



Regional Rail Authority Preliminary 2026 Capital Improvement Program (CIP)

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August 26, 2025

Capital Improvement Program Project Principles and Assumptions



- Addresses safety issues first
- Honors funder/grantee commitments
- Supports approved Strategic Plan implementation
- Aligns with departmental missions
- Follows general prioritization
 - Priority 1: Projects already underway ("Finish what we've started")
 - Priority 2: Projects that address asset, infrastructure, or resource deficiencies ("Fix what's broken")
 - Priority 3: Strategic system growth and enhancement ("Meet demand")
 - Priority 4: Pursuit of projects not in an adopted CIP ("Act on opportunities")
 - Implements External Revenue Strategy: Projects contingent on external funding will carryover in CIP for 2 years
- Additional Regional Rail Authority guidance: Utilize Authority fund balance on eligible projects to offset use of other County funding sources

Regional Railroad Authorities Act



- Minnesota Statutes Chapter 398A
 - Railroad acquisition, operation, preservation:
 - Highway/rail grade separations
 - Highway at-grade rail crossing improvements
 - Greenway/rail grade separations
 - Greenway at-grade rail crossing improvements
 - Rail rights-of-way preservation
 - Bus Rapid Transit Development:

Regional Railroad Authority CIP: Previous Amendments



2024 CIP Amendments for Greenway Railroad Crossings

- Minnesota River Greenway Bridge, Fort Snelling UP Railroad Bridge (\$2.6M)
- Veteran's Memorial Greenway at CPKC Railroad and Hwy 3, Eagan (\$600,000)
- Veterans Memorial Greenway at-grade crossing of Union Pacific (UP) Railroad/105th Street, Inver Grove Heights (\$400,000)

2025 CIP Adoption

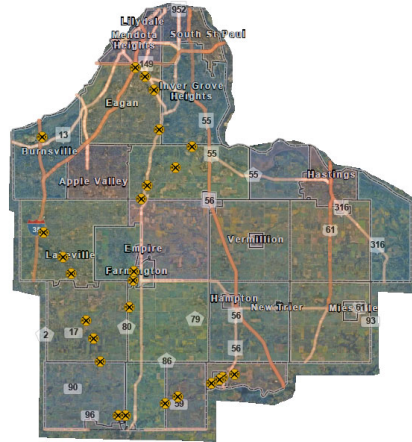
- At Grade Rail Crossing Improvements (\$600,000 per year)

Proposed 2026 Capitol Improvement Projects



At-Grade Rail Crossing Set Aside

- Establish budget to replace 2-3 rail crossings of County Highways annually
- Approximate cost of each crossing \$200,000
- 26 Current crossings of County Highways
- Propose annual set aside of \$550,000
- Contracted with consult for prioritization plan



2026 Regional Railroad Authority CIP



Proposed 2026 CIP

- At Grade Rail Crossing Improvements (\$550,000 per year)
 - Maintains \$1,750,000 minimum fund balance per policy to cover operational expenses
 - The balance remains sufficient for interest to cover all operational expenses

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		
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
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

Next Steps



- September 23 Authority Meeting: Proposed Maximum Levy