MEMORANDUM

TO: Members of the MIC Policy Board

FROM: Betsy Olivanti, Executive Director, ARDC

Sheldon Johnson, Executive Director, NWRPC

CC: ARDC Commissioners and NWRPC Board of Directors

DATE: October 21, 2026

RE: MPO Determination and Next Steps

For 50 years, the Arrowhead Regional Development Commission (ARDC) and the Northwest Regional Planning Commission (NWRPC) have operated in good faith as the Metropolitan Planning Organization (MPO) for the Duluth-Superior urbanized area. That understanding rests on the 1975 designation letters from the Governors of Minnesota and Wisconsin, which designated ARDC in cooperation with NWRPC as the MPO, the U.S. Department of Transportation's 1976 concurrence in that designation, and ARDC's annual grant agreements with the Minnesota Department of Transportation, which state ARDC's status as the designated MPO (Attachments 1–3). Earlier this year, our agencies began updating our 1976 cooperative agreement with that understanding.

On September 14, 2026, the Federal Highway Administration (FHWA) Minnesota and Wisconsin Division Administrators wrote to the Minnesota and Wisconsin Departments of Transportation confirming the finding of both states that "the Metropolitan Interstate Council (MIC) policy board is the MPO for the Duluth-Superior urbanized area" (Attachments 4–6). ARDC and NWRPC have received this determination and will proceed accordingly. The draft Amended and Restated Joint Powers Agreement previously shared with you is withdrawn and will not move forward.

With the MPO role now clarified, ARDC and NWRPC look forward to working with the MIC Policy Board on agreements for the staffing and fiscal hosting services our agencies have provided for 50 years. Local match commitments, if requested by the Policy Board, will be considered by each Commission through its normal budget process.

ARDC and NWRPC will continue to provide staff and administrative support under our current 2026 agreements, which run through December 31, 2026. New agreements must be in place by that date for staffing and federal funding to continue in 2027.

We anticipate several meetings of the full MIC Policy Board with ARDC and NWRPC leadership in November and early December. We look forward to working with you to

ensure the Duluth-Superior area continues to meet the metropolitan planning requirements of the Minnesota and Wisconsin Departments of Transportation and the Federal Highway Administration.

Attachments

1. 1975 MPO designation letters from the Governors of Wisconsin (July 15, 1975) and Minnesota (November 7, 1975)
2. U.S. Department of Transportation letter concurring in the MPO designation, March 17, 1976
3. MnDOT Grant Agreement No. 1061143 with ARDC, calendar year 2026
4. MnDOT letter to ARDC regarding MIC as MPO, May 20, 2026
5. WisDOT letter to FHWA Wisconsin Division regarding MPO designation, August 28, 2026
6. FHWA letter to WisDOT and MnDOT confirming the MIC Policy Board as MPO, September 14, 2026

STATE OF WISCONSIN
OFFICE OF THE GOVERNOR
MADISON, WISCONSIN 53702

PATRICK J. LUCEY
GOVERNOR

July 15, 1975

Mr. Thomas N. Harvey, Chairman
Federal Region V Intermodal Planning Group
c/o Urban Mass Transportation Administration
300 South Wacker Drive, Suite 700
Chicago, Illinois 60606

Dear Mr. Harvey:

See 11/12/73 letter

In my letter of December 27, 1973 to former Region V IPG Chairman Muse, I designated the Head-of-the-Lakes Council of Governments (HOTLCOG) as the Metropolitan Planning Organization (MPO) to carry out continuing, comprehensive, cooperative (3c) urban transportation planning for the Superior Metropolitan Area with planning funds made available by Section 112 of the Federal-Aid Highway Act of 1973. On July 1, 1975 HOTLCOG transferred its metropolitan planning responsibilities to the newly created Duluth-Superior Metropolitan Interstate Committee (MIC) which is a cooperative committee jointly enabled and confirmed by the Northwestern Wisconsin Regional Planning and Development Commission (NWWRP&DC) and the Arrowhead Regional Development Commission, Minnesota (ARDC). Supporting documents are attached.

Assumed 5/27/75 Agreement
* But then what is the 1/8/76 Agreement?

NWWRP&DC was organized in 1959 in accordance with state regional planning enabling legislation and since that time has sponsored a variety of federally-aided interstate planning activities with ARDC such as the preparation of water quality management plans for the Lake Superior Basin. The Wisconsin Department of Transportation executed an agreement with NWWRP&DC in May, 1974 to carry out cooperative regional transportation planning within the ten-county region but excluding the former HOTLCOG study area. This agreement is now being amended to provide for that Commission's involvement in the metropolitan planning process and channeling of Federal/state transportation planning funds for approved metropolitan work programs to be directed by MIC. As outlined in the attached documentation, MIC will also perform the A-95 review and coordinating functions for NWWRP&DC in the Superior Metropolitan Area. NWWRP&DC will retain the option of providing concurrent review of Federal grant proposals which have regional as well as metropolitan signficance.

This is 100% Recycled Paper

In accordance with all of the above, I now withdraw my designation of HOTLCOG as the MPO for the Superior Metropolitan Area and instead designate the Northwestern Wisconsin Regional Planning and Development Commission in cooperation with ARDC as the MPO for the Duluth-Superior Metropolitan Area with the stipulation that this designation shall remain in effect as long as both commissions continue to recognize the Duluth-Superior Metropolitan Interstate Committee as the body responsible for making transportation policy decisions and for directing the transportation planning and development function within their metropolitan area of jurisdiction.

It is our intention to commence funding of MIC transportation planning activities as soon as our Department of Transportation and NWWRP&DC amend their current planning assistance agreement and the IPG approves the MIC work program for fiscal year 1976.

Sincerely,

Patrick J. Lucey
G O V E R N O R

PJL:meg
cc: Governor Anderson
Secretary Rice, WisDOT

cc S.F
KATHY
RAY - FILE

November 7, 1975

Thomas N. Harvey, Chairman
Federal Region V Intermodal Planning Group
% Urban Mass Transportation Administration
Suite 700
300 South Wacker Drive
Chicago, Illinois

In reply refer to: 700

Dear Mr. Harvey:

I have received your letter of September 17, 1975 concerning the designation of ARDC as the recipient of Section 112 Planning Funds. The State Highway Department, State Planning Agency, and the Wisconsin Department of Transportation have worked closely with Arrowhead Regional Development Commission and Northwestern Wisconsin Regional Planning Commission in setting up the Duluth-Superior Metropolitan Interstate Commission (MIC). With the following changes and explanations, I look forward to receiving a final IPG concurrence:

1) I withdraw my previous designation made on February 5, 1974 and in accordance with the new Federal Register (459.106) issued September 17, 1975, I designate ARDC in cooperation with NWRPC as the MPO for the Duluth-Superior urbanized area with the stipulation that both Commissions continue to recognize the Duluth-Superior MIC as being the body responsible for making transportation policy decisions and for directing the transportation planning and development function within their metropolitan area of jurisdiction.

2) Adequate representation: (as proscribed in the new Federal Register - 450.106) the by-laws of MIC state that two-thirds of the representation will be by elected officials of the local governments.

3) Legal power under State law: State Legislation has enabled establishment of the ARDC in Northern Minnesota; with my above designation, and the pending agreements between the States and their respective Commissions, MIC will be legally empowered to perform the planning and policy functions of the Duluth-Superior urbanized area.

1/8/76 Agreement ?

Sincerely,

Wendell R. Anderson
Governor

cc: Gov. Lucey
F. D. Marzitelli - MHD
P. Vanderpoel - SPA
R. Esala - ARDC

Bcc: D. H. Differt
F. C. Marshall
E. D. Carlson - FHWA (R. M. Larson)
A. L. Gausman - Wisconsin DOT
L. L. Hansen - A. J. Schenkelberg
D. R. Johnson
R. Ilse - MIC

Ray Lyle Adamson
Please file.

U.S. DEPARTMENT OF TRANSPORTATION

INTERMODAL PLANNING GROUP REGION V
Urban Mass Transportation Administration
Suite 1740
300 South Wacker Drive
Chicago, Illinois 60606

March 17, 1976

The Honorable Wendell R. Anderson
Governor of the State of Minnesota
Office of the Governor
St. Paul, Minnesota 55155

Your file: 700

Dear Governor Anderson:

It is my pleasure to concur, on behalf of the Region V Intermodal Planning Group, with your designation of the Arrowhead Regional Development Commission in cooperation with the Northwest Wisconsin Regional Planning Commission as the Metropolitan Planning Organization for the Duluth-Superior urbanized area. We understand that this designation has been made with the stipulation that both Commissions continue to recognize the Duluth-Superior Metropolitan Interstate Commission as the body responsible for making transportation policy decisions and for directing the transportation planning and development function within their metropolitan area of jurisdiction.

Sig. ↑ This differs from 1/8/76 Agreement... Why? → But is at end of 7/15/75 letter from Gov. Lucey

Why was this level of detail not in the 5/27/75 OR 1/8/76 Agreements Creating the MPO?

Thank you for responding to our concerns about adequate representation and the legal power of the MIC under the laws of the State of Minnesota. It would be very helpful for us to have a citation and/or copy of the Minnesota legislation governing the MIC.

Thank you for the efforts which you and members of your staff have exerted to establish a Metropolitan Planning Organization for the Duluth-Superior urbanized area.

Sincerely,

Thomas N. Harvey

Thomas N. Harvey
Chairman, Region V
Intermodal Planning Group

And 9/7/75 Harvey letter

And 11/7/75 Gov. Anderson letter

DEPARTMENT OF TRANSPORTATION

MnDOT Contract No# 1061143

STATE OF MINNESOTA
GRANT AGREEMENT

This agreement is between the State of Minnesota, acting through its Commissioner of Transportation ("State"), and Arrowhead Regional Development Commission, 221 W First St, Duluth MN 55802 Grantee").

RECITALS

1. Minnesota Statutes § 174.01 authorizes the State to enter into this agreement.
2. 23 U.S.C. 134 requires a continuing, comprehensive and cooperative (3-C) transportation planning process be carried out between the state and local governments in urbanized areas.
3. Grantee has been designated by Minnesota's Governor as the Metropolitan Planning Organization responsible, together with the State, for carrying out the provisions of 23 U.S.C. 134.
4. Minnesota Statutes § 174.03, subdivision 4, authorizes the State to enter into this agreement.
5. Grantee represents that it is duly qualified and agrees to perform all services described in this agreement to the satisfaction of the State. Pursuant to Minn.Stat.§16B.98, Subd.1, Grantee agrees to minimize administrative costs as a condition of this agreement.

AGREEMENT TERMS

1 **Term of Agreement, Survival of Terms, and Incorporation of Exhibits**

1.1 **Effective Date.** This agreement will be effective on January 1, 2026, or the date the State obtains all required signatures under Minn. Stat.§16B.98, Subd. 5, whichever is later. As required by Minn.Stat.§16B.98 Subd. 7, no payments will be made to Grantee until this agreement is fully executed. Grantee must not begin work under this agreement until this agreement is fully executed and Grantee has been notified by the State's Authorized Representative to begin the work.

1.2 **Expiration Date.** This agreement will expire on December 31, 2026, or when all obligations have been satisfactorily fulfilled, whichever occurs first.

1.3 **Survival of Terms.** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this agreement, including, without limitation, the following clauses: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 11. Workers Compensation; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15 Data Disclosure.

1.4 **Exhibits.** Exhibit 1, Financial Assistance, and Exhibit 2, Invoices, are attached and incorporated into this agreement.

2 **Grantee's Duties**

2.1 Grantee, who is not a state employee, will:

2.1.1 Perform in a satisfactory and timely manner the work activities defined in its Calendar Year ("CY") 2026 Unified Planning Work Program ("UPWP"), as approved by the State, which is incorporated by reference into this agreement and retained on file in the MnDOT Office of Transportation System Management. The UPWP defines the scope of work and particular tasks to be completed by the Grantee, and includes a minimum expenditure of $3,000.00 to provide for the Grantee's participation in meetings and workshops of the Minnesota MPO Directors and for other professional development and training of the Grantee's staff.

2.1.2 Prepare and submit to the State for approval a CY 2026 UPWP delineating the activities and expenditures of CY 2026 state grant funds. The UPWP must include a minimum expenditure of $3,000.00 to provide for the Grantee's participation in meetings and workshops of the Minnesota MPO Directors and for other professional development and training of the Grantee's staff.

2.1.3 Utilize the MnDOT Template when preparing the Transportation Improvement Program ("TIP").

2.2 Grantee will comply with all required grants management policies and procedures set forth through Minn.Stat.§16B.97, Subd. 4 (a) (1).

2.3 Grantee will submit written progress reports at least quarterly, and a final year-end report. Quarterly reports must be submitted no later than 30 calendar days after the reporting period, and annual reports must be submitted no later than 90 days as identified in 2 CFR 200.329. Payments will not be made under section 4.2 if a

progress report is past due unless Grantee has been given a written extension by the State.

2.4 **Asset Monitoring.** If Grantee uses funds obtained by this agreement to acquire a capital asset, the Grantee is required to use that asset for a public purpose for the normal useful life of the asset. Grantee must obtain prior written consent of the State before any capital asset is purchased with funds from this agreement and must meet any asset reporting requirements identified by the State as part of the written consent. Capital assets have a normal useful life expectancy exceeding two years and include 1) land, 2) buildings, 3) equipment over $5,000, 4) infrastructure and 5) purchased software over $30,000. Grantee may not sell or change the purpose of use for the capital asset(s) obtained with grant funds under this agreement without the prior written consent of the State and an agreement executed and approved by the same parties who executed and approved this agreement, or their successors in office.

3 Time

3.1 Grantee must comply with all the time requirements described in this agreement. In the performance of this grant agreement, time is of the essence.

4 Consideration and Payment

4.1 **Consideration.** The State will pay for all services performed by Grantee under this agreement as follows:

4.1.1 **Compensation.** Grantee will be paid a lump sum of $61,050.00. Grantee must provide a local match of 20% as identified in Exhibit 1. The local match funds must be separate from the funds used to match any other funding source

4.1.2 **Travel Expenses.** Reimbursement for travel and subsistence expenses actually and necessarily incurred by Grantee as a result of this agreement will not exceed $22,000 provided that Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than the Federal Per Diem rates as published by the U.S. General Services Administration. Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state. For bi-state MPOs, both states within the MPO's metropolitan planning area will be considered home states. Travel and training for metropolitan transportation planning related purposes is authorized in conformity with the approved UPWP budget. Employees of the grantee will not be considered state employees. All travel and training is subject to audit per Section 9 of this contract.

4.1.3 **Total Obligation.** The total obligation of the State for all compensation and reimbursements to Grantee under this agreement will not exceed $61,050.00.

4.2 **Payment**

4.2.1 **Invoices.** Grantee will submit invoices for payment by lump sum. Exhibit 2, which is attached and incorporated into this agreement, is the form Grantee will use to submit invoices. The State's Authorized Representative, as named in this agreement, will review each invoice against the approved grant budget, grant expenditures to-date, and the latest written progress report before approving payment. The State will promptly pay Grantee after Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices will be submitted timely and according to the following schedule: after the end of each calendar year quarter for 25% of the contract amount. Each invoice will include the submittal of a report documenting the tasks the MPO completed in the respective quarter. See exhibit 2

4.2.2 **All Invoices Subject to Audit.** All invoices are subject to audit, at State's discretion. Audits will be conducted using the cost principles and procedures set forth in 2 Code of Federal Regulations – (CFR) part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

4.2.3 **State's Payment Requirements**. State will promptly pay all valid obligations under this agreement as required by Minnesota Statutes §16A.124. State will make undisputed payments no later than 30 days after receiving Grantee's invoices and progress reports for services performed. If an invoice is incorrect, defective or otherwise improper, State will notify Grantee within ten days of discovering the error. After State receives the corrected invoice, State will pay Grantee within 30 days of receipt of such invoice.

4.2.4 **Grant Monitoring Visit and Financial Reconciliation.** During the period of performance, the State will make at least one monitoring visit and conduct annual financial reconciliations of Grantee's expenditures.

Philip Schaffner
Director
MnDOT Office of Transportation System Management
395 John Ireland Boulevard, MS 440
Saint Paul, MN 55155

May 20, 2026

Kristi Kane
Executive Director
Arrowhead Regional Development Commission
221 West 1st Street
Duluth, MN 55802

Dear Director Kane:

This letter is in response to your request that the Minnesota Department of Transportation share the reasoning behind our interpretation that the Metropolitan Interstate Council (MIC) is the Metropolitan Planning Organization (MPO) for the Duluth-Superior urbanized area.

The December 14, 1973, MPO Designation letter sent from then Minnesota Governor Wendell R. Anderson to Mr. Edward C. Muse, employee of the Federal Highway Administration, establishes Arrowhead Regional Development Commission (ARDC) as an operational regional commission. It further establishes that federal planning funds will be "passed through" regional commissions for use by the appropriate metropolitan planning agency. It states, "each designated regional commission will be expected to recognize or establish an appropriate metropolitan transportation policy body to be responsible for transportation policy decisions." The designation letter goes on to list Duluth-Superior as an urbanized area within the jurisdiction of the regional commission, ARDC.

In reading the governor's designation letter it tasks ARDC with serving as a pass-through entity for federal transportation funding and with establishing a MPO for the Duluth-Superior urbanized area. To that end, in May of 1975, ARDC and the Northwestern Wisconsin Regional Planning and Development Commission (NWRPC) entered into an agreement to create the MIC. The ARDC and NWRPC agreement provides that the MIC will develop programs and procedures that will result in interstate development plans. The agreement also states that the MIC has the power to adopt plans developed by "any planning agency" recognized by either state or the federal government. 23 CFR Part 450.300(a), Subpt. C states "…the MPO designated for each urbanized area is to carry out a continuing, cooperative, and comprehensive performance-based multimodal transportation planning process, including the development of a metropolitan transportation plan and a TIP." MPOs are responsible for the adoption of long-rang transportation plans and Transportation Improvement Programs (TIP)

to prioritize and allocate federal transportation funding to their respective urbanized areas. Granting this power to the MIC further supports our view that it was set up to serve as the Duluth-Superior MPO.

Federal code also defines a Metropolitan Planning Organization as "the policy board of an organization established as a result of the designation process under subsection (d)", 23 U.S.C. § 134(b)(2).

Finally, the MIC proports to be the Duluth-Superior MPO on their website stating the following, "The MIC was created as the MPO for the Duluth-Superior metropolitan area in 1975 under a joint agreement between the Arrowhead Regional Development Commission (ARDC) in Duluth, Minnesota, and the Northwest Regional Planning Commission (NWRPC) in Spooner, Wisconsin." Weighing language in Governor Anderson's 1973 letter, the interstate agreement between ARDC and NWRPC, the current US Code definition, and the MIC's own website, MnDOT's interpretation that the MIC was created to serve as, and is currently, the Duluth-Superior MPO is credibly supported.

If you have additional questions regarding the designation of the MIC, please contact MnDOT Statewide Planning Manager Brad Utecht at brad.utecht@state.mn.us or 651-366-4835.

Thank you,

Philip Schaffner
Director, Office of Transportation System Management

CC: Ron Chicka, MIC
Duane Hill, MnDOT District 1
Colleen Hoesly, WisDOT
Sheldon Johnson, NWRPC
Sheila Kauppi, MnDOT
Scott Mareck, FHWA MN Division
Allison McGuire, MnDOT
Jason Nordberg, FHWA WI Division
Brad Utecht, MnDOT
Charles Wade, WisDOT

Equal Opportunity Employer

Wisconsin Department of Transportation
Office of the Administrator
Division of Transportation Investment Management
4822 Madison Yards Way, S603
Madison, WI 53705

Justin Shell, Administrator
Angela Adams, Deputy Administrator
wisconsindot.gov
Telephone: (608) 266-0255
Email: DOTDTIMAO@dot.wi.gov

Jason Nordberg
Transportation Planner
Wisconsin Division
Federal Highway Administration
525 Junction Road, Suite 8000
Madison, WI 53717

Date: August 28, 2026

RE: WisDOT Review of MPO Designation for the Duluth-Superior urbanized area

Dear Mr. Nordberg:

Wisconsin Department of Transportation (WisDOT) has conducted an internal review of the designating documents pertaining to the creation of a Metropolitan Planning Organization (MPO) for the Duluth-Superior urbanized area. Through the review, and as a party to meetings with FHWA Headquarters, Wisconsin and Minnesota Divisions, Minnesota Department of Transportation (MnDOT), Northwest Regional Planning Commission (NWRPC) within the state of Wisconsin and Arrowhead Regional Development Commission (ARDC) within the state of Minnesota, WisDOT has determined the Metropolitan Interstate Council (MIC) has been operating as a hosted MPO through the Joint Powers Agreement between NWRPC and ARDC since its creation in 1975. As such, WisDOT agrees with the MnDOT and FHWA interpretation that the MIC is the MPO for the Duluth-Superior urbanized area.

The basis of this opinion relies on the interpretation of the federal code (23 USC 134(b)(2)). Per the federal code, the definition of a "'metropolitan planning organization' means the policy board of an organization established as a result of the designation process under subsection (d)" which refers to the designation of MPOs. As you are aware, the Wisconsin designating documents required the MIC, in part, to be the "body responsible for making transportation policy decisions."

The Wisconsin designation letter dated July 15, 1975 indicates that the Northwestern Wisconsin Regional Planning and Development Commission (since renamed the NWRPC) in cooperation with the ARDC recognize the MIC "as the body responsible for making transportation policy decisions . . ." Because the federal law defines an MPO as the policy board, and given the MICs role since its creation, we believe the federal rule clarifies that the MIC has been the MPO for the Duluth-Superior urbanized area.

Sincerely,

Charles Wade
Director, Bureau of Planning and Economic Development
Division of Transportation Investment Management
Wisconsin Department of Transportation

CC: Sheldon Johnson, NWRPC

U.S. Department
of Transportation
**Federal Highway
Administration**

Wisconsin Division
525 Junction Road, Suite 8000
Madison, WI 53717

Minnesota Division
180 East Fifth Street, Suite 930
St. Paul, MN 55101

September 14, 2026

Ms. Kristina Boardman
Secretary
Wisconsin Department of Transportation
4822 Madison Yards Way
Madison, WI 53707

Ms. Nancy Daubenberger
Commissioner
Minnesota Department of Transportation
395 John Ireland Blvd.
St. Paul, Minnesota 55155

Dear Secretary Boardman and Commissioner Daubenberger:

After a thorough review of the issue regarding the Metropolitan Planning Organization (MPO) designation for the Duluth-Superior urbanized area, the Federal Highway Administration (FHWA) confirms the finding by both the State of Wisconsin and the State of Minnesota that the Metropolitan Interstate Council (MIC) policy board is the MPO for the Duluth-Superior urbanized area.

FHWA's decision is based on its interpretation of the controlling statute 23 USC 134(b)(2). Specifically, because the MIC policy board was established to serve as the policy board for the Duluth-Superior urbanized area the applicable federal law clearly designates the MIC policy board as the MPO for that area.

If you have any questions regarding this matter, please contact Jason Nordberg from FHWA Wisconsin Division at (608) 829-7523 or Scott Mareck from FHWA Minnesota Division at (651) 421-8083.

Sincerely yours,

Linda K. Swann
Division Administrator
Federal Highway Administration

Sincerely yours,

Wendall L. Meyer
Division Administrator
Federal Highway Administration