

Met Council #11G003

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
WASHINGTON, DC 20590**

FULL FUNDING GRANT AGREEMENT

**METROPOLITAN COUNCIL
CENTRAL CORRIDOR LIGHT RAIL TRANSIT PROJECT
MN-03-0200-04**

TABLE OF CONTENTS
FULL FUNDING GRANT AGREEMENT TERMS AND CONDITIONS

SECTION 1. DEFINITIONS.....	4
SECTION 2. PURPOSES OF AGREEMENT	6
SECTION 3. PREVIOUS FEDERAL DOCUMENTS AND GRANTS	7
SECTION 4. OBLIGATION TO COMPLETE THE PROJECT	7
SECTION 5. REVENUE OPERATIONS DATE	8
SECTION 6. NET PROJECT COST	9
SECTION 7. ESTIMATED NET PROJECT COST	9
SECTION 8. LIMITATIONS OF THE FEDERAL FUNDING COMMITMENT	10
SECTION 9. FEDERAL FUNDING -- OTHER SOURCES	10
SECTION 10. LOCAL FINANCIAL COMMITMENT -- CAPITAL COSTS.....	11
SECTION 11. AUTHORIZATION TO ADVANCE PROJECT WITHOUT PREJUDICE	11
SECTION 12. LOCAL FINANCIAL COMMITMENT -- OPERATING AND MAINTENANCE COSTS	12
SECTION 13. BASELINE COST ESTIMATE.....	12
SECTION 14. BASELINE SCHEDULE.....	13
SECTION 15. PROJECT MANAGEMENT OVERSIGHT	13
SECTION 16. ENVIRONMENTAL PROTECTION	13
SECTION 17. LABOR PROTECTION	14
SECTION 18. GOVERNMENT ACTIONS	14
SECTION 20. CONTENTS OF AGREEMENT	15
SECTION 21. SIMULTANEOUS CREATION OF AGREEMENT IN ELECTRONIC FORMAT	16
SECTION 22. AMENDMENTS TO AGREEMENT	16
SECTION 23. ATTACHMENTS -- INCORPORATION	16
SECTION 24. NOTICES.....	16
SECTION 25. APPLICABLE LAW.....	17
SECTION 26. AWARD AND EXECUTION OF AGREEMENT	17

ATTACHMENTS

ATTACHMENT 1	SCOPE OF THE PROJECT
ATTACHMENT 1A	VICINITY MAP
ATTACHMENT 1B	PROJECT MAP
ATTACHMENT 2	PROJECT DESCRIPTION
ATTACHMENT 3	BASELINE COST ESTIMATE
ATTACHMENT 3A	PROJECT BUDGET
ATTACHMENT 4	BASELINE SCHEDULE
ATTACHMENT 5	PRIOR GRANTS AND RELATED DOCUMENTS
ATTACHMENT 6	SCHEDULE OF FEDERAL FUNDS FOR THE PROJECT
ATTACHMENT 7	MEASURES TO MITIGATE ENVIRONMENTAL IMPACTS
ATTACHMENT 8	NEW STARTS "BEFORE AND AFTER" STUDY

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**FULL FUNDING GRANT AGREEMENT
(FTA FFGA-17, October 1, 2010)**

On the date the authorized U.S. Department of Transportation, Federal Transit Administration (FTA) official signs this Full Funding Grant Agreement, the Government (FTA) has Awarded Federal assistance in support of the Project described below. Upon Execution of this Full Funding Grant Agreement by the Grantee named below, the Grantee affirms this Award by the Government (FTA Award), and enters into this Full Funding Grant Agreement with FTA. The following documents are incorporated by reference and made part of this Full Funding Grant Agreement:

- (1) "Federal Transit Administration Master Agreement," FTA MA(17), October 1, 2010, <http://www.fta.dot.gov/documents/17-Master.pdf>;
- (2) The Certifications and Assurances applicable to the Project that the Grantee has selected and provided to FTA, and
- (3) Any Award notification containing special conditions or requirements, if issued.

FTA AWARD

The Government (FTA) hereby awards a Full Funding Grant as follows:

Project Number(s): MN-03-0200-04

Grantee: Metropolitan Council

Citation of Statutes Authorizing the Project: 49 U.S.C. §§ 5309(b), 5309(d)

Estimated Net Project Cost: \$956,900,000

Maximum FTA Amount Awarded [Including This Amendment]: \$39,752,225

Amount of This FTA Award: \$0

Maximum Federal New Starts Financial Contribution: \$473,950,000

Maximum Percentages of FTA Participation: 50 percent

Maximum Percentages of New Starts Participation: 49.5 percent

U.S. Department of Labor Certifications of Public Transportation Employee Protective Arrangements:

Original Project
(or Amendment)

<u>Numbers</u>	<u>Certification Dates</u>
MN-03-0087	6/20/2003
MN-03-0200	4/17/2007
MN-95-X002	5/18/2007
MN-03-0200-01	5/20/2008
MN-03-0200-02	7/14/2009
MN-03-0200-03	8/17/2010
MN-03-0200-04	8/17/2010 (No material change)

Revenue Operations Date: December 31, 2014

Project Description:

The Central Corridor project is a 9.8-mile, double-track, at-grade LRT line that extends from downtown St. Paul, to downtown Minneapolis, Minnesota via the existing Washington Avenue Bridge over the Mississippi River. The Washington Avenue Bridge will be rehabilitated to accommodate the LRT line. Eighteen stations will be built as part of the project. A minimum of thirty-one light rail vehicles (LRV) will be procured. An operations and maintenance facility will be built in downtown St. Paul, Minnesota. The project's western terminus in Minneapolis will be the existing multimodal Target Field Station at the Minnesota Twins Ball Park. The Union Depot (currently under renovation) in downtown St. Paul will be the project's eastern terminus.

The CCLRT line will share approximately 1.2 miles of existing track, including five stations, with the Hiawatha LRT line in Minneapolis. At the current Downtown East/Metrodome LRT station in Minneapolis, the CCLRT line will diverge from the Hiawatha line and head east. The CCLRT line will interline with the existing Hiawatha line in downtown Minneapolis and link the Central Corridor (via a transfer to the Hiawatha line) to the Minneapolis-St. Paul International Airport and the Mall of America. The CCLRT line will also provide a direct connection to the Northstar commuter rail line via the multimodal Target Field Station.

The Project will operate 7.5-minute headways during the weekday peak period, 10-minute headways during weekday off peak, and 15-minute headways weekday evening and weekends. Feeder buses will serve each station, providing connections to residential and commercial areas.

For a more detailed description, see Attachments 1 and 2 to the Full Funding Grant Agreement.

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

FULL FUNDING GRANT AGREEMENT TERMS AND CONDITIONS

THIS FEDERAL TRANSIT ADMINISTRATION FULL FUNDING GRANT AGREEMENT (Agreement) is entered into by the Metropolitan Council (Grantee) and the United States of America, acting through the United States Department of Transportation, Federal Transit Administration (FTA or Government).

WHEREAS, the Grantee has determined through its local planning process that construction and/or acquisition of the Central Corridor Light Rail Line (hereafter, the "Project") will effectively and efficiently serve the transportation needs of the metropolitan region of St. Paul and Minneapolis, Minnesota.

WHEREAS, the Grantee has developed a Financing Plan, as herein defined, using a combination of local, State, and Federal funds to finance the costs of the Project and, in accordance with its plan, has requested a Grant, as herein defined, of Federal financial assistance in the Project.

WHEREAS, the Government has previously provided \$35,175,225 in capital New Starts funds, and \$4,500,000 in Congestion Mitigation/Air Quality (CMAQ) funds for development of the Project.

WHEREAS, the Government has determined to enter into this Agreement and to support final design and construction of the Project up to a Maximum Federal New Starts Financial Contribution of \$473,950,000 in capital New Starts funds, subject to all the terms and conditions set forth in this Agreement.

WHEREAS, the Grantee has submitted its request for Federal assistance (the Application) and the Government has received and is relying upon the Grantee's assurances, certifications, and all other documents required as conditions precedent to a Grant of assistance by the Government for the Project; and, in its submissions, the Grantee has demonstrated justification for the Project, has demonstrated its financial, organizational, legal, and technical capacity as is necessary to Complete the Project within the maximum amount of Federal assistance set forth in this Agreement, and has demonstrated the capability to secure non-Federal funds as may be necessary for such completion.

WHEREAS, the Government has determined that the Project is based on the results of an alternatives analysis and preliminary engineering; is justified based on a comprehensive review of its mobility improvements, environmental benefits, cost effectiveness, and operating efficiencies; and is supported by an acceptable degree of local financial commitment, including evidence of stable and dependable financing sources to construct, maintain, and operate the Project.

WHEREAS, the Government and the Grantee have agreed that their respective duties and responsibilities as related to the completion of the Project shall be determined by and under the terms and conditions of this Agreement and have agreed that this Agreement shall be recognized as the sole understanding between the Government and the Grantee in consideration of the mutual promises as set forth in this Agreement.

THEREFORE, in consideration of the above and the parties' mutual promises as set forth in this Federal Transit Administration Full Funding Grant Agreement, the Grantee and the Government agree to the specific terms, conditions, and provisions set forth in this entire Agreement including, in particular, the specific terms of the following Sections and Attachments:

SECTION 1. DEFINITIONS

"Agreement" means this Federal Transit Administration Full Funding Grant Agreement (FFGA) and consists of all parts and documents listed in Section 20 of this Agreement, "Contents of Agreement," and will include all future addenda, substitutions, modifications and amendments as and when legally executed and effective. (This definition supersedes the definition of "Grant Agreement" set forth in Section 1.j of the Federal Transit Administration Master Agreement (Master Agreement), incorporated by reference and made part of this Agreement.)

"Application" means those documents and written submissions filed by or on behalf of the Grantee pursuant to its request for Federal financial assistance for support of the Project and relied upon by the Government as satisfaction of the legal and policy requirements of Grant award. The Application includes all explanatory, supporting, or supplementary documents related to the Project that the Government relied upon in its determination to obligate and award Federal funds for the Project. This definition is intended to supplement the definition "Application" set forth in Section 1.a of the Master Agreement, incorporated by reference and made part of this Agreement.

"Baseline Cost Estimate" means the Application document described in Section 13 of this Agreement and set forth in Attachment 3. The requirements of the Baseline Cost Estimate are set forth in FTA Circular 5200.1A, "Full Funding Grant Agreements Guidance," as may be revised from time to time. The Baseline Cost Estimate reflects the total anticipated cost of the Project as of the Date of this Agreement.

"Complete the Project" means to accomplish all of the scope and activities of the Project as described in Attachment 1, "Scope of the Project," and Attachment 2, "Project Description."

"Date of this Agreement" means the date the Government awards this Full Funding Grant Agreement.

"Estimated Net Project Cost" means the amount that is calculated by subtracting the cost that can reasonably be financed from the Grantee's revenue from the total anticipated cost of the Project as reflected in the "Baseline Cost Estimate," Attachment 3 to this Agreement. The Estimated Net Project Cost is set forth in Section 7 of this Agreement.

"Financing Plan" means the plan accepted by the Government as part of the Application process describing the Grantee's financial condition and capability to Complete the Project and to maintain and operate the Project together with its existing public transportation system. It includes all explanatory, supporting and supplementary documents, commitments, and agreements accepted or approved by the Government.

"Government" means the United States of America, acting through the Federal Transit Administration of the United States Department of Transportation.

"Grantee" means Metropolitan Council.

"Grant(s)" means, in singular and plural forms, the obligation and award of Federal financial assistance by the Government pursuant to the laws codified at 49 U.S.C. Chapter 53.

"Local Share" means that portion of the Grantee's local financial commitment that is the Grantee's legally required share of the Net Project Cost.

"Master Agreement" means the standard terms and conditions applicable to recipients of Federal financial assistance from the Government. It is updated and published annually. It is incorporated by reference and made part of this Agreement and identified in Federal Fiscal Year 2011 by FTA Form MA(17) (October 1, 2010).

"Maximum Federal New Starts Financial Contribution" means the limit of Federal capital New Starts financial participation in the Project. (The amount of the "Maximum Federal New Starts Financial Contribution" is set forth in Section 8 of this Agreement, "Limitations of the Federal Funding Commitment," and is only a portion of the total Federal financial contribution for the Project.)

"Maximum FTA Amount Awarded" means the total amount of Federal funds from all sources administered by FTA and awarded for the Project, regardless of source, and available to the Grantee. (This amount is set forth in the first page of this Agreement.)

"Metro Transit" means the transit operating division of the Metropolitan Council.

"Net Project Cost" means the cost of the Project that cannot reasonably be financed from the Grantee's revenues.

"Project" means the public transportation/multi-modal transportation improvements the Grantee has promised to implement as a condition of its Full Funding Grant. A description of the Project is set forth in Attachment 1, "Scope of the Project." Activities to carry out the project scope are set forth in Attachment 2, "Project Description."

"Project Costs" means all costs eligible for Federal financial participation under the terms of this Agreement and consistent with the cost principles set forth in Section 9 of the Master Agreement, "Payments."

“Recovery Plan” means a plan developed by the Grantee, and accepted by the Government, whereby the Grantee will take every reasonable measure to minimize any delay in achieving the baseline schedule set forth in Attachment 4 to this Agreement (the Baseline Schedule) and eliminate or otherwise mitigate [recover] any increase in the total project costs as currently estimated, as compared to the total project cost identified in Attachment 3 to this Agreement (the Baseline Cost Estimate).

“Revenue Operations Date” means the date certain upon which the Grantee shall commence revenue operations of the Project as defined in Section 5 of this Agreement.

SECTION 2. PURPOSES OF AGREEMENT

Pursuant to 49 U.S.C. § 5309, the purposes of this Agreement are to:

- (a) provide Federal financial assistance to the Grantee in the form of this Full Funding Grant and possible future awards of financial assistance as contemplated under this Agreement, not to exceed the Maximum Federal New Starts Financial Contribution for the Project, as is and may be awarded under this Agreement and the laws codified at 49 U.S.C. Chapter 53 for purposes that are consistent with those statutes, implementing regulations, and other applicable laws and regulations;
- (b) describe the Project and set forth the mutual understandings, terms, conditions, rights and obligations of the parties related to implementing the Project; the future management and operation of the Project, and the manner in which Project real property and equipment will be used;
- (c) establish the Maximum Federal New Starts Financial Contribution for the Project, and the manner in which all future Federal funds for the Project, if any, will be awarded and released to the Grantee;
- (d) establish the Grantee's financial commitment to the Project including its obligation to fund the Local Share, its obligation to Complete the Project with a specified amount of Federal assistance, its obligation to achieve revenue operation of the Project by a specified date, its obligation to pay all costs necessary to Complete the Project that are in excess of the Estimated Net Project Cost, and its obligation to finance the future maintenance and operational costs of the Project; and
- (e) facilitate timely and efficient management of the Project.

SECTION 3. PREVIOUS FEDERAL DOCUMENTS AND GRANTS

- (a) The Government's laws, policies and procedures require the completion of a project development process and environmental review prior to the Award and Execution of this Agreement. Prior Grants of Federal assistance awarded by the Government for this project development process are described in Attachment 5 to this Agreement. These Grants (and any other documents that are described in Attachment 5, including Letters of No Prejudice) are incorporated by reference and made part of this Agreement, except for the terms and conditions thereof specifically superseded by this Agreement. Further, in Executing this Agreement, the Grantee assures that the certifications and assurances (made by the Grantee or on behalf of the Grantee or by a third party) upon which the Government relied in these prior actions were made to the Government in good faith and to the best of the Grantee's knowledge and belief, and that the Grantee has no present knowledge of facts or circumstances substantially affecting the continued validity of these certifications and assurances that the Grantee has not formally conveyed to the Government prior to the Government's Award of funding set forth in this Agreement.
- (b) This Agreement does not discharge or rescind any of the terms, conditions, or obligations established under the documents set forth in Attachment 5 unless specifically stated otherwise herein. Further, the terms, conditions and obligations of this Agreement take precedence over the provisions of all prior agreements related to the Project between the Grantee and the Government and will be controlling for all actions related to the Project taken after the Date of this Agreement, unless specifically stated otherwise herein.
- (c) No amendments will be sought or approved to increase the amount of funds in the prior Grants listed in Attachment 5 beyond the amounts described in this Agreement as available to the Project.

SECTION 4. OBLIGATION TO COMPLETE THE PROJECT

- (a) The Government has no obligation to provide any financial assistance for the Project beyond the Maximum Federal New Starts Financial Contribution. If the total Federal funding provided under Section 8 of this Agreement, "Limitations of Federal Funding Commitment," is insufficient to undertake revenue operation of the Project and the subsequent activities necessary to Complete the Project, the Grantee agrees to Complete the Project and accepts sole responsibility for the payment of any additional costs (overruns).

- (b) If at any time during its efforts to Complete the Project the Grantee determines that the total project cost will exceed the Baseline Cost Estimate, the Grantee must immediately notify the Government in writing of the amount of the difference and the reasons for the difference. Further, the Grantee must provide the Government with a Recovery Plan that demonstrates the Grantee is taking and will take every reasonable measure to eliminate [recover] the difference between the total project cost and the Baseline Cost Estimate. Insofar as any difference between the total project cost and the Baseline Cost Estimate cannot be eliminated [recovered], the Grantee must secure and provide such additional resources as are necessary to meet the additional costs and expeditiously Complete the Project without further financial assistance from the Federal capital New Starts program. Further, in its Recovery Plan, the Grantee must identify the sources of funds it will draw upon to meet the additional costs and cover the difference between the total project cost and the Baseline Cost Estimate.

SECTION 5. REVENUE OPERATIONS DATE

- (a) The Grantee agrees and promises to achieve revenue operations of the Project on or before December 31, 2014, the Revenue Operations Date, in accordance with the terms and conditions of this Agreement.
- (b) The Revenue Operations Date is a significant term of this Agreement. The Grantee's failure to achieve the operational functions of the Project on or before the Revenue Operations Date will constitute a breach of this Agreement. Upon the Grantee's request, the Government may determine at its sole discretion to waive a breach or an anticipatory breach of this Agreement and to extend the Revenue Operations Date if there is an unavoidable delay in achieving the operational goals of the Project resulting from an event or circumstance beyond the control of the Grantee, or if the Government determines that allowing the delay is in the best interest of the Government and the success of the Project. Requests by the Grantee for waiver of a breach or anticipatory breach of this Agreement and extension of the Revenue Operations Date for the reasons set forth herein shall be submitted promptly (with appropriate documentation) to the Government. In the exercise of its discretion to waive the breach and extend the Revenue Operations Date, the Government will take into consideration the actions and measures taken by the Grantee to ensure adherence to its promise to achieve the operational goals of the Project on or before the scheduled Revenue Operations Date.
- (c) Delays in appropriations of funds from Congress shall not constitute a basis for extension of the Revenue Operations Date.
- (d) The Government's consent to extend the Revenue Operations Date pursuant to Paragraph (b) of this Section 5 does not constitute a basis for additional Federal financial assistance beyond the Maximum Federal New Starts Financial Contribution.

SECTION 6. NET PROJECT COST

- (a) This Grant is to assist in the payment of actual eligible costs within the scope of the Project under this Agreement, minus any amount that can reasonably be financed from revenues of the Grantee. If the funds awarded under this grant exceed the amount necessary to finance the Federal share, those excess funds are not available to the Grantee for payment of costs beyond the scope of this Project supported by this Grant.
- (b) In accordance with 49 U.S.C. § 5309(h), a refund or reduction of the Grantee's Local Share of the Net Project Cost requires a refund to the Government of a proportional amount of the Federal financial assistance provided under this Agreement.
- (c) The portion of the Net Project Cost that may be financed by the Government with Federal capital New Starts funds may not exceed the amount of the Maximum Federal New Starts Financial Contribution for this Project as stated in Section 8 of this Agreement, "Limitations of the Federal Funding Commitment."
- (d) The Grantee acknowledges that Federal funds may be used only to reimburse eligible expenses for the Project. Should FTA determine that Federal funds have been used to reimburse any expenses that were ineligible for Federal reimbursement, FTA will direct the Grantee either to reimburse FTA with local funds not already committed to the Project or to reduce the total project costs by the amounts found to have been ineligible.
- (e) The Grantee acknowledges that Federal funds cannot be used to defray any financing charges attributable to borrowing of funds from the Grantee by its subsidiary, Metro Transit; further, the Grantee acknowledges that any interest earned on unexpended bond proceeds must be applied to reduce the financing costs for the Project.

SECTION 7. ESTIMATED NET PROJECT COST

- (a) The Government's determination to provide financial assistance for the Project is based, in significant part, upon the Grantee's estimated costs as set forth in the "Baseline Cost Estimate," Attachment 3 to this Agreement. The Estimated Net Project Cost reported in Attachment 3 is \$956,900,000.
- (b) The Estimated Net Project Cost financed with the Execution of this Agreement is limited by the amount of the Maximum FTA Amount Awarded. The amount of the Estimated Net Project Cost and the amount of the Maximum FTA Amount Awarded are stated in the first page of this Agreement. The amount reimbursable by the Government is limited to the lesser of either the amount of the Maximum FTA Amount Awarded or the maximum percentage of FTA participation permitted by Federal law and regulations. Additional funds will not be provided until a Grant amendment awarding additional funds and amending this Full Funding Grant Agreement is executed.

SECTION 8. LIMITATIONS OF THE FEDERAL FUNDING COMMITMENT

- (a) The sources of Federal financial assistance for the Project are set forth in the "Project Budget," Attachment 3A. These funds are in addition to all previous Federal financial commitments to the development of the Project as set forth in the schedule of "Prior Grants and Related Documents," Attachment 5 of this Agreement. The Government is not obligating and awarding any Federal capital New Starts funds for the Project with the Award and Execution of this Agreement.
- (b)(1) With its Award set forth in this Agreement, the Government acknowledges its intent to provide Federal capital New Starts assistance for the Project in an amount that will not exceed \$473,950,000. The anticipated sources of Federal financial assistance in this amount are listed in Attachment 6 of this Agreement, "Schedule of Federal Funds for the Project." All Federal capital New Starts funds obligated pursuant to this Paragraph will be subject to all the terms, conditions and obligations set forth in this Agreement. Accordingly it is expected that the award of additional funds will be processed through amendments to this Agreement.
- (b)(2) The award by the Government of additional Federal capital New Starts financial assistance to the Project under Paragraph (b)(1) of this Section 8 is subject to the following limitations:
 - (A) the availability of appropriated funds, and
 - (B) the Grantee's continued performance under the terms and conditions of this Agreement.
- (c) The Maximum Federal New Starts Financial Contribution for this Project under the Federal capital New Starts category of funds is limited to \$473,950,000, which is the sum of the amounts set forth in Paragraphs (a) and (b)(1) of this Section.

SECTION 9. FEDERAL FUNDING -- OTHER SOURCES

The Maximum Federal New Starts Financial Contribution specified in Section 8(c) of this Agreement does not include funds other than from the Federal capital New Starts program under 49 U.S.C. Chapter 53. Should such other Federal funds be provided for the Project in addition to the Federal capital New Starts funds set forth in Attachment 6 of this Agreement, the limitation on the Federal funding commitment set forth in Section 8 of this Agreement shall not apply to those funds. Accordingly, such additional funds shall be excluded from the calculation of Maximum Federal New Starts Financial Contribution. Funds awarded pursuant to this Section will be subject to all other terms, conditions and obligations set forth in the Agreement.

SECTION 10. LOCAL FINANCIAL COMMITMENT – CAPITAL COSTS

- (a) As a condition of the Government's Award of this Full Funding Grant, the Grantee has developed and adopted a Financing Plan for financing all Project Costs necessary to Complete the Project. In addition to the amount of Federal funds requested, the Financing Plan includes a statement identifying the State, local and private sources of funding and the amount of funds available for and committed to the Project from each such source. This Financing Plan, as accepted by the Government, with the supporting documentation (including formal funding agreements and commitments) is hereby incorporated by reference and made part of this Agreement.
- (b) The Grantee hereby commits and certifies that it will provide funds in an amount sufficient, together with the Federal contribution (acknowledging the limitations as set forth in this Agreement), to assure timely and full payment of the Project Costs as necessary to Complete the Project.
- (c) The Grantee hereby commits and certifies that the Local Share portion of its financing commitment will be provided from funding sources other than: Federal funds (except as may otherwise be authorized by Federal statute); receipts from the use of Project facilities or equipment (except as may otherwise be authorized by Federal statute); or revenues of the public transportation system in which such facilities or equipment are used.
- (d) Given the Estimated Net Project Cost, as set forth in Section 7 of this Agreement, the Grantee's financial commitment to the Net Project Cost is estimated to total \$478,450,000. This amount constitutes the Local Share needed to match the Maximum Federal New Starts Financial Contribution for the Project and Other Federal Sources. In the event that the actual Federal financial contribution for the Project is reduced or is increased or the funding percentage as set forth in this Agreement is changed, the portion of the Grantee's financial contribution for the Project that is identified as Local Share shall be adjusted accordingly.
- (e) The Grantee agrees to notify the Government of any change in circumstances or commitments that adversely affects the Grantee's plan to fund the Project Costs necessary to Complete the Project as set forth in the Financing Plan. In its notification, the Grantee shall advise the Government of what actions it has taken or plans to take to ensure adequate funding resources and shall reaffirm its commitment to the Government as set forth in Paragraph (b) of this Section 10.

SECTION 11. AUTHORIZATION TO ADVANCE PROJECT WITHOUT PREJUDICE

The Grantee may incur costs or expend local funds for all phases of the Project as is reasonably necessary to advance the Project prior to an award of Federal funding without prejudice to possible future Federal participation in or reimbursement of Project Costs to the extent that such costs are incurred in accordance with all Federal requirements applicable to this Agreement. It is understood that the authority conferred on the Grantee to advance the Project without prejudice does not constitute a legal commitment by the Government to obligate and award Federal funds.

SECTION 12. LOCAL FINANCIAL COMMITMENT – OPERATING AND MAINTENANCE COSTS

- (a) As a condition of the Government's Award of funding set forth in this Agreement, the Grantee has developed and adopted a Financing Plan to finance the future operation and maintenance of the Project that also takes into consideration the Grantee's continuing financial responsibilities to operate, maintain and reinvest in its existing public transportation system. This Financing Plan, as accepted by the Government, and the supporting documentation (including specific funding commitments) evidencing stable and dependable funding sources is an essential part of the Grantee's Application and is made part of this Agreement by incorporation of the Application.
- (b) With the Execution of this Agreement, the Grantee assures that it has stable and dependable funding sources, sufficient in amount and in degree of commitment, to operate and maintain its entire public transportation system at an adequate and efficient level of service, including the future operation and maintenance of the Project without additional Federal assistance beyond the amounts set forth in the Financing Plan. The foregoing assurance does not preclude the Grantee from altering service through contracts with private providers of public transportation services.
- (c) The Grantee will notify the Government of any change in circumstances or commitments that adversely affects the Grantee's plan to fund the maintenance and operating costs of the Project as set forth in the Financing Plan. In its notification, the Grantee will advise the Government of actions it has taken or plans to take to ensure adequate funding resources and will reaffirm to the Government its assurance as set forth in Paragraph (b) of this Section.

SECTION 13. BASELINE COST ESTIMATE

- (a) In its Application, the Grantee submitted to the Government a Baseline Cost Estimate for the activities constituting the Project. The Baseline Cost Estimate is accepted by the Government and is Attachment 3 of this Agreement. The Baseline Cost Estimate is derived from cost estimates of the individual third party contracts and force account work that, in sum, constitute the Project; it reflects appropriate escalation and Project schedule dates.
- (b) The Government intends to use the Baseline Cost Estimate to monitor the Grantee's compliance with certain terms and conditions of this Agreement. The Baseline Cost Estimate established in Attachment 3 serves as the measure of cost estimates as of the Date of this Agreement, and should not be amended or modified during the implementation of the Project.
- (c) The Grantee will submit cost reports on the implementation of the Project as required by this Agreement and in a format consistent with the units set forth in the Baseline Cost Estimate so that the Government can, with reasonable diligence, reconcile the Grantee's reports with the Baseline Cost Estimate.

SECTION 14. BASELINE SCHEDULE

- (a) In its Application, as approved, the Grantee submitted a Baseline Schedule for the Project that demonstrates how the Grantee intends to implement the Project and meet the Revenue Operation Date. This Baseline Schedule has been accepted by the Government and is Attachment 4 of this Agreement.
- (b) The schedule for the Project may be modified from time to time at the discretion of the Grantee. However, the Baseline Schedule is not to be modified because it is to be used as a basis for comparing planned to actual project implementation. The Grantee will notify the Government when a Project schedule modification has the potential to change the Revenue Operations Date and describe the actions planned to recover the schedule. The Government's acquiescence in such notice will not be deemed approval by the Government of an extension of a Revenue Operations Date unless the Government expressly grants an extension in writing.

SECTION 15. PROJECT MANAGEMENT OVERSIGHT

The Project is a "Major Capital Project" as defined in FTA's "Project Management Oversight" regulations at 49 C.F.R. § 633.5. Accordingly, the Grantee agrees that all requirements and conditions set forth in the rule at 49 C.F.R. Part 633 apply to the Project activities. Noncompliance with any regulatory requirements shall constitute a breach of this Agreement, unless the Government formally waives the regulatory requirement.

SECTION 16. ENVIRONMENTAL PROTECTION

- (a) As a condition precedent to this Agreement, the environmental impacts of the Project have been assessed as required by law. The results of that assessment and the adopted mitigation measures are described in the environmental documents identified in Attachment 7 of this Agreement. These documents together with related agreements and supporting documentation are incorporated by reference and made part of this Agreement. To assist the Government in monitoring the implementation of the adopted mitigation measures, these measures are specifically described in Attachment 7 of this Agreement. It is understood and agreed that the description in Attachment 7 shall not supersede or in any way result in a circumvention of the requirements set forth in the Government's environmental record for the Project.
- (b) Certain terms and conditions of this Agreement as related to the Grantee's responsibility to ensure protection of the environment are set forth in Section 25 of the Master Agreement, "Environmental Requirements." Under Subsection 25.1, "Mitigation of Adverse Environmental Effects," the Grantee is required, among other actions, to undertake all environmental mitigation measures that are identified in environmental documents prepared for the Project. Accordingly, the Grantee understands that it shall not withdraw or substantially change any of the adopted mitigation measures as described in the Government's environmental record for the Project without the express written approval of the Government.

- (c) This Section is intended only to supplement the provisions set forth in Section 25 of the Master Agreement, "Environmental Protections."

SECTION 17. LABOR PROTECTION

The Grantee will carry out the Project in conformance with the terms and conditions determined by the Secretary of Labor to be fair and equitable to protect the interests of employees affected by the Project and meet the requirements of 49 U.S.C. § 5333(b) and U.S. Department of Labor (U.S. DOL) Guidelines at 29 C.F.R. Part 215. These terms and conditions are identified in the letters of certification from U.S. DOL on the dates set forth on the first page of this Agreement. The Grantee will carry out the Project in compliance with the conditions stated in the U.S. DOL certification letters. Those letters and any documents cited therein are incorporated by reference and made part of this Agreement.

SECTION 18. GOVERNMENT ACTIONS

- (a) In all cases where the Government's review, approval, or concurrence is required under the terms and conditions of this Agreement, the Government will provide its response within sixty (60) calendar days of receipt from the Grantee of all materials reasonably necessary for the formulation of the Government's response.
- (b) If the Government determines that its position cannot be finalized within that sixty (60) day period, the Government will notify the Grantee, in writing, within thirty (30) days following receipt of the Grantee's submission that the Government's response will be delayed and the Government will advise the Grantee of the Government's anticipated time period for response.
- (c) Whenever the Government's approval or concurrence is needed on any matter pertaining to or concerning this Agreement, the Government's approval or concurrence will not be unreasonably withheld.

SECTION 19. REMEDIES

- (a) Substantial failure of the Grantee to Complete the Project in accordance with the Application and this Agreement will be a default of this Agreement. In the event of default, the Government will have all remedies at law and equity, including the right to specific performance without further Federal financial assistance, and the rights to termination or suspension as provided by Section 11 of the Master Agreement, "Right of the Federal Government to Terminate." The Grantee recognizes that in the event of default, the Government may demand all Federal funds provided to the Grantee for the Project be returned to the Government. Furthermore, a default of this Agreement will be a factor considered before a decision is made with respect to the approval of future Grants requested by the Grantee.

- (b) Under the provisions of Section 15 of this Agreement, "Project Management Oversight," and under the terms and conditions of the Master Agreement, the Government will review performance by the Grantee to determine whether satisfactory progress is being made to Complete the Project. In the event that the Government determines that the Grantee is in breach of this Agreement, the Government may withhold its approvals of further funding and suspend drawdown of funds, under the provisions of Section 11 of the Master Agreement, "Right of the Federal Government to Terminate," until any necessary corrective action, which may be required by the Government, is accomplished. Any breach of this Agreement that is not corrected within a reasonable period of time will be a default of this Agreement. The Government in its discretion may permit the cost of such corrective action to be deemed a Project Cost, provided that such cost is an allowable cost under the requirements of Section 9.c of the Master Agreement, "Costs Reimbursed," and so long as it remains within the limits of the Maximum Federal New Starts Financial Contribution set forth in Section 8 of this Agreement, "Limitations of the Federal Funding Commitment."
- (c) In the event of a breach of this Agreement by the Grantee and before the Government takes action contemplated by this Section, the Government will provide the Grantee with ninety (90) days written notice that the Government considers that such a breach has occurred and will provide the Grantee a reasonable period of time to respond and to take necessary corrective action.

SECTION 20. CONTENTS OF AGREEMENT

This Full Funding Grant Agreement consists of the text of this Agreement, which includes the first pages setting forth significant characteristics of the Agreement (such as the maximum Federal funds obligated and awarded for expenditure on the Project and the funding ratio of Federal and local funds to be expended for the Project, and such other data), followed by the Terms and Conditions, and the Attachments to the Agreement. The Agreement also includes the following documents incorporated by reference and made part of this Agreement: the "Federal Transit Administration Master Agreement," FTA Form MA(17) (October 1, 2010), as may be revised from time to time, the Application, the Government's environmental record for the Project, related agreements, and prior Grant Agreements for the Project referenced in Attachment 5 of this Agreement. Should the Federal assistance award letter include special conditions for the Project, that letter is incorporated by reference and made part of this Agreement. Any inconsistency between the Application and the terms and conditions of this Full Funding Grant Agreement will be resolved according to the clear meaning of the provisions of this Agreement and Attachments hereto.

SECTION 21. SIMULTANEOUS CREATION OF AGREEMENT IN ELECTRONIC FORMAT

Simultaneous to the Award and Execution of this Agreement set forth in typewritten hard copy, the Agreement is being awarded and executed by electronic means through FTA's electronic award and management system. To the extent any discrepancy may arise between the typewritten version and the electronic version of this Agreement, the typewritten version will prevail. Should any special conditions, requirements, or conditions of award for the Project be added separately in the electronic version, those special conditions, requirements, or conditions of award are incorporated by reference and made part of this Agreement.

SECTION 22. AMENDMENTS TO AGREEMENT

Amendments to any of the documents referenced in Section 20, "Contents of Agreement," will be made in accordance with the requirements and procedures set forth in FTA Circular 5010.1D, "FTA Project Management Guidelines" (November 1, 2008), as may be amended from time to time, and FTA Circular 5200.1A, "Full Funding Grant Agreements Guidance" (December 5, 2002), as may be amended from time to time.

SECTION 23. ATTACHMENTS -- INCORPORATION

Each and every Attachment to this Agreement is incorporated by reference and made part of this Agreement.

SECTION 24. NOTICES

Notices required by this Agreement will be addressed as follows:

As to the Government:

Marisol R. Simon
FTA Regional Administrator, Region V
200 W. Adams Street, Suite 320
Chicago, IL 60606
Marisol.simon@dot.gov

As to the Grantee:

Patrick Born
Regional Administrator
Metropolitan Council
390 Robert Street North
St. Paul, MN 55101-1805

SECTION 25. APPLICABLE LAW

If neither Federal statute nor Federal common law governs the interpretation of the provisions of this Agreement, the State law of the State of Minnesota will apply. This provision is intended only to supplement Section 2.c of the Master Agreement, "Application of Federal, State, and Local Laws, Regulations, and Directives."

SECTION 26. AWARD AND EXECUTION OF AGREEMENT

There are several identical counterparts of this Agreement in typewritten hard copy; each counterpart is to be fully signed in writing by the parties and each counterpart is deemed to be an original having identical legal effect. When signed and dated by the authorized official of the Government, this instrument will constitute an Award that should be executed by the Grantee within ninety (90) days of the date of the Government's Award (FTA Award). The Government may withdraw its Award of financial assistance and obligation of funds if this Agreement is not executed within the ninety (90) day period. Upon full Execution of this Agreement by the Grantee, the effective date will be the date the Government awarded funding under this Agreement as set forth below.

THE GOVERNMENT HEREBY AWARDS THIS FULL FUNDING GRANT THIS TWENTY-SIXTH DAY OF APRIL, 2011.

Signature: _____

Name: Peter M. Rogoff


Federal Transit Administrator

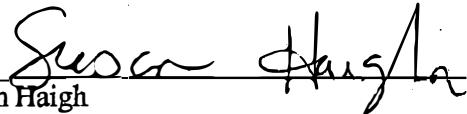
FEDERAL TRANSIT ADMINISTRATION

EXECUTION BY GRANTEE


The Grantee, by executing this Agreement, affirms this FTA Award; adopts and ratifies all statements, representations, warranties, covenants, and materials it has submitted to FTA; consents to this Award; and agrees to all terms and conditions set forth in this Agreement.

THE GRANTEE HEREBY EXECUTES THIS FULL FUNDING GRANT THIS TWENTY-SIXTH DAY OF APRIL, 2011.

Signature: 
Name: Patrick Born
Title of Grantee Official: Regional Administrator
Name of Grantee Organization: Metropolitan Council

Signature: 
Name: Susan Haigh
Title of Grantee Official: Chairman
Name of Grantee Organization: Metropolitan Council

ATTESTED BY:

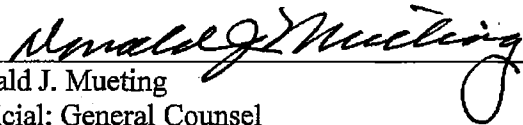
Signature: 
Name: Donald J. Muetting
Title of Attesting Official: General Counsel
Name of Organization: Metropolitan Council

AFFIRMATION OF GRANTEE'S ATTORNEY

As the undersigned Attorney for the Grantee, I affirm to the Grantee that I have examined this Agreement and the proceedings taken by the Grantee relating to it. As a result of this examination I hereby affirm to the Grantee the Execution of the Agreement by the Grantee is duly authorized under State and local law. In addition, I find that in all respects the Execution of this Agreement is due and proper and in accordance with applicable State and local law. Further, in my opinion, this Agreement constitutes a legal and binding obligation of the Grantee in accordance with the terms of the Agreement. Finally, I affirm to the Grantee that, to the best of my knowledge, there is no legislation or litigation pending or imminent that might adversely affect the full implementation of the Project in accordance with the terms thereof.

DATED THIS TWENTY-SIXTH DAY OF APRIL, 2011.

AFFIRMED BY:

Signature: 
Name: Donald J. Muetting
Title of Official: General Counsel
Name of Organization: Metropolitan Council

Attachment 1

Metropolitan Council St. Paul and Minneapolis, Minnesota Central Corridor Light Rail Project

Scope of the Project

The Central Corridor involves construction of a 9.8-mile, double-track, at-grade LRT line that extends from downtown St. Paul, to downtown Minneapolis via the existing Washington Avenue Bridge over the Mississippi River. The Central Corridor LRT line will share approximately 1.2 miles of existing track, including five stations, with the Hiawatha LRT line in Minneapolis bringing the total operating length to 11 miles. The Washington Avenue Bridge will be rehabilitated to accommodate the LRT line.

Eighteen stations will be built as part of the project. A minimum of thirty-one light rail vehicles (LRV) will be procured. An operations and maintenance facility will be built in downtown St. Paul, Minnesota. The project's western terminus in Minneapolis will be the existing multimodal Target Field Station at the Minnesota Twins Ball Park. Union Depot Station, which is adjacent to the Union Depot (currently under renovation) in downtown St. Paul would be the project's eastern terminus.

The Central Corridor LRT (CCLRT) line will share approximately 1.2 miles of existing track, including five stations, with the Hiawatha LRT line in Minneapolis. The Central Corridor LRT line will interline with the existing Hiawatha line in downtown Minneapolis and link the Central Corridor (via a transfer to the Hiawatha line) to the Minneapolis-St. Paul International Airport and the Mall of America. The CCLRT line will also provide a direct connection to the Northstar commuter rail line – via the multimodal Target Field Station – that began revenue service in November 2009. The CCLRT line will diverge from the Hiawatha line just east of the existing Downtown East/Metrodome Station.

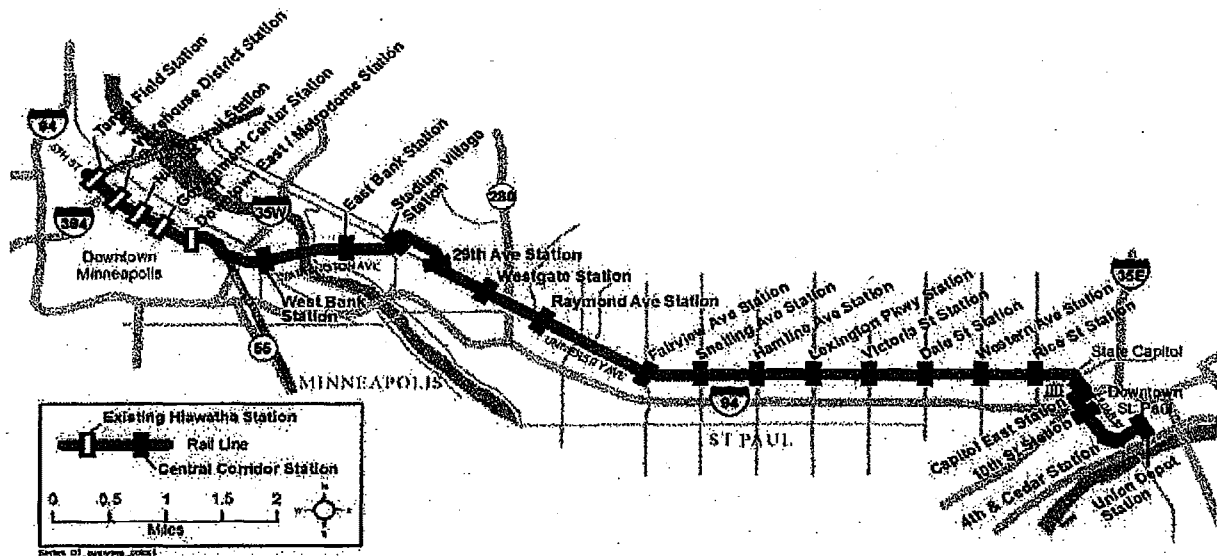
The Project will operate 7.5-minute headways during the weekday peak period, 10-minute headways during weekday off peak, and 15-minute headways weekday evening and weekends. Buses will serve stations, providing connections to residential and commercial areas.

The Metropolitan Council is working closely with partners including the Counties Transit Improvement Board (CTIB), the Ramsey County Regional Railroad Authority (RCRRA), Hennepin County Regional Railroad Authority (HCRRA); Ramsey and Hennepin Counties, the cities of Minneapolis and Saint Paul, the Minnesota Department of Transportation (Mn/DOT), and the University of Minnesota.

The Revenue Operations Date for the Project is December 31, 2014.

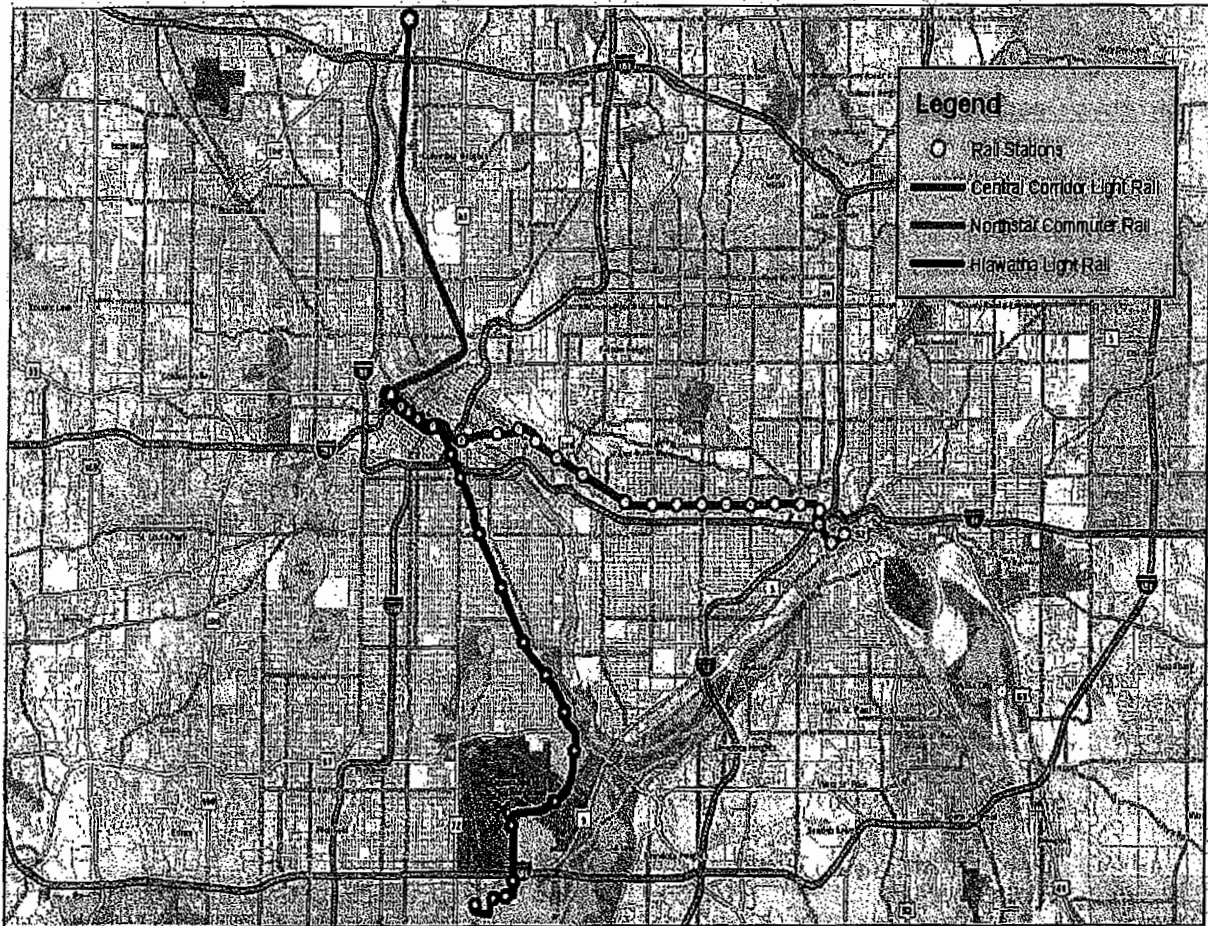
Attachment 1A

Project Map



Attachment 1B

Vicinity Map



Attachment 2

Metropolitan Council St. Paul and Minneapolis, Minnesota Central Corridor Light Rail Project

Project Description

Narrative Description

The Central Corridor involves construction of a 9.8-mile, double-track, at-grade LRT line that extends from downtown St. Paul, to downtown Minneapolis via the existing Washington Avenue Bridge over the Mississippi River. The Central Corridor LRT line will share approximately 1.2 miles of existing track, including five stations, with the Hiawatha LRT line in Minneapolis bringing the total operating length to 11 miles. The Washington Avenue Bridge will be rehabilitated to accommodate the LRT line.

Eighteen stations will be built as part of the project. A minimum of thirty-one light rail vehicles (LRV) will be procured. An operations and maintenance facility will be built in downtown St. Paul. The project's western terminus in Minneapolis will be the existing multimodal Target Field Station at the Minnesota Twins Ball Park. Union Depot Station, which is adjacent to the Union Depot (currently under renovation) in downtown St. Paul will be the project's eastern terminus.

Project Description by Standard Cost Category (SCC)

The following provides a description of the Project by Standard Cost Categories (SCC). These SCCs are the basis for the Baseline Cost Estimate and for the Baseline Schedule contained in Attachment 3 and Attachment 4, respectively.

SCC 10 - Guideway and Track Elements

This SCC includes all work required to construct the LRT guideway for the Central Corridor project. Work includes all construction materials, labor, equipment, general conditions, overhead and profit, bonds and construction-related insurance, regardless of who is performing the work.

Guideway

Scope includes costs to build the improvements required to accommodate the Pedestrian/Transit Mall on Washington Avenue. The costs for LRT guideway, sidewalks and roadway are carried in their respective SCC category. Scope covers, but is not limited to improved pedestrian accommodations, lighting, landscaping, and upgraded surface treatments

Scope includes all earthwork for track construction (subcut and backfill with select granular fill), intertrack fencing and any concrete paving required between tracks (guideway cover).

Scope includes all retaining walls required along the alignment to accommodate the LRT alignment. Various types of retaining walls are being used along the alignment including cast-in-place, modular block walls, sheet piling with tieback anchors and mechanically stabilized earth walls.

Aerial Structure

Scope includes all bridge structures required to carry the LRT guideway. Included within this category are the following: widening the Hiawatha Bridge over 3rd/4th Street, new flyover bridge over Interstate 35W, retrofit of the Washington Avenue Bridge to accommodate LRT, modifications to University Avenue bridge over Trunk Highway 280, modifications to Cedar Street bridge over Interstate 94, and crashwalls at several bridges for structure protection.

Track

Scope includes embedded and ballasted track work, and track work with direct fixation on aerial structures with track supported on plinth blocks. Special track work will be completed including all crossovers, turnouts, rail lubricators and fixed rail anchors. A floating track slab / vibration isolation track will be installed at the University of Minnesota (Washington Avenue) and Minnesota Public Radio (Cedar Street).

Included within this item is all rail, special track work, subballast, ballast, concrete ties, isolation joints, rail boot, concrete for direct fixation tub and configuration, bridge deck waterproofing, ballast curb, joint sealing, hardware, rail welding, rail grinding and switches.

SCC 20 - Stations, Stops, Terminals, Intermodal

This SCC includes 18 new LRT stations. These stations and facilities are designed to meet current Americans with Disabilities Act requirements for transit facilities.

Station work includes construction of three three-car center platforms and 15 three-car side platforms, ramps, platform canopies and windscreens, architectural finishes, public art, mechanical, electrical, plumbing, railings, platform furnishings, stairs and elevators (West Bank Station), signage, and other elements required for the transit stations. All earthwork for the soil corrected footprint required for the station is included in this cost category.

Scope includes the cost for vertical circulation buildings and elements at the West Bank Station connecting the West Bank station platform to 19th Avenue and Cedar Avenue (two locations).

Work includes all construction materials, labor, equipment, general conditions, overhead and profit, bonds and construction-related insurance, regardless of who is performing the work.

SCC 30 - Support Facilities; Yards, Shops, Administration Buildings

This SCC includes the cost for locating an Operations and Maintenance Facility in the existing Diamond Product Building in Downtown St Paul. The project will remodel the existing building to accommodate vehicle maintenance with inspection pits and in-floor vehicle lifts, overhead cranes, parts storage and a dedicated shop floor. Wash equipment will be added to the facility to support cleaning of vehicles. Storage will be provided in the building for the Central Corridor LRT fleet. Administrative space will be constructed for the Central Corridor LRT Operations and Maintenance staff. Improvements will be made to the building façade facing on Broadway Street. This category includes all structural components, architectural finishes, mechanical, electrical, plumbing and maintenance equipment.

Scope includes all features in the rail yard constructed outside of the facility, including:

construction of all track between the storage area and maintenance areas of the facility, Overhead Catenary System, switches and special track work, retaining walls, parking lot and site drainage.

Work includes all construction materials, labor, equipment, general conditions, overhead and profit, bonds and construction-related insurance, regardless of who is performing the work.

SCC 40 - Sitework and Special Conditions

This SCC provides for the purchase and construction of all site work required to construct the Central Corridor LRT project.

Work includes all construction materials, labor, equipment, general conditions, overhead and profit, bonds and construction-related insurance, regardless of who is performing the work. It includes all materials and labor for:

- Demolition, clearing, and earthwork, including the removal of a portion of two bridges;
- Site utilities and public utility relocation;
- Hazardous material removal/mitigation and disposal, preparation of a contaminated substance health and safety plan;
- Site structures, including retaining walls;
- Pedestrian/bike access and accommodation, landscaping, including irrigation, at each light rail station, vegetation, windscreens, fencing, and bike racks;
- Automobile, bus, van access, including roads, traffic signals and signs, parking lots, striping and pavement markings; and
- Temporary facilities and other direct costs during construction such as field office, mobilization, temporary erosion controls and construction traffic controls.

SCC 50 - Systems

This SCC includes traction electrification and power distribution, signals, communications, fare collection and central control for the LRT. It also includes rider information, security and supervisory control for the light rail elements of the project.

Traction electrification includes the purchase, installation and testing of the direct current traction power distribution system for the LRT.

Signals includes the purchase, installation and testing of the train signal system. Signal work also includes the development, procurement and installation of an extension of the train-to-wayside communications system.

Communications and central control includes the purchase, installation and testing of equipment necessary to expand the existing communications and central control system to accommodate the LRT extension.

A fare collection contract will cover only the Central Corridor project and provide for the purchase, programming and installation of self-service fare collection equipment. Fare collection includes linkage to the existing networking system to manage and process fare vending machine status and to supply management information.

SCC 60 - Right-of-way, Land, Existing Improvements

This SCC includes the right-of-way cost for the Central Corridor LRT Project and is reflective of all private right-of-way identified to accommodate the CCLRT alignment. It includes all private right-of-way takes, temporary and utility easements, building demolition (except the Bremer Bank building) and standard relocation costs required for the project. There are no costs for public right-of-way included in the cost estimate as it is assumed that these properties will be donated by the public entity. This includes any properties owned by the University Regents (University of Minnesota), State of Minnesota Department of Transportation, State of Minnesota Department of Administration (Capitol Region), City of Minneapolis and the City of St. Paul. Additionally, all staffing and appraisal costs are included in this cost category.

SCC 70 - Vehicles

This SCC includes all costs associated with the design and manufacturing of light rail vehicles, including engineering, spare parts and warranty costs for the purchase of 31 Light Rail Vehicles for the Central Corridor LRT fleet. Included in this category is staffing required for the inspection of vehicles during the manufacturing process and non-revenue vehicles for the maintenance of the Central Corridor LRT line.

SCC 80 - Professional Services

This SCC includes the costs of all professional, technical and management services, as well as related professional liability insurance costs during the preliminary engineering, final design and construction phases of the Project.

Associated costs are as follows:

- Preliminary Engineering includes the professional services and project administration required to complete environmental identification; ridership modeling; preliminary design, engineering and architectural services.
- Final Design includes further design, engineering, and architectural services; environmental mitigation services; specialty services such as safety and security analyses; value engineering; risk assessment; cost estimating and scheduling; and surveying.
- Project Management for Design and Construction includes the agency staff and professional service consultants providing project management and oversight to the entire project.
- Construction Administration and Management includes the professional service consultants contracted for construction inspection; field engineering; design support coordination; project scheduling and construction coordination; safety certification; change order processing; preparation of independent cost estimates; field verification and testing; in-plant inspection of coaches and locomotives; systems integration and testing; real estate appraisals; compilation of as-built plans; and other activities required in support of the Project.
- Insurance for the Project includes coverage for builders risk, general and excess liability, railroad protective liability and environmental liability. Insurance also includes insurance advice and broker services provided by a professional service consultant. It also includes the cost of insurance premiums and estimated deductibles for the duration of project construction.

- Legal, Permits, Review Fees includes the cost of legal and negotiation services for the project and the cost of permits and required reviews by government agencies.
- Surveys, Testing, Investigation, Inspection includes the cost of environmental and hazardous material research and investigation, voluntary investigation and clean-up program support, contamination remediation oversight, construction testing, and vibration testing.
- Agency Force Account Work includes work performed by the City of Minneapolis and City of St. Paul to support the design of city utility relocation.

SCC 90 - Unallocated Contingency

This SCC represents the entire unallocated contingency for the Project and provides a funding source for increases over the estimated project cost to cover unknown but anticipated additional project execution costs. Such additional project execution costs may include, but are not limited to, changes in technology, site conditions, schedule, specifications, vehicle acquisition, property rights, economy, safety, legal, and regulatory requirements.

Each SCC from 10 through 80 contains allocated contingency. This is separate from the unallocated contingency contained in SCC 90.

SCC 100 - Finance Charges

This SCC includes finance charges expected to be paid prior to the completion of the project or the fulfillment of the New Starts funding commitment, whichever occurs later in time. These costs are paid at the bond effective yield rate between Years 2009 and fulfillment of the New Starts funding commitment.

Attachment 3

Metropolitan Council St. Paul and Minneapolis, Minnesota Central Corridor Light Rail Project

Table 1 - BCE by Standard Cost Category

Applicable Line Items Only	YOE Dollars Total (X000)
10 GUIDEWAY & TRACK ELEMENTS (route miles)	166,828
10.01 Guideway, At-grade exclusive right-of-way	10,048
10.02 Guideway, At-grade semi-exclusive (allows cross-traffic)	27,367
10.03 Guideway, At-grade in mixed traffic	0
10.04 Guideway, Aerial structure	37,292
10.05 Guideway, Built-up fill	0
10.06 Guideway, Underground cut & cover	0
10.07 Guideway, Underground tunnel	0
10.08 Guideway, Retained cut or fill	11,267
10.09 Track, Direct fixation	2,875
10.10 Track, Embedded	55,732
10.11 Track, Ballasted	3,781
10.12 Track, Special (switches, turnouts)	11,329
10.13 Track, Vibration and noise dampening	7,138
20 STATIONS, STOPS, TERMINALS, INTERMODAL (number)	63,900
20.01 At-grade station, stop, shelter, mall, terminal, platform	59,102
20.02 Aerial station, stop, shelter, mall, terminal, platform	0
20.03 Underground station, stop, shelter, mall, terminal, platform	0
20.04 Other stations, landings, terminals: Intermodal, ferry, trolley, etc.	0
20.05 Joint development	0
20.06 Automobile parking multi-story structure	0
20.07 Elevators, escalators	4,798
30 SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS	55,762
30.01 Administration Building: Office, sales, storage, revenue counting	0
30.02 Light Maintenance Facility	47,252
30.03 Heavy Maintenance Facility	0
30.04 Storage or Maintenance of Way Building	0
30.05 Yard and Yard Track	8,510
40 SITEWORK & SPECIAL CONDITIONS	138,087
40.01 Demolition, Clearing, Earthwork	22,752
40.02 Site Utilities, Utility Relocation	40,428
40.03 Hazardous materials and soil removal/mitigation, ground water treatment	2,792
40.04 Environmental mitigation, e.g. wetlands, historic/archeologic, parks	0
40.05 Site structures including retaining walls, sound walls	124
40.06 Pedestrian/bike access and accommodation, landscaping	18,510
40.07 Automobile/bike/van accessways including roads, parking lots	43,649
40.08 Temporary facilities and other indirect costs during construction	9,833
50 SYSTEMS	139,197
50.01 Train control and signals	27,558
50.02 Traffic signals and crossing protection	20,222
50.03 Traction power supply: substations	20,880
50.04 Traction power distribution: catenary and third rail	35,521
50.05 Communications	9,819
50.06 Fare collection system and equipment	5,379
50.07 Central Control	19,819
Construction Subtotal (10 - 50)	663,774
60 ROW, LAND, EXISTING IMPROVEMENTS	35,238
60.01 Purchase or lease of real estate	35,238
60.02 Relocation of existing households and businesses	0
70 VEHICLES (number)	136,033
70.01 Light Rail	131,267
70.02 Heavy Rail	0
70.03 Commuter Rail	0
70.04 Bus	0
70.05 Other	0
70.06 Non-rail vehicles	2,821
70.07 Spare parts	1,845
80 PROFESSIONAL SERVICES (applies to Cats. 10-50)	171,872
80.01 Preliminary Engineering	75,562
80.02 Final Design	26,753
80.03 Project Management for Design and Construction	44,251
80.04 Construction Administration & Management	22,695
80.05 Professional Liability and other Non-Construction Insurance	0
80.06 Legal, Permits, Review Fees by other agencies, cities, etc.	549
80.07 Surveys, Testing, Investigation, Inspection	1,043
80.08 Start-up	1,018
Subtotal (10 - 80)	906,917
90 UNALLOCATED CONTINGENCY	33,442
Subtotal (10 - 90)	940,369
100 FINANCE CHARGES	16,642
Total Project Cost (10-100)	956,900

Attachment 3**Metropolitan Council
St. Paul and Minneapolis, Minnesota
Central Corridor Light Rail Project****Baseline Cost Estimate**

Table 2 - Inflated Cost to Year of Expenditure

	Base Year Dollars w/o Contingency (X000)	Base Year Dollars Allocated Contingency (X000)	Base Year Dollars TOTAL (X000)	Inflation Factor	YOE Dollars TOTAL (X000)
10 GUIDEWAY & TRACK ELEMENTS (route miles)	131,331	27,000	158,331	1.0537	166,828
20 STATIONS, STOPS, TERMINALS, INTERMODAL (number)	51,302	9,016	60,317	1.0594	63,900
30 SUPPORT FACILITIES, YARDS, SHOPS, ADMIN. BLDGS	43,518	9,175	52,693	1.0583	55,762
40 SITEWORK & SPECIAL CONDITIONS	113,576	18,699	132,275	1.0439	138,087
50 SYSTEMS	112,459	18,971	131,430	1.0591	139,197
60 ROW, LAND, EXISTING IMPROVEMENTS	29,867	5,402	35,269	0.9991	35,238
70 VEHICLES (number)	117,698	11,674	129,372	1.0515	136,033
80 PROFESSIONAL SERVICES (applies to Cals. 10-50)	161,084	8,093	169,177	1.0159	171,872
90 UNALLOCATED CONTINGENCY			31,564	1.0595	33,442
100 FINANCE CHARGES			14,958	1.1059	16,542
Total Project Cost (10 - 100)			915,387	1.0454	956,900

Attachment 3

Metropolitan Council St. Paul and Minneapolis, Minnesota Central Corridor Light Rail Project

Baseline Cost Estimate

Table 3 - BCE by Source of Funding

	Total Project Cost in YOE Dollars (X000)	Double Check Total (X000)	Federal 5309 New Starts	Federal Other	Local
10 GUIDEWAY & TRACK ELEMENTS (route miles)	166,828	166,828	82,629	0	84,199
20 STATIONS, STOPS, TERMINALS, INTERMODAL (number)	63,900	63,900	31,649	0	32,251
30 SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS	55,762	55,762	27,619	0	28,143
40 SITEWORK & SPECIAL CONDITIONS	138,087	138,087	68,394	0	69,693
50 SYSTEMS	139,197	139,197	68,944	0	70,253
60 ROW, LAND, EXISTING IMPROVEMENTS	35,238	35,238	17,453	0	17,785
70 VEHICLES (number)	136,033	136,033	71,877	0	64,156
80 PROFESSIONAL SERVICES (applies to Cals 10-50)	171,872	171,872	80,628	4,500	86,743
90 UNALLOCATED CONTINGENCY	33,442	33,442	16,564	0	16,878
100 FINANCE CHARGES	16,642	16,642	8,193	0	8,349
Total Project Cost (10-100)	956,900	956,900	473,950	4,500	478,450

Sources of Federal Funding and Matching Share Ratios				
	Costs Attributed to Source of Funds (X000)	Federal/Local Matching Ratio within Source	All Federal Funds (X000)	Local Funds (X000)
Federal 5309 New Starts	947,900	50/50	473,950	473,950
Federal Other (CMAQ)	9,000	50/50	4,500	4,500
Total	956,900		478,450	478,450
Overall Federal Share of Project			50.00%	
New Starts Share of Project			49.53%	

Attachment 3A

Metropolitan Council St. Paul and Minneapolis, Minnesota Central Corridor Light Rail Project

Project Budget

Scope and Activity Description														
Scope Code	ALI Code	Scope and Activity Line Item Descriptions	Qty		Federal 5309 New Starts			Federal Other			Project Totals			Check Total Project Cost in YOE Dollars (X000)
				Total Federal %	Federal	Local	Total	Federal	Local	Total	Federal	Local	Total	
14010	140110	GUIDEWAY & TRACK ELEMENTS	970	49.53%	82,629	84,199	166,828	0	0	0	82,629	84,199	166,828	166,828
14020	140220	STATIONS, STOPS, TERMINALS, INTERMODAL	18	49.53%	31,649	32,251	63,900	0	0	0	31,649	32,251	63,900	63,900
14030	140330	SUPPORT FACILITIES, YARDS, SHOPS, ADMIN BLDGS		49.53%	27,619	28,143	55,762	0	0	0	27,619	28,143	55,762	55,762
14040	140440	SITEWORK & SPECIAL CONDITIONS		49.53%	68,394	69,693	138,087	0	0	0	68,394	69,693	138,087	138,087
14050	140550	SYSTEMS		49.53%	68,944	70,253	139,197	0	0	0	68,944	70,253	139,197	139,197
14060	140660	ROW, LAND, EXISTING IMPROVEMENTS		49.53%	17,453	17,784	35,237	0	0	0	17,453	17,784	35,237	35,238
14070		VEHICLES	31	52.84%	71,877	64,156	136,033	0	0	0	71,877	64,156	136,033	136,033
14080	140880	PROFESSIONAL SERVICES		49.53%	80,627	82,244	162,872	4,500	4,500	9,000	85,127	86,744	171,872	171,872
14090	140990	UNALLOCATED CONTINGENCY		49.53%	16,564	16,878	33,442	0	0	0	16,564	16,878	33,442	33,442
14100	141010	FINANCE CHARGES		49.53%	8,193	8,349	16,542	0	0	0	8,193	8,349	16,542	16,542
Total Project Cost (10 - 100)				50.00%	473,950	473,950	947,900	4,500	4,500	9,000	478,450	478,450	956,900	956,900

**Metropolitan Council
St. Paul and Minneapolis, Minnesota
Central Corridor Light Rail Project**

Scope and Activity Description

[illegible]

Attachment 5
Metropolitan Council
St. Paul and Minneapolis, Minnesota
Central Corridor Light Rail Project
Prior Grants and Related Documents

I. Prior Grants (Not Included in the FFGA)

As shown in the table below, several grants have been awarded to the Central Corridor Light Rail Project. Two grants were awarded prior to FTA giving approval to enter Preliminary Engineering. One of those grants (MN-90-X126 thru MnDOT) was spent in full on the Major Investment Study, while a portion of the other grant (MN-03-0087) was spent on planning and the Environmental Impact Statement. The amounts spent from those grants through the date of approval to enter Preliminary Engineering are noted in the table below and are excluded from the FFGA. The remaining funds from MN-03-0087 and the funds from the other grants approved after entry into Preliminary Engineering are included in the FFGA.

Project No.	Obligation Date	Federal Amount	Funding Source	Purpose
MN-90-X126	3/22/2000	\$1,527,776	Section 5307	Major Investment Study
MN-03-0087	9/17/2003	\$518,585	Section 5309	MIS, Planning, and EIS
Total prior to Prelim-Eng		\$2,046,361	Before Start of Preliminary Engineering	
MN-03-0087	9/17/2003	\$1,223,025	Section 5309	EIS, Project Mgmt, and PE
MN-95-X002	5/21/2007	\$4,500,000	CMAQ	Project Mgmt and PE
MN-03-0200-00	6/11/2007	\$1,960,200	Section 5309	Project Mgmt and PE
MN-03-0200-01	5/28/2008	\$10,192,000	Section 5309	Project Mgmt and PE
MN-03-0200-02	8/15/2009	\$19,800,000	Section 5309	Project Mgmt and PE
MN-03-0200-03	9/16/2010	\$2,000,000	Section 5309	PE, Final Design, Project Mgmt
Total Prior Grants		\$39,675,225	After Start of Preliminary Engineering	

II. Related Documents

- | | | |
|-----|--|-------------------|
| 1. | Approval to Enter Preliminary Engineering | December 13, 2006 |
| 2. | Final Environmental Impact Statement | June 26, 2009 |
| 3. | Record of Decision | August 18, 2009 |
| 4. | Environmental Assessment | January 11, 2010 |
| 5. | Finding of No Significant Impact | February 26, 2010 |
| 6. | Letter of No Prejudice – 4 th Street Utilities | August 26, 2009 |
| 7. | Letter of No Prejudice – Advanced Traffic Improvements | March 24, 2010 |
| 8. | Approval to Enter Final Design | May 25, 2010 |
| 9. | Letter of No Prejudice – Civil East Construction | July 14, 2010 |
| 10. | Letter of No Prejudice – Civil West Construction | September 8, 2010 |
| 11. | Letter of No Prejudice – Systems | October 8, 2010 |
| 12. | Letter of No Prejudice – O&M Facility Yard Site Prep. | October 28, 2010 |
| 13. | Letter of No Prejudice – O&M Facility Construction | December 3, 2010 |
| 14. | Letter of No Prejudice – Additional Work on the Civil East, Civil West, Systems, and O&M Facility Construction | January 4, 2011 |
| 15. | Letter of No Prejudice – Additional Work on the Civil East, Civil West, Systems, and O&M Facility Construction | March 15, 2011 |

III. FFGA Grant History (Grants under FFGA)

Project No.	Obligation Date	Federal Amount	Funding Source	Purpose
MN-03-0087	09/17/2003	\$1,223,025	Sect. 5309	Conduct Study of the Central Corridor, AA/DEIS, Phase II Cultural Resources Analysis, Construction Mitigation Options, Financial Studies, Operation and Stations Issues, Community Outreach, PE, Program Mgmt
MN-95-X002	5/21/2007	\$4,500,000	CMAQ	Design Facilities & System-wide Elements, Identify ROW and Appraisal, Investigate Subsurface Utility Engineering, Management Plan, Refining Design in preparation for Final Design, FEIS, PE, Program Mgmt,
MN-03-0200-00	6/11/2007	\$1,960,200	Section 5309	Design Facilities & System-wide Elements, Identify ROW and Appraisal, Investigate Subsurface Utility Engineering, Management Plan, Refining Design in preparation for Final Design, FEIS, PE, Program Mgmt,
MN-03-0200-01	5/28/2008	\$10,192,000	Section 5309	Design Facilities & System-wide Elements, Identify ROW and Appraisal, Investigate Subsurface Utility Engineering & Relocation, Refining Design in preparation for Final Design, FEIS, PE, Program Mgmt,
MN-03-0200-02	8/15/2009	\$19,800,000	Section 5309	Refine Design, Community Outreach, Evaluate & Mitigate Risks, Utility Relocation, Finalize Mgmt Plans & Agreements with Project Partners, Demonstrate Technical Capacity in preparation for Final Design, FEIS, PE, Program Mgmt,
MN-03-0200-03	9/16/2010	\$2,000,000	Section 5309	Final Design, Phase II EA, Evaluate & Mitigate Risks, Utility Relocation, Finalize Mgmt Plans & Agreements with Project Partners, ROW Acquisition and Demolition, Prepare for FFGA
Total Prior Grants		\$39,675,225		

Attachment 6

Metropolitan Council St. Paul and Minneapolis, Minnesota Central Corridor Light Rail Project

Schedule of Federal Funds

Section 3043(c)(134) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (Pub. L. 109-59, 119 Stat. 1144; Aug. 10, 2005) authorizes FTA to award Federal capital new starts funds for final design and construction of the Central Corridor Light Rail Project (the "Project"). In accordance with Federal transit law at 49 U.S.C. Chapter 53 and FTA Circular 5200.1A, Full Funding Grant Agreements Guidance (December 5, 2002), by the execution of this Agreement the Government is limiting its commitment to provide new starts funding for the Project to those funds that have been or may be appropriated during the term of SAFETEA-LU and subsequent authorizations. The Government and the Grantee recognize, moreover, that the period of time necessary to complete the Project may extend beyond SAFETEA-LU, as evidenced by Attachment 4 to this Agreement (Baseline Schedule).

Currently, the Government and the Grantee anticipate that the Federal capital new starts funds will be provided for the Project as follows:

Proposed Schedule of Federal Funds

Fiscal Year	Federal		Local Funds*	Total
	Section 5309 New Starts Funds	CMAQ		
FY 2010 and Prior	\$35,175,225	\$4,500,000	\$169,896,580	\$209,571,805
FY 2011	\$45,000,000		\$156,432,891	\$201,432,891
FY 2012	\$98,443,694		\$116,999,633	\$215,443,327
FY 2013	\$98,443,694		\$16,000,000	\$114,443,694
FY 2014	\$98,443,694		\$19,120,896	\$117,564,590
FY 2015	\$98,443,693			\$98,443,693
Central Corridor Total	\$473,950,000	\$4,500,000	\$478,450,000	\$956,900,000

* Sources of local funding include Counties Transit Improvement Board, State of Minnesota, Ramsey County Regional Railroad Authority, Hennepin County Regional Railroad Authority, City of St. Paul, Central Corridor Funders Collaborative, and Metropolitan Council Regional Transit Capital revenues and bond proceeds.

Attachment 7

Metropolitan Council St. Paul and Minneapolis, Minnesota Central Corridor Light Rail Transit Project

Monitoring the Implementation of Measures to Mitigate Adverse Impacts

The environmental record for the Project presently consists of the following documents:

- Section 106 (Historic Preservation) Programmatic Agreement – June 18, 2009
- Final Environmental Impact Statement and Section 4(f) Evaluation – June 18, 2009
- Federal Transit Administration (FTA) Record of Decision (ROD) – August 18, 2009
- FTA Environmental Assessment of Infill Stations – January 11, 2010
- FTA Finding of No Significant Impact – February 26, 2010
- FTA Supplemental Environmental Assessment of Impacts to Local Business Revenue – March 1, 2011
- FTA Finding of No Significant Impact (FONSI) – April 20, 2011

The mitigation measures, design consultations, and other Project features and actions that reduce adverse environmental and community impacts, to which FTA and the Metropolitan Council committed in the environmental record, must be implemented under this Full Funding Grant Agreement (FFGA) unless FTA approves a change in writing. A mitigation measure may not be eliminated from the Project or altered except with FTA's written consent and in accordance with applicable environmental laws and regulations (23 C.F.R. §771.130).

Attached to the environmental ROD of August 18, 2009 as Attachment B is a table that briefly summarizes the mitigation commitments to that point in the Project's development and identifies the party responsible for each mitigation measure. Its purpose was to serve as the starting point in monitoring the implementation of the mitigation measures during final design and construction. The mitigation monitoring activity is intended to assist the Metropolitan Council in fulfilling its commitments set forth in the environmental record and to give FTA a means of checking that its mitigation commitments are, in fact, being met. Mitigation monitoring will consist of four activities:

- The Metropolitan Council shall update the table of mitigation commitments to include: any mitigation commitment in the environmental record that was made after the environmental ROD; any mitigation specified in a federal or State permit received during final design or construction; any new mitigation measure cooperatively determined by the Metropolitan Council and the University of Minnesota to be appropriate, as specified in the environmental ROD; any new environmental commitment resulting from the consultations required in the environmental record or from new information that may become available as construction proceeds; and any new or changed mitigation approved by FTA in response to a project change or another supplemental environmental review including, but not limited to, the FONSI issued on April 20, 2011.
- The Metropolitan Council shall provide the FTA with monthly status reports on the business mitigation measures it has agreed to implement as set forth in the April 20, 2011 FONSI.
- The Metropolitan Council shall track the status of the implementation of each mitigation measure.

- The Metropolitan Council shall periodically present for discussion the updated mitigation table and status information at quarterly review meetings of the Metropolitan Council, FTA, and their respective contractors.

Attachment 8

Metropolitan Council St. Paul and Minneapolis, Minnesota Central Corridor Light Rail Project

Implementation of a Before and After Study

Metropolitan Council (MC) will assemble information and conduct analyses to identify the actual performance of the Central Corridor Light Rail Project (Project) in terms of its costs and impacts, evaluate the reliability of technical methods used during the planning and development of the Project, and identify potentially useful improvements to those methods. Specifically, the MC's plan to perform a "Before and After" Study addresses the following requirements:

I. Required Information

MC will collect data and assemble information on five key characteristics of the Project and its associated transit services:

- a.) Project scope: The physical components of the Project; including environmental mitigation and other related information;
- b.) Service levels: The opening day operating service and service characteristics of the light rail system, feeder bus services, and other bus services in the corridor; a comparison with current characteristics;
- c.) Capital costs: Final costs of the Project compared with the Baseline Cost Estimate;
- d.) Operation and maintenance costs: Operating and maintenance costs of the Project, and the transit system; and
- e.) Ridership patterns: Incremental ridership, origin/destination patterns of riders, travel time savings for passengers, and associated farebox revenue

II. Milestones

MC will assemble those data items that are available at three key milestones in the development and operation of the Project:

- a.) Predictions: Baseline information available in environmental and other project or agency documents will be reviewed. Published predictive information will be summarized. Actual data drawn during operation will be analyzed in relation to the baseline and predicted information;
- b.) Prior conditions: Transit service levels, operating and maintenance costs, ridership patterns and farebox revenues immediately prior to any significant changes in transit service levels caused by either the construction or opening of the Project;

- c.) After conditions: Actual data drawn two years after the opening of revenue operations will be analyzed in relation to the baseline and predicted information.

III. Timetable

MC has prepared a detailed work plan that describes the technical activities and steps that will be taken to assemble the required information described above and conduct assessments of the actual results of the Project and the accuracy of predictions of those results. FTA has reviewed and approved the work plan, which is incorporated by reference. MC will complete the study by January 2017.