



Duluth-Superior Metropolitan Interstate Council

MEETING SUMMARY

Wed, September 19, 2007, 7:00 PM

Meeting Location	WITC Conference Center	
Meeting Chair	Nick Baker, Wisconsin Co-Chair	
Note Taker	Rondi Watson	
Members Present	Broc Allen	Douglas Co. Suburban Twps
	Ed Anderson	City of Superior
	David (Mike) Bilden	City of Superior Citizen Rep
	David Brenna	City of Proctor
	Mike Coyle	Douglas County
	Earl Elde, Secretary	St. Louis Co. Suburban Twps
	Garry Krause	City of Duluth
	Dean Miller	Douglas County
	Nick Milroy	City of Superior
	Cindy Moe	St. Louis Co. Suburban Twps
	Steve O'Neil	St. Louis County
	Andy Peterson	City of Duluth
	Tari Rayala	Duluth Transit Authority
Members Absent	Nick Baker, WI Co-Chair	Douglas County
	Keith MacDonald	City of Hermantown
	Kay McKenzie*	Douglas County
	Kevin Norbie*	City of Superior
	Russ Stover, MN Co-Chair*	City of Duluth
	* Excused	
Others Present	Holly Butcher	ARDC / MIC Senior Planner
	Ron Chicka	ARDC / MIC Director
	Steve David	ENSR Consulting
	Andrea Grygo Diamond	ARDC / MIC GIS Specialist
	James Gittemeier	ARDC / MIC Planner
	Dave Podratz	Murphy Oil Superior Refinery
	Joseph Setteducato	PB America, Inc.
	Tony Silva	ENSR Consulting
	Rondi Watson	ARDC / MIC Division Secretary

1. Introductions and Agenda Review

MIC Secretary Earl Elde called the meeting to order at 7:03 p.m. and all meeting attendees introduced themselves. No changes were put forward to the agenda.

2. Committee Business – Meeting Summaries of July 18 and August 15, 2007

Chair Baker called for amendments or corrections to the previous two months' meeting summaries. Hearing none, he asked for a motion to approve.

Motion and Discussion Ed Anderson, with a second from Garry Krause, moved to approve the meeting summaries, from the July 18, 2007 MIC meeting and the August 15, 2007 joint meeting of the MIC and TAC, with no corrections or changes. There was no discussion and the motion was approved unanimously.

3. Murphy Oil Superior Refinery Expansion Update

Dave Podratz, manager of the Murphy Oil facility, presented information about the potential for a large expansion of its refinery operations in Superior. He began by giving an overview of the Murphy Oil holding company and its multiple subsidiaries and operations worldwide. He noted that large deposits of oil sands exist in northern Alberta, Canada, creating a significant opportunity to bring a new and politically stable source of oil to the United States. Oil sand extraction is not new, but is just now becoming economically feasible. It is anticipated that refinery expansions are going to occur in the U.S. in order to process the crude oil derived from the Canadian oil sands — the only question is where. The Midwest is a logical place in which to expand this capability, however, the refining facilities in this area will require significant capital expenditures to be able to process the oil sands output.

He described the Murphy Oil facility in Superior as relatively small, with no economy of scale, and therefore at risk to continue to operate unless it can expand. It currently produces approximately 35,000 barrels per day and the proposed expansion would increase capacity to as much as 235,000 barrels per day. He described the logistical advantages to expanding in this location, including the existing infrastructure (roads, waterborne capacity and pipeline network) and the good local workforce. The proposed expansion could have a huge economic impact on this region, creating an estimated 3,000 to 4,000 jobs during the construction phase and 300 to 400 permanent employees as well as a demand for local vendors of products and services.

The company estimates that the changes required at the Superior facility would cost upwards of \$6 billion and take about five years to complete. Dave stressed that this

project will not proceed unless Murphy is able to secure a guaranteed source of oil sands crude oil and a solid financial partner. Additionally, they face competition from other refiners in Minnesota, Michigan, Illinois and elsewhere in the U.S. that are positioning themselves with similar expansion plans.

A preliminary design has been completed for an expanded Superior facility which would utilize state of the art equipment to refine the oil sand crude oil to meet all current and pending federal fuel requirements. He stated that environmental permitting is likely to be the biggest hurdle--although air emissions are not projected to increase, the challenge will be to satisfactorily address impacts on the lake and on the large number of wetlands throughout the expansion site. They have begun discussions with all state and federal regulatory agencies including the DNR, Army Corps of Engineers, and EPA, and work on a comprehensive Environmental Impact Assessment (EIA) is also underway. He added that multiple issues will be addressed in the EIA, including housing, services, traffic, infrastructure, schools, etc. Their consultants are open to input about other issues that may need consideration.

Discussion included questions about (1) potential impacts on local traffic and modes of travel (*A significant increase in truck traffic (post-construction) is not anticipated--the biggest increase would be via the existing pipelines; also an increase in rail cars from 20 to 100 or 150 per day and in worker commuting traffic would be expected.*); (2) housing during the construction phase (*Viewed mainly as a short-term problem, part of the estimated cost of the project would be to provide lodging options such as hotels, and/or temporary worker camp utilizing FEMA trailers and a wastewater treatment system, and even the idea of utilizing a cruise ship has come up—but long-term, this project is likely to have a positive impact on the local housing market*); (3) impacts on local government services (*in general, it is expected that the expansion would result in a significantly expanded tax base for the City of Superior to offset the costs of local services and schools*); and (4) if tar sands refining does not work out, would refinery be able to be retooled to support ethanol or other biomass production (*no, technology not up to speed, plus they don't want to rely on a government-subsidized activity*).

Dave closed by emphasizing that this project is, at this point, just a potential one, but they are fully exploring this option by working cooperatively with the community and regulatory agencies toward an expanded operation that would be both profitable and environmentally responsible.

4. Draft 2008-2009 MIC Work Program and Budget

Ron Chicka presented the draft version of the MIC Work Program and Budget. He noted that no dollar amounts have been assigned in the draft, but will be included in the final version. Revenues are close to being finalized, with the Wisconsin contribution staying the same as last year's and Minnesota's possibly increasing.

He reviewed the short-range planning projects planned for 2008, beginning with the Woodland/UMD studies. The scope of work has begun to be developed, and the study area would likely be expanded to include St. Scholastica as well. He reviewed the Plan Implementation section, which provides for follow-up activities to prior planning efforts, including a development analysis of the former US Steel site in Morgan Park to examine access for all modes into the site and conduct a build-out analysis to determine needed traffic infrastructure.

In addition to the short-range planning efforts, there are a number of ongoing efforts in the areas of the Transportation Improvement Program, HTAC/Harbor Planning, and bike and pedestrian planning. He added that by this time next year, the Long Range Plan is due for its next update per federal mandates, to update it through 2035. A new component to this work plan is Freight Planning, with specifics to follow as MnDOT provides more detail, should know by late spring.

Ron noted that there still may be room for a few discretionary elements to be added in 2009. His preliminary thoughts were that the MIC area rail plan, pedestrian plan and Miller Hill land use plans all need to be updated. He added that he would be polling TAC and MIC members in the next few weeks to determine possible additional projects to include for the end of 2009.

5. Proctor Trail Plan

James Gittemeier announced that based on feedback received from the Proctor Planning Commission and the Proctor City Council, a few new components (property lines, rights of way, trail segments along streets that have sidewalks, and trail segments that follow formal or informal existing trails and pathways) need to be called out on the map before the Trail Plan can be presented to the MIC for approval. He anticipates that it will be finalized and presented for approval in October.

6. Munger Trail Plan

Ron Chicka presented information about the MIC's recommended alignment to connect the Munger Trail from where it currently ends at 75th Avenue West to the Lakewalk in Canal Park. He added that there was a preference for creating an off street route as much as possible, and that the alignment, as presented, represents a consensus among all possible alternatives. He noted that many of the rights-of-way are already owned by the city, but in a few instances alternate alignments are also included because of potentially difficult arrangements with the railroads to acquire the rights-of-way.

He reviewed potential costs to construct the entire connector as well as a preliminary strategy to develop the trail. Currently, the High Priority Program (HPP) funding earmarked in the current federal transportation bill will fund less

than half the length of the connector. Future funding might possibly be included in the next federal transportation bill. The City of Duluth will be doing the first segment by 2009.

The discussion included a suggestion to identify linkages, spurs, and connections from the proposed trail into existing commercial and residential areas, which may help to build stakeholder input. The comment was also made that we get the money to build it but no cash to maintain it.

7. Endion Land Use and Transportation Plan

Andrea Grygo Diamond presented the visualization segments that she developed for use at the public meetings for the Endion Land Use and Transportation Plan. She noted that the use of visualization techniques—putting words into images—is not only mandated by SAFETEA-LU but is just generally becoming more common in the media today. Visualization techniques range from simple maps to more elaborate 3-D models of a study area, all aimed at giving the public a better idea, or picture, of proposed changes that could occur along any given corridor. By presenting views of several options, support can be gauged for any set of proposed improvements. Such support from the general public and businesses can then aid in the implementation phase of a project.

She gave examples based on images of London Road to demonstrating different roadway configurations with features such as center turn lanes, bike lanes, center medians, and noting the dimensions of each. Since pedestrian amenities were identified as a need by London Road business owners, she showed examples illustrating crosswalks with pedestrians.

She also demonstrated how aerial photography can be overlaid with elevation views, adding another dimension to the way the landscape and the buildings are represented. She also gave a preview of how she is developing flyover views of potential London Road scenarios to simulate the experience of moving through the corridor with new features included.

Holly Butcher then reviewed the two recent public meetings that were held to gain feedback and input into the plan. The first, held on September 12th at First Lutheran Church, gave an overview of the entire plan, with a focus on gaining public input for the idea of converting one-way to two-way streets throughout the study area. She noted that there were no objections expressed to this idea, and instead, participants commented that many plans had been put forward in the past several years, and that they were ready to see implantation of some of the recommendations they've heard.

The second meeting, held on Monday, September 17, was focused specifically on developing a vision or preferences for the look and configuration of the business district on London Road between 10th and 26th Avenues East. Noting that its width

far exceeds the needs for its present traffic volume, there are opportunities for a “road diet” and amenities such as streetscaping and bike lanes.

She is still analyzing the consensus responses, and will be presenting this information to the study steering committee at a meeting to determine final plan recommendations. The study is on track for completion in January.

8. HTAC / Port Planning Update

Ron Chicka presented an overview of the topics presented at the September 5th meeting of the Harbor Technical Advisory Committee. The first was an update of the corrosion issue in the Duluth-Superior harbor, with a presentation by Chad Scott, the engineer who first discovered the problem in 1998 and who had recently conducted a comprehensive underwater inspection of multiple structures in the harbor. Pitting of metal structures was shown to be most severe at depths between approximately 4 feet and 6 feet, with little or no damage showing up at deeper or shallower areas. The central part of the harbor (around Midwest Energy and Hallett Dock) seemed to have the most severe corrosion, with less appearing near the Duluth entry area and up by the Oliver Bridge. Additionally, Randall Hicks, a researcher from UMD Biology department is analyzing the samples taken from the corroded structures. He presented a preliminary overview of his analysis of the biofilm discovered in the pitted areas of the corroded structures. This is a complex topic that has so far revealed one active bacterium that is iron-oxidizing and another that is iron-reducing. Multiple factors such as temperatures and the amount of light in different areas are being examined.

Also presented was a progress report of the cleanup work being conducted at the St. Louis River Interlake Duluth Tar (SLRIDT) Superfund site. Eric Hedblom from the contractor performing the work, SERVICE Engineering, showed slides of various steps taken this summer, including clearing the site of plant materials and accumulated garbage and GPS-guided dredging on a section-by-section basis so each segment can be assessed as it is completed.

In the final presentation about 2007 dredging operations, it was noted at the meeting that the mechanical dredging contract had been awarded to a local company (Marine Tech) this year, because for the first time they were not limited by the small business requirement and could for the first time bid on the job. Hopefully the materials can be staged for re-use according to recommendations in the recent Erie Pier Management Plan.

9. Project Updates

Arrive Minnesota Transportation Fair

Holly Butcher reported that three events were being held across the state during September to promote the *Arrive Minnesota* website as a single point of reference for alternative transportation options. One event was held in Duluth on Wednesday, September 19th from 11am – 1pm at the Lake Superior Plaza at Minnesota Power (Superior Street and Lake Avenue).

DTA Route Analysis – City of Superior

Holly Butcher reported that on Tuesday, September 4, DTA and MIC staff met with Superior Mayor Dave Ross and Financial Advisor Jean Vito. The group had a candid and positive conversation about transit service in Superior. Attendees agreed to meet monthly to begin crafting solutions to “overhaul” the way transit service is delivered in Superior.

In addition, DTA staff conducted more ridership counts during August for MIC staff to examine against the February 2007 counts. Preliminary data shows that ridership counts are twice as high on some days during the summer months. MIC staff will be synthesizing this count data for comparison.

Duluth Aerial Photography Project

Ron Chicka announced that MIC staff was working to obtain partners to obtain updated aerial photography for the Duluth area in the spring of 2008. The last aerial photographs were taken in the summer of 2001. He anticipated having an initial meeting in September to discuss participants for cost-sharing and a vendor to take the photos.

MIC Conference Presentation and Recognition

Andrea Grygo Diamond, the MIC’s GIS Specialist, was invited to present the various visualization techniques utilized for the Endion Land Use and Transportation plan at the Wisconsin and Minnesota MPO conferences in August and at the Minnesota GIS/LIS conference in October. These statewide conferences are designed to provide a venue for employing “best practices” within the planning field.

Additionally, the Minnesota Chapter of the American Planning Association recently announced that Holly Butcher’s presentation, *Duluth-Superior Safe Routes to School Plans*, was chosen to receive a Merit Award at their annual conference in Rochester.

10. Adjournment

With no further agenda items or announcements, Chair Elde adjourned the meeting at 8:58 p.m.