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February 28, 2025

Representative Jon Koznick, Chair House Transportation Finance and Policy Committee

Dear Mr. Chair and Members of the Committee,

On behalf of the City of Fosston, I wish to offer my full support and urge the passage of Representative Burkel's House File 192.

The costs of essential infrastructure projects—including streets, water, sewer, curbs, gutters, and sidewalks—have skyrocketed in recent years. For instance, in 2019, the street assessment for a city property was approximately \$32 per square foot. Today, that figure has surged to over \$100 per square foot. Despite these rising costs, the city remains committed to updating infrastructure and maintaining our roads. However, to keep pace with necessary street and utility improvements, we anticipate issuing at least \$1 million in debt annually—an amount that will only cover a few city blocks.

Minnesota cities are already struggling to fund their own street projects. The additional financial burden of covering the local share of MnDOT projects means we may be forced to forgo a year of our own infrastructure improvements, as we simply cannot afford to fund both simultaneously.

Furthermore, state-aid highway projects demand significant city staff resources for planning, preparation, and oversight—especially when considering the value of our utility infrastructure. This investment of time and effort should be recognized and factored into project planning and funding considerations

Thank you Mr. Chair and members of the committee for the opportunity to provide comments and I am happy to provide any further information this matter.

Sincerely,

Cassie Heide

City Administrator

cc: Fosston City Council

Cassie Heide

Representative John Burkel