

2005 Project Abstract

For the Period Ending June 30, 2015

PROJECT TITLE: Mesabi Trail System

PROJECT MANAGER: Robert Manzoline

AFFILIATION: St. Louis and Lake Counties Regional Railroad Authority

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FUNDING SOURCE: Environment and Natural Resources Trust Fund

LEGAL CITATION: ML 2005, First Special Session, Art. 2, Sec. 11, Subd. 6(m)

APPROPRIATION AMOUNT: \$1,000,000

Overall Project Outcomes and Results

The Mesabi Trail Master Plan, drafted in year 1992, was a collaborative effort by the St. Louis & Lake Counties Regional Railroad Authority and Itasca County, hereafter referred to as "Rail Authority", to develop a multi-use trail from Grand Rapids to Ely. The trail length was planned to be 132 miles long, 10-14 foot wide bituminous surface and located or aligned to emphasize the scenic, environmental, educational and historic aspects of the region. The Master Plan identified the utilization of abandon railways, logging roads, mining roads, highways and trails with four major trailheads built in Grand Rapids, Hibbing, Virginia and Ely.

A trail "Citizens Advisory Group" was formed to support the Mesabi Trail whom secured 2,000 signed pledge cards and held an event on July 23, 1994 that attracted 7,000 people to a day of family activities, events and music.

Year 2005 LCCMR appropriation was used for the development and construction of several 10' wide, bituminous surfaced trail segments totaling 32 miles in length. Federal, State & Local funds were also used to construct these segments as seen within the "Results" section of this report. Funds were used on all facets of trail development including environmental, cultural resource, land acquisition, engineering and construction work.

Trail segments funded with this appropriation include trail within Vermillion State Park, 6 miles in length; and Vermillion State Park to Bearhead Road, 3.5 miles in length; and Scenic Highway 7 to Marble, 2 miles in length; and McKinley to Biwabik, 5.5 miles in length; and Giants Ridge to Embarrass, 5 miles in length; and Eveleth to Fayal, 2.5 miles in length.

Date of Report: January 15, 2015 & final

LCMR Work Program Update Report

Date of Last Work Program Approval:

Date of Next Status Report: when needed; min. December 1997, December 1998, June 1999, August 2000, December 2000, July 2001, December 2001, June 2002, December 2002, May 2003, September 2003, December 2003, July 2004, December 2004, April 2005, July 2005, December 2005, July 2006, December 2006, July 2007, December 2007, July 2008, November 2008, October 2009, September 2010, July 2011, December 2012, July 2014, September 2014 July 2015, **None**

Project Completion Date(s): Various

LCMR Work Program Update and Request for Amendments

I. PROJECT TITLE: Mesabi Trail System

Project Manager: Robert Manzoline, Executive Director
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**Total State Project Budget
(in thousands)**

<u>Fund/Desc.</u>	<u>Year</u>	<u>Approp.</u>	<u>Liquid.</u>	<u>Dedicated</u>	<u>Balance</u>
A. LCMR 1 for trail develop.	1993	700	700	0	0
B. LCMR (oil overcharge) for ISTE A match	1995	150	150	0	0
C. Bonding Bill for trail const.	1996	500	500	0	0
D. LCMR 2 for trail const.	1997	600	600	0	0
E. LCMR 3 trail development	1999	1,000	1,000	0	0
F. LCMR 4 Mesabi Trail Facility	2001	190	190	0	0
G. LCMR 5 For trail construction	2003	380	380	0	0
H. LCMR 6 For trail construction	2005	1,000	1,000	0	0
J. State Bond Approp. for Mesabi Station	2005	300	300	0	0
K. Bonding Bill For trail construction	2010	862	862	0	0
Totals		5,682	5,682	0	0

A. 1993 LCMR_1 appropriation language Complete December 1995

ML 93 Chap. 172, Sec. 14, Subd. 10(r)

\$700,000

Total biennial LCMR appropriation: \$700,000

Balance: \$0

Local Match requirement: \$350,000

Balance: \$0

This appropriation is from the future resources fund to the commissioner of trade and economic development for a contract with the St. Louis and Lake County Regional Rail Authority to plan and begin acquiring and developing a 132 mile multi-purpose trail linking the Mesabi Iron Range between Grand Rapids and Ely. This appropriation must be matched by \$350,000 cash from IRRRB or non-state funds.

ML 95; Chp. 220, Sec. 19, Subd. Extend project to December 31, 1995

Sources of Matching Funds:

1994 Target Corporation	\$20,000
1994 IRRRB	\$56,000
1994 St. Louis and Lake County RRA	\$51,000
1995 St. Louis and Lake County RRA	\$66,000
1995 Mesabi Daily News	\$ 5,000
1995 St. Louis County Block Grant	\$80,000
1995 Blandin Foundation	\$100,000
Private Donations and Other	<u>\$16,000</u>
Total	\$394,000

Overall Project Outcome and Results

Background

The Mesabi Trail Master Plan, drafted in year 1992, was a collaborative effort by the St. Louis & Lake Counties Regional Railroad Authority and Itasca County, hereafter referred to as “Rail Authority”, to develop a multi-use trail from Grand Rapids to Ely. The trail length was planned to be 132 miles long, 10-14 foot wide bituminous surface and located or aligned to emphasize the scenic, environmental, educational and historic aspects of the region. The Master Plan identified the utilization of abandon railways, logging roads, mining roads, highways and trails with four major trailheads built in Grand Rapids, Hibbing, Virginia and Ely.

A trail “Citizens Advisory Group” was formed to support the Mesabi Trail whom secured 2,000 signed pledge cards and held an event on July 23, 1994 that attracted 7,000 people to a day of family activities, events and music.

1993 LCMR Appropriation Results

In year 1993 the Rail Authority was in a need of funds to begin constructing the Mesabi Trail along with developing routes, acquiring right-of-way, creating design standards and ordinances and a host of other activities. The Authority applied for and received grant funding from the LCCMR and other sources as listed above.

The Rail Authority created a construction schedule that segmented the 132 mile long trail into achievable parts that made community connections and traveled preferred routes in keeping with constructability and budgets. The trail parts or segments were intended to be interchangeable as far as a construction schedule in order to take advantage of those segments ready for construction and those that might have difficulty with right-of-way acquisition or other problems. Trail construction began in years 1994 and 1995 with four segments constructed from Nashwauk to the O’Brien

Reservoir, 2 miles in length; and from Mt. Iron to Parkville, 2 miles in length; and from Embarrass Lake to Giants Ridge, 2 miles in length; and from Tower to Soudan, 1 mile in length; and from Ely to International Wolf Center, 1 mile in length. Mesabi Trail had begun.

As with all grant funds used on the Mesabi Trail, LCCMR funds were used mainly for construction purposes. No administrative costs such as wages, travel, equipment, printing have been paid for by LCCMR grants funds or other grant sources.

In the beginning, constructing the trail in fragmented or isolated segments limited use to mostly resident users. As segments began connecting to one another, trail use began to rise and in year 2014 exceeded 200,000 users. Mesabi Trail is now a trail of regional and statewide significance.

B. 1995 LCMR (oil overcharge) appropriation language.

ML 95, Chap. 220, Sec. 19, Subd. 4(g).		\$150,000
Total biennial LCMR appropriation:	\$150,000	
LCMR funds required for one-half nonfederal match:	\$150,000	
ISTEA match required:	\$900,000	
ISTEA amount committed through year 2000:	\$906,181	
Local share committed through year 2000:	\$153,748	

Appropriation Language: This appropriation is from oil overcharge money to the commissioner of administration for the half of the nonfederal match of ISTEA projects for: (1) Chisago County, 150,000 for a trail between North Branch and Forest Lake Township; and (2) the St. Louis and Lake Counties Regional Rail Authority, \$150,000 for the development of approximately 40 miles of a multipurpose recreational trail system. Chisago and the St. Louis and Lake Counties Regional Rail Authority must apply for and receive approval for the Federal money in order to receive these appropriations. This project must be completed and final products delivered by December 31, 1997 and the appropriation is available until that date.

And as amended **Legal Citation ML 96, Chap. 407, Sec. 50, Subd. 4 (g).**

Amendment Language: The project under clause (2) must be completed and final products delivered by December 31, 1999, and the appropriation is available until that date.

And as amended 2000 Session Laws, Chapter 493, Sec. 20, Appropriation Availability Extended.

The appropriation in Laws 1995, Chapter 220, section 19, subdivision 4, paragraph (g), clause (2), As amended by laws 1996, chapter 407, section 50, is available until June 30, 2001.

Overall Project Outcome and Results

This appropriating was used to construct a bituminous surface trail segment, 4-miles long, 10 feet wide between the communities of Gilbert and Eveleth in year 1996. As stated under Section A, this construction is part of the overall Mesabi Trail Master Plan.

As seen under other funders for this segment, LCCMR funds were part of a larger grouping that made this construction possible.

C. 1996 Appropriation Language for Bonding Bill. Approved July 1996

MS 1996 Chap. 463, Sec. 7, Subd. 14. Mesabi Trail System \$500,000

Total Bonding Bill appropriation: \$500,000

For a grant to the St. Louis and Lake Counties Regional Railroad Authority for completion of priority trail segments of the Mesabi trail System. This appropriation is available to the extent matched by monies from other sources.

June 1996 Work Program Request

Total appropriation: \$500,000

Appropriation spent to date: \$500,000

Balance: \$ 0

Status of Match Requirement:

Match required: \$500,000

Match spent to date: \$500,000

Balance: \$ 0

Sources of Matching Funds:

St. Louis & Lake County Regional Railroad Authority	\$34,000
Itasca County	\$41,000
City of Coleraine	\$10,000
City of Bovey	\$10,000
City of Taconite	\$10,000
Blandin Foundation	\$40,000
City of Keewatin	\$15,000
City of Hibbing	\$25,000
City of Chisholm	\$15,000
St. Louis County	\$50,000
Iron Range Resources & Rehabilitation Board 2	<u>\$250,000</u>
Total	\$500,000

D. 1997 LCMR_2 appropriation language Approved July 1997

Legal Citation: ML 1997, Chap. 216, Sec. 15, Subd. 18.

Project Number: N3

Appropriation Language: This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the St. Louis and Lake Counties Regional Rail Authority for the third biennium to develop and acquire segments of the Mesabi trail. This appropriation must be matched by at least \$600,000 of non-state money. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless and earlier_date is specified in the work program.

Total biennial LCMR appropriation: \$600,000

Appropriation spent to date: \$600,000

Balance: \$ 0

Status of Match Requirement:

Match committed: \$600,000

Match spent to date: \$600,000

Balance: \$ 0

Sources of Matching Funds:

St. Louis and Lake County Regional Railroad Authority	\$ 85,000
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St. Louis County_1998 & 1999 land dept. grants	\$100,000
City of Mt. Iron	\$ 15,000
City of Virginia	\$ 25,000
St. Louis County Community Development Block Grant	\$125,000
Iron Range Resources and Rehabilitation Board	<u>\$250,000</u>
Total	\$600,000

Overall Project Outcome and Results

Year 1997 LCCMR appropriating was used for the construction of several 10' wide, bituminous surfaced trail segments totaling 13 miles in length and for the purchase of an abandon DM&IR railroad grade approximately 2.5 miles long. This trail construction and land acquisition is identified within the Mesabi Trail Master Plan.

This appropriation was matched by other funding sources seen above and was also used in conjunction with the 1999 LCCMR appropriation seen under Section E of this report.

In some instances, the same trail segments may be repeated in forthcoming Sections. E, F, G or H. For the total trail miles constructed with corresponding funding sources, see pages 11 and 12 of this Workprogram.

Trail was constructed from Virginia to Gilbert, 7 miles in length; and from Tower to Soudan State Park, 1 mile in length: and from Ely Wolf Center to the Ely Trezona trail, 1 mile in length; and from Hibbing to Leetonia, 4 miles in length.

Land acquired with this appropriation was an abandon Duluth Mesabi & Iron Range railroad grade located between Marble and Nashwauk, length 2.5 miles. The trail was constructed upon this grade in year 2001 using the 1999 LCCMR appropriation and other funds seen again under Section E of this report.

E. 1999 LCMR 3 appropriation language
Legal Citation: ML 1999, Chap. 231, Sec. 16, Subd. 4b.
Project Number: L05

Appropriation Language: Continuation \$1,000,000 is from the future resources fund to the commissioner of natural resources for an agreement with St. Louis and Lake Counties Regional Railroad Authority for the fourth biennium to develop and acquire segments of the Mesabi Trail and procure design and engineering for trailheads and enhancements. This appropriation must be matched by at least \$1,000,000 of non-state money. This appropriation is available until June 30, 2002 at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

July 1, 2001 Extension

The availability of the appropriations for the following project is extended to June 30, 2004, ML2001, 1st Special Session, Ch. 2, Sec. 14, Subd. 18, paragraph (c), Mesabi Trail Land Acquisition and Development-Continuation.

July 1, 2004 Carry Forward Language:

The availability of the appropriations for the following project is extended to June 30, 2005,

or for the period of any federal money received for the project: Laws 1999, chapter 231, section 16, subdivision 4, paragraph (b), as extended by Laws 2001, First Special Session, Chapter 2, Section 14, Subdivision 18, paragraph (c), Mesabi Trail Land Acquisition and Development-Continuation; and as extended by Laws 2003, chapter 128, article 1, section 9, subdivision 20, paragraph (a).

Total biennial LCMR appropriation:	1,000,000
Appropriation spent to date:	909,958
Encumbered	<u>90,042</u>
Balance	0
Match committed:	3,853,000*
Match spent to date:	<u>3,118,517</u>
Balance	739,483

* includes 2006 Fed Enhancement Grant in amount of \$252,000 for Result 16

Sources of matching funds:

St. Louis & Lake County Regional Railroad Authority	\$ 30,000
St. Louis County Recreation Fund	\$ 100,000
Federal High Priority Funds (Demo Funds)	\$2,250,000
Federal Enhancement Grants	\$ 691,000
Blandin Foundation	\$ 200,000
Iron Range Resources & Rehabilitation Board	<u>\$ 330,000</u>
Total	\$3,601,000

The Regional Rail Authority has received a Federal High Priority grant in the amount of \$2,250,000. This grant expires in year 2004. Inclusion of the Federal Grant into this program greatly extends the scope of work and time needed to complete our tasks. High Priority funds will be used, in part, for results 14b, and results 15 through 24 and beyond. Significant changes to this program occurred and request your consideration to approve the following:

1. Extending the 1999 LCMR Appropriation through Year 2004.
2. Allow 1999 LCMR Appropriation to be used as local match for Federal Demonstration (Fed Demo) and TEA 21 (ISTEA) grants.

Overall Project Outcome and Results

Year 1999 LCCMR appropriation was used for the construction of several 10' wide, bituminous surfaced trail segments totaling 32 miles in length. As seen in above other funding sources, federal funds were being used for the first time on the Mesabi Trail.

Federal and other grantors had specific grant requirements such as minimum matching amounts, not paying for engineering fees, paying for wetland delineation but not wetland mitigation and so forth. We therefore applied eligible grantor dollars to those trail tasks in need of funds when certain tasks were denied by other grant sources.

LCCMR funds played an important role remaining eligible for use as long as federal funds were being used which often times took several years to complete.

Trail was constructed from Hibbing to Leetonia, 4 miles in length; and Taconite to Scenic Highway 7, 2 miles in length; and Marble to Calumet to Pengilly, 7 miles in length,; and Pengilly to Naxhwauk, 4.5 miles in length, and Embarrass Lake to Giants Ridge, 2 miles in length; and Mt.

Iron to Kinney, 7 miles in length; and within the City of Mt. Iron, 1.5 miles in length; and Gilbert to MN DNR OHV Park, 1.5 miles in length; and MN DNR OHV Park to McKinley, 2.5 miles in length.

F. 2001 LCMR 4 appropriation language

Legal Citation: ML 2001, 1st Special Session, Chap. 2, Sec. 14, Subd. 05.
Project Number: 5(n)

Appropriation Language: Mesabi Trail Facility. \$190,000 is from the future resources fund to the commissioner of natural resources for an agreement with the St. Louis and Lake Counties Regional Railroad Authority for the authority to acquire land and design a Mesabi trail center building.

Completion Date: This appropriation must be completed and final products delivered by June 30, 2003.

Total biennial LCMR appropriation	\$190,000
Appropriation spent as of June 2003	<u>\$189,815</u>
Balance	\$ 185

Overall Project Outcome and Results

Year 2001 appropriation was used to pay for architectural and engineering services for construction of the Mesabi Station facility located in Eveleth. In accordance with the Mesabi Trail Master Plan, trail head facilities were planned to be located in Grand Rapids, Hibbing, Virginia and Ely. The Grand Rapids trail head facility was built in year 2003. The Virginia trail head facility was relocated to Eveleth. The Hibbing and Ely facilities have not been built at this time and is likely the Hibbing trail head will not be a stand – alone facility but rather shared with the Hibbing Greyhound Bus Museum. The Ely trail facility is planned to locate at the former Pioneer Mine that currently house the Ely Arts Center.

The Eveleth trail facility was constructed or phased over a period of 5 years as federal funds became available. Total construction costs exceed \$1.9 million dollars.

The Eveleth facility serves trail users and guests to the Mesabi Trail, other trail systems and visitors to Northeast Minnesota. It is an access point for information and more importantly a departure point for finding many resources in this region. The Iron Range Tourism Bureau is located at the Eveleth facility whom further strengthens regional partnerships, the tourism industry and visitors to NE Minnesota.

G. 2003 LCMR 5

(T) 01 Mesabi Trail Segment(s)

Legal Citation: ML 2003, Chap. 128, Article 1, Sec. 9, Subd. 6h

6 (h) Mesabi Trail

\$190,000 the first year and \$190,000 the second year are from the trust fund to the commissioner of natural resources for an agreement with St. Louis and Lake Counties Regional Rail Authority

for the sixth biennium to acquire and develop segments of the Mesabi Trail. If a federal grant is received, the availability of the financing from this paragraph is extended to equal the period of the federal grant.

As suggested by Susan Thornton in Memo dated October 15, 2003 and subsequent supporting documentation from MN Department of Transportation, we request this appropriation be extended to coincide with federal grant award beginning June 30, 2005. A letter dated October 16, 2003 was received from Walter Leu, MN DOT District State Aid Engineer, indicating a federal grant was received. Therefore, the 2003 appropriation language is met and the money is available for the period of the federal grant. This grant is expended as of March 18, 2008. Grant expenditures, as shown within following Results, were for non-federal construction match of Pengilly to Nashwauk trail segment and engineering and development costs for results 17,18,27,28,29,22a & 24a. Most engineering costs were also used as a source for non-federal local match.

Total biennial LCMR appropriation	\$380,000
Appropriation spent as of June 2003	<u>\$380,000</u>
Balance	\$ 0

Overall Project Outcome and Results

Year 2003 LCCMR appropriating was used for engineering services and construction costs for several 10’ wide, bituminous surfaced trail segments. These funds were part of larger funding packages further broken down within the ‘Results’ section of this report.

Engineering services paid for by this appropriation were used for the trail segment from Marble to Calumet to Pengilly, 7 miles in length; and Pengilly to Nashwauk, 4.5 miles in length; and the City of Mt. Iron Trail Connections; and Gilbert to MN DNR OHV Park, 1.5 miles in length; and Giants Ridge to Embarrass, 6 miles in length.

Engineering and construction services paid for by this appropriation were used for the trail segment from Scenic Hwy 7 to Marble, 3.5 miles in length; and McKinley to Biwabik, 5.5 miles in length.

**H. 2005 LCMR 6
Mesabi Trail**

Legal Citation: ML 2005, First Special Session, Art. 2, Sec. 11, Subd. 6(m)

\$500,000 the first year and \$500,000 the second year are from the trust fund to the commissioner of natural resources for an agreement with St. Louis and Lake Counties Regional Rail Authority for the seventh biennium to acquire and develop segments of the Mesabi Trail. This appropriation is available until June 30, 2008, at which time the project must be completed and final products delivered. If this project receives a federal grant award, the availability of the financing from this paragraph for the project is extended to equal the period of the federal grant.

Total biennial LCMR appropriation	\$1,000,000.00
Appropriation spent as of Jan. 15, 2015	<u>\$1,000,000.00</u>
Balance	0

Overall Project Outcome and Results

Year 2005 LCCMR appropriation was used for the development and construction of several 10' wide, bituminous surfaced trail segments totaling 32 miles in length. Federal, State & Local funds were also used to construct these segments as seen within the "Results" section of this report. Funds were used on all facets of trail development including environmental, cultural resource, land acquisition, engineering and construction work.

Trail segments funded with this appropriation include trail within Vermillion State Park, 6 miles in length; and Vermillion State Park to Bearhead Road, 3.5 miles in length; and Scenic Highway 7 to Marble, 2 miles in length; and McKinley to Biwabik, 5.5 miles in length; and Giants Ridge to Embarrass, 5 miles in length; and Eveleth to Fayal, 2.5 miles in length.

**J. 2005 State Bond Appropriation
Mesabi Station
Laws of Minnesota, Chapter 20, Sec. 7, Subd. 15**

The inclusion of new 25B Mesabi Station construction money in year 2005 is for information only as a courtesy to readers who wish to see a more complete picture of Mesabi Station activities.

\$300,000 is for a grant to the St. Louis and Lake Counties Regional Railroad Authority to complete constructing, furnishing and equipping Mesabi Station along the 132-mile recreational trail known as Mesabi Trail and located at the intersection of U.S. Highway 53 and marked Trunk Highway 37. This appropriation is dependent upon a matching contribution of \$800,000 from other sources, public or private. This is a onetime appropriation.

2005 State DNR Grant	300,000
2005 Federal Appropriation	1,100,000
2008 Iron Range Resources	150,000
St. Louis & Lake Regional Rail	<u>300,000</u>
Total	1,850,000

Note: St. Louis & Lake Regional Rail will also advance fund \$220,000 of federal appropriation in order for construction to begin spring 2009.

**K. 2006 State Bond Appropriation as amended 2010 legislative session and further amended 2012 legislative session.
Mesabi Trail**

Legal Citation: ML 2006, Chapter 258, Sec. 7, Subd. 23 as amended to read:

\$950,000 is for a grant to the St. Louis and Lake Counties Regional Railroad Authority for land acquisition, engineering, construction furnishing, and equipping of segment of the Mesabi Trail from County Road 697 in Breitung Township east through Vermillion State Park. Notwithstanding Minnesota Statutes, section 85.019, no local match shall be required for this grant.

Notwithstanding Minnesota Statutes, section 16A.642, the bond authorization and appropriation of bond proceeds for this project are available until June 30, 2014. This trail was divided into 3 phases in order to accommodate the Vermillion State Park Master Plan and the Park development, subsequently, Phase 2 and Phase 3 were constructed. Phase 1 will be constructed in year 2015.

Appropriation	\$ 950,000.00
Appropriation spent as of June 30, 2014	<u>\$ 861,812.06</u>
Balance	0

The inclusion of new Mesabi Trail construction money in year 2006 is for information only as a courtesy to readers who wish to see a more complete picture of Mesabi Trail activities. Overlap of LCMR funding and State Bond funding may occur within trail segment construction and will be noted under specific Results. For example, Result #26, Soudan State Park to Bearhead State Park was originally programmed for LCMR funding, we are now changing that Result to be funded using State Bond funds excepting for design engineering costs.

\$950,000 is for a grant to the St. Louis & Lake Counties Regional Railroad Authority for land acquisition, engineering, construction, furnishing, and equipping of a nineteen (19) mile "Boundary Waters Connection" of the Mesabi Trail from Bearhead State Park to the International Wolf Center in Ely. The appropriation is contingent upon a match contribution of \$950,000 from other sources, public or private. State Bond funding for this segment has been extended through year 2014 to coincide with development of Lake Vermillion State Park. State bond funds will be used for trail construction through the park and beyond. We have been working closely with DNR Park Planners, Citizens Advisory Committee and others to design and locate this trail segment that will best serve Vermillion Park and Mesabi Trail users. Vermillion State Park plan was completed and approved by Commissioner of DNR on December 31, 2010 that includes designation and preliminary location for Mesabi Trail.

A 6 mile long segment of the Mesabi Trail is under construction through the Vermillion State Park discussed further under Result #26a. Result 26a has been amended to include LCCMR funds for engineering costs. We assumed, incorrectly, that State Bond funds would cover engineering & environmental project costs; however, State Bond funds are not eligible until the environmental work has been completed. In order to perform environmental work, most of the project engineering must be done in order to establish the environmental "foot print" to determine impacts and mitigations.

III ANNUAL PROGRAM UPDATE SUMMARY; this trail began construction in year 1994. and is anticipated to be completed in years to come . The following is a synopsis of trail segments that have been constructed and those segments approved for construction including funding.

<u>Segment Description</u>	<u>Year of Construction</u>	<u>Status</u>	<u>Length</u>	<u>Major Funding Sources</u>
Grand Rapids to Coleraine (Phase 1, Itasca Trail)	1994	Complete	4 miles	Local / MNDDTD
Nashwauk to O'Brien Res.	1995	Complete	2 miles	LCMR 1/Local

Mt Iron to Parkville	1995	Complete	2 miles	LCMR 1/ Local
Embarrass Lk to Giants Rdg. Rd.	1995	Complete	2 miles	LCMR 1/Local
Tower to Soudan	1995	Complete	1 mile	Local
Ely to Intl.. Wolf Center	1995	Complete	1 mile	LCMR 1 / Local
Grand Rapids to Coleraine (Phase 2, Mesabi Trail)	1996	Complete	4 miles	Local
Coleraine to Bovey to Taconite (Result 1)	1996-1997	Complete	5 miles	1996 State Bond/ Local
O'Brien to Keewatin (Result 2)	1996-1997	Complete	3 miles	1996 State Bond/ Local
Hibbing to Chisholm (Result 3)	1996-1997	Complete	7 miles	1996 State Bond/ Local
Mt. Iron to Virginia (Result 4)	1997	Complete	2 miles	1996 State Bond/ Local
Chisholm to Buhl to Kinney (Result 5 & 13)	1997-1999	Complete	8 miles	1997 LCMR 2 / LCMR/ISTEA
City of Ely (Result 6)	1996	Complete	2 miles	Federal ISTEА/ LCMR / Local
Biwabik to Embarrass Lk (Result 7)	1996	Complete	2 miles	Federal ISTEА / LCMR / Local
Gilbert to Eveleth/Fayal (Result 8)	1999	Complete	4 miles	Federal ISTEА / LCMR Oil Over/ Local
Nashwauk to Marble (Result 9)	1997-1999	Complete	N/A	1997 LCMR 2 / Local
Virginia to Gilbert (Result 10)	1997-1999	Complete	7 miles	1997 LCMR 2 / Local
Tower to Soudan State Park (Result 11)	1997-1999	Complete	1 mile	1997 LCMR 2 / Local
Ely/Wolf Center to Trezona Trail (Result 12)	1997-1999	Complete	1.5 miles	1997 LCMR 2/ Local
Hibbing to Leetonia (Result 14a)	June 30, 2000	Complete	4 miles	1997 LCMR 2/ 1999 LCMR 3/ Local
Leetonia to Keewatin (Result 14b)	2001-2004	Complete	4 miles	1999 LCMR 3/ Fed Demo/Local
Taconite to Hwy 7 (Result 15)	2001-2004	Complete	2 miles	Fed Demo./ LCMR 3/Local
Marble to Calumet to Pengilly (Result 17)	2001-2004	Complete	7 miles	Fed Demo./ LCMR 3/Local
Pengilly to Nashwauk (Result 18)	2001-2004	Complete	4.5 miles	Fed Demo/ LCMR 3/local
Embarrass Lk to Giants Ridge (Result 20)	2001-2004	Complete	2 miles	ISTEA/LCMR 3/ Local
Mt. Iron to Kinney (Result 22)	2001-2004	Complete	7 miles	ISTEA/LCMR 3/ Local/Fed Demo
Mt. Iron Realignment (Result 22a)	2004	Complete	1.5 miles	Fed Demo/ LCMR3/Local
Gilbert to MN DNR OHV park (Result 24a)	2001-2004	Complete	1.5 miles	Fed Demo./ LCMR 3/Local
MN DNR OHV park to McKinley (Result 24b)	2001-2004	Complete	2.5 miles	TEA 21./ LCMR 3/Local

Trail Central Acquisition & Design (Result 25A)	N/A	Complete	N/A	LCMR 4
Mesabi Station Const. (Result 25B)	2010	Complete	N/A	State//Fed/Local
Vermillion State Park (Result 26a)	2012-2015	Construction	4.5 miles	LCMR6/Fed HPP/State Bond
Scenic 7 to Marble (Result 27a)	2005-2008	Complete	2.0 miles	LCMR6/TEA 21/
(Result 27b)	2010	Complete	1.5 miles	LCMR6/Local/
McKinley to Biwabik (Result 28)	2014	Construction	5.5 miles	LCMR6/Local/ Fed HPP
Giants Ridge to Embarrass (Result 29a) Giants to TH 135	2012	Complete	5 miles	LCMR6/Local/ Fed HPP
(Result 29b) TH 135 to Embarrass		Development	6 miles	LCMR6/Local/Fed HPP
Eveleth to Fayal (Result 30)	2011	Complete	2.5 miles	LCMR6/Local/Fed Enhance
Total Program Miles	121.5			
Total Miles Complete to Date	110.0			
Miles under construction	5.5			
Trail development	6.0			

Status Key: **complete**-trail is constructed and in use
construction-trail is under construction
planning-engineering plans and specifications are underway
development-trail location, land acquisition, funding, and other preliminary work prior to construction.

IV. OUTLINE OF PROJECT RESULTS:

- Results 1 through 5 were approved June 8, 1995 and July 16, 1996.
- Results 6, 7 and 8 were approved July 24, 1996.
- Results 9 through 14 were approved July 1997.
- Approval was granted for changes to results 5, 10 & 13 on July 8, 1998.
- Results 15, 16, 17, 18, 19, & 20 were approved July 1, 1999.
- Amended results 8, 14 and 15 through 24 were approved December 2000.
- Budget changes to Result 14B for construction & engineering approved June 15, 2001.
- Amendments to Results 16 & 17; and budget changes to results 16, 17, 14a, 14b & 15; and removal of Result 23; and addition of Result "Catch All" approved January 15, 2002.
- Amendment to Results 15, 20, 22 & 25 for engineering costs and changes approved January 2, 2003
- Result 26 approved June 26, 2003
- Result 25 final report approved October 15, 2003
- Results 15 & 17 approved engineering costs October 15, 2003 and overall approval for engineering related costs approved January 2002
- Addition of Result 22a approved October 15, 2003
- Carry forward language for LCMR 3, ML 1999, Chap. 231, Sec. 16 Subd. 4b extends grant to June 30, 2005 or for the period of the federal grant.
- Result 16 approved for budget increase approved August 27, 2004
- Result 17 approved for budget increase approved August 27, 2004
- Result 19 approved addition of "Land" as budget item approved August 27, 2004
- Result 21 approved for deferral to proposed 2005 LCMR funding recommendation

- And shown as proposed Result 27 approved August 27, 2004
- Result 22a approved for budget increase and addition of subparts 1,2 &3 approved August 27, 2004
- Proposed scope of work for proposed 2005 LCMR appropriation adding Results 27, 28 & 29 approved August 27, 2004
- Budget adjustments for Results 14A, 14B, 15 & 17 were approved by LCMR February 2005
- Results 16, 19 & 21 moved into LCMR 6, 2005 appropriation and now seen as results 27, 28 & 29 approved by LCMR February 2005.
- Result 18 moves forward with part of funding being taken from LCMR 5, 2003 appropriation. See Results 18 & 26 for funding detail. Approved by LCMR May 12, 2005
- Request approval for new Results 27, 28 & 29, LCMR6, 2005 appropriation. Approved by LCMR January 31, 2006 along with budget adjustments to Results 17, 22, 18 & 26. Approved by LCMR October 9, 2006.
- Request inclusion of Result #25B Mesabi Station Building.
- Request budget amendment for Result #27 & Workprogram approval as of 12/06. Approved by LCMR January 25, 2007
- Request budget amendment to Result 29 for increase in Engineering cost.
- Request State funding source revision from 2003 to 2005 Appropriation for Results 26, 27 & 29 . This change is also reflected in Page 1 and Page 26 funding summaries.
- Request expenditure of 2003 grant resulting in funding shifts for 2003 grant and 2005 grant seen within budget lines items within Results 17,18, 24a, 26, 27, 28, 29 and Future Results
- Request division of grant summaries that separates trail construction from Mesabi Station
- Note that engineering costs for year 2008 construction are likely to increase however, no budget changes are made at this time, Results affected will be 26, 27, 28, 29. and will update report once estimates are received from engineers.
- Request funding change Result 26 from LCMR to State Bond. Approved 11/20/08
- Request division of Result 29 into 29a and 29b. Approved 11/20/08
- Request budget/funding adjustments for Results 18, 27, 29a, 29b. Approved 11/20/08
- Request addition of Result 30. Approved 11/20/08
- June 2009 we received notice that Result 29a, Giants Ridge to TH 135 trail segment, was approved for Federal American Recovery & Reinvestment Act (ARRA) funds in the amount of 1.0 million dollars. ARRA funds 100% of construction costs. We applied ARRA funds to Result 29a and redistributed LCMR, Federal & Local funds throughout Results 26a, 26b, 27, 28, 29b & 30 and REQUEST your approval of revised budgets. Approved October 22, 2009
- Request budget changes and plan alterations as further described under Results 26, 28, 29 & 30. Approved as corrected by LCMR January 11, 2011
- Request workprogram approval as presented particularly budget revisions to Result 26A & 29b and budget increases to Result 29a & 30. Approved by LCMR 8/8/11.
- As discussed with LCMR, future work program updates will not continually shift budget dollars within individual segments but rather report final expenditures once each segment is complete. Request approval of June 30, 2012 workprogram.
- Federal Highway Administration (FHWA) and Minnesota Department of Transportation conducted final review/audit of Results 22a and 22b and found that the local, non-federal match amount was insufficient requiring additional funds as reported under each respective Result. Request approval for these adjustments.
- Requesting an engineering budget increase for Result 26a and 26b to further work on each of these segments

- Requesting an engineering and testing budget increase for Result 29a for work needed to complete the construction engineering on this segment.
- Requesting an engineering budget increase for Result 30 for work needed to complete the construction engineering on this segment.
- Request approval of November 18, 2013 workprogram.
- Request approval of September 30, 2014 workprogram.
- **Request approval of January 15, 2015 and final workprogram..**

1996 Bonding Approved July 16, 1996

RESULT #1 Develop a 5 mile long, 10 foot wide bituminous surfaced trail segment between the cities of Coleraine to Bovey to Taconite. Engineer hired April 1997 to prepare plan and specification. Anticipate advertisement for construction bids July 1997. Bids received, anticipate construction contract award in June 1998. This segment is now under construction with completion scheduled for October 1998. This segment is complete.

<u>Task Description</u>	<u>Program Request</u>	<u>Balance</u>	<u>Local Match</u>	<u>Balance</u>	<u>Total Cost</u>
Trail Const.	\$144,033	\$ 0	\$141,000	\$ 0	\$285,033
Land	\$ 0	\$ 0	\$ 20,755	\$ 0	\$ 20,755
Eng.&Adm.	<u>\$ 25,038</u>	<u>\$ 0</u>	<u>\$ 21,779</u>	<u>\$ 0</u>	<u>\$ 46,817</u>
Totals	\$169,071	\$ 0	\$183,534	\$ 0	\$352,605

1996 Bonding Approved July 16, 1996

RESULT#2 Rebuild and develop a 3 mile long, 10 foot wide bituminous surfaced trail segment from the O'Brien Reservoir to the city of Keewatin. Engineer hired June 1997 to prepare plan and specification. Anticipate advertisement for construction bids July 1997. This segment completed in October 1997. The original 6 foot wide bituminous surface trail between Keewatin and O'Brien reservoir was constructed in 1977. Our initial plan was to widen this trail 4 feet at a cost of \$50,000. When construction began it became evident the original trail did not have an adequate base and was significantly more degraded than originally thought. It was the opinion of the project engineer and approved by the Regional Railroad Authority to remove the existing bituminous, construct a gravel base, and 10 foot wide bituminous surface. The final cost of this 3 mile reconstruction work is about \$40,000 per trail mile, which is nearly the same or lower than other newly constructed segments. This segment is complete.

<u>Task Description</u>	<u>Program Request</u>	<u>Balance</u>	<u>Local Match</u>	<u>Balance</u>	<u>Total Cost</u>
Overlay/widen	\$68,594	\$ 0	\$46,500	\$ 0	\$115,094
Land, Eng.&Adm	<u>\$ 5,150</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,150</u>
Totals	\$ 73,744	\$ 0	\$46,500	\$ 0	\$120,244

1996 Bonding Approved July 16, 1996

RESULT #3 Develop a 7 mile long, 10 foot wide bituminous surfaced trail segment between the cities of Hibbing and Chisholm. Construction Bids opened June 3, 1997 and considered for contract award June 4, 1997. Construction work completed September 1997.

<u>Task Description</u>	<u>Program Request</u>	<u>Balance</u>	<u>Local Match</u>	<u>Balance</u>	<u>Total Cost</u>
Trail Const.	\$207,481	\$ 0	\$200,677	\$ 0	\$408,158
Land	\$ 0	\$ 0	\$ 8,128	\$ 0	\$ 8,128
Eng. & Adm.	<u>\$ 21,645</u>	<u>\$ 0</u>	<u>\$ 37,728</u>	<u>\$ 0</u>	<u>\$ 59,373</u>
Totals	\$229,126	\$ 0	\$246,533	\$ 0	\$475,659

1996 Bonding Approved July 16, 1996

RESULT#4 Develop a 2 mile long, 10 foot wide bituminous surface trail to extend the Mt. Iron trail segment into and Virginia using the remainder of the bonding appropriation. Plans complete anticipate advertisement for construction bids in June 1998 and letting date July 1998. This segment is now under construction and anticipated to be complete July 1999. Actual cost for this segment is \$113,000. This segment is complete.

<u>Task Description</u>	<u>Program Request</u>	<u>Balance</u>	<u>Local Match</u>	<u>Balance</u>	<u>Total Cost</u>
Trail Const.	\$28,059	\$ 0	\$23,433	\$ 0	\$51,492
Land, Eng. &Adm.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Totals	\$28,059	\$ 0	\$23,433	\$ 0	\$51,492

<u>Bond Totals</u>	<u>Program Request</u>	<u>Local Match</u>	<u>Total</u>
Cost			
Results 1,2,3,4	\$500,000	\$500,000	\$1,000,000

1995 LCMR Approved June 8, 1995 (Oil Overcharge FY 1998)

RESULT # 5 Develop a 8 mile long, 10 foot wide bituminous surfaced trail from Chisholm to Buhl to Kinney. This Result will now combine and eliminate Result No 13 from this Workprogram. This result was approved in work program dated June 8, 1995. Federal project memorandum is ongoing with environmental and historical assessments. FHWA approval and project letting is anticipated in September 1998. A construction contract has now been awarded. Anticipate completion August 1999. This segment is complete.

<u>Task Description</u>	<u>Program Request</u>	<u>ISTEA</u>	<u>Local Share</u>	<u>Total Cost</u>
Trail Const.	\$55,478	\$323,960	\$25,511	\$404,949
Land, Eng.&Adm.	\$ 0	\$ 0	\$30,000	\$ 30,000
Totals	\$55,478	\$323,960	\$55,511	\$434,949

1995 LCMR Approved July 24, 1996 (Oil Overcharge FY 1998)

RESULT#6 Develop a 2 mile long, 10 foot wide bituminous surface trail through the City of Ely. Advertisement for construction bids June 13, 1997 and letting date July 8, 1997. Construction underway, expect completion July, 1998. Segment complete.

<u>Task Description</u>	<u>Program Request</u>	<u>ISTEA</u>	<u>Local Share</u>	<u>Total Cost</u>
Trail Const.	\$25,662	\$141,296	\$ 9,662	\$176,620
Land	\$ 0	\$ 64,000	\$16,000	\$ 80,000
Eng. & Adm.	\$ 0	\$ 0	\$16,000	\$ 16,000
Totals	\$25,662	\$205,296	\$41,662	\$272,620

1995 LCMR Approved July 24, 1996 (Oil Overcharge FY 1997)

RESULT#7 Develop a 2 mile long 10 foot wide bituminous surfaced segment between Biwabik and Embarrass Lake. A construction contract in the amount of \$168,983 was awarded February 1997 and the project is scheduled for completion in June 1997. Construction completed July, 1997.

<u>Task Description</u>	<u>Program Request</u>	<u>ISTEA</u>	<u>Local Share</u>	<u>Total Cost</u>
Trail Const.	\$25,551	\$140,408	\$ 9,551	\$175,510
Land, Eng. & Adm.	\$ 0	\$ 0	\$16,000	\$ 16,000
Totals	\$25,551	\$140,408	\$25,551	\$191,510

1995 LCMR Approved July 24, 1996 (Oil Overcharge FY 1999)

Amendment approved December 2000 to use 1999 LCMR Appropriation for local match for

TEA 21, result 8.

RESULT#8 Planning to develop a 4-mile long, 10-foot wide bituminous surfaced trail segment between Gilbert and Eveleth. Engineer to be hired June, 1998, plans complete October 1998, Request to use 1999 LCMR Appropriation for local match. Advertise for bids April 2000, award contract August 2000 and complete construction October 2000.

Task Description	Oil		<u>Local Share</u>	<u>Total Cost</u>
	<u>Overch.</u>	<u>TEA 21</u>		
Trail Construction	\$23,987*	\$236,517	\$41,325	\$301,829
Land, Eng. & Adm.	\$ 0	\$ 0	\$27,276	\$27,276
Totals	\$23,987*	\$236,517	\$68,601*	\$329,105

Totals for	Oil overcharge		<u>Local Match</u>	<u>Total Cost</u>
	<u>Program Request</u>	<u>TEA 21</u>		
Results 5, 6, 7&8	\$150,000*	\$906,181	\$191,325	\$1,228,184

* numbers reported by MN DOT, 8/8/00

Note; Results 5 through 8 only: In order to utilize LCMR funding as a full participatory match for ISTEA projects and to meet the requirements of the MN DOT State Aid, engineering costs will be considered as part of the Local Share.

1997 LCMR 2 appropriation, July 1, 1997

RESULT # 9 Acquire lands between the Cities of Nashwauk and Marble to include lands in Nashwauk and 11,000 lf of abandon DM&IR Railroad grade. Offer to sell made by DM&IR Railway Co. April 1997. Purchase agreement approved May, 1998 in the amount of \$12,000. Request this result be expanded to include lands throughout the trail system. The following expenditures represent lands acquired totaling approximately 700 acres. Costs include land, legal fees, environmental review and recording fees for approximately 200 parcels of land.

<u>Task Description</u>	<u>Program Request</u>	<u>Balance</u>	<u>Local Match</u>	<u>Balance</u>	<u>Total Cost</u>
Trail Construction	\$34,405	\$ 0	\$37,748	\$ 0	\$72,153
Land, Eng.	\$ 1,638	\$ 0	\$ 695	\$ 0	\$ 2,333
Totals	\$36,043	\$ 0	\$38,443	\$ 0	\$74,486

1997 LCMR2 appropriation, July 1, 1997

Result #10 Develop a 7 mile long, 10 foot wide bituminous surfaced trail between Virginia and Gilbert. This segment is a continuation of the previously completed, LCMR funded, 2 mile segment of trail between Mt. Iron and Virginia and in coordination with Result #4. Final continuous length will be 11miles. Plans complete anticipate advertisement for construction bids July, 1998, complete project by October, 1998. Construction contract awarded September 1998. Construction 70% complete. This segment is complete.

<u>Task Description</u>	<u>Program Request</u>	<u>Balance</u>	<u>Local Match</u>	<u>Balance</u>	<u>Total Cost</u>
Trail Const.	\$263,738	\$0	\$305,178	\$0	\$ 568,916
Leg., Eng.	\$ 33,316	\$0	\$ 39,033	\$0	\$ 72,349
Land	\$ 0	\$0	\$ 123	\$0	\$ 123
Totals	\$297,054	\$0	\$344,334	\$0	\$ 641,388

1997 LCMR2 appropriation, July 1, 1997

Result #11 Develop a 1 mile, 10 foot wide bituminous surfaced trail completing the City of Tower trail connecting to the City of Soudan and the Soudan State Park. Completed September, 1997.

<u>Task Description</u>	<u>Program Request</u>	<u>Balance</u>	<u>Local Match</u>	<u>Balance</u>	<u>Total Cost</u>
Trail Const.	\$25,000	\$ 0	\$21,752	\$ 0	\$46,752
Legal & Engineer	\$ 214	\$ 0	\$ 5,832	\$ 0	\$ 6,046
Totals	\$25,214	\$ 0	\$27,584	\$ 0	\$52,798

1997 LCMR2 appropriation, July 1, 1997

Result #12 Develop a 1.5 mile, 10 foot wide bituminous surfaced trail within the City of Ely completing connections from the International Wolf Center to the Miners Lake mine site and the State of MN Taconite Trail. Construction began August, 1997 and anticipated completion is July, 1998. This segment is complete.

<u>Task Description</u>	<u>Program Request</u>	<u>Local Match</u>	<u>Total Cost</u>
Trail Const.	\$46,762	\$37,825	\$84,587
L.E.	\$ 1,616	\$9,227	\$10,843
Totals	\$48,378	\$47,052	\$95,430

Result # 13 is now combined with result # 5.

The Kinney to Mt. Iron segment is now seen as proposed result #19.

1997 LCMR2 appropriation, July 1, 1997 and LCMR 3 1999

Result # 14 Develop a 8 mile, 10 foot wide bituminous surface trail from the City of Keewatin to the City of Hibbing. Result be split into two projects 14A and 14B in order to expend 1997 LCMR grant by June 30, 2000 and use 1999 LCMR grant funds in conjunction with Federal High Priority grant funds to complete this result. Request to divide segment was included in August 2000 workprogram and approved by Mr. Velin in letter dated November 14, 2000.

Result #14A Develop a 4 mile long, 10 foot wide bituminous surface trail from the City of Hibbing to the Leetonia Townsite, Hibbing. This segment is complete. Two budget changes occurred during development of this segment as reported in June 2001 and December 2001 workprograms. Requests for budget amendments were approved by Mr. Velin in letters dated June 15, 2001 and January 15, 2002. Adjusted budget approved 2/11/05

<u>Task Description</u>	1997	1999	1997	1999	<u>Total Cost</u>
	<u>LCMR 2 Program</u>	<u>LCMR 3 Program</u>	<u>Local Match</u>	<u>Local Match</u>	
Trail Construction	\$113,555	\$56,681.52	\$ 93,821	\$35,000	\$277,376
Land, Eng.	\$ 49,239	\$1,617.50	\$ 9,948	\$ 0	\$ 59,187
Admn for results 9,10,11,12 &14a	\$ 30,517	\$ 0	\$ 38,818	\$ 0	\$ 69,335
Totals	\$193,311	\$58,299.02	\$142,587	\$35,000	\$405,898

Totals for LCMR 2 1997 Grant Results 9,10,11,12,14a	<u>Work Program</u>	<u>Local Match</u>	<u>Total Cost</u>
	\$600,000	\$600,000	\$1,200,000

LCMR 3 appropriation 1999

Result #14B Develop a 6.5 mile long, 10 foot wide bituminous surface trail from Leetonia Townsite to the City of Keewatin. Construction began July 2001 and halted for the season November 2001 with approximately 60% of the trail complete. Construction will resume May 2002 and complete July 2002. Two budget changes occurred during development of this segment as reported in June 2001 and December 2001 workprograms. Mr. Velin approved requests for budget amendments in letters dated June 15, 2001 and January 15, 2002.

This segment is complete. Final accounting, construction payment and engineering payment pending MN Department of Transportation review and approval. Final review and accounting complete. Adjusted budget approved 2/11/05

<u>Task Description</u>	1999 LCMR 3	1999	<u>Local match</u>	<u>Total Cost</u>
	<u>Program Request</u>	<u>Fed Demo</u>		
Trail Construction	\$81,830.93	\$509,300	\$52,438	\$643,568.93
Land/Legal	\$15,840.80	\$ 0	\$19,100	\$34,940.80
Engineering *	<u>\$20,092.50</u>	<u>\$ 0</u>	<u>\$ 62,000</u>	<u>\$82,092.50</u>
Totals	\$117,764.23	\$509,300	\$133,538	\$760,602.23

LCMR 3 appropriation 1999

Result # 15 Development and construction of a 2 mile, 10 foot wide bituminous surface trail from the City of Taconite to State Hwy 7. This construction will lengthen the existing 13 mile long trail between Grand Rapids and Taconite. Plans, specifications are complete and approved by MN DOT Department of State Aid. Bids will be received winter 2002 and construction to begin May 2002. One section of the trail was constructed being a 240-foot long floating bridge to cross a wetland near Hwy 7. Request was made in August 2000 workprogram for inclusion of Federal Demonstration money into this result and revised budget. Approval granted by way of letter from Mr. John Velin dated November 14, 2000. This segment is under construction and anticipate completion June 2003.. Final costs approved by Susan Thornton in Memo dated October 15, 2003. This segment is complete. We received an invoice from the MN DOT on 3/10/04 in the amount of \$28,919.85 for final construction cost balance. We were notified by the State that construction costs that exceed our preliminary project estimate will not be funded by Federal or State Transportation funds. Our original estimates are prepared and submitted to MN DOT sometimes years before a project is engineered and bid in order for the State to prepare their "State Transportation Improvement Plan". Construction cost estimates are again submitted during the "Project Memorandum" phase of project development and again prior to engineered plans and the project bid. In the case of Result #15, the contractors bid amount exceeded the estimated cost stated in the Project Memorandum and State has refused to pay for the difference between preliminary estimate and actual bid amount. This "New" decision has and will affect Results 15, 20 and 22. At no time were we notified that this "New" policy was implemented and further requested a listing of MN Dot, County, City or other federally funded projects affected by this "New" rule. As far as we know, only enhancement type projects such as Mesabi Trail qualify for this penalty. Since we have become aware of this special treatment, we have revised all of our planned project estimates and increased all by 100%. Federal amount not funded for this result equates to a \$56,183 increase in non-federal funds. At this time, we are seeking at least \$28,919.85 additional reimbursement from federal funds. As was discussed at meeting with LCMR staff on 1/31/05, Rail Authority will seek reimbursement from MN Dot in the amount of \$28,919.85 prior to requesting reimbursement from LCMR or other source. Correspondence with MN State Aid Office agrees with Rail Authority and is attempting to change Federal position on this matter. Adjusted budget approved 2/11/05

<u>Task Description</u>	1999 LCMR 3	1999	<u>Local Match</u>	<u>Total Cost</u>
	<u>Program Request</u>	<u>Fed Demo</u>		
Trail Construction	\$72,365	\$124,222	\$28,920	\$225,507
Engineering	\$25,021.17	\$ 0	\$38,000	\$63,021.17
Land	<u>\$1,292.94</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,292.94</u>

Totals	\$98,679.11	\$124,222	\$66,920	\$289,821.11
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1999 LCMR 3 appropriation

Result # 16 Development and construction of a 2 -mile long, 10 foot wide bituminous surface trail from State Highway 7 to the City of Marble. This construction will connect to Result # 15 and Result 17. Due to landowner/right-of-way access, this segment has been adjusted and shortened while Itasca County Attorney resolves landowner issues. Result 17 has been lengthened to incorporate Calumet into that segment. Trail alignment and land surveys have been completed on this segment. Change of trail alignment/scope was requested within December 2001 workprogram and approved by Mr. Velin in letter dated January 15, 2002.

Also, request was made in August 2000 workprogram for inclusion of Federal Demonstration money into this result and revised budget. Approval granted by way of letter from Mr. John Velin dated November 14, 2000. Due to land acquisition delays caused by extensive undivided landowner's interests and significant trail alignment changes, this segment has been rescheduled FY 2006 & 2007. Itasca County Attorney is working to acquire land interests. In anticipation of Federal Demo funds expiring by year 2006, a Federal TEA-21 Enhancement grant was applied for and awarded on April 15, 2004 in the amount of \$252,000, FY 2007. Our current LCMR grant Carryforward language is extended to June 30, 2005. For now, this Result will remain with consideration to current LCMR grant balance, LCMR 2005 grant, local funds and recommendation from LCMR staff. Program budget increase approved by Susan Thornton letter dated 8/27/04. **Request** deferral to LCMR 2005 Grant. Funding for this segment has been deferred to and programmed into other Results.

Programmed funding of \$83,000 was moved to numerous results and approved 2/11/05. Result 16 is now Result 27 in the 2005 funding request.

1999 LCMR 3 appropriation

Result # 17 Development and construction of a 7 mile, 10 foot wide bituminous surface trail from the City of Marble to Calumet to Pengilly. This construction will connect to Result # 16 and Result # 18. Change of trail alignment/scope was requested within December 2001 workprogram and approved by Mr. Velin in letter dated January 15, 2002.

Also, request was made in August 2000 workprogram for inclusion of Federal Demonstration money into this result and revised budget. Approval granted by way of letter from Mr. John Velin dated November 14, 2000. Plan is complete, anticipate bidding April 2003. Part of this segment alignment was changed to a new and better location. Additional easements/right-of-way was acquired summer

2003, this segment will be constructed 2004. Construction bids were open on July 6, 2004 with a low bid in the amount of \$760,000. A contract award and construction is anticipated in the near future.

REQUEST budget adjustment increase for 20% local match of federal funds. Anticipate contract award and construction to begin in the near future. Program budget increase approved by Susan Thornton letter dated 8/27/04. This trail segment is under construction and 60% complete when work ended for the year due to weather. Engineering costs stand at 48,000 as of 12/04 and no increase do to MN DOT new funding rule should apply as we adjusted Project Memorandum estimate prior to bidding. Adjusted budget approved 2/11/05. This segment was completed September 2005 and final payments processed November 2005. Project costs overran \$20,000 or 2% due to a number of circumstances the most significant being a sink hole that developed when excavating a mine dump slope. **REQUEST** budget adjustment approval that increase LCMR \$3,000. Final construction and engineering payments made April 2007 as seen below, REQUEST budget adjustment to reflect final costs.

1999 LCMR 3 2003 LCMR5 1999

<u>Task Description</u>	<u>Program Req.</u>	<u>Program Req.</u>	<u>Fed Demo</u>	<u>Local Match</u>	<u>Total Cost</u>
Construction	\$152,000.00	\$8,844.21	\$643,376.83	\$ 0	\$804,221.04
Eng. & Admn.	\$77,467.35	\$3,475.00	0	\$ 78,280	\$160,222.35
Legal/Land	<u>\$582.23</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$ 582.23</u>
Totals	\$230,049.58	\$12,319.21	\$643,376.83	\$ 78,280	\$965,025.62

1999 LCMR 3 and Year 2003 Appropriation

Result # 18 Development and construction of a 4 mile, 10 foot wide bituminous surface trail from the City of Pengilly to City of Nashwauk. This construction will connect to the existing trail between Nashwauk and Keewatin. Request was made in August 2000 workprogram for inclusion of Federal Demonstration money into this result and revised budget. Approval granted by way of letter from Mr. John Velin dated November 14, 2000. Right-of-way for this segment has now been secured, federal project Memorandum and construction plan are in process. We have looked into an at grade crossing of TH 169 near Pengilly and have met with MN DOT officials to discuss options. The safest and least costly alternative would be an underpass approximately one-half mile west of the intersection of TH 169 and State Hwy 65. This underpass will cost in excess of \$100,000 and is being estimated by project engineer at this time. Project costs will increase significantly and REQUEST LCMR review. It appears that we will not have sufficient funds to meet non-federal match requirement for this segment, we are meeting with local funding agencies to discuss additional funds to construct this segment. Our shortfall is again related to MN Dot new rule, increase in construction and engineering costs relative to federal projects. On a better note, we have tapped federal demonstration dollars to pay for engineering work for plan preparation, survey, project memorandum and other related pre-bid activities. Engineering work is being performed and paid for by federal demonstration funds for results 18, 19, 21 & 22a in an amount exceeding \$100,000. This segment is ready for construction bids, plan, right-of-way, public hearings and else is done. At this time, we will remove LCMR Program Request for construction in order to balance the budget. Other funding listed is in place and dedicated to this segment. April 2005 **REQUEST** as was discussed with LCMR staff at meeting 1/31/05, we are ready to proceed with this segment by using \$80,000 of LCMR 2003 appropriation. The remaining LCMR 1999 appropriation funds will be expended firstly (\$68,761 = the unallocated from 1999 of \$64,509 + \$4,252 already programmed as of 2/11/05) and then LCMR 2003 funds will be used for local 20% match required by Federal Transportation High Priority funding. Construction will begin once approval is received. This further amends the 2/11/05 approved budget revision of \$4,252. Request approved by LCMR on May 12, 2005. Following a tedious project scope review with MN Dot that involved the potential for a 4-lane divided highway over the proposed underpass, we have elected to forgo the underpass and cross Highway 169 at grade. In the future, when MN Dot finalizes their plans for Hwy 169 reconstruction, we will once again promote an underpass. The trail plan is currently being reviewed by MN Dot Office of State Aid, we expect plan approval soon followed by public bids and construction to begin May 2006. As part of our right-of-way agreement with Butler Brothers Mining Co. we will be installing 13,000 LF of fence along side of mining properties. Butler Bros has agreed to provide this fence at a cost of \$1.00 per LF which is a considerable discount from new fence cost of \$2.50 per LF. We will purchase this fence and incorporate into the construction contracts for installation. The \$13,000 fence cost will be applied as part of the local 20% local match requirement for Federal funds and project cost estimate is reduced by \$19,500. Construction bids are advertised and bids will be accepted August 8, 2006. Project costs are estimated to increase significantly since 12/05 workprogram update due to increase in petroleum that affects construction tasks, materials delivery and bituminous cost. Bids were opened and low bid amount is approximately 22% above 2005 estimates as seem below. Trail construction began in September 2006 and shut down for the season in November 2006 with approximately 40% of work completed. This segment was completed July 2007.

<u>Task Description</u>	<u>1999 LCMR program req.</u>	<u>2003 LCMR 5 program req.</u>	<u>2005 LCMR 6 program req.</u>
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Trail Construct	13,000	129,880	3,195	
Eng. & testing	15,022	74,442	0	-cont.-
Land	<u>251</u>	<u>0</u>	<u>0</u>	
Totals	28,273	204,322	3,195	

	1999	2005		
	<u>Fed Demo</u>	<u>Fed HPP</u>	<u>Local Match</u>	<u>Total Cost</u>
	208,968	404,032	0	759,075
	30,000	0	20,000	139,464
	<u>0</u>	<u>0</u>	<u>700</u>	<u>951</u>
	238,968	404,032	20,700	899,490

1999 LCMR 3 appropriation

Result # 19 Development and construction of a 5 mile, 10 foot wide bituminous surface trail from the City of McKinley to the City of Biwabik. This construction will connect to the completed trail at Biwabik and the proposed Gilbert to McKinley trail scheduled for construction in the year 2001. Request was made in August 2000 workprogram for inclusion of Federal Demonstration money into this result and revised budget. Approval granted by way of letter from Mr. John Velin dated November 14, 2000. Easement/right-of-way acquisition has been a problem in this segment area do to future taconite mining plans, active explosive company operations and significant wetlands. Right-of-way is being secured and anticipates construction 2004. Fed Demo column reflects engineering costs now Federal funded as of September 2003. We are negotiating with explosive company to accommodate trail through restricted areas by way of relocating or berm between proposed trail location and sensitive storage sites. This work is not fundable under current LCMR or Federal grant agreements. Addition of "Land" as part of Task Description approved by Susan Thornton letter dated 8/27/04. Have been successful routing trail around explosives site and will meet setbacks or "buffer area" established by Federal ATF. New alignment will impact some wetlands. Wetland areas are being delineated, mitigation plan is forming and trail plan moving forward. Public hearings have been held in City of McKinley. Same notes regarding funding, engineering and plan from Result 18 apply to this result as follows . Our shortfall is again related to MN Dot new rule, increase in construction and engineering costs relative to federal projects. On a better note, we have tapped federal demonstration dollars to pay for engineering work for plan preparation, survey, project memorandum and other related pre-bid activities. Engineering work is being performed and paid for by federal demonstration funds for results 18, 19, 21 & 22a in an amount exceeding \$100,000. This segment is ready for construction bids, plan, right-of-way, public hearings and else is done. At this time, we will remove LCMR Program Request for construction in order to balance the budget. Other funding listed is in place and dedicated to this segment. Adjusted budget approved 2/11/05. See Result 28 for continuation of this segment.

	1999 LCMR 3	1999		
<u>Task Description</u>	<u>Program Request</u>	<u>Fed Demo</u>	<u>Local Match</u>	<u>Total Cost</u>
Trail Construction	\$0	\$0	\$ 0	\$ 0
Eng. 18, 19, 21, 22a	<u>\$19,166.00</u>	<u>\$20,000</u>	<u>\$ 60,000</u>	<u>\$ 99,166.00</u>
Totals	\$19,166.00	\$20,000	\$ 60,000	\$99,166.00

1999 LCMR 3 appropriation

Result # 20 Development and construction of a 2 mile, 10 foot wide bituminous surface trail from the existing Mesabi Trail at Embarrass Lake to Giants Ridge. Request was made in August 2000 workprogram for inclusion of Federal Demonstration money into this result and revised budget. Approval granted by way of letter from Mr. John Velin dated November 14, 2000. This segment is under construction and anticipate completion June 2003. Increase engineering costs approved by Mr. Velin January 14, 2003. This segment is complete. Adjusted budget approved 2/11/05.

<u>Task Description</u>	1999 LCMR 3 <u>Program Request</u>	<u>TEA 21</u>	<u>Local Match</u>	<u>Total Cost</u>
Trail Construction	\$37,813.35	\$151,252	\$ 0	\$189,065.35
Eng.	\$20,331.90	\$ 0	\$ 13,230	\$ 33,562.90
Land/Legal	\$ 1,075.50	\$ 0	\$ 0	\$ 1,075.50
Totals	\$ 59,220.75	\$151,252	\$13,230	\$223,702.75

1999 LCMR 3 appropriation

Result #21 Request Result #21 be considered for proposed 2005 LCMR 6 Appropriation, see proposed Result #27, Phase 1. This request is made in order to stay within 1999 LCMR 3 budget. Removal of this Result from 1999 appropriation plan of activities and switching to new Result #27, Phase I, under proposed 2005 recommendation, approved by Susan Thornton letter dated 8/27/04. Development and construction of a 9 mile, 10 foot wide bituminous surface trail from the Giants Ridge area to Embarrass/Hwy 21. This construction will connect to the completed trail at Biwabik. This segment will be constructed in coordination with the St. Louis County Hwy 138 reconstruction project. Request was made in August 2000 workprogram for inclusion of TEA 21 money into this result and revised budget. Approval granted by way of letter from Mr. John Velin dated November 14, 2000. St. Louis County Highway Department has postponed reconstruction of Hwy 138 until year 2006. TEA 21 funding expires in year 2004 thus a joint project with County can not be accomplished. This segment will be rerouted and not follow Hwy 138 alignment. Right-of-way is being acquired with costs incurred paid for by local funds. TEA 21 funds have been reappropriated to Trail Central project seen as Result 25. Workprogram budget will remain the same, TEA 21 funding will be eliminated and Federal Demonstration High Priority funds will increase to cover costs. Also, Fed Demo column reflects engineering costs now Federally funded as of September 2003 and request a program increase for engineering service. Engineering costs approved by John Velin in Memo dated January 2002. Proposed route has been identified, negotiation with affected landowners is ongoing and positive. Public hearings have been held in Embarrass Township and upcoming in White Township. Same notes regarding funding, engineering and plan from Result 18 & 19 apply to this result as follows - . Our shortfall is again related to MN Dot new rule, increase in construction and engineering costs relative to federal projects. On a better note, we have tapped federal demonstration dollars to pay for engineering work for plan preparation, survey, project memorandum and other related pre-bid activities. Engineering work is being performed and paid for by federal demonstration funds for results 18, 19, 21 & 22a in an amount exceeding \$100,000. This segment is ready for construction bids, plan, right-of-way, public hearings and else is done. At this time, we will remove LCMR Program Request for construction in order to balance the budget. Other funding listed is in place and dedicated to this segment. This Result is funding/budgeting for the engineering component for this trail segment and Result #29 is funding/budgeting for the construction component for this trail segment. Adjusted budget approved 2/11/05

1999 LCMR 3 <u>Task Description</u>	1999 <u>Program Request</u>	<u>Fed Demo</u>	<u>Local</u>	<u>Total Cost</u>
Trail Construction	\$ 0	\$ 0	\$ 0	\$ 0
Eng.	\$ 0	\$ 0	\$ 0	\$ 0
Land	\$ 414.40	\$ 0	\$ 0	\$ 414.40
Totals	\$ 414.40	\$ 0	\$ 0	\$ 414.40

1999 LCMR 3 appropriation

Result # 22 Development and construction of a 8.3-mile, 10 foot wide bituminous surface trail from Mt. Iron to Kinney. This construction will connect to the completed trail at Mt. Iron and the trail from Chisholm to Kinney as seen in result #5. Request was made in August 2000 workprogram for inclusion of Federal Demonstration money and TEA 21 money into this result and revised budget. Approval granted by way of letter from Mr. John Velin dated November 14, 2000. This segment is under construction and anticipates completion June 2003. The City of Mt. Iron, following approval of Old Town Renovation Plan, requested approximately 1 mile of this trail be rerouted in the Old Town addition of Mt. Iron. After review with MN Department of Transportation

and contractor, 1 mile of this project was eliminated and project costs reduced accordingly. A new Fed Demo project has been developed to route this trail in accordance with the Old Town Plan. We request a Workprogram amendment to add this new project and complete Mesabi Trail through Old Town Mt. Iron. If approved, this new project is shown as 22a. Increase engineering costs approved by Mr. Velin January 14, 2003. Result 22 is now 95% complete, final, adjusted construction costs will be reported once project is 100% complete. Program Request for engineering service represents engineering work performed during time of construction only. This segment is not final as contractor must repair substandard work in year 2005. Adjusted budget approved 2/11/05. Contractor has repaired substandard work , segment is complete.

<u>Task Description</u>	1999 LCMR 3	1999			<u>Total Cost</u>
	<u>Program Request</u>	<u>TEA21</u>	<u>Fed Demo</u>	<u>Local Match</u>	
Trail Construction	\$123,076.27	\$300,000	\$191,924	\$ 0	\$ 615,000.27
Eng.	<u>\$61,904.50</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 90,000</u>	<u>\$151,904.50</u>
Totals	\$184,980.77	\$300,000	\$191,924	\$ 90,000	\$766,904.77

Result # 22a Mesabi Trail through Old Town Mt. Iron. This segment was part of trail eliminated from result #22 as requested by City of Mt. Iron to further Old Town Renovation Plan. 1 miles of trail will be routed through Old Town Mt. Iron as approved by MN Department Transportation with a new Fed Demo project assigned for 2004 STIP. All right-of-way has been acquired. Also included with this trail is a 6 vehicle parking area, kiosk and signing. Fed Demo column also reflects engineering costs now Federal funded as of September 2003. Addition of Result #22a approved by Ms Thornton in Memo dated October 15, 2003 for Part No 1 only. To accommodate construction & construction plan purposes, result 22a was broken down into 3 smaller parts as seen below. I inadvertently left out Parts No 2 & No 3 from last September 2003 Workprogram submittal. This error now requires LCMR review and our Request for addition of parts No 2 and No 3. Budget increase of Part No 1and new budgets for Part No 2 and No 3 approved by Susan Thornton letter dated 8/27/04. This segment was advertised, bid and under construction with approximately 30% complete before stopping for the season. This Result was bid in three separate parts and an award based on any individual part or the total of all parts. The totals of all parts were awarded under one contract and have combined the budgets into one. Adjusted budget approved 2/11/05. This segment was complete August 2005. Final construction amount decreased \$20,000 or about 7% due to an error in fencing specification. **REQUEST** approval for LCMR budget decrease in the amount of \$3,000.

Corrected April 2005 Workprogram,

<u>Task Description</u>	1999 LCMR 3	2005 LCMR	1999		<u>Total Cost</u>
	<u>Program Request</u>	<u>Program Request</u>	<u>Fed Demo</u>	<u>Local Match</u>	
Trail Construction	\$55,030.08	4,893.58	\$ 232,000	\$10,000	\$301,923.66
Eng.	<u>\$ 6,457.70</u>	<u>0</u>	<u>\$ 20,000</u>	<u>\$30,000</u>	<u>\$ 56,457.70</u>
Totals	\$61,487.78	4,893.58	\$252,000	\$40,000	\$ 358,381.36

Note: April 2005 error resulted in \$1,000 over program total. December 2005 update corrects Result 22a and program total.

1999 LCMR 3 appropriation

Result #23 Approval requested within December 2001 workprogram to remove Result #23. Approved by Mr. Velin in letter dated January 15, 2002. Reinserted as requested in Mr. Velin e-mail 8/23/02. Result # 23 is now shown under result #25 with a separate funding source.

1999 LCMR 3 appropriation

Result #24 Division of Result 24 into two segments in order for Mesabi Trail to connect to new MN

DNR Off Highway Vehicle (OHV) Park located approximately half way between Gilbert and McKinley. Division requested to meet TEA 21 funding deadline for segment between OHV Park and McKinley and extension of trail length approximately 2 miles to connect facilities. Mesabi Trail will not be used by off highway vehicles. Care has been taken to assure separation between motorized and non- motorized users by way of fencing, guardrails and natural obstructions. Mr. Velin granted approval for division of Result 24 in e-mail correspondence dated September 9, 2002.

1999 LCMR 3 appropriation

Result #24a Construction of a 1.5 mile long, 10 foot wide bituminous surface trail from Gilbert to MN DNR OHV Park. This segment will connect to the completed Mesabi Trail in Gilbert to the newly constructed MN DNR OHV Park. This segment is under construction and 95% complete. Adjusted budget approved 2/11/05. This segment is complete. Final construction costs received November 2007 as seen under 2003 LCMR program request.

<u>Task Description</u>	<u>1999 LCMR 3 Program Req.</u>	<u>2003 LCMR 5 Program Req.</u>	<u>1999 Fed Demo</u>	<u>Local Match</u>	<u>Total Cost</u>
Trail Construction	\$35,986.24	4,850.55	\$179,931	\$ 0	<u>220,768.55</u>
Eng. & Admin	<u>\$ 1,330.00</u>	<u>0</u>	<u>\$ 0</u>	<u>\$ 36,000</u>	<u>\$ 37,330.00</u>
Totals	\$37,316.24	4,850.55	\$179,931	\$ 36,000	258,097.79

1999 LCMR 3 appropriation

Result #24b Construction of a 2.5 mile long, 10 foot wide bituminous surface trail from MN DNR OHV Park to Mckinley completing the Gilbert to McKinley trail segment. This trail segment under construction and completion anticipated June 2003. This segment is complete, final adjusted project cost pending with MN Dot. Adjusted budget approved 2/11/05. This segment is complete.

<u>Task Description</u>	<u>1999 LCMR 3 Program Request</u>		<u>2005 LCMR Program request</u>		<u>Local Match</u>	<u>Total Cost</u>
Trail Construction	\$50,345.98	\$251,729.90	11,095.81		0	\$313,171.69
Eng. & Admin	<u>\$ 2,265.13</u>	<u>\$ 0</u>	<u>0</u>		<u>\$ 47,000</u>	<u>\$ 49,265.13</u>
Totals	\$52,611.11	\$251,729.90	11,095.81		\$ 47,000	\$ 362,436.82

1999 LCMR 3 appropriation

Catch All; for legal, administration and land pertaining to all segments. Approval for “Catch All” category and budget was requested in December 2001 workprogram and approved by Mr. Velin in letter dated January 15, 2002. . Adjusted budget approved 2/11/05

<u>Task Description</u>	<u>1999 LCMR 3 Program Request</u>	<u>Local Match</u>	<u>Total Cost</u>
Legal	\$24,012.00	\$18,200	\$42,212.00

REQUEST: 12/01 Final engineering costs cannot be estimated at this time. Local match of an additional \$100,000 has been committed to cover engineering fees as seen on page 4 and reflected in results. We request LCMR 3 appropriation also increase approximately \$100,000 to offset engineering costs by way of additional engineering, construction and other funding where noted in results.

2001 LCMR 4 appropriation

Result #25A Developing Mesabi Trail Central, a facility serving as an education, economic, and exchange facility for Mesabi Trail Communities and guests. Self-sustaining structures/grounds will

provide economic development with tourism as the industry. Three visitor sites along the trail have been identified as the West, Central and East Trailheads. Currently, the West trailhead has received funding and will proceed with construction summer 2001. Trail Central site is currently being developed. This project is complete, overall project results and outcome seen below.

Trail Central Site Investigations

Over the past several years, seven sites have been investigated for locating Mesabi Trail Central along State Trunk Highway 53 corridor. The final site has not been selected. The University of Minnesota, Department of Landscape Architecture, participated in a site evaluation and design study that was completed and submitted to the Railroad Authority on November 18, 2000. The University study concentrated on two locations being Virginia “**Rouchleau**” site and Eveleth “**Vaughn**” site. All seven sites were reviewed and the two most likely locations were chosen for their attributes that would best serve the Mesabi Trail. A copy of the study is being forwarded to LCMR for reference. The Rouchleau site was selected as the best location for Trail Central. We began conferring with the Rouchleau landowner, State of Minnesota, and other neighboring landowners discussing the affects Trail Central may have on their current and projected land use. In April 2001 we received a letter from Eveleth Taconite Company objecting to the Rouchleau site as it may interfere with their mining operation located approximately one mile west of Rouchleau. Even though the Rouchleau site landowner, State of Minnesota, is receptive to Trail Central, we are considering respecting Eveleth Taconite’s wishes and relocate Trail Central too one of the other six locations. We are continuing the site selection process and hope to be complete by September 2001. The minimum site size is 20 acres with 40 acres preferred. Building Design work will begin July 2001 with Architecture work beginning Fall of 2001 and be completed Summer of 2002. Design work has commenced on the facility. Architectural work will be upheld until spring 2002. Negotiations for the land are complete with minimal costs as State of MN owns most of the parcel. Land surveys have been completed. Design work is complete and architectural work began in June 2002. Architectural work is nearing completion. We have successfully negotiated a long term lease arrangement with the State of Minnesota for land at Mesabi Station site and a long term license agreement with US Steel Corporation for access to the site. Both agreements are for minimum twenty-year terms at minimal cost paid for by Regional Railroad Authority. Also, we secured \$300,000 from unspent TEA-21 funds and transferred for use on construction of this Station. We request \$40,000 land acquisition amount be used for preparation of construction plan and bidding documents for access roadways and site grading for this project.

FYI update on Trail Central. I was remiss in not updating LCMR on this project’s development within June 2005 Workprogram. Trail Central, now known as Mesabi Station, has been relocated from Rouchlea to the Vaghn Site, Eveleth. United Taconite Company, new owner of former Eveleth Taconite Company, revealed plans to mine under TH 53 and the Rouchlea site of proposed Mesabi Station. The Vaughn’s site was extensively researched during our design phase and has taken minimal effort to use our design work at Rouchlea and apply it to Vaughn’s. We have begun construction with roadway extension, storm water retention, site grading and parking lot. Next phase will be building construction set to begin spring 2006. Building construction will be funded in part by Fed HPP, MN Bond Appropriation and MN General Appropriation totaling 1.9 million dollars. We appreciate and thank LCMR for their support and funding for this Station and Mesabi Trail. We plan to recognize LCMR and supporters of Mesabi Trail at this Station by way of a plaque or other prominent feature

	LCMR 4		
<u>Task Description</u>	<u>Program Request</u>	<u>Expenditures</u>	<u>Balance</u>
Land Acquisition	\$ 0	\$ 0	\$ 0
Design & Architecture	\$ 150,000	\$149,815	\$ 185
Plan & Construction Documents	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 0</u>
Totals	\$ 190,000	\$189,815	\$ 185

Overall Project Outcome and Results

Mesabi Trail Central Facility is designed, land acquired and plans complete for road and utility accesses to sight. Cottage Creek Studios performed overall design of facility, DSWG Architects performed architectural functions and Benchmark Engineering civil engineering components. Plans complete to proceed with construction of facility including roadway access and utilities. Attached are photographs of some of the design and architectural work of this project.

To better understand the significance of this project and its result, a brief history and planning process will be discussed as follows:

Mesabi Trail Central Facility, or Trail Central, is integrated into a much larger Master Plan for the Mesabi Trail project. Trail Central is one component of the 132-mile long Mesabi Trail and will be an important point of access and departure for Mesabi and other trails systems in Northern Minnesota.

Planning for Trail Central began in 1995 with inclusion into the Mesabi Trail Master Plan. The Master Plan recognizes the significant length of Mesabi Trail and identifies three major Trailhead Facilities along its path. Firstly, a Trailhead, funded in part by LCMR, was completed summer 2003 in Grand Rapids and serves as the westerly gate to Mesabi and other trails in the Grand Rapids area. Secondly, Trail Central is planned for approximate center of Mesabi Trail and will discuss site selection further in this writing. Thirdly, a Trailhead is planned for the eastern entry to the trail most likely located in Ely.

Site location and design for Trail Central began in 1999 with the University of Minnesota Department of Landscape Architecture and Northeastern Minnesota Sustainable Development Partnership assisting with analysis of potential sites near the center part of Mesabi Trail. Ultimately, State Highway 53 corridor was identified as best general location and Rouchleau Mine identified as primary site. Following public meetings, engagement with local communities, landowners and others, Rouchleau was chosen as the site for Trail Central.

Project Results Use and Dissemination

Trail Central will serve trail users and guests to Mesabi Trail, other trail systems and visitors to Northeast Minnesota. It is an access point to information and more importantly a departure point for finding many resources in this region. This project result completes the second step in this project with the third and final step being construction. Information from this design and planning process will assist moving forward into construction as we have a complete set of plans and information we can use to demonstrate how this facility will function. Work is nearing completion on road extension, parking lot, utility extensions, storm water and site grading. Building construction will begin Spring 2007. Site, road & utilities work are complete. The budget has been divided to separate completed site work and forthcoming building construction.

<u>Task Description</u>	<u>Fed Enhance</u>	<u>Local</u>	<u>Total Cost</u>
Road & Site	300,000	80,000	380,000
Engineer	<u>0</u>	<u>50,000</u>	<u>50,000</u>
Totals	300,000	130,000	430,000

2005 State Bond & General Appropriations Result #25B

The inclusion of new 25B Mesabi Station construction money in year 2005 is for information only as a courtesy to readers who wish to see a more complete picture of Mesabi Station activities.

25B is created to report development, planning and construction of Mesabi Station building. As seen under 25A, the building site is prepared and ready for building construction. Building design has not significantly changed other than incorporation of energy efficient design for lighting and heating. We

have been working with Minnesota Power & Great River Energy and hope to achieve at minimum an “Energy Star” rated facility. Plans for the facility are complete; funding is in place and will be advertised for construction bids winter 2009. Construction will begin spring 2009 and completion fall 2009. Construction is ongoing, schedule is revised for completion November 4, 2010. Facility is complete.

<u>Task Description</u>	2005		<u>Local</u>	<u>Total Cost</u>
	<u>Fed HPP</u>	<u>State DNR</u>		
Building	1,100,000	300,000	300,000	1,700,000
Engineer	<u>0</u>	<u>0</u>	<u>150,000</u>	<u>150,000</u>
Totals	1,100,000	300,000	450,000	1,850,000

2005 LCMR 6

Result # 26 Development and construction of an 11-mile, 10 foot wide bituminous surface trail from Soudan State Park to near Bear Head State Park.

As was testified to LCMR on June 19, 2002, Mesabi Trail project sought 1.0 million dollars to help construct a 20-mile trail segment between Soudan Town Site and City of Ely with assistance from other funding sources. We were successful in securing a \$400,000 grant from TEA-21. Following \$320,000 reduction in LCMR funding, TEA-21 grant will be used to complete Soudan State Park to Bearhead State Park segment. TEA-21 grant becomes available in year 2006. We are attempting to advance TEA-21 funds to year 2004, however have not been assured this will happen. LCMR grant in the amount of \$380,000 be awarded to coincide with federal TEA 21 grant funds that become available June 30, 2005. Right-of-way for this segment is being acquired and ongoing. We are attempting to use most of the former DM&IR railroad grade from Soudan to Eagles Nest Lake. Several parts of the railroad grade have been sold to private parties that we are negotiating with to cross their lands or alternative alignments to circumvent their property. We have also met with landowners along Eagles Nest Lake whom are receptive to the trail and working towards final alignment. Right-of-way acquisition will continue through spring of 2005. Amendment April 2005: As discussed at meeting with LCMR staff on 1/31/05, part of this appropriation could be used for completion of Result #18. We **Request** \$80,000 be directed to Result #18 in order to complete the Pengilly to Nashwauk segment. Request approved by LCMR May 12, 2005. Right-of-way acquisition is ongoing and approximately 50% complete. We had planned to use an abandon DM&IR Railway Co. railroad corridor for most of this segment, however, some of the corridor had been sold by DM&IR Railway to private landowners, some of whom are objecting to the trail. We are routing the trail around objecting landowners at three locations and possibly additional reroutes as we progress.

We have been working with a land developer that has plans for future residential development on the south shore of Lake Vermillion in the area of Stuntz Bay. This developer also owns the land that is being considered by the State of Minnesota for a new State Park. We are in the process of planning the Mesabi Trail alignment that will provide access to either the residential or park properties and are moving ahead with engineering work to access and plan a trail route in cooperation with existing private and public efforts. We are referring to this trail segment as Soudan to Stuntz Road. Stuntz Road intersects Hwy 1/169 approximately 4.5 miles east of Soudan.

We have also been working with MN Dot as they are proposing to rebuild and relocate Hwy 1/169 from the Stuntz Bay access road to beyond the Bearhead State Park terminating at Robinson Lake. We have discussed acquisition of the proposed road abandonment with MN Dot and St. Louis County Highway Department and both are receptive to the idea of placing Mesabi Trail on the abandon roadway. MN Dot anticipates road abandonment will occur in year 2013.. We continue to investigate this alternative. We have furthered our discussions with MN Dot, Region 1 and they are willing to abandon the existing highway in favor of St. Louis County once the new highway is constructed. New highway construction is scheduled to begin Fall of 2013 and complete summer of 2014. St. Louis County will in turn allow the abandon highway to be used for the Mesabi Trail. The abandon highway will need renovation, paving, signing, gates and so forth to become functional for use as a pedestrian/bike trail.

We received notice from MN Dot in May 2012 that the new, planned road realignment of Hwy 1/169 has been cancelled. It seems they have encountered environmental issues along the new route that effected their decision to reconstruct the highway in its present location/corridor. We therefore are investigating trail route options between Vermillion State Park and Robinson Lake at this time. We are placing Result #26b on hold until a route can be determined and shifting State Bond funds to construct #26a from Soudan easterly. We have resumed work on Result 26b on a new trail alignment without a decision from MN Dot as waiting any longer will place 2015 Federal Enhancement funds in jeopardy. Engineering proposals for environmental, survey work will be accepted in January 2014. We have also received an additional \$400,000 Federal Transportation Alternative Program (TAP) grant for this segment. We have conducted a preliminary route investigation and are working to secure right-of-way at this time.

Result #26 is divided into two parts being Result 26a and 26b further described as follows. In year 2010 Result #26a lands were purchased by State of Minnesota for new Vermillion State Park. As stated under Workprogram item K, we have been working with MN DNR to establish a trail route through Vermillion Park that best serves Park & Trail users. State anticipates completing a park plan by December 31, 2010. A defined route and estimate of cost has not been determined. We would like to firstly use 2006 State Bond Appropriation to construct Result #26a -from Soudan easterly working with MN DNR Parks and Trails.

Result #26a: Construction of a 4.5 mile long, 10 feet wide bituminous surface trail from Soudan easterly to intersection of Hwy 1/169 at the MN Dot proposed highway abandonment. Majority of this section will pass through Vermillion State Park. Costs are roughly estimated at this time. As reported under Section K “Result 26a has been amended to include LCCMR funds for engineering costs. We assumed, incorrectly, that State Bond funds would cover engineering & environmental project costs; however, State Bond funds are not eligible until the environmental work has been completed. In order to perform environmental work, most of the project engineering must be done in order to establish the environmental “foot print” to determine impacts and mitigations.” Engineering survey, plans, specifications and documentation is complete and an agreement has been signed with State to receive Bond funds. We will use State Bond funds to cover engineering costs during trail construction which began in October 2013. We have renamed Segment 26a as “Vermilion State Park Segment” Construction is nearing completion as of October 2014 with 98% complete. This segment will be 100% complete December 2014. **This segment is complete.**

<u>Task Description</u>	June 2014	2012	2005	2014		<u>Total Cost</u>
	<u>State Bond</u>	<u>Fed HPP</u>	<u>LCCMR</u>	<u>Local</u>	<u>Legacy</u>	
Trail Construction	660,900	400,000	101,007.54	0	250,000	1,411,907.54
Land	0	0	400	40,000	0	40,400
Env. /Archeology	40,900	0	431.58	0	0	41,331.58
Eng.	<u>160,012</u>	<u>0</u>	<u>91,793.40</u>	<u>0</u>	<u>0</u>	<u>251,805.40</u>
Totals	861,812	400,000 -	193,632.52	40,000	250,000	1,745,444.52

Result #26b: Proposed 2014 LCCMR Request: Construction of a 3.5 mile long, 10 feet wide bituminous surface trail beginning at the east end of 26a (east boundary of Vermillion State Park) and ending at Trigg Road or Bearhead Lake State Park Road (SLC 128) pending MN Dot decision as to the reconstruction of Highway 169 meaning; MN Dot has a plan to relocate Highway 169 from its present location to about 1 mile south. This road construction is scheduled over a 3 year period beginning in year 2014 through 2016. We have met with MN Dot and St. Louis and received a determination from the State Attorney General’s office that the trail could be built on the abandon highway 169 if the highway is relocated. MN Dot’s decision to relocate Highway 169 from the Vermillion Park easterly boundary to SLC 128 will be made spring 2014. If MN Dot elects not relocate highway 169, we will build the trail southerly of the existing highway ending at Trigg Road or approximately 0.2 miles west SLC 128.

We have done a preliminary investigation of either using the abandon highway or creating a new trail and will discuss each as follows:

Abandon Highway 169: the existing highway has a 24' wide bituminous surface with 4' wide gravel shoulders. The trail would be constructed (overlaid) onto one of the existing road lanes taking advantage of existing road shoulders, culverts and ditch ways. Following a meeting with the Army Corps of Engineers and Environmental Protection Agency, it is recommended that the unused road lane be removed in areas where existing wetlands could be expanded into the vacated/removed road lane. Following meetings with MN Dot and St. Louis County Public Works Department, the trail could occupy the majority of the abandon highway excepting where some road accesses will need to be maintained for private and public land access.

New Trail Construction: while keeping in mind NEPA trail route alternative selection process, we have identified a route approximately one-half mile (meandering) south of highway 169 along a former logging road that could be used for the trail location. Following a meeting with MN DNR Forestry, Tower, the logging road could be widened to accommodate the trail and preliminary approval has been granted by DNR. This route also effects or comes close to two private landowners who are not objecting to the trail location. There remains substantial planning and development work yet to do on this route and we are anxious to proceed and await MN Dot's decision as to whether or not highway 169 will be relocated.

We have been informed by MN Dot that their decision as to whether or not relocate Hwy 1/169 will be made December 2014. We will wait for MN Dot decision before proceeding with this trail development. MN Dot has extended the 2015 Federal Enhancement grant to year 2016 given the unforeseen delays. **MN Dot has decided to relocate Hwy 1/169. Their decision was announced at a public hearing held on January 21, 2015. Dot's construction schedule is to complete this project by year 2018. Mesabi Trail will be located on abandon Hwy 1/169 in year 2018. Federal funds have been transferred from this segment to a new segment being developed named Bearhead Road to Camp Lake Road.**

<u>Task Description</u>	2016	2016	2005	<u>Local Match</u>	<u>Total Cost</u>
	<u>Fed Enhance</u>	<u>Fed TAP</u>	<u>LCCMR</u>		
Trail Construction	400,000	400,000	0	90,000	890,000
Land	0	0	370	30,000	30,370
Eng.	0	0	0	0	0
Totals	400,000	400,000	370	120,000	920,370

2005 LCMR 6 and 2003 LCMR 5 appropriation

Proposal #R-090

Mesabi Trail – Continuation

As was testified before the LCMR Commission on June 2, 2004, the Regional Railroad Authority is seeking a Federal Transportation appropriation in the amount of 2.7 million dollars to complete the Mesabi Trail. We understand the US House of Representatives have approved a Transportation Bill with 2.7 million included for Mesabi Trail. We do not know when this bill maybe considered by the US Senate or President. If Mesabi Trail were to receive this funding, we will request that LCMR 6 grant funds be used as a local match and this Workprogram be amended to include additional trail segments. The following are revisions to our February 20, 2004 proposal as requested by Sandy Smith Memo dated June 30, 2004. These Results will be made part of this Workprogram if approved during 2005 Legislative session. \$92,000 has been eliminated from Result # 29 to comply with LCMR recommended funding level of 1.0 million. Phase I will be shortened by approximately 1 mile. RRA received Federal Transportation High Priority Project (HPP) funding FY 2005 in the amount of 2.3

million for Mesabi Trail development. We were recently informed that HPP funds will be made available at a rate of 20% per year over a five year time period. We are currently adjusting our development schedule to comply with this condition and will be adding new or additional Results by the time of our June 2006 Workprogram update. For now, HPP funding is being added to Results 28 & 29 leaving a LCMR grant balance.

Result #27: Construction of trail segment “Scenic Highway 7 to Marble” is a 3.5-mile long trail that will connect the City of Taconite to City of Marble. This segment will also make a continuous 70+ mile trail length from Grand Rapids to McKinley. Total project cost is \$300,000. We have been successful securing a \$240,000 Federal Enhancement grant for this section and are requesting a needed 20% local match and engineering costs for this trail. Federal grant becomes available in year 2007. We have advanced Federal Enhancement grant to year 2006 and are attempting to begin construction in that year. This segment has been surveyed and project Memorandum a plan are being progressed by engineer. Better project cost estimates and construction schedule will be reported in next Workprogram. Project Memorandum has been submitted and plan is complete. Project construction estimated costs FY 2007 are increased significantly and shown as follows mostly due to 30% increase in construction cost since 2004. Scenic 7 to Marble segment has been divided into two Federal projects do to delay in right-of-way acquisition and the need to undertake the project in order to preserve TEA-21 funding. This division is being taken care of at the local level and not reflected in following budget. The first Federal Project # SP 31-090-04 is under construction and secondary Federal Project # SP 31-090-005 will commence August 2008. Overall construction costs are not expected to increase, however, engineering costs will increase as a new set of plans, specification, bidding documents and so forth need to be prepared for SP 31-090-005. Construction bids were received and awarded for both projects. #SP-090-04 construction is complete and #SP31-090-005 is under construction. #SP 31-090-005 is complete as of July 2009. We have identified #SP 31-090-04 as #27a and #SP 31-090-005 as #27b for accounting purposes and reimbursement request. Project costs seen below are for both segments 27a and 27a. Construction is complete, final payments made June 21, 2010.

<u>Task Description</u>	<u>1999 LCMR 3</u>	<u>2003 LCMR 5</u>	<u>2005 LCMR 6</u>	
Trail Construction	0	195,597	115,850.12	
Engineering		48,911	92,126.65	
Land	<u>17,462</u>	<u>0</u>	<u>7,912.74</u>	-cont.-
Totals	17,462	244,508	215,889.51	

<u>2007</u>	<u>2005</u>		
<u>TEA-21</u>	<u>Fed HPP</u>	<u>Local Match</u>	<u>Total Cost</u>
240,000	524,121	0	1,075,568.12
0	0	8,000	174,412.39
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
240,000	524,121	8,000	1,249,980.51

2005 LCMR 6 and 2003 LCMR 5 appropriation

Result #28: Construction of trail segment “McKinley to Biwabik” is a 5.5 mile long trail that will connect the City of McKinley to City of Biwabik . This segment will also make a continuous 85+ mile trail length from Grand Rapids to Giants Ridge Recreation Area. Additional funding for this segment is currently being sought through Federal Highway Transportation bill with funding available in year 2005.

Engineering survey, plan and construction documents are complete. As previously reported, Federal HPP funds will be applied to this segment and make up 80% of the construction costs. Following completion of plan, estimated per mile costs have increased. 2005 Federal HPP appropriation has been allotted in increments of 20% per year over the 5 year term of appropriation. There are currently inadequate Federal funds to begin this trail segment in year 2007. This segment may proceed in year 2008 following receipt of 20% federal allotment. Project Memorandum is complete and funding is in place, however, not all right-of-way has been secured. Anticipate construction in year 2011. Project is

ready for MN Dot plan review and construction bids, however, State of MN is shut down, project will resume upon return of MN Dot.

Army Corps of Engineers has not re-issued wetland permit that expired in year 2011. Corps is reviewing wetland delineations and has requested wetland boundaries be included on plan sheets. We expect construction will begin summer 2013. Corps has issued a permit to proceed; we anticipate issuing a request for construction bids in January 2014. Note addition of State Legacy funds to this Result that will become available July 1, 2013. MN Dot required some design changes during plan review that required additional engineering survey & plan revisions. Construction bids will be advertised November 2014. No changes have occurred to cost estimates other than additional engineering costs. **This project has been awarded a construction contract, work will begin May 2015.**

<u>Task Description</u>	1999 <u>LCMR 3</u>	2003 <u>LCMR 5</u>	2005 <u>LCMR 6</u>	2005 <u>Fed HPP</u>	2012 <u>State Legacy</u>
Trail Construction	0	0	0	1,100,000	442,000
Environ/Land	0	0	7,782.20	0	0
Engineering	<u>7,770</u>	<u>29,035</u>	<u>101,821.93</u>	<u>24,000</u>	<u>58,000</u>
Totals	7,770	29,035	109,604.13	1,124,000	500,000

Total Cost
 1,542,000
 7,782.20
220,626.93
 1,770,409.13

2005 LCMR 6 and 2003 LCMR 5 appropriation

Result #29: Construction of trail segment “Giants Ridge to Embarrass” is a 11 mile long trail that will connect the Giants Ridge Recreation Area to Embarrass. This segment will continue Mesabi Trail toward City of Tower and Ely. This portion of trail has rugged terrain and passes through heavy forest. Construction costs will be higher than normally seen on other sections of Mesabi Trail. Trail alignment, survey, public hearings and other development concerns have been addressed. As the entire 11-mile trail cost is substantial, an alternate, phased approach is practical and shown as follows. Additional funding for this segment is currently being sought through Federal Highway Transportation bill. Federal HPP funding will be applied to this trail segment in the amount of 80% of construction costs. In addition, we have been working with Iron Range Resources (IRR) and Naterra Land Company to construct the trail across IRR lands and Naterra lands located on the east and west shores of Wynne Lake. We propose and recommend a bridge be constructed across Wynne Lake that will mutually benefit all parties. This bridge will span 180 LF connecting the trail to Giants Ridge Recreation Area on the west shore to the Naterra housing development located on the east shore. Cost for the bridge will be funded by IRR, \$230,000, Mesabi Trail \$250,000 and Naterra \$200,000 plus land. Naterra has committed to this project and anticipate IRR Board to consider this proposal at their next meeting scheduled for January 2006. We REQUEST incorporation of the bridge into this trail segment. IRR committed \$230,000 for this project June 2006. Engineering work and Project Memorandum are progressing, anticipate construction to begin Spring 2007.

REQUEST a division of the 11 mile long, Giants Ridge to Embarrass segment. As noted above, the Giants Ridge to Embarrass trail segment has been divided into two parts or phases being a 5 mile long segment between Giants Ridge and State Hwy 135 (Result #29a) and a 6 mile long segment between State Hwy 135 and Embarrass (Result #29b)

Result #29a: Construction of trail segment Giants Ridge to T.H. 135 includes 5 miles of new trail construction including a bridge over Wynne Lake. As previously discussed, bridge construction was to include IRR, NATERRA Land Co. and Mesabi Trail, however; NATERRA Land Co. has withdrawn from their commitment. IRR has granted funds necessary for the bridge construction. A new bridge design has been completed to stay within revised budgets less NATERRA. As we have experienced

over the past year or two, bituminous surface and trail construction costs continue to increase leading to the following increase to trail construction costs. Project Memorandum and Plans are complete. All right-of-way has been acquired. This segment will advertised for construction bids in December 2008. This segment was delayed while an application for Federal economic stimulus funds were applied for by way of American Reinvestment and Recovery Act (ARRA) grants to States. This project received ARRA funding in mid July 2009. Several project issues had to be addressed related to ARRA funds that have been resolved and project advertised for construction bids on October 26, 2009. We anticipate most of the construction costs will be funded by ARRA, however, final funding formulas will not be known until construction bids are received. This segment is under construction and approximately 70% complete as of 7/11. Trail is paved, shoulders graveled and topsoil/seeding established. Bridge over Wynne Lake remains to be set in place. Project is 98% complete with signage and clean-up ongoing. Final costs will be reported within next workprogram update.

Note: in order to use all IRR grant funds dedicated to bridge construction,, we have shifted previously reimbursed LCMR funds in the amount of \$10,984 to an IRR grant that expired on 6/30/12. All shifted funds were used for engineering services associated with constructing the bridge dating back to year 2009. A full accounting of funds shifted will be sent to LCMR staff for review and or approval as part of this workprogran update. Funding shift approved, this segment is complete.

<u>Task Description</u>	2005 LCMR 6	2003 LCMR 5	1999 LCMR 3		Federal
	<u>Program req.</u>	<u>Program req.</u>	<u>Program req.</u>	<u>IRR</u>	<u>ARRA</u>
Construction	56,436.81	0	0	0	1,200,000
Bridge Construction	0	0	0	219,016	0
Engineering	205,385.98	65,410	2,492	10,984	0
Testing	6,864.50	0	0	0	0
Land	3,631.00	0	0	0	0
Totals	272,318.29	65,410	2,492	\$230,000	1,200,000

Total Cost.
 1,256,436.81
 219,016
 284,271.98
 6,864.50
 3,631
 1,770,220.29

Result #29b: Construction of trail segment T.H. 135 to Embarrass includes 6 miles of new trail construction. There are currently two trail alignments being investigates both ending at the Embarrass Community Center/Fairgrounds with connection to the Embarrass Campground trail. Estimated construction costs are not available at time this time. For budgetary purposes, a cost of \$160,000 per trail mile will be used. No new developments have occurred on this segment.

<u>Task Description</u>	2005 LCMR 6	2005		2014	
	<u>Program Req.</u>	<u>Fed HPP</u>	<u>Local</u>	<u>Legacy</u>	<u>Total Cost</u>
Construction	0	0	0	0	0
Enginee/Land	1,000.00	0	24,000	330,000	355,000
Totals	1,000.00	0	24,000	330,000	355,000

Result #30: Construction of trail segment between Eveleth and Fayal is a proposed 2 mile long trail that will extend the existing Gilbert to Eveleth segment to the Town of Fayal. This extension will originate at Mesabi Station in Eveleth and end at Veterans Park in Fayal. Veterans Park, located on Ely Lake and owned by the City of Eveleth, has camping facilities and many outdoor recreation activities that will promote and support Mesabi Trail. The Town of Fayal community center and recreation facilities are located adjacent to Veterans Park. Plans are complete, environment issues need to be resolved along with completion of right-of-way acquisition. This segment began construction September 2010 and scheduled for completion June 2011. Construction is 60% complete as of 7/11. Construction work is suspended due to State of MN/MN Dot shut down and will resume once MN Dot returns. This segment is complete. The following are final project costs:

<u>Task Description</u>	<u>2005 LCMR 6</u>	2009		<u>Total Cost</u>
		<u>Fed Enhance</u>	<u>Local</u>	
Trail Construction	109,435.98	342,000	0	451,435.96
Engineering	74,510.81	0	8,000	82,510.81
Testing	3,653.79	0	0	3,653.79
Permits	<u>400.00</u>	<u>0</u>	<u>0</u>	<u>400.00</u>
Totals	188,000.56	342,000	8,000	538,000.56

State Funds

The following is a summation of State funding for Results that pertain to year 1999, 2001, 2003, & 2005 LCCMR and other appropriations.

<u>Trail Fund/Results</u>	<u>Appropriation</u>	<u>Liquidated</u>	<u>Dedicated</u>	<u>Balance</u>
1999 LCMR 3 14a, 14b, 15, 17, 18, 19, 20, 21, 22, 22a, 24a, 24b, 27, 28, 29I & Catch All.	1,000,000	1,000,000	0	0
2003 LCMR 5 17, 18, 24a, 27, 28, 29	380,000	380,000	0	0
2005 LCMR 6	1,000,000	1,000,000	0	0
18		3,195.10	0	0
22a		4,893.58	0	0
24b		11,095.81	0	0
26a		193,632.52	0	0
26b		370.00	0	0
27		215,889.57	0	0
28		109,604.13	0	0

29a		272,318.29	0	0
29b		1,000.00	0	0
30		188,000.56	0	0
2006 State Bond	950,000	861,812	0	88,188
amend. 2010, 2012				
26a		861,812	0	
2005 State DNR	300,000	300,000	0	0
25				
<u>Mesabi Station</u>				
2001 LCMR 4	190,000	189,815	0	185
25A				

Federal Funds

<u>Federal Fund/Results</u>	<u>Appropriation</u>	<u>Liquidated</u>	<u>Dedicated</u>	<u>Balance</u>
1999 Fed Demo	2,250,000	2,250,000	0	0
14b, 15, 17, 18, 19				
22, 22a, 24a, 29				
Fed TEA	702,981	702,981	0	0
20, 22, 24b				
Fed Enhance.	982,000	342,000	640,000	N/A
26b	400,000	0	400,000	0
27	240,000	240,000	0	0
30	342,000	342,000	0	0
2005 Fed HPP	2,900,000	928,153	1,971,847	0
18		404,032	0	N/A
26a			400,000	N/A
27		524,121	0	N/A
28		0	728,000	N/A
29b		0	834,847	N/A
2009 ARRA	1,200,000	1,200,000		NA
29a		1,200,000		

2015 Enhancement 26b	400,000	0	0	400,000
2016 TAP 26b	400,000	0	0	400,000
Trail totals	8,834,981	5,423,134	2,611,847	800,000
<u>Mesabi Station</u>				
Fed TEA & Enhance 25A	300,000	300,000	0	0
2005 Fed HPP 25	1,100,000	1,100,000	0	0

II. Other Funds & Partners

A & B. Project Partners: Project partners include Federal Highway Administration contribution of \$240,000 for development. St. Louis, Lake & Itasca County Railroad Authorities contribution for personnel, legal and acquisition costs estimated to be in excess of \$100,000. Iron Range Resources & Rehabilitation Agency, Blandin Foundation and Federal Highway are currently being sought as additional partners for this project.

C. Past Spending: 7 million dollars has been spent on Mesabi Trail with another 1 million planned for year 2004.

D. Time: Some Federal funding has been secured for these results and becomes available in year 2007. We suggest a time frame be established to coincide with Federal grant appropriations.

V. CONTEXT:

A. Significance: The Mesabi Trail System is a 132 mile recreational trail linking over 22 communities across the Iron Range. It will run from Grand Rapids to Ely utilizing abandoned railways, logging and mine haul roads and existing bike trails. The trails will provide safe and healthy recreational opportunities for local residents and visitors. The 10-12 foot wide trail will be surfaced with bituminous overlay. The trail alignment will emphasize the historic, scenic, environmental and educational aspects of the region while also providing alternate transportation possibilities for local communities. It is destined to become a star-quality attraction to the tourism industry and give an economic boost to the entire region. The issue of steel studded snowmobile tracks damaging the asphaltic surface of the trails is of significant concern and being addressed by the Mesabi Trail Work Group and the St. Louis and Lake County Railroad Authority. The St. Louis and Lake County Rail Authority has adopted the following trail design and Rules regarding the use of studded snowmobile tracks on the asphaltic surface of the Mesabi Trail:

1. Wherever possible, the trail shall be designed and constructed to separate the groomed snowmobile surface from the asphaltic surface.
2. The trail ordinance will adopt State of MN opening and closing dates for snowmobile users as a general rule. The opening date is December 1 and closing date is April 1 of the following year.
3. Snowmobiles will be prohibited from using the trail unless a minimum of six (6) inches of compacted snow is in place. Gates will be closed if at any time snow conditions are less than six (6) inches.

VI. COOPERATION: This project is being constructed in cooperation with most of the 22 cities indicated on the general location map. Formal cooperative agreements have been signed with the Cities of Ely, Biwabik, Mt. Iron, Nashwauk, Coleraine, Bovey, Taconite, Keewatin, Hibbing, Chisholm, Buhl, Virginia, Gilbert, Eveleth, Aurora, Town of White, and Itasca County. Resolutions of support have been received from most Cities and many Townships along the trail corridor.

VII. LOCATION: The Ecological classification is generally forested

IX. PERIODIC PROGRESS REPORTS: Periodic progress reports will be presented as needed and in accordance with the following schedule:

October 1997	January 2001	July 2004	March 2008
March 1997	July 2001	December 2004	December 2008
June 1997	December 2001	July 2005	April 2009
December 1997	July 2002	December 2005	December 2009
June 1998	December 2002	July 2006	July 2010
December 1998	July 2003	December 2006	December 2010
June 1999	December 2003	July 2007	July 2011
August 2000		December 2007	December 2011

Section 2 - Reimbursement Spreadsheet

Grantee's Title: St. Louis & Lake Counties Regional Railroad Authority - Mesabi Trail Project

Legal Citation: Laws of Minnesota 2005, Chapter 1, Section 11, Subdivision 6 (m)

Period Covered by Request: 6/23/2011 to 6/30/2012

Request #: 4

Outcome/Activity Budget from Work Program/Accomplishment Plan

Budget Item	Outcome/Activity 1: (Workprogram Result 26a)					Outcome/Activity 2: (Workprogram Result 28)				
	Budget	Prior Invoiced	Beginning Balance	Current 5 Invoice	Ending Balance	Budget	Prior Invoiced	Beginning Balance	Current 5 Invoice	Ending Balance
Trail Construction	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$157,425.40	\$0.00	\$157,425.40	\$0.00	\$157,425.40
Land	\$400.00	\$0.00	\$400.00	\$400.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Engineering	\$88,453.00	\$53,935.35	\$34,517.65	\$34,517.65	\$0.00	\$63,508.27	\$28,091.11	\$35,417.16	\$35,417.16	\$0.00
Testing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Permits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Environmental	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,782.20	\$4,525.00	\$3,257.20	\$3,257.20	\$0.00
Archaeology	\$431.58	\$431.58	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Column Total	\$89,284.58	\$54,366.93	\$34,917.65	\$34,917.65	\$0.00	\$228,715.87	\$32,616.11	\$196,099.76	\$38,674.36	\$157,425.40
Budget Totals	\$89,284.58					\$228,715.87				
Prior Invoiced		\$54,366.93					\$32,616.11			
Beginning Balance			\$34,917.65					\$196,099.76		
Current Invoice				\$34,917.65					\$38,674.36	
Ending Balance					\$0.00					\$157,425.40

I Budget from Work Program/Accomplishment Plan

Outcome/Activity 8: (Workprogram Result 22a)

Outcome/Activity 9: (Workprogram Result 24b)

Beginning Balance	Current 5 Invoice	Ending Balance	Budget	Prior Invoiced	Beginning Balance	Current 5 Invoice	Ending Balance
\$4,893.59	\$4,893.59	\$0.00	\$11,095.81	\$0.00	\$11,095.81	\$11,095.81	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4,893.59	\$4,893.59	\$0.00	\$11,095.81	\$0.00	\$11,095.81	\$11,095.81	\$0.00
			\$11,095.81				
				\$0.00			
\$4,893.59					\$11,095.81		
	\$4,893.59					\$11,095.81	
		\$0.00					\$0.00

Outcome/Activity 10: (Workprogram Result 26b)

Outcome/Activity 10: (Workprogram Result 26b)					Project Total					
Budget	Prior Invoiced	Beginning Balance	Current 5 Invoice	Ending Balance	Budget Item	Budget	Prior Invoiced	Beginning Balance	Current 5 Invoice	Ending Balance
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Trail Construction	\$432,937.99	\$241,727.14	\$191,210.84	\$33,785.44	\$157,425.40
\$370.00	\$0.00	\$370.00	\$370.00	\$0.00	Land	\$4,401.00	\$3,631.00	\$770.00	\$770.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Engineering	\$535,616.21	\$441,326.42	\$94,289.79	\$94,289.79	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Testing	\$18,431.03	\$15,138.76	\$3,292.77	\$3,292.77	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Permits	\$400.00	\$400.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Environmental	\$7,782.20	\$4,525.00	\$3,257.20	\$3,257.20	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Archaeology	\$431.58	\$431.58	\$0.00	\$0.00	\$0.00
\$370.00	\$0.00	\$370.00	\$370.00	\$0.00	Column Total	\$1,000,000.00	\$707,179.90	\$292,820.60	\$135,395.20	\$157,425.40
\$370.00	\$0.00	\$370.00	\$370.00	\$0.00	Budget total	\$100,000.00				
	\$0.00				Prior invoiced		\$707,179.90			
		\$370.00			Beginning balance			\$292,820.60		
			\$370.00		Current invoice				\$135,395.20	
				\$0.00	Ending balance					\$157,425.40