Environment and Natural Resources Trust Fund (ENRTF)
M.L. 2014 Work Plan

Date of Report: January 15, 2014
Date of Next Status Update Report: January 1, 2015
Date of Work Plan Approval:
Project Completion Date: June 30, 2017
Does this submission include an amendment request? No

PROJECT TITLE:  Mesabi Trail Development – Soudan to Ely Segment

Project Manager: Bob Manzoline
Organization: St. Louis and Lake Counties Regional Railroad Authority
Mailing Address: 111 Station 44 Road
City/State/Zip Code: Eveleth MN 55734
Telephone Number: (218) 744-2653
Email Address: bmanzoline@rrauth.com
Web Address:

Location: St. Louis County between the Cities of Tower and Ely including the Townships of Soudan, Eagles Nest & Morse

Total ENRTF Project Budget: ENRTF Appropriation: $1,000,000
Amount Spent: $0
Balance: $1,000,000

Legal Citation: M.L. 2014, Chp. 226, Sec. 2, Subd. 07c

Appropriation Language:
$1,000,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with St. Louis and Lake Counties Regional Rail Authority for the right-of-way acquisition, design, and construction of segments of the Mesabi Trail totaling approximately 11 miles east of Soudan towards Ely. This appropriation is available until June 30, 2017, by which time the project must be completed and final products delivered.
I. PROJECT TITLE: Mesabi Trail – Soudan to Ely Segment

II. PROJECT STATEMENT:

The Mesabi Trail is a 145 mile paved trail that serves as an alternate transportation corridor namely for non-motorized pedestrian, bike, ski, horses, and motorized snowmobile use where designated. The trail extends from the Mississippi River in Grand Rapids to the Boundary Waters Canoe Area in Ely. Approximately 115 miles of the trail, from Grand Rapids to Embarrass, has been completed since its inception in 1996. The Mesabi Trail is owned and maintained by the ST. Louis and Lake Counties Regional Railroad Authority (RRA).

The Soudan to Ely Segment yet to be constructed is 18 miles in length lying between the east boundary of the Vermillion State Park the City of Ely. As you may know from the way in which RRA develops the Mesabi Trail, it is not practical or manageable to construct the entire 18 miles at one time; therefore, we break it down into manageable segments or parts of the whole for development and construction.

We are proposing to use this LCCMR appropriation, along with other funding sources, to construct the Mesabi Trail from the eastern boundary of the Vermillion State Park to the Highway 169 DM&IR Railroad grade underpass approximately 10.5 miles in length estimated to cost $2,500,000 from the following funding sources:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed 2014 LCCMR</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Other Secured Funding Sources:</td>
<td></td>
</tr>
<tr>
<td>2015 Federal Transportation Alternatives (TAP)</td>
<td>$ 400,000</td>
</tr>
<tr>
<td>2016 Federal TAP</td>
<td>$ 400,000</td>
</tr>
<tr>
<td>Federal Recreational Trails</td>
<td>$ 150,000</td>
</tr>
<tr>
<td>2012 MN Legacy</td>
<td>$ 512,000</td>
</tr>
<tr>
<td>2014 MN Legacy (minimum)</td>
<td>*$ 38,000</td>
</tr>
<tr>
<td>Total</td>
<td>$2,500,000</td>
</tr>
</tbody>
</table>

*$500,000 of 2014 Legacy funds are being directed to the Soudan to Ely trail with funds available for this 10.5 mile segment as needed

This trail will allow for a non-motorized transportation corridor along a heavily traveled and congested portion of Highway 169. The trail will address existing traffic safety concerns, provide for more healthy lifestyles, allow for handicapped accessibility and will be constructed in an environmentally sensitive manner to avoid potential impacts to adjacent property owners and the pristine natural resources in this region of the state. The trail will provide access to destinations predominately orientated to outdoor activities.

St. Louis and Lake Counties Regional Railroad Authority (RRA) performs the trail development work including liaison with agencies & local jurisdictions, public meetings, contract administration, right-of-way acquisition and other administrative functions. The RRA is experienced at leveraging funds, meeting specific funder requirements, matching non-state & non-federal sources and completion dates. This trail will be funded by a combination of state, federal and local funds all with varying rules and guidelines. The most prescriptive grantor(s) rules will be used advancing this project.

III. PROJECT STATUS UPDATES:

Project Status as of January 1, 2015
Project Status as of July 1, 2015
Project Status as of January 1, 2016
Project Status as of July 1, 2016
Overall Project Outcomes and Results:

This project is another step towards completion of the planned Mesabi Trail; 115 miles are done, another 25 miles to go. This project will have short-term results by connecting the City of Tower, Soudan and Vermillion State Park and, Bearhead State Park. The short-term connections in themselves are wonderful additions to this area.

IV. PROJECT ACTIVITIES AND OUTCOMES:

ACTIVITY 1:

| ENTRF Budget | $100,000 |
| Amount Spent | $0 |
| Balance      | $100,000 |

Description: Environmental for Federal NEPA & State MEPA and other Federal, State and Local permits

Environmental work needed to comply with Federal National Environmental Policy Act (NEPA) Minnesota Environmental Protection Act (MEPA). From our experience, the trail routing described will likely be close to the final designed route; however, as part of NEPA and MEPA, we will be analyzing the “Universe” of trail route alternatives that could be used and then “down – select” to the most preferred alternative. Along with no-build, land use, social, economic & other impacts; environment and cultural resource are usually the most sensitive impacts for new trail construction particularly avoidance and/or minimization of impacts to waters, wetlands, protected wildlife & vegetation and historic sites.

Other permits will be secured from the Federal Army corps of Engineers if wetlands are impacted, Federal EPA, State MPCA and Local Soil and Water Conservation, Planning & Zoning, Environmental Services.

Activity Completion Date: July 2017

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Completion Date</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. COE, EPA, SHIPO, Easements, MN DNR, MPCA &amp; Other secured</td>
<td>July 2017</td>
<td>$100,000</td>
</tr>
</tbody>
</table>

Activity Status as of January 1, 2015
Activity Status as of July 1, 2015
Activity Status as of January 1, 2016
Activity Status as of July 1, 2016
Activity Status as of January 1, 2017
Activity Status as of July 1, 2017

Final Report Summary:

ACTIVITY 2:

| ENTRF Budget | $150,000 |
| Amount Spent | $0 |
| Balance      | $150,000 |
Description: Engineering design, survey, plans, specification and construction management.

Engineering will be done in accordance with the MN Dot Standards for Bicycle Trails. Engineering work begins with route(s) identification needed for NEPA work and then to more specific survey work once a preferred trail route alternative is selected. Engineer survey includes topographic, paying particular attention to vertical alignment for Americans’ with disabilities access and horizontal curve for minimum speed, and property lines and other features needed for design. Engineer trail design is in accordance with MN Dot Standards, Federal Highway Administration (FHWA) and ASHTO and on-site conditions such as waterways, wetlands, hills, valleys determining the final trail design and plan. Engineer is also required to provide a MN Dot Project Memorandum which is a document summarizing the project including NEPA, right-of-way, design and other elements. Engineer is required to provide a Project Specification document that includes special construction needs, bidding documents, contracts and other. Engineer is required to provide construction management that includes on-site inspections, testing oversight, processing payments and other work for a completed project.

Activity Completion Date: July 2017

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Completion Date</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Plans, specifications, bid documents for/construction</td>
<td>July 2017</td>
<td>$150,000</td>
</tr>
</tbody>
</table>

Activity Status as of January 1, 2015
Activity Status as of July 1, 2015
Activity Status as of January 1, 2016
Activity Status as of July 1, 2016
Activity Status as of January 1, 2017
Activity Status as of July 1, 2017

Final Report Summary:

ACTIVITY 3:

<table>
<thead>
<tr>
<th>ENTRF Budget</th>
<th>Amount Spent</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>$750,000</td>
<td>$0</td>
<td>$750,000</td>
</tr>
</tbody>
</table>

Description: Trail Construction

We have divided the 10.5 mile overall trail length into 3 parts or segments known as Vermillion 4, 5 and 6. We do this in order to abide by Grantor (other granting agencies) rules, funding limits and requirements. For example:

Vermillion segment 4 has received a year 2015 TAP grant in the amount of $400,000 that can only be used on that trail segment in year 2015.

The trail will be constructed by a responsible contractor. Contractor selection is based on a bidding process acceptable to MN Dot, FHWA. Contractor constructs the trail in accordance with engineers plan and specifications. Contractor is responsible to perform construction using methods that are in accordance with OSHA, NEPA and other industry standards. The following is a general description of each trail segment:

Vermillion 4: Construction of a 3.5 mile long, 10 feet wide bituminous surface trail beginning at the east end of the Vermillion State Park and ending at Bearhead Lake State Park Road (SLC 128). This segment
will be located about one-half mile south of Highway 169 traversing boreal type forest, granite rock outcrops and a wonderful vista of the Vermillion peaks.

**Vermillion 5**: Construction of a 3.0 mile long, 10 feet wide bituminous surface trail from Bearhead Lake State Park road to Camp Lake Road. This trail will follow an abandon DM&IR Railroad grade to the west Shore of Armstrong Lake and then traverse southerly to Camp Lake through an open canopy forest with access to both Armstrong and Camp Lakes.

**Vermillion 6**: Construction of a 4.0 mile long, 10 feet wide bituminous surface trail from Camp Lake easterly along an abandon DM&IR Railroad grade ending at the railroad underpass of highway 169. The railroad grade passes by Robinson Lake and through Dead Man’s Lake traversing open canopy forest, boreal forest, wetlands, creeks and other natural settings.

### Activity Completion Date: July 1, 2017

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Completion Date</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Constructed 10 foot wide bituminous surface trail</td>
<td>July 1, 2017</td>
<td>$750,000</td>
</tr>
</tbody>
</table>

**Activity Status as of January 1, 2015**
**Activity Status as of July 1, 2015**
**Activity Status as of January 1, 2016**
**Activity Status as of July 1, 2016**
**Activity Status as of January 1, 2017**
**Activity Status as of July 1, 2017**

**Final Report Summary:**

**V. DISSEMINATION:**

**Description**: Mesabi Trail news and updates are provided through a variety of media, marketing and publications. Web site is: Mesabitrail.com. The following are some of the groups & organizations that disseminate Mesabi Trail information and typically include updates of newly completed trail segments:

- Club Mesabi (10,000 maps & web site)
- Iron Range Tourism (30,000 brochures & web site)
- MN Office of Tourism
- MPR
- Parks & Trails, Home & Away, other private magazines
- 180,000 trail users per year
- Named by the Star Tribune as “Best of Minnesota” in year 2013

**Activity Status as of January 1, 2015**
**Activity Status as of July 1, 2015**
**Activity Status as of January 1, 2016**
**Activity Status as of July 1, 2016**
**Activity Status as of January 1, 2017**
**Activity Status as of July 1, 2017**

**Final Report Summary:**
VI. PROJECT BUDGET SUMMARY:

A. ENRTF Budget Overview:

<table>
<thead>
<tr>
<th>Budget Category</th>
<th>$ Amount</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Service Contracts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental</td>
<td>$100,000</td>
<td>As described under ACTIVITY 1</td>
</tr>
<tr>
<td>Engineering</td>
<td>$150,000</td>
<td>As described under ACTIVITY 2</td>
</tr>
<tr>
<td>Capital Expenditures over $5,000</td>
<td>$750,000</td>
<td>As described under ACTIVITY 3 and as explained under “Explanation of Capital Expenditures Greater than $5,000.”</td>
</tr>
<tr>
<td><strong>TOTAL ENRTF BUDGET:</strong></td>
<td><strong>$1,000,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

Explanation of Use of Classified Staff: N/A

Explanation of Capital Expenditures Greater Than $5,000: Trail construction costs vary depending on the type of terrain or base being used. For example, constructing trail on an abandon railroad grade may cost a $100,000 per mile while construction through a rocky terrain with bridges may cost in excess of $500,000 per mile. Our estimation is that this 10.5 mile trail segment will cost approximately $250,000 per mile which includes professional services for engineering and environmental work.

Number of Full-time Equivalents (FTE) Directly Funded with this ENRTF Appropriation: 7 FTE’s for one year

Number of Full-time Equivalents (FTE) Estimated to Be Funded through Contracts with this ENRTF Appropriation: 7 FTE’s for one year

B. Other Funds:

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>$ Amount Proposed</th>
<th>$ Amount Spent</th>
<th>Use of Other Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-state</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal TAP</td>
<td>$ 800,000</td>
<td>$0</td>
<td>Construction</td>
</tr>
<tr>
<td>Federal Trails</td>
<td>$ 150,000</td>
<td>$0</td>
<td>Construction</td>
</tr>
<tr>
<td>State</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MN Legacy 2012</td>
<td>$ 512,000</td>
<td>$0</td>
<td>Construction &amp; professional services</td>
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<tr>
<td>MN Legacy 2014</td>
<td>$ 38,000</td>
<td>$0</td>
<td>Construction &amp; professional services</td>
</tr>
<tr>
<td><strong>TOTAL OTHER FUNDS:</strong></td>
<td><strong>$1,500,000</strong></td>
<td>$0</td>
<td></td>
</tr>
</tbody>
</table>

VII. PROJECT STRATEGY:

A. Project Partners

- Lead - St. Louis and Lake Counties Regional Railroad Authority with assistance from St. Louis County Public Works
- Local Assistance – Breitung & Eagles Nest Townships, St. Louis County Land Department, MN DNR Forestry
- Funding and Trail Development Contributors – MN DNR, MNDOT, FHWA Enhancements, MN Legacy and Local Funds

B. Project Impact and Long-term Strategy:
Long-term strategy for the Mesabi Trail has not changed since 1995 which is to construct a trail from Grand Rapids to Ely connecting 26 communities along the way as seen on enclosed map. A key component in this strategy is to maintain the completed trail as some parts/segments will be over 20 years old by the time the overall trail is finished. The Regional Railroad Authority has committed to maintain the trail and currently budgets over $300,000 per year for maintenance costs.

Short-term impacts make local trails connections between communities and destinations.

C. Spending History: Since 1995, funding received is approximately 8.8 million federal, 4.5 million state and 3.0 million local

<table>
<thead>
<tr>
<th>Major Funding Sources</th>
<th>M.L. 2008 or FY09</th>
<th>M.L. 2009 or FY10</th>
<th>M.L. 2010 or FY11</th>
<th>M.L. 2011 or FY12-13</th>
<th>M.L. 2013 or FY14</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Bond as amended</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>950,000</td>
</tr>
<tr>
<td>LCCMR 2005 to present</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,000,000</td>
</tr>
<tr>
<td>State 1995 to 2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,500,000</td>
</tr>
<tr>
<td>Federal HPP 2005 to present</td>
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<td></td>
<td></td>
<td></td>
<td>2,900,000</td>
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<tr>
<td>Federal ARRA 2009</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,200,000</td>
</tr>
<tr>
<td>Federal Enh. 2005 to present</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>982,000</td>
</tr>
<tr>
<td>Federal Enh. 1995 to 2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,000,000</td>
</tr>
<tr>
<td>Local, IRRRB, RRA, SLC 1994 to 2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,000,000</td>
</tr>
</tbody>
</table>

VIII. ACQUISITION/RESTORATION LIST: N/A

IX. VISUAL ELEMENT or MAP(S): See attached

X. ACQUISITION/RESTORATION REQUIREMENTS WORKSHEET: N/A

XI. RESEARCH ADDENDUM: N/A

XII. REPORTING REQUIREMENTS:
Periodic work plan status update reports will be submitted no later than at six month intervals beginning January 1, 2015 and ending July 1, 2017. A final report and associated products will be submitted between June 30 and August 15, 2017.
Environment and Natural Resources Trust Fund

M.L. 2014 Project Budget

Project Title: Mesabi Trail Development- Soudan to Ely Segment

Legal Citation: M.L. 2014, Chp. 226, Sec. 2, Subd. 07c

Project Manager: Bob Manzoline

Organization: St. Louis and Lake Counties Regional Railroad Authority

M.L. 2014 ENRTF Appropriation: $1,000,000

Project Length and Completion Date: June 30, 2017

Date of Report: January 15, 2014

ENVIRONMENT AND NATURAL RESOURCES TRUST FUND BUDGET

<table>
<thead>
<tr>
<th>BUDGET ITEM</th>
<th>Activity 1</th>
<th>Activity 2</th>
<th>Activity 3</th>
<th>TOTAL BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget</td>
<td>Amount Spent</td>
<td>Budget</td>
<td>Amount Spent</td>
</tr>
<tr>
<td>Professional Service Contracts</td>
<td>$100,000</td>
<td>$0</td>
<td>$100,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>NEPA/Environmental/R-O-W Engineering Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental work preliminary to construction in accordance with Federal NEPA &amp; EPA; Minnesota MPCA, SHPO, DNR; Local jurisdictions as explained under Work Plan ACTIVITY 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$150,000</td>
<td>$0</td>
<td>$150,000</td>
<td>$150,000</td>
<td>$150,000</td>
</tr>
<tr>
<td>Capital Expenditures Over $5,000 (List specific items. Add rows as needed.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trail construction of Results 26b, 31 &amp; 32 as further explained Work Plan ACTIVITY 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$750,000</td>
<td>$0</td>
<td>$750,000</td>
<td>$750,000</td>
<td>$750,000</td>
</tr>
<tr>
<td>COLUMN TOTAL</td>
<td>$100,000</td>
<td>$0</td>
<td>$100,000</td>
<td>$150,000</td>
</tr>
</tbody>
</table>
From the Mississippi to the Boundary Waters

Mesabi Trail

For Mesabi Trail Information:
Online: www.mesabitrail.com
Phone: 877-637-2241
Wheel pass is required for persons age 18 and older using wheels on the trail. $15 annually or $5 for 3 days. Available online at www.mesabitrail.com or at wheel pass vendors listed on other side. Join Club Mesabi and get a FREE annual wheel pass! See other side of this map for more information about joining!
Get your Mesabi Trail® Wheel Pass:
www.mesabitrail.com
By calling: 877-637-2241

LODGE TO LODGE BICYCLING
Let us design a package to suit your style! A romantic BBG getaway, a family bike camping trip, a trip for two . . . or a trip for 20! The Mesabi Trail Shuttle Service can help you plan lodging, log jam shuttles, bike lunches along the trail, and we can shuttle you and your bikes back to your vehicle when you’re done! Part of your package includes suggestions on great places to eat, awesome overnights, cool historical things to visit, and practical things like convenience stores and rest stops! Hosted rides, group rides for up to 25 people, andtablet supported rides are available too.
The Mesabi Trail Bike Shuttle Service is backed at the Giants Ridge Golf and Ski Resort near Biwabik.
For more information and to make reservations, call:
218-780-4541 (cell) or 866-800-2000 (office)

the Boundary Waters
Mesabi Trail® Tour '13
In support of AMPERS and the MESABI TRAIL™
A Great Deal for a Great Cause
For more information or to register, call toll free: www.mesabitrail.com or call toll free: 877-637-2241

Registration Fees:
AUGUST 24, 2013
Individual: $ 40.00
Family: $ 80.00
Children (13 and under): $ 10.00
Adult

August 3, 2013
Join the fun on Minnesota’s Premier paved bike trail!
A UNIQUE RIDING EXPERIENCE
Rides for the fun or ride for the challenge—either way, mark your calendar for August 3, 2013, when Great River Energy and the Mesabi Trail™ join forces in northern Minnesota to support two state traditions: recreational trails and AMPERS, Diverse Radio for Minnesota’s Communities. The Great River Energy Mesabi Trail® Tour ‘13 again offers great food, music, great entertainment, and friendly company. Charitable proceeds can be donated to AMPERS and the Mesabi Trail™.

What riders said about the ‘12 tour:
“Awesome! Very organized. A great deal for the registration fee. Will definitely do it again!”
“I’ve ridden the Lakesville Iron Man, Jesse James Tour, but this is the best ride I’ve ever done!”
“Awesome . . . lots of fun. We’re from St. Louis and this was our first time on the ride.”
“This is my first year - had a blast! Plan to recruit more friends to try it! Thank you!”
“We are bringing friends next year. We will be back, no question.”
“Awesome. Has become a family tradition. Very well organized.”
“Thank you so much! First time at event, from state of Virginia, Beautiful!”

Great River Energy Mesabi Trail® Tour ‘13
www.mesabitrail.com or call toll free: 877-637-2241

For more information, registration and event updates, visit: www.mesabitrail.com or call toll free: 877-637-2241

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GREAT RIVER ENERGY
A Trajectory Energy Cooperation

Subd. 07c
05/29/2014
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