



December 20, 2017

Commissioner Charles Zelle
Minnesota Department of Transportation
395 John Ireland Blvd.
St. Paul, MN 55155

Mr. Patrick Weidemann
Director of Capital Planning and Programming
Minnesota Department of Transportation
395 John Ireland Blvd.
St. Paul, MN 55155

Dear Commissioner Zelle and Mr. Weidemann:

As President of the U.S. Highway 14 Partnership and a member of the Mankato City Council, I submit the following comments on the Minnesota Department of Transportation's (MnDOT) draft Corridors of Commerce scoring system. The U.S. Highway 14 Partnership represents cities, counties, chambers of commerce, businesses and individuals along Highway 14 in southern Minnesota, all of whom have joined together in pursuit of one goal: to expand Highway 14 to four lanes from New Ulm to Rochester.

The Highway 14 Partnership advocated for the creation and funding of the Corridors of Commerce program in 2013, and continues to support the program today. We are grateful for the Corridors of Commerce funds that have already been invested in the expansion of Highway 14, and we are committed to ensuring that the program continues to fulfill its purpose of investing in transportation projects that foster economic growth by facilitating the movement of freight and people throughout our state.

We appreciate working with you and MnDOT staff on these efforts. Thank you for the hard work and thoughtful consideration agency staff has demonstrated in creating this draft scoring system.

Regional Connections Criteria

Prioritizing connection to the metro unfairly handicaps important corridors like Highway 14

MnDOT's proposed rubric for the regional connections criteria creates a hierarchy that prioritizes interstate highways and corridors that connect Level 1 trade centers to the Twin Cities metro area by capping the points available to other corridors. We are troubled that MnDOT has chosen to handicap Greater Minnesota corridors like Highway 14 by making it impossible for them to receive all points available in this rubric, solely because they do not connect to the metro area.

Approximately 400,000 people live along the Highway 14 corridor from New Ulm to Rochester—the most highly populated stretch of road in Greater Minnesota not to be connected by continuous four-

lane highway. From those who live along the corridor, Highway 14 is the lifeblood of our communities and economies, moving people and goods between our population centers and providing access to world-class medical facilities. A scoring system that handicaps a corridor like Highway 14 from the outset belies the priorities of the Corridors of Commerce program.

Nonetheless, the maximum points available in this rubric for an interregional corridor like Highway 14 is 90, whereas a similar corridor could receive up to 100 points if connected to the Twin Cities metro area. We request that important interregional corridors like Highway 14 be put on equal footing in this rubric.

MnDOT's definition of "closing a gap" should not arbitrarily penalize projects like Highway 14

Also in the regional connections rubric, MnDOT has chosen to prioritize expansion projects that fill a gap in the existing corridor system over those that add lanes to a corridor but do not fill a gap in the current system. We commend MnDOT's goals of minimizing gaps in the highway system and finishing projects it has already invested in. The Partnership also appreciates MnDOT's acknowledgment during its rollout of these draft scoring criteria that the remaining two-lane portion of Highway 14 between Owatonna and Dodge Center would qualify as a gap project. However, we were troubled by comments made during MnDOT's presentation to the District 7 Area Transportation Partnership that the remaining two-lane segment of Highway 14 between Nicollet and New Ulm would be considered an expansion project. If that is the case, we strongly disagree with the agency's determination.

As MnDOT settles on its final definition of "closing a gap," it should duly acknowledge the investment that has already been made on the New Ulm side of Highway 14. As you know, preparation work is currently beginning on the New Ulm Gateway project, which will upgrade the intersection of Highways 14 and 15 to increase safety, and will be designed facilitate the future expansion of Highway 14 to four lanes. MnDOT already publicly recognizes on its website that the New Ulm Gateway project is part of the long-term plan to expand Highway 14 to four lanes from North Mankato to New Ulm.¹

As the scoring system is currently drafted, the expansion of Highway 14 between Nicollet and New Ulm is arbitrarily penalized because the remaining two-lane portion happens to fall at the end of the corridor's planned expansion. MnDOT should recognize that this corridor already qualifies as "closing a gap" due to the investment in readying the Highway 14/15 interchange for four-lane expansion, or MnDOT should modify its draft criteria to avoid this illogical result.

Return on Investment and Economic Impact Criteria

Return on investment and economic impact should be fairly balanced

The return on investment criteria is weighted more heavily than any other component in MnDOT's draft scoring system. The economic impact criteria is allotted 90 fewer points than return on investment, and half the points of any other category. MnDOT has explained that this was done in

¹ <http://www.dot.state.mn.us/d7/projects/14newulmtonmankato/index.html> (Accessed Dec. 11, 2017).

attempt to balance these criteria, because high-cost projects will score highly on the Economic Impact multiplier the agency chose to use, to the detriment of lower-cost, high return on investment projects. Moreover, MnDOT is seeking to mitigate the fact that “economic impacts are somewhat built into [the return on investment] criteria as well.”²

Given that this is the case, we hope MnDOT has also adjusted its scoring criteria to account for other factors that may overlap with return on investment, such as safety considerations. If not, these measures should be adjusted accordingly.

MnDOT’s return on investment score should recognize the full scope of the state’s investment

Statute requires MnDOT to use “a return on investment measure that provides for comparison across eligible projects.”³ While the agency is required to consider this criterion, MnDOT has broad discretion in determining what its return on investment equation will consist of. In the current draft scoring system, all available return on investment points will be awarded from only two categories: travel time reduction and crash reduction savings.

This criterion is incomplete. We agree that return on investment is an important consideration in any investment of taxpayer dollars, but MnDOT should score projects in a way that also prioritizes long-term solutions for our transportation system.

One way to do this is by awarding additional points to corridors that have seen significant previous investment, or previous Corridors of Commerce investment in particular. Some portion of the points available in the return on investment category should be awarded to such projects. Doing so would advance the public policy goal of finishing projects that have been started and make best use of the state’s dollars by ensuring that long-term problems don’t continue to linger.

We urge you to favor significant advancements toward completion of longstanding issues over piecemeal projects.

Regional Balance of Funding

MnDOT originally indicated that its intention was to divide Corridors of Commerce funding evenly between Greater Minnesota and the metro area, as it did in the 2013 and 2015 funding cycles. Now, the agency seeks input on whether to continue this practice in the future. This is concerning in both policy and procedural terms.

MnDOT should continue to evenly split Corridors of Commerce funding between Greater Minnesota and Metro projects

Corridors like Highway 14 play a central role in our state’s economy, support important industries like agriculture and health care, and have an immeasurable impact on the quality of life in Greater Minnesota communities. If MnDOT chooses to move away from evenly dividing funds between

² <http://www.dot.state.mn.us/corridorsofcommerce/pdf/2017/draft-process-details.pdf> (Slide 37, accessed December 11, 2017).

³ Minn. Stat. § 161.088 Subd. 5 (c)(1) (2017).

Greater Minnesota and the Metro toward an arrangement that favors one area of the state over another, many parts of our state would be slowly devastated. Agencies should look for ways to make the best use of their funding, but that should not include moving away from historic norms in a way that pits regions of the state against one another and results in state government picking economic winners and losers.

The 2017 Legislature recognized this when it added “regional balance throughout the state” to the list of criteria MnDOT is required to consider when selecting Corridors of Commerce projects. This fact makes it particularly perplexing why MnDOT would now consider moving away from its historic practice of a 50-50 split.

MnDOT’s communication with the public regarding regional balance has been inconsistent

MnDOT presented this draft scoring system at two different Area Transportation Partnership meetings along Highway 14: in Rochester on November 17 and in Mankato on December 1. Highway 14 Partnership members attended both of the meetings. However, the two groups received different information regarding how funds would be split between Greater Minnesota and the metro area.

Attendees at the meeting in Rochester were shown a presentation indicating that Corridors of Commerce funds would be evenly divided “along a 50-50 split.” MnDOT also acknowledged in its presentation that “[p]revious Corridors of Commerce programs have been split along the 50-50 Metro to Greater Minnesota line, so there is historical precedent.”

Two weeks later in Mankato, MnDOT presented different information. MnDOT said that it had not yet settled on a division of funds. The “50-50 split” language had been removed from its presentation, along with its reference to “historical precedent.” Instead, the presentation said funding would be divided “along a split,” and that MnDOT wanted input from the public on the division.

It would be greatly appreciated if you could help us understand why MnDOT presented two different sets of information. On behalf of our members, I want to ensure that we have received the most accurate information possible so that we may fully and accurately comment on this public process. In any event, the Highway 14 Partnership supports a split that allocates at least 50 percent of Corridors of Commerce funding to important Greater Minnesota projects.

Freight Efficiency

MnDOT should ensure its scoring system accurately measures freight traffic and density

Half of the 100 points available under the freight efficiency criterion are awarded based on Heavy Commercial Annual Average Daily Traffic (HCAADT) data within 5 miles of the project and relevant to the project. In the interest of accurately capturing freight congestion that the Corridors of Commerce program is intended to alleviate, MnDOT should consider adding another input to this criterion and adjusting available points accordingly.

Specifically, important context would be missed if the HCAADT figures MnDOT uses in its score are reached by estimating the total heavy commercial traffic on a roadway over the course of the year and then divides that total to find a daily average of heavy commercial vehicles. Important economic engines in Greater Minnesota such as agriculture and resource-based industries often feature busy and slow seasons. As a result, a Greater Minnesota highway might have extremely heavy commercial traffic during certain times of the year, but a lower annual average. MnDOT's scoring system should account for this.

MnDOT should add a metric that acknowledges that the character of prominent industries in Greater Minnesota may not be captured by HCAADT alone. While the most significant commercial congestion on some corridors may be seasonal, it is still extremely important that products get to market on time and families can safely share the road with large trucks.

Conclusion

The four-lane expansion of Highway 14 has been a priority for southern Minnesota for decades. The expansions and improvements that have been made—including those funded by the Corridors of Commerce program—have greatly improved safety along the corridor and spurred economic growth in our communities. We look forward to building on that progress.

The hard work of MnDOT officials and staff throughout this process is sincerely appreciated. We hope that you consider the recommendations in this letter.

Respectfully submitted,



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Mankato City Councilor
President, U.S. Highway 14 Partnership

cc: Governor Mark Dayton
Speaker of the House Kurt Daudt
Senate Majority Leader Paul Gazelka
House Minority Leader Melissa Hortman
Senate Minority Leader Thomas Bakk
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