

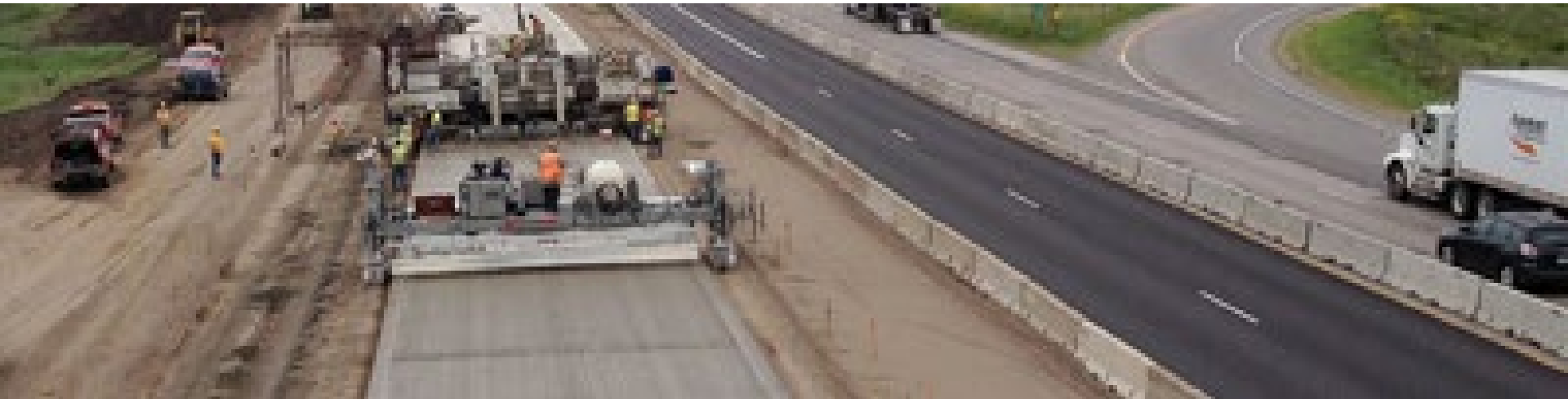


Capital Programs & Corridors of Commerce Update

Patrick Weidemann

Director of Capital Programs

mndot.gov/



Capital Programs Update

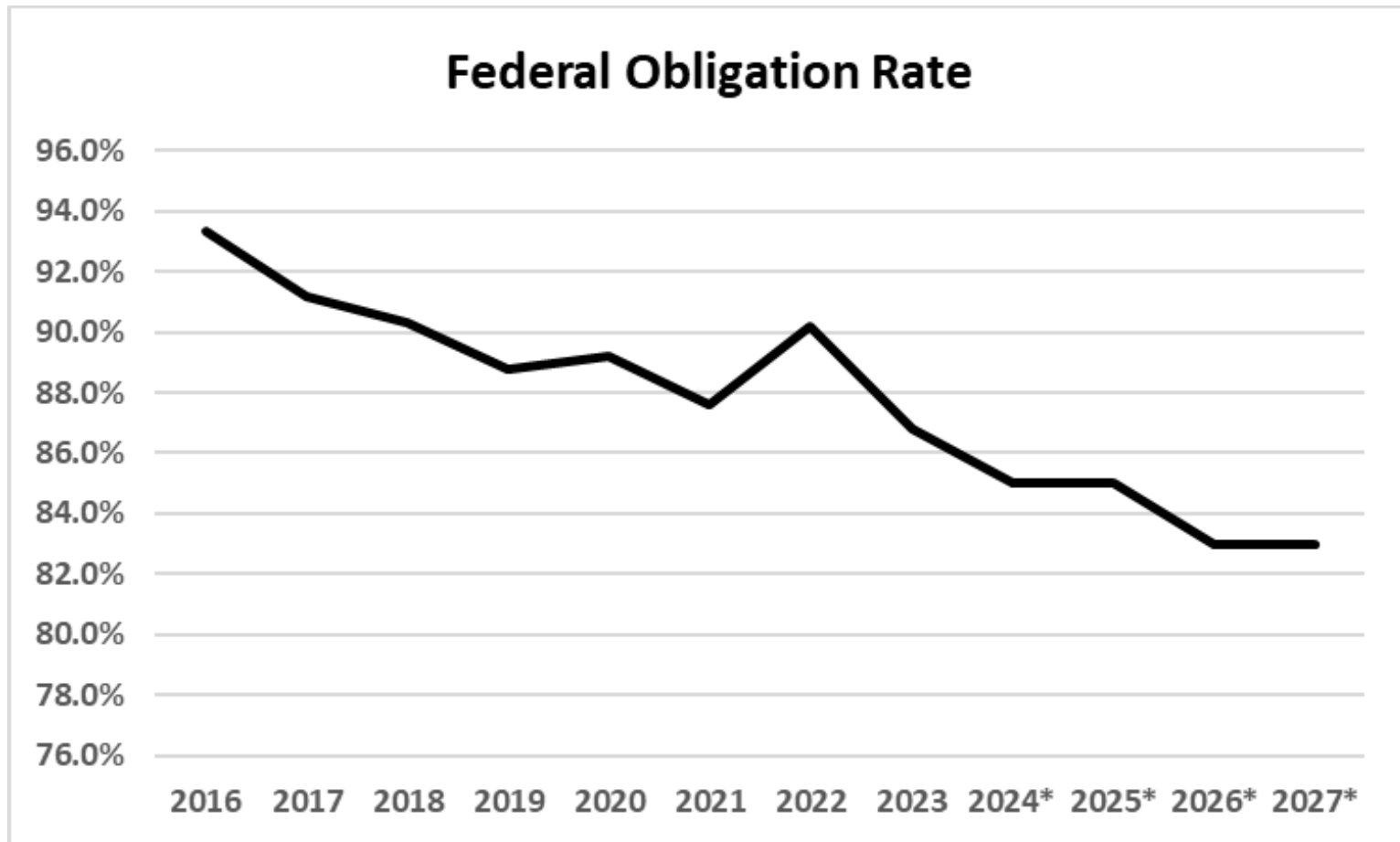
State of Minnesota Forecasted Target for Federal Funds

	2024	2025	2026	2027
2022 Federal Funding Target	\$872 M	\$888 M	\$904 M	\$904 M
2023 Federal Funding Target	\$865 M	\$870 M	\$857 M	\$847 M
Difference	-\$ 7 M	-\$ 18 M	- \$ 47 M	-\$ 57 M

Obligation Rate

- Is the percentage of actual federal funding FHWA provides to Minnesota each year, compared to the total amount of contract authority provided by the current transportation authorization act (In this case, IIJA/BIL).
- 100% would represent every dollar authorized being provided to the states.
- Historically the obligation rate has been between 90-93%

Obligation Rate



*Indicates MnDOT forecast

Reasons Behind Declining Rate

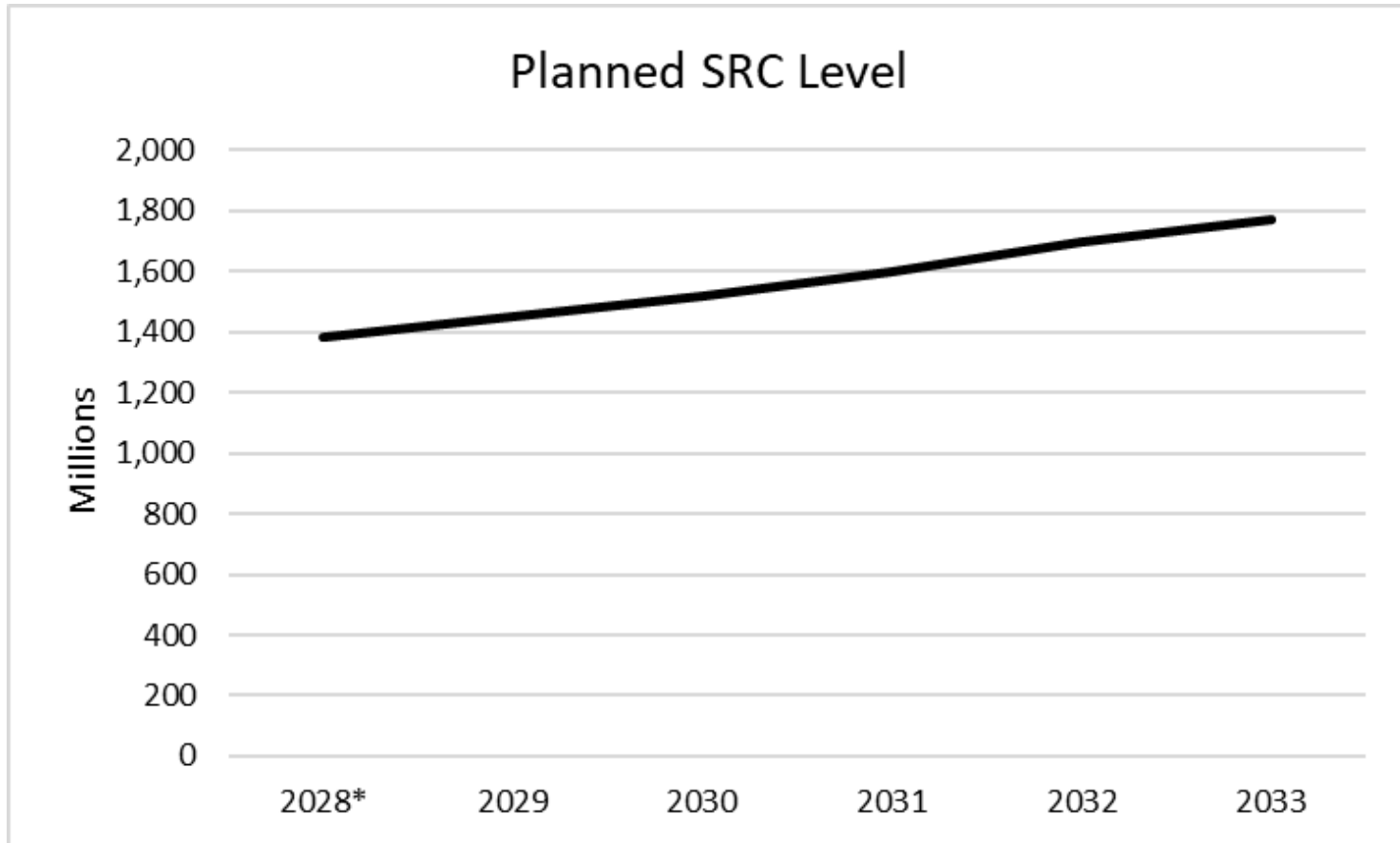
- Lower appropriation levels than those authorized by IIJA.
- Slow start of spending by national competitive grant programs and continued commitment to those grant programs.

MnDOT

Forecasted Target for State TH Funds

	2024	2025	2026	2027
2022 State Funding Target	\$383 M	\$383 M	\$383 M	\$383 M
2023 State Funding Target	\$475 M	\$475 M	\$475 M	\$475 M
Difference	\$82 M	\$ 82 M	\$ 82 M	\$ 82 M

CHIP 6-Year Planning Levels for State Road Construction (SRC)



*2028 Planned level is significantly higher than our forecasted program level , which is normal.

New Federal Programs

Carbon Reduction and PROTECT

- MnDOT is working on developing strategic statewide priorities for the Carbon Reduction Program and a Resiliency Improvement Plan (RIP) for the PROTECT program.
- MnDOT will be programming projects to spend both new funding programs, as a part of the 2025-2028 STIP development.
- Carbon Reduction is forecasted at about \$40 M for the next four years and PROTECT is forecasted at about \$88 M for the same time-period.
- Contact Amber Dallman with questions

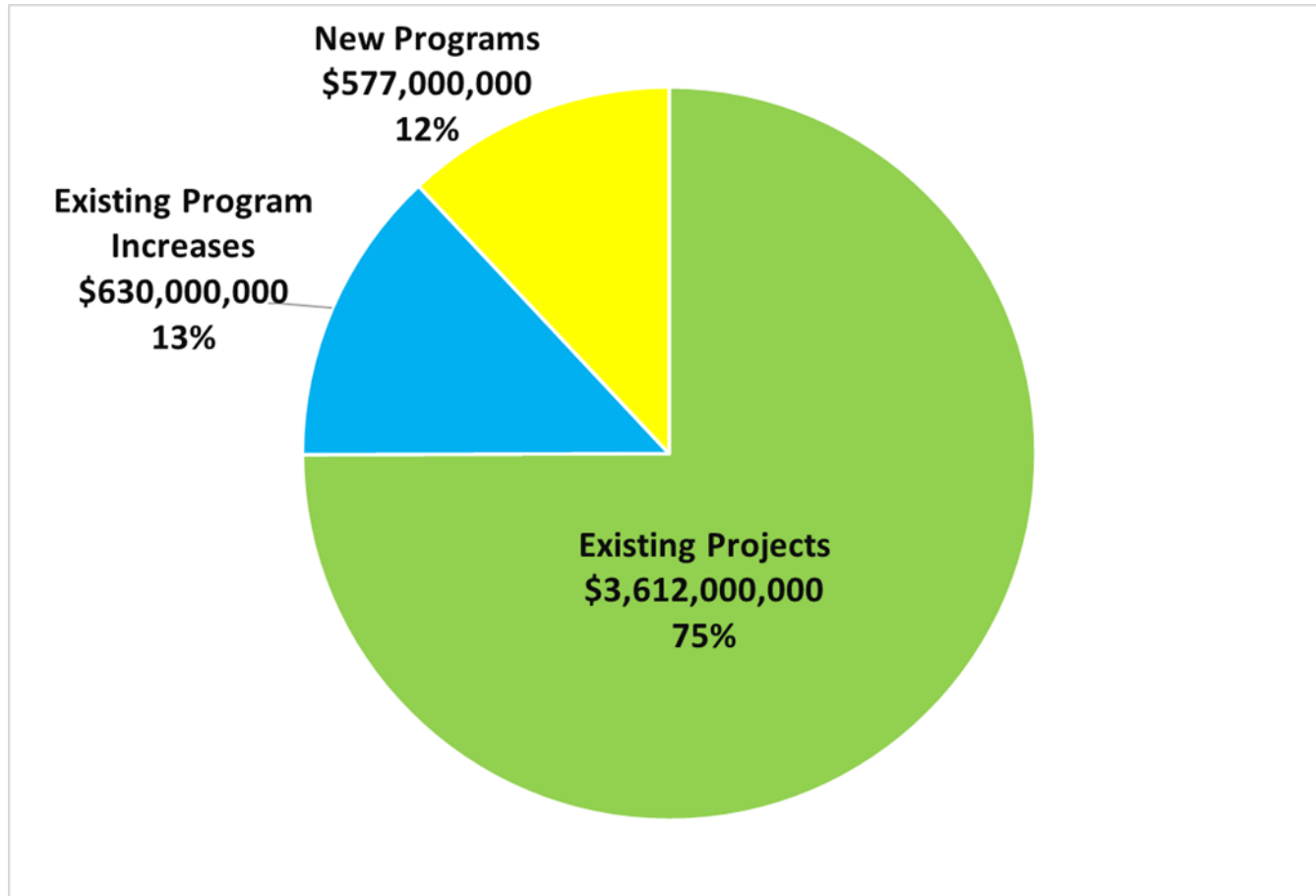
New Federal Program - NEVI

- The National Electric Vehicle Infrastructure (NEVI) program funding is anticipated to be \$66.2 M from IIJA.
- MnDOT anticipates spending these dollars over the next 1-5 years, beginning in FY 2025.
- RFP for potential site hosts is expected sometime this coming spring.
- This program is funded by a one-time transfer of General Funds and MnDOT is not planning for the program to continue post-IIJA.
- Contact Amber Dallman with questions.

New Federal Program – Bridge Fund

- A total of \$313 M in federal funds is expected to be spent on bridges just from the new Bridge Fund Program in Minnesota over the next 4-years (excludes other funding for bridges).
 - \$277 M will be on MnDOT Trunk Highways
 - \$37 M will be on local off-system bridges
- This program is funded by a one-time transfer from the General Fund and MnDOT is not planning for the program to continue post-IIJA.

IIJA Formula Funding Breakdown





Corridors of Commerce

COC Funding History

Year	Total Funding
2013	\$300,000,000
2014	\$6,500,000
2015	\$25,000,000
2017	\$425,000,000
2018	\$425,000,000
2021	\$250,000,000
2023	\$153,000,000
Total	\$1,584,500,000

2023 Legislative Impacts

- A. Provided an additional \$153 M in bonding for this selection round.
- B. Eliminated “Regional Balance” and instead created three area allocations;
 - I. Metro Projects – Projects located inside, on, or connected to the I-494/694 beltway.
 - Will refer to these at “Metro Core Projects” to reduce confusion
 - II. Metro Connector Projects – Projects located outside of the Metro Core Projects area, but that are located in Hennepin, Ramsey, Anoka, Carver, Dakota, Scott, Washington, Chisago, Isanti, Sherburne, or Wright county.
 - III. Regional Center Projects – Projects located outside of the Metro Core Projects and Metro Connector Projects area.

2023 Legislative Impacts

- C. Allocated specific funding percentages to each allocation group;
 - Metro Core Projects – 25% to 27.5%
 - Metro Connector Projects – 35% to 37.5%
 - Regional Center Projects – 35% to 40%
- D. Required the allocated percentages be based upon the current funding and previous two award rounds.
- E. Authorized the Commissioner allocate up to 10% of funds available in each fiscal year for Project Readiness activities on potential future COC project candidates.

2023 Legislative Impacts

- F. Developed a new “Phased” project selection process which will require a complete re-work of our current project selection process.
- G. Expanded eligibility for future Corridors of Commerce funding beyond the Interregional Corridor System in greater Minnesota to include all roads on the National Highways System (NHS).
- H. Provided varying amounts of legislatively directed funding (earmarks) to several of the candidate projects for COC #4.

2023 Legislative Impacts: 2023 Awards Allocation Determination

2023 Legislation set the allocation percentages to the three allocation groups and required it to be calculated based upon the current funding and previous two award rounds.

Funding Year	Metro Core	Metro Connector	Regional Center Connector
2017	\$204,000,000	\$217,000,000	\$0
2018	\$119,000,000	\$0	\$233,000,000
2023	\$0	\$223,000,000	\$180,000,000
Total for 3-Cycles	\$323,000,000	\$440,000,000	\$413,000,000
Percentage	27.5%	37.4%	35.1%

2023 Legislative Impacts

Phased Project Selection Process

- Much of the phased process is the same as the current COC process.
- However, a new “Phase 2” (which occurs after project solicitations) is required that has Local Screening Bodies do the following:
 1. Review and screen all submittals for their respective area.
 2. Seek non-binding approval or disapproval from members of the legislature regarding each project.
 3. Recommend which projects proceed to “Phase 3 Scoring” up to the maximum number allowed for that screening body by the law.

2023 Legislative Impacts: Phased Project Selection – Screening Bodies

Screening Body	Maximum Number of Recommended Projects for Each	Total Number of Recommended Projects
Each Greater Minnesota Area Transportation Partnership	3	21
Met Council in consultation with the Transportation Advisory Board	4	4
Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, & Wright counties	2	24
Maximum Number of Recommended Projects for Scoring		49

2023 Selected Projects - Summary

- The total amount of 2023 cycle funding going towards construction projects is \$381 M.
- There is a project in five of the eight MnDOT districts, including MnDOT's Metro District.
- \$22 M (\$11 M each for Metro Connectors & Regional Connectors) is available for future Project Readiness Projects.

2023 Selected Projects

District	Roadway	Description	Amount of COC Award
M	TH-13	Quentin Ave (Savage) to Nicollet Ave (Burnsville) grade separations	\$96,000,000
3	I-94	Albertville to Monticello lane expansion	\$78,000,000
6	TH 14	Jct. of CSAH 44 (Byron) – Construct grade separation	\$60,000,000
3	TH 371 & TH 210	Construct a grade separation (Baxter)	\$58,000,000
8	TH 23	Jct. of MN-9 (New London) – Construct a grade separation.	\$33,000,000
M	TH-65	103 rd Ave to 117 th Ave (Blaine) grade separations	\$30,000,000
1	TH 53	Eveleth to Virginia Improvements	\$18,000,000
M	TH-10	CSAH 78 to CSAH9 (Coon Rapids) 4-6 lane expansion	\$8,000,000
Future Project Readiness Funding			\$22,000,000

Future – Project Readiness Solicitation

- MnDOT will need to develop a new scoring system for Project Readiness and implement the new Phased Solicitation process before soliciting for potential project for this funding.
- The earliest the Project Readiness solicitation will occur is the fall/winter of 2024.
- MnDOT will also need to touch base with each of the Local Screening Bodies, so they are aware of their role in the new process.

Future – Legislative Impact Discussion

- Legislators raised concerns about the impacts the 2023 legislative changes had on the final 2023 project awards.
- MnDOT agreed to meet with legislative transportation leaders to discuss those concerns.
- MnDOT itself does not plan to propose any additional changes to COC for the next session.

Future - New Faces for COC

- Patrick has overseen COC as MnDOT's Manager of Capital Planning and Programming since 2013.
- Since November of 2022, Patrick has been transitioning into a new role as the Director of Capital Programs.
- Effective December 6, that transition will be complete.
- We have now reached the point where it is time to pass the torch of COC to the next generation.

Trang Chu

Director of Capital Planning &
Programming

Trang.chu@state.mn.us

Nicole Westadt

Supervisor of Capital Planning

Nicole.Westadt@state.mn.us

Thank You

Patrick Weidemann

Director of Capital Programs

MnDOT Office of Transportation System Management

(320) 295-9667

Pat.Weidemann@state.mn.us