



2023 Draft Capital Improvement Program (CIP)

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- 2023 Draft CIP Schedule
- CIP Elements and Considerations
 - Capital Budget Pressures
- Natural Resources and Greenway Funding Strategy
- External Revenue Strategy
- CIP Revenues by Type
- Review of CIP Programs
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- Discussion

Tentative CIP Schedule



August 16

Draft 2023 CIP Review and Discussion:

- Buildings/Facilities
- Parks and Greenways
- Transportation
- Environmental Resources

September 20

- Draft 2023-2027 CIP Released for Public Comment

November 15-17

- County Board Budget Workshops

November 29

- CIP Public Hearing at Truth-In-Taxation Hearing

December 13

- Proposed adoption of 2023 Operating and Capital Budget

CIP
Buildings
Byllesby Dam*
Data Networks*
Environmental Resources
Parks & Greenways
Regional Rail Authority*
Transportation

* No additional CIP funding requested for 2023

CIP Elements and Considerations



- CIP based on current staffing levels
- Overarching CIP Principles:
 - Safety first
 - Finish what we have started
 - Honor funder/grantee commitments
- 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: Projects not in an adopted CIP (“Act on opportunities”)

CIP Elements and Considerations



- Full estimated project costs including construction and “soft costs”
- Project expenditures based on the year of expenditure:
 - First: Scoping
 - Second: Design
 - Third: Property Acquisition
 - Fourth: Construction
- Resource Management and Project Chargebacks in all CIPs to show staffing requirements
- What can be done with existing staffing and what requires additional resources
- Project delivery and ongoing maintenance
- Easements and acquisitions can slow or stop progress

Environmental Legacy Fund (ELF)

CB Resolution 15-663

- “protection, preservation or enhancement of the environment”
- “Green” Infrastructure: Examples: natural resources restoration, water quality infrastructure, land acquisition outside of standard corridor, etc.

Sales and Use Tax (SUT)

- Mn Statutes 97A.93, subd 2.
 - Capital costs of specific transportation projects or improvements
 - Capital and operating costs, of a specific transit project or improvement
- Incorporated “Federal Aid Transportation Development Guidelines”
- “Grey” Infrastructure:
 - Trails, crossings, turfgrass, ROW and land acquisition within standard corridor, etc.
 - Trailheads and associated infrastructure (buildings, parking lots) not eligible

Proposed Cost Allocation - Greenways



- Six recent Greenway projects evaluated based on “Green” and “Grey” definitions
- Proposed Breakdown for 2023-2027 CIP

Funding Source	% of County Cost	2023 Planned	2023 Proposed
Environmental Legacy Fund	~15%	\$1,076,250	\$491,250
Transportation Sales and Use Tax	~85%	\$-	\$2,783,750

External Revenue Strategy



Staff is recommending:

- Get projects through preliminary design/engineering so when funding becomes available (internal/external) projects can move quickly
- Leave in CLP for one additional year if anticipated external funding isn't achieved

CIP Revenues by Type



CIP	Levy	CPA	ELF	General Fund	Trans Fund	Sales & Use Tax	Parks Fund	Regional Rail	ARP Funding
Buildings	X	X	X	X	-	-	-	-	X
Byllesby Dam	-	-	-	X	-	-	-	-	X
Data Networks	-	-	-	X	-	-	-	-	-
Environmental Resources	-	-	X	-	-	-	-	-	X
Parks and Greenways	X	X	X	X	-	X	X	-	X
Regional Railroad Authority	-	-	-	-	-	-	-	X	-
Transportation	X	-	-	-	X	X	-	-	-

**Option – CPA funding shift from CIPs to Operations

Preliminary 2023 CIP Budget



CIP	2023 Planned	2023 Proposed*	Difference*
Buildings	\$ 24,424,104	\$ 27,541,104	\$ 3,117,000
Byllesby Dam	-	-	-
Data Networks	\$ 1,100,000	-	\$ (1,100,000)
Environmental Resources	\$ 1,523,992	\$ 1,566,845	\$ 42,853
Parks & Greenways	\$ 13,839,189	\$ 15,589,189	\$ 1,750,000
Regional Rail Authority	-	-	-
Transportation (SUT)	\$ 96,722,370	\$ 82,762,020	\$ (13,960,350)
Total	\$ 137,609,585	\$ 120,358,731	\$ (10,150,497)

*Subject to change throughout CIP Process

Buildings/Facilities

Major 2023 Projects by Function



Infrastructure Maintenance	2023 Planned	2023 Proposed
• HVAC/Energy	\$510,000	\$1,780,000
• Roofs/Building Envelope/Safety	\$1,110,000	\$1,585,000
• Interior Finishes and Systems	\$1,397,000	\$650,000
New Construction		
• County Library in South St. Paul*	\$4,700,000	\$-
• Law Enforcement Center Integrated Health Unit Addition	\$6,000,000	\$5,000,000
• Guild Treatment Facility in West St. Paul	\$-	\$8,129,000
Renovations		
• Law Enforcement Center Medical Unit Renovations*	\$-	\$170,000
• Law Enforcement Center Locker Room Expansion	\$300,000	\$470,000
• WSC Courts Public Counter Accessibility Upgrades*	\$-	\$300,000

* New project or change from previous CIP

Buildings/Facilities Capital Budget Pressures



- Material and Labor Shortages
- Material Cost Inflation
- Resource Needs and Timing due to Unplanned Projects
- Major Maintenance Facility Optimization Study (MFOS) Projects Design in 2023 due to Planned Construction in 2024-2025
- Long-Term Infrastructure Maintenance Needs Increasing

Buildings/Facilities Other Impacts to Out Years



- LEC Integrated Addition – work to continue into 2024
- Maintenance Facility Optimization Study (MFOS)
 - Lebanon and Hampton Shop Construction in 2024-2025
 - Empire Cold Storage Part 2 Construction in 2024

Maintenance Facility Optimization Study (MFOS) History



- Maintenance Facility Optimization Study (MFOS) Completed and Presented to County Board in September 2017
- Analyzed Existing Grounds and Transportation Maintenance Shop Needs Through 2042, a 25-Year Long-Term Facility Needs Study
- Considered Four Final Options In Detail

Maintenance Facility Optimization Study (MFOS) Study Outcomes



- County Board Approved Option 2A Including:
 - Empire Additions (Existing Site)
 - South Shop (New Site)
 - Relocate North Parks Shop in Lebanon Hills
 - Future Potential (joint) North Sheriff, and Transportation (new site). The SMART Center Addressed the Sheriff's Portion of this.
 - Sell Hastings and Farmington, Remove old Grounds at Spring Lake Park and Lebanon Hills

Maintenance Facility Optimization Study (MFOS) Funding Plan



- Cost Estimates Were Established in 2017 with an Escalation Factor to the Planned Construction Date
 - Empire Additions in 2020
 - Lebanon and South (Hampton) Shops in 2024-2025.
 - These Were Included in Buildings CIP Since 2019
- Estimated Proceeds from the Sale of Hastings and Farmington Shop Sites

Maintenance Facility Optimization Study (MFOS) Next Steps



- Equipment and Staff Needs Have Changed Since 2017 Study, Programming for Space/Schematic Design Needed to Detail and Quantify Needs and Update Costs for Lebanon and Hampton Sites
- Due to Budget Constraints with 2020 Empire Additions, Cold Storage Facility was Reduced in Size by Half. This Additional Half is Necessary to Close Hastings Site

Maintenance Facility Optimization Study (MFOS) Next Steps



- Hampton Site Acquisition occurred June 2022
- Design Lebanon and Hampton Sites in 2023, Followed by Construction in 2024-2025
- Demo/Sell Farmington Site in 2026
- Demo Old Lebanon and Spring Lake Shops in 2026
- Design and Construct Second Half of Empire Cold Storage in 2024-2025
- Demo/Sell Hastings Site Late 2025

Buildings/Facilities



Future Projects Dependent on External Funding

Const. Years	Project	Total Planned Cost	Funding Gap
2024-25	Law Enforcement Center Integrated Health Addition*	\$15,000,000	\$-
2023-24	IRTS/Guild Facility	\$8,129,000	\$8,129,000
2025-26	Homeless Shelter	\$9,300,000	\$9,300,000
	Total	\$32,429,000	\$17,429,000

*State Bonding Request (Construction year dependent on request)

Data Networks

Major 2023 Projects by Function



Transportation/Traffic	2023 Planned	2023 Proposed
<ul style="list-style-type: none">CIP 38-58 McAndrews -along CSAH 38 from CSAH 5 to CSAH 31	\$600,000	\$-
Internal Projects	\$800,000	\$-
<ul style="list-style-type: none">9-56 Dodd Blvd RelocationCSAH 5 OverbuildHwy 5 to DCTC Reroute and overbuild		

* New project or change from previous CIP

Environmental Resources

Major 2023 Projects



Environmental Resources Program Areas	2023 Planned	2023 Proposed
Land Acquisition and Restoration	\$463,895	\$435,322
Wetlands and Water Retention	\$5,041	\$5,041
Water Quality and Quantity Capital Projects	\$549,455	\$320,881
Environmental Assessment and Remediation	\$505,601	\$805,601

Environmental Resources Capital Budget Pressures



- Increasing project costs due to increasing land values, labor, and commodity prices
- Balancing existing staff capacity with strategic plan implementation schedules
- Acquisition of easements and fee title from willing sellers can slow or stop progress

Parks and Greenways

Major Projects by Function



Park Projects	2023 Planned	2023 Proposed
• Spring Lake Park Reserve – Master Plan Improvements	\$1,188,176	\$1,188,176
• Park Enhancements Set-Aside	\$275,000	\$275,000
• Lebanon Hills Regional Park – Master Plan Improvements*	\$1,350,000	\$-
Greenway Projects		
• North Creek GW – Lakeville/Farmington*	\$-	\$1,000,000
• Minnesota River GW – Dakota Homeland Interpretation*	\$-	\$750,000
• Priority Tier 1 & 2 Projects Set-Aside*	\$-	\$2,000,000
• Greenway Collaborative Set-Aside	\$516,913	\$516,913
• Greenway Enhancements Set-Aside	\$275,000	\$275,000

* New project or change from previous CIP

Parks and Greenways

Major Projects by Function



Other/Systemwide Projects	2023 Planned	2023 Proposed
• Planning Set-Aside	\$250,000	\$350,000
• Acquisition Set-Aside	\$4,533,333	\$4,533,333
• Miscellaneous Projects*	\$-	\$250,000
• Asset Preservation Set-Aside	\$750,000	\$750,000
• Grant Match Set-Aside	\$551,250	\$551,250
• CIP Delivery Staff Chargeback	\$1,946,172	\$1,946,172
• Natural Resource Restoration & Management	\$1,203,345	\$1,203,345

* New project or change from previous CIP

Parks and Greenways Budget Pressures



- Aging and heavily-used facilities
- Project cost escalations
- Uncertain revenue
- Using County funds to show full project funding can threaten grant competitiveness

Parks and Greenways

Other Impacts to Out Years



- Increased City requests for Greenway Collaborative projects
- Multiple greenway projects at or near readiness with no funding available

Parks and Greenways

Future Projects Dependent on External Funding



Year	Project	Total Planned Cost	Funding Gap
2023-25	Spring Lake Park Reserve MP Improvements	\$3,738,976	\$1,700,034
2024-25	Miesville Ravine Park Reserve MP Improvements	\$5,600,416	\$1,700,034
2025-26	Mississippi River Greenway MP Improvements	\$3,738,976	\$-
2025-26	Whitetail Woods Regional Park MP Improvements	\$2,344,589	\$1,100,174
TBD	Tier 1 & Tier 2 Greenway projects	\$-	\$-
2023-27	Total	\$15,422,957	4,500,242

Transportation

Major 2023 Projects by Function



Preservation	2023 Planned	2023 Proposed
<ul style="list-style-type: none"> Pavement & gravel resurfacing projects 	\$8,510,000	\$8,510,000
Management		
<ul style="list-style-type: none"> CR 6 at CSAH 73 – roundabout, mill & overlay (WSP) 	\$1,643,000	\$2,750,000
<ul style="list-style-type: none"> CSAH 9 – Glasgow Way to CSAH 31 (Lakeville) 	\$8,040,000	\$12,257,500
<ul style="list-style-type: none"> CSAH 88 – CR 94 to TH 56 (Randolph) 	\$5,165,300	\$7,900,000
<ul style="list-style-type: none"> Pedestrian Crossing Enhancements* 	\$-	\$1,600,000
<ul style="list-style-type: none"> CSAH 28 (Yankee Doodle Rd) at Elrene Rd & at Mike Collins Dr in Eagan* 	\$400,000	\$200,000
<ul style="list-style-type: none"> CSAH 63 (Delaware Ave) – TH 62 to Marie Ave in Mendota Heights and WSP* 	\$500,000	\$-
<ul style="list-style-type: none"> CR 83 (Dixie Ave) – CSAH 88 to Cannon River in Randolph* 	\$975,000	\$-

* New project or change from previous CIP

Transportation Major 2023 Projects by Function



Replacement & Modernization	2023 Planned	2023 Proposed
• CSAH 91 – 210 th St to TH 361 (Marshan Twp.)	\$4,500,000	\$6,000,000
• CSAH 32 (Cliff Road) – Signal at Slater Rd in Eagan*	\$750,000	\$-
• CSAH 88 (292nd St E) – TH 56 to Finch Ct in Randolph Township*	\$6,800,000	\$-
Expansion		
• CSAH 46 – TH 3 to TH 52 (Rosemount, Empire Twp.)*	\$25,000,000	\$-
• Extension of CSAH 60/185 th St (Lakeville)	\$1,237,500	\$4,823,500

* New project or change from previous CIP

Transportation Major 2023 Projects



Sales and Use Tax (SUT) Fund	2023 Planned	2023 Proposed
• CSAH 86 from West County Line to CSAH 23 ROW, (Eureka and Greenvale Twps)	\$1,500,000	\$1,500,000
• CSAH 32 (117 th St.) from CSAH 71 to US 52 ROW (IGH)	\$750,000	\$4,500,000
• I-35/CSAH 50 Interchange PE (Lakeville)	\$700,000	\$2,200,000
SUT Transit Projects		
• County Highway Bus Pads	\$50,000	TBD
• Off-County Highway Bus Pads	\$200,000	TBD
• DARTS Loops	\$32,500	TBD

Note: cost increases for I-35/50 PE and CSAH 32 (117th St.) represent difference in scope/phase rather than just cost increase.

Transportation Capital Budget Pressures



- Increased construction costs (20-30% over 2022)
- Material Availability Cost Implication
- Unsuccessful federal funding pursuits
- \$9M CSAH funding deficit in 2023 and increased deficit in future years

Transportation



Future Projects Dependent on External Funding

Const. Year	Project	Total Construction Cost	Funding Gap
2024	CSAH 26 from TH 13 to I-35E in Eagan	\$5,940,000	\$4,740,000
2025	CSAH 42 from Redwood to 147 th in Apple Valley	\$8,179,300	\$6,540,000
2025	CSAH 62/66 and US 52 Area Interchange (Empire and Vermillion Twps, Vermillion)	\$30,000,000	\$24,000,000
2026	I-35/CSAH 50 Interchange (Lakeville)	\$45,000,000	\$36,000,000
2026	CSAH 46 from Pleasant Drive to TH 61 in Hastings	\$12,300,000	\$7,000,000
2026	CSAH 86 roundabouts at TH 3 in Castle Rock and at TH 56 in Randolph	\$3,972,312	\$3,575,080
2027	CSAH 46 Expansion (Rosemount, Empire)	\$42,800,000	\$35,000,000
	Total	\$148,191,612	\$116,855,080

*Transportation & SUT Funds

Transportation

Other Impacts to Out Years



- Projected deficit in CSAH funding increases to \$25M in 2027 due to project cost increase – use SUT, Transportation fund balance or delay projects
- Assume award of federal funds based on historical awards
- Advanced funding requests by Cities have increased significantly

Discussion Summary



- Natural Resources and Greenways Funding
 - 85/15 split SUT/ELF
- External Revenue Strategy
 - Removing projects if external funding isn't achieved
- Shift of CPA from parks/buildings CIP to operating:
 - Delay/postpone projects
 - Issue debt on future projects
- Did we miss anything?
- What further information, if any, would the Board like to see before the September 20th release?

Discussion