



Agenda
Red Rock Corridor Commission
Thursday November 17, 2011
4:00 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 27, 2011 Meeting	
b. Checks and Claims	
2. 2012 Meeting Schedule* - WCRRA	Approval
3. Update on State Rail Planning Activities* - Mn/DOT	Information
4. Red Rock Corridor Status and Next Steps* - WCRRA	Discussion
5. Legislative Update – RCRRA	Information
a. State	
b. Federal*	
6. Other	Information
a. Next Meeting – Thursday, December, 2011 <i>(consider cancelling due to timing with holidays)</i>	

* *Enclosures*



Meeting Minutes

October 27, 2011

Cottage Grove City Hall

4:00 p.m.

Members Present:

Joe Harris, Dakota County
Autumn Lehrke, Washington County
Janice Rettman, Ramsey County
John Hunziker, St Paul Park
Jen Peterson, City of Cottage Grove
Barb Hollenbeck, City of Hastings
Jim Keller, Denmark Township
Steve Gallagher, City of Newport

Others Present:

Andy Gitzlaff, Washington County Regional Railroad Authority
Josh Olson, Ramsey County Regional Railroad Authority
Adele Hall, Hennepin County Regional Railroad Authority
Joe Morneau, Dakota County
Betsy Leach, District 1 Council – St Paul
Cole Hiniker, Metropolitan Council
Charlene Zimmer, Metropolitan Council (Zan Associates)
John M Burbank, City of Cottage Grove
Tom Dobbs, Hay Dobbs

Ex-Officio Members Present:

Marc Mogan, Prairie Island Indian Community
Ken Bjornstad, Goodhue County

Chair Harris called the meeting to order at 4:02pm.

Agenda Item #1 Consent Items

- a. **Minutes of the August 25, 2011 Meeting**
- b. **Checks and Claims**

Commission Member Hunziker moved the approval of the Consent Items. The motion was seconded by Commission Member Lehrke and passed unanimously.

Agenda Item #2 Station Area Planning (SAP) Update- WCRRA

a. **Resolution Approving and Adopting SAP Final Report**

Mr. Gitzlaff indicated that at the July meeting we reviewed the Station Area Planning Study Draft Report and it was approved for public review and comment. This allowed the cities and public along the corridor to provide feedback to be incorporated in the plan. He noted they have been busy attending meetings and giving updates. Official action has been received from the City of Newport, Cottage Grove and the City of Hastings. The City of St Paul has the approval of the Station Area Planning Study on their Consent Agenda for their November 2, 2011 City Council meeting. The resolutions of approval are included in the packets, in addition to comment letters from Canadian Pacific Railway and the District 1 Community Council. He noted that the content and conclusions within the Station Area Planning Study were not changed. The changes made were grammatical error corrections and added pictures to provide more visual appeal. This version is the final draft for approval today.

Commission Member Lehrke stated that she supported this final draft due to the multi-modal nature of the plan. She noted that if it is determined through the advanced alternatives analysis that BRT is a better option, the plans will also support bus rapid transit.

Commission Member Rettman indicated she felt an addition to the last “whereas” in the resolution should be made to include the railroads in the continuation of our work.

WHEREAS, the Red Rock Corridor Commission will continue to work with local communities and railroads to collaboratively plan for future transit improvements in the Red Rock Corridor and the surrounding land uses within the station areas.

Commission Member Rettman motioned to approve and adopt Resolution 2011-03; The Red Rock Corridor Station Area Planning Final Report with the addition on the last whereas to include working with the railroads. The motion was seconded by Commission Member Gallagher and passed unanimously.

Agenda Item #3 Regional Transitway Guidelines Presentation- Met Council

Cole Hiniker with the Metropolitan Council and Charleen Zimmer from the project consultant team provided a power point presentation on the need for regional transitway guidelines.

Mr. Hiniker indicated that about two years ago the Metropolitan Council decided to develop guidelines that relate to the implementation of transitway projects in this region. This was necessary due to the growing transitway system with multiple agencies involved, and the addition of Northstar and Hiawatha lines as well as the progression of our first BRT line. The main question focused on how we can best implement transitways in a consistent fashion that elevates the general understanding of all the partners involved about what goes into transitway planning.

He specified that the guidelines developed are technical guidelines based on best practice from around this region and throughout the country. They focused on four modes from the transportation policy plan including light rail, commuter rail, highway BRT and arterial BRT. This will be an important tool for the planners and staff on these projects. This advisory board was made up of elected and appointed officials from CTIB, TAB, Met Council, and MnDOT.

Currently, he noted, they are in the outreach stage of the guideline process. This includes attending council and commission meetings, as well as outreach to all groups that may have an interest on this topic. Public input, both positive and critical, is being accepted through November 18, 2011. Commission Member Rettman inquired about the length of the full guideline report. He indicated that it is 70 pages and available online or through his office.

He continued to explain that the purpose of the service operations committee is to establish the minimum expectation as to how transitways will operate in the region and make sure the expectations are aligned with the demand both now and into the future. This then promotes brand identity and customer understanding of transit through consistent service design.

They began this process by defining the service operations guidelines. This includes the service and network design for each mode. Commuter rail and light rail are straight forward, with trains operating on tracks. For BRT there are mixes of operations, like express and local bus services operating in the same corridor, so we would document the best service coordination between the different modes of transportation. Service scheduling focuses on the minimum frequencies by mode, day and time of day. For example, the report specifically indicates that commuter rail should have at least five trips in the peak period. This minimum level of demand of five trips is necessary to warrant the large investment in commuter rail. Additionally, the travel time relative to other modes should be considered. An example would be Highway BRT is no more than 35% slower than a car. Performance measurements within the guidelines focus on productivity thresholds and loading standards. These are ways to measure whether the service is being effective or to determine if they need to add or reduce the level of service. Market areas are also used in matching the density of employment and population to the appropriate service level.

Station spacing guidelines include criteria on how to look at appropriate areas for transit stations, as well as the access needed to support the station. Guidance is provided for market analysis and using the regional travel forecasting to help in the placement of the stations. Minimum projected daily boardings by mode are provided. She provided an example that commuter rail boardings should be at a level of 200 people. She indicated that it provided details in regard to site location, and specifically the principals that are guiding the Corridors of Opportunity in the region which is closely related to the Federal HUD Livability issues and how these principals need to be integrated into planning and designing stations. Additionally, the Guidance details the average and minimum station spacing by mode. Specifically, she noted that commuter rail suggested a minimum of five miles between stations and an average of seven miles per station.

Ms. Zimmer indicated that station and support facility guidelines are built around having attractive, functional, cost effective and regionally consistent station design. Many detailed support documents are provided in the report for the technical staff that would be completing the station and runningway design. She continued to explain that the report also provided guidance for accessibility as well as station sizing. Ms. Zimmer also described local betterments, which are enhancements beyond the basic elements that are needed to provide the functional requirements of stations. These betterments may require a local funding commitment as well as coordination and discussions on a case-by-case basis with the funding partners involved. Ms. Zimmer noted that the report included some pretty detailed supporting documentation on runningway guidelines for those in the design phase. The runningway is specifically defined as the rail or the physical transitway which the train or bus is running on.

Mr. Hiniker continued to review the power point presentation focusing on vehicle guidance purpose which primarily applies to highway BRT and arterial BRT station to station vehicles, but does apply to all transitway vehicle types. Consideration is given on how to size a vehicle to match demand as well as how to make a bus more attractive on the inside and on the outside to make sure these vehicles stand out in the region. The guidelines also relate to commuter rail and LRT in that we need to be assured that they remain compatible with the current infrastructure. Additionally, the report focuses on the fare collection systems. Currently, he noted that we have a one fare system for the whole region. This is a

very advantageous position to be in. It provides efficiency and effectiveness while meeting fiduciary and regulatory requirements. Although LRT & commuter rail have a newer system, for BRT it has not been determined which system would be most effective. These guidelines lay out a process for evaluating the various factors that go into that decision making. He continued to provide information on the technology and customer information guidelines. The guidelines recognize that they need to evaluate new technology and how it may help the system address needs, but not to introduce new technology when it has not been proven or tested on a widespread basis. The guidance does provide some minimum expectations on existing technologies such as GPSs on buses, which helps to provide better information and service to the customer. Finally, he indicated that identity and branding is becoming more complex as more lines are added to the region. As the Central Corridor is being constructed, the Met Council decided to change the LRT system and the highway BRT system to a color branded scheme of line. Hiawatha is now the blue line and Central Corridor is the green line. Discussions on branding commuter rail has come up, yet it is recognized that this mode doesn't fit in the same color branding scheme since it doesn't provide the same all-day service function as other modes. They recognize that the name should be chosen by the local community so that it fits the community identity for commuter rail.

Ms. Zimmer continued the presentation discussing project leadership and oversight guidelines purpose. This is necessary because there are so many partner agencies involved in planning, design and even in the operation of transit service and facilities, that it is important to lay out guidance on how to coordinate the phases of development. It is important that all parties involved understand their roles and responsibilities, especially the lead agency. She specified that the guidelines state that the transitway needs to be in the approved regional transitway plan (Met Council) before any work is complete in that corridor.

There are three areas where Met Council needs to stay involved in all transit way projects: operator selection, transit service planning, and maintaining the regional travel forecasting model. Finally, she indicated that there is guidance for what needs to happen if there is deviation from the guidelines. These guidelines are best practices, not requirements and they understand that each corridor has unique aspects of their planning. It is recommended that there is consultation with the funding partners when things are outside the guidance. In addition to the regional guidelines document, there are also some technical user guidelines as well as the station and support facilities, running ways, and ridership forecasting model. She reminded Commission Members that all documents are available on the website.

Ms. Zimmer indicated that they welcome all comments on these documents. Please see the Met Council website where you can provide written, verbal, email or faxed comments. They also referenced the list of all committee participants of the study.

Commission Member Lehrke questioned the specific threshold for highway BRT daily boards as well as for station spacing distance for highway BRT. Mr. Hiniker indicated that the threshold of Highway BRT daily boardings is 100 per day and two miles distance for station spacing on highway BRT.

Commission Member Rettman questioned the multi-modal functions within this report. Ms. Zimmer referenced the Station Design section of the guidelines which gives specific details relating to the multi-modal accessibility. Additionally, within the guidance of Station Location it references the need to connect with the local bus routes, as well as it being part of the criteria on determining a stations location. In the runningway guidelines, it references how to deal with pedestrian and bike crossings in a safe manner. The Guidance is very strong in its encouragement of multi-modal access at each station. Ms. Zimmer indicated that the Guidelines are written in a general nature, but the finer details are in the technical reporting guidelines.

Also, Commission Member Rettman questioned the coordination of the different modes of transportation coming together at the transit station. Mr. Zimmer noted that in the Service Operations area of the report, it concentrates on the coordination with the local transit connections. He indicated local connection routes are important yet they did not want to write guidelines for the entire transit system. They stressed the importance of making sure that the connections are achievable and convenient for the customer.

Commission Member Peterson questioned the expected commuter rail trips per peak period. Mr. Hiniker indicated that it was five trips.

Agenda Item #4 Draft 2012 Workplan and Budget - WCRRA

Mr. Gitzlaff indicated that the budget and work plan is included in the packets in a draft format and is up for discussion tonight. At the next meeting a supermajority in attendance is needed to be able to approve the budget for next year. He noted the changes in items number five and six. The East Metro Railroad Capacity Analysis Study results will be out in early 2012 and these results will help inform future decisions about the Red Rock Corridor. Additionally, he noted that item number six, Additional Studies, is an item that has remained on the back of our work plan for the last few years and staff is requested that we take a closer look at what it really means for the next step for the RRCC. He indicated that there remains about \$1.4 million in Federal Funds, but this funding requires a 20% match of the overall project cost. There is a potential to use these funds for an advanced alternatives analysis study. This analysis could be simply re-looking at the numbers from 2007, or it could be going back and doing an extended alternatives analysis and environmental impact statement. He suggested that staff could frame out some options and at the next meeting, present them for the Commission to consider.

Commission Member Rettman agreed that this would be a good opportunity to look into considering applying for these funds and specifically which direction we are headed in the upcoming months. Commission Member Lehrke agreed with Commission Member Rettman, and believed that this next analysis should be a data driven project using the available census data to help us make a decision that is right for the RRCC progression.

Mr. Gitzlaff continued to present the proposed budget. He noted a correction on page 3 in the last column should read Contribution or Dues not Fund Balance. He indicated that the budget is still at \$70,000, and although it is not official yet, it is expected to have about a \$48,000 carry-over from this year. This will reduce the amount due to \$21,402. The breakdown per county is referenced in the budget data provided in the packet. He briefly

reviewed the details of the budget and noted that these numbers could be refined if the work plan is adjusted.

Commission Member Lehrke questioned \$4,000 allocation for training. Mr. Gitzlaff noted that this has not been used in the past, but it would be used for training sessions within the state that the commissioners were interested in attending. Commission Member Peterson questioned, if we decided to go forward with an advanced alternative analysis, how long it would take if we secured Federal Funding. Mr. Gitzlaff indicated that it would not be started until the middle of next year. Commission Member Peterson inquired, how long until results from the study would be received. He noted that it would depend on the scope of the project. A full scope project, like a full alternative analysis, could take eighteen months to two years. But a smaller scope updated feasibility study may be only six months to one year. If it is done through the federal new starts process where the FTA is reviewing the documents as the process moves forward, it could add considerable time to the process.

Mr. Gitzlaff reminded Commission Members that the whole process is about specific timing of decisions and what this commission chooses to make a priority and focus on moving forward. Mr. Gitzlaff indicated staff would bring back some options for the Commission to consider at their next meeting. Commission Chair Harris confirmed that, at the next meeting, the final budget will be set with the work plan.

Agenda Item #5 Newport Transit Station Update – WCRRA

Mr. Gitzlaff indicated that the Washington County Regional Rail Authority is going forward with the design phase of the transit facility. State bonds as well as a federal appropriation are secured for the construction phase. They are looking to select a design consultant by the end of the year and then able to start construction sometime in 2012 or 2013.

Agenda Item #6 Legislative Update - RCRRA

a. State – No update given.

b. Federal

Mr. Olson informed the Commission that last week the Senate voted to advance a package for three appropriation bills for fiscal year 2012 including a bill for the department of transportation. This is an effort to avoid another government shutdown. This is similar to the continuing resolution and all indications are that it will pass. Within the resolution, there is \$10.6 Billion for FTA and \$100 Million for high-speed and intercity passenger rail. These numbers are different than the House side, so some resolution will need to be made. In reference to the Federal Authorization bill, both sides are in different places, but they are moving forward to come to an agreement. This is a positive sign as that was not occurring previously. On November 9, 2012, the Senate Environmental and Public Works Committee will be preparing a bi-partisan bill that will authorize federal aid to highway programs at current levels plus inflation for the next two years. The discussion is now focused on where the money will come from for this bill. Mr. Olson encouraged Commission Members to review these details included in their packets. Finally, he indicated that the President's Jobs Bill included some infrastructure spending for immediate investments in transportation, as well as the creation of an infrastructure bank.

Agenda Item #7 Other

a. Next Meeting- November 17, 2010

Discussion continued on date of the next meeting. It was determined to keep the meeting on November 17, 2010.

Commission Member Peterson noted that she arrived late today after the approval of the Station Area Planning Study, and wanted to indicate her support of final report.

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

The Commission adjourned at 5:20 p.m.



DATE: November 11, 2011
TO: Red Rock Corridor Commission
FROM: Staff
RE: Checks and Claims

Attached is the

Hay Dobbs Invoice #26 - SAP Study (October, 2011)	\$ 33,137.74
TOTAL	\$ 33,137.74

Detailed invoices can be made available upon request.

Action Requested: Approval

INVOICE NO. 09017.000-26

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: 94.6 %
(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: 10/31/11
Invoice Date: 11/02/11

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

Contract Expiration Date: December 31, 2011
TH Number: NA

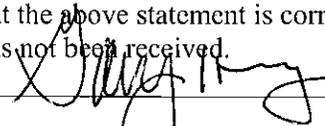
	Total Contract Amount	Total Billing to Date	Amount Previously Billed	Billed This Invoice
1. Direct Labor Costs: (See Exhibit _ for Breakdown)	\$500,186.74	\$497,568.95	\$495,393.49	\$2,175.46
2. Direct Expense Costs: (See Exhibit _ for Breakdown)	\$54,673.00	\$51,910.65	\$48,695.44	\$3,215.21
3. Subcontractor Costs:	\$513,949.95	\$490,206.78	\$474,272.33	\$15,934.45
4. Miscellaneous Professional Services	\$81,144.31	\$48,040.10	\$36,227.48	\$11,812.62
Net Earnings Totals:	\$1,149,954	\$1,087,726.48	\$1,054,588.74	\$33,137.74
Total Amount Due This Invoice:				\$33,137.74

Contractor: Complete this table when submitting an Invoice for payment			
Activity Code	Total Billing to Date	Amount Previously Billed	Billed This Invoice
1	\$1,087,726.48	\$1054,588.74	\$33,137.74
Total*	\$1,087,726.48	\$1054,588.74	\$33,137.74

*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: _____



DATE: November 11, 2011
TO: Red Rock Corridor Commission
FROM: Staff
RE: 2012 Meeting Schedule and Location

For 2012, Corridor Commission will be held on the last Thursday of every month at 4:00 pm, which includes:

January 26
February 23
March 29
April 26
May 31
June 28
July 26
August 30
September 27
October 25
November 29
December 27

The meetings have traditionally been held at Cottage Grove City Hall. An alternative location is now available for 2012 at the Washington County South Service Center in Cottage Grove (13000 Ravine Parkway South Cottage Grove, MN 55016). The South Service Center would allow for meetings to be held in a workshop type setting.

Motion

Approve 2012 meeting schedule and select a location for the meetings



DATE: November 11, 2011
TO: Red Rock Corridor Commission
FROM: Staff
RE: Update on State Rail Planning Activities – Mn/DOT

Dan Krom, from the Minnesota Department of Transportation (Mn/DOT) Office of Passenger Rail will give a presentation to the Commission on State Rail Planning activities that will include an update on the following studies:

- Passenger Rail Governance and Funding Study
- Twin Cities-Milwaukee High Speed Rail Tier I Environmental Impact Statement (EIS)
- 2nd Empire Builder Feasibility Study

Action
Information



DATE: November 11, 2011
TO: Red Rock Corridor Commission
FROM: Staff
RE: Red Rock Corridor Status Update and Next Steps

At the meeting, staff will give an overview presentation on the work completed to date to advance the development of the Red Rock Corridor and will present a series of next steps options for the Commission to consider pursuing. Any input received at the meeting will be incorporated into the 2012 Workplan and Budget which will be brought back for approval at the Commission's next meeting.

A copy of the PowerPoint presentation that will be given at the meeting has been included in the agenda packet.

Action
Discussion



Red Rock Corridor Status Update and Next Steps

Red Rock Corridor Commission
November 17, 2011

What we will cover

- Red Rock Corridor Commission Background
- Previous Work
- Current Status
- Next Steps
- Discussion



Red Rock Corridor Commission

- Formed in 1998 to address the transportation needs of the Corridor
 - Hennepin County and Minneapolis joined in 2005

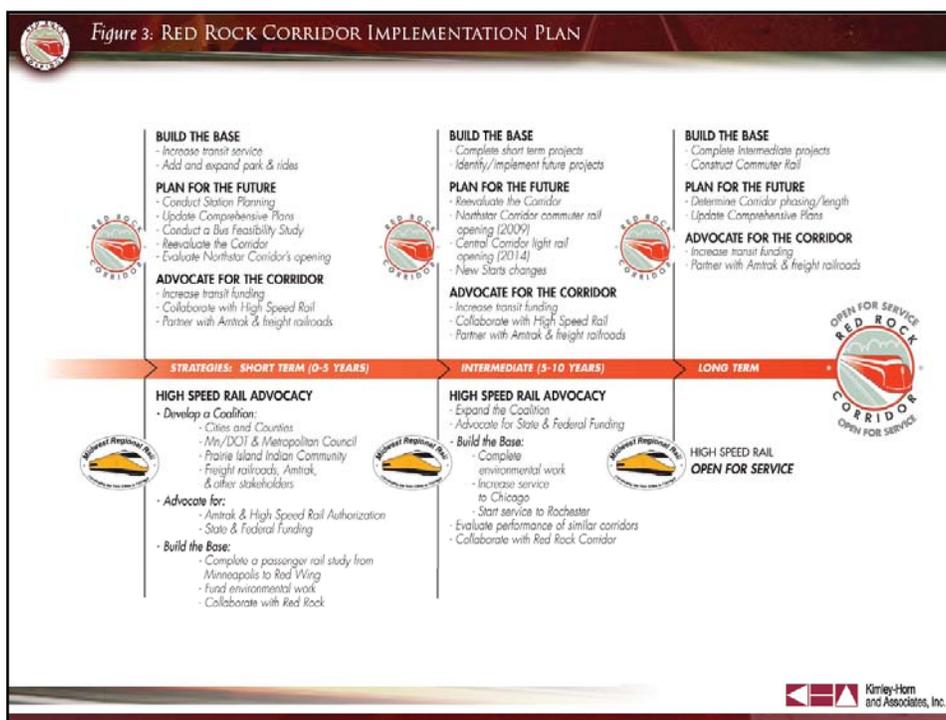
Regional Rail Authorities	Communities	Ex-Officio
Dakota County	Minneapolis	Canadian Pacific Railway
Hennepin County	St. Paul	Goodhue County
Ramsey County	Newport	Prairie Island Indian Community
Washington County	St. Paul Park	Red Wing
	Cottage Grove	
	Denmark Township	
	Hastings	

Work Completed Prior to AA

- Twin Cities Metro Commuter Rail Feasibility Study, 1999 (Mn/DOT)
- Commuter Rail System Plan, 2000 (Mn/DOT)
 - Red Rock identified as a Tier 1 priority corridor
- Red Rock Corridor Commuter Rail Feasibility Study, 2001 (RRCC)
 - Alignment and Station Sites Identified
- Regional Transportation Policy Plan (Met Council), 2004/2008
 - Identified as regional transitway

Alternatives Analysis (AA), 2007

- Evaluated transit alternatives that cost-effectively address transportation problems in the Red Rock Corridor
 - Examined bus and rail transit modes in greater detail
 - Identified potential ridership, service features, capitol and operating costs and environmental impacts
- “Results of AA study indicate that expanding bus service, increasing bus frequency and providing additional park and ride facilities, are the first steps toward building a stronger transit base in the Corridor”
 - Stronger base is a key component in the phasing of Corridor



Strategies Short-term (0-5 years)

- Build the Base
 - Commuter Bus Feasibility Study completed in 2009
 - Service Plan for bus expansion prepared
 - Hastings Park & Pool
 - State Bond funds allocated for construction
 - Newport Park & Ride
 - Land Acquired 2009
 - Design to begin in 2011

Strategies Short-term (0-5 years)

- Plan for the future
 - Comprehensive Plan Updates
 - Land uses along corridor and at stations guided for higher densities and TOD

Strategies Short-term (0-5 years)

- Station Area Planning Study Adopted & Endorsed by Local Communities
 - Long-term vision developed for station areas based on community input
 - Integrates transportation and land use investments



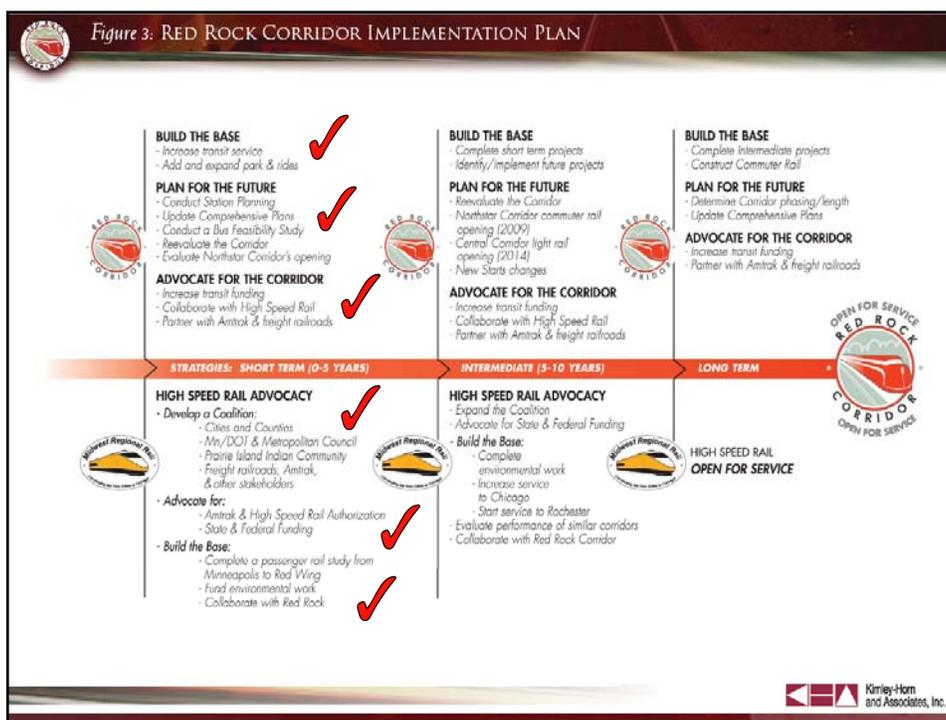
Strategies Short-term (0-5 years)

- East Metro Rail Capacity Study
 - Collaborate with high speed rail partners, Amtrak and freights railroads
 - Partnerships formed
- Identify short-term and long-term improvements that can be done to meet capacity needs of rail corridor
 - 3 for 1 benefit to high speed rail, commuter rail and freight railroads



Strategies Short-term (0-5 years)

- High Speed Rail (HSR) Advocacy
 - Minnesota High Speed Rail Commission formed, 2009
 - State Rail Plan prepared by Mn/DOT
 - HSR from Twin Cities to Chicago identified as a priority project
 - Mn/DOT conducting EIS to determine preferred route for HSR between Twin Cities and Milwaukee
 - River Route (Red Rock) top performer



Next Steps – Intermediate (5-10 years)

- Advocacy
 - Strengthen partnership with Prairie Island Indian Community, Red Wing, Goodhue County & Business Community
 - Continue to empower the Citizens Advisory Committee (CAC)
 - Support Community driven station area development initiatives

Next Steps – Intermediate (5-10 years)

- Intermediate Projects
 - Hastings Park-&-Ride
 - Newport Park-& Ride
 - Expanded Bus Service
 - East Metro Rail Capacity Improvement Projects

Next Steps – Intermediate (5-10 years)

- Re-evaluate
 - Northstar Commuter Rail running for 2 years
 - Cedar Ave BRT 2012 Opening, Central Corridor 2014 Opening
 - New Starts Changes
 - New Census Information and Updated Ridership Model
 - Updated Capital Cost Estimates from East Metro Rail Capacity Study

Next Steps - Study Options

Options	A – Full AAA and EIS	B – Update AA Assumptions / Implementation Plan	Option C – Stand Alone BRT Study	Option D – No study
Goal	Build ASAP	Refine Implementation Plan	Stop and Reevaluate	Stay the Course
Cost	High \$2/2.5 million	Low \$100-200K	Low \$50-100K	Standard budget
Timing	Poor	Good	Good	Good
Vision	Commuter Rail	Short-term: (Bus or BRT) Long-term: Commuter Rail	BRT	Short-term: (Bus) Long-term: Commuter Rail
Anticipated Start Date	2013	2012	2012	Ongoing

Draft 2012 Work Plan and Budget

- Future Studies Identified in Work Plan
- \$70,000 Budget Proposed
 - Option A – need to secure additional federal funds and local match / 2013 more realistic start date
 - Option B, C– can use contingency to pay local match (assumes access to a portion of the 5339 funds)
 - Option D – no budget impacts

Next Meeting

- Continued Discussion on Next Steps
- Approve 2012 Work Plan and Budget

Discussion





DATE: November 11, 2011
TO: Red Rock Corridor Commission
FROM: Staff
RE: Federal Legislative Update

Below is a federal update prepared by Lockridge Grindal Nauen for the Counties Transit Improvement Board (CTIB)

CONGRESS IN ACTION:

Over the past month, the House and Senate have traded a couple of weeks with one being in session while the other is out of session. Last week the House was in recess, this week the Senate has adjourned and will return to legislative action on October 31, 2011. With this said, while the House continued legislative action on the floor, work on the fiscal year 2012 appropriations and deficit measures continued behind the scenes.

JOINT DEFICIT REDUCTION PANEL:

The Joint Deficit Reduction Panel, which is tasked with reducing the budget deficit by at least \$1.2 trillion over the next decade, had several meetings over the last week. Democrats introduced a plan that which relies on roughly equal parts tax increases and spending cuts, including \$500 billion in savings from Medicare and Medicaid combined to reach the goal.

Panel Republicans then offered a counteroffer to the Democratic budget proposal which would rely principally on spending cuts for its savings and would probably set in motion a tax code overhaul.

Until now, individual members of the joint committee or factions within the panel have offered proposals for reducing the deficit. And the committee has sent potential pieces of a package to CBO to be "scored" for their effect on the deficit.

All said, sources indicate that the joint committee has evidently moved closer to a decision on how to accomplish their goal. Key House and Senate leaders have engaged in discussions on a deficit reduction framework that the committee might use. The Committee has a November 23, 2011 deadline to produce a deficit reduction plan.

FISCAL YEAR 2012 APPROPRIATIONS MEASURES:

As you may recall, the fiscal year began on October 1, 2011. With this in mind, federal programs are currently operating on a "Continuing Resolution" until November 18, 2011. Prior to recess the Senate had begun consideration of a "minibus" appropriations measure which

included three of their regular 12 appropriations bills. Specifically, the measure includes the Agriculture, Commerce-Justice-Science, and Transportation-Housing and Urban Development bills. The Senate is expected to pass the measure next week. Following passage the bill would then move the House for their consideration.

House appropriators have indicated that they may try to expedite completion of overdue spending bills for the current fiscal year by adding one or two additional appropriations bills to this package as well as an additional continuing resolution to keep the government operating. A new CR might last until late December, when Congress is expected to be considering a broad deficit reduction package aimed at saving at least \$1.2 trillion over the next decade. Sources indicate that Congress will likely complete their appropriations work on or by December 23, 2011.

TRANSPORTATION:

Federal Aviation Reauthorization:

Chairman John Mica (R-FL) of the House Transportation and Infrastructure Committee indicated that he hopes to wrap up by the end of the year a long-term Federal Aviation Administration reauthorization. He also suggested that some major sticking points between the House and Senate remain, including differences with the Senate over funding levels, an overhaul of rural airport subsidies, and a labor ruling that makes it easier for airline employees to unionize.

A House-Senate impasse over extending the aviation authorization shut down most FAA operations for about two weeks in summer, leading to 3,500 furloughs and the suspension of hundreds of airport construction projects. Disagreements over Essential Air Service subsidies for flights to rural airports contributed to the standoff, as did the language in the House-passed reauthorization bill that would block enforcement of the disputed labor ruling.

Transportation Authorization:

If the House gets the FAA bill complete, sources indicate that the Committee would move immediately to a six-year surface transportation bill with a price tag of about \$285 billion. The draft legislation would be House Republicans' answer to a transportation infrastructure package that Senate Democrats unveiled last week as the second piece of President Obama's job-creation package.

Senator Harry Reid (D-NV) and Senator Amy Klobuchar (D-MN) introduced the "Rebuild America Jobs Act" last week which would cost an estimated \$60 billion and be offset with a 0.7 percent surtax on incomes above \$1 million.

Specifically the measure would provide:

- \$27 billion for **highway and rail projects**.
- \$4 billion specifically for **passenger-rail upgrades**, including some high-speed rail projects, and \$2 billion for Amtrak to upgrade and replace equipment and infrastructure.
- \$3 billion to capitalize **public transit projects**.
- \$6 billion for "**fixed guideway**" light rail and electric trolley buses, as well as bus systems.
- \$5 billion for **competitive grants** available for any transportation additions and upgrades.
- \$2 billion for **airport development grants**.
- \$1 billion for the **Federal Aviation Administration** to advance its NextGen air traffic control system upgrade.

- \$10 billion to establish a **national infrastructure bank** to fund future transportation projects, seeking to help to match public and private money.

The Senate is expected to take this measure up next week.

HIGHER EDUCATION:

President Obama announced policy changes that would ease college graduates' repayment of federal loans. The plan would allow students with some types of federal loans to consolidate them into one loan and bump up the date that the government was originally set to offer a new repayment plan contingent on income.

Beginning in January, graduates with two or more federal loans will be able to consolidate multiple loans into one loan, reducing the amount of interest by half a percent in some cases. Currently, graduates can cap their monthly loan repayments at 15 percent of their income. That cap is set to fall to 10 percent in 2014, but the new proposal would accelerate that timeline to 2012.

HEALTHCARE:

More than 100 House Republicans filed one of many amicus briefs asking the Supreme Court to consider the constitutionality of last year's health care law. Justices are currently scheduled to meet November 10, 2011 to consider how they will handle the multitude of challenges to the law. Word on whether and how many cases will be heard could come as soon as November 14, 2011. It is expected that the court will take up the case, though it remains unclear which issues they might consider.

3% WITHHOLDING TAX:

On Thursday, October 27th, the House passed a bill that would repeal a requirement that government agencies withhold federal taxes from payments to contractors. Specifically, the provision – which is scheduled to take effect on January 1, 2013 – would require the federal government and state and local governments to withhold 3 percent of most payments made to government contractors. To take effect, this legislation would need to be passed by the Senate and signed by the President.

2012 HOUSE OF REPRESENTATIVES SCHEDULE:

This week, House Majority Leader Eric Cantor (R-VA) said that he hopes to focus much of next year's legislative work on jobs and the economy, and that he would use a calendar based on regular, prolonged district work periods. In a "Dear Colleague" letter announcing the schedule, the Virginia Republican said he hopes the calendar will "create certainty, increase efficiency and productivity in the legislative process, protect committee time and afford members the opportunity to gain valuable input from their constituents at home."

Under this plan House members will rarely be in Washington for more than two weeks at a time. Of those longer stretches, the House will be in session for three weeks in February and for a scheduled five-week stretch from July 9 to August 3. Unlike this year, the House will mostly skip October of 2012; the chamber is scheduled to be in session for the first week of that month, then break until November 13, a week after the elections.

Action

Information