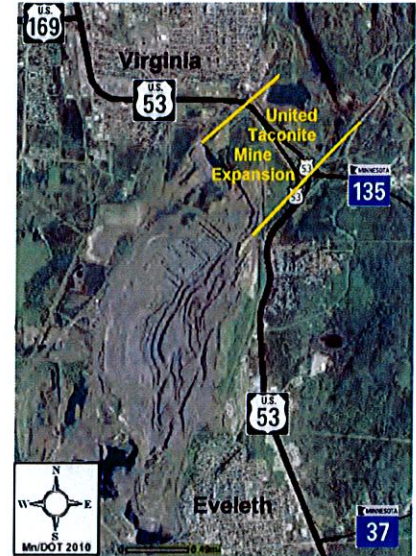


PROJECT SUMMARY

REALIGNMENT OF HIGHWAY 53 IN THE VIRGINIA AREA RESULTING FROM MINE EXPANSION State Project 6918-20

Project Location Map



Project History:

On May 27, 1960 United States Steel granted Mn/DOT highway easement rights for Highway 53 in the project area. On May 5, 2010, the successors of US Steel; United Taconite and RGGs Land and Minerals; in accordance with the easement provisions, gave Mn/DOT notice that they were terminating the easement rights for Highway 53 in parts of Section 17, Township 58, Range 17, in St. Louis County.

Schedule:

The 1960 highway easement provided for three (3) years from the notice of termination of easement rights to when the highway must be relocated. United Taconite and RGGs have stated they would allow up to seven (7) years for the move to occur.

Environmental Document:

- Environmental Impact Statement
- Time to Complete: 3 years minimum
- Targeted Start Date: Fall 2010
- Date Completed:

Photogrammetrics/Surveys/Mapping:

- Time to Complete: 12 to 16 months
- Targeted Start Date: Spring 2011
- Date Completed:

Geometric Layout and Construction Limits:

- Time to Complete: 9 to 12 months
- Targeted Start Date: Summer 2012
- Date Completed:

Municipal Consent:

- May potentially be needed from Eveleth, Virginia and/or Mountain Iron
- Date(s) Received:

Property Acquisition (R/W):

- Time to Complete: 24 months min.
- Targeted Start Date: Spring 2013
- Date Completed:

Original Bid Letting (as of June 2010): April 24, 2015

Current Bid Letting (if changed from April 24):

Construction:

- Targeted Start Date: June 2015
- Targeted Completion Date: Spring 2017

Highway Easement Expires: Spring 2017

Project Description:

The project is located in St. Louis County between Eveleth and Virginia. The proposed project is to abandon Highway 53 in the area of the United Taconite mine expansion and reconstruct in a new location.

The affected area is approximately one mile in length but the relocation alternatives could run many times this length.

Project Benefits:

- Allows access to large quantities of iron ore deposits that will provide for the continued operation of United Taconite. The ability of mining companies to remain competitive in today's global market is critical not only to the economic vitality of the region, but to the entire State of Minnesota.

Project Risks:

- Unknown funding sources/lack of funding.
- Community impacts and social acceptance of new route.
- Impact of new route on mining operations.
- Possibility that the highway will need to be relocated again in the future.
- Short, aggressive timeline for relocating the highway.
- Volatility of mining industry.

Total Project Cost Estimate (millions)

Date entered into STIP: (date of approved STIP)

	Baseline Est.	Current Est.
Construction Letting:	\$	\$
Other Construction elements:	\$	\$
Engineering:	\$	\$
Right of Way:	\$	\$
Total:	\$	\$

(Cost estimates should be adjusted to year of expenditure using current inflation rates provided by OIM)

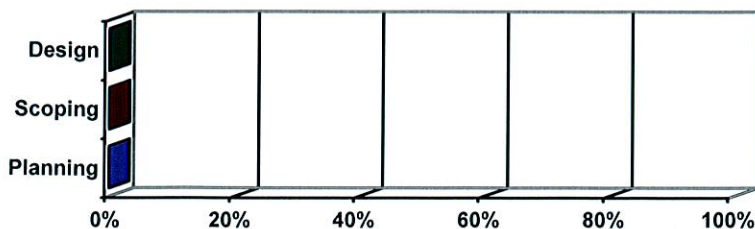
Recent Changes and Updates (including reasons for delay from original year in STIP, if applicable):

- Up to \$60 million in trunk highway bonds have been made available for the project in 2015.

Key Cost Estimate Assumptions:

-

Design Completed (Scale 0-100%):



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