



Agenda
Red Rock Corridor Commission
Thursday November 18, 2010
3:30 p.m.

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

	<u>Action Requested</u>
1. Consent Items*	Approval
a. Minutes of the October 28th, 2010 Meeting	
b. Checks and Claims	
2. 2011 Work Plan and Budget* - WCRRA	Approval
3. 2011 State Legislative Platform* - WCRRA	Approval
4. Station Area Panning Study Update* - Hay Dobbs	Information
5. East Metro Rail Capacity Study Update – RCRRA	Information
6. Legislative Update – RCRRA	Information
a. State	
b. Federal*	
7. Other	Information
a. Next Meeting – Thursday, December 30, 2010	

* *Enclosures*



Meeting Minutes

October 28, 2010

Cottage Grove City Hall

3:30 p.m.

Members Present:

Myra Peterson, Washington County
Joe Harris, Dakota County
Janice Rettman, Ramsey County
Cam Gordon, City of Minneapolis
Barb Hollenbeck, City of Hastings
Corbin Hopkins, City of Newport
Jen Peterson, City of Cottage Grove
John Hunziker, City of St. Paul Park

Others Present:

Josh Olson, Ramsey County Regional Railroad Authority
Andy Gitzlaff, Washington County Regional Railroad Authority
Sam O'Connell, Dakota County Regional Railroad Authority
John Solberg, Mn/DOT
Linda Jungwirth, Assistant to Commissioner Rettman

Ex-Officio Members Present:

Marc Mogan, Prairie Island Indian Community

Commission Chair Peterson called the meeting to order at 3:38 pm.

Agenda Item #1 Consent Items

- a. Minutes of the July 29, 2010 Meeting
- b. Minutes of the September 30, 2010 Meeting
"Including an edit on Page 6."
- c. League of MN Cities Insurance Coverage
- d. Financial Management Agreement Amendment
- e. Checks and Claims

Commission Member Harris questioned the Financial Management Agreement Amendment. He inquired as to why on the signature page Commission Chair Peterson signed as the Red Rock Corridor Commission Chair and also signed as the Chair of the Washington County Regional Rail Authority. Commission Member Harris suggested that there is a conflict having the Commission Chair sign to represent both agencies even though she holds those positions. Additionally, Commission Member Rettman requested that there should be a clause with a renewal date option.

Commission Member Rettman motioned that we should add a clause to renew this Financial Management Agreement every three years at election time, and when the Washington County Regional Rail Authority Chair is the same as the Red Rock Corridor Chair it is asked that the Red Rock Corridor Vice Chair sign the agreement. The motion was seconded by Commission Member Harris and passed unanimously.

Commission Member Jen Peterson motioned to approve the consent items. The motion was seconded by Commission Member Hopkins and passed unanimously.

Agenda Item #2 2011 Work Plan and Budget* - WCRRA

Mr. Gitzlaff indicated that we can discuss the work plan and budget, but we need a super majority in order to approve it. A super majority is all four counties, and we don't have that at this time since Hennepin County is not present. We can try again to get the Hennepin County Commissioner here, or schedule a special meeting, as has been done in the past to get the budget approved. Additionally, Hennepin County has not appointed an alternate yet, so currently we need to have Commission Member Steinglein. Commission Chair Peterson suggested that we ask Hennepin County to appoint an alternate so that we could take action either at the Mosquito Control Board Meeting on the last Wednesday of the month or the Annual Meeting of AMC in the beginning of December.

Agenda Item #3 2011 State Legislative Platform - WCRRA**

Mr. Gitzlaff indicated that at the last meeting staff had prepared a summary of the previous year's requests, as well as what the outcomes were and what the potential requests could be for the 2011 State Session. Mr. Gitzlaff referred the Commission Members to the draft version of the 2011 Legislative Platform hand out. He noted that this is just a discussion item today. He informed the Commission that he would review the changes that are included in this 2011 Platform:

1. Support for Newport Park-n-Ride facility. This year the request is being put forth by Washington County, so the request is in support of Washington County's request. These funds would go toward a match of other local funds for the construction and design of the Newport Park-n-Ride facility. The station planning project is due to be complete in early 2011, with the opening of bus service in 2012.
2. Support for High Speed Passenger Rail. This has remained the same as how it was written last year. We have now recognized that the State Rail Plan has now been completed. We are not aware if there will be a High Speed Rail Request in for Ramsey County, or from The High Speed Rail Commission as of yet, but the language is broad in the support, so it could apply to both. Commission Member Rettman questioned if the three-for-one benefit is included in the plan. She feels strongly that this specific language is something that needs to be included. Commission Chair Peterson concurred that the three modes add to the viability of our region. She noted that the improvements for freight movement with the investment of high speed rail and commuter rail are important. She reminded the Commission Members that the efficiency of freight trains in comparison to trucks is

significant. She noted that one ton of freight can be carried 465 miles on only one gallon of fuel. Additionally, a train can move the same load as 280 trucks, and is twelve times more effective than trucks in greenhouse gas emission. Mr. Gitzlaff agreed that since this is a draft, he would work in the three-for-one concept.

3. Support for The Union Depot Project. He noted that this is very similar to last year's request. The request is to support the request by Ramsey County Rail Authority for State Bond Funds to match the Federal Bond Funds for The Union Depot.
4. Support for Hoffman Yard Interlock improvements. He indicated that at last year's legislative session this request was put forward by the Minnesota High Speed Rail Commission, which is the joint powers board from Ramsey County on down to Winona. There was a million dollars included in the capital investment bill that was later line item vetoed. We are not sure yet if the Minnesota High Speed Rail is going to put forth this request again, but this is in the platform as a place holder.
5. Support for the Minneapolis Interchange project. He referenced that this is a new item. They are putting forward a bonding request for this year and this support item recognizes that this is an important project and is the western terminus of the Red Rock Corridor. Commission Member Rettman inquired to receive some additional information on this item to be more informed on this issue. Commission Member Gordon indicated that there has been some discussion in regard to the NorthStar Line and where there are going to store the cars in relation to this hub. He indicated that he could gather more information and forward it on to Mr. Gitzlaff. Commission Chair Peterson encouraged the board to schedule a presentation on this project to gain more knowledge.
6. Support for the implementation of commuter bus service from Hastings with a stop in Newport to St. Paul/Minneapolis. Mr. Gitzlaff referenced last year's bill that contained \$250,000 that authorized the MN Department of Transportation to use, at the discretion of the commissioner, toward bus service from Hastings to St. Paul for fiscal year 2011. This plank is not asking for a change; it is stating that the Corridor Commission continues to support the implementation of the bus service. The language is similar to what we had last year. Commission Member Rettman commented that she realized this is a demonstration project, but at some time it needs to be included in long-term planning.

Mr. Gitzlaff indicated that staff will make some edits and have it available for the next meeting as an approval item.

Agenda Item #4 Meeting Attendance Procedures* - WCRRA

Mr. Gitzlaff informed the Commission Members that every month the procedure to determine if we have a quorum is for staff to make phone calls to determine the attendance of the meeting. This policy has not been updated since technology has improved and more Commission members are using email and blackberry's. Staff is recommending putting the responsibility onto the commission members to make staff aware if they are not able to attend a monthly meeting. Commission members will be expected to attend the regularly scheduled monthly meeting and staff will assume they will attend this meeting unless notified via email or phone call at least two weeks prior to the upcoming meeting date. If the member is unable to attend, it is their responsibility to notify the alternate to have them in attendance. Additionally, there are a few cities and

counties that don't have alternates appointed. He noted that this may be something we need the Commission to look at in 2011, to have alternates appointed for all members to ensure we are able to continue to conduct business.

Mr. Gitzlaff confirmed that a quorum is a minimum of two counties in attendance and a total of six members in attendance. Additionally, for the budget approval meeting a super majority is needed with all four counties in attendance and unanimous approval is needed.

He also clarified that the alternate would need to be another elected official. It is not a term position and can be appointed at any time. Reappointments only occur if there is a change within the appointing body.

Commission Chair Peterson confirmed that this is the new policy that will be implemented. Mr. Gitzlaff indicated that he will send out a reminder for the next few meetings and confirmed that you can phone the staff member, or call or email Mr. Gitzlaff.

Agenda Item #5 Draft Travel and Attendance Policy – WCRRA

Mr. Gitzlaff indicated that the Commission Members should review the Draft Travel and Attendance Policy. Commission Member Rettman noted that in addition to the surveys of other commissions, policies included; The Gateway Corridor Commissions policy states "travel to out of state events and conferences will be the responsibility of individual members". Additionally, The High Speed Rail policy also indicated travel is the responsibility of individual members of the organizations. She conveyed to the Commission Members her concern that if this item remained in the budget, she would not be able to approve the budget. None of the similar organizations have a policy as generous as the Red Rock Corridor Commission for travel and she felt strongly that the Policy should be clearly stated that out-of-state travel and conferences should be the responsibility of the member. Commission Chair Peterson noted that the original RRCC did have this travel policy because we were a new organization venturing into an area that we were not educated in. So, the original board encouraged members to engage the smaller communities to participate in a broader learning experience, because they in fact are the ones that have zoning authority. Commission Member Rettman reminded the Commission Members that the scrutiny of travel expenses is much more present today than in 1999. Commission Member Gordon indicated that it appeared if we don't provide some type of funding that there are some people on our Commission, from smaller cities, that wouldn't have the benefit of attending a conference and becoming a more valuable Commission member when they returned from the conference. He noted it is unfortunate, that the larger cities have the ability to utilize a budget on travel, but the smaller cities typically don't.

Mr. Gitzlaff reminded the Commission Members that the travel budget is rarely used. Even though this authorizes and lays the ground rules for travel, each travel opportunity is subject to the approval of the Corridor Commission Board prior to any travel arrangement is booked. Commission Member Rettman noted that the Counties are the

only four organizations putting funding into the budget, and travel should be the responsibility of the each municipality.

Commission Member Harris suggested that we continue this Travel and Attendance Policy discussion item at the budget approval meeting with the four funding partners. Commission Member Rettman confirmed that she wanted the travel and attendance policy implemented and included in the 2011 Budget. Additionally, she wanted the specific detailed numbers as to how much each of the four counties have put into the Red Rock Corridor Budget. Mr. Gitzlaff indicated that he could get those details; he confirmed that there have been no funds put into the budget since 2001. In 2001, \$170,000 was put into the budget with 40% from both Ramsey County and Washington County, and 20% from Dakota County. Then when Hennepin came into the RRCC in 2005 they began paying their share of the upcoming year’s budget. We have been keeping track of two separate funds, as to where Ramsey, Washington and Dakota Counties funds are and where Hennepin Counties funds are. Estimated Fund Balances for the end of this year are:

Ramsey County	\$32,000
Washington County	\$33,000
Hennepin County	\$10,000
Dakota County	<u>\$22,000</u>

Total of \$98,800 remaining in the budget, as included on page four of the budget packet.

Commission Member Harris motioned to table the travel policy to next meeting when all four of the funding partners are in attendance. The motion was seconded by Commission Member Hunziker and passed unanimously.

Agenda Item #6 Station Area Planning Study Update* - WCRRA

Mr. Gitzlaff indicated that the open houses in August were complete and he referred the Commissioners to review the Public Meeting/Open House #1 Questionnaire Response Summary included in the packet. He also provided a website update report and referred the Commission Members to review this memorandum. He indicated that as part of the study, they had revamped the website and made it more user friendly including some interactive items, e-newsletter and mailing list. Internet traffic has gone down a bit, but this may be due to the fact that there hasn’t been anything new released recently. The next round of open houses in January should see an increase in website activity.

Additionally, from a communications standpoint, he referred to the recent e-newsletter blasts that all the members should be receiving, as well as more in depth newsletter handouts. He provided copies to all present and encouraged the Commission Members to take a few extras to hand out to other community and board members. He noted that over the past month the project management and technical teams have met with city staffs in each of the cities to get some input from their public works and engineering departments to make sure some of the concept plans will work. There will be some refinements on the plans due to this process. At our November meeting Tom Dobbs will give a presentation with a preview of the concept plans and update on the project prior

to our next round of open houses in January. Commission Chair Peterson suggested that we plan a meeting with public safety, to cover safety issues in the planning process.

Agenda Item #7 Legislative Update* - RCRRA

a. State

Josh Olson informed the Commission that due to the election next week, there was not much new at the State Level.

b. Federal

Mr. Olson informed the Commission members that the election next week is the largest item at the Federal Level also. He also indicated that there have not been too many changes in policies, laws or resolutions but he provided an update of some recent announcements:

The Red Rock Corridor Commission and Washington County were unsuccessful in receiving a Tiger Grant. This is disappointing, but he indicated that the City of St Paul did receive some funding out of that grant program. Mr. Olson gave the Commission Members a hand-out summarizing the high speed rail inter-city passenger rail program grants announced that day. The Union Depot received \$40 Million as part of that program. Additionally, HUD, EPA and DOT reported today that the Twin Cities was a recipient of the Sustainable Communities Planning Grant. Our region continues to receive these ultra competitive programs at the national level. Additionally he noted, the Twin Cities was one of five recipients of The Living Cities Grant, which is a national grant program from the non-profit world. These grants are focused on transit orientated and transitway development. He noted that the Corridor Commission Staff will continue to keep an eye on these developments.

Agenda Item #8 Other

a. TIGER II Grant Awards*

b. Next Meeting- November 18, 2010

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

The Commission adjourned at 4:45 p.m.



DATE: November 15, 2010
TO: Red Rock Corridor Commission
FROM: Staff
RE: Checks and Claims

Attached is the

Hay Dobbs Credit Invoice #11 - SAP Study	\$ -101.71
Hay Dobbs Invoice #12 - SAP Study (September, 2010)	\$ 32,110.20
Hay Dobbs Credit Invoice #13 - SAP Study	\$ -1,188.54
TOTAL	\$ 30,819.95

Action Requested: Approval

CREDIT INVOICE NO. 09017.000-11

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

Estimated Completion: 39.8 %
 (from Column 6 Progress Report)

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

Period Ending: 8/31/10
 Invoice Date: 09/30/10

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

Contract Expiration Date: April 20, 2011
 TH Number: NA

	Total Contract Amount	Total Billing to Date	Amount Previously Billed	Billed This Invoice
1. Direct Labor Costs: (See Exhibit _ for Breakdown)	\$466,751.00	\$239,373.94	\$239,373.94	\$0.00
2. Direct Expense Costs: (See Exhibit _ for Breakdown)	\$60,533.00	\$26,013.65	\$26,115.36	(\$101.71)
3. Subcontractor Costs:	\$565,170.00	\$178,703.95	\$178,703.95	\$0.00
4. Miscellaneous Professional Services	\$57,500.00	\$4,617.61	\$4,617.61	\$0.00
Net Earnings Totals:	\$1,149,954	\$448,709.15	\$448,810.86	(\$101.71)
Total Amount Due This Invoice:				(\$101.71)

Contractor: Complete this table when submitting an Invoice for payment			
Activity Code	Total Billing to Date	Amount Previously Billed	Billed This Invoice
1	\$448,709.15	\$448,810.86	(\$101.71)
Total*	\$448,709.15	\$448,810.86	(\$101.71)

*Must Match Net Earnings Totals Above

For Consultant Services Use Only

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

Print Name: Gary C. Hay

Title: President/Principal-in-Charge

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

Telephone: (612) 338-4590

Approved for Payment: _____

Date: _____

INVOICE NO. 09017.000-12

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

Estimated Completion: 42.7 %
 (from Column 6 Progress Report)

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

Period Ending: 9/30/10
 Invoice Date: 10/20/10

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

Contract Expiration Date: April 20, 2011
 TH Number: NA

	Total Contract Amount	Total Billing to Date	Amount Previously Billed	Billed This Invoice
1. Direct Labor Costs: (See Exhibit for Breakdown)	\$466,751.00	\$265,108.95	\$239,373.94	\$25,735.01
2. Direct Expense Costs: (See Exhibit for Breakdown)	\$60,533.00	\$27,494.55	\$26,013.65	\$1,480.90
3. Subcontractor Costs:	\$565,170.00	\$183,598.24	\$178,703.95	\$4,894.29
4. Miscellaneous Professional Services	\$57,500.00	\$4,617.61	\$4,617.61	\$0.00
Net Earnings Totals:	\$1,149,954	\$480,819.35	\$448,709.15	\$32,110.20
Total Amount Due This Invoice:				\$32,110.20

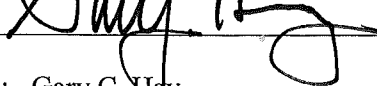
Contractor: Complete this table when submitting an invoice for payment

Activity Code	Total Billing to Date	Amount Previously Billed	Billed This Invoice
1	\$480,819.35	\$448,709.15	\$32,110.20
Total*	\$480,819.35	\$448,709.15	\$32,110.20

*Must Match Net Earnings Totals Above

For Consultant Services Use Only

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

Signature: 
 Print Name: Gary C. Hay

Title: President/Principal-in-Charge

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

Telephone: (612) 338-4590

Approved for Payment: _____

Date: _____

CREDIT INVOICE NO. 09017.000-13

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

Estimated Completion: 42.7 %
 (from Column 6 Progress Report)

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

Period Ending: 10/31/10
 Invoice Date: 11/2/10

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

Contract Expiration Date: April 20, 2011
 TH Number: NA

	Total Contract Amount	Total Billing to Date	Amount Previously Billed	Billed This Invoice
1. Direct Labor Costs: (See Exhibit _ for Breakdown)	\$466,751.00	\$265,108.95	\$265,108.95	\$0.00
2. Direct Expense Costs: (See Exhibit _ for Breakdown)	\$60,533.00	\$26,306.01	\$27,494.55	(\$1,188.54)
3. Subcontractor Costs:	\$565,170.00	\$183,598.24	\$183,598.24	\$0.00
4. Miscellaneous Professional Services	\$57,500.00	\$4,617.61	\$4,617.61	\$0.00
Net Earnings Totals:	\$1,149,954	\$479,630.81	\$480,819.35	(\$1,188.54)
Total Amount Due This Invoice:				(\$1,188.54)

Contractor: Complete this table when submitting an Invoice for payment			
Activity Code	Total Billing to Date	Amount Previously Billed	Billed This Invoice
1	\$479630.81	\$480,819.35	(\$1,188.54)
Total*	\$479630.81	\$480,819.35	(\$1,188.54)

*Must Match Net Earnings Totals Above

For Consultant Services Use Only

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

Print Name: Gary C. Hay

Title: President/Principal-in-Charge

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

Telephone: (612) 338-4590

Approved for Payment: _____

Date: _____

DRAFT

Red Rock Corridor Commission 2010 Work Plan and Budget

Status: For Approval, November 18th, 2010

1. General Activities

The Red Rock Corridor Commission (RRCC) will work with corridor municipalities, the Counties Transit Improvement Board (CTIB), the Metropolitan Council (Met Transit), Metro Transit, and the Minnesota Department of Transportation (Mn/DOT) to continue the advancement of the Red Rock Corridor. To accomplish this, the RRCC will do the following:

1. Offer guidance on corridor studies
2. Coordinate corridor studies with Mn/DOT, Met Council, Metro Transit, and other interested parties
3. Monitor progress on corridor studies
4. Offer formal comments as needed;

2. Advocacy and Legislative Coordination

The Commission will continue to develop policy positions and advocate for improved transit to serve the Corridor and the Twin Cities region.

Commission activities include:

1. Informing legislators of the need for a transitway improvement in the Red Rock Corridor.
2. Advocating for increased transit funding to improve and expand the existing transit service in the Corridor.
3. Coordinating legislative initiatives with the CTIB and other transitway corridors.
4. Coordinating legislative initiatives with impacted freight railroads to speed the implementation of capacity improvements that benefit passenger and freight rail along the Red Rock and High-Speed Rail corridors.
5. Advocating for High-Speed rail funding at the state and federal level.
6. Establishing positions on legislative initiatives that affect the Red Rock Corridor.

3. Public Involvement

The Commission's public involvement activities will be separate from, but closely coordinated with the Station Area and Site Master Planning study.

The Commission's activities will include:

1. Public Involvement as identified in the Station Area and Site Master Planning Workslope.
2. Presentations to civic and community groups throughout the Corridor.

3. Distribution of newsletters and project updates at various public events including fairs and community festivals.
4. Media recognition of Commission meetings and events through print, radio, and public access television.
5. Coordination of updates to the project website to coincide with the multiple studies being undertaken.
6. Host a website and manage content

4. Management, Policy and Administrative Activities

Commission activities will include:

1. Prepare and adopt the annual Work Plan and Budget
2. Prepare the annual financial report
3. Prepare an annual legislative platform
4. Review insurance needs and procure appropriate insurance
5. Provide Commission and staff administration
6. Manage Commission expenses
7. Manage the consultant selected for each of the various work tasks undertaken by the commission
8. Attend regional/national conferences to educate members on transit alternatives and their impact on the built environment.

5. Southeast Station Area and Site Master Planning and Environmental Analysis

The work being conducted for this study will be utilized in the development of station areas that can serve express bus service in the interim and transition to commuter rail as it is implemented. These stations include Lower Afton Road (St Paul), Newport, Cottage Grove and Hastings. Public education and involvement is a key component of this project. The key items in the scope of work include the following tasks:

- Public Education and Involvement
- Corridor Website Development
- Corridor and Station Visualization
- Preparation of Station Area and Site Plans
- Environmental Analysis and Documentation
- Market and Transit Oriented-Development Analysis
- Construction, Operating and Maintenance Cost Estimates
- Transit Oriented Development Implementation Guide

The Washington County Regional Railroad Authority is the contract manager for the study. The Red Rock Corridor Commission provides project guidance and oversight. The study, which began in October 2009, will be completed in the June of 2011.

6. East Metro Railroad Capacity Analysis Study

This study will evaluate railroad capacity and determine engineering improvements needed to implement Amtrak, commuter rail, Midwest Regional Rail (high speed), and freight movements north and east of downtown St. Paul. Within a half-mile of the downtown St. Paul and Union Depot, five percent (5%) of all U.S. Freight Rail traffic moves through the Hoffman Ave. Interlocking. Three Class 1 Railroads, as well as regional Short Line carriers, operate on trackage rights in this area. Hoffman Ave. Interlocking is a major rail freight operations bottleneck. The RRCC and stakeholder railroads recognize current and future rail capacity constraints have to address this bottleneck in order to achieve long term plans for high-speed, inter-city and commuter rail connections to Union Depot. This study will be very beneficial to establishing a collaborative working relationship with the railroads for identifying solutions that could accommodate all desired uses.

The study, which began in June 2010, will be completed in November 2011. The Ramsey County Regional Railroad Authority is the contract manager for the study. The Red Rock Corridor Commission is a project partner for this study and will be involved in the decision-making process.

2010 Operating Revenue

Revenue Source	Percentage Due	Amount Due	Fund Balance⁽¹⁾
Regional Railroad Authority			
- Ramsey County	37.5%	\$ 26,250	\$ 32,850
- Washington County	35%	\$ 24,600	\$ 33,580
- Hennepin County	17.5%	\$ 12,500	\$10,540
- Dakota County	10%	\$ 7,000	\$ 22,010
TOTAL	100%	\$ 70,000	\$ 97,980

2010 Operating Expenditures

Expenditure Category	Amount
Corridor Administration / General Activities ⁽²⁾	
- Corridor Insurance	\$ 2,000
- Corridor Memberships	\$ 1,000
- Meeting Supplies/Postage	\$ 2,000
- Publishing/Printing/Advertising	\$ 3,000
- Training	\$ 4,000
- Travel to a National Transit Conference ⁽³⁾	\$ 0
- Travel to learn about another transit System ⁽³⁾	\$ 0
Subtotal	\$12,000
Advocacy and Legislative Coordination	
- Travel to Washington D.C. ⁽³⁾	\$ 0
- Federal/State Advocacy	\$ 0
Subtotal	\$ 0
Public Involvement	
- Website Hosting / Content Management	\$ 5,000
- Communication Services	\$ 20,000
- Special Events	\$ 3,000
Subtotal	\$ 28,000
Contingency	\$ 30,000
TOTAL	\$ 70,000

Operating Budget Notes:

1. The Commission's fund balance as of November 1, 2010.
2. The county regional railroad authorities are conducting administrative functions, including mailings. Such items are eligible for reimbursement as approved by the Commission.
3. Out of state travel costs to transit conferences, to learn about another transit system, or advocacy trip to Washington D.C. will be the responsibility of each individual member the unless the Commission's Financial Members unanimously approve the use of contingency funds to pay for travel.

2010 Capital Revenue

Revenue Source	Amount
Federal 5339 funds (2006 & 2007)	\$ 3,105,000
Federal 5309 funds (2001 & 2002)	\$ 950,000
State Bonds (2005 & 2006)	\$ 400,000
RCRRA Local Match to SAP	\$ 59,375
WCRRA Local Match to SAP	\$118,750
DCRRA Local Match to SAP	\$59,375
TOTAL	\$ 4,692,500

Capital Budget Notes:

1. In July 2010, the Red Rock Corridor Commission passed Resolution 2010-04 establishing a funding formula and designating the responsible parties for the local match to the Station Area Planning and other corridor studies.

2010 Capital Expenditures

Station Area and Site Master Planning

The study is under contract and is being funded with the remaining \$950,000 of federal 5309 funds designated for the Red Rock Corridor through a Grant Agreement that the WCRRA has with the Mn/DOT.

A 20% local match of \$237,500 is also required. RCRRA is already providing the entire local match through an existing cooperative agreement with WCRRA. RCRRA will be reimbursed for any additional funds contributed over their \$59,375 established share.

The WCRRA and DCRRA are responsible for contributing its portion of the Station Area Master Planning project as part of the 2011 funding contribution. WCRRA and DCRRA may use its portion of the remaining fund balance at the end of the 2010 budget cycle toward its share of the match.

Revenue sources for this work are listed below:

Revenue Source	Amount
Federal Appropriations (2006 & 2007)	\$ 950,000
RCRRA Local Match	\$ 59,375
DCRRA Local Match	\$ 59,375
WCRRA Local Match	\$118,750
TOTAL	\$ 1,187,500

East Metro Railroad Capacity Analysis

This study is under contract and is being funded with \$1,600,000 in federal 5309 funds through a grant agreement between RCRRA and Met Council. State bond funds designated for the Red Rock Corridor will be used as the \$400,000 local match.

Revenue sources for this work are listed below:

Revenue Source	Amount
Federal Appropriations (2006 & 2007)	\$ 1,600,000
State Bonds (2005 & 2006)	\$ 400,000
TOTAL	\$ 2,000,000

Future Studies

The 5339 funds were appropriated to the Met Council for Rush Line, Red Rock and Central Corridor planning. Central Corridor is no longer an eligible project for the funds because a locally preferred alternative has been established.

Future studies identified for the remaining funds include a coordination of corridors into Union Depot and an East Metro Travel Time Benefit study. However, start dates, formula contributions for the local match and contract managing agencies have not been determined. The Red Rock Corridor Commission along with its regional partners will need to re-evaluate the scope and need for these studies since much of this work could be a duplication of other regional planning projects.

One potential option to pursue would be to use the funds for advanced alternatives analysis and environmental work along the Red Rock Corridor to continue to move the project through the transitway development process.

Revenue Source	Amount
Federal Appropriations (2006 & 2007)	\$ 1,505,000
Remaining Local Match to be Determined	\$ 376,250
TOTAL	\$ 1,881,250



Red Rock Corridor Commission

2011 Legislative Platform

DRAFT

Status: For Approval, November 18th, 2010

Who We Are

The Red Rock Corridor Commission (RRCC) is a Joint Powers Board of the County Regional Rail Authorities and communities established in 1998 to address the transportation needs of the Red Rock Corridor from Hastings through St Paul to Minneapolis.

2011 Platform Priorities

1) Support for Newport Park-&-Ride

Request:

The Red Rock Corridor Commission (RRCC) supports the request by Washington County for state bond funds by Washington County for the environmental review, preliminary and final engineering, design and construction of the park-and-ride in the City of Newport along the Red Rock Corridor Transitway.

Rationale:

The Washington County Regional Railroad Authority (WCRRA) is a member of the Red Rock Corridor Commission (RRCC) which was created in 1998 to begin advocating for transportation improvements in the Red Rock Corridor from Hastings through the Union Depot in St. Paul to Minneapolis. In 2007, the RRCC completed an Alternatives Analysis (AA) which recommended a phased approach to transit service in the corridor that focuses on building the ridership base in the interim through expanded bus service and new park-and-ride construction to justify a long-term investment in commuter rail in the corridor. One of the park-and-rides/transit stations identified in the AA is located in Newport.

In 2010, the WCRRA purchased the former "Knox Lumber" site in Newport for the park-and-ride/transit station. A station area planning study is currently underway for all of the southeast stations of the Red Rock Corridor, including Newport, to design the transit facilities and plan for development in the surrounding area. Washington County will perform an environmental assessment, preliminary and final engineering, design, and site preparation work in 2011 and construction in 2012. Once open, the transit facility will initially be served by the rerouted Metro Transit 364 express bus service to St Paul. Future bus service will be added based on market demand.

Support

Support will come from the City of Newport, the Metropolitan Council, the Counties Transit Improvement Board, and others associated with the implementation of multi-modal transportation options.

DRAFT

**Opposition**

Opposition may come from those opposed to expansion of the express bus service in the region.

No Action:

If the proposal is not enacted, other funding sources will need to be secured to design and construct the park-and-ride.

Previous Consideration:

The Red Rock Corridor was included as a priority corridor to receive funding for design and construction of park-and-rides in the 2009 State Bonding Bill as part of the Met Council's Transit Capital Improvement Program. The entire Transit Capital Improvement Program was subsequently vetoed from the bonding bill.

Financial Implications:

There will be an impact on state finances due to the sale of bonds for the design and construction of the park-and-ride lot.

2) Support for High Speed Passenger Rail**Position:**

The Red Rock Corridor Commission supports the States efforts for the planning, development and implementation of high speed passenger rail service along the River Route Corridor as part of the Statewide Passenger and Freight Rail Plan "the State Rail Plan" and the Midwest Regional Rail Initiative (MWRRI).

Rationale:

State funding is critical for developing high speed passenger rail in Minnesota connecting the Twin Cities to Chicago as part of the Midwest Regional Rail Initiative (MWRRI) Passenger Rail System. The system is predicated on three key approaches: 110-mile-per-hour service; significantly increased frequencies; and next generation trains that will bring a faster, more reliable, more service-focused mobility option to travelers.

These funds can also be used to maximize the potential use of federal money designated for the development of high speed rail through the Passenger Rail Investment and Improvement Act (PRIIA) of 2008 the American Recovery and Reinvestment Act (ARRA) of 2009.

The Minnesota Department of Transportation completed the State Rail Plan in 2009. This plan examined all of the potential corridors within Minnesota for the implementation of passenger rail service and identified the "River Route," which runs from the Twin Cities to La Crescent along the Mississippi River and then crosses into Wisconsin and continues to Madison, Milwaukee, and Chicago as a priority corridor for high-speed passenger rail service between the Twin Cities and Chicago.



The River Route Corridor would share the same tracks from St Paul to Hastings with the Red Rock Corridor. Improvements to track capacity and safety upgrades, including lights and crossing gates are a 3 for 1 investment to the corridor (high-speed rail, commuter rail and freight trains). High-speed trains also consume less fuel, produce less carbon dioxide, and promote community development, which has broader environmental benefits.

Support

Support will come from other sponsors of the Midwest Regional Rail System, the Minnesota High Speed Passenger Rail Commission, the Minnesota Department of Transportation, On Board Midwest Coalition and others associated with the implementation of multi-modal transportation options.

Opposition

Opposition may come from those opposed to passenger rail transportation. These people/organizations may argue that the cost associated with implementing and operating rail systems cannot be justified by the benefits they produce, or that any inter-city rail system should be self-sustaining. Opposition may also come from those advocating other routes.

No Action:

If the proposal is not enacted, the Minnesota Department of Transportation may allocate bonding funds towards other passenger rail corridors.

Previous Consideration:

The 2008 State Bonding Bill included \$26,000,000 for capital improvements and betterments for intercity passenger rail projects as identified in the statewide freight and passenger rail plan.

Fiscal Impacts

There will be an impact on state finances due to the sale of bonds for the engineering, environmental, design and construction of the high speed rail corridor.

3) Support for Union Depot

Position:

The Red Rock Corridor Commission supports the request by Ramsey County Regional Railroad Authority for state bonds to match federal funding available for right-of-way acquisition, design and construction work at the Union Depot Multi-modal Transit and Transportation Hub.

Rationale:

This project is a multi-year effort to connect Minneapolis and St. Paul with the Central Corridor light rail line at the Union Depot multi-modal hub, and it will include Amtrak, interstate bus lines, inter-city bus lines, the Rush Line Corridor and Red Rock commuter rail, high-speed rail, the Robert Street Corridor, and other future transitways. The new hub will serve as a focal point for economic development in the east metropolitan area.



The RRCC recognizes that improvements in the Union Depot create the opportunity for one investment to benefit multiple transportation corridors. The award of this funding will allow the build out of the station so that it can accommodate Amtrak, high speed rail, light rail transit, commuter rail, inter and intra city buses, pedestrians, and bicyclists.

Support:

Support will come from the Ramsey County Regional Railroad Authority, Amtrak, BOMA, Capitol River Council, Central Corridor Coordinating Committee, Greyhound Lines, Jefferson Lines, Metropolitan Council, Mn/DOT, Rush Line Corridor, St. Paul Area Chamber of Commerce, St. Paul City Council, St. Paul Port Authority, St. Paul Riverfront Corporation, City of St. Paul, various community and neighborhood groups, congressional members, and legislators support this legislative request.

Opposition:

Opposition may come from those opposed to investments in transit and passenger rail.

No Action:

If the proposal is not enacted, the RCRRA will have to look for other funds to match federal funds for Union Depot.

Previous Consideration:

The Union Depot was included as a priority project to receive funding for design and construction of park-and-rides in the 2009 State Bonding Bill Corridor as part of the Met Council's Transit Capital Improvement Program. The entire Transit Capital Improvement Program was subsequently vetoed from the bonding bill.

Financial Implications:

There will be an impact on state finances due to the sale of bonds for the design and construction work at the Union Depot Multi-modal Transit and Transportation Hub.

4) Support for Hoffman Junction/Interlocking Improvements

Position

The Red Rock Corridor Commission supports the request for state bonds to be allocated to the Minnesota Department of Transportation for Hoffman Yard Interlocking Capacity Improvements.

Rationale:

Hoffman Interlocking/Hoffman Junction is one of the current major freight bottlenecks in the State of Minnesota. Three of the four Class I railroads operating in the State have facilities that interchange in this area. Union Pacific trains must cross Canadian Pacific and Burlington Northern Santa Fe train tracks to travel between the Twin Cities and Chicago. This movement limits capacity on all three rail lines. Potential improvements include at grade separation options for the railroads.



Improving the capacity of Hoffman Interlocking/Junction is vital to the Minnesota High Speed Rail Commission and Ramsey County Regional Railroad Authority as this bottleneck constricts the amount of passenger trains able to call upon the Union Depot. Without capacity improvements, passenger trains will be limited to the existing Amtrak Empire Builder service. With capacity improvements, high-speed rail, Red Rock Corridor commuter rail, and passenger rail service to Eau Claire, WI can be added. The request would be used to fund environmental analysis, engineering, acquisition of real property or interests in real property, and construction relating to capacity improvements. Additionally, it may be used to match federal funds.

Support:

Support will come from the Ramsey County Regional Railroad Authority, the Counties Transit Improvement Board, the Minnesota Department of Transportation, and others associated with the implementation of multi-modal transportation options. Freight railroads may also be supportive due to the investment in their system.

Opposition

Opposition may come from those opposed to transit or intercity rail service. These people/organizations may argue that the cost associated with implementing intercity rail cannot be justified by the benefits it produces, or that any passenger rail system should be self-sustaining. Additionally, opponents may object to public money paying for improvements to private freight railroads.

No Action:

If the proposal is not enacted, other funding sources will need to be secured for the Hoffman Junction/Interlocking improvements.

Previous Consideration:

Hoffman Junction/Interlocking funding in the amount of \$1,000,000 was included in the 2009 State Bonding Bill Corridor as part of the appropriation to the Mn/DOT. The appropriation was later line-item vetoed from the bonding bill.

Fiscal Impact:

There will be an impact on state finances due to the sale bonds for improvements to Hoffman Junction/Interlocking.

5) Support for the Minneapolis Interchange

Position:

The RRCC supports the request by Hennepin County Regional Railroad Authority for state bonds to match federal funding available for pre-design, design and construction work at the Minneapolis Interchange transit hub.

Rationale:

The Red Rock Corridor extends from Hastings through the Union Depot in St Paul and on to Minneapolis terminating at the Interchange utilizing a portion of the track alignment that is proposed to be further analyzed as part of this study.



The bond money will provide part of the construction funds needed to build the Interchange transit hub located in Minneapolis, Minnesota. The Interchange facility ties rail passengers with those that arrive via the Cedar Lake Bike Trail, transit buses, on foot or by motor vehicle and allows all to switch transportation modes. When fully developed, the Interchange will serve 22,000 commuters daily. This project will establish an intermodal transit station in the heart of the Warehouse District in downtown Minneapolis, at the confluence of light rail transit (Hiawatha, Central, and future Bottineau and Southwest corridors), commuter rail transit (NorthStar), and future intercity passenger and commuter corridors including Red Rock. Currently, the LRT lines have not planned for smooth and efficient operations where the four lines come together. This facility will also provide easy access and connections to the Cedar Lake Regional Bike Trail, Interstate Highways I-94 and I-394, bus transit service, and local neighborhoods- for those residents, visitors, tourists, and workers that enter and exit the downtown business and entertainment districts.

The current Interchange sits adjacent to Target Field, the new home of the Minnesota Twins, and currently serves over 13,000 commuters daily. By 2014-15, Central Corridor adds 240 round trips and 800 commuters to the area and the Southwest Corridor will add through train service for an additional 2,000 commuters to the area. Additionally, special event trains currently deliver over 12,000 rides daily to Minnesota Twins games. The Interchange Facility, with proximity to Target Field, the historic Ford Centre, and the BNSF mainline, will create a major civic focal point and serve as the catalyst for new high density, mixed use development of commercial and residential uses. Project construction will generate 1,000's of jobs and the new related development will generate 100's of permanent jobs.

Support:

Support will come from the Hennepin County Board; the Hennepin County Regional Railroad Authority; Metro Transit; the City of Minneapolis, the Counties Transit Improvement Board as well as the Minnesota Ballpark Authority; the Minnesota Twins; and local business and neighborhood groups.

Opposition:

Opposition may come from those opposed to investments in transit and passenger rail.

No Action:

If the proposal is not enacted, other funding sources will need to be secured for the Minneapolis Interchange Project.

Previous Consideration:

The Minneapolis Interchange was included as a priority project to receive funding for in the 2009 State Bonding Bill as part of the Met Council's Transit Capital Improvement Program. The entire Transit Capital Improvement Program was subsequently vetoed from the bonding bill.



Financial Implications:

There will be an impact on state finances due to the sale of bonds for the design and construction work at the Minneapolis Interchange.

6) Red Rock Corridor commuter bus service to Hastings and Newport

Position:

The RRCC supports the implementation of a commuter bus service to/from Hastings with a potential stop in Newport with service to both St Paul and Minneapolis for a demonstration period.

Rationale:

In 2007, the RRCC complete an Alternatives Analysis (AA), which recommended a phased in approach to transit service starting with expanded bus service and new park-and-ride construction to a long-term plan of implementing commuter rail in the corridor. Two of the park-and-rides/transit stations that were identified in the AA are located in Hastings and Newport. Currently, there is no regular route or local bus service provided to the City of Hastings and limited local and express service provided in Newport. To determine potential transit ridership, the RRCC undertook a Commuter Bus Feasibility Study in 2009. The results of this study showed favorable ridership from Hastings to St Paul and Minneapolis.

In addition, the Minnesota Department of Transportation will begin construction of the TH 61 Hastings Bridge over the Mississippi River and the Lafayette Bridge into St Paul in the Fall of 2010. While there will not be a reduction in the travel lanes, the construction impacts could lead to congestion at times through the area. The construction of a park-and-ride with bus service to/from Hastings could help to mitigate the congestion that may be associated with the construction.

Support:

Support will come from the City of Hastings and others associated with the implementation of multi-modal transportation options.

Opposition:

Opposition may come from those opposed to expansion of the express bus service in the region.

No Action:

If no action is taken, the Mn/DOT may choose not to allocate funds to provide expanded commuter bus service in the Red Rock Corridor.



Previous Consideration:

A provision allowing the Mn/DOT to spend State Road Construction Trunk Highway Funds up to \$250,000 in Fiscal Year 2011 at the discretion of the Commissioner of Transportation to pay the operating costs of bus service between Hastings and Minneapolis-St. Paul to mitigate the traffic impacts of the project involving construction of a bridge crossing the Mississippi River in the city of Hastings on marked Trunk Highway 61 was included in the final *Transportation Policy Omnibus Bill* signed into law by the Governor.

Financial Implications:

There will be an impact on state finances for the implementation of this commuter bus service due to the use of \$250,000 from Mn/DOT trunk highways funds for construction mitigation.



PUBLIC MEETING / OPEN HOUSE 2

Red Rock Corridor to Announce Refined Design Concepts for Future Red Rock Transit Stations

What:

The Red Rock Corridor Commission (RRCC) will be releasing draft commuter rail station area and site plans for the proposed Red Rock Corridor transit stations in Hastings, Cottage Grove, Newport and St. Paul. Plans include proposed Park & Ride facilities, parks and trails, as well as potential development opportunities for the surrounding area.

Who:

Residents of Hastings, Cottage Grove, Newport and St. Paul, to hear presentations by project staff and ask questions about the project.

When:

Newport Open House
Monday, January 10, 2011
6:30 - 8:00 p.m.
Newport City Hall

Hastings Open House
Tuesday, January 11, 2011
6:30 - 8:00 p.m.
Hastings City Hall

Cottage Grove Open House
Wednesday, January 12, 2011
6:30 - 8:00 p.m.
Cottage Grove City Hall

St. Paul Open House
Thursday, January 13, 2011
6:30 - 8:00 p.m.
Battle Creek Recreation Center

Once design plans are finalized, the RRCC will begin to determine construction costs, parking facilities and additional upgrades to existing infrastructure. Decisions regarding residential and business development surrounding each station site will be led by the respective city councils.

Visit www.RedRockRail.org for more information



Federal Update – Week of November 8th, 2010

CONGRESS IN ACTION

With the mid-term elections having come and gone, Congress will return next week for a "lame-duck" session to take up "must pass" funding measures. On Wednesday, House Democratic Leaders outlined a schedule for the lame-duck session that would have lawmakers in town for at least two weeks in November and into early December. Specifically, they suggested that the House will work through next week, take a week off for the Thanksgiving recess, and return for a second — and, for now, final — week from Nov. 29 to Dec. 3.

An agenda for the "lame-duck" session has not been set, but there are a number of items that will expire if no action is taken, such as the current Continuing Resolution ("CR") and several tax provisions. We have included sections outlining the details of these pieces of legislation below.

While Congress is in session, newly elected Members will also be coming to Washington next week to orient themselves to their new surroundings. Both parties are expected to hold leadership elections during this time as they prepare for the 112th Congress which starts January 5th, 2011.

Representative John Boehner (R-OH) is expected to become the new Speaker of the House. Meanwhile, House Democrats continue behind the scenes deciding whether Nancy Pelosi (D-CA) will serve as their leader in the Minority. In the Senate, it is expected that Harry Reid (D-NV) will remain in his position as Majority Leader, while Mitch McConnell (R-KY) is expected to remain in the position of Minority Leader.

Of note, Congresswoman Michele Bachmann (R-MN06) was seeking support from her colleagues to become the Chair of the Republican Conference (#4 in House Leadership) but dropped her bid Wednesday night as it appeared that her opponent, Congressman Jeb Hensarling of Texas, had the necessary support to win the position.

Looking ahead, while the legislative agenda for the 112th Congress in the House and Senate remains relatively unclear, many insiders are arguing that finding "common ground" on a multitude of legislative items is very unlikely. Other sources have indicated that several issues could emerge for Republicans and Democrats to work on together, such as transportation and infrastructure funding, education programs, and possibly some energy related legislation.

Minnesota Federal Election Results:

With the exception of Congressman Jim Oberstar (D-MN08), each one of Minnesota's eight Members of the House of Representatives were re-elected on November 2nd and will be serving in the 112th Congress. Chairman of the House Transportation and Infrastructure Committee, Jim Oberstar, lost a close election to political newcomer Chip Cravaack. Additional information about Cravaack—who will begin his first term in Congress this January—can be found below. Minnesota's [Senators](#), Amy Klobuchar and Al Franken, [have terms that run through 2012 and 2014 respectively.](#)

Continuing Resolution and the Lame-Duck Session of Congress:

The current stopgap measure that is funding the government expires Dec. 3. In order to prevent a government shutdown, the Fiscal Year 2011 appropriations bills must be put together and passed in an omnibus measure or a new CR must be passed. Sources have indicated that it is the desire of some Members to pass an omnibus package of appropriations bills before the next session of Congress; however, given the difficult task this would be, it is more likely that a CR which lasts into next year will be passed.

Tax Legislation and the Lame-Duck Session of Congress:

President Obama will meet with congressional leaders on Nov. 18 to discuss the agenda for the lame-duck session, in particular the fate of the George W. Bush tax cuts that expire at the end of this year. Negotiations have been ongoing behind the scenes as to how the House and Senate will approach these tax cuts and it appears that the parties are close to reaching an agreement.

Several choices or options have emerged in relation to the tax cuts. Republicans are arguing for the Chambers to extend all of them indefinitely, while the president would like to extend them indefinitely, but only on income below \$250,000. The GOP fallback position appears to be extending all of them temporarily, which might be anywhere from one to three years. Another option would be to extend the middle-class cuts indefinitely while continuing the upper-income cuts only for a couple of years—a concept called “decoupling”—which is the Democrats’ backup plan. The final option would be for Congress to do nothing and go home, allowing the cuts to expire at least temporarily on New Year’s Eve and then rejoining the debate in the new year.

The odds are in favor of the Democrats pushing hard for decoupling; however, it is unclear if House and Senate Republicans will accept such an option.

In addition to the tax cuts, other major fiscal items outstanding include the fate of a package of tax “extenders,” the need for another AMT “patch,” and the expiration on Nov. 30 of both extended unemployment benefits and legislation preventing a 23 percent cut in Medicare physician reimbursement rates.

Spending in the 112th Congress:

House Republicans have begun outlining changes to advance their agenda and cut spending. In a 22-page proposal prepared by Minority Whip Eric Cantor of Virginia, who will become the new

majority leader, Cantor outlined possible changes to House procedures and said he intends to bring to the floor a series of bills to rescind previously appropriated spending. He will also continue his “YouCut” program and force a floor vote every week on at least one bill that would cut federal spending, including from mandatory programs.

Transportation Spending Outlook for the 112th Congress:

As previously stated, funding for transportation infrastructure has emerged as one of the issues which could garner the necessary bipartisan support in Congress to move forward in the next session of Congress.

As the leadership of the Transportation and Infrastructure Committee changes hands, the panel’s top priority of passing a long-delayed surface transportation bill is expected to remain much the same. With this said, it is likely that John Mica (R-FL) the presumed Chair of the House Transportation and Infrastructure Committee, will take a slightly different approach than outgoing Chairman Jim Oberstar (D-MN).

With Highway Trust Fund revenue falling short of spending needs, lawmakers face the challenge of raising the motor fuels tax or finding alternative sources of money. The White House has rejected both a higher gasoline tax and a new tax based on the number of miles driven. Mica, too, deemed a gasoline tax increase “dead” and has suggested that he plans instead to try, in essence, to stretch what exists in the Highway Trust Fund through using it to leverage more private investment.

He has also said he wants to take a look at using “idle” money. As an example, Mica said the Railroad Rehabilitation and Improvement Financing loan fund contains \$34 billion “that the private sector can better utilize.” Mica suggested that unspent money may be left from previous surface transportation reauthorization bills that can be taken back and repurposed.

Another highway bill priority, Mica said, will be policy provisions intended to speed up the process for getting new infrastructure projects under way and finished, which he argues will save money. Mica also is likely to break with President Obama on one White House priority: the president’s Labor Day call for an immediate investment of \$50 billion from the next highway bill on job-creating infrastructure projects.

Administration plans to develop high-speed passenger rail networks also may suffer under Mica’s chairmanship. Though a supporter of fast trains generally, he has criticized the administration’s awards of \$8 billion in high-speed rail grants under the 2009 economic stimulus law, suggesting that the winning projects lacked enough private support to make them viable and were more motivated by politics.

Appropriations and Congressionally Directed Spending items in the 112th Congress:

House Republicans earlier this year adopted a one-year moratorium on requesting congressionally-directed spending items or “earmarks,” and it is expected that an earmark ban

will continue in the next Congress. Sources suggest that if an earmark ban among Republicans continues, it is possible for the moratorium to be expanded to include Democrats as well.

With this said, Senate Democrats have shown no inclination to bar earmarks and Senate Republicans will likely decide on the issue later this month during their organizational meetings. In the end, it is expected that the Senate will continue the practice of seeking congressionally-directed spending items through the annual appropriations process.

SPECIAL NEWS, NOTES, AND EVENTS

National Journal Day After Election Event

Wednesday, November 3rd, 2010

Representatives of Lockridge Grindal Nauen attended National Journal's day after the election event which examined election results and their potential impact on the upcoming lame-duck session of Congress as well as the 112th Congress. Several panelists pointed to transportation, energy, and education as being among the issues most likely to find the necessary common ground to be advanced in the next session of Congress.

Minnesota Transportation Alliance Construction Forecast and Annual Meeting

Wednesday, November 3rd, 2010

Dennis McGrann of the Lockridge Grindal Nauen Federal Relations Group spoke at the Minnesota Transportation 2011 Construction Forecast and Annual Meeting. Attended by over 100 Minnesota transportation advocates, McGrann provided an outlook of 112th Congress and its likely action on issues related to transportation infrastructure.

Association of Minnesota Counties FUTURES Conference

Thursday November 4th, 2010

Dennis McGrann of the Lockridge Grindal Nauen Federal Relations Group spoke at the Association of Minnesota Counties FUTURES Conference in relation to the recent mid-term elections. McGrann discussed the results of the election and provided an outlook as to how the results might impact the legislative priorities of Minnesota Counties during the 112th Session of Congress which will begin on January 5, 2011. Other presenters included former **Congressman Martin Sabo**, former **Governor Wendell Anderson**, and former **Minnesota Congressman and U.S. Department of Agriculture Secretary Robert Bergland**

ADDITIONAL MEDIA

CQ WEEKLY – COVER STORY

Nov. 8, 2010 – Page 2601

112th Congress: Chip Cravaack, R-Minn. (8th District)

By John Bicknell, CQ Staff

Pronounced: kruh-VACK

Election: Defeated Rep. James L. Oberstar, D

Residence: Lindstrom

Born: Jan. 29, 1959; Charleston, W.Va.

Religion: Roman Catholic

Family: Wife, Traci Cravaack; two children

Education: U.S. Naval Academy, B.S. 1981; U. of West Florida, M.Ed. 1989

Military: Navy Reserve 1981-2005

Career: Airline pilot

Political highlights: No previous position

A Navy veteran and Northwest Airlines pilot, Cravaack sees reducing the government's role in business as the best way to promote economic growth and create jobs.

To boost employment in his district, he wants to ease regulatory restrictions and thus speed projects intended to aid nickel, copper and platinum mining.

Cravaack was once a union steward at Northwest and talked during the campaign about his days manning a picket line. He says Democrats have abandoned unionized workers like those in the Iron Range to curry favor with environmentalists. He opposes so-called card-check legislation that would allow unions to organize workplaces without a secret ballot.

Cravaack calls the 2009 economic stimulus "ludicrous" and says the rapid growth in government spending and debt threatens the country. He would extend the 2001 and 2003 tax cuts for all income levels and eliminate the deficit by limiting spending; one pot of funding that he calls unnecessary is for bike trails, which have been championed by Oberstar.

On social issues, Cravaack is just as conservative. He won the endorsement of Gun Owners of America, a group that argues the National Rifle Association is too prone to compromise.

His experience as a pilot — and the fact he defeated the chairman — could point Cravaack toward the Transportation and Infrastructure Committee. He also expressed an interest in Education and Labor, Armed Services and Veterans' Affairs.

Source: **CQ Weekly**

The definitive source for news about Congress.

New Majority, New Challenges

By Alan K. Ota, CQ Staff

Veteran House Republicans — including the presumptive next Speaker and most of the incoming committee chairmen — cut their legislative teeth as part of a majority that advanced Republican President George W. Bush’s conservative agenda nearly a decade ago.

Back in control after four years in the purgatory the chamber creates for its minority party, House Republicans led by Ohio’s 11th-term Rep. John A. Boehner essentially will be on their own when the 112th Congress convenes in January. With the Senate and White House remaining in Democratic hands, the Republicans will still be in an opposition role. Making the situation even more difficult, Boehner and his leadership team will be trying to serve a dual constituency.

The rambunctious conservative uprising that helped the Republicans win their new majority will be well-represented in the Republican freshman class come January. But on the campaign trail this fall — and in their “Pledge to America” platform — Boehner and other top House Republicans stopped short of embracing the activists’ hard-to-deliver proposals including a permanent ban on spending earmarks, a balanced-budget constitutional amendment and elimination of government departments.

The power structure of the House GOP has long been oriented toward the business community, which also invested heavily in the midterm elections and wants what it always wants from Congress — tax breaks, government contracts, freedom from all sorts of regulation and mandates, free trade, and a wide-open energy policy.

Boehner will most likely have a leadership team with roots in the heartland, but also with close ties to major business and trade groups, including the U.S. Chamber of Commerce, and to more traditional conservative organizations and think tanks. Numerous former aides to the next Speaker and other senior GOP lawmakers have prominent positions in downtown Washington corporate lobbying offices.

The GOP establishment is much more used to listening to the Club for Growth or Americans for Tax Reform than to the Tea Party Patriots.

The Republicans appealed to both the old and new conservative hierarchy during the campaign, but the balancing act will be more difficult when the new majority has to write budget resolutions, tax legislation and spending bills.

John J. Pitney Jr., a professor of politics at Claremont McKenna College, said the new leadership team will be hard-pressed to balance the demands of tea party activists for deep spending cuts with the desire of business groups, farmers and other constituencies for sustained or increased

funding for highways, crop subsidies, education loans and other programs. “They are going to have great difficulty in trying meet the competing demands. Many of the new members may want to eliminate the subsidies and preferences that Republicans have supported in the past,” Pitney said. “The potential for conflict will rise very early.”

FreedomWorks and Americans for Prosperity, economic-oriented organizations that have played prominent roles in this year’s conservative political uprising and tea party activities, could help the new GOP majority bridge potential differences between business and activist constituencies. But former House Majority Leader Dick Armey, now chairman of FreedomWorks, has warned House Republicans they will be swept out of office in two years if they fail to deliver on a conservative agenda.

Ross Baker, a Rutgers University political scientist, said House Republicans will need to produce results quickly that impress both their traditional constituents and the passionate new activists.

“It’s going to take the skills of a practiced political magician because the demands of the tea party people are so categorical,” Baker said. “Boehner will be under a huge amount of pressure. There are people breathing down his neck. I think he’s got to reconcile some very traditional Republican members with this whole contingent of people who are thirsting for blood.”

In the new purple Congress, and with President Obama waiting to veto anything that Republicans somehow manage to push past the slimmed-down Democratic majority in the Senate, House Republicans will find it difficult to give either group the legislation it would like to see.

But with Obama facing voters for re- election in 2012, Republicans can expect the president to steer a bit toward the center. And they should be able to use their new House majority to block the Democrats’ legislative agenda. The problem there for the Republicans is that they will own a share of responsibility both for finished bills and for the likely stalemates in the next Congress.

Having won a majority in the House without offering a detailed agenda, Boehner was asked after Election Day what course he planned to steer. He continued to offer few specifics — vowing “a new way forward in Washington” — and said, “That’s what the transition is for, to give us more time to figure out how we do those big things that need to be done.”

The emerging GOP agenda — at this point more like a list of goals than a whip notice — looks like a blend of new and old. It is dominated by familiar themes from the Bush administration, including a permanent extension of the 2001 and 2003 tax cuts, curbing the estate tax, and a vow to reduce some government spending to fiscal 2008 levels. There are also echoes of tea party rallies, including repeal of the new health care law, a continuation of a temporary moratorium on earmarks — something Boehner promised last week — and a desire to reduce the budget deficit.

Republican leaders also have promised a new emphasis on oversight, and pledged to give Americans at least 72 hours to read online all the bills the House is considering before the members vote. “It’s pretty clear that the American people want a smaller, less costly, more accountable government here in Washington,” Boehner said last week.

AMBITIOUS GOALS

Meeting the ambitious expectations created during a campaign is likely to be as difficult for Republicans as it has been for Obama. Reducing spending, the budget deficit and the national debt, and lowering taxes would be difficult under any circumstances, and those are particularly ambitious goals for Republicans with control of only one chamber of Congress and locked in a running battle with a Democrat in the White House.

But the Democrats controlling the Senate and the executive branch will provide a target for blame if Republican leaders have to explain a modest list of accomplishments to their party's conservative base when a new campaign season begins.

The new Speaker and his leadership team will be operating in an environment where nothing will be accomplished without bipartisan cooperation. But the legislative debates of the 111th Congress have been highly partisan, and during the closing days of the campaign season Boehner dismissed the idea of compromise with Obama and the Democrats. While he said Nov. 3 during a post-election news conference that he would like to talk to the president about areas of possible cooperation, he urged Obama to "change course" and said "it's pretty clear that the Obama-Pelosi agenda is being rejected by the American people."

The president said during a news conference of his own the same day that he wants to meet with congressional leaders to discuss where there is room for bipartisan cooperation.

"What yesterday also told us is that no one party will be able to dictate where we go from here; that we must find common ground in order to make progress on some uncommonly difficult challenges," Obama said. "I'm not suggesting this will be easy. I won't pretend that we'll be able to bridge every difference or solve every disagreement. There's a reason we have two parties in this country, and both Democrats and Republicans have certain beliefs and certain principles that each feels cannot be compromised."

The new legislative landscape will be as challenging for Obama and the Democrats as it is for the new House GOP majority. Just as Republican leaders will find it difficult to broker deals with a new cadre of fired-up conservatives in their conference, House Democratic leaders will find themselves with a caucus tilted more to the left after the retirement and defeat of several members of the moderate Blue Dog Coalition.

NEW TEAM IN CHARGE

Republicans will have a margin of at least 43 seats in the House, with freshmen elected from all regions of the country. The exact size of the GOP advantage, which should be comfortable enough to allow party leaders to push their legislative agenda through the chamber, will be uncertain until final results are in from nine contests that remained undecided at week's end. Their net gain of at least 60 seats exceeds their 53-seat pickup in 1994.

The GOP takeover and likely election of the 60-year-old Boehner as Speaker marks the culmination of a long climb for a former lieutenant of Newt Gingrich, the Georgia Republican

Speaker deposed after his party lost seats in the 1998 elections. Boehner lost his own post as Republican conference chairman that year, but he returned to the leadership ranks four years ago as the successor to GOP leader Tom DeLay of Texas. Boehner survived as minority leader through his party's loss of the House in 2006 and its loss of additional seats in 2008, in part by persuading younger potential rivals to become his lieutenants.

Paul Beck, a political science professor at Ohio State University, said Boehner has thrived as a pragmatic "manager of factions" in a minority party but will face bigger challenges in trying to unify a larger, and now more diverse, caucus. "He has to be worried about being outflanked by his caucus. Some members may feel he's not enough of a firebrand," Beck said.

J. Dennis Hastert, a former Republican Speaker from Illinois, predicts Boehner and his team will face challenges in lining up votes despite the GOP's significant margin. "When you have a thin majority — with an advantage of just five or six seats — that means you can't lose anybody. But it's almost easier to stick together," Hastert said. "Everybody can see the casket and the grave. You don't have to preach to everybody. When you get more of a margin, that's when it gets to be more difficult. That's when some people start to tell the press that they won't vote for something."

Aides compare the incoming GOP leadership team to a corporate board, with Boehner as chief executive and Eric Cantor of Virginia, the likely majority leader, in a multifaceted role as rainmaker, policy wonk and leader-in-waiting.

Greg Walden of Oregon is heading a transition panel for the new Republican majority. His 22-member group, including some representatives-elect, will make recommendations for Republican Conference rules changes to be considered during reorganization meetings the week of Nov. 15 and will propose changes in House rules that would be considered when the new Congress convenes. GOP leaders have also suggested that they may reduce the size of some House committees.

Competitive races are shaping up for some slots on the GOP leadership team. Kevin McCarthy of California, now chief deputy whip, has declared his candidacy for majority whip, the third-ranking post, but could be challenged by Pete Sessions of Texas, chairman of the National Republican Congressional Committee. McCarthy was an architect of the GOP campaign agenda, the "Pledge to America," and joined Cantor and Paul D. Ryan of Wisconsin to lead the party's "Young Guns" candidate-recruitment program.

Jeb Hensarling of Texas has Cantor's backing to succeed Mike Pence of Indiana as Republican Conference chairman. But he faces a challenge from Michele Bachmann of Minnesota, founder of the House's Tea Party Caucus. Pence is stepping aside, presumably to focus on a possible 2012 run for senator, governor or president. Hensarling, like Pence, is a former chairman of the House GOP's most conservative faction, the Republican Study Committee. (Leadership, p. 2530)

A NEW MINORITY

Democrats suffered heavy losses in rural and suburban districts on Nov. 2, including many represented by members of the fiscally conservative “Blue Dogs.” Fourteen of the 28 Democrats on the Agriculture Committee were defeated. Three Democratic committee chairmen were sent packing by voters Nov. 2: Armed Services Chairman Ike Skelton of Missouri; Budget Chairman John M. Spratt Jr. of South Carolina; and Transportation and Infrastructure Chairman James L. Oberstar of Minnesota.

Nancy Pelosi of California, who was a prime Republican campaign target nationwide, won her own re-election contest easily in San Francisco but will see her tenure as the first female Speaker end when she hands her gavel to Boehner in January. She said Nov. 5 that she will be a candidate for minority leader in the 112th Congress. She is likely to face opposition, and several Democrats have already said they will not support her.

Before Pelosi made her announcement, Heath Shuler of North Carolina said he would challenge Pelosi if she decided to run and faced no other opponent.

Pelosi announced her decision in a Twitter posting after days of reaching out to political supporters from her office in the Capitol.

Pelosi’s top lieutenant and one-time rival, Majority Leader Steny H. Hoyer, D-Md., will run for minority whip, according to aides. While Republicans have targeted Pelosi as too liberal and out of touch with moderate and conservative voters, Hoyer has served as a counterweight with broad appeal to centrists.

But that is a role that could also be played by the incumbent whip, James E. Clyburn of South Carolina, who has ties to the remaining rural Democrats, religious groups and the Congressional Black Caucus. Both Hoyer and Clyburn have been generous donors to their colleagues’ campaigns and have worked together along with Pelosi to rally Democrats on tough floor votes.

John B. Larson of Connecticut, a member of the moderate New Democrat Coalition, wants a second term as caucus chairman, but could face a challenge from Maryland’s Chris Van Hollen, who heads the House Democrats’ campaign organization. Xavier Becerra of California is seeking a new term as caucus vice chairman.

CHALLENGES FOR THE NEW MAJORITY

The House’s pace in the early days of the new Congress will depend on how quickly the party caucuses can set their leadership and committee rosters and complete the tax bills and fiscal 2011 spending measures that head the agenda for a post-election session of the 111th Congress beginning on Nov. 15.

As a majority from 1995 until 2007, House Republicans passed conservative measures and then bargained with the Senate and the White House. Boehner has hinted at a similar House-first strategy, which would have the benefit of scoring political points and prodding the Senate and Obama to cut deals. On the stump this fall, Boehner repeated the conflict- resolution advice

Obama offered when Republicans stubbornly resisted his health care proposals: “That’s what elections are for.”

As the president attempted to do after his election in 2008, Boehner hopes to seize momentum from the election results. That will begin even before the new Congress convenes, as Republicans insist during the post-election session on an across-the-board extension of the income tax rates expiring at the end of the year. The Republicans will also push for as-yet-unspecified spending cuts when the lame-duck session takes up an omnibus fiscal 2011 spending package or another continuing appropriations measure.

Boehner will be looking for a way to avoid the hostility between House and Senate Republicans that developed during the Clinton and George W. Bush administrations. Boehner has a close working relationship with Senate GOP leader Mitch McConnell of Kentucky. And he has promoted an agenda of broad themes rather than detailed initiatives like those in the GOP’s 1994 “Contract With America” platform.

Cantor said the GOP majority will push for spending cuts but will not force a government shutdown in an attempt to force the hand of Obama and the Democrats. The Republican majority elected in 1994 tried that tactic in 1995 and 1996 and paid a price politically. “I don’t think the public wants to see a government shutdown,” Cantor said.

It remains to be seen if the numerous conservatives joining the GOP caucus are willing to draw a line short of a shutdown.

Former Republican Rep. Bill Frenzel of Minnesota, now a scholar at the Brookings Institution, said House Republicans will probably lack the leverage to win major concessions. “They will have trouble getting anything done either on budget process, or on the budget itself. That will take compromise. It’s going to be hard to do anything that satisfies the Republican caucus and the Democratic caucus,” Frenzel said.

House Democratic leaders will have to decide whether to encourage middle-of-the-road deals or mirror the tough partisan stand the GOP took against the rival party’s initiatives in the 111th Congress. “Obama will have to cut deals with Republicans to get anything done, and House Democrats have to decide whether they will support that,” said Ronald M. Peters Jr., a political scientist at the University of Oklahoma.

Boehner’s push for spending cuts and other priorities will require support from a big freshman class that won election on an anti-deficit platform that did not make clear where the knife should cut. The emphasis on spending cuts could trigger a reordering of priorities on Appropriations panels.

It could also lead to a push to rewrite the 1974 budget law to restructure the Budget Committee and impose new fiscal disciplinary measures, including a requirement that spending increases be offset only with cuts in other spending, not with revenue increases.

CHANGING THE HOUSE

Boehner and the Republicans have promised significant changes in the way the House does its business, including wider participation in writing legislation and less restrictive floor procedures. Honoring those promises could make life more difficult for the new majority.

Since Democrats took control of the House in 2007, the GOP minority has taken advantage of nearly every opportunity provided under House rules to delay action on legislation and force Democrats to cast votes that the Republicans considered politically advantageous.

Boehner has also promised to move away from Pelosi's "strong caucus" model for developing major legislation and has outlined a more traditional approach to moving bills under the leadership of committee chairmen.

But the leadership will have to sort out a sensitive issue that could pit the GOP's old guard against hungry newcomers. Races are under way for the gavels of the Appropriations and Energy and Commerce committees, with Jerry Lewis of California and Joe L. Barton of Texas, currently the top Republicans on those panels, seeking waivers of a GOP rule limiting lawmakers to three terms as either a panel's chairman or ranking minority member. If waivers are not granted, Harold Rogers of Kentucky will probably become Appropriations chairman while a race for the Energy and Commerce spot would pit front-runner Fred Upton of Michigan against John Shimkus of Illinois.

Another race looms for the chairmanship of the Intelligence Committee, where William M. "Mac" Thornberry of Texas is vying with Mike Rogers of Michigan to succeed the current ranking Republican, Peter Hoekstra of Michigan, who is retiring.

On the Democratic side, Sander M. Levin of Michigan, the Ways and Means Committee's acting chairman, faces a tough challenge from Richard E. Neal of Massachusetts for the top Democratic slot. Allyson Y. Schwartz of Pennsylvania is poised to succeed Spratt as the top Democrat on the Budget panel, but she could face a challenge from Marcy Kaptur of Ohio.

Norm Dicks of Washington is the favorite against Chaka Fattah of Pennsylvania in a race for ranking member on the Appropriations Committee. And Democratic leaders will have to decide whether to reappoint Silvestre Reyes of Texas as the top Democrat on Intelligence or select a replacement such as Anna G. Eshoo of California, Rush D. Holt of New Jersey or Alcee L. Hastings of Florida.

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As always, we will continue to keep you updated on any developments as they occur. Please do not hesitate to contact us if you have any questions or would like additional information. Thank you.

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