

6.0 FREIGHT INVESTMENT PLAN

Introduction - Revised 2022

The purpose of this revised plan is to identify freight investments within Minnesota resulting from new federal funding provided by the Fixing America's Surface Transportation Act of 2015, and to coordinate federal, state and local investments on the freight network over the next ten years. This plan builds on existing statewide policy and was developed to provide a policy planning programmatic approach for the **Minnesota Highway Freight Program (MHFP)**.

This program was developed as a way to allocate federal formula funds appropriated to the state through the FAST Act money for critical freight related projects across the state. In accordance with federal law (49 U.S.C. 70202) this plan is required for the state to obligate funds provided for these projects through the FAST Act and the IIJA Act. This investment plan covers ten years (state fiscal years 2018-2027) and also complies with federal law by listing projects funded with federal money for the five years of the FAST Act (state fiscal years 2016-2020) as well federal funding received subsequent to this (state fiscal years 2021-2026).

Table 6.1 National Highway Freight Program Funds

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
\$17.7M	\$16.9M	\$19.7M	\$20.8M	\$23.1M	\$20.1M	\$34.2M	\$14.6M	\$22.2M	\$22.2M

Freight Investment Plan Development

Discussion of this new federal funding began in MnDOT's Programming Update Workgroup in 2015 and continued through 2016. The Programming Update Workgroup was made up of representatives from MnDOT and other federal, regional, and local government partners. The PUW's role is to discuss programming-related questions and make recommendations to MnDOT's Transportation Program and Investment Committee. TPIC's role is to recommend to the commissioner policy direction for state investment in transportation systems.

STATEWIDE FREIGHT INVESTMENT COMMITTEE

A Statewide Freight Investment Committee was originally created in 2008 to advise MnDOT on future freight investments across the state and it worked with the Minnesota Freight Advisory Committee to promote freight improvements on MnDOT construction projects.

Through the PUW, the Statewide Freight Investment Committee was reformed to provide technical input into the development of this plan. This group's role was to act as a review and oversight body; represent wide array of interests; allow for discussion on freight investment strategies, policies and program operation; and recommend decisions to Department leadership (in this case, TPIC) for approval.³⁴ The group's membership included MnDOT planning, programming, policy, state aid and functional area staff and representatives from the

³⁴ From this point forward, any time it is mentioned that the advisory group recommended a decision or course of action, it is true that TPIC later agreed and formally approved the decision or course of action.

Metropolitan Council, outstate Metropolitan Planning Organizations, Regional Development Commissions, counties, cities, and the Federal Highway Administration. The advisory group met nine times over the course of 2016 and 2017. In addition, the group met once in 2018, and three times in 2020 and twice in 2021. Over time additional representation from has been added including the Chair of the Minnesota Freight Advisory Committee to the Statewide Freight Investment Committee

Table 6.2 2021 Membership of the Statewide Freight Investment Committee

Name	Organization	Representing
Brad Utecht	MnDOT OTSM	Statewide Investment Planning
Patrick Weidemann	MnDOT OTSM	Statewide Programming
Ed Idzorek	MnDOT OTSM	MnDOT OTSM
Bill Gardner	MnDOT OFCVO	MnDOT Freight Office
Nicole Bartelt	MnDOT Bridge Office	Bridge Program Planning
Brian Sorenson	MnDOT Traffic Office	Traffic Safety
Chris Kufner	MnDOT State Aid	State Aid Counties and Cities
Jon Huseby	MnDOT District 8 Engineer	Greater MN Districts
Bryan Anderson	MnDOT District 1	Greater MN District Planners
John Tompkins	MnDOT Metro District	Metro District Freight
Shiloh Wahl	MnDOT District 4 Engineer	Greater MN Districts
Molly McCartney	MnDOT Metro District	Metro District Planning and Programming
Steve Peterson	Metro Council	Large MPO
Steve Elmer	Metro Council	Large MPO
Ron Chicka	Duluth/Superior MIC	Greater MN MPOs
Troy Schroeder	Northwest RDC	Regional Development Commissions
Lisa Freese	Scott County	Counties
Steve Bot	City of St. Michael	Cities
Kris Riesenber	FHWA	Federal Programs
Jason Craig	MFAC	Chair of the Board

Table 6.3 Meeting Dates of the Statewide Freight Investment Committee

MEETING NUMBER	DATE	LOCATION
Meeting 1	November 4, 2016	MnDOT Central Office and Remotely
Meeting 2	January 13, 2017	MnDOT Central Office and Remotely
Meeting 3	February 10, 2017	MnDOT Central Office and Remotely
Meeting 4	March 24, 2017	MnDOT Central Office and Remotely
Meeting 5	April 21, 2017	MnDOT Central Office and Remotely
Meeting 6	May 19, 2017	MnDOT Central Office and Remotely
Meeting 7	July 19, 2017	MnDOT Central Office and Remotely
Meeting 8	September 25, 2017	MnDOT Central Office and Remotely
Meeting 9	October 4, 2017	MnDOT Central Office and Remotely
Meeting 10	April 30, 2018	MnDOT Central Office and Remotely
Meeting 11	February 20, 2020	MnDOT Central Office and Remotely
Meeting 12	June 4, 2020	Held Remotely Online due to COVID19
Meeting 13	November 9, 2020	Held Remotely Online due to COVID19
Meeting 14	March 3, 2021	Held Remotely Online due to COVID19
Meeting 15	May 21, 2021	Held Remotely Online due to COVID19

SIGNIFICANT DECISIONS

The FAST Act and the National Highway Freight Program provide great flexibility and latitude to each state in determining how to spend their federal money. As such, MnDOT was faced with several key decisions regarding its portion of funding; these decisions are detailed in this section.

Overall Approach

MnDOT developed a centralized competitive solicitation called the Minnesota Highway Freight Program to solicit freight projects from a wide variety of state and local partners. The MHFP requested applications from MnDOT operational districts, cities, counties, tribal governments, railroads, airports, ports and other federal aid eligible entities or partnerships.

The MHFP program was developed at the recommendation of local stakeholders on the Statewide Freight Investment Committee and through input received from other groups such as the Metropolitan Planning Organizations and Regional Development Commissions of Minnesota.

This approach is unique in that projects are solicited statewide and then compete in specific investment categories. These categories are identified through feedback from the Statewide Freight Investment Committee as well as the internal Planners Management Group. Applications in these categories may serve to address freight safety, freight mobility, intermodal improvements, first and last mile connections or freight planning efforts. Individual segments of the Critical Urban Freight Corridors and Critical Rural Freight Corridors are identified for designation at and along the routes of individual projects selected and awarded funding through the Minnesota Highway Freight Program.

As noted by the American Association of State and Highway Transportation Officials (AASHTO), many states choose a top down approach with specific investments made through their first freight plan efforts. Until the adoption of the FAST Act by Congress, a state freight plan was not required and a freight investment plan was

not normally created. Subsequent to the second round of the Minnesota Highway Freight Program, other states such as Illinois adopted a similar approach to soliciting and efficiently distributing their federal NHFP funding.

Historical Timeline

The FAST Act was signed into law on December 4, 2015, making federal freight money immediately available to Minnesota for fiscal years 2016 through 2020. Since December 2015 was already halfway through state fiscal year 2016, department leadership deemed it necessary to allocate the fiscal year 2016 money quickly, swapping funds with a freight-related Interstate project. The advisory group acknowledged the tight timeline necessitated this quick action, but recommended that future years' funding be allocated to new projects, not projects that already had full funding identified.

Acknowledging the time needed to develop an investment plan and strategy, funds for fiscal years 2017 and 2018 were also applied to freight-specific projects that were already in position.

Table 6.4 Project Selected Fiscal Years 2016-2018

FISCAL YEAR	PROJECT	AMOUNT (IN MILLIONS)
2016	I-35 Unbonded Overlay – District 1	\$17.7
2017	I-94 Bridge Anti-icing Replacement – District 4	\$1
2017	I-90 Unbonded Overlay – District 7	\$3.3
2017	I-35W 86 th Street Bridge Clearance – Metro District	\$4.1
2017	I-35W Anti-icing Replacement – Metro District	\$0.5
2017	I-94 St. Croix Truck Parking Increase – Metro District	\$1.3
2018	Freight Planning - Statewide	\$0.2
2018	Weigh Station Upgrades – District 6	\$3.6
2018	I-35 Goose Creek Truck Parking Increase – Metro District	\$0.2
2018	I-35W Minnesota River Crossing – Metro District	\$19.5

*Note: MnDOT may shift the funding for Project Development on MnDOT projects to expedite the process

ELIGIBLE PROJECTS

The FAST Act allows for a wide array of uses of the federal freight funding. Broadly, planning, project development and delivery, and construction activities are all eligible, along with specific, identified uses such as truck-only lanes and electronic cargo and border security technologies that improve truck movement (cite specific section in law: Sec 167 of title 23, section (i), (5), (C)). The advisory group recommended certain types of projects not be eligible for the federal funding, even though the law allowed for them:

- Acquisition of equipment
- Highway ramp metering
- Diesel retrofit

In addition, the advisory group recommended that, in order for project delivery to be funded, the cost must be included with the construction cost of the project, in order to ensure that the project was built.

The Statewide Freight Investment Committee also recommended that up to ten percent of the money be eligible for spending on intermodal projects, as the law allows.

Critical Urban Freight Corridors and Critical Rural Freight Corridors

The FAST Act created a new national network called the National Highway Freight Network (NHFN). Notably, the federal funding may only be spent on projects located on the NHFN. All interstates are were designated part of the network by the US Department of Transportation as part of a subset called the Primary Freight Highway System. The state and metropolitan planning organizations were responsible to identify other roads to add to the network by designating them as Critical Urban Freight Corridors or Critical Rural Freight Corridors. The law established mileage limits for each state when designating these corridors; Minnesota is currently limited to 75 urban miles and 150 rural miles. The law defines “urban” as the urbanized area of a Metropolitan Planning Organization. At a high level rural areas are everywhere else besides urban areas.

The Statewide Freight Investment Committee played an important role by identifying potential strategic approaches to the statewide approach of how to designate miles on the Critical Urban Freight Corridors and the Critical Rural Freight Corridors.

First, the advisory group recommended that road systems other than state-owned highways be eligible to use the federal money. While there are great freight needs on Minnesota’s high-volume interstates, U.S. and State highways, the advisory group recognized that county, city and other road systems play an important role in connecting the state highway system with freight-generating locations, and their needs are also an important use of this money.

Second then, the advisory group recommended the state adopt a project-based designation approach, as opposed to a designation-first approach. Identifying projects and their specific mileage lengths first ensured the state’s limited available mileage was designated only where there are projects identified and, in the case of projects off MnDOT’s system, supported by the roadway owner. Also, the project-based designation approach allowed MnDOT to begin the project identification process quicker, and allowed roadway owners more time to identify their specific needs and determine where the money may be best spent on their system.

For a list of Critical Urban Freight Corridors and Critical Rural Freight Corridors resulting from this plan please see Table 6.13 and Table 6.14.

INVESTMENT CATEGORIES, SCENARIOS, OUTREACH PROCESS, AND INVESTMENT DIRECTION

There was a desire to obtain input and guidance from stakeholders on an overall investment strategy for this money. Using the existing structure of the Minnesota State Highway Investment Plan as a guide and model, several investment categories and scenarios were created in order to decide on an investment direction for Minnesota’s National Highway Freight Program money.

Investment Categories

Five investment categories were created. Each project must fall within a primary investment category. The National Highway System was used to distinguish whether a project was considered first/last mile or not. The categories are listed below:

Highway Project Categories:

- Safety (NHS)

- Freight Congestion/Freight Efficiency Improvement (NHS)
- First/last mile connections (non-NHS)

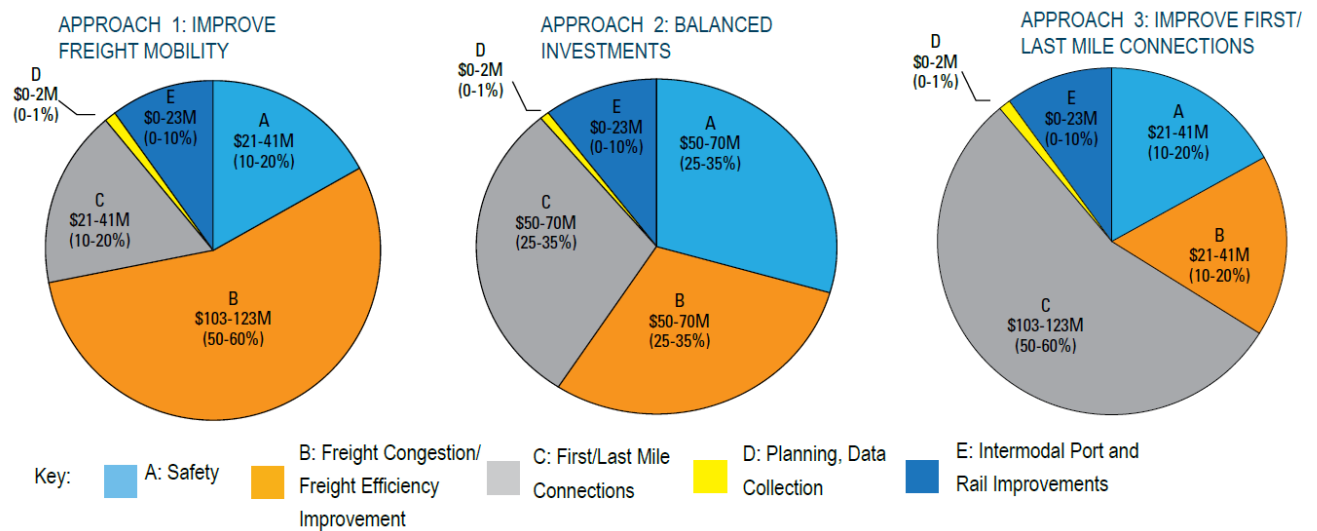
Other Categories:

- Planning, data collection
- Intermodal port and rail

Investment Scenarios

Several investment scenarios were created, with each scenario targeting a certain percentage range of spending toward each category (Figure 6.1). These scenarios were used in an outreach process to guide stakeholders in indicating their preference toward an eventual investment direction.

Figure 6.1 Investment Scenarios



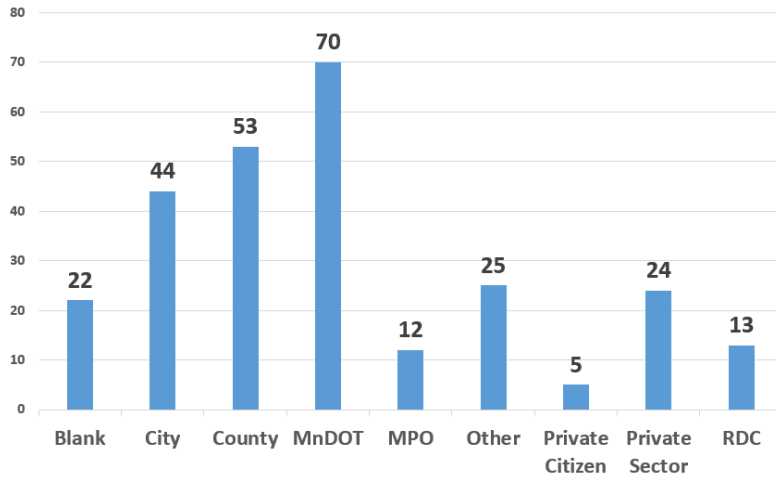
Outreach Process

Outreach, where participants were able to vote on the scenarios, was performed via multiple formats. Attendance at in-person meetings involved a presentation and either a paper survey or an interactive voting process using Mentimeter software. For stakeholder populations that could not be reached in-person, an online survey using SurveyMonkey was created and distributed.

Outreach was focused on transportation stakeholders and MnDOT staff, and included outreach to groups such as the Minnesota Freight Advisory Committee, Minnesota cities and counties, metropolitan planning organizations, tribal governments, and regional development commissions. Over 260 individuals were surveyed and shown broken down by group in Figure 6.2 .

Detailed outreach and survey results are available on request.

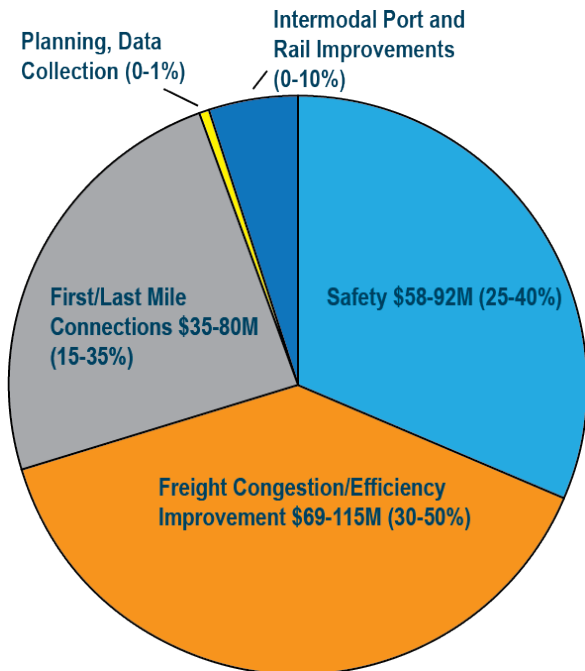
Figure 6.2 Affiliation of those surveyed



Investment Direction

The outreach results showed a slight preference for Approach 2: Balanced Investments. Based on qualitative comments, respondents liked that the investment approach targeted an about equal amount of money to each of the three highway-project categories and invested in both safety and freight congestion. However, there was disagreement over the safety funding percentage range, with some saying it should be higher, and others preferring safety lowered and the freight congestion/freight efficiency percentage be higher. In the end, Approach 2 was adjusted slightly to reflect the qualitative comments, with the upper bounds of the safety and freight congestion/freight efficiency improvement ranges raised and the lower bound of the first/last mile category dropped. (See Figure 6.3)

Figure 6.3 Final Investment Direction First Round of the Minnesota Highway Freight Program



FIRST ROUND OF THE MINNESOTA HIGHWAY FREIGHT PROGRAM SOLICITATION

MnDOT decided that the federal money would be best programmed in the form of a solicitation, allowing all entities, including MnDOT districts, counties, cities and others to submit projects and compete for funding. Staff developed two programs, the Minnesota Highway Freight Program and the Minnesota Intermodal Freight Program, with application documents and evaluation criteria, as a structure for the solicitation. The programs will solicit for projects in fiscal years 2019-2022. Once projects are selected, they will join the already-selected projects for fiscal years 2016-2018 in a specific project list, shown at the end of this plan. Funding for the last five years of this plan (fiscal years 2023-2027) shall follow the final investment direction.

Program Operation Details

The following details on Minnesota Highway Freight Program operation were recommended by the advisory group and approved by TPIC.

- Eligibility:
 - Project must be on a public road and must provide a clear benefit to highway-based freight transportation
 - Regarding construction projects: new projects, as well as add-ons and up-scopes to existing projects are eligible
 - Design costs are eligible as long as they are included with the construction cost of the project
 - The project recipient/sponsor must be qualified to administer a federal aid construction contract.
- Metro Specific Eligibility Criteria:
 - All projects within the Metropolitan Council planning boundary must be a Tier 1, Tier 2, or Tier 3 corridor on the Metropolitan Council's Highway Truck Corridor Study or the project must provide a direct connection to one of these three tiers.
 - Applications for new or modified interchanges in the 7-county Minneapolis-St. Paul metropolitan region will not be considered unless they have successfully completed the Metropolitan Council's interchange approval process
- Match requirement: Applicants are required to identify other public and/or private funding sources that will contribute to the cost of the proposed project. The Minnesota Highway Freight Program may provide federal funds for up to 80 percent of the eligible project cost. Projects on the Interstate may receive up to 90 percent of the eligible project cost of the project.
- Minimum and maximum award amounts: For new construction projects, the minimum award provided to any one project in this solicitation will be \$500,000. There is no minimum award amount for add-ons or up-scopes to existing projects. The maximum award provided to any one project in this solicitation will be one fiscal year's worth of NHFP funding (~\$20 M).
- Geographic split: No less than twenty percent of the total FAST Act funding may be identified for projects in either Greater Minnesota or the Twin Cities Metro (MnDOT Metro District in this case).

PROJECT SELECTION

Overall, the agency received 36 total applications for evaluation under the project selection process. From this amount 35 applications were highway focused submittals and one application was for intermodal improvements. The total requested through the solicitation was approximately \$250 million, with a majority of the requests coming from applicants in the Twin Cities Metropolitan area.

Scoring committees, staffed by technical experts from MnDOT, were formed to evaluate, score and rank project applications. These were assembled for each of the following assessment categories: Mobility, Safety, and Project Readiness. Please see Table 6.5 for score team membership.

Table 6.5 Scoring Committee Members: Mobility, Safety, Project Readiness, Eligibility

CRITERIA	MEASURES	MNDOT STAFF
Truck Volume	<ul style="list-style-type: none"> HCAADT 	TDA – Gene Hicks
Safety	<ul style="list-style-type: none"> Crash rate reduction Addresses a sustained crash location (Y/N) OR Not sustained crash location, but addresses a safety issue identified in a district or county safety plan (Y/N). If so, provide risk rating. For truck parking projects: truck parking utilization at existing rest stop 	OTST –Brad Estochen & Eric DeVoe State Aid – Joel Ulring OFCVO – Ted Coulianos
Freight Mobility	<ul style="list-style-type: none"> Truck Travel Time Reliability (NPMRDS) Removes a geometric or temporary (e.g. flooding) barrier or avoids future load restriction on a OSOW route (Y/N) Upgrades a roadway to 10-ton standards 	TDA – Mike Iacono OTSM – Josh Pearson OFCVO - Julie Whitcher Design - Doug Carter M&RR - Steve Henrichs State Aid – Joel Ulring
Freight Facility Access	<ul style="list-style-type: none"> Daily truck load equivalents entering and exiting a freight facility or facilities 	OFCVO – Andrew Andrusko (Metro) OFCVO – Nicole George (Greater MN)
Cost-Effectiveness	<ul style="list-style-type: none"> Divide amount of points awarded above by amount of requested funds divided by 1000 	OFCVO – Andrew Andrusko (Metro) OFCVO – Nicole George (Greater MN)
Project Readiness	<ul style="list-style-type: none"> Environmental Documentation Review of Sec 106 Historic Resources Review of Sec 4f/6f Resources Right-of-Way Construction Plans/Documentation Railroad Involvement Funding 	OES - Deb Moynihan State Aid – Joel Ulring OFCVO – Tim Spencer & Nicole George

Applications were reviewed in each of the scoring committees and the scores were assembled into a singular score table with final totals. These final scores were used to develop two Funding Scenarios that prioritized the highest scoring projects from each project category. Each of the scenarios followed the investment direction and identified a program of projects that would be evaluated as a recommendation by Statewide Freight Investment Committee.

The Statewide Freight Investment Committee acted as a review body, with all groups coming together to produce a final revised Funding Scenario that would be sent as a recommendation for final approval by the

MnDOT Transportation Programming and Investment Committee. Table 6.6 and Table 6.11 shows the final project lists that have been programmed into the Statewide Transportation Improvement Program.

Table 6.6 Projects Selected Fiscal Years 2019-2022

FISCAL YEAR	PROJECT	NHFP (MILLIONS)	OTHER FEDERAL (MILLIONS)	STATE OR LOCAL (MILLIONS)	TOTAL PROJECT COST (MILLIONS)	PREVIOUSLY ON NHFN
2019	Freight Planning – District Plans & Other	\$0.2	NA	\$0.05	\$0.25	No
2019	Sherburne County CR 45 at 125 th Street/9 th Avenue Circle Intersection Improvement	\$0.8	NA	\$0.35	\$1.15	No
2019	Detroit Lakes Randolph Road Improvements	\$1.5	\$1.5	\$1.57	\$4.6	No
2019	Duluth Port Intermodal Container Terminal Expansion	\$1.9	NA	\$0.47	\$2.37	Yes
2019	Winona Riverview Drive Reconstruction	\$2.8	NA	\$0.7	\$3.5	No
2019	Sherburne County CSAH 8 Reconstruction	\$3	NA	\$3.08	\$6.08	No
2019	District 6 Rest Area Improvements	\$3.6	NA	\$0.4	\$4	Yes
2019	District 1 Twin Ports Interchange Reconstruction	\$6	\$4.22	\$193.95	\$204.17	Partially
2020	Freight Planning – District Plans & Other	\$0.2	NA	\$0.05	\$0.25	No
2020	Chaska MN41 Downtown Improvements	\$4	\$9.27	\$6.73	\$20	No
2020	Dakota County CSAH 70 Expansion	\$7	NA	\$14.86	\$21.86	No
2020	Brooklyn Center MN 252/66 th Avenue North Interchange Improvements	\$10	\$7	\$5.3	\$22.3	No
2021	Freight Planning – District Plans & Other	\$0.2	NA	\$0.05	\$0.25	No
2021	Scott County CSAH 83 Reconstruction	\$0.59	\$5.55	\$3.8	\$9.95	No

FISCAL YEAR	PROJECT	NHFP (MILLIONS)	OTHER FEDERAL (MILLINOIS)	STATE OR LOCAL (MILLIONS)	TOTAL PROJECT COST (MILLIONS)	PREVIOUSLY ON NHFN
2021	South St. Paul Concord Street Improvements	\$7.56	NA	\$1.89	\$9.45	No
2021	Anoka US 10/US 169 Safety and Mobility Improvements	\$20	\$14	\$51.4	\$85.4	No
2022	Freight Planning – District Plans & Other	\$0.2	NA	\$0.05	\$0.25	NA
2022	Scott County MN 13 Port Access and Mobility	\$15	NA	\$7.7	\$22.7	No
2022	Carver County US 212 Freight Bottleneck Improvements	\$15	\$1.2	\$25.09	\$41.3	No

Table 6.7 FY16-20 Fiscal Constraint Summary

FISCAL YEAR	ANNUAL	PROJECT	CARRY OVER	AVAILABLE
2016	\$18,633,494	\$18,633,494	\$0	\$18,633,494
2017	\$17,055,435	\$7,516,008	\$9,539,4267	\$17,055,435
2018	\$19,350,449	\$23,500,000	\$5,389,876	\$28,889,875
2019	\$21,769,255	\$19,800,000	\$7,359,131	\$27,159,131
2020	\$24,174,757	\$21,200,000	\$10,333,888	\$31,533,888
Total	\$100,983,390	\$90,649,502		

SECOND ROUND OF THE MINNESOTA HIGHWAY FREIGHT PROGRAM SOLICITATION

During the spring of 2020 MnDOT reached back out to members of the Statewide Freight Investment Committee to report out on the progress of implementing the projects selected from the first round of the solicitation. As part of that conversation MnDOT proposed a second round of the Minnesota Highway Freight Program to be held through the summer and fall of 2020. This meeting occurred in person on February 20, 2020, shortly before the state stay at home orders were issued in response to the COVID-19 pandemic. The Committee concurred with the recommendation and MnDOT staff from the Office of Freight and Commercial Vehicle Operations began to develop updates to the program ahead of the summer timeline.

MnDOT developed a new freight investment approach based on the foundation of the work conducted in the first round of the MHFP solicitation. The overall scoring framework, investment categories, selection process from the first round was used during the second round of the solicitation. Minor improvements were made based on input from a wide variety of stakeholders.

STAKEHOLDER ENGAGEMENT AND INPUT

Significant efforts to engage key stakeholders and members of the public were conducted throughout the effort to develop the second round of the Minnesota Highway Freight Program. A full listing of the key events and dates is shown in Table 6.8 below.

MnDOT collected feedback internally from members of the MnDOT State Aid Office, the Office of Transportation System Management and staff from Districts 2, 3 and 8 regarding the solicitation rules. Outreach was also conducted with Area Transportation Partnerships in Districts 2, 3 and 8 regarding the results of the first round of the solicitation and any feedback local stakeholders may have.

Table 6.8 Minnesota Highway Freight Program Meetings and Outreach Events Calendar

Meetings and Public Outreach Events	Date
Minnesota Freight Advisory Committee	December 6, 2019
Area Transportation Partnership 3 - District 3 Freight Plan	January 16, 2020
Area Transportation Partnership 2 - District 2 Freight Plan	February 6, 2020
Statewide Freight Investment Committee	February 20, 2020
MnDOT Planners Management Group	March 11, 2020
Transportation Program Investment Committee	March 19, 2020
Metro District Capital Investment Committee	April 9, 2020
Metropolitan Planning Organization Directors	May 5, 2020
Minnesota County Engineers Association Meeting	May 7, 2020
Statewide Freight Investment Committee	June 4, 2020
MHFP Second Solicitation Released and Open for Apps.	July 1, 2020
Metro District Capital Investment Committee	July 10, 2020
Public Informational Webinar for MHFP Applicants	July 13, 2020
Public Informational Webinar for MHFP Applicants	August 6, 2020
MHFP Second Solicitation Applications Due	September 28, 2020
Metropolitan Planning Organization MPO Annual Workshop	September 29, 2020
MHFP Scoring Committees Meet	October 9-14, 2020
Federal Highways Administration Freight Program Update	October 14, 2020
Transportation Program Investment Committee – Draft Awards	October 15, 2020
Statewide Freight Investment Committee – Final Summary	November 9, 2020
Transportation Program Investment Committee – Final Summary	January 21, 2021
Statewide Freight Investment Committee – Freight Bottlenecks	March 3, 2021
Statewide Freight Investment Committee – Critical Corridors	May 21, 2021
Minnesota Freight Advisory Committee - Freight Investment Plan	June 18, 2021

MnDOT heard a clear desire from stakeholders in Greater Minnesota that the program emphasized investment in the Twin Cities. As a result of this feedback and due to a desire to promote freight improvements across the state, staff created a recommendation to create two separate buckets of applications to separate competition between applications from Greater Minnesota and the Twin Cities Metro District area. This would allow for fair project comparisons and a more equitable scoring process.

Additional feedback and input were collected from a variety of internal and external stakeholders prior to the decision to move forward with the Statewide Freight Investment Committee. The MnDOT Freight Office held meetings with the MnDOT Planners Management Group, the Transportation Program Investment Committee, the Metro District Capital Investment Committee, the Metropolitan Planning Directors and others. Input was gathered and several decisions were made to incorporate mechanical changes to the scoring facets described in the Program Operation Details section above. Right of way costs were explicitly excluded as an eligible expense. The reason for this change was to focus on projects that were more shovel ready for construction. In addition, MnDOT Freight Office staff outlined better guidance to include truck parking specifically as a separate scoring mechanic and to identify expansion projects in the freight mobility category. The intent of these changes was to reduce confusion for applicants.

Environmental justice was also added as an element into the scoring and prioritization of projects in the program was also received through feedback on the proposed program revisions. MnDOT evaluated a wide array of internal programs and included a recommendation to incorporate environmental justice and equity as a component of the Project Readiness scoring criterion. This change also rebalanced the scores for other Project Readiness elements. This update to the program provided a higher score for projects that had conducted an environmental justice analysis, had conducted community outreach with impacted stakeholders, and those that had identified ways to mitigate negative impacts of their proposed projects.

An additional meeting of the Statewide Freight Investment Committee was held on June 4, 2020 and the recommendations were presented to members of the committee. During the meeting MnDOT presented materials submitted by the Metro Council staff which indicated that setting a new target goal for geographic balance would help to address the concerns raised by the Area Transportation Partnerships and local stakeholders in Greater Minnesota. This data was is shown below in Table 6.9 below.

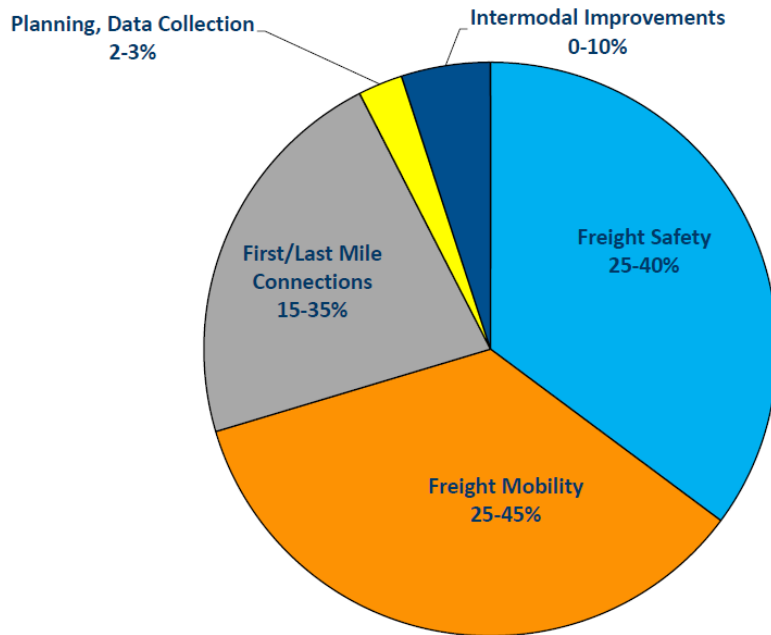
Table 6.9 Twin Cities Metropolitan Council Employment and Gross Domestic Product data

Data	Metro District %	Greater Minnesota %	Total %	Data Source
Employment	61%	39%	100%	2018 data from the US Bureau of Economic Analysis
Gross Domestic Product (GDP)	67%	33%	100%	2018 data from the US Bureau of Economic Analysis
Recommended Range	60%-70%	30%-40%		

After further consideration the Committee adopted the recommendations identified above and formalized the revised Freight Investment Direction. In addition, MnDOT decided to move forward with a revised geographic balance target that was set at 60% Twin Cities Metro District and 40% Greater Minnesota. If there weren't enough applications from one group or the other the remaining funds would be allocated to the other area.

The Final Investment Direction for the second round of the Minnesota Highway Freight Program is shown in Figure 6.4. This approach slightly shifted investment focuses from mobility towards greater flexibility in safety and first and last mile connections. The intent was to again allow for a sliding range for investments to ensure that projects of various sizes could be funded within the NHFP funding for each year. This was intended to continue the flexibility from the first round of the solicitation. This approach slightly shifted investment focuses from mobility towards greater flexibility in safety and first and last mile connections. This along with the Project Selection Criterion and Application was released on July 1st, 2020 with a news release and email distribution for relevant stakeholder groups.

Figure 6.4 Final Investment Direction Second Round of the Minnesota Highway Freight Program



CRITERION SUMMARY AND SCORING COMMITTEE

Program Operation Details

The following details on Minnesota Highway Freight Program operation were recommended by the Statewide Freight Investment Committee and approved by TPIC.

- Eligibility:
 - Project must be on a public road, bridge, railroad, port or intermodal terminal and must provide a clear benefit to highway or intermodal-based freight transportation
 - Regarding construction projects: new projects, as well as add-ons and up-scopes to existing projects are eligible
 - Existing programmed projects in the STIP are not eligible for replacement of existing funding
 - The project recipient/sponsor must be qualified to receive federal aid.
- Metro Specific Eligibility Criteria:
 - All projects within the Metropolitan Council planning boundary must be a Tier 1, Tier 2, or Tier 3 corridor on the Metropolitan Council's Highway Truck Corridor Study or the project must provide a direct connection to one of these three tiers.
 - Applications for new or modified interchanges in the 7-county Minneapolis-St. Paul metropolitan region will not be considered unless they have successfully completed the Metropolitan Council's interchange approval process
- Match requirement: Applicants are required to identify other public and/or private funding sources that will contribute to the cost of the proposed project. The Minnesota Highway Freight Program may provide federal funds for up to 80 percent of the eligible project cost. Projects on the Interstate may receive up to 90 percent of the eligible project cost of the project.

- Minimum and maximum award amounts: For new construction projects, the minimum award provided to any one project in this solicitation will be \$500,000. There is no minimum award amount for add-ons or up-scopes to existing projects. The maximum award provided to any one project in this solicitation will be one half of each fiscal year's worth of NHFP funding (~\$10 M).
- Geographic split: A target of 60% of the total funding awarded to projects in the Twin Cities Metro District area and 40% to projects located in Greater Minnesota.
- Right of way and preliminary design are not an eligible expenses
- Environmental Justice and equity scoring will be included in the Project Readiness Category
- Highway Expansion projects are to be submitted under the Freight Mobility application category
- Applications must submit under one category or MnDOT will assign the most applicable category to the project

The full application documents and evaluation criteria are also available online at the Minnesota Highway Freight Program website located at: <http://www.dot.state.mn.us/ofrw/mhfp/>.

Scoring Committee

The scoring committee consisted of several groups, each of whom focused on one specific aspect of the applications received. The scoring committee members are shown in Table 6.10:

Table 6.10 Minnesota Highway Freight Program Round 2 Scoring Committee

CRITERIA	MEASURES	MNDOT STAFF
Truck Volume	<ul style="list-style-type: none"> HCAADT 	Office of Transportation Data and Analysis – Gene Hicks
Safety	<ul style="list-style-type: none"> Crash rate reduction Addresses a sustained crash location (Y/N) OR Not sustained crash location, but addresses a safety issue identified in a district or county safety plan (Y/N). If so, provide risk rating. For truck parking projects: truck parking utilization at existing rest stop 	Office of Traffic Engineering –Eric DeVoe and Derek Leuer Office of Freight and Commercial Vehicle Operations – Andrew Andrusko
Freight Mobility	<ul style="list-style-type: none"> Truck Travel Time Reliability (NPMRDS) Removes a geometric or temporary (e.g. flooding) barrier or avoids future load restriction on a OSOW route (Y/N) Upgrades a roadway to 10-ton standards 	Office of Transportation System Management – Mike Iacono and Josh Pearson Office of Freight and Commercial Vehicle Operations– Robert Holschbach Design – Brian Wifler State Aid – Angela Murphy
Freight Facility Access	<ul style="list-style-type: none"> Daily truck loads entering and exiting a freight facility or facilities 	Office of Freight and Commercial Vehicle Operations – Andrew Andrusko and Robert Clarksen
Cost-Effectiveness	<ul style="list-style-type: none"> Divide amount of points awarded above by amount of requested funds divided by 1000 	Office of Freight and Commercial Vehicle Operations – Andrew Andrusko and Robert Clarksen
Project Readiness	<ul style="list-style-type: none"> Environmental Documentation Equity and Environmental Justice Outreach Review of Sec 106 Historic Resources Review of Sec 4f/6f Resources Right-of-Way Construction Plans/Documentation Railroad Involvement Funding 	Office of Equity and Diversity – Gina Kundan Office of Environmental Stewardship - Deb Moynihan State Aid – Angela Murphy Office of Freight and Commercial Vehicle Operations – Andrew Andrusko, Jesse Johnson and Peter Dahlberg Office of Transportation System Management – Brad Utecht

PROJECT SELECTION AND AWARDS

MnDOT received 34 applications in total, with 19 applicants for projects in the Twin Cities Metro District area and 15 projects located in Greater Minnesota. A combined total funding request from all projects received was for in excess of \$178 million compared to the approximately \$59 million available through the three years of the solicitation. No intermodal project applications were received. MnDOT will work to improve outreach to stakeholders that operate, manage, maintain or work with other modes with respect to advertising federal fund availability from this program for intermodal improvements in the future. A summary of application types included 8 major intersection or interchange type improvement projects, 4 roadway realignment projects, 4 roundabouts, 4 highway expansion projects, 5 shoulder widening projects, 1 truck parking project and 1 snow fence safety project.

MnDOT also submitted funding requests for the development of a Metro District Freight Plan and the next full update to the State Freight Plan to be developed in 2023 to assist with freight planning and coordination across the state.

The Scoring Committee identified scores and OFCVO staff presented a draft set of awards and recommendations to the Statewide Freight Investment Committee and the Transportation Program Investment Committee. A final decision on awards was made by the Commissioner's Office. MnDOT staff worked to revise and improve the final information based on data collection during the winter months. All applicants were notified and award letters were sent out in January.

A list of the final awards and selected project is shown in Table 6.11 below.

Table 6.11 Projects Selected Fiscal Years 2022-2025

State Fiscal Year	Name	NFHP	Other Federal	State or local	Total Project Cost	Previously on NHFN
2022	Metro District Freight Plan	\$450,000	\$0	\$45,000	\$495,000	N/A
2022	State Freight Plan Prep Contract - Scope and Data	\$40,000	\$0	\$4,000	\$44,000	N/A
2023	State Freight Plan Update	\$600,000	\$0	\$120,000	\$720,000	N/A
2023	Rice County - TH19/I35 Safety and Mobility Improvements	\$1,100,000	\$0	\$1,900,000	\$3,000,000	Partially
2023	District 4 - Snow Fence Installation on I-94 at Moorhead, Downer and Fergus Falls	\$1,530,000	\$0	\$170,000	\$1,700,000	Y
2023	Metro District - I-94 Eastbound Lane Improvement Project	\$8,000,000	\$36,326,900	\$73,464,100	\$117,791,000	Y

2024	Koochiching County - US53 and CSAH332 Roundabout	\$1,800,000	\$0	\$450,000	\$2,250,000	N
2024	Sherburne County - CSAH33 Reconstruction and Realignment Project	\$2,500,000	\$0	\$1,990,000	\$4,490,000	N
2024	District 8 - TH23 and CSAH1 (Kandiyohi County) Left Turn Lane	\$960,000	\$0	\$240,000	\$1,200,000	N
2024	CO Rest Area - Burgen Lake Rest Area Truck Parking Expansion	\$1,500,000	\$0	\$371,300	\$1,871,300	Partially
2024	District 8 - US212 and Morningside Dr. Roundabout	\$1,600,000	\$1,800,000	\$600,000	\$4,000,000	N
2024	Inver Grove Heights - 117th Street Reconstruction and Modernization	\$8,000,000	\$0	\$2,000,000	\$10,000,000	N
2024	District 6 - I-90/US 52 Interchange Improvement Project	\$10,000,000	\$3,500,000	\$8,500,000	\$22,000,000	Partially
2025	District 8 - US212 and TH15 Roundabout	\$2,560,000	\$0	\$640,000	\$3,200,000	N
2025	Anoka County - US10/169 Ramsey Gateway Project	\$10,000,000	\$50,000,000	\$68,000,000	\$128,000,000	N
2025	Bloomington - I-494/I-35W Interchange Improvements	\$11,100,000	\$10,000,000	\$90,000,000	\$111,100,000	Y
2025	US212 – Benton Township - Lane Expansion, RCI and Bridge improvements	\$7,500,000	\$6,500,000	\$12,000,000	\$26,000,000	N

Table 6.12 SFY 2021-2025 Fiscal Constraint Summary

Fiscal Year	Annual	Project	Carry Over	Available
2021	\$20,100,000	\$20,100,000	\$0	\$0
2022	\$34,200,000	\$34,200,000	\$0	\$0
2023	\$14,600,000	\$11,720,000	\$0	\$2,880,000
2024	\$22,200,000	\$26,360,000	(\$4,160,000)	(\$1,280,000)
2025	\$22,200,000	\$23,660,000	(\$1,460,000)	(\$2,740,000)
Subtotal	\$113,300,000	\$116,040,000	(\$2,740,000)	2,740,000
Total	\$116,040,000	\$116,040,000	-	State Funds

INVESTMENT PLAN AND PROGRAM IMPLEMENTATION

Moving forward into implementation, MnDOT will work with local partners to develop projects selected as part of the Minnesota Highway Freight Program and Intermodal Program. Based on the direction of the Statewide Freight Investment Committee key corridors within the National Highway Freight Network were identified at the locations of the selected projects and connections to the projects to create a unified freight system within the state.

Figures 6.5 and 6.6 shows a map of the locations of selected projects and each of the designated corridors statewide. It also shows the locations of selected projects and each of the designated corridors in the Twin Cities Metropolitan area. Table 6.13 includes a list of the Critical Urban Freight Corridors and Table 7 includes a list of the Critical Rural Freight Corridors. New designations identified as part of the second round of the Minnesota Highway Freight Program are shown in green, while those originally designated as part of the first round are shown in light blue.

MnDOT intends to continue the Minnesota Highway Freight Program competitive solicitation for additional freight investments in the future. This may appear as a 2-3 year cycle on a revolving basis should additional federal formula funds be allocated to Minnesota through the National Highway Freight Program. Through the District Freight Plans process freight needs will continue to be explored with local and regional stakeholders across the state. MnDOT's Office of Freight and Commercial Vehicle Operations will continue to look for ways to better integrate freight into future construction projects as well as creating further connections between freight related efforts in meaningful ways.

Future efforts will be focused on the incorporation of these improvements into statewide programming processes as well as linking to and carrying out the strategic goals from the Freight Action Agenda. Freight planning staff will continue to meet with the Statewide Freight Investment Committee and the Minnesota Freight Advisory Committee to coordinate on future freight needs, issues, investments, policies, or concerns.

Table 6.13 Critical Urban Freight Corridors

AUTHORITY	ROUTE	FROM	TO	LENGTH (MILES)
MnDOT District 3	MN Highway 101	I-94 near Rogers	US Highway 169	6.82
MnDOT District 3	US Highway 169	MN 101	Sherburne CR33 (205 th Ave NW)	3.50
Dakota County	County State Aid Highway 70	I-35	Cedar Ave	3.99
MnDOT Metro District	MN Highway 156	US-494	Annapolis St E	3.45
MnDOT Metro District	MN Highway 13	I-35W	US-169	7.15
MnDOT Metro District	US Highway 169	MN 13	MN 41	7.70
Scott County	County State Aid Highway 83	4th Ave E	US169	1.10
MnDOT Metro District	MN Highway 41	US-169	County Road 61	2.15
Carver County	County Road 61	MN 41	County Road 11 (Jonathan Carver Parkway)	2.80
MnDOT Metro District	US Highway 10	I-35W near Mounds View	0.5 Miles west of Thurston Ave	14.20
MnDOT Metro District	MN Highway 252	I-694	70th Ave N	0.70
MnDOT District 1	US Highway 53	West 6th Street	0.1 Mile North of Helberg Street	0.75
City of Duluth	Courtland Street	I35/S 27 th Ave SW	Garfield Ave	0.92
MnDOT District 4	MN Highway 336	I-94 near Moorhead	US-10	2.07
MnDOT District 6	US Highway 52	0.13 miles North of JCT with I-90	0.13 miles South of JCT with I90	0.26
MnDOT Metro District	US Highway 10	0.6 miles W of Ramsey Blvd	0.5 Miles west of Thurston Ave	3.00
City of Inver Grove Heights	117th Street	CR 71 (Rich Valley Blvd)	US52 Interchange	1.20
Sherburne County	CSAH 33	Auburn St	CSAH 13/CR 34/Twin Lake Rd NW	1.70
			Total Mileage	63.46

Table 6.14 Critical Rural Freight Corridors

AUTHORITY	ROUTE	FROM	TO	LENGTH (MILES)
Carver County	Jonathan Carver Parkway (CR11)	Carver County Road 61	US Highway 212	0.20
MnDOT Metro District	US Highway 212	Jonathan Carver Parkway	Tacoma Ave	4.40
MnDOT Metro District	US Highway 212	Tacoma Ave	Carver County Road 34	8.50
MnDOT District 3	US Highway 169	205th Ave NW in Elk River	South Rum River Dr	18.9
Sherburne County	County Road 45	South Rum River Dr	125th St/9th Ave Circle	0.20
MnDOT District 3	MN Highway 24	I-94 near Clearwater	Sherburne CSAH 8	1.71
Sherburne County	County State Aid Highway 8	MN 24	MN 25 / US 10	7.20
MnDOT District 6	MN Highway 43	I-90	Huff Street in Winona	9.27
City of Winona	Riverview Drive	Huff Street	Theurer Blvd	2.10
MnDOT District 4	US Highway 10	MN 336	Randolph Road in Detroit Lakes	40.10
City of Detroit Lakes	Randolph Road	US Highway 10	Highland Drive	1.04
MnDOT District 6	Rest Area	Rest Area Ramps Near Austin and Albert Lea	0.50	0.75
MnDOT District 4	I-94 Rest Area	Rest Area Ramps at Burgen Lake Rest Area	Rest Area Ramps at Burgen Lake Rest Area	0.50
MnDOT District 8	US Highway 212	0.25 Miles West of Morningside Drive	0.25 Miles East of Morningside Drive	0.50
City of Glencoe	Morningside Drive	0.1 Miles North of US Highway 212	0.1 Miles South of US Highway 213	0.20
MnDOT District 6	MN Highway 19	I-35 Interchange	Albany Avenue	0.28
Rice County	CSAH 59	0.1 Miles North of Intersection with TH 19	0.1 Miles South of Intersection with TH 19	0.20
MnDOT District 8	US Highway 212	Tacoma Avenue North	0.1 Miles East of JCT with TH 15	24.3
MnDOT District 8	US Highway 212	0.1 Miles West of JCT with TH 15	0.1 Miles East of JCT with TH 15	0.2
MnDOT District 8	MN Highway 15	0.1 North of JCT with US 212	0.1 South of JCT with US 212	0.2
MnDOT District 1	US Highway 53	0.1 Miles North of JCT with CSAH 332	0.1 Miles South of JCT with CSAH 333	0.2