

# Appendix C

## Funding, Forecasting, & Fiscal Constraint

### C.1. What is fiscal constraint?

Fiscal constraint is the mandatory federal requirement that a Metropolitan Planning Organization (MPO) must demonstrate that all projects in its Metropolitan Transportation Plan (MTP) can be implemented with “reasonably available” funding sources. This means that the total cost of all projects in the plan cannot exceed the projected revenues from federal, state, and local sources over the life of the plan (typically 20+ years).

Fiscal constraint is important because it ensures that transportation plans are realistic and achievable. Without it, ROCOG could create “wish lists” of projects that are not financially viable, leading to the over-promising of infrastructure improvements that can’t be delivered. This may result in decreased project implementation and a loss of ROCOG credibility to the public, policymakers, and funding partners.

The process of applying fiscal constraint teaches several key lessons for transportation planners and the communities they serve, including:

- Importance of project prioritization.
- Need for system preservation over capital costs.
- Need for additional, or innovative, financing sources.
- Communication and messaging about the area’s transportation system needs.

The act of performing fiscal constraint can be summarized into a four-step process.

- **Revenue forecasting:**  
ROCOG, in cooperation with the Minnesota Department of Transportation and all federally eligible local agencies and Rochester Public Transit (RPT), projects future revenue. Projections are typically based on historical trends and reasonable assumptions about inflation and economic growth.
- **Cost estimation:**  
With the assistance of the transportation agencies, ROCOG estimates the total cost of all proposed projects. Projects are inflated to the final year of the timeframe in which the project is expected to occur. This is considered the year-of-expenditure estimate.
- **Project prioritization:**  
Once the costs and revenues are estimated, ROCOG compares them. If the total cost of all desired projects exceeds the available revenue, a funding gap exists.
- **Demonstration and documentation:**  
ROCOG documents this financial analysis in a detailed report — this appendix. This documentation is reviewed by both the FHWA and the FTA to ensure compliance with federal law.

(OSA). The auditor's information is presented as either operations and maintenance expenditures or capital (outlay) expenditures.

- **Operations and maintenance:** costs associated with the maintenance and repair of local highways, streets, bridges, and street equipment. Common expenditures include patching, seal coating, street lighting, street cleaning, and snow removal.
- **Capital (outlay):** budgeted expenditures for road and bridge construction projects, including major rehabilitation and improvement projects for previously constructed (existing) roads and bridges.

The spending for the five years was averaged to determine the typical or assumed 2025 base year spending.

For Olmsted County, construction spending from 2020-2024 was obtained from Olmsted County Public Works. This information was then averaged to determine the typical or assumed 2025 base year spending.

## C.2. Forecasting revenues

ROCOG utilized three techniques to determine future revenues. These techniques focus on past spending to determine future revenues.

For the cities of Rochester, Stewartville and Byron, ROCOG gathered historical transportation spending data from 2020 through 2024 from the Minnesota Office of the State Auditor

## Tables 1-4 Historical Spending for Cities and Olmsted County

Source: Base information from the OSA and Olmsted County Public Works

**Table 1: Rochester**

Year	Operations and Maintenance (O&M)	Capital
2020	\$15,987,741	\$7,500,000
2021	\$15,851,769	\$7,200,000
2022	\$16,888,470	\$15,993,948
2023	\$17,927,197	\$13,680,140
2024	\$18,983,674	\$11,558,779
<b>Total</b>	<b>\$85,638,851</b>	<b>\$55,932,867</b>
	<b>\$17,127,770</b>	<b>\$11,186,573</b>
	<b>Annual Average</b>	<b>\$28,314,344</b>

**Table 2: Stewartville**

Year	Operations and Maintenance (O&M)	Capital
2020	\$738,052	\$150,000
2021	\$764,936	\$150,000
2022	\$800,165	\$150,000
2023	\$752,113	\$150,000
2024	\$661,238	\$150,000
<b>Total</b>	<b>\$3,716,504</b>	<b>\$750,000</b>
	<b>\$743,301</b>	<b>\$150,000</b>
	<b>Annual Average</b>	<b>\$893,301</b>

**Table 3: Byron**

Year	Operations and Maintenance (O&M)	Capital
2020	\$1,214,614	\$1,563,747
2021	\$713,417	\$1,563,747
2022	\$754,863	\$1,563,747
2023	\$766,569	\$1,792,993
2024	\$882,240	\$1,334,500
<b>Total</b>	<b>\$4,331,703</b>	<b>\$7,818,734</b>
	<b>\$866,341</b>	<b>\$1,563,747</b>
	<b>Annual Average</b>	<b>\$2,430,087</b>

**Table 4: Olmsted County**

Year	Construction
2020	\$25,627,419
2021	\$27,848,443
2022	\$26,013,335
2023	\$35,265,381
2024	\$31,086,895
<b>Total</b>	<b>\$145,841,473</b>
<b>Annual Average</b>	<b>\$29,168,295</b>

To determine historical spending for MnDOT District 6 (within Olmsted County) and Rochester Public Transit (RPT), the last five years of spending identified in the ROCOG TIP was used. This meant recording the first year (or current year) of each of the last five TIPs then averaging them to determine the typical, or assumed, 2025 base year spending (Tables 5 and 6).

**Table 5: Rochester Public Transit**

Year	Operations and Maintenance (O&M)	Capital
2020		
2021	\$11,700,000	\$2,019,756
2022	\$12,845,000	\$400,000
2023	\$14,180,000	\$2,020,000
2024	\$12,715,000	\$628,060
2025	\$14,850,000	\$79,826,414
<b>Total</b>	<b>\$66,290,000</b>	<b>\$84,894,230</b>
	<b>\$13,258,000</b>	<b>\$16,978,846</b>
	<b>Annual Average</b>	<b>\$30,236,846</b>

**Table 6: MnDOT District 6**

Year	Operations and Maintenance (O&M)	Capital
2020	\$1,139,229	\$1,277,000
2021	\$109,000	\$197,267
2022	\$620,000	\$339,700
2023	\$1,570,000	\$784,000
2024	\$11,861,440	\$345,000
<b>Total</b>	<b>\$14,160,440</b>	<b>\$1,665,967</b>
	<b>\$2,832,088</b>	<b>\$333,193</b>
	<b>Annual Average</b>	<b>\$3,165,281</b>

The next step is to determine an agency's expected revenue out to the MTP 2050 planning horizon. With an estimate of the 2025 revenue (base year), staff then applied a year-over-year revenue increase of 3.1% to the base revenue to reflect regional growth and development along with rising revenues. Revenue data was then separated into time bands: Short Term (2025-2029); Mid Term (2030-2039); and Long Term (2040-2050). These forecast revenues are allocated by the six partner agencies, organized into the timeframes, and total anticipated funding is added (Tables 7-13).

**Table 7: Rochester Projected Revenue**

Source: Base information from the OSA, ROCOG calculations.

	Base	Short Term (2026-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
Operations and Maintenance (O&M)	\$17,127,770	\$96,852,356	\$244,255,231	\$331,459,542	\$672,567,129
Capital	\$11,186,573	\$63,256,686	\$159,529,176	\$216,484,484	\$439,270,347
<b>Total</b>	<b>\$28,314,344</b>	<b>\$160,109,042</b>	<b>\$403,784,407</b>	<b>\$547,944,027</b>	<b>\$1,111,837,476</b>

**Table 8: Stewartville Projected Revenue**

Source: Base information from the OSA, ROCOG calculations.

	Base	Short Term (2026-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
Operations and Maintenance (O&M)	\$743,301	\$4,125,093	\$10,403,213	\$14,117,381	\$28,645,687
Capital	\$150,000	\$848,205	\$2,139,116	\$2,902,826	\$5,890,146
<b>Total</b>	<b>\$893,301</b>	<b>\$4,973,298</b>	<b>\$12,542,329</b>	<b>\$17,020,206</b>	<b>\$34,535,833</b>

**Table 9: Byron Projected Revenue**

Source: Base information from the OSA, ROCOG calculations.

	Base	Short Term (2026-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
<b>Operations and Maintenance (O&amp;M)</b>	\$866,341	\$4,898,894	\$12,354,686	\$16,765,572	\$34,019,152
<b>Capital</b>	\$1,563,747	\$8,842,515	\$22,300,237	\$30,261,896	\$61,404,648
<b>Total</b>	<b>\$2,430,087</b>	<b>\$13,741,409</b>	<b>\$34,654,923</b>	<b>\$47,027,468</b>	<b>\$95,423,799</b>

**Table 10: Olmsted County Projected Revenue**

Source: Base information from Olmsted County, ROCOG calculations.

	Base	Short Term (2026-2030)	Mid Term (2031-2040)	Long Term (2040-2050)	Total
<b>All Construction</b>	\$29,168,295	\$159,978,541	\$403,455,294	\$547,497,412	\$1,110,931,247

**Table 11: RPT Projected Revenue**

Source: Base information from the OSA, ROCOG calculations.

	Base	Short Term (2026-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
<b>Operations and Maintenance (O&amp;M)</b>	\$13,258,000	\$72,715,787	\$183,384,403	\$248,856,534	\$504,956,724
<b>Capital</b>	\$16,978,846	\$166,123,409	\$234,851,074	\$318,697,901	\$719,672,383
<b>Total</b>	<b>\$30,236,846</b>	<b>\$238,839,196</b>	<b>\$418,235,476</b>	<b>\$567,554,435</b>	<b>\$1,224,629,107</b>

**Table 12: MnDOT District 6 Projected Revenue**

Source: Base information from the OSA, ROCOG calculations.

	Base	Short Term (2026-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
<b>Operations and Maintenance (O&amp;M)</b>	\$3,239,994	\$17,770,308	\$44,815,541	\$60,815,642	\$123,401,490
<b>Capital</b>	\$396,949	\$2,177,135	\$5,490,591	\$7,450,849	\$15,118,575
<b>Total</b>	<b>\$3,636,943</b>	<b>\$19,947,443</b>	<b>\$50,306,132</b>	<b>\$68,266,490</b>	<b>\$138,520,065</b>

**Table 13: Transportation Revenue Forecast Summary by Agency**

Source: Roadway base information from the OSA, Olmsted County / ROCOG calculations. Olmsted County revenue projection provided by Olmsted County Public Works, Olmsted County/ROCOG calculations. Transit based on last 5 years of expenditures, Olmsted County/ROCOG calculations.

	Base	Short Term (2025-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
<b>MnDOT (Within ROCOG area)</b>	\$3,636,943	\$19,947,443	\$50,306,132	\$68,266,490	\$138,520,065
<b>Olmsted County</b>	\$29,168,295	\$159,978,541	\$403,455,294	\$547,497,412	\$1,110,931,247
<b>Rochester</b>	\$28,314,344	\$160,109,042	\$403,784,407	\$547,944,027	\$1,111,837,476
<b>Byron</b>	\$2,430,087	\$13,741,409	\$34,654,923	\$47,027,468	\$95,423,799
<b>Stewartville</b>	\$843,301	\$4,973,298	\$12,542,329	\$17,020,206	\$34,535,833
<b>Roadway Total</b>	<b>\$64,442,970</b>	<b>\$358,749,733</b>	<b>\$904,743,084</b>	<b>\$1,227,755,603</b>	<b>\$2,491,248,420</b>
<b>Rochester Public Transit (RPT)</b>	\$30,236,846	\$238,839,196	\$418,235,476	\$567,554,435	\$1,224,629,107
<b>Total Investment</b>	<b>\$94,679,816</b>	<b>\$597,588,929</b>	<b>\$1,322,978,561</b>	<b>\$1,795,310,038</b>	<b>\$3,715,877,527</b>



### C.3. 25-year project list

Working with local and state agencies, elected officials, and the public, the ROCOG team developed a list of regionally significant projects for MTP 2050. This list started with a small collection of uncompleted projects from the 2045 LRTP and was expanded to include new projects.

Based on public input, the local agencies prioritized the projects and assigned them to a timeline (Tables 14-20).

- The highest priority projects are scheduled for the first five years of the MTP's planning horizon. These projects are likely already included in ROCOG's TIP or a local agency's Capital Improvement Plan (CIP).
- The second group of projects are scheduled for years 6 to 15 (2031-2040).
- The final projects are scheduled for years 16 to 25 (2041-2050).

Planning-level cost estimates were produced by partner jurisdictions and developed based upon the type of improvement, project length, unit costs (specific to each jurisdiction), and facility type. Additional factors that have the potential to increase planning-level costs beyond typical assumptions were also taken into account. These include the added multimodal infrastructure such as sidewalks and crossings, bike lanes, safety improvements, and estimated topographical challenges that could increase construction costs.

Estimated project costs were updated to a realistic cost based

upon the anticipated year of expenditure (YOE). The YOE costs were estimated at the end point of each respective timeframe with an applied annual inflation rate of 3.1 percent. This provides a clearer picture of potential future project costs as labor and materials will inevitably continue to increase. This inflation rate was used for all applicable projects.

**Table 14: Rochester 25-Year Project List**

Corridor	Lead Agency	Description	2025 Estimated Construction Cost	Time Phase	Timeline Cost
North Broadway	Rochester	Reconstruct from 14th St to Elton Hills Dr	\$13,640,000	Programmed	\$16,381,979
CR 147	Rochester	Reconstruct CR 147 as urban arterial from 40 ST SW to CSAH 125	\$15,850,000	Programmed	\$19,036,244
19 ST NW	Rochester	Reconstruct 2 lane township road to urban arterial from Ashland Dr to 60 Ave NW	\$7,700,000	Programmed	\$9,247,891
50 Ave NW	Rochester	Construct new urban arterial from CSAH 4 to 19 ST NW	\$12,000,000	Programmed	\$14,412,298
East River Road	Rochester	Reconstruct existing two lane township road to urban industrial collector from 44 ST NE to CSAH 22	\$6,700,000	16 to 25 Years	\$14,818,359
Silver Creek Rd NE	Rochester	Reconstruct existing township gravel road to two lane urban collector from CSAH 22 East to approx. 40 Ave NE	\$8,800,000	16 to 25 Years	\$19,462,919
Rochester Technology Campus	Rochester	Construct / Upgrade new urban arterial/ collector along north side IBM Campus to connect 37th ST NW and Valleyhigh DR NW	\$14,000,000	16 to 25 Years	\$30,963,734
55th St NW	Rochester	Construct new roadway from 60th Ave NW to CSAH 3	\$4,000,000	6 to 15 Years	\$6,519,265
Willow Creek Trail	Rochester	Regional trail connection from 28th St SW to Gamehaven Park	\$5,500,000	Programmed	\$6,605,637
6th Street Bridge	Rochester	Construction of new bridge over Zumbro River at 6th St SE	\$29,000,000	Programmed	\$34,829,721
Broadway Avenue South	Rochester	Reconstruction from 9th Street SE to Civic Center Drive NW	\$25,000,000	16 to 25 Years	\$55,292,383

Corridor	Lead Agency	Description	2025 Estimated Construction Cost	Time Phase	Timeline Cost
40th St SW	Rochester	40th Street Extension (Willow Creek Study)	\$30,000,000	Programmed	\$36,030,745
Trail	Rochester	Douglas Trail: Construct grade separation at 60th Ave NW and 65th St NW	\$3,000,000	16 to 25 Years	\$6,635,086
Civic Center Drive NE	Rochester	Civic Center Drive from 14/52 Interchange to North Broadway	\$25,000,000	6 to 15 Years	\$40,745,406
3rd Avenue SE	Rochester	3rd Avenue SE from 3rd Ave Bridge to 9th Street SE	\$14,000,000	Programmed	\$16,814,348
65th Street NW	Rochester	Intersection and Corridor improvements between 37th Ave NW to Bandel Road NW	\$5,000,000	Programmed	\$6,005,124
<b>CSAH 22 / Bandel Rd Intersection</b>	<b>Olmsted / Rochester</b>	<b>Relocate East Frontage Rd intersection east approximately 800' to improve interchange operations (50-50 cost share).</b>	<b>\$8,900,000</b>	<b>16 to 25 Years</b>	<b>\$19,684,088</b>
<b>37th St /CSAH 22</b>	<b>Olmsted / Rochester</b>	<b>Reconstruct intersection of 37th St NW / CSAH 22 / CSAH 33 / Broadway Ave (50-50 cost share).</b>	<b>\$4,100,000</b>	<b>6 to 15 Years</b>	<b>\$6,682,247</b>

**Table 15: Stewartville 25-Year Project List**

Corridor	Lead Agency	Description	2025 Estimated Construction Cost	Time Phase	Timeline Cost
15th Ave NE	Stewartville	Reconstruct current township gravel road to two lane urban arterial standard	\$3,000,000	6 to 15 Years	\$4,889,449
2nd Ave NE	Stewartville	Construct small urban collector on new alignment from Luella PI to intersection of TH 63 and Schumann Dr	\$2,500,000	6 to 15 Years	\$4,074,541
Trail	Stewartville	Blue Stem Trail	\$4,500,000	16 to 25 Years	\$9,952,629
Schumann Drive Roundabout	Stewartville	US 63 and Schumann Drive Roundabout	\$4,000,000	Programmed	\$4,804,099
20th St NW	Stewartville	20th St NW from Petersen Dr NW to US 63	\$3,000,000	16 to 25 Years	\$6,635,086

**Table 16: Byron 25-Year Project List**

Corridor	Lead Agency	Description	2025 Estimated Construction Cost	Time Phase	Timeline Cost
7th St NE	Byron	Reconstruction to a 2 lane minor arterial standard	\$6,000,000	Programmed	\$7,206,149
Country Club Rd	Byron	Construction new minor arterial to complete connection of Country Club Rd from CSAH 5 to CSAH 34 (Separate project from TH14 / CSAH 5)	\$2,500,000	6 to 15 Years	\$4,074,541
Trail	Byron	Byron to Oxbow County Park	\$1,500,000	6 to 15 Years	\$2,444,724

**Table 17: Olmsted County 25-Year Project List**

Corridor	Lead Agency	Description	2025 Estimated Construction Cost	Time Phase	Timeline Cost
CSAH 44	Olmsted	Construct grade separation at US 14 and County Rd 44 & reconstruct CSAH 44 from 19 ST NW to CSAH 4	\$85,000,000	Programmed	\$102,087,112
CSAH 34	Olmsted	Reconstruction from CSAH 22 to CSAH 44	\$6,600,000	Programmed	\$7,926,764
CR 124/ 48 ST NE	Olmsted	Reconstruct Gravel Rd to 2 lane suburban arterial from Hadley Valley Rd (CR124) to CSAH 11	\$9,000,000	6 to 15 Years	\$14,668,346
CSAH 8	Olmsted	Reconstruction CSAH 8 to adjust curves and extend 4 lanes if needed (dependent on future development) from CR125 (Bamber Valley School) to 40 ST SW	\$7,020,000	16 to 25 Years	\$15,526,101
48th ST NE (CR 124)	Olmsted	Extend 4 lane section from CSAH 33 through Hadley Valley Rd intersection	\$4,930,000	16 to 25 Years	\$10,903,658
CR 117	Olmsted	Reconstruct 2 lane County Road to suburban arterial standard from 60 Ave SW to CSAH 8	\$6,000,000	6 to 15 Years	\$9,778,898
CSAH 44	Olmsted	NW Bypass - Build 2 lanes of ultimate 4 lane expressway from 55 ST NW to TH 52	\$10,200,000	6 to 15 Years	\$16,624,126
CSAH 3/TH 14	Olmsted	Construct interchange	\$33,000,000	6 to 15 Years	\$53,783,936
CSAH 5/TH 14	Olmsted	Construct interchange	\$57,000,000	6 to 15 Years	\$92,899,526
CSAH 44	Olmsted	Willow Creek Connection CSAH 25-TH 63 (SW Beltway from Willow Creek Study)	\$50,000,000	16 to 25 Years	\$110,584,766

Corridor	Lead Agency	Description	2025 Estimated Construction Cost	Time Phase	Timeline Cost
CSAH 1	Olmsted	CSAH 1 realignment	\$6,900,000	Programmed	\$8,287,071
US 63	Olmsted	CSAH 12, US 63 and MN 247 roundabout	\$4,100,000	Programmed	\$4,924,202
CSAH 1	Olmsted	CSAH 1 from TH30 to 97th Street	\$8,600,000	Programmed	\$10,328,814
CSAH 34	Olmsted	CSAH 34 from CSAH 3 to CSAH 44	\$6,000,000	Programmed	\$7,206,149
Trail	Olmsted	Stage Coach Trail Extension between West Olmsted County line to Rochester	\$10,000,000	16 to 25 Years	\$22,116,953
Trail	Olmsted	Chester Woods Trail: Connections (50th Ave SE & CSAH 11)	\$1,500,000	6 to 15 Years	\$2,444,724
Trail	Olmsted	Chester Woods Trail: Chester Woods Park to Eyota	\$3,500,000	16 to 25 Years	\$7,740,934
Trail	Olmsted	Chester Woods Trail: (Whitewater County Trail) Eyota to Dover	\$6,500,000	16 to 25 Years	\$14,376,020
Trail	Olmsted	Greater River Trail: South end to Eyota	\$3,500,000	16 to 25 Years	\$7,740,934
<b>CSAH 22 / Bandel Rd Intersection</b>	<b>Olmsted / Rochester</b>	<b>Relocate East Frontage Rd intersection east approximately 800' to improve interchange operations (50-50 cost share)</b>	<b>\$8,900,000</b>	<b>16 to 25 Years</b>	<b>\$19,684,088</b>
<b>37th St /CSAH 22</b>	<b>Olmsted / Rochester</b>	<b>Reconstruct intersection of 37th St NW / CSAH 22 / CSAH 33 / Broadway Ave (50-50 cost share)</b>	<b>\$4,100,000</b>	<b>6 to 15 Years</b>	<b>\$6,682,247</b>

**Table 18: MnDOT District 6 25-Year Project List**

Corridor	Lead Agency	Description	2025 Estimated Construction Cost	Time Phase	Timeline Cost
US 14	MnDOT	Resurface Hwy 14 from Hwy 52 to Olmsted County Rd 36	\$3,600,000	Programmed	\$4,323,689
US 14	MnDOT	Resurface Hwy 14 from East of Dodge County Rd 9 to West of Olmsted County Rd 5	\$1,900,000	Programmed	\$2,281,947
MN 30	MnDOT	Resurface Hwy 30 from 0.42 miles east of Hwy 63 to 0.22 miles west of Hwy 52	\$7,400,000	Programmed	\$8,887,584
US 63	MnDOT	Roundabout on US 63 at County Road 112	\$4,000,000	Programmed	\$4,804,099
I 90	MnDOT	Replace I-90 bridges over Hwy 52 and Reconstruct Interchange Ramps	\$26,800,000	Programmed	\$32,187,466
RR	MnDOT	DME: Antiquated Signal System Replacement	\$400,000	Programmed	\$480,410
US 14	MnDOT	Reconstruction of US 14 and South Broadway in Rochester	\$15,900,000	Programmed	\$19,096,295
MN 30	MnDOT	Mill and overlay, grading, ADA and traffic signal from US 63 to 0.03 mi east of 5th Ave NE (Stewartville)	\$2,500,000	Programmed	\$3,002,562
US 52	MnDOT	Construction of Frontage Rd, US 52 south of Pine Island	\$3,400,000	Programmed	\$4,083,484
US 52	MnDOT	Concrete repaving southbound Hwy 52 from Olmsted County Rd 12 to south junction of Hwy 60 and replace one box culvert	\$11,000,000	Programmed	\$13,211,273
US 14	MnDOT	Resurface WB Hwy 14 from Byron to Rochester	\$4,700,000	6 to 15 Years	\$7,660,136

Corridor	Lead Agency	Description	2025 Estimated Construction Cost	Time Phase	Timeline Cost
US 14	MnDOT	Resurface EB Hwy 14 from Byron to Rochester	\$4,700,000	6 to 15 Years	\$7,660,136
MN 74	MnDOT	Resurface Hwy 74 from Hwy 52 to east Hwy 14	\$8,300,000	6 to 15 Years	\$13,527,475
I 90	MnDOT	Resurface I-90 from Hwy 63 to Olmsted County Rd 19	\$14,900,000	6 to 15 Years	\$24,284,262
US 52	MnDOT	Resurface Hwy 52 from Hwy 80 (Chatfield) to Fillmore County Road 5	\$5,000,000	Programmed	\$6,005,124
MN 247	MnDOT	Resurface MN 247 from Hwy 63 to Hwy 42	\$6,300,000	6 to 15 Years	\$10,267,842
US 63	MnDOT	Repair Hwy 63 bridge over the Root River in Stewartville	\$1,000,000	6 to 15 Years	\$1,629,816
US 63	MnDOT	Resurface Hwy 63 from the west junction with Hwy 16 to the Root River in Stewartville	\$5,600,000	6 to 15 Years	\$9,126,971
NA	MnDOT	MnDOT Year 16	\$2,769,943	16 to 25 Years	\$6,126,270
NA	MnDOT	MnDOT Year 17	\$2,769,943	16 to 25 Years	\$6,126,270
NA	MnDOT	MnDOT Year 18	\$2,769,943	16 to 25 Years	\$6,126,270
NA	MnDOT	MnDOT Year 19	\$2,769,943	16 to 25 Years	\$6,126,270
NA	MnDOT	MnDOT Year 20	\$2,769,943	16 to 25 Years	\$6,126,270
NA	MnDOT	MnDOT Year 21	\$2,769,943	16 to 25 Years	\$6,126,270
NA	MnDOT	MnDOT Year 22	\$2,769,943	16 to 25 Years	\$6,126,270
NA	MnDOT	MnDOT Year 23	\$2,769,943	16 to 25 Years	\$6,126,270
NA	MnDOT	MnDOT Year 24	\$2,769,943	16 to 25 Years	\$6,126,270
NA	MnDOT	MnDOT Year 25	\$2,769,943	16 to 25 Years	\$6,126,270



Table 19: RPT 25-Year Project List

Corridor	Lead Agency	Description	2025 Estimated Construction Cost	Time Phase	Timeline Cost
Transit	RPT	North Broadway Park and Ride	\$12,000,000	Programmed	\$14,412,298
Transit	RPT	Bus Rapid Transit	\$165,000,000	Programmed	\$198,169,100

Table 20: All Agency 25-Year Project List Total Cost

	Short Term (2025-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
<b>Rochester</b>	\$159,363,987	\$53,946,918	\$146,856,569	\$360,167,473
<b>Stewartville</b>	\$4,804,099	\$8,963,989	\$16,587,715	\$30,355,804
<b>Byron</b>	\$7,206,149	\$6,519,265	\$0	\$13,725,414
<b>Olmsted County</b>	\$140,760,112	\$193,540,680	\$198,831,409	\$533,132,201
<b>MnDOT</b>	\$98,363,935	\$74,156,640	\$61,262,699	\$233,783,274
<b>RPT</b>	\$212,581,398	\$0	\$0	\$212,581,398
<b>Total</b>	<b>\$623,079,679</b>	<b>\$337,127,492</b>	<b>\$423,538,392</b>	<b>\$1,383,745,564</b>

## C.4. Fiscal constraint analysis

The core of the fiscal constraint process is a detailed financial plan that compares costs and revenues. After projecting both costs and revenues for the MTP's 25-year timeframe, the final stage is to perform the key calculation:

**Total Anticipated Revenue – Total Estimated Project Costs = Remaining Balance (Surplus or Deficit)**

The goal is to have a zero, or positive, balance. If a deficit is projected, the MPO must make difficult decisions to bring the plan into balance. This may involve delaying or removing less critical projects from the MTP or scaling back projects to reduce their cost.

This balancing act ensures that the MTP is a realistic and implementable document, rather than a wish list of projects that can't be funded. The demonstration of fiscal constraint is a mandatory federal requirement, and without it, the MTP cannot be approved.

**Table 21: Rochester Fiscal Constraint Summary**

Source: Base information from the OSA, Olmsted County/ROCOG calculations.

	Short Term (2025-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
Revenue	\$160,109,042	\$403,784,407	\$547,944,027	\$1,111,837,476
Expected Projects	\$159,363,987	\$53,946,918	\$146,856,569	\$360,167,473
Difference	<b>\$745,055</b>	<b>\$349,837,489</b>	<b>\$401,087,458</b>	<b>\$751,670,003</b>
Annual Difference	<b>\$149,011</b>	<b>\$34,983,749</b>	<b>\$40,108,746</b>	<b>\$30,066,800</b>

**Table 22: Stewartville Fiscal Constraint Summary**

Source: Base information from the OSA, Olmsted County/ROCOG calculations.

	Short Term (2025-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
Revenue	\$4,973,298	\$12,542,329	\$17,020,206	\$34,535,833
Expected Projects	\$4,804,099	\$8,963,989	\$16,587,715	\$30,355,804
Difference	<b>\$169,199</b>	<b>\$3,578,340</b>	<b>\$432,491</b>	<b>\$4,180,029</b>
Annual Difference	<b>\$33,840</b>	<b>\$357,834</b>	<b>\$43,249</b>	<b>\$167,201</b>

**Table 23: Byron Fiscal Constraint Summary**

Source: Base information from the OSA, Olmsted County/ROCOG calculations.

	Short Term (2025-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
Revenue	\$13,741,409	\$34,654,923	\$47,027,468	\$95,423,799
Expected Projects	\$7,206,149	\$6,519,265	\$0	\$13,725,414
Difference	<b>\$6,535,260</b>	<b>\$28,135,658</b>	<b>\$47,027,468</b>	<b>\$81,698,385</b>
Annual Difference	<b>\$1,307,052</b>	<b>\$2,813,566</b>	<b>\$4,702,747</b>	<b>\$3,267,935</b>

**Table 24: Olmsted County Fiscal Constraint Summary**

Source: Base information from Olmsted County, Olmsted County/ROCOG calculations.

	Short Term (2025-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
Revenue	\$159,978,541	\$403,455,294	\$547,497,412	\$1,110,931,247
Expected Projects	\$140,760,112	\$193,540,680	\$198,831,409	\$533,132,201
Difference	<b>\$19,218,429</b>	<b>\$209,914,614</b>	<b>\$348,666,003</b>	<b>\$577,799,046</b>
Annual Difference	<b>\$3,843,686</b>	<b>\$20,991,461</b>	<b>\$34,866,600</b>	<b>\$23,111,962</b>

**Table 25: MnDOT Fiscal Constraint Summary**

Source: Base information from past TIPs, Olmsted County/ROCOG calculations.

	Short Term (2025-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
Revenue (State funds only)	\$19,947,443	\$50,306,132	\$68,266,490	\$138,520,065
Expected Project Costs (total)	\$98,363,935	\$74,156,640	\$61,262,699	\$233,783,274
Expected Cost (State's 20% share)	\$19,672,787	\$14,831,328	\$12,252,540	\$46,756,655
Difference	<b>\$274,656</b>	<b>\$35,474,804</b>	<b>\$56,013,950</b>	<b>\$91,763,410</b>
Annual Difference	<b>\$54,931</b>	<b>\$3,547,480</b>	<b>\$5,601,395</b>	<b>\$3,670,536</b>

**Table 26: RPT Fiscal Constraint Summary**

Source: Base information from past TIPs, Olmsted County/ROCOG calculations.\*Includes DMC funds for BRT.

	Short Term (2025-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
Revenue	* \$238,839,195	\$418,235,476	\$567,554,435	\$1,224,629,107
Expected Projects	\$212,581,398	\$0	\$0	\$212,581,398
Difference	<b>\$26,257,798</b>	<b>\$418,235,476</b>	<b>\$567,554,435</b>	<b>\$1,012,047,709</b>
Annual Difference	<b>\$5,251,560</b>	<b>\$41,823,548</b>	<b>\$56,755,443</b>	<b>\$40,481,908</b>

**Table 27: All Agency Fiscal Constraint Summary**

Source: Olmsted County/ROCOG calculations.

	Short Term (2025-2030)	Mid Term (2031-2040)	Long Term (2041-2050)	Total
<b>MnDOT</b>	\$274,656	\$35,474,804	\$56,013,950	<b>\$91,763,410</b>
<b>Olmsted County</b>	\$19,218,429	\$209,914,614	\$348,666,003	<b>\$577,799,046</b>
<b>Rochester</b>	\$745,055	\$349,837,489	\$401,087,458	<b>\$751,670,002</b>
<b>Byron</b>	\$6,535,260	\$28,135,658	\$47,027,468	<b>\$81,698,385</b>
<b>Stewartville</b>	\$169,199	\$3,578,339	\$432,491	<b>\$4,180,029</b>
<b>RPT</b>	\$26,257,798	\$418,235,476	\$567,554,435	<b>\$1,012,047,709</b>

## C.5. Conclusion

Based upon the information presented, all agencies will have sufficient revenue to construct the projects identified in the MTP for the life of the plan. This MTP is fiscally constrained.