

Minnesota GO *Achieving the Vision*

Commissioner Charlie Zelle
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Transportation Supports a World-Class State

- ✓ Supports the Health of the People, Environment and the Economy
- ✓ Helps Minnesota businesses access labor, move products, and prosper in our state
- ✓ Helps the state compete for jobs, talent and contributes to economic growth

Minnesota GO Vision

Transportation Vision for the State

Guiding Principles –

- Leverage public investments to achieve multiple purposes
- Ensure accessibility
- Build to a maintainable scale
- Ensure regional connections
- Integrate safety
- Emphasize reliable and predictable options
- Strategically fix the system
- Use partnerships

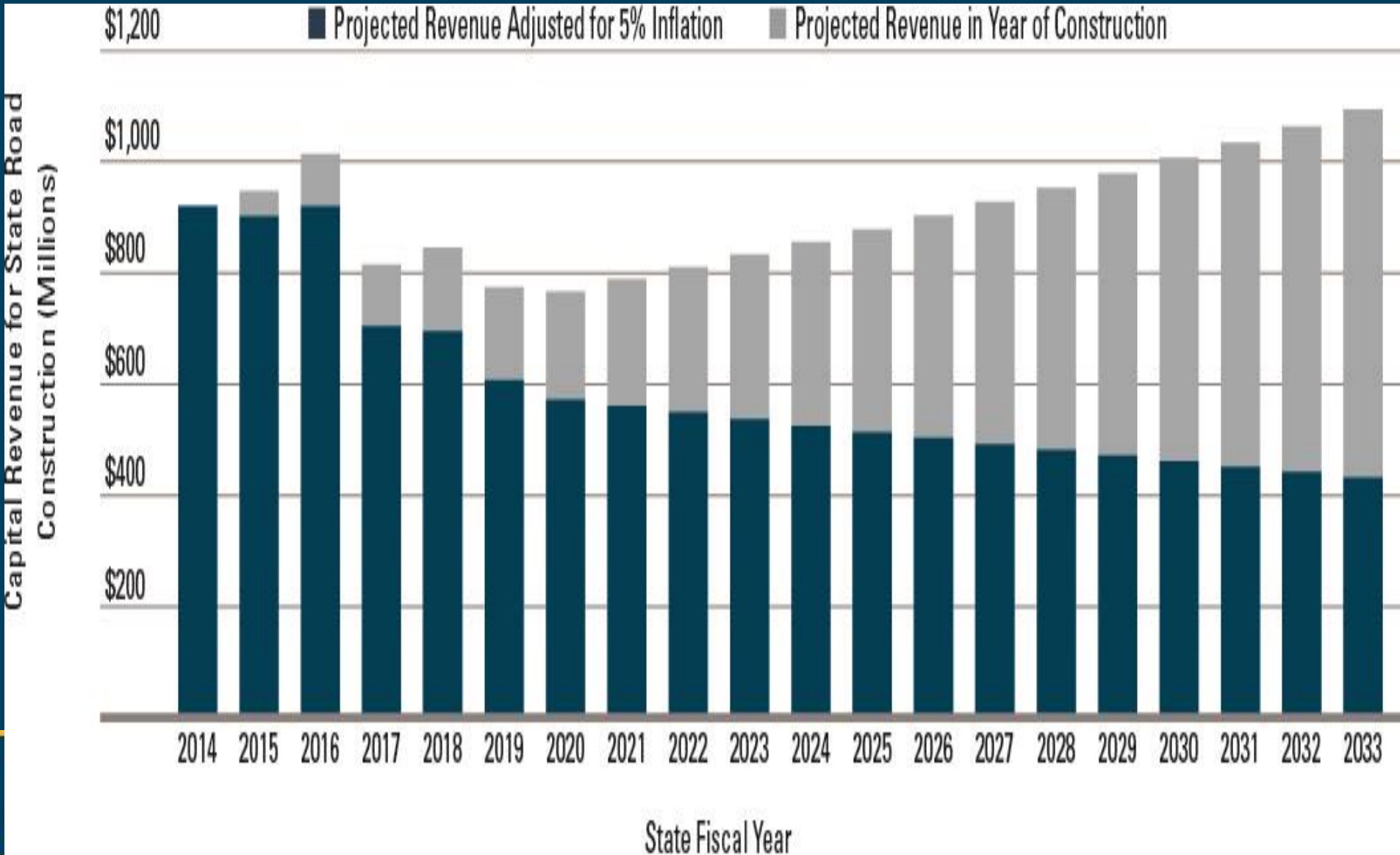
MN is changing, growing and thriving...

- Last month MN was named one of five fastest growing economies in the U.S.
- In the Twin Cities Metro area alone, population is estimated to increase by 900,000 [by 2040]
- By 2030, our aging population will double
- Trucks and rail (freight movement) is estimated to carry 30% more in goods

What are the Fiscal Trends Facing MnDOT?

- MnDOT forecasts it will have \$18 billion of capital revenue over 20-years
- Inflationary pressure will reduce the capital buying power of that funding to less than half by 2033

Inflation Impact on Future Buying Power



What is MnSHIP?

- MnSHIP stands for the Minnesota State Highway Investment Plan
- MnSHIP is a fiscally constrained 20-year capital investment plan which guides MnDOT's capital investment decisions for the state highway system
- MnSHIP is required by federal and state law to be fiscally constrained
- MnSHIP publically conveys MnDOT's capital investment priorities for the next twenty years

What are MnDOT's 20-Year Future Capital Needs?

<u>Investment Area</u>	<u>Estimated Need</u>
Asset Management	\$17.6 billion
Traveler Safety	\$ 1.3 billion
Critical Connections	\$ 5.7 billion
Regional and Community Improvement Priorities	\$ 1.7 billion
Project Support	\$ 2.9 billion
Total Need	\$30 billion

- MnDOT estimates a total capital need of \$30 billion for the state highway system alone
- Critical Connection needs assume continuation of the Metro managed lane approach
- Regional and Community Improvement Priorities are likely higher than \$1.7 billion

The Gap

Projected 20-year need for State Highways and Bridges	\$30 billion
Forecasted Available Funding	\$18 billion
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Funding Gap	\$12 billion

MnSHIP is not the vision



Transportation Vision for MN

- Connects regional centers through multiple modes of transportation
- Improves safety for all forms of transportation
- Sustains and strategically upgrades network of roads and bridges
 - (80% of the state's assets roads and bridges)
- Integrates reliable and predictable options to move people and goods
- Contributes to overall quality of life and the prosperity of the state
- Supports multiple public purposes including economic competitiveness, public health, and environmental stewardship
- Endures through sustainable funding means

Current Actions

- MnDOT is:
 - Embarking on a rigorous, state-wide education and outreach campaign
 - Developing options for evaluating return on investment
 - Implementing Corridors of Commerce

Corridors of Commerce

- A program for state highway construction, reconstruction, and improvement, including maintenance operations, that improves commerce in the state.
- Stakeholder outreach in September to identify eligible projects

Corridors of Commerce

- Program focuses on expansion and completion projects
- New program, established 2013
- Allocated \$300 M to the program in 2014
- \$300 M is only a “**down payment**” on the this larger vision
- \$51 M of program available for program delivery

Eligible projects for Corridors of Commerce

- Greater Minnesota
 - Must be located on an Interregional Corridor
- Twin Cities Metro
 - Project selected through separate criteria (projects being considered are completion of Hwy 610, expansion of MnPASS system, new interchanges – connectivity and mobility)
- Potential for multiple categories of projects
 - each with its own criteria

Selection Criteria

- Project cannot be in the STIP, can be long range
- Objective criteria to determine projects
- Include return on investment analysis
- Measurable impact on commerce and economic competitiveness
- Include measures:
 - freight efficiency, traffic safety, regional trade center connections
- Support of the surrounding community
- Must be long term investments

City and County Involvement

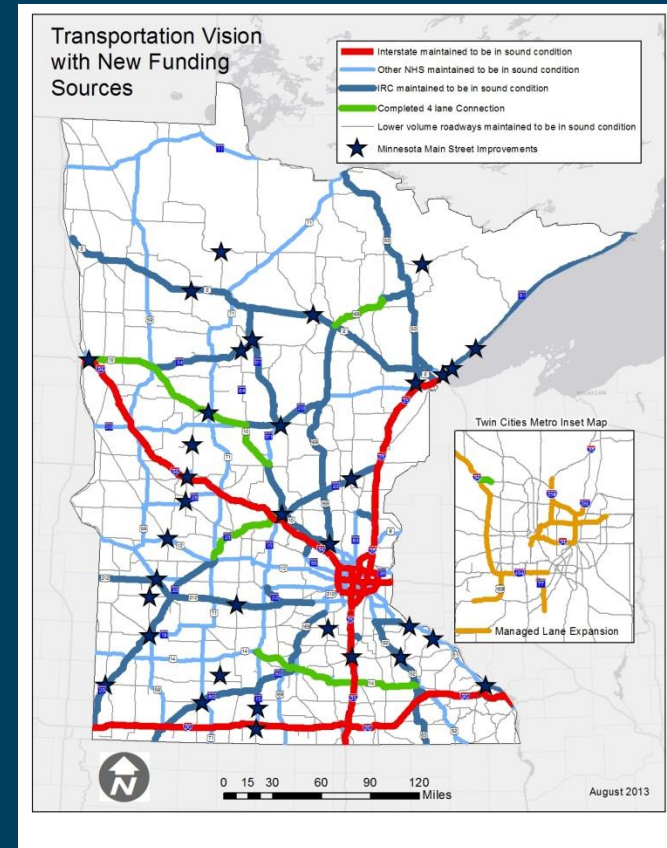
- Commissioner shall annually accept recommendations from ATPs and Stakeholders
 - There will *not* be formal application process
- Local cost share based on a Cost Participation Policy
- Projects need support and consensus of surrounding community
- Turnback costs not eligible use of funds

Current Timelines

- Framework for program reviewed/adopted at August 29th MnDOT TPIC Meeting
- September – Communications and dialog with local partners
- Initial Project Selection – Winter 2013/14
 - Will include:
 - Budget
 - Delivery method
 - Timing

Moving Forward

- Public awareness
- Align citizens, businesses, stakeholders, advocacy groups
- 2014
- We seek your input and support to help make this vision a reality
- We all have a stake in A to B



Questions?