

Annual Legislative Report 2009

February 1, 2010



it's about time

mnrides.org

COUNTIES ***Transit*** Improvement BOARD

477 Selby Avenue | Saint Paul, Minnesota 55102 | p: 651-222-7227 | f: 651-223-5229

TABLE OF CONTENTS

1.0: Introduction.....	p.1
2.0: Authority: Legislation and Joint Powers Agreement	p. 9
3.0: Organizational Structure: Board and Committees.....	p.10
4.0: Revenues Received: 2008 and 2009.....	p.12
5.0: Transit Investment Framework.....	p.13
6.0: Grants Payable in 2010.....	p.14
7.0: Grant Summaries.....	p.16
8.0: Conclusion.....	p.17
Exhibit A: 2009 Eligibility Criteria.....	p.21
Exhibit B: Summaries of Grants Awarded in 2009 and Payable in 2010	p.25

(THIS PAGE INTENTIONALLY LEFT BLANK)

1.0 INTRODUCTION

Since the creation of the Counties Transit Improvement Board (“Board”) less than two years ago, the Board has fulfilled the legislative requirements for the disbursement of the Transit Sales Tax and has provided nearly \$156 million to fund transitway development and infrastructure across the region. As summarized in this Annual Report, the Board’s activities have resulted in actual tangible improvements to the transit system across the region (Anoka, Dakota, Hennepin, Ramsey and Washington Counties).

The Board respectfully submits this Annual Legislative Report summarizing significant accomplishments during 2009, which is its second year of operation. As required by Minn. State Statutes Section 297A.922, this Annual Report will specifically address the revenues received since the enactment of the tax and the grants awarded by the Board.

The Board has made a quick start in implementing its vision for transitways to serve the five county area and the pace will continue in 2010. In 2009, the Board provided funding to build a Northstar commuter rail station in Fridley, as well as a Cedar Avenue BRT station in Apple Valley. The former opened for service on November 16, 2009; the latter on January 4, 2010. Washington County used the Counties Transit Improvement Board funds to complete an Alternatives Analysis to establish the service type, mode, connections/stops and exact termini for transitway service on the I-94 corridor; and the Board funds were used to advance the design of the Central Corridor LRT Project and utility relocation in Saint Paul. At the same time, the Board is providing half the funding for the operations of Northstar and Hiawatha, as well as new and expanded BRT service in the I-35W South and Cedar Avenue Corridors. By all accounts, an extraordinary amount of work was accomplished by the Board and by its grantees in 2009.

2009 COUNTIES TRANSIT IMPROVEMENT BOARD ACHIEVEMENTS

In order to establish a system for fairly, prudently and quickly awarding grants of sales tax proceeds, the Board had to expeditiously establish investment policies and assess regional needs and resources.

In 2009, the Board undertook the following policy initiatives:

- The Board began its year by co-hosting with Metropolitan Council and the University of Minnesota a *Workshop on Accelerating Transitway Development in the Twin Cities Metro Region*. On January 23, 2009, the workshop was attended by nearly 100 elected officials, transportation leaders and representatives of non-profit organizations.
- In January, the Board adopted a *Strategic Communications Plan* and launched its public outreach campaign and brand. The Board's message and materials were used to educate the public and stakeholders throughout the year. These events included the Minnesota State Fair, numerous transitway open houses throughout the region, and the Grand Opening of the Northstar Commuter Rail on November 13, 2009.
- In May 2009, the Board approved its *Transit Investment Framework* ("Framework") and identified its vision for the region as a network of connected transitways that mitigates congestion, enhances economic development, improves environmental sustainability, and allows users to move safely and efficiently. The Framework set forth the foundation for funding policies to achieve its vision.
- In June 2009, the Board conducted and approved its first *Annual Financial Review and Capacity Estimate Report*. A financial model was developed to assist the Board in understanding the funding needs for 2010 and beyond in order to build the network of connected transitways. This information will assist the Board in its annual grant process and in its role of advocating for transit funding. Copies of the 2009 Report may be requested by calling the Office of the Counties Transit Improvement Board Administrator at 651-222-7227.
- In November 2009, the Board approved *nine grants totaling nearly \$94 million*, which will:
 - Fund \$66 million towards the Board's \$300 million commitment to the Central Corridor Light Rail Transit Project to support final design and construction activities (26% of the Board's funding commitment completed);
 - Provide \$3.2 million and a *three-year* funding commitment totaling \$17.7 million to Cedar Avenue Bus Rapid Transit for the completion of construction of the bus rapid transitway;
 - Fund improvement of transit facilities along the I-35W South corridor and purchase buses for the new bus rapid transit service;
 - Provide funding for Southwest Light Rail Transit preliminary engineering and environmental work;
 - Contribute funding for Washington County's land acquisition for a future commuter rail station; and

- Continue to provide property tax relief to its members by funding half the operating subsidies for the I-35W South Bus Rapid Transit, Cedar Avenue Bus Rapid Transit, Hiawatha Light Rail Transit, and the Northstar Commuter Rail lines.
- On November 13 – 16, 2009, the Northstar Commuter Rail Line held its Grand Opening Ceremonies and opened for service. This is the first of new transitway developments in the region that is in part made possible due to the funding of the Counties Transit Improvement Board. The Board, along with the Northstar Corridor Development Authority, hosted the Grand Opening Ceremonies on November 13, 2009.

The purposes of the Board are to act within the Metropolitan Transportation Area (the five counties that have adopted the sales tax) to facilitate investment in transitways, to cooperatively plan and develop policies for transit investments, to advocate for state and federal funding and transportation policies supportive of transitways, and to provide for public education and information. Though still in its infancy as an organization, the Board is well on its way to accomplishing purposes designated by the Legislature and has already greatly enhanced the development of transitways of the Metropolitan Transportation Area.

ACHIEVEMENTS: 2009 GRANTS

2009 CAPITAL GRANTS

Central Corridor Light Rail Transit

The Central Corridor Light Rail Transit project made great strides in 2009. The Federal Transit Administration issued the project's Record of Decision on August 18, 2009, thereby concluding the NEPA process for the project. In addition, the project received a Letter of No Prejudice for 4th Street construction on August 31, 2009. In November 2009, the Central Corridor Light Rail Transit staff worked to complete advanced preliminary engineering and submit the Full Funding Grant Agreement application to the Federal Transit Administration. Throughout the year, the project continued to refine the design to address vibration and electro magnetic interference with the University of Minnesota.



Artist Rendering of Rice Street Station



Advanced utility relocation work on Fourth Street between Robert and Minnesota Streets in downtown Saint Paul

Fridley Commuter Rail Station, Northstar Commuter Rail

The Anoka County Regional Railroad Authority issued a Request for Proposals for construction of the Fridley Northstar Commuter Rail Station on December 15, 2008, with bids received on January 27, 2009. The construction commenced on March 6, 2009, and was substantially completed on November 5, 2009. The facility began operation with the start of Northstar Commuter Rail service on November 16, 2009. The project is currently finalizing the budget and it appears that the project will be under budget.

The Northstar Fridley Station features two surface parking lots with space for a total of 611 vehicles (337 in the east lot and 274 in the west lot). Additional features include stairways and elevators that lead to a tunnel to safely connect riders to the station boarding platform located in the center of the rail tracks.



Fridley Station Construction



Completed Fridley Station

Apple Valley Transit Station, Cedar Avenue Bus Rapid Transit

The Minnesota Valley Transit Authority issued a Request for Proposals for the construction of the Apple Valley Transit Station on January 1, 2009, and awarded the contract on February 11, 2009. Construction was substantially completed on December 30, 2009, and buses started serving the new station on January 4, 2010. All project deadlines have been completed on time and under budget. Construction of the station was funded by the Urban Partnership Agreement (UPA), State, Counties Transit Improvement Board, and Dakota County Regional Rail Authority.

The station features 264 non-structured parking stalls, 486 structured parking stalls, a skyway over Cedar Avenue, level boarding platforms, and energy efficiency components.



Apple Valley Transit Station



Apple Valley Transit Station Grand Opening on January 8, 2010

Washington County Guaranteed Grant

The Washington County grant funding was used towards two projects: continuation of bus service and I-94 Alternatives Analysis.

1. Continuation of Route 288 through 2009 (\$278,000) – Commuter coach service from Forest Lake to Minneapolis. Columbus and Forest Lake have joined the Regional Taxing Capital District so the Board no longer has any cost participation in this service. Costs were split between the Metropolitan Council and Anoka and Washington Counties.
2. Completion of an Alternatives Analysis for I-94 (\$553,950) – RFP for consultant services has been released and vendor to be selected in early 2010.

2009 OPERATING GRANTS

Northstar Commuter Rail

Northstar Commuter Rail began service on November 16, 2009, and is operated by Metro Transit. Northstar offers five morning trips from Big Lake to downtown Minneapolis and five return trips in the afternoon with stops at Fridley, Coon Rapids, Anoka, Elk River and Big Lake. One reverse commute roundtrip is available on weekdays, and three weekend roundtrips are available on Saturdays and Sundays. Ridership is achieving expectations and is anticipated to continue to grow through 2010. Ridership on the weekends has been very strong.



*Northstar Commuter Rail Grand Opening November 2009
(Photo by Chris Lommel Photography)*

Cedar Avenue Bus Rapid Transit

Route 477, the Cedar Avenue Express Bus Rapid Transit route serving the Lakeville Cedar park and ride and the Apple Valley Transit Station, expanded its operation on September 28, 2009 to provide one extra trip to the Apple Valley Transit Station and extend five Apple Valley trips in the morning and evening rush hours to serve the Lakeville Cedar Park-and-Ride. The service is operated by Minnesota Valley Transit Authority (MVTa) using coach buses.

I-35W South Bus Rapid Transit

Route 467, the I-35W Bus Rapid Transit express service to the Kenrick Avenue park and ride in Lakeville, started operation on September 28, 2009. The service is operated by Metro Transit using coach buses. The new route has been very successful, with ridership growing by approximately 50 daily passenger trips each month. Ridership now exceeds 450 riders per day. Customers have submitted many requests for additional service, especially for a trip arriving downtown after 8:30 a.m. and for a trip leaving downtown before 4:00 p.m. Based on growing ridership and customer requests, the service on Route 467 is expected to be expanded soon. This is in advance of planned service expansion in early 2011.



Kenrick Avenue park and ride

Hiawatha Light Rail Transit

The Hiawatha Light Rail Transit line completed its fifth year of service in 2009. In 2009, average weekday ridership reached 29,786 which is above the forecast for the year 2020 (24,900), with a yearly total of 9,863,042 rides. Also in 2009, Light Rail Transit platforms were extended to accommodate three car trains and a new station was added at American Boulevard in Bloomington. Work was also completed on the four-block extension of the Hiawatha LRT Line to the new Target Field Station in downtown Minneapolis, which opened for service on November 16, 2009. The Hiawatha tracks are adjacent to the new Target Field ballpark, and one level above the Northstar Commuter Rail tracks, providing an easy connection for riders.

2.0 AUTHORITY: LEGISLATION AND JOINT POWERS AGREEMENT

The Counties Transit Improvement Board was formed on April 1, 2008.

On or before April 1, 2008, the counties of Anoka, Dakota, Hennepin, Ramsey and Washington approved the imposition of the ¼ cent sales tax and \$20 motor vehicle excise tax and approved the statutorily required joint powers agreement establishing a new board – the Counties Transit Improvement Board. The Board was established pursuant to Minn. Stat. Section 297A.992 and Minn. Stat. Section 471.59, by joint powers agreement. The geographic area of the five counties is referred to as the Metropolitan Transportation Area. The counties of Carver and Scott have not imposed the taxes, but have joined the Board as ex-officio, non-voting members. The Chair of the Metropolitan Council serves on the Board as a voting member.

The purpose of the joint powers agreement is to enable the parties to:

- Impose transportation sales and use taxes and a motor vehicle excise tax, effective July 1, 2008.
- Fund major transit improvements, including debt service on obligations issued to finance such improvements.
- Establish a joint powers board to receive and distribute funding for transit improvements in the metropolitan area in accordance with Minn. Statute Section 297A.992.

The Counties Transit Improvement Board's joint powers agreement also set forth the process for joining and withdrawing from the Board, the weighted voting requirements, the Board's powers, the requirements for grants management (including grant eligibility criteria), and the rules governing issuance of debt.

3.0 ORGANIZATIONAL STRUCTURE: BOARD AND COMMITTEES

COUNTIES TRANSIT IMPROVEMENT BOARD MEMBERSHIP

Each member county has two representatives and one alternate, as shown in Table 1. On May 7, 2008, the Counties Transit Improvement Board held its organizational meeting and elected its officers: Hennepin County Commissioner Peter McLaughlin, Chair, Dakota County Commissioner Paul Krause, Vice-Chair and Ramsey County Commissioner Jim McDonough, Secretary.

On September 16, 2009, the Board approved a resolution adding a Grant Evaluation and Ranking System (GEARS) Committee representative as ex-officio, non-voting member to the Board to assist in developing strategies for leveraging TAB and other available transit funding; providing support at the Legislature on transit initiatives; and assisting the Board in reaching the transit vision set forth in the Transit Investment Framework. Increased communications and coordination with the GEARS Committee will strengthen the partnership with GEARS and the partner cities.

The 2009 members of the Board are listed below in Table 1. Note that the percentage of county votes, as shown below, is based equally upon tax revenues and county population.

TABLE 1: COUNTIES TRANSIT IMPROVEMENT BOARD MEMBERS

Member Organization	Member	Alternate	Number of Votes
Anoka County	Commissioner Dan Erhart Commissioner Dennis Berg	Commissioner Jim Kordiak	10
Dakota County	Commissioner Paul Krause Commissioner Nancy Schouweiler	Commissioner Thomas A. Egan	13
Hennepin County	Commissioner Peter McLaughlin Commissioner Mike Opat	Commissioner Mark Stenglein	47
Ramsey County	Commissioner Jan Parker Commissioner Jim McDonough	Commissioner Victoria Reinhardt	16
Washington County	Commissioner Myra Peterson Commissioner Dennis Hegberg	Commissioner Lisa Weik	7
Metropolitan Council	Chair Peter Bell	Council member Peggy Leppik	5
Carver County (Ex-officio)	Commissioner Randy Maluchnik		0
Scott County (Ex-officio)	Commissioner Jon Ulrich		0
GEARS Committee (Ex-officio)	Mayor William (Bill) Hargis, City of Woodbury	Mayor Steve Lampi, City of Brooklyn Park	0

GRANT EVALUATION AND RANKING SYSTEM COMMITTEE (GEARS)

Pursuant to the requirements of Minn. Statute Section 297A.992, subd. 5, the Counties Transit Improvement Board established a Grant Evaluation and Ranking System (GEARS) committee. The purpose of the GEARS committee is to evaluate grant applications following objective criteria established by the Counties Transit Improvement Board and to provide to the Board a selected list of transportation projects that includes a priority ranking.

On August 20, 2008, the Board appointed Anoka County Commissioner Dennis Berg, Chair of the GEARS Committee. Each member county appointed a Commissioner to the GEARS committee. The election of GEARS city representatives was coordinated by the Association of Metropolitan Municipalities. The Chair of the Metropolitan Council Transportation Committee is also a GEARS member. GEARS members are listed in Table 2 below.

On October 5, 2009, the GEARS committee prepared its recommendations to the Counties Transit Improvement Board for the 2009 grant awards, as required by statute, and selected its ex-officio, non-voting member to sit on the Board.

TABLE 2: GEARS COMMITTEE MEMBERS

GEARS Member Allocated by Member Organization	Member	Alternate	City Representatives
Anoka County	Commissioner Dennis Berg	Commissioner Dan Erhart	Mayor Tim Howe City of Coon Rapids
Dakota County	Commissioner Thomas A. Egan	Commissioner Paul Krause	Council member Ruth Grendahl City of Apple Valley
Hennepin County	Commissioner Gail Dorfman	Commissioner Mark Stenglein	Mayor Steve Lampi Brooklyn Park North Hennepin County Mayor Jim Hovland Edina South Hennepin County Council member Robert Lilligren City of Minneapolis
Ramsey County	Commissioner Toni Carter	Commissioner Victoria Reinhardt	Mayor Craig Klausing City of Roseville Council member Russ Stark City of Saint Paul
Washington County	Commissioner Dick Stafford	Commissioner Bill Pulkrabek	Mayor William (Bill) Hargis City of Woodbury
Metropolitan Council	Council member Mary Hill Smith	Council member Peggy Leppik	

4.0 REVENUES RECEIVED: 2008 AND 2009

Minn. Statute Section 297A.992 requires that the Counties Transit Improvement Board annually submit a report to Legislature specifically to address the transit tax revenue received by the Board since the enactment of the tax. Table 3 below summarizes transit tax receipts for 2008 and 2009.

TABLE 3: TRANSIT TAX RECEIPTS IN 2008 - 2009

September- December 2008	Total Receipts	Department of Revenue Final Costs Deducted	Net Transferred to the Board
Total September – December 2008	\$29,109,595	(\$411,131)	\$28,698,464
Total January – December 2009	\$89,755,317	(\$1,042,099)	\$88,713,218

5.0 TRANSIT INVESTMENT FRAMEWORK

On May 20, 2009, the Board adopted its Transit Investment Framework (“Framework”). The Framework sets forth the Board’s vision for the Metropolitan Transportation Area (MTA) as a network of connected transitways which allows users to move efficiently and safely, mitigates congestion, enhances economic development and improves environmental sustainability for the region using multiple transit modes. For purposes of the Framework and grant eligibility, the Board defined transitways to include Light Rail Transit, commuter rail and bus rapid transit and not include arterial Bus Rapid Transit. The Framework acknowledges the need for complementary modes of transit (including arterial Bus Rapid Transit, regular route and express bus service, passenger and high speed rail) but, due to limited funding available, excludes such modes from grant eligibility. It is important to note that State law and the Board’s Joint Powers Agreement prohibit the Board from supplanting the operating and capital assistance provided by the State and the Metropolitan Council.

In addition, the Framework outlines the importance of utilizing both funding and advocacy to achieve its vision. In sum, the Framework establishes principles and policies governing the award of grants of sales tax proceeds and the Board’s advocacy efforts.

Part 6 of the Framework called for the preparation of an Annual Financial Review and Capacity Estimate Report to provide background information and assist the Board in reviewing its financial commitments to date, its ongoing ability to meet those commitments and to estimate the Board’s capacity to provide additional future financial assistance to transitway projects. The Annual Financial Review and Capacity Estimate Report was adopted on June 29, 2009. Based on the findings in the Report, the Board determined that it had sufficient sales tax proceeds to provide funding in the amount of \$83,000,000 for grants to meet its operating and capital funding commitments and up to \$19.083 million for discretionary capital grants to meet identified funding needs and to accelerate transitway development.

6.0 GRANTS PAYABLE IN 2010

In July 2009, the Board developed and released a grant solicitation for 2010 grants. The 2009 Eligibility Criteria is attached as Exhibit A. Applications were submitted on September 11, 2009, and the GEARS committee completed its review and made its funding recommendations to the Board on October 5, 2009. Please see Exhibit B for additional details on each grant.

The 2010 grant solicitation provided \$83,000,000 for funding the Board's commitments. These commitments included: 30 percent of the capital costs (up to \$300 million) of the Central Corridor Light Rail Transit Project; the three-year commitment to the Cedar Avenue Transitway Project not to exceed \$17.7 million; and the Washington County annual 3% guaranteed grant. In addition, the Board is also committed to fund 50% of the operating subsidies for Hiawatha Light Rail Transit, Northstar Commuter Rail, and new and expanded service on Cedar Avenue Bus Rapid Transit and I-35W South Bus Rapid Transit. The Board made an additional \$19.083 million available for discretionary capital grants meeting the 2009 Eligibility Criteria.

On November 17, 2009, the Board approved the following capital and operating grants for 2010.

2010 CAPITAL GRANTS - \$80.6 MILLION

- Central Corridor Light Rail Transit: Funding for engineering and design, environmental impact assessment, real property acquisition, construction, and equipment acquisition (\$66.0 million).
- Cedar Avenue Bus Rapid Transit: The Counties Transit Improvement Board 2010 grant and \$17.7 million funding commitment will allow for right-of-way acquisition and construction of a transitway with dedicated bus shoulder lanes; and funding construction of the Cedar Avenue transitway, from 138th Street in Apple Valley to 181st Street in Lakeville, including right-of-way acquisition and construction for dedicated bus shoulder lanes, utility relocation, pedestrian and bikeway facilities and streetscape elements (\$3.2 million).
- I-35W South Bus Rapid Transit: Funding for acquisition of seven buses and construction of transit facility improvements (\$1.8 million).
- Southwest Corridor Light Rail Transit: Funding for professional services relating to Preliminary Engineering and the Final Environmental Impact Statement (\$7 million).
- Newport Transit Station, Washington County: Funding for acquisition in the City of Newport for the construction of a park-and-ride/future Red Rock Corridor Commuter Rail Station (\$2.6 million).

2010 OPERATING GRANTS - \$13.271 MILLION

- Hiawatha Light Rail Transit: Funding to provide 50 percent share of the 2010 Hiawatha Light Rail Transit operating costs (\$7.3 million).
- Northstar Commuter Rail: Funding to provide 50 percent share of the 2010 Northstar Commuter Rail operating costs (\$5.7 million).

- I-35W South Bus Rapid Transit: Funding to provide service to Lakeville (\$106,000).
- Cedar Avenue Bus Rapid Transit: Funding to provide service from Minneapolis to Cedar Grove Station and the Lakeville Cedar Station (\$165,000).

7.0 GRANT SUMMARIES

Summaries of the 2010 Grants awarded on December 16, 2009 can be found in Exhibit B.

Grant summaries include:

- Central Corridor Light Rail Transit Capital Grant Summary
- Cedar Avenue Bus Rapid Transit Capital Grant Summary
- I-35W South Bus Rapid Transit Capital Grant Summary
- Southwest Corridor Light Rail Transit Capital Grant Summary
- Newport Transit Station, Washington County Capital Grant Summary
- Hiawatha Light Rail Transit Operating Grant Summary
- Northstar Commuter Rail Operating Grant Summary
- I-35W South Bus Rapid Transit Operating Grant Summary
- Cedar Avenue Bus Rapid Transit Operating Grant Summary

8.0 CONCLUSION

The Counties Transit Improvement Board is proud of its investments in 2008 and 2009 totaling nearly \$156 million. These transit investments are helping commuters, residents and businesses move more quickly and efficiently through the metropolitan region now and for the foreseeable future. We are helping create a 21st Century Transit System.

The Counties Transit Improvement Board looks forward to 2010. In 2010, the Board will continue its efforts to accelerate transitway development in the region through its annual grant process and strong advocacy position both at the State and Federal level. The Board will face tough challenges in 2010 including the development of a Bus Rapid Transit funding policy and the evaluation of need to issue bonds in 2011. The continued collaboration of the five counties and the Metropolitan Council remains important for meeting the transit, environmental sustainability and economic development needs of the Twin Cities region.

To learn more, please visit the Counties Transit Improvement Board website, MnRides.org.

Respectfully submitted:

Commissioner Peter McLaughlin, Chair

Counties Transit Improvement Board and
Hennepin County Regional Railroad Authority

300 South Sixth Street

A-2400 Government Center

Minneapolis, MN 55487

www.mnrides.org

612-348-3085

peter.mclaughlin@co.hennepin.mn.us

(THIS PAGE INTENTIONALLY LEFT BLANK)

EXHIBIT A:
2009
ELIGIBILITY CRITERIA

2009 ELIGIBILITY CRITERIA

Grant eligibility criteria are as follows:

1. Grant awards shall be consistent with the most recent version of the Transportation Policy Plan, adopted by the Metropolitan Council.
2. Grant awards shall maximize the availability and use of federal funds.
3. No grant award made to the Metropolitan Council may supplant operating or capital funding provided to the Metropolitan Council by the state.
4. No grant award made to the Metropolitan Council may supplant the 50 percent state share of the non-federal operating subsidy for light rail and commuter rail operations.
5. No grant award shall be made for operating costs of a transitway (except for the Hiawatha Light Rail Project, the Northstar Commuter Rail Project, Cedar Avenue Bus Rapid Transit Project, and the I-35W Bus Rapid Transit Project from downtown Minneapolis south) unless the Board has previously awarded a grant for the capital costs of the transitway project.
6. Any grant awards made to an eligible county that joins the Board after July 1, 2008, shall be made only for purposes of paying that eligible county's obligation set forth in Article II.4 of the Joint Powers Agreement, until such time as said obligation has been satisfied.
7. All grants for capital dollars require a local match of 10 percent of the total cost of the project for which grant funding is requested. The match must be a capital contribution. If the applicant is a county, county regional railroad authority, or city, the match shall not include funds provided by Metropolitan Council, the State of Minnesota or the federal government. If the applicant is the Metropolitan Council, the match shall not include funds provided by the federal government or local government.
8. In accordance with Joint Powers Agreement Article VII.2.H, each county shall be awarded annual grants of at least one percent of the estimated total sales tax proceeds for the calendar years 2009, 2010 and 2011. This type of grant shall be awarded only if a county does not receive a grant for transitway capital or operating costs in the amount of at least one percent of the estimated annual total sales tax proceeds. For the years of 2010 through 2013, Washington County shall be eligible for grants of at least three percent of estimated total annual sales tax proceeds. All grants awarded pursuant to this eligibility criterion are subject to the 10 percent local matching requirement set forth in criterion seven above. Additionally, such grants will receive priority funding, will be reviewed by the GEARS Committee, and must be consistent with the current Metropolitan Council Transportation

Policy Plan. Notwithstanding the above listed eligibility criteria, a grant application submitted by a county pursuant to this paragraph must be for a transit purpose specified in Minnesota Statute §297A.992, subd.6, and may include express bus service within the definition of transitways.

9. For member counties whose proportion of the annual sales tax revenue is less than or equal to three percent, grant awards for the years 2009, 2010 and 2011 shall be the greater of one percent of the total estimated annual sales tax proceeds or the minimum guarantee amount of the amount of sales tax revenue collected in that county, as set forth in Minn. Statute §297A.992, subd. 6.
10. Grant funding will be available for the following types of projects:
 - a. Capital costs, including preliminary engineering, final design, right-of-way acquisition, rolling stock, equipment and construction of transitways.
 - b. Operating subsidies for transitways.
11. No grant will be awarded for studies, including alternative analyses. Projects undertaking preliminary engineering or final design will be eligible for a grant, provided an alternatives analysis has been completed for the transitway corridor.
12. For projects that cross jurisdictions, resolutions of project support from each county or county regional railroad authority is required to accompany the grant application.
13. The following transitways will be eligible for a grant for operations:
 - a. Cedar Avenue Bus Rapid Transit
 - b. Hiawatha Light Rail Transit
 - c. Northstar Commuter Rail
 - d. I-35W South Bus Rapid Transit

A Grant award for operating costs may be up to and no more than 50% of the operating subsidy. Only new and expanded BRT transitway operations will be eligible for a 50% operating Grant.

14. The following transitways will be eligible for a capital grant:
 - a. Central Corridor Light Rail Transit
 - b. Cedar Avenue Bus Rapid Transit
 - c. I-35W South Bus Rapid Transit
 - d. Southwest Corridor Light Rail Transit

(THIS PAGE INTENTIONALLY LEFT BLANK)

EXHIBIT B:
SUMMARIES OF GRANTS
AWARDED IN 2009
AND PAYABLE IN 2010



Central Corridor Light Rail Transit

Counties Transit Improvement Board

Capital Grant Summary

Applicant: Metropolitan Council

GRANT PROJECT DESCRIPTION

The Central Corridor Light Rail Transit line between St. Paul and Minneapolis is 11 miles long directly linking the downtowns. It includes 9.8 miles of new double track, 15 new stations, 31 light rail vehicles and an operation and maintenance facility. The new Central Corridor Light Rail Transit project will create the highest ridership (41,690 per weekday) and greatest incremental user benefit (8,212 hours per weekday) of any transit corridor in the metropolitan area. The Counties Transit Improvement Board grant will support the project activities in 2010 which include final design, acquisition of real estate, and continuation of 4th Street advance utility relocation, advance traffic improvements in and around the University of Minnesota, other construction activities and procurement of light rail vehicles.

BACKGROUND INFORMATION

For more than 20 years, the Central Corridor has been identified as a place where mobility and transportation capacity should be improved. The Central Corridor Light Rail Transit project is in preliminary engineering. The project completed the NEPA process and received a Record of Decision on August 18, 2009, from the Federal Transit Administration (FTA) and submitted its final application for approval to enter final design on September 1, 2009. The FTA issued a Letter of No Prejudice (LONP) on August 26, 2009, which allowed the project to begin advanced utility relocation construction along 4th Street in St. Paul. The project plans to construct the line from May 2010 through October 2013. Revenue operations are planned for March 2014.

OPERATING STATISTICS

- Line distance of 11 miles with 18 stations, 5 shared stations with Hiawatha LRT.
- 244 train trips daily.



February 1, 2010: Prepared for Annual Report to Legislature.

Counties Transit Improvement Board 2010 Funding: \$66,026,475

Funding Partners:

State: \$20,506,619

Ramsey County Regional Rail
Authority: \$11,200,000

Hennepin County Regional Rail
Authority: \$4,800,000

2009 Board Grant Carryover:
\$10,868,907

Total 2010 Project Costs:
\$113,402,000

Projected Total Project Cost
Through 2014: \$957 million





Cedar Avenue Bus Rapid Transit

Counties Transit Improvement Board

Capital Grant Summary

Applicant: Dakota County Regional Railroad Authority

GRANT PROJECT DESCRIPTION

The Cedar Avenue Bus Rapid Transitway extends from the Mall of America to 215th Street (County Highway 70) in Lakeville. The project involves the development of bus rapid transit in the corridor on bus shoulder lanes and a multi-phase implementation. The Counties Transit Improvement Board 2010 grant and funding commitment for the completion of this phase of the project will allow for right-of-way acquisition and construction of a transitway with dedicated bus shoulder lanes, pedestrian and bikeway facilities and streetscape elements from 138th Street in Apple Valley to 181st Street in Lakeville which is approximately 4.5 miles.

BACKGROUND INFORMATION

Cedar Avenue Transitway studies began in 1999. The project is currently in the final design phase and will develop 95% design plans by January 2010. Right-of-way appraisals have begun for the needed parcels on the transitway. Utility work and bidding is anticipated to occur in July and August 2010 with construction starting in late summer 2010 with completion in 2012.

OPERATING STATISTICS

- Line distance of 16 miles.
- On-line park and ride stations in Eagan at Trunk Highway 13, in Apple Valley at 155th Street, and in Lakeville at 181st Street.
- Express bus rapid transit service during peak periods to downtown Minneapolis and station-to-station bus rapid transit service with approximately 15 minute headways.
- 2030 ridership is estimated at 23,000 weekdays with 18,600 express and 4,400 station-to-station riders.

Counties Transit Improvement Board 2010 Funding: \$3,217,900

Funding Partners:

Dakota County Regional Railroad
Authority: \$1,773,900

Federal: \$12,375,200

State: \$372,000

Total 2010 Project Costs:
\$17,739,000





I-35W South Bus Rapid Transit

Counties Transit Improvement Board

Capital Grant Summary

Applicant: Metropolitan Council

GRANT PROJECT DESCRIPTION

I-35W South Bus Rapid Transit project is a combination of roadway improvements, transit stations, park and rides, and bus service that will provide fast, frequent and reliable all-day transit along the 22 miles of I-35W between downtown Minneapolis and Lakeville. The Counties Transit Improvement Board grant funding will provide for procurement of seven bus rapid transit buses and station improvements at 82nd and 98th Streets South in Bloomington, which will provide buses with quick access to off-line stations and rapid re-entry to I-35W.

BACKGROUND INFORMATION

The I-35W South Bus Rapid Transit project has many facets. The Metropolitan Council is pursuing a \$10.91 million capital project in 2010 to implement Phase 1 of I-35W BRT. The project consists of three components: an online station at 46th Street in Minneapolis, off-line station improvements, and procurement of bus rapid transit vehicles.

OPERATING STATISTICS

- Line distance of 22 miles between Minneapolis and Lakeville.
- Transitway will consist of downtown Minneapolis bus lanes, bus-only shoulders, high-occupancy toll lanes and priced dynamic shoulder lanes.
- Serving 8 bus stations and 5 park and rides.
- Coordinated Bus Rapid Transit service plan of express, station-to-station and feeder bus routes as well as integration with local bus routes.

February 1, 2010: Prepared for Annual Report to Legislature.

**Counties Transit
Improvement Board 2010
Funding: \$1,773,000**

Funding Partners:

Metropolitan Council Regional
Transit Capital: \$610,000

Federal: \$3,527,000

Total 2010 Project Costs:
\$5,910,000





Southwest Light Rail Transit

Counties Transit Improvement Board

Capital Grant Summary

Applicant: Hennepin County Regional Railroad Authority

GRANT PROJECT DESCRIPTION

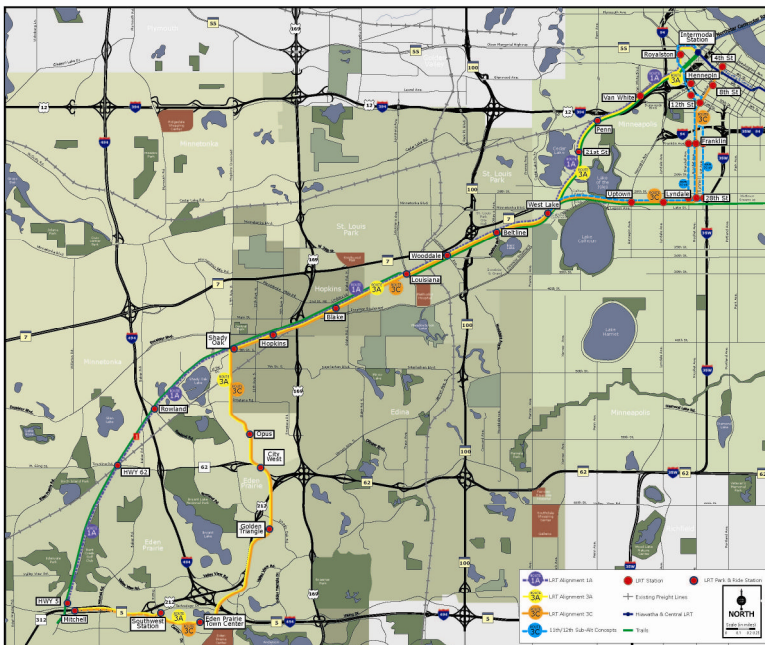
The Southwest Light Rail Transit line is a 15 mile line that will serve the growing communities of Eden Prairie, Minnetonka, Hopkins, St. Louis Park and downtown Minneapolis. The Counties Transit Improvement Board 2010 grant will provide for preliminary engineering.

BACKGROUND INFORMATION

The project is currently in the Draft Environmental Impact Statement (DEIS) phase of the project development and will be ready to enter preliminary engineering in 2010. Construction is scheduled for 2014 through 2016 with operations starting in 2017.

OPERATING STATISTICS

- Line distance of 15 miles between Eden Prairie and Minneapolis.



February 1, 2010: Prepared for Annual Report to Legislature.

Counties Transit
Improvement Board 2010
Funding: \$7,000,000

Funding Partners:

Hennepin County Regional
Railroad Authority: \$3,150,000

State Funds Provided: \$3,500,000

Total 2010 Project Costs:
\$1,513,650,000



Newport Transit Station

Counties Transit Improvement Board

Capital Grant Summary

Applicant: Washington County

GRANT PROJECT DESCRIPTION

The Newport Transit Station is part of the Red Rock Commuter Rail Corridor, which runs approximately 30 miles from Hastings through the Union Depot in St. Paul to Minneapolis. The Counties Transit Improvement Board 2010 grant will fund land acquisition in the Newport area for the transit station and future commuter rail station.

BACKGROUND INFORMATION

An Alternatives Analysis was completed in 2007, which identified commuter rail as the long term transit mode for the Red Rock Corridor. In order to achieve the necessary ridership numbers and reduce costs, short and medium term recommendations were also provided as part of that analysis. One of these recommendations was to explore feasibility for expanded bus service and facilities. A Bus Feasibility Study was completed in 2009 that developed additional commuter coach bus service plans for the corridor.

OPERATING STATISTICS

- Line distance of 30 miles between Hastings and Minneapolis.
- Proposed Commuter Rail Corridor is roughly parallel to Trunk Highway 61 and Interstate 94.

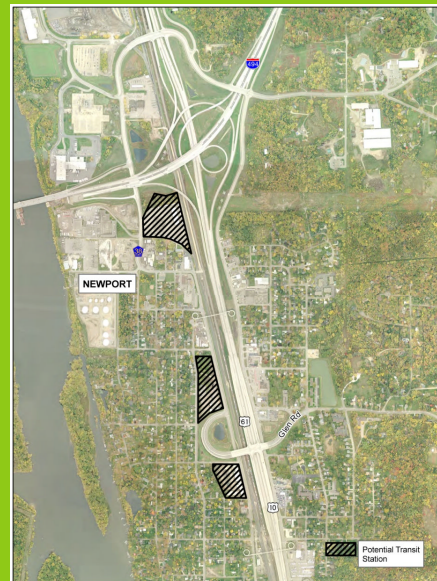
February 1, 2010: Prepared for Annual Report to Legislature.

Counties Transit Improvement Board 2010 Funding: \$2,550,000

Funding Partners:

Washington County Regional
Railroad Authority: \$290,000

Total 2010 Project Costs:
\$2,840,000





Hiawatha Light Rail Transit

Counties Transit Improvement Board

Operating Grant Summary

Applicant: Metropolitan Council

GRANT PROJECT DESCRIPTION

Hiawatha Light Rail Line Transit provides passenger service between downtown Minneapolis and the Minneapolis and Saint Paul International Airport and the Mall of America. The Counties Transit Improvement Board 2010 grant will provide operating cost assistance for calendar year 2010.

BACKGROUND INFORMATION

On June 28, 2004, the Hiawatha Light Rail Transit Line began passenger service between downtown Minneapolis and Fort Snelling in advance of the Full Funding Grant Agreement commitment scheduled for a December 2004 opening. On December 4, 2004, passenger service to the Minneapolis and Saint Paul International and the Mall of America commenced.

OPERATING STATISTICS

- Line distance of 12 miles with 17 stations.
- 244 train trips daily.
- 34 local bus route connections south of downtown Minneapolis.
- 4 park and rides with 2,680 spaces.
- 2009 annual ridership: 9.9 million riders.



**Counties Transit
Improvement Board 2010
Funding: \$7,295,352**

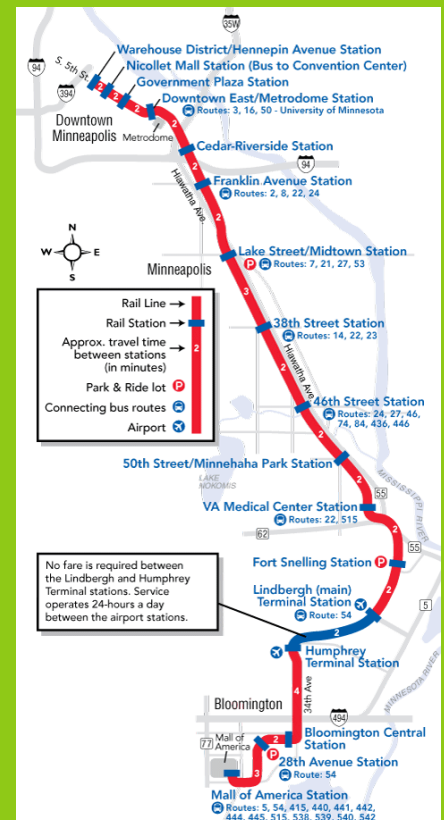
State Appropriations: \$5,174,000

MVST: \$2,121,352

Passenger Fares: \$9,852,383

Advertising/Other/Federal
Revenue: \$1,270,070

Total Transitway Operating
Costs: \$25,713,157





Northstar Commuter Rail Operations

Counties Transit Improvement Board

Operating Grant Summary

Applicant: Metropolitan Council

GRANT PROJECT DESCRIPTION

The Northstar Corridor Commuter Rail Project will provide passenger service on existing BNSF Railway Company (BNSF) rail line from Big Lake to Minneapolis. The Counties Transit Improvement Board 2010 grant will provide operating assistance for 2010. The State of Minnesota is paying 50% of operating costs after operating revenues and federal funding. The balance is funded by 16.1% from Sherburne County and 33.9% from the Board.

BACKGROUND INFORMATION

The Northstar Corridor Commuter Rail Project cleared its final hurdle on December 11, 2007, when it received a commitment for \$156.8 million in federal matching funding for construction and trains with the Federal Funding Grant Agreement. The state and federal funding combined with significant commitment of the regional rail authorities from Anoka, Hennepin, and Sherburne Counties, as well as contributions from the Metropolitan Council and the Minnesota Twins allowed Northstar construction to get fully underway. Transit operations began on November 16, 2009, with service from Big Lake to Minneapolis.

OPERATING STATISTICS

- Line distance of 40 miles, with 5 stations (Fridley Station is additional).
- 45 minute trip time end to end.
- 4 car trains, 560 passengers/train capacity.
- Weekday service of 5 trains serving Minneapolis (AM and PM) and 1 train serving reverse commute (AM and PM).
- 3 northbound and southbound trains on weekends.
- Forecasted 4,110 rides per weekday by the end of 2010.



February 1, 2010: Prepared for the Annual Report to Legislature

Counties Transit Improvement Board 2010 Funding: \$5,726,553

State Funds Provided: \$1,098,898

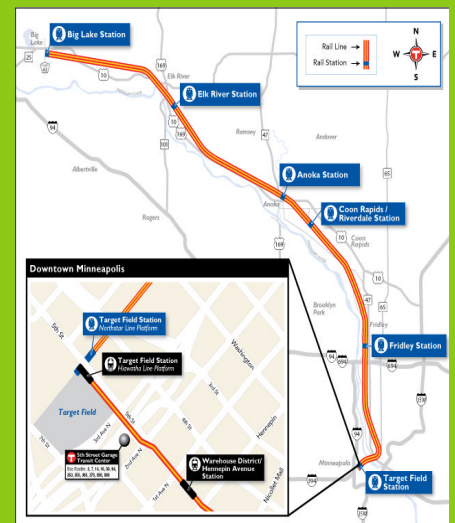
MVST: \$4,770,104

Passenger Fares: \$3,154,093

Sherburne County: \$1,098,898

Other Funds: \$956,449

Total Transitway Operating Costs: \$16,804,995





I-35W South Bus Rapid Transit

Counties Transit Improvement Board

Operating Grant Summary

Applicant: Metropolitan Council

GRANT PROJECT DESCRIPTION

The I-35W South Bus Rapid Transit project is a combination of roadway improvements, transit stations, park and rides and bus service that will provide fast, frequent and reliable all-day transit service along the 22 miles of I-35W South between downtown Minneapolis and Lakeville. The Counties Transit Improvement Board 2010 grant will provide operating cost assistance for calendar year 2010.

BACKGROUND INFORMATION

Started on September 28, 2009, a new service on Route 467 operates non-stop from the new 750-space Kenrick Avenue park and ride in Lakeville to downtown Minneapolis using over-the-road style coach buses. There are 6 outbound trips in the afternoon and 6 inbound trips in the morning operating approximately every 15 to 30 minutes. One-way running time will be approximately 45 minutes over 21 miles, including downtown operations.

OPERATING STATISTICS

- Line distance of 21 miles.
- 12 trips per weekday.
- 1 park and rides with 750 spaces.
- Estimated ridership of 500 trips per day in 2010.



**Counties Transit
Improvement Board 2010
Funding: \$106,017**

Passenger Fares: \$260,100

Metropolitan Council MVST:
\$106,017

Total 2010 Transitway Operating
Costs: \$260,100





Cedar Avenue Bus Rapid Transit

Counties Transit Improvement Board

Operating Grant Summary

Applicant: Metropolitan Council

GRANT PROJECT DESCRIPTION

Cedar Avenue Bus Rapid Transit service is being implemented as part of the Cedar Avenue Transitway project that includes both highway and transit improvements. The Cedar Avenue Bus Rapid Transit service will provide service between Minneapolis, Eagan's Cedar Grove Transit Station, and the Lakeville Cedar park and ride. The Counties Transit Improvement Board 2010 grant will provide operating cost assistance for calendar year 2010.

BACKGROUND INFORMATION

Route 477 will be extended to operate from a new park and ride in Lakeville to downtown Minneapolis. Five inbound trips in the morning and five outbound trips in the afternoon will be extended south of the Apple Valley Transit Station to the new Lakeville park and ride. One new round trip will be added from Lakeville to downtown Minneapolis. Service will be operated with a mix of 40-foot low-floor transit buses and 45-foot over-the-road style coach buses. The new park and ride began operations in September 2009.

OPERATING STATISTICS

- Line distance of 23 miles with 3 stations plus downtown Minneapolis stops from Lakeville and 1 station plus downtown Minneapolis stops from Cedar Grove.
- Ridership for the Cedar Grove Express Bus Rapid Transit via Cedar Avenue is forecasted up to 160 trips per day in 2010.
- Ridership for the Lakeville Cedar Express Bus Rapid Transit via Cedar Avenue is forecasted up to 140 trips per day in 2010.

February 1, 2010: Prepared for Annual Report to Legislature

**Counties Transit
Improvement Board 2010
Funding: \$164,881**

Passenger Fares: \$149,568

MVST: \$164,881

Total Transitway 2010 Operating
Costs: \$479,348

