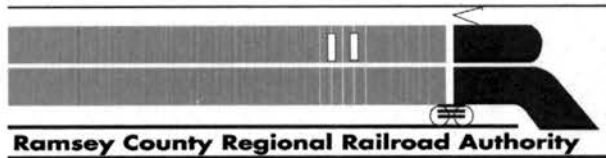




Ramsey County Regional Railroad Authority.  
Records.

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Union Depot, Suite 200  
214 4<sup>th</sup> Street East  
St. Paul, Minnesota 55101  
(651) 266-2760

**REGIONAL RAILROAD AUTHORITY  
ANNUAL ORGANIZATIONAL MEETING**

January 8, 2013

Immediately following the County Board Meeting  
Council Chambers – Third Floor Court House

.....  
**ROLL CALL** and Call to Order

**AGENDA** of the January 8, 2013 Regional Railroad Authority Annual Organizational Meeting is presented for approval.

**MINUTES** of the December 18, 2012 Regional Railroad Authority Meeting is presented for approval.

**POLICY AGENDA**

**1. Election of Officers for 2013**

***Board Action Requested:***

Election of Officers for the year 2013

- 1) Election of the Chair; and
- 2) Election of the Vice-Chair; and
- 3) Election of the Secretary; and
- 4) Election of the Treasurer

**2. Appointments to Outside Committees for 2013**

***Board Action Requested:***

Approve appointments to various Outside Committees for the year 2013.

**CORRIDOR UPDATES**

**ADJOURNMENT**



# RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY

December 18, 2012

The Ramsey County Regional Railroad Authority met with the following members present: Bennett (late), Carter, Ortega, Parker, Reinhardt, Rettman, McDonough – 7. Absent – 0. Also present were Julie Kleinschmidt, County Manager and Paul Zisla, Assistant County Attorney, Ramsey County Attorney's Office.

Chair McDonough called the meeting to order at 10:25 A.M.

## AGENDA

Commissioner Bennett moved approval of the Agenda of the December 18, 2012 Regional Railroad Authority Meeting, seconded by Commissioner Reinhardt. Roll Call: Ayes – Ortega, Parker, Reinhardt, Rettman, Bennett, Carter, McDonough – 7. Nays – 0.

## MINUTES

Commissioner Bennett moved approval of the Minutes of the November 27, 2012 Regional Railroad Authority Meeting, seconded by Commissioner Ortega. Roll Call: Ayes – Ortega, Parker, Reinhardt, Rettman, Bennett, Carter, McDonough – 7. Nays – 0.

### 1. Red Rock Corridor - Newport Station - Reassignment of Funds

Commissioner Bennett moved approval of the following resolution, seconded by Commissioner Reinhardt. Roll Call: Ayes – Ortega, Parker, Reinhardt, Rettman, Bennett, Carter, McDonough – 7. Nays – 0. (R12-44)

WHEREAS, The Red Rock Corridor originates in Hastings, extends north to the Union Depot in St. Paul and on to Minneapolis generally following Trunk Highway 61, Interstate 94, and the freight tracks; and

WHEREAS, The Alternatives Analysis completed in 2007 identified a possible station location in the city of Newport; and

WHEREAS, The Washington County Regional Railroad Authority and city of Newport having been working cooperatively in the design and construction of a transit station on the former Knox Lumberyard site, near the interchange of Interstate 494 and U.S. Highway 61; and

WHEREAS, The Washington County Regional Railroad Authority desires to use up to \$475,000 in federal 5309 funds designated for the for the Newport Transit Station; and

WHEREAS, The existing federal 5309 funds were designated to go to Ramsey County Regional Railroad Authority; and

WHEREAS, The Washington Regional Railroad Authority and Counties Transit Improvement Board will provide the federally required 20% local match; and

WHEREAS, The Metropolitan Council is the designated recipient for all funds flowing to the region from the Federal Transit Administration (FTA); and

WHEREAS, The Washington County Regional Railroad Authority is the lead agency on the design and construction of the Newport Transit Station; and

WHEREAS, The reassignment of funds to Washington County Regional Railroad Authority streamlines the management of the grant funds; Now, Therefore, Be it

RESOLVED, The Ramsey County Regional Railroad Authority authorizes \$475,000 from FTA 5309 earmark #2009-BUSP-504 to be reassigned to Washington County Regional Railroad Authority for use on the construction of the new Newport Transit Station; and Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority requests the Metropolitan Council and Washington County Regional Railroad Authority to enter into a subrecipient agreement for the purposes of implementing this redirection of funds.

2. Lease with Jefferson Partners, L.P.

Commissioner Bennett moved approval of the following resolution, seconded by Commissioner Ortega. Roll Call: Ayes — Ortega, Parker, Reinhardt, Rettman, Bennett, Carter, McDonough — 7. Nays — 0. (R12-45)

WHEREAS, The Ramsey County Regional Railroad Authority has developed the Union Depot Multi-Modal Transportation and Transit Hub to serve all transportation modes, including intercity buses; and

WHEREAS, Jefferson Partners, L. P. (Jefferson Lines) operates intercity bus services in the Twin Cities area and desires to lease space in the Union Depot facility; and

WHEREAS, A lease agreement has been negotiated between Ramsey County Regional Railroad Authority and Jefferson Lines for the use of space at Union Depot for intercity bus services; Now Therefore, Be It

RESOLVED, The Ramsey County Regional Railroad Authority approves a lease agreement between Jefferson Partners, L.P. and the Ramsey County Regional Railroad Authority; and Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority authorizes the Chair to execute the lease agreement in a form to be approved by the County Attorney's Office.

3. Union Depot Renovation Project Revised and Restated Term Sheets with BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad

Commissioner Bennett moved approval of the following resolution, seconded by Commissioner Parker. Roll Call: Ayes — Ortega, Parker, Reinhardt, Rettman, Bennett, Carter, McDonough — 7. Nays — 0. (R12-46)

WHEREAS, The Ramsey County Regional Railroad Authority has identified the completion of The Union Depot Multi-Modal Transportation and Transit Hub ("Depot") as a high priority and has expressed an interest in maximizing its development and economic output potential; and

WHEREAS, In order to accomplish this interest, the Ramsey County Regional Railroad Authority has identified the need to accommodate Amtrak's Empire Builder passenger rail service; and

WHEREAS, The Empire Builder will utilize Burlington Northern Santa Fe Railway (BNSF), Canadian Pacific Railway (CP), and Union Pacific Railroad (UP) track to access the Depot; and

WHEREAS, Accessing the BNSF, CP, and UP track will require capacity improvements so that the Empire Builder can maintain on-time performance without negatively impact existing freight operations; and

WHEREAS, The RCRRA has worked with BNSF, CP, and UP to develop a Union Depot Renovation Project Term Sheet (Term Sheet) that identifies the capacity improvements necessary to maintain on-time performance and mitigate the impact to freight rail operations; and

WHEREAS, Term Sheets were executed between the RCRRA and BNSF, the RCRRA and CP, and the RCRRA and UP in March and April of 2012 to formalize the improvements and to allow final track design and signal design to begin; and

WHEREAS, changes to the improvements identified in the Term Sheets including dispatching, signal design, and track have necessitated the Revising and Restating of the Term Sheets, Now, Therefore, Be It

RESOLVED, The Ramsey County Regional Railroad Authority approves the Union Depot Renovation Project Revised and Restated Term Sheet with the Burlington Northern Santa Fe Railway; and Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority approves the Union Depot Renovation Project Revised and Restated Term Sheet with the Canadian Pacific Railway; and Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority approves the Union Depot Renovation Project Revised and Restated Term Sheet with the Union Pacific Railway; and Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority authorizes the Chair to execute the Revised and Restated Term Sheets on behalf of the Ramsey County Regional Railroad Authority.

4. Amendment # 1 to the Engineering Agreement with Canadian Pacific Railway

Commissioner Bennett moved approval of the following resolution, seconded by Commissioner Parker. Roll Call: Ayes — Ortega, Parker, Reinhardt, Rettman, Bennett, Carter, McDonough — 7. Nays — 0. (R12-47)

WHEREAS, The Ramsey County Regional Railroad Authority (RCRRA) has identified the completion of The Union Depot Multi-Modal Transportation and Transit Hub ("Depot") as a high priority and has expressed an interest in maximizing its development and economic output potential; and

WHEREAS, In order to accomplish this interest, the Ramsey County Regional Railroad Authority has identified the need to accommodate Amtrak's Empire Builder passenger rail service; and

WHEREAS, The Empire Builder will utilize Burlington Northern Santa Fe Railway (BNSF), Canadian Pacific Railway (CP), and Union Pacific Railroad (UP) track to access the Depot; and

WHEREAS, Accessing the BNSF, CP, and UP track will require capacity improvements so that the Empire Builder can maintain on-time performance without negatively impact existing freight operations; and

WHEREAS, The RCRRA has worked with BNSF, CP, and UP to develop a Union Depot Renovation Project Term Sheet (Term Sheet) that identifies the capacity improvements necessary to maintain on-time performance and mitigate the impact to freight rail operations; and

WHEREAS, Term Sheets were executed between the RCRRA and BNSF, the RCRRA and CP, and the RCRRA and UP in March and April of 2012 to formalize the improvements and to allow final track design and signal design to begin; and

WHEREAS, The RCRRA executed individual Design/Public Project Reimbursement Agreements with BNSF, CP, and UP to bind the parties for the completion of final track design and signal design to begin; and

WHEREAS, Changes to the improvements identified in the Term Sheets including dispatching, signal design, and track have necessitated the revising and restating of the Term Sheets; and

WHEREAS, The Union Depot Renovation Project Revised and Restated Term Sheets (Revised and Restated Term Sheet) include a revised work scope that needs to be incorporated into the individual Design/Public Project Reimbursement Agreements with BNSF, CP, and UP; and

WHEREAS, Amendment #1 to the Canadian Pacific Design Agreement will not increase the cost of the existing agreement, which was approved in a not to exceed amount of \$650,00, and is within the existing project budget; Now, Therefore, Be It

RESOLVED, The Ramsey County Regional Railroad Authority approves Amendment #1 to the Engineering Agreement with Canadian Pacific Railway for the completion of track and signal design for the West Terminal Lead, CP 1/Saint Paul Union Depot Crossover, CP to UP DTMF switch, and track design for the CP crossover in Hoffman Interlocking to be completed by December 31, 2013; and Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority authorizes the Chair to execute Amendment #1 on behalf of the Ramsey County Regional Railroad Authority.



5. Amended and Restated Public Project Reimbursement Agreement with Union Pacific Railroad

Commissioner Bennett moved approval of the following resolution, seconded by Commissioner Carter. Roll Call: Ayes — Ortega, Parker, Reinhardt, Rettman, Bennett, Carter, McDonough — 7. Nays — 0. (R12-48)

WHEREAS, The Ramsey County Regional Railroad Authority (RCRRA) has identified the completion of The Union Depot Multi-Modal Transportation and Transit Hub ("Depot") as a high priority and has expressed an interest in maximizing its development and economic output potential; and

WHEREAS, In order to accomplish this interest, the Ramsey County Regional Railroad Authority has identified the need to accommodate Amtrak's Empire Builder passenger rail service; and

WHEREAS, The Empire Builder will utilize Burlington Northern Santa Fe Railway (BNSF), Canadian Pacific Railway (CP), and Union Pacific Railroad (UP) track to access the Depot; and

WHEREAS, Accessing the BNSF, CP, and UP track will require capacity improvements so that the Empire Builder can maintain on-time performance without negatively impact existing freight operations; and

WHEREAS, The RCRRA has worked with BNSF, CP, and UP to develop a Union Depot Renovation Project Term Sheet (Term Sheet) that identifies the capacity improvements necessary to maintain on-time performance and mitigate the impact to freight rail operations; and

WHEREAS, Term Sheets were executed between the RCRRA and BNSF, the RCRRA and CP, and the RCRRA and UP in March and April of 2012 to formalize the improvements and to allow final track design and signal design to begin; and

WHEREAS, The RCRRA executed individual Design/Public Project Reimbursement Agreements with BNSF, CP, and UP to bind the parties for the completion of final track design and signal design to begin; and

WHEREAS, Changes to the improvements identified in the Term Sheets including dispatching, signal design, and track have necessitated the revising and restating of the Term Sheets; and

WHEREAS, The Union Depot Renovation Project Revised and Restated Term Sheets (Revised and Restated Term Sheet) include a revised work scope that needs to be incorporated into the individual Design/Public Project Reimbursement Agreements with BNSF, CP, and UP; and

WHEREAS, The Amended and Restated Public Project Reimbursement Agreement with Union Pacific Railroad will maintain the estimated amount of \$400,000 which was previously approved, and is within the existing project budget; Now, Therefore, Be It

RESOLVED, The Ramsey County Regional Railroad Authority approves the Amended and Restated Public Project Reimbursement Agreement with Union Pacific Railroad for the completion of track and signal design for the State Street Industrial Lead and its switch, track design on the East Terminal Lead, Saint Paul Union Depot Track and the UP portion of the CP 1/Saint Paul Union Depot Crossover, to be completed by December 31, 2014; and Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority authorizes the Chair to execute the Amended and Restated Public Project Reimbursement Agreement on behalf of the Ramsey County Regional Railroad Authority.

6. Engineering Agreement with BNSF Railroad

Commissioner Bennett moved approval of the following resolution, seconded by Commissioner Reinhardt. Roll Call: Ayes — Ortega, Parker, Reinhardt, Rettman, Bennett, Carter, McDonough — 7. Nays — 0. (R12-49)

WHEREAS, The Ramsey County Regional Railroad Authority has identified the completion of The Union Depot Multi-Modal Transportation and Transit Hub ("Depot") as a high priority and has expressed an interest in maximizing its development and economic output potential; and

WHEREAS, In order to accomplish this interest, the Ramsey County Regional Railroad Authority has identified the need to accommodate Amtrak's Empire Builder passenger rail service; and

WHEREAS, The Empire Builder will utilize Burlington Northern Santa Fe Railway (BNSF), Canadian Pacific Railway (CP), and Union Pacific Railroad (UP) track to access the Depot; and

WHEREAS, Accessing the BNSF, CP, and UP track will require capacity improvements so that the Empire Builder can maintain on-time performance without negatively impact existing freight operations; and

WHEREAS, The Ramsey County Regional Railroad Authority has worked with BNSF, CP, and UP to develop and execute a Union Depot Renovation Project Term Sheet (Term Sheet) with each railroad that identifies the capacity improvements necessary to maintain on-time performance and mitigate the impact to freight rail operations; and

WHEREAS, Term Sheets were executed between the RCRRA and BNSF, the RCRRA and CP, and the RCRRA and UP in March and April of 2012 to formalize the improvements and to allow final track design and signal design to begin; and

WHEREAS, The RCRRA executed individual Design/Public Project Reimbursement Agreements with BNSF, CP, and UP to bind the parties for the completion of final track design and signal design to begin; and

WHEREAS, changes to the improvements identified in the Term Sheets including dispatching, signal design, and track have necessitated the revising and restating of the Term Sheets; and

WHEREAS, the Union Depot Renovation Project Revised and Restated Term Sheets (Revised and Restated Term Sheet) include a revised work scope that needs to be incorporated into the individual Design/Public Project Reimbursement Agreements with BNSF, CP, and UP; and

WHEREAS, the previously entered into Preliminary Engineering Agreement between BNSF and RCRRA expired on May 31, 2012 and a new Preliminary Engineering Agreement is needed to account for the changes in work scope identified in the Revised and Restated Term Sheet; Now, Therefore, Be It

RESOLVED, The Ramsey County Regional Railroad Authority approves the Preliminary Engineering Agreement with Burlington Northern Santa Fe Railway for the completion of track and signal design for west leg of the Division Street Wye and the signalization of Union Depot, SPUD Track, and the conversion of the Gillette Spur Track switch to electric lock to be completed by May 31, 2013, in an amount not to exceed \$140,901; and Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority authorizes the Chair to execute the agreement on behalf of the Ramsey County Regional Railroad Authority.

7. Approval of the 2013 budget and 2013 tax levy for the Ramsey County Regional Railroad Authority

Commissioner Bennett moved approval of the following resolution, seconded by Commissioner Carter. Roll Call: Ayes — Ortega, Parker, Reinhardt, Bennett, Carter, McDonough — 6. Nays — Rettman — 1. (R12-50)

WHEREAS, The Ramsey County Regional Railroad Authority was organized by Resolution 87-230, April 20, 1987, Board of Ramsey County Commissioners, pursuant to Minnesota Statutes, 1986, Chapter 398A, as a political subdivision and local government unit of Minnesota, to exercise thereunder part of the sovereign power of the state; and

WHEREAS, The Ramsey County Regional Railroad Authority adopted the County's plan to develop and implement two year budgets beginning in 2006; and

WHEREAS, The Ramsey County Regional Railroad Authority, on December 13, 2011, approved the 2013 Proposed Budget of \$17,127,615; and

WHEREAS, Changes necessary to the RCRRA budget are reflected in the detailed adjustments; and

WHEREAS, the Ramsey County Regional Railroad Authority established the proposed tax levy of \$19,938,811 by Resolution R12-37, September 11, 2012, to finance the 2013 budget; and

WHEREAS, The Ramsey County Regional Railroad Authority wishes to continue to improve access to transit and transportation services in the region with other agencies, including the Metropolitan Council, the Minnesota Department of Transportation, and other county regional railroad authorities; Now, Therefore Be It

RESOLVED, That the Ramsey County Regional Railroad Authority approves the 2013 budget of \$20,500,290 as shown in the Detail of Adjustments; And Be It Further

RESOLVED, That the Ramsey County Regional Railroad Authority approves the 2013 tax levy in the amount of \$19,938,811 as summarized below:

|                                     | RCRRA<br>Operations | CIP           | Debt<br>Service | 2013<br>RCRRA<br>Total |
|-------------------------------------|---------------------|---------------|-----------------|------------------------|
| Gross Budget                        | \$ 8,632,290        | \$ 11,700,000 | \$168,000       | \$ 20,500,290          |
| Less – Revenues                     | - 1,062,456         | - 0           | - 0             | - 1,062,456            |
| Subtotal                            | \$ 7,569,834        | \$ 11,700,000 | \$168,000       | \$ 19,437,834          |
| Plus– Fund Balance                  | - 2,959,390         | + 3,189,616   | - 168,000       | + 62,226               |
| Subtotal                            | \$ 4,610,444        | \$ 14,889,616 | \$ 0            | \$ 19,500,060          |
| Plus – Estimated Tax<br>Delinquency | + 103,735           | + 335,016     | + 0             | + 438,751              |
| Total Tax Levy                      | \$ 4,714,179        | \$ 15,224,632 | \$ 0            | \$ 19,938,811          |

#### CORRIDOR UPDATES

- Union Depot

Chair McDonough reported that the Union Depot grand opening festivities on December 8, 2012, were a huge success; the turnout was well over 20,000 and was likely closer to 25,000. Ramsey County truly raised the bar in organizing a major family-oriented celebration. He said all of the Ramsey County Regional Railroad Authority (RCRRA) staff deserve a round of applause for their work and dedication. He thanked the entire team of Jones Lang LaSalle (JLL), especially Tina Volpe, Marketing Manager, JLL, for running the show at Saturday's event, and Lindsey Conrad, Administrative and Marketing Assistant, JLL, for her support; JLL also brought in staff from their other local and outside offices to assist with the event; he thanked the janitorial and security staff; the entire RCRRA staff that has been working for years toward this important date, with recognition to Josh Collins, Communications Manager, RCRRA, and Josh Olson, Planning Specialist, RCRRA, as lead staff for the event; Cathryn Kennedy, communications consultant for Mortenson, who was the lead in garnering the excellent media attention the event received; the many hard workers with Mortenson Construction, particularly Kevin Dalager, Sara Aulizia, Jason McKane, and Lynette Todd for their behind the scenes success, and creating a display that illustrated the challenges of construction and historic renovation; all of the partner agencies and organizations, particularly Adam Mehl, Market Development Specialist, Metro Transit, for his planning support. He said much effort went into planning this event but these were key people who made this truly a great day.

[A promotional video featuring time-lapse footage of the event, made by St. Paul-based East End Productions, was played for the RCRRA board].



Commissioner Bennett commended Chair McDonough and Tim Mayasich, Director, RCRRRA, for their hard work that went into the project and the event. He said it brought back great childhood memories for him. When he was Chair of the RCRRRA, there were talks of actually moving the Union Depot to save it and he's glad it didn't happen. He said the people who worked on the building did a magnificent job. It's hard to believe the number of trains that went through the Union Depot every day; it may come back to that number with all of the transit modes that are intertwined in there. He said it's a great project and he's looking forward to seeing the trains come back in and out once again.

Commissioner Parker said the event was amazing and she wouldn't have imagined such a huge turnout. The entertainment by the actors, musicians and dancers really brought it to life. Everyone involved did a great job.

- High Speed Rail

Commissioner Rettman reported that Major Jerry Miller will be stepping down as Winona Mayor, as well as the Chair of the High Speed Rail Commission. He's been an exceptional leader for High Speed Rail and will continue to be an advocate on our behalf.

- Gateway

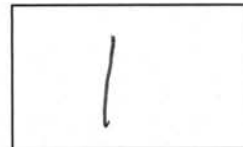
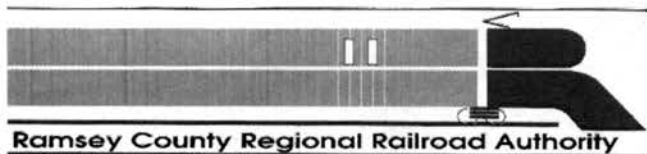
Commissioner Ortega reported that the Gateway Corridor Commission approved their legislative platform for 2013 and to move forward with the development of a work scope for the Draft Environmental Impact Statement (DEIS). The DEIS is expected to take two years to complete and a consultant should be under contract by late spring. They also extended the public comment period on the Alternatives Analysis by 30 additional days taking it to January 3, 2013.

- Central Corridor

Chair McDonough reported that the Central Corridor is 85% complete; all major construction that has the heavy impact on businesses has been completed. Next will be the electrical work and finally much testing of the entire system before it becomes operational in 2014.

#### ADJOURNMENT

There being no further business, Chair McDonough declared the meeting adjourned at 10:40 A.M.



## REQUEST FOR ACTION

Type of Agenda: ☒ Policy ☐ Discussion  
☐ Administrative ☐ Information

Regional Railroad Authority Meeting Date: **01/08/2013**

Regional Railroad Authority Meeting Date: \_\_\_\_\_

**SUBJECT: Election of Officers for 2013**

### EXECUTIVE SUMMARY

The Annual Organizational Meeting is the time set by the Ramsey County Regional Railroad Authority for election of officers.

### ACTION REQUESTED

Election of Officers for the year 2013

- 1) Election of the Chair; and
- 2) Election of the Vice-Chair; and
- 3) Election of the Secretary; and
- 4) Election of the Treasurer



**SUBJECT:** Election of Officers for 2013

**ATTACHMENTS:**

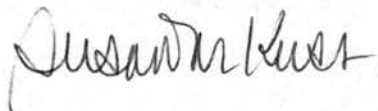
**PREVIOUS ACTION:**

**COUNTY MANAGER'S COMMENTS:**

Pursuant to past practice, the Annual Organizational Meeting is the time when officers are elected.

**SUBJECT: Election of Officers for 2013**

| Regional Railroad Authority – Authorized Signature                               | Date     |
|----------------------------------------------------------------------------------|----------|
|  | 12/21/12 |

| Finance – Authorized Signature                                                    | Date     |
|-----------------------------------------------------------------------------------|----------|
|  | 12/20/12 |

| County Attorney – Authorized Signature                                            | Date     |
|-----------------------------------------------------------------------------------|----------|
|  | 12/28/12 |

| Property Management – Authorized Signature | Date |
|--------------------------------------------|------|
|                                            |      |

| Information Services – Authorized Signature | Date |
|---------------------------------------------|------|
|                                             |      |

| Other – Authorized Signature | Date |
|------------------------------|------|
|                              |      |

**SUBJECT: Election of Officers for 2013**

Draft Resolution # 1

RESOLVED, The Ramsey County Regional Railroad Authority hereby elects [REDACTED] to serve as Chair of the Ramsey County Regional Railroad Authority for the year 2013.

Draft Resolution # 2

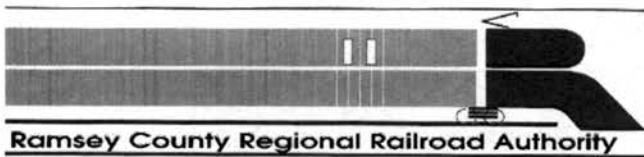
RESOLVED, The Ramsey County Regional Railroad Authority hereby elects [REDACTED] to serve as Vice-Chair of the Ramsey County Regional Railroad Authority for the year 2013.

Draft Resolution # 3

RESOLVED, The Ramsey County Regional Railroad Authority hereby elects [REDACTED] to serve as Secretary of the Ramsey County Regional Railroad Authority for the year 2013.

Draft Resolution # 4

RESOLVED, The Ramsey County Regional Railroad Authority hereby elects [REDACTED] to serve as Treasurer of the Ramsey County Regional Railroad Authority for the year 2013.



2

## REQUEST FOR ACTION

Type of Agenda: ☒ Policy ☐ Discussion  
☐ Administrative ☐ Information

Regional Railroad Authority Meeting Date: 01/08/2013

Regional Railroad Authority Meeting Date: \_\_\_\_\_

**SUBJECT: Appointments to Outside Committees for 2013**

### EXECUTIVE SUMMARY

The Annual Organizational Meeting is the time established to approve appointment of Ramsey County Regional Railroad Authority Commissioners to Outside Committees.

### ACTION REQUESTED

Approve appointments to various Outside Committees for the year 2013.

1



**SUBJECT: Appointments to Outside Committees for 2013**

**ATTACHMENTS:**

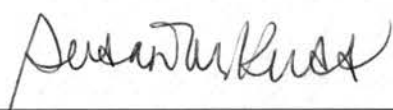
**PREVIOUS ACTION:**

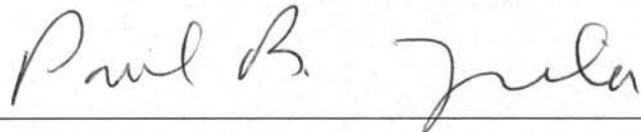
**COUNTY MANAGER'S COMMENTS:**

Pursuant to past practice, the Annual Organizational Meeting is the time when Ramsey County Regional Railroad Authority Commissioners are appointed to outside committees.

**SUBJECT: Appointments to Outside Committees for 2013**

| Regional Railroad Authority – Authorized Signature                                | Date     |
|-----------------------------------------------------------------------------------|----------|
|  | 12/21/12 |

| Finance – Authorized Signature                                                    | Date     |
|-----------------------------------------------------------------------------------|----------|
|  | 12/26/12 |

| County Attorney – Authorized Signature                                            | Date     |
|-----------------------------------------------------------------------------------|----------|
|  | 12/28/12 |

| Property Management – Authorized Signature | Date |
|--------------------------------------------|------|
|                                            |      |

| Information Services – Authorized Signature | Date |
|---------------------------------------------|------|
|                                             |      |

| Other – Authorized Signature | Date |
|------------------------------|------|
|                              |      |

**SUBJECT: Appointments to Outside Committees for 2013**

Draft Resolution

WHEREAS, The Board of Ramsey County Commissioners organized a regional railroad authority pursuant to Minnesota Statutes Chapter 398A by Resolution 87-230 in April, 1987; Now, Therefore, Be It

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Rush Line Task Force for 2013:

Victoria Reinhardt, Chair  
Blake Huffman, Alternate

And Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Red Rock Corridor for 2013:

Janice Rettman  
Jim McDonough, Alternate

and Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Robert Street Corridor for 2013:

Rafael Ortega  
Mary Jo McGuire, Alternate

And Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Northeast Diagonal Policy Advisory Committee for 2013:

Mary Jo McGuire  
Victoria Reinhardt, Alternate

And Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Minnesota High Speed Rail Commission for 2013:

Janice Rettman  
Jim McDonough, Alternate

And Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Northstar Corridor for 2013:

Victoria Reinhardt  
Janice Rettman, Alternate

And be it Finally

4

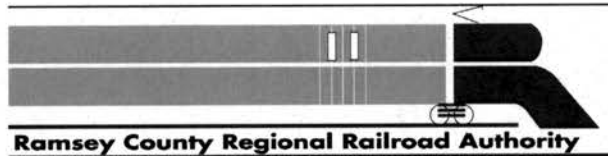
55 RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the  
56 Gateway Corridor for 2013:

57  
58 Rafael Ortega

59 Jim McDonough, Alternate

60 Victoria Reinhardt, Second Alternate  
61

5



Union Depot, Suite 200  
214 4<sup>th</sup> Street East  
St. Paul, Minnesota 55101  
(651) 266-2760

## **REGIONAL RAILROAD AUTHORITY**

February 19, 2013

Immediately following the County Board Meeting  
Council Chambers – Third Floor Court House

**ROLL CALL** and Call to Order

**AGENDA** of the February 19, 2013 Regional Railroad Authority Meeting is presented for approval.

**MINUTES** of the January 8, 2013 Regional Railroad Authority Meeting is presented for approval.

### **ADMINISTRATIVE AGENDA**

#### **1. Amend the 2013 Gateway Corridor Commission appointments**

***Board Action Requested:***

Amend the 2013 Gateway Corridor Commission appointments as follows:

**GATEWAY CORRIDOR COMMISSION**

Rafael Ortega

~~Jim McDonough~~ Victoria Reinhardt, Alternate

~~Victoria Reinhardt~~ Jim McDonough, Second Alternate

#### **2. Construction Agreement with Union Pacific Railroad**

***Board Action Requested:***

- 1) Approve a Construction Agreement with Union Pacific Railroad for the completion of track and signal installation for the State Street Industrial Lead, track and signal installation for the State Street Industrial Lead Switch, track installation for the East Terminal Lead, track installation for the Union Pacific portion of the Canadian Pacific 1/Saint Paul Union Depot Crossover and track installation for the St. Paul Union Depot Track at an estimated amount of \$3,213,756.
- 2) Authorize the Chair to execute the Construction Agreement with Union Pacific Railroad on behalf of the Ramsey County Regional Railroad Authority.

(continued)



**3. Construction Agreement with Canadian Pacific Railway**

***Board Action Requested:***

- 1) Approve a Construction Agreement with Canadian Pacific Railway for the completion of track and signal installation for the West Terminal Lead, track installation for the Canadian Pacific portion of the Canadian Pacific 1/Saint Paul Union Depot Crossover, signal installation for the Canadian Pacific 1/Saint Paul Union Depot Crossover, signal and switch installation for the Canadian Pacific to Union Pacific Dual Tone Multi Frequency switch, and track installation of the Canadian Pacific crossover in Hoffman Interlocking in an amount not to exceed \$3,900,000.
- 2) Authorize the Chair to execute the Construction Agreement with Canadian Pacific Railway on behalf of the Ramsey County Regional Railroad Authority.

**CORRIDOR UPDATES**

**ADJOURNMENT**

## RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY

January 8, 2013

The Ramsey County Regional Railroad Authority met with the following members present: Carter, Huffman, McGuire, Ortega, Reinhardt, Rettman, McDonough – 7. Absent – 0. Also present were Julie Kleinschmidt, County Manager and Paul Zisla, Assistant County Attorney, Ramsey County Attorney's Office.

Chair McDonough called the meeting to order at 9:35 A.M.

### AGENDA

Commissioner Carter moved approval of the Agenda of the January 8, 2013 Regional Railroad Authority Meeting, seconded by Commissioner. Roll Call: Ayes – Carter, Huffman, McGuire, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0.

### MINUTES

Commissioner Rettman moved approval of the Minutes of the December 18, 2012 Regional Railroad Authority Meeting, seconded by Commissioner Reinhardt. Roll Call: Ayes – Carter, Huffman, McGuire, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0.

#### 1. Election of Officers for 2013

##### Election of Chair

Chair McDonough opened the nominations for the election of the Chair.

Commissioner Ortega nominated Commissioner Jim McDonough as Chair of the Ramsey County Regional Railroad Authority for 2013, seconded by Commissioner Huffman.

Chair McDonough called three times for additional nominations. Hearing none, the nominations were closed. Roll Call: Ayes – Carter, Huffman, McGuire, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (R13-01)

RESOLVED, The Ramsey County Regional Railroad Authority hereby elects Commissioner Jim McDonough to serve as Chair of the Ramsey County Regional Railroad Authority for the year 2013.

##### Election of Vice Chair

Chair McDonough opened the nominations for the election of the Vice Chair.

Commissioner Ortega nominated Commissioner Mary jo McGuire as Vice Chair of the Ramsey County Regional Railroad Authority for 2013, seconded by Commissioner Huffman.

Chair McDonough called three times for additional nominations. Hearing none, the nominations were closed. Roll Call: Ayes – Carter, Huffman, McGuire, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (R13-02)

RESOLVED, The Ramsey County Regional Railroad Authority hereby elects Commissioner to serve as Vice Chair of the Ramsey County Regional Railroad Authority for the year 2013.

##### Election of Secretary

Chair McDonough opened the nominations for the election of the Secretary.

Commissioner Carter nominated Commissioner Reinhardt as Secretary of the Ramsey County Regional Railroad Authority for 2013, seconded by Commissioner Rettman. Chair McDonough reminded the commissioners that Commissioner Blake Huffman took the seat previous held by the secretary and that secretary appointment should carry-over to Commissioner Huffman. Commissioner Reinhardt declined the nomination and in turn nominated Commissioner Huffman as Secretary of the Ramsey County Regional Railroad Authority, seconded by Commissioner Ortega. Chair McDonough called three times for additional

nominations. Hearing none, the nominations were closed. Roll Call: Ayes – Carter, Huffman, McGuire, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (R13-03)

RESOLVED, The Ramsey County Regional Railroad Authority hereby elects Commissioner Blake Huffman to serve as Secretary of the Ramsey County Regional Railroad Authority for the year 2013.

#### Election of Treasurer

Chair McDonough opened the nominations for the election of the Treasurer.

Commissioner Reinhardt nominated Commissioner Toni Carter as Treasurer of the Ramsey County Regional Railroad Authority for 2013, seconded by Commissioner McGuire. Chair McDonough called three times for additional nominations. Hearing none, the nominations were closed. Roll Call: Ayes – Carter, Huffman, McGuire, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (R13-04)

RESOLVED, The Ramsey County Regional Railroad Authority hereby elects Commissioner Toni Carter to serve as Treasurer of the Ramsey County Regional Railroad Authority for the year 2013.

#### 2. Appointments to Outside Committees

Commissioner Ortega moved approval of the following resolution, seconded by Commissioner Reinhardt. Roll Call: Ayes – Carter, Huffman, McGuire, Ortega, Reinhardt, Rettman, McDonough – 7. Nays – 0. (R13-05)

WHEREAS, The Board of Ramsey County Commissioners organized a regional railroad authority pursuant to Minnesota Statutes Chapter 398A by Resolution 87-230 in April, 1987; Now, Therefore, Be It

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Rush Line Task Force for 2013:

Victoria Reinhardt, Chair  
Blake Huffman, Alternate

And Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Red Rock Corridor for 2013:

Janice Rettman  
Jim McDonough, Alternate

and Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Robert Street Corridor for 2013:

Rafael Ortega  
Mary Jo McGuire, Alternate

And Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Northeast Diagonal Policy Advisory Committee for 2013:

Mary Jo McGuire  
Victoria Reinhardt, Alternate

And Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Minnesota High Speed Rail Commission for 2013:

Janice Rettman  
Jim McDonough, Alternate

And Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Northstar Corridor for 2013:

Victoria Reinhardt  
Janice Rettman, Alternate

And be it Finally

RESOLVED, The Ramsey County Regional Railroad Authority Commissioners hereby appoint to the Gateway Corridor for 2013:

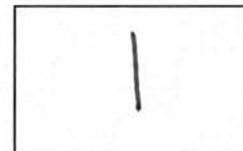
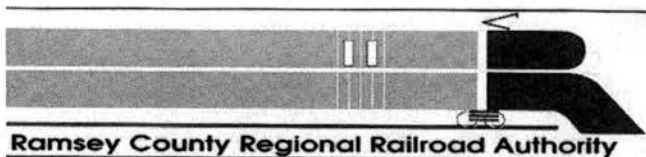
Rafael Ortega  
Jim McDonough, Alternate  
Victoria Reinhardt, Second Alternate

CORRIDOR UPDATES

No updates were reported.

ADJOURNMENT

There being no further business, Chair McDonough declared the meeting adjourned at 9:40 A.M.



## REQUEST FOR ACTION

Type of Agenda: ☐ Policy ☐ Discussion  
☒ Administrative ☐ Information

Regional Railroad Authority Meeting Date: **02/19/2013**

Regional Railroad Authority Meeting Date: \_\_\_\_\_

**SUBJECT: Amend the 2013 Gateway Corridor Commission appointments**

### EXECUTIVE SUMMARY

At the Ramsey County Regional Railroad Authority's (RCRRA) Annual Organizational Meeting, RCRRA Resolution R13-05 was adopted. This resolution ratified appointments of Commissioners to serve on various outside committees for the year 2013. The appointments the RCRRA made to the Gateway Corridor Commission was inconsistent with the appointments approved by the County Board at its Annual Organizational Meeting per resolution 2013-005, and a revision of appointees is requested.

### ACTION REQUESTED

Amend the 2013 Gateway Corridor Commission appointments as follows:

#### GATEWAY CORRIDOR COMMISSION

Rafael Ortega

~~Jim McDonough~~ Victoria Reinhardt, Alternate

~~Victoria Reinhardt~~ Jim McDonough, Second Alternate

1

**SUBJECT: Amend the 2013 Gateway Corridor Commission appointments**

**ATTACHMENTS:**

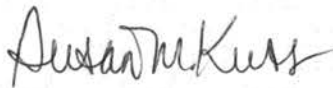
**PREVIOUS ACTION:**

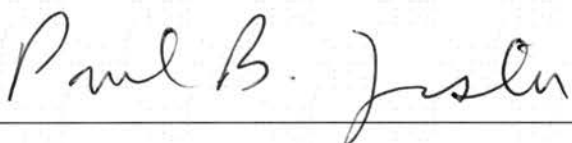
**COUNTY MANAGER'S COMMENTS:**



**SUBJECT: Amend the 2013 Gateway Corridor Commission appointments**

| Regional Railroad Authority – Authorized Signature                                | Date    |
|-----------------------------------------------------------------------------------|---------|
|  | 2/14/13 |

| Finance – Authorized Signature                                                    | Date    |
|-----------------------------------------------------------------------------------|---------|
|  | 2/13/13 |

| County Attorney – Authorized Signature                                            | Date    |
|-----------------------------------------------------------------------------------|---------|
|  | 2/13/13 |

| Property Management – Authorized Signature | Date |
|--------------------------------------------|------|
|                                            |      |

| Information Services – Authorized Signature | Date |
|---------------------------------------------|------|
|                                             |      |

| Other – Authorized Signature | Date |
|------------------------------|------|
|                              |      |

**SUBJECT: Amend the 2013 Gateway Corridor Commission appointments**

Draft Resolution

1 WHEREAS, The Ramsey County Regional Railroad Authority adopted Resolution  
2 R13-05 on January 8, 2013; and  
3

4 WHEREAS, This resolution ratified appointments of Commissioners to serve on  
5 various outside committees for the year 2013;  
6

7 WHEREAS, The appointments made to the Gateway Corridor Commission were  
8 inconsistent with the appointments made by the County Board per resolution 2013-005, and  
9 a revision of appointees is requested; Now, Therefore, Be It  
10

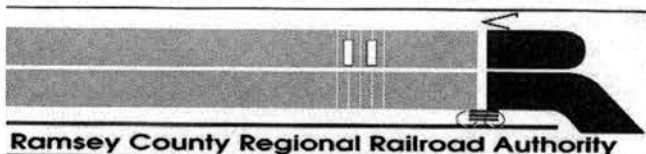
11 RESOLVED, The Ramsey County Regional Railroad Authority hereby amends the  
12 2013 Gateway Corridor Commission appointments as follows:  
13

14 GATEWAY CORRIDOR COMMISSION

15 Rafael Ortega

16 ~~Jim McDonough~~ Victoria Reinhardt, Alternate

17 ~~Victoria Reinhardt~~ Jim McDonough, Second Alternate



2

## REQUEST FOR ACTION

Type of Agenda: ☐ Policy ☐ Discussion  
☒ Administrative ☐ Information

Regional Railroad Authority Meeting Date: 2/19/2013

Regional Railroad Authority Meeting Date: \_\_\_\_\_

**SUBJECT: Construction Agreement with Union Pacific Railroad**

### EXECUTIVE SUMMARY

The Ramsey County Regional Railroad Authority (RCRRA) has committed to renovating the Union Depot in downtown St. Paul into a multi-modal transit and transportation hub. The renovation includes the construction of rail and platforms for the introduction of passenger rail service. Initially the passenger rail service will consist of Amtrak's Empire Builder, which serves the Twin Cities as it travels between Seattle/Portland and Chicago.

Prior to the Empire Builder serving the Union Depot, track improvements must be made to the existing freight rail network to allow the train to access the station and to mitigate impacts caused by the new station stop. Staff has been working with Mortenson Construction, Burlington Northern Santa Fe Railway (BNSF), Canadian Pacific Railway (CP), Union Pacific Railroad (UP), Amtrak, the Federal Railroad Administration (FRA), and the Minnesota Department of Transportation (Mn/DOT) to identify the improvements necessary and to develop preliminary track plans for approval by BNSF, CP, UP, FRA, Mn/DOT, and Amtrak.

*(The Executive Summary is continued on the following page)*

### ACTION REQUESTED

1. Approve a Construction Agreement with Union Pacific Railroad for the completion of track and signal installation for the State Street Industrial Lead, track and signal installation for the State Street Industrial Lead Switch, track installation for the East Terminal Lead, track installation for the Union Pacific portion of the Canadian Pacific 1/Saint Paul Union Depot Crossover and track installation for the St. Paul Union Depot Track in an estimated amount of \$3,213,756.
2. Authorize the Chair to execute the Construction Agreement with Union Pacific Railroad on behalf of the Ramsey County Regional Railroad Authority.

**SUBJECT: Construction Agreement with Union Pacific Railroad**

***(Executive Summary continued)***

As identified in the Union Depot Renovation Project Term Sheets (Term Sheets), and the Engineering/Public Project Reimbursement Agreements, a Construction Agreement is needed between the RCRRA and each freight railroad prior to ordering and installing materials for both the track and signal systems.

The Construction Agreements are binding documents that commit the RCRRA to reimburse the freight railroads for their costs in constructing the track and signal improvements identified in the Term Sheets and designed as part of the Engineering/Public Project Reimbursement Agreements. The Union Pacific Construction Agreement is detailed below:

Union Pacific

The Construction Agreement with Union Pacific Railroad commits UP to complete the following:

- Track and signal installation for the State Street Industrial Lead
- Track and signal installation for the State Street Industrial Lead Switch
- Track installation for the East Terminal Lead
- Track installation for the UP portion of the CP 1/ Saint Paul Union Depot Crossover
- Track installation for the Saint Paul Union Depot Track

This work will be completed for the estimated amount of \$3,213,756.

Funding for the \$3,213,756 in estimated costs will come from the Union Depot Project Budget. All costs are within the budget amount.

The Construction Agreement with BNSF Railway is being negotiated and will be brought to the Board upon completion.

**SUBJECT: Construction Agreement with Union Pacific Railroad**

**ATTACHMENTS:**

Construction Agreement between the RCRRA and Union Pacific Railroad

**PREVIOUS ACTION:**

December 18, 2012 Resolution R12-46 approved the Amended and Restated Term Sheet with Union Pacific Railroad

December 18, 2012 Resolution R12-48, approved the Amended and Restated Public Project Reimbursement Agreement with Union Pacific Railroad

March 13, 2012, RCRRA Resolution R12-15, approved the Term Sheet with Union Pacific Railroad.

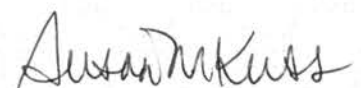
March 13, 2012, RCRRA Resolution R12-19, approved the Public Projects Reimbursement Agreement with Union Pacific Railroad.

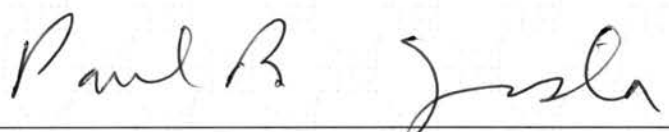
**COUNTY MANAGER'S COMMENTS:**

Approval of the construction agreements with the freight railroads will ensure that the final track and signal improvements are constructed so that Amtrak Empire Builder trains can serve the Union Depot.

**SUBJECT: Construction Agreement with Union Pacific Railroad**

| Regional Railroad Authority – Authorized Signature                                | Date    |
|-----------------------------------------------------------------------------------|---------|
|  | 2/14/13 |

| Finance – Authorized Signature                                                    | Date    |
|-----------------------------------------------------------------------------------|---------|
|  | 2/13/13 |

| County Attorney – Authorized Signature                                            | Date    |
|-----------------------------------------------------------------------------------|---------|
|  | 2/13/13 |

| Property Management – Authorized Signature | Date |
|--------------------------------------------|------|
|                                            |      |

| Information Services – Authorized Signature | Date |
|---------------------------------------------|------|
|                                             |      |

| Other – Authorized Signature | Date |
|------------------------------|------|
|                              |      |



**SUBJECT: Construction Agreement with Union Pacific Railroad**

Draft Resolution

1 WHEREAS, The Ramsey County Regional Railroad Authority has identified the completion  
2 of The Union Depot Multi-Modal Transportation and Transit Hub ("Union Depot") as a high priority  
3 and has expressed an interest in maximizing its development and economic output potential; and  
4

5 WHEREAS, In order to accomplish this interest, the Ramsey County Regional Railroad  
6 Authority has identified the need to accommodate Amtrak's Empire Builder passenger rail service;  
7 and  
8

9 WHEREAS, The Empire Builder will utilize BNSF Railway, Canadian Pacific Railway, and  
10 Union Pacific Railroad track to access the Depot; and  
11

12 WHEREAS, Accessing the BNSF Railway, Canadian Pacific Railway, and Union Pacific  
13 Railroad track will require capacity improvements so that the Empire Builder can maintain on-time  
14 performance without negatively impact existing freight operations; and  
15

16 WHEREAS, The Ramsey County Regional Railroad Authority has worked with BNSF  
17 Railway, Canadian Pacific Railway, and Union Pacific Railroad to develop and execute a Union  
18 Depot Renovation Project Term Sheet (Term Sheet) with each railroad that identifies the capacity  
19 improvements necessary to maintain on-time performance and mitigate the impact to freight rail  
20 operations; and  
21

22 WHEREAS, The Ramsey County Regional Railroad Authority has worked with BNSF  
23 Railway, Canadian Pacific Railway, and Union Pacific Railroad to develop and execute a  
24 Engineering/Public Project Reimbursement Agreement with each railroad that allows for final track  
25 and signal design to be completed; and  
26

27 WHEREAS, The BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad each  
28 require the execution of a third agreement for construction of track and signal improvements; and  
29

30 WHEREAS, The Ramsey County Regional Railroad Authority will provide funds to each  
31 freight railroad for the work necessary to construct track and signal improvements; Now, Therefore,  
32 Be It  
33

34 RESOLVED, The Ramsey County Regional Railroad Authority approves a Construction  
35 Agreement with the Union Pacific Railroad for the completion of track and signal installation for the  
36 State Street Industrial Lead, track and signal installation for the State Street Industrial Lead Switch,  
37 track installation for the East Terminal Lead, track installation for the Union Pacific portion of the  
38 Canadian Pacific 1/Saint Paul Union Depot Crossover and track installation for the St. Paul Union  
39 Depot Track in an estimated amount of \$3,213,756 and, Be It Further  
40

41 RESOLVED, The Ramsey County Regional Railroad Authority authorizes the Chair to  
42 execute the Construction Agreement with Union Pacific Railroad on behalf of the Ramsey County  
43 Regional Railroad Authority.

5

Final, February 12, 2013

Attachment

### ST PAUL UNION DEPOT CONSTRUCTION AGREEMENT

This St Paul Union Depot Construction Agreement is entered on the last date signed below (the "*Effective Date*"), by and between the RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY ("*RCRRA*"), the STATE OF MINNESOTA acting through its Commissioner of Transportation (MnDOT) and UNION PACIFIC RAILROAD COMPANY ("*UPRR*").

#### RECITALS:

WHEREAS, RCRRA is authorized to participate in the planning and development of a renovation of St. Paul Union Depot ("Depot"); and

WHEREAS, the new route where RCRRA intends to cause the operation of Amtrak intercity passenger rail service includes trackage controlled by UPRR; and

WHEREAS, RCRRA, has received federal funding for restoration and improvements of the depot and trackage leading into the Depot and in the vicinity of the Depot; and

WHEREAS, RCRRA is the owner or in occupation of land situated at 214 Fourth Street in St. Paul, in the State of Minnesota (the "**Lands**");

WHEREAS, UPRR and RCRRA have developed a Term Sheet dated February 28, 2012 specifying specific improvements which are the responsibility of UPRR and RCRRA, as well as the frequency of operation of intercity passenger trains on the SPUD Track into and out of the Depot; and

WHEREAS, UPRR and RCRRA have entered into (i) a Reimbursement Agreement dated March 20, 2012 specifying the terms and conditions for payment by RCRRA to Union Pacific for design work; and

WHEREAS, RCRRA and MnDOT represent they are in compliance with Section 28103 of Title 49 of the United States Code; and WHEREAS, RCRRA and UP agree and acknowledge that in connection with the redevelopment of the Union Depot as a multimodal hub for transportation use, amongst other purposes, including relocation of Amtrak Empire Builder Service to the Depot; and

WHEREAS, RCRRA has obtained federal funding for the Depot through Federal Highway Administration under the Projects of National and Regional Significance program ("FHWA funds"), Federal Transit Administration under the TIGER program ("TIGER funds"), and the Federal Railroad Administration under the HSIPR Program ("HSIPR Funds") and all federal funds will be provided to the Minnesota Department of Transportation (the "Recipient").

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, RCRRA and UPRR hereby agree as follows:

6

SECTION 1. DEFINED TERMS.

*Section 1.1 Definitions.* Unless the context otherwise requires, all capitalized terms used herein without definition shall have the respective meanings set forth or referred to in Exhibit G hereto for all purposes of this Agreement.

SECTION 2. CONSTRUCTION OF THE PROJECT; OWNERSHIP OF IMPROVEMENTS.

*Section 2.1 Construction and Ownership of Improvements.* (a) UPRR shall perform or cause to be performed all work necessary to construct or install the Improvements as set forth in the Plans and Specifications and the Project Description, except as otherwise provided herein, and shall continue until the earlier of (i) the date on which Eligible Project Costs incurred by UPRR shall equal or exceed the Maximum Project Budget except as adjusted as provided in Section 3, and (ii) the date on which the construction of the Improvements is completed to the mutual reasonable satisfaction of RCRRA and UPRR. RCRRA acknowledges and agrees that, in connection with the construction of the Improvements hereunder, UPRR shall be entitled to (i) pursue the design and engineering work (including, without limitation, survey and analysis and utility relocation), and the performance of any other services described on Exhibit A hereto (the "Services") relating to the Project and engage any necessary third parties to perform such Services and (ii) purchase the materials, products, ballast, track or rail ties described on Exhibit C hereto (the "Materials") and enter into any agreements with any third party vendors or manufacturers necessary to construct the Project. In no event shall UPRR be required to proceed with any impacted Project work (i) during the period of any Force Majeure Delay, (ii) during the period of any Weather Delay, (iii), (iv) during the period of any Environmental Delay or (v) unless RCRRA has funds available and committed to make payment for such work. Upon commencement of the construction, the Improvements shall be owned solely by UPRR, and RCRRA shall have no right of ownership therein nor shall RCRRA create or suffer to exist any lien or encumbrance with respect thereto. For purposes herein, "Weather Delay" means any significant interruption or delay in the construction of the Improvements or the completion of any Project work as a result of unusual adverse weather conditions that, in UPRR's reasonable determination, render performance uneconomic or impracticable. For purposes herein, "Environmental Delay" means any significant interruption or delay in the construction of the Improvements or the completion of any Project work as a result of the performance of any environmental assessment or environmental remediation deemed necessary in UPRR's reasonable discretion or any other environmental issue with respect to any real property acquired or proposed to be acquired for use in connection with the Project or any other impediment or delay in acquiring any real property for the Project that, in UPRR's reasonable determination, renders the performance uneconomic or impracticable.

(b) UPRR and RCRRA acknowledge that this Agreement is applicable solely to this Project and does not obligate UPRR to perform any work or to participate in any project or in the construction of any improvements beyond the scope of this Project. UPRR and RCRRA acknowledge and agree that RCRRA, Canadian Pacific and BNSF have agreed to the construction of the improvements described in the Term Sheet.

(c) All work required to be performed by UPRR shall be performed with labor provided or procured by UPRR and in accordance with UPRR's existing labor agreements, as required by 49 U.S.C. 24405 or otherwise.

(d) RCRRA and UPRR acknowledge and agree that the following objectives will be adhered to during the construction period under this Agreement:

(i) Preservation of service to local freight customers and interchange partners at levels required by the marketplace during the construction period hereunder and thereafter; and

(ii) Preservation of construction schedules on other UPRR projects required to provide quality service to freight customers on the UPRR system.

(iii) Preservation of the priority of those improvements necessary to implement passenger rail service to the Depot including items 2, 3, 4, and 8 from the Union Depot, St. Paul Minnesota Renovation Project, Term Sheet dated February 28, 2012.

(e) The parties acknowledge and agree that all determinations with respect to the acquisition or use of real property in connection with the Project (including, without limitation, determinations with respect to the location of such real property and determinations with respect to whether and where to locate Improvements thereon) shall be made in UPRR's sole discretion and nothing contained in this Agreement shall be construed to require UPRR to acquire or, if acquired or already owned by UPRR, to utilize any specific real property in connection with the Project. In the event UPRR determines in its sole discretion that the existence or potential existence of an environmental issue would make it imprudent, uneconomic or impracticable to acquire or, if acquired or already owned by UPRR, to utilize any specific real property in connection with the Project, UPRR may exclude such real property from the Project and such revisions to the design of the Project as it reasonably deems necessary to remove such environmental issue from the Project. Any such redesign shall be subject to the approval of UPRR, RCRRA and MnDOT.

*Section 2.2. Redeployment of UPRR Forces.* (a) RCRRA acknowledges that delays in the Project that prevent work on the Project may require UPRR to send its labor forces to other job sites temporarily *provided, however,* that UPRR shall, unless not reasonably practicable due to an unforeseen emergency: (i) consult with RCRRA to discuss alternative solutions prior to sending its labor forces to other job sites; (ii) reassign demobilized forces back to the Project as soon as reasonably practicable; and (iii) promptly provide to RCRRA an updated Project Schedule that takes into account such redeployment of UPRR forces.

(b) RCRRA acknowledges that, in the event of a Force Majeure Event causing an unforeseen railroad emergency on the Union Pacific railroad system, UPRR shall have the right to reallocate those of its labor forces assigned to work on the Project if UPRR believes in good faith that such reallocation is necessary to provide for the immediate restoration of the railroad operations of UPRR or its affiliates or to protect Persons or property on or near any property owned by UPRR or any related railroad. UPRR shall reassign such labor forces to again work on



the Project when, in its sole opinion, such emergency condition no longer exists. UPRR shall not be liable for any additional costs or expenses of the Project resulting from any such reallocation of its labor forces.

*Section 2.3. Preservation of Condition of Improvements.* Following the completion of the construction of the Improvements, UPRR will maintain the Improvements in accordance with the Maintenance Agreement to be negotiated with RCRRA in good faith.

*Section 2.4. Acquisition of Real Property.* UPRR shall develop and submit to RCRRA for approval a general plan with respect to the identification of real property to be acquired in connection with the construction of the Improvements (which plan shall include, without limitation, the acquisition of real property to be utilized in connection with the relocation of utilities at locations adjacent to improvements). Such plan shall be submitted to RCRRA in writing and may describe the additional real property anticipated to be required in connection with the Project overall and/or by stages of construction at locations where improvements will be made. RCRRA shall provide to UPRR a written approval or rejection of such plan within 10 business days of receipt of UPRR's real property acquisition plan. In the event of any rejection of such plan or any portion thereof by RCRRA, RCRRA shall provide to UPRR its specific written objections to such plan and UPRR and RCRRA shall promptly consult in good faith to address any issues identified by RCRRA with respect to such plan. Promptly after resolution of any such issues and any necessary revision of such plan, RCRRA shall provide to UPRR its written approval of such revised plan. The acquisition of real property under this Agreement shall be done in compliance with Applicable Law, including any applicable National Environmental Policy Act requirements and paragraph (h) of Exhibit J hereto.

*Section 2.5 High-speed Intercity Passenger Rail Funds.* UPRR agrees that with respect to any of the work of the Project to be completed by UPRR and paid for the RCRRA using HSIPR Funds, the terms and conditions set forth in subsections 3 a), b), c), and e) on attached **Exhibit H** shall apply and are hereby incorporated in this Agreement (the term "Subrecipient") as used therein shall mean RCRRA, and the term "Recipient" as used therein shall mean MnDOT. UPRR is a contractor in this Agreement. All Improvements will be maintained by UPRR at the level to which they were implemented for a term of twenty years from the date they were put into service (the "HSIPR Term") as provided in the Maintenance Agreement. If UPRR should obtain regulatory approval for abandonment of any portion of the Improvements, UPRR's maintenance obligation would cease subject to the terms and conditions as provided in the Maintenance Agreement. The level of maintenance includes applicable FRA track safety standards. UPRR agrees that it will not downgrade the Improvements of the Project in such a manner that reduces the utility of the Project or the Depot for intercity passenger rail operation during the HSIPR Term without Recipient's prior written approval as further provided in the Maintenance Agreement.

### SECTION 3. REIMBURSEMENT AND BILLING.

*Section 3.1. Reimbursement of Eligible Project Costs.* RCRRA commits to make funds available to UPRR under this Agreement in the maximum aggregate amount of \$3,213,756 (Maximum Project Budget) (unless otherwise agreed in writing by the parties) to finance the

construction of the Project in accordance with the Estimated Project Budget, subject to the terms and conditions contained in this Agreement. RCRRA acknowledges and agrees that this Agreement is not a "fixed price" construction agreement and that RCRRA shall reimburse UPRR for Eligible Project Costs in the Estimated Project Budget as the Estimated Project Budget will be revised from time to time as provided in this Agreement. Any unforeseen additional Estimated Eligible Costs that may be identified by UPRR (and concurred in by RCRRA through the Change Order process under Section 4.5) in (i) the final design process; (ii) the permitting process; or (iii) the construction process will be reimbursed by RCRRA as Eligible Project Costs, unless the total exceed the Maximum Project Budget stated above and the parties have not agreed in writing to increase said amount. RCRRA recognizes that it can elect to reimburse UPRR for all direct and indirect overhead labor/construction costs and agrees to do so in accordance with Exhibit E attached hereto.

*Section 3.2. Invoice and Payment.* UPRR shall submit to RCRRA, no more than once a month, separate invoices for Eligible Project Costs and/or revisions of prior period invoices as appropriate. RCRRA agrees to pay UPRR for Eligible Project Costs incurred by UPRR and/or revisions of prior period invoices within thirty-five (35) days from the date of each invoice documenting such Eligible Project Costs and revisions of prior period invoices. UPRR may also invoice RCRRA upon receipt and approval of Material purchases. In addition:

(a) UPRR's invoices shall be in sufficient detail to provide RCRRA with adequate information as to the location and dates of the invoiced Eligible Project Costs. Invoices shall contain reasonable supporting documentation and calculations.

(b) RCRRA may reduce its payment of any invoice lacking adequate supporting documentation by any amount not so supported but shall pay the supported balance within the above-described 35-day time period; *provided* that RCRRA will promptly provide UPRR with specific written information with respect to what supporting documentation is lacking in such invoice. UPRR may include any such disallowed costs in a subsequent revision of the original invoice that contains the necessary supporting documentation during regular and subsequent invoicing cycles. To the extent UPRR receives Funds under this Agreement that do not constitute Eligible Project Costs, UPRR shall refund those Funds to RCRRA.

(c) UPRR shall submit its final bill for the Project to the RCRRA no later than one hundred twenty days (120) days after completing the Project. UPRR shall also assist RCRRA in preparing the final Project expenditure report.

All amounts constituting Eligible Project Costs not paid within sixty (60) days from the date of the invoice therefor shall bear interest in accordance with Minn. Stat. Section 471.425. Payment of interest on late payments and disputes regarding payments shall be governed by the provisions of Minn. Stat. Section 471.425.

*Section 3.3. Adjustment of Additive Rates.* UPRR and RCRRA acknowledge and agree that the additive rates to be included as Eligible Project Costs under this Agreement, as reflected on Exhibit E, will require periodic discussion and analysis by the parties throughout the term of



this Agreement. To the extent that this rate is recalculated every year based on the prior year's cost, and to the extent that this rate is then audited by the State of Nebraska Department of Roads and then approved by the Nebraska Division of FHWA for use by other states, throughout the term of the Project RCRRA will be billed the most current additive rate that has been audited and approved by the State of Nebraska and FHWA.

#### SECTION 4. COVENANTS.

*Section 4.1. Procurement.* All procurement transactions, without regard to dollar value, shall be conducted in accordance with UPRR's then current procurement practices (which current practices are hereby deemed to comply with the procurement standards of 49 CFR part 18 and with the applicable procurement standards of the State of Minnesota).

*Section 4.2. Inspection.* (a) UPRR will permit inspections of the Project and UPRR's information relating to the construction of the Improvements by any authorized representative of RCRRA upon at least 72 hours advance written notice during normal business hours; *provided, however,* that no representative of RCRRA or any other party shall be permitted on UPRR property prior to his or her execution of UPRR's standard Right of Entry Agreement in the form of Exhibit F attached hereto. UPRR and RCRRA acknowledge and agree to the following: (i) all such inspections and any reports made in connection therewith shall be made at RCRRA's risk and expense for the sole benefit of RCRRA; and (ii) neither RCRRA nor any of its representatives, agents or contractors assume any responsibility or liability (except to RCRRA) by reason of such inspection, reports or the furnishing of any such reports to UPRR other than liability for any claim that results from the gross negligence or willful misconduct of RCRRA or such representative. UPRR will provide any authorized representative of RCRRA with adequate and appropriate workspace at such visits.

(b) Representatives of RCRRA shall report to RCRRA and UPRR any Deficiencies and delays not otherwise excused by the terms and conditions hereof promptly and in no event later than five (5) business days after the date of any inspection under Section 4.2(a) hereof (which report may be delivered via e-mail to the parties designated in Section 7.12). UPRR shall promptly investigate such alleged Deficiencies and delays and either (i) correct such Deficiencies within thirty (30) days unless such Deficiencies cannot reasonably be cured within thirty (30) days in which event UPRR shall proceed to correct the Deficiencies using due diligence and the time to cure shall be extended for a commercially reasonable time or (ii) respond in writing to RCRRA, setting forth the basis upon which UPRR believes the report of such Deficiencies and/or delays is inaccurate.

*Section 4.3. Record Keeping; Audit.* UPRR shall cooperate with RCRRA with respect to RCRRA's compliance with OMB Circular A-133.

(a) UPRR shall maintain for a period not less than three (3) years or as required by state or federal law, whichever is greater, from the date of payment of the final invoice under this Agreement and subcontractor, if any shall maintain for a period not less than three (3) years from the date of the final invoice under its subcontract, each of the following:

(i) Adequate books, records, and supporting documents to verify the amounts and uses of all disbursements of funds in conjunction with the Project;

(ii) Records sufficient to identify the application of funding, together with supporting documentation, including, without limitation, paid invoices; and

(iii) All other records necessary to disclose the amount and disposition of funding hereunder, including the following: (1) the nature of such expenditures; (2) the total cost of each undertaking for which funds were disbursed hereunder; (3) the amount, if any, of funds supplied by other sources for the construction of the Project; and (4) any other books, records and documents reasonably necessary to maintain a complete verification of UPRR's obligations hereunder.

(b) If any litigation or claim involving this Agreement has been filed before the expiration of the time period described in Section 4.3(a) or any audit permitted hereunder has commenced before the expiration of the time period described in Section 4.3(a), RCRRA and UPRR shall maintain the records required by Section 4.3(a), (1) in the case of any litigation or claim, until completion of the action and resolution of all issues which arise from it, or until the end of such time period, whichever is later and (2) in the case of any audit, until completion of the audit or until the end of such time period, whichever is later.

(c) RCRRA acknowledges and agrees that (i) RCRRA shall, as the recipient of the Funds directly from federal agencies, be responsible for performing, completing and complying with administrative and legislative requirements for the Project (the "*Reporting Requirements*") and (ii) UPRR shall provide to RCRRA UPRR's standard and customary billing for expenses incurred by UPRR for the Project (including any Fees) including UPRR's standard and customary documentation to support such billing; *provided* that UPRR shall, upon request by RCRRA and at RCRRA's expense, assist RCRRA in promptly completing any required federal forms provided to UPRR by RCRRA and provide to RCRRA any additional information reasonably accessible or available to UPRR needed by RCRRA to perform and complete the federal reporting documents and satisfy the Reporting Requirements; *provided further* that RCRRA shall furnish to UPRR a list, at least forty-five (45) days prior to the date RCRRA requires such information, setting forth the specific information that RCRRA requests that UPRR provide in order for RCRRA to satisfy its Reporting Requirements. RCRRA shall provide UPRR a copy of any federal agreement (draft or otherwise) promptly following its receipt thereof and shall provide UPRR a certified true and correct copy of the final federal Agreement described above promptly following the execution and delivery thereof.

(d) The records and materials described at Sections 4.3(a) and 4.3(b) above shall be available for review and audit by RCRRA or its authorized representatives upon at least seven (7) days advance written notice during normal business hours; and UPRR agrees to reasonably cooperate with any audit conducted by RCRRA or its authorized representatives and to provide full access to all relevant materials.

*Section 4.4. Notice of Litigation.* Each party shall promptly furnish the other party written notice of any claim or litigation naming the notifying party as a defendant directly affecting or relating to the Project or this Agreement.

*Section 4.5. Change Orders.* Subject to paragraph 5 below, RCRRA and UPRR hereby agree that the following provisions shall apply with respect to any addition, deletion or revision to the scope of work and/or extension of the geographic boundaries of Project work set forth on Exhibit A hereto and/or any change to the cost of any element of Project work but only to the extent such change in cost exceeds the total cost estimate ("*Changed Services*"):

1. *Change Order Services*

RCRRA or UPRR may request Changed Services under this Agreement. All Changed Services must be finalized through a written change order in form and substance reasonably satisfactory to both RCRRA and UPRR (a "*Change Order*"), executed by authorized representatives from each party. Parties agree that any Changed Services will be paid at the rate and period agreed to by the parties, said rate and period being set forth in the Change Order document. The Change Order must indicate the source of funds for changes in rates, quantities or overall costs. Change Orders can include, among other things, changed services, change in payment, and/or term modification.

2. *Change Order Process*

(a) Changes initiated by RCRRA:

RCRRA may facilitate requests for changes in work from outside agencies, local municipalities, utilities, regulatory authorities, consultants, its own forces, from other stakeholders or as a result of a change in site conditions by submitting to UPRR a written Change Order request in form and substance reasonably satisfactory to both RCRRA and UPRR (a "*Change Request*"). The notice must outline the scope and geographic boundaries with respect to the Change Request in sufficient detail for UPRR to determine if it is willing to agree to RCRRA's Change Request. If UPRR agrees to perform the Change Request, it shall submit a written proposal, estimating the cost and schedule for Changed Services outlined in the Change Request. UPRR shall submit its proposal within 60 days of receipt of RCRRA's Change Request. UPRR may or may not agree to perform RCRRA's Change Request. RCRRA understands and agrees that UPRR is not obligated to approve or agree to any Change Request from RCRRA if any payment due from RCRRA under this Agreement is more than 60 days in arrears.

(b) Changes initiated by UPRR:

UPRR may submit a written Change Request to RCRRA for changes in work requested by outside agencies, local municipalities, utilities, regulatory authorities, consultants, contractors, vendors, UPRR's forces, other stakeholders, or as a result of a change in site conditions under this Agreement. The notice

must outline the scope, geographic boundaries, estimated costs, and schedule with respect to the Change Request in sufficient detail for RCRRA to determine whether it will agree to UPRR's Change Request. UPRR's Change Request shall set forth any changes to the Agreement, including but not limited to the reason for the change, who initiated the change, why the change is necessary, any unit prices or changes to the overall contract price, and the quantity or contract term necessary to perform said Changed Services. RCRRA shall respond to UPRR's Change Request in writing within 30 days of receipt of UPRR's Change Request. RCRRA may or may not agree to authorize UPRR's Change Request.

For mutually agreed Changed Services and any agreed changes pursuant to 2(a) or 2(b) above, RCRRA will issue a Change Order, executed by both parties. UPRR will not be reimbursed for its services under any Change Order until such Change Order is fully executed.

3. *Additional Work*

The parties agree that the Change Order process described herein can be applied, upon the mutual agreement of the parties, to infrastructure Improvements described in the Term Sheet.

*Section 4.6. Notice of FOIA Requests.* RCRRA shall send to UPRR written notice of any request RCRRA receives for information relating to the Project or this Agreement pursuant to the Minnesota Government Data Practices Act or any similar Applicable Law promptly, and in any event not later than three business days after receipt thereof.

*Section 4.7. Positive Train Control.* RCRRA and UPRR acknowledge and agree that UPRR is not planning to implement PTC on the Improvements.

*Section 4.8. Additional Understandings.* The parties understand, acknowledge and agree as follows:

(a) Except as otherwise agreed by UPRR and RCRRA under this Agreement, in no event shall UPRR be required to expend any of its own funds in constructing the Improvements contemplated by this Agreement unless prompt reimbursement of such funds is assured to UPRR in a manner reasonably acceptable to UPRR. In no event shall UPRR have any obligation with respect to any required repayment of all or any portion of the proceeds of the Funds to federal agencies except to the extent that UPRR receives Funds under Section 3.2 of this Agreement in reimbursement of costs that do not constitute Eligible Project Costs.

(b) Title to all Materials shall be vested in UPRR notwithstanding that the cost of such Materials and the labor/equipment to install them have been paid for, or reimbursed by, RCRRA.



(c) RCRRA shall be responsible for the cost of all Materials purchased or for which a commitment or obligation to purchase has been made and all delivery, handling, transportation or storage costs with respect to such Materials.

(d) Any estimated costs included on Exhibit A or Exhibit C, if any, are approximations and remain subject to change.

(e) In no event shall RCRRA, the FRA or any other party acquire any ownership interest in, or be granted a lien upon, any route rights of way or trackage owned or controlled by UPRR or any other asset of UPRR in connection with the transactions contemplated by this Agreement.

(f) The completion of the Project and the operation of passenger service on the SPUD Track are subject to (1) receipt of all necessary approvals, authorizations and consents from any Governmental Authority in a timely manner and (2) compliance with all the terms of Applicable Law.

(g) RCRRA intends to make a public benefit investment for the public gain for passenger train access to the Depot on a cost reimbursement basis and not as payment in exchange for services or property and further, the parties intend for Internal Revenue Code section 118 to apply to the investment.

## SECTION 5. INDEMNITIES.

*Section 5.1. General Indemnification.* RCRRA shall indemnify (on an after-tax basis), defend and hold harmless UPRR (including employees, officers, directors, agents and permitted successors and permitted assigns of UPRR) against any claim resulting from or relating to or arising out of (i) any breach by RCRRA of its federal agreements, (ii) the failure by RCRRA to obtain full and complete funding of the Funds and (iii) any requirement that all or any portion of the proceeds of the Funds be returned to the FRA, except (1) in each case, to the extent attributable to the gross negligence or willful misconduct of UPRR and (2) in the case of clause (iii), to the extent that UPRR receives Funds under Section 3.2 of this Agreement in reimbursement of costs that do not constitute Eligible Project Costs.

*Section 5.2. Notice.* The foregoing indemnity is subject to UPRR providing written notice to RCRRA within sixty (60) days of the date a third-party claim against UPRR is made known to UPRR and for which the indemnity may be applicable. UPRR shall, at RCRRA's expense, reasonably cooperate with RCRRA in the investigation and defense of such claims.

*Section 5.3. Payment of Claims.* RCRRA shall pay any claim pursuant to Section 5.1 directly to UPRR within sixty (60) days of RCRRA's indemnity obligation being established; *provided* that such claims will be paid through the RCRRA claims process, including, if necessary, through appropriate Minnesota claims venues. Any such demand for payment from UPRR shall specify in reasonable detail the payment and the facts upon which the right to payment is based.

*Section 5.4 Non-applicability to MnDOT.* Sections 5.1, 5.2 and 5.3 do not apply to MnDOT. MnDOT does not agree to indemnify or defend RCRRA, UPRR or any other party.

#### SECTION 6. TERMINATION.

*Section 6.1. Parties' Right to Terminate on Mutual Consent.* This Agreement or the Project may be terminated at any time by mutual written consent of the parties.

*Section 6.2. RCRRA's Right to Terminate for Cause.* RCRRA may terminate this Agreement, upon thirty (30) days' written notice to UPRR or at such later date as RCRRA may establish in such written notice, in the event that UPRR fails to perform in any material respect any of its obligations set forth in this Agreement and such failure shall continue unremedied for sixty (60) days after receipt by UPRR of written notice thereof or the applicable cure period as otherwise provided in this Agreement.

*Section 6.3. UPRR's Right to Terminate for Cause.* UPRR may terminate this Agreement, upon thirty (30) days' written notice to RCRRA, in the event that any of the following shall occur:

(i) RCRRA shall fail to (a) pay any cost described herein within the time period provided therefor; or (b) perform or observe any other of the covenants or agreements to be observed or performed by RCRRA under this Agreement and such failure shall continue unremedied for thirty (30) days after notice from UPRR to RCRRA specifying the failure and demanding the same to be remedied; or

(ii) an Appropriation Failure; or

(iv) there shall be any non-de minimis change to the Term Sheet (a) that has not been approved by UPRR and RCRRA in writing and (b) for which RCRRA has not expressly assumed the cost of implementing such change to the Term Sheet; or (v) in UPRR's reasonable determination, the construction of the Improvements cannot be completed in accordance with the terms of this Agreement for an aggregate amount of Eligible Project Costs less than or equal to \$3,213,756 (the Maximum Project Budget) and a Change Order or other written agreement to increase the Maximum Project Budget stated in Section 3.1 above shall not have been entered into pursuant to Section 4.5 within 90 days that would, in UPRR's reasonable determination, permit the completion of the Project (as adjusted by such Change Order or other written agreement between the parties) for an aggregate amount of Eligible Project Costs less than or equal to \$[project cap], or then in effect Maximum Project Budget.

*Section 6.4. Remedies.* (a) In the event of any termination pursuant to Sections 6.1 through 6.3, UPRR, in addition to any other remedy available to it at law or in equity, shall be entitled to reimbursement by RCRRA of Eligible Project Costs in accordance with Section 6.6 of this Agreement.



(b) In the event of termination pursuant to Section 6.2, RCRRA shall have any remedy available to it at law or in equity, subject to UPRR's right of ownership set forth in Section 2.1; *provided, however*, that in no event shall UPRR be liable for special, incidental (*e.g.*, loss of profits) or punitive damages.

*Section 6.5. Funding.* RCRRA shall, in good faith, seek all necessary funding to satisfy its obligations hereunder, and shall provide UPRR written notice within five (5) business days after the occurrence of an Appropriation Failure (as defined below). At the time this Agreement was executed, there were funds available to RCRRA to pay all Eligible Project Costs and satisfy its obligations under this Agreement with respect to the Project; *provided, however*, that from and after the date written notice is received by UPRR from RCRRA of an Appropriation Failure, obligations assumed by RCRRA under this Agreement shall cease to accrue immediately, without penalty. For purposes herein, an "*Appropriation Failure*" shall occur if (i) federal agencies shall fail to appropriate or otherwise make available funds for the Project in a timely manner in sufficient amounts to pay for all Eligible Project Costs, (ii) a bill shall be enacted into law in the State of Minnesota or Ramsey County appropriating funds or otherwise making available funds for the operation of RCRRA for any fiscal year, but shall not provide for the appropriation of funds or otherwise make funds available for the Project in sufficient amounts to pay for all Eligible Project Costs to be incurred in such fiscal year and satisfy RCRRA's obligations hereunder or (iii) the State of Minnesota or Ramsey County shall fail by July 15 of any year to enact a bill into law appropriating funds or otherwise making available funds for the Project in sufficient amounts to pay for all Eligible Project Costs to be incurred in the applicable fiscal year and satisfy RCRRA's obligations hereunder.

*Section 6.6* In the event of any termination of this Agreement, each party's obligations hereunder shall be limited to those obligations accrued up to the date of termination, RCRRA shall also be responsible for all costs incurred by UPRR associated with de-mobilization as a result of any such termination of this Agreement (except in the case of a termination of this Agreement pursuant to Section 6.2) and, except as stated above, each party shall be released from any future obligations hereunder; *provided* that (i) the parties acknowledge and agree that any accrued payment, reimbursement or indemnification obligation of RCRRA under this Agreement shall survive the termination of this Agreement and (ii) for the avoidance of doubt, RCRRA shall be required to reimburse UPRR for unpaid Eligible Project Costs incurred by UPRR or for which UPRR is obligated with respect to the Project as of the earlier of the date of termination of this Agreement or the date of receipt by UPRR of written notice from RCRRA of an Appropriation Failure, including any Materials and Services purchased or for which a commitment or obligation to purchase has been made.

## SECTION 7. GENERAL.

*Section 7.1. Cooperation and Dispute Resolution.* The RCRRA and UPRR hereto shall endeavor to resolve informally and collaboratively any dispute, claim or controversy between or among the parties hereto relating to the interpretation, application or implementation of this Agreement. With respect to all matters concerning design and construction including as provided in Section 2, Section 4.2, and Section 4.5 above, and specifically excluding matters as provided in Section 5 and Section 6, if, after twenty (20) days from the assertion by either

RCRRA or UPRR of any dispute, claim or controversy, the parties hereto have not resolved such dispute, claim or controversy to their mutual satisfaction, RCRRA and UPRR will, within five (5) business days, each appoint an independent third party expert with experience in railroad construction, engineering and operations (an "Expert"). The Expert selected by RCRRA and the Expert selected by UPRR shall select a consensus third Expert within five (5) days after appointment. The panel of three (3) Experts will conduct such inspections, interviews and discussions and review such documents and studies as necessary. In discharging its duties, the Expert panel will act in accordance with the statutory requirements as of the date of this Agreement that require this Agreement to provide assurances regarding the adequacy of infrastructure capacity to accommodate both existing and future freight and passenger operations and must seek, to the extent possible, to preserve the benefits of both passenger and freight service and without impairing the competitiveness of freight service. Each of RCRRA and UPRR shall bear the cost of the Expert selected by RCRRA or UPRR, as applicable, and RCRRA and UPRR shall equally share the cost of the consensus Expert.

Any determination by a majority of a panel of Experts as described herein shall be (1) rendered within ten (10) days after appointment of the last Expert and (2) binding on both RCRRA and UPRR. Any determination by the Expert panel described in this Section 7.1 shall not require any party to expend any funds.

*Section 7.2. Compliance with Laws.* UPRR shall comply, to the extent applicable, with the requirements attached hereto as Exhibits I and J, each of which is hereby made a part of this Agreement.

*Section 7.3. Amendments.* Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified in any manner whatsoever except by an instrument in writing signed by each party hereto.

*Section 7.4. Successors.* This Agreement shall inure to the benefit of and shall be binding upon each party's successors and assigns, except that no party may assign any of its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; *provided* that nothing contained in this Section 7.4 shall be construed to prohibit UPRR from employing contractors and subcontractors in its construction of Improvements and other aspects of the Project without the consent of RCRRA (but the employment of such contractors and subcontractors shall be subject to Section 4.1).

*Section 7.5. Governing Law; Severability.* This Agreement shall in all respects be governed by, and construed in accordance with, the law of the State of Minnesota (excluding the laws applicable to conflicts or choice of law), including all matters of construction, validity and performance. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under Applicable Law, but if any provision of this Agreement shall be prohibited by or invalid under the laws of any jurisdiction, such provision, as to such jurisdiction, shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement in any other jurisdiction.

*Section 7.6. No Third Party Rights.* Except as expressly set forth herein, the representations, warranties, terms and provisions of this Agreement are for the exclusive benefit of the parties hereto and no other Person shall have any right or claim against either party by reason of any of these terms and provisions or be entitled to enforce any of those terms and provisions against either party.

*Section 7.7. Entire Agreement.* Any exhibits, appendices, schedules and attachments annexed hereto are by this reference incorporated herein and made a part hereof. This Agreement contains the entire agreement of the parties with respect to the construction of the Improvements and supersedes any and all prior agreements or oral understandings between the parties with respect thereto.

*Section 7.8. Reproduction of Documents.* This Agreement and all documents relating thereto, including, without limitation, (a) consents, waivers and modifications that may hereafter be executed, (b) documents received by the parties hereto at the closing of the transaction contemplated hereby, and (c) financial statements, certificates and other information previously or hereafter furnished pursuant hereto, may be reproduced by the parties hereto by any photographic, photostatic, microfilm, microcard, miniature photographic, electronic or other similar process and the parties hereto may destroy any original document so reproduced. The parties agree to accept delivery of all of the foregoing documents in electronic format in lieu of original closing transcripts. The parties further agree and stipulate that, to the extent permitted by Applicable Law, any such reproduction, in electronic format or otherwise, shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made in the regular course of business) and any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence. This Section 7.8 shall not prohibit the parties hereto from contesting any such reproduction to the same extent that it could contest the original, or from introducing evidence to demonstrate the inaccuracy of any such reproduction.

*Section 7.9. No Waiver.* No failure or delay of any party in exercising any power or right under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, preclude any other or further exercise thereof or the exercise of any other right or power.

*Section 7.10. Separate Counterparts.* This Agreement may be executed by the parties hereto in separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute but one and the same instrument. All signatures need not be on the same counterpart.

*Section 7.11. Confidentiality.*

(A) This Subsection A applies only to RCRRA and UPRR. Subsection (B) below, applies to MnDOT. All data and information provided to RCRRA by UPRR, as a result of entering into this Agreement and performing any obligation hereunder will be "government data" as

defined in Minnesota Statutes §13.02 (subd. 7). RCRRA will treat all government data in accordance with the requirements of the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. If UPRR believes that any data submitted to MnDOT qualifies as "Trade Secret Data" or "Security Information" (see Minnesota Statutes §13.37), or otherwise qualifies as "non-public data", then UPRR must clearly label such data with the qualifying classification. If RCRRA receives a request to release such data, RCRRA will use its best efforts to notify UPRR of such request. This Agreement is "public data" and RCRRA will release this Agreement upon request without regard to any "confidential" or similar legend placed on this Agreement.

(B) This Sub-section B applies to MnDOT. All data and information provided to MnDOT, by either RCRRA or UPRR, as a result of entering into this Agreement and performing any obligation hereunder will be "government data" as defined in Minnesota Statutes §13.02 (subd. 7). MnDOT will treat all government data in accordance with the requirements of the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. If UPRR or RCRRA believes that any data submitted to MnDOT qualifies as "Trade Secret Data" or "Security Information" (see Minnesota Statutes §13.37), or otherwise qualifies as "non-public data", then the party providing such data must clearly label such data with the qualifying classification. If MnDOT receives a request to release such data, MnDOT will use its best efforts to notify the party that provided such data of such request. This Agreement is "public data" and MnDOT will release this Agreement upon request without regard to any "confidential" or similar legend placed on this Agreement by any party.

(C) The parties acknowledge that UPRR shall not be required to provide to MnDOT any information determined by UPRR in its sole discretion to be confidential or proprietary.

*Section 7.12. Notices.* Unless otherwise expressly specified or permitted by the terms of this Agreement, notices and other communications required or permitted to be given or made under the terms of this Agreement shall be in writing. Any such communication or notice shall be deemed to have been duly made or given (i) if served in person; (ii) on the third (3rd) day following the day such notice is deposited in any post office station or letter-box if mailed by certified or registered mail, return receipt requested, postage prepaid, or (iii) on the first (1st) day following the day such notice is delivered to an overnight courier service for overnight delivery, if addressed to the party to whom such notice is intended as set forth below:

- (a) if to MnDOT to:  
Minnesota Department of Transportation  
395 John Ireland Boulevard



St. Paul, MN 55155  
Telephone No.: (651) 296-3000

(b) if to RCRRA to:

Ramsey County Regional Rail Authority  
Union Depot  
Suite 200  
214 4<sup>th</sup> Street East  
St. Paul, MN 55101 Attention: Director  
Telephone No.: (651) 266-2760

(b) if to UPRR, to:

Union Pacific Railroad Company  
1400 Douglas Street  
Mail Stop 1120  
Omaha, Nebraska 68179  
Attention: Director, Transportation Research

with a copy to:

Union Pacific Railroad Company  
Law Department  
1400 Douglas Street  
Mail Stop 1580  
Omaha, Nebraska 68179  
Attention: John Brennan

Each party to this Agreement may from time to time designate by notice in writing to the other party a different address for communications and notices.

*Section 7.13. Waiver of Consequential Damages.* Notwithstanding Section 6.4 or anything to the contrary contained herein, each party hereto (i) waives claims against the other party for punitive, special, consequential, indirect and exemplary damages arising out of or relating to this Agreement; *provided* that nothing contained herein shall constitute a waiver by any party of the right to seek to join the other Party hereto as a necessary party to any litigation, action or proceeding initiated by an independent third party with respect to any claim or dispute arising out of or under this Agreement; and (ii) agrees not to assert or join in asserting or supporting any claim by any independent third party for any such punitive, special, consequential, indirect or exemplary damages; *provided* that nothing contained herein shall constitute a waiver by any party of the right to seek to join the other Party hereto as a necessary party to any litigation, action or proceeding initiated by an independent third party with respect to any claim or dispute arising out of or under this Agreement.



*Section 7.14. Directly or Indirectly.* Where any provision in this Agreement refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

*Section 7.15. Other Agreements.* The parties acknowledge and agree that other agreements dealing with matters outside the scope of this Agreement, including, without limitation, the Maintenance Agreement, are contemplated to be entered into by RCRRA, UPRR and other parties related to the overall transactions contemplated by this Agreement.

*Section 7.16 Relationship of MnDOT and UPRR* This Agreement will not be construed as creating obligation by MnDOT to make any direct payment to UPRR for the work covered by this Agreement, or for any claim of any nature related to the work whether by UPRR or any third party, or any other obligation to UPRR except as specifically set forth in subsection (a) below. Similarly, this Agreement shall not be construed as creating any obligation by UPRR to MnDOT, except as specifically set forth in subsection (b) below. MnDOT's only payment obligation will be to make payment to RCRRA pursuant to the terms of relevant grant and cooperative agreement(s) entered into between MnDOT and RCRRA. The obligations of UPRR and MnDOT to each other are as follows:

(a) MnDOT's obligations to UPRR

1. As set forth in Section 2.1(e) above.

(b) UPRR's obligation to MnDOT

1. As set forth in Section 2.1(e) above.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered as of the day and year specified at the beginning hereof.

UNION PACIFIC RAILROAD COMPANY

By: \_\_\_\_\_  
Name:  
Title:  
Date:

RAMSEY COUNTY REGIONAL RAIL AUTHORITY

By: \_\_\_\_\_  
Name:  
Title:  
Date:

Minnesota Department of Transportation

By: \_\_\_\_\_  
Name:  
Title:  
Date:

Commissioner of Administration

By: \_\_\_\_\_  
Name:  
Title:  
Date:

## EXHIBIT A

### SUMMARY OF WORK TO BE PERFORMED BY UNION PACIFIC

In fulfillment of the Term Sheet, UPRR will construct improvements described below. This scope is subject to change, based on procedures defined elsewhere in this Agreement.

1. Reconstruction of main track between the insulated joint adjacent to the Southeast Wye switch and the Southwest Wye switch, and between the UP/BNSF insulated joint on the West Leg of the Division Street Wye and the Southwest Wye Switch.
2. Installation of a new powered, #11 East Terminal Lead switch.
3. Installation of a new powered, #11 Southwest Wye switch.
4. Installation of a new powered, #11 State Street Industrial Lead switch (SSIL) (the switch that connects the two SSIL tracks to the single track just south of Plato Blvd.), including all necessary signal apparatus
5. Extension of SSIL 1 to connect with SSIL switch (item 4 above).
6. Removal of existing SSIL switch and a piece of SSIL 1 trackage.
7. Removal of "pocket track" adjacent to the north end of SSIL 1.
8. Installation of a new powered #11 CP 1/SPUD crossover switch
9. Adjust crossing warning devices at Plato Blvd.
10. Preparation of environmental footprints defining the maximum area required outside of the right-of-way for use in the National Environmental Policy Act (NEPA) documents.
11. Preparation of right-of-way documentation for property acquisition and construction assessments.
12. Preparation of engineering design plans, field surveys, geotechnical borings, and related activities in support of work described above. Signal design will be for the SSIL only.
13. Necessary right-of-way acquisition .
14. Review of signal aspect charts on items 2, 3, and 8 above

**EXHIBIT B**

**RESERVED**

**EXHIBIT C**  
**ESTIMATE OF MATERIAL AND FORCE ACCOUNT WORK**



# Preliminary Estimate

Estimate Number: 69903 Version: 1

Standard Rates: Labor Additive = 211.7% WT Labor Additive = 194.11%

Estimate Good for 6 Months Until 08/11/13

Location: MANKATO SUB, CONN, 409.59-411.1

Description of Work: ST. PAUL, MN. - REPLACE No.8 POTO WITH No.11 POTO - TO SWITCH FROM UP SPUD TRACK TO STATE STREET IND. LEAD - buy America

| COMMENTS                             | FACILITY      | Description                      | QTY | UOM | UCST       | LABOR   | MATERIAL | TOTAL   |
|--------------------------------------|---------------|----------------------------------|-----|-----|------------|---------|----------|---------|
| <b>ENGINEERING</b>                   |               |                                  |     |     |            |         |          |         |
|                                      |               | ENGINEERING                      | 1   | LS  | 10,000.00  | 10,000  | 0        | 10,000  |
|                                      |               | CONTRACT ENGINEERING             | 1   | LS  | 5,000.00   | 0       | 5,000    | 5,000   |
|                                      |               | FLAGGING                         | 20  | MD  | 1,000.00   | 20,000  | 0        | 20,000  |
| Sub-Total =                          |               |                                  |     |     |            | 30,000  | 5,000    | 35,000  |
| <b>TRACK CONSTRUCTION - COMPANY</b>  |               |                                  |     |     |            |         |          |         |
| LH                                   | PPTO          | PPTO 136# #11 PO W / XL RBM FROG | 1   | EA  | 168,460.75 | 70,416  | 98,045   | 168,461 |
|                                      | TRACK         | SHIFT TRACK: M.L. 30% TIES       | 412 | TF  | 51.96      | 12,832  | 8,574    | 21,406  |
|                                      | COMPJT        | TRANSITION RAIL                  | 1   | PR  | 6,652.31   | 2,595   | 4,058    | 6,652   |
| Sub-Total =                          |               |                                  |     |     |            | 85,843  | 110,677  | 196,520 |
| <b>TRACK REMOVAL - COMPANY</b>       |               |                                  |     |     |            |         |          |         |
|                                      | TRACK         | REMOVE TRACK                     | 35  | TF  | 10.49      | 367     | 0        | 367     |
| Remove No.8 LH Turnout               | TO            | REMOVE TO: #9                    | 1   | EA  | 4,085.84   | 4,086   | 0        | 4,086   |
| Sub-Total =                          |               |                                  |     |     |            | 4,453   | 0        | 4,453   |
| <b>TRACK CONSTRUCTION - CONTRACT</b> |               |                                  |     |     |            |         |          |         |
| LH                                   |               | REMOVE NO. 8 TURNOUT             | 1   | EA  | 4,000.00   | 0       | 4,000    | 4,000   |
| Sub-Total =                          |               |                                  |     |     |            | 0       | 4,000    | 4,000   |
| <b>TRACK REMOVAL - CONTRACT</b>      |               |                                  |     |     |            |         |          |         |
|                                      |               | REMOVE TRACK                     | 35  | TF  | 9.00       | 0       | 315      | 315     |
| Sub-Total =                          |               |                                  |     |     |            | 0       | 315      | 315     |
| <b>EQUIPMENT RENTAL</b>              |               |                                  |     |     |            |         |          |         |
|                                      |               | EQUIPMENT RENTAL                 | 1   | LS  | 50,000.00  | 50,000  | 0        | 50,000  |
| Sub-Total =                          |               |                                  |     |     |            | 50,000  | 0        | 50,000  |
| <b>PROJECT LEVEL COST</b>            |               |                                  |     |     |            |         |          |         |
|                                      | CONTINGENCIES | CONTINGENCY                      | 20  | %   | 2,902.88   | 34,059  | 23,998   | 58,058  |
| Sub-Total =                          |               |                                  |     |     |            | 34,059  | 23,998   | 58,058  |
| Totals =                             |               |                                  |     |     |            | 204,355 | 143,990  | 348,345 |

Total Wgt. in Tons = 814

Grand Total = \$348,345

This is a "Shotgun" estimate, intended to provide a ballpark cost to determine whether a proposed project warrants further study. This estimate is not to be used for budget authority. This estimate is based on a conceptual design, without detailed engineering or site investigation. Quantities and costs are estimated using readily available information and experience with similar projects. Site conditions and changes in project scope and design may result in significant cost variance.

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# Preliminary Estimate

Estimate Number: 69883 Version: 1

Standard Rates:

Labor Additive = 211.7%

WT Labor Additive = 194.11%

Estimate Good for 6 Months Until 08/11/13

Location: MANKATO SUB, CONN, 409.59-411.1

Description of Work: ST. PAUL, MN. - INSTALL 2 No.11 SWITCHES AND REALIGN TRACK - MP 410 for SPUD PROJECT-Mankato East, buy America

| COMMENTS                            | FACILITY      | Description                           | QTY  | UOM | UCST       | LABOR   | MATERIAL | TOTAL   |
|-------------------------------------|---------------|---------------------------------------|------|-----|------------|---------|----------|---------|
| <b>ENGINEERING</b>                  |               |                                       |      |     |            |         |          |         |
|                                     |               | ENGINEERING                           | 1    | LS  | 40,000.00  | 40,000  | 0        | 40,000  |
|                                     |               | CONTRACT ENGINEERING                  | 1    | LS  | 10,000.00  | 0       | 10,000   | 10,000  |
|                                     |               | FLAGGING                              | 30   | MD  | 1,000.00   | 30,000  | 0        | 30,000  |
| Sub-Total =                         |               |                                       |      |     |            | 70,000  | 10,000   | 80,000  |
| <b>TRACK CONSTRUCTION - COMPANY</b> |               |                                       |      |     |            |         |          |         |
| 2-RH                                | PPTO          | PPTO 136# #11 PO W / XL RBM FROG      | 2    | EA  | 166,547.74 | 137,991 | 195,104  | 333,095 |
|                                     | TRACK         | 136# CWRSS3 24-9'PPHWD N 16 TP        | 17   | TF  | 466.11     | 5,773   | 2,151    | 7,924   |
|                                     | TRACK         | SHIFT TRACK: M.L. 30% TIES            | 712  | TF  | 47.05      | 19,602  | 13,898   | 33,500  |
|                                     | TRACK         | SHIFT TRACK: M.L. 50% TIES            | 676  | TF  | 61.84      | 23,213  | 18,593   | 41,806  |
|                                     | RDXING        | RDXING 136# CON10W PP PAN COMPLETE    | 90   | TF  | 699.70     | 23,925  | 39,048   | 62,973  |
|                                     | COMPJT        | TRANSITION RAIL                       | 1    | PR  | 6,652.31   | 2,595   | 4,058    | 6,652   |
|                                     | MLRAIL        | RELAY ML RAIL: 6" OUT, 141# HH IN     | 0.1  | TM  | 563,291.60 | 14,166  | 42,164   | 56,329  |
| Sub-Total =                         |               |                                       |      |     |            | 227,265 | 315,016  | 542,280 |
| <b>TRACK REMOVAL - COMPANY</b>      |               |                                       |      |     |            |         |          |         |
|                                     | TRACK         | REMOVE TRACK                          | 143  | TF  | 10.49      | 1,501   | 0        | 1,501   |
| RH                                  | TO            | REMOVE TO: #9                         | 1    | EA  | 4,085.84   | 4,086   | 0        | 4,086   |
| Sub-Total =                         |               |                                       |      |     |            | 5,586   | 0        | 5,586   |
| <b>SITE WORK - CONTRACT</b>         |               |                                       |      |     |            |         |          |         |
|                                     |               | MOBILIZATION                          | 1    | LS  | 20,000.00  | 0       | 20,000   | 20,000  |
|                                     |               | CLEARING AND GRUBBING                 | 0.05 | AC  | 2,500.00   | 0       | 125      | 125     |
|                                     |               | GRADING: EXCAVATION                   | 2260 | CY  | 15.00      | 0       | 33,900   | 33,900  |
|                                     |               | SUBEXCAVATION                         | 339  | CY  | 12.00      | 0       | 4,068    | 4,068   |
|                                     |               | CLEAN FILL FOR SUB-EX FUR/PLC         | 339  | CY  | 16.00      | 0       | 5,424    | 5,424   |
|                                     |               | AGGREGATE - SUBBALLAST - FURNISH, PLA | 455  | CY  | 50.00      | 0       | 22,750   | 22,750  |
|                                     |               | FENCE: SILT                           | 750  | LF  | 3.00       | 0       | 2,250    | 2,250   |
|                                     |               | CROSSING APPROACH                     | 2    | EA  | 5,000.00   | 0       | 10,000   | 10,000  |
|                                     |               | SEEDING - HYDRO                       | 0.33 | AC  | 5,000.00   | 0       | 1,650    | 1,650   |
|                                     |               | HAY BALES (LIN FOOT)                  | 37   | LF  | 16.00      | 0       | 592      | 592     |
| Sub-Total =                         |               |                                       |      |     |            | 0       | 100,759  | 100,759 |
| <b>EQUIPMENT RENTAL</b>             |               |                                       |      |     |            |         |          |         |
|                                     |               | EQUIPMENT RENTAL                      | 1    | LS  | 40,000.00  | 40,000  | 0        | 40,000  |
| Sub-Total =                         |               |                                       |      |     |            | 40,000  | 0        | 40,000  |
| <b>PROJECT LEVEL COST</b>           |               |                                       |      |     |            |         |          |         |
|                                     | CONTINGENCIES | CONTINGENCY                           | 20   | %   | 7,686.26   | 68,570  | 85,155   | 153,725 |
| Sub-Total =                         |               |                                       |      |     |            | 68,570  | 85,155   | 153,725 |
| Totals =                            |               |                                       |      |     |            | 411,421 | 510,930  | 922,351 |

Total Wgt. in Tons = 2,454

Grand Total = \$922,351

This is a "Shotgun" estimate, intended to provide a ballpark cost to determine whether a proposed project warrants further study. This estimate is not to be used for budget authority. This estimate is based on a conceptual design, without detailed engineering or site investigation. Quantities and costs are estimated using readily available information and experience with similar projects. Site conditions and changes in project scope and design may result in significant cost variance.

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# Preliminary Estimate

Estimate Number: 69644 Version: 1

Standard Rates: Labor Additive = 211.7% WT Labor Additive = 194.11%  
 Estimate Good for 6 Months Until 08/11/13

Location: STATE STREET IND LD, CONN, 526.78-529.77

Description of Work: ST. PAUL, MN - EXTEND STATE STREET INDUSTRIAL LEAD - REPLACE No.9 HTTO  
 WITH No.11 LH POTO - PART OF SPUD PROJECT - buy America

| COMMENTS                            | FACILITY      | Description                           | QTY  | UOM | UCST       | LABOR     | MATERIAL | TOTAL     |
|-------------------------------------|---------------|---------------------------------------|------|-----|------------|-----------|----------|-----------|
| <b>ENGINEERING</b>                  |               |                                       |      |     |            |           |          |           |
|                                     |               | ENGINEERING                           | 1    | LS  | 100,000.00 | 100,000   | 0        | 100,000   |
|                                     |               | CONTRACT ENGINEERING                  | 1    | LS  | 30,000.00  | 0         | 30,000   | 30,000    |
|                                     |               | FLAGGING                              | 30   | MD  | 1,000.00   | 30,000    | 0        | 30,000    |
| Sub-Total =                         |               |                                       |      |     |            | 130,000   | 30,000   | 160,000   |
| <b>TRACK CONSTRUCTION - COMPANY</b> |               |                                       |      |     |            |           |          |           |
| LH                                  | PPTO          | PPTO 136# #11 PO W / XL RBM FROG      | 1    | EA  | 168,460.75 | 70,416    | 98,045   | 168,461   |
|                                     | TRACK         | 136# CWRHHO CWR 24-9', 16"N TP        | 162  | TF  | 309.37     | 27,104    | 23,014   | 50,118    |
|                                     | TRACK         | 136# CWRSS3 24-9"PPHWD N 16 TP        | 692  | TF  | 241.52     | 112,969   | 54,163   | 167,132   |
|                                     | COMPJT        | TRANSITION RAIL                       | 1    | PR  | 6,652.31   | 2,595     | 4,058    | 6,652     |
|                                     | TRACK         | SHIFT TRACK: M.L. 50% TIES            | 261  | TF  | 70.88      | 10,665    | 7,833    | 18,499    |
| 205 T.F.                            | MLRAIL        | RELAY ML RAIL: 6" OUT, 136# IN        | 0.04 | TM  | 568,393.25 | 5,675     | 17,061   | 22,736    |
| Sub-Total =                         |               |                                       |      |     |            | 229,425   | 204,173  | 433,598   |
| <b>TRACK REMOVAL - COMPANY</b>      |               |                                       |      |     |            |           |          |           |
|                                     | TO            | REMOVE TO: #9                         | 2    | EA  | 4,085.75   | 8,171     | 0        | 8,171     |
|                                     | TRACK         | REMOVE TRACK                          | 620  | TF  | 10.49      | 6,506     | 0        | 6,506     |
| Sub-Total =                         |               |                                       |      |     |            | 14,677    | 0        | 14,677    |
| <b>SITE WORK - CONTRACT</b>         |               |                                       |      |     |            |           |          |           |
|                                     |               | MOBILIZATION                          | 1    | LS  | 20,000.00  | 0         | 20,000   | 20,000    |
|                                     |               | CLEARING AND GRUBBING                 | 0.4  | AC  | 2,500.00   | 0         | 1,000    | 1,000     |
|                                     |               | GRADING: EXCAVATION                   | 625  | CY  | 15.00      | 0         | 9,375    | 9,375     |
|                                     |               | SUBEXCAVATION                         | 95   | CY  | 12.00      | 0         | 1,140    | 1,140     |
|                                     |               | AGGREGATE - SUBBALLAST - FURNISH, PLA | 625  | CY  | 50.00      | 0         | 31,250   | 31,250    |
|                                     |               | FENCE: SILT                           | 827  | LF  | 3.00       | 0         | 2,481    | 2,481     |
| Sub-Total =                         |               |                                       |      |     |            | 0         | 65,246   | 65,246    |
| <b>SIGNAL - COMPANY</b>             |               |                                       |      |     |            |           |          |           |
| Lavaley Est 69924 v2                |               | SIGNAL: INSTALL                       | 1    | LS  | 905,696.00 | 442,087   | 463,609  | 905,696   |
| Sub-Total =                         |               |                                       |      |     |            | 442,087   | 463,609  | 905,696   |
| <b>EQUIPMENT RENTAL</b>             |               |                                       |      |     |            |           |          |           |
|                                     |               | EQUIPMENT RENTAL                      | 1    | LS  | 40,000.00  | 40,000    | 0        | 40,000    |
| Sub-Total =                         |               |                                       |      |     |            | 40,000    | 0        | 40,000    |
| <b>PROJECT LEVEL COST</b>           |               |                                       |      |     |            |           |          |           |
|                                     | CONTINGENCIES | CONTINGENCY                           | 20   | %   | 16,192.17  | 171,238   | 152,606  | 323,843   |
| Sub-Total =                         |               |                                       |      |     |            | 171,238   | 152,606  | 323,843   |
| Totals =                            |               |                                       |      |     |            | 1,027,427 | 915,633  | 1,943,060 |

Total Wgt. in Tons = 2,288

Grand Total = \$1,943,060

This is a "Shotgun" estimate, intended to provide a ballpark cost to determine whether a proposed project warrants further study. This estimate is not to be used for budget authority. This estimate is based on a conceptual design, without detailed engineering or site investigation. Quantities and costs are estimated using readily available information and experience with similar projects. Site conditions and changes in project scope and design may result in significant cost variance.

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**EXHIBIT D**

**RESERVED**

**EXHIBIT E**  
**ADDITIVE RATES**

For all billing, the labor additives agreed to by UPRR and the STATE shall consist of the FHWA rates most recently audited and approved by the Nebraska Department of Roads. As of the date of this agreement, these rates are based upon costs incurred during calendar year 2008, and shall be applicable to all billing issued to the State unless and until such rates are adjusted as provided in Section 5 of this Agreement. To the extent that the Nebraska Department of Roads completes an audit of later years' costs incurred by UPRR, and the audit is approved by the Nebraska Division of FHWA, the new rate shall become immediately applicable to all subsequent billing issued to the STATE for this Agreement.

| Maintenance of Way Additive Rate                                     | Agreement<br><u>Labor</u> | Non-Agreement<br><u>Labor</u> |
|----------------------------------------------------------------------|---------------------------|-------------------------------|
| Labor Surcharges per FAPG 23CFR 140.906(b)                           | 61.20%                    | 48.16%                        |
| Overhead and Indirect Construction Costs per<br>FAPG 23 CFR 140.907: |                           |                               |
| Supporting Costs (MofW Department Specific)                          | 28.52%                    | 28.52%                        |
| Allocated/Other Departments                                          | 32.83%                    | 32.83%                        |
| General Administration                                               | 7.48%                     | 7.48%                         |
| Force Account Insurance                                              | 16.00%                    | 16.00%                        |
| Equipment Costs:                                                     |                           |                               |
| Track                                                                | 65.67%                    | NA                            |
| Signal                                                               | 30.48%                    | NA                            |
| Total Additive                                                       |                           |                               |
| Track                                                                | 211.70%                   |                               |
| Signal                                                               | 176.51%                   |                               |
| Non-Agreement                                                        |                           | 132.99%                       |

EXHIBIT F

UPRR RIGHT OF ENTRY AGREEMENT

I, \_\_\_\_\_, wish to visit certain facilities on the property of Union Pacific Railroad Company (hereinafter "*Railroad*") or other property on which the Railroad operates. I fully understand and acknowledge that my presence on Railroad property may involve being upon or about railroad tracks and other railroad facilities and on or about engines, trains, railroad cars and equipment, and that I may face risks of personal injury, death or property damage as a result of my presence in the vicinity of railroad construction, maintenance and operation activities, or as the result of acts or omissions of an officer, agent or employee of the Railroad or defects in tracks, other railroad facilities, land, engines, trains, railroad cars or equipment (hereinafter collectively "*Loss*"). I further understand that execution of this instrument is a condition of Railroad's permission to me to be on or about its property. I acknowledge and affirm that my execution of this instrument shall govern my presence on Railroad property.

NOW, THEREFORE, in consideration of the foregoing and the permission of the Railroad as aforesaid, I hereby assume all risks of any Loss while I am upon or about the tracks or other premises of the Railroad or about any engines, trains, cars or equipment, and I, for myself, my heirs, executors, administrators and dependents, hereby forever acquit, release and discharge the Railroad, its affiliated companies, and all other companies using the tracks or other facilities of the Railroad or whose tracks the Railroad may be using at or in the vicinity of the work, from any Loss that may be sustained by me while I am upon or about the tracks, premises or other property of the Railroad, or upon or about any engines, trains, cars or equipment, unless the Loss is caused by the gross negligence or willful misconduct of the Railroad.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

I HAVE READ AND UNDERSTOOD THIS PAPER:

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Address)

Witness:

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Address)

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## EXHIBIT G

### DEFINITIONS

*"Agreement"* shall mean this Construction Agreement by and between UPRR and RCRRA, as amended, supplemented or modified.

*"Amtrak"* shall mean the National Railroad Passenger Corporation and its permitted successors and assigns.

*"Applicable Law"* shall mean all applicable laws, statutes, treaties, rules, codes, ordinances, regulations, permits, certificates, orders, interpretations and licenses of any Governmental Authority and judgments, decrees, injunctions, writs, orders or like action of any court, arbitrator or other administrative, judicial or quasi-judicial tribunal or agency of competent jurisdiction (including those pertaining to health, safety or the environment).

*"Appropriation Failure"* is defined in Section 6.5.

*"ARRA"* shall mean American Recovery and Reinvestment Act of 2009, as amended.

*"Changed Services"* is defined in Section 4.5.

*"Change in Law"* shall mean any change in Applicable Law or regulatory requirements (other than any change in tax law that is applicable to UPRR generally without taking into account UPRR's obligations under the Agreement or UPRR's participation in the Project) on or after the date of execution hereof affecting UPRR or the Project.

*"Change Order"* is defined in Section 4.5.

*"Change Request"* is defined in Section 4.5.

*"Claiming Party"* shall mean the party hereto asserting that a Force Majeure Delay has occurred.

*"Contingency"* is defined in Section 4.5.

*"Deficiencies"* means, as reasonably determined by RCRRA after good faith consultation with UPRR, any aspect of the materials, workmanship, design, or construction of any portion of the Project that fails to meet the then current Plans and Specifications for the Project.

*"Effective Date"* is defined in the introductory paragraph of the Agreement.

*"Eligible Project Costs"* means the sum of (i) all actual costs incurred by UPRR in connection with the Project including, but not limited to, all actual fees, costs (including, without limitation, any applicable sales/use taxes) and expenses incurred with respect to engineering

review, permitting, construction, inspection, flagging, procurement of materials (including, without limitation, any delivery, handling, transportation or storage costs), equipment rental, manpower and deliveries to the Project site, any advisors and any service providers in connection with services rendered with respect to the Project, all direct and indirect overhead labor/construction costs (including any actual costs incurred in excess of any final cost estimate and any other cost overrun with respect to the Project), and any internal costs and expenses of UPRR such as salaries and overhead attributable to the Project, in each case at the additive or rate agreed upon by UPRR and RCRRA and set forth on Exhibit E attached hereto, as Exhibit E may be amended from time to time; plus (ii) any costs incurred by UPRR in complying with Section 7.2, including, without limitation, any costs incurred by UPRR for services rendered by its independent outside advisors with respect to UPRR's compliance with Section 7.2; *provided* that such compliance costs described in this clause (ii) shall not include direct or indirect overhead costs of UPRR other than direct and indirect overhead labor costs attributable to incremental UPRR personnel dedicated to the performance of compliance activities required by Section 7.2; plus (iii) any costs incurred by UPRR in connection with a Change Request or a Change Order pursuant to Section 4.5; plus (iv) except in the case of any termination of this Agreement pursuant to Section 6.2, any and all de-mobilization costs, re-mobilization costs (in the case of any suspension and resumption of work under this Agreement), equipment standby costs and all other equipment costs incurred by UPRR in connection with any suspension, reduction in scope of work (including any reduction in geographic boundaries) or termination of the Project; plus (v) all costs and expenses incurred by UPRR in connection with acquiring real property to be utilized or proposed to be utilized in connection with the Project, including (by way of illustration only and not limitation) survey services, appraisal services, application fees, title work, damages, mitigation measures, travel expenses, consultant's and contractor's fees, environmental studies, land use permitting, legal fees, purchase consideration, and closing costs, plus (vi) any costs incurred by UPRR in connection with any environmental assessment conducted, and any environmental remediation required, with respect to any real property acquired or proposed to be acquired in connection with the Project, plus (vii) all costs and expenses incurred by UPRR in connection with all other environmental work including mitigation measures required for the construction of the Improvements and/or utility relocation work, plus (viii) all costs and expenses incurred by UPRR in connection with the utility relocation work. For purposes of this Agreement, actual costs for any materials shall be UPRR's then current unit chargeout price at the time of installation, plus additives. Additionally, Eligible Project Costs are limited to elements approved in an Environmental Determination.

*"Environmental Delay"* is defined in Section 2.1(a).

*"Environmental Determination"* shall mean the Record of Decision executed relating to the Environmental Impact Statement for the and any other environmental determination or decision under the National Environmental Policy Act approving the performance of work relating to the project.

*"Estimated Eligible Costs"* means the budgeted costs of the Project eligible to be reimbursed or otherwise paid by RCRRA as shown in the Estimated Project Budget.

*"Expert"* has the meaning set forth in Section 7.1.

"Fees" is defined in the definition of "Eligible Project Costs".

"Force Majeure Delay" means any interruption or delay in the progress of the implementation of the Term Sheet or the construction of the Improvements as a result of a Force Majeure Event occurring on the UPRR system or at or adjacent to the Depot or the SPUD Track.

"Force Majeure Event" means any event, condition or circumstance (the existence of which at the time of execution of this Agreement was not known, or would not reasonably have been expected to be discovered through the exercise of commercially reasonable due diligence, taking into account the implementation of the Term Sheet and construction of the Improvements) which was not reasonably foreseeable and was beyond the reasonable control of the Claiming Party, any person directly under the control or supervision of the Claiming Party, or any of the Claiming Party's affiliates (including without limitation any contractor or subcontractor thereof), including, but not limited to, general strikes, picket lines or lockouts but not any strike, picket line, lockout or other job action initiated by employees of the Claiming Party or its affiliates or any person directly under the control or supervision of the Claiming Party, acts of God, civil commotion, enemy action and general and pervasive unavailability of required materials, services or commodities; but excluding in all cases (i) any event, condition or circumstance that results from a breach by the Claiming Party or its affiliates of its obligations, representations or warranties under this Agreement or any documents or certificates delivered pursuant hereto, (ii) except as expressly provided above, economic hardship, commercial, economic or market conditions or the insolvency, bankruptcy or financial condition of the Claiming Party or its affiliates or any person directly or indirectly under the control or supervision of the Claiming Party or its affiliates, (iii) any event, condition or circumstance which could have been avoided, prevented or mitigated or which could be remedied, prevented or mitigated through the exercise of commercially reasonable efforts, the commercially reasonable expenditure of funds or other commercially reasonable action, election or arrangement and (iv) any payment of funds required by the terms of this Agreement.

"FRA" means the Federal Railroad Administration and any agency or instrumentality of the United States Government succeeding to its functions.

"FHWA Funds" is defined in the recitals to the Agreement.

"TIGER Funds" is defined in the recitals to the Agreement.

"HSIPR Funds" means funds received through the High-speed Intercity Passenger Rail Program for completion of the Project as defined in TIGER Addendum No. 2 attached to this Agreement as Exhibit H.

"Governmental Authority" shall mean any federal, state, county, municipal or other federal, state or local governmental authority, agency, board, body, instrumentality, tribunal, court or quasi-governmental authority of the United States, including, without limitation, the FRA and the U.S. DOT.

*"Improvements"* means the renovations and improvements described at Exhibits A and C attached hereto, as such Exhibits A and C may be amended from time to time by written mutual agreement of the parties.

*"Lands"* - land owned by RCRRA situated at 214 Fourth Street in St. Paul, in the State of Minnesota

*"Maintenance Agreement"* shall mean that certain maintenance agreement entered into by the RCRRA and UPRR with respect to the maintenance of the Project, as the same may be amended, supplemented or otherwise modified from time to time. *"Materials"* is defined in Section 2.1(a).

*"Maximum Project Budget"* means the total amount of funding available to UPRR from RCRRA for the completion of the Project.

*"Person"* means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, institution, entity, party or government (whether national, Federal, state, county, city, municipal or otherwise, including without limitation, any instrumentality, division, agency, body or department thereof).

*"Plans and Specifications"* means all plans and specifications for construction of the Improvements that are required to be approved by applicable public or quasi-public authorities or that are otherwise necessary or prepared in connection with construction of the Improvements.

*"Project"* means the work to be completed by UPRR as described in the Term Sheet and as further described in Exhibit A.

*"Estimated Project Budget"* means the budget of Estimated Eligible Costs (including line item categories) necessary to complete the construction of the Project in accordance with the terms and conditions hereof, and attached hereto as Exhibits A and C as such Exhibits A and C may be amended from time to time as provided in this Agreement.

*"Project Description"* means the information attached hereto as Exhibit A, as such Exhibit A may be amended from time to time by written mutual agreement of the parties.

*"Project Schedule"* means UPRR's best estimate from time to time as to when specific tasks to be performed in connection with the construction of the Improvements will be completed.

*"Providing Party"* is defined in Section 7.11.

*"PTC"* means a positive train control system as defined in 49 USC §20157(i)(3), or any component of such a system.

*"RCRRA"* is defined in the introductory paragraph of the Agreement.



*"Receiving Party"* is defined in Section 7.11.

*"Reporting Requirements"* is defined in Section 4.3(c).

*"Service Contract"* means a construction contract and/or a professional services contract performed by a third party.

*"Services"* is defined in Section 2.1(a).

*"SPUD Track"* shall mean the right-of-way owned and/or controlled by UPRR between connections with BNSF Railway track at Division Street Wye and connections with Canadian Pacific Railway("CP") just west of the Robert Street Bridge interlocking.

*"State"* means the State of Minnesota.

*"UPRR"* is defined in the introductory paragraph of the Agreement.

*"U.S. DOT"* means the United States Department of Transportation.

*"Weather Delay"* is defined in Section 2.1(a).

## EXHIBIT H

### TO THE GRANT AGREEMENT UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 TRANSPORTATION INVESTMENTS GENERATING ECONOMIC RECOVERY (TIGER) DISCRETIONARY GRANT PROGRAM

Ramsey County Regional Railroad Authority

Union Depot

FHWA TIGER Grant No. 19

#### SECTION 1. PURPOSE OF ADDENDUM No. 2

- a) This addendum, Addendum No. 2 ("Addendum"), to FHWA TIGER Grant No. 19 ("Grant Agreement") is to revise the Project budget and to recognize and accept the addition of FY 2010 Federal Railroad Administration ("FRA") High-Speed Intercity Passenger Rail ("HSIPR") Program funding ("HSIPR funds"), made available under the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act for 2010 {Div. A of the Consolidated Appropriations Act, 2010 (Pub. L. 111-117, Dec. 16, 2009)}, to the Project. This addition of HSIPR funds to the Project is subject to the terms and conditions of the Grant Agreement which was executed by the U. S. Department of Transportation, the Federal Highway Administration (the "Government" or "FHWA"), the Ramsey County Regional Railroad Authority and the Minnesota Department of Transportation (collectively the "Parties"), with an effective date of November 15, 2010.
- b) The Parties to this Addendum additionally recognize that the purpose of the HSIPR funds is to first ensure that intercity passenger rail can enter, exit, and access the St. Paul Union Depot (the "Depot") in a safe and efficient manner and, secondly, to contribute towards the rehabilitation of the Depot and its return to service as a multimodal hub. Further, by executing this Addendum the Parties recognize and accept the use of the HSIPR funds on the Project. With respect to the application and use of the HSIPR funds on the Project, the Parties also recognize and accept that they must comply with the applicable requirements of the HSIPR Program, as described in this Addendum, in addition to the terms and conditions of the TIGER program, as described in the Grant Agreement. This Addendum and its sections are to be made part of Section 7 - Special Grant Requirements - of the Grant Agreement.
- c) FRA and FHWA have executed an Inter-Agency Agreement which is fully incorporated herein by reference.

#### SECTION 2. HSIPR FUNDS

- a) FRA announced an award of \$40.0 million dollars (\$40,000,000) under the HSIPR Program to the Minnesota Department of Transportation on October 28, 2010 for construction to rehabilitate the Depot as a multimodal hub for intercity rail, future high-speed rail, local rail and bus transit, and pedestrian, bicycle, taxi, and other local modes of access allowing relocation of the Amtrak's Empire Builder service to the Depot upon completion of the Project. The Parties agree that this HSIPR award is consistent with the purpose of the TIGER Grant award, as it is fully described in the Grant Agreement.



- b) The Parties acknowledge that the FRA will transfer the administration of the subject HSIPR funds, up to the total amount of \$40.0 million (\$40,000,000), to the FHWA for the purpose of completing the Project as it is described in section 4(c)(1) and Attachment A of the Grant Agreement, subject to the conditions described in this Addendum.
- c) The Parties, by signing and executing this Addendum, further acknowledge that the \$40.0 million (\$40,000,000) of HSIPR funds may only be used to pay costs associated with the renovation of the Depot buildings and the track and signal work necessary for intercity passenger rail service to access the Depot, subject to the conditions described in this Addendum.
- d) The Parties additionally recognize that the recipient of the HSIPR funds for the Depot was the State of Minnesota Department of Transportation ("Recipient") and the subrecipient was the Ramsey County Regional Railroad Authority ("Subrecipient"). The Recipient and Subrecipient agree to use the HSIPR funds to assist in the final design and construction of the Project in accordance with the terms and conditions of the Grant Agreement and this Addendum.
- e) The Parties further recognize and understand that upon signing and execution of this Addendum \$20.0 million dollars (\$20,000,000) of the HSIPR funds will be made immediately available to the Recipient ("Initial Funds").

The Recipient and Subrecipient may request additional sums of the remaining HSIPR funds ("Remaining Funds") upon written request to the FHWA Minnesota Division Administrator (MN Administrator). The MN Administrator will then consult with designated representatives of the FRA on the request and only after agreement with FRA will any of the Remaining Funds be released. The request must demonstrate that Preliminary Engineering, as set forth in Section 3(h) of this Addendum, is complete, and that the Government determines that sufficient progress is being made on track and signal system design and Project construction. It is understood by the Parties that the release of any of the Remaining Funds shall be at the sole discretion of the Government.

### SECTION 3. HSIPR FUNDS ADDITIONAL GRANT CONDITIONS

The following terms and conditions apply to use of the HSIPR funds on the Project, in addition to the terms and conditions set forth in the Grant Agreement:

a) Buy America. With respect to the use of all HSIPR funds made available under this Addendum, the Recipient and Subrecipient shall comply with the Buy America provisions set forth in 49 U.S.C. 24405(a) for the Project requiring the use of steel, iron, and manufactured goods produced in the United States, in accordance with the conditions therein set forth.

b) Labor Provisions. 49 U.S.C. 24405(b) provides that persons conducting rail operations over rail infrastructure constructed or improved in whole or in part with HSIPR funds made available under this Addendum shall be considered a "rail carrier," as defined by 49 U.S.C. 10102(S), for the purposes of Title 49, United States Code, and any other statute that adopts that definition or in which that definition applies, including the Railroad Retirement Act of 1974 (45 U.S.C 231 et seq.), the Railway Labor Act (43 U.S.C.151 et seq.), and the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.). The Recipient and Subrecipient shall reflect these provisions in their agreements with the entities operating rail services over such rail infrastructure to the extent required by 44 U.S.C. 24405{6} and other laws referenced above.

c) Labor Protective Arrangements. For a project that uses rights-of-way owned by a railroad, the Recipient and Subrecipient shall comply with the protective arrangements established under Section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976 (4R Act), 45 U.S.C. 836, with respect to employees affected by actions taken in connection with the Project financed in whole or in part with HSIPR funds made available under this Addendum (See 49 U.S.C. 24405(c)). The Recipient and Subrecipient agree to include the applicable protective arrangements established by the Department of Labor under 45 U.S.C. 836 in their agreements with entities operating rail services over rail infrastructure constructed as part of the Project. The following definitions apply for purposes of applying those protective arrangements: (1) 'Protected employee' means an employee of a railroad who had an employment relationship with such railroad on the date on which the Recipient first applied for financial assistance applicable to the Project involved and who is affected by actions taken pursuant to this Grant Agreement; provided, however, that an employee who was benefitted solely as a result of the Project shall not be a protected employee under these provisions. (2) 'Railroad' means a rail carrier or a common carrier by railroad or express as defined in 49 U.S.C. 10102, and includes the National Railroad Passenger Corporation and the Alaska Railroad as well as a person that conducts rail operations over rail infrastructure constructed or improved with funding provided in whole or in part in a grant made pursuant to this Addendum.

d) Project Use for Intercity Passenger Rail Service and Refunds. The Recipient and Subrecipient acknowledge that part of the overall purpose of the Project is to benefit intercity passenger rail service. In the event that all intercity passenger rail service making use of the Project improvements is discontinued (for any reason) at any time during a period of twenty (20) years from the date such Project improvements were placed in service ("Service Period"), as set forth above, and if such intercity passenger rail service is not reintroduced during a one (1) year period following the date of such discontinuance, the Subrecipient shall keep the improvements of the Project available for intercity passenger rail service for the remainder of the Service Period, taking such action as is reasonably necessary to keep the improvements available for such use for the remainder of the Service Period, and in such event that the improvements are not kept available for intercity passenger rail service as provided in this Section 3.d) then the Recipient and Subrecipient shall, at FHWA's request, refund to FHWA, no later than eighteen (18) months following the date of such discontinuance, a pro-rata share of the Federal contribution made available under this Addendum, based upon the percentage of the twenty (20) year period remaining at the time of such discontinuance.

e) Davis-Bacon Act Provisions. For Project components funded using the HSIPR funds, the Recipient and Subrecipient shall comply with 49 U.S.C. 24405(c)(2), with respect to the payment of prevailing wages consistent with the provisions of 49 U.S.C. 24312. For these purposes, wages in collective bargaining agreements negotiated under the Railway Labor Act are deemed to comply with Davis-Bacon Act requirements. This section does not abrogate the Recipients and Subrecipients responsibilities on the remainder of the Project to comply with the Davis Bacon Act provisions as are set out in the terms and conditions of the Grant Agreement.

f) Replacement of Existing Intercity Passenger Rail Service. 49 U.S.C. 24405(d) requires any entity providing intercity passenger railroad transportation on a project funded by this Addendum to comply with certain requirements with respect to its employees and the employees of preexisting intercity rail passenger services. The Recipient and Subrecipient shall comply with the applicable provisions of 49 U.S.C. 24405(d) to the extent they are or

become a provider of intercity passenger railroad transportation. If they are not the operator or provider of the intercity passenger rail services benefitting from the Project funded under this Addendum, then they shall notify the selected operator of the requirements imposed by section 24405(d).

g) Additional HSIPR Guidance. The Recipient and Subrecipient shall comply with additional HSIPR guidance found in the HSIPR Program Interim Guidance/Notice of Funding Availability through which this Project was selected for funding (see <http://www.fra.dot.gov/downloads/PubAffairs/2010-15993.pdf>). The Recipient and Subrecipient should refer to this Guidance as necessary when carrying out the activities associated with implementing the Project.

h) Preliminary Engineering: The Subrecipient shall complete PE (30% design) for the track and signal system improvements. The Subrecipient shall obtain approval of the PE plans from Amtrak, Union Pacific Railroad Company ("UP"), BNSF Railway Company ("BNSF"), Canadian Pacific ("CP"), the Minnesota Department of Transportation, and FRA (FRA approval shall occur last, after all other necessary approvals are issued). The costs associated with performing such PE may not be reimbursed with HSIPR funds under this Addendum and may not be credited towards Recipient or Subrecipient's non-federal match of such HSIPR funds.

- i) Construction Agreements: Prior to conducting any final design work activities under Section 3(j), the Recipient and Subrecipient shall submit to MN Administrator the following: (i) a Construction Agreement between CP and Recipient and Subrecipient regarding the construction of any and all track and signal system improvements to occur on CP owned an/or controlled infrastructure relating to the Project; (ii) a Construction Agreement between BNSF and Recipient and Subrecipient regarding the construction of any and all track and signal system improvements to occur on BNSF owned and/or controlled infrastructure relating to the Project; and (iii) a Construction Agreement between UP and Recipient and Subrecipient regarding the construction of any and all track and signal system improvements to occur on UP owned and/or controlled infrastructure relating to the Project. The Recipient and Subrecipient must receive approval from the Government on the Construction Agreements required by this paragraph. The costs associated with performing the tasks required by this paragraph may not be reimbursed with HSIPR funds under this Addendum and may not be credited towards Recipient and Subrecipient non-federal match of such HSIPR funds. The Recipient and Subrecipient shall include in each Construction Agreement the following provisions: 1) The infrastructure capacity will be adequate to accommodate both the existing freight and intercity passenger rail operations and the future freight and intercity passenger rail operations that will result from this Project. For clarity, no additional passenger train frequencies will result from the Project;
- 2) Recipient and Subrecipient represent that they are in compliance with liability requirements consistent with section 28103 of Title 49 of the United States Code;
  - 3) The railroad agrees that collective bargaining agreements with the railroad's employees, including terms regulating the contracting of work, will remain in full force and effect according to their terms for work performed by the railroad on the Project;

- 4) Recipient and Subrecipient (including successors and assigns) shall have the right to use the Project property for the purpose of providing intercity passenger rail service for twenty (20) years beginning from completion of the Project (the "HSIPR Term");
- 5) The railroad shall ensure the maintenance of the Project property to the level of utility (including applicable FRA track safety standards) which exists when the Project improvements are placed in service for the HSIPR Term; and
- 6) The railroad shall not downgrade the Project in any way that reduces the utility of the Project for the intercity passenger rail operations during the HSIPR Term, without Recipient's prior written approval.

j) Final Design. Upon Recipient and Subrecipient's compliance with paragraphs (h) and (i) of this section, Grantee shall perform the final design (100% design) of all track and signal systems required to achieve fill, operational access to the Depot, in accordance with the approved PE (30% design). Recipient and Subrecipient shall provide copies of final design materials to the MN Administrator.

#### SECTION 4. PROJECT BUDGET EXECUTION BY THE GOVERNMENT

Executed this day of 2012.

Signature of Government's Authorized Representative

Print Name

Title

EXECUTION BY THE RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY

Executed this day of , 2012.

Signature of Project Sponsor's Authorized Representative

Print Name

Title

EXECUTION BY THE MINNESOTA DEPARTMENT OF TRANSPORTATION

Executed this  
day of , 2012.

42



Signature of State Department of Transportation Designated Official Representative

Title



## EXHIBIT J

### FEDERAL COMPLIANCE

(a) The flowdown provision requirements reflected in the Agreement apply to contracts entered into solely in connection with the Project after the date of the execution and delivery of the Agreement. While the flowdown provision requirements do not apply to existing contracts, if an existing contract is amended with respect to the Project (other than an amendment to such contract consisting of the payment thereunder of prevailing wages or the implementation of Buy America provisions as required by the Agreement) after the date of the execution and delivery of the Agreement, then the flowdown provision requirements shall be included in the amended contract.

(b) UPRR is governed by the Federal Railway Labor Act with respect to the wages paid to its employees and shall not be subject to state or local minimum wage or prevailing wage laws or regulations.

(c) In accordance with 49 USC §24405(c)(1)(C), the parties acknowledge and agree that all collective bargaining agreements with UPRR's employees (including terms regulating the contracting of work) will remain in full force and effect according to their terms for work performed by UPRR on the Project.

(d) In accordance with 49 USC §24405(c)(1)(D), the parties acknowledge and agree to comply with the liability requirements consistent with 49 USC §28103.

(e) UPRR shall comply with the provisions of 49 USC §24405(c)(2) with respect to the payment of prevailing wages with respect to the Project consistent with the provisions of 49 USC §24312 (it being understood and agreed that wages in collective bargaining agreements negotiated under the Railway Labor Act are deemed to comply with Davis-Bacon Act requirements). Prevailing wage rates will be established for purposes of this Agreement pursuant to the rates to be provided by the Department of Labor, which rates the parties agree will be attached to this Agreement following receipt of the same. With respect to existing contracts, the vendor will submit a separate charge covering prevailing wage adjustments, which separate charge will be passed through to RCRRA as an Eligible Project Cost. Any charge for prevailing wage adjustments shall be deemed appropriate and acceptable as Eligible Project Costs unless RCRRA or any authorized auditor of the Project objects to such charge within 10 business days of receipt by RCRRA of an invoice for such charge.

(f) In accordance with 49 USC §24405(c)(2)(B), UPRR shall comply with the protective arrangements established under section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 USC §836) with respect to employees affected by actions taken in connection with the Project.

(g) UPRR shall comply with respect to the Project with the Buy America provisions set forth in 49 USC §24405(a), with respect to the use of steel, iron, and manufactured goods produced in the United States, subject to the conditions therein set forth.

(h) UPRR agrees to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 USC §§ 4601 et seq.; and U.S. DOT regulations, "Uniform Relocation and Real Property Acquisition for Federal and Federally Assisted Programs," 49 C.F.R. Part 24, with respect to the Project.

(i) UPRR agrees to comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, 42 USC § 4012a(a), with respect to the Project.

(j) UPRR agrees to obtain certifications on debarment and suspension from its third party contractors and subgrantees and otherwise comply with U.S. DOT regulations, "Nonprocurement Suspension and Debarment," 2 C.F.R. Part 1200, and "Government wide Requirements for Drug-Free Workplace (Grants)," 49 C.F.R. Part 32 with respect to the Project.

(k) UPRR agrees to comply with all civil rights laws and regulations, in accordance with applicable Federal directives, except to the extent that the FRA determines otherwise in writing, with respect to the Project. These include, but are not limited to, the following: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) (as implemented by 49 C.F.R. Part 21), which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681- 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 1601-1607), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title V111 of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) 49 U.S.C. § 306, which prohibits discrimination on the basis of race, color, national origin, or sex in railroad financial assistance programs; (j) E.O. 11246 as amended by E.O. 11375, and as supplemented by regulations at 41 CFR part 60, which ensures that all business organizations receive fair and equal consideration and prohibits discrimination against any employee; (k) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance was made; and (l) the requirements of any other nondiscrimination statute(s) which may apply to UPRR with respect to the Project. UPRR shall include a provision that requires compliance with E.O. 11246 as amended by E.O. 11375, and as supplemented by regulations at 41 CFR part 60 in all lower tier contracts entered into by UPRR solely in connection with the Project after the date of the execution and delivery of the Agreement.

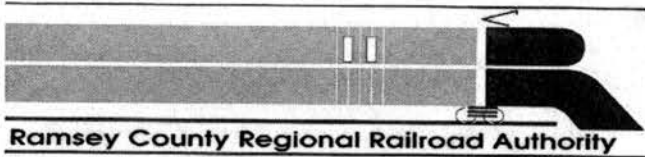
(l) UPRR agrees to utilize funds provided under this Agreement in a manner consistent with the requirements of the Americans With Disabilities Act of 1990, as amended (42 U.S.C. § 12101 et seq.).

(m) UPRR will conduct work under this Agreement, and will require that work that it causes to be conducted as a result of this Agreement be, in compliance with the following provisions, as modified from time to time, all of which are incorporated herein by reference: section 114 of the Clean Air Act, 42 U.S.C. 7414, and section 308 of the Federal Water Pollution Control Act, 33 U.S.C. 1318, and all regulations issued thereunder. UPRR shall include in each contract or subcontract exceeding \$50,000 entered into by UPRR solely in connection with the Project after the date of the execution and delivery of the Agreement (or, in the case of clause (1), after the date of the execution and delivery of the FRA Agreement): (1) the criteria and requirements of the "Environmental Protection" section of the FRA Agreement and (2) an affirmative covenant requiring such contractor or subcontractor to immediately inform UPRR upon the receipt of a communication from the Environmental Protection Agency ("EPA") regarding the EPA's List of Violating Facilities. UPRR certifies that no facilities that will be used to perform work under this Agreement are listed on the EPA's List of Violating Facilities. UPRR will notify RCRRA as soon as it or any contractor or subcontractor engaged by it receives any communication from the EPA indicating that any facility which will be used to perform work pursuant to this Agreement is under consideration to be listed on the EPA's List of Violating Facilities; *provided, however*, that UPRR's duty of notification hereunder shall extend only to those communications of which it is aware, or should reasonably have been aware.

(n) UPRR shall use the Project property, equipment, and supplies acquired with the proceeds of the Funds for the provision of the Project activity for the duration of their useful life. The project property, equipment, and supplies financed under the FRA grant are subject to the property management standards, including disposition, of 49 CFR part 18.

(o) FRA will only reimburse the project costs considered allowable pursuant to OMB Circular A-87, 'Cost Principles for State, Local, and Indian Tribal Governments' (codified at 2 CFR part 225). The Project performance will be "governed by and in compliance with the following Administrative and Cost Principles: 49 C.F.R. Part 18; 49 C.F.R. Part 19; OMB Circular A-21, 'Cost Principles for Educational Institutions;' OMB Circular A-122, 'Cost Principles for Nonprofit Organizations;' and FAR, 48 C.F.R. Chpt. I, Subpart 31.2." Grant funds used for management and administrative costs will be allowable, reasonable, allocable, and in accordance with applicable OMB cost principles. UPRR is a contractor for purposes of the OMB Circulars and related regulations described in this paragraph (o).

(p) UPRR shall comply with 46 U.S.C. § 1241(b), the regulations issued thereunder (46 CFR part 381). This provision must be included in all subcontracts entered into by UPRR solely in connection with the Project after the date of the execution and delivery of the Agreement.



3

## REQUEST FOR ACTION

Type of Agenda: ☐ Policy ☐ Discussion  
☒ Administrative ☐ Information

Regional Railroad Authority Meeting Date: 2/19/2013

Regional Railroad Authority Meeting Date: \_\_\_\_\_

**SUBJECT: Construction Agreement with Canadian Pacific Railway**

### EXECUTIVE SUMMARY

The Ramsey County Regional Railroad Authority (RCRRA) has committed to renovating the Union Depot in downtown St. Paul into a multi-modal transit and transportation hub. The renovation includes the construction of rail and platforms for the introduction of passenger rail service. Initially the passenger rail service will consist of Amtrak's Empire Builder, which serves the Twin Cities as it travels between Seattle/Portland and Chicago.

Prior to the Empire Builder serving the Union Depot, track improvements must be made to the existing freight rail network to allow the train to access the station and to mitigate impacts caused by the new station stop. Staff has been working with Mortenson Construction, Burlington Northern Santa Fe Railway (BNSF), Canadian Pacific Railway (CP), Union Pacific Railroad (UP), Amtrak, the Federal Railroad Administration (FRA), and the Minnesota Department of Transportation (Mn/DOT) to identify the improvements necessary and to develop preliminary track plans for approval by BNSF, CP, UP, FRA, Mn/DOT, and Amtrak.

*(The Executive Summary is continued on the following page)*

### ACTION REQUESTED

1. Approve a Construction Agreement with Canadian Pacific Railway for the completion of track and signal installation for the West Terminal Lead, track installation for the Canadian Pacific portion of the Canadian Pacific 1/Saint Paul Union Depot Crossover, signal installation for the Canadian Pacific 1/Saint Paul Union Depot Crossover, signal and switch installation for the Canadian Pacific to Union Pacific Dual Tone Multi Frequency switch, and track installation of the Canadian Pacific crossover in Hoffman Interlocking in an amount not to exceed \$3,900,000.
2. Authorize the Chair to execute the Construction Agreement with Canadian Pacific Railway on behalf of the Ramsey County Regional Railroad Authority.

1



**SUBJECT: Construction Agreement with Canadian Pacific Railway**

***(Executive Summary continued)***

As identified in the Union Depot Renovation Project Term Sheets (Term Sheets), and the Engineering/Public Project Reimbursement Agreements, a Construction Agreement is needed between the RCRRA and each freight railroad prior to ordering and installing materials for both the track and signal systems.

The Construction Agreements are binding documents that commit the RCRRA to reimburse the freight railroads for their costs in constructing the track and signal improvements identified in the Term Sheets and designed as part of the Engineering/Public Project Reimbursement Agreements. The Canadian Pacific construction agreement is detailed below:

Canadian Pacific

The Construction Agreement with Canadian Pacific Railway commits CP to complete the following:

- Track and signal installation for the West Terminal Lead
- Track installation for the CP portion of the CP 1/ Saint Paul Union Depot Crossover
- Signal installation for the CP 1/ St. Paul Union Depot (SPUD) Crossover
- Signal and switch installation for the CP to UP DTMF switch
- Installation of the CP crossover in Hoffman Interlocking

These improvements will have a not to exceed cost of \$3,900,000.

Funding for the \$3,900,000 in costs will come from the Union Depot Project Budget. All costs are within the budget amount.

The Construction Agreement with BNSF Railway is being negotiated and will be brought to the Board upon completion.

2



**SUBJECT: Construction Agreement with Canadian Pacific Railway**

**ATTACHMENTS:**

Construction Agreement between the RCRRA and Canadian Pacific Railway

**PREVIOUS ACTION:**

December 18, 2012, RCRRA Resolution 12-47, approved amendment #1 to the Engineering Agreement with Canadian Pacific Railway.

December 18, 2012, RCRRA Resolution 12-46, approved the Revised and Restated Term Sheet with Canadian Pacific Railway.

March 13, 2012, RCRRA Resolution R12-15, approved the Term Sheet with Canadian Pacific Railway.

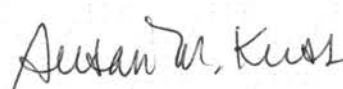
March 13, 2012, RCRRA Resolution R12-16, approved the Engineering Agreement with Canadian Pacific Railway.

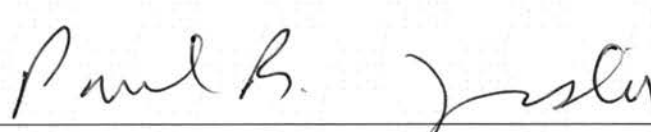
**COUNTY MANAGER'S COMMENTS:**

Approval of the construction agreements with the freight railroads will ensure that the final track and signal improvements are constructed so that Amtrak Empire Builder trains can serve the Union Depot.

**SUBJECT: Construction Agreement with Canadian Pacific Railway**

| Regional Railroad Authority – Authorized Signature                                | Date    |
|-----------------------------------------------------------------------------------|---------|
|  | 2/14/13 |

| Finance – Authorized Signature                                                    | Date    |
|-----------------------------------------------------------------------------------|---------|
|  | 2/13/13 |

| County Attorney – Authorized Signature                                            | Date    |
|-----------------------------------------------------------------------------------|---------|
|  | 2/13/13 |

| Property Management – Authorized Signature | Date |
|--------------------------------------------|------|
|                                            |      |

| Information Services – Authorized Signature | Date |
|---------------------------------------------|------|
|                                             |      |

| Other – Authorized Signature | Date |
|------------------------------|------|
|                              |      |

**SUBJECT: Construction Agreement with Canadian Pacific Railway**

Draft Resolution

1 WHEREAS, The Ramsey County Regional Railroad Authority has identified the completion  
2 of The Union Depot Multi-Modal Transportation and Transit Hub ("Union Depot") as a high priority  
3 and has expressed an interest in maximizing its development and economic output potential; and  
4

5 WHEREAS, In order to accomplish this interest, the Ramsey County Regional Railroad  
6 Authority has identified the need to accommodate Amtrak's Empire Builder passenger rail service;  
7 and  
8

9 WHEREAS, The Empire Builder will utilize BNSF Railway, Canadian Pacific Railway, and  
10 Union Pacific Railroad track to access the Depot; and  
11

12 WHEREAS, Accessing the BNSF Railway, Canadian Pacific Railway, and Union Pacific  
13 Railroad track will require capacity improvements so that the Empire Builder can maintain on-time  
14 performance without negatively impact existing freight operations; and  
15

16 WHEREAS, The Ramsey County Regional Railroad Authority has worked with BNSF  
17 Railway, Canadian Pacific Railway, and Union Pacific Railroad to develop and execute a Union  
18 Depot Renovation Project Term Sheet (Term Sheet) with each railroad that identifies the capacity  
19 improvements necessary to maintain on-time performance and mitigate the impact to freight rail  
20 operations; and

22 WHEREAS, The Ramsey County Regional Railroad Authority has worked with BNSF  
23 Railway, Canadian Pacific Railway, and Union Pacific Railroad to develop and execute a  
24 Engineering/Public Project Reimbursement Agreement with each railroad that allows for final track  
25 and signal design to be completed; and  
26

27 WHEREAS, The BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad each  
28 require the execution of a third agreement for construction of track and signal improvements; and  
29

30 WHEREAS, The Ramsey County Regional Railroad Authority will provide funds to each  
31 freight railroad for the work necessary to construct track and signal improvements; Now, Therefore,  
32 Be It  
33

34 RESOLVED, The Ramsey County Regional Railroad Authority approves a Construction  
35 Agreement with Canadian Pacific Railway for the completion of track and signal installation for the  
36 West Terminal Lead, track installation for the Canadian Pacific portion of the Canadian Pacific  
37 1/Saint Paul Union Depot Crossover, signal installation for the Canadian Pacific 1/Saint Paul Union  
38 Depot Crossover, signal and switch installation for the Canadian Pacific to Union Pacific Dual Tone  
39 Multi Frequency switch, and track installation of the Canadian Pacific crossover in Hoffman  
40 Interlocking in an amount not to exceed \$3,900,000, And Be It Further  
41

42 RESOLVED, The Ramsey County Regional Railroad Authority authorizes the Chair to  
43 execute the Construction Agreement with Canadian Pacific Railway on behalf of the Ramsey  
44 County Regional Railroad Authority.

5

Attachment

## CONSTRUCTION AGREEMENT

This **AGREEMENT** is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2012 by and between RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY ("**RCRRA**"), State of Minnesota acting through its Commissioner of Transportation ("**MnDOT**") and SOO LINE RAILROAD COMPANY, doing business as Canadian Pacific ("**CP**").

### **WITNESSETH**

WHEREAS, RCRRA desires to establish Amtrak Empire Builder service through the Union Depot (the "**Depot**") in Saint Paul, Minnesota; and

WHEREAS, turnout, track and signal additions and improvements to the operating rail properties of CP, BNSF Railway Company ("**BNSF**") and Union Pacific Railroad ("**UP**") near or adjacent to the Depot are necessary to establish this service; and

WHEREAS, RCRRA, CP, BNSF, UP, MnDOT, Federal Railroad Administration ("**FRA**") and National Railroad Passenger Corporation ("**Amtrak**") have approved an engineering plan labeled reference number state project nos. 091-595-023, 091-595-24, and 091-595-025 dated December 11, 2012 (the "**Preliminary Plans**"); and

WHEREAS, RCRRA and CP have signed a Revised and Restated Term Sheet dated December 11, 2012 concerning the additions and improvements necessary for RCRRA's establishment of passenger service through the Depot (the "**Project**") and an Engineering Design Agreement dated March 13, 2012 concerning engineering design services to be performed by CP (the "**Final Plans**"); and

WHEREAS, the infrastructure to be constructed as provided in the Final Plans will be adequate to accommodate existing freight and passenger rail operations and the future freight and intercity passenger rail operations that result from the redevelopment of the Union Depot and the Project does not provide that passenger train frequencies will increase from the current amount of service of the Amtrak Empire Builder service; and

WHEREAS, RCRRA is the owner or in occupation of land situated at 214 Fourth Street East in St. Paul, in the State of Minnesota ("**RCRRA Property**"), as shown on **Exhibit A** attached hereto and made a part hereof; and

WHEREAS, RCRRA desires and intends to construct railroad tracks (the "**Terminal Tracks**") that will be located on RCRRA Property and will connect with CP's railway line at Mile **410.5** of the Merriam Park Subdivision; and

WHEREAS, RCRRA and MnDOT represents that they are in compliance with Section 28103 of Title 49 of the United States Code; and

WHEREAS, RCRRA and CP agree and acknowledge that in connection with the redevelopment of Union Depot as a multimodal hub for transportation use, amongst other purposes, including interim rail passenger service and relocation of Amtrak Empire Builder Service to the Depot, RCRRA has obtained FRA Funding under the HSIPR Program ("**HSIPR Funds**") that will be provided through the Federal Highway Administration to the Minnesota Department of Transportation (the "**Recipient**"); and

WHEREAS, RCRRA, MnDOT and CP have agreed that the construction of the Project shall be subject to the terms, covenants and conditions in this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter contained, RCRRA, MnDOT and CP agree as follows:

**1.0 RCRRA's Responsibilities:**

RCRRA agrees to:

- a) Pay CP for its work in constructing the CP portion of the Project in accordance with Section 3.
- b) Prepare, at its expense and submit to CP for review and approval, a detailed construction schedule and detailed construction plans and designs for the Terminal Tracks to be stamped by a Professional Engineer, as required by CP, including, but not limited to:
  - i) profile and alignment of the new trackage and grade;
  - ii) detailed drainage and grading design plans; and
  - iii) utility crossing encasement plans, if required.
- c) Obtain all necessary authorizations and permits, public and private, for the construction, maintenance and operation of the Terminal Tracks.
- d) Complete all grading and drainage work required for the West Terminal Lead switch and CP 1/SPUD crossover track on CP's right-of-way adjacent to the Terminal Tracks and on RCRRA Property, at its expense, and in accordance with the Final Plans and all applicable permits and authorizations. Upon completion of such work, RCRRA shall promptly provide CP with written notice that the grading and drainage work has been completed.
- e) Construct the Terminal Tracks on RCRRA Property, at its expense, in accordance with the Final Plans. RCRRA is responsible for all necessary grading, construction of the track bed (including sub-ballast) and construction of the Terminal Tracks in conformance with AREMA engineering standards, and any applicable laws, regulations, rules and standards (including those administered by Federal Railroad Administration).
- f) Subject to Section 2.0 of this Agreement, provide all required track materials (including rails, rail anchors, fastenings, spikes, switch materials, derails, bumping posts, tie plates and track and switch ties) and materials required for sub-grade, grade and track construction, as well as all supervision, labor and equipment for the Terminal Tracks construction.
- g) Construct and modify drainage ditches, supply and install drainage culverts and structures as required pursuant to the Final Plans.
- h) Complete the Terminal Tracks in accordance with the requirements of the Final Plans.

**2.0 CP's Responsibilities:**

- a) CP will be responsible to complete the following work, at RCRRA's expense:
  - i) Installation of the West Terminal Lead switch and derail.



- ii) Removal of the West #10 switch on the CP 1/SPUD Crossover and its replacement with a #11 switch.
  - iii) Integration of the CP 1/SPUD crossover and the West Terminal Lead switch into the CP signaling and dispatch system.
  - iv) Installation of the CP 2 to UP Main DTMF including necessary grading and drainage work.
  - v) Relocation of the CP 1 to CP 2 Right-hand Manual Crossover that is currently located just west of the CP 2 to UP Main Switch, including necessary grading and drainage work.
  - vi) Perform any other work identified in **Exhibit B - Scope of Work**.
- b) CP's obligation to commence construction will be subject to finalization of the signal design among BNSF, UP and CP and RCRRA completing grading work on CP's right-of-way and RCRRA Property to CP's satisfaction pursuant to Section 1.0(d) above.
  - c) If at any time CP reasonably determines that RCRRA's work within CP's right-of-way, as described in Section 1.0 (d), is not being performed in accordance with CP's standards or that such work must be performed by CP forces (*e.g.*, because of labor agreements), CP reserves the right to perform such work, at RCRRA's expense. All work within CP's right-of-way shall be:
    - i) carried out in accordance with the requirements of all regulatory authorities having jurisdiction (including, without limitation, Federal Railroad Administration and the Surface Transportation Board);
    - ii) carried out in accordance with CP's labor agreements, safety requirements (including Minimum Safety Requirements for Contractors on Railway Property) and to the customary engineering and operating requirements of CP, and
    - iii) carried out in a manner that ensures continuous, uninterrupted and unhindered railway operations of CP on its railway line.
  - d) CP's construction schedule for its work in this Section 2 shall be subject to the availability of materials, workers and equipment based on CP's usual practices and applicable labor agreements for the allocation of such resources. The parties acknowledge that RCRRA desires construction to be completed as soon as possible and for those improvements necessary to implement passenger rail service to the Depot, particularly items 2, 3, 4, and 8 of Figure 1 from the Union Depot, St. Paul Minnesota Renovation Project, Revised and Restated Term Sheet dated December 11, 2012. The parties also acknowledge that CP's construction work cannot be completed during winter months (*i.e.*, from ballast freeze to ballast thaw, typically December to March) and will be scheduled at CP's sole discretion taking into consideration weather and ground conditions, its railway operations, train schedules, maintenance blocks, and the need for efficient operations on its railway line.
  - e) CP agrees that with respect to the Scope of work and the redevelopment of Union Depot, the collective bargaining agreements by and between CP and its employees, including with respect to regulating the contracting of work, will remain in full force and effect according to their terms for work performed by CP on the redevelopment of the Depot.

- f) CP agrees that with respect to any of the work of the Project to be completed by CP and paid for by RCRRA using HSPIR Funds, the terms and conditions set forth in subsections 3 a), b), c) and e) on attached **Exhibit D** shall apply and are hereby incorporated in this Agreement (the term "Subrecipient") as used therein shall mean RCRRA and (the term "Recipient") as used therein shall mean MnDOT.

### **3.0 Payment for Work by CP:**

- a) All work to be carried out by CP as provided in this Agreement shall be carried out by CP at RCRRA's cost and expense. RCRRA shall pay CP for CP's costs to perform any work under this Agreement based on the applicable rates and CP internal overheads (including labor, material and equipment overheads). The total to be paid by RCRRA to CP as provided in section 3.0 (a) shall not exceed \$3,900,000 in accordance with the "Standard Provisions for Highway-Railroad Agreements" attached to this Agreement as **Exhibit C**.
- b) Upon completion of CP's work in Section 2, CP will prepare a written invoice identifying the costs incurred (including all materials). Each invoice issued by CP to RCRRA shall constitute a requisition for payment and RCRRA shall pay the full amount stated in each invoice within 35 days.
- c) Interest accrual and disputes regarding payment shall be governed by the provisions of Minnesota Statutes § 471.425.

### **4.0 Operations and Maintenance Agreement:**

Prior to or upon completion of the Terminal Tracks, a Terminal Track Maintenance and Operating Agreement will be executed by and between RCRRA and CP. RCRRA shall not commence or allow Amtrak to commence operations on the Terminal Tracks until the Terminal Track Maintenance and Operating Agreement between RCRRA and CP (the "**Operating Agreement**") is executed.

The parties agree:

- a) CP will work with Amtrak to develop an operating agreement or an amendment to an existing operating agreement by and between CP and Amtrak permitting access to the Depot by Amtrak trains #7 and #8 or their successors for a period of not less than twenty years.
- b) RCRRA will be responsible for maintenance of the Terminal Tracks.
- c) RCRRA will be responsible, at no expense to CP, for maintenance of track, signal and communications systems and utilities within RCRRA Property either by performing these functions directly or arranging for these services to be provided in consultation with CP.
- d) CP will be responsible for maintenance of track, signal and communications systems located on CP's right-of-way, as more specifically described in the Terminal Track Maintenance and Operating Agreement.
- e) RCRRA will reimburse CP (or arrange for CP to be reimbursed) for the costs associated with the inspection and maintenance of track, signal and communications systems and utilities on the following improvements as identified on Figure 1 of the Revised and Restated Term Sheet between RCRRA and CP signed on December 11, 2012.

- a. Improvement 1: West Terminal Lead Switch on CP's right-of-way, including the derail and Terminal Tracks between Points A and B -- 100% of inspection and maintenance costs
- b. Improvement 3: CP1 to SPUD Crossover -- incremental increase in inspection and maintenance costs attributable to passenger train use
- f) All improvements will be maintained at the level to which they were implemented for a term of twenty years from the date they were put into service (the "**HSIPR Term**"). The level of maintenance includes applicable FRA track safety standards. The right of MnDOT and RCRRA to use the improvements for the HSIPR Term shall be as provided in the Operating Agreement.
- g) CP agrees that it will not downgrade the improvements of the Project (or redevelopment of the Depot) in such a manner that reduces the utility of the Project or the Depot for intercity passenger rail operation during the HSIPR Term without MnDOT's or RCRRA's prior written approval as further provided in the Operating Agreement.

#### **5.0 Termination:**

In the event that RCRRA:

- a. fails to pay the balance due under this Agreement pursuant to Section 3;
- b. fails to complete construction of the Terminal Tracks on RCRRA Property within one year of the date of this Agreement; or
- c. fails to execute the Maintenance and Operations Agreement by and between CP and RCRRA within 90 days of completion of the Terminal Tracks;

CP may, at its option, terminate this Agreement immediately upon thirty days' written notice and invoice RCRRA for any costs incurred by CP not invoiced prior to the date the termination is effective.

#### **6.0 Liability:**

- a) Except where and to the extent CP is negligent, grossly negligent or engages in willful misconduct, RCRRA shall make no claim or demand against CP for any injury, including injury resulting in death, loss or damage to property suffered or sustained by RCRRA or its employees, officers or agents which arises out of or is connected with the Terminal Tracks construction work or this Agreement.
- b) Except where and to the extent that CP is negligent, grossly negligent or engages in willful misconduct, RCRRA shall indemnify and save harmless CP:
  - i) from and against any and all claims, judgments or awards made by RCRRA or its employees, officers or agents under Workers' Compensation legislation;
  - ii) from and against any and all claims, demands, awards, actions and proceedings by whomsoever made, brought or prosecuted; and
  - iii) from and against any and all loss, damages or expenses, including attorney's fees, suffered or incurred by CP including injuries, as well as those resulting in death, and damage to or destruction of CP property or third party property (including without limitation, engines, rolling stock and all other equipment and their contents)

which are based upon, arise out of or are connected with the Terminal Track construction work on RCRRA Property or this Agreement.

- c) Notwithstanding any other provision of this Agreement, RCRRA shall indemnify and save harmless CP from any and all loss, costs and damages, including attorney's fees, caused by RCRRA's non-compliance with any of the provisions of this Agreement.
- d) For purposes of this Section, "CP" shall mean CP, its parents and corporate affiliates, and each of their officers, directors, employees, agents and insurers.

The provisions of Section 6 shall survive the termination of this Agreement.

**7.0 Insurance:**

RCRRA agrees to maintain the insurance coverage set out in **Exhibit E**.

**8.0 General:**

- a) All notices or communications required hereunder shall be given by courier and addressed to the other party as follows:

**To CP: Canadian Pacific Railway Company**  
Passenger Rail - US  
120 South Sixth Street  
Suite 1000  
Minneapolis, MN 55402  
**Attention:** Director – Strategic Initiatives

**To RCRRA: Ramsey County Regional Railroad Authority**  
Union Depot, Suite 200  
214 4<sup>th</sup> Street East  
St. Paul, MN 55101  
**Attention:** Director

**To MnDOT: Minnesota Department of Transportation**  
Passenger Rail Office  
Mail Stop 480  
385 John Ireland Boulevard  
St. Paul, MN 55155  
**Attention:** Director

or such other address as may be furnished from time to time by either party. Any notice, shall be deemed to have been given or made on the date delivered if delivered by courier.

- b) This Agreement may not be modified or amended except in a writing signed by both parties.
- c) Time shall be of the essence of this Agreement.
- d) The validity, interpretation, and enforcement of this Agreement shall be construed in accordance with the laws of the State of Minnesota, excluding any conflict of laws rules that may apply therein.

- e) None of the parties shall be deemed to have waived the exercise of any right that it holds under this Agreement unless such waiver is made in writing. No waiver made with respect to any instance involving the exercise of any such right shall be deemed to be a waiver with respect to any other instance involving the exercise of that right or with respect to any other right.
- f) Termination of this Agreement, for any reason, including default shall not release the parties from any obligations of liabilities incurred during the continuance of this Agreement.
- g) In the event that any portion of this Agreement is invalid, illegal or unenforceable for any reason, said invalidity, illegality and unenforceability shall not affect the other portions of this Agreement and that the remaining provisions or portions thereof shall remain in full force and effect.
- h) The headings and numbering introducing sections in this Agreement are inserted for convenience only and in no way define or construe the scope or intent of such section.
- i) This Agreement supersedes and cancels all prior agreements and understandings, oral or written, with respect to the construction of the improvements indentified in the Preliminary Plans and Final Plans. This Agreement and the Terminal Track Maintenance and Operating Agreement contain the entire agreement of the parties with respect to the Project.
- j) Force Majeure. The obligations of the RCRRA and CP under this Agreement, other than payment, shall be subject to force majeure (which shall include strikes, riots, floods, accidents, Acts of God, labor actions, acts of the public enemy, and other causes or circumstances beyond the reasonable control of the party claiming such force majeure as an excuse for non-performance), but only as long as, and to the extent that, such force majeure shall prevent performance of the obligations.
- k) Contract Information. Except as required by law, RCRRA shall not release to third parties any books, manuals, drawings, computer software, other documentation and know-how ("Contract Information") provided or made available to RCRRA or its representatives by CP pursuant to this Agreement, make any alterations in any Contract Information, or use or permit others to use Contract Information for any purpose other than for the performance of this Agreement without the prior written consent of CP. Notwithstanding the foregoing, all data and Contract Information provided to RCRRA by CP, or by RCRRA or CP to MnDOT, as the case may be, as a result of entering into this Agreement and performing any obligation hereunder will be "government data" as defined by Minn. Stat. §13.02, subd. 7. RCRRA and MnDOT will treat all government data in accordance with the requirements of the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. If CP or RCRRA believes that any data qualifies as "Trade Secret Data" or "Security Information" pursuant to Minn. Stat. §13.37, or otherwise qualifies as "non-public data", then the party providing the data must clearly label such data with the qualifying classification. If RCRRA or MnDOT receives a request to release such data, RCRRA or MnDOT will use its best efforts to notify the party providing the data of such request prior to any release of the data. This Agreement is "public data" and RCRRA or MnDOT will release this Agreement upon proper request



without regard to any "confidential" or similar legend placed on this Agreement by any party.

- l) Audit. Until the expiration of six (6) years after the furnishing of services pursuant to this Agreement, CP, upon written request, shall make available to the RCRRA, MnDOT, and the State Auditor and Legislative Auditor or the RCRRA's ultimate funding sources, a copy of this Agreement and the books, documents, records and accounting procedures and practices of the CP relating to this Agreement.
- m) Compliance With Applicable Law. CP agrees to comply with all federal, state and local laws or ordinances, and all applicable rules, regulations, and standards established by any agency of such governmental units, which are now or hereafter promulgated insofar as they relate to CP's performance of the provisions of this Agreement. It shall be the obligation of CP to apply for, pay for and obtain all permits and/or licenses required by any governmental agency for the provision of those services contemplated herein.
- n) Conflict of Interest. Each party affirms that, to the best of that party's knowledge, its involvement in this Agreement does not result in a conflict of interest with any party or entity which may be affected by the terms of this Agreement. Each party agrees that, should any conflict or potential conflict of interest become known to it, it will immediately notify the other party of the conflict or potential conflict, specifying the part of this Agreement giving rise to the conflict or potential conflict, and will advise the other party whether it will or will not resign from the other engagement or representation.
- o) Contractor Certification Regarding Debarment, Suspension, and Responsibility. Federal Regulation 45 CFR 92.35 prohibits the RCRRA from purchasing goods or services with federal money from vendors who have been suspended or debarred by the federal government.

By signing this Agreement, CP certifies that it and its principals:

- 1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from transacting business by or with any federal, state or local governmental department or agency; and
- 2. Have not within a three-year period preceding this Agreement:
  - a. been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract;
  - b. violated any federal or state antitrust statutes; or
  - c. committed embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; and
- 3. Are not presently indicted or otherwise criminally or civilly charged by a governmental entity for:

- a. commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction;
  - b. violating any federal or state antitrust statutes; or
  - c. committing embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; and
4. Have not had one or more public transactions terminated with in the preceding three years for cause or default; and
  5. Shall not knowingly enter into any transaction with a subcontractor who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, and that they will require any subcontractor that receives more than \$100,000 to make a similar certification as set forth herein; and
  6. Are not aware of any information and possess no knowledge that any subcontractor(s) that will perform work pursuant to this Agreement are in violation of any of the certifications set forth above; and
  7. Shall immediately give written notice to the RCRRA should CP come under investigation by a governmental authority for allegations of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local government) transaction; violating any federal or state antitrust statutes; or committing embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.
- p) Lobbying. For all contracts involving over \$100,000 in federal funds, CP must sign the Certification Regarding Lobbying for Contracts, Grants, Loans, and Cooperative Agreements, attached hereto and made a part of this Agreement as **Exhibit F**.
- q) MnDOT Responsibility for Payment. This Agreement will not be construed as creating any obligation by MnDOT to make any direct payment to CP for the work covered by this Agreement, or for any claim of any nature related to the work whether by CP or any third party. MnDOT's only obligation will be to make payment to RCRRA pursuant to the terms of relevant grant and cooperative agreement(s) entered into between MnDOT and RCRRA.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed in duplicate counterparts, each of which shall be considered as an original by their duly authorized officials as of the dates below indicated.

Executed this \_\_\_ day of \_\_\_\_\_, 2012.

SOO LINE RAILROAD COMPANY  
dba Canadian Pacific

Attest:

\_\_\_\_\_

By: \_\_\_\_\_

Executed this \_\_\_ day of \_\_\_\_\_, 2012.

RAMSEY COUNTY REGIONAL  
RAILROAD AUTHORITY

Attest:

\_\_\_\_\_

By: \_\_\_\_\_

Attest:

\_\_\_\_\_

By: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Assistant County Attorney

MINNESOTA DEPARTMENT OF  
TRANSPORTATION

By: \_\_\_\_\_

Date: \_\_\_\_\_

COMMISSIONER OF  
ADMINISTRATION

By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
MnDOT Contract Management

## EXHIBIT A

### LEGAL DESCRIPTION OF RCRA PROPERTY

Lots 1, 2, 3, 4, 6, 7, 8, 10, 11, 13, 15, 17, 18, 19, 20, 22 and 25, Block 1, St. Paul Union Depot, according to the recorded plat thereof, Ramsey County, Minnesota.

Part of the above being registered land as evidenced by Certificate of Title No. 566973

NOTE: The Torrens portion being more particularly described as follows: That part of Lot 1, Block 1, St. Paul Union Depot, overlying the following described property: All that part of Lot 3, Block 28, St. Paul Proper, included within the following boundaries, to-wit: Commencing at a point on the Northwestern line of Lot 3 100.37 feet Southwesterly from the Northeasterly corner of Lot 1, Block 28, St. Paul Proper; thence Southeasterly a distance of 100.26 feet to a point on the Northwestern line of the alley shown in red upon a map or plat in the office of the Register of Deeds of Ramsey County, Minnesota, in "N" of Plans page 2, (which point is 100.90 feet Southwesterly from the Northeasterly line of said Lot 1, Block 28,) thence Southwesterly to a point in the Westerly line of said Lot 3 100.35 feet Southeasterly from the Northwestern corner of said Lot 3; thence Northwesternly along the Westerly line of said Lot 3 to the Northwestern corner thereof; thence Northeasterly along the Northwestern line of said Lot 3 to point of beginning.

#### "Fit Parcel"

Lot 9, Block 1, St. Paul Union Depot

#### "Leone Parcel"

Lots 16 and 21, Block 1, St. Paul Union Depot, Ramsey County, Minnesota, together with rights in declaration filed December 31, 2007 as Document Number 4072565.

## EXHIBIT B

### CP SCOPE OF WORK

1. Install improvements within CP's right-of-way as shown on the Preliminary Plans and as will be further defined by the Final Plans;
2. Install, modify or upgrade any signal equipment if and when required to accommodate the new turnout installation;
3. Provide flagging protection as required for any work pursuant to this Agreement, including without limitation, in support of survey or geotechnical work;
4. Provide engineering or supervisory work as required, in support of the work to be performed by CP;
5. Provide material ordering, supply distribution and clean-up work associated with the project work to be performed by CP; and
6. Provide any other work required to be completed by CP within the right-of-way.



## EXHIBIT C

### STANDARD PROVISIONS FOR HIGHWAY-RAILROAD AGREEMENTS (FEDERAL AID PROJECTS)

For the purposes of this Exhibit C, RCRA is referred to as "ROAD AUTHORITY" and CP is referred to as "COMPANY".

1. All COMPANY work shall be performed in accordance with the terms, stipulations and conditions contained in the US Department of Transportation, Federal-Aid Highway Program Manual Volume 1, Chapter 4, Section 3 and supplements to or revisions thereafter.
2. The COMPANY, for performance of its work, may bill the ROAD AUTHORITY monthly for the ROAD AUTHORITY'S share of the actual cost and expenses incurred. These progressive invoices may be rendered on the basis of the estimated percentage of the work completed. The ROAD AUTHORITY after verifying that the bill is reasonable and proper shall promptly reimburse the COMPANY.

The COMPANY, upon the completion of its work, shall send the ROAD AUTHORITY a detailed final statement of actual expensed it incurred, including allowable additives. After the ROAD AUTHORITY'S representatives have checked the final statement and have agreed that the cost are reasonable and proper insofar as they are able to ascertain, the ROAD AUTHORITY shall reimburse the COMPANY in the amount, less previous payments, if any, equal to the amount billed.

After the ROAD AUTHORITY representatives have audited the expensed incurred by the COMPANY and final inspection of the installation has been made, the COMPANY shall reimburse the ROAD AUTHORITY for any item (or items) of expense found by the ROAD AUTHORITY representatives to be ineligible for reimbursement.

3. It is understood that the project herein contemplated shall be subject to all appropriate Federal laws, rules, regulations, orders and approvals pertaining to all agreements in general. The use of said guidelines for reimbursement between the parties hereto shall not be deemed to require reimbursement of the ROAD AUTHORITY by the Federal Highway Administration as a condition precedent to the ROAD AUTHORITY'S obligation.
4. All work herein provided to be done by the ROAD AUTHORITY or its contractor or contractors on the right-of-way or upon, over, under or across the railroad tracks of the COMPANY shall be done in a manner satisfactory to the COMPANY and shall be performed as such time and in such manner as not to interfere unnecessarily with the movement of trains or traffic upon the tracks of the COMPANY. The ROAD AUTHORITY shall require its contractors or contractors to use all care and precaution necessary to avoid accident, damage or interference to the COMPANY'S tracks or the trains or traffic using its tracks, and to notify the COMPANY a sufficient time in advance whenever the contractor is about to perform work adjacent to the track to enable the COMPANY to arrange for the furnish flagging and such other protective services as might be necessary to insure safety of railroad operations.

The COMPANY shall have the right to furnish all such flagging or protective service as in its judgment is necessary, and the ROAD AUTHORITY or its contractor or contractors shall reimburse the COMPANY for the cost thereof. Wherever safeguarding of trains or traffic or the COMPANY is mentioned in this agreement, it is intended to cover all user of the COMPANY'S track having permission for such use.

5. The ROAD AUTHORITY shall require its contractor or contractors, upon completion of the work, to remove all machinery, equipment, temporary buildings, false work, debris and rubbish from COMPANY right-of-way, to provide proper drainage away from COMPANY track, and to leave the tracks and right-of-way in a neat condition, satisfactory to the COMPANY'S Chief Engineer or his representative.
6. Any contract between the ROAD AUTHORITY and its contractor or subcontractor to perform the work herein provided to be done by the ROAD AUTHORITY shall require that the contractor or sub-contractor protect SOO LINE RAILROAD COMPANY, and any other railroad occupying or using COMPANY right-of-way or lines of railroad with the permission of the COMPANY, against all loss and damage arising from the activities of the contractor, its forces, or any of its subcontractors or agents, and shall further provide that the contractor shall furnish the COMPANY a Railroad Protective Liability Insurance policy providing for protection of the COMPANY, on accordance with the Federal-Aid Policy Guide, Title 23, Part 140, Subpart 1 and any supplements to or revisions unless otherwise noted. The limits of the policy shall be not less than \$2,000,000 combined single limit per occurrence for bodily injury, death, property damage and physical damage to property, with an aggregate limit of not less than \$6,000,000 per policy period. The insurance policy shall be delivered to and approved by the COMPANY prior to entry upon or use of its property to commence work upon, over, under, across or adjacent to COMPANY tracks by and contractor.
7. Subsequent to the award of any contract, and before any work is started on this project, a conference shall be held between the representatives of the ROAD AUTHORITY, the COMPANY, and the interested contractor at a time and place designed by the ROAD AUTHORITY for the purpose of coordinating the work to be performed by the several parties and at such time a schedule of operation will be adopted.
8. The COMPANY will credit the ROAD AUTHORITY for the salvage value of all track, communication and signal line material used on a temporary basis during the construction of the project and accepted by the COMPANY for return to its stock.  
  
The ROAD AUTHORITY shall be afforded a reasonable opportunity to inspect materials recovered by the COMPANY prior to disposal by sale of scrap.
9. When the roadway is to be closed to vehicular traffic while the railroad work is being performed, the ROAD AUTHORITY at its expense shall furnish, erect, maintain and remove the traffic control devices necessary to detour highway traffic after the COMPANY gives two weeks advance notice to the ROAD AUTHORITY'S engineer.

When the COMPANY is to perform its work while maintaining highway traffic, the ROAD AUTHORITY shall furnish or cause to be furnished, at its expense, the signs, barricades and traffic control devices for erection by the COMPANY after two weeks advance notice is given to the ROAD AUTHORITY'S engineer. The COMPANY at the

expense of the ROAD AUTHORITY shall erect, maintain, relocate and remove the signs, barricades, and other traffic control devices, including the furnishing of flagmen, as required to maintain highway traffic throughout the time the railroad work is being performed.

## EXHIBIT D

### TO THE GRANT AGREEMENT UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 TRANSPORTATION INVESTMENTS GENERATING ECONOMIC RECOVERY (TIGER) DISCRETIONARY GRANT PROGRAM

Ramsey County Regional Railroad Authority

Union Depot

FHWA TIGER Grant No. 19

#### SECTION 1. PURPOSE OF ADDENDUM No. 2

- a) This addendum, Addendum No. 2 ("Addendum"), to FHWA TIGER Grant No. 19 ("Grant Agreement") is to revise the Project budget and to recognize and accept the addition of FY 2010 Federal Railroad Administration ("FRA") High-Speed Intercity Passenger Rail ("HSIPR") Program funding ("HSIPR funds"), made available under the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act for 2010 {Div. A of the Consolidated Appropriations Act, 2010 (Pub. L. 111-117, Dec. 16, 2009)}, to the Project. This addition of HSIPR funds to the Project is subject to the terms and conditions of the Grant Agreement which was executed by the U. S. Department of Transportation, the Federal Highway Administration (the "Government" or "FHWA"), the Ramsey County Regional Railroad Authority and the Minnesota Department of Transportation) (collectively the "Parties"), with an effective date of November 15, 2010.
- b) The Parties to this Addendum additionally recognize that the purpose of the HSIPR funds is to first ensure that intercity passenger rail can enter, exit, and access the St. Paul Union Depot (the "Depot") in a safe and efficient manner and, secondly, to contribute towards the rehabilitation of the Depot and its return to service as a multimodal hub. Further, by executing this Addendum the Parties recognize and accept the use of the HSIPR funds on the Project. With respect to the application and use of the HSIPR funds on the Project, the Parties also recognize and accept that they must comply with the applicable requirements of the HSIPR Program, as described in this Addendum, in addition to the terms and conditions of the TIGER program, as described in the Grant Agreement. This Addendum and its sections are to be made part of Section 7 - Special Grant Requirements - of the Grant Agreement.
- c) FRA and FHWA have executed an Inter-Agency Agreement which is fully incorporated herein by reference.

#### SECTION 2. HSIPR FUNDS

- a) FRA announced an award of \$40.0 million dollars (\$40,000,000) under the HSIPR Program to the Minnesota Department of Transportation on October 28, 2010 for construction to rehabilitate the Depot as a multimodal hub for intercity rail, future high-speed rail, local rail and bus transit, and pedestrian, bicycle, taxi, and other local modes of access allowing relocation of the Amtrak's Empire Builder service to the Depot upon completion of the Project. The Parties agree that this HSIPR award is consistent with the purpose of the TIGER Grant award, as it is fully described in the Grant Agreement.

- b) The Parties acknowledge that the FRA will transfer the administration of the subject HSIPR funds, up to the total amount of \$40.0 million (\$40,000,000), to the FHWA for the purpose of completing the Project as it is described in section 4(c)(1) and Attachment A of the Grant Agreement, subject to the conditions described in this Addendum.
- c) The Parties, by signing and executing this Addendum, further acknowledge that the \$40.0 million (\$40,000,000) of HSIPR funds may only be used to pay costs associated with the renovation of the Depot buildings and the track and signal work necessary for intercity passenger rail service to access the Depot, subject to the conditions described in this Addendum.
- d) The Parties additionally recognize that the recipient of the HSIPR funds for the Depot was the State of Minnesota Department of Transportation ("Recipient") and the subrecipient was the Ramsey County Regional Railroad Authority ("Subrecipient"). The Recipient and Subrecipient agree to use the HSIPR funds to assist in the final design and construction of the Project in accordance with the terms and conditions of the Grant Agreement and this Addendum.
- e) The Parties further recognize and understand that upon signing and execution of this Addendum \$20.0 million dollars (\$20,000,000) of the HSIPR funds will be made immediately available to the Recipient ("Initial Funds").

The Recipient and Subrecipient may request additional sums of the remaining HSIPR funds ("Remaining Funds") upon written request to the FHWA Minnesota Division Administrator (MN Administrator). The MN Administrator will then consult with designated representatives of the FRA on the request and only after agreement with FRA will any of the Remaining Funds be released. The request must demonstrate that Preliminary Engineering, as set forth in Section 3(h) of this Addendum, is complete, and that the Government determines that sufficient progress is being made on track and signal system design and Project construction. It is understood by the Parties that the release of any of the Remaining Funds shall be at the sole discretion of the Government.

### SECTION 3. HSIPR FUNDS ADDITIONAL GRANT CONDITIONS

The following terms and conditions apply to use of the HSIPR funds on the Project, in addition to the terms and conditions set forth in the Grant Agreement:

- a) Buy America. With respect to the use of all HSIPR funds made available under this Addendum, the Recipient and Subrecipient shall comply with the Buy America provisions set forth in 49 U.S.C. 24405(a) for the Project requiring the use of steel, iron, and manufactured goods produced in the United States, in accordance with the conditions therein set forth.
- b) Labor Provisions. 49 U.S.C. 24405(b) provides that persons conducting rail operations over rail infrastructure constructed or improved in whole or in part with HSIPR funds made available under this Addendum shall be considered a "rail carrier," as defined by 49 U.S.C. 10102(S), for the purposes of Title 49, United States Code, and any other statute that adopts that definition or in which that definition applies, including the Railroad Retirement Act of 1974 (45 U.S.C 231 et seq.), the Railway Labor Act (43 U.S.C.151 et seq.), and the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.). The Recipient and Subrecipient shall reflect these provisions in their agreements with the entities operating



rail services over such rail infrastructure to the extent required by 44 U.S.C. 24405{6} and other laws referenced above.

- c) Labor Protective Arrangements. For a project that uses rights-of-way owned by a railroad, the Recipient and Subrecipient shall comply with the protective arrangements established under Section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976 (4R Act), 45 U.S.C. 836, with respect to employees affected by actions taken in connection with the Project financed in whole or in part with HSIPR funds made available under this Addendum (See 49 U.S.C. 24405(c)). The Recipient and Subrecipient agree to include the applicable protective arrangements established by the Department of Labor under 45 U.S.C. 836 in their agreements with entities operating rail services over rail infrastructure constructed as part of the Project. The following definitions apply for purposes of applying those protective arrangements: (1) 'Protected employee' means an employee of a railroad who had an employment relationship with such railroad on the date on which the Recipient first applied for financial assistance applicable to the Project involved and who is affected by actions taken pursuant to this Grant Agreement; provided, however, that an employee who was benefitted solely as a result of the Project shall not be a protected employee under these provisions. (2) 'Railroad' means a rail carrier or a common carrier by railroad or express as defined in 49 U.S.C. 10102, and includes the National Railroad Passenger Corporation and the Alaska Railroad as well as a person that conducts rail operations over rail infrastructure constructed or improved with funding provided in whole or in part in a grant made pursuant to this Addendum.
- d) Project Use for Intercity Passenger Rail Service and Refunds. The Recipient and Subrecipient acknowledge that part of the overall purpose of the Project is to benefit intercity passenger rail service. In the event that all intercity passenger rail service making use of the Project improvements is discontinued (for any reason) at any time during a period of twenty (20) years from the date such Project improvements were placed in service ("Service Period"), as set forth above, and if such in passenger rail service is not reintroduced during a one (1) year period following the date of such discontinuance, the Subrecipient shall keep the improvements of the Project available for intercity passenger rail service for the remainder of the Service Period, taking such action as is reasonably necessary to keep the improvements available for such use for the remainder of the Service Period, and in such event that the improvements are not kept available for intercity passenger rail service as provided in this Section 3.d} then the Recipient and Subrecipient shall, at FHWA's request, refund to FHWA, no later than eighteen (18) months following the date of such discontinuance, a pro-rata share of the Federal contribution made available under this Addendum, based upon the percentage of the twenty (20) year period remaining at the time of such discontinuance.
- e) Davis-Bacon Act Provisions. For Project components funded using the HSIPR funds, the Recipient and Subrecipient shall comply with 49 U.S.C. 24405(c){2}, with respect to the payment of prevailing wages consistent with the provisions of 49 U.S.C. 24312. For these purposes, wages in collective bargaining agreements negotiated under the Railway Labor Act are deemed to comply with Davis-Bacon Act requirements. This section does not abrogate the Recipients and Subrecipients responsibilities on the remainder of the Project to comply with the Davis Bacon Act provisions as are set out in the terms and conditions of the Grant Agreement.

- f) Replacement of Existing Intercity Passenger Rail Service. 49 U.S.C. 24405(d) requires any entity providing intercity passenger railroad transportation on a project funded by this Addendum to comply with certain requirements with respect to its employees and the employees of preexisting intercity rail passenger services. The Recipient and Subrecipient shall comply with the applicable provisions of 49 U.S.C. 24405(d) to the extent they are or become a provider of intercity passenger railroad transportation. If they are not the operator or provider of the intercity passenger rail services benefitting from the Project funded under this Addendum, then they shall notify the selected operator of the requirements imposed by section 24405(d).
- g) Additional HSIPR Guidance. The Recipient and Subrecipient shall comply with additional HSIPR guidance found in the HSIPR Program Interim Guidance/Notice of Funding Availability through which this Project was selected for funding (see <http://www.fra.dot.gov/downloads/PubAffairs/2010-15993.pdf>). The Recipient and Subrecipient should refer to this Guidance as necessary when carrying out the activities associated with implementing the Project.
- h) Preliminary Engineering. The Subrecipient shall complete PE (30% design) for the track and signal system improvements. The Subrecipient shall obtain approval of the PE plans from Amtrak, Union Pacific Railroad Company ("UP"), BNSF Railway Company ("BNSF"), Canadian Pacific ("CP"), the Minnesota Department of Transportation, and FRA (FRA approval shall occur last, after all other necessary approvals are issued). The costs associated with performing such PE may not be reimbursed with HSIPR funds under this Addendum and may not be credited towards Recipient or Subrecipient's non-federal match of such HSIPR funds.
- i) Construction Agreements. Prior to conducting any final design work activities under Section 3(j), the Recipient and Subrecipient shall submit to MN Administrator the following: (i) a Construction Agreement between CP and Recipient and Subrecipient regarding the construction of any and all track and signal system improvements to occur on CP owned and/or controlled infrastructure relating to the Project; (ii) a Construction Agreement between BNSF and Recipient and Subrecipient regarding the construction for any and all track and signal system improvements to occur on BNSF owned and/or controlled infrastructure relating to the Project; and (iii) a Construction Agreement between UP and Recipient and Subrecipient regarding the construction of any and all track and signal system improvements to occur on UP owned and/or controlled infrastructure relating to the Project. The Recipient and Subrecipient must receive approval from the Government on the Construction Agreements required by this paragraph. The costs associated with performing the tasks required by this paragraph may not be reimbursed with HSIPR funds under this Addendum and may not be credited towards Recipient and Subrecipient non-federal match of such HSIPR funds. The Recipient and Subrecipient shall include in each Construction Agreement the following provisions:
- 1) The infrastructure capacity will be adequate to accommodate both the existing freight and intercity passenger rail operations and the future freight and intercity passenger rail operations that will result from this Project. For clarity, no additional passenger train frequencies will result from the Project;

- 2) Recipient and Subrecipient represent that they are in compliance with liability requirements consistent with section 28103 of Title 49 of the United States Code;
  - 3) The railroad agrees that collective bargaining agreements with the railroad's employees, including terms regulating the contracting of work, will remain in full force and effect according to their terms for work performed by the railroad on the Project;
  - 4) Recipient and Subrecipient (including successors and assigns) shall have the right to use the Project property for the purpose of providing intercity passenger rail service for twenty (20) years beginning from completion of the Project (the "HSIPR Term");
  - 5) The railroad shall ensure the maintenance of the Project property to the level of utility (including applicable FRA track safety standards) which exists when the Project improvements are placed in service for the HSIPR Term; and
  - 6) The railroad shall not downgrade the Project in any way that reduces the utility of the Project for the intercity passenger rail operations during the HSIPR Term, without Recipient's prior written approval.
- j) Final Design. Upon Recipient and Subrecipient's compliance with paragraphs (h) and (i) of this section, Grantee shall perform the final design (100% design) of all track and signal systems required to achieve full, operational access to the Depot, in accordance with the approved PE (30% design). Recipient and Subrecipient shall provide copies of final design materials to the MN Administrator.

#### SECTION 4. PROJECT BUDGET

EXECUTION BY THE GOVERNMENT

Executed this \_\_\_ day of \_\_\_\_\_, 2012.

Signature of Government's Authorized Representative

\_\_\_\_\_  
Print Name \_\_\_\_\_

Title \_\_\_\_\_

EXECUTION BY THE RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY

Executed this \_\_\_ day of \_\_\_\_\_, 2012.

Signature of Project Sponsor's Authorized Representative

\_\_\_\_\_  
Print Name \_\_\_\_\_

Title \_\_\_\_\_

EXECUTION BY THE MINNESOTA DEPARTMENT OF TRANSPORTATION

Executed this \_\_\_ day of \_\_\_\_\_, 2012.

Signature of State Department of Transportation Designated Official Representative

\_\_\_\_\_  
Print Name \_\_\_\_\_

Title \_\_\_\_\_

EXECUTION BY SOO LINE RAILROAD COMPANY

Executed this \_\_\_ day of \_\_\_\_\_, 2012.

Signature of Soo Line Railroad Company's Representative

\_\_\_\_\_  
Print Name \_\_\_\_\_

Title \_\_\_\_\_



**EXHIBIT E**  
**RCRRA INSURANCE**

1. RCRRA shall at its own cost and expense, take out and keep in full force and effect a Commercial General Liability Insurance policy with an inclusive limit of not less than **Five Million Dollars (\$5,000,000)** per occurrence for bodily injury and property damage, or any other increased amount as CP may reasonably require upon conducting reviews from time to time. Such insurance shall specifically state by its wording or by endorsement:
  - (a) the policy extends to cover the contractual obligations assumed by RCRRA under this Agreement with CP;
  - (b) the policy shall name CP, its subsidiaries and affiliates as an additional insured;
  - (c) the policy shall contain a "cross-liability" clause which shall have the effect of insuring each person firm or corporation insured thereunder in the same manner and to the same extent as if a separate policy had been insured to each;
  - (d) the policy shall not be cancelled or materially altered unless written notice is given by RCRRA to CP thirty (30) days before the effective date of such cancellation or material alteration;
2. In the event any work or occurrence in connection with this Agreement is excluded from coverage by a "railway", "railroad" or "railroad property" exclusion or limitation in the commercial general liability policy, RCRRA shall procure and maintain in effect (or shall cause its contractor to procure and maintain in effect), for the duration of such work or occurrence, railroad protective liability insurance, in the name of CP, with a single limit (personal injury and property damage combined) of not less than **Two Million Dollars (\$2,000,000)** per occurrence and **Six Million Dollars (\$6,000,000)** per aggregate.

RCRRA may satisfy the requirements of this clause by having the "railway", "railroad" or "railroad property" exclusion or limitation deleted from the commercial general liability policy, providing evidence thereof and in a form acceptable to CP. The work or occurrence shall not commence until such time as the evidence is received and approved by CP. For greater clarity in the event that Railroad Protective Insurance is applicable it shall only be applicable during the period of this agreement.
3. **Automobile Liability** insurance covering bodily injury and property damage in an amount not less than **Two Million Dollars (\$2,000,000)** per accident, covering the ownership, use and operation of any motor vehicles and trailers which are owned, leased or controlled by the RCRRA and used in regards to this Agreement
4. RCRRA shall, prior to the effective date of this Agreement, and upon the insurance renewal date thereafter, furnish to CP or Certificates of Insurance evidencing the above coverages. Upon request, RCRRA shall provide CP with certified copies of the insurance policies RCRRA shall not make or cause to be made any material modification or alteration to the insurance, or to do or leave undone anything, which may invalidate the insurance coverage.



5. The acquisition and maintenance of insurance policies by RCRRA shall in no manner limit or restrict the liabilities incurred by RCRRA under the provisions of this Agreement.

## EXHIBIT F

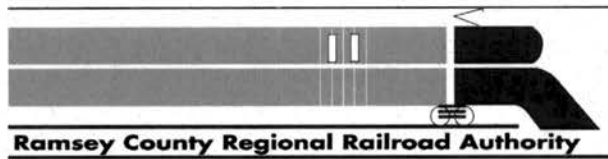
### Contractor Certification Regarding Lobbying for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his/her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned will require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

|                                  |            |         |      |
|----------------------------------|------------|---------|------|
| Contractor Name                  |            | Program |      |
| Signature of Certifying Official | Print Name | Title   | Date |



Union Depot, Suite 200  
214 4<sup>th</sup> Street East  
St. Paul, Minnesota 55101  
(651) 266-2760

## **REGIONAL RAILROAD AUTHORITY**

February 26, 2013

Immediately following the County Board Meeting  
Council Chambers – Third Floor Court House

.....  
**ROLL CALL** and Call to Order

**AGENDA** of the February 26, 2013 Regional Railroad Authority Meeting is presented for approval.

**MINUTES** of the February 19, 2013 Regional Railroad Authority Meeting is presented for approval.

**PROCLAMATION** - Presented to Steve Morris, Transit Project Manager, upon his retirement.

### **ADMINISTRATIVE AGENDA**

#### **1. Saint Paul Citywide Streetcar Feasibility Study - Presentation**

***Board Action Requested:***

None. For information and discussion only.

**CORRIDOR UPDATES**

**ADJOURNMENT**

# RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY

February 19, 2013

The Ramsey County Regional Railroad Authority met with the following members present: Carter, Huffman, McGuire, Ortega, Reinhardt, Rettman, McDonough – 7. Absent – 0. Also present were Heather Worthington, Deputy County Manager and Paul Zisla, Assistant County Attorney, Ramsey County Attorney's Office.

Chair McDonough called the meeting to order at 10:25 A.M.

## AGENDA

Commissioner Carter moved approval of the Agenda of the February 19, 2013 Regional Railroad Authority Meeting, seconded by Commissioner Reinhardt. Roll Call: Ayes – Huffman, McGuire, Ortega, Reinhardt, Rettman, Carter, McDonough – 7. Nays – 0.

## MINUTES

Commissioner Carter moved approval of the Minutes of the January 8, 2013 Regional Railroad Authority Meeting, seconded by Commissioner McGuire. Roll Call: Ayes – Huffman, McGuire, Ortega, Reinhardt, Rettman, Carter, McDonough – 7. Nays – 0.

### 1. Amend the 2013 Gateway Corridor Commission Appointments

Commissioner Reinhardt moved approval of the following resolution, seconded by Commissioner Ortega. Roll Call: Ayes – Huffman, McGuire, Ortega, Reinhardt, Rettman, Carter, McDonough – 7. Nays – 0. R13-06

WHEREAS, The Ramsey County Regional Railroad Authority adopted Resolution R13-05 on January 8, 2013; and

WHEREAS, This resolution ratified appointments of Commissioners to serve on various outside committees for the year 2013;

WHEREAS, The appointments made to the Gateway Corridor Commission were inconsistent with the appointments made by the County Board per resolution 2013-005, and a revision of appointees is requested; Now, Therefore, Be It

RESOLVED, The Ramsey County Regional Railroad Authority hereby amends the 2013 Gateway Corridor Commission appointments as follows:

#### GATEWAY CORRIDOR COMMISSION

Rafael Ortega

~~Jim McDonough~~ Victoria Reinhardt, Alternate

~~Victoria Reinhardt~~ Jim McDonough, Second Alternate

### 2. Construction Agreement with Union Pacific Railroad

Commissioner Reinhardt moved approval of the following resolution, seconded by Commissioner Ortega. Roll Call: Ayes – Huffman, McGuire, Ortega, Reinhardt, Rettman, Carter, McDonough – 7. Nays – 0. R13-07

WHEREAS, The Ramsey County Regional Railroad Authority has identified the completion of The Union Depot Multi-Modal Transportation and Transit Hub ("Union Depot") as a high priority and has expressed an interest in maximizing its development and economic output potential; and

WHEREAS, In order to accomplish this interest, the Ramsey County Regional Railroad Authority has identified the need to accommodate Amtrak's Empire Builder passenger rail service; and

WHEREAS, The Empire Builder will utilize BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad track to access the Depot; and

WHEREAS, Accessing the BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad track will require capacity improvements so that the Empire Builder can maintain on-time performance without negatively impact existing freight operations; and

WHEREAS, The Ramsey County Regional Railroad Authority has worked with BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad to develop and execute a Union Depot Renovation Project Term Sheet (Term Sheet) with each railroad that identifies the capacity improvements necessary to maintain on-time performance and mitigate the impact to freight rail operations; and

WHEREAS, The Ramsey County Regional Railroad Authority has worked with BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad to develop and execute a Engineering/Public Project Reimbursement Agreement with each railroad that allows for final track and signal design to be completed; and

WHEREAS, The BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad each require the execution of a third agreement for construction of track and signal improvements; and

WHEREAS, The Ramsey County Regional Railroad Authority will provide funds to each freight railroad for the work necessary to construct track and signal improvements; Now, Therefore, Be It

RESOLVED, The Ramsey County Regional Railroad Authority approves a Construction Agreement with the Union Pacific Railroad for the completion of track and signal installation for the State Street Industrial Lead, track and signal installation for the State Street Industrial Lead Switch, track installation for the East Terminal Lead, track installation for the Union Pacific portion of the Canadian Pacific 1/Saint Paul Union Depot Crossover and track installation for the St. Paul Union Depot Track in an estimated amount of \$3,213,756 and, Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority authorizes the Chair to execute the Construction Agreement with Union Pacific Railroad on behalf of the Ramsey County Regional Railroad Authority.

### 3. Construction Agreement with Canadian Pacific Railway

Commissioner Ortega moved approval of the following resolution, seconded by Commissioner Carter. Roll Call: Ayes – Huffman, McGuire, Ortega, Reinhardt, Rettman, Carter, McDonough – 7. Nays – 0. R13-08

WHEREAS, The Ramsey County Regional Railroad Authority has identified the completion of The Union Depot Multi-Modal Transportation and Transit Hub ("Union Depot") as a high priority and has expressed an interest in maximizing its development and economic output potential; and

WHEREAS, In order to accomplish this interest, the Ramsey County Regional Railroad Authority has identified the need to accommodate Amtrak's Empire Builder passenger rail service; and

WHEREAS, The Empire Builder will utilize BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad track to access the Depot; and

WHEREAS, Accessing the BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad track will require capacity improvements so that the Empire Builder can maintain on-time performance without negatively impact existing freight operations; and

WHEREAS, The Ramsey County Regional Railroad Authority has worked with BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad to develop and execute a Union Depot Renovation



Project Term Sheet (Term Sheet) with each railroad that identifies the capacity improvements necessary to maintain on-time performance and mitigate the impact to freight rail operations; and

WHEREAS, The Ramsey County Regional Railroad Authority has worked with BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad to develop and execute a Engineering/Public Project Reimbursement Agreement with each railroad that allows for final track and signal design to be completed; and

WHEREAS, The BNSF Railway, Canadian Pacific Railway, and Union Pacific Railroad each require the execution of a third agreement for construction of track and signal improvements; and

WHEREAS, The Ramsey County Regional Railroad Authority will provide funds to each freight railroad for the work necessary to construct track and signal improvements; Now, Therefore, Be It

RESOLVED, The Ramsey County Regional Railroad Authority approves a Construction Agreement with Canadian Pacific Railway for the completion of track and signal installation for the West Terminal Lead, track installation for the Canadian Pacific portion of the Canadian Pacific 1/Saint Paul Union Depot Crossover, signal installation for the Canadian Pacific 1/Saint Paul Union Depot Crossover, signal and switch installation for the Canadian Pacific to Union Pacific Dual Tone Multi Frequency switch, and track installation of the Canadian Pacific crossover in Hoffman Interlocking in an amount not to exceed \$3,900,000, And Be It Further

RESOLVED, The Ramsey County Regional Railroad Authority authorizes the Chair to execute the Construction Agreement with Canadian Pacific Railway on behalf of the Ramsey County Regional Railroad Authority.

#### CORRIDOR UPDATES

- Gateway Corridor

Commissioner Ortega reported that the Gateway Corridor Commission met last Thursday and voted to move two alternatives into the Draft Environmental Impact Statement. The alternatives will be Light Rail Transit and Bus Rapid Transit on a fixed guideway along Hudson Road between Union Depot in St. Paul and Manning Avenue in Woodbury. This marks the next stage of implementing the Gateway Corridor.

- Rush Line Corridor

Commissioner Reinhardt wanted to clarify that the Rush Line commuter coach service transitioned from the Rush Line Corridor Task Force to the Metropolitan Council in December. The route, 285, is now part of the regional transit system; however, the long-term northern end point of the service is under discussion between the task force and Metropolitan Council. The task force feels strongly that the route needs to provide service to Forest Lake and Columbus and that it should be funded by the Met Council. She said the task force is also working on an Advanced Alternatives Analysis Study, and at the Rush Line Task Force meeting in March, they will be talking about the local match to federal funds. She said the Metropolitan Council did provide some of the local match for the Gateway Corridor and are hoping they will do this for the Rush Line Corridor. A plan and options will be put before the Task Force for the local match to assure they have access to Federal funds once they get to that point.

- Robert Street Corridor

Commissioner Ortega reported that corridor is moving along. He said the west side community, which he represents, wanted to have more input. In working with councilmember Dave Thune, Karen Reid, Executive Director for the Neighborhood Economic Development Agency, was designated as the City of St. Paul representative on the Steering Committee.

- Robert Street Corridor

Commissioner McGuire reported that she met with Tim Mayasich, Director, Ramsey County Regional Railroad Authority, at the Union Depot for a briefing on the East Metro corridors. She said while it was

very informative meeting, it was also a great experience to be in the Union Depot. As we are waiting for more activity and transit to arrive at the Union Depot, the building is a wonderful facility and place to be. She encourages people to visit the facility.

#### ADJOURNMENT

There being no further business, Chair McDonough declared the meeting adjourned at 9:40 A.M.

# Proclamation

WHEREAS, Steve Morris officially began his employment with Ramsey County on September 11, 2006, and will retire as Ramsey County's Transit Project Manager on March 1, 2013, after 6 years, 5 months and 18 days; and

WHEREAS, Steve began working directly with Ramsey County Regional Railroad Authority in 2001 on the Central Corridor Alternatives Analysis; and

WHEREAS, Steve, having been a transit professional for the majority of his career, acted as a mentor to staff in the Regional Railroad Authority during his tenure; and

WHEREAS, Steve displayed an unwavering commitment to improving and advancing the transit system for the people of Ramsey County and the entire region; and

WHEREAS, Steve demonstrated a remarkable understanding of the complexities surrounding federal funding for transportation projects, and applied that mastery to the restoration and renovation of the Union Depot Multimodal Transportation Hub; and

WHEREAS, Steve served, with distinction, on many projects, including:

- The Rush Line, Red Rock and Riverview corridors
- The LOCATE committee, which selected Union Depot as the site for significant reinvestment
- Central Corridor Light Rail Transit, which will open in 2014 as the Green Line
- Union Depot, where he oversaw the complex process of bringing together various service providers to co-locate in a grand, historic structure; and

WHEREAS, Steve has earned the admiration of many people throughout the County and will be truly missed; Now, Therefore, Be It

PROCLAIMED, The Ramsey County Board of Commissioners, the Ramsey County Regional Railroad Authority, County Manager, and Ramsey County Regional Railroad Authority Director thank Steve Morris for his years of dedicated service and wish him a happy and healthy retirement going into the next phase of his life with his supporting wife and partner, Pat.

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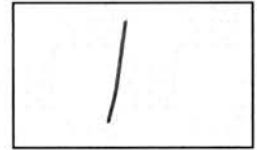
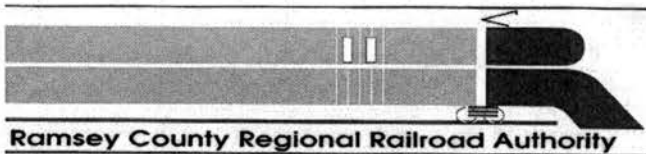
Jim McDonough, Chair, Regional Railroad Authority

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Julie Kleinschmidt, County Manager

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Tim Mayasich, Director, Regional Railroad Authority



## REQUEST FOR ACTION

Type of Agenda: ☐ Policy ☒ Discussion  
☐ Administrative ☒ Information

Regional Railroad Authority Meeting Date:

Regional Railroad Authority Meeting Date: **02/26/2013**

### **SUBJECT: Saint Paul Citywide Streetcar Feasibility Study - Presentation**

#### **EXECUTIVE SUMMARY:**

The City of Saint Paul is currently conducting a feasibility study to determine the feasibility of developing streetcar services in Saint Paul and how best to integrate streetcars into the city's transit system. Through the planning process, the City will develop a set of prioritized streetcar corridor investments while identifying and addressing issues related to design, engineering and finance of the system.

These goals are being addressed through a three phase evaluation of potential corridors. The city recently completed the first phase of the project: screening of potential corridors. They examined the universe of corridors throughout the city for potential physical fatal flaws, and further screened for supportive land uses and existing and planned zoning. The conclusion of this phase resulted in a list of potential lines that could operate in the individual corridors or as combinations of corridors. Phase 2 will put the potential alignments through a rigorous evaluation focusing on operations, system integration, capital and operational costs, economic development potential, transit demand, and maintenance/storage facility locations and cost. Phase 3 will identify the most effective lines/segments to be pursued as the first new streetcar lines in the city.

Funding for this study is provided by the Ramsey County Regional Rail, City of Saint Paul, St. Paul Foundation, McKnight Foundation and the Central Corridor Funders Collaborative.

This information is available on the Streetcar study website at <http://stpaul.gov/index.aspx?NID=4872>

Michelle Beaulieu, City Planner from Saint Paul Planning and Economic Development Department, will provide an informational update on the Streetcar Feasibility Study.

#### **ACTION REQUESTED:**

None. For information and discussion only.



**SUBJECT: Saint Paul Citywide Streetcar Feasibility Study - Presentation**

**ATTACHMENTS:**

(The Saint Paul Citywide Streetcar Feasibility Study PowerPoint Presentation will be distributed at the RCRRRA meeting)

**PREVIOUS ACTION:**

**COUNTY MANAGER'S COMMENTS:**

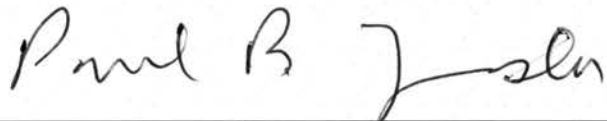
Like light rail, commuter rail, and local and rapid bus service, streetcars are another option that can be used to find the right transit service for each transit corridor market. Streetcars have shown in other metropolitan regions to be an effective transportation and economic development tool. Streetcars generally require less engineering, right of way, and utility relocation than light rail transit.



**SUBJECT: Saint Paul Citywide Streetcar Feasibility Study - Presentation**

| Regional Railroad Authority – Authorized Signature                               | Date    |
|----------------------------------------------------------------------------------|---------|
|  | 2/19/13 |

| Finance – Authorized Signature                                                    | Date    |
|-----------------------------------------------------------------------------------|---------|
|  | 2/20/13 |

| County Attorney – Authorized Signature                                            | Date    |
|-----------------------------------------------------------------------------------|---------|
|  | 2/19/13 |

| Property Management – Authorized Signature | Date |
|--------------------------------------------|------|
|                                            |      |

| Information Services – Authorized Signature | Date |
|---------------------------------------------|------|
|                                             |      |

| Other – Authorized Signature | Date |
|------------------------------|------|
|                              |      |

# GO BY STREETCAR



SAINT PAUL  
STREETCAR FEASIBILITY STUDY

## Streetcars for Saint Paul



The Most Livable  
City in America



# What is Streetcar Service?

- Rail vehicles (similar to light rail bus smaller)
- Usually operates in mixed traffic
- Typically short length (2-3 miles)
- Close stop spacing (similar to local/standard bus)
- Focus on local trips within corridor
- Can improve local circulation, connect to trunk routes, and catalyze economic development
- Much less construction impact than LRT



# Streetcars and Economic Development

- Streetcar best at concentrating investment and accelerating development
- Streetcar can strengthen or reinforce other goals (walkability, vibrant street life, etc.)
- Streetcar is a unique mode that attracts attention and development
  - As much about development as moving people
- Streetcar can be good way to revitalize inner-city, low-income neighborhoods
- Linear development vs LRT nodal development

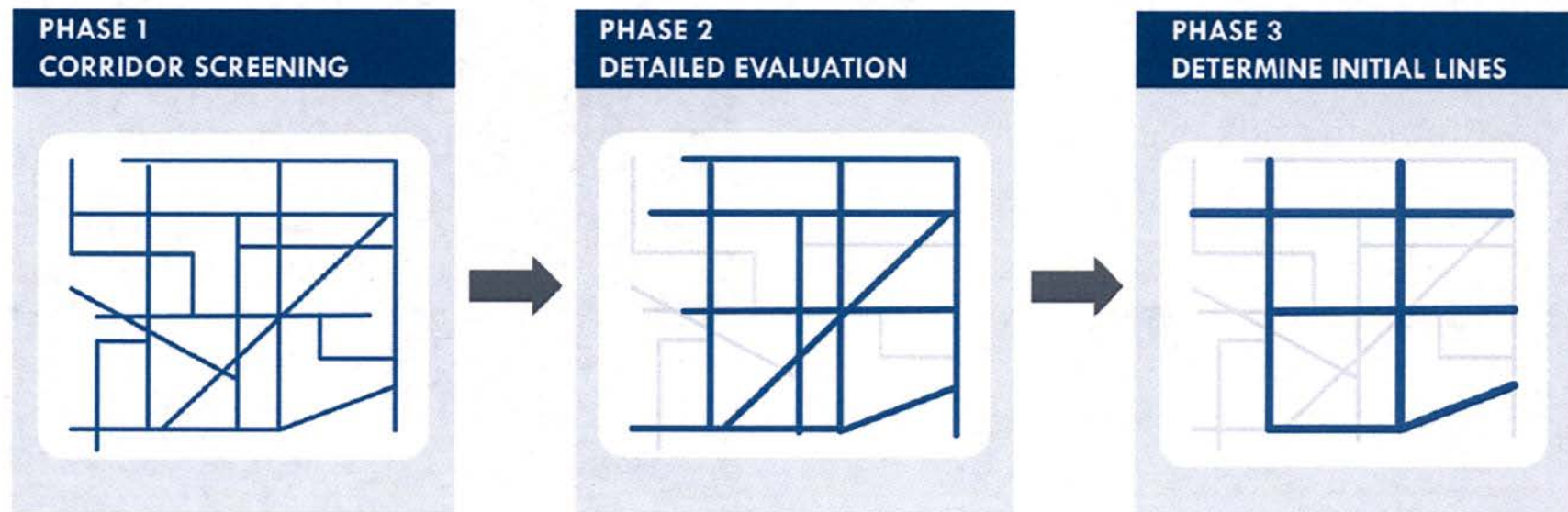


Pearl District, Portland



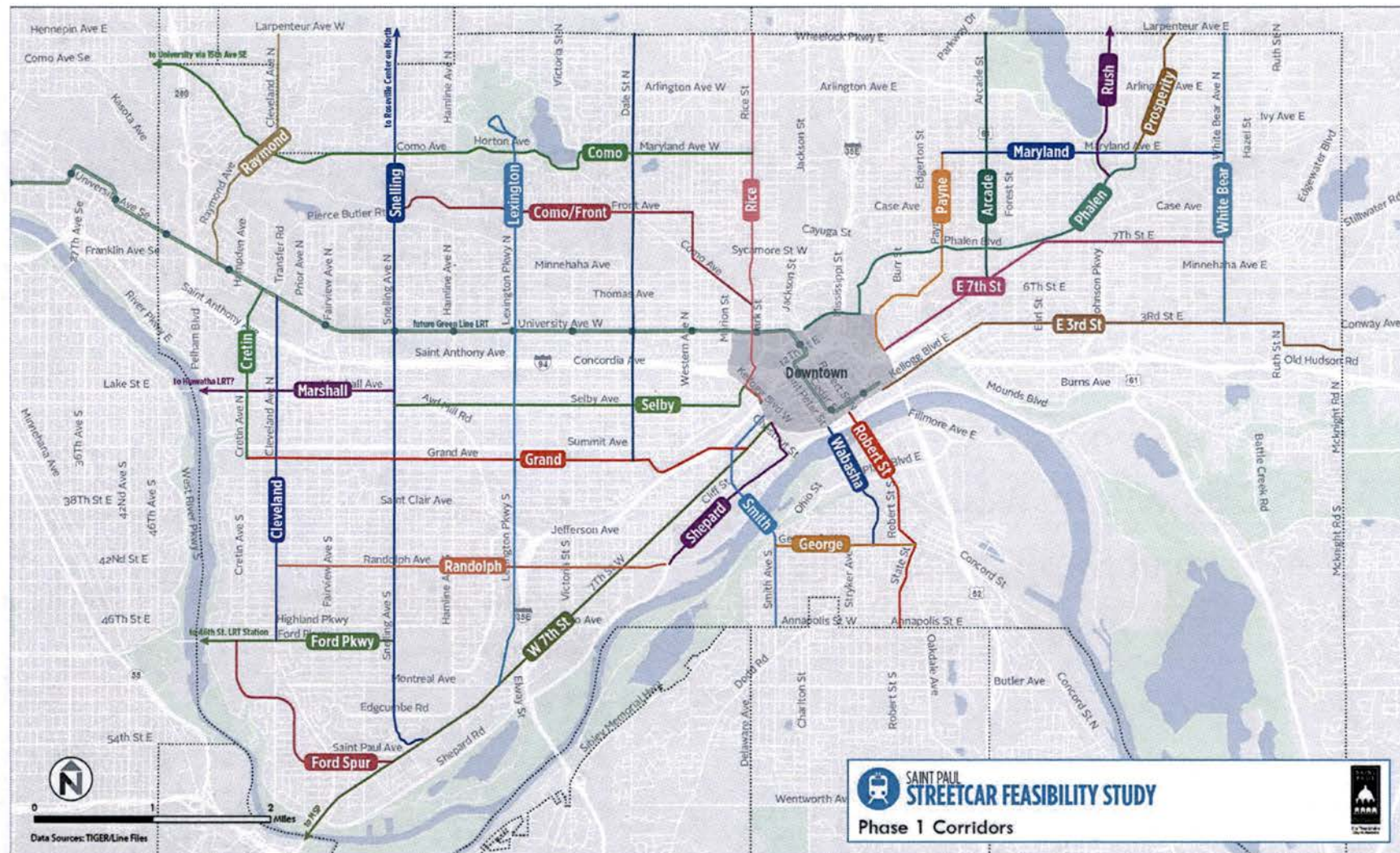
# Saint Paul Streetcar Feasibility Study

- Identifying a preliminary network for the city, with prioritized corridors
- Similar process as Minneapolis Streetcar Feasibility Study
- Currently at the start of Phase 2





## Phase 1 Corridors Studied





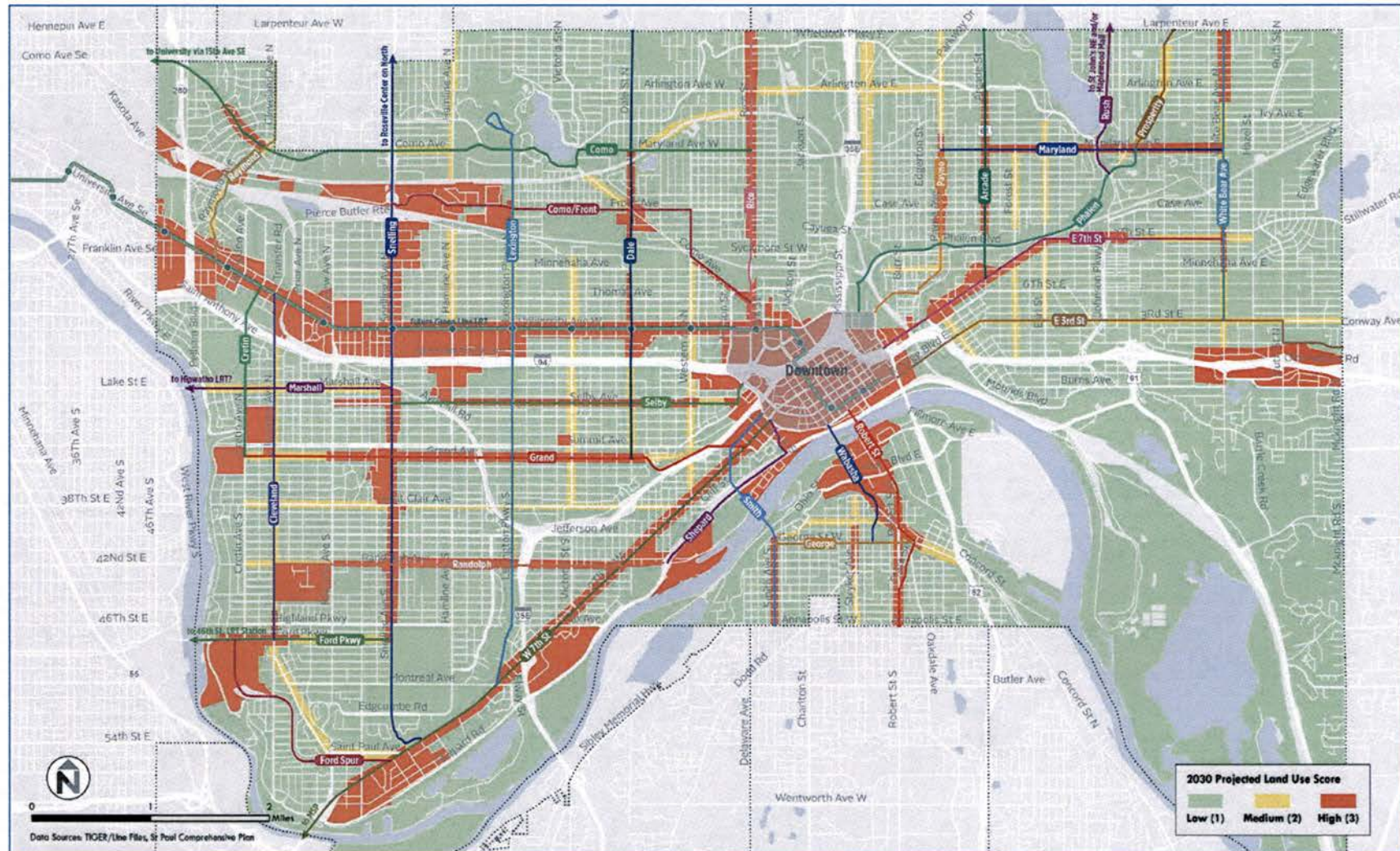
# Phase 1 Screening Criteria

- Physical Attributes
  - Grade
  - Street Geometry
  - Other Physical Barriers
- Service Attributes
  - Terminals and Anchors
  - Transit Speed and Reliability
  - Other Transit Investments
  - Transit Supportive Land Use





# Transit Supportive Land Use





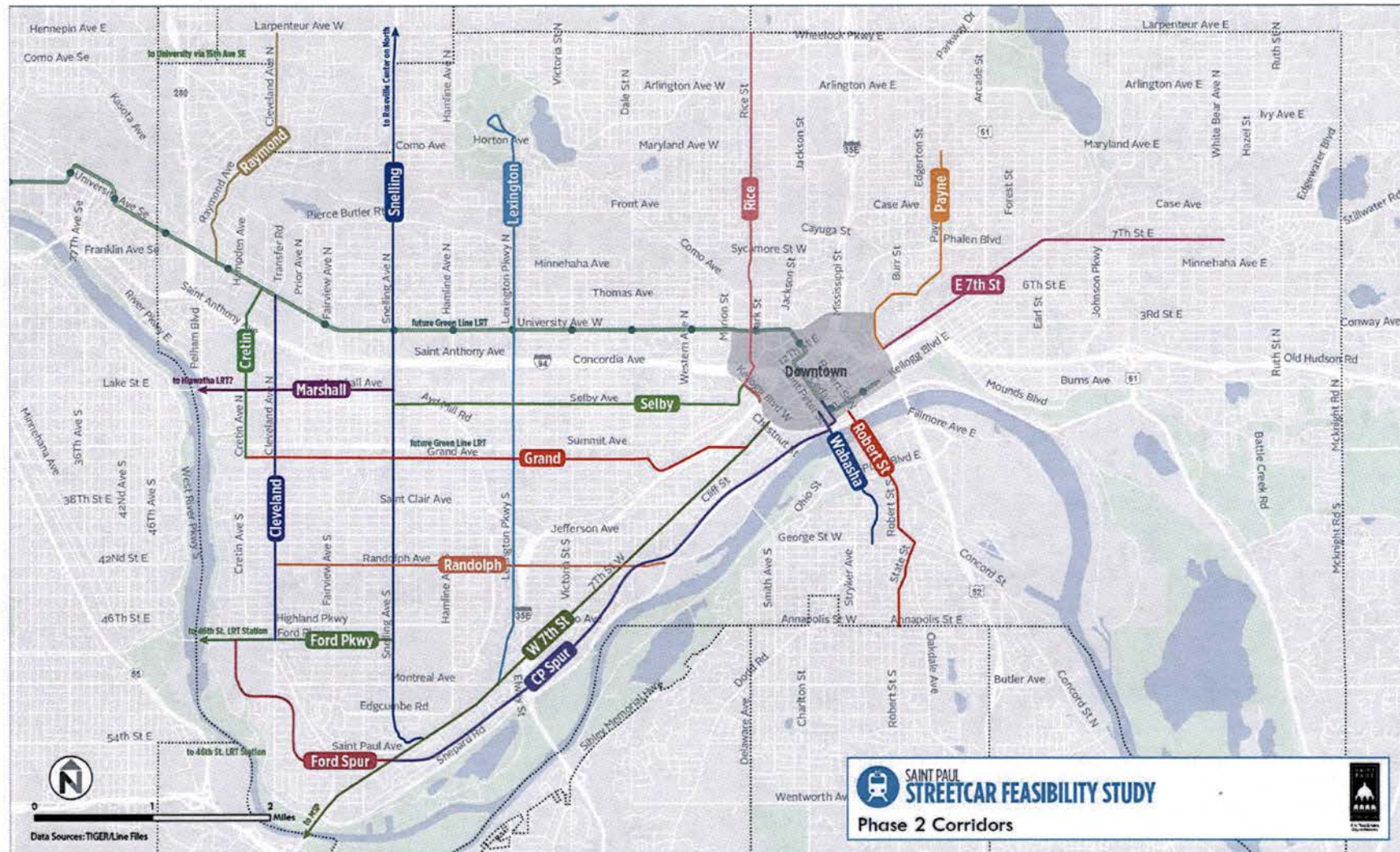
# Advancement

- Physical attribute criteria used to ensure no fatal flaws
- Service attribute criteria used to determine which corridors should advance to Phase 2.
- Corridors with at least three **Best** or **Good** rankings recommended for advancement in to Phase 2

| Corridor             | Terminal Location | Transit Speed and Reliability | Other Transit Investments | Transit-Supportive Land Use | Carry Forward |
|----------------------|-------------------|-------------------------------|---------------------------|-----------------------------|---------------|
| Ford Pkwy            | ✓ Good            | ✓ Good                        | ✓✓ Best                   | ✓ Good                      | Yes           |
| Ford Spur            | ▲ Fair            | ✓✓ Best                       | ▲ Fair                    | ✓ Good                      |               |
| Rush                 | ▲ Fair            | ✓✓ Best                       | ▲ Fair                    | ▲ Fair                      |               |
| Snelling             | ✓✓ Best           | ✓ Good                        | ✓✓ Best                   | ✓✓ Best                     | Yes           |
| W 7 <sup>th</sup> St | ✓✓ Best           | ✓ Good                        | ✓✓ Best                   | ✓ Good                      | Yes           |
| Randolph             | ✓ Good            | ✓ Good                        | ✓ Good                    | ✓ Good                      | Yes           |
| Grand                | ✓✓ Best           | ✓ Good                        | ✓✓ Best                   | ✓ Good                      | Yes           |
| Selby                | ✓✓ Best           | ✓ Good                        | ▲ Fair                    | ✓✓ Best                     | Yes           |
| Marshall             | ✓ Good            | ✓ Good                        | ✓✓ Best                   | ✓ Good                      | Yes           |
| Dale                 | ▲ Fair            | ✓ Good                        | ✓ Good                    | ▲ Fair                      |               |
| Rice                 | ▲ Fair            | ✓ Good                        | ✓ Good                    | ✓ Good                      | Yes           |
| E 7 <sup>th</sup> St | ✓ Good            | ✓ Good                        | ✓✓ Best                   | ▲ Fair                      | Yes           |
| Payne                | ✓ Good            | ✓ Good                        | ✓ Good                    | ▲ Fair                      | Yes           |
| Maryland             | ▲ Fair            | ✓ Good                        | ✓ Good                    | ▲ Fair                      |               |
| Arcade               | ▲ Fair            | ✓ Good                        | ✓ Good                    | ▲ Fair                      |               |
| E 3 <sup>rd</sup> St | ✓ Good            | ✓✓ Best                       | ▲ Fair                    | ▲ Fair                      |               |
| White Bear           | ▲ Fair            | ✓ Good                        | ✓ Good                    | ▲ Fair                      |               |
| Prosperity           | ▲ Fair            | ✓ Good                        | ✓ Good                    | ▲ Fair                      |               |
| Phalen               | ▲ Fair            | ✓✓ Best                       | ✓ Good                    | ▲ Fair                      |               |
| Como/Front           | ▲ Fair            | ✓ Good                        | ✓ Good                    | ▲ Fair                      |               |
| Como                 | ▲ Fair            | ✓ Good                        | ✓ Good                    | ▲ Fair                      |               |
| Lexington            | ✓✓ Best           | ✓ Good                        | ✓ Good                    | ▲ Fair                      | Yes           |
| Shepard              | ▲ Fair            | ▲ Fair                        | ✓ Good                    | ▲ Fair                      |               |
| Smith                | ▲ Fair            | ✓ Good                        | ✓ Good                    | ▲ Fair                      |               |
| Robert St            | ▲ Fair            | ✓ Good                        | ✓✓ Best                   | ✓ Good                      | Yes           |
| Wabasha              | ▲ Fair            | ✓✓ Best                       | ✓ Good                    | ✓✓ Best                     | Yes           |
| George St            | ▲ Fair            | ✓ Good                        | ✓ Good                    | ▲ Fair                      |               |
| Cretin               | ✓ Good            | ▲ Fair                        | ✓ Good                    | ✓ Good                      | Yes           |
| Raymond              | ✓ Good            | ✓ Good                        | ✓ Good                    | ✓✓ Best                     | Yes           |
| Cleveland            | ✓ Good            | ✓ Good                        | ✓ Good                    | ✓✓ Best                     | Yes           |



# Phase 2 Corridors Draft





# GO BY STREETCAR



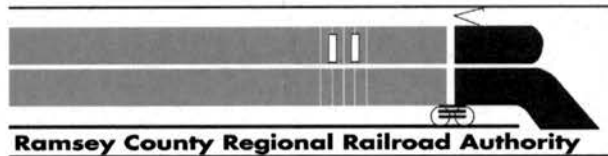
SAINT PAUL  
STREETCAR FEASIBILITY STUDY

## Streetcars for St Paul

Michelle Beaulieu, PED  
[michelle.beaulieu@ci.stpaul.mn.us](mailto:michelle.beaulieu@ci.stpaul.mn.us)  
651-266-6630



The Most Livable  
City in America



Union Depot, Suite 200  
214 4<sup>th</sup> Street East  
St. Paul, Minnesota 55101  
(651) 266-2760

## **REGIONAL RAILROAD AUTHORITY**

March 12, 2013

Immediately following the County Board Meeting  
Council Chambers – Third Floor Court House

.....  
**ROLL CALL** and Call to Order

**AGENDA** of the March 12, 2013 Regional Railroad Authority Meeting is presented for approval.

**MINUTES** of the February 26, 2013 Regional Railroad Authority Meeting is presented for approval.

### **ADMINISTRATIVE AGENDA**

**1. Resolution supporting the nomination of Commissioner James D. Healy, DuPage County, Illinois, to the National Freight Advisory Committee**

***Board Action Requested:***

Support the nomination of Commissioner James D. Healy, DuPage County, Illinois, to the National Freight Advisory Committee.

**2. Amendment to the Agreement with Civic Source, Inc for Jobs Central Project**

***Board Action Requested:***

- 1) Authorize the Chair to amend the Agreement with Civic Source, to increase the scope of services for the period of February 1, 2012 through January 31, 2014, and to increase the total payment up to the amount of \$106,500.
- 2) Authorize the County Manager to make all necessary budget adjustments including estimated revenues and appropriations.

**3. Subrecipient Grant Agreement with the Metropolitan Council for the HUD Sustainable Regional Planning Grant Program-Energy and Resource Efficiency Demonstration Project-Central Corridor**

***Board Action Requested:***

- 1) Authorize acceptance of a grant from the Metropolitan Council for the HUD Sustainable Communities Planning Grant -- Energy Demonstration Project - Central Corridor for the period of October 10, 2012 through January 31, 2014, in the amount of \$137,700.
- 2) Authorize the Chair to execute the subrecipient grant agreement.
- 3) Authorize the County Manager to approve and execute any agreements, amendments, and change orders, related to the expenditure of these grant funds in accordance with County competitive solicitation policies and procedures in a form approved by the County Attorney's Office and within the limits of the grant funding.
- 4) Authorize the County Manager to make all necessary budget adjustments including increasing estimated revenues and appropriations.

**CORRIDOR UPDATES  
ADJOURNMENT**



## RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY

February 26, 2013

The Ramsey County Regional Railroad Authority met with the following members present: McGuire, Ortega, Reinhardt, Rettman, McDonough – 5. Absent: Carter, Huffman - 2. Also present were Julie Kleinschmidt, Ramsey County Manager and Kyle Thomas, Director, Civil Division, Ramsey County Attorney's Office.

Chair McDonough called the meeting to order at 9:35 A.M.

### AGENDA

Commissioner Rettman moved approval of the Agenda of the February 26, 2013 Regional Railroad Authority Meeting, seconded by Commissioner Ortega. Roll Call: Ayes – McGuire, Ortega, Reinhardt, Rettman, Carter, Huffman, McDonough – 7. Nays – 0.

### MINUTES

Commissioner Rettman moved approval of the Minutes of the February 19, 2013 Regional Railroad Authority Meeting, seconded by Commissioner Ortega. Roll Call: Ayes – McGuire, Ortega, Reinhardt, Rettman, Carter, Huffman, McDonough – 7. Nays – 0.

### PROCLAMATION presented to Steve Morris, Transit Project Manager, upon his retirement

Chair McDonough presented a proclamation to Steve Morris, Transit Project Manager, upon his retirement. Mr. Morris served with distinction on many transit projects during his tenure with the Ramsey County Regional Railroad Authority, and displayed an unwavering commitment to improving and advancing the transit system for the people of Ramsey County and the entire region.

Mr. Morris thanked the Ramsey County Regional Railroad Authority for the proclamation. He said when he began working for Ramsey County, they were in the process developing a vision for important transportation improvements that brought new options for the citizens of Ramsey County, and perhaps more importantly brought some exciting economic development opportunities. He said it's been his privilege to work on those projects and it will be fun to watch them from a little distance in the future.

### 1. Saint Paul Citywide Streetcar Feasibility Study - Presentation

Michelle Beaulieu, City Planner from Saint Paul Planning and Economic Development Department, presented the Saint Paul Citywide Streetcar Feasibility Study presentation.

[The PowerPoint presentation is on file with the Ramsey County Regional Railroad Authority]

Commissioner McGuire asked for clarification of "Transit Supportive Land Use", referring to the "2030 Projected Land Use" map on page seven of the presentation.

Ms. Beaulieu responded that transit supported land use includes mixed use development, high densities, residential development, universities and colleges, certain city parks because of the volume of visitors. She said density is the key.

Chair McDonough mentioned that none of the proposed streetcar corridors on the map on page nine of the presentation connect to the Union Depot in St. Paul.

Ms. Beaulieu said the downtown alignments have not yet been determined and it is possible that the lines will end at Union Depot. They are still investigating ways to connect into downtown and will be part of Phase 2 of their study. Conversations are taking place with the Metropolitan Council and Metro Transit about possibilities to align with the Central Corridor Green Line and is a works in progress.

Commissioner McGuire asked about the infrastructure and if there are implications or visions that the lines could be extended beyond their designated destinations.

Ms. Beaulieu said they are currently focusing on local service in St. Paul and on this model of streetcar as a starter network for transit options; however, a couple of the lines have connections that are outside the city boundary and there is definitely potential to extend outside of the St. Paul area. The streetcar is a very flexible mode of transit and can be extended further.

Chair McDonough asked if current funding will take them through Phase 2.

Ms. Beaulieu responded that it does.

Chair McDonough thanked Ms. Beaulieu for the update on the study.

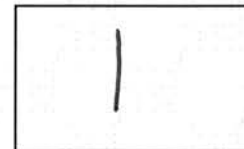
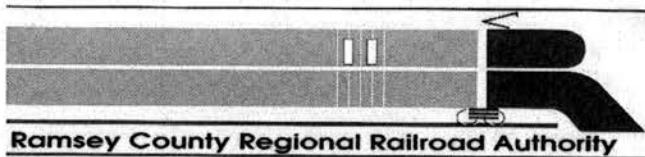
#### CORRIDOR UPDATES

No updates were reported.

#### ADJOURNMENT

There being no further business, Chair McDonough declared the meeting adjourned at 10:05 A.M.





## REQUEST FOR ACTION

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Type of Agenda: ☐ Policy ☐ Discussion  
☒ Administrative ☐ Information

Regional Railroad Authority Meeting Date: 3/12/2013

Regional Railroad Authority Meeting Date: \_\_\_\_\_

---

**SUBJECT: Resolution supporting the nomination of Commissioner James D. Healy, DuPage County, Illinois, to the National Freight Advisory Committee**

### EXECUTIVE SUMMARY

The National Association of Counties (NACo) President Chris Rogers is submitting the name of James D. Healy, County Commissioner, DuPage County, Illinois, as NaCo's recommendation for membership on the National Freight Advisory Committee. Commissioner Healy is Chairman of NACo's Transportation Committee.

There will only be 25 members of this important committee, but Transportation Secretary Ray LaHood stated he wanted representation from local government in addition to state and national representatives and leaders from the freight industries.

A resolution supporting the nomination of Commissioner James D. Healy is recommended.

### ACTION REQUESTED

Support the nomination of Commissioner James D. Healy, DuPage County, Illinois, to the National Freight Advisory Committee.

**SUBJECT:** Resolution supporting the nomination of Commissioner James D. Healy, DuPage County, Illinois, to the National Freight Advisory Committee

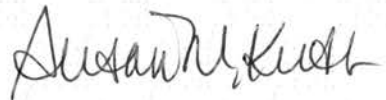
**ATTACHMENTS:**

**PREVIOUS ACTION:**

**COUNTY MANAGER'S COMMENTS:**

**SUBJECT:** Resolution supporting the nomination of Commissioner James D. Healy, DuPage County, Illinois to the National Freight Advisory Committee

| Regional Railroad Authority – Authorized Signature                                | Date   |
|-----------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| Finance – Authorized Signature                                                    | Date   |
|-----------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| County Attorney – Authorized Signature                                             | Date   |
|------------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| Property Management – Authorized Signature | Date |
|--------------------------------------------|------|
|                                            |      |

| Information Services – Authorized Signature | Date |
|---------------------------------------------|------|
|                                             |      |

| Other – Authorized Signature | Date |
|------------------------------|------|
|                              |      |

**SUBJECT: Resolution supporting the nomination of Commissioner James D. Healy, DuPage County, Illinois, to the National Freight Advisory Committee**

Draft Resolution

1 WHEREAS, The U.S. Department of Transportation is establishing a National Freight  
2 Advisory Committee (NFAC) and soliciting nominations for membership; and  
3

4 WHEREAS, The NFAC will provide advice and recommendations to the Secretary of  
5 Transportation on matters related to freight transportation in the United States, including: (1)  
6 Implementation of the freight transportation requirements of MAP 21; (2) Establishment of  
7 the National Freight Network; (3) Development of a National Freight Strategic Plan; (4)  
8 Development of strategies to help states implement State Freight Advisor Committee and  
9 State Freight Plans; and (5) Development of measures of conditions and performance in  
10 freight transportation; (6) Development of freight transportation investment, data, and  
11 planning tools; and (7) Legislative recommendations; and  
12

13 WHEREAS, the Secretary of Transportation has requested nominations for members  
14 of the Committee to ensure a wide range of members and a balanced Committee; and  
15

16 WHEREAS, the Secretary of Transportation will appoint committee members with a  
17 view toward achieving varied perspectives on freight transportation, including from  
18 government bodies, and seeking to balance the interests of many groups including those of  
19 local elected officials; and  
20

21 WHEREAS, Counties play an integral role in the movement of freight in America  
22 owning and operating 44 percent of all public roads and highways; 2288,026 bridges of all  
23 kinds; 27 percent of public transit systems; and 30 percent of public airports; and  
24

25 WHEREAS, Elected county officials play a key role in economic development efforts  
26 in their regions and development of new regional transportation infrastructure, serving on, or  
27 being actively involved in, all of the nation's Port Authorities, Metropolitan Planning  
28 Organizations and Development Organizations; and  
29

30 WHEREAS, the Honorable James D. Healy, County Commissioner for DuPage  
31 County, Illinois, serves as Transportation Chairman for the National Association of Counties  
32 (NACo), having also served NACo as Chairman of the Highway, Airport and Transit  
33 Authorization Sub-Committees, and serves as a member of the Board of Directors for the  
34 National Association of Regional Councils (NARC), and served as the Chairman and Vice-  
35 Chairman of the Transportation of Public Works Committees in his home county, as well as  
36 a past member of his local regional planning organization, NIPC (now CMAP);  
37

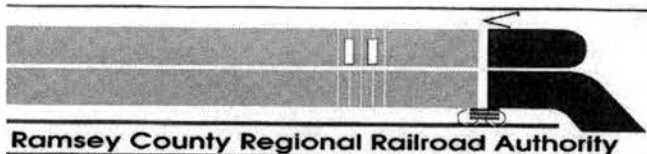
38 WHEREAS, the Honorable James D. Healy has been a vocal proponent of local  
39 governments working together in cooperation with the freight, shipping and railroad  
40 industries, hosting the first freight/railroad summit last year bringing together 250 local  
41 elected officials and representatives of the freight, shipping and railroad industry, and is  
42 singularly responsible for the positive dialogue now occurring between local government  
43 officials and the railroad industry; Now, Therefore, Be it  
44



45  
46  
47  
48  
49

RESOLVED, The Ramsey County Regional Railroad Authority, do hereby request the Secretary of Transportation to appoint the Honorable James D. Healy, County Commissioner for DuPage County, Illinois, as a member of the NFAC Committee, to represent the views and interests of Counties in America.

5



2

## REQUEST FOR ACTION

Type of Agenda: ☐ Policy ☐ Discussion  
☒ Administrative ☐ Information

Regional Railroad Authority Meeting Date: 3/12/2013

Regional Railroad Authority Meeting Date:

**SUBJECT: Amendment to the Agreement with Civic Source, Inc. for Jobs Central Project**

### EXECUTIVE SUMMARY

In 2011, the Ramsey County Regional Railroad Authority ("RCRRA") was awarded \$247,000 in federal Housing and Urban Development ("HUD") Sustainable Communities Initiative funds to manage the three-year **Jobs Central** Project ("Project"). In 2012, the RCRRA received \$90,000 in grants from the McKnight Foundation and the Saint Paul Foundation to hire a consultant to provide professional and administrative assistance to Janet Guthrie, the Project Manager. Civic Source, Inc. was competitively selected as the consultant according to Administrative Code, and an Agreement signed by the County Manager under current authority (Attachment 1).

The RCRRA would like to engage Civic Source, Inc. to assume additional activities in the Project's Work Plan (Attachment 2), for which qualified expenditures will be reimbursed by the HUD grant. In order to do this, the Agreement must be amended to add to the scope, extend the duration, and to increase the payment to the contractor by \$16,500 (Attachment 3).

### ACTION REQUESTED

- 1) Authorize the Chair to amend the Agreement with Civic Source, to increase the scope of services for the period of February 1, 2012 through January 31, 2014, and to increase the total payment up to the amount of \$106,500.
- 2) Authorize the County Manager to make all necessary budget adjustments including estimated revenues and appropriations.

**SUBJECT: Amendment to the Agreement with Civic Source, Inc. for Jobs Central Project**

**ATTACHMENTS:**

1. County Manager Memorandum to the County Board dated October 26, 2011
2. *Jobs Central* Work Plan and Budget dated July 11, 2012
3. Amendment to Agreement between RCRRA and Civic Source, Inc.

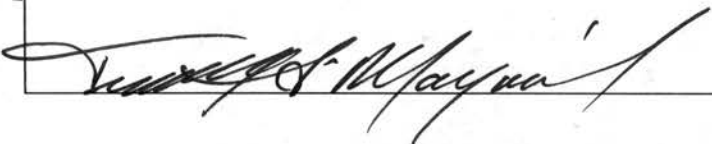
**PREVIOUS ACTION:**

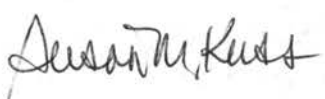
The RCRRA approved the Metropolitan Council's Subrecipient Agreement for HUD funds for the Jobs Central Project on June 7, 2011 (Resolution R11-19).

**COUNTY MANAGER'S COMMENTS:**

The Request for Board Action for the Amendment to the Civic Source, Inc. Agreement is required because the revised total payment exceeds the County Manager's authority to execute.

**SUBJECT: Amendment to the Agreement with Civic Source, Inc. for Jobs Central**

| Regional Railroad Authority – Authorized Signature                               | Date   |
|----------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| Finance – Authorized Signature                                                    | Date   |
|-----------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| County Attorney – Authorized Signature                                            | Date   |
|-----------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| Property Management – Authorized Signature | Date |
|--------------------------------------------|------|
|                                            |      |

| Information Services – Authorized Signature | Date |
|---------------------------------------------|------|
|                                             |      |

| Other – Authorized Signature | Date |
|------------------------------|------|
|                              |      |



**Subject: Amendment to the Agreement with Civic Source, Inc. for Jobs Central Project**

Draft Resolution

WHEREAS, In 2011, the Ramsey County Regional Railroad Authority ("RCRRA") was awarded \$247,000 in federal Housing and Urban Development ("HUD") Sustainable Communities Initiative funds to manage the three-year **Jobs Central** Project ("Project"); and

WHEREAS, in 2012, the RCRRA received \$90,000 in grants from the McKnight Foundation and the Saint Paul Foundation to hire a consultant to provide professional and administrative assistance to the Project Manager; and

WHEREAS, the Civic Source, Inc. was competitively selected as the consultant according to Administrative Code, and an Agreement signed by the County Manager under current authority; and

WHEREAS, the RCRRA would like to engage Civic Source, Inc. to assume additional activities in the Project's Work Plan, for which qualified expenditures will be reimbursed by the HUD grant; and

WHEREAS, in order to do this, the Agreement must be amended to add to the scope, extend the duration, and to increase to payment to the Contractor by \$16,500; Now, Therefore, Be It

RESOLVED, The Ramsey County Regional Railroad Authority authorizes the Chair to amend the Agreement with Civic Source to increase the scope of services for the period of February 1, 2012 to January 31, 2014 and to increase the total payment up to the amount of \$106,500; And, Further, Be It

RESOLVED, The Ramsey County Regional Railroad Authority authorizes the County Manager to make all necessary budget adjustments, including estimated revenues and appropriations.

**SUBJECT: Amendment to the Agreement with Civic Source, Inc. for Jobs Central**

| Regional Railroad Authority – Authorized Signature                               | Date   |
|----------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| Finance – Authorized Signature                                                    | Date   |
|-----------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| County Attorney – Authorized Signature                                            | Date   |
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|  | 3/6/13 |

| Property Management – Authorized Signature | Date |
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| Information Services – Authorized Signature | Date |
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| Other – Authorized Signature | Date |
|------------------------------|------|
|                              |      |

**Subject: Amendment to the Agreement with Civic Source, Inc. for Jobs Central Project**

Draft Resolution

1 WHEREAS, In 2011, the Ramsey County Regional Railroad Authority ("RCRRA") was  
2 awarded \$247,000 in federal Housing and Urban Development ("HUD") Sustainable  
3 Communities Initiative funds to manage the three-year **Jobs Central** Project ("Project"); and  
4

5 WHEREAS, in 2012, the RCRRA received \$90,000 in grants from the McKnight  
6 Foundation and the Saint Paul Foundation to hire a consultant to provide professional and  
7 administrative assistance to the Project Manager; and  
8

9 WHEREAS, the Civic Source, Inc. was competitively selected as the consultant according  
10 to Administrative Code, and an Agreement signed by the County Manager under current  
11 authority; and  
12

13 WHEREAS, the RCRRA would like to engage Civic Source, Inc. to assume additional  
14 activities in the Project's Work Plan, for which qualified expenditures will be reimbursed by the  
15 HUD grant; and  
16

17 WHEREAS, in order to do this, the Agreement must be amended to add to the scope,  
18 extend the duration, and to increase to payment to the Contractor by \$16,500; Now, Therefore,  
19 Be It  
20

21 RESOLVED, The Ramsey County Regional Railroad Authority authorizes the Chair to  
22 amend the Agreement with Civic Source to increase the scope of services for the period of  
23 February 1, 2012 to January 31, 2014 and to increase the total payment up to the amount of  
24 \$106,500; And, Further, Be It  
25  
26

27 RESOLVED, The Ramsey County Regional Railroad Authority authorizes the County  
28 Manager to make all necessary budget adjustments, including estimated revenues and  
29 appropriations.

## Attachment 1



Working with You  
To Enhance Our Quality of Life

### Office of the County Manager

Julie Kleinschmidt, County Manager

250 Court House  
15 West Kellogg Boulevard  
St. Paul, MN 55102

Tel: 651-266-8000

Fax: 651-266-8039

e-mail: julie.kleinschmidt@co.ramsey.mn.us

## **MEMORANDUM**

**DATE:** October 26, 2011

**TO:** Commissioner Victoria Reinhardt, Chair  
Commissioner Tony Bennett  
Commissioner Toni Carter  
Commissioner Jim McDonough  
Commissioner Rafael E. Ortega  
Commissioner Jan Parker  
Commissioner Janice Rettman

**FROM:** Julie Kleinschmidt, Ramsey County Manager

**SUBJECT:** HUD Sustainable Communities *Jobs Central* Project Consultant

As part of the regional *Corridors of Opportunity* initiative, funded through HUD and Living Cities, Ramsey County is managing a pilot project on the Central Corridor that integrates on-the-ground workforce and economic development efforts. This pilot project is called *Jobs Central*.

Project team representatives from the McKnight Foundation and the Central Corridor Funders Collaborative have offered a grant to Ramsey County to fund a part-time consultant that would provide administrative and professional services to support project implementation under the direction of Janet Guthrie, Project Manager. The concept is acceptable to county staff and to the project team.

The consultant is anticipated to provide 10 to 15 hours per week. McKnight will fund the consultant for work from November 2011 through January 2012 (\$18,000). After that, the Central Corridor Funders Collaborative is anticipated to fund the consultant's work through April 2013 (\$72,000). The total of the two grants is expected to be \$90,000.

Both McKnight and the Funders Collaborative requested that a consultant be selected prior to funds being awarded. Through our work with the County Attorney and purchasing office, we will be testing a planned procurement process that can be handled in a short timeframe. The details are being developed with the County Attorney, the purchasing manager and the Contract and Analysis Services office to ensure an open, competitive and transparent process. This is being coordinated with planned process improvements in the procurement program within the direction and authority provided by the County Board.

Potential consultants will be identified through recommendations by experts, review of the CERT listings and posting on the online announcements of contracting opportunities. Selection will be



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based on written responses and selected interviews by a panel made up of county staff and *Jobs Central* project team members. A final agreement will be held between the County and the individual selected.

It is our hope that an individual will be in place to begin work in early November and continue through April 2013, unless grant funds fall short of the anticipated amount.

cam

cc: Janet Guthrie, Senior Policy Analyst

1. What is the name of your project? **Jobs Central**
2. Who are the members of the project team? Please indicate the project manager in bold.

| Name                    | Organization                           | Email                                                                                            | Phone               |
|-------------------------|----------------------------------------|--------------------------------------------------------------------------------------------------|---------------------|
| Mary Kay Bailey         | Saint Paul Foundation                  | <a href="mailto:mkb@saintpaulfoundation.org">mkb@saintpaulfoundation.org</a>                     | 651-325-4234        |
| Denise Beigbeder        | Ramsey County Housing Redevt. Auth.    | <a href="mailto:denise.beigbeder@co.ramsey.mn.us">denise.beigbeder@co.ramsey.mn.us</a>           | 651-266-8005        |
| Patricia Brady          | Workforce Solutions                    | <a href="mailto:patricia.brady@co.ramsey.mn.us">patricia.brady@co.ramsey.mn.us</a>               | 651-779-5651        |
| Mark Brinda             | City of Minneapolis                    | <a href="mailto:mark.brinda@ci.minneapolis.mn.us">mark.brinda@ci.minneapolis.mn.us</a>           | 612-673-6231        |
| Maura Brown             | Alliance for Metropolitan Stability    | <a href="mailto:maura@metrostability.org">maura@metrostability.org</a>                           | 612-332-4471        |
| <b>Janet Guthrie</b>    | <b>Ramsey County</b>                   | <b><a href="mailto:janet.guthrie@co.ramsey.mn.us">janet.guthrie@co.ramsey.mn.us</a></b>          | <b>651-266-8021</b> |
| Wendy Helgeson*         | Civic Source, Inc.                     | <a href="mailto:wendy@civic-source.com">wendy@civic-source.com</a>                               | 612-501-0377        |
| Mary Karcz              | Ramsey County                          | <a href="mailto:mary.karcz@co.ramsey.mn.us">mary.karcz@co.ramsey.mn.us</a>                       | 651-266-8015        |
| Jonathan Sage Martinson | Central Corridor Funders Collaborative | <a href="mailto:jonathan@funderscollaborative.org">jonathan@funderscollaborative.org</a>         | 651-280-2384        |
| Lisa Middag             | Hennepin County                        | <a href="mailto:lisa.middag@co.hennepin.mn.us">lisa.middag@co.hennepin.mn.us</a>                 | 612-348-0134        |
| Ellen Muller            | City of St Paul                        | <a href="mailto:ellen.muller@ci.stpaul.mn.us">ellen.muller@ci.stpaul.mn.us</a>                   | 651-266-6605        |
| Eric Muschler           | McKnight Foundation                    | <a href="mailto:emuschler@mcknight.org">emuschler@mcknight.org</a>                               | 612-333-4220        |
| Bruce Nauth             | Hennepin County                        | <a href="mailto:bruce.nauth@co.hennepin.mn.us">bruce.nauth@co.hennepin.mn.us</a>                 | 612-490-9175        |
| Nora Riemenschneider    | Metropolitan Council                   | <a href="mailto:nora.riemenschneider@metc.state.mn.us">nora.riemenschneider@metc.state.mn.us</a> | 651-602-1361        |
| Mary Schmidt            | MN Dept. Employment & Ec. Dev          | <a href="mailto:mary.schmidt@state.mn.us">mary.schmidt@state.mn.us</a>                           | 651-642-0720        |
| Carrie Jo Short         | Saint Paul Foundation                  | <a href="mailto:cjs@saintpaulfoundation.org">cjs@saintpaulfoundation.org</a>                     | 651-325-4261        |
| Avinash Viswanathan     | Alliance for Metropolitan Stability    | <a href="mailto:avi@metrostability.org">avi@metrostability.org</a>                               | 612-332-4471        |
| Ellen Watters*          | Civic Source, Inc.                     | <a href="mailto:ellen@civic-source.com">ellen@civic-source.com</a>                               | 651-208-1480        |
| Jim Zentner             | Workforce Solutions                    | <a href="mailto:james.zentner@co.ramsey.mn.us">james.zentner@co.ramsey.mn.us</a>                 | 651-770-4483        |
|                         |                                        |                                                                                                  |                     |

\* Consultant to Project, funded through McKnight Foundation and Central Corridor Funders Collaborative

3. Who else should be included on any project communications regarding your project?  
No one.
4. Who is the primary contact for issues related to the legal sub-award document with the Metropolitan Council and Ramsey County?  
Mary Karcz, Ramsey County - [mary.karcz@co.ramsey.mn.us](mailto:mary.karcz@co.ramsey.mn.us) - (651) 266-8015

5. Please summarize your project in narrative form (in one or two paragraphs). What are you trying to achieve and how? If the work being conducted under your Sustainable Communities sub-grant is part of a larger effort with other funding sources, describe how they relate.

The **Jobs Central Project** on Central Corridor is a pilot demonstrating the efficacy of on-the-ground outreach to businesses and residents within the Central Corridor in St. Paul and Minneapolis, which integrates economic and workforce development strategies to strengthen the prosperity of the entire corridor. In the past, economic development and workforce development planning and implementation have, to a large degree, occurred in isolation of one another with only periodic, targeted connections made between them. This pilot's strategy aligns employment needs of existing and emerging businesses along the corridor, with skills assessment, training, and employment services provided to corridor residents.

Using collected and analyzed quantitative and qualitative economic and workforce data on the industry clusters, institutions, and small businesses along the corridor, this pilot's goal is to support local industry job growth—and access to current and emerging jobs—by enhancing job skills of corridor residents who are immigrant, low-income and/or persons of color, and aligning these with job skill requirements of employers along the corridor.

6. What are the objectives of your project?

- A. Work with unemployed and underemployed corridor residents in four neighborhoods to understand their employment needs, skills and career aspirations.
- B. Work with existing community and workforce resources to provide supports, connections, training, and/or credentials that meet identified business and job seeker needs
- C. Work with corridor-based businesses in three growing industry sectors to understand their hiring needs, trends, and skill requirement for entry-level occupations with career-laddering potential.
- D. Use business and job seeker needs/information to improve workforce and economic development systems; and inform policy makers and others by creating meaningful feedback loops.

7. Outline the work that you will undertake to achieve the objectives of your project.

| Major Activities | Description                                                                                                                                                                     | Start Date | End Date | Who           | Milestone or Deliverable                                | Objectives |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|----------|---------------|---------------------------------------------------------|------------|
| 1                | Determine how the culturally and economically diverse community will be invited to engage in shaping the Project strategies, activities and outcomes                            | 6/11       | 12/12    | Project Team  |                                                         | 1, 2, 3    |
| 1a               | Develop list of organizations to meet with to learn about needs, barriers, resource gaps, interest in project, neighborhood gathering places and potential community navigators | 2/12       | 5/12     | CE Work Group | List of community contacts with whom to meet            |            |
| 1b               | Meet with leaders of community organizations conducted                                                                                                                          | 4/12       | 7/12     | Project Staff | Summary report on learning from community organizations |            |
| 1c               | Review draft report on community engagement meetings and                                                                                                                        | 7/12       | 7/12     | Project       | Consensus to proceed                                    |            |

| Major Activities | Description                                                                                                                                                                                                                                                                          | Start Date   | End Date    | Who                              | Milestone or Deliverable                                                                                                                                                                                       | Objectives        |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
|                  | adjust project design based on input                                                                                                                                                                                                                                                 |              |             | Team                             |                                                                                                                                                                                                                |                   |
| 1d               | Draft report and proposed project shared with community organizations to ensure input is reflected in project design                                                                                                                                                                 | 7/12         | 8/12        | Project Staff                    | Consensus on community engagement report and project design based on community input                                                                                                                           |                   |
| 1 e              | Continue ongoing communication and updates with community leaders and organizations about project progress and adjustments needed                                                                                                                                                    | 7/12         | 10/13       | Project Staff/ Team              |                                                                                                                                                                                                                |                   |
| <b>2</b>         | <b>Identify and analyze existing businesses; their current and emerging business needs that serve as economic drivers, and the subsequent job skills requirements and projected job vacancies</b>                                                                                    | <b>6/11</b>  | <b>6/12</b> | <b>Project Lead/ Consultants</b> | <b>Summary report on interviews with 30-50 businesses</b>                                                                                                                                                      | <b>1, 2, 3, 4</b> |
| 2a               | Collect existing baseline data on firms, employers and employment concentrations of Central Corridor                                                                                                                                                                                 | 9/11         | 1/12        |                                  | Analysis of existing job generators presented to Project Team                                                                                                                                                  |                   |
| 2b               | Provide Project Team with a primer on the scope and current status of economic development sector (priorities, strategies, partners, resources) and discuss gaps and opportunities; review current work underway in corridor and region                                              | 9/11         | 1/12        |                                  | Presentations on economic development strategies by cities, Greater MSP, etc.                                                                                                                                  |                   |
| 2c               | Utilize analysis of employment concentrations and desired characteristics of industries to identify 3- 4 targeted industries                                                                                                                                                         | 1/12         | 1/12        | Project Team                     | Consensus on targeted industries for project                                                                                                                                                                   |                   |
| 2d               | Outreach to 30-50 local businesses in targeted industries to discuss current and emerging business development needs and opportunities; projected jobs and skill requirements needed by current and future workers                                                                   | 3/12         | 6/12        |                                  | Summary report on business needs / projections, and how to coordinate with other initiatives                                                                                                                   |                   |
| 2e               | Introduce WorkKeys skill inventory and skills credentialing to Corridor employers as a resource in improving hiring decisions and retention; identify perceived value/benefit.                                                                                                       | 3/12         | 9/13        |                                  | Document employer interest in WorkKeys and National Career Readiness Credential (NCRC)                                                                                                                         |                   |
| 2f               | Project Team reviews report on business needs based on employer outreach                                                                                                                                                                                                             | 5/12         | 7/12        | Project Team                     |                                                                                                                                                                                                                |                   |
| 2g               | Work with employers to build relationships, establish pipeline, educate on Job Connect database, WorkKeys, etc.                                                                                                                                                                      | 6/12         | 9/13        |                                  |                                                                                                                                                                                                                |                   |
| <b>3</b>         | <b>Identify 400 corridor residents in four targeted neighborhoods (Summit-University (150), Frogtown (150), Cedar Riverside (75), and Glendale (25) who are un- or under-employed and link them to existing workforce and training resources, including WorkKeys skill inventory</b> | <b>10/11</b> | <b>6/13</b> | <b>Project Lead</b>              | <b>400 corridor residents have participated in job skills inventory, a portion of whom will have participated in workforce services, Adult Basic Education services, skills training, and/or credentialing</b> | <b>1, 2, 3</b>    |
| 3a               | Prepare detailed plan for outreach to residents based on input of community and workforce providers                                                                                                                                                                                  |              |             |                                  |                                                                                                                                                                                                                |                   |
| 3b               | Contract/partner with organizations to serve as neighborhood sites for Jobs Central gatherings and skills inventories and to provide follow-up assistance and direction to job seekers                                                                                               |              |             |                                  | Tracking degree of certification with job placement; tracking referrals to Adult Basic Education for remedial support, and re-                                                                                 |                   |



| Major Activities | Description                                                                                                                                                                                                              | Start Date  | End Date     | Who                  | Milestone or Deliverable                                                                                          | Objectives        |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|--------------|----------------------|-------------------------------------------------------------------------------------------------------------------|-------------------|
|                  |                                                                                                                                                                                                                          |             |              |                      | testing for WorkKeys certification                                                                                |                   |
| 3c               | Recruit, hire and train local residents as Community Navigators to carry out outreach into community                                                                                                                     |             |              |                      |                                                                                                                   |                   |
| 3d               | Prepare materials with Community Navigators to share with residents, including a user-friendly inventory of resources                                                                                                    |             |              |                      | User-friendly training and work-related resources inventory available to community                                |                   |
| 3e               | Begin neighborhood recruitment, connecting low-income, immigrant and /or persons of color to workforce resources, WorkKeys skills inventory locations, job training service providers, and ongoing support               |             |              |                      |                                                                                                                   |                   |
| 3f               | Utilize Job Connect as tool to link job seekers and employers                                                                                                                                                            |             |              |                      |                                                                                                                   |                   |
| <b>4</b>         | <b>Identify and catalogue existing workforce, training, and educational services/resources along the Corridor</b>                                                                                                        | <b>6/11</b> | <b>12/12</b> | <b>Project Lead</b>  | <b>Database of services/resource available for dissemination, along with methods for keeping database current</b> | <b>1, 2, 3</b>    |
| 4a               | Collect information on employment, training and education services along the Central Corridor and create a comprehensive resources list                                                                                  | 6/11        | 10/11        | Project Lead         | Inventory of training and work-related resources within Central Corridor                                          |                   |
| 4b               | Provide Project Team with a primer on scope and status of workforce development sector (priorities, strategies, partners, resources); discuss gaps and opportunities; discuss learnings from prior workforce initiatives | 8/11        | 12/11        | Project Lead         | Presentations on previous employment partnerships, review of economic development strategies                      |                   |
| 4c               | Gather representative information on skills and assets of residents living in the four targeted neighborhoods                                                                                                            | 12/11       | 1/12         | Project Lead         | Presentations on resident skills and education                                                                    |                   |
| 4d               | Convene existing workforce providers to discuss project concept, experience with job-seeking residents in four neighborhoods and cultural communities, and ways to partner                                               | 5/12        | 7/12         | Project Lead         | Meetings with St. Paul and Minneapolis workforce service providers completed                                      |                   |
| 4e               | Draft agreements as necessary with workforce providers who are providing space, staff, referrals for the project                                                                                                         | 7/12        | 9/12         | Project Lead         |                                                                                                                   |                   |
| <b>5</b>         | <b>Align job training, education and employment support services to skill requirements of jobs and needs of existing Corridor businesses</b>                                                                             | <b>1/12</b> | <b>1/13</b>  | <b>Project Leads</b> |                                                                                                                   | <b>1, 2, 3, 4</b> |
| 5a               | Analyze how existing workforce and economic development programs /services support corridor businesses and industries                                                                                                    | 1/11        | 1/13         | Project Leads        |                                                                                                                   |                   |
| 5b               | Align workforce and economic development resources to fill gaps and better support the existing Corridor businesses                                                                                                      | 1/13        | 9/13         | Project Staff        |                                                                                                                   |                   |
| <b>6</b>         | <b>Develop toolkit and recommendations on aligning workforce and economic development resources to the greater benefit of Corridor resident job seekers and corridor businesses, for use by other transit corridors</b>  | <b>1/12</b> | <b>1/13</b>  | <b>Project Staff</b> | <b>Toolkit and recommendations are developed and ready for dissemination</b>                                      | <b>3</b>          |
| 6a               | Conduct evaluation processes to collect feedback from job-seeking residents and businesses in Corridor on Jobs Central strategies (e.g. what worked, didn't work, perceived to have                                      | 11/12       | 9/13         | Project Staff        |                                                                                                                   |                   |



| Major Activities | Description                                                                                                                                                                         | Start Date | End Date | Who           | Milestone or Deliverable | Objectives |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|----------|---------------|--------------------------|------------|
|                  | value, not of value, how Jobs Central benefitted community)                                                                                                                         |            |          |               |                          |            |
| 6b               | Engage Project Team in discussions about insights, lessons learned, challenges, successes, improvements and recommendations to share with policy makers and other transit corridors | 8/12       | 11/13    | Project Staff |                          |            |
| 6c               | Document methodologies, activities, outcomes and lessons learned with recommendations for other transitway corridors                                                                | 12/11      | 11/13    | Project Staff |                          |            |

8. Describe how you plan to spend the sub-award.

| Activity / Product                                                                                                                                                                                             | Final Recipient                       | Amount           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|------------------|
| Project Management:<br>Provided in-kind                                                                                                                                                                        | Janet Guthrie, Ramsey County          | \$ 0             |
| Workforce Lead<br>Workforce Coordination<br>Proctor Training / oversight<br>Customized addition to Job Connect database for Jobs Central<br>National Career Readiness Credential / WorkKeys skills inventories | Workforce Solutions                   | 88,900           |
| Community Outreach:<br>Community Navigators – stipends<br>Materials<br>Meeting/outreach supplies/refreshments for community groups<br>Overhead and administration<br>Mentoring, coordination and supervision   | TBD – Community Organization          | 102,450          |
| Business outreach:<br>Coordination and conducting business interviews                                                                                                                                          | Civic Source, Inc.                    | 6,500            |
| Toolkit:<br>Report development, time and materials                                                                                                                                                             | TBD                                   | 10,000           |
| Residents/Job Seekers resources:<br>workforce provider agreements for coordination, instruction, group and individual feedback / facilitation services                                                         | TBD – workforce providers, incentives | 39,150           |
| <b>Total</b>                                                                                                                                                                                                   |                                       | <b>\$247,000</b> |

9. How do you estimate your sub-award will be spent in each calendar year? (original estimates)

2011- \$75,000; 2012 - \$125,000; 2013 - \$52,000 for total of \$247,000

**10. Identify how your project advances the overall goals of the Corridors of Opportunity initiative, as established by the Policy Board.**

| <b>Corridors of Opportunity Goals</b>                                                                                                                                                               | <b>Major Activity #</b> | <b>Description – Explain how these project activities influence or advance the goal</b>                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CoO Goal 1: Develop a new model for transitway development by aligning transit planning and engineering with land use planning, affordable housing, workforce development and economic development. | 1,2,3,4,5,              | The project activities tie workforce development and economic development into planning for increased prosperity for the communities along Central Corridor                                                                                                                                                                              |
| CoO Goal 2: Engage historically-underrepresented communities in transitway planning and decision-making.                                                                                            | 1, 2, 3,4, 6            | Engaging historically under-represented communities in: 1) planning, developing and implementing the pilot project; 2) documenting the value and benefit of project strategies to the community, and the learning from the pilot; and 3) developing recommendations on system barriers and gaps, suggested improvements and investments. |
| CoO Goal 3: Use transitway development to expand access to jobs and affordable housing, particularly for low-income populations and people of color.                                                | 1,2,3,4,5,6             | The project was defined by the transitway corridor, so all project activities support enhancing access to jobs and supporting job growth                                                                                                                                                                                                 |
| CoO Goal 4: Enhance the region's ability to compete in the global economy.                                                                                                                          | 2                       | Analyzing high growth, high wage industries in the Corridor for occupations in demand, skills gaps, and aligning job skills training opportunities with education and workforce pipeline to serve both businesses and job seekers                                                                                                        |
| CoO Goal 5: Secure and align public, philanthropic, and private resources to attract robust private investment to the vision.                                                                       | 1,2,3,4,5,6             | The project is leveraging public and philanthropic resources and is pursuing strategies to support current business and future growth.                                                                                                                                                                                                   |
| CoO Goal 6: Accelerate expansion of the transit system.                                                                                                                                             |                         | No direct support; potential for toolkit and recommendations to inform future transitways development and interest by broader community.                                                                                                                                                                                                 |

**11. Which HUD Mandatory Outcomes does your project advance? Please check all that apply.**

- |                                                                                                                                                                                             |                                                                                                                                                                                    |                                                                                                                                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Creation of regional transportation, housing, water, and air quality plans tied to local comprehensive land use and capital investment plans.                      | <input type="checkbox"/> Decrease in per capita VMT and transportation-related emissions for the region.                                                                           | <input type="checkbox"/> Increased proportion of homes and rental units affordable to a full range of household incomes close to high-quality transit service. |
| <input checked="" type="checkbox"/> Aligned federal planning and investment resources that mirror the local and regional strategies for achieving sustainable communities.                  | <input type="checkbox"/> Decrease in overall combined housing and transportation costs per household.                                                                              | <input checked="" type="checkbox"/> Decreased number of neighborhoods with high concentrations of poverty and minority segregation.                            |
| <input checked="" type="checkbox"/> Increased participation and decision-making in developing and implementing a long range vision for the region by populations traditionally marginalized | <input type="checkbox"/> Increase in the share of residential and commercial construction on underutilized infill development sites that encourage revitalization while minimizing | <input type="checkbox"/> Increased use of compact development as a tool for regional planning to accommodate population growth.                                |

in public planning processes.

displacement in neighborhoods with significant disadvantaged populations.

- ☒ Reduced social and economic disparities for the low-income populations, communities of color, and other disadvantaged populations within the target region.

- ☐ Increased proportion of low-and very-low income households within a 30-minute transit commute of major employment centers.

**12. What 1-3 measures do you suggest that the evaluation team uses to track your project's progress toward the HUD outcomes and/or the Corridors of Opportunity goals?**

Still under discussion; possible outputs and outcomes included in conversation are listed below, as well as potential methodologies for evaluation and measurement:

| Outputs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Outcomes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Methods                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• # employers identify current and future job openings, business expansions, and career pathways</li> <li>• # residents contacted by Community Navigators</li> <li>• # residents who complete WorkKeys skills inventory and/or receive a National Career Readiness Certificate (NCRC)</li> <li>• # residents who participate in other workforce-related efforts</li> <li>• # residents who attend networking/support sessions in community</li> <li>• Analysis of existing workforce resources that support corridor employers</li> <li>• Data analysis methodology for determining targeted industries and neighborhoods is available to others</li> <li>• Evaluation of efficacy of outreach methodology / strategies is available to others</li> <li>• Template and tool kit are completed and available for other corridors for replication</li> <li>• Increased # of employers access workforce system / provider services</li> <li>• Increased knowledge of corridor residents'</li> </ul> | <ul style="list-style-type: none"> <li>• Collaborative team develops sustainable practices</li> <li>• Future funding and policy decisions reflect the learning from Jobs Central</li> <li>• Workforce resources are better aligned to improve benefit to corridor employers</li> <li>• Workforce resources available to the "universal" job seeker, those not eligible for public workforce programs, are enhanced and more readily accessible</li> <li>• greater shared understanding, dialogue, and planning between staff and policy makers in the economic development, land use and workforce development disciplines</li> <li>• stronger / increased connections and relationship-building between local government and community leaders and community organizations</li> <li>• project decisions are influenced by community stakeholder engagement and participation</li> <li>• community members engaged in process report feeling heard and that input had impact</li> <li>• Project Team members report increased knowledge about the</li> <li>• Job seeking residents report increased self-awareness of skills, increase in skills/ knowledge, and increased knowledge of effective job-search</li> </ul> | <ul style="list-style-type: none"> <li>• 360 assessment of project, incorporating feedback and learning from employers, job seekers/residents, workforce providers, community leaders, community navigators, and Project Team partners/members</li> <li>• Job Connect website/database</li> <li>• Pre/post self-assessment / evaluation survey for job seekers</li> </ul> |

|                                                                                                                                                                                                  |                                                                                                                       |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--|
| skills and readiness to work<br>• Learnings from community engagement in shaping project are gathered in a summary report<br>• Learnings from employer engagement are gathered in summary report | strategies<br>• Increased knowledge of what workforce resources exist and how to access them is reported by community |  |
|                                                                                                                                                                                                  |                                                                                                                       |  |
|                                                                                                                                                                                                  |                                                                                                                       |  |

13. What are other suggestions you have for how to evaluate the success of your project?

## Attachment 3

### **AMENDMENT TO AGREEMENT BETWEEN RAMSEY COUNTY RAILROAD AUTHORITY AND CIVIC SOURCE, INC.**

WHEREAS, Ramsey County Regional Railroad Authority ("RCRRA") and Civic Source, Inc. , 923 Bayless Avenue, Saint Paul, MN 55114 ("Contractor") entered into an Agreement dated February 1, 2012, for Jobs Central Consulting Services ("Agreement") to assist the Jobs Central Project Manager, utilizing \$90,000 RCRRA received from the McKnight Foundation and the Central Corridor Funders Collaborative for this purpose; and

WHEREAS, RCRRA received \$247,000 from the US Department of Housing and Urban development ("HUD") to manage the Jobs Central Project through January 31, 2014; and

WHEREAS, the Jobs Central Project's approved Work Plan and Budget, includes \$16,500 for employer outreach and for the development of a final Project report; and

WHEREAS, RCRRA wishes to purchase additional services from the Contractor to perform these activities in the approved Jobs Central Work Plan and Budget; and

WHEREAS, The Contractor has the capacity and the availability to perform these activities in the approved Work Plan and Budget; and

WHEREAS, The parties wish to amend the Agreement to include additional services, extend the time for completing services, and increase the payment to the Contractor;

Therefore, the parties agree to amend the Agreement as follows:

**1. Scope of Services:**

The Scope of Services is amended to add:

- a. Coordinating employer outreach and follow-up contacts.
- b. Assisting with the development of a final Project report that includes evaluation findings, lessons learned from implementation and policy recommendations on systems and policy changes that can increase benefit to low-incomes residents and to employers in Central Corridor.

**2. Time:**

The time to complete the Services shall be January 31, 2014.

**3. Cost/Payment:**

The RCRRA will pay the Contractor at an hourly rate of \$125.00 for consultative services and at an hourly rate of \$65.00 for administrative services, for up to a maximum not-to-exceed sum of \$106,500.



**4. Contractor Certification Regarding Debarment, Suspension, and Responsibility**

The following is added to the Agreement:

Federal Regulation 45 CFR 92.35 prohibits the County from purchasing goods or services with federal money from vendors who have been suspended or debarred by the federal government.

By signing this Agreement, the Contractor certifies that it and its principals:

- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from transacting business by or with any federal, state or local governmental department or agency; and
- b. Have not within a three-year period preceding this Agreement:
  - i. been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract;
  - ii. violated any federal or state antitrust statutes; or
  - iii. committed embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; and
- c. Are not presently indicted or otherwise criminally or civilly charged by a governmental entity for:
  - i. commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction;
  - ii. violating any federal or state antitrust statutes; or
  - iii. committing embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; and
- d. Have not had one or more public transactions terminated with in the preceding three years for cause or default; and
- e. Shall not knowingly enter into any transaction with a subcontractor who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, and that they will require any subcontractor that receives more than \$100,000 to make a similar certification as set forth herein; and
- f. Are not aware of any information and possess no knowledge that any subcontractor(s) that will perform work pursuant to this Agreement are in violation of any of the certifications set forth above; and

- g. Shall immediately give written notice to the County should Contractor come under investigation for allegations of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local government) transaction; violating any federal or state antitrust statutes; or committing embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.

**5. Amendment.** Except as modified by this Amendment, the terms and conditions of the Agreement remain unchanged and are in full force and effect. Wherefore, the parties have executed this Amendment on the last date written below.

**RAMSEY COUNTY  
REGIONAL RAILROAD AUTHORITY**

**CIVIC SOURCE, INC.**

\_\_\_\_\_  
Jim McDonough, Chair

By: \_\_\_\_\_  
Print Name: Ellen Watters

Title: Principal

Date: \_\_\_\_\_

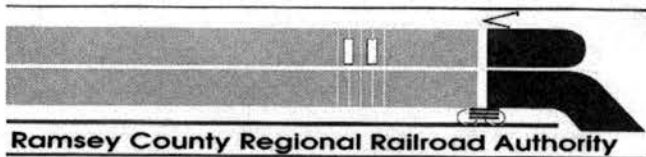
Date: \_\_\_\_\_

\_\_\_\_\_  
Timothy A. Mayasich, Director

Date: \_\_\_\_\_

Approved as to form and insurance:

\_\_\_\_\_  
Assistant County Attorney



3

## REQUEST FOR ACTION

Type of Agenda: ☐ Policy ☐ Discussion  
☒ Administrative ☐ Information

Regional Railroad Authority Meeting Date: 3/12/2013

Regional Railroad Authority Meeting Date:                     

**SUBJECT: Subrecipient Grant Agreement with the Metropolitan Council for the HUD Sustainable Regional Planning Grant Program-Energy and Resource Efficiency Demonstration Project-Central Corridor**

### EXECUTIVE SUMMARY

The Corridors of Opportunity Program ("CoO") is a regional initiative funded by grants from the Sustainable Communities program of the U.S. Department of Housing and Urban Development ("HUD") and the Living Cities Integration Initiative. CoO uses the HUD grant funds to provide support for individual projects along transit ways in the Twin Cities area. The Metropolitan Council is the fiscal agent for the HUD grant. The Ramsey County Regional Railroad Authority ("RCRRA") currently has grant subrecipient agreements for two projects: Jobs Central\Corridors 2 Careers and Gateway. On September 19, 2012, the CoO Policy Board approved another project ("Attachment 1") where the RCRRA would be the lead agency, the Energy Resource Efficiency Demonstration Project--Central Corridors ("Project").

The Project is aimed at improving energy and resource efficiency for small restaurant and food related business on the Central Corridor. Restaurants are heavy energy and resources users. The costs are significant and hard to manage without good information and advice.

(The Executive Summary is continued on next page)

### ACTION REQUESTED

- 1) Authorize acceptance of a grant from the Metropolitan Council for the HUD Sustainable Communities Planning Grant -- Energy Demonstration Project - Central Corridor for the period of October 10, 2012 through January 31, 2014, in the amount of \$137,700.
- 2) Authorize the Chair to execute the subrecipient grant agreement.
- 3) Authorize the County Manager to approve and execute any agreements, amendments, and change orders, related to the expenditure of these grant funds in accordance with County competitive solicitation policies and procedures in a form approved by the County Attorney's Office and within the limits of the grant funding.
- 4) Authorize the County Manager to make all necessary budget adjustments including increasing estimated revenues and appropriations.

**SUBJECT: Subrecipient Grant Agreement with the Metropolitan Council for the HUD Sustainable Regional Planning Grant Program-Energy and Resource Efficiency Demonstration Project-Central Corridor**

(Executive Summary continued from first page)

The Project combines technical expertise from the energy services providers and business professionals with information from business and property owners in an approach that is expected to result in better strategies for energy and resource efficiency outreach, training and implementation.

Previous attempts to improve energy and resource efficiency have had limited impact. However, through their experiences the entities involved ( business owners, energy and resource professionals, business advisors and property owners) have each acquired relevant information and observations on the use of energy and resources. The Project will bring these different entities together to integrate their separate experiences, information and observations to develop better strategies.

The Project is coming forward at this time because it became apparent in 2012 that a resource and energy related project planned for the Saint Paul area would not proceed. CoO, Saint Paul and Ramsey County representatives agreed that the HUD funds being reallocated should continue to be used to address energy and resource issues on Central Corridor in Saint Paul provided projects could be identified that are consistent with CoO goals and priorities and the grant timelines.

Energy and resource program experts from Saint Paul and Ramsey County identified the need to improve energy and resource use awareness and practices among culturally diverse small businesses, especially ethnic and immigrant owned restaurants and food related businesses along the Central Corridor, as a priority concern consistent with CoO goals and priorities.

The Neighborhood Development Center ("NDC") was identified as the lead partner for implementation in the Project proposal approved by the CoO Policy Board. The NDC has extensive, successful experience in providing outreach, training and technical support to diverse small businesses and has the capacity to complete this Project. NDC is located on the Central Corridor and has been very active with local business during light-rail construction. The RCRRA will contract with the NDC in an amount not to exceed \$137,700 for required services. The services must be completed by December 31, 2013..

To proceed with the Project, a subrecipient grant agreement between the RCRRA and the Metropolitan Council is required ("Attachment 2").

**SUBJECT: Subrecipient Grant Agreement with the Metropolitan Council for the HUD Sustainable Regional Planning Grant Program-Energy and Resource Efficiency Demonstration Project-Central Corridor**

**ATTACHMENTS:**

1. Proposal for Energy and Resource Efficiency Demonstration Project approved at September 19, 2012 Corridors of Opportunity Policy Board meeting.
2. HUD Sustainable Communities Regional Planning Grant Program Energy and Resource Efficiency Demonstration Project Subrecipient Grant Agreement.

**PREVIOUS ACTION:**

August 17, 2010, Resolution R10-42: Supported regional planning efforts and the submission of the regional grant proposal to the HUD Sustainable Communities Regional Planning Grant Program

June 7, 2011, Resolution R11-19: Approved regional consortium agreement and grant subrecipient agreements with the Metropolitan Council for the Jobs Central and Gateway projects.

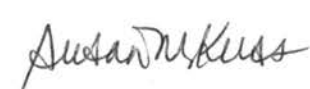
**COUNTY MANAGER'S COMMENTS:**

This Project aligns with and supports the County goal of cultivating economic prosperity and combating concentrated areas of poverty. Much of the area included in the Project is in census tracts with concentrated poverty and the area needs stronger business. In addition, energy and resource efficiency is important to the long term health and sustainability of the County.



**SUBJECT: Subrecipient Grant Agreement with the Metropolitan Council for the HUD Sustainable Regional Planning Grant Program-Energy and Resource Efficiency Demonstration Project-Central Corridor**

| Regional Railroad Authority – Authorized Signature                               | Date   |
|----------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| Finance – Authorized Signature                                                    | Date   |
|-----------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| County Attorney – Authorized Signature                                            | Date   |
|-----------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| Property Management – Authorized Signature | Date |
|--------------------------------------------|------|
|                                            |      |

| Information Services – Authorized Signature | Date |
|---------------------------------------------|------|
|                                             |      |

| Other – Authorized Signature | Date |
|------------------------------|------|
|                              |      |

**SUBJECT: Subrecipient Grant Agreement with the Metropolitan Council for the HUD Sustainable Regional Planning Grant Program-Energy and Resource Efficiency Demonstration Project-Central Corridor**

| Regional Railroad Authority – Authorized Signature                               | Date   |
|----------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| Finance – Authorized Signature                                                    | Date   |
|-----------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| County Attorney – Authorized Signature                                             | Date   |
|------------------------------------------------------------------------------------|--------|
|  | 3/6/13 |

| Property Management – Authorized Signature | Date |
|--------------------------------------------|------|
|                                            |      |

| Information Services – Authorized Signature | Date |
|---------------------------------------------|------|
|                                             |      |

| Other – Authorized Signature | Date |
|------------------------------|------|
|                              |      |

**Subject: Subrecipient Grant Agreement with the Metropolitan Council for the HUD Sustainable Regional Planning Grant Program-Energy and Resource Efficiency Demonstration Project-Central Corridor**

Draft Resolution

1 WHEREAS, The Corridors of Opportunity Program ("CoO") is a regional initiative funded by  
2 grants from the Sustainable Communities program of the U.S. Department of Housing and Urban  
3 Development ("HUD") and the Living Cities Integration Initiative; and  
4

5 WHEREAS, CoO uses the HUD grant funds to provide support for individual projects along  
6 transit ways in the Twin Cities area and the Metropolitan Council is the fiscal agent for the grant;  
7 and  
8

9 WHEREAS, The Ramsey County Regional Railroad Authority ("RCRRA") currently has  
10 grant subrecipient agreements for two projects: Jobs Central\Corridors 2 Careers and Gateway;  
11 and  
12

13 WHEREAS, On September 19, 2012, the CoO Policy Board approved another project  
14 ("Attachment 1") where the RCRRA would be the lead agency, the Energy Resource Efficiency  
15 Demonstration Project--Central Corridors ("Project"); and  
16

17 WHEREAS, The Project is aimed at improving energy and resource efficiency for small  
18 restaurant and food related business on the Central Corridor; restaurants are heavy energy and  
19 resources users; and the costs are significant and hard to manage without good information and  
20 advice; and  
21

22 WHEREAS, The Project combines technical expertise from the energy services providers  
23 and business professionals with information from business and property owners in an approach  
24 that is expected to result in better strategies for energy and resource efficiency outreach, training  
25 and implementation; and  
26

27 WHEREAS, Previous attempts to improve energy and resource efficiency have had limited  
28 impact; however, through their experiences the entities involved (business owners, energy and  
29 resource professionals, business advisors and property owners) have each acquired relevant  
30 information and observations on the use of energy and resources; and the Project will bring these  
31 different entities together to integrate their separate experiences, information and observations to  
32 develop better strategies; and  
33

34 WHEREAS, The Project is coming forward at this time because it became apparent in 2012  
35 that a resource and energy related project planned for the Saint Paul area would not proceed and  
36 CoO, Saint Paul and Ramsey County representatives agreed that the HUD funds being reallocated  
37 should continue to be used to address energy and resource issues on Central Corridor in Saint  
38 Paul provided projects could be identified that are consistent with CoO goals and priorities and the  
39 grant timelines; and  
40

41 WHEREAS, Energy and resource program experts from Saint Paul and Ramsey County  
42 identified the need to improve energy and resource use awareness and practices among culturally  
43 diverse small businesses especially ethnic and immigrant owned restaurants and food related  
44 businesses along the Central Corridor as a priority concern consistent with CoO goals and  
45 priorities; and

46  
47 WHEREAS, The Neighborhood Development Center ("NDC") was identified as the lead  
48 partner for implementation in the Project proposal approved by the CoO Policy Board; the NDC  
49 has extensive, successful experience in providing outreach, training and technical support to  
50 diverse small businesses and has the capacity to complete this Project; NDC is located on the  
51 Central Corridor and has been very active with local business during light-rail construction; the  
52 RCRRA will contract with the NDC in an amount not to exceed \$137,700 for the required services;  
53 and needed to implement the grant related activities; and the services must be completed by  
54 December 31, 2013.  
55

56 WHEREAS, To proceed with the Project, a subrecipient grant agreement between the  
57 RCRRA and the Metropolitan Council is required; Now, Therefore, Be It  
58

59 RESOLVED, The Ramsey County Regional Railroad Authority authorizes acceptance of a  
60 grant from the Metropolitan Council for the HUD Sustainable Communities Planning Grant Energy  
61 Demonstration Project - Central Corridor for the period of October 10, 2012 through January 31,  
62 2014, in the amount of \$137,700, and Be It Further  
63

64 RESOLVED, The Ramsey County Regional Railroad Authority authorizes the Chair to  
65 execute the subrecipient grant agreement, and Be It Further  
66

67 RESOLVED, The Ramsey County Regional Railroad Authority authorizes the County  
68 Manager to approve and execute any agreements, amendments, and change orders, related to the  
69 expenditure of these grant funds in accordance with County competitive solicitation policies and  
70 procedures in a form approved by the County Attorney's Office and within the limits of the grant  
71 funding. , and Be It Further

73 RESOLVED, The Ramsey County Regional Railroad Authority authorizes the County  
74 Manager to make all necessary budget adjustments including increasing estimated revenues and  
75 appropriations.

Memorandum

Date: September 5, 2012

TO: Sue Haigh, Co-chair, Corridors of Opportunity Policy Board  
Lee Sheehy, Co-chair, Corridors of Opportunity Policy Board

FROM: Jim McDonough, Chair, Ramsey County Regional Rail Authority  
Paul Williams, Deputy Mayor, City of Saint Paul

RE: Proposal

Introduction

When it became clear that construction of the Central Corridor LRT project could not incorporate installation of a district energy system, the related Sustainable Communities-funded planning project became less compelling and was, therefore, withdrawn. In its place, Ramsey County and the City of Saint Paul propose the following:

- Allocation of \$12,300 to the existing Stormwater Management/Green Infrastructure Plan to allow for additional visualization of proposed treatment systems on key sites; and
- Allocation of \$137,700 to a proposed Energy and Resource Efficiency Demonstration Project for Culturally Diverse Small Businesses on the Central Corridor (described below).

Project Description: Energy and Resource Efficiency Demonstration Project for Culturally Diverse Small Businesses on the Central Corridor

Energy, water and trash-hauling costs are significant for small businesses, especially restaurants. Therefore, efficiencies in water conservation, lighting retrofits, waste reduction programs, and other low cost- short payback strategies make a difference to small business owners focused on the bottom line. However, very few of them—especially business owners of color—take advantage of the high quality technical assistance programs designed to assist them in making energy and resource efficiency upgrades.

Organizations that have worked on this issue have found that financing is not the main barrier to participation in energy conservation programs. Some of the suspected barriers include lack of time to sort through all of the available options and opportunities, the assumption on the part of business owners that utility costs are not controllable, trusting the information they are getting is accurate so that the investments they make will result in real cost savings, and the desire on the part of small, local business owners to have a trusted, reliable and dependable contact for these types of issues. Meeting someone once or twice, which is typical of current programs, may not meet the cultural and business needs of this small business community. Yet, there is currently no trusted “one stop shop” for energy and related issues.

This project seeks to engage the owners of culturally diverse businesses in a variety of ways to gain an understanding of their perspectives about current program offerings, identify all of the barriers they face related to achieving greater energy-efficiency and then to convene the many professional organizations and energy and resource efficiency service providers to share the feedback and comments of the small businesses. The goal will be to share perspectives and analyze how they can work more effectively with small, culturally diverse businesses.



Project staff will then take the information gleaned from this process and develop the tools, programs and processes necessary to overcome these barriers along the Central Corridor and other Corridors of Opportunity. This will be an iterative process, and as such, will require tools and processes to be tested to ensure they are effective. This process will repeat itself until the right mix of program elements and tools are agreed upon and a pilot phase can occur. The new model will then be piloted with a small number of businesses to gauge success and/or make changes as needed.

#### HUD Livability Principles

This proposed project supports the Corridors of Opportunity outcomes, strategies, and principles and HUD's Livability Principles in the following ways:

- **Sustainability:** This project will identify and address barriers that keep small restaurant businesses, typically larger consumers of energy and water resources, from reducing their consumption of these resources. The result will increase conservation of natural resources.
- **Equity:** This project will support small, culturally diverse restaurants, which are foundational to the community fabric along Central Corridor.
- **Economic Competitiveness:** Energy and water consumption represent a largely controllable cost to restaurants. Assisting businesses in being aware of and reducing controllable costs supports their economic stability and viability.
- **Support Existing Communities / Community Engagement:** A key component of this project is to engage the local culturally diverse businesses in meaningful ways in order to realign programs and services to be more responsive to the needs of business owners.
- **Secure and Align Resources:** This project will address challenges that environmental and technical groups have long experienced in engaging small businesses with existing resources.
- **Collaboration:** The project will work with existing government and nonprofit environmental, technical assistance groups, and trades in forging greater collaboration and coordination.
- **Innovation:** This project suggests a new approach to working with existing resources to meet the needs of the small business owners in controlling energy and water consumption.

#### Deliverables

There will be four key deliverables:

- Identification of barriers within culturally diverse small businesses to participation in energy-efficiency improvement programs
- New tools and strategies for overcoming these barriers
- Communication of findings to the various stakeholders and service providers who have programs that serve this sector
- A planning document that outlines the recommended approach for these programs and a process for bridging gaps that currently exist

#### Potential Partners in this Project

Ramsey County will lead this project with assistance from the City of St. Paul. The lead partner for this project will be the Neighborhood Development Center (NDC). NDC helps emerging entrepreneurs develop successful businesses that serve their communities and helps communities build strong neighborhood economies. NDC has a solid record of activity in providing entrepreneurs business training, financial assistance and the ongoing support crucial to their success. NDC focuses on low-income entrepreneurs and low-income communities. They work to eliminate barriers to the success of individual entrepreneurs through long-term relationships and culturally competent programs.

Budget

| Description                                                                                                                                                                                                                                             | Total     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Contract with Neighborhood Development Center for project coordination;<br>Conduct outreach with translators as needed; meeting facilitation, develop and<br>revise model tools with translations, pilot new model; file project reports and<br>updates | \$90,000  |
| Technical consultant and incentives for businesses participating in focus groups,<br>interviews and meetings (light bulbs, set back thermostats, vending misers, etc.)                                                                                  | \$ 15,000 |
| Meeting expenses, supplies, postage, mileage, misc. office expenses.                                                                                                                                                                                    | \$ 3,000  |
| Pilot project – technical expertise, labor and materials to install low cost, high<br>payback items – vending misers, hood fan controls, freezer and other door gaskets,<br>set back thermostats, etc.                                                  | \$ 20,000 |
| Disseminate reports, recommendations and related information, in-person seminars<br>to share findings with stakeholders                                                                                                                                 | \$ 6,500  |
| Contingency                                                                                                                                                                                                                                             | \$ 3,200  |
| Total                                                                                                                                                                                                                                                   | \$137,700 |

## HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM

|                                                                                         |                                          |                            |
|-----------------------------------------------------------------------------------------|------------------------------------------|----------------------------|
| <b>SUB-RECIPIENT:</b> Ramsey County Regional Railroad Authority                         |                                          | <b>GRANT NO.</b> SG012-104 |
| <b>PROJECT:</b> Energy and Resource Efficiency Demonstration Project – Central Corridor |                                          |                            |
| <b>CONTACT PERSON(S):</b> Mary Karcz                                                    |                                          |                            |
| <b>SUB-RECIPIENT GRANT AMOUNT:</b> \$ 137,700.00                                        |                                          |                            |
| <b>LEVERAGED RESOURCES:</b> \$ 0                                                        |                                          |                            |
| <b>FEDERAL AWARD NO.</b> MNRIP0023-10                                                   | <b>CFDA NO.</b> 14.703                   |                            |
| <b>COUNCIL ACTION:</b> October 10, 2012                                                 | <b>EXPIRATION DATE:</b> January 31, 2014 |                            |

**SUB-RECIPIENT GRANT AGREEMENT**

**THIS SUB-RECIPIENT GRANT AGREEMENT** ("Agreement") is between the Metropolitan Council, a public corporation and political subdivision of the State of Minnesota ("Council") and the entity identified above as "Sub-Recipient."

**WHEREAS**, on behalf of a regional consortium the Council applied for and is the recipient of a \$5,000,000 Sustainable Communities Regional Planning Grant from the U.S. Department of Housing and Urban Development ("HUD") to implement the federal government's Partnership for Sustainable Communities initiative in the seven-county metropolitan area; and

**WHEREAS**, the Sub-Recipient's proposed project is described in a grant application submitted to the Council and the Sub-Recipient is a subgrantee of the Sustainable Communities Regional Planning Grant; and

**WHEREAS**, the \$5,000,000 Sustainable Communities Regional Planning Grant is subject to a Cooperative Agreement between HUD and the Council ("Cooperative Agreement") that contains terms and conditions for HUD's 2010 Notice of Funding Availability for HUD's Sustainability Communities Regional Planning Grant Program; and

**WHEREAS**, the Cooperative Agreement states that each recipient and sub-recipient in a HUD Office of Sustainable Housing and Communities grant program consortium must enter into a memorandum of understanding that binds recipients and sub-recipients to the HUD award and that by doing so the entities legally bind themselves to comply with all the terms and conditions of the grant award; and

**WHEREAS**, at its October 10, 2012 meeting the governing body of the Metropolitan Council approved this Agreement and authorized its Regional Administrator to execute this Agreement on behalf of the Council.

**NOW THEREFORE**, in reliance on the above representations and in consideration of the mutual promises and covenants contained in this Agreement, the Sub-Recipient and the Council agree as follows:

# HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM

## I. DEFINITIONS

**1.01. Definition of Terms.** The terms defined in this section have the meanings given them in this section unless otherwise provided or indicated by the context.

- (a) **Cooperative Agreement.** "Cooperative Agreement" means the cooperative agreement between HUD and the Council through which the Council will receive the \$5,000,000 Sustainable Communities Regional Planning Grant from HUD. The Cooperative Agreement comprises the form HUD-1044, any special conditions, and the Cooperative Agreement Terms and Conditions. A copy of the Cooperative Agreement is attached to this Agreement as Attachment A.
- (b) **Council Action.** "Council Action" means the action or decision of the governing body of the Metropolitan Council, on the meeting date identified at Page 1 of this Agreement, by which this Agreement was approved by the Council.
- (c) **Deliverable.** "Deliverable" means in-kind and leveraged resources and physical materials or products identified in the Sub-Recipient's Work Plan or the outcomes that will result from the performance or implementation of the Sub-Recipient's Work Plan.
- (d) **Work Plan.** "Work Plan" means the Sub-Recipient's plan for addressing a specific service delivery need, and consists of designated work activities including tasks and subtasks; a timeline for completing the work; performance measures; outputs and outcomes identified to achieve the performance measures/goals; budget; and resources designated to complete the work. (Coop. Agreement, p. 5). A copy of the Sub-Recipient's Work Plan and the Sub-Recipient's grant application are attached to this Agreement as Attachment B.

## II. PROGRAM REQUIREMENTS

**2.01 HUD Flow Down Provisions.** The terms and conditions of the Cooperative Agreement between HUD and the Council flow down to all tiers of subgrantees. As a subgrantee, the Sub-Recipient must comply with all applicable requirements of the Cooperative Agreement and reporting provisions as set forth in the terms and conditions of the Cooperative Agreement or as established by HUD and the Office of Management and Budget. Selected provisions of the Cooperative Agreement are stated in summary fashion in this Agreement and referenced parenthetically for emphasis. Example: (Coop. Agreement, p. 5). However, consistent with the flow down requirements of the Cooperative Agreement, all applicable terms and conditions in the Cooperative Agreement apply in their entirety to this Agreement. The Sub-Recipient must obtain a DUNS number (or update its existing DUNS record) and register with the Central Contractor Registration (CCR; [www.ccr.gov](http://www.ccr.gov)) no later than 120 days after the execution of the Cooperative Agreement. (Coop. Agreement, p. 19).

**2.02 Allowable Costs.** HUD will reimburse the Council for the costs of performing the Work Plan on a cost-reimbursement basis which HUD determines are allowable, allocable, and reasonable in accordance with applicable federal cost principals (Coop. Agreement, pp. 5 & 6). If requested by the Sub-Recipient the Council may disburse the Sub-Recipient Grant Amount by some method other than cost-reimbursement. The alternative method for making disbursements will be determined by mutual agreement of the parties' respective project managers. If the Sub-Recipient incurs costs in excess of the Sub-Recipient Grant Amount or its subgrantees incur costs in excess of the amounts of their subgrants, or if the Sub-Recipient or its subgrantees incur costs that are not allowable costs, the



## HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM

excess shall be borne entirely by the Sub-Recipient and its subgrantees. HUD has reserved the right to withhold five percent (5%) of the federal grant amount pending the receipt and approval of a final progress report from the Council. (Coop. Agreement, pp. 6 & 7). Accordingly, the Council reserves the right to withhold five percent (5%) of the Sub-Recipient Grant Amount pending the receipt and approval of a final progress report. The grant funds may not be used for conducting interventions, remediation, rehabilitation or other activities that will physically alter any structure or property in any way. (Coop. Agreement, p. 7).

**2.03 Sub-Recipient Grant Amount.** The Council will make available to the Sub-Recipient the "Sub-Recipient Grant Amount" identified at Page 1 of this Agreement which shall be funded through the Sustainable Communities Regional Planning Grant awarded to the Council by HUD. Notwithstanding any other provision of this Agreement, the Sub-Recipient acknowledges and agrees that any reduction or termination of Sustainable Communities Regional Planning Grant funds made available to the Council, or any reduction or termination of the Leveraged Resources amount identified at Page 1 of this Agreement and required under Section 2.04 of this Agreement, may result in a like reduction in the Sub-Recipient Grant Amount made available to the Sub-Recipient.

**2.04 Leveraged Resources Requirement.** The Sub-Recipient must match the Sub-Recipient Grant Amount by not less than the Leveraged Resources amount (if any) stated at Page 1 of this Agreement. A reduction in the Leveraged Resources amount may result in a reduction in the Sub-Recipient Grant Amount made available to the Sub-Recipient. The Sub-Recipient must notify the Council at any time the Sub-Recipient believes it will not meet its Leveraged Resources requirement by the completion of this Agreement. The Council reserves the right to withhold payment of some or all of the Sub-Recipient Grant Amount if Leverage Resources are not spent. The following are not eligible to be counted as Leveraged Resources: the expenditure of any funds identified as Leveraged Resources if the expenditure occurred prior to February 1, 2011; and the cost of any work, services or in-kind support identified as Leveraged Resources that occurred or were provided prior to February 1, 2011.

**2.05 Payments to Sub-Recipient.** The Sub-Recipient's receipt of Sub-Recipient Grant Amount payments is dependent on the Council's receipt of grant funding from HUD according to the terms and conditions provided in the Cooperative Agreement. The Council will make payments to the Sub-Recipient according to the schedule and terms outlined in Attachment C.

**2.06 Authorized Use of Grant Funds.** The Sub-Recipient Grant Amount made available to the Sub-Recipient under this Agreement shall be used only for the purposes of implementing and performing the Work Plan. The Sub-Recipient is responsible for the complete and timely performance of the Work Plan. Except for any subgrantees identified in Attachment B, none of the work, services or activities covered by this Agreement may be subcontracted, assigned or otherwise transferred by the Sub-Recipient without the Council's prior written approval. The Sub-Recipient shall not remove or replace a subgrantee without prior written notice to the Council. The Sub-Recipient must obtain the Council's prior written approval for any replacement subgrantees. Grant funds not used to implement and perform the Work Plan must be returned to the Council. HUD and the federal government reserve the right to seek recovery of any grant funds that are not expended in accordance with the requirements or conditions of this Agreement and the Cooperative Agreement. (Coop. Agreement, p. 19). The cost of any Work Plan work, services or activities incurred prior to February 1, 2011 is not an authorized use of the grant funds. (Coop. Agreement, p. 20). Except for allowable costs associated with closeout activities, the Sub-Recipient shall not incur costs or obligate grant funds for any purpose pertaining to the operation of the Work Plan project or program, thirty (30) days prior to the end of the period of performance. (Coop. Agreement, p. 22).



## HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM

**2.07 Prohibited Use of Grant Funds.** The Cooperative Agreement identifies ineligible activities for which the grant funds may not be used. (Coop. Agreement, p. 23). No increment above cost, fee, or profit may be paid to the Sub-Recipient under this Agreement. (Coop. Agreement, p. 23). The Sub-Recipient's agreements with its subgrantees shall require its subgrantees to use the grant funds only for the subgrantee projects and activities identified in the Work Plan and shall expressly prohibit its subgrantees from using any grant funds to support (directly or indirectly) any activities or initiatives whose purpose is to challenge, delay or stop any transitway project or the development of any transitway corridor.

**2.08 Work Plan Changes.** The Sub-Recipient must promptly inform the Council's Project Manager in writing when any changes to the Work Plan are anticipated. All Work Plan changes are subject to prior approval by the Council's Project Manager and the HUD Government Technical Representative. (Coop. Agreement, p. 9).

**2.09 Budget.** The Sub-Recipient shall incur costs in conformance with the budget presented in its Work Plan. The Sub-Recipient shall not commingle funds computed under this Agreement with any other existing or future operating accounts held by the Sub-Recipient.

**2.10 Interest Earnings and Program Income.** Any grant funds advanced to the Sub-Recipient must be maintained in an interest bearing account. Any interest earned as a result of the advanced funds shall be promptly returned to the Council which in turn will be returned to HUD. (Coop. Agreement, pp. 16 & 17). Any program income, including royalties, must be used to support eligible activities. (Coop. Agreement, pp. 10 & 23).

**2.11 Key Personnel.** The Sub-Recipient will notify the Council if it intends to change its project manager or make changes to key personnel identified in the Work Plan. (Coop. Agreement, p. 22).

### III. ACCOUNTING, AUDIT AND REPORT REQUIREMENTS

**3.01 Accounting and Records.** The Sub-Recipient agrees to establish and maintain accurate and complete accounts and records relating to the receipt and expenditure of all grant funds received from the Council. Notwithstanding the expiration and termination provisions of Sections 4.01 and 4.02, such accounts and records shall be kept by the Sub-Recipient and maintained for a period of six (6) years following the completion of the Work Plan activities described in Attachment B or six (6) years following the expenditure of the grant funds, whichever occurs earlier. For all expenditures of grant funds received pursuant to this Agreement, the Sub-Recipient will keep proper financial records and other appropriate documentation sufficient to evidence the nature and expenditure of the Leveraged Resources required under Section 2.04. Accounting methods shall be in accordance with generally accepted accounting principles.

**3.02 Audits.** The above accounts and records of the Sub-Recipient shall be audited in the same manner as all other accounts and records of the Sub-Recipient are audited and may be audited or inspected on the Sub-Recipient's premises or otherwise by HUD, the Comptroller of the United States, or any of their designees, and individuals or organizations designated and authorized by the Council at any time, following reasonable notification to the Sub-Recipient, for a period of six (6) years following the completion of the Project activities or six (6) years following the expenditure of the grant funds, whichever occurs earlier. Pursuant to Minnesota Statutes section 16C.05, subdivision 5, the books, records, documents and accounting procedures and practices of the Sub-Recipient that are

## HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM

relevant to this Agreement are subject to examination by the Council and either the Legislative Auditor or the State Auditor, as appropriate, for a minimum of six (6) years.

**3.03 Biannual and Closeout Reporting Requirements.** The Sub-Recipient will submit to the Council biannual progress reports on the Work Plan activities and the expenditures of the federal grant funds. The form and content of the report will be determined by the Council and HUD. The Sub-Recipient will provide information to the Council or prepare report elements as requested by the Council in a timely manner so the Council can meet its biannual reporting requirements to HUD. The Sub-Recipient will submit requested information or report elements to the Council no later than the biannual due dates identified in the reporting schedule. As part of the closeout process the Sub-Recipient will submit to the Council a final narrative report detailing the progress made in achieving the purpose of this Agreement and adequate documentation of the total federal funds expended in support of the Work Plan activities to achieve this purpose. The final narrative report is due to the Council fifteen (15) calendar days prior to the end of the period of performance. All reports and forms shall include the Catalog of Federal Domestic Assistance ("CFDA") number (**CFDA No. 14.703**) for the Sustainable Communities Regional Planning Grant Program and the Federal Award Number (**MNRIP0023-10**) for the HUD grant funding this Work Plan. The reporting schedule is attached to this Agreement as Attachment D.

**3.04 Closeout.** To the extent applicable to the Sub-Recipient's Work Plan, the Sub-Recipient will provide the Council with the following closeout documentation fifteen (15) calendar days prior to the end of the performance period:

- (a) A Narrative Final Report summarizing Work Plan activities, including significant outcomes resulting from the activities and problems encountered during the performance period;
- (b) A completed Property Statement;
- (c) A completed Inventions, Patents, and Copyright Statement; and
- (d) A completed Closeout Certification.

Records must be kept in a safe place and be accessible to auditors, HUD, the Comptroller of the United States, or any of their designees, and individuals or organizations designated and authorized by the Council. (Coop. Agreement, pp. 9 & 10).

**3.05 Federal Transparency Act.** As required, the Sub-Recipient will directly provide "subaward" data to HUD, or otherwise will assist the Council in complying with the requirements of the Federal Funding Accountability and Transparency Act of 2006. (Coop. Agreement, pp. 11 & 12).

**3.06 Single Audit Transparency Transactions.** As required, the Sub-Recipient will assist the Council in meeting the requirements of the federal Uniform Administrative Requirements for Grants and Agreements, and other applicable federal reporting and audit requirements. (Coop. Agreement, p. 27). The Sub-Recipient will include on any Schedule of Expenditures of Federal Awards ("SEFA") the CFDA number (**CFDA No. 14.703**) for the Sustainable Communities Regional Planning Grant Program and the Federal Award Number (**MNRIP0023-10**) for the HUD grant funding this Work Plan.

## HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM

### IV. AGREEMENT TERM

**4.01 Term and Period of Performance.** This Agreement is effective upon execution of the Agreement by the Council. Unless terminated pursuant to Section 4.02, this Agreement expires on the Expiration Date identified at Page 1 of this Agreement. For the purposes of Sections 2.06, 3.03 and 3.04, the term "period of performance" means the project completion date stated in the Sub-Recipient's Work Plan. The period of performance may be a date earlier than the Expiration Date identified at Page 1.

**4.02 Termination.** This Agreement may be terminated by the Council for cause at any time upon fourteen (14) calendar days' written notice to the Sub-Recipient. Cause shall mean a material breach of this Agreement and any amendments of this Agreement. If this Agreement is terminated prior to the Expiration Date, the Sub-Recipient shall receive payment on a pro rata basis for eligible Work Plan activities described in Attachment B that have been completed prior to the termination. Termination of this Agreement does not alter the Council's or HUD's authority to recover grant funds on the basis of a later audit or other review, and does not alter the Sub-Recipient's obligation to return any grant funds due to the Council or HUD as a result of later audits or corrections. The Sub-Recipient's obligation to return any grant funds due to the Council or HUD as the result of later audits or corrections includes any amounts the Sub-Recipient makes available to its subgrantees that were not used for eligible purposes or were otherwise improperly expended.

**4.03 Amendment.** Subject to HUD approval, this Agreement may be amended by written agreement signed by authorized representatives of the Council and the Sub-Recipient. The period of performance (but not the Expiration Date) may be modified without a formal amendment by written approval of the Council's authorized representative.

### V. GENERAL PROVISIONS

**5.01 Environmental Review.** Any Sub-Recipient Work Plan activities that involve site control or acquisition are subject to HUD environmental review under Title 24 Code of Federal Regulations Part 50. (Coop. Agreement, pp. 15 & 16).

**5.02 Copyrights.** HUD reserves a royalty-free, non-exclusive, an irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use for federal government purposes: (a) the copyright in any work developed under this Agreement; and (b) any rights of copyright to which the Sub-Recipient purchases ownership with the grant funds. (Coop. Agreement, p. 13).

**5.03 Data Collection and Confidentiality.** The Sub-Recipient will comply with the applicable provisions of the Minnesota Government Data Practices Act (Minnesota Statutes chapter 13) as well as the applicable provisions of federal laws and HUD regulations governing the collection of data. (Coop. Agreement, p. 10). If the Sub-Recipient Work Plan includes services for "program beneficiaries," the Sub-Recipient must maintain confidential files on the program beneficiaries served. (Coop. Agreement, pp. 12 & 13).

**5.04 Fair Housing and Civil Rights Laws.** The Sub-Recipient represents, warrants, and certifies that it will comply with all applicable federal statutes, regulations, and requirements relating to non-discrimination and equal opportunity identified in HUD's regulations at Title 24 Code of Federal Regulations section 5.105(a). (Coop. Agreement, pp. 17 & 18).



## HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM

**5.05 Section 3 Efforts and Reporting.** Section 3 of the Housing and Urban Development Act of 1968 is intended to ensure employment and other economic opportunities generated by HUD financial assistance will, to the greatest extent feasible, be directed to low- and very low-income persons and to businesses which provide economic opportunities to low- and very low-income persons. HUD will require the Council to report on Section 3 persons and businesses that participate in projects funded with Sustainable Communities Regional Planning Grant Program funds. Accordingly, the Sub-Recipient is encouraged to provide, to the greatest extent feasible, training, employment and contracting opportunities for low- and very low-income persons, and businesses owned by low- and very low-income persons or which employ low- and very low-income persons. The Sub-Recipient will complete Section 3 reporting forms or otherwise provide information to the Council that will permit the Council to make its Section 3 reports to HUD. A Section 3 Plan reporting and Business Certification form, and Title 24 Code of Federal Regulations Subtitle B, Ch. 1 Appendix to Part 135 (examples of efforts to offer training and employment opportunities to Section 3 residents and award contracts to Section 3 business concerns) are attached to this Agreement as Attachment E.

**5.06 Conflict of Interest.** The members, officers and employees of the Sub-Recipient shall comply with all applicable state statutory and regulatory conflict of interest laws and provisions.

**5.07 Liability.** The Sub-Recipient and the Council shall be responsible for their own acts or omissions. Neither the Council nor the Sub-Recipient (to the extent applicable to the Sub-Recipient) waives any immunities or limits on liability provided by Minnesota Statutes chapter 466, or other applicable state or federal law.

**5.08 HUD Involvement.** HUD intends to have substantial involvement in the review, development, and approval of all aspects of the work plans and activities funded under the Cooperative Agreement, including the performance of the Sub-Recipient's Work Plan. (Coop. Agreement, p. 19).

**5.09 Inspector General Referrals.** The Sub-Recipient shall promptly refer to an appropriate inspector general any credible evidence that a principal, employee, agent, contractor, subcontractor, subgrantee or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving grant funds. (Coop. Agreement, p. 20).

**5.10 Limitations on Consultant Payments.** The grant funds may not be used to pay or to provide reimbursement for payment of a consultant's salary during any one-year period at a rate more than the equivalent of General Schedule 15, Step 10 base pay. (Coop. Agreement, p. 20). As of the date of this Agreement, the annual salary limit for one individual consultant is \$129,000.

**5.11 Limitation on Payments to Influence Certain Federal Transactions.** No grant funds may be used to pay any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any "covered Federal actions." (Coop. Agreement, pp. 20 & 21).

**5.12 Publications and New Releases.** The results of the Work Plan may be made available to the public through dedication, assignment by HUD, or other means, as HUD shall determine. All interim and final reports and any other specified deliverables shall be owned by the federal government and held for the benefit of the public which shall include the Council and the Sub-Recipient. Sub-

## HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM

Recipient publications and news releases are subject to other HUD terms and conditions stated in the Cooperative Agreement. (Coop. Agreement, p. 24).

**5.13 Contractors, Subcontractors and Subgrantees.** The Sub-Recipient shall include in any subgrant, contract or subcontract for Work Plan activities appropriate provisions to ensure subgrantee, contractor and subcontractor compliance with all applicable state and federal laws, this Agreement and the Cooperative Agreement. The Sub-Recipient shall execute written subgrant agreements with all subgrantees performing components of the Sub-Recipient's Work Plan. Each subgrant agreement shall include a written work plan that addresses a specific service delivery need and consists of designated subgrant work activities including: tasks and subtasks; a timeline for completing the subgrant work; performance measures; outputs and outcomes identified to achieve the performance measures/goals; a budget; and resources designated to complete the subgrant work. If requested by the Council the Sub-Recipient will provide the Council with a copy of any subgrant, contract or subcontract between the Sub-Recipient and any subgrantee, contractor or subcontractor.

**5.14 Contact Persons and Project Managers.** Allison Bell is the Council's contact person and project manager for the purposes of administering this Agreement. Payment request forms, written reports and correspondence submitted to the Council pursuant to this Agreement shall be directed to:

Metropolitan Council  
Allison Bell  
Sustainable Communities Regional Planning Grant  
390 Robert Street North  
Saint Paul, Minnesota 55101-1805  
  
allison.bell@metc.state.mn.us  
651.602.1363

The Sub-Recipient's contact person(s) is identified at Page 1 of this Agreement. If the Sub-Recipient's contact person changes, the Sub-Recipient must notify the Council's project manager. Nothing in this Agreement will be deemed to authorize the Council's or the Sub-Recipient's contact persons or project managers to execute amendments to this Agreement on behalf of their respective organizations.

**5.15 Non-Assignment.** This Agreement is not assignable and shall not be assigned by the Sub-Recipient or the Council.

**5.16 Attachments.** The following Attachments are incorporated into and are made a part of this Agreement:

Attachment A - Cooperative Agreement provisions governing the \$5,000,000 Sustainable Communities Regional Planning Grant from HUD.

Attachment B - Sub-Recipient Work Plan.

Attachment C - Payment Schedule and Terms.

Attachment D - Reporting Schedule.



## HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM

Attachment E - Section 3 Plan reporting and Business Certification form and Title 24 Code of Federal Regulations Subtitle B, Ch. 1 Appendix to Part 135 (examples of efforts to offer training and employment opportunities to Section 3 residents and award contracts to Section 3 business concerns).

**5.17 Warranty of Legal Capacity.** The individuals signing this Agreement on behalf of the Sub-Recipient and on behalf of the Council represent and warrant on the Sub-Recipient's and the Council's behalf respectively that the individuals are duly authorized to execute this Agreement on the Sub-Recipient's and the Council's behalf respectively and that this Agreement constitutes the Sub-Recipient's and the Council's valid, binding and enforceable agreements.

**IN WITNESS WHEREOF**, the Sub-Recipient and the Council have caused this Agreement to be executed by their duly authorized representatives. This Agreement is effective on the date of final execution by the Council.

### RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

### METROPOLITAN COUNCIL

By: \_\_\_\_\_  
Patrick P. Born, Regional Administrator

Date: \_\_\_\_\_

**HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM**

**ATTACHMENT A**

**COOPERATIVE AGREEMENT PROVISIONS GOVERNING THE \$5,000,000  
SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT FROM HUD**

**Assistance Award/  
Amendment**

**U.S. Department of Housing  
and Urban Development**

**Office of Administration**

|                                                                                                                                                                                       |                     |                                                                                                                                                   |                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| 1. Assistance Instrument<br><input checked="" type="checkbox"/> Cooperative Agreement <input type="checkbox"/> Grant                                                                  |                     | 2. Type of Action<br><input checked="" type="checkbox"/> Award <input type="checkbox"/> Amendment                                                 |                         |
| 3. Instrument Number<br>MNRIP0023-10                                                                                                                                                  | 4. Amendment Number | 5. Effective Date of this Action<br><b>February 1, 2011</b>                                                                                       | 6. Control Number       |
| 7. Name and Address of Recipient<br>Metropolitan Council<br>390 Robert Street North<br>St. Paul, MN: Minnesota 55101-1805<br><br>Phone: 651-602-1441<br>Fax:                          |                     | 8. HUD Administering Office<br>HUD, Office of Sustainable Housing and Communities<br>451 Seventh Street, SW<br>Room 10180<br>Washington, DC 20410 |                         |
| 10. Recipient Project Manager<br>Mark VanderSchaaf, Director, Planning and Growth Management                                                                                          |                     | 8a. Name of Administrator<br>J. Malcom Smith                                                                                                      | 8b. Telephone Number    |
| 11. Assistance Arrangement<br><input checked="" type="checkbox"/> Cost Reimbursement<br><input type="checkbox"/> Cost Sharing<br><input type="checkbox"/> Fixed Price                 |                     | 9. HUD Government Technical Representative<br>Steve Cerny, 202-402-5097, Steve.A.Cerny@hud.gov                                                    |                         |
| 12. Payment Method<br><input type="checkbox"/> Treasury Check Reimbursement<br><input type="checkbox"/> Advance Check<br><input checked="" type="checkbox"/> Automated Clearing House |                     | 13. HUD Payment Office<br>CFO National Accounting Center<br>801 Cherry Street<br>Unit #45, Suite 2500<br>Fort Worth, TX 76102                     |                         |
| 14. Assistance Amount                                                                                                                                                                 |                     | 15. HUD Accounting and Appropriation Data                                                                                                         |                         |
| Previous HUD Amount \$ 0.00                                                                                                                                                           |                     | 15a. Appropriation Number                                                                                                                         | 15b. Reservation Number |
| HUD Amount this action \$ 5,000,000.00                                                                                                                                                |                     | 860/20162                                                                                                                                         |                         |
| Total HUD Amount \$ 5,000,000.00                                                                                                                                                      |                     | Amount Previously Obligated \$                                                                                                                    | 0.00                    |
| Recipient Amount \$ 8,907,875.00                                                                                                                                                      |                     | Obligated by this action \$                                                                                                                       | 5,000,000.00            |
| Total Instrument Amount \$ 13,907,875.00                                                                                                                                              |                     | Total Obligated \$                                                                                                                                | 5,000,000.00            |

16. Description

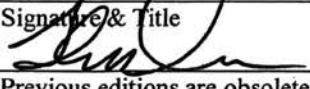
Employer Identification Number: 41-600-8898

Program: SCRPG

This instrument sets for the agreement between the parties as to all terms and conditions, amounts, tasks, and period of performance. By signing this award document, the Grantee certifies that it is in compliance with all administrative and financial provisions of this award. This grant instrument consists of the following, some of which are incorporated by reference:

1. HUD-1044 and HUD-1044 Continuation Sheets
2. Grant Agreement Terms and Conditions
3. HUD 424-CBW, Total Budget Summary
4. Grant Deliverables (See HUD 1044 Continuation Sheet)
5. Work Plan/Logic Model (Tasks within Work Plan are considered deliverables)
6. OMB Circular A-87, A-133 and A-102, which is incorporated at 24 CFR Part 85
7. Notice of Funding Availability (75 Federal Register 37458, Dock No. FR-5396-N-03, Doc No. 2010-15717)

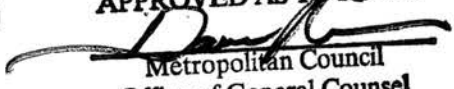
Period of Performance is from February 1, 2011 to January 31, 2014 (36 months)

|                                                                                                                                                                                                   |  |                                                                                                                                                                                    |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 17. Recipient is required to sign and return three (3) copies of this document to the HUD Administering Office.<br><input checked="" type="checkbox"/>                                            |  | 18. Recipient is not required to sign this document.<br><input type="checkbox"/>                                                                                                   |  |
| 19. Recipient (By Name):<br>Mr. Thomas H. Weaver Regional Administrator<br>Signature & Title: <br>Date: 1-27-11 |  | 20. HUD (By Name):<br>John Malcom Smith, Grant Officer<br>Signature & Title: <br>Date: 1/31/11 |  |

Previous editions are obsolete

form HUD 1044 (8/90)  
ref. Handbook 2210.17

**APPROVED AS TO FORM:**

  
Metropolitan Council  
Office of General Counsel

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# HUD 1044 CONTINUATION SHEET 1

INSTRUMENT NO: MNRIP0023-10

|                        | HUD                   | Match/Leverage         |
|------------------------|-----------------------|------------------------|
| 1. <u>BUDGET</u>       | <u>Amount</u>         | <u>Amount</u>          |
| Direct Labor           | \$ 231,817.00         | \$ 1,486,365.00        |
| Fringe Benefits        | \$ 97,363.00          | \$ 0.00                |
| Travel                 | \$ 17,400.00          | \$ 0.00                |
| Equipment              | \$ 0.00               | \$ 0.00                |
| Supplies/Materials     | \$ 0.00               | \$ 0.00                |
| Consultants            | \$ 2,053,419.00       | \$ 10,000.00           |
| Contracts/Subcontracts | \$ 2,600,000.00       | \$ 7,411,510.00        |
| Construction           | \$ 0.00               | \$ 0.00                |
| Other Direct Cost      | \$ 0.00               | \$ 0.00                |
| Indirect Cost          | \$ 0.00               | \$ 0.00                |
|                        | <hr/>                 | <hr/>                  |
| <b>TOTAL</b>           | <b>\$5,000,000.00</b> | <b>\$ 8,907,875.00</b> |

If the grantee's match/leverage contribution is less than **\$8,907,875.00**, the Government reserves the right to negotiate new line items and/or amounts to satisfy the grantee's requirement, or to reduce the Government's share proportionally. The grantee shall notify HUD at any time it believes it will not meet its match requirement. In addition, the grantee shall obtain HUD approval regarding any changes concerning the intended use of matching funds. If the grantee exceeds the dollar amount shown above, there will be no impact on the Federal share.

## 2. AMOUNT OF COST SHARE

The estimated cost for the performance of this grant is \$5,000,000.00. HUD shall not be obligated to reimburse the Metropolitan Council in excess of \$5,000,000.00. The Grantee agrees to bear without reimbursement from HUD \$5,000,000.00 of the total costs. However, in the event that the Grantee incurs cost in excess of the total estimated project cost of \$5,000,000.00; all such excess costs shall be borne entirely by the Grantee.

## 3. DELIVERABLES IN ACCORDANCE WITH THE NOFA AND APPROVED WORK PLAN AND LOGIC MODEL

- A) **Final and approved work plan** (60 days after the effective date of the award)
- B) **Logic Model** (60 days after the effective date of the award)
- C) **Outreach to Public Housing Authorities** (60 days after the effective date of the award)
- D) **Signed and GTR-approved Consortium Agreement** (120 days after the effective date of the award) that at the minimum must include the following organizations:

### Partnership(s)

- City of Saint Paul, MN
- City of Minneapolis, MN
- City of Apple Valley
- City of Hopkins
- Ramsey County, MN
- Hennepin County, MN

## HUD 1044 CONTINUATION SHEET 2

- The McKnight Foundation
- Minnesota Housing Finance Agency (State government)
- Central Corridor Funder Collaborative
- NorthStar Corridor Development Authority

- E) **Comprehensive Sustainable Communities Regional Plan** (24-36 months)  
F) Commitment to participate in performance measurement and evaluation conducted by third party.  
G) Activities pertaining to the Regional Analysis of Impediments

### 4. INDIRECT COST RATE

N/A

### 5. KEY PERSONNEL

| Name               | Title            | % of time on the grant |
|--------------------|------------------|------------------------|
| Mark Vander Schaaf | Project Director | 40%                    |
| Allison Brummel    | Program Manager  | 100%                   |
| Libby Starling     | Research Manager | 20%                    |

### 6. PERIOD OF PERFORMANCE

36 months

### 7. AUDIT INFORMATION

The *Metropolitan Council* submitted an audit report conducted by Federal Audit Clearinghouse for the year ending December 31, 2009. The audit report attests to "Metropolitan Council's" practice of generally accepted accounting principles and compliance with laws and regulations relating to government auditing standards. The internal control structure has been reviewed in accordance with OMB Circular A-133 and found to be in non-compliance with requirements that are applicable to certain of its major federal programs.

### 8. SPECIAL CONDITIONS

**Environmental Review.** Activities that involve site control or acquisition are subject to HUD environmental review under 24 CFR Part 50. For projects involving these activities, HUD's notification of award constituted only a preliminary approval by HUD subject to the completion of an environmental review of the proposed site(s). Selection for participation and the execution of this *Agreement* do not constitute approval of the proposed site(s). Each proposal involving site control or acquisition is subject to a HUD environmental review, and the Grantee's proposal may be modified or the proposed sites rejected as a result of that review. The Grantee shall not acquire, rehabilitate, demolish, convert, lease, repair, or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, until HUD approval of the property is received.

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U.S. Department of Housing and Urban Development  
Office of Sustainable Housing And Communities

**COOPERATIVE AGREEMENT PROVISIONS**

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## I. GENERAL

### Overview of Award Implementation

This cooperative agreement/grant (also referred to as *Agreement*) is between the Grantee (*Recipient*) identified in Block 7 of the form HUD-1044, and the U.S. Department of Housing and Urban Development. The award agreement consists of the form HUD-1044, any special conditions, and these Cooperative Agreement Terms and Conditions.

In signing this *Agreement*, the Grantee agrees to comply with all the requirements and conditions contained herein.

The provisions of the Notice of Funding Availability (NOFA) are hereby incorporated into this *Agreement*.

The Grantee's rights under this *Agreement* may not be assigned without the prior written approval of HUD.

The Grantee shall complete and submit a revised management and work plan with Logic Model, Deliverables/Outcomes and Budget within 60 calendar days after the effective date of the grant. These revisions shall update the general/basic plan submitted with the proposal and include any changes to the proposed work plan, budget, performance measures and deliverables, negotiated between HUD and the grantee. These revisions should be developed according to the instructions provided by the HUD Government Technical Representative identified on the form HUD-1044. Should you not address these specific issues, your grant may be terminated on the basis of failure to conclude negotiations or to provide HUD with requested information, in accordance with the General Section of the NOFA for which you applied.

### Purpose

The purpose of this *Agreement* is as stated in the "Purpose of the Program" section of the NOFA.

### Definitions

"Cooperative Agreement" means an agreement in which the Federal Government provides funding authorized by public statute where the government plays a substantial role in assisting the funding recipient.

"Equipment" means tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. A grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.

"Grant/Cooperative Officer" (Grant Officer) means the HUD individual who is responsible for processing and executing grant award, change in key personnel, change of scope, budget transfers, change of period of performance, and other administrative changes that would require a modification to the agreement. This term also refers to designated HUD Officials authorized to execute and/or administer this grant.

"Government Technical Representative (GTR)" means the HUD individual who is responsible for the technical administration of the grant, the evaluation of performance under the grant, the acceptance of technical reports or projects, and other such specific responsibilities as may be stipulated in the grant.

"Government Technical Monitor (GTM)" means the individual responsible for assisting a Government Technical Representative (GTR) in the latter's performance of his/her duties. The GTM is also the responsible individual that will comply with the Office of Sustainable Housing and Communities devolution of authority under our Continuity of Operations Plan (COOP). Should the National Capital Region become non-operational due to emergency conditions, the approval of vouchers and the authority to pay vouchers will transfer to the GTM until such time as the designation is lifted. The Government Technical Representative (GTR) will continue to be the point of contact for day-to-day management issues and responsibilities described above. In a state of emergency, HUD reserves the right to designate a GTR for COOP purposes.

"Grantee" as used herein refers to the recipient of this cooperative agreement.

"NOFA" means the Notice of Funding Availability, which announced the availability of funding for this grant.

"OSHC" means the HUD Office of Sustainable Housing and Communities, or its successor Office, if any.

"Publication" includes: (a) any document containing information for public consumption; or (b) the act of, or any act which may result in, disclosing information to the public.

"Recipient" means any entity other than an individual that received grant funds in the form of a grant, cooperative agreement or loan directly from the Federal government.

"Subaward" means:

1. A legal instrument to provide support for the performance of any portion of the substantive project or program for which the recipient received this award and that:
  - a. The recipient awards to an eligible sub-recipient; or
  - b. The sub-recipient at one tier awards to a sub-recipient at the next lower tier.
2. The term does not include the recipient's procurement of property and services needed to carry out the project or program (see, generally, § .210 of the

attachment to OMB Circular A-133 (2 CFR Part 180), "Audits of States, Local Governments, and Non-Profit Organizations").

3. A subaward may be provided through any legal agreement, including an agreement that the recipient or a sub-recipient considers a contract.

"Sub-recipient" means a non-Federal entity that expends Federal awards received from a pass-through entity to carry out a Federal program, but does not include an individual that is a beneficiary to such a program. The sub-recipient may also be a recipient of other Federal awards directly from the Federal awarding agency. Guidance on distinguishing between a sub-recipient and a vendor is provided in § \_\_\_.210 of OMB Circular A-133 (2 CFR Part 180).

"Total Instrument Amount" is the amount under line item 14 of the HUD Form-1044 (Total Instrument Amount).

"Work Plan" refers to the Grantee's plan for addressing a specific service delivery need, and consists of designated work activities including tasks and subtasks as required by the program office; a timeline for completing the work; performance measures; outputs and outcomes identified to achieve the performance measures/goals; budget; and resources designated to complete the work.

## II. PROGRAM REQUIREMENTS

### Allowable Costs

This is a cost reimbursement award; the Grantee shall be reimbursed for certain costs, as described below, incurred in the performance of work in an amount not to exceed the obligated amount shown in block 15 on the Assistance Award Form (form HUD-1044). In the event the Grantee incurs costs in excess of the prescribed amount, the excess shall be borne entirely by the Grantee.

HUD shall reimburse the Grantee for costs incurred in the performance of this award which are determined by the GTR and the Grant Officer to be allowable, allocable, and reasonable in accordance with applicable Federal cost principles as follows:



|                                                                                                                                                         |                                                     |                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cost Principles for State, Local, and Indian Tribal Governments                                                                                         | OMB Circular A-87                                   | Relocated to 2 CFR, Part 225;<br><a href="http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html">http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html</a> |
| Cost Principles for Non-profit Organizations                                                                                                            | OMB Circular A-122                                  | Relocated to 2 CFR, Part 230;<br><a href="http://www.whitehouse.gov/omb/fedreg/2005/083105_a122.pdf">http://www.whitehouse.gov/omb/fedreg/2005/083105_a122.pdf</a>   |
| Cost Principles for Educational Institutions                                                                                                            | OMB Circular A-21                                   | Relocated to 2 CFR, Part 220;<br><a href="http://www.whitehouse.gov/omb/fedreg/2005/083105_a21.pdf">http://www.whitehouse.gov/omb/fedreg/2005/083105_a21.pdf</a>     |
| Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations | OMB Circular A-110                                  | Relocated to 2 CFR Part 215;<br><a href="http://www.whitehouse.gov/omb/fedreg/2005/083105_a110.pdf">http://www.whitehouse.gov/omb/fedreg/2005/083105_a110.pdf</a>    |
| Audits of States, Local Governments, and Non-Profit Organizations                                                                                       | OMB Circular A-133                                  | Relocated to 2 CFR Part 180;<br><a href="http://www.whitehouse.gov/omb/fedreg/2005/083105_a133.pdf">http://www.whitehouse.gov/omb/fedreg/2005/083105_a133.pdf</a>    |
| Cost Principles for Commercial/For-profits                                                                                                              | Federal Acquisition Regulations at 48 CFR Part 31.2 | <a href="http://www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200948">http://www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200948</a>                          |

Direct Costs are the allocable portion of allowable costs incurred directly for the purposes of the grant. Detailed explanations of direct costs are provided in applicable OMB Circulars (A-21 (2 CFR Part 220), Cost Principles for Educational Institutions, A-87 (2 CFR Part 225), Cost Principles for State, Local, and Indian Tribal Governments, or A-122 (2 CFR Part 230), Cost Principles for Nonprofit Organizations, as applicable) that can be accessed at the White House website, [www.whitehouse.gov/omb/circulars\\_default](http://www.whitehouse.gov/omb/circulars_default)

#### **Administrative Requirements**

For non-profits, awards will be governed by:

- 24 CFR Part 84, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations  
<http://ecfr.poaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=a0f201e9fd6fec5af8e07d6e0eedf957&rgn=div5&view=text&node=24:1.1.1.38&idno=24>
- OMB Circular A-133 (2 CFR Part 180), Audits of States, Local Governments, and Non-Profit Organizations; and
- These grant provisions.

For State and local governments, awards will be governed by:

- 24 CFR Part 85, Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments  
<http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=a0f201e9fd6fec5af8e07d6e0eedf957&rgn=div5&view=text&node=24:1.1.1.1.39&idno=24>
- OMB Circular A-133 (2 CFR Part 180), Audits of States, Local Governments, and Non-Profit Organizations; and
- These grant provisions.

#### **Advance Payment By Treasury Check Or Electronic Funds Transfer**

Advance payments by Treasury check or electronic funds transfer are hereby authorized under this grant. A Grantee that is subject to existing State program accreditation requirements may request an advance payment in writing, if applicable. HUD may provide to the Grantee a one-time cash advance that shall not exceed 10 percent of the grant amount, and shall be limited to the minimum amount needed for the actual, immediate cash requirements of the Grantee in carrying out the start up activities of this agreement and as agreed to by the Grant Officer. Neither these HUD funds nor non-HUD funds may be used for conducting interventions, remediation, rehabilitation, renovation or other activities that would physically alter any structure or property in any way. Refer to 24 CFR 58.34(a) for a list of exempt activities.

#### **Amendments**

This grant may be modified at any time by written amendment. Amendments, which reflect the rights and obligations of either party, shall be executed by both HUD (the Grant Officer) and the Grantee. Administrative amendments, such as changes in appropriation data, may be issued unilaterally by the Grant Officer.

#### **Amount of Cost Share (Estimated Cost And Payment – Leveraging) (See Block 14 of form HUD-1044)**

The estimated cost for the performance of this grant is the **“Total Instrument Amount”**.

The Grantee shall be reimbursed by HUD for costs incurred in the performance of this grant. HUD shall not be obligated to reimburse the Grantee in excess of the **“Total HUD Amount”**. HUD reserves the right to withhold five-percent (5%) of the Federal grant amount pending the receipt and approval of a final progress report. See clause entitled “Final Report” for more information. The proposed contribution to supplement HUD funds is the **“Recipient Amount.”** The Grantee agrees to bear without reimbursement by HUD the **“Recipient Amount”** of the total costs. The Grantee is not obligated to contribute more than the **“Recipient Amount”**. However, the Grantee shall be solely responsible for any costs in excess of the estimated cost of the **“Total Instrument Amount”**.

The Grantee must satisfy all leveraging requirements in the NOFA. If the Grantee's actual leveraging contribution is less than "**Recipient Amount**" under Block 14 of the HUD 1044, the Government reserves the right to negotiate new line items and/or amounts to satisfy the Grantee's leveraged funds requirement, or to reduce the Government's share proportionally. The Grantee shall notify the Government at any time it believes it will not meet its leveraged funds requirement by the completion of the grant. If the Grantee exceeds the leveraged amount, there will be no impact on the Federal share. HUD reserves the right to withhold payments if leveraged funds are not spent.

Any funds requested by the Grantee shall be requested in accordance with the clause entitled, "Estimated Cost and Payment - Line Of Credit Control System (LOCCS)."

HUD reserves the right to withhold payment if leveraged resources are not spent.

#### **Budget**

The Grantee shall incur costs in conformance with the original or negotiated budget, presented with the proposal for this grant. The Grantee shall not commingle any funds computed under this grant with any other existing or future operating accounts held by the Grantee.

If the Grantee has been contacted to submit documents to support the application that were not received prior to the execution of this grant, the Grantee will not be allowed to draw down funds in excess of 10% of the federal amount, until such time that the requirements have been met. HUD reserves the right to terminate an award if the required documents are not provided within 1 month from the date the written request was made.

Standard Form 425, Federal Financial Report, detailing leveraged funds or in-kind contributions shall be submitted on a quarterly basis. As part of the closeout process a final narrative and a final Standard Form 425 detailing the progress made in achieving the purpose of the grant and adequate documentation of the total federal funds expended in support of the activities to achieve this purpose are due to the GTR 30 days prior to the end of the period of performance (See clause entitled "Closeout").

The Federal Financial Report (Standard Form 425) shall be submitted on a quarterly basis and is due 10 days after the end of each quarter.

#### **Central Contractor Registration (CCR)**

Recipients and their first-tier sub-recipients must maintain current registrations in the Central Contractor Registration ([www.ccr.gov](http://www.ccr.gov)) at all times during which they have active federal awards.

**Certifications and Assurances**

The certifications and assurances submitted in the Grantee's application are hereby incorporated into this agreement. They include:

- Standard Form 424 or HUD 424, Application for Federal Assistance
- Certification and Disclosure Form Regarding Lobbying (SF-LLL)
- Applicant/Recipient Disclosure Update Report (HUD-2880)
- Certification Regarding Parties Excluded From Procurements
- Certification Prohibiting Excessive Force Against Non-Violent Civil Rights Demonstrators
- Certification/Disclosure Regarding federal Debt
- Certification Regarding a Drug-Free Workplace
- Codes of Conduct and Conflict of Interest

A grantee must notify the GTR of any changes in the status or information on the above items.

**Changes**

In accordance with 24 CFR 85.30 or 84.25, as applicable, Grantees or sub-grantees must obtain the prior approval of the awarding agency whenever any programmatic changes are anticipated, including but not limited to the following:

- a) Any revision of the scope or objectives of the project (regardless of whether there is an associated budget revision requiring prior approval).
- b) Budget revisions that are 10% or more of the cumulative transfers among direct cost categories, or, if applicable, among separately budgeted programs, projects, functions, or activities which exceed or are expected to exceed 10% of the current total approved budget, whenever the awarding agency's share exceeds \$100,000.
- c) Changes in key persons in cases where specified in an application or a grant award. In research projects, a change in the project director or principal investigator shall always require approval unless waived by the awarding agency.
- d) Under non-construction projects, contracting out, subgranting (if authorized by law) or otherwise obtaining the services of a third party to perform activities, which are central to the purposes of the award.

**Closeout**

The Grantee shall provide the Grant Officer with closeout documentation 30 days prior to the end of the performance period, consisting of the following five elements:

- Narrative Final Report summarizing activities conducted under the award, including significant outcomes resulting from the activities and problems encountered during the performance period;
- Federal Financial Report (SF-425) of the total Federal Funds expended;

- Completed Property Statement;
- Completed Inventions, Patents, and Copyright Statement; and
- Completed Closeout Certification.
- Final Logic Model Report.

HUD will notify the Grantee in writing when the grant is closed. The Grantee has three areas of continuing responsibility after closeout of the grant:

- Records and materials must be kept in a safe place and be accessible to auditors and other government officials for three years after the grantee and all subgrantees/subcontractors make final payments and all other pending matters are closed. (If the grant is covered by 24 CFR Part 84, see related record retention requirements in 24 CFR 84.85(c)(2).) This requirement also extends to all subcontracts the Grantee has executed.
- Accountability for property continues as long as the Grantee holds the property, or for the period of time established by the agreement. Disposal of property must be in accordance with the rules established in the Property Management Standards referred to in the award. Program income, including royalties, must be used to support eligible activities.
- Notification to the Grant Officer if, at any time during the three-year period after project completion, the Grantee organization is discontinued or changes location. The Grant Officer should be notified immediately of the new address or the address of the party retaining all records.

#### **Collection Of Data**

Collection of data from ten or more respondents and sponsored by HUD shall be subject to the Paperwork Reduction Act (44 U.S.C. 3501— 3520). If a survey instrument for a collection of data sponsored by HUD is proposed, it will be subject to review and approval by the Office of Management and Budget (OMB). Such review and approval must be obtained prior to the use of the survey instrument. Also, a time element is involved here, which may considerably lengthen the time required for completion of the project proposed. Careful consideration should be given to any proposal, which requires the use of a survey or other information collection sponsored by HUD. The collection of data is deemed to be sponsored by HUD only under the following conditions (5 CFR 1320.3):

- a) The Grantee is conducting the collection of information at the specific request of HUD; or
- b) The terms and conditions of the grant require specific approval by HUD of the collection of information or collection procedures. Note that if the Grantee decides on its own to collect information and it does not need HUD approval to do so, then HUD is not the "sponsor" of the information collection.



**Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282) (Transparency Act)**

Applicants receiving an award from HUD should be aware of the requirements of the Transparency Act. The Transparency Act requires the establishment of a central website that makes information available to the public regarding entities receiving federal financial assistance, by not later than January 1, 2008. In fulfillment of the requirements of the Act, OMB launched <http://www.USAspending.gov> in December 2007. The website makes information available to the public on the direct awards made by the federal government. The Transparency Act also requires, beginning not later than January 2009, that data on subawards be made available on the same website.

In anticipation of the implementation of this requirement, HUD is placing awardees of its FY2010 competitive funding on notice of these requirements and that, once implemented, grantees will be required to report their subaward data to HUD or a central federal database. The only exceptions to this requirement under the Transparency Act are:

- 1) Federal transactions below \$25,000;
- 2) Credit card transactions prior to October 1, 2008;
- 3) Awards to entities that demonstrate to the Director of OMB that the gross income of such entity from all sources did not exceed \$300,000 in the previous tax year of such entity; and
- 4) Awards to individuals. Guidance for receiving an exception under item (3) above has not been finalized by OMB.

HUD is responsible for placing award information for direct grantees on the government website. The reporting of subaward data is the responsibility of the grantee. Grantees should be aware that the law requires the information provided on the federal website to include the following elements related to all subaward transactions, except as noted above:

- 1) The name of the entity receiving the award;
- 2) The amount of the award;
- 3) Information on the award, including the transaction type, funding agency, the North American Industry Classification System (NAICS) code or Catalog of Federal Domestic Assistance (CFDA) number (where applicable), program source, and an award title descriptive of the purpose of each funding action;
- 4) The location of the entity receiving the award and primary location of performance under the award, including the city, state, congressional district, and country;
- 5) A unique identifier of the entity receiving the award and of the parent entity of the recipient (the DUNS number), should the entity be owned by another entity; and
- 6) Any other relevant information specified by OMB.

HUD expects OMB to issue further guidance on subaward reporting. Based on preliminary input from the various federal agencies, applicants should be aware that consideration is being given to requiring the disclosure of additional data elements to help track

the flow of funding from the original federal award. Such data elements under consideration include the tier at which the subaward was made, the federal award number issued to the direct awardee, the dollar amount of the federal award emanating from the direct award going to the subawardee, as well as the total subaward amount, which could include funds from other sources, and registration in the CCR. Additional information regarding these requirements when determined will be provided when available. Subawardees and direct awardees should always use an Employer Identification Number (EIN) when registering with CCR, not a Social Security Number, to ensure personal information and data is protected. To obtain an EIN, go to <http://search.irs.gov/web/query.html?col=allirs&charset=utf-8&qp=&q=-Wct%3A%22Internal+Revenue+Manual%22&qc=&qm=0&rf=0&oq=&qt=form+SS4>.

To obtain form SS-4, Application for Employer Identification Number, and if you need assistance in completing the SS-4, you can contact the IRS helpline at 800-829-4933. The helpline is open from 7a.m. to 10 p.m. your local time (Alaska and Hawaii follow Pacific Time), Monday to Friday, except federal holidays.

### **Conduct of Work**

During the effective period of this grant, the GTR and/or the GTM identified in Block 9 of the HUD-1044 shall be responsible for monitoring the technical effort of the Grantee, unless the Grantee is notified in writing by the Grant Officer of a replacement.

Only the Grant Officer has the authority to authorize deviations from this grant, including deviations from the Work Plan. In the event the Grantee does deviate without written approval of the Grant Officer, such deviation shall be at the risk of, and any costs related thereto shall be borne by, the Grantee.

### **Confidentiality**

The service provider (e.g., the Grantee and any subgrantees, subcontractors or vendors) must maintain confidential files on individual program beneficiaries served. Recipient staff must keep paper files in a locked filing cabinet and protect all electronic files related to individual beneficiaries with a personal password.

The service providers shall maintain primary access to individual beneficiary files. Other project management staff may have access to these files only if they contain a "release of information" consent form signed by the individual beneficiary. A release of information form must clearly indicate which parties may have access to an individual beneficiary's file. Such parties might include the management staff and HUD staff. Recipient staff must only share individual beneficiary files with those parties listed on the signed form. If an individual beneficiary has not signed the consent form the parties listed may not read that individual beneficiary's file.

These categories serve as guidelines to recipient staff and management staff. The recipient must determine if the individual beneficiary's confidential information will significantly affect the safety and security of that individual or the recipient organization itself.

#### **Consortia Agreement**

This provision pertains to agreements awarded to a consortium or consortia. The designated Lead Agency is the official funding recipient. As such, the Lead Agency performs functions including the following:

- Maintaining the LOCCS account,
- Drawing down and dispersing grant funds,
- Paying related administrative expenses,
- Monitoring the work of the consortia members, and
- Submitting all required reports to the OSHC staff.

All recipients and sub-recipients in an OSHC grant program Consortium must enter into a memorandum of understanding that binds them to this award. By doing so, all entities are legally bound to comply with all the terms and conditions of the award. Should one or more parties not comply with the terms of this agreement at any time, and not be replaced by the Lead Agency, the portion of that entity's allotted award will be dropped from the award agreement. Non-lead agencies, in complying with this award agreement, are responsible for monitoring the time and work of the service providers at their site and for assuring that the Lead Agency has the proper information it needs to submit required reports to HUD and to maintain the award's LOCCS account.

#### **Contact Information Updates**

The Grantee shall inform the Grant Officer and GTR of any changes in contact information, including the organization's name, address, telephone, e-mail, and key personnel.

#### **Copyrights**

HUD reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use for Federal government purposes: (a) the copyright in any work developed under this award, sub-award, or contract awarded under this grant; and (b) any rights of copyright to which a Grantee or sub-grantee or a contractor purchases ownership with award funds.

#### **Default and Disputes**

The Grantee is in default if one or more of the following occurs:

1. Any use of award agreement funds for a purpose other than as authorized by this Agreement;

2. Any material noncompliance with Federal, State, or local laws or regulations as determined by HUD;
3. Any other material breach of this award agreement, or
4. Any misrepresentation in the application submissions which, if known to HUD, would have resulted in this award not being provided.
5. Failure to meet any reporting requirement.

If HUD determines preliminarily that the recipient is in default as described in items 1-5, above, HUD will give the recipient notice of this determination and the corrective or remedial action proposed by HUD. The recipient shall have an opportunity to demonstrate, within the time prescribed by HUD (not to exceed 30 days from the date of the notice), and on the basis of facts and data, that it is not in default, or that the proposed corrective or remedial action is inappropriate, before HUD implements the corrective or remedial action.

Where HUD determines that corrective or remedial actions by the recipient have not been undertaken as instructed, or will not be effective to correct the default and to prevent further default, HUD may take the following additional corrective and remedial actions under this award agreement:

1. Reduce the award in the amount affected by the default.
2. Take action against the recipient under 24 CFR Part 24 and Executive Order 12549 with respect to future HUD or Federal grant awards.
3. Demand repayment of all award amounts.
4. Initiate litigation or other legal proceedings designed to require compliance with the statute, regulations, any terms or conditions of this award agreement, or other pertinent authorities.
5. Temporarily withhold cash payments pending correction of the deficiency by the grantee or subgrantee.
6. Withhold further payments.
7. Take any other remedial action legally available.

During performance of the grant, disagreements may arise between the Grantee and the Grant Officer on various issues. If a dispute concerning a question of fact arises, the Grant Officer shall prepare a final decision, taking into account all facts and documentation presented. The decision shall be mailed to the Grantee. The Grantee may appeal the decision in writing within thirty (30) days to the Deputy Secretary of HUD, or his or her designated representative, the Director, Office of Sustainable Housing and Communities.

Failure to comply with the requirements established in the award and these provisions, including failure to submit reports on time and in accordance with the requirements contained in these provisions, may result in HUD taking action to limit access to program funds. Actions by HUD may include, but are not limited to: requiring that reports and financial statements be submitted to the Grant Officer/GTR for approval before drawing down any funds; removing the Grantee from the eLOCCS; suspending the ability to incur costs or draw funds; and/or suspending or terminating the Grant for non-performance.

HUD may, on reasonable notice to the Grantee, temporarily suspend the award and withhold further payments pending corrective action by the Grantee. The award may be terminated in whole or in part before the end of the performance period for cause when the Grantee has failed to comply with the terms, conditions, standards, or provisions of this award. The award may be terminated for convenience when both parties agree that the continuation of the award would not produce beneficial results.

#### **Deliverable Products**

During the performance period, the recipient is required to submit to the GTR Official Work Products. These include but are not limited to progress reports; financial reports, closeout documentation; products specified in the Work Plans, such as reports for HUD and the public on activities conducted and results achieved, Logic Model reports, etc. Failure to submit required documents on time may cause the Grant Officer to take action to suspend or terminate the award.

Section 508 of the Rehabilitation Act of 1973 requires all Federal electronic and information technology to be accessible by people with disabilities. All Products of Work that will be posted on HUD's website must meet HUD's Web Publication Standards and Procedures at [www.hud.gov/assist/webpolicies.cfm](http://www.hud.gov/assist/webpolicies.cfm).

#### **Environmental Review**

This Environmental Review section applies to Category 2 Grants (Detailed Execution Plans and Programs), as described in the NOFA, for projects that involve site control or acquisition.

Activities that involve site control or acquisition are subject to HUD environmental review under 24 CFR Part 50. For projects involving these activities, HUD's notification of award constituted only a preliminary approval by HUD subject to the completion of an environmental review of the proposed site(s). Selection for participation and the execution of this *Agreement* do not constitute approval of the proposed site(s). Each proposal involving site control or acquisition is subject to a HUD environmental review, and the Grantee's proposal may be modified or the proposed sites rejected as a result of that review.

The Grantee shall not acquire, rehabilitate, demolish, convert, lease, repair, or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, until HUD approval of the property is received. An option agreement on a proposed site or property is allowable prior to the completion of the environmental review if the option agreement is subject to a determination by HUD on the desirability of the property for the project as a result of the completion of the HUD environmental review and the cost of the option is a nominal portion of the purchase price.



The Grantee shall assist HUD in complying with 24 CFR Part 50; shall supply HUD with all available, relevant information necessary for HUD to perform an environmental review for each property, as requested by HUD; and, shall carry out mitigating measures required by HUD or select alternate eligible property if required by HUD.

#### **Equipment**

When acquiring equipment, the Grantee shall comply with the requirements set forth in 24 CFR 84.34 or 24 CFR 85.32, whichever is applicable, OMB Circular A-87 (2 CFR Part 225), and OMB Circular A-122 (2 CFR Part 230).

#### **Estimated Cost and Payment - Line Of Credit Control System (LOCCS/eLOCCS)**

The Grantee shall be reimbursed for costs incurred in the performance of work under this grant in an amount not-to-exceed "**Total HUD Amount**" in Block 14 of the HUD 1044. In the event the Grantee incurs cost in excess of this amount, the excess shall be borne entirely by the Grantee.

Incurred costs shall be reimbursed through HUD's Line of Credit Control System (LOCCS) using the eLOCCS web based system. Each day LOCCS generates a payment tape for the Department of the Treasury, which disburses the payments via the Automated Clearinghouse (ACH) Payment System and a Voucher and Schedule of Payments. All payments are certified by HUD and forwarded to Treasury for processing.

Before receiving funds from the eLOCCS, the Grantee must designate a financial institution for HUD to make direct deposit payments through the ACH system. In the event the Grantee, during the performance of this grant, elects to designate a different financial institution for the receipt of any payments, notification of such change and the related information must be received by the Grant Officer 30 days prior to the date such change is to become effective.

To have access to LOCCS and the eLOCCS, the Grantee shall obtain a Security ID and Password from HUD's LOCCS Security Officer, using the form HUD-27054, LOCCS Voice Response /eLOCCS Access Authorization Form.

The Grantee shall submit the original vouchers for work performed to the GTR identified in Block 9 of the form HUD-1044. The voucher shall be supported by a detailed breakdown of the cost(s) claimed (Grantees are to use the Part 3 Financial Reporting Attachment included in Policy Guidance 2001-03). In order to assure proper payment, it is important that the voucher is in accordance with the payment amount requested through the eLOCCS. Payment requires the Grantee to go to eLOCCS and provide the Security ID number and requested information. Detailed instructions for using the LOCCS-eLOCCS were provided in HUD's Transmittal Letter for your award.

Funds advanced to the Grantee shall be maintained in an interest bearing account. Any interest earned by the Grantee as a result of the advanced funds shall be promptly returned to HUD.

All check remittances should be sent to the new Miscellaneous Lockbox as follows:

Bank of America  
DHUD P.O. Box 277303  
Atlanta, GA 30384-7303

If the Grantee is a State, local government or Indian Tribe, the Grantee may retain up to \$100.00 of interest earned per Grantee's fiscal year for administrative expenses (24 CFR 85.21).

If the Grantee is a University, non-profit or for profit organization, the Grantee may retain up to \$250.00 of interest earned per Grantee's fiscal year for administrative expenses (24 CFR 84.22).

State universities and hospitals shall comply with the Cash Management Improvement Act (CMIA), as it pertains to interest.

Other funds due to HUD after the end date of the grant or close-out, as a result of internal audit or other reasons, will be returned to the GTR identified in Block 9 of the form HUD-1044 of this grant.

Should the Grantee demonstrate an unwillingness or inability to establish procedures that will minimize the time elapsing between advances and disbursements, or fail to provide any required progress report in a timely manner, the authorization for advance payments may be revoked. The Grantee may then be required to finance the project with its own working capital and payment to the Grantee may be made by Treasury check to reimburse it for actual cash disbursements that are approved by the GTR.

**Fair Housing and Civil Rights Laws**

- a) The Grantee represents, warrants, and certifies to HUD that it shall comply with all applicable Federal statutes, regulations, and requirements relating to non-discrimination and equal opportunity identified in HUD's regulations at 24 CFR § 5.105(a), and assure such compliance of any of its sub-grantees under this Agreement, including the following:
  1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d-2000d-4) and implementing regulations at 24 CFR part 1, Nondiscrimination in Federally Assisted Programs of the Department of Housing and Urban Development - Effectuation of Title VI of the Civil Rights Act of 1964;

2. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681:1683, 1685:1688) and implementing regulations at 24 CFR part 3, Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance;
  3. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) and implementing regulations at 24 CFR part 8, Nondiscrimination Based on Handicap in Federally Assisted Programs and Activities of the Department of Housing and Urban Development;
  4. Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 *et seq.*) and implementing regulations at 28 CFR part 35;
  5. The Fair Housing Act (42 U.S.C. §§ 3601-19) and implementing regulations at 24 CFR Part 100, Discriminatory Conduct Under the Fair Housing Act;
  6. Executive Order 11063, as amended by Executive Order 12259, and implementing regulations at 24 CFR part 107, Nondiscrimination and Equal Opportunity in Housing Under Executive Order 11063; and
  7. The Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-6107) and implementing regulations at 24 CFR part 146, Nondiscrimination on the Basis of Age in HUD Programs or Activities Receiving Federal Financial Assistance.
- b) The Grantee represents, warrants, and certifies to HUD that it shall administer its grant in a manner that affirmatively furthers fair housing and that, at a minimum, it shall carry out all actions to affirmatively further fair housing as proposed in its application for financial assistance under the Sustainable Communities Regional Planning Grant Program.
  - c) The Grantee represents, warrants, and certifies to HUD that it shall ensure that employment, contracting, and other economic opportunities generated by the Sustainable Communities Regional Planning Grant Program shall, to the greatest extent feasible, be directed to low- and very low-income persons pursuant to Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and HUD's implementing regulations at 24 CFR part 135.
  - d) Grantees are required to cooperate and assist HUD in its nondiscrimination and equal opportunity compliance activities and are required to maintain and submit racial, ethnic, disability, and other demographic data pursuant to HUD's nondiscrimination and equal opportunity regulations including those at 24 CFR §§ 1.6, 8.55, 107.30, and 121.2.

**Flow Down Provisions**

If the Grantee contracts or subawards funds under this agreement with a person or entity to perform work under this award, the Grantee shall include in the contract or subaward agreement such provisions as may be necessary to ensure that all contractors and subgrantees comply with the requirements of the grant and reporting provisions as set forth in these terms and conditions or as established by HUD and the Office of Management and Budget (OMB)

The Terms and Conditions of this agreement flow down to all tiers of subgrantees. All subgrantees are required to obtain a DUNS numbers (or update its existing DUNS record), and register with the Central Contractor Registration (CCR; [www.ccr.gov](http://www.ccr.gov)) no later than 120 days after execution of this agreement.

**HUD's Right to Audit and Disallow and Recover Funds**

The government reserves the right to seek recovery of any funds that were not expended in accordance with the requirements or conditions of this agreement based upon HUD review, the final audit, or any other special audits or reviews undertaken. HUD has the right to order a special audit, even if the Grantee's auditor or a cognizant agency has already conducted one.

**HUD's Substantial Involvement**

Because this is a Cooperative Agreement, HUD intends to have substantial involvement in the review, development, and approval of all aspects of the work to be carried out under this cooperative agreement. The substantial involvement will be focused through the GTR and GTM. Anticipated substantial involvement by HUD staff may include, but will not be limited to:

- Review and possibly suggest amendments to the study design, including:
  - study objectives
  - field sampling plan
  - sample handling and preparation
  - sample and data analysis
  - quality assurance
- Review and provide scientific and technical recommendations in response to quarterly progress reports (e.g., amendments to study design based on preliminary results).
- Review and provide scientific and technical recommendations on the final study report, including final interpretation of study results.

**Incurrence of Costs**

The Grantee is allowed to incur costs for activities beginning the date in Box #5 on the HUD-1044. Any costs incurred before the date are not allowable unless specifically authorized in writing by the Grant Officer or GTR.

**Indirect Costs**

If the Grantee has received a provisional rate, pending establishment of a final rate, reimbursement will be made on the basis of the provisional rate. By accepting this agreement, the Grantee agrees to bill at the provisional indirect cost rate until an approved indirect rate agreement becomes effective. Adjustments will be made from the provisional rate to the final rate. However, such adjustments must be within the total amount of the award as stated in Block #15 of the HUD-1044.

**Inspection and Acceptance**

Inspection, review, correction, and acceptance of all deliverables under this award shall be the responsibility of the GTR. The GTR may receive recommendations from assigned GTMs.

**Inspector General Referrals**

The Grantee or any subgrantee, subcontractor or other sub-recipient awarded funds shall promptly refer to an appropriate inspector general any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds.

**Limitation on Consultant Payments**

Per the requirements of the NOFA, federal funds may not be used to pay or to provide reimbursement for payment of the salary of a consultant, whether retained by the federal Government or the Grantee, at a rate more than the equivalent of General Schedule 15, Step 10 base pay rate. See the Office of Personnel Management Website, [www.opm.gov](http://www.opm.gov), and its Salaries and Wages link for the current base rate, which may be lower than the local rate.

**Limitation on Payments to Influence Certain Federal Transactions**

Section 1352 of Title 31 of the U.S. Code provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering



into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

#### **Lobbying Activities Prohibition**

The Grantee is subject to the provisions of section 319 of the Department of Interior and Related Agencies Appropriation Act for Fiscal Year 1991, 31 U.S.C. 1352 (the Byrd Amendment), implemented in HUD regulations at 24 CFR Part 87 and to the provisions of the Lobbying Disclosure Act of 1995, P.L. 104-65 (December 19, 1995).

#### **Management and Work Plan (with Logic Model Standards)**

The management and work plan, deliverables and budget revisions shall comply with the requirements established by the NOFA. The Grantee shall complete and submit a detailed management and work plan (with Logic Model) within 60 days after the effective date of the grant; this plan is subject to review and approval by HUD. The revisions to the general plan submitted in the proposal shall include any negotiated changes of the work plan or budget if applicable. The plan shall be developed according to the instructions and Logic Model standards that will be provided by the GTR.

The management and work plan consists of the goals and time-phased objectives and deliverables for each of the major tasks to be undertaken by the program. A Logic Model (milestones) has been developed to assist the Grantee plan and implement its program in a timely and cost-effective manner. A revised budget, in accordance with the final negotiation, shall be submitted (if necessary).

#### **Monitoring**

The responsible Departmental official, GTR, or designee may review and monitor the practices of the Grantee to determine whether it is in compliance with this Agreement or other requirements that arise as a result of the Grant Award. The GTR will also provide performance monitoring by tracking Grantee's progress in meeting the goals and objectives of the program.

#### **Order of Precedence**

In the event of any inconsistency among any provisions of this grant, the following order of precedence shall apply:

- a) Cooperative Agreement
- b) NOFA
- c) Management and Work Plan.
- d) Uniform Administrative Requirements.
- e) Grantee's Proposal (if incorporated)

**Patent Rights (Small Business Firms And Nonprofit Organizations)**

Patent rights are as specified in 37 CFR Part 401, entitled "Rights to Inventions made by Nonprofit Organizations and Small Business Firms under Government Grants, Contracts and Cooperative Agreements." Inquiries regarding this Patent Rights clause should be in writing and directed to:

Grant Officer  
Office of Sustainable Housing and Communities  
U.S. Department of Housing and Urban Development  
451 Seventh Street SW, Room 10180  
Washington, DC 20410-3000

**Period of Performance and Extensions and Incurring Costs or Obligating Federal Funds Beyond the Expiration Date**

a) The Grantee shall provide all services stipulated in this cooperative agreement for the period of months specified in the form HUD 1044, "Assistance Award/Amendment," or its Continuation Sheet, from the effective date stipulated in Block #5 of the HUD 1044. Grantees are to comply with the requirements of 24 CFR 84.28 or 24 CFR 85.23 (Period of availability of funds), as applicable, in charging costs to the grant. All obligations incurred under the award must be liquidated within the period of performance. The preparation of the final administrative and financial reports is to be completed 30 days prior to the end of the period of performance.

b) The Grantee shall not incur costs or obligate federal funds for any purpose pertaining to the operation of the project or program, 30 days prior to the end of the period of performance. The only costs which are authorized during the last 30 days of the period of performance are those strictly associated with closeout activities. Closeout activities are normally limited to the preparation of final progress, financial, and required project audit reports unless otherwise approved in writing by the Grant Officer.

The Office of Sustainable Housing and Communities has no obligation to provide any additional prospective funding. Any amendment of the award to increase funding is at the sole discretion of that Office.

**Personnel**

The personnel, specified as key personnel in the original or amended HUD form 2010 (Rating Factor Form), Factor 1, Capacity of the Applicant and Relevant Organizational Experience, are considered to be essential to the work being performed hereunder. Prior to diverting any of the specified individuals to other work, the Grantee shall notify the Grant Officer and GTR reasonably in advance in writing and shall submit justification (including proposed substitutions (with the qualifications and experience of the substitute personnel)) in sufficient detail to permit evaluation of the impact on the work effort. No diversion shall be made by the Grantee without the written consent of the Grant Officer.

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**Profit/Fee**

No increment above cost, fee, or profit may be paid to the Grantee or any subgrantee under this award.

**Program Income**

Any program income derived as a result of this award shall be added to funds committed under the award to further activities eligible for assistance under this agreement. If not contained in the Work Plan or under Special Conditions itemized in these provisions, prior to using program income to further the objectives of the grant program, the parties shall mutually agree by written amendment on the use of program income. Program income received after the period of performance must be used to further the objectives of the applicable grant program for which this grant is awarded in accordance with 24 CFR 84.24 or 85.25, as applicable.

**Prohibited Use of Funds**

You may not use funds for the following ineligible activities:

- (a) Ineligible administrative activities under OMB Circular A-102 (24 CFR Part 85), Grants and Cooperative Agreements with States and Local Governments; OMB Circular A-110 (2 CFR Part 215) Uniform Administrative Requirements for Grants and Cooperative Agreement with Institutions of Higher Education, Hospitals and other Non-Profit Organizations;
- (b) Ineligible costs under OMB Circular A-87 (2 CFR Part 225), Cost Principles for State and Local and Indian Tribal Governments; and OMB Circular A-122 (2 CFR Part 230), Cost Principles for Non-Profit Organizations;
- (c) Developing plans that would assist business or industry to relocate to an area to the detriment of communities where the business or industry is currently located. This funding restriction does not apply to businesses that are displaced as a result of Category 2 projects. The requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601) (codified at 49 CFR Part 24) cover any person who moves permanently from real property or moves personal property from real property as a result of direct acquisition, rehabilitation, or demolition for a program or project receiving HUD assistance (See the General Section).
- (d) Substitution of Sustainable Communities funds for funding already pledged to support community development; housing; watershed, air and water quality; transportation planning; food production and distribution planning; and other planning activities eligible under the sustainable communities planning program.

**Publications and News Releases**

The results of work conducted under the award may be made available to the public through dedication, assignment by HUD, or other means, as HUD shall determine.

All interim and final reports and any other specified deliverables shall be owned by the government and held for the benefit of the public which shall include Grantee and Grantee's sub-recipients.

Interim and final reports (including, if applicable, scientific manuscripts) may not be published by the Grantee or any sub-recipients participating in the work for a period of sixty days after acceptance of the deliverables by the GTR.

All deliverables, or any part thereof, and any independent products and special products arising from this award, when published by the Grantee or other participants in the work shall contain the following acknowledgment and disclaimer:

The work that provided the basis for this publication was supported by funding under an award with the U.S. Department of Housing and Urban Development. The substance and findings of the work are dedicated to the public. The author and publisher are solely responsible for the accuracy of the statements and interpretations contained in this publication. Such interpretations do not necessarily reflect the views of the Government."

Copies of all press releases, formal announcements, and other planned, written issuances containing news or information concerning work products or activities of this award that may be made by the Grantee or its staff, or any sub-grantee or other person or organization participating in the work of the award, shall, be provided to the GTR for review and comment before the planned release. Whenever possible, these should be provided to the GTR for review and comment at least two weeks before the planned release, but in no event simultaneously with the release.

The use of Social Media, such as web feeds, wikis, blogs, photo and video-sharing, podcasts, and microblogs is acceptable under OSHC grant programs. Information to be released through Social Media must be provided to the GTR for review and comment at least 2 business days before the planned release.

**Reporting****a) Deliverables**

The Grantee shall include a schedule listing all significant project milestones, and dates for submission of all project deliverables including quarterly project reports, interim reports where appropriate, the final report, and financial reports utilizing Standard Form 425, the Federal

Financial Report. Upon approval of the Work Plan, the Grantee should ensure all deliverables identified in the Work Plan and Logic Model schedule are delivered on time.

**b) Biannual Progress Reports**

A template to be used in the preparation of each biannual report will be provided by HUD after grant award. Biannual reports must reflect activities undertaken, obstacles encountered and solutions achieved, and accomplishments in each calendar quarter. Contracts, training materials and protocols, rosters of persons trained, outreach and educational materials prepared, and other significant products developed to implement, analyze or control the project or disseminate information are to be submitted with the quarterly reports as attachments.

Grantees shall submit reports as specified in this clause. The reports submitted to HUD require the submission of a work plan with specific, time phased, and realistic goals, objectives, and Logic Model milestones established. Biannual status reports that show progress and measure performance of the program in meeting approved work plan goals, objectives and Logic Model milestones are to be submitted.

Grantees are advised that failure to submit timely biannual progress reports will result in not having their "eLOCCS Request Voucher for Grant Payment" processed and also may result in a low performance rating, which could result in grant termination.

**c) Required Reports**

- Grantees are required to submit biannual reports, including Logic Model reports. Reporting requirements are specified in the Notice of Funding Availability and these Terms and Conditions. In case of conflict, the more-stringent provisions apply.
- Economic Opportunities for Low- and Very Low-Income Persons (Section 3). The HUD Form 60002, Economic Opportunities for Low- and Very Low-Income Persons (Section 3) must be submitted by January 10th, and yearly thereafter.
- Federal Financial Report (Standard Form 425)

**d) Final Report**

A final report shall be submitted. The final report shall summarize the applicant's plans, execution of the plans, achievements noted, and lessons learned. The report need not be lengthy, but should be of a quality and detail to provide freestanding description to any outside reader of all of the applicant's work and achievement under the grant. See clause entitled "Closeout" for the specific elements to be included with your final report. Specific and detailed guidance on preparing the forms and the narratives may be obtained from the GTR.



**Reproduction of Reports****BRANCH PROCUREMENT OF CERTAIN KINDS OF PRINTING; "PRINTING" DEFINED**

Pub. L. 102-392, title II, Sec. 207(a), Oct. 6, 1992, 106 Stat. 1719, as amended by Pub. L. 103-283, title II, Sec. 207, July 22, 1994, 108 Stat. 1440; Pub. L. 104-201, div. A, title XI, Sec. 1112(e)(1), Sept. 23, 1996, 110 Stat. 2683, provided that:

- 1) None of the funds appropriated for any fiscal year may be obligated or expended by any entity of the executive branch for the procurement of any printing related to the production of Government publications (including printed forms), unless such procurement is by or through the Government Printing Office.
- 2) Paragraph (1) does not apply to (A) individual printing orders costing not more than \$1,000, if the work is not of a continuing or repetitive nature, and, as certified by the Public Printer, if the work is included in a class of work which cannot be provided more economically through the Government Printing Office, (B) printing for the Central Intelligence Agency, the Defense Intelligence Agency, National Imagery and Mapping Agency, or the National Security Agency, or (C) printing from other sources that is specifically authorized by law.

As used in this section, the term "printing" includes the processes of composition, platemaking, presswork, duplicating, silkscreen processes, binding, microform, and the end items of such processes.

**Review of Deliverables**

a) Definition - For the purpose of this clause, "Deliverables" include:

- 1) All interim and final reports;
- 2) Survey instruments required by Work Plan, if applicable;
- 3) Other physical materials and products produced directly under the Work Plan of this grant, if applicable; and
- 4) In-kind and leverage commitments, if applicable.

b) General

- 1) The GTR shall have the sole responsibility for HUD review, correction, and acceptance of the deliverables of this grant. Such review(s) shall be carried out promptly by the GTR, so as not to impede the work of the Grantee.
- 2) The Grantee shall carry out the required corrections, if any, provided by the GTR and shall promptly return a revised copy of the product to the GTR.
- 3) The basis for acceptance shall be the Grantee's good faith efforts to complete the deliverables of this grant.
- 4) The GTR's review, correction, and acceptance of deliverables shall be limited to:

- (i) corrections of omissions or errors of fact, methodology, or analysis; ii) deletion of irrelevant materials; and (iii) improvements in style readability.
- 5) In the review and acceptance of deliverables, the GTR may not require any change in the Grantee's stated views, opinions, or conclusions.
- 6) Should there be any disagreement between the Grantee and the GTR as to any correction, or the methodology or analysis on which any conclusion is based, the GTR may require the Grantee to insert a Government dissent(s) in the appropriate place(s). The inclusion of such dissent(s) in an Official Product of Work, otherwise found acceptable by GTR, and the return to the GTR of a revised copy containing the dissent(s), shall satisfy the requirements for acceptance of the Official Product of Work under this clause. Such dissent(s) shall not apply to any independent publication by the Grantee of Independent Products that may arise from the work or findings of this grant.

#### **Scope of Services**

The Grantee shall furnish the necessary personnel, materials, services, equipment, facilities (except as otherwise specified herein) and otherwise do all things necessary for or incidental to the performance of the work set forth in the original/revised application under the this NOFA, as well as the subsequent Management and Work Plan and Logic Model schedule.

#### **Single Audit Transparency Transactions Listed in Schedule of Expenditures of Federal Awards and Recipient Responsibilities for Informing Sub-recipients.**

- a) Uniform Administrative Requirements for Grants and Agreements" and OMB A-102 (24 CFR Part 85) Common Rules provisions, recipients agree to maintain records that identify adequately the source and application of funds.
- b) For recipients covered by the Single Audit Act Amendments of 1996 and OMB Circular A-133 (2 CFR Part 180), "Audits of States, Local Governments, and Non-Profit Organizations," recipients agree to separately identify the expenditures for Federal awards on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by OMB Circular A-133 (2 CFR Part 180).
- c) Recipients agree to separately identify to each sub-recipient, and document at the time of sub-award and at the time of disbursement of funds, the Federal award number, CFDA number, and amount of funds.
- d) Recipients agree to require their sub-recipients to include on their SEFA. This information is needed to allow the recipient to properly monitor sub-recipient expenditure of as well as oversight by the Federal awarding agencies, Offices of Inspector General and the Government Accountability Office.

**Special Conditions**

Special Conditions to this award are listed in the form HUD-1044 Continuation Sheets.

**Sub-recipient Monitoring and Management**

Recipients will be responsible for the monitoring and management of all sub-recipient awards. Management and reporting requirements applied to direct recipients tier-down to employees, affiliates, sub-recipients, and subcontractors, and recipients will be responsible for ensuring compliance and submitting required reports to HUD. Recipients may incorporate all sub-recipient reporting into a consolidated report with the exception of the requirements established for compliance with the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282) also known as FFATA or the Transparency Act.

**Whistleblower Protection**

Each grantee or sub-grantee awarded funds made available shall promptly refer to the HUD Office of Inspector General any credible evidence that a principal, employee, agent, contractor, sub-recipient, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds. Complaints can be made to the HUD Office of Inspector General through any of the following means:

Calling toll-free at 1-800-347-3735; persons who have hearing or speech disabilities may reach this number from the Federal Relay Service, at 1-800-877-8339.

Faxing at (202) 708-4829

E-mailing to [hotline@hudoig.gov](mailto:hotline@hudoig.gov)

Writing to HUD OIG Hotline (GFI), 451 7th Street, SW, Washington, DC 20410

**HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM**

**ATTACHMENT B**

**SUB-RECIPIENT WORK PLAN**

What is the name of your project? **Energy and Resource Efficiency Demonstration Project**

1. Who are the members of the project team? Please use the table below to list everyone that you consider to be part of the team. Also, indicate the project manager in bold. (Most projects will have only one project manager; at the most, indicate two.) Add more rows as needed.

| Name               | Organization                                             | Email                                                                          | Phone        |
|--------------------|----------------------------------------------------------|--------------------------------------------------------------------------------|--------------|
| <b>Mary T'Kach</b> | Ramsey County                                            | <a href="mailto:mary.t'kach@co.ramsey.mn.us">mary.t'kach@co.ramsey.mn.us</a>   | 651-775-4379 |
| <b>Mary Karcz</b>  | Ramsey County                                            | <a href="mailto:mary.karcz@co.ramsey.mn.us">mary.karcz@co.ramsey.mn.us</a>     | 651-266-8015 |
| Isabel Chanslor    | Neighborhood Development Center/ U7                      | <a href="mailto:ichanslor@ndc-mn.org">ichanslor@ndc-mn.org</a>                 | 651 379 8431 |
| Nancy Kelly        | Food Service Energy Leadership Program, Eureka Recycling | <a href="mailto:nancyk@eurekarecycling.org">nancyk@eurekarecycling.org</a>     | 612-455-9171 |
| Anne Hunt          | City of St. Paul                                         | <a href="mailto:Anne.hunt@ci.stpaul.mn.us">Anne.hunt@ci.stpaul.mn.us</a>       | 651-266-8520 |
| Nancy Homans       | City of St. Paul                                         | <a href="mailto:Nancy.homans@ci.stpaul.mn.us">Nancy.homans@ci.stpaul.mn.us</a> | 651-266-8568 |
| Carl Samuelson     | Food Service Energy Leadership Program, Eureka Recycling | <a href="mailto:carls@eurekarecycling.org">carls@eurekarecycling.org</a>       | 612-455-9173 |

2. Who else should be included on any project communications from Allison or others regarding your project? For example, include any assistants that should be copied on emails.

| Name        | Organization                    | Email                                                                        | Phone        |
|-------------|---------------------------------|------------------------------------------------------------------------------|--------------|
| Mike LaFave | Neighborhood Development Center | <a href="mailto:mlafave@ndc-mn.org">mlafave@ndc-mn.org</a>                   | 651 379 8424 |
| Mike Temali | Neighborhood Development Center | <a href="mailto:mtemali@ndc-mn.org">mtemali@ndc-mn.org</a>                   | 651-291-2480 |
| Dan Donkers | Ramsey County                   | <a href="mailto:Dan.donkers@co.ramsey.mn.us">Dan.donkers@co.ramsey.mn.us</a> | 651-266-1126 |

3. Who is the primary contact for issues related to the legal sub-award document between the Metropolitan Council and the sub-awardee organization? This may be the project manager, or it may be another employee at the organization that is receiving the funding from the Metropolitan Council.

**Mary Karcz, Ramsey County**

Please summarize your project in narrative form (in one or two paragraphs). What are you trying to achieve and how? If the work being conducted under your Sustainable Communities sub-grant is part of a larger effort with other funding sources, describe how they relate.

The project goal is to improve the stability and market competitiveness of small, immigrant and minority business owners by developing strategies to improve the businesses' participation in existing energy and water efficiency, solid waste and recycling programs. These are businesses that tend to be vulnerable in the best of times. When regional

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initiatives such as the development of a light rail system affect the pedestrian and vehicle traffic in an area, business revenue tends to decrease. Cost control becomes critical for survival. Participation in energy efficiency and other resource conservation programs can help business owners reduce operating expenses and improve their overall resiliency in difficult and shifting business climates. In the longer run, learning to manage costs helps keep the businesses stable and supports community stability.

Discussions with organizations that have tried to engage these businesses in existing programs have found that the response rate is extremely low or that it requires an unsustainable amount of resources to make a positive contact. There appears to be significant room for service providers to improve the effectiveness of their programs or develop alternative approaches using the results of this planning project. We will work with service providers and the small, immigrant and minority-owned business community to identify the barriers to participation in current programs and will work collectively to develop and demonstrate strategies to overcome the key barriers.

**4. What are the objectives of your project? Please list them here. Most projects will have between 1 and 7 objectives.**

Objective 1: Determine the barriers to participation in energy and resource efficiency programs currently being offered to immigrant and minority owned businesses.

Objective 2: Help business owners learn how to reduce operating expenses and improve their overall resiliency in difficult and shifting business climates.

Objective 3: Identify solutions and strategies for overcoming the key barriers.

Objective 4: Prioritize the most effective solutions and strategies that could be examined within this project's time and financial framework and identify strategies that do not fit within the framework but appear to be worth further analysis.

Objective 5: Improve the effectiveness of local entities and community-based service providers in helping small immigrant and minority-owned businesses select and use the most cost-effective strategies for resource efficiency.

5. Please use this table to outline the work that you will undertake to achieve the objectives of your project. Add more rows as needed and please maintain the system of numbering (1, 2, 3, etc. for the major activities, and 1a, 1b for the specific steps under each).

| Major Activity or Specific Step Number | Description - 1 sentence only                                                                                         | Start Date (m/y)<br>2/11 or later | End Date (m/y)<br>11/13 or earlier | Responsible Party Must include an individual's name, may also include an entity/organization | Milestone or Deliverable - How will we know if this major activity or specific step is complete?                                           | Objective – Which project objective does this major activity seek to advance? List the objective number from above. The specific steps under the major activities will probably contribute to the same objective, so you can leave them blank. |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------|------------------------------------|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Activity 1                             | Project planning                                                                                                      | 11/01/12                          | 1/15/13                            | NDC, FSELP, RC, City of STP                                                                  | All parties meet and agree to roles/responsibilities and project goals/deliverables and evident in completed contracts and final workplan. | Objectives 1 - 5                                                                                                                                                                                                                               |
| Step 1a                                | Develop work-plan and initial project plan                                                                            |                                   |                                    | NDC, FSELP, RC, City of STP                                                                  | Project work plan will be completed.                                                                                                       |                                                                                                                                                                                                                                                |
| Step 1b                                | Create a timeline for all project activities.                                                                         |                                   |                                    | RC/CITY                                                                                      | Project timelines will be completed.                                                                                                       |                                                                                                                                                                                                                                                |
| Step 1c                                | Outline activities with respective timeline to be lead by NDC.                                                        |                                   |                                    | NDC, FSELP, RC, City of STP                                                                  | Project work plan with timelines and responsible parties noted, will be completed.                                                         |                                                                                                                                                                                                                                                |
| Step 1d                                | Develop contracts                                                                                                     |                                   |                                    | RC/NDC/FSELP                                                                                 | Draft contract documents completed between partners.                                                                                       |                                                                                                                                                                                                                                                |
| Step 1e                                | Execute contracts                                                                                                     |                                   |                                    | RC/NDC/FSELP                                                                                 | Signed contract documents completed.                                                                                                       |                                                                                                                                                                                                                                                |
| Step 1f                                | Develop a narrative description of the current state of target businesses in relation to resource efficiency projects |                                   |                                    | RC                                                                                           | Descriptive narrative written.                                                                                                             |                                                                                                                                                                                                                                                |
| Activity 2                             | FSELP develop and provide custom training for NDC/U7 Staff on energy conservation tools/products                      | 1/15/13                           | 2/15/13                            | FSELP                                                                                        | Agenda for training and materials created and training implemented.                                                                        | Objective 2 and 5                                                                                                                                                                                                                              |
| Step2a                                 | Assess current knowledge levels of community-based service provider staff                                             |                                   |                                    | NDC                                                                                          | Assessment survey developed, implemented and results recorded.                                                                             |                                                                                                                                                                                                                                                |

13. Energy and Resource Efficiency Demonstration Project – Work Plan  
12/18/12

|            |                                                                                                               |         |        |                       |                                                                                                                                 |                |
|------------|---------------------------------------------------------------------------------------------------------------|---------|--------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------|----------------|
| Step2b     | Train NDC/U7 Staff in both a classroom and field setting                                                      |         |        | FSELP/NDC             | Training session(s) will have taken place.                                                                                      |                |
| Activity 3 | Convene local resource service providers.                                                                     | 2/15/13 | 4/1/13 | FSELP                 | Meetings and/or outreach to service providers will have taken place and summary of meetings provided.                           | Objective 3    |
| Step 3a    | Identify local resource providers.                                                                            |         |        | FSELP /RC             | List of service providers compiled.                                                                                             |                |
| Step 3b    | Contact providers regarding project goals and invite them to share their experiences with the project.        |         |        | FSELP /City of STP/RC | Summary notes from discussions will be compiled and shared among the planning team.                                             |                |
| Step 3c    | Plan and organize communication and outreach w/local service providers.                                       |         |        | FSELP                 | Work plan for contacting targeted providers will be developed.                                                                  |                |
| Step 3d    | Develop presentation content and conduct outreach /meetings and/or interviews.                                |         |        | FSELP                 | Presentation content made available.                                                                                            |                |
| Step 3e    | Summarize information and notes from meetings and/or interviews.                                              |         |        | FSELP                 | Written summaries completed.                                                                                                    |                |
| Step 3f    | Share meeting information and notes w/project team.                                                           |         |        | FSELP                 | Written summaries will be emailed to project team for discussion.                                                               |                |
| Activity 4 | Conduct outreach to local small businesses and property owners.                                               | 2/15/13 | 5/1/13 | NDC                   | Meetings and/or outreach to local small business owners and property owners have taken place and summaries of meetings provided | Objective 1, 2 |
| Step 4a    | Develop presentation materials for the outreach activities with small business owners.                        |         |        | NDC/FSELP             | Presentation materials designed and produced.                                                                                   |                |
| Step 4b    | Identify local businesses and property owners to reach out to and engage in this project.                     |         |        | NDC                   | List of targeted businesses and property owners compiled.                                                                       |                |
| Step 4c    | Contact businesses and property owners regarding project goals and invite them to participate in the project. |         |        | NDC                   | Log of contacts is maintained along with solicitation materials.                                                                |                |
| Step 4d    | Plan and organize outreach and/or interviews w/local business owners and property owners.                     |         |        | NDC                   | Log of contacts is maintained                                                                                                   |                |
| Step 4e    | Conduct meetings and/or interviews.                                                                           |         |        | NDC                   | Log of contacts is maintained.                                                                                                  |                |
| Step 4f    | FSELP provides technical support to NDC/U7                                                                    |         |        | FSELP/NDC             | Technical support provided—written summary or log of                                                                            |                |

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13. Energy and Resource Efficiency Demonstration Project – Work Plan  
12/18/12

|                   |                                                                                                                                                                   |               |                |                     |                                                                                                                                            |                               |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
|                   | staff as issues arise in the field                                                                                                                                |               |                |                     | issues and proposed resolutions submitted to project team via email.                                                                       |                               |
| Step 4g           | Document all businesses and property owners by address and business type                                                                                          |               |                | NDC                 | Information log is maintained.                                                                                                             |                               |
| Step 4h           | Summarize information and barriers identified, by priority, from the outreach and/or interviews with business owners and property owners.                         |               |                | NDC                 | Written summaries completed.                                                                                                               |                               |
| Step 4i           | Share and discuss meeting information and barriers along with potential strategies to address the issues identified in the on-site meetings with the project team |               |                | NDC                 | Written summaries will be emailed to project team for discussion.                                                                          |                               |
| <b>Activity 5</b> | <b>Identify and demonstrate key strategies from information gathered in Activities 3 and 4.</b>                                                                   | <b>5/1/13</b> | <b>7/1/13</b>  | <b>NDC/FSELP/RC</b> | <b>List of key strategies will be developed, utilized to create and implement demonstrative projects ..</b>                                | <b>Objective 1, 2, 3,4, 5</b> |
| Step 5a           | Transform recommendations and findings into key strategies to be demonstrated.                                                                                    |               |                | NDC/FSLEP/RC        | Create workplan for demonstration period,                                                                                                  |                               |
| Step 5b           | Identify demonstration sites.                                                                                                                                     |               |                | NDC                 | List of potential sites will be available.                                                                                                 |                               |
| Step 5c           | Recruit select vendors and service providers as needed.                                                                                                           |               |                | NDC/FSELP           | List of vendors and service providers who will be participating in the project will be available.                                          |                               |
| Step 5d           | Arrange with vendors and service providers to demonstrate the key strategies.                                                                                     |               |                | NDC/FSELP           | Work orders will be completed as needed and a list of potential changes will be made for existing service provider resources and programs. |                               |
| Step 5e           | Post demonstration - review and prioritize strategies based on feasibility, affordability and reasonableness of the strategies.                                   |               |                | FSELP /NDC/RC       | Identify and prioritize strategies according to feasibility, affordability and reasonableness.                                             |                               |
| <b>Activity 6</b> | <b>Share findings from Activities 3, 4 and 5 with key stakeholders</b>                                                                                            | <b>7/1/13</b> | <b>10/1/13</b> | <b>FSELP /NDC</b>   | <b>Summarize key findings from previous activities to be shared with project stakeholders.</b>                                             | <b>Objective 4,5</b>          |
| Step 6a           | Share initial findings from Activities 4 and 5 with service providers, especially those that participated in the demonstration projects.                          |               |                | FSELP               | Meetings or other communication methods will be used to share project findings to date.                                                    |                               |
| Step 6b           | Solicit feedback from property and business                                                                                                                       |               |                | FSELP /NDC          | Meetings or other communication methods will be used                                                                                       |                               |

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13. Energy and Resource Efficiency Demonstration Project – Work Plan  
12/18/12

|                   |                                                                                                                                       |                 |                 |                  |                                                                                                         |                         |
|-------------------|---------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|------------------|---------------------------------------------------------------------------------------------------------|-------------------------|
|                   | owners involved in demonstration projects                                                                                             |                 |                 |                  | to share findings with property owners and business owners to vet accuracy of project findings to date. |                         |
| Step 6d           | Summarize feedback and share with project team.                                                                                       |                 |                 | FSELP /NDC/RC    | Written summary will be completed.                                                                      |                         |
| <b>Activity 7</b> | <b>Develop DRAFT of project findings.</b>                                                                                             | <b>10/1/13</b>  | <b>11/1/13</b>  | <b>NDC</b>       | <b>Written and/or video DRAFT report will be completed</b>                                              | <b>Objective 3, 4,5</b> |
| Step 7a           | Post-evaluation of project team staff's capacity to assist businesses with energy and resource efficiency issues.                     |                 |                 | NDC/FSELP        | Assessment survey developed, implemented and results noted in larger report.                            |                         |
| Step 7b           | Share DRAFT findings with project team and project participants.                                                                      |                 |                 | NDC/FSELP        | Electronic or in-person communication will take place.                                                  |                         |
| <b>Activity 8</b> | <b>Make recommendations and prepare FINAL project summary documents.</b>                                                              | <b>11/1/13</b>  | <b>11/15/13</b> | <b>NDC/FSELP</b> | <b>Final recommendations prepared, submitted to partners and shared with key stakeholders.</b>          | <b>Objective 3, 4,5</b> |
| Step 8a           | Create communication products to be disseminated to the broader service provider community and available beyond the project timeline. |                 |                 | NDC/FSELP        | Communication materials completed.                                                                      |                         |
| Step 8b           | Update the narrative from Activity 2.                                                                                                 |                 |                 | RC               | Updates completed.                                                                                      |                         |
| <b>Activity 9</b> | <b>Report out FINAL project findings</b>                                                                                              | <b>11/15/13</b> | <b>12/1/13</b>  | <b>NDC</b>       | <b>Final report shared with key stakeholders.</b>                                                       | <b>Objective 4,5</b>    |
| Step 9a           | Meet with elected officials, CoO policy board and senior staff, and 3-5 community organizations.                                      |                 |                 | RC/NDC           | Meetings have taken place.                                                                              |                         |
|                   | Communicate findings with staff of local gov't departments that work with these businesses (i.e. Public Health, building inspectors)  |                 |                 | NDC/RC/CSP       | Communications have gone out to appropriate stakeholders.                                               |                         |
| <b>Activity</b>   | <b>Project and grant management administrative tasks</b>                                                                              | <b>11/01/12</b> | <b>1/1/14</b>   | <b>RC</b>        | <b>Ensure all required administrative tasks are</b>                                                     | <b>Objective 4,5</b>    |

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|          |                                                      |  |  |    |                                                       |  |
|----------|------------------------------------------------------|--|--|----|-------------------------------------------------------|--|
| 10       |                                                      |  |  |    | executed.                                             |  |
| Step 10a | Write and file all required reports for the project. |  |  | RC | All reports completed and filed with the lead agency. |  |

6. Please fill out the table below to describe how you plan to spend the sub-award. We realize that this may change, and that's ok.

| Activity or Product Make this as detailed as you can at this point. For example, instead of "personnel," state "salary and benefits for Jane Doe". | Final Recipient This may be the sub-award organization, a partner organization, or consultant. | Amount    |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|-----------|
| Contract with Neighborhood Development Center                                                                                                      |                                                                                                |           |
| Salary and benefits for (program staff)                                                                                                            | Neighborhood Development Center                                                                | \$60,000  |
| Salary and benefits for (supervision of program staff)                                                                                             | Neighborhood Development Center                                                                | \$15,000  |
| Salary and benefits for (contract management staff)                                                                                                | Neighborhood Development Center                                                                | \$15,000  |
| Office expenses                                                                                                                                    | Neighborhood Development Center                                                                | \$4,500   |
| Meeting expenses                                                                                                                                   | Neighborhood Development Center                                                                | \$200     |
| Report development and dissemination                                                                                                               | Neighborhood Development Center                                                                | \$4,500   |
| Subcontract--Energy Expertise Salary and benefits for Nancy Kelly and Carl Samuelson                                                               | Eureka Recycling -- Food Service Energy Leadership Program                                     | \$23,500  |
| Subcontract--Labor and materials cost for energy efficiency demonstrations                                                                         | To Be Determined (Mechanical contractor or party capable of performing demonstration tasks_    | \$15,000  |
| Total                                                                                                                                              |                                                                                                | \$137,700 |

7. How many dollars of your sub-award do you estimate will be spent in each calendar year? This should add up to your sub-award amount. This information is for planning purposes only; we won't hold you to it.

|       |           |
|-------|-----------|
| 2012  | \$ 13,000 |
| 2013  | \$124,700 |
| Total | \$137,700 |

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Use this table to identify how your project advances the overall goals of the Corridors of Opportunity initiative, as established by the Policy Board. The Senior Staff Coordinating Committee and Policy Board will use this tool to assess if your project work plan is well-aligned and coordinated with the overall initiative.

| Corridors of Opportunity Goals                                                                                                                                                                         | Major Activity Number(s) – from question 7 above | Description – Explain how these project activities influence or advance the goal                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CoO Goal 1:<br>Develop a new model for transitway development by aligning transit planning and engineering with land use planning, affordable housing, workforce development and economic development. | Na                                               |                                                                                                                                                                                                                                                                                                                                                                                                                      |
| CoO Goal 2:<br>Engage historically-underrepresented communities in transitway planning and decision-making.                                                                                            | Na                                               |                                                                                                                                                                                                                                                                                                                                                                                                                      |
| CoO Goal 3:<br>Use transitway development to expand access to jobs and affordable housing, particularly for low-income populations and people of color.                                                | Na                                               |                                                                                                                                                                                                                                                                                                                                                                                                                      |
| CoO Goal 4:<br>Enhance the region's ability to compete in the global economy.                                                                                                                          | yes                                              | Reduces business vulnerability and increase stability. Focuses on more cost-effective use of resources by small and immigrant owned businesses. Helps stabilize local small businesses; business owners reduce operating expenses and improve their overall resiliency in difficult and shifting business climates. This will result in increased regional community sustainability and healthier local communities. |
| CoO Goal 5:<br>Secure and align public, philanthropic, and private resources to attract robust private investment to the vision.                                                                       | Na                                               |                                                                                                                                                                                                                                                                                                                                                                                                                      |
| CoO Goal 6:<br>Accelerate expansion of the transit system.                                                                                                                                             | Na                                               |                                                                                                                                                                                                                                                                                                                                                                                                                      |

8. Which HUD Mandatory Outcomes does your project advance? Please check all that apply.

- |                                                                                                                                                                                                                |                                                                                                                                                                                                                                                              |                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Creation of regional transportation, housing, water, and air quality plans tied to local comprehensive land use and capital investment plans.                                         | <input type="checkbox"/> Decrease in per capita VMT and transportation-related emissions for the region.                                                                                                                                                     | <input type="checkbox"/> Increased proportion of homes and rental units affordable to a full range of household incomes close to high-quality transit service. |
| <input checked="" type="checkbox"/> Aligned federal planning and investment resources that mirror the local and regional strategies for achieving sustainable communities.                                     | <input type="checkbox"/> Decrease in overall combined housing and transportation costs per household.                                                                                                                                                        | <input checked="" type="checkbox"/> Decreased number of neighborhoods with high concentrations of poverty and minority segregation.                            |
| <input type="checkbox"/> Increased participation and decision-making in developing and implementing a long range vision for the region by populations traditionally marginalized in public planning processes. | <input type="checkbox"/> Increase in the share of residential and commercial construction on underutilized infill development sites that encourage revitalization while minimizing displacement in neighborhoods with significant disadvantaged populations. | <input type="checkbox"/> Increased use of compact development as a tool for regional planning to accommodate population growth.                                |
| <input checked="" type="checkbox"/> Reduced social and economic disparities for the low-income populations, communities of color, and other disadvantaged populations within the target region.                | <input type="checkbox"/> Increased proportion of low-and very-low income households within a 30-minute transit commute of major employment centers.                                                                                                          |                                                                                                                                                                |

9. What 1-3 measures do you suggest that the evaluation team uses to track your project's progress toward the HUD outcomes and/or the Corridors of Opportunity goals? These measures should be things that you could report upon, or measures that rely on data that are readily available to the public. At this point, these measures are only suggestions, but they will inform the development of the evaluation plan.

1. Participation in the project by immigrant and minority business owners with low profit margins and/or employ low income workers.
2. Participation in the project by businesses that are high energy users with opportunities for reducing these costs.
3. Number of businesses motivated to take at least one action to reduce their costs through more efficient use of energy and water resources.

10. What are other suggestions you have for how to evaluate the success of your project?

Small business owner and local service provider participation and interest among community groups to encourage local businesses to participate in this project. Over a longer period of time, reducing the costs incurred by the participants for energy and water consumption and related expenses. Positive feedback from the immigrant and minority communities related to this project and the credibility of city and county programs.

**HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM**

**ATTACHMENT C**

**PAYMENT SCHEDULE AND TERMS**



**Corridors of Opportunity  
HUD Sustainable Communities Regional Planning Grant  
Payment Schedule and Terms**

The following instructions outline the process for submitting payment requests for your HUD Sustainable Communities Regional Planning Grant. It outlines the timeline and required documentation.

**Initiating payment requests**

Payments are made on a reimbursement or cost-incurred basis. Grantees must supply adequate supporting documentation to substantiate each individual payment claim and must clearly tie that documentation to the line item on the claim form. The claim form and a sample payment request and instructions for completing the request successfully will be provided to the project contact person.

**When can a Grantee submit a request for reimbursement?**

Grant costs may be incurred immediately after the grant is awarded, but grant funds may not be paid out until the grant agreement has been fully executed. All requests must be submitted by **November 1, 2013**.

The Metropolitan Council is reimbursed by HUD for the Sustainable Communities Regional Planning Grant, including sub-recipient grantee reimbursement requests. Met Council staff will submit a request for reimbursement from HUD on a monthly basis. In order to be in sync with the Met Council schedule and receive payment within 45 days, you must submit your reimbursement requests by the **last day of the month**. The payment request will be included in the HUD draw-down request if it is approved by HUD Sustainable Communities staff, and these payments can be expected by the end of the month after they are submitted.

If there are questions on the expenses or documentation, the payment may end up being submitted in the following month's draw-down. Staff will work with sub-recipients to make reasonable efforts to resolve questions regarding payment requests.

**What supporting documents/invoices are required?**

Use the "reasonable person" test to determine when enough detail has been provided: if a reasonable person who is unacquainted with the Project can arrive at the claimed total solely by using the supporting documentation provided, the pay claim is documented well enough.

- All requests for payment must include supporting documents for the amount being requested. If a contractor or consultant bills for subcontracted work, we require copies from the subcontractors, as well.



- When submitting a copy of a contractor's Certificate of Payment or invoice, provide clear identification of the claimed costs. For example, do not submit an invoice for \$25,000 and claim \$13,000 without identifying which costs comprise the \$13,000.
- Costs must also relate to a specific grant-funded activity as described in the Work Plan.
- Please do not include documentation for other grantors or invoices that are not itemized on the payment request.

Providing documentation that clearly ties the claimed costs directly to each individual payment request line item and clearly supports and explains each item will speed the processing of your payment. The Council may require additional information if it is necessary to verify the costs for which payment is requested or to ensure the request is consistent with the intent and purpose of the activity described in the Work Plan. Payment claims that cannot be properly identified or substantiated may be returned to the Grantee for further clarification or denied.

#### Contact Information:

|                                                                                                    |                                                                                                                  |
|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| <b>Allison Bell</b>                                                                                | <b>Nora Riemenschneider</b>                                                                                      |
| Project Manager<br>Corridors of Opportunity/HUD Sustainable<br>Communities Regional Planning Grant | Project Coordinator<br>Corridors of Opportunity/HUD Sustainable Communities<br>Regional Planning Grant           |
| 651.602.1363<br><a href="mailto:allison.bell@metc.state.mn.us">allison.bell@metc.state.mn.us</a>   | 651-602-1361<br><a href="mailto:nora.riemenschneider@metc.state.mn.us">nora.riemenschneider@metc.state.mn.us</a> |

**HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM**

**ATTACHMENT D**

**REPORTING SCHEDULE**



**Twin Cities HUD Sustainable Communities Regional Planning Grant**

**Reporting Schedule**

| Biannual Reports          |                                 |                        |
|---------------------------|---------------------------------|------------------------|
| Reporting Period End Date | Due to the Metropolitan Council | Due to HUD             |
| June 30, 2013             | July 12, 2013                   | Tuesday, July 30, 2013 |
| Dec. 31, 2013             | February 14, 2014               | March 30, 2014         |

**HUD SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT PROGRAM**

**ATTACHMENT E**

**SECTION 3 PLAN REPORTING AND BUSINESS CERTIFICATION FORM and  
TITLE 24 CODE OF FEDERAL REGULATIONS SUBTITLE B, CH. 1  
APPENDIX TO PART 135**

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**Metropolitan Council**  
**HUD Sustainable Communities Regional Planning Grant Program**  
**Section 3 Plan**

**What is Section 3**

Section 3 is part of the Housing and Urban Development Act of 1968 with the purpose of ensuring employment and other economic development opportunities be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons when HUD dollars are expended.

HUD requires the Metropolitan Council Sustainable Communities Regional Planning Grant (SCRPG) Program to report annual accomplishments regarding employment and other economic opportunities provided to low- and very low-income persons. The data we report refers only to new jobs and contracts created, not existing positions for which the grant supplies supplementary salary.

Please note that this is a reporting requirement only. Sub-recipients are not under an obligation to affirmatively seek out or hire public housing residents or other low- or very-low income persons as defined by HUD. However, the Metropolitan Council strongly encourages SCRPG Program sub-recipients to affirmatively use good faith efforts to direct employment and other economic opportunities generated by the SCRPG Program to low- and very low-income persons, and to businesses that provide economic opportunities to low- and very low-income persons.

**What is a "Section 3 Resident"**

A Section 3 Resident must meet one of the following criteria according to the income chart below:

1. Is a resident of public housing; or
2. Is a resident of the 7 county metro area whose income falls at or below the income limits

**What is a Section 3 Business**

A Section 3 Business must meet one of the following criteria according to the income chart above:

1. Is a business that is 51% or more owned by Section 3 residents; or
2. Is a business where at least 30% of current full time employees are Section 3 residents, or were Section 3 residents within three years of the date of first hire; or
3. Provides evidence, as required, of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to business concerns that meet one of the first two qualifications above.

**How do I find income limits for my county?**

Go to the HUD website to find the income limits in your county:

[http://www.huduser.org/portal/datasets/il/il2012/select\\_Geography.odn](http://www.huduser.org/portal/datasets/il/il2012/select_Geography.odn)

**What's my role?**

All sub-recipient grantees of the HUD Sustainable Communities Regional Planning Grant Program are required to report on Section 3 business and resident hiring. When you contract or hire a business or individual that is hired for a new position created by the HUD Sustainable



Communities grant funding, please ask the individual or business to complete the applicable attached form, described here:

- **Section 3 Resident Certification** – Attached is a Section 3 Resident Certification Form. Employees that are in new jobs created as a result of the HUD Sustainable Communities grant should fill out this form if they meet the definition of a Section 3 Resident.
- **Section 3 Business Certification** - Please ask the businesses hired or contracted as a result of the HUD Sustainable Communities grant to fill out the attached Section 3 Business Certification Form if they meet the definition of a Section 3 business.

These forms should be submitted after the new hire is made, or at the latest, with the bi-annual report due after the December 31 reporting period deadline.

**Questions**

Contact – Allison Bell, HUD Sustainable Communities Project Manager at 651-602-1363 or via e-mail at [Allison.bell@metc.state.mn.us](mailto:Allison.bell@metc.state.mn.us).

**Metropolitan Council  
HUD Sustainable Communities Regional Planning Grant Program**

**Section 3 Business Certification**

**Business Name** \_\_\_\_\_

**Business Address** \_\_\_\_\_

**Type of Business**      \_\_\_\_\_ Corporation      \_\_\_\_\_ Partnership  
                                 \_\_\_\_\_ Sole Proprietorship      \_\_\_\_\_ Joint Venture

**IN ORDER TO QUALIFY AS A SECTION 3 BUSINESS, ONE OF THE FOLLOWING MUST BE TRUE: (please check one)**

- ☐ Proof of 51% business ownership by Section 3 Residents (see previous page for description of Section 3 Resident)

- Must provide name and address of Section 3 Residents included in 51% ownership (attach a separate sheet of paper if necessary)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- ☐ At least 30% of all full time employees are Section 3 Residents (see previous page for description of Section 3 Resident)

- Must provide the following information on an attached sheet

☐ Names of all current full time employees

☐ List of all employees claiming Section 3 status

☐ Evidence of Section 3 qualification with the income limits listed below (W-2 forms, most recent federal income tax return).

| Family Size       | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|-------------------|---|---|---|---|---|---|---|---|
| Low Income Limits |   |   |   |   |   |   |   |   |

Fill in these limits by checking the HUD website for income limits in your county:  
[http://www.huduser.org/portal/datasets/il/il2012/select\\_Geography.odn](http://www.huduser.org/portal/datasets/il/il2012/select_Geography.odn)

\_\_\_\_\_  
**Printed Name and Title**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Telephone Number**

**Metropolitan Council  
HUD Sustainable Communities Regional Planning Grant Program**

**Section 3 Resident Certification**

Resident Name \_\_\_\_\_

Resident Address \_\_\_\_\_

**IN ORDER TO QUALIFY AS A SECTION 3 RESIDENT, ONE OF THE FOLLOWING MUST BE TRUE: (please check one)**

- ☐ I am a current resident of a Metro HRA public housing unit and my household income falls at or below the income limits
- ☐ I am a current resident of the 7 county metro area and my household income falls at or below the income limits.
- My family size is \_\_\_\_\_ persons. My annual family income is \$\_\_\_\_\_.
  - Must provide one of the following as evidence:
    - ☐ Proof of receipt of public assistance
    - ☐ Copy of W-2 Form or most recent income tax return
- ☐ I am not a Section 3 Resident based on the information provided.

To be considered low income your annual family income must be equal to or less than that listed below:

| Family Size       | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|-------------------|---|---|---|---|---|---|---|---|
| Low Income Limits |   |   |   |   |   |   |   |   |

Fill in these limits by checking the HUD website for income limits in your county:  
[http://www.huduser.org/portal/datasets/il/il2012/select\\_Geography.odn](http://www.huduser.org/portal/datasets/il/il2012/select_Geography.odn)

I, \_\_\_\_\_ (print name) certify that I am a Section 3 Resident and meet at least one of the criteria for being a Section 3 Resident listed above.

Printed Name \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Telephone Number \_\_\_\_\_

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*Feel free to use this memo template to provide to your contractors and consultants in order to request that they complete the Section 3 Resident and/or Business Certification forms.*

**DATE:** January 18, 2013

**TO:** <Contractors/Consultants/New Employees hired> for the HUD Sustainable Communities Regional Planning Grant Program

**FROM:** <>

**SUBJECT:** Section 3 Reporting Requirements

You were hired as a <contractor/consultant/new employee> on one or more projects for work under the HUD Sustainable Communities Regional Planning Grant Program (SCRPG) awarded to the Metropolitan Council. Because the SCRPG is funded with federal dollars, Section 3 reporting requirements apply to your project. The requirements are summarized in the attached Section 3 Plan.

I need to submit a report to the Metropolitan Council on all Section 3 activity for SCRPG contracts. I need your help to complete the report. Please review the attached materials and complete the certification as applicable.

If you may qualify as a Section 3 Business, please fill out the Section 3 Business Certification Form. Please return certification and back up documentation to my attention within 30 days (sooner if possible).

Thank you for your work. If you have questions, I can be reached via e-mail at <> or via telephone at (###) ###-####.

maintained in accordance with the regulations governing the specific HUD program under which section 3 covered assistance is provided or otherwise made available to the recipient or contractor.

## APPENDIX TO PART 135

## I. Examples of Efforts To Offer Training and Employment Opportunities to Section 3 Residents

- (1) Entering into "first source" hiring agreements with organizations representing Section 3 residents.
- (2) Sponsoring a HUD-certified "Step-Up" employment and training program for section 3 residents.
- (3) Establishing training programs, which are consistent with the requirements of the Department of Labor, for public and Indian housing residents and other section 3 residents in the building trades.
- (4) Advertising the training and employment positions by distributing flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) to every occupied dwelling unit in the housing development or developments where category 1 or category 2 persons (as these terms are defined in §135.34) reside.
- (5) Advertising the training and employment positions by posting flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) in the common areas or other prominent areas of the housing development or developments. For HAs, post such advertising in the housing development or developments where category 1 or category 2 persons reside; for all other recipients, post such advertising in the housing development or developments and transitional housing in the neighborhood or service area of the section 3 covered project.
- (6) Contacting resident councils, resident management corporations, or other resident organizations, where they exist, in the housing development or developments where category 1 or category 2 persons reside, and community organizations in HUD-assisted neighborhoods, to request the assistance of these organizations in notifying residents of the training and employment positions to be filled.
- (7) Sponsoring (scheduling, advertising, financing or providing in-kind services) a job informational meeting to be conducted by an HA or contractor representative or representatives at a location in the housing development or developments where category 1 or category 2 persons reside or in the neighborhood or service area of the section 3 covered project.

(8) Arranging assistance in conducting job interviews and completing job applications for residents of the housing development or developments where category 1 or category 2 persons reside and in the neighborhood or service area in which a section 3 project is located.

(9) Arranging for a location in the housing development or developments where category 1 persons reside, or the neighborhood or service area of the project, where job applications may be delivered to and collected by a recipient or contractor representative or representatives.

(10) Conducting job interviews at the housing development or developments where category 1 or category 2 persons reside, or at a location within the neighborhood or service area of the section 3 covered project.

(11) Contacting agencies administering HUD Youthbuild programs, and requesting their assistance in recruiting HUD Youthbuild program participants for the HA's or contractor's training and employment positions.

(12) Consulting with State and local agencies administering training programs funded through JTPA or JOBS, probation and parole agencies, unemployment compensation programs, community organizations and other officials or organizations to assist with recruiting Section 3 residents for the HA's or contractor's training and employment positions.

(13) Advertising the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio advertising.

(14) Employing a job coordinator, or contracting with a business concern that is licensed in the field of job placement (preferably one of the section 3 business concerns identified in part 135), that will undertake, on behalf of the HA, other recipient or contractor, the efforts to match eligible and qualified section 3 residents with the training and employment positions that the HA or contractor intends to fill.

(15) For an HA, employing section 3 residents directly on either a permanent or a temporary basis to perform work generated by section 3 assistance. (This type of employment is referred to as "force account labor" in HUD's Indian housing regulations. See 24 CFR 905.102, and §905.201(a)(6).)

(16) Where there are more qualified section 3 residents than there are positions to be filled, maintaining a file of eligible qualified section 3 residents for future employment positions.

(17) Undertaking job counseling, education and related programs in association with local educational institutions.

(18) Undertaking such continued job training efforts as may be necessary to ensure the continued employment of section 3 residents



previously hired for employment opportunities.

(19) After selection of bidders but prior to execution of contracts, incorporating into the contract a negotiated provision for a specific number of public housing or other section 3 residents to be trained or employed on the section 3 covered assistance.

(20) Coordinating plans and implementation of economic development (e.g., job training and preparation, business development assistance for residents) with the planning for housing and community development.

#### *II. Examples of Efforts To Award Contracts to Section 3 Business Concerns*

(1) Utilizing procurement procedures for section 3 business concerns similar to those provided in 24 CFR part 905 for business concerns owned by Native Americans (see section III of this Appendix).

(2) In determining the responsibility of potential contractors, consider their record of section 3 compliance as evidenced by past actions and their current plans for the pending contract.

(3) Contacting business assistance agencies, minority contractors associations and community organizations to inform them of contracting opportunities and requesting their assistance in identifying section 3 businesses which may solicit bids or proposals for contracts for work in connection with section 3 covered assistance.

(4) Advertising contracting opportunities by posting notices, which provide general information about the work to be contracted and where to obtain additional information, in the common areas or other prominent areas of the housing development or developments owned and managed by the HA.

(5) For HAs, contacting resident councils, resident management corporations, or other resident organizations, where they exist, and requesting their assistance in identifying category 1 and category 2 business concerns.

(6) Providing written notice to all known section 3 business concerns of the contracting opportunities. This notice should be in sufficient time to allow the section 3 business concerns to respond to the bid invitations or request for proposals.

(7) Following up with section 3 business concerns that have expressed interest in the contracting opportunities by contacting them to provide additional information on the contracting opportunities.

(8) Coordinating pre-bid meetings at which section 3 business concerns could be informed of upcoming contracting and subcontracting opportunities.

(9) Carrying out workshops on contracting procedures and specific contract opportunities in a timely manner so that section 3 business concerns can take advantage of upcoming contracting opportunities, with such

information being made available in languages other than English where appropriate.

(10) Advising section 3 business concerns as to where they may seek assistance to overcome limitations such as inability to obtain bonding, lines of credit, financing, or insurance.

(11) Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways to facilitate the participation of section 3 business concerns.

(12) Where appropriate, breaking out contract work items into economically feasible units to facilitate participation by section 3 business concerns.

(13) Contacting agencies administering HUD Youthbuild programs, and notifying these agencies of the contracting opportunities.

(14) Advertising the contracting opportunities through trade association papers and newsletters, and through the local media, such as community television networks, newspapers of general circulation, and radio advertising.

(15) Developing a list of eligible section 3 business concerns.

(16) For HAs, participating in the "Contracting with Resident-Owned Businesses" program provided under 24 CFR part 963.

(17) Establishing or sponsoring programs designed to assist residents of public or Indian housing in the creation and development of resident-owned businesses.

(18) Establishing numerical goals (number of awards and dollar amount of contracts) for award of contracts to section 3 business concerns.

(19) Supporting businesses which provide economic opportunities to low income persons by linking them to the support services available through the Small Business Administration (SBA), the Department of Commerce and comparable agencies at the State and local levels.

(20) Encouraging financial institutions, in carrying out their responsibilities under the Community Reinvestment Act, to provide no or low interest loans for providing working capital and other financial business needs.

(21) Actively supporting joint ventures with section 3 business concerns.

(22) Actively supporting the development or maintenance of business incubators which assist Section 3 business concerns.

#### *III. Examples of Procurement Procedures That Provide for Preference for Section 3 Business Concerns*

This Section III provides specific procedures that may be followed by recipients and contractors (collectively, referred to as the "contracting party") for implementing the section 3 contracting preference for each of

the competitive procurement methods authorized in 24 CFR 85.36(d).

(1) *Small Purchase Procedures.* For section 3 covered contracts aggregating no more than \$25,000, the methods set forth in this paragraph (1) or the more formal procedures set forth in paragraphs (2) and (3) of this Section III may be utilized.

(i) *Solicitation.* (A) Quotations may be solicited by telephone, letter or other informal procedure provided that the manner of solicitation provides for participation by a reasonable number of competitive sources. At the time of solicitation, the parties must be informed of:

- the section 3 covered contract to be awarded with sufficient specificity;
- the time within which quotations must be submitted; and
- the information that must be submitted with each quotation.

(B) If the method described in paragraph (i)(A) is utilized, there must be an attempt to obtain quotations from a minimum of three qualified sources in order to promote competition. Fewer than three quotations are acceptable when the contracting party has attempted, but has been unable, to obtain a sufficient number of competitive quotations. In unusual circumstances, the contracting party may accept the sole quotation received in response to a solicitation provided the price is reasonable. In all cases, the contracting party shall document the circumstances when it has been unable to obtain at least three quotations.

(ii) *Award.* (A) Where the section 3 covered contract is to be awarded based upon the lowest price, the contract shall be awarded to the qualified section 3 business concern with the lowest responsive quotation, if it is reasonable and no more than 10 percent higher than the quotation of the lowest responsive

quotation from any qualified source. If no responsive quotation by a qualified section 3 business concern is within 10 percent of the lowest responsive quotation from any qualified source, the award shall be made to the source with the lowest quotation.

(B) Where the section 3 covered contract is to be awarded based on factors other than price, a request for quotations shall be issued by developing the particulars of the solicitation, including a rating system for the assignment of points to evaluate the merits of each quotation. The solicitation shall identify all factors to be considered, including price or cost. The rating system shall provide for a range of 15 to 25 percent of the total number of available rating points to be set aside for the provision of preference for section 3 business concerns. The purchase order shall be awarded to the responsible firm whose quotation is the most advantageous, considering price and all other factors specified in the rating system.

(2) *Procurement by sealed bids (Invitations for Bids).* Preference in the award of section 3 covered contracts that are awarded under a sealed bid (IFB) process may be provided as follows:

(i) Bids shall be solicited from all businesses (section 3 business concerns, and non-section 3 business concerns). An award shall be made to the qualified section 3 business concern with the highest priority ranking and with the lowest responsive bid if that bid—

(A) is within the maximum total contract price established in the contracting party's budget for the specific project for which bids are being taken, and

(B) is not more than "X" higher than the total bid price of the lowest responsive bid from any responsible bidder. "X" is determined as follows:

|                                                             | x=lesser of:                                            |
|-------------------------------------------------------------|---------------------------------------------------------|
| When the lowest responsive bid is less than \$100,000 ..... | 10% of that bid or \$9,000.                             |
| When the lowest responsive bid is:                          |                                                         |
| At least \$100,000, but less than \$200,000 .....           | 9% of that bid, or \$18,000.                            |
| At least \$200,000, but less than \$300,000 .....           | 8% of that bid, or \$21,000.                            |
| At least \$300,000, but less than \$400,000 .....           | 7% of that bid, or \$24,000.                            |
| At least \$400,000, but less than \$500,000 .....           | 6% of that bid, or \$25,000.                            |
| At least \$500,000, but less than \$1 million .....         | 5% of that bid, or \$40,000.                            |
| At least \$1 million, but less than \$2 million .....       | 4% of that bid, or \$60,000.                            |
| At least \$2 million, but less than \$4 million .....       | 3% of that bid, or \$80,000.                            |
| At least \$4 million, but less than \$7 million .....       | 2% of that bid, or \$105,000.                           |
| \$7 million or more .....                                   | 1½% of the lowest responsive bid, with no dollar limit. |

(ii) If no responsive bid by a section 3 business concern meets the requirements of paragraph (2)(i) of this section, the contract shall be awarded to a responsible bidder with the lowest responsive bid.

(3) *Procurement under the competitive proposals method of procurement (Request for Proposals (RFP)).* (i) For contracts and sub-

contracts awarded under the competitive proposals method of procurement (24 CFR 85.36(d)(3)), a Request for Proposals (RFP) shall identify all evaluation factors (and their relative importance) to be used to rate proposals.

(ii) One of the evaluation factors shall address both the preference for section 3 business concerns and the acceptability of the strategy for meeting the greatest extent feasible requirement (section 3 strategy), as disclosed in proposals submitted by all business concerns (section 3 and non-section 3 business concerns). This factor shall provide for a range of 15 to 25 percent of the total number of available points to be set aside for the evaluation of these two components.

(iii) The component of this evaluation factor designed to address the preference for section 3 business concerns must establish a preference for these business concerns in the order of priority ranking as described in 24 CFR 135.36.

(iv) With respect to the second component (the acceptability of the section 3 strategy), the RFP shall require the disclosure of the contractor's section 3 strategy to comply with the section 3 training and employment preference, or contracting preference, or both, if applicable. A determination of the contractor's responsibility will include the submission of an acceptable section 3 strategy. The contract award shall be made to the responsible firm (either section 3 or non-section 3 business concern) whose proposal is determined most advantageous, considering price and all other factors specified in the RFP.

## **PART 146—NONDISCRIMINATION ON THE BASIS OF AGE IN HUD PROGRAMS OR ACTIVITIES RECEIVING FEDERAL FINANCIAL ASSISTANCE**

### **Subpart A—General**

Sec.

- 146.1 Purpose of the Age Discrimination Act of 1975.
- 146.3 Purpose of HUD's age discrimination regulation.
- 146.5 Applicability of part.
- 146.7 Definitions.

### **Subpart B—Standards for Determining Age Discrimination**

- 146.11 Scope of subpart.
- 146.13 Rules against age discrimination.

### **Subpart C—Duties of HUD Recipients**

- 146.21 General responsibilities.
- 146.23 Notice of subrecipients.
- 146.25 Assurance of compliance and recipient assessment of age distinctions.
- 146.27 Information requirements.

### **Subpart D—Investigation, Settlement, and Enforcement Procedures**

- 146.31 Compliance reviews.
- 146.33 Complaints.
- 146.35 Mediation.
- 146.37 Investigation.
- 146.39 Enforcement procedures.
- 146.41 Prohibition against intimidation or retaliation.
- 146.43 Hearings, decisions, post-termination proceedings.
- 146.45 Exhaustion of administrative remedies.
- 146.47 Remedial and affirmative action by recipients.
- 146.49 Alternate funds disbursement procedure.

AUTHORITY: 42 U.S.C. 3535(d) and 6103.

SOURCE: 51 FR 45266, Dec. 17, 1986, unless otherwise noted.

### **Subpart A—General**

#### **§ 146.1 Purpose of the Age Discrimination Act of 1975.**

The Age Discrimination Act of 1975 (the Act) prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. The Act, however, permits federally assisted programs and activities and recipients of Federal funds to continue to use certain age distinctions and factors other than age which meet the requirements of the Act and this part.

#### **§ 146.3 Purpose of HUD's age discrimination regulation.**

The purpose of this part is to state HUD's policies and procedures under the Age Discrimination Act of 1975, consistent with the government-wide age discrimination regulation contained at 45 CFR part 90.

#### **§ 146.5 Applicability of part.**

This part applies to each program or activity that receives Federal financial assistance provided by HUD.

#### **§ 146.7 Definitions.**

The terms *HUD* and *Secretary* are defined in 24 CFR part 5.

*Act* means the Age Discrimination Act of 1975, 42 U.S.C. 6101-07.

*Action* means any act, activity, policy, rule, standard, or method of administration or the use of any policy,

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