

**MINNESOTA HIGH SPEED RAIL COMMISSION MEETING  
 APRIL 7, 2011  
 MEETING SUMMARY**

**MEMBERS:**

Dakota County RRA; Will Branning	City of St. Charles; William Spitzer
Goodhue County RRA; Ted Seifert	City of Winona; Jerry Miller
Ramsey County RRA; Janice Rettman	
Wabasha County RRA; Rich Hall	
Washington County RRA; Autumn Lehrke	
City of Cottage Grove; Jen Peterson	
City of Lake City; Andru Peters	
City of Red Wing; Michael Schultz	

\*Ex-officio member

**OTHERS:**

Dakota County; Sam O'Connell	Mn/DOT; Dan Krom
Goodhue County; Ken Bjornstad	OnBoard Midwest; Zach Schwartz
Ramsey County RRA; Mike Rogers	Tunheim Partners; Darin Broton
Ramsey County RRA; Tim Mayasich	
Ramsey County RRA; Josh Collins	
Washington County; Andy Gitzlaff	
City of Winona; Judy Bodway	

The meeting was called to order at 10:00 a.m.

**1. APPROVAL OF AGENDA**

A motion to approve was requested. Councilmember Peterson moved for approval of the agenda. The motion was seconded by Councilmember Peters. The motion passed unanimously.

**2. CHECKS AND CLAIMS**

A motion to approve was requested. Commissioner Rettman moved for approval of the checks and claims. The motion was seconded by Mayor Spitzer. The motion passed unanimously.

**3. MINUTES OF THE FEBRUARY 3, 2011 MEETING**

A motion to approve was requested. Commissioner Rettman moved for approval of the February 3, 2011 minutes. The motion was seconded by Commissioner Lehrke.

The motion passed unanimously.

**4. COMMISSION COMMUNICATIONS**

Darin Broton, Tunheim Partners, provided the Commission with handouts of communications materials. He then walked through the materials starting with the Media Inquiry Protocol. The Protocol was developed to help Commissioners when they are contacted by the Media. Mr. Broton stressed that it is better to give no answer or to say 'I don't know' and get back to a reporter than to provide them with an incorrect answer. Mr. Broton also noted that contact information for Mike Rogers was available and that Commissioners should contact Mr. Rogers

when contacted for an interview. Mr. Rogers could then provide them with the information they would need for the interview.

The next item discussed was the Media 101 piece. This piece of information provided tips to Commissioners for how to interact with the media. Mr. Broton stressed that Commissioners should be responsive to media requests, be clear and concise in their responses, and always assume what you said is on the record. He also stressed that it is ok to ask your own questions and that you should never lie to a reporter.

Following the discussion on the Media 101 piece, Mr. Broton provided a draft set of talking points for a second Amtrak Train. Once finalized these talking points could be utilized by Commissioners if they were asked about a second train. However, the Commissioners should not lead with a discussion on the second train as the Commission is still focused on high speed rail. Commissioners discussed the pros and cons of having a position on a second train and its impact on their advocacy for high speed rail. Staff was asked to work with other advocates to develop consistent/complementary talking points.

Mr. Broton then distributed an updated stakeholders list. Commissioners reviewed the list and identified some areas where additional updates were needed. Staff was directed to make the updates to the list so it could be distributed prior to the next Commission meeting.

Mr. Broton noted that if Commissioners were planning on attending area advocacy events and they were able to distribute information on high speed rail and commission activities, then they should contact Mr. Rogers and he could provide them with any materials that they may need.

#### **5. JOINT POWERS AGREEMENT MEMBERSHIP**

Mike Rogers, Ramsey County RRA directed the Commission to a memo in the agenda packet. He noted that multiple parties have attended past Commission meetings but that the Commission can no longer add member due to its Joint Powers Agreement. He added that the JPA could be amended to allow for new members, but that it was a long process since all existing members would have to approve an amended agreement.

Chair Miller suggested that a letter be drafted to potential members to determine their level of interest in joining the Commission. If they were interested, the Commission could then amend its JPA. Commissioners agreed with this suggestion and felt that the letter should go to:

- Dodge County RRA
- Houston County RRA
- Olmsted County RRA
- City of Rochester
- Prairie Island Indian Community

Staff was directed to develop a letter and provide it to the Commission prior to its distribution.

#### **6. MN/DOT PASSENGER RAIL UPDATE**

Dan Krom, Mn/DOT, provided an update on the current status of the Department of Transportation's efforts on the Twin Cities to Milwaukee corridor. He noted that originally the

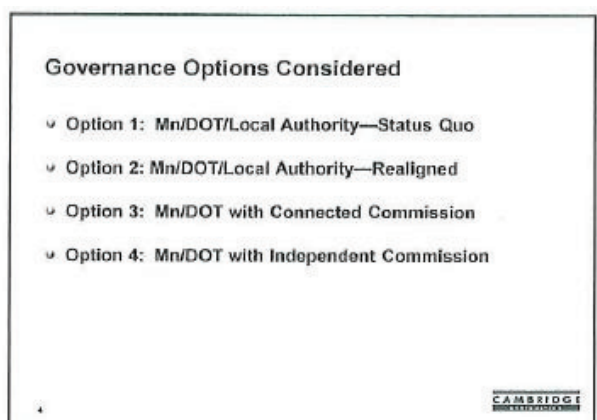
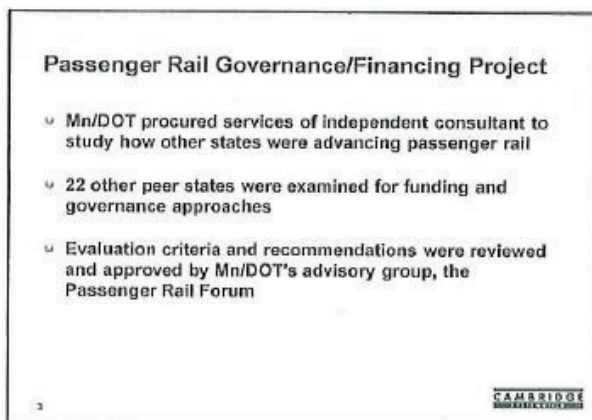
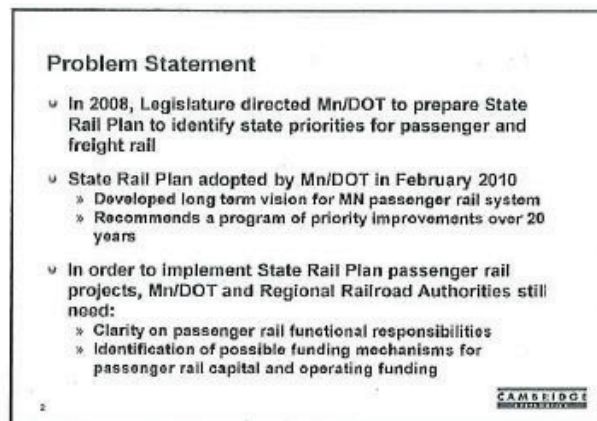
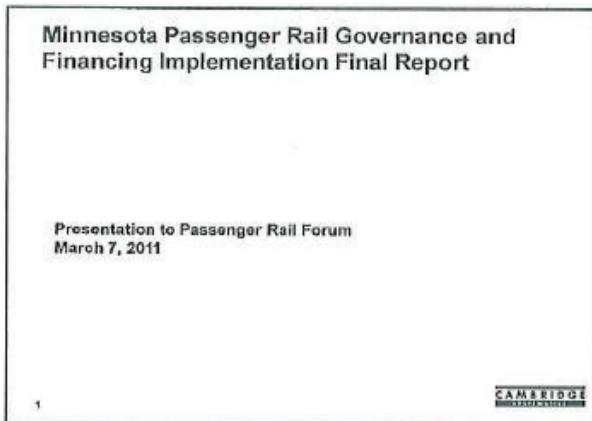
list of routes was narrowed to 10, however, after the open house comment period the number was increased to 13 and that analysis is still underway.

Mr. Krom next provided an update on Mn/DOT's recent submittals for federal high speed rail funding. Mn/DOT submitted three applications for funding totaling over \$140 million. They included:

- \$9 million for Preliminary engineering work on the NLX corridor
- \$115 million to construct a third main in BNSF's Northtown yard and north to Coon Creek jct.
- \$22 million to construct the east bound Warner Road Overpass over Hoffman Interlocking in St. Paul. The overpass will remove existing piers from between the mainline tracks providing track slots for expanding railroad capacity.

Mr. Rogers added that the construction of the east bound Warner Road Overpass would provide for the capacity improvements needed to implement high speed rail into the Union Depot. It would also set the footprint for the west bound Warner Road Overpass and the Childs Road Overpass so that all the piers would line up once those bridges were reconstructed in the future.

Mr. Krom next provided a presentation on Mn/DOT's Passenger Rail Governance and Financing Implementation Report. A copy of the presentation is included below.



### Passenger Rail Functions

Planning and Programming	Design and Construction	Operations & Maintenance	Financing
<ul style="list-style-type: none"> <li>State Rail Plan</li> <li>Project feasibility</li> <li>Project pre-design</li> <li>Program of projects</li> </ul>	<ul style="list-style-type: none"> <li>Final design and engineering plans</li> <li>Train operations planning</li> <li>Passenger equipment procured</li> </ul>	<ul style="list-style-type: none"> <li>Train operations</li> <li>Track, equipment maintenance</li> </ul>	<ul style="list-style-type: none"> <li>Capital funding from federal and state government</li> <li>Planning and capital contributions from local government</li> <li>Operating funding from state government</li> </ul>

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### Preferred Governance Option

Organization	Functional Roles				
	Planning	Programming	Design and Construction	Operation and Maintenance	Financing
Mn/DOT	Lead	Lead	Lead	Lead	Lead
Met Council	Advise	Advise	Advise	Advise	Capital contributions
Passenger Rail Forum	Advise	Advise	Advise	None	Advise
Council on Regional Rail Authorities	May lead with Mn/DOT partnership	Advise	Advise	None	Planning and capital contributions
Freight Railroads	Advise	Advise	Approve plans, Assist in construction	Approve operations, maintenance	Capital only if negotiated
Amtrak	Advise	Advise	Advise	Contract for operations	None

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- ### Financing Methodology
- Examined revenue generation and rail funding mechanisms used by other states for passenger rail projects
  - Applied criteria to revenues and funding:
    - Applied MN constitutional restrictions
    - Determined match/fit between revenue source and passenger rail function
    - Assessed scope of administrative and legislative changes needed to implement revenue or funding option in MN
    - Identified outlook/level of difficulty to implement changes
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- ### Financing Recommendations
- Continue to apply available funding mechanisms:
    - Local tax increment financing for station development
    - Local government funding
    - Public-private partnerships for project development
    - State capital budget for matching federal and local planning, capital \$
  - Reallocate state general property tax on railroad property:
    - State property tax currently collected on railroad property--\$3 million
    - Wouldn't affect local/district property taxes assessed
    - Allocate state railroad property taxes to a new State Railroad Fund
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- ### Near-Term Implementation Issues: New Dedicated State Railroad Fund
- Used to match federal grants for planning, capital improvements (infrastructure, equipment)
  - Fund maintenance and operating support for passenger train services
  - Pay for Mn/DOT passenger rail staff and functions
  - Gradually increase amount reallocated to new State Railroad Fund as needs grow with project progress, will reduce general fund impact in early years
  - Will require legislative action to reallocate property tax and to appropriate funds to Mn/DOT
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- ### Near Term Implementation Issues: Other Legislative Action Needed
- Adopt legislative changes to clarify statutory passenger rail authority for Mn/DOT
  - Grant Mn/DOT legislative authority to procure passenger rail equipment with/from Amtrak or with other states
  - Amend MN constitution to remove \$200 million cap on railroad general obligation bonds
    - Adopted in 1982 when Minnesota Rail Service Improvement loan program was authorized
    - Applies to freight and passenger rail projects
    - Circumstances have changed—adoption of legislatively mandated State Rail Plan, availability of federal passenger rail funding
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**Near Term Implementation--Mn/DOT Administrative Issues**

- ☐ Clarify administrative mechanisms to ensure local project consistency with State Rail Plan
- ☐ Specify plan for building and funding expansion of internal Mn/DOT passenger rail capabilities as projects develop

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**Mid-Term and Long-Term Implementation**

- ☐ Clarify authority for Mn/DOT to contract for train operations
- ☐ Create or redirect other state funding sources (rail passenger charges, rental car taxes, other future taxes) for passenger rail operating assistance to secure federal capital grants
- ☐ Clarify legislative authority for passenger rail PPPs and TIFs
- ☐ Consider structure for Forum—membership and how to conduct business
- ☐ Create (if necessary) project specific passenger rail organizations to plan, design, construct, operate and maintain passenger rail corridors

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Mr. Krom noted that the full study would be posted on Mn/DOT’s website once it was finalized. He anticipated that this would be in June of this year. Commissioners thank Mr. Krom for the presentation and all the work that Mn/DOT has done to advance high speed rail.

**7. LEGISLATIVE UPDATE**

Andy Gitzlaff, Washington County, provided an update to the Commission via the memo that was included in the agenda packet. He noted that the federal government is operating on continuing resolution and does not have its FY 2011 budget finalized even though it was supposed to be in place when the FY 2010 budget expired on September 30, 2010. He added that while the current continuing resolution funds the government through April 8, 2011, future continuing resolutions, or a FY 2011 budget will include budget cuts due to the growing concern over the federal deficit. This concern would also impact the upcoming vote on raising the nation’s debt limit.

Discussion ensued regarding the budget deficits and their impact on FY 2011 and FY 2012 federal funding for high speed rail.

**8. ADVOCACY PARTNER UPDATE**

Zach Schwartz, OnBoard Midwest, provided an update on activities of the St. Paul Area Chamber of Commerce. He discussed how the Chamber was still focused on high speed rail and the economic benefits it would bring. He added that the Chamber is committed to working with its partners to advance high speed rail so that the economic benefits could be realized.

Mr. Rogers provided a brief update on the Empire Builder High Speed Rail Coalition’s efforts. He noted that a letter had been received from Wisconsin’s Secretary of Transportation Mark Gottlieb in response to their letter looking for support for a second Amtrak train. They are also looking to organize a meeting with the Secretary this summer in La Crosse.

**9. EAST METRO RAIL CAPACITY STUDY UPDATE**

This item was rescheduled for the May meeting due to time constraints.

**10. OTHER**

a. HIGH SPEED RAIL SUMMIT

Commissioners discussed the potential for a high speed rail summit similar to the 2010 event. They were in agreement that staff should pursue the logistics of an event and report back to the Commission.

b. WINONA MEETING

Commissioners agreed that it would be a good idea to explore having a Commission meeting in Winona along with a tour of the City. This would help to familiarize Commissioners with additional cities along the Corridor.

c. EMPIRE BUILDER TRIP/NACo RAIL CONFERENCE

Mr. Rogers noted that some members had asked about a potential trip on the Empire Builder. He said that the train runs once a day and that it would be an alternative way to view the corridor compared to driving it. He said that there was a NACo Rail Conference in Chicago at the end of April and that if Commissioners planned on attending, taking the Empire Builder there would be a good option.

**NEXT MEETING – MAY 5, 2011**

Being there was no further discussion the meeting was adjourned at 12:21 p.m.