Governor's Recommendations**

The Governor recommends general obligation bonding of \$3.0 million for the predesign, design and site development of the Bemidji Regional Event Center project.

The Governor does not recommend capital funds for the Paul Bunyan Trail TH197 overpass project.

**Bemidji: Two Projects**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? Yes
2.	Does project fulfill an important state mission? The state role in funding civic center and community center style projects has varied considerably from one biennium to another.  Providing recreational opportunities is an important state mission in Minnesota. The state has existing grant programs to provide financial assistance in these areas.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? These projects are viewed as having primarily local or regional benefit.
5.	Are state operating subsidies required? To the extent that the overpass is to be maintained by the DNR, this project could increase operating costs in the DNR budget.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? These projects are probably not in competition with other facilities.
8.	Have resolutions from local governing bodies been provided? The City Council resolution of support for the Regional Event Center, directing that a capital budget request be prepared, has been provided. A City Council resolution authorizing a 2005 capital budget request for the larger Paul Bunyan Trail Connection project has also been provided.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A completed predesign for the Regional Event Center would be anticipated before a request for funding in the 2008 bonding bill. A project predesign is not required for projects consisting of roads, bridges, trails or pathways.
10.	Is project disaster related? No.

**Burnsville/Savage/EKS Water Treatment Plant**

**2006 STATE APPROPRIATION REQUEST:** \$3,000,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Burnsville)

**PROJECT LOCATION:** Next to Minnesota River in Burnsville

**Project At A Glance**

\$3 million is requested to construct a new water treatment plant. The new treatment plant will utilize water currently discharged to the Minnesota River from Edward Kraemer & Sons (EKS) quarry operations. This recaptured resource would be used as potable water distributed through the existing public municipal distribution system.

**Project Description**

City of Burnsville is requesting support from the state of Minnesota in the amount of \$3 million from the 2006 Budget to construct a new water treatment plant. The new treatment plant will utilize water currently discharged to the Minnesota River from Edward Kraemer & Sons (EKS) quarry operations. This recaptured resource would be used as potable water distributed through the existing public municipal distribution system. The existing quarry resource has the capability to provide up to six million gallons per day of potable water to Burnsville, Savage, and other potential municipal water users. This is a significant amount of water and is equivalent four deep municipal wells.

Use of this water for municipal purposes will significantly reduce the amount of water collected from existing and future municipal well in the vicinity. This project will result in a significant reduction in the reliance on groundwater wells in the vicinity of Savage Fen, Black Dog Fen, and Eagle Creek (a designated trout stream) for municipal water supply and will provide significant protection to these valuable environmental resources. This project is a good example of a public/private partnership that will contribute to the municipal water needs of adjoining communities, allow the orderly extraction of scarce and valuable aggregate resources and increased protection of

important environmental resources. In order to be feasible, however, the cost, both capital and operating, of the project must not have a negative impact on water rates for participating communities. Thus, financial participation from the state to construct the initial project is needed in order for the project to proceed.

**Project Location:** The project will be located south of and adjacent to the Minnesota River in an industrial area of the city and will be constructed on land to be acquired by the city of Burnsville from EKS as part of the project. The new treatment plant will be located adjacent to the existing EKS quarry in the northwest quadrant of I-35W and Cliff Road. This project is located in the Minnesota River Valley and is in near proximity to several protected environmental resources including the Savage and Black Dog Fen.

**Total Project Cost**

The total estimated project cost is \$12 million. This cost estimate is based on extensive engineering studies conducted over the past three years. All capital costs will be incurred as a single project for land acquisition and treatment plant construction. There are no subsequent phases of the project for which state funds would be needed. Furthermore, all operating, on-going maintenance and replacement costs will be paid by user fees paid by municipal water customers. The project includes development of a source of supply, treatment and distribution of water into the existing municipal distribution system.

Request for state funds in 2006: \$3 million  
 Non-state funds to be contributed to project:

- ◆ City of Burnsville \$1.5 million
- ◆ City of Savage \$1.5 million
- ◆ EKS \$3 million

State funds (2005 approved) \$3 million

**Treatment Plant Detail:** A treatment plant would be located adjacent to the existing EKS quarry. Groundwater and surface water will be collected in a reservoir at the Quarry and pumped to the treatment facility (located within 700 feet of the reservoir). The plant would conventionally treat and distribute potable water to city water customers (both in Burnsville and Savage) via



## Burnsville/Savage/EKS Water Treatment Plant

existing municipal distribution facilities. The plant would initially have capacity to treat a minimum of four million gallons per day. Treatment at the plant would be designed to meet or exceed standards for municipal water supply under state and federal requirements established by the Minnesota Department of Health. The plant would be a permanent part of the city's water supply infrastructure and delivery of water to the city of Savage and future municipal partners is anticipated utilize exiting connections between municipal water systems

Environmental Considerations. Fens are rare and significant resources to the state and as such have been protected from interference from municipal water supply uses. This new, creative source of municipal water supply for Burnsville, Savage, and other potential municipal partners will help protect fens in the Minnesota River Valley in the vicinity of the project. The south Metro area continues to grow rapidly. Burnsville, Savage, and other communities south of the river will require significant increases of future water supply. The proposed project will help meet that need and at the same time help mitigate impacts to the environment. By using available quarry groundwater appropriated for quarry dewatering as municipal water, new groundwater appropriations can be minimized.

**Impact on Agency Operating Budgets (Facilities Notes)**

No additional state funds are anticipated to operate this project. Operating costs will be collected from utility fees charged to municipal water users.

**Previous Appropriations for this Project**

\$3 million was appropriated in the 2005 bonding bill (Laws 2005, chapter 20)

**Other Considerations**

It is anticipated that the city of Burnsville will own and operate the new water treatment plant.

**Project Contact Person**

City of Burnsville (Primary Contact):  
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City of Savage:  
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Edward Kraemer & Sons:  
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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Burnsville/Savage/EKS Water Treatment Plant**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 01/04/05 has been received from the Burnsville City Council. Burnsville also submitted resolutions in support of this project from the city councils of Savage, Prior Lake, Apple Valley and Lakeville.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of dams, floodwater retention systems, water access sites, harbors, sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.

## Carlton County: St. Louis River Trail

**2006 STATE APPROPRIATION REQUEST:** \$500,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Carlton County)

**PROJECT LOCATION:** Carlton county, Cities of Carlton, Scanlon and Cloquet in

#### Project At A Glance

Carlton county requests \$500,000 in state funding to predesign, design, and construct the St. Louis River Trail, a non-motorized state pedestrian trail.

#### Project Description

This request is for \$500,000 in state funding to predesign, design, and construct a non-motorized state pedestrian trail, wayfinding signage and trail amenities from the city of Carlton, through the city of Scanlon to the city of Cloquet located in Carlton County. The St. Louis River Trail project is being proposed in three phases to be constructed in FY 2008, 2009, and 2010. The appropriation that is being requested will provide the required 20% match to federal funds and engineering fees for all phases.

The St. Louis River Trail Plan outlines the general alignment for a proposed trail connection between the city of Cloquet and the Willard Munger State Trail. The plan also describes opportunities for trailhead facilities, interpretive sites, and recreational amenities.

This trail will be constructed in several construction phases with ongoing attention to corridor acquisition and stewardship of properties already in public ownership.

#### Phase I: Munger Trail in Carlton to the Park in Ride in Scanlon / three miles

Phase I of the St. Louis River Trail will establish a connection between the city of Carlton and the park and ride in Scanlon. This phase will not eliminate

all the hazards that currently exist but it will establish a safe route between Carlton and the Interstate. The park and ride lot will provide for parking for those interested in traveling by vehicle to the trail and taking their bikes to the Munger Trail.

The first phase of the trail connection will begin at the Scanlon Park and Ride and travel south 1.87 miles (to County Road 1) along abandoned railroad grade. The Trail will then follow County Road 3 right-of-way 0.12 miles west until crossing County Road 3 at this location. The trail will then turn south and follow an abandoned road 0.15 miles until reaching first street. The trail will follow first street .25 miles south until reaching an abandoned railway corridor. The trail will follow this corridor on its southerly track 0.20 miles until reaching Trunk Highway 210 in the Four Seasons parking lot. At this junction the trail will cross 210 and follow First Street 0.05 miles south until reaching North Avenue. The trail will travel east 0.20 miles until reaching its connection with the Munger Trail at the Carlton Bike Park

Total Cost of Phase I: Construction \$480,000; Engineering \$80,000

#### Phase II: Cloquet Park and Ride North to 29th Street

This trail alignment will start at the Scanlon Park and Ride and cross under the Interstate via a railroad underpass 0.1 miles west of the Park and Ride. Minnesota Power owns the property and an easement would need to be obtained. An easement allowing the trail under the underpass would also need to be obtained through Burlington Northern (BN) Railroad, which owns the tracks. As long as the trail remains at least 50 feet from the tracks BN has preliminary stated it will allow the trail as long as it is fenced. The trail would then head north to the intersection of County Road 45 and County Road 61. The trail would follow abandoned railroad grades until it reaches property owned by a private landowner at the intersection of County Road 61 and County Road 45. An easement would need to be obtained by this business to allow the trail to pass to the north of the business and access a signalized crossing at County Road 45 and County Road 61. From this point the trail would connect into the boat landing on the St. Louis River and follow the Western Lake Superior Sanitary District (WLSSD) sewer line north to 29th street.

**Carlton County: St. Louis River Trail****Bridge over the BN Railroad Tracks**

This portion of the trail will be a necessary bridge over the Burlington Northern railroad tracks. The area is too low for construction of an underpass under the tracks.

Total Cost Phase II: Construction \$480,000; Engineering \$100,000

**Phase III: 29th Street North to 18th Street**

The final phase of the St. Louis River Trail will include connecting 29th Street to the downtown sidewalk system. The Trail will parallel the northeast side of Cloquet Avenue until it reaches 18th Street and will tie into the existing city sidewalk system. The project will follow city right-of-way along Cloquet Avenue.

Total Cost Phase III: Construction \$480,000; Engineering \$80,000

**Total Project Cost:** The total cost of all phases of this project is \$1.7 million. The county will contribute \$1.2 million in federal transportation funds to the cost of this project.

This trail will provide significant recreational and economic opportunities to the area by directly connecting the highly popular and widely used Willard Munger State Trail system to the largest population segment in the county. In addition to local users, Minnesota residents travel considerable distances to utilize these trail systems to enjoy the natural wonders of our great state.

**Impact on Agency Operating Budgets (Facilities Notes)**

The St. Louis River Trail will be owned by the state of Minnesota and operated by the Minnesota Department of Natural Resources entirely or through cooperative agreements with local agencies. Maintenance costs will be determined when the question of who will be responsible for the operations is resolved.

**Previous Appropriations for this Project**

None.

**Other Considerations**

Design start: July 2006

Project financing: Phase 1 2007, Phase 2 2008, Phase 3 2009

Construction start: Phase 1 2007 with Phase 3 completion 2010

**Project Contact Person**

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St. Louis River Trail Committee  
Chair  
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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Carlton County: St. Louis River Trail**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? No local funds are identified in the project request information. The state funds requested will be used to match 80% federal funding.
2.	Does project fulfill an important state mission? Providing recreational opportunities is an important state mission in Minnesota. However, the DNR is responsible for determining priorities for state trails within the state's overall trail development plan.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? The question of which entity will be responsible for operating the trail is not resolved in the project request. To the extent that this trail is operated by the DNR, this project will increase the agency's operating costs.
6.	Are inequities created among local jurisdictions? The number of this type of local request suggests that additional requests will likely be forthcoming from local units of government if the state provides funding for this project.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 10/24/05 has been received from the Carlton County Board of Commissioners.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways.
10.	Is project disaster related? No.

## Cottage Grove: TH 10/61 Corridor Vista Enhancement

**2006 STATE APPROPRIATION REQUEST:** \$1,000,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Cottage Grove)

**PROJECT LOCATION:** Cottage Grove

#### Project At A Glance

\$1 million in state funds in 2006 for the pre-design, design, and construction of planned improvements in the publicly owned areas adjacent to Trunk Highway (TH) 10/61 between 70<sup>th</sup> Street and Jamaica Avenue in Cottage Grove.

#### Project Description

This request is for a total of \$2.5 million in state funding between 2006 and 2010 to complete pre-design, design, and construction of planned improvements in the publicly owned areas adjacent to and within one half mile to the north and south sides of Trunk Highway (TH) 10/61 between the 70th Street overpass, and Jamaica Avenue underpass.

For 2006, \$1 million in state funding is requested for the project.

The catalyst for the project was the extensive road construction projects related to the state TH10/61 corridor within the city of Cottage Grove and adjacent communities. This major regional construction project has greatly improved transportation options and travel times for the area, but has negatively affected the city image by creating an expansive amount of concrete and associated hardscape in the area. In order to remedy the situation, the city of Cottage Grove has identified the need to enhance the vistas and current open space amenities along TH10/61 corridor as it enters the community. The planned improvements would create a coordinated soft transition between the extensive roadway hardscape and the natural environment of Cottage Grove, as well as improve the regional environment through additional surface water management enhancements. In addition,

the project would consolidate 204 acres of park and open space as a regional amenity operated and managed by a local community.

The plans for the enhancement include the creation of a scenic overlook, picnic shelters, landscaping, trailways, interpretive signage, information signage, ornamental fencing, banners, safety lighting, decorative park and open space improvements, exotic species management, and major surface water management improvements. A formal study has been commissioned to gather pre-design information on the enhancement project, which is planned for completion between 2006 and 2010.

#### Total Project Cost

The total cost of this project is \$5 million. The city of Cottage Grove will contribute \$2.5 million to the project.

The project will benefit a large share of the regional and state population who utilize TH10/61 transportation corridor. A successful funding request will increase the city's ability to improve scenic vistas along TH10/61, which serves to enhance existing state investments to the benefit of commuters, bus and rail transit users, tourists, and state and regional tourism.

#### Impact on Agency Operating Budgets (Facilities Notes)

No additional state operating dollars are anticipated. The management actions and maintenance costs of the planned improvements would be the responsibility of the city of Cottage Grove.

#### Other Considerations

The city will be requesting \$750,000 in state funds in 2008 and \$750,000 in state funds in 2010 for this project. The city of Cottage Grove will contribute \$2.5 million for this project.

All properties affected by the planned improvements are owned by the city of Cottage Grove. There is an opportunity for partnering by expanding the planned improvements to include state right-of-way and railroad right-of way.

**Cottage Grove: TH 10/61 Corridor Vista Enhancement**

The phased enhancements are to be completed during the summer construction seasons between the lifting of road restrictions and through October 31 for each year between 2006 and 2010. The phased improvements will include the creation of a scenic overlook, picnic shelters, landscaping, trailways, interpretive signage, information signage, ornamental fencing, banners, safety lighting, decorative park and open space improvements, exotic species management, and major surface water management improvements.

**Project Contact Person**

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City Web Page: <http://www.cottage-grove.org>

**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Cottage Grove: TH 10/61 Corridor Vista Enhancement**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? Over the course of this multi-year project 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Providing parks and open space is an important public mission in Minnesota. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/15/05 has been received from Cottage Grove City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign may not be required for this project. The predesign requirement does not apply to capital projects for park buildings owned by a local unit of government in the metropolitan area.
10.	Is project disaster related? No.



## Central Range Sanitary Sewer Wastewater Treatment

**2006 STATE APPROPRIATION REQUEST:** \$20,000,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Central Iron Range Sanitary Sewer Distr)

**PROJECT LOCATION:** Hibbing, Chisholm; Buhl

#### Project At A Glance

This request is for \$20 million in state funding to design and construct a Mercury Treatment Components/South Plant Expansion and Sewer Connection project in the Central Iron Range Sanitary Sewer District. This Project is a District-wide benefit to provide wastewater treatment.

#### Project Description

This request is for \$20 million in state funding to design and construct a Mercury Treatment Components/South Plant Expansion and Sewer Connection project in the Central Iron Range Sanitary Sewer District (CIRSSD). This project is a District-wide benefit to provide wastewater treatment to the cities of Hibbing, Chisholm, Buhl, Kinney, and the Balkan and Great Scott Townships.

The total estimated project cost is \$20 million. The project will consist of wastewater treatment expansion at Hibbing's South Wastewater Treatment Plant, mercury treatment at the same facility, and the construction of sanitary sewer lines to connect Hibbing, Chisholm, and Buhl to use the upgrades at the South Wastewater Treatment Plant.

The Treatment Plant expansion will provide for the future retirement of the facilities in Chisholm, Buhl, and Kinney, as well as the current National Pollution Discharge Elimination System (NPDES) Permits. The mercury treatment will design and construct a necessary filtration system because the sewer district is within the Lake Superior Watershed and the wastewater treatment facilities are required to meet the requirements of the Great Lakes Initiative Guidance and the Lake Superior Bi-National Program. The NPDES

Permit for the South Wastewater Treatment Plant contains mercury effluent limits of 3.3 ng/l (daily minimum) and 1.8 ng/l (calendar month average) effective May 2006. The expansion components of the project will provide a district-wide benefit for future consolidation of wastewater effluent at one discharge location, meaning future elimination of discharge points for the city of Chisholm and the city of Buhl.

The sewer line construction will connect the systems of Hibbing, Chisholm, and Buhl to use the upgraded plant facilities and mercury removal.

**Total Project Cost:** The total estimated project cost is \$20 million.

The CIRSSD has currently raised, through local sources, over \$40,000 to fund a Phase 1 Engineering Report on the feasibility of the proposed projects. The city of Hibbing has recently completed a \$9 million expansion of its South Wastewater Treatment Plant to facilitate the retirement of its 60-year old North Wastewater Treatment Plant and has spent in excess of \$5 million in local sanitary and storm sewer upgrades. The city of Chisholm has entered into a Compliance Agreement with the Minnesota Pollution Control Agency (MPCA) to initiate several sewer projects to deal with Inflow and Infiltration.

The project is scheduled to begin construction in August 2006.

#### Impact on Agency Operating Budgets (Facilities Notes)

No additional state dollars are being requested for operations. User fees from those contributing to the sewer system will be used for operation and maintenance.

#### Previous Appropriations for this Project

The CIRSSD received \$1.7 million in state bond funds in the 2005 bonding bill to predesign and design the necessary facilities to collect, treat, and dispose of sewage in the district.

**Central Range Sanitary Sewer Wastewater Treatment****Other Considerations**

The facility will be owned and operated by the city of Hibbing and the CIRSSD.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Central Range Sanitary Sewer Wastewater Treatment**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? No non-state funds are identified in the project request information.
2.	Does project fulfill an important state mission? Maintaining or improving infrastructure related to water quality is an important state mission. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? Not yet received.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of dams, floodwater retention systems, water access sites, harbors, sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.

## Coleraine: CSAH 61, Powell Ave improvements

**2006 STATE APPROPRIATION REQUEST:** \$515,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Coleraine)

**PROJECT LOCATION:** CSAH in Coleraine from Powell Ave to TH 169

#### Project At A Glance

\$515,000 in state funding to design and reconstruct the deteriorated infrastructure and street located within the existing right-of-way of County State Aid Highway (CSAH) 61 and Powell Avenue in the city of Coleraine.

#### Project Description

This request is for \$515,000 in state funding to design and reconstruct the deteriorated infrastructure and street located within the existing right-of-way of CSAH 61 and Powell Avenue. The request is for 28.8% of the total project cost. The proposed project consists of the reconstruction of watermain, sanitary sewer, storm sewer, bituminous street, concrete curb and gutter, and concrete sidewalk.

This is a joint project between the city of Coleraine and Itasca County. The joint project is the only opportunity for the county to reconstruct the street. The county has presented two options for the street project. The first option was a mill and overlay that would be a temporary fix to the deteriorated street. The second option is complete reconstruction; it is the most desirable for the city and the county.

#### Total Project Cost

The total project cost is \$1.787 million. This request for state funds represents 28.8% of the total project cost and is for a portion of the cost for CSAH 61 and a portion of the cost for the Powell Avenue portion of the project. Itasca County has funding available for the street reconstruction portion of the project for CSAH 61. The city of Coleraine is responsible for all of the associated costs with the Powell Avenue project.

The project has regional significance because CSAH 61 is one of the two main streets located within the city. The street is used to transport children to the elementary and high schools. The condition of the street has resulted in costly maintenance activity for the county and the city. The existing watermain has deteriorated to a point of frequent watermain breaks. The watermain is the trunk main for the city that carries water from the wells to the elevated storage tank. The sanitary sewer has also deteriorated to a point of increased inflow and infiltration amounts.

The project has local significance in the fact that Powell Avenue is currently narrow and in deteriorated condition. The width of the street does not allow two way traffic as resident cars are parked on the street. This has been an issue with the local police department to maneuver when on a call. The condition of the street has resulted in a costly maintenance activity for the city. The existing watermain has deteriorated to a point of frequent watermain breaks. The sanitary sewer has also deteriorated to a point of increased inflow and infiltration amounts.

#### Previous Appropriations for this Project

None. The CSAH 61 portion of the project was submitted in as a 2002 capital budget request and was funded and later vetoed.

#### Other Considerations

The city of Coleraine will own and maintain the utilities located within the project. Itasca County will own and maintain the street designated as CSAH 61. The city will own and maintain the street designated as Powell Avenue.

The city has continued to work with funding agencies and has secured \$392,000 from the Federal TEA-21 Program for northern Minnesota.

**Coleraine: CSAH 61, Powell Ave improvements****Project Schedule:**

Design	October 2006
Bidding	February 2007
Start of Construction	June/July 2007
Substantial Completion	October 2007
Final Completion	November 2007

**Project Contact Person**

Bob Beaver, P.E.  
SEH – Coleraine City Engineer  
15 North East 5<sup>th</sup> Street  
Grand Rapids, Minnesota 55744  
Phone: (218) 326-4508  
Fax: (218) 326-1883  
E-mail: bbeaver@sehinc.com

**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Coleraine: CSAH 61, Powell Ave improvements**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 71% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Transportation is an important state mission. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 09/26/05 has been received from the Coleraine City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways.
10.	Is project disaster related? No.

**Central MN Regional Parks & Trails: 3 Projects**

**2006 STATE APPROPRIATION REQUEST:** \$2,860,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Central MN Regional Parks & Trails)

**PROJECT LOCATION:** Benton, Stearns and Sherburne counties

**Project At A Glance**

Central Minnesota regional parks and trails:

- ◆ \$2.86 million request in 2006 for three projects: Kraemer Lake land acquisition; Xcel regional trail construction; and River Bluffs regional park development
- ◆ The River Bluffs regional park improvement project is a joint request with the city of St. Cloud (project detail is included here)
- ◆ Total Project Cost, all funds, for all components = \$5.32 million

**Project Description**

The Central Minnesota Regional Parks and Trails Coordination Board is submitting a request for state bond funds for multiple park and trail projects. State bond funds will be matched with local shares provided through authorized sales tax revenue and local capital bonding.

- ⇒ **Kraemer Lake site acquisition – St. Joseph Township, Stearns County**  
**Total project cost = \$2.5 million; state funding request = \$1.25 million**

This request is for \$1.25 million in state funding to assist with the acquisition of 312 acres for a regional park. This beautiful forested property is adjacent to Kraemer Lake just west of the rapidly developing St. Cloud area. This site includes 270 acres that were listed as unique by the Department of Natural Resources (DNR) Biological Survey. This includes mature maple basswood forest and extensive wetlands. According to DNR this site would qualify for Regional Park status. The site also includes one half mile of lakeshore on Kraemer Lake. The remaining two-thirds of the lakeshore has been developed. This lake is 198 acres, has good water quality and good fishing. The site would be

appropriate for a swimming beach, fishing pier, picnic shelter, boat landing, and hiking and cross-country ski trails. There are no state or federal parks in this area, and there are no county parks in the nearby area.

The 1998 Stearns County Comprehensive Plan calls for a park in this area. An independent 1997 public opinion survey showed that 52% of local citizens support a park in this area. Now is an important time to acquire unique natural properties such as this for future generations. The owners of the property have approached Stearns County as willing sellers.

- ⇒ **Xcel Regional Trail – Sherburne County**  
**Total project cost = \$820,000; state funding request = \$410,000**

This request is for \$410,000 in state funding to assist with the design, engineering, and construction of about 6.3 miles of trail and two parking lots. The non-motorized trail system is located along the vistas of the Mississippi River and through undeveloped oak forest land, through the Xcel property for public use. The trail will also serve as a future trail segment of Sherburne County’s Regional Trail Corridor planned from Elk River to St. Cloud. It would offer recreational opportunities, wildlife scenery, environmental education, and historical insight. Xcel, who would make it available for long-term public use, owns the property. The city of Becker and Sherburne County will provide trail maintenance.

- ⇒ **River Bluffs Regional Park Improvements – city of St. Cloud**  
**Total project cost = \$2.0 million; state funding request = \$1.2 million**

This is a joint request with the city of St. Cloud for \$1.2 million in state funding to help provide improvements to this regional park. The project includes restoration and protection activities that include prairie, oak, savanna, wet meadows, and woodlands as well as park improvements that include service/public road access, parking, trails, signage and a small open air observation/interpretive shelter at a river overlook, nature center picnic facilities, playground, canoe launch, and fishing pier. The planned improvements are consistent with the master plan for the park that was completed in 2004. This park is next to the Mississippi River and has local and regional significance, serving the city of St. Cloud but

**Central MN Regional Parks & Trails: 3 Projects**

also the cities and rural residents of the Benton, Stearns, and Sherburne tri-county area. The city of St. Cloud owns and operates the Park.

**Impact on Agency Operating Budgets (Facilities Notes)**

None. Stearns County will own and operate the Kraemer Lake facility. The trail maintenance for the Xcel Regional Trail will be provided by the city of Becker and by Sherburne County. The city of St. Cloud would provide for the complete operation and maintenance of the River Bluffs Regional Park improvements.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The project schedule for the Kraemer Lake acquisition project is to negotiate with landowners and appraise the property in 2005, and to acquire the property in 2006.

The Xcel Regional Trail property is owned by Xcel, who would make it available for long-term public use. This project schedule for the Xcel Regional Trail is:

Funding notification	Summer 2006
Design/engineering work	Fall 2006
Grading, clearing	Summer 2007
Construction begins	Fall 2007
Construction completed	Summer 2008
Signage and markers	Fall 2008

The River Bluffs Regional Park improvements project is listed in the St. Cloud Capital Improvement Program (CIP) and is programmed for construction with local options sales tax dollars if approved by the legislature. The project schedule for the River Bluffs Regional Park improvements is to start design in fall 2006, and construction starting in spring 2007 and being completed in 2008.

**Project Contact Persons**

For Kraemer Lake project:  
 Chuck Wocken, Park Director  
 1802 County Road 137  
 Waite Park, Minnesota 56387  
 Phone: (320) 255-6172  
 Fax: (320) 255-6177  
 E-mail: chuck.wocken@co.stearns.mn.us

For Xcel Regional Trail project:  
 Kelli Neu, City of Becker Community Development Director  
 12060 Sherburne Avenue  
 P.O. Box 250  
 Becker, Minnesota 55308-0250  
 Phone: (763) 262-4455  
 E-mail: kneu@ci.becker.mn.us

Tim Edgeton, Sherburne County -- Park Coordinator  
 13880 Highway 10  
 Elk River, Minnesota 55330  
 Phone: (763) 241-2939  
 Fax: (763) 241-2910  
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For River Bluffs Regional Park projects:  
 Prentiss A. Foster, Director  
 St. Cloud Park Department  
 200 South Second Street  
 Saint Cloud, Minnesota 56301  
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 Fax: (320) 650-3430  
 E-mail: prentiss.foster@ci.stcloud.mn.us

**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.



**Central MN Regional Parks & Trails: 3 Projects**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? This request comprises three distinct projects. 50% of the Kraemer Lake acquisition project costs are to be provided from local government funds. 50% of the Xcel Trail project costs are to be provided from local government funds. 60% of the River Bluffs park improvement costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Providing recreational opportunities is an important state mission in Minnesota. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? Resolutions of support passed in June 2005 have been received from the Stearns County Board of Commissioners, the Becker City Council and the Sherburne County Board of Commissioners, and the St. Cloud City Council. A resolution updating the total amount of the request for state funds and dated 11/17/05 was also received from the St. Cloud Area Joint Planning District Board.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is likely not required for these types of projects.
10.	Is project disaster related? No.

## City of Carlton: Water Tower Improvements

**2006 STATE APPROPRIATION REQUEST:** \$250,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Carlton)

**PROJECT LOCATION:** City of Carlton

**Project At A Glance**

This request is for \$250,000 in state funding to assist in completing improvements to the city of Carlton's water system.

**Project Description**

This project is to update the city of Carlton's water system, including the construction of a new water storage tower.

The city of Carlton completed a Water System Evaluation and Feasibility Study in December 2001 to assess the current condition and future flows for the Carlton area. The conclusion of the study was the recommendation of several future improvement projects to be made to the existing city of Carlton water system.

This request will address storage issues and the recommendation to construct a new, elevated water storage tower to serve the Carlton area. The new water tower will be hydraulically designed to serve not only the city of Carlton, but the surrounding communities including; city of Thomson, Twin Lakes Township and Jay Cooke State Park. The city of Thomson and Jay Cooke State Park have recently constructed a joint waterline connection to the city of Carlton. This project was done to ensure that an adequate quality and quantity of water is available for these two entities.

The city of Carlton has an existing four post, welded steel, elevated water storage tower, with a capacity of 50,000 gallons that was constructed in 1917. The elevated water tower does not currently meet the storage needs of the city based upon minimum standards presented in "Recommended Standards for Water Works" prepared by the Great Lakes Upper Mississippi

River Board of State Public Health and Environmental Managers, 1997 Edition. Additionally, the height of the existing tower does not provide adequate system pressures throughout the entire city of Carlton system.

Due to the overall age and condition of the existing tower, failure of the structure is imminent. In addition to the structural concerns related to the tower, it is obvious that a complete maintenance/rehabilitation project on the tower must be completed in the very near future. Based upon these concerns and the study recommendations, the city is requesting to be included in the 2006 Capital Budget Bonding Bill to help finance a portion of the project.

**Total Project Cost:** The total project cost is \$1.13 million. Of this amount, \$250,000 is requested from the state of Minnesota. The rest will be provided by the city of Carlton.

**Impact on Agency Operating Budgets (Facilities Notes)**

No additional state operating dollars will be needed for this project.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The water tower will be owned and operated by the city of Carlton Public Works Department.

**City of Carlton: Water Tower Improvements****Project Contact Person**

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MSA Professional Services, Inc.  
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Duluth, Minnesota 55802  
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E-mail: crosseau@msa-ps.com

Lynn Habegger, City Administrator  
City of Carlton  
P.O. Box 336  
Carlton, Minnesota 55718  
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Fax: (218) 384-3467  
E-mail: lhabheg@cityofcarlton.com

**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**City of Carlton: Water Tower Improvements**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 78% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Maintaining or improving infrastructure related to water quality is an important state mission. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? The number of this type of local request suggests that additional requests will likely be forthcoming from local units of government if the state provides funding for this project.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/14/05 has been received from the Carlton City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of dams, floodwater retention systems, water access sites, harbors, sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.

**Dakota County: Seven Projects**

**2006 STATE APPROPRIATION REQUEST:** \$30,760,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Dakota County)

**PROJECT LOCATION:** various locations in Dakota county

**Project At A Glance**

Dakota County requests funding for seven projects (in priority order):

- ◆ \$13.86 million for a Multi-Jurisdictional Communications and Public Safety Support Center
- ◆ \$5 million for the Cedar Avenue Transitway, Phase 1
- ◆ \$7 million to acquire a 780-acre property in Empire Township for a Empire Wetlands Wildlife Area and Regional Park, and to design and construct public access improvements
- ◆ \$3.1 million for an Affordable Assisted Living Development
- ◆ \$200,000 for a Regional Travel Demand Study of the needs to meet travel demands between Washington and Dakota Counties
- ◆ \$1.1 million for a new program, *From Brown To Green*, to clean up waste sites and redevelop them as green space in the county
- ◆ \$500,000 for a Department of Natural Resources (DNR) Dam Safety Grant for Bylesby Dam

**Project Descriptions**

**Priority 1: Multi-Jurisdictional Public Safety Support Center in Dakota County**

Dakota County's number one priority is a request for \$13.86 million in state funding to design, construct, furnish, and equip a Multi-Jurisdictional Communications and Public Safety Support Center (PSSC). This project will create greater efficiency, higher cost-effectiveness, and enhanced services for the security of the citizens of Dakota County. The proposed project is one result of the High Performance Partnership (HiPP) project, a yearlong review of ways that local governments could work in partnership to better provide services to citizens of Dakota County. HiPP recommended that the cities and the county jointly undertake the development of a PSSC.

The primary components the project are an:

Communications Center -- approximately 24,000 square feet; estimated cost = \$6.1 million.

The Communications Center will primarily serve as a dispatch center for an APCO 25 compliant digital trunk radio system that is integrated with the Allied Radio Matrix for Emergency Response (ARMER) 800 MHz radio network. This countywide dispatch center will consolidate the six public safety answering points that now exist within the county.

The Communications Center may also provide a host site for implementing a hub for criminal justice information systems integration to facilitate access to this information by law enforcement. Dakota County has served as a pilot county for development of new applications for sharing criminal justice information among local law enforcement agencies and for improved methods of sharing information between local law enforcement agencies and the state of Minnesota, as part of the CriMNet Program. In this case, the Communications Center would include the space to house the information technology staff dedicated to a regional approach to upgrade, consolidate, and implement advanced technical solutions for law enforcement.

Pubic Safety Support Center -- approximately 42,100 sq.ft. estimated cost = \$7.77 million. The PSSC would include:

- ⇒ Space for the County Special Operations Team (SOT) and Drug Task Force. The SOT is comprised of police, fire, and Emergency Management Services (EMS) staff from the jurisdictions within the county. The SOT has the capacity to respond to local hazardous material events and is developing capabilities to respond to weapons of mass destruction events, including medium collapsed structure rescue.
- ⇒ Storage of mobile command vehicles and other specialized equipment, including space for garage bays in which radio and computer equipment in law enforcement vehicles can be worked on or repaired.
- ⇒ A centralized booking/holding facility.
- ⇒ A law enforcement indoor firing range for multi-jurisdictional use and training.

**Dakota County: Seven Projects**

⇒ Space to support training, major investigations, and a centralized Emergency Operations Center. The space would regularly be used for technical training for dispatch, fire, police, and IT personnel, but would be equipped for conversion to an Emergency Operations Center for large-scale disaster responses.

**Priority 1 Total Project Cost:** The estimated cost of design, construction, and other allowances for the Multi-Jurisdictional Communications and PSSC is \$13.86 million. Direct construction costs (including a 10% contingency) are estimated at \$11.256 million.

**Regional Significance:** The 11 largest cities in Dakota County will be partners in the project. The PSSC will provide a direct interface with the 800 MHz communications system in the region, as well as with the CriMNet system being developed through the Department of Public Safety.

**Priority 2: Cedar Avenue Transitway, Phase 1**

Dakota County's number two priority is a request for \$5 million in state funding for the Cedar Avenue Transitway project. This project will develop Bus Rapid Transit (BRT) in the Cedar Avenue Corridor south from the Mall of America to Lakeville. The Cedar Avenue Transitway is a key to maintaining mobility in Dakota County and maintaining commuting times at acceptable levels.

With the support of the legislature, preliminary environmental studies and development of a short-term improvement program for the project are proceeding. In 2005, the legislature provided \$10 million in the bonding bill for a large share of Phase 1 of this project. Prior to this enactment, other amounts contributed include:

- ◆ \$500,000 from the state legislature in 1998 for a Feasibility Study (completed);
- ◆ \$500,000 from the state legislature in 2001 for a Phase II Corridor Extension/Feasibility, Scoping, and Alternatives Analysis study;
- ◆ \$400,000 from the Metropolitan Council in 2002, used in conjunction with state funds to complete (spring 2004) the Phase II studies; and
- ◆ \$1.0 million from a federal congressional appropriation in 2003 for preliminary engineering and environmental studies.

Total federal, state, and regional commitments to date are \$12.4 million. In addition, Congress has recently authorized a total of \$9.8 million for construction of Phase 1 in the Safe, Accountable, Flexible, Efficient, Transportation, Equity Act: A Legacy for Users (SAFETEA-LU) federal transportation legislation.

**Priority 2 Total Project Cost:** The total project cost of Phase 1 of the Cedar Avenue Transitway is \$27.18 million (in 2003 dollars). Phase 1 of the construction portion of the project runs from 2005 to 2010. In this phase, core BRT service will be strengthened and BRT facilities enhanced. Specifically:

Shoulder improvements for bus use (CSAH 23) in Apple Valley	\$ 5,791,000
Cedar Grove Transit Station	\$ 3,178,000
Cedar Grove Access Preliminary Engineering (PE)	\$ 546,000
180th Street Area Transit Station	\$ 3,583,000
Apple Valley Transit Station	<u>\$14,080,000</u>
Total	\$27,178,000

This \$5 million request for state funding in 2006 is necessary to complete the estimated state share of funding for Phase I of the Cedar Avenue Transitway.

Future phases of the Cedar Avenue Transitway project will include (in 2003 dollars):

- ◆ \$15.68 million from 2011 to 2015 to add station-to-station service and on-line stations;
- ◆ \$11.5 million from 2016 to 2020 to expand BRT; and
- ◆ \$65.24 million beyond 2020 to expand and improve BRT service and facilities.

**Priority 3: Empire Wetlands Wildlife Area and Regional Park acquisition and development**

Dakota County's number three priority is a request for \$7 million in state funding to acquire a 780-acre property (Butler property) in Empire Township for a state wildlife area and regional park, and to design and construct public access improvements. This project uses an innovative multi-agency approach to land protection, restoration, management, and recreation. The

**Dakota County: Seven Projects**

780-acre property is the strategic core of an overall concept to create a 4,000-acre contiguous natural landscape that contains forests, prairie, wetlands, a scenic lake, and the Vermillion River. The overall concept would serve many purposes, including to:

- ◆ protect natural areas and wildlife habitat;
- ◆ provide natural resource based recreation (hiking, biking, birding, etc.);
- ◆ provide an area open to public hunting and trout fishing;
- ◆ protect the water quality of the Vermillion River and its tributaries; and
- ◆ provide trail and open space connections to the rapidly growing suburban cities of Farmington, Lakeville, and Rosemount.

The 4,000-acre total project will be a significant benefit to the region’s natural resource base. The proposal is based on a partnership that includes federal, state, regional, county, watershed, city/township, non-profit, and private sources:

- ◆ DNR Wildlife and Fisheries (Wildlife Management Area and Aquatic Management Area);
- ◆ Dakota County (Regional Parks, Farmland and Natural Area program);
- ◆ UMORE (education, research, trail system);
- ◆ Metropolitan Council (Regional Park Funding/Metro Treatment Plant);
- ◆ Cities of Farmington, Lakeville, Rosemount, Empire Township;
- ◆ Hunting and Fishing Groups (Pheasants Forever, Trout Unlimited, Ducks Unlimited);
- ◆ Board of Water and Soil Resources (BWSR) (wetland banking);
- ◆ Non-Profits (TPL – option on Miles); and
- ◆ Corps of Engineers (re-meander the river channel).

**Priority 3 Total Project Cost:** The total project cost of the Empire Wetlands Wildlife Area and Regional Park acquisition and development project is \$21 million. Estimated project costs, by category, include:

	Wildlife & Aquatic Management Area (1,600 Acres)	Empire Wetland Regional Park (460 Acres)	Shared Open Space (2,400 Acres)
DNR	Est. \$12 million (acquisition)		
Metropolitan Council Regional Parks		\$1 million (Acquisition Opportunity Fund)	
Dakota County FNAP	Est. \$1 million (acquisition)		
Metropolitan Council Waste			In-kind/land (approx.400 acres)
University of Minnesota			In-kind/land (approx. 2,000 acres)
Current Legislative Request		\$6 million (acquisition) \$1 million (public access improvements)	
Est. Total Expense	\$13 million	\$8 million	\$0

The project is a time sensitive initiative that requires action before land prices escalate in response to growth and development. The current landowner has expressed a willingness to sell and is receptive. The partnering agencies do not have the financial resources available to acquire the land before this window of opportunity closes, without assistance from the legislature.

Project partners have already made public investments in the surrounding land. These include the DNR commitment to purchase the Miles property on the Vermillion River (478 acres), the Metro Waste Treatment wetland restoration project, and the University’s investment in a trail system and public use of the southern 2,000 acres of the UMORE property.

## Dakota County: Seven Projects

**Priority 4: Affordable Assisted Living Development**

Dakota County's number four priority is a request for \$3.1 million in state funding to predesign, design, construct, furnish, and equip an affordable assisted living development project.

The combination of housing and personal care services associated with assisted living developments can be costly and unattainable for extremely low and low-income seniors. The proposed affordable assisted living development project will combine the advantages of assisted living services, with the affordability of Dakota County Community Development Agency (CDA) housing.

**Priority 4 Total Project Cost:** The estimated cost of the proposed affordable assisted living development is \$6.2 million. Non-state funds of \$3.1 million will be contributed to the project.

The overall size of the proposed building will be between 36,000 and 45,000 square feet, with 45-50 living units. Typical living units will be efficiency or small one-bedroom style apartments. In addition to affordable rents the development will offer traditional assisted living services such as meals, housekeeping, security, transportation, and assistance with activities of daily living (e.g., dressing, bathing, and eating).

**Priority 5: Regional Travel Demand Study**

Dakota County's number five priority is a request for \$200,000 in state funding to conduct a regional travel demand study for Dakota and Washington counties.

In late 2004, officials from Washington and Dakota counties, Department of Transportation (Mn/DOT), and the Metropolitan Council met to discuss moving forward with a study of needs to meet travel demands between Washington and Dakota counties.

The actual need and timing for such a transportation improvement is uncertain. Staff from the four agencies have continued to meet and developed a scope of work that would serve as the first phase of the study regional travel demand. This work would involve an update of the Metropolitan Council's regional travel demand model for Washington and Dakota counties. The update would be at a sufficient level of detail to

determine travel demand requirements, including whether there is a need for additional river crossing capacity. If so, there would be a basis to explore options to address this need. Subsequent phases of this model update would cover other parts of the Twin Cities region.

**Priority 5 Total Project Cost:** Metropolitan Council staff estimates the cost of this Regional Travel Demand Study to be \$200,000. The project would be a joint effort of the four agencies, with the Metropolitan Council as the lead agency.

**Priority 6: From Brown To Green Program**

Dakota County's number six priority is a request for \$1.1 million in state funding to establish a new, ongoing program to clean up contaminated waste sites and redevelop the properties as green space that supports local development plans.

Existing state and federal investigation and cleanup funds put a priority on waste sites that, when developed, will enhance employment opportunities and taxable uses. Funding is limited for sites that have great potential for development as valuable green space. It is also difficult to develop these sites for affordable housing for many of the same economic and public health reasons. Publicly owned sites also fail to score well under the existing funding systems, and often remain unremediated as a result.

Dakota County proposes to address the areas where funding for clean up of contaminated sites has been limited through a state/county/local partnership. This proposal envisions Dakota County entering into a collaborative partnership with the state of Minnesota (through bonding monies) and with local cities to cleanup priority waste sites that:

- ◆ when developed, will provide green space that supports local development plans;
- ◆ assist in the development of affordable housing; and
- ◆ give consideration to publicly-owned sites that will support these purposes.



**Dakota County: Seven Projects**

Four sites per biennium would be targeted. The proposed sharing of funding responsibilities is as follows:

State portion	25%
County portion	25%
Local portion	50%

The proposed local money could be a mix of budgeted funds, tax write-offs, private (foundation) dollars, or other sources. To complete four projects per biennium of the size and complexity envisioned would require an state appropriation of about \$1.1 million per biennium.

Dakota County currently has over 2,400 identified waste sites, ranging from simple farm dumps that can be cleaned up relatively easily to large, complex sites that have the potential to damage public health and that may, individually, cost well in excess of a million dollars to remediate. These more complex sites are unlikely to be developed without assistance, as the cost of remediating the problem would exceed the return on investment a developer would expect. As adjoining land is developed, these sites can become vacant islands of hazards and blight surrounded by residential housing or commercial development. These blighted lands are attractive nuisances for children (for example, some have piles of concrete with rebar exposed, a safety hazard). Any contamination present may be affecting local groundwater, but until adequate testing has occurred, this remains an unknown. As impacted sites, the local communities are receiving minimal taxes on these parcels, and will lose even that if the parcels go tax-forfeit. These vacant properties strain the resources of local police, fire, building, and health officials.

**Priority 6 Total Project Cost:** The total cost of *From Brown to Green* in 2006 is \$4.4 million. The request is based on four projects in the biennium, using the example projects noted above as an indicator of typical needs. The request for \$1.1 million in state funds is 25% of this total cost. Dakota County proposes that the county would be responsible for an additional 25% of the total cost, and the local government would be responsible for the remaining 50% of costs.

**Priority 7: Dam Safety Grant for Byllesby Dam**

Dakota County's number seven priority is a request for a \$500,000 state grant through the DNR's Dam Safety Grant Program for Byllesby Dam.

M.S. 103G.511 provides for matching grants to local governments for dam repair or reconstruction. Byllesby Dam is classified as a high hazard dam, with the city of Cannon Falls only three miles downstream of the structure. Instantaneous failure of the Byllesby Dam would likely result in the loss of life, due to a large flood wave reaching Cannon Fall within 12 minutes of such failure. The proposal for capital funding is for improvement of the Dam to maintain its integrity for public safety.

Independent consultant inspections of Byllesby Dam in 1996 and 2001 recommended repairs to the eroded areas at the base of the spillway-training wall. The repairs were deferred until a comprehensive engineering analysis was completed. Two subsequent engineering evaluations in 2004 and 2005 concluded that there is potential for erosion of bedrock forming the downstream spillway apron and supporting the downstream foundation for the Dam. The 2005 evaluation recommends preventative measures to stop erosion, including installing reinforced concrete retaining walls and a concrete apron along the upper edge of the spillway terrace. To protect the critical rock mass at the top of the spillway from rapid erosion during high flows, the evaluation recommends a rock strip along the toe of the dam with 15-foot long, 1-inch diameter vertical grouted bolts. These improvements will assure public safety by maintaining the integrity of the supporting bedrock foundation of the Dam and preventing undermining of the overflow section during high flood events.

**Priority 7 Total Project Cost:** The total cost of the Byllesby Dam improvements is \$1.0 million. The request to the legislature will be for \$1.0 million. The DNR Dam Safety Grant program requires a 50% non-state match.

**Dakota County: Seven Projects**

The proposal is based on a partnership that includes the state DNR, Goodhue County and Dakota County. The request is based on the following cost sharing arrangement:

<b>Agency</b>	<b>Amount</b>	<b>Source</b>
DNR	\$500,000	DNR Dam Safety Grant (from 2006 state bonds appropriation)
Dakota County	\$300,000 (60%)	Dam Reserve Fund
Goodhue County	\$200,000 (40%)	Dam Reserve Fund

**Impact on Agency Operating Budgets (Facilities Notes)**

Regarding Priority 3 (Empire Wetlands Wildlife Area and Regional Park): The DNR will be responsible for managing the proposed wildlife and aquatic management area.

Regarding Priority 5 (Regional Travel Demand Study): This project would be a joint effort of four agencies. Two of the four entities are state agencies (Metropolitan Council and Mn/DOT), and the Metropolitan Council will be the lead agency on the project.

**Previous Appropriations for this Project**

See individual project descriptions.

**Other Considerations**

Regarding Priority 2 (Cedar Avenue Transitway): The total project costs for all phases of the Cedar Avenue Transitway project (2005 to beyond 2020) is estimated at \$120 million in 2003 dollars. (For reference, Phase 1 only is estimated to increase from \$27.2 million in 2003 dollars to \$31.3 million in 2006 dollars.)

Regarding Priority 4 (Affordable Assisted Living Development): The Dakota County CDA will own the building. The CDA will be responsible for the housing aspect of the development and will lend its expertise as a housing provider to the construction, lease up, and ongoing management of the development. The CDA will contract with an experienced service provider to provide assisted living services at the development.

Regarding Priority 6 (*From Brown To Green* program): Dakota County proposes completing four *From Brown To Green* projects per biennium, and estimates that a state appropriation of about \$1.1 million per biennium will be required for the program.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**Dakota County: Seven Projects**

<b>Evaluation of Local Projects</b>	
1.	<p>Are non-state matching funds contributed? No non-state funds are identified in Dakota County's number one priority project request information.</p> <p>For the county's number two priority project, the state funding will match federal and local funds. (Because this project is a metropolitan area transit project that is also requested by the Metropolitan Council, it is not evaluated here.)</p> <p>For the county's number three priority project, the 33% state bonding request will be matched by 67% state and local non-capital funds. For the county's number four priority project, 50% of project costs are to be provided from local government funds. For the county's number five priority project, no local funds are identified in the project request information. For the county's number six priority project, 75% of project costs are to be provided from local government funds. For the county's number seven priority project, no local funds are clearly identified in the project request information.</p>
2.	<p>Does project fulfill an important state mission? The state has existing grant programs to provide financial assistance in some of these areas, while in other areas the state role in funding local projects is unclear.</p> <p>The county's number number five priority project should be considered alongside other metropolitan area transportation requests. The county's number three priority project should be considered alongside other metropolitan area parks requests.</p>
3.	<p>Has a state role been expanded in a new policy area? See #2 above.</p>
4.	<p>Is project of local, regional, or statewide significance? These projects are viewed as having primarily local or regional benefits.</p>
5.	<p>Are state operating subsidies required? The state DNR would reresponsible for managing the proposed wildlife and aquatic management area in Dakota County's Priority #3. The Metropolitan Council would be responsible for Dakota County's Priority #5. An ongoing new environmental cleanup program, Dakota County's Priority #6, could increase some affected state agency operating costs, depending upon how the new program is structured.</p>

6.	<p>Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.</p>
7.	<p>Does project compete with other facilities? Not significantly.</p>
8.	<p>Have resolutions from local governing bodies been provided? A resolution of support dated 05/03/05 has been received from the Dakota County Board of Commissioners.</p>
9.	<p>Is predesign (required if construction cost is over \$1.5 million) completed? A predesign has not yet been submitted for priority #1 and priority #4. Predesigns may not be required for the other Dakota County requested projects.</p>
10.	<p>Is project disaster related? No.</p>

## Dayton: Land Acquisition I-94/Brockton Ln Interchange

**2006 STATE APPROPRIATION REQUEST:** \$1,600,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Dayton)

**PROJECT LOCATION:** City of Dayton, Hassan Township

#### Project At A Glance

\$1.6 million in state funds in 2006 to acquire land for a future interchange at I-94/Brockton Lane (Hennepin County Road 101) in the city of Dayton.

#### Project Description

This request is for \$1.6 million in state funding to acquire land for a future interchange at I-94/Brockton Lane (Hennepin County Road 101) in the city of Dayton. The future interchange provides both local and regional significances in providing access to and from I-94. The Minnesota Department of Transportation (Mn/DOT) in 2005 and 2006 is preparing a study of the I-94/Trunk Highway (TH) 101 Corridor between Maple Grove (Weaver Lake Road) and Elk River (TH 10). The study will result in a detailed layout of the roadway, which includes an interchange at Brockton Lane in the city of Dayton and Hassan Township. Right-of-way acquisition is not included in the study.

Therefore, based on the sale of land in the Brockton Lane Interchange area, the city of Dayton is requesting funding for the purchase of two parcels of land that are located north and south of I-94 east of Brockton Lane. (One parcel is 11.18 acres; the other is 1.97 acres.)

#### Total Project Cost

The total cost of the project is estimated at \$3.2 million. The sale price for one of the parcels (Parcel 31-120-22-22-0013) is \$1.677 million. The city of Dayton will contribute \$1.6 million to the project.

Dayton's 2001 Comprehensive Plan and previous Comprehensive Plans have also identified a future interchange at this location. Mn/DOT in the past has supported an interchange at Brockton Lane, however had indicated that plans do not exist and funding is not available. The city of Dayton strongly supports an interchange at Brockton Lane and wants to do everything it can to assist Mn/DOT in developing an interchange at Brockton Lane.

#### Previous Appropriations for this Project

None.

#### Other Considerations

The project schedule is to acquire the land in 2006.

The land for the interchange will be owned by the city of Dayton and he held in Dayton's name until the Mn/DOT requests the deed at which time Dayton will convey the land to Mn/DOT at no cost. The interchange, when constructed, will ultimately be owned by Mn/DOT

#### Project Contact Person

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#### Governor's Recommendations

The Governor does not recommend capital funds for this project.

**Dayton: Land Acquisition I-94/Brockton Ln Interchange**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Transportation is an important state mission. Mn/DOT is the entity responsible for developing projects on the trunk highway system.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? Eventually. The interchange, when constructed, will be owned and maintained by Mn/DOT.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? Not yet received.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is not required for this type of project.
10.	Is project disaster related? No.

**DECC / UMD Arena (listed in Duluth requests)**

**2006 STATE APPROPRIATION REQUEST:** \$0

**AGENCY PROJECT PRIORITY:** 1 of 1 (Duluth Entertainment & Convention Center)

**PROJECT LOCATION:** 350 Harbor Drive, Duluth

**Project At A Glance**

The Duluth Entertainment and Convention Center Authority (DECC) is requesting state funding to design and construct a new Duluth Arena. This is a joint request with the city of Duluth.

**Project Description**

The Duluth Entertainment and Convention Center Authority (DECC), jointly with the city of Duluth, is requesting \$33,736,659 in state funding for design and construction of a new 217,446 square foot Duluth Arena.

To find information on this project, please refer to the project request submitted by the city of Duluth.

**DECC / UMD Arena (listed in Duluth requests)**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? This project is evaluated as part the city of Duluth's project evaluations.
2.	Does project fulfill an important state mission?
3.	Has a state role been expanded in a new policy area?
4.	Is project of local, regional, or statewide significance?
5.	Are state operating subsidies required?
6.	Are inequities created among local jurisdictions?
7.	Does project compete with other facilities?
8.	Have resolutions from local governing bodies been provided?
9.	Is predesign (required if construction cost is over \$1.5 million) completed?
10.	Is project disaster related?

**Detroit Lakes: TH34 Multi-Use Trail**

**2006 STATE APPROPRIATION REQUEST:** \$4,620,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Detroit Lakes)

**PROJECT LOCATION:** TH 34 from Detroit Lakes to Park Rapids

**Project At A Glance**

Detroit Lakes is requesting \$4.62 million to predesign, design, and construct the Trunk Highway 34 Multi-Use Trail (for biking, walking, roller-blading and Winter snowmobiling) from Detroit Lakes to Park Rapids to connect to the Heartland Trail.

**Project Description**

The Trunk Highway 34 Multi-Use Trail (for biking, walking, roller-blading and Winter snowmobiling) between Detroit Lakes and Park Rapids will boost tourism in the region, provide recreational opportunities for residents and visitors and be a boon to area resorts including those in smaller communities. With higher fuel prices limiting other forms of recreation, biking and bike trails will be an economic benefit to area resorts. The Trunk Highway 34 Bike Trail is intended to connect with the Heartland Trail and will boost tourism in the entire region that includes the cities of Detroit Lakes, Park Rapids, Brainerd and Bemidji. The Trunk Highway 34 Trail between Detroit Lakes and Park Rapids is also a crucial link to connecting Detroit Lakes, Alexandria and Fergus Falls in the future. The proposed multi-use trail will be entirely new construction of a 40-mile, 10-foot wide bituminous bike trail.

There are currently very few trails serving this area of the state. The Trunk Highway 34 Multi-Use Trail will connect about 15 miles of city and county trails with an established State Trail System.

A 1998 State Trail Survey by the Minnesota Department of Natural Resources showed that the users of the Heartland Trail are 75% tourists and 25% local residents. The trail users spent a total of \$823,000 that year, and tourists accounted for \$747,000 of the total. These dollars are vital to our

community's economy. Users of the Heartland Trail like the peaceful scenery and wildlife. Visitors attracted to the Scenic Bi-Way were attracted to the area for the same reason according to a 2004 survey by the Minnesota Office of Tourism.

This segment of Trunk Highway 34 is part of the Lake Country Scenic By-way, which is one of the most beautiful scenic by-ways in Minnesota. Efforts are underway to have the Lake Country Scenic Byway designated as a National Scenic Byway.

**Total Project Costs:** The Minnesota Department of Transportation (Mn/DOT) has estimated the total cost of the project to be \$4.62 million broken down as follows:

Grading Budget Excavation Clearing & Grubbing	\$2,000,000
Class 5 Base	\$ 385,000
10 Foot Wide 2" Bituminous Pavement	\$1,135,000
Drainage Structures & Aprons	\$ 125,000
Excavation Treatment of Wetland Acres	\$ 250,000
Oversight & Omissions (25%)	<u>\$ 975,000</u>
	<b>\$4,620,000</b>

The city is requesting \$4.62 million in state funds for this project. Other state funds may be requested for this project, such as Transportation Enhancement Funds. Federal, state, and private grants will be applied for to finance trail enhancements or to move the trail away from the highway in some areas.

**Impact on Agency Operating Budgets (Facilities Notes)**

The state will own this bike trail and be responsible for its ongoing maintenance.

**Previous Appropriations for this Project**

None.

**Other Considerations**



**Detroit Lakes: TH34 Multi-Use Trail**

The facility will be owned and operated by the state of Minnesota. Construction is scheduled to start in 2011 and the project will be completed by 2012 to coincide with the planned Highway 34 road construction, resulting in cost saving benefits.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Detroit Lakes: TH34 Multi-Use Trail**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? No non-state funds are identified in the project request information.
2.	Does project fulfill an important state mission? Providing recreational opportunities is an important state mission in Minnesota. However, the DNR should prioritize connections to state trails within the state's overall trail development plan.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? Yes. The state will own this bike trail and will be responsible for its ongoing maintenance.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Potentially, if the state's overall trail development plan and timetable is not followed.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 11/01/05 has been received from the Detroit Lakes City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways.
10.	Is project disaster related? No.

**Duluth: Six Projects**

**2006 STATE APPROPRIATION REQUEST:** \$34,862,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Duluth)

**PROJECT LOCATION:** various locations in Duluth

**Project At A Glance**

The city of Duluth requests funding for six projects (in priority order):

- ◆ \$33,736,659 in state funding for design and construction for a new 217,446 square foot Duluth Arena. This is a joint request with the Duluth Entertainment and Convention Center (DECC) Authority.
- ◆ \$500,000 in state funding to predesign, design, and construct roadway improvements, wayfinding signage, and interpretive kiosks to Skyline Parkway.
- ◆ \$325,000 in state funding for improvements relating to public water access to Superior Bay.
- ◆ North East Minnesota Rail Initiative and St. Louis County Heritage and Arts Center (The Depot). This is a joint request with St. Louis County
- ◆ \$200,000 for Lake Superior Zoo renovation and master plan development
- ◆ \$100,000 in state funding to predesign and design a Native American Heritage Center at Spirit Mountain Recreation Area.

Note: Duluth's Priority four project, the North East Minnesota Rail Initiative, is not discussed in this section. To find information on the project, refer to the request submitted by St. Louis County.

**Project Description**

**Priority 1: New Duluth Arena**

Duluth's number one priority is a joint request with the DECC Authority for \$33,736,659 in state funding for design and construction for a new Duluth Arena.

The Authority board, which consists of four governor and seven mayoral appointments, oversees Duluth's auditorium, Duluth OMNIMAX® Theatre, city side and harbor side convention centers and the retired ore carrier the S.S. William A. Irvin. The Authority also manages the existing Duluth arena, which will be 40 years old in 2006. A new arena will provide a new home for University of Minnesota -- Duluth (UMD) Hockey and attract more and larger events to Northern Minnesota. The new arena will be located on the existing DECC footprint located on Duluth's waterfront.

**UMD Hockey:** The UMD Women's and Men's Hockey teams currently play on the oldest and smallest rink in the World Cup Hockey Association (WCHA). The new facility will provide UMD Hockey with:

- ◆ A larger 200 x 85 foot rink
- ◆ Increased seating capacity from 5,100 to 6,630
- ◆ State of the art locker and training facilities
- ◆ A facility with modern spectator facilities – suites, club seats, concessions
- ◆ Accessible and expanded media space

The DECC and UMD have a 40 year partnership showcasing Division 1 College Hockey in downtown Duluth. The new arena will allow the UMD Women's and Men's Hockey programs to be competitive well into the future.

**Concerts and Tradeshows:** The new 217,446 sq. ft. arena will attract more and larger concerts to northern Minnesota, provide much needed tradeshow space and give the DECC even more flexibility to host multiple events. For concerts, seating capacity will increase from 5,100-6,100 to 6,587-8,207, depending on stage lay out.

For tradeshows, the rink floor will provide an additional 19,650 square feet of tradeshow space immediately adjacent on the same level in the existing trade floor space providing a minimum of 82 additional 10'x10' booths. The space will allow existing tradeshows to expand (i.e., Home and Sports Show, Grandma's Marathon, quilters) and attract larger shows to northern Minnesota.

**Total Project Cost:** The total project cost for the new arena is \$67,473,000. The city would sell bonds to pay for 50% of the project's cost. The debt

**Duluth: Six Projects**

service on the \$33,736,659 of city bonds would be paid from a combination of:

- ◆ annual revenues of \$1.3 million from an increase of 0.075 in the city’s food and beverage tax
- ◆ an annual \$455,000 payment from UMD
- ◆ an annual \$461,000 contribution from DECC

The proposed financing arrangements for the non-state share of funding are based on increasing the city’s food and beverage tax an additional 3/4%. All proceeds from this additional food and beverage tax will be used to retire the city’s debt, and this tax will sunset once the bonds are paid off. The city forecasts that the bonds will be paid of in 16-17 years. (Note: The city’s existing ½% food and beverage tax is scheduled to sunset in 2013. The revenues from this current tax are dedicated for other city purposes and are not included in this project.)

UMD’s contribution to the project is a combination of rent and payments for the right to sell advertising in the facility. UMD has offered to include a 3% escalator in their rental contract, and they have also offered to sign a long-term lease for the life of the bonds.

The DECC Board of Directors retained architects to design the new arena in January 2005. The team of HOK, a nationally acclaimed sports venue designer, and Stanius Johnson Architects has completed the pre-design, scheduling and cost estimating for the new arena. The process involved many program sessions with UMD staff and coaches, input from other users and community representative, and assistance from Minnesota’s largest sports facility contractor, Mortenson to develop construction cost estimating. Because it has been completed, the cost of the pre-design is not included in the project’s total costs.

**Project schedule:**

Planning and Budgeting	April/May 2006
Schematic Design	May-July 2006
Design Development	July-October 2006
Construction Documents	October 2006–January 2007
Bid and Award	January 2007-May 2007
Procurement	February 2007-March 2008
Construction	January 2007-November 2008

Completion

November 2008

**Priority 2: Skyline Parkway Corridor Preservation Project**

Duluth’s number two priority is a request for \$500,000 in state funding to predesign, design, and construct roadway improvements, wayfinding signage, and interpretive kiosks to Skyline Parkway – a historically significant transportation, environmental, and recreational corridor in the city of Duluth. This request represents the first phase of a series of projects that would ultimately enhance and preserve the function, nature, and character of the overall total corridor.

**Priority 2 Total Project Cost:** Estimated project costs for the total project as identified are \$5,000,000 – half of which would be provided by the city of Duluth through a combination city and/or private funding.

Skyline Parkway is a designated scenic by-way corridor running for 38 miles from Beck’s Road on the westerly end to London Road on the easterly end - primarily within the city of Duluth, but also with small segments in the city of Proctor and Midway Township. In addition, the western-most “Mission Creek” segment (from Beck’s Road to Fond du Lac) is no longer maintained as a public road – but also is being studied as part of the current corridor management plan effort. Overall, Skyline Parkway links many historic neighborhoods and most of the city’s parks, and offers a tremendous variety of environments and experiences.

The requested funding – for roadway improvements, wayfinding signage, and interpretive kiosks – builds directly on the established Corridor Management Plan (and related Interpretive and Wayfinding Plan) for Skyline Parkway. Among the major issues raised in the planning process were the need for wayfinding signs to assist visitors in finding and following the route, and the need for user-friendly interpretive kiosks. The proposed project would address both of these issues – resulting in both immediate improvements to signage and interpretive information, and a detailed framework for future implementation. In addition, identified roadway improvements would work toward preserving the historical transportation, environmental, and recreational uses of the corridor. Visitors and area residents alike will benefit from these improvements, since many corridor users know little about the parkway’s resources and find portions of the route difficult to navigate.

## Duluth: Six Projects

Skyline Parkway's length and diversity make wayfinding and interpretation a particular challenge. It is composed of a series of streets with different names, jurisdictions, configurations, conditions, and landscape character. Improvements to the roadway, signage, and interpretive facilities would provide immediate and long-lasting benefit to the thousands of annual visitors and residents who use the Skyline Parkway corridor for transportation and/or recreation.

**Priority 3: Bayfront, slip #2, public water access**

Duluth's number three priority is a request for \$325,000 in state funding for structural evaluation of existing slip walls, predesign, and design development for improvements relating to public water access to Superior Bay. The city of Duluth and the state of Minnesota through the Department of Natural Resources (DNR) water access programs are promoting the public's utilization of Superior Bay, St. Louis River, and Lake Superior for fishing, recreation, and resource awareness.

The proposed project supported by this structural evaluation and design work would modify a slip and adjacent lands, originally designed to accommodate large commercial vessels, to a configuration that would also accommodate smaller private boats. This construction would add capacity to supplement existing boat access built by DNR and maintained by city. This area includes slip walls and relieving platforms that are exhibiting failure. The structural evaluation, conducted by divers, and subsequent design would allow the cost of construction to be quantified.

**Priority 3 Total Project Cost:** The total project cost is unknown, because it is subject to structural evaluation and design. The city expects to request an additional \$2.5 million in state funds in 2008 for the subsequent renovation and construction phase of the project.

In addition to local users, Minnesota residents travel considerable distances from the Metro and other regions, to utilize Lake Superior and the St. Louis River. The dramatic improvement in water quality in the river over the last several decades, through aggressive point and non-point pollution reduction based on federal, state, regional, and local programs, has made this resource a destination for fishing, sailing, bird watching, ship watching, and general boating activity enjoyed by thousands of Minnesota residents. Providing more access capacity in an existing recreational area adjacent to

downtown Duluth will provide more capacity, in a desired location for launching and shore access, at a previously disturbed site on the water.

**Priority 4: North East Minnesota Rail Initiative – joint request with St. Louis County**

Duluth's fourth priority is a joint request with St. Louis County for a Northeast Minnesota Rail Initiative/St. Louis County Heritage and Arts Center (the Depot). For information on this project, refer to the project narrative for the requests submitted by St. Louis County.

**Priority 5: Lake Superior Zoo Master Plan**

Duluth's number five priority is a request for \$400,000 to predesign, design, and construct repairs and improvements to continue the development of the Lake Superior Zoo's Master Plan.

The Lake Superior Zoo proposes to use state bonding funds to make urgently needed repairs and upgrades to the Polar Shores exhibit. This complex includes exhibits for the popular polar bears, harbor seals, North American otters, arctic fox, snowy owls, and tundra swan. This is the flagship exhibit complex of the Zoo and was funded through state bonding funds nearly twenty years ago.

This area is in need of several upgrades and repairs to the pumps and filters needed to keep the water in the pools clear and sanitary. Also needed are repairs to the rockwork in the exhibits that are beginning to deteriorate.

The request also proposes to create a rustic nature trail to link the Australian Outback with the deer yards, which would eliminate the current dead end pathway and allow the zoo visitor to return to the main part of the zoo via a path through woods and across the waterfall on the Kingsbury Creek which runs through the zoo. This would also allow for the Lake Superior Zoological Society to develop exhibits for small native animals along this path. Animals that might be included along this path would be bobcat, lynx, fox, hawks, owls, and grouse.

This request is for predesign and design funds and funds to upgrade pumps, filters and rockwork in the existing Polar Shores area and for walkways and utilities to continue the development of the Lake Superior Zoo's Master Plan.

## Duluth: Six Projects

The Lake Superior Zoo Master Plan will be developed through a partnership of the state of Minnesota, the city of Duluth and the Lake Superior Zoological Society.

**Priority 5 Total Project Cost:** The total cost of the Lake Superior Zoo Master Plan project is \$400,000. Of this amount, the city of Duluth will provide \$200,000 from local funds (50% of the total project cost).

Funds for the design and development of the Zoo Master Plan would be requested for the 2008 and 2010 legislative sessions. Preliminary estimates are that the city expects to request an additional \$750,000 in 2008 and \$900,000 in 2010. These amounts represent 50% of the total costs for the projects.

**Priority 6: Native American Heritage Center**

Duluth's number six priority is a request for \$100,000 to predesign and design a 20,000 square foot Native American Heritage Center at Spirit Mountain Recreation Area.

Spirit Mountain Recreation Area is a year-round recreational area that includes downhill skiing, cross country skiing, camping, hiking, and many other activities to visitors from all over the state and the nation. Native Americans have identified a number of areas within the boundaries of the Spirit Mountain Recreation Area that are culturally significant to local Native American tribes.

The requested is for the pre-design and design of a multipurpose building to be located in the Spirit Mountain Recreation Area. The approximately 20,000 square foot building would house a Native American Cultural exhibit focusing on local tribes and the cultural importance of this area, a cross country skiing shelter/lodge and offices for the camp ground. This building would serve as the starting point for a proposed Heritage Walking Trail that would highlight local plants and animal communities and the cultural heritage of Native Americans.

**Priority 6 Total Project Cost:** The total project cost of the Native American Heritage Center project is \$1.5 million, of which the city will provide \$750,000 through a combination of city and private funds. Similarly, of the 2006

predesign and design total cost of \$200,000, the city will provide \$100,000 through a combination of city and private funds.

The city expects to request an additional \$650,000 for the construction phase of the project. Project construction would begin in June 2009 and be completed by May 2010.

**Impact on Agency Operating Budgets (Facilities Notes)**

Regarding Priority 1: None directly. UMD currently pays rent and also for the right to sell advertising in the existing DECC building. UMD would pay increased rent in the new arena, and would also pay for increased opportunities to sell advertising in the new arena. UMD has also offered to sign a long-term lease for the length of the city's bonds.

Regarding Priority 3: The impact of the Bayfront water access project on the DNR's operating budget is unknown at this time.

**Previous Appropriations for this Project**

None.

**Other Considerations**

Regarding Priority 1: The Duluth Entertainment and Convention Center Authority will own and operate the facility.

Regarding Priority 2: Skyline Parkway is owned and operated by the city of Duluth. Project construction for Phase 1 would begin in June 2006, and be completed by December 2006.

Regarding Priority 3: Bayfront slip two is owned by the state. The city expects that either the state DNR or the city will operate the facility. The project's evaluation and design phase would start July 2006. Project financing would occur in 2007 and the first half of 2008, and construction would begin in July 2008, and be completed by May 2008.

**Duluth: Six Projects**

Regarding Priority 5: The facility would be owned by the city of Duluth and operated by a partnership of the city and the Lake Superior Zoological Society.

Regarding Priority 6: The Center would be owned by the city and operated by the Spirit Mountain Recreation Area Authority.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**Duluth: Six Projects**

<b>Evaluation of Local Projects</b>	
1.	<p>Are non-state matching funds contributed?                      For Duluth's number one priority project (a joint project with DECC, the Duluth Entertainment and Convention Center Authority), 50% of project costs are to be provided from non-state funding sources. For the city's number two priority project, the state funding will be matched by 50% city or private funding. No non-state funds are identified in the project request information for the city's number three priority project.</p> <p>The city's number four priority project, a joint project with St. Louis County, is evaluated as part of St. Louis County's project evaluations. For Duluth's number five priority project, 50% of project costs are to be provided from local funds. For the city's number six priority project, 50% of total project costs (including both the 2006 and anticipated 2008 state bonding request) will be provided by a combination of city or private funding.</p>
2.	<p>Does project fulfill an important state mission?                      The state role in funding many of these types of projects is unclear.</p>
3.	<p>Has a state role been expanded in a new policy area?                      See #2 above.</p>
4.	<p>Is project of local, regional, or statewide significance?                      These projects are viewed as having primarily a local or regional benefit.</p>
5.	<p>Are state operating subsidies required?                      The potential impact on the DNR's operating budget from the city's number three priority project (public water access) is unknown at this time.</p>
6.	<p>Are inequities created among local jurisdictions?                      If funded, other local jurisdictions could seek state funding for similar projects.</p>
7.	<p>Does project compete with other facilities?                      Not significantly.</p>
8.	<p>Have resolutions from local governing bodies been provided?                      A resolution of support dated 05/31/05 has been received from the Duluth Entertainment and Convention Center Authority for the DECC/UMD Arena project. Subsequent communications with the DECC Authority and the city of Duluth explained that the DECC/UMD Arena project is a joint project of DECC and the city of Duluth.</p> <p>Resolutions supporting the other Duluth projects have not yet been received.</p>

9.	<p>Is predesign (required if construction cost is over \$1.5 million) completed?                      A predesign has not yet been submitted for priority project #1. Predesign is likely not required for priority projects #2 and #3. For priority projects #4, #5 and #6, predesign funding is requested as part of the request for state funds.</p>
10.	<p>Is project disaster related?                      No.</p>



## Ely: Joint Public Works Facility

**2006 STATE APPROPRIATION REQUEST:** \$1,400,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Ely)

**PROJECT LOCATION:** City of Ely

#### Project At A Glance

This request is for \$1.4 million in state funding to construct a 71,000 square foot Joint Public Works Facility to house road maintenance vehicles for the city of Ely, St. Louis County, and Lake County.

#### Project Description

This request is for \$1.4 million in state funding to construct a 71,000 square foot Joint Public Works Facility on the east end of the city of Ely.

The project has local, regional, and state significance in that it serves a use for two counties in the northeastern portion of Minnesota, and reduces each entity's overhead related with running a maintenance facility. The shared costs would help to reduce dependence on state funds in the future for repairs and upkeep of the facility.

In addition the Joint Facility, by keeping the roads and access ways open, assists with maintaining access for tourists, the Department of Natural Resources (DNR), and the forestry department, into the Boundary Waters Canoe Area (BWCA) region for vacationing, surveying, fire prevention and safety issues. The BWCA, and the city of Ely, receive approximately 750,000 tourists each year.

The new facility would also be an upgrade from the current garage/maintenance buildings, meeting the new Americans with Disabilities Act (ADA) and Occupational Safety and Health Association (OSHA) guidelines for safe and accessible work areas. The current facility is spread across three buildings, the oldest built in 1934, with a high estimated cost to renovate to current safety/accessibility standards.

#### Total Project Cost

The total project cost for the Joint Public Works Facility is estimated to be \$7,004,568. The city of Ely is requesting \$1.4 million in state funding to assist with the city's portion of the facility project. The city has a \$1.5 million earmark of federal highway dollars available for this project. St. Louis County, who will own the facility, will also share in the financing of this facility.

At this time the city does not anticipate requesting any additional state funds in either 2008 or in 2010.

The project is scheduled to start in April/May of 2006, and finish by January/February of 2007.

#### Impact on Agency Operating Budgets (Facilities Notes)

None.

#### Previous Appropriations for this Project

None.

#### Other Considerations

St. Louis County will own the facility, with joint maintenance responsibilities.

#### Project Contact Person

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#### Governor's Recommendations

The Governor does not recommend capital funds for this project.

**Ely: Joint Public Works Facility**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? The city of Ely has \$1.5 million of earmarked federal funds available to match the \$1.4 million in state funding. (County funds will provide the remainder of the project's funding.)
2.	Does project fulfill an important state mission? The state mission in funding this type of project is unclear.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 02/01/05 has been received from the Ely City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A predesign has not yet been submitted.
10.	Is project disaster related? No.

## East Range Sanitary Initiative

**2006 STATE APPROPRIATION REQUEST:** \$350,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (East Range Joint Powers Board)

**PROJECT LOCATION:** Aurora, Hoyt Lakes, Town of White

**Project At A Glance**

\$350,000 in state funding is requested for an environmental assessment, pre-design, technology assessment, site location development, engineering, and surveying costs associated with the East Range Initiative to construct a central sanitary district.

**Project Description**

The request is for \$350,000 in state funding to perform an environmental assessment, pre-design, technology assessment, site location development, engineering, and surveying costs associated with the East Range Initiative to construct a central sanitary district.

The project has local significance as the existing sanitary systems are reaching full capacity and end of life. The project also has regional significance as there are several large projects currently being planned for the area that have the potential to overwhelm the existing infrastructure, and may require significant investment to handle waste from the project sites themselves. The local industrial parks also continue to grow, taxing the infrastructure that is in place, and raising new challenges for treatment capabilities to meet environmental standards.

There is also significance to the state as the watershed for this development lies in the Great Lakes Basin. The Great Lakes Initiative will have a significant impact on existing and new businesses in the East Range Communities as the Great Lakes states agreed to a comprehensive plan to restore the health of the Great Lakes in 1995. The Final Water Quality Guidance for the Great Lakes System, also known as the Great Lakes Initiative, includes criteria for states to use when setting water quality

standards for 29 pollutants, including bioaccumulative chemicals of concern, and prohibits the use of mixing zones for these toxic chemicals which will have impacts on the communities and supporting industries of these communities now and in the future. The goal of a central sanitary district will be to minimize the contribution from residential, commercial, and industrial discharges to the best standard achievable with technology that is currently available, and to consolidate the sources for ease of quality assurance and management of waste streams and their impacts in the region.

In order to complete the East Range Initiative, multiple assessments will need to be performed as the management of waste streams and their treatments are often unique to the constituents in the streams themselves. This proposal requests state aid in performing the environmental assessment prior to the construction as well as characterizing any impacts from the discharge of a consolidated facility to the surrounding watershed. The proposal also encompasses requested funding for the pre-design and technology assessments required to treat the wastes to best available control technology commercially known. There also will be a need to perform preliminary site developments to estimate construction costs and conditions for the site. The engineering encompassed with this proposal is to develop all stages for the pre-construction of a new sanitary district. There will also be a cost during the design phase to perform site surveys to develop detailed costs for the proposed sites.

The goal of the 2006 funding is to have a viable construction and operating plan available for 2007 and 2008 that will address the needs of the surrounding communities and businesses, as well as a facility that can foster economic growth in an environmentally responsible manner.

**Total Project Cost**

The total project cost for the environmental assessment, pre-design, technology assessment, site location development, geological and hydro geological assessments, engineering, and surveying costs for the East Range Initiative is \$500,000:

**East Range Sanitary Initiative**

Land Acquisition	\$25,000
Pre-design	125,000
Design	300,000
Construction	20,000
Furniture/Fixtures/Equipment	20,000
Relocation Costs	10,000

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

If funding is granted the East Range Initiative will begin 7-1-06 and end 6-30-07 to allow for a full year or four seasons of data collection and assessment for project impacts and hydrology. All other pre-design, design, and engineering work will be completed during the same calendar year, beginning 7-1-06 and concluding 6-30-07.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**East Range Sanitary Initiative**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? No non-state funds are identified in the project request information.
2.	Does project fulfill an important state mission? Improving infrastructure related to water quality is an important state mission. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support has been received from the East Range Joint Powers Board.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of dams, floodwater retention systems, water access sites, harbors, sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.

## Faribault: Four Projects

**2006 STATE APPROPRIATION REQUEST:** \$13,018,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Faribault)

**PROJECT LOCATION:** Faribault

#### Project At A Glance

The city of Faribault requests funding for three projects (in priority order):

- ◆ \$1.8 million to reconstruct State Highway 60 from 30<sup>th</sup> Avenue North West to Canby Avenue
- ◆ \$6 million to upgrade the City Water Reclamation Plant to meet new standards for phosphorus removal
- ◆ \$750,000 to acquire land for a National Guard and Army Reserve Armory
- ◆ Faribault also submitted an unprioritized request:
  - ⇒ \$4.5 million to construct the Mill Towns Trail

#### Project Descriptions

##### Priority 1: State Highway 60 Reconstruction

Faribault is requesting \$1.8 million to reconstruct State Highway 60, from 30th Avenue North West to Canby Avenue and will include the upgrade to a four lane intersection with the traffic signal at 206th Street. This project is necessary because of the deterioration of the road, the high traffic volumes, traffic safety, and the need for development of the surrounding areas. Given its direct connection to Interstate 35, it has statewide significance and has been identified by the Minnesota Department of Transportation (Mn/DOT) for reconstruction.

**Total Project Cost:** \$3.5 million. The city will contribute \$1.8 million in nonstate funds - special assessments, city and county funds, and tax abatement - for the project.

##### Priority 2: City Water Reclamation Plant Upgrade

Faribault is requesting \$6 million in state funds to assist with an upgrade of the city's water reclamation plant. The Minnesota Pollution Control Agency

(MPCA) and the Minnesota Center for Environmental Advocacy (MCEA) have required the city of Faribault to agree to a major upgrade to the City Water Reclamation Plant (sanitary sewer treatment plant) by 2011 in order to meet new standards for phosphorus removal. This action was taken by the MPCA and MCEA in order to address statewide and regional concerns, not local Faribault issues. City sanitary sewer rate payers can not afford to pay for the costs of these state mandates.

**Total Project Cost:** \$12 million. Faribault city sanitary sewer rate payers will contribute \$6 million to the cost of this project.

##### Priority 3: National Guard and Army Reserve Armory

Faribault is requesting \$750,000 in state funding to acquire land for a new National Guard and Army Reserve Armory. The city of Faribault has been approached by the Minnesota National Guard to build a National Guard and Army Reserve Armory in Faribault to replace the existing individual armories for the Reserve and Guard. They are receiving 100% federal funding for the construction of the 52,000 square foot building and are asking for a donation of land for the joint facility. A 25 to 30 acre site is estimated to cost approximately \$1.5 million. The National Guard and Army Reserve obviously have state wide significance for national defense and response to state wide emergencies. The Minnesota National Guard and US Army Reserves will own the facility.

**Total Project Cost:** This bonding request only affects the acquisition of land, which is estimated to be \$1.5 million. The budget for the building is \$14 million to be paid for by the federal government.

##### Unspecified Priority: Mill Towns Trail

Faribault is requesting \$4,467,750 in state funds to construct the Mill Towns Trail, which will connect the Sakatah Singing Hills State Trail in Faribault to the Cannon Valley Recreational Trail in Cannon Falls. The construction of the State Trail was designated by the Minnesota Legislature in 2000, as a recreational trail extending in the city of Faribault from the connection with the Sakatah Singing Hills Trail to the cities of Dundas, Northfield and extending to Cannon Falls for the Cannon Valley Recreational Trail. This will create a state recreational trail system, extending from the city of Mankato to the city of Red Wing. The project ties to the state recreational trails system for the southeastern Minnesota and has been approved by the state

## Faribault: Four Projects

Department of Natural Resources (DNR) through a master plan adopted in 2005.

**Total Project Cost:** The total cost to construct the Mill Towns Trail is \$11,678,767. Faribault is requesting \$4,467,750, or 38% of the total cost, in state funds in 2006. The city expects to request \$3,624,799, or 31% more of the total cost, in state funds in 2008. The city expects to request the final \$3,586,218, or the remaining 31% of the total cost, in 2010.

**Impact on Agency Operating Budgets (Facilities Notes)**

The state will pay for the operations of the Armory. The state DNR will also be responsible for the costs of operating the state Mill Towns Trail.

**Previous Appropriations for this Project**

The 2000 Legislature appropriated \$350,000 to acquire and develop the Mill Towns Trail through and between the cities of Northfield and Faribault.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**Faribault: Four Projects**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from local funding sources for the Highway 60 reconstruction project, the city water reclamation plant upgrade, and the armory land acquisition project. No non-state funds are proposed for the Mill Towns state trail project.
2.	Does project fulfill an important state mission? Transportation is an important state mission. Mn/DOT is the entity responsible for developing projects on the trunk highway system.  Maintaining or improving infrastructure related to water quality is also an important state mission. The state has existing grant programs to provide financial assistance in this area.  Supporting the Guard and Army Reserve presence in the state is an important state mission, but the extent to which the non-federal share of acquisition costs is a state versus local funding responsibility is unclear.  Providing recreational opportunities is also an important state mission in Minnesota. The DNR is responsible for determining priorities for state trails within the state's overall trail development plan.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? These projects are viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? Trails that are to be owned and maintained by DNR will increase operating costs in the DNR budget. The state is responsible for the operating costs of the armories across the state.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? The trail project has the potential to do so, if the state's overall trail development plan and timetable is not followed.

8.	Have resolutions from local governing bodies been provided? Resolutions of support for the Highway 60 project, the water reclamation plant project, and the armory project (dated 10/25/05), have been received from the Fairbault City Council. A resolution of support for the Mill Towns Trail project, also dated 10/25/05, has been received from the Faribault City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways. A project predesign is also not required for projects consisting of sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.



## Fridley: Springbrook Nature Center (SPRING)

**2006 STATE APPROPRIATION REQUEST:** \$2,500,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Fridley)

**PROJECT LOCATION:** City of Fridley

#### Project At A Glance

This request is for \$2.5 million in state funding to renovate and expand the Springbrook Nature Center located in the city of Fridley.

#### Project Description

This request is for \$2.5 million in state funding to predesign, design, construct, furnish, and equip a redeveloped and expanded interpretive center and surrounding landscaped and natural area at Springbrook Nature Center, in Fridley, Minnesota. The purpose of the SPRING project is to enhance Springbrook Nature Center as a learning center and as a destination and gathering place for people from the metropolitan area, the state, and Fridley, while managing the site's social carrying capacity to allow sustainable growth in use, as well as preservation of the natural beauty and habitat of the site's wildlife sanctuary.

This project will upgrade and expand diverse environmental education capacity, visitor viewing, and exhibit space. It will provide expanded community celebration and memorial areas, as well as outdoor classrooms, circular pathways, wellness areas, picnic and pavilion space, and expanded parking.

The Springbrook project will be a public demonstration of environmental and energy stewardship and will create the following smart growth and high performance building practice areas:

- ◆ Inspirational indoor theatre/teaching/day meeting space (12,000+sq.ft.)
- ◆ Interpretive exhibits on environmental responsibility
- ◆ Outdoor classrooms (1 ½ acres)

- ◆ Accommodations for outdoor community events and gatherings (amphitheatre, electrical, event vendor pads, circular path/road, seating, lighting, rest rooms)
- ◆ Memorial garden/plaza (1 ½ acres)
- ◆ Pavilions, shelters, and picnic areas (3,000 sq.ft. -- 2 acres)
- ◆ Expanded demonstration parking areas that are water permeable and minimize or eliminate water run-off (1 ½ acre)

#### Total Project Cost

The total cost for the project is estimated at \$5 million. Of this amount, half is requested from the state and the other half will be acquired through fundraising activities.

Springbrook Nature Center has been in operation for over 25 years with use increasing exponentially in that time to approximately 180,000 visits per year. The Metropolitan Council's Regional Parks Policy Plan 2005 projects that by 2030 the number of households within a 16 minute drive of Springbrook Nature Center will increase by 25% to 250,000. This project will focus existing and projected high impact visitor use into the interpretive center building and improved areas around it which will significantly reduce the overuse impact on Springbrook's 127 acres.

Springbrook Nature Center impacts the local, regional, and state community in diverse areas. It preserves open space in an increasingly urban inner ring suburb. It is an attraction for businesses and families to locate and live in the north metro area, having an economic impact on property values. The National Audubon Society in November 2004 designated Springbrook Nature Center one of eight "Important Bird Areas" in Minnesota. The Blanding's turtle, a state threatened species, is found in Springbrook's wetlands. Improving the quality of Springbrook's impacted wetlands has recently been the focus of a multi-city six-year Clean Water Partnership Grant project. This project improves water quality before the water leaves Springbrook Nature Center and enters the Mississippi River, just upstream from the St. Paul and Minneapolis city water intakes.

Schools and other groups from over 35 communities participate in environmental education programming at Springbrook each year. A TEA-21 funded trail corridor to be constructed during the winter of 2005-2006 will

**Fridley: Springbrook Nature Center (SPRING)**

travel through Springbrook's northern boundary and main entrance. This trail will connect Springbrook with a nearby mass transit hub and existing regional bike trails. Guest book signatures in recent years show visitors from over 300 Minnesota communities, all 50 states, and 60 foreign countries.

This project will not compete with any other nature center programs in the area. It will allow Springbrook Nature Center to improve its services to the greater community and assure the sustainability of its well-recognized natural resource base in the face of long term increasing intense use. The resulting programs, spaces, and demonstration areas will serve a diverse cross section of community, business, family, and individual needs.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The facility is owned and operated by the city of Fridley.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Fridley: Springbrook Nature Center (SPRING)**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from fundraising activities.
2.	Does project fulfill an important state mission? The state mission in funding this type of project is unclear.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/13/05 has been received from the Fridley City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? The predesign requirement does not apply to capital projects for park buildings owned by a local unit of government in the metropolitan area.
10.	Is project disaster related? No.

## Gonvick: Northern Emergency Training Administration Ctr

**2006 STATE APPROPRIATION REQUEST:** \$2,000,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Gonvick)

**PROJECT LOCATION:** City of Gonvick

#### Project At A Glance

\$2 million in state funding to design, construct, furnish, and equip a 20,000 square foot emergency training administration center in Gonvick, Minnesota for emergency first responders.

#### Project Description

This request is for \$2 million in state funding to design, construct, furnish, and equip an emergency training administration center in Gonvick, Minnesota for emergency first responders (i.e. law enforcement, hazardous materials/bio-chemical threats, fire departments, emergency medical services, and communications/technology). The center shall provide a collective unit of emergency information, expertise, and simulation whose purpose shall be to provide instruction per prevention, intervention, response, mitigation, and recovery due to natural disasters or terrorist acts, and its purpose in particular is to encourage, stimulate, and maintain excellence in first responder performance. Gonvick's Northern Emergency Training Administration Center program (NETAC) shall assist first responders serving 26 northern counties in Minnesota, and other localities as deemed appropriate, to enhance their professional knowledge and to improve their skills and abilities to meet current "Minnesota Homeland Security" guidelines and recommendations.

Everyday terrorism takes its toll through violence, injury, and death. Natural disasters are of equal threat. And, illicit drugs, such as methamphetamine manufactured in Mexico, are smuggled into the United States via the U.S./Canadian border. In northern Minnesota, due to limited first responder training and support, our defenses and domestic preparedness may be in question. This region remains one of the most vulnerable opportunities to

threat in our state. NETAC of Gonvick which is centrally located within the 26 county area, is needed more in northern Minnesota than any other part of our state or for that matter our northern U.S. region.

Per the state of Minnesota Homeland Security Strategy and Assessment of January 2004, "State and local levels of government have primary responsibility for organizing, preparing, and operating the emergency services that would respond in the event of a terrorist attack. Local units of government are the first to respond, and the last to leave the scene. All incidents are ultimately local events!" With primary responsibility of emergency services, state and local governments are also accountable to transmit information, expertise, simulation, and to enhance maintenance of excellence in emergency first responder performance. Training in prevention, intervention, response, mitigation, and recovery, due to natural disasters or terrorist acts is essential.

However, for the northern 26 counties of Minnesota, first responders do not have access to a regional, full-service, centrally located training facility. For the most part, these northern Minnesota counties must rely on training facilities well beyond their local counties. Small-town budget factors in northern Minnesota, as well as the issue of travel time, impair extended-distance training and support. Accordingly, this problem or crisis per limited first responder training begs the question, "Is the northern region of Minnesota adequately prepared to meet any natural disaster and/or act of terrorism that may occur?" Or, is this observable weakness in our defenses and our preparedness vulnerable to exploitation?

In accordance with its operational plan, NETAC will help train emergency first responders to meet and exceed the concept of 'domestic preparedness' for its 26 northern Minnesota counties! In support of said plan, the city of Gonvick shall provide city real estate property (lots #14 - #19) to construct one four-story fire tower and a single one-story complex totaling about 20,000 square feet. The facilities shall accommodate NETAC's proposed classroom training, simulation, and field experience programs and activities. Per its vision and mission, the organization is dedicated to producing and training a highly qualified and motivated emergency first responder committed to the protection of citizens and property from the impact of natural disasters or terrorist acts. As recommended by the findings of the Minnesota Homeland Security Strategy and Assessment of 2004, instruction

**Gonvick: Northern Emergency Training Administration Ctr**

and training in prevention, intervention, response, mitigation, and recovery, due to natural disasters or terrorist acts, is essential to emergency first responders quality performance.

**Total Project Cost**

The total project cost for the emergency training administration center is \$3.4 million. The city has contributed six city lots for the project, with an estimated value of \$18,900. The city has also begun the predesign for the project, which is estimated to cost \$29,250.

The project could be constructed in phases.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The facility will be owned by the city of Gonvick and operated by the Gonvick Fire Department.

A project predesign is underway. The city expects to submit a completed predesign to the Department of Administration if state funding is secured for the project.

Gonvick is a small community of 294 residents located in northern Minnesota, with a median household income of \$24,722 (2000), a median home value of \$39,400 (2000), and an annual city operating budget proposed for 2006 as follows:

<u>Revenue</u>	<u>2004 Actual</u>	<u>2006 Proposed</u>
Property Taxes	\$48,772	\$78,103
Licenses/permits	1,798	1,810
Inter Gov Revenue	167,449	81,711
Misc Revenue	49,211	35,870
Charges for SVCS	29,507	28,486
Fines/Forfeits	633	650
Interest	4,142	4,600
Other Financing Sources	34,242	
<b>Total Revenue</b>	<b>\$335,754</b>	<b>\$231,230</b>
<u>Expenditures</u>		
General Govt	\$59,875	\$70,380
Public Safety	163,429	79,408
Streets	58,498	51,415
Culture/Rec	9,499	11,400
Urban Econ Dev & Housing	20,942	18,427
Misc Expenditures	478	200
<b>Total Expenditures</b>	<b>312,721</b>	<b>\$231,230</b>
Other Financing Uses	35,695	
	<b>\$348,416</b>	

As previously indicated, the city of Gonvick intends to donate six city lots (lots #14 - #19) in support of the NETAC project. The market value of said lots is estimated at \$18,900 (6 lots x \$3,150) or 8.174% of the city's proposed 2006 budget. Additionally, the city has coordinated with a local predesign consultant during the pre-design stage of project development -- i.e. defined the purpose, scope, cost, and schedule of the complete project. The agreed upon fee for said services has been pledged at a rate of .732% of the project's total cost (.732% x \$3,998,150) or \$29,250.

Remarkably, and as the numbers indicate, Gonvick has contributed significant financial support to the NETAC project. However, as a small town and beyond its continued in-kind commitment, Gonvick's limited financial position prevents it from advancing funds for the purpose of "project pre-design, design, construction costs, and occupancy." For this reason, the city of Gonvick requests approval of this request for state funding.

**Gonvick: Northern Emergency Training Administration Ctr****Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Gonvick: Northern Emergency Training Administration Ctr**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? About 1.5% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Public safety is an important state mission. However, the state role in funding emergency preparedness training facilities has varied over time.
3.	Has a state role been expanded in a new policy area? Consensus on a state role in the scope and location of these training facilities continues to evolve.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/10/05 has been received from the Board of Directors of the Northern Emergency Training Administration Center of Gonvick, MN and the City of Gonvick.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? The project predesign will be completed once funding for the project has been received.
10.	Is project disaster related? No.

**Grand Rapids: South Side Fire Hall**

**2006 STATE APPROPRIATION REQUEST:** \$1,111,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Grand Rapids)

**PROJECT LOCATION:** City of Grand Rapids

**Project At A Glance**

\$1,111,450 in state funding to predesign, design, construct, furnish, and equip a new 11,928 square foot fire station facility for the city of Grand Rapids.

**Project Description**

This request is for \$1,111,450 in state funding for the predesign, design, construct, furnish, and equipping of a new fire station facility for the city of Grand Rapids. The purpose of this South Side Fire Hall project is to provide fire service that responds to the growth of commercial and residential growth on the south side of Grand Rapids, more specifically south of the Burlington Northern railroad tracks and the Mississippi River.

This project addresses the increased risk of response being compromised due to the railroad tracks, and the two bridged accesses to the south side of the city. This project also addresses the increased space needs of the fire department. Currently, equipment acquisitions for the services the department provides exceed the space availability. Past reports from the Grand Rapids Planning Commission from 1960, 1973, and 1978 supported this project. This support continues today and is at the forefront of this city's administrative agenda to be addressed not only for today and tomorrow, but for 20 to 30 years of future growth needs of the fire service community.

**Total Project Cost**

The total project cost is \$2,222,900. The city will provide 50% of the projects costs, or \$1,111,450 through a city capital improvement bond.

This project has city, county, and statewide significance due to the following reasons:

- City - Increased commercial and residential growth to the south. Increased risk of response to the growth areas of southern Grand Rapids.
- Township - Contracted agreements to provide service to nine organized townships and three unorganized townships.
- County - Commitment to the Itasca County Chiefs Association's Mutual Aid Agreement among 16 Itasca County departments and two Aitkin County departments.
- State - Contract commitment to the state of Minnesota for the housing of the Chemical Assessment Team and equipment for mitigation and containment of hazardous material accidents in the state.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The city of Grand Rapids will own and operate the facility.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.



**Grand Rapids: South Side Fire Hall**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Fire services are typically considered to be primarily a local, rather than state, responsibility.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Probably not.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/13/2005 has been received from the Grand Rapids City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign was submitted to the Department of Administration and was found to be sufficient.
10.	Is project disaster related? No.

## Grand Rapids EDA: North Central Res &amp; Tech Lab

**2006 STATE APPROPRIATION REQUEST:** \$3,000,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Grand Rapids EDA)

**PROJECT LOCATION:** Grand Rapids township

#### Project At A Glance

This request is for \$3 million in state funding for construction of a North Central Research & Technology Laboratory adjacent to the Itasca Community College and University of Minnesota (U of M) North Central Research and Outreach Center (NCROC) campuses.

#### Project Description

This request is for \$3 million in state funds to predesign, design, construct, furnish and equip a North Central Research and Technology Laboratory, located within Grand Rapids Township.

#### University of Minnesota

The U of M will be a key partner in the development and utilization of this facility located at its NCROC in Grand Rapids. Three key connections with the university include:

#### NCROC Reproductive Biotechnology Center.

- ⇒ Work at the new facility will enhance beef cattle research associated with embryo transfer, embryo sexing, in vitro fertilization, and semen evaluation.
- ⇒ Future directions could also be associated with biosecurity research on contagious disease control - especially diseases potentially associated with transport of germplasm, such as embryos.

#### Forest Policy and Planning Center.

- ⇒ In concept, the center would focus on the development and implementation of planning technologies and policy analysis to address

current and prospective issues of importance to Minnesota and the region.

- ⇒ The center would be led by the University's Department of Forest Resources faculty in Grand Rapids and assisted by departmental faculty in Cloquet and St. Paul, plus other University research capability. Initial areas of emphasis would be on:

- ◆ forest planning technologies for public and private lands that foster both productivity and wildlife habitat enhancements;
- ◆ forest and related natural resources policy with a focus on sustainable economic development, natural resource management and job creation;
- ◆ the center would emphasize forest based industries but also consider energy and tourism industries; and
- ◆ a client-centered approach working with industry, county, state, and federal agencies. The center would work with these partners to build both planning tools and policy/strategies to further overall objectives.

#### Forest Biorefinery Center.

- ⇒ This center, led by faculty in the Department of Bio-based Products, would focus on the development and implementation of industrial biotechnology as it pertains to biorefining applications for Minnesota's forest biomass resources.
- ⇒ This center will play a key role in developing the technology and technical manpower needs relating to renewable energy and other bio-based products industry in Minnesota and the region.
- ⇒ As part of an anticipated matriculation agreement with Itasca Community College (see below), the University's Department of Bio-based products in St. Paul, through the Forest Biorefining Center, would collaborate with Itasca Community College (ICC) in developing hands-on training at the facility that enhances the student experience.

#### Minnesota State Colleges & Universities (MnSCU) Itasca Community College (ICC) Engineering Center

MnSCU and ICC will play a key role in the development and utilization of this innovative and progressive new facility. ICC will utilize the new facility, co-located adjacent to ICC's Engineering Center, to accommodate concept labs and classrooms in support of the college's new Pulp and Paper program in collaboration with a UPM-Kymmene research facility. ICC is currently

## Grand Rapids EDA: North Central Res &amp; Tech Lab

working with the University of Minnesota's College of Natural Resources to develop a 2+2 matriculation agreement that would allow ICC students completing the two-year program to transfer to the U's department of bio-based products in St. Paul to complete a baccalaureate degree. Recently the U of M has also discussed the possibility of partnering with ICC to become a national center of excellence for wood science and technology. This initiative could substantially contribute to the research and advancement of bio-based wood products beyond the paper industry.

In addition, the college can expand its experiential learning curriculum employed within its engineering program to expose students focusing on technology-related fields to Itasca Development Corporation's Technology Park businesses, as well as industrial and pulp/paper technology applications within the UPM North American Research Facility. Specific facility utilization applications will include:

- ◆ Concept lab – industrial partnerships/experiences lab
- ◆ "Smart" classrooms for classes in the expanding engineering classroom

#### Private Sector Participation

Development of this multi-partnered facility on the campus of ICC and the U of M's NCROC will accommodate development of UPM's North American Research Center in Grand Rapids and expansion of the highly successful Itasca Technology Exchange. It is anticipated that long-term leasing arrangements would facilitate their participation.

**UPM North American Research Center.** The UPM North American Research Center supports operations of North American mills (Blandin in Grand Rapids, Minnesota and Miramichi in New Brunswick, Canada). Mill-specific work entails product and process development, paper and coating raw materials evaluation, paper and printability testing, manufacturing support, customer technical support, and innovative research of all aspects of pulping, papermaking, and printing of publication papers. Strategic research focus is aligned primarily to supporting the future needs of the North American Operations but also supports the whole UPM Global Operations in cooperation with the corporate R&D Headquarters in Lappeenranta, Finland.

**Itasca Technology Exchange.** This Technology Park site will be designed as a next-stage development of Itasca Technology Exchange's (ITE) existing technology-based business development initiative. ITE is a joint partnership

of Itasca Development Corporation/Jobs 2020 and the state of Minnesota through Iron Range Resources. This site will accommodate the growth needs of ITE's existing incubation tenants from ITE's Technology Center in Grand Rapids as well as provide capabilities for business recruitment of more mature technology companies. In addition, ITE's existing partnership with ICC and MnSCU's Northeast Higher Education District (NHED) will be expanded to accommodate enhanced programming for internships and other job-based training for students pursuing experience in technology-related fields. Specialized training needs of businesses occupying the technology park will be matched onsite, and elsewhere on-campus, with customized training expertise and facilities provided through ICC, NHED and other partnering academic institutions.

**Total Project Cost:** The total cost of this project is \$9.516 million. In addition to the request for \$3 million in state funds, the project will secure private financing of \$6.516 million in 2006.

#### Previous Appropriations for this Project

None.

#### Project Contact Person

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#### Governor's Recommendations

The Governor does not recommend capital funds for this project.

**Grand Rapids EDA: North Central Res & Tech Lab**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 68% of project costs are to be provided from non-state funding sources
2.	Does project fulfill an important state mission? Economic development is an important state mission. However, the state role in funding this type of project is unclear.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? No. To the extent that the completed Center results in increased operating costs at the U of M North Central Research and Outreach Center, and/or at Itasca Community College, the U of M and MnSCU may experience increases in operating costs at these facilities.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 09/08/05 has been received from the Grand Rapids Economic Development Authority.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A predesign has not yet been completed.
10.	Is project disaster related? No.

## Hennepin County: Three Projects

**2006 STATE APPROPRIATION REQUEST:** \$34,300,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Hennepin County)

**PROJECT LOCATION:** various locations in Hennepin county

#### Project At A Glance

Hennepin County is requesting funding for three projects (in priority order):

- ◆ \$5 million to acquire land and reconstruct Lowry Avenue in North Minneapolis from Girard Avenue to Theodore Wirth Parkway with wide sidewalks, landscaped boulevards, on-street bicycle lanes, and intersection improvements.
- ◆ \$24.3 million to replace the Lowry Avenue bridge (on County State Aid Highway (CSAH) 153) spanning the Mississippi River.
- ◆ \$5 million to construct, furnish, and equip a 64-unit affordable housing development -- the Hennepin County Center for Changing Lives

#### Project Descriptions

##### Priority 1: Lowry Avenue Reconstruction

Hennepin County's number one priority is a request for \$5 million to acquire land and reconstruct Lowry Avenue in North Minneapolis from Girard Avenue to Theodore Wirth Parkway. Lowry Avenue will be reconstructed with wide sidewalks, landscaped boulevards, on-street bicycle lanes, and intersection improvements. The reconstruction will be completed in two phases. The first phase is a 10-block segment between I-94 and Girard Avenue.

The second phase of the reconstruction is a 17-block segment between Girard Avenue and Theodore Wirth Parkway (the city border). Hennepin County is requesting funding for the second phase of reconstruction.

**Priority 1 Total Project Cost:** The total project cost of phase 2 of the Lowry Avenue reconstruction project, from Girard Avenue to Theodore Wirth Parkway, is \$9.55 million. (Phase 1 of the reconstruction project is an additional cost of \$13.85 million)

The Lowry Avenue Corridor Plan, approved by the Minneapolis City Council in July 2002, calls for the redesign of Lowry Avenue with pedestrian and bicycle facilities and the concentration of retail and services into transit-centered nodes. These community-identified roadway enhancements require the purchase of additional right-of-way on the south side of Lowry Avenue between Colfax Avenue North and 4<sup>th</sup> Street, a four-block segment, and at the Penn Avenue intersection.

Lowry Avenue is a major cross-town avenue for commuters, connecting the city of Robbinsdale with Saint Anthony. The Lowry Avenue Bridge is one of the two crossings of the Mississippi River in north/northeast Minneapolis. The reconstruction of Lowry Avenue is also meant to serve as a catalyst for redevelopment. This redevelopment and the reconstruction of Lowry Avenue will assist in stabilizing the region. Currently this area of Minneapolis is plagued by crime. During the development of the Lowry Avenue Corridor Plan, community members consistently identified prostitution and drug dealing as a community problem. As a result, a significant portion of the region's law enforcement resources is concentrated in areas like Lowry Avenue.

##### Priority 2: Lowry Avenue Bridge Replacement

Hennepin County's number two priority is a request for \$24.3 million to acquire land, design, and construct a replacement bridge and make related roadway improvements to the Lowry Avenue Bridge (located on CSAH 153 over the Mississippi in the city of Minneapolis). The project is part of a larger corridor project that has a western terminus of Xerxes Avenue and easterly limit of CSAH 88 (New Brighton Boulevard). Bridge engineers have identified significant structural deficiencies requiring immediate repair. In 2004 the bridge was closed to traffic when it was discovered that a bridge pier located in the Mississippi River tilted out of alignment, causing the bridge to slip off its base at the top of the pier.

The Lowry Avenue Bridge is nearly 100 years old with an obsolete design that allows salt and other contaminants to drop directly into the river. It is the largest bridge replacement project that remains under Hennepin County jurisdiction, with a replacement cost exceeding twice the county's annual transportation construction budget.

## Hennepin County: Three Projects

The bridge location provides a valuable link between a heavy industrial/commercial and residential area. The replacement structure will address the environmental concern of the existing structure's "open surface" that allows material like salt-laden snow and spilled liquids (e.g. fuel, paints) to fall directly into the Mississippi River. As a major river crossing the in metropolitan area, the project has regional importance.

**Priority 2 Total Project Cost:** The Lowry Avenue Bridge has a total replacement cost of \$32.8 million. The county has identified \$3 million in county funding for the project.

**Priority 3: "Housing with Care" LSS Park Avenue Apartments at The Center for Changing Lives**

Hennepin County's number three priority is a request for \$5 million to construct, furnish, and equip two stories above the human service site at 2414 Park Avenue in Minneapolis, containing 32 new affordable and stable housing units, some of which will be allocated for those experiencing long-term homelessness. (Hennepin County and its partner organization Lutheran Social Services will also seek another \$5 million in federal low-income housing tax credits and associated gap financing to build two more floors – 32 additional housing units. Those units would be owned by a limited investor partnership.)

"Housing with Care" is a unique plan that combines best practices in low income housing for people needing support for transitions to changed lives. Lutheran Social Service (LSS) Housing with Care wraps services around individuals and families, increasing the odds that participants will become successful and stable renters, employees, and family members. The site offers unique and ready access to an array of social services designed for the needs of this neighborhood. It is located above the LSS site in the Phillips neighborhood. In keeping with best practices, the plan provides mixed low-income housing with some designed for those requiring supportive housing, including special needs such as mental health disabilities.

This proposal is aligned with Department of Human Services policies:

⇒ To work with local communities to determine local needs. Local individual neighbors, the Phillips Park Initiative, local elected officials and

other related partners and decision makers are actively engaged in the process.

⇒ To support a variety of housing options. From recently built housing units for moderate incomes and others for larger families, this proposal provides affordable and service-supported housing for small families and singles.

Local, private, and user financing is being leveraged by the contribution of the land and airspace by a nonprofit organization, as well as by the non-state financing of the entire services site. A partnership of LSS, the Phillips Park Initiative, Messiah Lutheran Church, and seven members of the *Faith in the City* collaborative, and many donors and congregations will rebuild the metro site where services like these are provided: employment, Minnesota Family Investment Program (MFIP) assistance, psychiatric, youth and family counseling, foster care services, refugee resettlement, a wellness center, and a center for financial literacy (which recently received a \$1.4 Federal/Thrivent grant).

The project's public purpose is to continue to stabilize the Phillips Neighborhood area by providing affordable housing for a mix of income levels with unique access to an array of social services to support stability. The project serves the important state missions of: ending long-term homelessness; making housing options available to low income Minnesotans; and encouraging innovation in social service. The project also addresses a critical shortage of affordable housing for low income urban residents, and expects to demonstrate that ready access to social services will result in successful transitions out of long-term and intermittent homelessness.

**Priority 3 Total Project Cost:** The total capital cost of this affordable housing construction project is \$10 million. The state bonding share, \$5 million, is 50% of the total costs.

The project will neither create significant inequities nor compete with other facilities, because this project is unique in providing services immediately accessible to low income residents.

**Hennepin County: Three Projects****Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

Priority three, the Hennepin County Center for Changing Lives project, received \$350,000 for design in the 2005 bonding bill.

**Other Considerations**

Re Priority three (Park Avenue Apartments at The Center for Changing Lives): Hennepin County will own half of the project if bonding is secured. A Limited Partnership will own the tax credit component. LSS will operate the facility. Groundbreaking is planned for March 2007, with construction completed in August 2008.

**Project Contact Person**

For Lowry Avenue Corridor project:  
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For Hennepin County Center for Changing Lives project:  
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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**Hennepin County: Three Projects**

<b>Evaluation of Local Projects</b>	
1.	<p>Are non-state matching funds contributed?                      For Hennepin county's number one priority project, the state funding request is for 52% of the project cost. The narrative does not identify the funding source to cover the remaining 48% of project costs. For the county's second priority project, the county is requesting that the state fund 74% of the project. The county has identified local funding sources for another 9% of the project's cost.</p> <p>For the county's number three priority project, 50% of project costs are to be provided from non-state funds.</p>
2.	<p>Does project fulfill an important state mission?                      For priority projects #1 and #2, transportation is an important state mission. The state provides CSAH funds and has bonded for local bridge improvements.</p> <p>For priority project #3, the state role in funding local affordable housing projects has varied considerably from one biennium to another. The MHFA has requested funding for a Permanent Supportive Housing initiative.</p>
3.	<p>Has a state role been expanded in a new policy area?                      See #2 above.</p>
4.	<p>Is project of local, regional, or statewide significance?                      These projects are viewed as having primarily a local or regional benefit.</p>
5.	<p>Are state operating subsidies required?                      No.</p>
6.	<p>Are inequities created among local jurisdictions?                      If funded, other local jurisdictions could seek state funding for similar projects.</p>
7.	<p>Does project compete with other facilities?                      Not significantly.</p>
8.	<p>Have resolutions from local governing bodies been provided?                      Resolutions of support dated 07/26/05 for the Lowry corridor project and the Lowry bridge project have been received from the Hennepin County Board of Commissioners. A resolution of support dated 08/30/05 for the Center for Changing Lives project has been received from the Hennepin County Board of Commissioners.</p>
9.	<p>Is predesign (required if construction cost is over \$1.5 million) completed?                      A project predesign is not required for projects consisting of roads, bridges, trails or pathways. Predesign for priority project #3 was funded in the 2005 bonding bill.</p>

10.	<p>Is project disaster related?                      No.</p>
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## Inver Grove Hts: Heritage Village Park Development

**2006 STATE APPROPRIATION REQUEST:** \$8,301,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Inver Grove Heights)

**PROJECT LOCATION:** City of Inver Grove Heights

#### Project At A Glance

\$8.3 million in state funds is requested for the development of Heritage Village Park on the Mississippi River; a park with regional, ecological, and historical significance.

#### Project Description

The city of Inver Grove Heights (IGH) is seeking \$8.3 million in state funds for the development of Heritage Village Park on the Mississippi River; a park with regional, ecological, and historical significance. The public access to the Mississippi River provided by the Heritage Village Park will be the culmination of a long-term partnership among the city of Inver Grove Heights, Dakota County, the Department of Natural Resources, National Park Service and National Park Foundation, Minnesota Pollution Control Agency, Minnesota Environmental Initiative, Friends of the Mississippi River, Braun Intertec, committed individuals, and others.

**Total Project Cost:** The total cost of this project is \$8.3 million. A total of \$819,770 in local, state, and private funding has also been expended or secured for the development of Heritage Village Park.

Work on the regionally, ecologically, and historically significant 50+ acre Heritage Village Park on the Mississippi River has begun. Heritage Village Park is located in the far northeastern corner of Inver Grove Heights along the Mississippi River, abutting the South St. Paul City limits on the north, the railroad track on the west and north of 65<sup>th</sup> Street. The park will provide a major public access to the Mississippi River; access to regional and national celebrations; and interpretive opportunities highlighting the natural, cultural, and transportation history of the state.

The Dakota County Mississippi River Regional Trail (MRRT) will run through the park. The property is well positioned to accommodate the MRRT, providing links to the river, recreational facilities (marinas and parks); existing local and regional bikeways and trails; and nearby transit lines. The MRRT will serve as the National Great River Road's Mississippi River Trail in Dakota County. The Great River Road extends from the Mississippi's headwaters in Itasca State Park to the Gulf of Mexico and is expected to draw local, regional, national, and international visitors. Dakota County estimates that over 100,000 users could ride on the trail annually. The park location provides for easy access by road, trail, river or transit from major population centers.

The Mississippi River corridor provides significant wildlife habitat. It is used by 40% of the migratory waterfowl and over 60% of all migratory bird species in North America. A portion of the park lies within the Mississippi River flood plain. Though portions of it have been degraded by past railroad uses, the Heritage Village Park site offers a tremendous opportunity for habitat restoration. Restored native habitat is critical to the long-term health of the river ecosystem. This property was identified as a high priority site in the Northern Dakota Greenway Plan. It received the highest possible score from the Department of Natural Resources (DNR) "regionally significant ecological areas," and is located within the identified Lower Mississippi Wildlife Corridor. Restoration of the park will add to the protected corridor of native habitat along the river and will be connected by the MRRT to the Scientific and Natural Area in southern Inver Grove Heights. The park design focuses on protecting and enhancing the natural resources represented by the river and the floodplain, while reconnecting the public to the Mississippi River.

Heritage Village Park is the site of the old "Village" settlement, and rail yard transportation hub. A multi-use Railroad Historic Center is proposed on the site of the former rail shop, providing space for historic displays, outdoor education and picnicking. The remains of the roundhouse foundation are nearby. The proximity of the historic double deck Swing Bridge and Old Village Hall add to the area's historical significance and providing abundant opportunities for interpretation and education.

**Inver Grove Hts: Heritage Village Park Development**

**Previous Appropriations for this Project**

None from previous bonding bills.

**Other Considerations**

The city of IGH has collaborated with a dozen different public and private agencies and organizations from the local, county, state, and federal level in providing the impetus for the development of Heritage Village Park. These participants have supported the park project and are anticipated to continue their involvement. The city will continue to take a leadership role in the clean up of the railroad brownfield. A program of voluntary acquisition of properties within the Mississippi River floodplain is also ongoing.

Funding that has been expended or secured is listed below:

<b>Amount</b>	<b>Source of Funds</b>
\$ 93,298	City of IGH – site investigation
\$150,000	Minnesota Pollution Control Agency
\$ 26,665	Minnesota Department of Commerce – site investigation
\$ 19,500	City of IGH – Park Master Plan
\$180,000	Minnesota Department of Natural Resources Remediation Fund Grant – habitat restoration
\$300,000	Dakota County Parks T-21 Federal Grant Funding for 2007
\$ 50,000	National Park Foundation – Mississippi River Fund, Dakota County Environmental Management Department –soil remediation
\$ 11,117	Minnesota Environmental Initiative (MEI) – Response Action Plan and Natural Resource Restoration Plan
\$ 1,180	Friends of the Mississippi River (FMR) – Natural Resource Restoration Plan
\$ 13,930	City of IGH – Site Historical Inventory and Preliminary Grading Plan
<u>\$ 750</u>	Braun Intertec – in-kind Response Action Plan
<b>\$819,770</b>	

The city of IGH will own and operate the park, and Dakota County Parks Department will own and operate the Mississippi River Regional Trail. The park is located within the Mississippi National River and Recreation Area

(MNRRA). Although the National Park Service will not be an owner operator in the park, they will be involved by providing expertise and assistance, raising awareness of the MNRRA and providing interpretive support.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Inver Grove Hts: Heritage Village Park Development**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? No non-state funds are identified in the project request information for this stage of park development.
2.	Does project fulfill an important state mission? Providing recreational opportunities is an important state mission in Minnesota. In the seven-county metropolitan area, the state assists with funding the Metropolitan Regional Park System.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 08/22/05 has been received from the Inver Grove Heights City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is likely not required for this type of project.
10.	Is project disaster related? No.

**Itasca County: Two Projects**

**2006 STATE APPROPRIATION REQUEST:** \$56,620,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Itasca County)

**PROJECT LOCATION:** Itasca county

**Project At A Glance**

The county of Itasca is requesting funding for the following projects (in priority order):

- ◆ \$4.62 million in state funding for the predesign and design phases of acquiring, constructing and/or improving infrastructure to support a new power plant in Itasca County.
- ◆ \$52 million in state funding for the acquisition, design, and construction of infrastructure to service a steel plant located in Itasca County.

**Project Descriptions**

**Priority 1: Public infrastructure to support a new power plant in Itasca County**

Itasca County's number one priority is a request for \$4.62 million for the predesign and design of public infrastructure to support a new power plant. All together, Itasca County plans to request a total of \$42 million in state funding in 2006 and 2008 to design, acquire, construct and/or improve infrastructure to enable the construction and operation of the Mesaba Energy Project. The Mesaba Energy Project is an Innovative Energy Project utilizing Clean Energy Technology under M.S. 216B.1694 and 216B.1693 respectively.

The requested funding is targeted for roadway, rail, and natural gas transportation infrastructure improvements; to extend or construct waste and potable water facilities to the Mesaba Energy Project site; and to provide for wetland mitigation, storm water runoff mitigation, and right of way acquisition for above improvements.

The estimated costs of the specific infrastructure improvements for the power plant are:

Service Road	\$22 million
Railroad Spur	\$ 8 million
Natural Gas Pipeline	\$ 8 million
Freshwater Supply	\$ 2 million
Wastewater Collection and Treatment	\$ 2 million

The infrastructure improvements will enable the construction and operation of the Mesaba Energy Project and will have a local, regional, state, and federal significance. In fact, the Iron Range Resources (IRR) and federal government, through the Department of Energy (DOE), are supporting the project by providing matching loans to aid in the project's development. The local and regional economy will benefit from up to as many as 1,000 construction jobs over the 3½ year-long construction period. The local and regional economy will also benefit from and an ongoing staff of greater than 100 well-paying positions at the generating plant once in operation, as well as an industry that is insulated from the cyclic taconite industry. The significance to the state is the addition of a clean source of electrical energy to fuel the state's economic engine, one that is not linked to the volatile natural gas markets, to supply the growing need for electricity in Minnesota.

**Total Project Cost:** The total cost of developing the public infrastructure to support the Mesaba Energy Project is \$42 million. In 2008, the county plans to request \$37.38 million for subsequent phases of this project.

**Priority 2: Minnesota Steel Infrastructure Project**

Itasca County's number two priority is a request for \$52 million in state funding for the infrastructure for a steel plant. The request includes funding for the acquisition, design and construction of a heavy haul public road, rail access and a 16 inch natural gas pipeline.

The estimated costs of the specific infrastructure improvements are:

Service Road	\$10 million
Railroad Spur	\$21 million
Natural Gas Pipeline	\$14 million
Freshwater Supply	\$ 2 million

## Itasca County:Two Projects

Wastewater Collection and Treatment

\$ 5 million

These infrastructure improvements will service the 2.5 billion ton Minnesota Steel plant, which includes a taconite plant and direct reduced iron facilities.

The project will require over 2,000 construction workers and permanently employ 700 people. The yearly payroll is between \$50 and \$60 million. In addition, there will be between 1,400-2,100 spin-off jobs to support the facility. Rough estimates indicate that the state of Minnesota will collect close to \$15 million per year in mineral leases, payments in lieu of tax, and income taxes. This project will have positive statewide impact and will help stabilize and expand the economy of northeastern Minnesota.

**Total Project Cost:** The total cost for the Minnesota Steel plant infrastructure project is \$52 million. If this infrastructure project for the steel plant is funded, it is expected to spur the investment of \$1.5 billion in private funding from investors to construct the steel plant itself.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

Itasca County received \$1 million for predesign of the public infrastructure associated with the proposed steel mill complex. (Laws 1999, chapter 240, article 1, section 8, subdivision 3.)

**Other Considerations**

Itasca County or the appropriate municipality will own and operate the infrastructure for the power plant.

For the Minnesota Steel infrastructure project, the railroad, and road access will be owned Itasca County. The natural gas pipeline will be owned by the city of Nashwauk Gas Utility. The fresh water supply and wastewater treatment will be owned by the city of Nashwauk.

Predesign of the Minnesota Steel infrastructure project is complete, and was to be submitted to the Department of Administration in November 2005.

**Project Contact Person**

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**Governor's Recommendations**

The Governor recommends general obligation bonding of \$7.0 million for predesign and design of the public infrastructure at the shared location of the proposed power plant and steel mill. Use of these state funds will be contingent upon final commitment for the development of one or both of these facilities.

**Itasca County: Two Projects**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? No non-state funds are identified in the project request information for either of the county's requested projects.
2.	Does project fulfill an important state mission? See #3 below.
3.	Has a state role been expanded in a new policy area? The state role in funding energy and economic development projects has varied considerably from biennium to biennium.
4.	Is project of local, regional, or statewide significance? These projects are viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly
8.	Have resolutions from local governing bodies been provided? Resolutions of support dated 06/14/05 have been received from the Itasca County Board of Commissioners.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign funding is requested as part of the request for state funds.
10.	Is project disaster related? No.

## Koochiching: Renewable Energy Clean Air Project

**2006 STATE APPROPRIATION REQUEST:** \$10,000,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Koochiching County)

**PROJECT LOCATION:** International Falls (Koochiching county)

#### Project At A Glance

Renewable Energy Clean Air Project (RECAP): Koochiching County is requesting \$10 million to design, construct, and equip a new Plasma Torch Gasification facility in International Falls for the purpose of converting municipal solid wastes (MSW) that would otherwise go to landfills into energy.

#### Project Description

Koochiching County is requesting \$10 million in state funding to design, construct and equip a new Plasma Torch Gasification facility to be located in International Falls for the purpose of converting municipal solid wastes (MSW) that would otherwise go to landfills into energy in the form of steam or electricity and a non-leachable slag to be use for road aggregate, tile or rock wool. This waste-to-energy conversion process has far fewer environmental consequences than either landfilling or incineration.

Even though Minnesota is one of the leading states in recycling its MSW, the state is still dumping over two million tons a year of MSW into landfills throughout Minnesota, Iowa, and Wisconsin. The rate of recycling appears to have reached a plateau in the range of 45 to 50% of Minnesota's total MSW. The percentage of the total MSW going into landfills has increased from 18% 10 years ago to 36% today. This cannot be sustained. Landfills will reach capacity and any new ones will be opposed due to increasing stress on the existing landfill infrastructure throughout the state.

A solution is needed to eliminate MSW from going into landfills while using the MSW for a productive, economic purpose without harming the environment. The solution is Plasma Torch technology. This technology will

eliminate the MSW that is not recycled and turn this renewable resource ("Urban Gold") into energy.

By subjecting MSW to the Plasma Torch, a heat source that is hotter than the surface of the sun, the organic materials in the MSW gasify into basic gases such as hydrogen and carbon monoxide, and the inorganic materials in the MSW are vitrified into a molten slag or igneous rock. The gas can be used to produce steam or electricity and the molten slag can produce products such as road aggregate, tile, road pavers, or rock wool.

The key to the technology is the Plasma Torch. The torch produces controlled lightning. Lightning is a form of plasma found in nature. When MSW is exposed to temperatures above 7,000 C° it quickly gasifies or produces a vitrified material. This process all occurs within an oxygen-deprived environment inside the gasification vessel. It is important to note that there is no burning involved in the plasma gasification process. This simple fact provides an emission advantage over traditional thermal pyrolytic processes. In the plasma gasification process there are no furans and dioxins produced. (Furans and dioxins are pollutants that are produced in low temperature thermal waste-to-energy processes like incineration.) As a result of the elevated temperatures of the plasma process fewer pollutants are formed. The result is the environment is protected, nothing goes into the landfill, and energy is extracted from the MSW as a renewable fuel.

Plasma Torch facilities using MSW as a fuel source are operating in Japan. The facilities are modular and scalable from 100 to 1,000 tons of MSW per day. The footprint of the planned facility will be approximately 25,000 square feet. The total site acreage needed for the facility is approximately five acres.

The project in Koochiching County will process approximately 100 tons of MSW per day. The facility will be designed to run 24 hours per day and seven days per week. Scheduled maintenance for the plasma torch is projected to be between 1,200 and 1,500 hours of operation. Approximately 150 to 200 pounds of steam will be produced for industrial use or additionally the steam will be used to drive a steam turbine to produce an approximate net five MSW of electrical capacity.

**Koochiching: Renewable Energy Clean Air Project****Project Total Cost**

The total cost of RECAP is \$30 million. In addition to the requested state funding, Koochiching County will contribute \$10 million for the project and the U.S. Department of Agriculture will contribute \$5 million.

**Impact on Agency Operating Budgets (Facilities Notes)**

None. RECAP needs to cash flow on its own through three revenue streams: a) tipping fees from the MSW; b) sale of steam or electricity; and c) sale of road aggregate, tile, or rock wool.

**Previous Appropriations for this Project**

None.

**Other Considerations**

Koochiching County will be the owner of the facility and control the long-term operation of the facility. Construction of the plasma gasification facility is projected to begin on 10-06-06 and end on 11-06-07.

**Project Contact Person**

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Koochiching County Board Chair  
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Koochiching Economic Development Authority  
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**Governor's Recommendations**

The Governor recommends general obligation bonding of \$1 million for activities related to predesign, design and site preparation costs for this project.



**Koochiching: Renewable Energy Clean Air Project**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? The county has identified non-state funding sources that will provide 1/2 of the project's cost. The county is requesting state bond funding for 1/3 of the project's cost. The project request information does not directly identify a funding source for the remaining 1/6 of the project costs.
2.	Does project fulfill an important state mission? The state role in supporting waste-to-energy facilities has varied from one biennium to another. The state Pollution Control Agency has an existing grant program to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state bond funding for waste-to-energy projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 09/0605 has been received from the Koochiching County Board.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign funding is requested as part of the request for state funds.
10.	Is project disaster related? No.

**Lake County:Three Projects**

**2006 STATE APPROPRIATION REQUEST:** \$2,987,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Lake County)

**PROJECT LOCATION:** various locations in Lake county

**Project At A Glance**

Lake County is requesting state funds for three projects (in priority order):

- ◆ \$2.416 million to reconstruct 2.5 miles of Trunk Highway 61 from Split Rock River to Silver Bay
- ◆ \$348,000 in state funds to reconstruct the last remaining segments of Forest Highway 11 in Lake County
- ◆ \$223,000 in state funds to build five miles of pedestrian/bicycle trails in Two Harbors

**Project Descriptions**

**Priority 1: Trunk Highway 61, Split Rock River to Silver Bay, Local Match**

This project will reconstruct approximately 2.5 miles of Trunk Highway (TH) 61. State bonding will provide the match required to leverage federal funds in the federal Transportation Bill. The amount of the nonfederal ("local") match required is 20% of the total project cost. The state funds would be utilized for preliminary engineering, right-of-way and construction costs on TH 61 in the area of Split Rock Lighthouse State Park. TH 61 is an interregional corridor serving our international boundary with Canada.

**Total project cost:** The total cost of the TH 61 project is \$12.08 million. Lake County is requesting \$2.416 million in state funds to pay for 20% of the project cost; the remaining cost will be paid by federal funds. (The state funds would likely be Trunk Highway funds.)

**Priority 2: Forest Highway 11 Reconstruction**

This project will reconstruct approximately 2.5 miles of County State Aid Highway (CSAH) 4 and CSAH 5. State bonding will provide the local match

required to leverage federal funds in the federal transportation bill. Amount of the local match required is 20% of the total project cost. Bonding funds would be utilized for cost of construction to grade the last remaining segment of Forest Highway (FH) 11. This route serves as the primary connection between the North Shore and the Iron Range.

**Total project cost:** The total cost of the FH 11 project is \$1,740,000. Lake County is requesting \$348,000 in state funds to pay for 20% of the project cost; the remaining cost will be paid by federal funds.

**Priority 3: Two Harbors Safe Routes to Schools**

This project will build approximately five miles of pedestrian/bicycle trails. State bonding will provide the local match required to leverage federal funds in the federal transportation bill. Amount of the local match required is 20% of the total project cost. Bonding funds would be utilized to enhance the Safe Routes to Schools program in Two Harbors. Approximately five miles of trails, a railroad underpass, and major trunk highway crossing will be built.

**Total project cost:** The total cost of the Safe Routes to Schools project is \$1,114,500. Lake County is requesting \$223,000 in state funds to pay for 20% of the project cost; the remaining cost will be paid by federal funds.

**Previous Appropriations for this Project**

None.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**Lake County:Three Projects**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? For each project, 80% federal funds will match the 20% requested in state funding.
2.	Does project fulfill an important state mission? Transportation is an important state mission. The state provides Trunk Highway, County State Aid Highway (CSAH) and Municipal State Aid System (MSAS) funds, which can be used for matching federal transportation funding.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? These projects are viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? Not yet received.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways.
10.	Is project disaster related? No.

## Lewis and Clark Rural Water System

**2006 STATE APPROPRIATION REQUEST:** \$3,137,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Luverne)

**PROJECT LOCATION:** Cities of Luverne and Worthington, Counties of Lincoln, Nobles, Pipestone and Rock

#### Project At A Glance

This request is for \$3,137,111 in state general obligation bond funding -- to match 80% federal funding and 10% local funding -- to acquire land, predesign, design, construct, and equip the Lewis and Clark Rural Water System, a rural water system to serve southwestern Minnesota.

#### Project Description

This request is for \$3,137,111 in state general obligation bond funding to acquire land, predesign, design, construct, furnish and equip one or more water transmission and storage facilities to accommodate the connection with the Lewis and Clark Rural Water System, Inc. in southwestern Minnesota.

The goal of the Lewis and Clark Rural Water System is to develop an alternative and supplemental water supply for the benefit of communities in Minnesota, Iowa, and South Dakota. Communities and rural water systems became project members because of their shared need for an additional source of water of suitable quality for use as a public water supply.

The need for an additional source of water is due to numerous factors including the region's geology, hydrological characteristics, deteriorating water quality, more stringent regulations, and increased demands on local water resources. The four southwest Minnesota water systems that are participating in the Lewis and Clark Rural Water System face problems with both water quantity and quality. Communities in the project area routinely find it necessary to impose water use restrictions due to limited availability of water. The project area relies on shallow surface aquifers that are easily

influenced by drought and are vulnerable to contamination from agricultural practices.

The Lewis and Clark system will draw water from a well system near the Missouri River southwest of Vermillion, South Dakota, to provide the region with a more safe and reliable water supply. This system, currently under construction in South Dakota, will deliver water to the Missouri River Basin area of Minnesota.

The Lewis and Clark system will provide treated water for four systems in southwest Minnesota – the city of Luverne, the city of Worthington, the Rock County Rural Water System and the Lincoln-Pipestone Rural Water System. The four Minnesota entities have spent significant resources exploring alternative water supplies. Their exploration efforts have been documented and shared with the Minnesota Department of Natural Resources (DNR). All four of the systems have also been held to a high standard with respect to their efforts to conserve water.

The water will be diverted, treated and distributed through a network of pipelines, pump stations, interconnections, and storage reservoirs to service connections with each of the 15 municipalities and five rural water systems that are currently members of the Lewis and Clark system. The four Minnesota systems participating in the Lewis and Clark Rural Water System project have instituted practices and educated their water consumers regarding the importance of conserving the resource. The Minnesota Lewis and Clark Joint Powers Board has worked with DNR officials with respect to conservation efforts.

#### Total Project Cost

The total cost of the project is estimated to be \$423.198 million (in 2004 dollars). The federal government will commit a significant majority of the funds needed to construct the Lewis and Clark Rural Water System – 80%. The capital budget for the project is prorated among the participating systems on the basis of the delivery capacity received by each of the local systems.

The Minnesota participants have reserved approximately 13% of the total system delivery capacity, with an identified corresponding amount committed

## Lewis and Clark Rural Water System

by the local systems. The cost for new or existing members who increased their reserved delivery capacity after 1999 is calculated assuming no federal or state grant appropriation. In 2000, Congress authorized the project and provided the first federal appropriation. A Cooperative Agreement between the Department of the Interior, Bureau of Reclamation and the Lewis & Clark Rural Water System, Inc. has been executed for planning and construction.

An 80-10-10 federal, state, and local matching fund formula is included in the executed Cooperative Agreement. The federal funding commitment (80%) for this project totals \$332.355 million. The local funding commitment for the four Minnesota systems totals approximately \$5,137,111.

The requested state portion must be matched by an equivalent local amount. Construction of the Lewis and Clark project will span several years, and indexing of the project budget is required to account for inflation. The federal authorizing legislation for the Lewis and Clark project includes a provision for adjusting the level of federal grant participation on the basis of construction cost index adjustments. The level of grant participation listed in the authorizing legislation was based on the project scope and cost described in the *1993 Feasibility Study* and subsequent annual adjustments using construction cost index adjustments

To date the federal government has appropriated \$46.35 million, the state of Iowa has appropriated \$7,015,417, and the state of South Dakota has appropriated \$8.375 million.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

The 2001 Omnibus Environment and Natural Resources Finance Bill included an appropriation of \$54,000 for the Lewis and Clark Rural Water System. Each dollar of this appropriation, when matched with \$8.00 of federal money and \$1.00 of local money, was used to begin design of the Lewis & Clark Rural Water System. The \$54,000 appropriation provided the 10% state matching share for the first two years of project development

satisfying the 80-10-10 cost share formula (80% federal, 10% local, 10% state).

The 2002 Capital Investment Bill included a General Fund appropriation of \$180,000 for the Lewis and Clark Rural Water System, but this appropriation was line item vetoed.

The 2003 Omnibus Environment, Natural Resources, Agriculture, Economic Development and Housing Appropriation Bill included a \$108,000 General Fund appropriation for the project, with a similar match requirement. The money is available when matched by \$8.00 of federal money and \$1.00 of local money. A provision in the law also expands the use of funds to cover costs that are approved for federal cost share payment by the United States Bureau of Reclamation (Laws 2003, chapter 128, article 1, section 5, subdivision 3).

Additionally, legislation clarifying the corporate status for federal tax law purposes for the Lewis and Clark Rural Water System was enacted (Laws 2003, chapter 127, article 12, section 27).

The 2005 Bonding Bill appropriated \$2 million to the Public Facilities Authority for the Lewis and Clark Rural Water System, and specified that this appropriation is "the first phase of the state share for the Lewis and Clark Rural Water System, Inc. project" (Laws 2005, chapter 20, section 23, subdivision 8).

Lewis and Clark Rural Water System project related construction has already begun in Minnesota with construction of the water storage facilities in the city of Worthington and the city of Luverne. These water storage facilities will be connected to the Lewis and Clark Rural Water System for future water storage and transmission between the Lewis and Clark Joint Powers Board members. In South Dakota, project related construction includes installation of raw water pipeline, treated water pipeline and production test wells.

**Other Considerations**

The Lewis and Clark Water System is scheduled to be completed between the years 2013 and 2017. This completion date depends on the annual inflation rate and federal funds per year schedule. Under the Cooperative

**Lewis and Clark Rural Water System**

Agreement executed between the Department of the Interior, Bureau of Reclamation and the Lewis and Clark Rural Water System, Inc., the state of Minnesota can avoid paying future inflationary costs associated with the project to the extent, and at the time, Minnesota appropriates its total share of project costs. This request for state funds in 2006 satisfies Minnesota's portion of project construction to the extent there are no project overruns over the course of construction.

For FY 2006, Lewis and Clark requested \$35 million in the federal Energy and Water Appropriation Bill. The senate included \$20 million in their version of the bill and the house included \$15 million. The legislation is currently in Conference Committee and is expected to be approved before the end of the year. Based on feedback from the congressional offices, Lewis and Clark is optimistic that the congressional Conference Committee will approve the senate level of \$20 million. While this is not as much as project organizers had requested, it will allow construction to continue moving forward.

Water transmission and storage facilities built to accommodate the connection with the Lewis and Clark Rural Water System, Inc. will be owned and operated by members of the Lewis and Clark Joint Powers Board: the city of Luverne; the city of Worthington; the Rock County Rural Water System; and the Lincoln-Pipestone Rural Water System.

**Project Contact Persons**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Lewis and Clark Rural Water System**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 80% federal funds and 10% local funds will match 10% in state funding.
2.	Does project fulfill an important state mission? Lack of adequate drinking water has a detrimental effect on the quality of life in an area, as well as diminishing the potential for economic development. The state role in providing funding for local water distribution systems is not well defined, although the state has funded a portion of this project in the past as part of a federal-state-local cost share formula.
3.	Has a state role been expanded in a new policy area? See above.
4.	Is project of local, regional, or statewide significance? The project is viewed as having multi-county regional significance.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other jurisdictions could seek similar state funding for local water system improvements.
7.	Does project compete with other facilities? No.
8.	Have resolutions from local governing bodies been provided? A resolution of support for the project dated 12/3/03 was received from the Lewis and Clark Joint Powers Board (representing the City of Luverne, Worthington Public Utilities, Rock County Rural Water System, and Lincoln-Pipestone Rural Water System).
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A predesign may not be required for an infrastructure project of this type. Applicants should verify this requirement with the Minnesota Department of Administration.
10.	Is project disaster related? No.

## McLeod County Rail: Glencoe RR Congestion Mitigation

**2006 STATE APPROPRIATION REQUEST:** \$700,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (McLeod County Rail Authority)

**PROJECT LOCATION:** Glencoe

#### Project At A Glance

This request is for \$700,000 in state funding to acquire land, design, and construct a new railroad switching yard facility in Glencoe, Minnesota.

#### Project Description

This request is for \$700,000 in state funding to acquire land, design, and construct a new railroad switching yard facility in Glencoe, Minnesota. This project will achieve the following outcomes:

- ⇒ Correct and eliminate severe and growing noise levels that exceed state standards in existing residential neighborhoods of Minnetonka, St. Louis Park, Hopkins, and Glencoe.
- ⇒ Enhance the safety of citizens and improve transportation flow by minimizing the obstruction of vehicular traffic at railroad grade crossings in the Glencoe area.
- ⇒ Increase economic development in Glencoe.
- ⇒ Improve efficiency of railroad operations for statewide economic and transportation benefits.
- ⇒ Address existing transportation and noise pollution inequities along the railroad corridor by relocating the disruptive operations to an undeveloped region guided for industrial development.

The cities of Minnetonka, St. Louis Park, and Hopkins have been jointly working to eliminate noise disturbances to their residents living adjacent to segments of rail lines where rail car sorting operations are performed. In 1999, the cities funded a noise study that concluded that these sorting operations generate noise levels that exceed the state of Minnesota noise standards.

The cities have actively pursued solutions to mitigate the noise from these rail operations. All efforts to date have been temporary solutions, while a permanent solution is pursued. The construction of the Glencoe switching yard was identified as the long-term goal that would completely eliminate the blocking operations from the residential communities.

#### Total Project Cost

The total cost of the project is estimated to be \$2.962 million. Of this amount, \$2.262 million (76%) will be provided by federal, local, and/or private sources.

The railroad operator, Twin Cities and Western Railroad Company (TC&W), has cooperated with the cities both with short-term and long-term mitigation programs. Short-term efforts have included assisting cities in funding the installation of a new crossover, as well as alternating the locations where the operations are performed on a prescribed schedule. TC&W has also made progress on the shared long-term goal by completing concept design, contacting adjacent landowners to determine land availability and cost, and by preparing cost estimates.

The cities have also worked with the city of Glencoe to help achieve the long-term goals of that city. Glencoe would benefit from both an operational and economic development standpoint. The construction of the Glencoe switching yard benefits the city by relocating rail car maneuvers to the east end of the city, thereby eliminating noise disturbances to residential areas which are concentrated on the west end of town.

The relocation of the rail car movements also benefits the city of Glencoe by reducing the amount of time that the rail cars occupy grade crossings. This includes a benefit to the Minnesota Department of Transportation (Mn/DOT) Trunk Highway (TH) 22 Glencoe By-Pass Highway Project (Morningside Corridor) by minimizing the rail crossings of Morningside Road, which is the proposed location of TH 22.



**McLeod County Rail: Glencoe RR Congestion Mitigation**

In addition, the city of Glencoe has guided the area in proximity to the proposed switching yard for industrial use, and sees the increased rail service as a benefit to an industrial park that would encourage economic development.

To date, the short-term solutions implemented by the cities and TC&W have provided little improvement. With increasing rail traffic levels imminent, the cities believe constructing the Glencoe switching yard is essential to protect their communities from worsening conditions.

In summary, this project achieves several important goals of local, regional and statewide significance, including improving quality of life for its residents by reducing noise impacts, improving efficiency of local and state transportation systems, and encouraging economic growth by supporting new development.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The McLeod County Rail Authority will own the facility. TC&W will operate the facility. (It is not uncommon for a local rail authority to own railroad rights-of-way and/or infrastructure that is operated by a private enterprise.)

Anticipated construction start date: October 2006  
Anticipated construction end date/CO: August 2007

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**McLeod County Rail: Glencoe RR Congestion Mitigation**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 76% of project costs are to be provided from a combination of federal and local government funds.
2.	Does project fulfill an important state mission? The state has established the Minnesota Rail Service Improvement program as one way to assist with these kinds of projects.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? Resolutions of support adopted in June 2005 have been received from the city councils of Hopkins, St. Louis Park, and Minnetonka. A resolution of support for the application for a federal capital transportation appropriation dated 05/02/05 has been received from the Glencoe City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign funding is requested as part of the request for state funds.
10.	Is project disaster related? No.

**Mille Lacs County: Soo Line Memorial Trail Bridge**

**2006 STATE APPROPRIATION REQUEST:** \$259,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Mille Lacs County)

**PROJECT LOCATION:** Onamia (near intersection of TH 27 & TH 169)

**Project At A Glance**

This request for \$259,000 in state funding is to construct a Bicycle/pedestrian/all terrain vehicles (ATV) and Snowmobile Bridge across trunk highway (TH )169 where the Soo Line Recreational Trail crosses in Onamia.

**Project Description**

This request for \$259,000 in state funding is to construct a Bicycle/pedestrian/ATV and Snowmobile Bridge across TH 169 where the Soo Line Recreational Trail crosses in Onamia. Mille Lacs County supports many significant recreational resources including Mille Lacs Lake, the wild and scenic Rum River, the Rum River State Forest, the Mille Lacs Wildlife Management Area, Kathio State Park, and Father Hennepin State Park. The county along with four other adjoining counties purchased the Soo Line Railroad between Genola and Moose Lake. The line is being designated as a multi-use recreational trail by the counties involved. In 1994 the 11-mile trail between Isle and Onamia was paved with federal ISTE A grant funds. The restored depot in Onamia serves as a trailhead.

Mille Lacs County has set a high priority on establishing a safe trail between Kathio State Park and Father Hennepin State Park. This trail is 23 miles long and provides a pedestrian bicycle link between the parks. The old railroad portion of this facility crosses TH 169 in Onamia at grade.

**Total Project Cost**

The total Project Cost is \$1,552,776. The county has several funding commitments in place:

Federal High Priority Project	\$ 878,080
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Natural Resources committed funds	250,000
Transportation	<u>165,000</u>
Subtotal Current Available Funds	1,293,080
Funding Shortfall	\$ 259,696

Mille Lacs County's request for state funds in 2006 is \$259,000. No additional state funds are requested for either 2008 or 2010.

The traffic on TH 169 often is bumper-to-bumper on the weekends at this location. The county desires to provide a separated crossing by providing a bridge to carry the trail over TH 169. It is anticipated the trail will also receive considerable use due to its location and accessibility to Minneapolis-St. Paul metropolitan area. The dual state park termini and the full service communities of Isle and Onamia make it an excellent recreational facility. The trail already has enhanced the economic base for the three communities it passes through by bringing new visitors to patronize area businesses. The community of Wahkon, most notably, has been catering to trail users. The Mille Lacs Area Tourism Association receives 20 requests per week for Soo Line Trail information

The public and the city of Onamia recognize the need for a separation at this high-traffic highway. Alternate safety improvements evaluated include providing a traffic signal on TH 169, and constructing a tunnel under the highway. The signal was disregarded because the location does not meet the needed warrants for such a signal, and the tunnel was disregarded because of the high water table in the area. Both of these alternatives were reviewed by out-side consultants to ascertain their feasibility prior to disregarding them.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

**Mille Lacs County: Soo Line Memorial Trail Bridge**

Mille Lacs County will own the Facility, and they will operate it. (The county funded the acquisition of the Soo Line Railroad for the trail without state or federal assistance.)

The local trail associations provide the necessary maintenance for the trail, including sweeping for pedestrians and bicycles in the summer, and grooming for snowmobiles in the winter. The area user groups secure these costs.

The current project schedule is to advertise for bids in 2005, open bids in December 2005, begin construction in June 2006, and complete construction in October 2006.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Mille Lacs County: Soo Line Memorial Trail Bridge**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 83% of project costs are provided from non-state funding sources.
2.	Does project fulfill an important state mission? Providing recreational opportunities is an important state mission in Minnesota. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? The number of this type of local request suggests that additional requests will likely be forthcoming from local units of government if the state provides funding for this project.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 09/27/05 has been received from the Mille Lacs County Board of Commissioners.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways.
10.	Is project disaster related? No.

## Minneapolis Park &amp; Recreation Board: Three Projects

**2006 STATE APPROPRIATION REQUEST:** \$6,250,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Minneapolis Park Board)

**PROJECT LOCATION:** various locations in Minneapolis

#### Project At A Glance

The Minneapolis Park and Recreation Board requests funding for three projects (in priority order):

- ◆ \$5 million for the restoration of the Lake of the Isles Regional Park
- ◆ \$1 million for replacement of the Grand Rounds Parkway lighting (*Joint request with the city of Minneapolis*)
- ◆ \$250,000 for design for the Grand Rounds Missing Link

#### Project Descriptions

##### Priority 1: Lake of the Isles Regional Park Restoration

This request is for \$5 million in state funds to restore an area adjacent to Lake of the Isles that has settled and eroded significantly. Lake of the Isles Park is part of the Chain of Lakes Regional Park, which averages 5.5 million visitors per year. People of all ages visit the park from adjoining neighborhoods, the metropolitan region, across the state and around the world to enjoy Isles' picturesque beauty. They walk, run, bike, throw a Frisbee, picnic, sit on a bench, or spread out a blanket. The entire 2.86 miles of shoreline are publicly owned and are accessible to all park enthusiasts. The heavy use, however, compounded by the urban (developed) setting, has had significant impact on Lake of the Isles because of its fragile ecology.

Lake of the Isles is an engineered lake, created in the early part of the 20th Century. The Park Board dredged what was originally a shallow lake and marsh complex and used the dredged material to create parkland and ultimately, a stately and picturesque park. Unfortunately, the dredged materials – generally peat and silt, which have a talent for settling and erosion – set the stage for the inevitable deterioration and reduced water quality that has characterized the Lake of the Isles environs in recent

decades. Severe weather events in the late 1990s seriously accelerated the deterioration of the park to the point where significant sections were unusable.

In developing the Lake of the Isles Park renovation plan, the challenge has been to create a sustainable as well as usable park space. Shoreline stabilization, wetland enhancement and restoration, path reconstruction, upland plant restoration, and the raising of passive recreation areas are strategies being implemented to achieve the renovation goals, namely to balance aesthetics and the park's historical integrity with the recreational needs of park users and the sustainability of a fragile environment.

**Priority 1 Total Project Cost:** The estimated total cost of the Lakes of the Isles restoration project is \$10.22 million. In addition to this request for state funds, nonstate funds will be contributed as well:

Private funds:	\$ 15,000
City (NRP):	\$650,000
City (Net Debt Bonds):	\$950,000

Renovation work began during the summer of 2001. Shorelines at Kenilworth Lagoon have been naturalized and stabilized, and new wetland/storm water storage areas were created on the south side of the lake. In 2004 work was completed replacing the WPA-era retaining wall at Evergreen Point, naturalizing/stabilizing the shoreline on the east shore of the lake, and construction of new pedestrian and bike paths and the planting of trees along the east shore.

The west bay and north arm of the lake are the sites of the most significant settling. To restore the park's historic aesthetic, necessitated by the park's listing on the National Register of Historic Places, these sections were stabilized and raised. To minimize future settling in these areas, a layer of heavier material compressed the fill. When the compression was complete, the excess material was removed and the area graded and seeded.

At this point the renovation of the lake is about half complete. Remaining items include trails, trees, and other park amenities for the West Bay and North Arm, renovation of the South Shore area, shoreline naturalization and stabilization for about two miles of shore, renovation of two historic bridges,

Minneapolis Park & Recreation Board: Three Projects

naturalization of the Lakes two signature islands, naturalization/stabilization of the Calhoun-Isles Lagoon area, and rehabilitation of the Parkway.

**Priority 2: Grand Rounds Parkway lighting (Joint request with the city of Minneapolis)**

This project is requesting \$1 million for replacing the 35-year-old parkway lighting on the Minneapolis Grand Rounds Scenic Byway. The parkway is currently lit with 2,300 fixtures. If one includes the underground wiring, the light pole foundation, the pole and the light fixture, each light costs about \$6,500 to replace.

The Grand Rounds Parkway System is an integral component of the Minneapolis Park System and has a strong and far reaching impact on the quality of life for all state residents. Historically, it has set the Minneapolis Park System apart from all other state and national park systems. The Grand Rounds Parkway System has a unique light fixture specifically designed for the Parkway in the early 1970s. The fixture is unique in several ways all of which increase the replacement cost. That is why the Minneapolis Park Board is seeking assistance from many sources including the city of Minneapolis, the Regional Park System, federal grants, county grants, neighborhoods and foundations.

**Priority 2 Total Project Cost:** The estimated total project costs to replace the Grand Rounds Parkway lighting is \$14.9 million. In addition to this joint Minneapolis Park Board city of Minneapolis request for state funding, funding is being requested from the following sources:

City Net Debt Bonds	<u>TBD</u>
Federal Save America's Treasures Grant	\$500,000
Hennepin County	\$250,000
Park Board Maintenance Funds	\$250,000

**Priority 3: Grand Rounds Missing Link design**

The Minneapolis Park and Recreation Board's third priority is a request for \$250,000 to complete schematic design for the final (missing link) section of the Grand Rounds System for pedestrians, cyclists, skaters, and motor vehicles, from the Mississippi River to Stinson Boulevard and Ridgeway Parkway. At least four possible routes exist as follows:

- ◆ Southeast Industrial Boulevard to 27th Avenue Southeast
- ◆ Oak Street and 18th Avenue Southeast

- ◆ 6th Avenue Southeast, Fillmore Street Northeast 18th Avenue Northeast
- ◆ 10th Avenue Southeast, New Brighton Boulevard

The Grand Rounds Parkway is an integral component of the Minneapolis Park System and has a strong and far reaching impact on the quality of life for all Minneapolis residents. Historically, it has set the Minneapolis Park System apart from other park systems.

In the fall of 1994 the Board of Park Commissioners appointed a Citizens Parkway Committee and gave them the charge to:

- ⇒ Assess the current and historic significance of the Minneapolis Parkway System known as the Grand Rounds.
- ⇒ Examine its role in the city for recreational, aesthetic, economic, environmental, and transportation functions.
- ⇒ Identify the function the parkway should perform in the future and recommend policies and direction for the future of the parkway system, especially resolve conflicts of use that occur in narrow land areas.

The Citizens Parkway Committee's recommendations were as follows:

- ⇒ Limit the impact of motor vehicles, both moving and parked, on the Grand Rounds System.
- ⇒ Connect the Grand Rounds to other greenways and trail systems within the city and to those outside the city limits.
- ⇒ Complete the missing link (for pedestrians, cyclists, skaters, and motor vehicles) of the Grand Rounds System, from the Mississippi River to Stinson Boulevard and Ridgeway Parkway.
- ⇒ Create a system-wide balance of amenities/recreational opportunities and distribution of users by developing new programs and promoting those facilities that are currently underused or little known.
- ⇒ Maintain and regain a wide variety of natural green spaces.
- ⇒ Better Accommodate cyclists and pedestrians on paths and at street crossings.
- ⇒ Better Accommodate cyclists on roadways.
- ⇒ Reduce visual clutter by eliminating excessive sign, consolidating basic information, and improving graphics and using positive language.
- ⇒ Pursue additional funding sources for maintenance, improvements and acquisitions.

## Minneapolis Park &amp; Recreation Board: Three Projects

**Priority 3 Total Project Cost:** The estimated total cost of the design and study of the Grand Rounds Missing Link is \$250,000. \$100,000 from Hennepin County is available for the project. Construction costs for the project are yet to be determined.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Other Considerations**

The Minneapolis Park and Recreation Board will own and operate the facilities.

**Project Contact Person**

For the Lakes of the Isles Restoration project:

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For the Grand Rounds Parkway Lighting and the Missing Link projects:

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**Governor's Recommendations**

The Governor recommends that \$2.0 million of the general obligation bond funds recommended for the Metropolitan Council's metropolitan regional

parcs projects be provided for the Minneapolis Park and Recreation Board's Lake of the Isles Regional Park Restoration project.

The Governor does not recommend capital funds for either of the other projects requested by the Minneapolis Park and Recreation Board.



**Minneapolis Park & Recreation Board: Three Projects**

<b>Evaluation of Local Projects</b>	
1.	<p>Are non-state matching funds contributed?                      For the Minneapolis Park Board's number one priority project, the Board's request for state funds covers 49% of project costs. Another 16% of project costs will be paid for with city and private funds.</p> <p>For the Board's number two priority project, the state request os for 7% of project costs. Another 7% of costs will be covered through nonstate sources. Funding sources for the remaining project costs are not identified in the request.</p> <p>For priority project #3, 40% of project costs are to be provided from local government funds.</p>
2.	<p>Does project fulfill an important state mission?                      Providing recreational opportunities is an important state mission in Minnesota. In the seven-county metropolitan area, the Metropolitan Parks and Open Space Commission advises the Metropolitan Council on on parks and open space projects. These projects should be considered alongside other metropolitan area parks requests.</p>
3.	<p>Has a state role been expanded in a new policy area?                      See #2 above.</p>
4.	<p>Is project of local, regional, or statewide significance?                      These projects are viewed as having primarily a local or regional benefit.</p>
5.	<p>Are state operating subsidies required?                      No.</p>
6.	<p>Are inequities created among local jurisdictions?                      The number of this type of local request suggests that additional requests will likely be forthcoming from local units of government if the state provides funding for these projects.</p>
7.	<p>Does project compete with other facilities?                      Not significantly.</p>
8.	<p>Have resolutions from local governing bodies been provided?                      Not yet received.</p>
9.	<p>Is predesign (required if construction cost is over \$1.5 million) completed?                      For priority projects #1 and #3, predesign funding is requested as part of the request for state funds. Predesign may not be required for priority project #2.</p>
10.	<p>Is project disaster related?                      No.</p>

## Minneapolis: Seven Projects

**2006 STATE APPROPRIATION REQUEST:** \$105,456,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Minneapolis)

**PROJECT LOCATION:** Various locations in Minneapolis

### Project At A Glance

For 2006, the city of Minneapolis is requesting state funding for six prioritized capital projects:

- ◆ Minnesota Shubert Performing Arts and Education Center: \$15 million
- ◆ Grand Rounds Parkway Lighting and Rehabilitation (joint request with Minneapolis Park and Recreation Board): \$1 million
- ◆ University Research Park: \$6.64 million
- ◆ Heritage Park redevelopment: \$6 million
- ◆ Cedar Lake Trail Phase III Improvements: \$1.8 million
- ◆ Target Center Debt Relief and Capital Improvements: \$71 million

Note: Minneapolis' Priority 2 project, the Grand Rounds Parkway Lighting and Rehabilitation project, is not discussed in this section. To find information on that project, refer to the project request submitted by the Minneapolis Park and Recreation Board.

Minneapolis also submitted one project that it did not prioritize:

- ◆ MacPhail Center for Music: \$5 million

### Project Descriptions

#### Priority 1: Minnesota Shubert Performing Arts and Education Center

This request is for \$15 million in state funding to help construct, furnish, and equip the Atrium and Shubert Theater buildings of the Minnesota Shubert Performing Arts and Education Center. This project will create a regional arts and education center with statewide significance that will serve students and artists throughout Minnesota with high-quality performances, interactive long-distance learning, artist exchanges, and other programs.

The Minnesota Shubert Center will consist of three linked buildings:

- ⇒ The Shubert Theater, a beautiful, intimate 1,000-seat theater built in 1910; it is listed on the National Register of Historic Places.
- ⇒ Hennepin Center for the Arts (HCA), a downtown Minneapolis landmark, built in 1888 as a Masonic temple, that now provides rehearsal and administration space to 17 arts organizations. It also houses a 250-seat theater (home of Illusion Theater). It, too, is on the National Register of Historic Places.
- ⇒ A new three-story Atrium, designed by award-winning Minnesota architect Joan Soranno of HGA Architects, that will link the other two buildings and serve them both. It will contain a community gathering space, the box office, and a third-floor Event Center with a seating capacity of 300.

The Minnesota Shubert Center will be a performing home for more than 20 Minnesota arts organizations, including most of the Twin Cities' professional dance companies and many music groups and statewide arts organizations. They include: the Minnesota Ballet-Duluth, A Center for the Arts-Fergus Falls and the Saint Paul Chamber Orchestra (SPCO)-St. Paul. It will enable the organizations to create their best work, increase their earned revenue, and provide a first-rate, easily accessible location for their audiences. It will also be a major educational resource for hundreds of thousands of children and young adults.

A key component of the Minnesota Shubert Center will be arts education. This arts complex will be a true center for arts education activity for all Minnesota residents. It will host a variety of arts education experiences for young people and adults, including classes, workshops, lecture/demonstrations, and family performances. It will also be a hub of statewide arts education activity through the use of distance learning technology and web casting. The Minnesota Shubert Center will truly be Minnesota's cultural center.

This project addresses several opportunities and needs, including:

- ⇒ The opportunity to provide a true artistic home for more than 20 performing arts groups, including all of the area's major dance companies and many music ensembles, as well as the Minneapolis home of the world-famous SPCO. These groups now perform in a variety of spaces, most of them inadequate. The Minnesota Shubert

## Minneapolis: Seven Projects

Center will allow them to grow artistically and financially by giving them what they need: a first-rate venue in a great location.

- ⇒ The opportunity to serve students of all ages by means of:
  - ◆ interactive web-based technology that will put artists and teachers at the Minnesota Shubert Center in direct contact with students in schools throughout the state;
  - ◆ school class trips to the Minnesota Shubert Center for educational programs;
  - ◆ partnerships with area schools to bring artists into classrooms to work with students and teachers; and
  - ◆ professional development programs for teachers and adult education programs.
- ⇒ The opportunity to strengthen downtown Minneapolis. The Minnesota Shubert Center is part of the Hennepin Avenue Theater District, and it serves as a needed anchor at the Fifth Street end of the district. The Minnesota Shubert Center is located at the termination points for the Light Rail Transit (LRT)-Hiawatha Line and the eventual Northstar Commuter Rail. It also serves as a needed “bridge” between the retail area on the south side of Hennepin Avenue and the entertainment-oriented Warehouse District to the north. According to the U.S. Department of Commerce Region Input Multiplier System II (RIMS II) Input/Output tables using a 2.67 multiplier for this service industry, we expect an indirect economic impact of \$10 million to area tax-paying businesses in the first year alone.

**Priority 1 Total Project Cost:** The total cost of the Shubert Center project is \$37.1 million. A total of \$22.1 million in nonstate funds, or 60% of the total cost, will be contributed to the project. \$17 million of the nonstate funds are from private sources – individual, corporate, and foundation contributions.

More than 200,000 people are anticipated to attend performances and other events at the Minnesota Shubert Center in its first year of operation. The Center will be shared by many nonprofit organizations, not just one or a few, and it will have many more performances each year than nearby commercial theaters that rely on touring shows and are frequently dark. The facility will be affordable to small to midsize Minnesota arts organizations, which have the greatest need for the visibility that a “destination” facility in downtown Minneapolis will provide. Arts groups from greater Minnesota will have access to the Center as well.

The Center will be a major force for arts education both in the community and statewide. Three of the dance troupes that now have studios in HCA have large education/outreach programs that extend statewide. These and other groups will have more space for on-site educational activities, and the Center’s long-distance learning technology will enable them to reach out as never before to students throughout Minnesota and, indeed, to students of other states and nations.

The city of Minneapolis is working with Artspace Projects, Inc. on this project.

**Priority 2: Grand Rounds Parkway Lighting & Rehabilitation -- joint request with Minneapolis Park and Recreation Board**

Minneapolis’ second priority is a joint request with the Minneapolis Park and Recreation Board for a Grand Rounds Parkway lighting and rehabilitation project. For information on this project, refer to the project narrative for the requests submitted by the Minneapolis Park and Recreation Board.

**Priority 3: University Research Park infrastructure improvements**

This request is for \$6.64 million in state funding to acquire land, predesign, design and construct roads in the Southeast Minneapolis University Research Park (SEMI/URP) to facilitate redevelopment of the area. The entire infrastructure plan also includes necessary stormwater management systems for which no state funds are being requested. The total request for state assistance would be \$18.210 million of the \$59.35 million project.

The project is part of the bioscience zone authorized by the Minnesota Legislature. The 2003 Minnesota Legislature enacted the legislation upon the recommendation of the governor. Minneapolis, St. Paul and Rochester have established bioscience zones. The zones are intended to stimulate growth in the biotechnology and health science industry. The Minneapolis portion of the zone is, as directed by the statute, located near the University of Minnesota, a major national biotech and health science research facility.

The plan compliments one being prepared by the city of St. Paul and includes design and construction of a system of roads composed of Granary Road in Minneapolis and Piece Butler in St. Paul, and of Kasota Avenue in Minneapolis and Energy Park Drive in St. Paul. Both systems will parallel University Avenue and Interstate Highway 94 between Minneapolis and St.

## Minneapolis: Seven Projects

Paul. This cooperative effort between Minneapolis and St. Paul will serve multiple purposes.

The proposed Granary/Pierce Butler/Phalen roadway can take 15,000 to 20,000 vehicles per day off from I-94 and University Avenue and reduce accidents on both corridors. These kinds of benefits are also anticipated for the Energy Park/Kasota system that is also a part of this proposal. Construction of freeways in a built environment like the I-94 corridor between Minneapolis and St Paul can cost \$50 million per mile. The Granary/Pierce Butler/Phalen and Energy Park/Kasota systems can significantly reduce demand on I-94, thus greatly postponing the need to reconstruct that section of freeway. Additionally, the I-94 corridor has a very high accident occurrence. Reducing traffic on that section of the freeway will reduce accidents and their considerable social and financial costs.

The Granary/Pierce Butler/Phalen Road system can serve as an alternative route that will shorten the time it takes to build Central Corridor transit improvement. The shortened construction time will help minimize the negative impacts to business along the corridor and reduce the cost of constructing this next phase of the light rail system.

Finally, and in the long term perhaps most significantly, the system will serve the bioscience sub-zones designated by the state for the area. Bringing roads to this area will in result moving technology based redevelopment forward. In Minneapolis it is projected that redevelopment of the approximately 100 acre area that includes land on both sides of the University of Minnesota's Intercampus Transitway will generate more than 3,000 new high tech jobs and will result in the construction of 2 million square feet of new buildings that will generate more than \$6 million in new taxes annually. This biotechnology-related redevelopment, the University Research Park, will significantly benefit not just the city but also the University and the economy of the state.

**Priority 3 Total Project Cost:** The total cost of the University Research Park project, for all years, is \$59.35 million. In total, through 2010, the city expects to request \$18.210 million in state bonds for the project. The city will also use \$17.128 million in city funds, \$15.013 million in federal funds, and \$8.999 million in other funds for this project.

**Priority 4: Heritage Park redevelopment**

This request is for \$6 million in state funding to acquire land and construct public infrastructure for Van White Memorial Boulevard – Minneapolis' new North-South greenway. The construction of this statewide significant public roadway is a key future of the 145-acre Heritage Park development. Major elements of the Heritage Park development, which is located in the heart of Minneapolis – one mile from downtown – and close to major transportation routes, jobs, and educational opportunities, are:

- ◆ construction of 900 mixed-income housing units (for sale and rental) in place of 770 dilapidated public housing units (now demolished);
- ◆ reconnecting the urban grid pattern by building neighborhood streets, walking, and biking trails to this once isolated enclave;
- ◆ cleaning polluted land resulting from decades of illegal dumping in early 1900s; and
- ◆ collecting and cleaning stormwater from over 400 acres through channels, ponds, and native plants prior to being discharged to the Mississippi River.

Heritage Park and the construction of the Van White Boulevard became a reality pursuant to the 1995 Hollman Consent Decree, which was the result of a 1992 class action segregation lawsuit entitled Hollman vs. Cisneros filed by Minneapolis Legal Aid Society and the National Association for the Advancement of Colored People (NAACP). The Metropolitan Council was a party in the lawsuit. It was 'concentration' and 'isolation' of public housing residents that catalyzed residents to initiate a lawsuit demanding immediate change. The creation of a new mixed-income neighborhood connected to the larger community through the construction of streets, trails and parks were the key elements that settled the lawsuit. The completion of Heritage Park, and most importantly, Van White Boulevard, not only fulfills the requirements of the original lawsuit, but it also speaks to the goals of the state to vigorously correct patterns of discrimination, eradicate concentrated poverty enclaves, and support self sustaining communities that add to the economic fabric of the state of Minnesota.

The three-mile Van White Memorial Boulevard is being designed as a parkway-style greenway reconnecting the Near Northside to jobs, recreation activities, cultural amenities, and education opportunities located in downtown and south Minneapolis. The boulevard will be transit-ready, accompanied by a number of transit enhancements, and will include bike

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path connections to the Cedar Lake commuter trail and the future Bassett Creek Trail.

State bond funding for basic public infrastructure will leverage over 200 million from foundation, private and other public resources that are contingent upon public infrastructure investment.

Statewide goals for this project include a strengthened urban core that is consistent with state and regional Smart Growth and anti-sprawl efforts, and innovative storm water management system including wetland infiltration areas and ponds on areas with soils poorly suited to housing. Moreover, the project fulfills an important state mission by building affordable housing, deconcentrating poverty, and reducing the disparity between minority and other populations.

While the location of the Near Northside Redevelopment is situated within the city of Minneapolis, the significance of its development greatly affects the region and state economy. The number of housing units (900) to be constructed at Heritage Park is greater than the total population of 70% of the cities and townships in Minnesota. The sheer magnitude of the size of the development, 145-acres, is again larger than a sizeable number of cities and townships in the state. The number of affordable housing units to be constructed 500 will affect not only those families currently seeking homes that live within the city, but also those families looking for better economic conditions than what may currently exist in outstate areas. Additionally, businesses and industries that generally rely upon service workers can be assured that their employees have homes near their work centers.

**Priority 4 Total Project Cost:** The total cost of the Heritage Park redevelopment project is \$20 million. Nonstate funds will pay for 70% of the project – Hennepin County will contribute \$7.938 million, and \$6.062 million in federal funds will also be used.

**Priority 5: Cedar Lake Trail Phase III Improvements**

The city's fifth priority is a request for \$1,816,250 in state funding to construct Phase III of the improvements for Cedar Lake Trail. The Cedar Lake Trail is part of the regional trail system designated by the Metropolitan Council. The trail system is included in the Metropolitan Council's regional parks and open space regional plan. This regional trail project will complete the last segment

of the Cedar Lake Regional Trail from the existing Cedar Lake Trail (currently terminates at Royalston Avenue) to the Mississippi River. The Cedar Lake Trail will connect with the Mississippi River Trail, which is also a regional trail.

This commuter trail is projected to carry over 1,000 bicyclists and 1,000 pedestrians per day (on an average spring, summer, and fall day). This commuter trail is needed to provide safer and more convenient access into downtown Minneapolis and will help provide congestion relief to the I-394 corridor. This final segment of the Cedar Lake Trail will be a part of a network of trails that currently serves St. Louis Park, Hopkins, Eden Prairie, Minnetonka, Shorewood, Excelsior, Victoria, Chanhassen, and Chaska in addition to the city of Minneapolis.

**Priority 5 Total Project Cost:** The total cost of the Cedar Lake Regional Trail Phase 3 project is \$8,281,250. Nonstate funds will pay for 78% of the project—the city will contribute \$1.165 million, and also utilize \$5.3 million in federal funds for the project.

**Priority 6: Target Center Debt Relief & Capital Improvements**

Minneapolis' sixth priority is a refinancing project of the Target Center, a facility of regional and state significance.

The city, as part of legislation approved in 1994, stepped in and assumed ownership of the Target Center facility. As a result of its action Minnesota's National Basketball Association (NBA) franchise was retained. The city purchased the Target Center with \$67.5 million in general obligation tax increment financing bonds and \$412.6 million in private sector subordinate bonds.

The city is proposing that the state approve an agreement similar to the one in place for Minneapolis Convention Center, where the state will assume the remaining debt obligations and assist with some needed improvements.

**Priority 6 Total Project Cost:** The total cost of the Target Center project is up to \$71 million.

**Unspecified Priority: MacPhail Center for Music**

The city of Minneapolis also submitted an unprioritized request for \$5 million in state funds for the MacPhail Center for Music building project. This request

## Minneapolis: Seven Projects

is for \$5 million in state funding to pay a portion of the land acquisition, predesign, design, construction, furniture/fixtures/equipment, relocation, interest/bond issuance, and other costs of a new MacPhail Center for Music educational facility at 2nd Street and 5th Avenue South in Minneapolis. It is a project of regional and statewide significance. MacPhail has a national reputation.

The \$21.5 million project is a six-story educational facility with classrooms, administrative space, and a 225-seat performance hall. The Center has outgrown its 82-year-old facility at 1128 LaSalle Avenue in Minneapolis. MacPhail has raised \$11 million so far for the project.

MacPhail draws upwards of 25,000 visitors making 330,000 visits each year and employs 150 professional musicians – second in the state only to the Minnesota Orchestra. The Center has more than 6,700 students ages six weeks to 80 years, with emphasis on young people to age 18. Its students live in more than 200 zip codes in Minnesota. MacPhail provides services throughout the state from Thief River Falls to Worthington. It recently opened the first of several planned satellites in the Twin Cities region at Paideia Academy, a charter school in Apple Valley.

MacPhail serves more than 2,500 learners through community partnerships with schools and other organizations at 40 sites in the Twin Cities metropolitan region:

- ⇒ Early Childhood Education: 11 sites/700 students. Examples are Cherish the Children, a Minnesota Indian Women's Resource Center program in Minneapolis; Rockford Early Childhood Family Education Center in Rockford; and Centennial School District in Circle Pines.
- ⇒ K-12: 15 sites/1,544 students. Examples are Emerson Spanish Immersion Learning Center in Minneapolis, Blake Middle School in Hopkins and City Academy in St. Paul.
- ⇒ Music Therapy: three sites/183 young people. Learners with the special challenges of Autism, Down Syndrome, physical handicaps, cancer, Attention Deficit Hyperactivity Disorder, neurological disorders and Emotional Behavior Disorder. Examples are Ronald McDonald House in Minneapolis, The Therapy Place in Bloomington and Gillette Children's Hospital in St. Paul.

MacPhail's community efforts are targeted to need. Its 200 financial aid recipients have an average family income of \$18,870 a year. Seventy-two percent of students in early childhood programs live below poverty level. Sixty-one percent of K-12 students in MacPhail's community partnership programs receive free or reduced-price lunch. Sixty-five percent of scholarship and community partnership participants are non-white.

MacPhail is transforming lives and enriching community through music education throughout Minnesota. The Center is dedicated to bringing the unique power of music to learners of every age, especially younger ones, regardless of family income or neighborhood. Its efforts are driven by the need across the state, by research showing the connections between music and learning in other basic areas and by the power of music to connect Minnesotans across dividing lines of place, race, class, and time.

**MacPhail Center Total Project Cost:** The total cost of the MacPhail Center for Music building project is \$21.5 million. MacPhail is implementing an aggressive capital campaign plan that it believes will yield \$11.5 million in private contributions. The campaign already has commitments totaling \$7 million. MacPhail will contribute the \$2 million of proceeds remaining from the sale of its current facility. The Center intends to borrow \$3 million. The city of Minneapolis will use tax increment financing to construct 35 parking spaces at \$20,000 per space as part of redevelopment of the block on which the facility will be located. The city provided the 22,596 square feet of land for the facility at a price of \$18 a square foot under its redevelopment powers.

Under the planned project schedule, construction would begin July 2006 and would finish July 2007.

#### Impact on Agency Operating Budgets (Facilities Notes)

For the University Research Park infrastructure project (Priority 3), the city intends to designate the roads in the system as Municipal State Roads. This will result in the use of MSA funds for their maintenance.

For the Target Center Debt Relief (Priority 6), the state currently contributes \$750,000 annually from the General Fund for the Target Center.

## Minneapolis: Seven Projects

**Previous Appropriations for this Project**

For the Shubert Theater (Priority 1), the city received \$1 million in the 2005 bonding bill for predesign and design costs.

For the University Research Park infrastructure project (Priority 3), the city received \$763,000 for the Pond North portion of the project.

For the MacPhail Center project, the city also received a \$939,566 Minnesota Department of Employment and Economic Development grant for environmental cleanup and Phase II investigation of the redevelopment block. The Metropolitan Council provided a \$136,320 local match and the city \$136,320. Additional Minneapolis Community Development Agency funds were used in the cleanup.

**Other Considerations**

For the MacPhail building project, the MacPhail Center for Music will be the fee owner of the property and will convey the property to the city of Minneapolis through a long-term ground lease. The city will, in turn, sub-lease the facility back to MacPhail for management and operation.

**Project Contact Persons**

For Minnesota Shubert Performing Arts and Education Center:  
Stacy L. Mickelson, Director of Government Relations  
Artspace Projects  
250 North 3rd Avenue, Suite 500  
Minneapolis, Minnesota 55401  
Phone: (612) 465-0243  
E-mail: [stacey@artspaceusa.org](mailto:stacey@artspaceusa.org)

For University Research Park infrastructure improvements:  
Greg Schroeder, Engineer  
Minneapolis Department of Public Works  
Room 301, City of Lakes Building  
309 2nd Avenue South  
Minneapolis, Minnesota 55401-2238  
Phone: (612)-673-3718  
E-mail: [greg.schroeder@ci.minneapolis.mn.us](mailto:greg.schroeder@ci.minneapolis.mn.us)

For Heritage Park redevelopment:  
Darrell Washington, Senior Project Coordinator  
City of Minneapolis – CPED  
105 5th Avenue South  
Minneapolis, Minnesota 55401  
Phone: (612) 673-5174  
Fax: (612) 673-5212  
E-mail: [darrel.washington@ci.minneapolis.mn.us](mailto:darrel.washington@ci.minneapolis.mn.us)

For Cedar Lake Trail Phase III improvements:  
Donald Pflaum or Robb Urquhart  
City of Minneapolis Public Works

For Target Center Debt Relief and Capital Improvements:  
John Moir, City Coordinator  
301M City Hall  
350 South 5th Street  
Minneapolis, Minnesota 55415  
Phone: (612) 673-3992

For MacPhail Center project:  
David O'Fallon, President  
MacPhail Center for Music  
1128 LaSalle Avenue  
Minneapolis, Minnesota 55403  
Phone: (612) 767-5311 (office)  
(612) 321-9740  
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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**Minneapolis: Seven Projects**

<b>Evaluation of Local Projects</b>	
1.	<p>Are non-state matching funds contributed? For Minneapolis' top priority project, 60% of 2006 project costs are provided from non-state funding sources. The city's second priority project is evaluated as part of the Minneapolis Park and Recreation Board's project evaluations.</p> <p>For the city's third priority project, 69% of total project costs, across all years, will be provided from non-state funding sources. For Minneapolis' fourth priority project, non-state funds will pay for 70% of the project. For the city's fifth priority project, non-state funds will pay for 78% of the project.</p> <p>No non-state funds are identified in the project request information for the city's sixth priority project. For the MacPhail Center project, the state request is for 23% of project costs. A combination of private and city funding will cover the remaining 77% of that project's costs.</p>
2.	<p>Does project fulfill an important state mission? The state has existing grant programs to provide financial assistance in some of these areas, while in other areas the state role in funding local projects is unclear.</p> <p>In the seven-county metropolitan area, the Metropolitan Parks and Open Space Commission advises the Metropolitan Council on on parks and open space projects. The city's parks and trail projects should be considered alongside other metropolitan area parks requests.</p>
3.	<p>Has a state role been expanded in a new policy area? See #2 above.</p>
4.	<p>Is project of local, regional, or statewide significance? These projects are viewed as having primarily a local or regional benefit.</p>
5.	<p>Are state operating subsidies required? No.</p>
6.	<p>Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.</p>
7.	<p>Does project compete with other facilities? Not significantly.</p>

8.	<p>Have resolutions from local governing bodies been provided? Minutes from the Minneapolis City Council's Intergovernmental Relations Committee's actions on 09/23/2005 have been submitted that support the city's prioritized six projects as well as the city's one unprioritized project</p>
9.	<p>Is predesign (required if construction cost is over \$1.5 million) completed? For priority #1, the city received predesign funding in the 2005 bonding bill. A project predesign is not required for projects such as priorities #3, #4 and #5 that consist of roads, bridges, trails or pathways. Predesign is not applicable to a project like priority #6. Predesign funding is requested as part of the request for state funds for the unprioritized MacPhail Center project.</p>
10.	<p>Is project disaster related? No.</p>



## Morrison County: Soo Line Corridor Park N Ride

**2006 STATE APPROPRIATION REQUEST:** \$101,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Morrison County)

**PROJECT LOCATION:** Highway 10 between Little Falls & Royalton, in Morrison County

**Project At A Glance**

Morrison County requests \$100,625 in state funds to predesign, design, and construct a park-and-ride lot and a restroom building adjacent to the Soo Line Recreational Trail at U.S. Highway 10.

**Project Description**

This is a request for \$100,625 in state funds to predesign, design and construct a park-and-ride lot and a restroom building adjacent to the Soo Line Recreational Trail at U.S. Highway 10. This location is a major launching-off point for all types of recreational trail users. Non-motorized users can access the trail going west, which connects with the Lake Wobegon recreational trail system in Stearns County. This provides the only grade-separated crossing of three major trail safety obstacles: Highway 10, I-94, and the Mississippi River. Motorized trail users can launch off from here going east all the way to Superior, Wisconsin on a motorized trail.

For wintertime trail users, this trail is open both ways and, because it has the grade separated crossings of Highway 10, I-94, and the Mississippi River, it is a very significant and safe connection of snowmobile trails in southwestern Minnesota to snowmobile trail systems in northern Minnesota.

**Total Project Cost**

The total project cost for the park-and-ride lot is \$201,250. Of this amount, a local tax levy will contribute \$100,625 (50%) towards the cost of the project.

The total square footage of the park-and-ride lot is estimated to be 28,125 square feet. The size of the restroom building is estimated to be 64 square feet.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

Morrison County will own and operate the facility. Construction is expected to start on 5-1-07 and be completed by 9-1-07.

**Project Contact Person**

Timothy J. Houle  
Morrison County Administrator  
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Little Falls, Minnesota 56345  
Phone: (320) 632-0293  
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E-mail: timh@co.morrison.mn.us

**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Morrison County: Soo Line Corridor Park N Ride**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Providing recreational opportunities is an important state mission in Minnesota. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? The number of this type of local request suggests that additional requests will likely be forthcoming from local units of government if the state provides funding for this project.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 09/20/05 has been received from the Morrison County Board of Commissioners.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign funding is requested as part of the request for state funds.
10.	Is project disaster related? No.

## Mt. Iron: Sustainable &amp; Renewable Energy Park

**2006 STATE APPROPRIATION REQUEST:** \$500,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Mountain Iron)

**PROJECT LOCATION:** Mountain Iron

**Project At A Glance**

This request is for \$500,000 in state funding to design and construct a new sustainable and renewable energy park for the development and promotion of businesses that specialize in sustainable and renewable energy to be located in the city of Mountain Iron.

**Project Description**

This request is for \$500,000 in state funding to design and construct a new sustainable and renewable energy park for the development and promotion of businesses that specialize in sustainable and renewable energy to be located in the city of Mountain Iron. The activities conducted to develop this park would include site preparation, the installation of utilities and the construction of required access roads.

**Total Project Cost**

The total cost of this project is \$1 million. The entire \$1 million will be used for the design and construction of the park. The city will contribute \$250,000 to the cost of the project, and Iron Range Resource Rehab will contribute \$250,000 to the project.

This project has statewide significance, due to the state's increasing demand for energy and the further requirements that this energy come from renewable resources. Through the development of a park specializing in sustainable and renewable energy business, these businesses will have a location where they can grow and work together to develop the industry, not just statewide but worldwide. Sustainable and renewable energy is a continuing pursuit throughout the nation and with the development of this

park this industry will be targeted and the growth potential and job creation will be substantial.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The city of Mountain Iron will own and operate the facility. Construction will start in August of 2006 and will be completed in August of 2007.

**Project Contact Person**

Craig J. Wainio, City Administrator  
City of Mountain Iron  
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E-mail: cwainio@ci.mountain-iron.mn.us

**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Mt. Iron: Sustainable & Renewable Energy Park**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Economic development is an important state mission. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 07/05/05 has been received from the Mountain Iron City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is not required for local government projects where the construction costs are less than \$1.5 million.
10.	Is project disaster related? No.

**MN Valley Regional Rail: Phase IV Rehabilitation**

**2006 STATE APPROPRIATION REQUEST:** \$4,000,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (MN Valley Regional Rail Authority)

**PROJECT LOCATION:** Carver, Sibley counties

**Project At A Glance**

This request from the Minnesota Valley Regional Rail Authority is for \$4 million in state funding to match a \$500,000 federal grant to rehabilitate 33 miles of railroad track from Gibbon to Norwood Young America.

**Project Description**

This request is for \$4 million in state funding to match a \$500,000 federal grant to rehabilitate 33 miles of railroad track from Gibbon to Norwood Young America, Minnesota.

**Total Project Cost**

The total cost of Phase IV of this railroad rehabilitation is \$5 million. Minnesota Valley Regional Rail Authority (MVRRA) has been notified that the project will receive a federal grant to cover \$500,000 of the cost of Phase IV. MVRRA is requesting state bond funds for 2006 in the amount of \$4 million that would be used for this project.

This project is:

- ⇒ Not only local in nature but is regional in that it is a portion of a 94.4 mile short line railroad traversing five counties: Carver, Sibley, Renville, Redwood, and Yellow Medicine.
- ⇒ Of statewide significance because it will provide transportation to move agricultural products including biodiesel and ethanol from farm to factory to market in south central and southwest Minnesota. Specifically, this will provide the needed upgraded track to transport ethanol from an existing facility located in Winthrop that is expanding from 35 million to 100 million gallons of ethanol production per year.

- ⇒ An expansion that will help fulfill the increase from 10% to 20% blended fuel usage in Minnesota passed during the 2005 legislative session as initiated by Governor Pawlenty.
- ⇒ Expected to provide for transport of the following commodities from this Winthrop site (Heartland Corn Products) alone, not including balance of shipments on the line:

- ◆ 2,500 cars - DDGs (Dried Distillers Grain) - outbound
- ◆ 2,500 cars - Ethanol - outbound
- ◆ 150 cars - Denatured Alcohol - inbound
- ◆ 1,500 cars - Corn - inbound
- ◆ 6,650 cars total per year from just this one shipper

- ⇒ This alone will reduce truck traffic by four times that amount. This will also result in reducing highway deterioration on not only County State Aid Highway (CSAH) highways but state trunk highways as well.
- ⇒ A necessary rehabilitation that will result in a safer and secure transportation route and allow the incorporation of unit-train shipments.
- ⇒ Key for further economic development projects that are located along the rail line, as well as future JOBZ development in the 15 communities along the rail. The increase in speed will provide the ability to haul higher volumes of grain, kaolin clay, aggregate, cannery goods, and other bulky or large volume goods at competitive cartage prices.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

2002: Phase I Rehabilitation was funded in part with a \$4.8 million interest free revolving loan through Minnesota Department of Transportation's Minnesota Rail Service Improvement program

**Other Considerations**

Part of Phase II, all of Phase II (in 2004) and all of Phase III (in 2005) were funded with federal grants.

**MN Valley Regional Rail: Phase IV Rehabilitation****Project Contact Person**

Julie Rath, MVRRA Administrator  
PO Box 481  
Redwood Falls, Minnesota 56283  
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## Alternate contact:

Gene Short, MVRRA—Vice Chair and  
Redwood County Commissioner  
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Belview, Minnesota 56214  
Phone: (507) 938-4366  
Cell: (507) 829-4597  
E-mail: egene2001@yahoo.com

**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**MN Valley Regional Rail: Phase IV Rehabilitation**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 10% of 2006 project costs are provided from non-state funding sources.
2.	Does project fulfill an important state mission? Efficient transportation of agricultural products is an important state mission. The state has established the Minnesota Rail Service Improvement program to assist with rail improvement projects.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/15/05 has been received from the Minnesota Valley Regional Rail Authority (MVRRA). An electronic communication from the Vice Chair of the MVRRA, updating the MVRRA's request for state funds, was received on 12/23/05.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is likely not required for this type of project.
10.	Is project disaster related? No.

## Midway Township: Reconstruct Sanitary Sewer # 1

**2006 STATE APPROPRIATION REQUEST:** \$600,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Midway Township)

**PROJECT LOCATION:** Midway township

#### Project At A Glance

This request is for \$600,000 in state funding to reconstruct St. Louis County Sanitary Sewer District No. 1, an old leaking sanitary sewer system. This project will help reduce the amount of infiltration and inflow, which is of real concern in the Duluth area because it negatively affects water quality in the St. Louis River bay and in Lake Superior.

#### Project Description

This request is for \$600,000 in state funding to assist in the reconstruction of St. Louis County Sanitary Sewer District No. 1, an old leaking sanitary sewer system. This project will help reduce the amount of infiltration and inflow, which is a concern because it negatively affects water quality in the St. Louis River bay and in Lake Superior.

Although being a local project, it has regional significance in the form of water quality concerns. The system has significant infiltration and inflow (I&I), which is of real concern in the Duluth area. This is because the system flows to the Western Lake Superior Sanitation District (WLSSD) treatment plant in Duluth. WLSSD has a problem of insufficient capacity during times of peak flow that results in sewage overflows directly into the St. Louis River bay at the tip of Lake Superior. This directly affects water quality in both the bay and Lake Superior. The U.S. Environmental Protection Agency and the Minnesota Pollution Control Agency are working with WLSSD to eliminate/minimize the overflows. This project is a step to help in this effort.

Locally, St. Louis County initiated an I&I program in 1999. This included a condition survey of the sewer system and in-home inspections for possible I&I sources. The system was found to be in very poor condition with

significant amounts of I&I. Therefore, the decision was made by St. Louis County to reconstruct the system. St. Louis County and Midway Township have been working with the residents of Midway Park over the past five years to make in-home modifications to foundation drains and sump pits to reduce I&I in the system from these sources. This effort was scheduled for completion by 9-30-05.

#### Total Project Cost

The total cost of this project is \$2.198 million. Of this amount, St. Louis County will be responsible for \$922,000 (42% of total cost), and Midway Township is responsible for the remaining \$1.276 million. With this request Midway Township is seeking state assistance for a portion of its share of the project costs.

#### Impact on Agency Operating Budgets (Facilities Notes)

None.

#### Previous Appropriations for this Project

None.

#### Other Considerations

Special legislation in 1938 allowed St. Louis County to be petitioned to construct the original system. Midway Township has agreed to reconstruct and take ownership of the sanitary sewer system. Midway Township will also take over operation and maintenance of the system. Upon completion of the new system, the existing St. Louis County Sanitary Sewer District No. 1 will be dissolved.

It is expected that construction will begin in May 2006. The project is anticipated to be substantially completed by November 2006.

#### Project Contact Person



**Midway Township: Reconstruct Sanitary Sewer # 1**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Midway Township: Reconstruct Sanitary Sewer # 1**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 73% local funds will match 27% in state funding.
2.	Does project fulfill an important state mission? Improving infrastructure related to water quality is an important state mission. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? The number of this type of local request suggests that additional requests will likely be forthcoming from local units of government if the state provides funding for this project.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 07/26/05 has been received from Midway Township. A resolution of support dated 08/01/05 has been received from the Proctor City Council, and a resolution of support dated 08/09/05 has been received from the St. Louis County Board of Commissioners.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of dams, floodwater retention systems, water access sites, harbors, sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.

**Osseo: NW Hennepin Regional Family Svc Ctr**

**2006 STATE APPROPRIATION REQUEST:** \$1,500,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Osseo Area School District #279)

**PROJECT LOCATION:** ISD #279 in Brooklyn Center

**Project At A Glance**

This request is for \$1.5 million in state funding to design, construct, and furnish a new Northwest Hennepin Regional Family Service Center in Brooklyn Center.

**Project Description**

This request is for \$1.5 million in state funding to design, construct, and furnish a new Northwest Hennepin Regional Family Service Center (FSC) in Brooklyn Center.

The FSC is a collaborative of public and private organizations pooling resources and coordinating service delivery to meet the needs of an increasing number of at-risk families living in the northwest region of Hennepin County. By co-locating and coordinating programs, these partners will increase their capacity to provide the services that strengthen families and help children succeed. The primary goal of the FSC is to ensure that children in the region are ready to learn when they attend school.

The FSC will be a 40,000 square feet facility built in two phases. Phase I will house English language and job skills programs operated by the school district. Phase II will house independent agencies providing emergency food and clothing distribution, dental services for low-income children, mental health services, job services, housing assistance, parent support services, and preschool child development, outreach services for families at risk of a crisis that would jeopardize or compromise the ability of children in these families to succeed in school.

**Total Project Cost:** The total cost of this project is \$8,162,500. The state funds requested, \$1.5 million, are 18% of the total.

Non-state funds to be contributed to the project include:

<b>Entity</b>	<b>Amount</b>	<b>Purpose</b>
School District #279	\$2,737,500	Phase I design, construction
Federal (HUD-EDI)	250,000	Phase II design, construction
Hennepin County	100,000	Phase II FF&E
<b>Private:</b>		
<i>Community Action of Suburban Hennepin</i>	25,000	Phase II predesign
<i>Tenant agency funds</i>	600,000	Phase II design, construction
<i>Private gifts and grants</i>	2,950,000	Phase II design, construction
<b>Non-state fund subtotal:</b>	<b>\$6,662,500</b>	

The funding requested of the state represents only 18% of the total project cost. The state funding will provide for the area in this facility to be shared and jointly used by the school district and the private nonprofit and county services partners. Without this state funding, the school district and its project partners will be unable to complete construction of a facility capable of meeting the community needs addressed by this regional collaborative.

The state funding will serve as the “glue” that binds together the efforts of the independent agencies and organization working to create a collaborative, local response to a growing community challenge that exceeds the capacity of any individual organization. The amount of funding requested from the state for this significant community investment is less than the equivalent cost of 50 families in the Minnesota Family Investment Program (MFIP)-the state’s welfare program.

The northwest region has the highest incidence of single parent households and teen pregnancy in Hennepin County. Truancy and student mobility are at record levels. The region represents only 20% of the suburban population base, yet accounts for more than 43% of suburban participants in MFIP. Nearly half of all students in Brooklyn Center (49%) participate in free/reduced school mean programs. In Hennepin County, 62% of families who speak Laotian at home (as well as 88% who speak Hmong and 47% who speak and African language) live in the northwest region. Children who

**Osseo: NW Hennepin Regional Family Svc Ctr**

are coming to school un-prepared to learn are overwhelming local schools and diverting educational resources from teaching.

By co-locating and coordinating their services, the public and private partner organizations in the FSC regional collaborative will gain operating efficiencies by eliminating redundant support and service functions and by sharing knowledge resources. Even greater potential is presented by increased effectiveness in meeting client needs through delivery of more complete services and through improved access to services that are not now available in the community.

**Impact on Agency Operating Budgets (Facilities Notes)**

None. The school district and its nonprofit and county services partners will operate this facility through local and private funding.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The facility will be owned jointly by ISD #279 and Community Emergency Assistance Program (CEAP), a Minnesota nonprofit corporation, through a condominium agreement. (A contract draft is available for review.) ISD #279 will own the portion of the building constructed with support from state funding. The facility will be operated jointly by the school district and CEAP as described in the condominium agreement prepared by the district.

As provided under M.S. 123B.71, the Osseo school district is required to provide review and comment information on this project to the Minnesota Department of Education (MDE) by June 30. MDE is to evaluate the project and approve or disapprove the project based on the review and comment criteria.

**Project Contact Person**

John Fredericksen  
Assistant Superintendent for Administration  
Osseo School District 279  
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Maple Grove, Minnesota 55369  
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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 82% non-state funds will match 18% in state funding.
2.	Does project fulfill an important state mission? The state mission in funding this type of project is unclear.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? This project is a unique request that does not compare to other submitted local capital funding requests.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? Not yet received.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A predesign has not yet been submitted.
10.	Is project disaster related? No.

## Palisade: Wastewater Treatment Facility mod/expans

**2006 STATE APPROPRIATION REQUEST:** \$199,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Palisade)

**PROJECT LOCATION:** City of Palisade

#### Project At A Glance

The city of Palisade is requesting \$199,000 in state bonding for a Wastewater Treatment Facility Modifications/Expansion project.

#### Project Description

This request is for \$199,000 in state funding to modify and expand the existing wastewater treatment facility for the city of Palisade at the current site, in order to come into compliance with Minnesota Pollution Control Agency (MPCA) for the National Pollution Discharge Elimination System (NPDES) permit discharge limits and to expand the capacity to handle the actual flows going into the system in the city of Palisade. This project has local significance to the health of the residents, if the current system is discharging inadequate readings.

The existing treatment facility, while relatively new, is significantly undersized and is not consistently meeting NPDES permit standards. A study analyzed five wastewater treatment alternatives, including:

- ◆ leaving the existing plant as is;
- ◆ rehabilitating the existing plant with the addition of Micro FAST units;
- ◆ installing a complete Micro FAST treatment system;
- ◆ installing a complete package wastewater treatment plant with Bioclere filters; and
- ◆ building a wastewater stabilization pond. The selected alternative for the city is to install a Package Plant with Bioclere Filters, and abandon the existing wetland and sand filter.

#### Total Project Cost

The total estimated project cost for the city's selected alternative is \$398,000. The request for state funds covers 50% of the project cost. The city has not yet identified funding for the remaining share of project costs.

#### Impact on Agency Operating Budgets (Facilities Notes)

None.

#### Previous Appropriations for this Project

None.

#### Other Considerations

The city of Palisade has also made a request for \$435,000 (for the full cost of a different alternative system) from the state Department of Employment and Economic Development (DEED). At this time the city's application for those grant funds is still pending.

The city of Palisade will own the facility, and Kemp Ritter (current operator) will operate the facility. The project schedule is to begin 3-15-06 and end 5-1-07. This schedule is based on funding from grants, due to the project being otherwise unaffordable to residents and the city of Palisade not able to undertake a loan at this time.

#### Project Contact Person

Eric Howe, Mayor  
City of Palisade  
P.O. Box 91  
Palisade, Minnesota 56469

#### Governor's Recommendations

The Governor does not recommend capital funds for this project.

**Palisade: Wastewater Treatment Facility mod/expan**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? No non-state funds have been identified for this project.
2.	Does project fulfill an important state mission? Improving infrastructure related to water quality is an important state mission. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 10/17/05 has been received from the Palisade City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of dams, floodwater retention systems, water access sites, harbors, sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.

## Richfield: Two Projects

**2006 STATE APPROPRIATION REQUEST:** \$5,182,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Richfield)

**PROJECT LOCATION:** 17th Avenue S., Lincoln Fields Park (Richfield)

#### Project At A Glance

The city of Richfield requests funding for two projects (in priority order):

- ◆ 17th Avenue Parkway Airport Mitigation Project  
Request for state funds in 2006: \$4.632 million
- ◆ Recreation Asset Replacement Project – Phase Two  
Request for state funds in 2006: \$550,000

#### Project Descriptions

##### Priority 1: 17th Avenue Parkway Airport Mitigation Project

This request is for \$4.632 million in state funding to acquire land and relocate residents for a new arterial street, 17th Avenue. The project funds will also be used to build a new north-south arterial, 17th Avenue, which will separate commercial development from residential uses. It will also assist in converting single-family residential land along the west side of the Minneapolis – St. Paul International Airport to less noise-sensitive high-density residential uses consistent with Richfield's Airport Mitigation Plan.

**Priority 1 Total Project Cost:** The total cost of this project is \$13.192 million. The city of Richfield will contribute a total of \$8.56 million to the project (65% of the project costs), using \$4 million in special assessment bonds and \$4.56 million in tax increment financing bonds.

##### Priority 2: Recreation Asset Replacement Project – Phase Two

This request is for \$550,000 in state funding for Phase Two of Richfield's Recreation Asset Replacement Plan; to pre-design, design, construct, and equip the replacement of four athletic fields lost as a result of airport expansion at the Minneapolis-St. Paul International Airport. The project

design includes grading an existing park to accommodate four fields, fencing, parking lot, concession/restroom building, irrigation, dugouts, and lighting.

The city of Richfield leased recreational property from the Metropolitan Airport Commission (MAC) for over 40 years, accommodating 13 softball and baseball fields, a golf course and community gardens. MAC canceled this lease on 10-29-96, because of plans to construct the North-South Runway. As a result, the city of Richfield organized a taskforce with the responsibility for devising a plan for the replacement of the lost facilities. After a thorough study and public review process was completed, city council approved the replacement plan and applied for state funding.

In 1999, the city received \$2 million in a state capital appropriation for the partial replacement of lost baseball and softball fields. Phase One of the replacement plan was then completed, including reconfiguration and improvements to the following Richfield parks and school facilities: Roosevelt (four baseball fields), Richfield Middle School (four softball fields), Richfield Intermediate School (two softball fields), Donaldson Park (one baseball field), and the Academy of Holy Angels (one baseball field).

A second taskforce was organized in 2003 to begin planning for Phase Two, which includes reconfiguring and improving the remaining four lost fields at Lincoln Fields Park. The taskforce has recommended a design for Lincoln Fields to accommodate both baseball and softball, which offers the most flexibility. Another objective of the taskforce was to make sure that all facilities were equitable for girls and boys. The project design includes grading an existing park to accommodate four fields, fencing, parking lot, concession/restroom building, irrigation, dugouts, and lighting.

The project will benefit primarily the Richfield community. Airport expansion, the cause of the asset relocation, greatly benefits the entire region.

**Priority 2 Total Project Cost:** The total cost of the Phase Two Recreation Asset Replacement project is \$1.1 million. The city will match state funding in the amount of \$550,000.



**Richfield: Two Projects****Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None for the 17<sup>th</sup> Avenue project. For the Recreation Asset Replacement Plan, Phase One, Richfield received \$2 million in the 1999 bonding bill.

**Other Considerations**

The city of Richfield will own and maintain 17<sup>th</sup> Avenue. Construction is anticipated to start in May 2006 and be completed in October 2008.

The city of Richfield will own and operate the recreation facility, and is solely responsible for operating expenses of the facility. Construction crews are expected to arrive in April 2006. Construction is planned to be complete with certificate of occupancy in November 2006.

**Project Contact Persons**

For 17th Avenue Parkway Airport Mitigation Project:

Tom Foley, Transportation Engineer

City of Richfield

6700 Portland Avenue

Richfield, Minnesota 55423

Phone: (612) 861-9791

E-mail: [tfoley@cityofrichfield.org](mailto:tfoley@cityofrichfield.org)

For Recreation Asset Replacement Project – Phase 2:

Jim Topitzhofer, Recreation Services Director

City of Richfield

6700 Portland Avenue

Richfield, Minnesota 55423

Phone: (612) 861-9394

E-mail: [jtopitzhofer@cityofrichfield.org](mailto:jtopitzhofer@cityofrichfield.org)

**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**Richfield: Two Projects**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? For Richfield's first priority project, 65% local funds will match 35% in state funding. For the city's second priority project, 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Transportation and recreation are both important state missions. The state has existing grant programs to provide some types of financial assistance in these areas.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? These projects are viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? Resolutions of support adopted in June 2005 have been received from the Richfield City Council. Minutes from the Richfield City Council's action taken 11/07/05 to prioritize the two projects have also been received.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways. Predesign is also not required for local government projects where the construction costs are less than \$1.5 million.
10.	Is project disaster related? No.

## Richmond Wastewater Treatment Plant

**2006 STATE APPROPRIATION REQUEST:** \$3,966,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Richmond)

**PROJECT LOCATION:** City of Richmond

#### Project At A Glance

This request is for \$3,965,500 in state funding to construct wastewater treatment plant improvements at a new site, with an oxidation ditch process, in the city of Richmond.

#### Project Description

This request is for \$3,965,500 in state funding to construct wastewater treatment plant improvements in the city of Richmond. This project is needed because:

- ◆ existing facility is more than 35 years old. The city has done all it can with the existing facilities and with the budget they have to work with;
- ◆ plant influent frequently exceeds permitted capacity;
- ◆ biosolids treatment and storage is currently inadequate;
- ◆ treatment violations and fines have been incurred; and
- ◆ need to protect the Sauk River and the Horseshoe Chain of Lakes watershed.

The city of Richmond evaluated several alternatives before selecting a desired solution. They looked at:

- ◆ A new treatment plant at a new site
- ◆ Expansion/improvements at existing site with
  - ⇒ package plant process
  - ⇒ oxidation ditch process
  - ⇒ sequencing batch reactor process
- ◆ Pump to Cold Spring's wastewater treatment plant and treat it there

After reviewing the options, the city chose expansion/improvements at existing site with an oxidation ditch process. This was identified as the most cost-effective solution to address Richmond's wastewater problems.

The city's current population is 1,250 and the plant's permitted capacity is 127,800 gallons per day. The expansion will allow for service to 2,500 persons and a capacity of 310,000 gallons per day.

#### Total Project Cost

The total cost of the project is estimated to be \$7.931 million, of which \$3,965,500 (50%) will be provided by city funds.

This project has regional significance because Richmond's wastewater treatment plant discharges to the Sauk River just as it enters the Horseshoe Chain of Lakes, noted as one of the most complex lake/watershed areas in the state. The Sauk River is on the Minnesota Pollution Control Agency list of impaired waters; it is designated with a fecal coliform contamination. This project will help to reduce the negative impact on the Sauk River. Additionally, the city is within 25 miles of St. Cloud's potable water source. What happens "up stream" in Richmond impacts all those who are "down stream."

#### Impact on Agency Operating Budgets (Facilities Notes)

None.

#### Previous Appropriations for this Project

None.

#### Other Considerations

The city of Richmond will own and operate the facility. The project's proposed schedule is to advertise for bids in November/December 2005, start construction in March 2006, and complete construction in September 2007.

**Richmond Wastewater Treatment Plant****Project Contact Person**

Dan Coughlin, City Administrator  
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Richmond, Minnesota 56368  
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E-mail: danc@ci.richmond.mn.us

Brian Mehr, Public Works Director  
45 Hall Avenue Southwest  
Richmond, Minnesota 56368  
Phone: (320) 597-7448  
Fax: (320) 597-2975  
E-mail: bmehr@ci.richmond.mn.us

**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Richmond Wastewater Treatment Plant**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Maintaining or improving infrastructure related to water quality is an important state mission. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? The number of this type of local request suggests that additional requests will likely be forthcoming from local units of government if the state provides funding for this project.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? Not yet received.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of dams, floodwater retention systems, water access sites, harbors, sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.

## Rochester: Three Projects

**2006 STATE APPROPRIATION REQUEST:** \$13,271,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Rochester)

**PROJECT LOCATION:** various locations in Rochester

#### Project At A Glance

The city of Rochester requests funding for three projects (in priority order):

- ◆ \$8 million of state funding to provide for a portion of costs for property acquisition, relocation, environmental remediation, demolition, site preparation, and the design and construction of a bioscience development center, parking and pedestrian facilities.
- ◆ \$1.771 million in state funding for Phase 1 of a Regional Public Safety Training Center (RPSTC) project that will focus on constructing a Fire and Police Training tower, a staging building adjacent to the existing Minnesota Army National Guard facilities in Rochester, roadway and utilities.
- ◆ \$3.5 million in state funding for the Phase II expansion of the National Volleyball Center to add 22,000 square feet of space to the existing facility.

#### Project Descriptions

##### Priority 1: Bioscience Development Center

The city of Rochester is requesting \$8 million of state funding to provide for a portion of costs for property acquisition, relocation, environmental remediation, demolition, site preparation, and the design and construction of a bioscience development center, parking and pedestrian facilities. The project is intended to provide an opportunity for the development of a bioscience development center in close proximity to the University of Minnesota (U of M)/Mayo Clinic Genomics Research Center. We believe that a bioscience development site close to the Research Center would have an excellent chance to attract and expand new bioscience companies in Minnesota. It would be a place where both established bioscience

companies and start-up companies would have state of the art facilities for business opportunities near the U of M/Mayo Genomics Research Center.

The plan for the project is to construct a 75,000 square foot bioscience development center on a site in proximity to the Research Center, together with the construction of city-owned parking facilities and pedestrian facilities that will provide infrastructure to support both the bioscience development center and the Research Center. If funded this project will open with two tenants who will lease approximately 50,000 – 60,000 square feet of the facility. Combined these tenants will employ close to 500 professional and technical people. The real estate, infrastructure and facilities will be owned and operated by the city of Rochester.

**Priority 1 Total Project Cost:** The total project cost of the Bioscience Development Center is estimated at \$28.5 million. The city of Rochester will contribute \$20.5 million to the project (72% of the total cost).

##### Priority 2: Regional Public Safety Training Center (RPSTC) Phase 1

RPSTC is a collaborative effort between Rochester Community and Technical College, Riverland Community College (Austin), Minnesota Army National Guard, Olmsted County, and the city of Rochester.

This multi-phase project proposal is designed to create a RPSTC. Phase 1 of the project constructs a fire and police training tower including a staging building, roadway, and utilities. Phase 2 of the public includes the refurbishment of existing Army National Guard indoor firearms range and construction of an emergency vehicle driving course. Phase 3 constructs an outdoor firearms range and Hogan's Alley (building facades with other street elements).

Note: Each phase should be considered on its own merits. Although together these phases create a master facilities plan, they are not interdependent and could be implemented separately. State funding is being requested for Phase 1 for 2006

Phase 1 of the project will focus on constructing a fire and police training tower and a staging building adjacent to the existing Minnesota Army National Guard facilities in Rochester.

Rochester: Three Projects

Fire fighters number over 200 in communities in Olmsted County and over 1,500 in the 60-mile radius. Each fire department is responsible to coordinate its own training program. Some of this training is provided by members of the department and some by outside vendors. The operational training programs for area fire departments and law enforcement agencies will be supported by this facility. The Riverland Community College Firefighter training program in Austin, Minnesota represents another operational program, which will be supported by the RPSTC.

Unfortunately, none of the fire departments within the region have access to a police and fire training building. This situation forces fire department officers to train their members in makeshift venues and in less than totally safe circumstances. The low availability of abandoned houses or commercial buildings for live burn training is inadequate. Environmental regulations require these structures be tested for potential hazardous materials such as asbestos, lead, or mercury. These testing expenses are the responsibility of the property owner and have proven cost prohibitive for individuals to the point they stop the process and agencies are not allowed to train in the structure. The police and fire training building will enable experienced fire fighter and law enforcement instructors, from Riverland Community College, and Rochester Community and Technical College, to provide a safe, controlled and consistently available environment for area fire fighters and law enforcement personnel. The police and fire training building will be constructed to simulate a four story high-rise building, a two-story commercial building and a single story residential structure using building materials designed to withstand the repeated high temperatures associated with training fires and simunitions (simulated ammunition) used by law enforcement officers. The police and fire training building will be equipped with two natural gas fire simulators, which provide a clean source for the fire training. The law enforcement officers and firefighters will gain valuable experience as they mitigate the unique challenges within each structure. Tactical skills training such as, urban tactics, forcible entry, hostage negotiations and rappelling are conducted today in less-than-adequate facilities. The new police and fire training building will provide a safe, controlled environment for law enforcement officers and National Guard troops.

The Rochester Community and Technical College is the home for a Minnesota Peace Officer Standards and Training Board approved law

enforcement program with an annual enrollment of approximately 100 students. This operational program will be supported by the RPSTC.

This project has received significant stakeholder support from around the southeastern region of Minnesota. The following organizations have committed support for this project.

- ◆ Riverland Community College – Austin, Minnesota
- ◆ Rochester Community and Technical College – Rochester, Minnesota
- ◆ Minnesota Army National Guard – St. Paul, Minnesota
- ◆ and Southeastern Minnesota League of Municipalities, including:

Altura	Brownsville	Caledonia	Canton
Canton	Chatfield	Dakota	Eitzen
Elba	Fountain	Harmony	Hokah
Goodview	Houston	La Crescent	Lanesboro
Lewiston	Mabel	Minnesota City	Ostrander
Peterson	Preston	Rollingstone	Rushford
Spring Grove	St. Charles	Utica	Whalan
Wykoff	Stewartville	Winona	Adams
Austin	Brownsdale	Byron	Dexter
Dover	Elgin	Elkton	Eyota
Grand Meadow	Hammond	Kellogg	Lake City
LeRoy	Lyle	Mapleview	Mazeppa
Millville	Minneiska	Oronoco	Pine Island
Racine	Rochester	Rose Creek	Sargent
Taopi	Wabasha	Waltham	Zumbro Falls

- ◆ Southeast Fire Chief’s Association – 13 cities from the region
- ◆ Tri-County Fire Fighter’s Association

**Priority 2 Total Project Cost:** The total cost associated with Phase 1 is \$3.542 million. The city of Rochester will provide 50% of the cost of the Phase 1 project (\$1.771 million).

Phase 2 of the project would include refurbishment of the existing Army National Guard indoor firearms range and construction of an emergency vehicle driving course. There are over 200 law enforcement officers in Olmsted County and approximately 600 licensed peace officers working within a 60 miles radius of Rochester. These operational programs provide

## Rochester: Three Projects

each officer/deputy with several hours of training annually. The indoor firing range is needed for teaching fundamental shooting skills and remedial work for the National Guard and area law enforcement agencies. The range at the Rochester National Guard facility has been closed due to air handling/lead management issues. We feel the investment necessary to restore the facility to operation would be much more economical than building a new indoor range from scratch and is the most economical way to provide this essential training to the region.

Tactical skills training such as weapons qualifications and hand-to-hand combat are also conducted today in less-than-adequate facilities. If this collaborative project proceeds, the existing Armory gymnasium is proposed to be used by the police and sheriff departments in the region for use-of-force training. The existing classrooms and interactive video facilities are proposed to be used by departments for a variety of instruction applications as well.

In spite of Rochester and Olmsted County's population, growth and central locality for the southeastern corner of Minnesota, the fire fighter and law enforcement agencies of the region are woefully underserved in training facilities. The services of a police and fire training building or indoor firearms range are not available in the region. The city of Rochester owns and operates an outdoor firearms range, however it appears inevitable the outdoor range will be closed within the very near future. The existing facility is surrounded by business development thus there is no room for expansion, the facility is small so the number of training participants needs to be few, the small facility size does not allow for scenario-based training and the facilities are not rated for the increased fire power of the latest weapons used by officers. Olmsted County Sheriff's office, Rochester Community and Technical College and regional security agencies also utilize the existing facility. Traveling great distances to other firearms facilities in Minnesota is cost prohibitive for the law enforcement agencies in this region.

The emergency vehicle driving course is designed to accommodate precision maneuvering of law enforcement vehicles, fire apparatus and ambulances. Facility elements such as a maneuvering course, skid pad and roads will provide a wide variety of training opportunities for the emergency service and public safety personnel in the region.

Total cost for Phase 2 is \$2.612 million, however there is no commitment from local government agencies of matching funds at this time for phase 2 of the project.

Phase 3 of the project is proposed to include construction of an outdoor shooting range and a "Hogan's Alley" type of facility. Hogan's Alley is a mock-up of an actual street with storefronts, multi-story facades and actual streetscape elements. Law enforcement officers and National Guard troops could use this facility for a variety of tactical skill training opportunities

The Army National Guard company assigned to Rochester is an air assault infantry unit. This requires training, which focuses on the tasks of the light infantry soldier and the interface with helicopter functions. The Rochester unit is centrally located for the entire 2nd Battalion, 135th Infantry that also has companies in West St. Paul, Albert Lea, Mankato and Winona. In exchange for our use of the National Guard facilities, the National Guard would be allowed to utilize the fire training tower facilities for repelling, urban terrain fighting skills (MOUT) and civil disturbance training. The National Guard could use the parking lot and grassland areas near the fire training tower for helicopter landing procedures and dismounted formation drills. The proposed purchase of the 80-acre site adjacent to the National Guard property for the burn tower and related activities will permit this diverse site to be available to the Guard. The Guard would use wooded areas for tactical maneuver training including river crossing, bivouac and wilderness survival training. The Guard would also have access to the outdoor firearms range and Hogan's Alley for training events, if these facilities were feasible to construct in the future.

Because of the neighborhood surrounding the Armory site, we anticipate these facility elements to be located elsewhere, perhaps near the Rochester airport. Total cost for Phase 3 is yet to be determined and there is no commitment from local government agencies at this time for this phase of the project.

**Priority 3: National Volleyball Center Phase II expansion**

The city of Rochester requests \$3.5 million in state funding for the Phase II expansion of the National Volleyball Center. The expansion project will involve adding an additional 22,000 square feet of space to the existing facility. The existing facility covers 51,000 square feet including eight



## Rochester: Three Projects

Olympic quality volleyball courts, spectator viewing area, concession stand, first aid room, office, men's and women's restrooms (three fixtures each), and a small storage area.

The Phase II addition will add two additional courts featuring a high intensity training center with bio-cushioned wood floors, direct and indirect lighting, multiple video recording cameras, public address system, speed detection and monitoring system, jump training stations, data and communication systems for monitoring and recording training sessions. The addition of this high intensity-training center will allow volleyball players and teams from the United States and many other nations the opportunity to train in the finest volleyball training facility in the world. In addition to the high intensity training center, the Phase II addition will include; expanded public restrooms and locker rooms, conference room, media center, medical training facility, weight training center, and an increase in facility parking to accommodate the additional tournament crowds expected.

The Phase II addition will allow the National Volleyball Center – Rochester to attract more and bigger tournaments, increasing the overall economic impact of this already successful facility. Volleyball is a rapidly growing sport and Rochester is poised to become a world leader in the development of teams and players. Phase II expansion of the National Volleyball Center will complete the 1987 stated goals of Governor Rudy Perpich and the Minnesota State Legislature and of having Minnesota be a national leader is providing training facilities for Olympic Sports.

**Priority 3 Total Project Cost:** Total project cost of the National Volleyball Center Phase II expansion is \$3.5 million. The city anticipates \$-0- local dollars will be available or will be needed for Phase II construction.

#### Impact on Agency Operating Budgets (Facilities Notes)

None.

#### Previous Appropriations for this Project

In 1998 the City of Rochester and Rochester School District #535 contributed \$2.3 million in costs for Phase I construction of the National Volleyball

Center. Of the 11 Minnesota Amateur Sports Commission (MASC) facilities, this is the only facility that required local matching funds.

#### Project Contact Person

For Bioscience Development Center project:  
Terry A. Spaeth, AICP, Administrative Assistant  
City of Rochester  
City Hall, Room 266  
201 4th Street South East  
Rochester, Minnesota 55904  
Phone: (507) 285-8082  
Fax: (507) 287-7979  
E-mail: [tspaeth@ci.rochester.mn.us](mailto:tspaeth@ci.rochester.mn.us)

For Regional Public Safety Training Center project:  
Jeff Leland, Administrative Services  
Rochester Fire Department  
Rochester, Minnesota 55904-3718  
Phone: (507) 285-8953  
Fax: (507) 280-4721  
E-mail: [jleland@ci.rochester.mn.us](mailto:jleland@ci.rochester.mn.us)

For National Volleyball Center Phase II expansion:  
Ron Bastian, Director of Sports Facilities  
City of Rochester, Parks and Recreation Department  
Phone: (507) 281-6040  
Fax: (507) 281-6165  
E-mail: [rbastian@ci.rochester.mn.us](mailto:rbastian@ci.rochester.mn.us)

#### Governor's Recommendations

The Governor recommends that general obligation bond funds for Rochester's Bioscience Development Center project request be provided through the new Bioscience Business Development and Public Infrastructure Grant Program at the Department of Employment and Economic Development.

**Rochester: Three Projects**

The Governor does not recommend capital funds for either of the other projects requested by the city of Rochester.

**Rochester: Three Projects**

<b>Evaluation of Local Projects</b>	
1.	<p>Are non-state matching funds contributed?                      For the Bioscience Development project, 72% of project costs are to be provided from local government funds.</p> <p>For the Public Safety Training Facility project, 50% of project costs are to be provided from local government funds.</p> <p>No non-state funds are identified in the National Volleyball Center project request information for the Phase II expansion project.</p>
2.	<p>Does project fulfill an important state mission?                      Economic development and public safety are both important state missions. The state role in funding projects in these areas has varied considerably over time. The state role in funding sports center projects has also varied from one biennium to another.</p>
3.	<p>Has a state role been expanded in a new policy area?                      See #2 above.</p>
4.	<p>Is project of local, regional, or statewide significance?                      These projects are viewed as having primarily a local benefit.</p>
5.	<p>Are state operating subsidies required?                      No.</p>
6.	<p>Are inequities created among local jurisdictions?                      In each case, if the requested project is funded, other local jurisdictions could seek state funding for similar projects.</p>
7.	<p>Does project compete with other facilities?                      Not significantly.</p>
8.	<p>Have resolutions from local governing bodies been provided?                      Resolutions of support dated 06/20/05 has been received from the Rochester City Council for each of the three projects. A Rochester City Council resolution dated 12/12/05 updated the Council's priority rankings of the three projects.</p>
9.	<p>Is predesign (required if construction cost is over \$1.5 million) completed?                      A project predesign for the Public Safety Training Facility was submitted to the Department of Administration, and was found to be sufficient. Predesigns for the Bioscience Development Center and the National Volleyball Center projects have not yet been submitted.</p>
10.	<p>Is project disaster related?                      No.</p>

## Roseville: John Rose MN OVAL Improvements

**2006 STATE APPROPRIATION REQUEST:** \$960,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Roseville)

**PROJECT LOCATION:** 2661 Civic Center Drive, Roseville

#### Project At A Glance

- ◆ \$960,000 in state of Minnesota funding is requested to design, construct, furnish, and equip multiple improvements and enhancements to the John Rose Minnesota OVAL located in Roseville.

#### Project Description

This request is for \$960,000 in state of Minnesota funding to design, construct, furnish, and equip multiple improvements and enhancements to the John Rose Minnesota OVAL located in Roseville. Planned improvements and enhancements include:

- ◆ Improve building entryway to improve customer flow through facility (potential to add a profit center; possible expansion of OVAL lobby)
- ◆ Replace OVAL scoreboard
- ◆ Add heated OVAL bleacher seating and resurfacer pad reheating
- ◆ Install gas fireplace (for "warming space") and snow melt pit at OVAL
- ◆ Renovate and expand banquet facility kitchen and bathrooms
- ◆ Upgrade sound system
- ◆ Install facility security monitoring equipment
- ◆ Replace OVAL tarmac
- ◆ Replace skate park equipment
- ◆ Replace OVAL rink divider pads

#### Total Project Cost

The total cost of the improvements and enhancements is \$960,000. This current request is the result of unusually high costs of operation and capital needs for a massive facility of this type. The capital needs of the facility are too great for the city of Roseville to fund alone. Due to the OVAL's regional

significance, the city of Roseville requests the state of Minnesota assistance in the continued operation of this regional joint project, and state asset, through financial participation in capital projects funding.

The John Rose Minnesota OVAL was constructed as a partnership between the state of Minnesota and the city of Roseville. The OVAL was built in 1993 with funds from the state of Minnesota and the city of Roseville. This world-class facility has established itself as one of Minnesota's most visible venues for regional, national, and international events. The OVAL is unique and features the world's largest outdoor refrigerated ice sheet, with 81 miles of refrigeration piping and a 110,000 square foot skating surface. The John Rose Minnesota OVAL offers a wide variety of recreational opportunities including: ice speed skating, in-line hockey and speed skating, bandy, ice hockey, public ice skating, aggressive sports (inline skating, skateboarding, biking/blading/boarding ramps) and one of the largest family New Year's Eve party in the metro area.

The facility was built as a regional skating center and it has proven itself in that category. The John Rose Minnesota OVAL has been host to many regional, national, and international events including multiple World Junior Speed Skating Championships, World Cups in Speedskating and Bandy plus the annual America's Cup, John Rose Cup, Junior National Long Track Speed Skating Championship, St. Paul Winter Carnival Events, etc. Recreational skating draws more than 10,000 participants per season from the metro area and throughout the state of Minnesota. The John Rose Minnesota OVAL serves a great number of patrons from outside of the city of Roseville. It is estimated that as many as 60%-70% of the regular users of the John Rose Minnesota OVAL are not Roseville taxpayers and come from the greater Twin Cities metro area, out-state Minnesota or the greater Midwest.

In 2004, the John Rose Minnesota OVAL experienced major mechanical issues so costly that it prevented the use of artificial ice. This problem has been temporarily resolved through corporate philanthropy, but the issue of long-term capital funding needs to be resolved.

The city believes that it is imperative and in the best interests of Minnesota and Roseville residents that the state of Minnesota and the city of Roseville work cooperatively to ensure the success of the John Rose Minnesota

## Roseville: John Rose MN OVAL Improvements

OVAL. It is a tremendous facility, extremely well utilized by all of our constituents. It is an asset for the state of Minnesota and the facility is recognized nationally and internationally. To ensure the future of this magnificent facility, it is imperative that the state of Minnesota participates in the funding of these capital items. It has become too big of a burden for the Roseville taxpayers to fund alone.

The city believes that a continued collaborative participation by the state of Minnesota and the city of Roseville on this jointly funded and constructed facility will further strengthen our cooperative relationships and result in better service to our constituents.

**Impact on Agency Operating Budgets (Facilities Notes)**

No impact on state agency operating budgets.

The city of Roseville is responsible for the management of the \$100,000–\$300,000 annual operating deficit. The Friends of the OVAL Foundation (FOF) assists the city with the annual operational deficit of the John Rose Minnesota OVAL.

From 1993-2003 the OVAL, and eventually the Skating Center, experienced operating losses (cash-flow only) of approximately \$1.5 million. From 1993-1999, the city relied upon other recreation-type revenues and Recreation Fund reserves to cover the losses. During 2000-2003 (the last year for which a full season of OVAL operations was realized), the Skating Center generated an average annual operating loss (cash-flow only) of approximately \$175,000.

The OVAL's short term and long-term financial viability is heavily dependent on six factors. They include:

- ◆ Participant levels
- ◆ Participant fee amounts
- ◆ Personnel operating costs
- ◆ Utility operating costs
- ◆ Capital Costs
- ◆ State of Minnesota's continued support due to the facilities regional nature

Ice rental provides 60% of the Skating Center's revenues from user groups. No other revenue source provides more than 5%. On the expenditure side, personnel, utility, and capital costs account for 75% of the Skating Center's costs. No other cost category exceeds 5%. If the OVAL is to remain viable for the foreseeable future, it is imperative that the city stabilize these six factors.

**Other Considerations**

The city of Roseville owns and operates the facility. The city anticipates that planning, and design of the project would occur in summer/fall 2006, the project would begin in spring/summer 2007, and it would be completed by year-end 2007

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Roseville: John Rose MN OVAL Improvements**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? No non-state funds are identified in the request information for this proposed Phase II expansion.
2.	Does project fulfill an important state mission? The state role in funding sports center projects is unclear and has varied considerably from one biennium to another.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? No. Non-state funding from Guidant Corporations and the Friends of the Oval Foundation will support the operations of the Oval over the long term.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 10/24/05 has been received from the Roseville City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is not required for local government projects where the construction costs are less than \$1.5 million.
10.	Is project disaster related? No.

## Ramsey RRA: Four Projects

**2006 STATE APPROPRIATION REQUEST:** \$63,500,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Ramsey County Regional Rail Authority)

**PROJECT LOCATION:** Various locations running throughout Ramsey county

#### Project At A Glance

The Ramsey County Regional Rail Authority requests funding for three projects (in priority order):

- ◆ \$50 million in state funding to match federal funds to conduct final design and begin construction of a busway or light rail transit line. The Central Corridor is the transportation corridor serving the St. Paul and Minneapolis downtowns as well as the University of Minnesota and the Midway area.
- ◆ \$12.5 million in state funding to acquire land and structures, to refurbish structures, and to initiate planning, engineering and environmental work to revitalize Union Depot for use as a multi modal transit center in St. Paul.
- ◆ \$1 million in state funding for Phase 1, to acquire land, design, and construct park-and-pool or park-and-ride lots located along the 80-mile Rush Line Corridor along 1-35E/I-35 and Highway 61 from downtown St. Paul to Hinckley.

Note: The Ramsey County Regional Rail Authority has also jointly submitted the Red Rock Corridor Transitway project with the Washington County Regional Rail Authority. To find information on that project, refer to the request submitted by the Washington County Regional Rail Authority.

#### Project Descriptions

##### Priority 1: Central Corridor

This request is for \$50 million in state funding to match federal funds to conduct final design and begin construction of a busway (BRT) or light rail transit (LRT) line in the Central Corridor Transitway.

This request is for \$50 million in state funding to match federal funds to conduct final design and begin construction of a BRT or LRT line. The Central Corridor is the transportation corridor serving the St. Paul and Minneapolis downtowns as well as the University of Minnesota and the Midway area. Convenient, reliable transportation on this corridor has been and will continue to be critical to the well being of the cities, the region, and the state.

**Priority 1 Total Project Cost:** The total project cost for the Central Corridor Transitway is unknown at this time. Federal *New Starts* funding of 50% of the total capital cost is expected to be available. (Full federal funding is not committed at this stage of a project.) For LRT, the projected federal *New Starts* funding that would be available is \$420 million. A non-federal match of \$240 million -- made up of state, county, and regional resources -- would be required.

A detailed project budget will be prepared as part of preliminary engineering. Construction would not start before 2008.

##### Priority 2: Union Depot

Ramsey County Regional Rail Authority requests \$12.5 million in state funding to acquire land and structures, to refurbish structures, and to initiate planning, engineering and environmental work to renovate Union Depot for use as a multi modal transit center in St. Paul.

Completed in 1923, Union Depot provided passenger and freight railroad service for the Twin Cities and the state of Minnesota. The Depot is served by multiple rail lines, easy highway connections, and is a beautiful historic building ripe for reuse. A revitalized Union Depot will blend modes that exist today with others programmed in the region's long-range transportation plan, all in one historic location. This facility will allow for seamless transfer among

## Ramsey RRA: Four Projects

transit modes for passengers and access for those meeting them. It would serve state, regional, and community needs.

The core elements of the phased Union Depot implementation plan are:

- ⇒ The United States Postal Service will leave the concourse area of Union Depot, which is now used by the Post Office as a loading facility. It will relocate those services to Eagan.
- ⇒ Amtrak will eagerly return to Union Depot and downtown St. Paul when a facility is provided that meets its requirements.
- ⇒ Metro Transit buses will serve Union Depot.
- ⇒ Jefferson and Greyhound Line buses will serve Union Depot.
- ⇒ The Central, Red Rock, and Rush Line corridors will serve Union Depot.
- ⇒ The Midwest Regional Rail line from Chicago to St. Paul will terminate at Union Depot.

**Priority 2 Total Project Cost:** The total project cost for the Union Depot project is estimated to be \$271.8 million (in 2003 dollars). The financial plan has not been completed for the project. This plan will identify the funding sources and needs. \$51.7 million has been earmarked in the federal SAFETEA-LU transportation funding bill for this project. (In 2004 and 2005, a total of \$1.75 million in federal funds was received for the project.) The Rail Authority has purchased property in excess of \$5 million for this project. Detailed cost estimates will be prepared during the course of the project development.

The Postal Service is anticipated to vacate the concourse area of Union Depot in 2009. Property acquisition can be completed in 2006. Planning, environmental, and engineering work can be initiated in 2006.

### Priority 3: Rush Line

This request is for \$1 million in state funding for Phase 1, to acquire land, design, and construct park-and-pool or park-and-ride lots located along the 80-mile Rush Line Corridor along I-35E/I-35 and Highway 61 from downtown St. Paul to Hinckley. This corridor is an 80-mile corridor that covers the four counties of Ramsey, Washington, Chisago, and Pine. Reconstruction of the I-694/I-35E commons area, scheduled to begin in 2006 (schedule dependent on funding) will exacerbate congestion in this rapidly growing corridor during the construction period. Traffic is expected to double on I-35 in 20 years. This project has both local and regional significance as the lots are seen as a

means to provide commuters with a transportation choice besides driving alone, and would serve as congestion mitigation during the I-694/I-35E reconstruction project.

For Phase 1 It is anticipated that construction crews would first arrive on site for projects as early as summer 2007, with construction completed that construction season. Additional park-and-pool or park-and-ride lots could be completed in a relatively short amount of time (12-24 months).

Phase 2 of the project, a BRT, could be implemented after 2012.

**Priority 3 Total Project Cost:** The total project cost for the Rush Line project is estimated to be \$10 million for Phase 1, the park-and-pool/park-and-ride lots, and \$240 million for Phase 2, the BRT. \$1 million in Federal Transit Administration funds are available to be contributed to the project. In addition, each Regional Rail Authority or county has the authority to levy funds to contribute to project costs.

The Ramsey County Regional Rail Authority anticipates requesting \$5 million of additional state funding in 2008 for construction of the Phase 1 park-and-pool/park-and-ride lots, as well as for the environmental and engineering analysis of the Phase 2 BRT. In 2010 it anticipates requesting \$10 million for the BRT engineering analysis.

### Impact on Agency Operating Budgets (Facilities Notes)

Regarding Priority 1: Operation of BRT or LRT in the Central Corridor would result in an increase in transit subsidy. BRT or LRT would replace significant amounts of current bus service. In 2005 dollars, the additional annual operating subsidy would be approximately \$5 million.

Regarding Priority 2: The financial plan for the Union Depot project has not yet been completed. The operating costs will be part of the financial plan.

Regarding Priority 3: Operating dollars for the Rush Line BRT would be requested once the project is implemented after 2010; the amount would be determined from engineering work.



**Ramsey RRA: Four Projects****Other Considerations**

The Metropolitan Council operates most bus service in the twin cities region and is designated by statute as the operator of light rail. The Council would also operate the Rush Line BRT (Phase 2 of the Rush Line project).

For the Union Depot project, decisions on ownership and operations have yet to be made. The Union Depot hub could be owned by the Ramsey County Regional Rail Authority or by a consortium of organizations.

For the Rush Line project, each respective county or agency will own the park-and-pool or park-and-ride facility in their county or jurisdiction, and will provide for maintenance for that facility.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for the projects requested by the Ramsey Regional Rail Authority. The Governor is, however, recommending \$2.5 million of general obligation bond funds for the Metropolitan Council's request for the Central Corridor Transitway project.

**Ramsey RRA: Four Projects**

<b>Evaluation of Local Projects</b>	
1.	<p>Are non-state matching funds contributed?                      Yes, non-state funds will be contributed towards each of these projects. However, because the financing plans for the individual projects are in different stages of development, the amounts of non-state funds to be contributed for each project are not yet fully specified.</p> <p>For the Rail Authority's Union Depot project, \$51.7 million in federal funds have been identified for the project, and \$1.75 million in federal funds have been previously received. The Rail Authority has also spent over \$5 million to purchase property for this project.                      For the Rush Line Corridor project, \$1 million in Federal Transit Administration funds have been received.</p>
2.	<p>Does project fulfill an important state mission?                      Transportation is an important state mission. In the metropolitan area the Metropolitan Council is responsible for adopting a long-range comprehensive policy plan for transportation. The Metropolitan Council is also the entity charged with light rail transit facility planning.</p>
3.	<p>Has a state role been expanded in a new policy area?                      See #2 above.</p>
4.	<p>Is project of local, regional, or statewide significance?                      These projects are viewed as having primarily a local or regional benefit.</p>
5.	<p>Are state operating subsidies required?                      Yes.</p>
6.	<p>Are inequities created among local jurisdictions?                      These projects should be considered alongside the other transit plans and projects that are under discussion for the seven-county metropolitan area.</p>
7.	<p>Does project compete with other facilities?                      See #6 above.</p>
8.	<p>Have resolutions from local governing bodies been provided?                      A resolution of support dated 06/14/05 has been received from the Board of the Ramsey County Regional Rail Authority.</p>
9.	<p>Is predesign (required if construction cost is over \$1.5 million) completed?                      Predesign may not be required for this type of project.</p>
10.	<p>Is project disaster related?                      No.</p>

## Ramsey County: Lower Afton Trail

**2006 STATE APPROPRIATION REQUEST:** \$321,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Ramsey County)

**PROJECT LOCATION:** Lower Afton Rd (Highway 120 to McKnight)

#### Project At A Glance

Ramsey County is requesting \$321,000 to construct a bicycle/pedestrian trail, the Lower Afton Trail.

This project is Ramsey County's fifth priority, ranked behind the four projects submitted by the Ramsey County Regional Rail Authority. (For information on those other projects, refer to the request submitted by the Ramsey County Regional Rail Authority.)

#### Project Description

Ramsey County is requesting \$321,000 in state funding to construct a bicycle/pedestrian paved trail parallel to and on the north side of Lower Afton Road between Century Avenue (Highway 120) and McKnight Road.

This trail will connect residents in the Woodbury/South Maplewood area to the Great River Park trail system in St. Paul. Ramsey County, Washington County, and the cities of Woodbury and Maplewood are currently in the process of reconstructing Century Avenue and will be adding stop lights to the intersection of Lower Afton Road and Century Avenue.

Washington County and the city of Woodbury are currently reconstructing the road east of the intersection and will be adding a bicycle/pedestrian trail up to the Lower Afton/Century intersection. The proposed project will allow for major trail connection to the existing Great River Park trail system for residents in St. Paul, Maplewood, and Woodbury. Ramsey County will own the trail segment that is being requested.

Ramsey County is working cooperatively with municipalities, school districts, state agencies, and health care providers to establish, promote, and sustain the livability of its communities. The Active Living Ramsey County (ALRC) initiative is addressing programs, policies, and physical infrastructure improvements that support active living. Trails that link neighborhoods are essential elements in this initiative.

One of the ALRC partners is Blue Cross/Blue Shield of Minnesota (BCBSM). In January 2006 they will launch a grant program to assist agencies in making physical infrastructure improvements that support active living. This proposed trail meets the grant program criteria, and will be submitted by Ramsey County for funding consideration by BCBSM in the first round of grant requests.

**Total Project Cost:** The total cost of the Lower Afton Trail project is \$642,000. The county will provide a 50% nonstate match, using \$221,000 in county funds and \$100,000 in city of Maplewood funds. The county anticipates requesting an additional \$750,000 in state funds in 2008, in order to complete the final phase of this project.

#### Impact on Agency Operating Budgets (Facilities Notes)

None.

#### Previous Appropriations for this Project

None.

#### Other Considerations

This phase of the project would be completed by 10-30-07. The final phase would be completed by 10-30-09.

**Ramsey County: Lower Afton Trail****Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Ramsey County: Lower Afton Trail**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Providing recreational opportunities is an important state mission in Minnesota. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? The number of this type of local request suggests that additional requests will likely be forthcoming from local units of government if the state provides funding for this project.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 11/08/05 has been received from the Ramsey County Board of Commissioners.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways.
10.	Is project disaster related? No.

**Red Wing: Maple St Community Arts & Recreation Ctr**

**2006 STATE APPROPRIATION REQUEST:** \$400,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Clty of Red Wing)

**PROJECT LOCATION:** Red Wing

**Project At A Glance**

Red Wing is requesting \$400,000 to renovate and expand the Maple Street Community Arts and Recreation Center in Red Wing.

**Project Description**

The city of Red Wing is requesting \$400,000 in state funding to predesign, design, construct, renovate, furnish, and equip the Maple Street facility in Red Wing so that it can be used as a location for dance and theatre rehearsal and education, for woodshop space for theatrical set construction and working projects, a meeting and display space for recreational groups like community baseball teams, office space for community groups, and for after-school cultural and recreation programs.

The project will add a new scene and wood shop space of approximately 2,000 square feet with elevator. Existing rehearsal, recreational, and office space include 4,000 square feet on the first floor, 4,000 square feet in the basement and 2,000 square feet on the second floor with an elevator.

The facility would be a regional resource for community artists, seniors, and athletes. It would also be a resource for K-12 students from Kenyon, Lake City, Hastings, Cannon Falls, Zumbrota, Red Wing and other communities in the southeast region. Nurturing creative endeavors through cultural and athletic programs, the Maple Street Community Arts and Recreation Center will fill a need for healthy after school activities, production support for community theatre and crafts, space for athletics that are better located outside a gymnasium (for example, dance lessons in a space with a sprung floor), and centrally located meeting and office space for community organizations.

**Total Project Cost**

The total cost of this Community Arts and Recreation Center project is \$800,000. The city will provide a 50% nonstate match, using \$250,000 in city funds and \$150,000 in private funds.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The city of Red Wing owns the facility. It is managed by Community Recreation, which is governed by a joint powers board (the city of Red Wing and ISD 256).

This project would be initiated in October to November of 2006. Planned completion of the project would be sometime in the spring or summer of 2007.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Red Wing: Maple St Community Arts & Recreation Ctr**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? The state role in funding community center-style projects is unclear and has varied considerably from one biennium to another.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 10/24/05 has been received from the Red Wing City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is not required for local government projects where the construction costs are less than \$1.5 million.
10.	Is project disaster related? No.

## Scott: Regional Public Safety Training Facility

**2006 STATE APPROPRIATION REQUEST:** \$4,220,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Scott County)

**PROJECT LOCATION:** Sand Creek Township

#### Project At A Glance

Scott County is requesting \$4,219,863 in state funds in 2006 to complete the predesign/design work, remodel and refurbish existing spaces, construct new spaces, and furnish, and equip a regional Public Safety Training Facility.

#### Project Description

This request is for \$4,219,863 in state funding to complete the predesign and design work, refurbishing of existing spaces, the construction of new spaces, and the purchase of furnishings and equipment for a regional Public Safety Training Facility. The project would remodel portions of the 48,738 square feet current facility, and add 15,500 new square feet of space. Presently, there are few facilities within the state where the various public safety providers and emergency responders (e.g. fire, law enforcement, hazardous material teams, public works, etc.) are able to train independently and/or collectively. While several larger cities within the metropolitan area own and operate independent fire and/or police training sites, there are no combined training facilities (with the possible exception of Camp Ripley). In addition, within most of the smaller counties such as Scott, Carver, Nicollet, Sibley, and LeSueur, there are few live fire ranges available for law enforcement training and/or qualification. As a result, many departments either forego needed training altogether or provide limited training, often at unlicensed and poorly equipped sites.

#### Total Project Cost

The total estimated cost of this project is \$8,439,726. Under the auspices of the Scott County Association for Leadership and Efficiency (S.C.A.L.E.), \$4,219,863 (50% of the cost) will be collectively contributed towards the

project by Scott County, the eight cities located within the county – Shakopee, Prior Lake, Savage, Jordan, Belle Plain, Elko, New Market, and New Prague – and the Shakopee Mdewakanton Sioux community. The precise amount of each entity's contribution has yet to be determined, but the amounts will be largely based upon the entities' tax capacity and ability to pay. Scott County and/or S.C.A.L.E. may also seek a financial contribution through the federal government.

In addition, both Carver County and the city of Lakeville have indicated that, if the project moves forward, they are interested in providing financial support.

In 2004, S.C.A.L.E. commissioned a study to assess both the need for and feasibility of a possible combined training facility that could support all aspects of public safety. This study concluded that there is substantial need, and – by combining the training requirements of the fire departments, law enforcement agencies, public works, and/or transportation departments, emergency medical services, and public utility departments into a single facility – such a facility would provide not only more efficient and economical training, but also a more comprehensive and integrated training and services.

While the improved cost-effectiveness is important, the lack of facilities and the functional shortcomings of many of the existing training facilities make the need for an improved training facility even more pressing. Most departments have no efficient means of conducting scenario training (involving multiple responders for many emergencies, including large commercial or high-rise fires, emergencies involving hazardous materials, high-angle, and confined space rescues). Additionally, the facility (which is adjacent to an active rail line) is being planned to incorporate a rail spur which will provide realistic training in response to rail emergencies; at present no facility within the state provides this level of training capability. Moreover, many of the existing training activities take place in facilities that fail to meet any type of training standards for live burn exercises and joint operations.

The proposed Public Safety Training Facility would provide a resource within – yet on the outskirts – of the Twin Cities metropolitan area for specialized and legally required training, and would constitute a resource that could meet the needs of many agencies both within and outside the metro area (including, but not necessarily limited to Scott, Carver, Nicollet, Sibley, and



**Scott: Regional Public Safety Training Facility**

LeSueur counties). Support for the project has also been received from the cities of Burnsville and Lakeville, Dakota County, and South Central College in Faribault. Much of the training equipment that would be provided at this facility is cross-functional; a variety of departments (e.g. fire, law enforcement, and public works) require training for tunnel extractions and elevated tower operations, including rescues.

The site being proposed is currently owned by Scott County, and is conveniently located just off Highway 169 – thus readily accessible to an array of cities and counties within the region. In planning for this facility, Scott County and the other members of S.C.A.L.E. have anticipated that it would be a comprehensive, regional resource. As such, the proposed site includes a wide variety of training options, combined with kitchen, laundry, shower, and lodging facilities that would both support and encourage use by a wide range of governmental units.

This project will provide a training resource that does not currently exist within the state. At present, agencies must travel outside the state to receive training that, if this project is completed, can and will be provided at this site.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Other Considerations**

Scott County will own and operate the facility. Funding for the facility's operations will be through a collaborative agreement between the county and the members of S.C.A.L.E.

The project is estimated to begin in June 2006 and be completed in November 2006.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Scott: Regional Public Safety Training Facility**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Public safety is an important state mission; however, the state role in funding local training facilities has varied over time.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/14/05 has been received from the Scott County Board of Commissioners.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign funding is requested as part of the request for state funds.
10.	Is project disaster related? No.

**Shell Rock Watershed: Two Projects**

**2006 STATE APPROPRIATION REQUEST:** \$790,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Shell Rock River Watershed District)

**PROJECT LOCATION:** Freeborn county: Albert Lea & Pickerel Lake Twps.

**Project At A Glance**

The Shell Rock River Watershed District is requesting state funding for two projects (in priority order):

- ◆ \$980,000 in state funding for a Storm Water and Flood Mitigation project for South Industrial Park/County Ditch 16
- ◆ \$300,000 in state funding for a Storm Water and Flood Mitigation project for Site 1 of the Pickerel Lake Subwatershed

**Project Descriptions**

**Priority 1: Storm Water and Flood Mitigation for South Industrial Park/County Ditch 16**

This request is for \$490,000 in state funding to construct a storm water retention and flood mitigation system to slow down and filter all the water draining from the city of Albert Lea’s South Industrial Park.

This 20-acre site is located off 750th Avenue south of Albert Lea. Storm water now drains unfiltered from the 210-acre industrial park to County Ditch 16 and to the Shell Rock River, which is impaired waters according to the Minnesota Pollution Control Agency (MPCA).

The storm water system would reduce the peak rate of runoff by 56% for a 100-year storm event, reducing flooding downstream and damage to County Ditch 16.

**Priority 1 Total Project Cost:** The total cost of the South Industrial Park/County Ditch 16 project is \$980,000. The Shell Rock River Watershed District will be responsible for 50% of the project cost, or \$490,000.

**Priority 2: Storm Water and Flood Mitigation for Site 1 of the Pickerel Lake Subwatershed**

This request is for \$300,000 in state funding to construct a storm water retention and flood mitigation system to slow down and filter water draining to the chain of lakes in the Albert Lea area.

The Pickerel Lake Subwatershed drains to Pickerel Lake, then Fountain Lake, and finally Albert Lea Lake, which drains to the Shell Rock River, which is impaired waters according to the MPCA.

Site 1 in the Pickerel Lake Subwatershed would help control water from 560 acres with a pool area of 60 acres and storage volume of 415 acre feet.

The Pickerel Lake Subwatershed is the District’s first project area, with a lake reclamation partnership among the District, Department of Natural Resources (DNR) and Ducks Unlimited. The Pickerel Lake reclamation plan includes installing a rough fish barrier to prevent carp from entering the lake, chemically killing all fish to destroy the carp population, and using the lake as a DNR hatchery for perch and northern pike.

The District is also monitoring water quality, addressing failing septic systems, and working with the Farm Service Agency and Soil and Water Conservation Districts (SWCD) to increase conservation acreage.

Storm water is the greatest pollution problem in the District, which totals 246 square miles and includes 11 lakes. Too much storm water drains through the chain of lakes in the Albert Lea area. The Shell Rock River -- the drain for the entire watershed -- lacks the drainage capacity to prevent flooding upstream.

The damage includes:

- ⇒ Storm water backing up and flooding 38.2 miles of shoreline, several parks and streets in Albert Lea, and damaging several miles of ditches upstream.
- ⇒ Erosion along shore land, which affects 900 property owners in the area.
- ⇒ Loss of sales to businesses when flooding blocks access to their buildings.
- ⇒ Damage to roads, streets, ditches, and other infrastructure.

## Shell Rock Watershed: Two Projects

- ⇒ Significant harm to water quality through sediment contaminating streams and lakes by muddying the water, carrying nutrients that fuel algae blooms, and degrading fish and wildlife habitat.
- ⇒ Poor water quality also harms water-based recreation (swimming and fishing).
- ⇒ Erosion decreases the capacity of drainage systems, meaning higher maintenance costs.

The solution:

- ⇒ Storm water retention areas upstream to slow down and filter water, similar to the Area II Minnesota River Basin Project.
- ⇒ New dam on Albert Lea Lake to increase the drainage capacity of the Shell Rock River. The new dam was already funded through state bonding in 2005 with a local match through the Watershed District.

**Priority 2 Total Project Cost:** The total cost of the Storm Water and Flood Mitigation project for Site 1 of the Pickerel Lake Subwatershed is \$600,000. The Shell Rock River Watershed District will be responsible for 50% of the project cost, or \$300,000.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

For each of these projects, the private land owner(s) will retain ownership while the District will hold a permanent easement for the storm water retention system and be responsible for maintenance.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**Shell Rock Watershed: Two Projects**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Floodwater mitigation is an important state mission in Minnesota. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? These projects are viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 10/31/05 has been received from the Shell Rock River Watershed District Board of Managers.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of dams, floodwater retention systems, water access sites, harbors, sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.

## Silver Bay: Redevelopment of Abandoned Apt Complex

**2006 STATE APPROPRIATION REQUEST:** \$170,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Silver Bay)

**PROJECT LOCATION:** City of Silver Bay

**Project At A Glance**

The city of Silver Bay is requesting \$170,000 for remediation and for utility and roadway infrastructure improvements that are part of a project to redevelop an abandoned apartment complex into affordable housing.

**Project Description**

The city of Silver Bay is requesting \$170,000 for the remediation and utilities and roadway infrastructure improvements to assist in the redevelopment of an abandoned apartment complex. The city plans to redevelop this site with affordable housing units.

The city of Silver Bay has recently concluded the condemnation and acquisition of the former "Bell Apartments," a 24-unit apartment complex with garages located in the center of the city that was long abandoned and found to contain hazardous materials (lead and asbestos).

The city has worked diligently with the Iron Range Resources (the former Demolition Program) and Lake County Housing and Redevelopment Authority to achieve this point. The city has spent in excess of \$218,000 in city funds to acquire the property and conduct engineering studies (predesign).

**Total Project Cost**

The total cost of this project is \$531,000. The city is requesting state bonding assistance of \$170,000 for remediation costs and for infrastructure improvements. The city has contributed \$218,000 in local funds to this project. This project also includes the demolition of the condemned complex.

For the demolition portion of the project, the city is seeking \$143,000 through the Small Cities program of the state Department of Employment and Economic Development.

The state assistance that the city is requesting will set the stage for the redevelopment of the land and have a positive impact on the community and area.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Project Contact Person**

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 Silver Bay, Minnesota 55614  
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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Silver Bay: Redevelopment of Abandoned Apt Complex**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 41% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Economic development and redevelopment are important state missions. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? This project is a unique request that does not compare to other submitted local capital funding requests.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? Not yet received.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is not required for local government projects where the construction costs are less than \$1.5 million.
10.	Is project disaster related? No.

## St. Louis County: Three Projects

**2006 STATE APPROPRIATION REQUEST:** \$5,835,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (St. Louis County)

**PROJECT LOCATION:** various locations in St. Louis county

#### Project At A Glance

St. Louis County requests funding for three projects (in priority order):

- ◆ \$2,575,421 for infrastructure work and repairs and for engineering to support the eventual reestablishment of commuter rail in Duluth
- ◆ \$950,000 for right-of-way acquisition, and to design, engineer, and construct the Boundary Waters connection of the Mesabi Trail
- ◆ \$2.31 million for predesign and design of public infrastructure to support a new power plant (LTV secondary site)

#### Project Descriptions

##### Priority 1: Northeast Minnesota Rail Initiative/St. Louis County Heritage and Arts Center (the Depot)

St. Louis County is requesting \$2,575,421 for infrastructure work and repairs and for engineering to support the eventual reestablishment of commuter rail in Duluth. This is a joint request with the city of Duluth.

Specific components of this project include:

- ◆ renovation of the passenger elevator to meet code;
- ◆ renovation of wiring in the Depot building to meet code;
- ◆ renovation/replacement of climate control systems;
- ◆ roof repair;
- ◆ replacement of directional signage;
- ◆ track improvements on the Lakefront Line;
- ◆ construction of a "Park & Ride" station in Lakeside; and
- ◆ replacement of commuter equipment.

**Priority 1 Total Project Cost:** The total cost of the North East Minnesota Rail Initiative project is not specified at this time. Matching funds for this next

phase of the resumption of rail transit in Duluth and between northeastern Minnesota and the Twin Cities will come from the Regional Rail Authority, St. Louis County, Lake County and the city of Duluth. The Regional Rail Authority has already approved \$100,000 for this project. Other matching funds could come from the federal government. Discussions with Congressman Jim Oberstar have been favorable for support of this initiative.

St. Louis County has designated this project as their number one priority and the city of Duluth has listed it as their number three priority.

##### Priority 2: Mesabi Trail Boundary Waters Connection

St. Louis County, together with the St. Louis and Lake Counties Regional Railroad Authority, is requesting \$950,000 for right-of-way acquisition, and to design, engineer and construct the Boundary Waters connection of the Mesabi Trail.

**Priority 2 Total Project Cost:** The total cost of the Mesabi Trail Boundary Waters connection project is \$1.9 million. St. Louis County has received federal transportation funds that will be used to provide a \$950,000 (50%) match for this project.

##### Priority 3: Excelsior Energy Power Plant Infrastructure

St. Louis County is making a request for \$2.31 million for the pre-design and design of public infrastructure to support a new power plant – the Mesaba Energy Project LTV back up site. All together, St. Louis County plans to request a total of \$21 million in state funding in 2006 and 2008 to design, acquire, construct, and/or improve infrastructure to enable the construction and operation of the Mesaba Energy Project, which is an Innovative Energy Project utilizing Clean Energy Technology under M.S. 216B.1694 and 216B.1693 respectively. The requested funding is targeted for roadway, rail, and natural gas transportation infrastructure improvements; to extend or construct waste and potable water facilities to the Mesaba Energy Project site; and to provide for wetland mitigation, storm water runoff mitigation, and right of way acquisition for above improvements.

The infrastructure improvements will enable the construction and operation of the Mesaba Energy Project and will have a local, regional, state, and federal significance. The local and regional economy will benefit from up to as many as 1,000 construction jobs over the three and one half years construction



## St. Louis County: Three Projects

period and an ongoing staff of greater than 100 well-paying positions at the generating plant once in operation, as well as, an industry that is insulated from the cyclic taconite industry. The significance to the state is the addition of a clean source of electrical energy to fuel the state's economic engine that is not linked to the volatile natural gas markets to supply the growing need for electricity in Minnesota. This project has local, regional, state, and federal significance. In fact so much so that the Iron Range Resources (IRR) and federal government, through the Department of Energy (DOE), are supporting the project by providing matching loans to aid in the project's development.

**Priority 3 Total Project Cost:** The total cost of the power plant infrastructure project is \$42 million.

In 2008, the county plans to request \$18.69 million for subsequent phases of the project.

**Other Considerations**

St. Louis County or the appropriate municipality will own and operate the infrastructure.

**Project Contact Person**

For the North East Minnesota Rail Initiative project:  
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John Ongaro, Intergovernmental Affairs Officer  
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For the Mesabi Trail Boundary Waters Connection project:  
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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**St. Louis County: Three Projects**

<b>Evaluation of Local Projects</b>	
1.	<p>Are non-state matching funds contributed? For the county's number one priority project, the amount of non-state matching funds is not yet known, because the total cost of the project has not been specified at this time.</p> <p>For the county's number two priority project, 50% federal transportation funds will match 50% in state funding.</p> <p>For the county's number three priority project, the sources of the 50% non-state share are not indentified in the project narrative.</p>
2.	<p>Does project fulfill an important state mission? Transportation is an important state mission. Mn/DOT is the state agency responsible for developing commuter rail. Providing recreational opportunities is an important state mission in Minnesota. The state has existing grant programs to provide financial assistance in this area. The state role in funding energy and economic development projects has varied considerably from biennium to biennium.</p>
3.	<p>Has a state role been expanded in a new policy area? See #2 above.</p>
4.	<p>Is project of local, regional, or statewide significance? These projects are viewed as having primarily a local or regional benefit.</p>
5.	<p>Are state operating subsidies required? No.</p>
6.	<p>Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.</p>
7.	<p>Does project compete with other facilities? Not significantly.</p>
8.	<p>Have resolutions from local governing bodies been provided? Resolutions of support dated 06/14/05 have been received from the St. Louis County Board of Commissioners. Resolutions of support for the rail and trail projects dated 06/01/05 from the St. Louis County Regional Rail Authority have also been received.</p>

9.	<p>Is predesign (required if construction cost is over \$1.5 million) completed? For the county's first priority project, predesign is not required for local government projects where the construction costs are less than \$1.5 million. For the county's second priority project, a project predesign is not required for projects consisting of roads, bridges, trails or pathways. For the county's third priority project, predesign funding is included as part of the request for state funds.</p>
10.	<p>Is project disaster related? No.</p>

## St Louis Park: TH7/Wooddale Ave Reconstruction

**2006 STATE APPROPRIATION REQUEST:** \$1,000,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of St. Louis Park)

**PROJECT LOCATION:** TH7 / Wooddale Ave intersection in St. Louis Park

#### Project At A Glance

- ◆ \$1 million in state funds is requested in 2006 to assist in the reconstruction of the intersection of Trunk Highway 7 at Wooddale Avenue, in St. Louis Park.

#### Project Description

This request is for \$1 million in state funds to aid in financing the reconstruction of the at-grade intersection of Highway 7 and Wooddale Avenue in St. Louis Park to a grade separated intersection.

Currently the capacity and safety of this at-grade signalized intersection could be characterized as poor at best. Based on a recent traffic analysis, the intersection is currently operating at a level of service D (LOS D), and is projected to decrease to a level of service F (LOS F) by 2007. Minnesota Department of Transportation (Mn/DOT) staff have identified significant safety (crash) concerns in this corridor (Highway 7 from Highway 169 to Highway 100) with the east half of the corridor of particular concern.

Pedestrians and bicyclists currently use this intersection to access mass transit, the regional trail system, the community center, and the high school. In addition, significant traffic to and from an adjacent industrial/commercial complex south also use this intersection as their major access point.

This project is of both local and regional significance. This project will allow for the separation of regional and local traffic, which will vastly improve the regional transportation systems. The regional systems alluded to are Highway 7, the SWLRT regional trail immediately to the south, and the proposed future dedicated busway or light rail transit (LRT) system. Without

this intersection improvement project, these other regional systems will not be possible or the existing ones will fail very shortly due to congestion and safety concerns. Reconstruction of this intersection to a grade separated intersection is the only practical long-term solution to this infrastructure problem.

#### Total Project Cost

The total cost of this project is \$10 million. The city will provide \$1 million of the project's financing. The city has also requested \$8 million of federal funds in the 2005 TAB regional solicitation.

#### Impact on Agency Operating Budgets (Facilities Notes)

None.

#### Other Considerations

Mn/DOT and the city of St. Louis Park will own, operate, and maintain the new grade separated intersection. If financing can be obtained in 2006, this improvement could be designed in 2006 and contracts awarded in 2007. Construction could begin and be completed in 2007. The new intersection could be available for use by the end of 2007.

#### Project Contact Person

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#### Governor's Recommendations

The Governor does not recommend capital funds for this project.

**St Louis Park: TH7/Wooddale Ave Reconstruction**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs is provided from non-state funding (city, federal and private) sources. Another 45% of project costs is identified as Mn/DOT funds. The remaining 5% of project costs is requested from state bonding.
2.	Does project fulfill an important state mission? Transportation is an important state mission. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 12/05/05 has been received from the St. Louis Park City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways.
10.	Is project disaster related? No.

## So. St Paul: Port Crosby Landfill Closure, Remediation

**2006 STATE APPROPRIATION REQUEST:** \$4,500,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of South Saint Paul)

**PROJECT LOCATION:** South Saint Paul

#### Project At A Glance

- ◆ The city of South St. Paul respectfully requests \$4.5 million from the state of Minnesota for the closure/remediation of the Port Crosby site, shoreline stabilization, and the closure of a storm water drainage ditch on the property.

#### Project Description

This Capital Project Request is for \$4.5 million in state funding to pay for the balance of expenses associated with closure/capping and remediation of approximately 80 acres of the city-owned Port Crosby property in South St. Paul.

Closure of the site is the fifth component of a six-step process for converting this construction/demolition debris landfill into a highly desirable regional recreational amenity. The full process includes:

- ◆ site acquisition;
- ◆ vehicular bridge construction;
- ◆ regional trail and bridge construction;
- ◆ trailhead construction;
- ◆ site closure/grading, drainage ditch closure, and shoreline stabilization;
- ◆ park planning/construction.

The city of South St. Paul is working to reclaim the southern 80 acres of the Port Crosby property. These 80 acres afford South St. Paul the unique opportunity of developing an extensive, regionally significant riverfront park and recreational facility with over 5,000 feet of existing Mississippi riverfront on its east side. As a first ring suburb, South St. Paul is a fully developed community. The Port Crosby property site is the only parcel of land of

significant size within South St. Paul that has yet to be developed for a public purpose.

The Port Crosby project also offers an outstanding opportunity to restore 80 acres of riverfront land, which is currently unusable for any significant purpose. The Port Crosby property was formally used for many years as a construction/demolition debris landfill and, thus exhibits many of the traits of a Brownfield. While the property poses no immediate threat to the health of the Mississippi River, it nevertheless does present physical hazards for anyone who enters the property. The Port Crosby site was never properly closed and thus contains exposed construction material on the surface and voids beneath the surface that pose real dangers to anyone walking on the property. The remediation of these conditions is a significant step to produce an area of tremendous recreational and aesthetic potential. The development of this property as regional recreation and open space clearly aligns with the city of South St. Paul Comprehensive Plan and the stated goals of the Mississippi River Critical Area Study.

**Site Acquisition (Completed - \$1 Million):**

During the summer of 2000, the city of South St. Paul acquired 87 acres of land on the northern border of the community for future development as park space through a state grant from the Legislative Commission on Minnesota Resources (LCMR). The acquisition funding for this Port Crosby property was shared equally between the city of South St. Paul and the LCMR. Since acquisition, the city of South St. Paul has begun the process of providing access to the site and planning for the eventual development of regional park space.

**Vehicular Bridge Construction (Completed - \$2.3 Million):**

Access is one of the primary challenges in developing this property. Railroad tracks isolated Port Crosby from Concord Street (Trunk Highway (TH) 156) and from convenient connection to the community. The city attacked this barrier by constructing a two-lane vehicle bridge that now connects the property to Concord Street at Bryant Avenue. The bridge was completed during the summer of 2003 using the city's Municipal State Aid funding resources. This bridge provides direct access to the site and will enable remediation of the current conditions and development of recreational amenities.

## So. St Paul: Port Crosby Landfill Closure, Remediation

## Regional Trail And Bridge Construction (Completed -\$2.66 Million):

The city of South St. Paul has also spearheaded trail access to and through the Port Crosby site, providing pedestrian and bike access that responds to the multi-modal transportation needs of the community and region. Through leadership and advanced funding, South St. Paul has helped construct a significant portion of a Dakota County Regional Trail that now extends approximately five miles along the Mississippi River banks. A portion of this North Urban Regional Trail is located along the west side of the Port Crosby property. The trail includes a separate pedestrian bridge that connects the site to the continuation of the trail on the east side of Concord Street.

## Simon's Ravine Trailhead Construction (to be completed 2005-\$200,000):

The city of South St. Paul is also constructing a trailhead facility on the east side of Concord Street that will serve users of the North Urban Regional Trail in the Port Crosby area, as well as users of the regional trail along the Mississippi River and the regional trail that proceeds westward through Simon's Ravine. This locally funded facility will include parking, restroom, and picnic facilities at the foot of the pedestrian bridge into Port Crosby. It will also feature a sculpture, (already complete), that will honor Native American historical presence in the area. A non-profit entity, River Environmental Action Project (REAP) has arranged for the sculpture and paver stone memorial. City funds and donations from local businesses are funding the balance of this project cost.

## Site Closure/Grading, Drainage Ditch Closure, And Shoreline Stabilization:

Total cost \$7 million

Partially funded by 2005 Bonding Bill (\$2.5 Million)

2006 Request = \$4.5 Million

The key challenge before the city of South St. Paul is the closure of this property. The Port Crosby property is a former construction/demolition debris landfill. For that reason, a substantial amount of fill must be moved onto the site and properly graded in order to close it. Dakota County has recently completed a final closure plan for the property. This plan will provide an estimate of the number of yards of fill required for closure. Preliminary cost estimates are in the \$4.5 to \$5 million range. This cost can vary greatly, depending on the amount of fill available during a given construction season. This estimate includes the price of transporting the appropriate fill and

grading of the site for development. In addition, shoreline stabilization will be undertaken in conjunction with fill and grading.

A related challenge to reclaiming the Port Crosby site is the need for closure of a large drainage ditch, running west to east, that bisects the property. This drainage ditch carries water draining from Robert Street in West St. Paul, through Kaposia Park in South St. Paul and down Simon's Ravine to the Port Crosby property. This water has been contained in underground pipe from Simon's Ravine to Port Crosby. In order to develop this property, this piping project will need to be constructed all the way to the river. The estimated cost to construct a pipe to replace the open Port Crosby drainage ditch is \$650,000.

## Park Construction/Planning (Future = \$5 Million):

With remediation of the site, Port Crosby will be ready for development as regional park and recreational space for South St. Paul, Northern Dakota County, and all other users of the Upper Mississippi River Corridor. The precise elements of a park plan are currently under development through a Master Plan process funded by the city of South St. Paul (\$40,000). When complete, the Master Plan will identify design elements and local funding mechanisms for the construction and development of the Port Crosby site as a regional park.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

\$2.5 million in 2005 Bonding Bill (Laws 2005, Chapter 20)

**Other Considerations**

The closure/capping of the Port Crosby site will be divided into components or phases. The \$2.5 million provided by the 2005 Bonding Bill would be applied to initial phases and the requested 2006 funds will complete the phases. The contemplated schedule is as follows:

- ◆ August 2005 – Contract Bid and Award processes
- ◆ September 2005 – Contractors begin site clearance

**So. St Paul: Port Crosby Landfill Closure, Remediation**

## ◆ October 2005 – 2007/08 - Closure/Capping Process

If this funding request is met, the city of South St. Paul does not anticipate requesting another bonding appropriation for this project in 2008. The city of South St. Paul will pursue funding from all other available sources for the park planning and construction of the Port Crosby property as a regional amenity.

The city of South St. Paul will continue to aggressively pursue funding alternatives for the development of this park space. The city hopes to find additional funding through continued partnerships with Dakota County, the Metropolitan Council, the city of Saint Paul, state and federal agencies, and non-profit entities. There currently are no specific alternative sources of funds to help close/remediate the Port Cosby site. The city will continue to provide in-kind services whenever it is deemed possible and appropriate.

**Project Contact Person**

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**Governor's Recommendations**

The Governor recommends that \$1.5 million of the general obligation bond funds recommended for the Metropolitan Council's metropolitan regional parks projects be provided for this project.

**So. St Paul: Port Crosby Landfill Closure, Remediation**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? Across all years and steps of this multi-step project, 35% of project costs are provided from non-state funding sources.
2.	Does project fulfill an important state mission? Providing recreational opportunities is an important state mission. In the seven-county metropolitan area, the Metropolitan Parks and Open Space Commission advises the Metropolitan Council on on parks and open space projects. This project should be considered alongside other metropolitan area parks requests.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/20/05 has been received from the South St. Paul City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is likely not required for this type of project.
10.	Is project disaster related? No.



## St. Cloud: Three Projects

**2006 STATE APPROPRIATION REQUEST:** \$12,000,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Saint Cloud)

**PROJECT LOCATION:** various locations in St. Cloud

#### Project At A Glance

The city of St. Cloud requests funding for three projects (in priority order):

- ◆ \$10 million for the expansion and renovation of the St. Cloud Civic Center
- ◆ \$2 million for land acquisition at the St. Cloud Regional Airport
- ◆ \$2.2 million for improvements at River Bluffs Regional Park (*Joint request with Central Minnesota Regional Parks and Trails*)

#### Project Descriptions

##### Priority 1: St. Cloud Civic Center Expansion and Renovation

This request is for \$10 million in state funding to plan, design, acquire land, and prepare site for the expansion of the St. Cloud Civic Center.

Background: The St. Cloud Civic Center is a convention center located in downtown St. Cloud along the Mississippi River. The city of St. Cloud owns and operates the Civic Center, which serves the convention and meeting space needs of the immediate St. Cloud area and the entire central Minnesota region. The existing facility opened in 1989 and contains 103,000 square feet of space including two large rooms (combined area of 42,000 SF), four meeting room suits (combined area of 12,600 SF), as well as commensurate common space. The existing facility also includes two levels of underground parking with a total of 365 parking spaces.

The St. Cloud Civic Center hosts a variety of convention center activities. The Civic Center averages over 400 events per year, including:

- ◆ 230 to 250 small meetings and small conferences
- ◆ 45 to 55 conventions, major conferences, and trade shows

- ◆ 20 to 25 consumer shows (car shows, home shows, outdoor sports show, etc.)
- ◆ 80 to 100 social and entertainment events (banquets, weddings, parties, concerts, etc.)

In the year 2000, total daily attendance for all Civic Center events was 285,873 people. Using industry standards, these visitors resulted in an estimated \$18.7 million to the St. Cloud area's economy. Once the expansion is completed, total daily attendance is expected to increase to 431,200 visitors, resulting in an estimated \$31 million annually to the St. Cloud area's economy.

**Additional Space Needed:** The Civic Center has suffered from a shortage of space during the past nine years. The shortage is particularly acute during the prime convention seasons of mid-February through mid-April and August through mid-November. Unless the Civic Center is expanded, the shortage of space will result in the loss of existing and potential business. The space shortage problem is manifested in two ways. First, many of the large conventions, particularly those with an accompanying trade show, need more square footage than is currently available. Presently, 13 major Civic Center clients have expressed concerns that the Civic Center lacks adequate space for their events, which could result in the loss of their business. Secondly, there is not sufficient space in the Civic Center to host more than one moderately sized event simultaneously. Between April 2000 and October 2001, the St. Cloud Area Convention and Visitors Bureau identified 34 different events that were unable to meet in St. Cloud because the Civic Center was already booked. As a result, the St. Cloud Civic Center was forced to turn away that potential business.

The proposed expansion would address these problems by adding the following building elements to the existing Civic Center facility

- ◆ Construct 35,000 SF of exhibit and trade show space
- ◆ Construct 27,000 SF Lobby/Prefunction/Loading/Service space
- ◆ Renovate 36,000 SF of existing exhibit and ballroom space
- ◆ Renovate 3,400 SF of existing Breakout/Meeting Room space
- ◆ Construct parking ramp (400 stalls)

The proposed expansion will both increase the Civic Center's meeting space and enhance the downtown commercial district. The Civic Center serves as

## St. Cloud: Three Projects

an anchor within St. Cloud's downtown commercial, government, and entertainment district. The proposed expansion will likely result in the construction of an additional 100 to 150 room downtown hotel property to service the increased Civic Center business. The proposed expansion is expected to generate new eating and entertainment establishments as well.

**Priority 1 Total Project Cost:** The total cost of the St. Cloud Civic Center Expansion project is \$27 million. The city of St. Cloud requests partial project cost funding of \$10 million from the state. The city expects to use proceeds from its existing 1% Food and Beverage tax to retire \$17 million in debt.

**Similar Facilities Previously Funded:** The city of St. Cloud's request is consistent with prior funding requests approved for similar bonding projects. Most recently in 1998, the state of Minnesota provided state funding for convention center projects in Duluth, Rochester, and Minneapolis. Consequently, approval of the proposed expansion project will not expand the state's role in a new policy area. The state of Minnesota has an appropriate role in funding regional economic development projects like the Civic Center expansion. State funding will result in increased economic development and retail activity in the St. Cloud region.

The proposed project is of regional and statewide significance. The existing Civic Center serves the meeting and convention needs of the immediate St. Cloud area and central Minnesota region. As a regional facility, the St. Cloud Civic Center provides facilities not otherwise available in the area. Events from throughout the region and state hold their events at the Civic Center. Since similar state-funded facilities (Duluth, Rochester, Minneapolis, and St. Paul, among others) are located a reasonable distance from St. Cloud, the proposed project is not expected to compete with other facilities in such a manner that they lose a significant number of users to the expanded Civic Center. Similarly, state funding will not create significant inequities among local jurisdictions.

**Priority 2: St. Cloud Regional Airport land acquisition**

This request is for \$2 million in state funding to begin to purchase approximately 960 acres of land adjacent to airport property.

**Background:** As the airport expands, there is a need to control the land around the airport and within the runway safety zones to allow for the safe operation of aircraft into and out of the airport. There is also a need to purchase land to accommodate future growth of the airport that will be documented in a Master Plan Update to be completed by mid-October 2005.

The current Airport Master Plan for the St. Cloud Regional Airport calls for an ultimate 8,000 foot runway to be constructed in the near future, which would be an additional 1,000 foot extension to the current 7,000 foot runway. The Master Plan Update, although the city does not anticipate its completion until mid-October 2005, already indicates there will be a need for a parallel runway at the airport. This land acquisition will allow for the extension of the existing commercial service runway and for the construction of the future parallel runway. It will also allow for the increased safety zones that will be associated with both construction projects as they relate to Minnesota Aeronautical Rules.

Around the airport's current footprint, there is already incompatible development encroaching the airport's property boundary, which will either limit the ability to expand the airport or greatly increase the cost of expansion in the future. The fact that the Minnesota Department of Transportation (Mn/DOT), Office of Aeronautics, recently defined the St. Cloud Regional Airport as a Tier 2 airport, shows that Mn/DOT Aeronautics realizes the importance of the St. Cloud Airport within the state and National Transportation Systems, further signifying the state and regional nature of this project.

The St. Cloud Regional Airport is truly a regional asset and will continue to grow. This growth will force the need for additional space while more and more residential growth is occurring in close proximity to the airport. This will greatly diminish the ability of the airport to expand to the size needed for the future growth of this region unless land can be acquired prior to residential development. The growth of the St. Cloud Regional Airport is vital to the economic growth of the St. Cloud and central Minnesota region.

The purchase of this land will enable the airport to control the development of adjacent property and ensure a compatible land use as it pertains to airport operations. This land is greatly needed for the future safe operation and development of the St. Cloud Regional Airport. Almost all of the land needed

## St. Cloud: Three Projects

for future development is currently open space. The time to purchase this land is now, before it becomes residential property that is extremely costly.

**Priority 2 Total Project Cost:** The total cost of the St. Cloud Regional Airport land acquisition project is \$15 million for all years. In addition to its current request for \$2 million from the state in 2006, St. Cloud also expects to request \$2 million in 2008 and \$2 million in 2010 for this project.

The city is seeking funding from the Federal Aviation Administration (FAA), since the FAA will participate in land acquisition for land being acquired as part of an Airport Improvement Project that is eligible for federal funding. Some of the land discussed here may be eligible at a later date, depending on the outcome of the Master Plan Update. Additionally, the city of St. Cloud is pursuing a local option sales tax, of which a portion could be used for the purchase of land around the airport. The city also has local funds available to put toward this project, but the exact amount is unknown.

**Priority 3: River Bluffs Regional Park Improvements -- *joint request with Central Minnesota Regional Parks and Trails***

St. Cloud's third priority is a joint request with the Central Minnesota Regional Parks and Trails for a project to develop River Bluffs Regional Park. For information on this project, refer to the project narrative for the request submitted by the Central Minnesota Regional Parks and Trails.

**Impact on Agency Operating Budgets (Facilities Notes)**

No operating funds are requested for the proposed projects.

**Previous Appropriations for this Project**

None.

**Other Considerations**

For both the Civic Center expansion and the Airport expansion, the city of St. Cloud will own and operate the facilities.

**Project Contact Person**

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**Governor's Recommendations**

The Governor recommends general obligation bonding of \$2.0 million for the St. Cloud Regional Airport land acquisition project.

The Governor does not recommend capital funds for either of the other projects requested by the city of St. Cloud.

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<b>Evaluation of Local Projects</b>	
1.	<p>Are non-state matching funds contributed?                      For the city's number one priority project, 63% of project costs are to be provided from local government funds. For the city's number two priority project, across all years, 60% non-state funds match 40% in state funding.</p> <p>St. Cloud's number three priority project is a joint request with the Central Minnesota Regional Parks and Trails Coordination Board and is evaluated in that section.</p>
2.	<p>Does project fulfill an important state mission?                      Economic development is an important state mission. The state role in funding community convention centers has varied considerably from biennium to biennium. Transportation is also an important state mission. The state provides some support to local and regional airports through the airport development and assistance program.</p>
3.	<p>Has a state role been expanded in a new policy area?                      See #2 above.</p>
4.	<p>Is project of local, regional, or statewide significance?                      These projects are viewed as having primarily a local or regional benefit.</p>
5.	<p>Are state operating subsidies required?                      No.</p>
6.	<p>Are inequities created among local jurisdictions?                      If funded, other local jurisdictions could seek state funding for similar projects.</p>
7.	<p>Does project compete with other facilities?                      Not significantly.</p>
8.	<p>Have resolutions from local governing bodies been provided?                      Resolutions of support dated 06/13/05 for the civic center and airport acquisition projects have been received from the St. Cloud City Council. An updated resolution of support dated 11/17/05 has also been received from the St. Cloud Area Joint Planning District Board for the River Bluffs Regional Park project.</p>
9.	<p>Is predesign (required if construction cost is over \$1.5 million) completed?                      A predesign has not yet been submitted for the civic center project. Predesign does not apply to land acquisition.</p>
10.	<p>Is project disaster related?                      No.</p>

**St. Michael: TH241 Adjacent Improvements**

**2006 STATE APPROPRIATION REQUEST:** \$2,605,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of St. Michael)

**PROJECT LOCATION:** city of St. Michael

**Project At A Glance**

The city of St. Michael requests \$2,604,766 in state funds for ancillary improvements adjacent to state Trunk Highway (TH) 241 (including frontage roads, utility relocations, and a pedestrian tunnel).

**Project Description**

The city of St. Michael is seeking \$2,604,766 in state 2006 Capital Budget funding to upgrade connecting roads and turn lanes adjacent to TH-241; construct a pedestrian tunnel; and relocate utilities, as part of an overall four-lane improvement of the highway from I-94 to 4th Street. The project has local, regional, and statewide significance.

**Local Significance:** Because TH-241 is a relatively short state trunk highway (approximately 3.25 miles), it is not a part of the state’s “interregional corridor” system. Thus, it is not a priority for state highway improvement dollars. However, improving TH-241 is extremely important for St. Michael, in order to keep the businesses along it economically viable, and to attract other businesses to locate in the city.

In spite of significant growth in the city, many businesses along TH-241 have experienced slowdowns, and customers have begun to avoid patronizing them during rush hour, because access to it is so poor. Moreover, current traffic volume is approximately 18,000 Average Daily Traffic (ADT). By 2020, traffic volumes are estimated to increase to 40,000 ADT. Consequently, unless improvements are made, TH-241 will be an increasing traffic problem for the city, region, and state. In order to accomplish the improvement, the city of St. Michael has agreed to fund \$9.5 million, or 42% of the proposed improvement. The Minnesota Department of Transportation (Mn/DOT) has

agreed to fund the balance of the improvement, or \$13 million. The city is planning to sell bonds to finance the project, and is seeking this capital funding from the state for the non-trunk highway expenses to minimize tax increases to payoff bonds.

The ancillary improvements will provide access to existing businesses, because Mn/DOT is limiting, or closing many of the accesses to the highway, to improve safety.

The utilities must be relocated because the highway is being widened. The tunnel is being constructed because it is a safer crossing, and because it will connect some significant pedestrian/bicycle routes. Mn/DOT did not require the pedestrian tunnel. It was a local decision to add it.

**Regional Significance:** The regional significance of this project is similar to the local significance. TH-241 serves as a regional connection to I-94 for commuter traffic from the city of Buffalo, as well as other commuters in western Wright County. Because of the location of the Crow River, there are not many alternate east-west routes connecting to I-94. Additionally, improving TH-241 will help the regional economy; because once the highway is improved, commercial access will be significantly enhanced.

**State significance:** The state’s significance in regard to this project is obvious from a transportation funding point of view i.e., the state is able to fund a trunk highway improvement at 58% of normal cost, due to the city’s financial input to the project. Additionally, improving the highway has a financial benefit to the state, due to the economic benefits of increased income taxes and commerce to the state.

**Total Project Cost**

The city of St. Michael is requesting \$2,604,766 in state funds for 2006. The total cost for this project is estimated to be \$22.5 million:

Mn/DOT	\$13.0 million*	
Federal funding	\$6.0 million**	(not part of current project—see note)
City of St. Michael	<u>\$6.9 million</u>	
Total	\$25.9 million	

**St. Michael: TH241 Adjacent Improvements**

\* The Mn/DOT funding is obviously state funding. However, to clarify, it is not a part of this capital budget request funding.

\*\*Please note that the proposed \$22.5 million improvement does not complete the full length of Highway 241. Improvement of TH-241 in the historic downtown (approximately 0.25 miles) was avoided, because acquisition of the right-of-way in this segment was projected to be as much as \$5 million in extra expense. The city has had some success in seeking separate funding for this segment of TH-241 from the federal government. Never the less, the total estimated cost of funding this segment of the improvement (approximately \$6 million) is also considered in the above estimate.

The city will not be making other requests for funding relating to this improvement because it will be completed in 2007.

**Impact on Agency Operating Budgets (Facilities Notes)**

None. The city has tried unsuccessfully to obtain special legislation in each of the past three legislative sessions (2003, 2004, and 2005). The special legislation request was for a special Tax Increment Financing (TIF) district, to take advantage of the planned growth along TH-241 once the improvement is completed. The city reserves the right to pursue special legislation and/or other potential state funding, particularly if this request for capital funding is not approved.

**Other Considerations**

Mn/DOT will be the owner and operator of TH-241. However, as a part of the agreement with Mn/DOT to improve TH-241, the city has agreed to fund winter maintenance on it for 10 years after the improvement. The city will own/operate the frontage roads, utilities, and the pedestrian tunnel.

Mn/DOT is currently working on acquiring right-of-way. Most of the TH-241 utility work is expected to be constructed in 2006. The actual highway construction is expected to begin in May of 2006. Construction is scheduled to be fully complete by August of 2007.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**St. Michael: TH241 Adjacent Improvements**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 31% of project costs is provided from local funding sources. Another 58% of project costs is identified as Mn/DOT funds. The remaining 11% of project costs is requested from state bonding.
2.	Does project fulfill an important state mission? Transportation is an important state mission. The state has existing grant programs that provide financial assistance for certain types of transportation projects; parts of this project may be eligible for some state assistance.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/17/05 has been received from the St. Michael City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways.
10.	Is project disaster related? No.

## St. Paul: Six Projects

**2006 STATE APPROPRIATION REQUEST:** \$55,250,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Saint Paul)

**PROJECT LOCATION:** various locations in St. Paul

### Project At A Glance

The city of St. Paul requests state bond funds for the following six projects (in priority order):

- ◆ \$12 million to renovate the Ordway Center for the Performing Arts.
- ◆ \$10 million to acquire right of way, clean up acquired property, and to design and construct the Pierce Butler Route extension between Grotto Street and Phalen Boulevard.
- ◆ \$12.05 million to improve the Great River Park area by: purchasing property; designing, repairing, and constructing trails and roadways; and constructing a new pedestrian/bicycle bridge, a new bluff/valley stair connection, and several interpretive areas, overlooks and access points.
- ◆ \$10 million to renovate the polar bear exhibit and an outdoor gorilla exhibit.
- ◆ \$7.5 million for roadway and pedestrian improvements needed to provide access to the Union Depot when it is restored to a multi-modal transit hub. (This request is submitted jointly with related requests from Ramsey Regional Rail Authority, Eagan and Dakota County.)
- ◆ \$3.7 million for transportation, development, and redevelopment infrastructure required to support bioscience development in the Saint Paul Bioscience Corridor.

### Project Descriptions

#### Priority 1: Ordway Renovation

This request is for \$12 million to predesign, design, construct, furnish, and equip a renovation of Ordway Center for the Performing Arts in St. Paul. This project is a prudent strategy for renovating Minnesota's premiere performing arts center in a time of financial constraints. The renovation will include: fulfilling Homeland Security Department standards, connecting

Ordway Center to St. Paul's skyway system, replacing seats, upgrading acoustics, and creating (from underutilized space off the Marzitelli Foyer and upper McKnight Theatre lobby) a multi-purpose community meeting room and special events space.

Ordway Center for the Performing Arts is a catalyst for the artistic vitality of our community by hosting, presenting, and creating performing arts and educational programs that engage artists and enrich diverse audiences. Ordway Center's world-class facility includes two theaters: the 1,900-seat Main Hall and the 306-seat McKnight Theatre. By their very nature, performing arts centers are an efficient venue since they provide a home to a variety of arts organizations.

**A Cultural Center:** Ordway Center is the St. Paul home to three other arts institutions: the Minnesota Opera, the St. Paul Chamber Orchestra and the Schubert Club. Ordway Center presents its own Theatrical Season and serves a multicultural audience with its planet Ordway programming and the Flint Hills International Children's Festival. Ordway Center draws attendance from all four corners of the state.

**Education at Ordway Center:** Over 700,000 students have participated in Ordway Center Education programs over the last 14 years. Ordway Center's Education program is unique among arts organizations in that it focuses specifically on cultural diversity. Ordway Center provides educational programs for teachers and students. Among the programs offered are:

- ⇒ Living study guides: Arts Workshops for Teachers – provide hands-on workshops that explore the art form presented on stage, followed by a discussion on the connection of performances to curriculum.
- ⇒ Ordway Center/COMPAS Residences – offer a two-week in-depth exploration of an Ordway Center production and its art form in conjunction with a trip to Ordway Center.
- ⇒ Planet Ordway® Target® Season – a vital program of multicultural performing arts highlighting artistic and social diversity.
- ⇒ Flint Hills International Children's Festival – over 30,000 children and parents attend a weeklong event that includes local and international artists in performances designed to appeal to the creative spirit while addressing subjects of universal importance to children.
- ⇒ Study Guides – Sent to all teachers two months prior to their class attending an Ordway Center production. These guides have sections



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relating to history, vocabulary, geography, and activities to engage students in the performance.

The renovation project includes the following elements:

- ⇒ The addition of an enclosed walkway from Xcel Center to Ordway Center will enhance the public's interaction with Ordway Center.
- ⇒ By installing new acoustical panels and reconfiguring how sounds travels in the hall, the sounds created at performances by these esteemed Minnesota treasures will be clearer and enhance the experience for both the audience members and the artists.
- ⇒ Both theaters require new equipment including lighting, dimmer boards, and soundboards, as well as new stage floors.
- ⇒ The renovation of the Main Hall and the McKnight Theater will include replacing worn carpet, refurbishing seats, and retrofitting plumbing. In addition, the renovation will also create (from underutilized space off the Marzitelli Foyer and upper McKnight Theatre lobby) a multi-purpose community meeting room and special events space.

**Priority 1 Total Project Cost:** The total cost of the Ordway renovation project is \$12 million.

### Priority 2: Pierce Butler Route East Extension

This request for \$10 million of state funding will be used to acquire right of way, clean up of acquired property, to design and construct the Pierce Butler Route extension between Grotto Street and Phalen Boulevard.

Important project advantages are:

- ◆ improving regional access to existing industrial properties and providing access for new industrial development;
- ◆ relieving traffic from other arterial streets with predominant residential land use;
- ◆ expansion of the east-west pedestrian/bicycle opportunities from Saint Paul's East Side to the Midway Area by connecting the Midtown Green Trail to the Bruce Vento and Gateway Trails; and
- ◆ relief of congestion and improvement of safety along Maryland and University Avenues.

**Priority 2 Total Project Cost:** The total cost of the Pierce Butler Route East Extension is \$50 million. St. Paul intends to establish the necessary

matching funds to construct the Pierce Butler Route extension as part of the city's Capital Improvements Budget, as well as solicit federal funds and a partnership with Ramsey County.

### Priority 3: Great River Park Access, Ecological Restoration and Tourism Initiative

"Great River Park" is a new comprehensive term for 4,000 acres of public parks and trails bordering 26 miles of Mississippi riverfront in Saint Paul.

Currently the Great River Park area serves over 3.2 million visitors a year, attracting both Minnesota families and tourists to Saint Paul. This initiative will improve the access, usage, health, and safety of the area as well as prepare to serve growing and denser urban population into the future. The initiative will develop and support local, regional and national ecotourism throughout the 4,000 acres of public park bordering 26 miles of Mississippi riverfront in Saint Paul.

Funds for Phase I are requested to accomplish the following:

- ◆ purchase property
- ◆ design, repair, and construct trails and road ways
- ◆ construct a new pedestrian/bicycle bridge, a new bluff/valley stair connection, and several interpretive areas, overlooks and access points

Phase I addresses the need for a better connection between the Great River Park, Mississippi River, and the community. Phase I will also help restore and preserve the Great River Park through erosion control, improved storm water management, shoreline stabilization, invasive species removal and native species restoration.

**Priority 3 Total Project Cost:** The total cost of the Great River Park project is \$116 million. Phase I cost is \$16.7 million, which includes funds for acquisition and construction-related costs, such as pre-design, design, inspection, construction management, and furnishings. \$4.7 million in federal, city, and private monies are currently pledged or anticipated.

### Priority 4: Como Zoo Polar Bear and Gorilla Exhibit Renovation

This habitat renovation has regional and statewide significance. Como Zoo is located in Como Regional Park, a family destination visited by over two million people a year. The Zoo and Conservatory are visited by two million

## St. Paul: Six Projects

people a year. Only 20% of these visitors are from the city of Saint Paul, making the Regional Park and all of its exhibits and amenities a top destination in the region.

Previous Zoo renovations were done during the 1970s and 1980s. Over the last twenty years exhibit standards and practices as well as animal care have changed dramatically. In order to maintain a credible and viable zoo, exhibits must be brought up to date to ensure both the health and vitality of the animals as well as provide the most enriching educational opportunity for visitors. The request is for state funding to pre-design, design, construct, furnish, and equip new polar bear and outdoor gorilla exhibits, two of Como Zoo's signature animals.

The polar bear exhibit is inadequate to exhibit bears from the animal care, zookeeper, and visitor perspectives. The new exhibit would meet current zoo industry standards with amenities that allow the animals to exhibit natural behaviors such as digging, swimming, and hiding. The current exhibit is too small, prohibiting many of these behaviors and the ability to establish a family of polar bears.

The outdoor gorilla exhibit will expand the existing small exhibit space into more natural environment for the animals. In a larger space, with the visitors on the same viewing level, the animals will have an opportunity to exhibit natural behaviors; this will provide the visitors with a much richer educational experience. The design of the current exhibit is not adequate in size, causing stress among the male gorilla group.

**Priority 4 Total Project Cost:** Current planning estimates for the Como Zoo project are \$10 million to design and construct the new polar bear and gorilla exhibits. Preliminary design is currently in process to assist in further defining the specific costs of the individual components of this project. (The Como Zoo and Conservatory Society has raised \$160,000 for preliminary design of the polar bear and gorilla exhibits and have committed to raise additional private dollars for this project. They anticipate setting their financial goal amount later this year.)

#### Priority 5: Union Depot Development

The project is for street transportation and infrastructure improvements. As Union Depot is restored for train and bus transportation purposes, significant

roadway and pedestrian improvements will be needed to provide access to the Depot's multimodal facilities. These improvements will generally be on or very near to those parts of 4th Street, Kellogg Boulevard, and Sibley and Broadway Streets that adjoin Union Depot.

All infrastructure funded in this proposal will be designed to accommodate increased traffic resulting from the Depot conversion and the addition of rail transportation options in the area. The rail additions will ultimately include Amtrak, High Speed rail, the Central Corridor Light Rail track, and commuter rail from the Rush and Red Rock lines. Each of these transportation lines brings its own unique regional significance, creating a statewide transportation center.

**Priority 5 Total Project Cost:** The total cost of the Union Depot project has not yet been determined. (It will be determined on the basis of study to be done as part of this 2006 request.) The project has received \$50.0 million in federal funds from the 2005 federal transportation authorization bill.

This bonding request is being submitted jointly with requests from Ramsey County (through its Regional Rail Authority), the city of Eagan, and Dakota County. The project relates to the restoration of Saint Paul's Union Depot to a multi-modal transportation hub. The bonding projects called for in these proposals assume the successful completion of negotiations with the United States Postal Service (USPS) for the transfer of various pieces of real estate (including the Concourse Building and the USPS office tower) to the city and county. When the Post Office leaves its downtown location, it is assumed that USPS will relocate most of the Saint Paul functions to its current facility in Eagan.

#### Priority 6: St. Paul Bioscience Corridor Development

The project is for transportation and infrastructure improvements. Included are three components:

- ◆ a bus stop and shelter along the University of Minnesota's dedicated transitway;
- ◆ a roadway of approximately 0.2 miles in length connecting the eastern end of Granary Drive, at the Saint Paul border with Minneapolis, to Westgate Drive in Saint Paul; and

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- ◆ a transportation corridor study for a connector between the Granary Drive/Westgate junction with existing roadways to the east of the junction.

All infrastructure funded in this proposal will be designed to increase the density of bioscience development in the corridor and to maximize the job and tax base growth generated by bioscience companies locating in the Corridor. The projects outlined in this proposal are being coordinated with similar projects in Minneapolis' bioscience zone adjoining the Saint Paul zone.

**Priority 6 Total Project Cost:** The total cost of the Bioscience Corridor project has not yet been determined. (It will be determined on the basis of study to be done as part of this 2006 request.) The project has received \$3.0 million in federal funds from the 2005 federal transportation authorization bill.

**Other Considerations**

For the Ordway project, the city of St. Paul will own the facility or will enter into a long-term lease arrangement with Ordway Center, and Ordway Center for the Performing Arts will manage the facility.

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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

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<b>Evaluation of Local Projects</b>	
1.	<p>Are non-state matching funds contributed?                      For St. Paul's first priority project, no non-state funds are identified in the project request information. For the city's second priority project, 80% of 2006 project costs are provided from non-state funding sources. For the third priority project, 28% of 2006 project costs are provided from non-state funding sources.</p> <p>No non-state funds are clearly identified in the project request information for the city's fourth, fifth, and sixth priority projects.</p>
2.	<p>Does project fulfill an important state mission?                      Transit and transportation are important state missions. In the metropolitan area the Metropolitan Council plays an important role in transit and transportation planning. The state has existing grant programs to provide some types of financial assistance. Providing recreational opportunities is also an important state mission. The city's park project should be considered alongside other metropolitan area parks requests. The state role in funding projects similar to the city's other requested projects has varied.</p>
3.	<p>Has a state role been expanded in a new policy area?                      See #2 above.</p>
4.	<p>Is project of local, regional, or statewide significance?                      These projects are viewed as having primarily a local or regional benefit.</p>
5.	<p>Are state operating subsidies required?                      No.</p>
6.	<p>Are inequities created among local jurisdictions?                      If funded, other local jurisdictions could seek state funding for similar projects.</p>
7.	<p>Does project compete with other facilities?                      Not significantly.</p>
8.	<p>Have resolutions from local governing bodies been provided?                      A resolution of support dated 09/28/05 has been received from the Saint Paul City Council.</p>
9.	<p>Is predesign (required if construction cost is over \$1.5 million) completed?                      For priorities #1 and #4, predesign is requested as part of the request for state funds. For the rest of the projects (priorities #2, #3, #5, and #6), project predesign is not required since the projects consist of roads, bridges, trails, or pathways.</p>
10.	<p>Is project disaster related?                      No.</p>

**Thompson: Light Industrial Park**

**2006 STATE APPROPRIATION REQUEST:** \$400,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Town of Thomson)

**PROJECT LOCATION:** Town of Thomson

**Project At A Glance**

This request is for \$400,000 in state funding to install infrastructure in the town of Thomson's light industrial park.

**Project Description**

This project includes installing a water pumping and distribution system, sanitary sewer and water lines, stormwater retention ponds, and roads.

The town of Thomson is currently working towards the development of a new Light Industrial/Commercial Park. Seventeen acres of the park are currently designated as "JOBZ" Tax Free Zone property. The town has completed a Site Evaluation and Feasibility Study for the project. The aerial mapping and wetland delineation phases of the project have also been completed and the town desires to continue to move the project towards completion. The current phase of the project is a critical step in the continued advancement of this project from "Study to Reality" and requires that the town secure the funding sources necessary to complete the project.

The beneficiaries of the project include the local residents of the town of Thomson as well as residents of northeastern Carlton County. The project creates a much-needed commercial development area and the jobs brought in by those future businesses. The proposed development will be highly visible and marketable to new businesses looking to relocate or expand in this part of the county and state.

The total project cost is \$1.6 million. Of this amount, \$400,000 is requested from the state of Minnesota. The town of Thomson will provide \$1 million and the Carlton County Economic Development Corporation will provide \$200,000 to the project.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The infrastructure installed (roads, water, and sanitary sewer) will be owned and operated by the town of Thomson Public Works Department.

**Project Contact Person**

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Owner/Developer:  
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Town of Thomson  
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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Thompson: Light Industrial Park**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 75% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Economic development is an important state mission. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/02/05 has been received from the Board of Supervisors of the Town of Thomson.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is not required for local government projects where the construction costs are less than \$1.5 million.
10.	Is project disaster related? No.

## Three Rivers Park District: Silver Lake

**2006 STATE APPROPRIATION REQUEST:** \$2,250,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Three Rivers Park District)

**PROJECT LOCATION:** Silver Lake

#### Project At A Glance

Three Rivers Park District is requesting \$2.25 million in state funding is to design, construct, furnish, and equip Phase 1 development components at the Silver Lake Special Recreation Feature located in St. Anthony.

#### Project Description

Three Rivers Park District (formerly Suburban Hennepin Regional Park District) purchased the Silver Lake property from the Salvation Army in 2001. The Park District requests \$2.25 million in state funding is to design, construct, furnish, and equip the following components of Silver Lake Special Recreation Feature – Phase 1 Development Site Components:

##### *Performing Arts Stage*

A mid-sized stage, 250 tiered seating and 500 grass hillside seating, would be constructed to fit into the environment, with performing venues selected to compliment the aesthetic setting and with limited sound levels so as to not adversely impact neighbors or park guests enjoying other park amenities. (Preliminary design of the stage calls for it to be fit or nestled into the landscape.) In addition to performances, weddings, lectures, award ceremonies, and other mid-sized group events would also take place here. Performances on the stage would be provided by local and regional talent and would include, but not be limited to, school bands, ensembles, orchestras, creative dance troupes, summer stock theater (i.e. Shakespeare, musicals, opera, etc.), children's plays, puppet theater, and variety acts.

##### *Formal Gardens*

Aesthetic gardens are to be incorporated into the landscape and will enhance the sensory appeal of the performing arts stage/amphitheater area. These

gardens will be created both from a contracted development effort and through the engagement of Park District horticulturists working with students on site. Park guests will enjoy the beauty of the gardens, attend gardening related programs in this outdoor 'lab,' seek solitude, paint, draw, photograph, or attend events with the gardens as the backdrop, i.e. weddings, receptions, and other group events. It is anticipated that the gardens will not remain static, but will evolve over time. Sculptures, and other non-ephemeral works of nature-inspired art, would be created to enhance the garden experience and could also be moved to enhance other local and regional parks. The initial development will focus on landscaped gardens that feature native flowers and shrubs.

##### *Large Group Rental Space*

Rehabilitation of an on site, 16,000 square feet meeting facility to provide indoor public space for large public and private outdoor education groups using the performing arts stage, gardens, and group picnic areas.

##### *Turf Hiking and Bituminous Bike/In-line Skate Trails*

Improvements to and expansion of existing turf trails would be made along with the addition of a bike/in-line skate trail that would connect to the city paths bordering the park which in turn connect to the metropolitan regional trail system.

##### *Fishing Pier*

The Park District will collaborate with the Minnesota Department of Natural Resources to install a Fishing Pier on Silver Lake.

The Phase 1 developments described here, along with entry road, parking lot, and environmental education center improvements funded from other sources, establish a central active use area. Future developments will create enhancements east and west of this core area consistent with the adopted program statement.

After completion of Phase 1, Silver Lake Regional Park will draw visitors from the local community, as well as the Twin Cities nine county metropolitan area and statewide as guests experience a diverse suite of outdoor education programs at the performing arts stage. These experiences take place within the natural beauty of Silver Lake Special Recreation Feature with its rolling hills dotted with mature oak trees and stunning views of Silver Lake,

**Three Rivers Park District: Silver Lake**

complimented by formal gardens featuring native plant materials. Bike/in-line skate trails connected to local and regional trails will provide non-motorized access.

**Total Project Cost**

The total Phase 1 capital cost of this project is \$5.25 million. Of this amount, the Park District's Capital Improvements Program will provide \$3 million (or 57%). The park district is requesting a 2006 state capital appropriation of \$2.25 million for the remainder of the project's cost.

The current request is one phase of a multi-phase development for the regionally significant Silver Lake Recreation Feature. Development is incumbent upon adequate and appropriate financing, with complete development scheduled for year 2012. The overall development cost is expected to be approximately \$10-12 million upon completion. The Park District anticipates requesting additional state funds of \$1.5 million in 2008 for the Silver Lake Special Recreation Feature -- Phase 2 development.

**Impact on Agency Operating Budgets (Facilities Notes)**

Three Rivers Park District receives state operations and maintenance support funds through the program administered by the Metropolitan Council.

The Park District intends to own and operate the facility pursuant to Park District policies and operating procedures. This includes establishment of operating financing from Park District sources. Cooperative-use relationships with other public and private groups will be evaluated and may be incorporated into the final development and operations plan.

**Previous Appropriations for this Project**

This is the Park District's only submittal for 2006 capital budget financing and no other capital budget financing has been received for this initiative.

**Other Considerations**

The facility will be owned and operated by the Three Rivers Park District. Phase 1 construction is expected to begin October 2006 and end April 2008.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.



**Three Rivers Park District: Silver Lake**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 57% of project costs for this Phase I request are to be provided from local government funds.
2.	Does project fulfill an important state mission? Providing recreational opportunities is an important state mission in Minnesota. In the seven-county metropolitan area, the Metropolitan Parks and Open Space Commission advises the Metropolitan Council on on parks and open space projects. This project should be considered alongside other metropolitan area parks requests.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? See the discussion under "Impact on Agency Operating Budgets" in the project narrative.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? Not yet received.
9.	Is predesign (required if construction cost is over \$1.5 milion) completed? A predesign has not yet been submitted.
10.	Is project disaster related? No.

## Virginia: Two Projects

**2006 STATE APPROPRIATION REQUEST:** \$1,250,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Virginia)

**PROJECT LOCATION:** City of Virginia

#### Project At A Glance

The city of Virginia requests funding for two projects (in priority order):

- ◆ \$750,000 in state funding to construct a helipad and access elevator to be located on the roof of Virginia Regional Medical Center (VRMC). (Total project cost: \$1.5 million)
- ◆ \$500,000 in state funding for an Environmental Impact Study for the relocation of Trunk Highway (TH) 53. (Total project cost: \$25 million)

#### Project Descriptions

##### Priority 1: Virginia Regional Medical Center (VRMC) Helipad Project

Virginia's number one priority is a request for \$750,000 in state funding to cover 50% of the cost to construct a helipad and access elevator to be located on the roof of VRMC. The hospital is city owned and serves a geographical area of 900 square miles with a population of 68,000. For several years VRMC has been utilized by two major helicopter services to transport critical care patients, but we have never had a suitable landing area for the helicopters.

**Priority 1 Total Project Cost:** The total cost of the rooftop helipad is \$1.5 million.

At one time a portion of the hospital parking lot was used and had to be evacuated every time a helicopter was due to land. The beach at Silver Lake was used for a brief time and so was an unused portion of the cemetery. All of these locations have been inconvenient and still require an ambulance to transport the patient to the helicopter. Currently, we have created a temporary landing area by our golf cart storage buildings at the Virginia Golf Course, but this is not a good long-term solution.

##### Priority 2: Environmental Impact Study for the Relocation of TH 53 in Virginia

Virginia's number two priority is a request for \$500,000 in state funding to conduct an Environmental Impact Study for the relocation of TH 53 in Virginia. This will provide the first step in the design development process for major highway improvements and include a thorough scoping and assessment of alignment alternatives. This study will identify a preferred preliminary alignment and profile for design development activities.

The existing TH 53 alignment is located adjacent to the east side of existing EVTAC Taconite mining operations. The EVTAC mining plan includes mining the ore body under the existing alignment of TH 53 beginning as early as the year 2012.

**Priority 2 Total Project Cost:** The total project cost of the relocation of TH 53 is \$25 million, assuming two miles of relocated TH 53 on new alignment and two new access interchanges, and assuming rough grading for roadbed accomplished with mining operations.

The Laurentian Vision Study developed a series of long-range visions for reclamation of the mining area south of Virginia. This vision included the concept of relocating existing TH 53 to the west. Planning and design of large-scale infrastructure projects take time to develop and the study process for the relocation of TH 53 needs to begin now for implementation by the year 2012.

The completion of a TH 53 relocation study will establish a preservation corridor for the relocation of TH 53 and will allow EVTAC to develop a mining plan that is compatible with the new location for TH 53. This can result in the most efficient TH 53 relocation construction cost by allowing mining operations to provide a rough grade for the relocated TH 53 corridor.

##### Impact on Agency Operating Budgets (Facilities Notes)

None.

**Virginia: Two Projects****Previous Appropriations for this Project**

None.

**Other Considerations**

Regarding Priority 1: The importance of VRMC is formalized in the City Charter, which contains a provision that the city provide healthcare services to its citizens. To that end, in 2005 the city of Virginia has bonded for over \$20 million in our regional medical center to grow regional presence as a health care provider and remain competitive with the diagnostic equipment and procedures required to ensure the highest level of care. The city of Virginia believes this project to be very worthy of state funding and appreciates your consideration of this \$750,000 request.

Regarding Priority 2: For the project to relocate TH 53, in 2008 the city expects to request \$2.5 million in additional state funds for approximately one-half the design/delivery cost. In 2010 the city expects to request \$2.5 million in additional state funds for approximately one-half the design/delivery cost.

This relocation project may be eligible for \$20 million in federal highway improvement program (80% of the \$25 million construction cost).

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**Virginia: Two Projects**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs for the city's first priority project are to be provided from local government funds. No non-state funds are identified in the project request information for the city's second priority project.
2.	Does project fulfill an important state mission? The state role in funding infrastructure at a regional hospital is unclear. Transportation is an important state mission. Mn/DOT is the entity responsible for developing projects on the trunk highway system.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? These projects are viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? The helipad project is a unique request, without comparison to other submitted local capital funding requests.
8.	Have resolutions from local governing bodies been provided? Resolutions of support dated 06/14/05 have been received from the Virginia City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A predesign has not yet been submitted for the city's first priority project. Predesign is not required for projects consisting of roads, bridges, trails or pathways.
10.	Is project disaster related? No.

## Town of White Road/Recreation Trail Project

**2006 STATE APPROPRIATION REQUEST:** \$400,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Town of White)

**PROJECT LOCATION:** Town of White (St. Louis county)

#### Project At A Glance

This request is for \$400,000 in state funding in 2006 to design and construct a new connection road system in the town of White.

#### Project Description

This request is for \$400,000 in state funding in 2006, and another \$100,000 in 2008, to design and construct a new connection road system in the town of White. It has been a part of the town of White's planning to construct a new bituminous surfaced roadway, a connection of two existing bituminous paved recreational trails and a designated snowmobile route between County Highway 138 and State Highway 135 to open direct access between the city of Aurora and the Giants Ridge recreational facilities.

The roadway will provide access between the city of Aurora and the Giants Ridge recreational facilities along with providing access to the new private development of Wynne and Sabin Lakes in the city of Biwabik. This planned lake development will create approximately 240 residential lots. Phase 1 of this development began in the spring of 2005. This roadway would include a 24-foot wide bituminous paved roadway with gravel shoulders.

#### Total Project Cost

The total project cost is \$788,112. The town of White has spent in excess of \$70,000 for engineering, land acquisition, and attorney fees to acquire the necessary property for the planned project. The town has committed to fund \$288,112 for the project. The project is the town's number one priority.

In addition to providing direct access to the above mentioned recreation areas and housing development, completion of the roadway will greatly enhance public safety. The new access from State Highway 135 will improve emergency response time for firefighters, first responders and arrival time to the White Community Hospital.

The recreational trail will link the existing Mesabi Trail system to the existing city of Aurora trail system. Currently, the Mesabi Trail is a dead-end trail which could be connected to the city of Aurora's recreational trail system by paralleling the proposed bituminous roadway. This trail is planned to be a 10-foot wide bituminous paved trail with gravel shoulders, which would match the features of the existing Mesabi Trail.

The snowmobile route would need to be established to parallel the new roadway and recreational trail to keep existing snowmobile trail system connection once a roadway is placed in the current snowmobile trail alignment. This route will include clearing and grubbing of a 30-foot corridor for winter snowmobile usage.

#### Previous Appropriations for this Project

None.

#### Other Considerations

The town of White expects to request another \$100,000 in state funding in 2008 for Phase 2 of this project.

If project funding were made available, the design/construction schedule for this project would be as follows:

Phase 1:

Engineering Design – Fall 2006 to March 2007

Advertisement for Bids – April 2007

Bid Opening – May 2007

Construction – Mid May 2007 – October 2007

Final Completion/Acceptance – Mid October 2007

**Town of White Road/Recreation Trail Project****Phase 2:**

Engineering Design – Fall 2007 to March 2008

Advertisement for Bids – April 2008

Bid Opening – May 2008

Construction – Mid May 2008 – October 2008

Final Completion/Acceptance – Mid October 2008

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Town of White Road/Recreation Trail Project**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 37% of the total project costs for all years are to be provided from local government funds.
2.	Does project fulfill an important state mission? Transportation and recreation are important state missions. However, the extent to which local transportation corridors and recreational trails are a state versus local funding responsibility is unclear.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/02/05 has been received from the Town of White Board of Supervisors.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of roads, bridges, trails or pathways.
10.	Is project disaster related? No.

## Winona: Shakespeare Festival Economic Dev.

**2006 STATE APPROPRIATION REQUEST:** \$250,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Winona)

**PROJECT LOCATION:** Winona

**Project At A Glance**

\$250,000 in state funds to provide funding for a feasibility study on a multi-purpose theater and conference center facility for the Great River Shakespeare Festival, site selection, support facilities, and predesign for the facility.

**Project Description**

This request is for \$250,000 in matching funds for the feasibility study on a multi-purpose theater and conference center facility, site selection, support facilities and preliminary design of such a facility. The study will focus on the appropriate size and economic potential of the Great River Shakespeare Festival. The feasibility study will coordinate with a Downtown and Riverfront Reuse Study which the city and Port Authority will fund and conduct over the next 12 months. The downtown portion will include an in depth review of existing downtown uses and the desire of the community to revise and redevelop the downtown area as it relates to the Great River Shakespeare Festival.

The Shakespeare Festival Economic Development Project will be responsible for the feasibility study related to the theater/conference center project and will cover feasibility, site selection, support facilities, and preliminary design work and the integration of the festival with new and existing downtown infrastructure.

**Total Project Cost**

Total square footage has not been determined, and total project costs are unknown. They are dependent on the results of the pre-design study. Estimated total project costs are between \$20 million and \$30 million.

This project has major implications to the economic vitality of southeastern Minnesota and the state of Minnesota. It is the view of the Winona community that southeast Minnesota offers a large growth potential for state tourism and the state of Minnesota share of increased tourism dollars that could be generated by some or all of the components to be looked at in the feasibility studies. The results of the study are intended to be used to attract major private sector investment dollars to the Winona community.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The facility will be owned by a public/private partnership which will be determined in the feasibility study. This same group will operate the facility.

The first phase of the project, which is the Shakespeare Economic Development Project Study, would begin in July 2006. It should be completed by July 2007. Land acquisition would begin 2008, construction start in 2009 and be completed in 2011.



**Winona: Shakespeare Festival Economic Dev.****Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Winona: Shakespeare Festival Economic Dev.**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? No non-state funds are identified in the project request information.
2.	Does project fulfill an important state mission? Economic development is an important state mission. However, the extent to which local projects are a state versus local funding responsibility is unclear.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/14/05 has been received from the Winona City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign does not apply to this type of project.
10.	Is project disaster related? No.

## Willmar: Wastewater Treatment Plant Relocation

**2006 STATE APPROPRIATION REQUEST:** \$4,000,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Willmar)

**PROJECT LOCATION:** Willmar

#### Project At A Glance

This request is for \$4 million in state funding in 2006 for a wastewater treatment plant relocation and conveyance system project in the city of Willmar.

#### Project Description

This request is for \$4 million in state funding to acquire land, pre-design, design, construct, furnish, and equip a new wastewater treatment facility to be located on city owned property, at 2944 75th Street Southwest, in Willmar, Minnesota next to the existing sludge holding facilities and approximately 5.5 miles west of the existing wastewater facility. The plant will include preliminary and advanced secondary treatment with disinfection. The plant will be design for a 20-year life with an estimated average flow of 7.5 mgd.

The preliminary treatment will include fine bar screening, raw sewage pumping and grit removal. The preliminary treated wastewater will flow to the advanced activated sludge treatment system with ammonia and phosphorous removal. Waste sludge will be thickened and stored until land is available for waste sludge spreading and incorporation. Preliminary treatment residual will be either composted or placed in a landfill.

The treatment facility will be monitored and controlled by a Supervisory Control and Data Acquisition System (SCADA) to minimize operator routine activities and maximize treatment. The facilities will be supported with standby power, heating, ventilating and air conditioning systems (HVAC), water and natural gas. Sampling and testing of the wastewater at the new wastewater laboratory will ensure water quality and efficient operation.

As part of the plant relocation there will also be sanitary sewer and lift stations constructed to shift flows from the current plant to the new plant site approximately 5.5 miles from the existing facility. Lift station location and design of new interceptor sewers will be determined during design phase of this project.

#### Total Project Cost

The total cost of this project is \$40 million. Of this amount, the city will contribute \$20 million in local funds for the project. Willmar has also been appropriated \$500,000 in federal U.S. Environmental Protection Agency (EPA Stag) funds, and expects to make a future federal request for \$9.5 million. The city anticipates requesting \$5 million in state funds in 2008, and \$1 million in state funds in 2010 for subsequent project costs/phases.

Background: The city of Willmar recently began a five-year effort to replace its aging and outdated wastewater treatment process with emerging treatment technology to protect the Minnesota River, increase capacity, and to meet new and expanding state and federal requirements. The city's 70-year old wastewater treatment plant (WWTP) discharges an average of four mgd to Hawk Creek, within the Minnesota River Basin. The city must build a new wastewater treatment plant to current requirements, replace aging equipment, and also address changing water quality standards. The project involves a complete WWTP reconstruction because of the following:

- ◆ inability of the existing wastewater treatment process to reliably meet the city's regulatory constraints;
- ◆ continued aging of the outdated treatment technology;
- ◆ continued city growth, resulting in increased flows and loadings; and
- ◆ upcoming regulatory changes in water quality associated with the Minnesota River.

Items one and two are impacted by the existing rotating biological contact (RBC) treatment process that fails to provide consistent treatment to comply with National Pollution Discharge Elimination System (NPDES) requirements. The RBC process is also incapable of providing the treatment needed to meet future NPDES requirements. Upcoming NPDES permit requirements require that the WWTP produce effluent low in phosphorous among other

**Willmar: Wastewater Treatment Plant Relocation**

substances. Therefore, the city is faced with removing the existing treatment process and installing new technology in its place.

Over the life of the existing RBCs, Willmar has experienced challenges with mechanical breakdown and other related performance issues. The city worked with its design engineer and the equipment manufacturer to minimize the impact of this technology on both the operations of the facility and overall performance of the WWTP. While overall WWTP compliance has been maintained, the long-term reliability of this technology has come under question by state and federal water pollution control authorities.

Most notably, the Clean Water Act of 1987 states that, "the U.S. EPA Administrator is authorized to make a grant to fund all of the costs of the modification or replacement of biodisc equipment (rotating biological contactors) in any publicly owned treatment works" provided a number of conditions are met. Unfortunately, the U.S. Congress did not provide a separate pool of funding for these grants and the conditions require that modification or replacement occur early in the facility life.

Statewide Impact: Willmar is currently the second highest point source contributor of phosphorus (14%) to the Minnesota River. The existing wastewater treatment plant cannot reduce these levels of phosphorus. The proposed project will reduce the levels of phosphorus discharged by 90%, improving water quality to the lower Minnesota River watershed at Shakopee. This will also help improve the water quality as the Minnesota River drains to the Mississippi River and will help reduce phosphorus in the Lake Pepin area.

Regional Impact: Willmar is a commercial and medical center supporting west central Minnesota rural/agricultural communities with goods and services. The proposed project will provide infrastructure to support the regional community. Approximately one-half the people who work in Willmar live outside the city. This project opens the possibility of development of a regional waste treatment facility that can allow smaller communities to join in Willmar's efforts to clean the environment with proven treatment infrastructure for continued regional growth.

Local Impact: Many of the problems with the city's existing wastewater treatment plant have been documented. The existing wastewater plant

cannot meet new projected permit requirements for not only phosphorus, but also total maximum daily loads (TMDL) for ammonia. The project will also eliminate sewer surcharging and overflows as well increase capacity to allow septic systems within the service area to connect to the system when necessary. The purpose of the new plant is to provide sound, proven treatment infrastructure for continued community growth, establishing environmental protection as the "first line of defense" for this community.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The facility will be owned and operated by the city of Willmar.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Willmar: Wastewater Treatment Plant Relocation**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? At least 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Improving infrastructure related to water quality is an important state mission in Minnesota. The state has existing grant programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 08/15/05 has been received from the Willmar City Council.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of dams, floodwater retention systems, water access sites, harbors, sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.

## Western Mesabi Mine: Canisteo Pit Outflow Control

**2006 STATE APPROPRIATION REQUEST:** \$2,783,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Western Mesabi Mine Planning Board)

**PROJECT LOCATION:** Bovey, Coleraine, & Trout Lake Township

#### Project At A Glance

This request is for \$2.783 million in state funding to acquire land, permitting, predesign, design, construction, administration, and supervision and the start-up period through acceptance of the project that comprises a water level and outflow control and conveyance system of the water level in the Canisteo mine pit in Itasca county.

#### Project Description

The Western Mesabi Mine Planning Board is requesting \$2.783 million in state funding to acquire land, permitting, predesign, design, construction, administration, and supervision and the start-up period through acceptance of the project following acceptable demonstration of completion and operability of a new water control and conveyance system and facilities. This project will have multiple benefits to and reduce public safety concerns in and around the cities of Bovey, Coleraine, and Taconite, and the townships of Arbo, Iron Range, and Trout Lake in Itasca County.

The water level in the Canisteo pit has been continually rising since pumping of water from this inactive group of mines was discontinued in 1986. It is expected that by 2009-2014 the water level will rise to an elevation that will cause water to overflow natural topography in an uncontrolled manner; a breakthrough in the loose soils could occur before then. If uncontrolled discharge occurs, there is a possibility of significant damage to public and private property and perhaps to life and safety in Bovey and Coleraine and possibly to property along the shoreline of Trout Lake and/or Holman Lake. In addition, while the water continues to rise, property and economic damage is occurring to a railroad route which services critical industrial facilities in

Itasca and St. Louis counties. Railroad service has been halted for almost a year due to the problems. The rising water level is leading to a situation where other public infrastructures and private property are endangered. The Board expects that the timely selection and construction of a water level and outflow control system will improve public safety, reduce the threats to public and private property, and provide environmental benefits to Trout Lake's water quality. A new system will also serve an important role in ameliorating regional economic disruptions.

The physical situation was initially identified several years ago, and recognition of the threat has increased as the water level has continued to rise. Programs are in place that monitor and report on water level changes. Data indicate that the water levels are continuing to increase. Substantial additional information related to the proposed project has also been collected and developed, and there has been substantial public involvement in and support for the project. Although they have not made any commitment to participate, federal agencies are also aware of the situation.

This project has already included very significant amounts of funds. Two major studies, funded by public and private sources, were done as part of the problem study to identify and quantify major aspects of the problem, to identify a range of options to solve the problem, and to perform preliminary engineering and comparative feasibility studies of the identified options. The studies provide substantial detail that serves as a basis for the project. The studies cost more than \$145,000. Itasca County, the Iron Range Resources Board, several local cities and townships, the state Department of Natural Resources Flood Damage Reduction program, and some private firms all provided funds for the studies. There have also been substantial in-kind donations of time, professional services and expenses from a large group of interested local citizens.

The Board has identified several possible sources of funding for the present stage of the project (land acquisition, next-stage engineering, permitting, construction, administration and supervision, and start up). These include several types of possible federal funding, money from state appropriations, and from other sources where such can be identified. However, at the present time the board has not obtained any other funds for the project.

**Western Mesabi Mine: Canisteo Pit Outflow Control**

The Board has identified its preferred alternative and has launched studies that are preparatory to permitting. As soon as funding is available, the Board is ready to commence detailed engineering, permitting, land acquisition, and construction of the project in a timely manner.

**Total Project Cost**

The total probable project cost for the Board's preferred alternative is \$2.783 million. However, a definitive cost estimate for the total project will only be available after the next stage of engineering work is completed and construction bids are solicited.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Other Considerations**

The Western Mesabi Mine Planning Board will be designated as the owner and operator of the project. It is possible that in the future the project ownership and operation could transfer to one or more of the local government units that are members of the joint powers board.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Western Mesabi Mine: Canisteo Pit Outflow Control**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? No non-state funds are identified in the project request information.
2.	Does project fulfill an important state mission? Floodwater control is an important state mission. The state has an existing grant program to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for flood control projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 06/09/05 has been received from the Western Mesabi Mine Planning Board (joint powers board).
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of dams, floodwater retention systems, water access sites, harbors, sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.



**Wright: Regional Park Land Acquisition, Protection**

**2006 STATE APPROPRIATION REQUEST:** \$6,000,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Wright County)

**PROJECT LOCATION:** 150-200 acres in Franklin &/or Rockford TWP, 200 acres in French Lake TWP, 800 acres in Monticello TWP

**Project At A Glance**

\$6 million in state funds is requested to acquire regional park land and protect open space and natural resource areas for future public recreation.

**Project Description**

Wright County is requesting funds that will be used for regional park land acquisition and protection. This request includes three parcels of property within Wright County. The first parcel is located in Monticello Township and is currently owned by the YMCA of Minneapolis. The second parcel is located in French Lake Township and has a private willing seller. The third property has yet to be identified and will be located in the southeast part of Wright County.

Wright County is requesting \$6 million in state funding to purchase land and to protect very important open space and natural resource areas for future public recreation. Wright County is one of the fastest growing counties in the state of Minnesota, and with an increase in population and development comes an increase in pressure to establish areas in which the public can enjoy recreational activities. Rising land prices have made it almost impossible for the county to provide 100% of the funds necessary to purchase land for regional park facilities that will serve this growing population. Without assistance from the state of Minnesota, similar to that which was given to the metro area Regional Park Systems, Wright County will find it difficult, if not impossible, to preserve land today for tomorrow's needs.

**Total project costs**

Total project costs are believed to be around \$12 million, with \$6 million to come from the state of Minnesota and the other \$6 million to come from a local government match. At this time, no additional state funds for these projects are anticipated.

With adequate funds, it is anticipated that we will be able to purchase 1,200 to 1,400 acres of land in Wright County. The first parcel is 800+ acres located in Monticello Township and is currently being used as a YMCA Day Camp. This property has recreational lakes that are not developed, but which will provide recreational opportunities for a regional population. The second property is approximately 200 acres, located in French Lake Township, and is in close proximity to another county facility. The addition of this parcel to the current facility will turn this into a significant resource for residents of both Wright and Meeker Counties. The third property is approximately 150 to 200 acres and is located in Franklin and/or Rockford Township. This parcel has not yet been identified; but once a regional recreational facility is established, it will serve the west metro area as well as portions of Carver County and southeastern Wright County.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

Wright County will own and operate each of these facilities. All project costs identified in this request are for land acquisition only, and Wright County does not plan to request grant money in the future for operations or maintenance of these areas. Wright County expects to complete land acquisition by the end of 2007.

**Wright: Regional Park Land Acquisition, Protection****Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Wright: Regional Park Land Acquisition, Protection**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 50% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Providing recreational opportunities is an important state mission in Minnesota. However, the degree to which local projects should be funded, as contrasted with state projects, is unclear.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? A resolution of support dated 10/04/05 has been received from the Wright County Board of Commissioners.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is likely not required for this type of project.
10.	Is project disaster related? No.

## Wrenshall: Water Tower Improvements

**2006 STATE APPROPRIATION REQUEST:** \$150,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (City of Wrenshall)

**PROJECT LOCATION:** Wrenshall

**Project At A Glance**

\$150,000 in state funds is requested to design and construct water tower improvements in the city of Wrenshall.

**Project Description**

The city of Wrenshall is currently completing a Water System Evaluation and Feasibility Study to assess the current condition and future flows for the Wrenshall area. The study is reviewing the entire water system, including: supply, treatment, storage, and distribution. Based upon this review it is apparent that the city must take immediate action to address water storage issues within the community.

This application will address the storage issues within the city by constructing a new-elevated water storage tower to serve the Wrenshall area. The new water tower will be hydraulically designed to serve the entire city of Wrenshall service area with adequate water pressures.

The city of Wrenshall is currently operating a water system that is comprised of several pressure tanks and an existing standpipe and high service pumps to provide water storage within the system. The result of this type of system is that the system pressures at the treatment facility range from 40 psi to 60 psi and long-term operation and maintenance costs are significantly higher than those of a elevated tower. The existing water distribution system is very fragmented, and was designed/constructed with several small diameter dead-end water lines creating both safety and operational concerns. The existing water system does not provide adequate water storage or provide acceptable system pressures and/or fire flows throughout the city of Wrenshall system.

Based upon these concerns as well as future land use and utility planning efforts, the city is requesting to be included in the 2006 Capital Budget Bonding Bill to help finance a portion of the project. The city of Wrenshall will contribute \$350,000 to the project; the total project cost is estimated to be \$500,000.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Previous Appropriations for this Project**

None.

**Other Considerations**

The installed infrastructure (water tower, pumps, watermain, etc.) will be owned and operated by the city of Wrenshall Public Works Department.

The project's engineering design phase is currently being completed.

**Project Contact Person**

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**Wrenshall: Water Tower Improvements**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Wrenshall: Water Tower Improvements**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 70% of project costs are to be provided from local government funds.
2.	Does project fulfill an important state mission? Maintaining or improving infrastructure related to water quality is an important state mission in Minnesota. The state has existing grant programs to provide financial assistance in these areas.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? The number of local water infrastructure requests suggests that additional requests will likely be forthcoming from local units of government if the state provides funding for this project.
7.	Does project compete with other facilities? No.
8.	Have resolutions from local governing bodies been provided? A draft resolution of support from the Wrenshall City Council was provided in June 2005.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of dams, floodwater retention systems, water access sites, harbors, sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.

## Washington RRA: Red Rock Corridor Transitway

**2006 STATE APPROPRIATION REQUEST:** \$1,000,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Washington County Regional Rail Author.)

**PROJECT LOCATION:** various locations in Washington county

#### Project At A Glance

This request is for \$1 million in state funding to implement improvements and to continue the planning activities for the Red Rock Corridor Transitway. Activities to be funded out of the \$1 million include matching federal funds, completing environmental documents, station area master planning, and improvements that benefit the mobility of the corridor. (This is a joint request with Ramsey County Regional Rail Authority.)

#### Project Description

The Red Rock Corridor is a 30-mile transportation corridor running from Hastings through downtown St. Paul to downtown Minneapolis traversing the counties of Dakota, Washington, Ramsey, and Hennepin. It is roughly parallel to Trunk Highway 61 (TH 61) and Interstate 94 (I-94) including the Burlington Northern Santa Fe and Canadian Pacific rail lines. This corridor is experiencing severe congestion, particularly at I-35E and I-94, I-94 and TH 61, TH 61 and I-494, and along I-94 between St. Paul and Minneapolis.

Southeast Metro residents have few alternatives to TH 61 and I-94 for accessing downtown St. Paul and Minneapolis as the Mississippi and Minnesota Rivers create significant barriers. Bridges that cross these rivers include the Wakota Bridge (I-494), TH 52, I-35E, and the Mendota Bridge (TH 55) all of which are experiencing severe congestion.

The Metropolitan Council's Twin Cities "Transportation Policy Plan" forecasts that these corridors will become increasingly congested as the region grows and more travel demands are placed upon them. Additionally, there are no major improvements identified for these corridors prior to 2025 other than

what is currently under construction (Wakota Bridge Project, and I-35E Mississippi River Crossing).

Because of the "Transportation Policy Plan" and "Minnesota Department of Transportation (Mn/DOT) Commuter Rail System Plan," a commuter rail feasibility study was undertaken for the corridor to determine if commuter rail could provide improved mobility throughout the 30-mile transportation corridor from Hastings through St. Paul to Minneapolis.

The Red Rock Corridor Commuter Rail Feasibility Study completed in 2001 analyzed commuter rail for implementation in the corridor. The study determined that commuter rail was technically feasible to construct and its costs were comparable to other systems throughout the country, but further analysis was needed prior to selecting commuter rail as the preferred transit alternative.

In 2004, the Red Rock Corridor Commission (RRCC), a joint powers board of corridor municipalities, began an Alternatives Analysis to be completed in 2005 that will identify transit alternatives for the corridor to progress into environmental work. This study will be funded with federal and local (non-state) funds and upon completion funding will be needed for the completion of environmental work and station area master planning. The RRCC will continue to working with Mn/DOT and the Metropolitan Council as the Red Rock Corridor progresses toward implementation.

Prior to the implementation of the preferred transit alternative, the corridor will seek funds to implement interim transportation improvements that improve the mobility of corridor residents.

#### Total Project Costs

Implementation of commuter rail in the Red Rock Corridor is estimated to cost \$422 million in 2010 dollars (Red Rock Corridor Commuter Rail Feasibility Study, 2001).

There are several studies that need to be completed prior to the construction of the line including the environmental documentation, station area master planning, preliminary engineering, and final design. These studies will

## Washington RRA: Red Rock Corridor Transitway

continue to refine the cost estimates that were produced in the feasibility study. The costs will be split as follows:

Construction (\$422 million in 2010 dollars)

Federal: \$211 million (50%)  
 State: \$168.8 million (40%)  
 Local: \$ 42.2 million (10%)

Studies (\$18 million in 2010 dollars)

Federal: \$14.4 million (80%)  
 Nonfederal: \$ 3.6 million (20%)

A capital cost has not been determined for implementing bus rapid transit in the corridor. This option will be studied as part of the Alternatives Analysis currently underway.

Mn/DOT is investigating the implementation of high-speed rail between the Twin Cities and Chicago. Currently, the identified corridor is the same corridor as Red Rock. This sharing of corridors provides for the unique ability to have improvements made for one project providing additional benefit to the other.

*Nonstate Funds to be contributed to the Project*

Non-state funds available or to be contributed to the project include the following:

- ◆ Alternatives Analysis - Total Cost: \$650,000
  - Federal: \$500,000
  - Dakota, Washington, Ramsey, and Hennepin County Regional Railroad Authorities: \$150,000
- ◆ Draft Environmental Impact Statement -- Total cost to complete: \$2.25 million
  - Federal: \$1.185 million
- ◆ Preliminary Engineering and Final Environmental Impact Statement
  - Funds are being requested from state and federal sources
- ◆ Final Design
  - Funds will be requested from state and federal sources

- ◆ Construction

Funds will be requested from state (40%), federal (50%) and local governments (10%).

### Impact on Agency Operating Budgets (Facilities Notes)

State operating funds will be requested once a transitway (commuter rail, bus rapid transit) is implemented in the corridor. Costs provided are from the Red Rock Corridor Commuter Rail Feasibility Study, 2001 and are for commuter rail only. Operations and maintenance costs are estimates only and are in 2010 dollars. These costs will be refined through future studies including the Alternatives Analysis.

Operations and maintenance costs of \$7.9 million a year are estimates only and are in 2010 dollars. These costs will be refined through future studies including the Alternatives Analysis.

### Other Considerations

In 2008, funding from the state will be requested for the completion of Preliminary Engineering estimated to cost \$7 million. Under Scenario 1 Washington County Regional Railroad Authority (WCRRA) will request \$1.4 million in state funds to match \$5.6 million in federal funds. Under Scenario 2 WCRRA will request \$7 million in state funds

In 2010, funding from the state will be requested for the completion of Final Design estimated to cost \$12 million. Under Scenario 1 WCRRA will request \$2.4 million in state funds to match \$9.6 million in federal funds. Under Scenario 2 WCRRA will request \$12 million in state funds.

The Red Rock Corridor Transitway Project does not have a construction start or end date identified. The Red Rock Corridor is identified in Mn/DOT's Commuter Rail System Plan, 2000 as the second commuter rail line for implementation in the Twin Cities once the Northstar Corridor is constructed. Additionally, it is identified in the Metropolitan Council's "Transportation Policy Plan."

If commuter rail is constructed in the corridor, state statute identifies Mn/DOT as the party responsible for its implementation. If the facility is bus rapid



**Washington RRA: Red Rock Corridor Transitway**

transit then the owner will be the Metropolitan Council as they are the transit agency for the Twin Cities Metropolitan Area.

The operator of the facility will be Mn/DOT, the Metropolitan Council, or a private entity, depending on which one is more cost effective.

The Ramsey County Regional Rail Authority has identified this project as its number three priority request.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.

**Washington RRA: Red Rock Corridor Transitway**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? Yes, although the relative percentage of non-state funds for the project varies significantly depending upon the piece of the project.
2.	Does project fulfill an important state mission? Transportation is an important state mission. Mn/DOT is the state agency responsible for developing commuter rail; in the metropolitan area Mn/DOT is to ensure that commuter rail will be integrated with the metropolitan transit and transportation systems.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? Yes. The Rail Authority estimates that operating and maintenance costs will be about \$7.9 million per year.
6.	Are inequities created among local jurisdictions? This project should be considered alongside the other transit plans and projects that are under discussion for the seven-county metropolitan area.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? Not yet received.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? Predesign is likely not required for this type of project.
10.	Is project disaster related? No.

## Wild Rice Watershed District: Three Projects

**2006 STATE APPROPRIATION REQUEST:** \$4,920,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (Wild Rice Watershed District)

**PROJECT LOCATION:** Flowing Township (Clay County), Wild Rice River (Norman County)

#### Project At A Glance

The Wild Rice Watershed District requests funding for three projects (in priority order):

- ◆ \$2.65 million to design and construct the Upper Felton Storage Project, a flood water storage area
- ◆ \$770,000 to conduct a feasibility study to provide flood protection along 23 miles of the Wild Rice River
- ◆ \$1.5 million to design and acquire land for the implementation of a storage initiative along the South Branch of the Wild Rice River

#### Project Descriptions

##### Priority 1: Upper Felton Storage Project

This request is for \$2.65 million in state funds in 2006 to design and construct a flood water storage area within the Felton Ditch sub-basin to reduce flood damages within the sub-basin as well as down stream along the Wild Rice and Red Rivers.

The Wild Rice Watershed District (WRWD) began pursuing floodwater storage within the Felton Ditch sub-basin as part of WRWD's Overall Watershed Management Plan. The primary purpose of the proposed project is to reduce flood damages within Felton Ditch sub-basin as well as downstream along the Wild Rice and Red rivers. The details of the secondary purpose have not been identified explicitly, however they could include a combination of the following: land set-aside, prairie and wetland restorations, education and recreation areas, and low flow augmentation.

**Priority 1 Total Project Cost:** The total cost of the Upper Felton Storage project is \$5.3 million. The WRWD is requesting \$2.65 million, or half of the cost of the project, from the state. The Red River Management Board will contribute \$1,772,500, and local assessment will contribute another \$463,750. Other outside sources, to be identified, will contribute the remainder of the project costs (\$463,750 or 8.75% of the project).

The proposed project will generally have the following features:

- ⇒ The project will control floodwaters from an approximately 29.8 square mile drainage area until downstream channels can accommodate the flow.
- ⇒ The storage area is proposed to have a total capacity of approximately 7,140 acre-feet (4.5 inches), of which 4,670 acre-feet (2.9 inches) will be gated to provide detention times in excess of 30 days, if needed.
- ⇒ The flood pool is proposed to cover approximately 885 acres when full to the emergency spillway crest.

The WRWD is in the process of securing the land needed to complete the project. Project design is to be completed in time to begin construction in the spring of 2007; construction would be completed in the fall of 2009.

##### Priority 2: Wild Rice River Feasibility Study

This request is for \$770,000 in state funds in 2006 to complete Phase 2 of the feasibility study to provide flood protection against the 10-year summer flood and ecosystem restoration by implementing setback levees and channel/riparian corridor restoration along 23 miles of the Wild Rice River.

The WRWD completed Phase 1 of the Wild Rice River Feasibility Study in July 2005. The study was a joint effort between the WRWD and the U.S. Army Corps of Engineers. The main objective of the study was the development of alternatives to provide flood protection against the 10-year summer flood and ecosystem restoration for the Lower Wild Rice River area. Phase 1 of the feasibility study investigated the potential for setback levees, restoration of the river channel between the setback levees, and diversions.

Four alternatives were developed and analyzed in Phase 1. The Federally Preferred alternative (FPA) consists of the implementation of setback levees

## Wild Rice Watershed District: Three Projects

and channel/riparian corridor restoration along 23 miles of the Wild Rice River:

- ⇒ The FPA has an estimated cost of \$47.1 million. Any ecosystem restoration project would be cost shared 65% federal and 35% non-federal for design and construction.
- ⇒ The FPA scored a national significance rating of 75 out of a possible score of 80.

In order to proceed with further development of the FPA and be eligible for the 65/35 future cost share, the WRWD needs to first complete Phase 2 of the feasibility study. Phase 2 will include more detailed analysis such as final plan formulation, geotechnical studies, ecosystem restoration analysis, etc. It is estimated to require two years to complete Phase 2.

**Priority 2 Total Project Cost:** The total cost of the Phase 2 feasibility study is \$1.54 million. The WRWD is requesting state funding for 50% of this cost. The WRWD has received 50% of the funding for the study (\$770,000) from the federal government, through the U.S. Army Corps of Engineers.

**Priority 3: Storage Initiative – South Branch of the Wild Rice River**

This request is for \$1.5 million in state funds in 2006 to design and acquire land for the implementation along the south branch of the Wild Rice River of five smaller floodwater storage sites and one larger off-channel site.

In June 2005 the WRWD completed a South Branch Storage Initiative (SBSI) Plan for the south branch of the Wild Rice River. This evaluation was completed as a joint effort with the U.S. Army Corps of Engineers. The main goal of the evaluation was to identify groups of projects that would provide a 30-40% reduction in the 10-year discharge at the outlet of the south branch of the Wild Rice River.

The SBSI Plan consists of the implementation of five smaller storage sites in the upper basin in combination with one large off-channel storage site in the lower basin:

- ⇒ The five upper basin sites would provide a total of 6,450 acre-feet of flood storage.

- ⇒ The lower off-channel storage facility would provide approximately 15,000 acre-feet of flood storage.

The SBSI Plan would control floodwaters from an approximately 250 square mile drainage area. As proposed, the planned sites provide about a 37% reduction in flow in the south branch of the Wild Rice River at the confluence of the Wild Rice River. In addition, the plan would provide substantial natural resource enhancement and significant bank erosion reduction along the south branch of the Wild Rice River.

**Priority 3 Total Project Cost:** The total cost of the storage initiative for the south branch of the Wild Rice River is \$21 million. At this point the WRWD has identified \$10.5 million in non-state funding for the project.

The WRWD also anticipates requesting an additional \$2 million for the project from state bond funds, in both 2008 and 2010.

The storage sites envisioned by the project would be constructed over a ten-year period. Funding allocated in 2006 would be used to begin project design and land acquisition.

**Impact on Agency Operating Budgets (Facilities Notes)**

None.

**Other Considerations**

Each project will be owned and operated by the WRWD. Land within a flood pool will be purchased by the WRWD or an easement will be purchased by the WRWD.

**Wild Rice Watershed District: Three Projects****Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for these projects.

**Wild Rice Watershed District: Three Projects**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? For the District's #1 and #2 priority projects, 50% of project costs are to be provided from local government funds. For the District's #3 priority project, 74% of project costs are to be provided from non-state funds.
2.	Does project fulfill an important state mission? Floodwater control is an important state mission. The state has existing programs to provide financial assistance in this area.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? These projects are viewed as having primarily a local benefit.
5.	Are state operating subsidies required? No.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? Resolutions of support dated 09/14/05 have been received from the Wild Rice Watershed District Board of Managers.
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A project predesign is not required for projects consisting of dams, floodwater retention systems, water access sites, harbors, sewer separation projects, or water and wastewater facilities.
10.	Is project disaster related? No.

## Southwest MN Regional Event Center

**2006 STATE APPROPRIATION REQUEST:** \$12,774,000

**AGENCY PROJECT PRIORITY:** 1 of 1 (SW MN Event Center)

**PROJECT LOCATION:** Marshall (Southwest MN State University campus)

#### Project At A Glance

\$12.774 million is requested to design, construct, furnish and equip a multipurpose Regional Event Center, to be located on the campus of Southwest Minnesota State University in Marshall.

#### Project Description

This request for \$12.774 million in state funding, along with a \$5 million contribution from private sources, will provide funding for the construction of a 55,992 gross square feet (GSF) Regional Event Center for southwestern Minnesota. The Center will be located on the campus of Southwest Minnesota State University (SMSU) in Marshall.

The facility will be an important, regionally significant force for rural economic development. Specifically, it will provide an attractive multipurpose venue to house and support an array of activities ranging from collegiate and elementary/secondary sporting events, youth athletic tournaments, and community and regional cultural events. SMSU, already the educational and cultural hub of the region, will provide an ideal site for this center. The center will also provide a venue for university and regional graduations, convocations, exhibitions, and presentations. In short, the facility will enhance opportunities for cultural, educational, and athletic enrichment for multiple entities including the University, local and regional schools, communities, businesses, and corporations.

Building on strong partnerships that already exist among the University, the city of Marshall, Lyon County, the Marshall School District and local corporations, we will, through the regional Event Center, further expand the existing spirit of cooperation in the larger 19-county region of southwestern

Minnesota. By providing a venue for year-round programming, the citizens of southwest Minnesota will have an equitable state in accessing a wide range of cultural, social, educational and athletic activities.

Among the anticipated uses of the Regional Event Center are:

- ◆ Sectional and state tournaments
- ◆ Community youth programs
- ◆ Meeting and conference space for corporate and community functions
- ◆ Regional soccer tournaments
- ◆ Local and regional flag football, rugby and other sporting contests
- ◆ Marching band exhibitions and competitions
- ◆ Campus and coaches clinics, ranging from football and soccer to marching band and cheerleading
- ◆ Boy's State
- ◆ Community, university and regional concerts
- ◆ Presentations of varying types, including inspirational, motivational and political events
- ◆ Convocations, graduations, and recruitment programs
- ◆ All local high school and university football events
- ◆ University, school district, and community soccer contests
- ◆ Off-season practice areas for sports, such as baseball, softball and golf

Approval of this request will allow the creation of an outstanding facility to support regional economic development as well as regional access to a wide range of cultural, education and social opportunities.

**Total Project Cost:** The total cost of the Regional Event Center is \$17.774 million. In addition to the \$12.774 million request for state funding, \$5 million (28% of the total) will be contributed by private sources.

#### Impact on Agency Operating Budgets (Facilities Notes)

#### Previous Appropriations for this Project

None.

#### Other Considerations

**Southwest MN Regional Event Center**

Due to the size of the private contribution for this project, the project is requested to be exempt from the usual debt service requirement that applies to building requests on a MnSCU campus.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funds for this project.



**Southwest MN Regional Event Center**

<b>Evaluation of Local Projects</b>	
1.	Are non-state matching funds contributed? 28% of project costs are provided from non-state funding sources.
2.	Does project fulfill an important state mission? The state role in funding event center-style projects is unclear and has varied considerably from one biennium to another.
3.	Has a state role been expanded in a new policy area? See #2 above.
4.	Is project of local, regional, or statewide significance? This project is viewed as having primarily a local or regional benefit.
5.	Are state operating subsidies required? No. To the extent that the completed Center results in increased operating costs at Southwest Minnesota State University, MnSCU may experience an increase in operating costs at that campus.
6.	Are inequities created among local jurisdictions? If funded, other local jurisdictions could seek state funding for similar projects.
7.	Does project compete with other facilities? Not significantly.
8.	Have resolutions from local governing bodies been provided? N/A
9.	Is predesign (required if construction cost is over \$1.5 million) completed? A predesign has not yet been submitted.
10.	Is project disaster related? No.