



Minneapolis – Duluth/Superior
Passenger Rail Alliance
Wednesday, September 27, 2017
Pine County Courthouse
Pine City, MN

MINUTES

Appointed Representatives Present:

Elissa Hansen, **City of Duluth - Chair
Mike Jugovich, *St. Louis County
Linda Higgins, *Hennepin County

Alternate Representatives Present:

Steve Chaffee, *Pine County

Appointed Representatives Not Present

Matt Ludwig, *Pine County
John Quincy, ** City of Minneapolis
Katie Draper, Mille Lacs Band of Ojibwe
Jason Serck, City of Superior, WI
Stan Gustafson, City of Cambridge

* County Commissioner
** Council Member

Other meeting attendees attached and made part of the minutes

1. Call to order / introductions

Chair Hansen called the meeting to order at 10:05 a.m., welcomed all and introductions were made. Four (4) representatives in attendance constituted a quorum.

2. Additions to agenda

Chair Hansen informs of a letter received from Hennepin County Board of Commissioners. A **motion** by Commissioner Higgins, **supported** by Commissioner Jugovich that the letter is presented under Item #4C – Communications.

3. Public Forum / Appearances

None.

4. Communications

- A. To: Thank you to Hennepin County Board of Commissioners with Rep. Nolan attachment - Received. *(Attached and made part of the minutes).*
- B. To: Minneapolis Mayor Betsy Hodges with Rep. Nolan attachment – Received. *(Attached and made part of the minutes).*
- C. Letter from Hennepin County Board of Commissioners - Commissioner Higgins presents a letter from Hennepin County Board of Commissioners expressing their decision to not participate financially to the Alliance in 2018. She further explains that if the current political and financial pictures change in the future, Hennepin County may reconsider their participation. *(Attached and made part of the minutes).*

5. Consent agenda

- A. Approve minutes from meeting of June 28, 2017 –
- B. Expenditure & Budget Analysis for June, July & August 2017 -
A **motion** by Commissioner Jugovich, **supported** by Commissioner Higgins approve the June 28, 2017 meeting minutes and the Expenditure & Budget Analysis for June, July & August 2017 as presented. Unanimous.

6. Reports

- A. Media – Jill Brown - (Attached and made part of the minutes). An updated brochure that MN Department of Transportation produced with assistance from Ken Buehler and Jill on the project is available for distribution.
- B. State / Federal / Legislative Report –John Ongaro gave the legislative update.
- C. Technical Advisory Committee Report – Ken Buehler – (Attached and made part of the minutes).
- D. Administrative Report – Bob Manzoline - (Attached and made part of the minutes).
- E. MN Department of Transportation – Frank Loetterle – Frank informs that the Tier 2 Environmental Assessment document has been completed and was submitted to Federal Rail Administration (FRA) by the deadline of June 30th. Punch list items that needed to be done to finish the work including the Section 106 historical evaluation and Section 4F park evaluation have been completed and submitted also. Finding of No Significant Impact (FONSI) is expected in mid to late November from the FRA. A meeting was held with AMTRAK and additional meetings are scheduled to begin negotiations for the Service & Operating Plan. AMTRAK is willing to provide the funding for the necessary analysis that needs to be done of the Plan that will provide what type of equipment is needed, schedules, etc. working with MNDOT. Once the FONSI is received, funding bond dollars are still available through December 2017 of which \$5,000.00 is set aside to react to the FONSI, related to notifications of its arrival. Franks concern is that if the Project sits on the shelf for any amount of time and/or if Frank is unable to continue to perform the work for MNDOT, it is imperative that the information is accessible and administrative records are in good hands. ZAN Associates will assist with this. Funds were also used to update the latest brochure. Frank adds that a Google search of NLX, a Wikipedia article appears which is completely erroneous and Frank has asked ZAN Associates to update the article to make sure that it reflects the current Service Development Plan and the Project to date accurately.

7. Unfinished business

- A. None.

8. New business

- A. Consider Alliance support for the TIGER Discretionary Grant Application – Bob Manzoline informs of the grant opportunities for the Project, one being the INFRA Grant from the Fast Act Recovery Program that is available to projects like NLX. The caveat to this grant is that the Trump Administration has added additional guide lines; one being that to access these funds, a private sector match is needed.

Percentages range for this type of project from 20% private sector match up to 60%. With the NLX Project a 40% match from Burlington Northern Santa Fe Railroad (BNSF) would be necessary. To date, BNSF is supporting both the INFRA Grant and the TIGER Grant, but not willing to contribute funds toward the proposed improvements. The other grant opportunity, TIGER Grant is a grant that has been coming out yearly and part of the Recovery Funds, with applications due October 16th of which once again the Project fits well and meets the criteria with this type of grant. \$500 million is available to all States or a political subdivision of the States. Issue with State of MN submitting the TIGER Grant is that States can only submit three (3) projects of which State of MN (DOT) has their own list of projects, etc. Bob then suggested that St. Louis & Lake Counties Regional Railroad Authority (RRA) be considered in making the application, as they are a political subdivision of the State of MN and would be eligible to make application and meet the requirements. This route has been discussed previously with RRA Board and will be presented again at their next Board meeting on Wednesday October 4th.

Bob adds that although State of MN can only submit three (3) projects for the TIGER Grant, State of MN can partner with other entities on the application, of which the partnership would be between State of MN (DOT) and RRA. The reason NLX Alliance cannot apply for the funding is that it is not a political subdivision, it is a Joint Powers Alliance which is unable to perform construction or incur debt.

Following discussion, a **motion** by Commissioner Higgins, **supported** by Commissioner Jugovich that NLX Board send a letter of support requesting RRA Board submit the application to improve the sixteen (16) crossings along the line for present freight, auto and future NLX Project at approximately \$11.5 million. Unanimous.

- B. Consider Proposed Alliance Budget FY 2018 – With Hennepin County decision to not participate financially to the Alliance in 2018, a **motion** by Commissioner Jugovich, **supported** by Commissioner Chaffee to table this agenda item until the next meeting. Unanimous.
- C. Consider Proposed FY 2018 Alliance Membership Funding Formula – Bob Manzoline reviews the Funding Formula for the Board. Following discussion, a **motion** by Commissioner Jugovich, **supported** by Commissioner Chaffee to adopt the funding formula without Hennepin County's contribution for 2018 in the amount of \$71,250.00. Unanimous.

9. Other business

Chair Hansen thanked Commissioner Higgins for her years of service on the NLX Board and going forward, should there be a change politically/financially, would welcome Hennepin County back at the table.

10. Next meeting

October 25, 2017

Pine County Courthouse

Adjournment

With no further business, Chair Hansen adjourned the meeting @ 11:00 a.m. Unanimous.

Respectfully submitted by Birdie Oddo.

Elissa Hansen
Chair of the Alliance



Minneapolis to Duluth /Superior Passenger Rail Alliance- Attendees
Wednesday, September 25, 2017
Pine County Courthouse
Pine City, MN

<u>Name</u>	<u>Address/Organization</u>
Steve Fecker	Alliance Attorney
Birdie Oddo	St. Louis & Lake Counties RRA
Bob Manzoline	St. Louis & Lake Counties RRA
Jill Brown	NLX Contractor
Leonard Bonander	City of Sandstone
Francis Loetterle	Passenger Rail Office / MN DOT
Don Pflaum	City of Minneapolis
Mark Perry	City of Hinckley
Ken Buehler	LSRM / N SSR
John Ongaro	St. Louis County
Dean Michalko	Hennepin County
Bob Bollenbeck	ECRDC
Rick Olseen	Congressman Nolan's Office
Kathy George	City of Sandstone

(Attendees taken from the recording as sign-up sheet was not circulated).