

Dakota County

Regional Railroad Authority

Agenda

Tuesday, September 23, 2025

9:30 AM

Boardroom, Administration Center, Hastings, MN

(or following County Board)

- 1. Call To Order And Roll Call
- 2. Approval of Agenda (Additions/Corrections/Deletions)
 - **2.1** Approval of Agenda (Additions/Corrections/Deletions)
- 3. Consent Agenda
 - **3.1** County Administration Approval of Minutes of Meeting Held on August 26, 2025
- 4. Regular Agenda
 - **4.1** *Transportation* Authorization To Release Draft 2026-2030 Dakota County Regional Railroad Authority Capital Improvement Program
 - **4.2** *Transportation* Certification Of 2026 Dakota County Regional Railroad Authority Maximum Proposed Property Tax Levy
- 5. Other Business/Staff Reports
- 6. Adjournment
 - **6.1** Adjournment

For more information, call 651-438-4417
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Request for Board Action

Item Number: DC-4907 Agenda #: 2.1 Meeting Date: 9/23/2025

Approval of Agenda (Additions/Corrections/Deletions)



Request for Board Action

Item Number: DC-4908 Agenda #: 3.1 Meeting Date: 9/23/2025

Approval of Minutes of Meeting Held on August 26, 2025



Dakota County Regional Railroad Authority Minutes

Tuesday, August 26, 2025 9:30 AM Boardroom, Administration Center, Hastings, MN

(or following County Board)

1. Call To Order And Roll Call

The meeting was called to order by Chair Hamann-Roland at 10:15 a.m.

Present Commissioner Mike Slavik

Commissioner Joe Atkins

Commissioner Laurie Halverson Commissioner William Droste Commissioner Liz Workman Commissioner Mary Liz Holberg Commissioner Mary Hamann-Roland

Also in attendance were Heidi Welsch, County Manager; Tom Donely, First Assistant County Attorney; and Jeni Reynolds, Sr. Administrative Coordinator to the Board.

Audio recording of the Regional Railroad Authority meeting is available upon request.

2. Approval of Agenda (Additions/Corrections/Deletions)

2.1 Resolution No:

Approval of Agenda (Additions/Corrections/Deletions)

Motion: Laurie Halverson Second: Mike Slavik

Ayes: 7

3. Consent Agenda

On a motion by Commissioner Slavik, seconded by Commissioner Droste, the Consent agenda was approved as follows:

3.1 Resolution No:

Approval of Minutes of Meeting Held on July 29, 2025

Motion: Mike Slavik Second: William Droste

Ayes: 7

4. Regular Agenda

4.1 Overview Of Draft Dakota County Regional Rail Authority 2026-2030 Capital Improvement Program

County Engineer Erin Laberee briefed this item and responded to questions. This item was on the agenda for informational purposes only.

Information only; no action requested

5. Other Business/Staff Reports

No other business or staff reports.

6. Adjournment

6.1 Resolution No: Adjournment

Motion: Joe Atkins Second: Laurie Halverson

On a motion by Commissioner Atkins, seconded by Commissioner Halverson, the meeting was adjourned at 10:30 a.m.

Ayes: 7

Respectfully submitted,

William Droste Secretary



Request for Board Action

Item Number: DC-4839 Agenda #: 4.1 Meeting Date: 9/23/2025

DEPARTMENT: Transportation

FILE TYPE: Regular Action

TITLE

Authorization To Release Draft 2026-2030 Dakota County Regional Railroad Authority Capital Improvement Program

PURPOSE/ACTION REQUESTED

Authorize the release of the draft 2026-2030 Dakota County Regional Railroad Authority (Authority) Capital Improvement Program (CIP) and Budget for public review and comment.

SUMMARY

As part of the annual budget process, the Authority prepares a five-year CIP. The CIP identifies capital projects that fulfill the purpose of the Authority to preserve and improve transitways as well as local rail corridors and services. The first year (2026) of the five-year CIP will become part of the Authority's overall 2026 budget when approved.

In the spring of each year, Transportation staff meets with representatives for the County's cities to review the current CIP and discuss requests for modifications and/or additions. Staff held a discussion with the Authority on August 26th, 2025, to understand priorities for future Authority CIP projects. The current draft CIP reflects the projects identified in that discussion.

Pursuant to the joint powers agreement between the Authority and Dakota County, Dakota County provides administrative services for the Authority, including development and management of the Authority's budget.

The purpose of submitting the draft CIP (Attachment: Draft Authority 2026-2030 CIP) for formal review is to obtain additional advice and input prior to making final recommendations to the Authority.

By Resolution No. 24-476 (September 24, 2024), a public hearing has been scheduled for December 2, 2025, to receive comments on the proposed Dakota County CIP. The Authority Budget and CIP will also be discussed at the public hearing as part of the County's administrative services for the Authority and its connection to the County's CIP.

The Authority is currently scheduled to consider the adoption of the 2026-2030 CIP on December 16, 2025.

RECOMMENDATION

Staff recommends the Authority authorize submission of the draft Authority 2026-2030 CIP summary to the Cities and Townships for formal review and comment prior to the public hearing held on

Item Number: DC-4839	Agenda #: 4.1	Meeting Date: 9/23/2025
December 2, 2025. Staff also recommend Dakota County website for public viewing	•	ze the posting of the draft CIP on the
EXPLANATION OF FISCAL/FTE IMPAC ☑ None ☐ Current budget ☐ Amendment Requested	CTS ☐ Other ☐ New FTE(s) req	uested
RESOLUTION WHEREAS, the Dakota Regional Railroa Authority's purpose to preserve and impro	• • • • • • • • • • • • • • • • • • • •	
WHEREAS, the Authority desires input fro Program (CIP); and	om local communities i	n developing its Capital Improvement
WHEREAS, pursuant to the joint powers Dakota County provides administrative se management of the Authority's budget; a	ervices for the Authority	•
WHEREAS, staff has compiled the draft 2	2026-2030 CIP; and	
WHEREAS, by Resolution No. 24-476 (S public hearing for December 2, 2025, to r	•	•
NOW, THEREFORE, BE IT RESOLVED, authorizes submission of the draft 2026-2 and townships for formal review and com	2030 Capital Improveme	ent Program summary to the cities
BE IT FURTHER RESOLVED, That the Dauthorizes posting the draft 2026-2030 C to allow review from interested parties as the Capital Improvement Program in Dec	apital Improvement Pro a means of receiving for	ogram to the Dakota County website
PREVIOUS BOARD ACTION 24-476; 9/24/24		
ATTACHMENTS Attachment: Draft 2026-2030 Authority C	IP	
BOARD GOALS ☐ Thriving People ☐ A Healthy Er ☑ A Successful Place for Business and	nvironment with Quality d Jobs ⊠ Excellen	Natural Resources ace in Public Service
CONTACT		

Department Head: Erin Laberee Author: Jake Chapek

7

2026 - 2030 Regional Rail Authority Capital Improvement Program



Page	Project Number	Short Description	Project Title	City Location	Annual Cost	Regional Rail Authority Funds	Total Project Cost	Lead Agency
	2026 Section							
	RR00031		Railroad Crossing Set Aside		550,000	550,000	3,350,000	
			2026 Total		550,000	550,000		
	<u>2027 Section</u>							
	RR00031		Railroad Crossing Set Aside		550,000	550,000	3,350,000	
			2027 Total		550,000	550,000		
	2020 Cartian							
	2028 Section		- 11					
	RR00031		Railroad Crossing Set Aside 2028 Total	 	550,000 550,000	550,000 550,000	3,350,000	
			2020 10(a)		330,000	330,000		
	2029 Section							
	RR00031		Railroad Crossing Set Aside		550,000	550,000	3,350,000	
	11100031		2029 Total		550,000	550,000	3,330,000	
	2030 Section							
	RR00031		Railroad Crossing Set Aside		550,000	550,000	3,350,000	
RRA			2030 Total		550,000	550,000		

5-Year Summary

Year	Annual Cost	Regional Rail Authority Funds
2026	550,000	550,000
2027	550,000	550,000
2028	550,000	550,000
2029	550,000	550,000
2030	550,000	550,000
Total	2,750,000	2,750,000

Projected Fund Balance

Year	Beg. Fund Balance	RRA CIP Expenditures	RRA Operations Salary & Dept Support	RRA Interest	Total
2025			Estimate based on 12/	31/24 FB and 2025 CIP	4,772,344
2026	4,772,344	4,772,344 550,000 62,857 71,5		71,585	4,231,072
2027	4,231,072	550,000	65,420	63,466	3,679,118
2028	3,679,118	550,000	68,107	55,187	3,116,198
2029	3,116,198	550,000	70,925	46,743	2,542,016
2030	2,542,016	550,000	73,880	38,130	1,956,266

Per Policy 2003, a sufficient fund balance is required for interest to cover operational expenses. The current required minimum fund balance is \$1,750,000.



Request for Board Action

Item Number: DC-4840 Agenda #: 4.2 Meeting Date: 9/23/2025

DEPARTMENT: Transportation **FILE TYPE:** Regular Action

TITLE

Certification Of 2026 Dakota County Regional Railroad Authority Maximum Proposed Property Tax Levy

PURPOSE/ACTION REQUESTED

Certify the 2026 Maximum Proposed Property Tax Levy for the Dakota County Regional Railroad Authority (Authority).

SUMMARY

In 1987, the Authority was formed under Minn. Stat. § 398A, which grants broad powers to the Authority to plan, acquire, construct, and operate transitways and railroads. Within these powers, the Authority has previously invested in the Cedar Avenue METRO Red Line, the METRO Orange Line Phase I, pedestrian and bicycle connections to transitways, and improvements to highway and greenway railroad crossings.

The adopted 2025 Authority budget retained a levy of \$0. The proposed Draft 2026-2030 Authority Capital Improvement Program (CIP) budget can be fully funded with the remaining Authority Fund Balance (Attachment: Levy Scenario). Future Authority capital project and operating costs will be funded by the Transportation Sales and Use Tax or Transportation Advancement Account revenues when eligible. Sufficient Authority Fund Balance is projected to be maintained to fund any non-eligible capital and operating expenses through 2030 and beyond.

With this approach, the maximum 2026 Authority levy is proposed to be \$0.

RECOMMENDATION

Staff recommends certification of a 2026 Maximum Proposed Property Tax Levy of \$0, which remains unchanged from the Authority's 2025 property tax levy.

EXPLANATION OF FISCAL/FTE IMPACTS

☑ None	☐ Current budget	☐ Other
☐ Amendment	Requested	□ New FTE(s) requested

RESOLUTION

WHEREAS, the Dakota County Regional Railroad Authority (Authority) must certify a maximum proposed property tax levy for 2026 by September 30, 2025; and

WHEREAS, the Authority will maintain continued involvement and participation in eligible initiatives

Item Number: DC-4840 Agenda #: 4.2 Meeting Date: 9/23/2025

related to railroads and transitways; and

WHEREAS, the Authority considers capital projects planned during the next five years through the Authority's Capital Improvement Program (CIP) budget; and

WHEREAS, the proposed 2026 Authority capital and operating budgets based on the Dakota County 2040 Transportation Plan do not require additional property tax levy revenue; and

WHEREAS, the Authority is projected to maintain sufficient fund balance for the proposed Draft 2026-2030 Authority CIP; and

WHEREAS, future Authority capital project and operating costs may be funded by Dakota County Transportation Sales and Use Tax or Transportation Advancement Account when eligible.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Regional Railroad Authority hereby certifies a maximum proposed property tax levy of \$0 for taxes payable in 2026.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment: Levy Scenario
Attachment: Presentation Slides

BOARD GOALS

☐ Thriving People	□ A Healthy Environmer	nt with Quality Natural Resource
☐ A Successful Place	for Business and Jobs	☑ Excellence in Public Service

CONTACT

Department Head: Erin Laberee

Author: Jake Chapek

2026 Regional Rail Levy Scenario Analysis

Estimated	Fund	Bal	ance
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Fund Balance as of 12/31/2024	\$ 5,384,060	
2025 Revenue (Budgeted/YTD)	\$ 367,000	+
2025 Expenditures (Budgeted)	\$ 60,414	_
2025 Estimated CIP Expenses	\$ 600,000	_
2025 Budget Amendments	\$ 318,312	_
2025 Previous programmed funds released back to fund balance	\$ -	+
Total, Estimated Uncommitted Fund Balance as of 12/31/2025	\$ 4,772,334	

	2026	2027	2028	2029	2030	Total
Operations (NCC)						
Capital Costs - Reimburse RRA Operations *	\$ 49,037	\$ 51,489	\$ 54,063	\$ 56,767	\$ 59,605	\$ 270,961
Department and County Support **	\$ 5,520	\$ 5,631	\$ 5,743	\$ 5,858	\$ 5,975	\$ 28,728
Regional rail Admin/RRA-Membership	\$ 8,300	\$ 8,300	\$ 8,300	\$ 8,300	\$ 8,300	\$ 41,500
Subtotal	\$ 62,857	\$ 65,420	\$ 68,107	\$ 70,925	\$ 73,880	\$ 341,188
Capital Improvement Plan (NCC)						
Capital, Debt and Other Financing - Authority Funds	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 2,750,000
Subtotal	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 2,750,000
Total						
Beginning Fund Balance	\$ 4,772,334	\$ 4,231,062	\$ 3,679,108	\$ 3,116,188	\$ 2,542,006	\$ 18,340,698
Less: Office Operating Costs	\$ 62,857	\$ 65,420	\$ 68,107	\$ 70,925	\$ 73,880	\$ 341,188
Less: Capital Costs - Authority	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 2,750,000
Subtotal	\$ 4,159,477	\$ 3,615,642	\$ 3,061,001	\$ 2,495,263	\$ 1,918,126	
Proposed Levy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on Investments	\$ 71,585	\$ 63,466	\$ 55,187	\$ 46,743	\$ 38,130	
Total, Projected Ending Fund Balance	\$ 4,231,062	\$ 3,679,108	\$ 3,116,188	\$ 2,542,006	\$ 1,956,256	

^{*}Assumes a 5% inflationary increase in Salary/Benefits each year

^{**}Assumes a 2% inflationary increase in Department/County Support



Certification of Maximum Property Tax Levy and Authorization to Release Draft 2026 – 2030 Capital Improvement Program

Erin Laberee

Transportation Director/County Engineer

September 23, 2025

1

Proposed 2026 Capitol Improvement Projects



At-Grade Rail Crossing Set Aside

- Establish budget to replace 2-3 rail crossings of County Highways annually
- 26 Current crossings of County Highways
- Propose annual set aside of \$550,000



2

2026 Regional Railroad Authority Dakota



Draft 2026 CIP

- At Grade Rail Crossing Improvements (\$550,000 per year)
 - Maintains \$1,750,000 minimum fund balance
 - Sufficient for interest to cover operational expenses per Fund Balance Policy approved in 2023
 - Recommend \$0 maximum proposed levy

Projected Fund Balance

Year	Beg. Fund Balance	RRA CIP Expenditures	RRA Operations - Salary & Dept Support	RRA Interest	Total
2025			Estimate based on 12/	31/24 FB and 2025 CIP	4,772,344
2026	4,772,344	550,000	62,857	71,585	4,231,072
2027	4,231,072	550,000	65,420	63,466	3,679,118
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2029	3,116,198	550,000	70,925	46,743	2,542,016
2030	2,542,016	550,000	73,880	38,130	1,956,266

3

Actions



- Certification of Maximum Proposed Property Tax Levy of \$0
- Release Draft 2026-2030 Regional Rail Authority CIP



Request for Board Action

Item Number: DC-4909 Agenda #: 6.1 Meeting Date: 9/23/2025

Adjournment