

T Transportation Committee

Metropolitan Council meeting: December 9, 2009

Date November 25, 2009
Prepared:
Subject: **CY2010 Counties Transit Improvement Board (CTIB) for Central Corridor Light Rail Transit Project**

Proposed Action:

That the Metropolitan Council authorize the Regional Administrator to execute a CY2010 grant agreement for the Central Corridor Light Rail Transit (LRT) capital project for Preliminary Engineering, Final Design, right-of-way acquisition, construction and purchase of Light Rail Vehicles in the amount of \$66,026,475.

Summary of Committee Discussion / Questions:

Item was presented by Mark Fuhrmann. Councilmember Meeks asked how much CTIB takes in annually, and whether it can be carried over. Mark Fuhrmann responded that CTIB is taking in approximately \$84 million per year, which is consistent with its projections. Mark Fuhrmann responded that CTIB has developed a Transit Investment Framework (TIF) which prioritizes projects and guides CTIB's funding decisions. CTIB's approvals last week were guided by the TIF and will spend down the full \$84 million. Arlene McCarthy added that CTIB is required to report its financial performance annually to the legislature. Councilmember Steffen asked if CTIB will be repaid once the federal funding is awarded. Mark Fuhrmann responded that the \$66 million grant will not be repaid to CTIB because it is part of CTIB's commitment to contribute 30% of the total project cost. Councilmember McFarlin asked if the FFGA is not awarded as expected in 2010, will all of the CTIB grant be available to the Project or is some of the CTIB grant contingent on the FFGA. Mark Fuhrmann responded that generally, the CTIB grant can be used for preliminary engineering, final design and property acquisition prior to the FFGA award, and that an FFGA award is required to incur expenses for heavy construction or LRVs. In the hypothetical situation in which an FFGA is not awarded in 2010, the budget for the \$66 million would change and would be dependent on the scope of additional LONP approvals from the FTA.

A motion was made by Councilmember Peterson, seconded by Councilmember Steffen, and unanimously approved.

T Transportation Committee
Meeting date: November 23, 2009

Metropolitan Council Meeting: December 9, 2009

| ADVISORY INFORMATION | |
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| Date: | November 11, 2009 |
| Subject: | CY2010 Counties Transit Improvement Board (CTIB) for Central Corridor Light Rail Transit Project |
| District(s), Member(s): | All |
| Policy/Legal Reference: | Met Council Policy 3-2-2 and 2008 MN Session Laws, Chapter 152, Article 4, Sec 2, Subd. 5 |
| Staff Prepared/Presented: | Brian J. Lamb, General Manager, 612-349-7510 Mark W. Fuhrmann, Deputy Gen. Mgr., 651-602-1942 |
| Division/Department: | Metro Transit / Central Corridor Project Office |

Proposed Action

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Background

Counties Transit Improvement Board (CTIB) was created in 2008 by enabling state legislation and the concurrence of five counties in the region (Anoka, Dakota, Hennepin, Ramsey, and Washington) to levy a one-quarter percent sales tax. Its purpose is to provide a dedicated revenue source for capital and operating funds for transitway projects serving the five participating counties. On September 9, 2009, the Council approved Business Item 2009-293 authorizing the Regional Administrator to submit the Central Corridor LRT grant application to CTIB on September 10, 2009. The Council found the grant application consistent with the adopted 2030 Transportation Policy Plan. CTIB previously approved a grant for the Central Corridor LRT project in the amount of \$13,362,366 for CY2009.

Rationale

CTIB grant funds for the Central Corridor LRT capital project would contribute to the successful implementation of the Council's 2030 Transportation Policy Plan, which lists Central Corridor LRT as a Tier I transitway. CTIB grant funding allows the Council to take advantage of a new funding source and reduces the need to secure additional capital funds from other local funding sources.

Funding

CTIB requires that capital projects maximize the use and availability of federal funds and have a 10% local contribution from the state. CTIB grant funds will provide 30% of overall capital funding and will be used in conjunction with other local sources of funding available to the Central Corridor LRT Project, including funding from the State of Minnesota (10%), the Ramsey County Regional Railroad Authority (7%), and the Hennepin County Regional Railroad Authority (3%).

Known Support / Opposition

On November 18, 2009 CTIB awarded a capital grant to the Central Corridor LRT Project in an amount not to exceed \$66,026,475.