



# 2022 Draft Capital Improvement Program (CIP)

Erin Stwora  
Physical Development Administration  
Physical Development Division

- 2022 Draft CIP Schedule
- CIP Elements and Considerations
- CIP Summary – All Sections
- Review of CIP Sections
  - Expenses by Category
  - Elements and Considerations
  - Revenues by Source
  - Major Projects
  - Capital Budget Pressures
- Discussion

- **September 7:**

Draft 2022 CIP Review and Discussion:

- Buildings/Facilities
- Parks and Greenways
- Transportation
- Regional Railroad Authority
- Environmental Resources
- Byllesby Dam
- Data Networks

- **September 21**

- Draft 2022-2026 CIP Released for Public Comment

- **November 2-4**

- County Board Budget Workshops

- **November 30**

- CIP Public Hearing

- **December 14**

- Proposed adoption of 2022 Operating and Capital Budget

- CIP based on current budgeted staffing levels
  - Annual review of staff needs across all CIPs
- Overarching CIP Principles:
  - Safety first
  - Finish what we have started
  - Honor funder/grantee commitments
- General Prioritization:
  - Priority 1: Projects that address asset, infrastructure, or resource deficiencies (“Fix what’s broken”)
  - Priority 2: Strategic system growth and enhancement (“Meet demand”)
  - Priority 3: Pursuit of projects not in an adopted CIP (“Act on opportunities”)

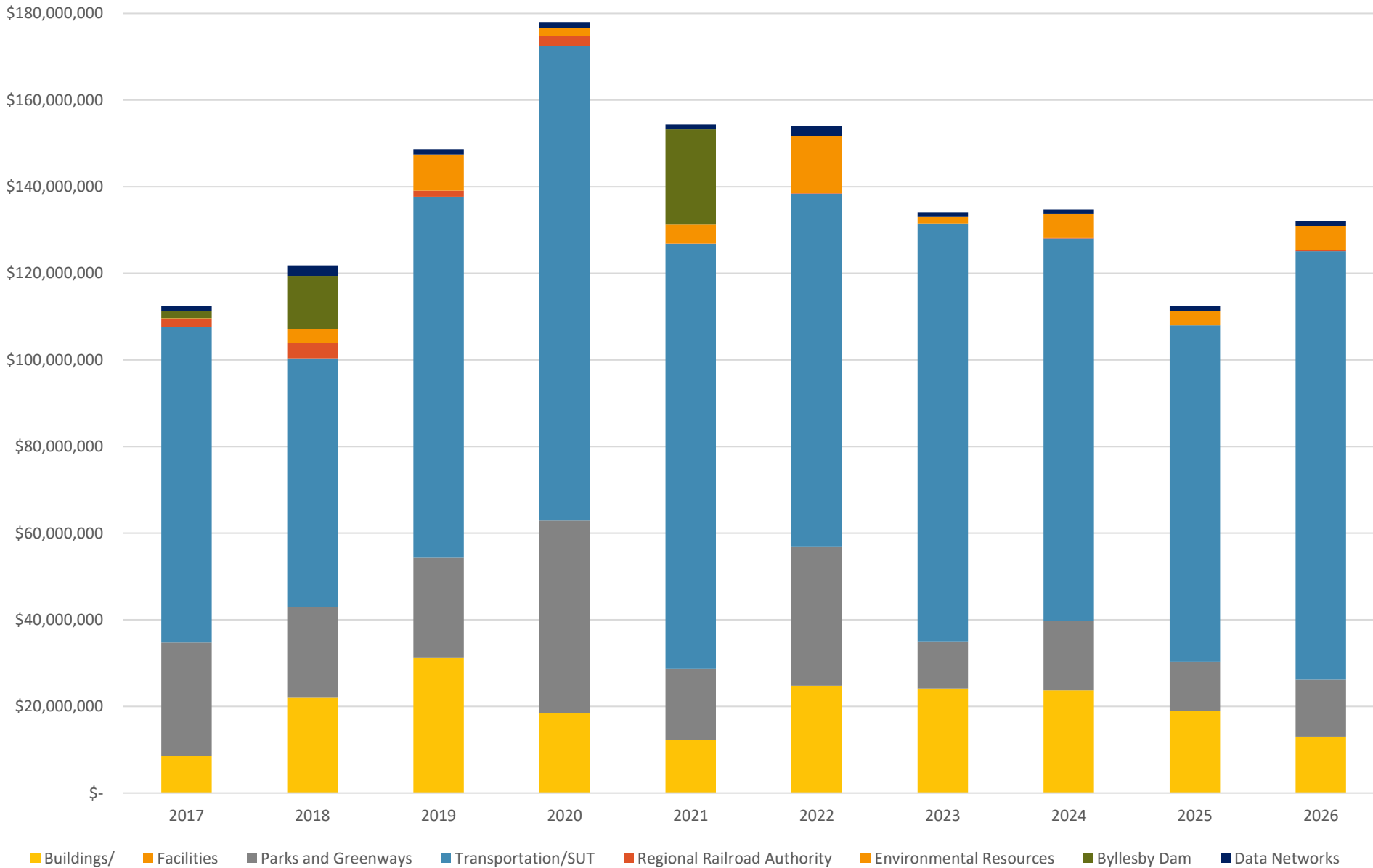
- Full estimated project costs including construction and soft costs
- Project expenditures based on the year of expenditure:
  - First: Scoping (when needed)
  - Second: Design
  - Third: Property Acquisition
  - Fourth: Construction
- Resource Management and Project Chargebacks in all CIPs to show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

# Capital Improvement Program Summary



CIP	2022	% of Total
Buildings/Facilities	\$24,791,113	16%
Parks and Greenways	\$31,977,127	21%
Transportation/Sales and Use Tax (SUT)	\$81,594,346	53%
Regional Railroad Authority	\$106,250	0%
Environmental Resources	\$13,178,889	9%
Byllesby Dam	\$-	-
Data Networks	\$2,285,915	1%
<b>Total</b>	<b>\$153,933,640</b>	

# CIP Comparison



# Buildings/Facilities 2022 Draft CIP



Category	Amount	% Total CIP
Infrastructure Maintenance	\$3,147,985	13%
Renovation	\$12,611,776	51%
New Construction	\$9,031,352	36%
<hr/>		
2022 Total Annual Cost	<b>\$24,791,113</b>	
2022 County Cost*	\$23,093,420	93%

\* Includes use of General Fund, CPA, ELF and Property Taxes

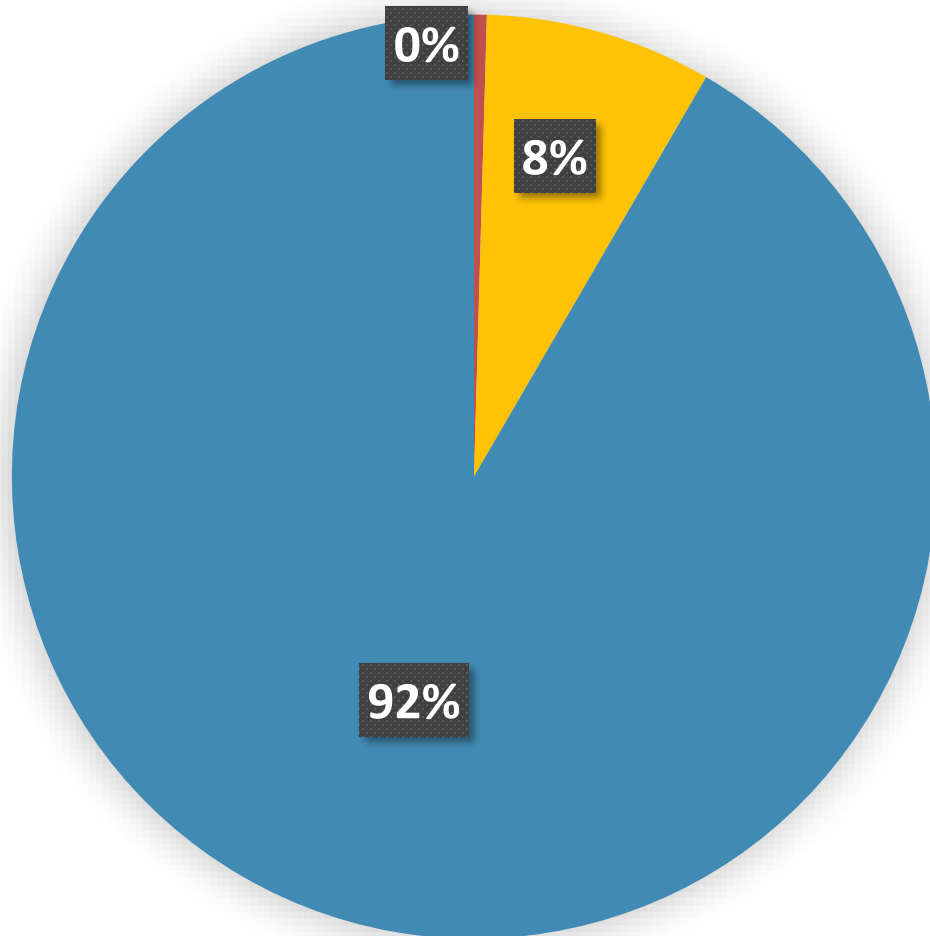


# Buildings/Facilities CIP Elements and Considerations



- Focus on Infrastructure Maintenance
  - 2022-2026 CIP average - \$4.54 million (up 34% over last CIP)
- New condition assessment and software package in 2022 to plan for long-term needs
- Some projects deferred due to next normal office environment uncertainty.

# Buildings/Facilities 2022 CIP Revenues



<b>County Funds</b>	<b>\$23,093,420</b>
Levy	3,338,405
ELF	7,676,068
General Fund Balance	12,078,947
<b>Scott County</b>	<b>\$2,000,000</b>
<b>DCC Construction Fund</b>	<b>\$111,985</b>
<b>State Bonding*</b>	<b>(\$414,292)</b>

\*Adjusting State Bonding budget for actual amount awarded

# Potential Law Enforcement Center Renovation and Expansion

- 2021-2025 CIP Programmed \$14.3M for Work Release and Health Area Renovations
- Study completed on Mental Health addition options
- 2021 work progressing on Work Release and small renovations (\$2.3M)
- 2022 Addition work pending 2022-2026 CIP approval (\$12M)

# Buildings/Facilities Capital Budget Pressures



- Material costs up significantly; future pricing uncertain
- Labor rates are poised to rise
- Maintenance Facility Optimization Study (MFOS) Implementation phasing for two large projects 2023-2025
- Additional staff requested to maintain growing building portfolio:
  - Building additions/new facilities 2019-2021 – 87,000 sq ft
  - Industry standard for building maintenance at 75,000 sq ft per FTE, Dakota county will be at 96,500 sq ft per FTE by the end of 2021
- Potential new projects – scope and funding uncertain
  - LEC Remodel/Expansion
  - Community Services program changes
- Long-Term Infrastructure Maintenance needs

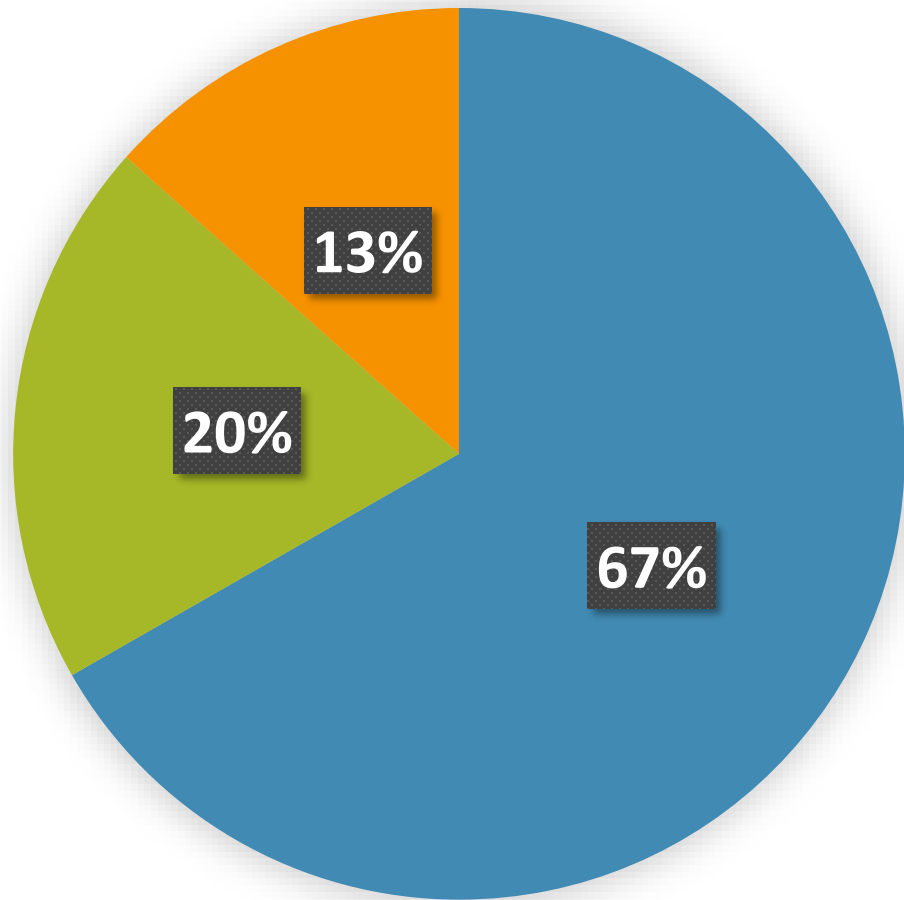
# Parks and Greenways 2022 Draft CIP



Category	Amount	% Total CIP
Planning	\$250,000	1%
Acquisition	\$4,533,333	14%
General	\$2,988,019	9%
Greenway Development	\$20,745,283	65%
Park Development	\$2,299,846	7%
Natural Resources	\$1,160,646	4%
<hr/>		
2022 Total Annual Cost	<b>\$31,977,127</b>	
2022 County Cost*	\$21,339,107	67%

\*Includes Levy, CPA, General Fund Balance, Interest Earnings, ELF, and Sales and Use Tax

# Parks and Greenways 2022 CIP Revenues



## 2022 CIP Revenues

<b>County Funds</b>	<b>\$21,339,107</b>
Levy	191,347
CPA	1,516,913
General Fund	1,133,333
Interest Earnings	1,000,000
ELF	2,500,000
Sales and Use Tax	1,000,000
Fund Balance	13,997,514
<b>State</b>	<b>\$6,350,020</b>
AOF	3,400,000
PTLF	1,100,174
Regional Park Bonding	1,700,034
State	149,812
<b>Federal</b>	<b>\$4,288,000</b>

# 2022 Parks and Greenways Major Projects



## Park Projects

- |   | <u>2022 Cost</u> |
|---|------------------|
| • Thompson County Park Trail Connection to RRGW | \$150,000        |
| • Spring Lake PR MP Improvements (2024 const.)  | \$1,700,000      |

## Greenway Projects

- |   |             |
|---|-------------|
| • North Creek GW – Lakeville/Farmington   | \$2,980,000 |
| • Mississippi River GW – Rosemount East   | \$400,000   |
| • Mississippi River GW – Wakota Trailhead | \$300,000   |
| • Minnesota River GW – Ft Snelling        | \$8,924,000 |
| • Veterans Memorial Greenway              | \$5,000,000 |

## Other/Systemwide Projects

- |   |             |
|---|-------------|
| • Natural Resource Restoration & Management | \$1,161,000 |
| • Asset Preservation Program                | \$450,000   |
| • Greenway Collaborative Set-Aside          | \$250,000   |

# 2022 Parks and Greenways Budget Pressures



- Aging and heavily-used facilities
- Increases in project costs
  - Railroad crossings on Minnesota River GW – Ft Snelling
  - Grade-separated crossings on Veterans Memorial GW
  - Boardwalks on North Creek GW – Lakeville/Farmington
- Uncertain revenue
  - Pending Federal funding (Regional Solicitation, Infrastructure Bill, etc.)
  - Limited Acquisition Opportunity Funds (Metropolitan Council)
- CIP balanced with current budgeted staffing levels



# Potential Greenway Acceleration Projects



- **Not currently included in Draft CIP**
- **Additional staffing may be needed; discussion at future Board meeting**

## **Final Design & Construction (Tier 1; approx. 5 miles)**

- Minnesota River GW
- Mississippi River GW
- North Creek GW
- Vermillion River GW

## **Pre-Design & Design (Tiers 1 & 2; approx. 20 miles)**

- River to River GW
- Mendota to Lebanon Hills GW
- Mississippi River GW
- North Creek GW
- Rosemount GW
- Vermillion Highlands GW
- Lake Marion GW

# Transportation and SUT 2022 Draft CIP



Category	Amount	% Total CIP
Preservation	\$10,715,000	13%
Management	\$24,637,600	30%
Replacement & Modernization	\$26,575,000	33%
Expansion	\$4,000,000	5%
Transit	\$232,500	0%
Resources	\$15,434,246	19%
<hr/>		
2022 Total Annual Cost	<b>\$81,594,346</b>	
2022 County Cost*	\$38,616,229	47%

\*Includes the use of Wheelage Tax, Gravel Tax, Sales and Use Tax, Property Taxes and Transportation Fund Balance

# Transportation CIP Elements and Considerations



## New CIP Elements:

- 2040 Transportation Plan Guidance

## Considerations:

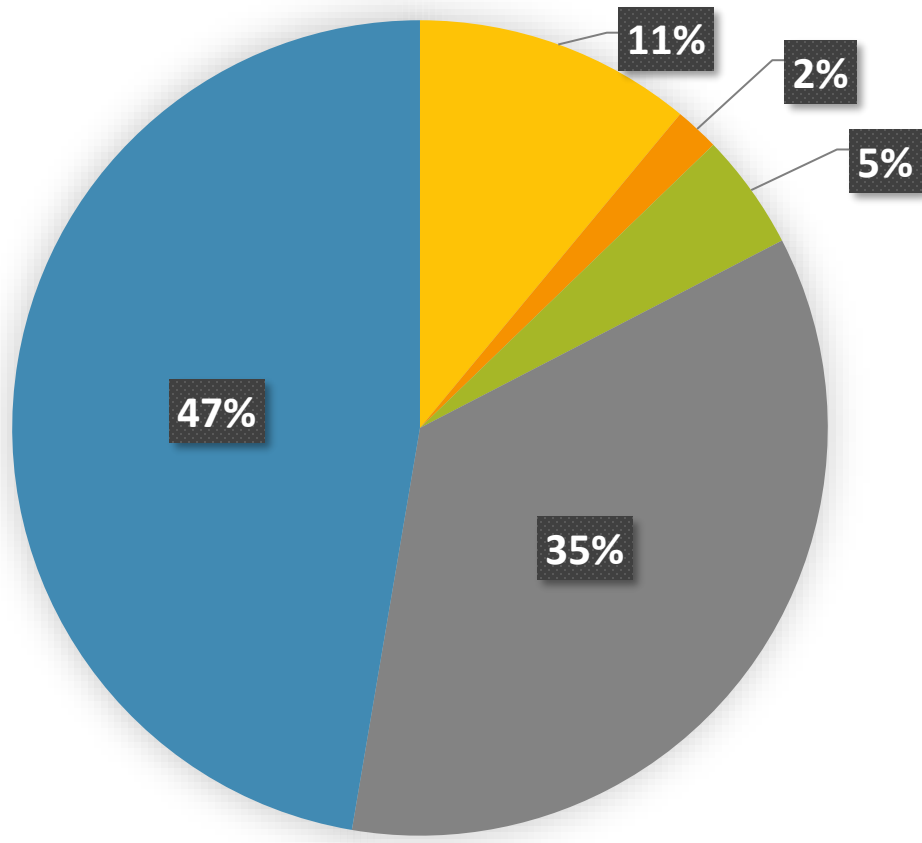
- Transportation Fund Balance
- Assumed 1.8% increase to State Funding
- Transportation Plan Goals
  - Preservation
  - Management
  - Replacement/Modernization
  - Expansion

# SUT CIP Elements and Considerations



- Prioritize Reconstruction/Modernization and Management
- Focus on preliminary design/scoping before programming construction

# Transportation and SUT 2022 CIP Revenues



## 2022 CIP Revenues

<b>County Funds</b>	<b>\$38,616,229</b>
Fund Balance	8,720,195
Levy	2,690,021
Wheelage Tax	4,200,000
Gravel Tax & Other	1,231,300
Sales and Use Tax	21,774,715
<b>CSAH</b>	<b>\$28,781,963</b>
<b>City</b>	<b>\$8,989,154</b>
<b>State</b>	<b>\$3,767,000</b>
<b>Federal</b>	<b>\$1,440,000</b>

# Transportation Major 2022 Projects by Function



## Preservation

- Pavement & gravel resurfacing projects

**2022 Cost**

\$8,110,000

## Management

- School Area Safety Improvements \$900,000
- CSAH 9 – 179<sup>th</sup> to Gerdine (Lakeville) \$1,805,000
- 179<sup>th</sup> St. – Hayes Ave. to CSAH 23 (Lakeville) \$7,220,000
- CSAH 31 at CSAH 32 – Signal and turn lane extension (Eagan) \$775,000

## Replacement & Modernization

- CSAH 96 – West County Line to CSAH 23 (Greenvale Twp.) \$8,000,000
- Township Bridge Replacements
  - Inga Ave. at Pine Creek (Hampton/Douglas Twp.) \$200,000
  - 205<sup>th</sup> St (Marshan Twp.) \$200,000

# Sales and Use Tax (SUT) Major 2022 Projects



## 2022 Cost

- CSAH 32 (Cliff Road) Reconstruction in Eagan \$14,500,000
- Trunk Highway Preliminary Engineering/Scoping
  - I-35 from CSAH 42 to CSAH 70 \$700,000
  - TH 3 from CSAH 42 to I-494 \$500,000
  - TH 77 from 138<sup>th</sup> to I-494 \$1,000,000
  - TH 55 from TH 52 to General Sieben Drive \$1,000,000

# Transportation Capital Budget Pressures



- State Revenue Increases Assumed
- Significant CSAH Deficit
  - SUT Funds Utilized on More CSAH Eligible Projects
- Transportation Plan - Cost Share Policy Changes
- City Ability to Participate – Advance Funding
- Requests from Lakeville
- Regional Solicitations – Federal Fund Assumed
- Survey Staffing – ROW Mapping Needs



# Sales and Use Tax (SUT) Capital Budget Pressures



- Assume annual growth of sales tax revenue at 3.3% based on MMB forecast
- Shift of CSAH projects to SUT Fund
- Potential future Trunk Highway projects
- Potential use of fund balance to accelerate greenways

# Regional Railroad Authority 2022 Draft CIP



Category	Amount	% Total CIP
Construction	\$106,250	100%
<hr/>		
2022 Total Annual Cost	<b>\$106,250</b>	
2022 County Cost	\$106,250	100%

# Regional Railroad Authority Major 2022 Projects



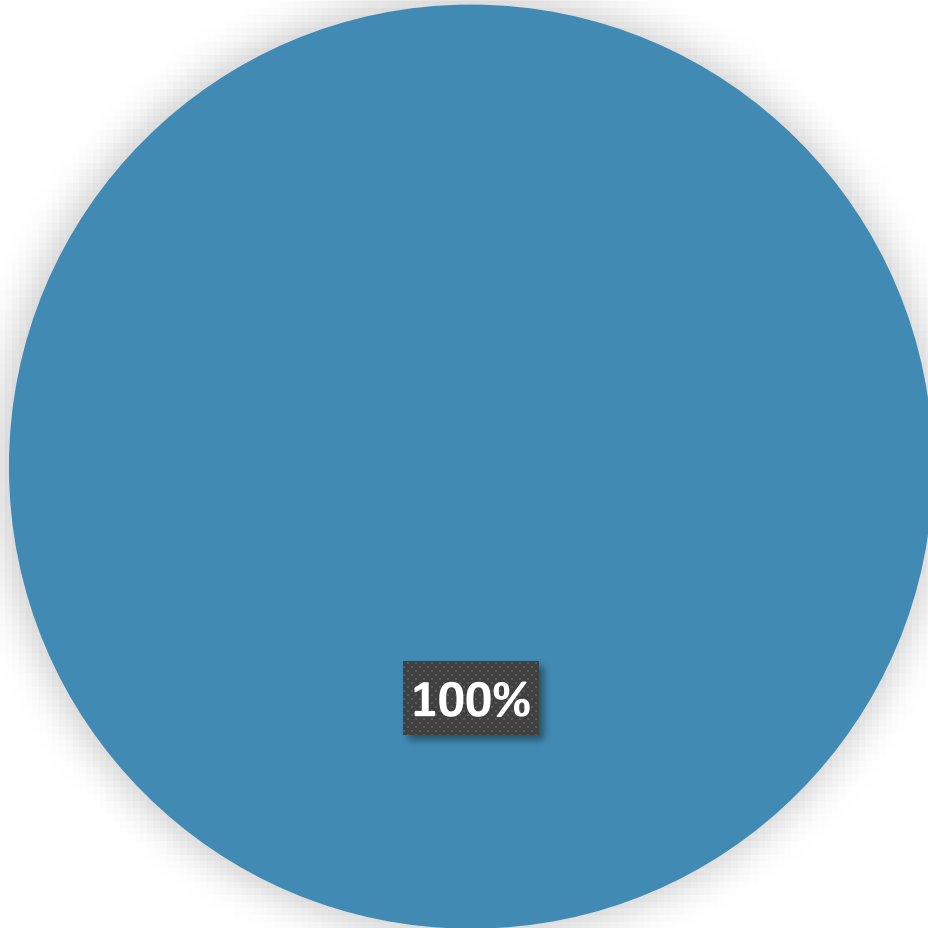
- Bicycle and Pedestrian connections to Red Line

# Regional Rail Authority CIP Elements and Considerations



- Reduce expansion projects (removed additional Red Line station)
- Safety focus: pedestrian and bicycle connections to existing stations

# Regional Railroad Authority 2022 CIP Revenues



## 2022 CIP Revenues

<b>County Funds</b>	<b>\$106,250</b>
<b>Regional Rail Fund Balance</b>	<b>106,250</b>

# Environmental Resources 2022 Draft CIP



Category	Amount	% Total CIP
Land Acquisition and Restoration	\$9,898,579	75%
Wetlands and Water Retention	\$1,804,847	14%
Water Quality and Quantity Capital Projects	\$970,078	7%
Environmental Assessment and Remediation	\$505,385	4%
<b>2022 Total Annual Cost</b>		
	<b>\$13,178,889</b>	
<b>2022 County Cost*</b>	<b>\$3,508,889</b>	<b>27%</b>

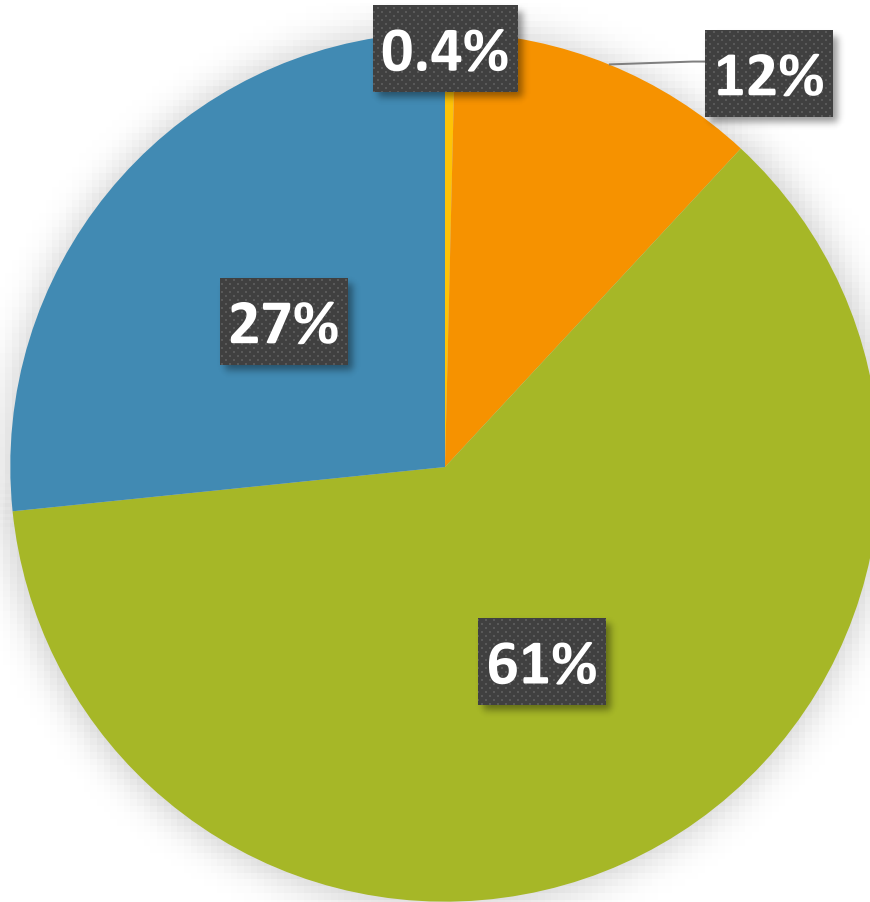
\*Includes the use of ELF

# Environmental Resources CIP Elements and Considerations



- Implementation of strategies and tactics identified in Dakota County Strategic Plans
- Inclusion of set-aside funds to implement strategies within the adopted plans as potential projects are identified

# Environmental Resources 2022 CIP Revenues



## 2022 CIP Revenues

County Funds	\$3,508,889
State Outdoor Heritage	\$8,100,000
BWSR	\$1,520,000
City	\$50,000



# Environmental Resources Major 2022 Projects



## **Land Acquisition and Restoration:      \$9,898,579**

- Estimated 570 acres of Easements and Fee Title over four years
- Estimated 1,100 acres of natural resource restoration and enhancement on over five years
  - 600 acres of non-County public lands and County easements
  - 500 acres of parkland

## **Wetlands and Water Retention:      \$1,804,847**

- Design, acquire, construct and restore large-scale wetlands on formerly cultivated lands with partner organizations

# Environmental Resources

## Major 2022 Projects



### **Water Quality and Quantity Capital Projects:** **\$970,078**

- Survey, design and install Best Management Practices and provide cost share for partner projects that improve water quality and/or quantity

### **Environmental Assessment and Remediation:** **\$505,385**

- Investigate and remediate contaminated sites on tax-forfeit property, publicly owned properties that pose a public health or environmental risk, and potential County acquisitions (fee title and easements)

# Environmental Resources Capital Budget Pressures

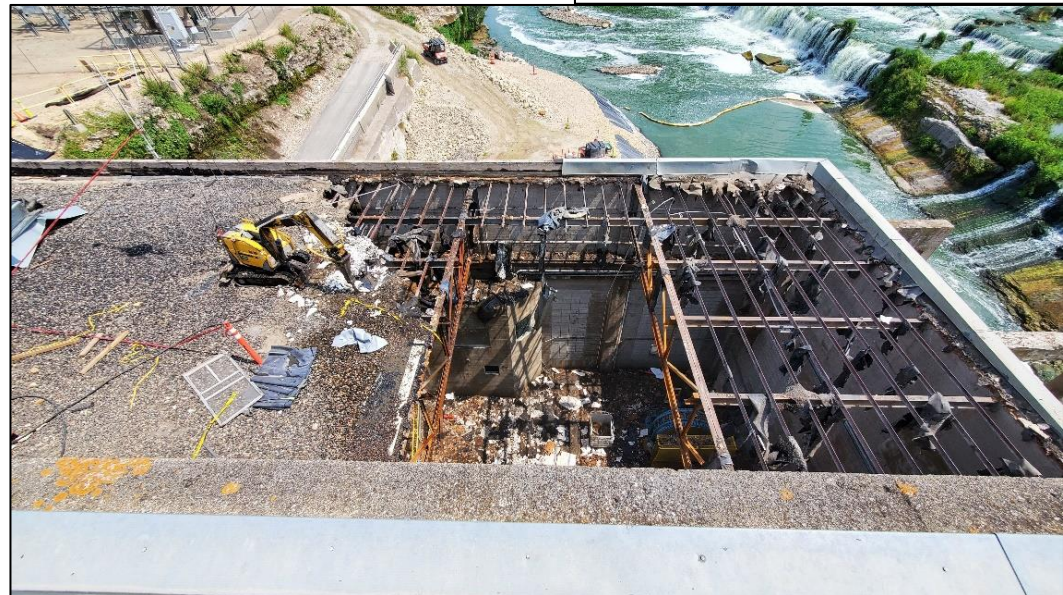


- Increasing commodity prices
- Increasing land values
- Acquisition of easements and fee title from willing sellers can slow or stop progress
- Property values based on State formulas often fall below seller requirements

- Preliminary Certificate of Need (CON) for Pine Bend and Burnsville Sanitary Landfill to extend life by seven years.
  - Final approval expected late Summer 2021.
- Anticipated Revenue over the next seven years: \$8 million/year
- 2020 audited fund balance: \$54,939,000

# Byllesby Dam

- Total Project Budget: \$36M
  - Powerhouse and turbine project funded by previous Board actions.
  - No new projects anticipated
- Considerations:
  - Increasing Commodity costs: (25%-300% depending on commodity)
  - Increasing Labor costs
  - Potential identification of additional requirements during demolition
- Estimated completion date: December, 2022

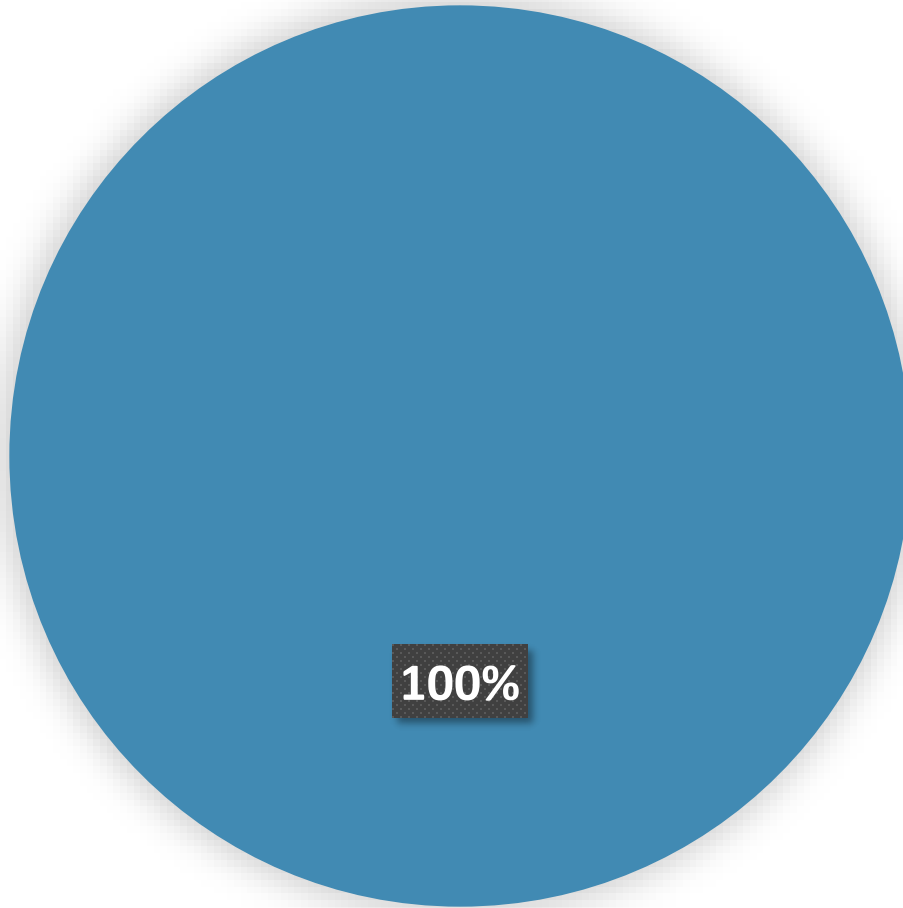


# Data Networks 2022 Draft CIP



Category	Amount	% Total CIP
Transportation	\$885,915	39%
Internal	\$1,400,000	61%
2022 Total Annual Cost	<b>\$2,285,915</b>	
2022 County Cost	\$2,285,915	100%

# Data Networks CIP Revenues



## 2022 CIP Revenues

County Funds

\$2,285,915

# Data Networks

## Major 2022 Projects by Function



### Transportation/Traffic

- CIP 38-58 McAndrews -along CSAH 38 from CSAH 5 to CSAH 31 \$600,000
- Traffic signal fiber \$285,915

### Internal Projects

- New construction and relocation \$1,400,000



# Data Networks Capital Budget Pressures



- Increased cost of materials
- Increased time for delivery of materials
- Increased fiber relocation projects

# Discussion