



Agenda
Red Rock Corridor Commission
Thursday August 25, 2011
4:00 p.m.

Cottage Grove City Hall, Council Chambers
7516 80th Street South
Cottage Grove, MN

	<u>Action Requested</u>
1. Consent Items*	Approval
a. Minutes of the June 30, 2011 Meeting	
b. Checks and Claims	
2. League on MN Cities Liability Coverage Insurance* - WCRRA	Approval
3. East Metro Rail Capacity Study Update* - RCRRA	Approval
a. Resolution Approving Funding Contribution	
4. Station Area Panning Study Update* - WCRRA	Information
5. Legislative Update* – RCRRA	Information
a. State	
b. Federal	
6. Other	Information
a. Next Meeting – Thursday, September 29, 2011	

* *Enclosures*



**June 30, 2011
Cottage Grove City Hall
4:00 p.m.**

Members Present:

Joe Harris, Dakota County
Janice Rettman, Ramsey County
Autumn Lehrke, Washington County
John Hunziker, St Paul Park
Cam Gordon, Minneapolis
Barb Hollenbeck, City of Hastings
Jen Peterson, City of Cottage

Others Present:

Andy Gitzlaff, Washington County Regional Railroad Authority
Josh Olson, Ramsey County Regional Railroad Authority
Sam O'Connell, Dakota County Regional Railroad Authority
Betsy Leach, District 1 Community Council, St. Paul
Linda Jungwirth, Assistant to Commissioner Rettman
Tom Dobbs, Hay Dobbs
Jon Solberg, Mn/DOT Metro District

Ex-Officio Members Present:

Marc S Mogan, Prairie Island Indian
Community

Chair Harris called the meeting to order at 4:04 p.m.

Agenda Item #1 Consent Items

- a. **Minutes of the May 26, 2011 Meeting**
- b. **Checks and Claims**

Commission Member Hunziker moved the approval of the Consent Items. The motion was seconded by Commissioner Member Lehrke.

Roll call vote:

Rettman	Yes
Lehrke	Yes
Hunziker	Yes
Harris	Yes
Peterson	Yes
Hollenbeck	Yes

Motion passed unanimously.

Agenda Item #2 Station Area Planning Study Draft Report Release- WCRRA

Mr. Gitzlaff indicated that the Station Area Planning Study has been a twenty-month process with the final report now completed. He noted that we have gone through the public process, as well as the investigation of all the constraints of the stations, and developed plans for each individual station consistent with the corridor's goals. Mr. Gitzlaff reminded Commission Members that at the last meeting we went over the contents of the report and a draft version was sent out to all Commissioners prior to this meeting for comments and corrections. He did not receive any notices of corrections or changes. Tonight we will be asking for the approval to release this draft for public comment as well as adoption and endorsement by the city and county partners. Meetings will be scheduled for Cottage Grove, Hastings, Newport and St. Paul to go through their review processes. He indicated that he would provide these meeting dates, at a later time, to the Commission Members so they have the opportunity to attend these meetings. He reviewed the schedule as we move forward. Tentatively, we will approve the release tonight, followed by a posting to our RRCC website with hardcopies available upon request, as well as an e-news alert that will be sent out to about 500 people. He noted that we will skip the July meeting and at the September meeting the Commission will review the report with changes incorporated, and adopt a final report. Commissioner Rettman commented that we should remember it is still a work in progress and questioned if the changes or comments should be sent to Mr. Gitzlaff. Mr. Gitzlaff confirmed that the report will be posted on the website and they could comment directly by that method, which will be linked directly to his email address for any comments.

Commission Member Hunziker motioned to approve the release of the Station Area Planning Study Draft Report. The motion was seconded by Commission Member Gordon and passed unanimously.

Agenda Item #3 Hwy 61 Bridge Update/Hastings Transit Service- Mn/DOT

Mr. Solberg from Mn/DOT indicated that currently they are behind schedule on the bridge construction due to the fall and spring flooding. They have recently got the approval to work overtime, as soon as the State's budget is approved. They are currently working on the land portions of the bridge construction while the water level is up. Specifically, they are working on the south side of the bridge, pier number five as well as some work on the north side. They were planning to put in a full day today, possibly until midnight tonight and if no budget is approved, there will be no work done until the new budget is approved. Specifically, Mr. Solberg indicated that each piece of material is inspected by the State of Minnesota inspectors, so the lack of state inspectors would end all work unless the County makes other arrangements for the inspections on the bridge. The traffic will continue on the bridge uninterrupted.

Mr. Solberg provided an update on transit service. In 2010 a law was passed to authorize the use of \$250,000 of trunk highway funds to establish transit service for the City of Hastings to mitigate the construction impacts of the bridge construction. They have met with the City of Hastings Staff, RRCC, as well as Metro Transit and other contractors to determine interest in the transit service. Currently, they are in a holding pattern due to the government shutdown as well as trying to develop the level of interest for the service needed for the City of Hastings. Mn/DOT would commit to continuing the service through the duration of the construction project as long as there are funds available. They have presented two services to the City to review. A bus service and a van service option, which

could be an initial inexpensive step service. They are waiting for feedback from the City of Hastings. Commission Chair Harris questioned Commission Member Hollenbeck in regard to the Hastings transit situation. She indicated that the Transit Committee met last Tuesday and the committee was caught in a tough situation, due to the fact that the funds from Mn/DOT have a required match from the City. Due to the current budget constraints and the amount of people initially committing to the service, it looks like it may not be supported by the Committee in the future. The initial language from the legislature and Mn/DOT did not include that matching requirement. Unless they are able to locate another source of revenue, it will be difficult to support. Mr. Solberg indicated that the local match requirement by Mn/DOT is to ensure continuance of a service once the bridge reconstruction is complete. Commission Chair Harris confirmed with Mr. Solberg that there will be limited disruptions to the driving public during the construction time, and most disruptions will be at off-peak hours.

Agenda Item #4 Legislative Update – WCRRA

a. State

Mr. Gitzlaff informed the Commission that at the State level it is only six and one half hours until the likely shut down of the government. He indicated that the effect for the Red Rock Corridor Commission directly is minimal. The contract for the station planning project is through a grant with Mn/DOT for Federal funds which is reimbursed to Washington County and our consultants are paid by them on a quarterly basis. Therefore, the impact should be minimal for the Red Rock Corridor Commission.

b. Federal

Mr. Gitzlaff indicated that at the Federal level, the main discussion is on the debt ceiling and the need to raise it prior to the August 2, 2011 deadline. The Senate will remain in session over the 4th of July weekend to work on this issue. Budget discussions for 2012 are ongoing and the main focus has been the military appropriations and aid bills, which seem to be less controversial.

Agenda Item #5 Other

a. Federal Livability Grant Announcement

Mr. Gitzlaff noted that it was recently announced, by Secretary LaHood, that there will be another round of solicitations for the livability grants. This is through the partnership between the DOT, HUD and the EPA which finds ways to address affordability housing, transportation needs and environment considerations. During the last round of grants, one of the big projects that came from it was the Corridors of Opportunities Project which Met Council and some local partners are working on now. Washington County did submit a grant request under that program last year, for AA funds building of the work that was done in the alternative analysis. It was combined with Rush Line's AA proposal. The Washington County Regional Railroad Authority Board did pursue this last year, and it may come up again this year to pursue another grant request. He noted that the Red Rock Corridor Commission did pass a resolution of support last year for

the grant last year and if they submit another grant request this year, the resolution will still be valid. There is a deadline of July 22, 2011 for the grant submittal.

b. Next Meeting- August 25, 2011

Mr. Gitzlaff noted that with no July meeting..

There being no further business, Commission Member Hunziker moved a motion to adjourn. The motion was seconded by Commissioner Member Lehrke and passed unanimously.

The Commission adjourned at 4:25 p.m.



DATE: August 18, 2011
TO: Red Rock Corridor Commission
FROM: Staff
RE: Checks and Claims

Attached is the

Hay Dobbs Invoice #22 - SAP Study (June, 2011)	\$ 67,094.68
Hay Dobbs Invoice #23 - SAP Study (July, 2011)	\$ 50,431.31
Network Solutions – Domain Name Renewal (5 years)	\$ 474.75

TOTAL \$ 118,000.74

Detailed invoices can be made available upon request.

Action Requested: Approval

INVOICE NO. 09017.000-22

Original To: Project Manager: Andy Gitzlaff
 Washington County Regional Railroad Authority
 Washington County Public Works Department
 11660 Myeron Rd North,
 Stillwater, MN 55082

Estimated Completion: 82.3 %
 (from Column 6 Progress Report)

Copy: Minnesota Department of Transportation
 Consultant Services Section, Mail Stop 680
 395 John Ireland Boulevard,
 St. Paul, Minnesota 55155

Period Ending: 06/30/11
 Invoice Date: 07/12/11

Re: Mn/DOT Contract No. 85937 Contract Expiration Date: July 20, 2011
 SP Number: NA TH Number: NA
 Project Description: Southeast Station Area Master Planning and Environmental Analysis

	Total Contract Amount	Total Billing to Date	Amount Previously Billed	Billed This Invoice
1. Direct Labor Costs: (See Exhibit _ for Breakdown)	\$486,751.00	\$477,076.52	\$451,443.12	\$25,633.40
2. Direct Expense Costs: (See Exhibit _ for Breakdown)	\$60,533.00	\$47,756.84	\$45,290.40	\$2,466.44
3. Subcontractor Costs:	\$545,170.00	\$391,143.04	\$354,971.56	\$36,171.48
4. Miscellaneous Professional Services	\$57,500.00	\$7,440.97	\$4,617.61	\$2,823.36
Net Earnings Totals:	\$1,149,954	\$923,417.37	\$856,322.69	\$67,094.68
Total Amount Due This Invoice:				\$67,094.68

Contractor: Complete this table when submitting an Invoice for payment			
Activity Code	Total Billing to Date	Amount Previously Billed	Billed This Invoice
1	\$923,417.37	\$856,322.69	\$67,094.68
Total*	\$923,417.37	\$856,322.69	\$67,094.68

*Must Match Net Earnings Totals Above

For Consultant Services Use Only

I certify that the above statement is correct and payment has not been received.

Signature: _____

Print Name: Gary C. Hay

Title: President/Principal-in-Charge

Billing Address:
 Hay Dobbs P.A.
 220 South Sixth Street, Ste 165
 Minneapolis, MN 55445

Telephone: (612) 338-4590

Approved for Payment: _____

Date: _____

INVOICE NO. 09017.000-23

Original To: Project Manager: Andy Gitzlaff
 Washington County Regional Railroad Authority
 Washington County Public Works Department
 11660 Myeron Rd North,
 Stillwater, MN 55082

Estimated Completion: 86.9 %
(from Column 6 Progress Report)

Copy: Minnesota Department of Transportation
 Consultant Services Section, Mail Stop 680
 395 John Ireland Boulevard,
 St. Paul, Minnesota 55155

Period Ending: 07/31/11
 Invoice Date: 08/18/11

Re: Mn/DOT Contract No. 85937
 SP Number: NA
 Project Description: Southeast Station Area Master Planning and Environmental Analysis

Contract Expiration Date: December 31, 2011
 TH Number: NA

	Total Contract Amount	Total Billing to Date	Amount Previously Billed	Billed This Invoice
1. Direct Labor Costs: (See Exhibit _ for Breakdown)	\$486,751.00	\$486,541.90	\$477,076.52	\$9,465.38
2. Direct Expense Costs: (See Exhibit _ for Breakdown)	\$60,533.00	\$48,391.23	\$47,756.84	\$634.39
3. Subcontractor Costs:	\$545,170.00	\$418,236.69	\$391,143.04	\$27,093.65
4. Miscellaneous Professional Services	\$57,500.00	\$20,678.86	\$7,440.97	\$13,237.89
Net Earnings Totals:	\$1,149,954	\$973,848.68	\$923,417.37	\$50,431.31
Total Amount Due This Invoice:				\$50,431.31

Contractor: Complete this table when submitting an Invoice for payment			
Activity Code	Total Billing to Date	Amount Previously Billed	Billed This Invoice
1	\$973,848.68	\$923,417.37	\$50,431.31
Total*	\$973,848.68	\$923,417.37	\$50,431.31

*Must Match Net Earnings Totals Above

For Consultant Services Use Only

I certify that the above statement is correct and payment has not been received.

Signature: _____

Print Name: Gary C. Hay

Title: President/Principal-in-Charge

Billing Address:

Hay Dobbs P.A.
 220 South Sixth Street, Ste 165
 Minneapolis, MN 55445

Telephone: (612) 338-4590

Approved for Payment: _____

Date: _____

[Log In](#)

My Cart

Need Help? Chat with an Expert



[click to chat](#)

Item	Service Term (Save more with a longer term)	Price	Remove
WebAddress™ Domain Name Renewal: redrockrail.org + Web Forwarding for Domain Name redrockrail.org	5 Years - Save 34%	\$174.95 \$114.95	
	5 Years	\$64.95	
WebAddress™ Domain Name Renewal: redrockcorridor.org + Web Forwarding for Domain Name redrockcorridor.org	5 Years - Save 34%	\$174.95 \$114.95	
	5 Years	\$64.95	
WebAddress™ Domain Name Renewal: redrockcorridor.com	5 Years - Save 34%	\$174.95 \$114.95	

Did you know?

Registering a domain name for a longer term not only saves money, it may be viewed positively by search engines. Consider a 5-year term.

Total:
\$474.75
Savings:
\$180.00

[Redeem Offer Code](#)



SECURE CHECKOUT

OR



Network Solution's Call Center has been recognized by J.D. Power and Associates for providing "An Outstanding Customer Service Experience."



We accept the following payment types:



[Disclaimer\(s\):](#)



DATE: August 18, 2011
TO: Red Rock Corridor Commission
FROM: Staff
RE: Liability Coverage Insurance

The Red Rock Corridor Commission's insurance policy with the League of Minnesota Cities is up for renewal in September 2010. Coverage was obtained in 2010/2011 for the work of the Commission through the League of Minnesota Cities Insurance Trust. Coverage includes open meeting, municipal liability, auto and crime. The premium last year was \$927.00 and was paid by the Commission.

At the time coverage was obtained, the Commission was asked to determine whether or not it would waive the statutory tort liability limits. The Commission chose **NOT** to waive such limits. This means that an individual claimant would be able to recover no more than \$300,000 on any claim. If the Commission chose to waive the limits, a claimant could recover up to \$1 million. The League of Minnesota Cities Insurance Trust would like confirmation that the Commission would again chose not to waive the statutory tort liability limits. It is anticipated that the 2011/2012 premium will be comparable to last year's, and is included in the Commission's 2011 budget.

Action

Continue insurance coverage with League of Minnesota Cities Insurance Trust for 2011/2012 and that the statutory tort liability limits not be waived.

SECTION I: LIABILITY COVERAGE WAIVER FORM

Cities obtaining liability coverage from the League of Minnesota Cities Insurance Trust must decide whether or not to waive the statutory tort liability limits to the extent of the coverage purchased. The decision to waive or not to waive the statutory limits has the following effects:

- *If the city does not waive the statutory tort limits*, an individual claimant would be able to recover no more than \$500,000. on any claim to which the statutory tort limits apply. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether or not the city purchases the optional excess liability coverage.
- *If the city waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could potentially recover up to \$1,500,000. on a single occurrence. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to \$1,500,000., regardless of the number of claimants.
- *If the city waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

This decision must be made by the city council. **Cities purchasing coverage must complete and return this form to LMCIT before the effective date of the coverage.** For further information, contact LMCIT. You may also wish to discuss these issues with your city attorney.

_____ accepts liability coverage limits of \$_____ from the League of Minnesota Cities Insurance Trust (LMCIT).

Check one:

- The city **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minnesota Statutes 466.04.
- The city **WAIVES** the monetary limits on tort liability established by Minnesota Statutes 466.04, to the extent of the limits of the liability coverage obtained from LMCIT.

Date of city council meeting _____

Signature _____ Position _____

Return this completed form to LMCIT, 145 University Ave. W., St. Paul, MN. 55103-2044



DATE: August 19, 2011
TO: Red Rock Corridor Commission
FROM: Staff
RE: East Metro Rail Capacity Study Update

Background

The purpose of the East Metro Rail Capacity and Engineering Improvements Study (East Metro Rail Capacity Study) is to evaluate railroad capacity to the north and east of downtown St. Paul and determine engineering improvements needed to implement Amtrak, Red Rock commuter rail, Midwest Regional Rail (high speed) and accommodate future freight growth. This study will be very beneficial to establishing a collaborative working relationship with the railroads for identifying solutions that could accommodate all desired uses.

The East Metro Rail Capacity Study is being led by the Ramsey County Regional Railroad Authority (RCRRA). The study, which began in June 2010, is anticipated to be completed in November 2011. The Red Rock Corridor Commission is a project partner for the study. The Commission has previously approved the use of \$2,000,000 in state bond and federal appropriation funds designated for the Red Rock Corridor to fund the study. The funding split is indicated below:

- Federal 5339 Funds (80%) \$1,600,000
- State Bonds (20%) \$400,00

Request

RCRRA is requesting an additional \$20,000 funding contribution from the Red Rock Corridor Commission to match federal funds to complete additional work as part of the East Metro Rail Capacity Study. The additional work is to analyze in greater detail potential track improvements needed on the portion of the Red Rock corridor between Newport and Hastings. The requested funding split is indicated below:

- Federal 5339 Funds (80%) \$80,000
- RRCC Contribution (20%) \$20,000

Recommendation

The results of the analysis will help to inform future decisions about the Red Rock Corridor. It will also be more efficient to study this now as part of the East Metro Rail Capacity study than to conduct a separate study in the future.

The East Metro Rail Capacity Study is included in the Commissions 2011 Workplan. Contingency funds in this year's budget (\$30,000) are sufficient to cover the cost.

Staff recommendation the RRCC approves a funding contribution of up to \$20,000 to RCRRRA and the use of up to \$80,000 in additional federal 5339 funds designated for the Red Rock Corridor to complete additional work as part of the East Metro Rail Capacity Study.

Action Requested

Approve Resolution 2011-02

**Red Rock Corridor Commission
Resolution 2011-02**

**Resolution Approving Funding Contribution for the East Metro Rail
Capacity Study**

WHEREAS, the purpose of the East Metro Rail Capacity and Engineering Improvements Study (East Metro Rail Capacity Study) is to evaluate railroad capacity to the north and east of downtown St. Paul and determine engineering improvements needed to implement Amtrak, Red Rock commuter rail, Midwest Regional Rail (high speed) and accommodate future freight growth; and

WHEREAS, the study will be very beneficial to establishing a collaborative working relationship with the railroads for identifying solutions that could accommodate all desired uses; and

WHEREAS, the East Metro Rail Capacity Study is being led by the Ramsey County Regional Railroad Authority (RCRRA); and

WHEREAS, the study, which began in June 2010, is anticipated to be completed in November 2011; and

WHEREAS, the Red Rock Corridor Commission (RRCC) is a project partner for the study; and

WHEREAS, the RRCC has previously approved by resolution the distribution of up to \$400,000 in state bond funds and \$1,600,000 in federal appropriation funds designated for the Red Rock Corridor to fund the study; and

WHEREAS, the RCRRA is requesting an additional \$20,000 funding contribution from the Red Rock Corridor Commission to match \$80,000 in federal 5339 funds to complete additional work as part of the East Metro Rail Capacity Study; and

WHEREAS, the additional work is needed to analyze in greater detail potential track improvements on the portion of the Red Rock corridor between Newport and Hastings; and

WHEREAS, the results of the analysis will help to inform future decisions about the Red Rock Corridor; and

WHEREAS, it will also be more efficient to study this now as part of the East Metro Rail Capacity study than to conduct a separate study in the future; and

WHEREAS, the East Metro Rail Capacity Study is included in the Commissions 2011 Workplan and contingency funds in this year's budget are sufficient to cover the cost; and

NOW THEREFORE BE IT RESOLVED, the RRCC approves a funding contribution of up to \$20,000 to RCRRA and the use of up to \$80,000 in additional federal 5339 funds designated for the Red Rock Corridor to complete additional work as part of the East Metro Rail Capacity Study.

Approved:

Chairperson

Date Approved by Commission

I hereby certify that the foregoing resolution is a true and correct copy of the Resolution presented to and adopted by the Red Rock Corridor Commission at a duly authorized meeting thereof held on the ____ day of ____, 2011 as shown by the minutes of said meeting in my possession.

	YES	NO	ABSTAIN	ABSENT
LEHRKE	_____	_____	_____	_____
HARRIS	_____	_____	_____	_____
RETTMAN	_____	_____	_____	_____
STENGLEIN	_____	_____	_____	_____
HOLLENBECK	_____	_____	_____	_____
KELLER	_____	_____	_____	_____
PETERSON	_____	_____	_____	_____
HUNZIKER	_____	_____	_____	_____
GALLAGHER	_____	_____	_____	_____
HELGEN	_____	_____	_____	_____
GORDON	_____	_____	_____	_____



DATE: August 18, 2011
TO: Red Rock Corridor Commission
FROM: Staff
RE: Station Area Planning Study Update

SAP Final Report Review and Approval

At its July 30th meeting, the Commission approved the release of the draft of the Station Area Planning Final Report for review, comment and adoption/endorsement by the City and County partners. Below is a list of tentative meetings scheduled in each community.

RRCC

- June 30th – RRCC approved release of draft public comment draft
- September 29th – Final Report Adoption

Newport

- July 21st – Newport Planning Commission – Report Review
- July 21st – Newport City Council – Report Acceptance/Adoption

At its August 4th meeting the Newport City Council approved acceptance of the Red Rock SAP and found it consistent with the City's comprehensive plan.

Cottage Grove

- August 8th – Cottage Grove Parks Commission– Report Review
- August 22nd – Cottage Grove Planning Commission– Report Review
- September 7th – Cottage Grove City Council– Report Acceptance/Adoption

Saint Paul

- July 11th – St Paul Transportation Committee – Report Review
- July 22nd – St Paul Planning Commission – Report Review / Public Comment
- September 2nd – St Paul Planning Commission – Public Hearing
- Sept 19 – St Paul Transportation Committee – Recommends Approval
- Sept 30 – St Paul Planning Commission – Recommends Approval
- Oct 12 or 19th – City Council – Report Approval

Hastings

- July 14th – Hastings EDRA – Report Review
- July 25th – Hastings Planning Commission
- August 1st – Hastings City Council

At its August 1st meeting the Hastings City Council reviewed the Red Rock SAP Final Report and directed staff to submit comments on the draft.

WCRRA

- August 2nd – WCRRA Board Presentation – Report Overview
- October 19th – WCRRA Report Acceptance/Adoption

DCRRA

- To be determined

RCRRA

- August 16th -RCRRA Board Presentation – Report Overview

Once all comments are received staff will compile a list of the comments and the proposed changes to the report and distribute to the Commission. The Commission is tentatively scheduled to adopt the Final SAP Report at its September meeting.

Informational Video

As part of the specialized service task the Hay Dobbs team has created an informational video about the Red Rock Corridor that highlights the work completed as part of the Station Area Planning study. The video will be shown at the Commission meeting and will later be posted to the website and distributed to project partners and local media outlets. The video is intended to be used as a tool for the Commission to get the message out about the Red Rock Corridor.

Remaining Tasks

The contract between WCRRA and Hay Dobbs has been extended to the end of December 2011 to allow for the completion of activities and deliverables related to the adoption of the SAP Final Report and associated communication efforts. The Hay Dobbs team will continue to host and manage the corridor website, send out important news updates and prepare a final summary newsletter for the project.

Action

Information



DATE: August 18, 2011
TO: Red Rock Corridor Commission
FROM: Staff
RE: Legislative Update

Included below is a status update on items that relate to the activities of the Commission for the month of April 2011

State

Included below is a summary of the Transportation and Capital Investment Bills that were passed as part of the 2011 Special Session as they relate to transit.

TRANSPORTATION BILL

Passenger Rail

Funded at \$500,000 yearly in 2012 and 2013 which is the same as the current biennium.

Met Council Transit Service

The system is funded at \$39 million in 2012 and 2013 for a total of \$78 million. This IS \$25 million less than what the system currently receives each year. However, in 2014 and 2015 the appropriation increases to \$64.9 million for a total of nearly \$130 million which would bring funding levels back to where they were in the 2010-2011 biennium.

Suburban Transit Providers (Opt-Outs)

Cut of \$7.2 million from reserve funds to the suburban transit providers.

Counties Transit Improvement Board (CTIB)

CTIB shall allocate to the Met Council in FY 2012 and 2013 75% of the net cost of operations for those transitways that were receiving sales tax funds via an operating agreement on June 30, 2011. This is an increase from the currently language of 50% and will increase CTIB's costs by \$15.8 million a year.

Note: With the reduction on suburban transit provider funds, the use of CTIB funds and use of other Met Council funds, the Met Council does not anticipate the need to cut routes or reduce service.

Transitway Investment

A new requirement for the Met Council/MnDOT is added as they are now required to provide a summary financial plan that includes capital expenditures and funding sources along with committed and proposed funding sources. Additionally, operating and maintenance costs need to be provided with committed and proposed funding sources. The financial plan should include:

- A systemwide capacity analysis for investment in guideway expansion and maintenance
 - A ten year breakdown on committed and proposed funding for:
 - Total capital expenditures
 - Total operations and maintenance expenditures
 - Total funding available for guideways, including from projected or estimated farebox recovery
 - Total funding available for transit service in the metropolitan area
- An evaluation of the ability of funds and their distribution for guideway investments
- This must be done for all guideways for which state funds are reasonably expected to be expended in planning, development, construction, or revenue operation during the ensuing ten years

CAPITAL INVESTMENT BILL (BONDING BILL)

The Metropolitan Council was allocated \$20 million in bonding for the Transit Capital Improvement Program. The language included in the Bill identified nine projects/transitways that the funds could be allocated towards. Met Council staff has prepared a memo for action at the August 8 Council Transportation Committee meeting. The recommendations within that memo includes:

- Allocate \$20 million in 2011 Transit Capital Improvement Program state G.O. bonds as follows, conditional upon CTIB providing a \$3.0M capital grant to the Cedar Avenue BRT in 2012:

\$11.0 M	Minneapolis Interchange
\$4.0 M	Northstar Ramsey Station
\$0.5 M	Newport Park-and-Ride
\$1.0 M	Cedar Avenue BRT
\$1.25 M	Gateway (I-94 East) Corridor
\$0.25 M	Robert Street Corridor
\$2.0 M	Rush Line Corridor Maplewood Mall Park-and-Ride Expansion
- Approve, if requested by Washington County Regional Railroad Authority, the reallocation of \$1.25 M in Gateway (I-94 East) Corridor funds to the Newport Park-and-Ride conditional upon WCRRA concurrently allocating \$1.25 M in its CTIB funding to the Gateway (I-94 East) Corridor.

Note: The proposed shift in allocation of the bond funds from Gateway to the Newport Station would allow the bond funds to build infrastructure and then an in-kind amount of CTIB funds from Washington County would be allocated to the Gateway Corridor to be used towards the environmental impact statement, which is the next step in the development of that corridor.

The schedule for approval of the use of these bond funds is:

- Aug 8 – Met Council Transportation Committee (Recommendation)
- Aug 17 – CTIB Meeting (Discussion / Recommendation)
- Aug 22 – Met Council Transportation Committee (Recommendation)
- Aug 24 – Met Council (Approval)

Federal

Below is a federal update prepared by Lockridge Grindal Nauen for the Counties Transit Improvement Board (CTIB)..

DEBT-CEILING UPDATE ***Monday, August 01, 2011***

As you may know, a deal as been struck and Congress is likely to clear a debt deal this week that would avoid a government default, cut about \$1 trillion in current spending and create a special committee to recommend more than \$1 trillion in additional reductions. We are continuously monitoring this issue and will keep you apprised of any developments as they occur.

President Obama and Congressional Leaders announced an agreement Sunday evening that would raise the debt ceiling through 2012, immediately cut almost \$1 trillion and then set up a joint congressional committee to recommend more than \$1 trillion in further cuts. If the committee's recommendations are not enacted, the plan would make automatic budget cuts, a process known as sequestration, which would take effect beginning in 2013

Congressional Leaders hope to take up legislation Monday on a compromise plan to raise the \$14.3 trillion debt ceiling and avert a looming government default this week. Facing a Tuesday deadline to boost the government's borrowing authority, Majority Leader Harry Reid (D-NV) has said floor debate would begin at 12:30 p.m. Monday on a renewed motion to concur in the House-passed debt limit vehicle (S 627) with an amendment, which will contain the new agreement. A cloture vote on a similar procedural motion, for Reid's own debt limit plan, was defeated by the Senate 50-49 on Sunday, short of the 60-vote threshold needed to end debate. Sources have indicated the Senate is poised to move quickly and it is possible that the Senate could vote on the plan as early as Monday afternoon.
Agreement Outline:

The package would immediately increase the debt limit by \$900 billion, with a second installment available at the president's request. That second installment of borrowing authority could be between \$1.2 trillion and \$1.5 trillion. The measure is expected to set discretionary spending caps of \$1.043 trillion for fiscal 2012 and \$1.047 trillion for fiscal 2013, with a "firewall" between defense and non-defense spending, meaning that domestic accounts could not be raided to bump up security spending. The caps would result in \$917 billion in savings over ten years. The joint congressional committee created by the legislation would be tasked with finding at least \$1.5 trillion in savings over nine years.

SENATE FY 2012 BUDGET PLAN

Chairman of the Senate Budget Committee, Senator Kent Conrad (D-ND), introduced his budget blueprint for Fiscal Year 2012 last Thursday, July 14th. The budget resolution proposes setting discretionary spending almost \$40 billion higher than a blueprint adopted by the House in April.

A summary of Chairman Conrad's plan was distributed earlier this week that states that discretionary spending would be capped at \$1.058 trillion — \$39 billion more than the \$1.019 trillion cap adopted by the House (H Con Res 34). Sources have indicated that while Senator Conrad has no plans to hold a committee markup on the tax and spending blueprint. He released his summary of the budget resolution with the hope it will influence negotiations to raise the \$14.3 trillion debt limit.

Conrad's plan would allow overall discretionary spending to rise by \$8 billion over the \$1.050 trillion level for the current fiscal year. Security spending, including defense and homeland security would fall \$7 billion, to \$681 billion. The plan allows discretionary domestic spending to rise \$15 billion, to \$377 billion. Furthermore, the plan ultimately seeks to trim \$4 trillion from the deficit over a decade through a mix of spending cuts and revenue increases.

Highlights of Proposal:

Conrad's proposal seeks to produce \$4 trillion in deficit reduction over 10 years — roughly the same amount as the House Republicans' budget. While savings in the House plan came from spending cuts, half of the deficit reduction in the Senate Democrats' blueprint would come from tax increases. According to Conrad, over the next decade the plan would:

- Cut federal spending from 24 percent of gross domestic product (GDP) to 22 percent and increase federal revenue from 14.5 percent of GDP to 19.5 percent.
- Slightly reduce the national debt from 99.8 percent of GDP to 98 percent.
- Maintain current individual tax rates for those making less than \$500,000 and couples making less than \$1 million. Rates for taxpayers above those thresholds would rise to 39.6 percent from 35 percent. The corporate tax rate would be reduced to 29 percent from 35 percent.
- Generate \$2 trillion in new revenue by eliminating targeted tax benefits for individuals and businesses by between 9 percent and 17 percent, and by "reducing tax shelters."
- Reduce revenue from the alternative minimum tax by \$1.5 trillion, set the estate tax at 2009 levels, and set capital gains and dividend rates at 20 percent.

FISCAL YEAR 2012 SPENDING LEGISLATION

If congressional negotiators hash out a debt limit deal relatively soon, some Senate appropriators have suggested that they are prepared to make quick work of their annual spending bills in the fall. Sources suggest lawmakers from both parties, along with the White House, generally agree that any final debt package would include spending caps for fiscal 2012. Once those limits are in place, Senator Mary Landrieu, Chairwoman of the Homeland Security Appropriations Subcommittee, has indicated the spending

process will unfold quickly, stating she assumes that FY2012 spending bills will be ready to move in September and October.

While waiting, Senator Landrieu and other senior appropriators are working behind the scenes to get their bills in order with the intention of making up for lost time after the summer recess. While their House counterparts have proceeded with a target of \$30 billion in cuts for fiscal 2012 and already have moved five bills to the floor, the Senate is proceeding this week on its first measure, the Military Construction-VA bill (HR 2055). The House passed its version last month.

The House is attempting to finish most of its spending bills by the August recess and will probably bring a sixth bill to the floor next week. The Financial Services appropriations bill (HR 2434) was slated to be brought to the floor next but has run into a jurisdictional dispute with the House Ways and Means Committee. Other possible candidates are the Commerce-Justice-Science, Interior-Environment, and Legislative Branch bills, all of which were approved by House Appropriations this week.

Appropriators had two of their bills on the floor this week, Energy-Water (HR 2354) and Financial Services, and they are marking up three others in full committee — Interior-Environment, Legislative Branch and Commerce-Justice-Science. To-date 9 of the 12 bills have made it at least as far as a subcommittee markup in the House. Appropriators have not unveiled draft versions of the Transportation-HUD, Labor-HHS-Education and State-Foreign Operations bills, sources indicate that the Labor-HHS-Education bill will likely serve as a forum for battles over issues related to the 2010 health care law (PL 111-148, PL 111-152).

Chairman of the Appropriations Subcommittee on Transportation-Housing and Urban Development, Congressman Tom Latham (R-IA), has suggested his panel's \$55.4 billion bill may not be unveiled until September. Earlier this week, the markup of the bill, initially set for Thursday, was postponed indefinitely. Latham's remarks are the latest sign that the GOP may not move all 12 regular spending bills before August recess, as has been its goal. As, the three remaining spending bills — Transportation-HUD, State-Foreign Operations, and Labor-Health and Human Services — contain the bulk of \$30 billion in discretionary spending cuts proposed by House Leadership for fiscal 2012.

TRANSPORTATION

Further information on the Senate's Highway Transportation reauthorization was released this week. Senator Barbara Boxer (D-CA) confirmed Wednesday that the Senate bill would be a \$109 billion, two year measure. The two year length of the reauthorization would mean that the reauthorization could be nearly fully funded, with a shortage of only \$12 billion in the Highway Trust Fund. The reauthorization will keep funding levels to 2011 levels, with an increase for inflation. Key Senate Members have indicated that they are working to make this a bi-partisan bill.

The House of Representatives Highway Transportation reauthorization bill was released this Thursday by Chairman John Mica (R-FL). Unlike the Senate measure, the House reauthorization is a six year, \$230 billion measure. Under the reauthorization, about 70 of the near 100 programs would be cut, in what proponents call an attempt to end redundancies. Private companies would be allowed to become more involved in public transportation under the House plan. The reauthorization will also decrease federal

oversight, in favor of increased state control. Conflicts are anticipated, given the differences between the House and Senate measures in length and funding. Leadership from each chamber has expressed strong disapproval of any reauthorization of a different length.

DOT Announces New Round of TIGER Grant Program:

U.S. Transportation Secretary Ray LaHood announced that \$527 million will be available for a third round of the TIGER (Transportation Investment Generating Economic Recovery) competitive grant program, which funds innovative transportation projects that seek to create jobs and have a significant impact on the nation, a region or a metropolitan area.

States, cities, local governments, and other partnerships and groups will have until this fall to prepare their applications for the TIGER program, which has funded high-impact projects including roads, bridges, freight rail, transit buses and streetcars, ports, and bicycle and pedestrian paths. Projects will be selected based on their ability to contribute to the long-term economic competitiveness of the nation, improve the condition of existing transportation facilities and systems, improve energy efficiency and reducing greenhouse gas emissions, improve the safety of U.S. transportation facilities and improve the quality of living and working environments of communities through increased transportation choices and connections.

The Department will also focus on projects that are expected to quickly create and preserve jobs and spur rapid increases in economic activity. The Department will require all applicants to submit a "pre-application" prior to submitting a final application. The pre-application system will open on August 22, 2011. All pre-applications should be submitted by October 3, 2011 at 5 PM EST. Final applications will be due on or before October 31, 2011.

Action

Information