Members Present
Susan Haigh, Chair
Jan Callison
Terry Schneider
Bill James
Brian Lamb
Peter Wagenius
Peter McLaughlin
Tom Harmening, Alt for
Jeff Jacobs

Members Absent
James Hovland
Jeff Jacobs
Nancy Tyra-Lukens
Keith Bogut
Scott McBride
Mayor Rybak
Lisa Weik
Kathy Nelson
Cheryl Youakim
Jim Brimeyer
Gail Dorfman

1. CALL TO ORDER
Chair Susan Haigh called the March 7, 2012 meeting of the Southwest Corridor Management Committee to
order at 10:05am at the St. Louis Park City Hall.

2. APPROVAL OF MINUTES
Chair Susan Haigh presented the January 1, 2012, Southwest Corridor Management Committee meeting
minutes for approval. The motion for approval was granted.

3. SWLRT PROJECT OFFICE UPDATE
Chris Weyer gave an update on the SWLRT Project Office. We executed the Project Office lease at Park Place
West on February 16, 2012. Demolition had started in late February with build out and finishes to continue
through March and an April move in timeframe. The lower level conference room will be available to us in use
for various public functions.

4. ENGINEERING SERVICES PROCUREMENT UPDATE
Chris Weyer gave an update on the Engineering Services Procurement. We entered into PE in September 2011,
advertised in October 2011, and received Proposals. We are reviewing the Proposals with the intent of selecting
the Consultant in March, and then going through the Met Council process of the Transportation Committee with
the full Council award to follow.

5. LEGISLATIVE LEADERSHIP TOUR
Brian Lamb gave an overview of the February 24, 2012 Legislative Leadership Tour. A Tour, with a
presentation on the status of Southwest LRT, was provided to some key legislative leaders including: the
Senate Majority leader and Bonding Chair Senator Senjem, who were met at UnitedHealth Group by Senator
Claire Robling, Chair of Senate Finance Committee and Senator Geoff Michel, Chair of Jobs and Economic
Growth Committee. We are in a really unique position, as we are 1 in 10 Preliminary Engineering projects in
the whole country.
The legislative leaders also had an opportunity to hear from the business community. UnitedHealth Group’s Real Estate Director gave a compelling presentation of their projected growth of having a 3-part campus that will be along the planned LRT alignment. In addition, they heard from the Chambers on their support for the Southwest project. The number of both present day jobs, as well as the 2030 job projections of approximately 270,000 jobs, was an eye opener. There was some good exchange in terms of the Federal Government’s role on when their dollars come in and what sort of risks are associated by the local partners, in advance of the federal full sign-off at the full funding grants agreement. Senator Senjem had an opportunity to see how this line connects at the western portal of Target Field, with light rail connections of the green line, blue line, and Northstar as well as how the interchange project fits in the overall system. He was also met with other business leaders including, Dave St. Peter of the MN Twins, St. Paul Chamber Representatives, etc. showing regional and geographical support. It was a very well orchestrated and delivered message to the legislative leaders and there are ongoing efforts to continue bringing more legislators in on this process.

Chair Susan Haigh reported that the Capital Investment Hearing would be on Monday, March 12 at 6:00pm. Bill James asked if the Hearing is open to the public and if the schedule is on the state website. Chair Haigh replied, yes and the schedule is on the Senate website.

6. ANNUAL NEW STARTS REPORT
Mark Fuhrmann gave an overview of the FTA Annual New Starts Report. Since we entered PE in September, we are now 1 of 10 in that elite club with PE status in the New Starts program. We will be in competition with this group of 10, as we advance our project through PE and our next big milestone of the Final Design in a couple of years. The FTA rates these projects with High, Medium-High, Medium, Medium-Low, and Low and in this report there are four Medium projects competing with six Medium-High projects. The FTA’s 2013 Project Rating for SWLRT’s Financial Commitment is a Medium with an upgrade on the Operating Plan to Medium-High. The FTA report showed our assets to liability ratio was High and they also stated that our operating revenue streams are 75% pledged with MVEST and CTIB revenues for transitway. Project Justification is also a Medium rating with Cost Effectiveness at a Medium-Low rating, due to the current definition on amount of travel time saved that is created by the investment. We are just under the $31.50 per user benefit hour saved. Current FTA rating states that Projects must achieve a Medium-Low or higher to qualify for Cost Effectiveness. Our Overall Project Rating is a Medium.

Commissioner Peter McLaughlin asked what it would take to get up to a Medium-High rating. Mr. Fuhrmann stated that under current rules they look for Non-New Starts funding to be greater than 50%. Commissioner McLaughlin asked if the Capital Plan was at a Medium rating. Mr. Fuhrmann said it is an overall Medium as the commitment of funds is relatively low – rated Medium, capital cost estimates are early but realistic – rated Medium, and capital condition of the Metro Transit fleet rail, bus, and infrastructure – rated Medium-High.

Commissioner McLaughlin asked if they count the CTIB money as committed. Mr. Fuhrmann replied that the FTA says while the project has those revenue streams, the commitment in the form of a CTIB grant is still just a couple of percent of the overall local commitment. They recognize both the revenue stream and a small actual grant commitment, so they gave us a Medium rating.

Commissioner McLaughlin asked when have we made those formal commitments in the past and what would the proposal for schedule be. Mr. Fuhrmann said it was August or September 2008. CTIB and the Railroad Authority made resolution for the 30% and 10% on the Central Project in the 2nd year of PE. Commissioner McLaughlin asked when the next submittal from Metro Transit to FTA is due. Mr. Fuhrmann said we will update our project status September 1st which is their typical cycle. They come out with their evaluation in February. The current federal fiscal year funding for New Starts is approximately $1.9 Billion and the Administration’s recommendation in their fiscal 2013 budget is $2.25 Billion. Mr. Lamb said in the elongated nature of Preliminary Engineering, it is not unusual for a capital plan that does not have its local funding commitments all in place.
7. UPDATE ON PROPOSED FTA RULE MAKING
Mark Fuhrmann gave an overview of the Proposed FTA Rule Making that he presented at the University/Oberstar Forum on February 24th. The focus here is only on the FTA component and what they are proposing. In looking back over the last 12 years, as it relates to the FTA program and rule making process, the FTA’s focus was what is the incremental cost per new rider who will ride that train? When looking at the published legislative audit report on Metro Transit from a year ago, we were the 4th most efficient for cost per rider and cost per revenue mile on our light rail performance compared to 11 other peers nationally. We rated strong and secured our full funding grant on Hiawatha. About 5 years later, we were working on developing the Northstar commuter rail project with a different mode, servicing a different market, and different FTA rules. FTA’s Mantra in mid-2000 was we really need to maximize travel time saved. By making the federal invest how much travel time saved will the transportation system benefit from, this lead to the whole cost effectiveness measure which emphasized longer and faster trips in congested corridors, for maximum travel time saved. For Central Corridor, the FTA rules to maximize travel time saved still apply, but added a rule for maximizing service to the neighborhoods. January 2010, Secretary LaHood removed the pass-fail criteria which had been in place since 2005, to one of the six rating criteria I mentioned earlier. With this adjustment, we were given a medium-low rating, which still qualified us for federal funding. Over the last 12 years, we have three New Starts projects leveraging over $1 Billion to this region and to Minnesota.

One of FTA’s proposals is to move away from the 2010 Project Justification Rating percentage weights of between 10% through 20% and equalize all of them at 16.7% each. FTA has devised a shorter streamlined process for Small Starts evaluation and rating. Projects must not exceed $250 Million and federal funding must not exceed $75 Million.

Under Cost Effectiveness, the FTA is looking to abolish the whole concept of the baseline and do away with travel time saved. Instead, they are proposing the following: to compare Build to No Build in the current year or 10 year horizon, the total cost to equal annual capital and annual operating, transit ridership equal to trips, and transit dependent riders to double count. For Economic Development, the FTA wants to continue enhancing TOD and transit supportive plans & policies to provide ongoing support of affordable housing, reductions in Vehicle Miles Traveled (driving longer distances), and generate job creation. In addition, Met Council may now look at a reduction in Cold Starts (driving shorter distances), where much of the vehicle emission and noxious gas is generated. With Land Use, the FTA is continuing to look at corridor and station population densities, the existing land use and how its positioned for additional development, as well as existing parking and investing in park-n-rides. There are no new land use proposals. The FTA is looking to abolish the simplistic rating for Environmental Benefits and proposing more precise benefits from reduced vehicle emissions (Cold Starts) and greenhouse gas emissions, increased safety with fewer accidents and vehicle miles on the roads, increased public health, and capturing reductions in Vehicle Miles Traveled and monetize these benefits. As an extension of Cost Effectiveness, the FTA is proposing for Mobility Improvements to develop a national model that calculates passenger trips for projects. The FTA is abolishing the difference in system wide operating cost per passenger mile between project and baseline as it relates to Operating Efficiencies. The proposed concept is the difference in operating and maintenance cost per “place mile” when comparing to: existing transit system in the current year and existing system and no build system in a 10 year horizon. Due to our cost efficiency, when looking at our peers, we believe that we would rate very well under these new criteria. Overall, the FTA’s focus is a big shift towards Ridership.

The next steps: Brian Lamb has been leading a work group at Met Council that includes CTIB staff and County Railroad Authorities. The group has a meeting on March 9, to collaborate and share common thinking on a more regional perspective. A draft of their comments is due to the FTA on March 26.

Commissioner Peter McLaughlin asked if federal funding participation was coming out of the federal general fund and not out of the highway fund. New Starts does come out of the 2.8% of the gas tax. Mr. Fuhrmann
said he didn’t think so, but will check on it. Commissioner McLaughlin would like to see “Access to Jobs” as one of the rules criteria factor. Chair Haigh agrees and said with transit being how people get to work; it is somehow lost in this proposed rule making. Having a comparable metric where you could talk about return on overall investment with a variety of factors, you could also better articulate why the investment is a good idea. If the FTA could help with that in their rule making process, it will help state and local partners better articulate the success of their projects. It’s good to have a return on investment factor that is looking at all the factors. Mr. Fuhrmann said the FTA has already taken steps toward that direction; capturing reduction in vehicle miles traveled, but has not yet taken it to that next global step. Mr. Bill James said we should look at capturing data on other business travel ridership from the Minneapolis/St. Paul Airport to neighboring areas such as downtown Mpls, the Capitol, UHG, etc. Mr. Fuhrmann said the Southwest model will be capturing ridership going to the airport. Commissioner McLaughlin said we need to be proposing the right policy directions for us and the country and job access is a very important one. With a baseball stadium, basketball arena, football arena, university football stadium, hockey in St. Paul, and talk of minor league baseball, we might want to be capturing sports arenas and big/special events as well. Mr. Fuhrman said the FTA has these annualization ridership factors built into the models and have allowed a higher multiplier of 331 for special events, which we plan to use for Southwest.

8. CCLRT 2011 LESSONS LEARNED
Mark Fuhrmann gave an overview of CCLRT 2011 Lessons Learned. At the end of January, Minnesota Public Radio did a long feature about Central’s 2011 Lessons Learned. The report is sectioned into 3 areas: vehicle, pedestrian, and community outreach. During civil construction we went from having one lane open each way to fully closing down select intersections to expedite traffic and construction work. The Length of work zones started with six, one-mile long sections (three miles each on the north and south side), only to find out some work zone sections sat idle. Action was brought forward to match resources with the work zones as they opened up. We added a field inspector to monitor the contractor and performance and the contractor is also adding additional resources. There was no pedestrian access ramp to a temporary bus stop and we took action to add railings and barriers for safety. A utility installation and sidewalk replacement didn’t allow accessibility to the businesses, so temporary ADA bridges were put in place. In some places, signage was confusing, so an additional field inspector was added to monitor signage. Temporary sidewalks and access were incorrectly sectioned off, so action was taken to partner with ADA and conduct field checks. Over 100 signs are posted within the corridor and for 2012, we developed and are conducting weekly construction updates. We have partnered with high traffic businesses to put up construction posters. We are working with businesses on temporary access plans for their driveway closures. We have expanded with a marketing contractor to promote businesses that are open for business.

9. COMMUNICATIONS/OUTREACH UPDATE
Robin Caufman gave an update on Communications and Community Outreach. We are working on the first edition of our newsletter and looking to publish it in April. We also just set up a Twitter account and our account is: swlrt. A Communication Specialist position is posted and closes on March 14. As a request from last month’s SWCMC, Ms. Caufman provided a handout of the SWLRT Committee Structure flow chart to ease concerns of possible duplicate committees. We currently have 21 applications so far for the CAC and several cities asked for an extension. We are still on track to hold the first CAC meeting on April 12th at 6:00pm. Ms. Caufman and Hennepin County staff met with some of the business leaders and talked with the cities about how to format the BAC. Mr. Tom Harmening asked if there will be some clarity as to the role of the primary appointees verses the alternates. Ms. Caufman replied that she, Katie Walker, and Kerri Pearce-Ruch will be meeting next week on how to structure that. One way that’s been helpful, is to include the primary member, the alternate, and the president of each of these groups on email correspondence. It promoted higher accountability, level of commitment, and attendance.

Commissioner McLaughlin commented on the politics of the Transportation Re-authorization Bill. It is being worked on and at the end of this month the latest extension, #7 or 8, will expire. The key thing is not only does the programmatic structure expire, but they also quit collecting gas tax. The federal government would lose approximately $110 Million per
day if the gas tax were to expire. The fundamentals are still in place for significant investment in transit and moving transit out of the trust fund was the fundamental signal that we are in relatively good shape.

The meeting adjourned at 11:30am.

Respectfully submitted, Lynne Hahne