

September 25, 2015

Counties Transit Improvement Board
c/o Mary Richardson, CTIB Administrator
Richardson, Richter & Associates
477 Selby Avenue
St. Paul, MN 55102

Dear Counties Transit Improvement Board:

The Metropolitan Council is pleased to submit a \$191,344 operating grant application to CTIB for 2016 Cedar Avenue BRT Express service. As requested, we have included the original application, 17 copies of the application form and attachments, a PDF file, and CD with electronic copies of the worksheets.

The Council is submitting two operating grants supporting the Cedar Avenue Transitway: the Cedar Avenue BRT Express and the METRO Red Line BRT Station-to-Station service. These grants work together to leverage ridership, transit advantages, and facility capacity along the Cedar Avenue Transitway.

The Cedar Avenue BRT Express application requests a net 50% funding share to support Express BRT service on the Cedar Avenue corridor as follows:

- Four trips each weekday AM and PM between Cedar Grove Transit Station and downtown Minneapolis and the University of Minnesota.
- Four trip extensions each weekday AM and PM between Lakeville Cedar and Apple Valley Transit Station.

The Council contracts with Minnesota Valley Transit Authority (MVTA) to provide the service. MVTA developed the service and facilities budgets utilizing 2014 indirect rates from their federally approved 2012 Cost Allocation Plan. It is the 2016 indirect rate that will finalize the service and facility budgets in this application. MVTA is currently developing their 2013 and 2014 Cost Allocation Plans which will identify 2015 and 2016 indirect rates. At the direction of the FTA, the Council is required to review the plans upon submission by MVTA. CTIB will be notified of any budget impacts resulting from the final indirect rates.

Responses to the requests for clarifying information can be found in the enclosure to this letter. Thank you for the opportunity to provide additional information and clarification for this grant request to support the operations of Cedar Avenue BRT Express Service in 2016.

Sincerely,



Weston Kooistra
Regional Administrator

Enclosure

cc: Arlene McCarthy – Director, Metropolitan Transportation Services (MTS)
Brian Lamb, General Manager, Metro Transit
Heather Aagesen-Huebner, Manager of Administration, MTS

With regard to the Cedar Avenue BRT Express operating grant application:

1. Please provide a detailed schedule identifying specific dates for completion of the following grant agreement requirements.

- a. Please provide a detailed schedule with specific dates identifying when the 2014 year-end operations and financial report will be submitted to CTIB for review.

RESPONSE: Please see the attached timeline.

- b. Please provide a detailed schedule with specific dates identifying when the requirements related to the five conditions will be submitted to CTIB for review. This schedule should specifically include details related to the completion of the 2013 Cost Allocation Plan (Condition #1) and the submission of the final 2015 operations budget (Condition #2).

RESPONSE: Please see the attached timeline.

- c. Please provide a detailed schedule with specific dates identifying when the Council will submit to CTIB a 2016 preliminary operating budget that uses information derived from the 2014 Cost Allocation Plan.

RESPONSE: The 2016 budget includes a contingency line item representing a 15% increase in the A-87 allocation indirect rate of both service and facilities. In 2015, the grant budget included a 5% contingency on direct costs and a 50% contingency on allocated (indirect) costs. The Council anticipates MVTA's 2016 A-87 rate will be approved in mid-March 2016 and an updated budget will be provided to CTIB at that time.

Please see the attached timeline for additional detail.

2. Worksheet 1-OP requests information about the allocation of station, parking facility or guideway O&M costs between the transitway service and other transit services using any part of the station, parking facility or guideway. The submitted worksheet provides a response that indicates "transitway operating costs are budgeted 100% to the transitway line a station was constructed for."

- a. Please provide additional detail about Metropolitan Council policies related to this budgeting practice.

RESPONSE: Metro Transit and Metropolitan Transportation Services have an established practice of budgeting 100% of a facility's O&M cost to the transitway line for which the facility was constructed. In cases where a facility is expanded (e.g., Apple Valley Transit Station, the Blue Line 28th Avenue park-and-ride, Blue Line platform extensions to accommodate 3-

car trains) the expansion-related facility costs are also allocated to the transitway. There isn't more detail than that in the approach as it is straightforward, reasonable and standard practice.

- b. Please identify which stations were constructed for the Cedar Express services supported by this grant application.

RESPONSE: The Lakeville Cedar park-and-ride was constructed as part of the Cedar Avenue Transitway project, initially for express service using the Cedar Avenue Transitway guideway, technology, and buses; the Cedar Avenue Transitway Implementation Plan calls for future Red Line service extension to this facility.

- c. Worksheet 2 on page 12 of the application identifies facility costs for Cedar Grove Station, Lakeville Cedar Station, and Apple Valley Transit Station, Apple Valley Layover Station, and Gaslight overflow parking lot. We understand from past discussions that these facilities were constructed for the METRO Red Line. Please clarify.

RESPONSE: The following stations were constructed and/or expanded for the METRO Red Line.

- 140th Street Station
- 147th Street Station
- Cedar Grove Transit Station
- Apple Valley Transit Station
- Apple Valley Transit Station Layover

Expansion of the Apple Valley Transit Station is planned for 2019 when awarded CMAQ funds are available. This will allow construction of the last two parking decks that were planned with the original facility, but not constructed due to lack of funds. The Gaslight overflow lot is temporary AVTS capacity until the deck expansion is completed.

- d. Please revise the grant application worksheets to incorporate or remove facility costs from the operating budget to reflect the responses provided to question 1b and 1c.

RESPONSE: Complete

3. Worksheet 2-OP indicates a substantial increase in farebox revenues beginning in 2017. Please describe the budgeting assumptions used to prepare this worksheet.

RESPONSE: Worksheet 2-OP is based off of the current approved Cedar Avenue Implementation Plan. The Cedar Ave Implementation Plan update is in process, led by Dakota County RRA, and should be finalized

in late 2015/early 2016. It is anticipated that the future service plan growth, service operating costs and projected revenues will decrease.

4. Please revise Worksheet 4-OP to identify allocated expenses in Section 5. Note that the definition of operating costs used in the Master Operations Funding Agreement describes eligible expenses as “direct costs attributable to transitway service operations and indirect costs attributable to transitway services as follows: Federal A-87 Support Service Allocation, Modal Allocation, Metropolitan Council Allocation and Contracted Services Overhead Allocation.” These categories of eligible operating costs are incorporated into Worksheet 4-OP.

RESPONSE: Complete. MVTA’s Cost Allocation plan is a Federal A-87 plan.

Cedar Ave Transitway - Cost Allocation Plan Timeline 9.22.15

Grant Year	Task	Due Date
2014 Grants	Council sends MVTA 2012 Certification Memo	10/1/2015
	MVTA submit 2014 invoices	9/18/2015
	Council reviews 2014 invoices	9/25/2015
	MVTA answers 2014 invoice questions	10/2/2015
	Council reviews 2014 resubmission	10/9/2015
	Council submits 2014 Closeout Report to CTIB	10/16/2015
	Council reviews 2014 Closeout Report with CTIB Finance	10/16/2015
	Council presents 2014 Closeout Report to CTIB Board	10/21/2015
Council provides CTIB 2014 refund payment	11/15/2015	
2015 Grants	MVTA Board approves 2013 CAP	10/28/2015
	MVTA submits 2013 CAP	10/30/2015
	Council reviews 2013 CAP	12/1/2015
	Council identifies and asks follow-up questions	12/1/2015
	MVTA clarifies issues / answers questions (if needed)	1/1/2016
	Council reviews plan (if needed)	1/15/2016
	MVTA Board approves CAP (if needed)	January 2016 Board Meeting (date TBD)
	MVTA submits Final 2013 CAP (if needed)	January 2016 Board Meeting (date TBD)
	Council certifies 2013 CAP	2/5/2016
	Council submits final 2015 budget to CTIB	2/12/2016
Council reviews 2015 budget with CTIB Finance	February/March 2016 Finance Meeting (date TBD)	
Council presents 2015 budget to CTIB Board	February / March 2016 (date TBD)	
2016 Grants	MVTA Board approves 2014 CAP	12/9/2015
	MVTA submits 2014 CAP	12/11/2015
	Council reviews 2014 CAP	1/8/2016
	Council identifies and asks follow-up questions	1/8/2016
	MVTA clarifies issues / answers questions (if needed)	2/8/2016
	Council reviews plan (if needed)	2/22/2016
	MVTA Board approves CAP (if needed)	February MVTA Board Meeting (date TBD)
	MVTA submits Final 2014 CAP (if needed)	February MVTA Board Meeting (date TBD)
	Council certifies 2014 CAP	3/11/2016
	Council submits final 2016 budget to CTIB	3/19/2016
Council reviews 2016 budget with CTIB Finance	March 2016 Finance Meeting (date TBD)	
Council presents 2016 budget to CTIB Board	March/April 2016 (date TBD)	

Table of Contents

Operating Grant Application Cover Sheet	Pages 1-3
Project Benchmarks and Timeline	Page 4
Operating Grant Worksheets	Pages 5-13
Eligibility and Supplemental Eligibility Criteria	Pages 14-16
Project Map	Page 17

ATTACHMENT 1: OPERATING GRANT APPLICATION COVER SHEET

Transitway Operating Grant Application Cover Sheet

Submit Applications to: Mary Richardson, Administrator, Counties Transit Improvement Board,
477 Selby Avenue, Saint Paul MN 55102
(651) 222-7227

Date of Submittal: September 25, 2015

Applicant Information

Legal Name of Applicant (County, County Regional Railroad Authority, or Metropolitan Council):
Metropolitan Council

Serving MTA County/Counties of:
Dakota, Hennepin

Contract Contact

Contract Contact Person and Title: Arlene McCarthy, Director, MTS

Phone No: (651) 602-1754

Mailing Address: 390 North Robert Street

City: St. Paul	State: MN	Zip Code: 55101
-----------------------	------------------	------------------------

Email Address: Arlene.McCarthy@metc.state.mn.us

Application Contact

Application Contact Person and Title: Heather Aagesen-Huebner, Manager, MTS Administration

Phone No: (651) 602-1728

Mailing Address: 390 North Robert Street

City: St. Paul	State: MN	Zip Code: 55101
-----------------------	------------------	------------------------

Email Address: Heather.Aagesen-Huebner@metc.state.mn.us

Transitway Information

Transitway corridors eligible for operating grants under Transit Investment Framework:

(Check applicable corridor for this application from list below)

- | | |
|---|--|
| <input checked="" type="checkbox"/> Cedar Avenue Express Bus
<input type="checkbox"/> I-35W South Express Bus
<input type="checkbox"/> METRO Blue Line LRT (Hiawatha) | <input type="checkbox"/> METRO Green Line LRT (Central)
<input type="checkbox"/> METRO Red Line BRT (Cedar)
<input type="checkbox"/> Northstar Commuter Rail |
|---|--|

Grant Activity Period Start Date: 1/1/2016

Grant Activity Period End Date: 12/31/2016

Grant Project Description: Please provide a one paragraph description specifically on the 2016 Grant Project including: transitway location (from termini city to terminus city), transit mode, and activities to be funded in 2016. Note: This paragraph will be used in the grant agreement, if awarded, to describe the activities eligible for funding in the 2016 grant period.

The grant is for the BRT express service operating costs in the Cedar Avenue Corridor from January 1, 2016 through December 31, 2016 as follows:

- 4 trip extensions each AM and PM between Lakeville Cedar and Apple Valley Transit Station
- 4 trips each AM and PM between Cedar Grove Transit Station and downtown Minneapolis and the University of Minnesota

This grant also covers the annual facility operating and maintenance costs for the following facilities:

- Lakeville Cedar Park-and-Ride

Funding Information

CTIB Grant Amount Requested (\$, %) \$191,344 (44.88%)	Total Transitway Operating Costs (\$, %) \$426,391 (100%)
State Funds Provided (\$, %) Not applicable	Metropolitan Council Funds Provided (\$, %) MVST - \$191,344 (44.88%)
Farebox Revenue (\$, %) \$43,703 (10.25%)	Other Funds (\$, %) Not applicable

Certification: The undersigned certifies that he or she has the authority to sign this application on behalf of the applicant and that all of the information provided in the application is true and correct to the best of their knowledge.

Signature:

Thyda By, CFO

Title: Regional Administrator

Date:

9/04/15

ATTACHMENT 2: PROJECT BENCHMARKS AND TIMELINE

Project benchmarks will be used to assess progress throughout the term of the grant.

Using the form below provide five (5) to ten (10) significant 2016 Grant Project benchmarks and a timeline addressing: service characteristics, including ridership; award of contracts for service; key project deliverables; planned public events (examples: grand openings, celebrations, and ribbon cuttings); and other major milestones.

Add additional lines, as needed.

	Project Benchmark/Milestone Description	Dates of Activity	Potential Issues
1	Operate Lakeville Cedar service – 4 Route 477 trip extensions each AM and PM. Average ridership: 16 rides per day.	1/1/2016 – 12/31/2016	
2	Operate Cedar Grove service – 4 route 475 trips each AM and PM. Average ridership: 57 rides per day.	1/1/2016 – 12/31/2016	
3	Review Ridership and Demand	January 2016 April 2016 July 2016 October 2016	
4			
5			

ATTACHMENT 3: OPERATING GRANT WORKSHEETS

An Excel workbook containing the required worksheets may be downloaded from: www.mnrider.org/grants.

Note: Please use the provided 2015 worksheets in your application rather than previous templates. This year's workbook contains new worksheets.

WORKSHEET 1-OP: SERVICE CHARACTERISTICS OF GRANT PROJECT

Metropolitan Council - Metropolitan Transportation Services
Cedar Avenue BRT - Express Service

25-Sep-15

Complete this spreadsheet summarizing the service characteristics for the Grant Project for calendar year 2016.

1.0 Mode/Technology

1.01 Light Rail Transit	
1.02 Commuter Rail Transit	
1.03 Bus Rapid Transit	X
1.05 Other	

2.0 Service Characteristics

2.01 Trips per weekday	Cedar Grove = 11 platform hrs/weekday; Lakeville Cedar = 2.53 platform hrs/ weekday
2.02 Peak Period Frequency of Service	Lakeville Cedar (extensions) = 30 minutes; Cedar Grove = hourly
2.03 Off-Peak Frequency of Service	Lakeville Cedar (extensions) = No off-peak trips; Cedar Grove = One AM trip and two PM trips
2.04 Weekend Service	none
2.05 Special Event Service	none
2.06 Hours of Service (Weekday and Weekend)	Cedar Grove = 11 platform hrs/weekday; Lakeville Cedar = 2.53 platform hrs/ weekday
2.07 Number of Stations Served	3 =Lakeville Cedar Park & Ride, Apple Valley Transit Station, Cedar Grove Transit Station
2.08 Number of vehicles/rolling stock	Lakeville Cedar Service = 2 vehicles supplementing existing AVTS bus service since September 2009; Cedar Grove = 2 vehicles
2.09 Length of Transitway (Miles)	23 miles

3.0 Ridership

3.01 Daily Average (Weekday)	73
3.02 Daily Average (Weekend)	0
3.03 Annual Total	18542

4.0 Station Characteristics: complete the table below for each station served by the transitway.

	A) Station Name	B) City	C) No. of Surface Parking Spots	D) No. of Structured Parking Spots	E) List Other Transit Routes Using Any Part of the Station, Parking Facility, or Guideway	F) Identify allocation of station, parking facility, or guideway O&M costs between transitway service and other transit services identified in Column E. Attach additional detail as needed.
Station 1	Lakeville Cedar Park & Ride	Lakeville	191	0	None	
Station 2	Apple Valley Transit Station	Apple Valley		750	MVTA Routes: 420,440,442,475U,477,480 and METRO Red Line	Transitway station operating costs are budgeted 100% to the transitway line a station was constructed for. This is standard across the Council for all operating transitways: Northstar, Green Line, Blue Line and Red Line/Cedar Ave BRT. In addition to the transitway service, transitway stations by design may also be served by other bus services to enhance transitway ridership and provide system connectivity. Costs for these other bus services are not allocated to the transitway operating cost nor are any of the transitway costs allocated to these other bus services.
Station 3	Cedar Grove Transit Station	Apple Valley	150	0	MVTA Routes: 437,438,444,445,472,475 U and METRO Red Line	Transitway station operating costs are budgeted 100% to the transitway line a station was constructed for. This is standard across the Council for all operating transitways: Northstar, Green Line, Blue Line and Red Line/Cedar Ave BRT. In addition to the transitway service, transitway stations by design may also be served by other bus services to enhance transitway ridership and provide system connectivity. Costs for these other bus services are not allocated to the transitway operating cost nor are any of the transitway costs allocated to these other bus services.

Used for: Operating Grant Application

WORKSHEET 2-OP: TOTAL TRANSITWAY OPERATING COSTS AND FUNDING SOURCES

Metropolitan Council - Metropolitan Transportation Services
Cedar Avenue BRT - Express Service

September 25, 2015

	Prior Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026-FORWARD
Complete this spreadsheet summarizing the estimated annual operating costs and proposed funding sources for each year.	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Total Transitway Operating Costs	\$958,046	\$426,391	\$538,391	\$555,350	\$572,844	\$590,888	\$609,501	\$628,701	\$648,505	\$668,933	\$690,004	\$711,739
Federal Funds:												
Federal Funds:												
State												
Metropolitan Council / MVST	\$391,866	\$191,344	\$131,924	\$139,030	\$132,388	\$139,870	\$147,620	\$155,649	\$147,935	\$156,386	\$165,140	\$174,209
Farebox Revenues	\$52,257	\$43,703	\$274,544	\$277,289	\$308,069	\$311,149	\$314,261	\$317,403	\$352,635	\$356,161	\$359,723	\$363,320
Other Operating Revenues:												
CTIB	\$391,866	\$191,344	\$131,924	\$139,030	\$132,388	\$139,870	\$147,620	\$155,649	\$147,935	\$156,386	\$165,140	\$174,209
Local (Counties/RRAs)												
Local (Other)												
Private												
Other												
Total Transitway Operating Revenues	\$835,989	\$426,391	\$538,391	\$555,350	\$572,844	\$590,888	\$609,501	\$628,701	\$648,505	\$668,933	\$690,004	\$711,739

Percentage Contributions - DO NOT ENTER, FORMULAS WILL CALCULATE												
	Prior Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026-FORWARD
Total Transitway Operating Cost: Below the percentage contributions for each funding source will be calculated on a cumulative basis for each year.	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage
Federal Funds:	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Federal Funds:	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Metropolitan Council / MVST	46.87%	44.88%	24.50%	25.03%	23.11%	23.67%	24.22%	24.76%	22.81%	23.38%	23.93%	24.48%
Farebox Revenues	6.25%	10.25%	50.99%	49.93%	53.78%	52.66%	51.56%	50.49%	54.38%	53.24%	52.13%	51.05%
Other Operating Revenues:	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CTIB	46.87%	44.88%	24.50%	25.03%	23.11%	23.67%	24.22%	24.76%	22.81%	23.38%	23.93%	24.48%
Local (Counties/RRAs)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Local (Other)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Private	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Used for: Operating Grant Application

WORKSHEET 4-OP: 2016 GRANT OPERATING COST ESTIMATES

Metropolitan Council - Metropolitan Transportation Services
Cedar Avenue BRT - Express Service

September 25, 2015

Complete this spreadsheet summarizing the estimated annual operating costs for the Grant Project for calendar year 2016. IN ADDITION: attach one or more spreadsheets with a detailed breakdown for each of the cost components listed below.

OPERATING COST COMPONENTS	ESTIMATED ANNUAL COSTS
1.0 Labor and Benefits	
1.01 Labor/Administration	\$4,164
1.02 Benefits	
1.03 Other: _____	
Subtotal Labor and Benefits	\$4,164
2.0 Contracted Services	
2.01 Professional and Technical Services	
2.02 Operations	\$306,181
2.03 Maintenance	
2.04 Snowplowing	
2.05 Security	
2.06 Other: Facilities Contracted Service	\$26,000
Subtotal Contracted Services	\$332,181
3.0 Materials, Parts and Supplies	
3.01 Fuel	
3.02 Repair parts	
3.03 Office equipment and supplies	
3.04 Other: _____	
Subtotal Materials, Parts and Supplies	\$0
4.0 Other Expenses	
4.01 Utilities	
4.02 Insurance	
4.03 Insurance Retention	
4.03 Leases and Rentals	
4.04 Advertising	
4.05 Training	
4.06 Travel	
4.07 Other: Contingency	\$49,584
Subtotal Other Expenses	\$49,584
5.0 Allocated Expenses	
5.01 Modal Allocation	
5.02 A-87 Allocation	\$40,462
5.03 Metropolitan Council Allocation	
5.04 Other: _____	
Subtotal Allocated Expenses	\$40,462
TOTAL ESTIMATED OPERATING EXPENSES FOR 2015	\$426,391

WORKSHEET 2: DETAILED SUMMARY OF 2016 OPERATING COSTS - DETAIL BREAKDOWN

**Metropolitan Council
Cedar Avenue BRT - Express
2016 Budget**

	Service	Facility	Other	Total Gross Cost	Fares	Total Net Cost	CTIB Subsidy	MC Subsidy
Cedar Grove Express (475)	\$ 270,990			\$ 270,990	\$ 33,299	\$ 237,691	\$ 118,845	\$ 118,845
Lakeville Cedar Trip Extensions (477)	\$ 62,416			\$ 62,416	\$ 10,404	\$ 52,013	\$ 26,006	\$ 26,006
Station-to-Station Service Administration (Labor)			\$ 4,164	\$ 4,164		\$ 4,164	\$ 2,082	\$ 2,082
*Service Contingency (15% indirect rate increase)	\$ 45,921			\$ 45,921		\$ 45,921	\$ 22,961	\$ 22,961
Lakeville Cedar Park and Ride		\$ 39,237	-	\$ 39,237	-	\$ 39,237	\$ 19,619	\$ 19,619
*Facility Contingency - (15% indirect rate increase)		\$ 3,663		\$ 3,663		\$ 3,663	\$ 1,832	\$ 1,832
BRT Express Total	\$ 379,328	\$ 42,900	\$ 4,164	\$ 426,392	\$ 43,703	\$ 382,689	\$ 191,344	\$ 191,344

*Pending completion of MVTA 2014 Cost Allocation Plan. Calculations can be found in detail pages.

WORKSHEET 2: DETAILED SUMMARY OF 2016 OPERATING COSTS - DETAIL BREAKDOWN
Metropolitan Council
Cedar Avenue BRT - Cedar Express
2016 Budget

Summary	Cost	Note
Service Costs	\$ 306,181	
A-87 Allocation	\$ 27,225	MVTA 2014 approved A-87 rate 8.89%
Contingency	\$ 45,921	Indirect rate increase from 8.89% to 23.89% (+15%)
Total	\$ 379,328	

2016

Costs (Cedar Grove Express 475)	Weekdays
No. of Days	254
Platform Hrs/Day	11
\$/Platform hr (direct/indirect)	\$96.99
Total Operating Cost	\$ 270,990.06
Revenues	
Boardings per day	57
Average revenue per Rider	\$2.30
Total Revenue (Budget)	33,299.40
Net Cost	\$ 237,690.66

Costs (Lakeville Cedar 477)	Weekdays
No. of Days	254
Platform Hrs/Day	2.534
\$/Platform hr (direct/indirect)	\$96.99
Total Operating Cost	\$ 62,416.40
Revenues	
Boardings per day	16
Average revenue per Rider	\$2.56
Total Revenue (Budget)	\$ 10,403.84
Net Cost	\$ 52,012.56

\$/ Platform Hour - Direct	\$ 89.07	
\$/ Platform Hour - Indirect	\$ 7.92	Approved 2014 rate
Total	\$ 96.99	

Total budgeted direct	\$ 306,181.19	
Budgeted Indirect Rate of 8.89%	\$ 27,225.27	
Contingency Indirect Rate of 23.89%	\$ 73,146.69	
Budgeted Contingency	\$ 45,921.41	Indirect rate of 23.89% minus budgeted indirects at 2014 approved rates

The platform hour indirect rate consists of the indirect costs for administration, bus operations and the bus garage. It also includes staff time, professional services including legal, audit and IT consulting, and membership dues, supplies, and marketing.

WORKSHEET 2: DETAILED SUMMARY OF 2016 OPERATING COSTS - DETAIL BREAKDOWN

**Metropolitan Council
Cedar Avenue BRT - Cedar Express
2016 Budget**

Summary	Cost	Note
Facility Costs	\$ 26,000	
A-87 Allocation	\$ 13,237	MVTA approved 2014 A-87 Rate: 50.91%
Facility Contingency	\$ 3,663	Indirect rate increase from 50.91% to 65.91% (+15%)
Total	\$ 42,900	

Lakeville Cedar		Description of Costs
Direct Cost	\$ 26,000	Electric, utilities, snow removal, contracted services (e.g., security, maintenance) , materials
Indirect Cost	\$ 13,237	The facility indirect rate consists of staff time, professional services including legal, auditing and IT consulting, membership dues, supplies, insurance, etc.
Indirect Cost Rate	50.91%	2014 approved indirect rate
Total Cost	\$ 39,237	

Contingency = Indirect Rate of 65% \$ 16,900
 2016 Budget Contingency Amount \$ 3,663 Indirect Rate of 65.91% minus budgeted indirects at 2014 approved rates

Standard Cost Categories for Capital Projects DEFINITIONS		NOTE: The SCC cost breakdown is based on a traditional Design Bid Build model. If your project is Design Build, to the best of your ability, separate construction costs from design, administration, testing, etc. Put all construction costs in 10 through 50. Put design, administration, testing, etc. in <i>80 Professional Services</i> .
10 GUIDEWAY & TRACK ELEMENTS (route miles)		Include guideway and track costs for all transit modes (Heavy rail, light rail, commuter rail, BRT, rapid bus, bus, monorail, cable car, etc.) The unit of measure is route miles of guideway, regardless of width. As associated with the guideway, include costs for rough grading, excavation, and concrete base for guideway where applicable. Include all construction materials and labor regardless of whom is performing the work. In your written description of the scope and in supporting graphic diagrams, indicate whether busway or rail track is single, double, triple, relocated, etc. Put guideway and track elements associated with yards in <i>30 Support Facilities</i> below.
10.01	Guideway: At-grade exclusive right-of-way	
10.02	Guideway: At-grade semi-exclusive (allows cross-traffic)	
10.03	Guideway: At-grade in mixed traffic	
10.04	Guideway: Aerial structure	Include foundation excavation; guideway structures including caissons, columns, bridges, viaducts, cross-overs, fly-overs.
10.05	Guideway: Built-up fill	Include construction of earthen berms.
10.06	Guideway: Underground cut & cover	Include excavation, retaining walls, backfill, underground guideway structure and finishes.
10.07	Guideway: Underground tunnel	Include tunneling by means of a tunnel boring machine, drill blasting, mining, and immersed tube tunneling; tunnel structure and finishes.
10.08	Guideway: Retained cut or fill	Include excavation, retaining walls, backfill, underground guideway structure and finishes.
10.09	Track: Direct fixation	Include rails, connectors.
10.10	Track: Embedded	Include rails, ties; ballast where applicable
10.11	Track: Ballasted	Include rails, ties and ballast.
10.12	Track: Special (switches, turnouts)	Include transitional curves.
10.13	Track: Vibration and noise dampening	Include upcharge for vib/noise dampening to any track condition above.
20 STATIONS, STOPS, TERMINALS, INTERMODAL (number)		As associated with stations, include costs for rough grading, excavation, station structures, enclosures, finishes, equipment; mechanical and electrical components including HVAC, ventilation shafts and equipment, station power, lighting, public address/customer information system, safety systems such as fire detection and prevention, security surveillance, access control, life safety systems, etc. Include all construction materials and labor regardless of whom is performing the work.
		Put guideway and track associated with stations in <i>10 Guideway & Track Elements</i> above.
20.01	At-grade station, stop, shelter, mall, terminal, platform	
20.02	Aerial station, stop, shelter, mall, terminal, platform	Include station structures including caissons, columns, platforms, superstructures, etc.
20.03	Underground station, stop, shelter, mall, terminal, platform	Include retaining walls, backfill, structure.
20.04	Other stations, landings, terminals: Intermodal, ferry, trolley, etc.	
20.05	Joint development	Per FTA's Joint Development Guidance, "Joint development is any income-producing activity with a transit nexus related to a real estate asset in which FTA has an interest. . .Joint development projects are commercial, residential, industrial, or mixed-use developments that are induced by or enhance the effectiveness of transit projects. . ." See http://www.fta.dot.gov/17973_18027_ENG_HTML.htm
20.06	Automobile parking multi-story structure	Include retaining walls, backfill, structure.
20.07	Elevators, escalators	
30 SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS		As associated with support facilities, include costs for rough grading, excavation, support structures, enclosures, finishes, equipment; mechanical and electrical components including HVAC, ventilation shafts and equipment, facility power, lighting, public address system, safety systems such as fire detection and prevention, security surveillance, access control, life safety systems, etc. Include fueling stations. Include all construction materials and labor regardless of whom is performing the work. Where a support facility shares the structure with a station, its cost may be included with station cost. Identify this with a note. Except for guideway and track associated with a yard, include all guideway and track costs associated with support facilities in <i>10 Guideway & Track Elements</i> above.
30.01	Administration Building: Office, sales, storage, revenue counting	
30.02	Light Maintenance Facility	Include service, inspection, and storage facilities and equipment.
30.03	Heavy Maintenance Facility	Include heavy maintenance and overhaul facilities and equipment.
30.04	Storage or Maintenance of Way Building	
30.05	Yard and Yard Track	Include yard construction, guideway and track associated with yard.
40 SITEWORK & SPECIAL CONDITIONS		Include all construction materials and labor regardless of whom is performing the work.
40.01	Demolition, Clearing, Earthwork	Include project-wide clearing, demolition and fine grading.
40.02	Site Utilities, Utility Relocation	Include all site utilities - storm, sewer, water, gas, electric.
40.03	Haz. mat'l, contam'd soil removal/mitigation, ground water treatments	Include underground storage tanks, fuel tanks, other hazardous materials and treatments, etc.
40.04	Environmental mitigation, e.g. wetlands, historic/archeologic, parks	Include other environmental mitigation not listed.
40.05	Site structures including retaining walls, sound walls	
40.06	Pedestrian / bike access and accommodation, landscaping	Include sidewalks, paths, plazas, landscape, site and station furniture, site lighting, signage, public artwork, bike facilities, permanent fencing.
40.07	Automobile, bus, van accessways including roads, parking lots	Include all on-grade paving.
40.08	Temporary Facilities and other indirect costs during construction	As a general rule and to the extent possible, appropriately allocate indirect costs among the construction costs in Categories 10 through 50. Where that is not possible, include in <i>40.08 Temporary Facilities</i> costs for mobilization, demobilization, phasing; time and temporary construction associated with weather (heat, rain, freezing, etc.); temporary power and facilities; temporary construction, easements, and barriers for storm water pollution prevention, temporary access and to mitigate construction impacts; project and construction supervision; general conditions, overhead, profit. NOTE: Include contractor's general liability and other insurance related to construction such as builder's risk in Cats. 10 - 50, not in 80 Professional Services below.
50 SYSTEMS		Include all construction materials and labor regardless of whom is performing the work.
50.01	Train control and signals	
50.02	Traffic signals and crossing protection	Include signal prioritization at intersections.
50.03	Traction power supply: substations	

50.04	Traction power distribution: catenary and third rail	
50.05	Communications	Include passenger information systems at stations and on vehicles (real time travel information; static maps and schedules). Include equipment to allow communications among vehicles and with central control.
50.06	Fare collection system and equipment	Include fare sales and swipe machines, fare counting equipment.
50.07	Central Control	
Construction Subtotal (10 - 50)		
60 ROW, LAND, EXISTING IMPROVEMENTS		Include professional services associated with the real estate component of the project. These costs may include agency staff oversight and administration, real estate and relocation consultants, legal counsel, court expenses, insurance, etc.
60.01	Purchase or lease of real estate	If the value of right-of-way, land, and existing improvements is to be used as local match to the Federal funding of the project, include the total cost on this line item. In backup documentation, separate cost for land from cost for improvements. Identify whether items are leased, purchased or acquired through payment or for free. Include the costs for permanent surface and subsurface easements, trackage rights, etc.
60.02	Relocation of existing households and businesses	In compliance with Uniform Relocation Act.
70 VEHICLES (number)		Include professional services associated with the vehicle component of the project. These costs may include agency staff oversight and administration, vehicle consultants, design and manufacturing contractors, legal counsel, warranty and insurance costs, etc.
70.01	Light Rail	Include light rail and streetcar rail using electric, diesel or other power supply.
70.02	Heavy Rail	
70.03	Commuter Rail	Include locomotives (diesel, electric, or other), trailer cars, self-propelled multiple units (EMU electric or DMU diesel, or other power supply)
70.04	Bus	Includes "rubber-tired" buses and trolleys including new, used, historic replica, articulated, using electric, diesel, dual-power, or other power supply.
70.05	Other	Include Vans, Sedan/Station Wagon, Cable Car, People Mover, Monorail, Car/Inclined Railway, Ferry Boat, Transferred Vehicle
70.06	Non-revenue vehicles	
70.07	Spare parts	
80 PROFESSIONAL SERVICES (applies to Cats. 10-50)		Cat. 80 applies to Cats. 10-50. Cat. 80 includes all professional, technical and management services related to the design and construction of fixed infrastructure (Cats. 10 - 50) during the preliminary engineering, final design, and construction phases of the project. This includes environmental work, design, engineering and architectural services; specialty services such as safety or security analyses; value engineering, risk assessment, cost estimating, scheduling, Before and After studies, ridership modeling and analyses, auditing, legal services, administration and management, etc. by agency staff or outside consultants.
80.01	Preliminary Engineering	
80.02	Final Design	
80.03	Project Management for Design and Construction	
80.04	Construction Administration & Management	
80.05	Professional Liability and other Non-Construction Insurance	
80.06	Legal; Permits; Review Fees by other agencies, cities, etc.	
80.07	Surveys, Testing, Investigation, Inspection	
80.08	Start up	Include start up and training. Include in Cats. 10 - 50 above access and protection work by agency staff or outside contractors.
Subtotal (10 - 80)		
90 UNALLOCATED CONTINGENCY		Includes unallocated contingency, project reserves. Document allocated contingencies for individual line items on the Main worksheets.
Subtotal (10 - 90)		
100 FINANCE CHARGES		Include finance charges expected to be paid by the project sponsor/grantee prior to either the completion of the project or the fulfillment of the New Starts funding commitment, whichever occurs later in time. Finance charges incurred after this date should not be included in Total Project Cost. (See FFGA Circular FTA C5200.1A Chapter III for additional information.) Derive finance charges from the New Starts project's financial plan, based on an analysis of the sources and uses of funds. The amount and type of debt financing required and revenues available determine the finance charges. By year, compute finance charges in year-of-expenditure (YOE) dollars. On the Inflation Calculation to YOE worksheet enter the finance charges for the appropriate years.
Total Project Cost (10 - 100)		

ATTACHMENT 4: ELIGIBILITY AND SUPPLEMENTAL ELIGIBILITY CRITERIA FOR 2016 COUNTIES TRANSIT IMPROVEMENT BOARD GRANTS

Eligibility Criteria from the Transit Investment Framework, Part 9.C

The following grant eligibility criteria will be used by the GEARS Committee to evaluate grant applications and by the Board to select and award grants. The Board will award grants only to state and political subdivisions, as prescribed by Minn. Statute section §297A.992, subdivision 5(b). The Board retains the right to establish additional criteria on an annual basis to supplement the following criteria in order to set priorities, address funding short-falls, and/or maximize funding availability. Grant eligibility criteria are as follows:

1. Grant awards shall be consistent with the most recent version of the Transportation Policy Plan, adopted by the Metropolitan Council.
Response: The Metropolitan Council 2040 Transportation Policy Plan, adopted 2015, specifically identifies Cedar Avenue BRT as a transitway under development.
2. Grant awards shall be consistent with the Board's Program of Projects Investment Strategy.
Response: This grant shall be consistent with the Board's Program of Projects Investment Strategy.
3. Grant awards shall maximize the availability and use of federal funds.
Response: This grant will maximize the use of federal funds. However, there is generally little federal funding available for operating subsidies.
4. No grant award made to the Metropolitan Council may supplant operating or capital funding provided to the Metropolitan Council by the state.
Response: This award will not supplant operating or capital funding provided to the Metropolitan Council by the state.
5. No grant award made to the Metropolitan Council may supplant the 50 percent state share of the non-federal operating subsidy for light rail and commuter rail operations.
Response: Not applicable.
6. No grant award shall be made for operating costs of a transitway (except for the Hiawatha Light Rail Project, the Northstar Commuter Rail Project, Cedar Avenue Bus Rapid Transit Project, and the I-35W Bus Rapid Transit Project from downtown Minneapolis south) unless the Board has previously awarded a grant for the capital costs of the transitway project.
Response: Not applicable; this grant application is for the Cedar Avenue BRT project, listed as an exception.
7. Any grant awards made to an eligible county that joins the Board after July 1, 2008, shall be made only for purposes of paying that eligible county's obligation set forth in Article II.4 of the Joint Powers Agreement, until such time as said obligation has been satisfied.
Response: Not applicable
8. All grants for capital dollars require a local match of at least 10 percent of the total cost of the project for which grant funding is requested. The match must be a capital contribution and may include project-related

real property. If the applicant is a county, county regional railroad authority, or city, the match shall not include funds provided by Metropolitan Council, the State of Minnesota or the federal government. If the applicant is the Metropolitan Council, the match shall not include funds provided by the federal government, but may include funds provided by local government subject to the approval of the local funding partner for the purpose of providing temporary financing of the Project. Note, however, that the local share of the total capital costs of transitways may not exceed 10%, as provided in Minn. Statutes Section 398A.10.

Response: Not applicable

9. Documented local expenditures relating to a proposed grant project made in the year of grant application may count as a local match if:
- a. the expenditure would otherwise qualify as a local match pursuant to Part 9 of the Transit Investment Framework; and
 - b. the expenditure is needed to avoid delaying the grant project or jeopardizing other funding sources; and
 - c. the Board approves the expenditure as a qualified local match by resolution.
 - d. Approval of the expenditure as a qualified local match does not obligate the Board to award a grant.

Response: Not applicable

10. If an applicant intends to use federal funding for a grant project, the applicant's expenditures that qualify as a local match for Board funding should also meet federal requirements for local matching funds, if feasible.

Response: Not applicable

11. Grant funding will be available for CTIB Transitways and Transitway Improvements Projects. Eligible costs include project development, engineering, right-of-way acquisition, rolling stock, equipment and construction of transitways.

Response: This application is to request Cedar BRT Express operating assistance by the Metropolitan Council.

12. No grant will be awarded for studies, including alternative analyses. CTIB Transitways undertaking project development, engineering, or construction will be eligible for a grant, provided the project has demonstrated technical readiness.

Response: Not applicable.

13. Resolutions of project support from each county or county regional railroad authority in which the transitway is located must accompany capital grant applications. A grant application for a Transitway Improvement Project must include a resolution of support from the county in which the Transitway Improvement Project is located.

Response: Not applicable

14. A CTIB transitway project for which the Board has made a funding commitment pursuant to Part 6 will be eligible for a multi-year grant agreement. Recognizing that there is significant uncertainty regarding the potential expenditures, the monthly disbursement schedule will be reviewed quarterly. If the Board or its designee finds that forecasted expenditures for the upcoming quarter are likely to be significantly less than the approved schedule, the Board or its designee may decrease the monthly disbursements. A Transitway Improvement Project will also be eligible for a multi-year grant agreement, as needed to complete the project.

Response: Not applicable.

Supplemental Eligibility Criteria Adopted on July 15, 2015 in Resolution #35-CTIB-2015,
“Resolution Establishing the 2015 Grant Solicitation Process for Grants Payable in 2016.”

1. The following corridors will be eligible for a grant for operations:

- a. METRO Blue Line Light Rail Transit (Hiawatha)
- b. METRO Green Line Light Rail Transit (Central)
- c. METRO Red Line/Cedar Avenue Bus Rapid Transit
- d. Northstar Commuter Rail
- e. I-35W South Bus Rapid Transit

A grant award for operating costs may be up to and no more than 50% of the net operating subsidy. Only new and expanded BRT transitway operations will be eligible for a 50% operating grant.

2. The following transitways will be eligible for a capital grant:

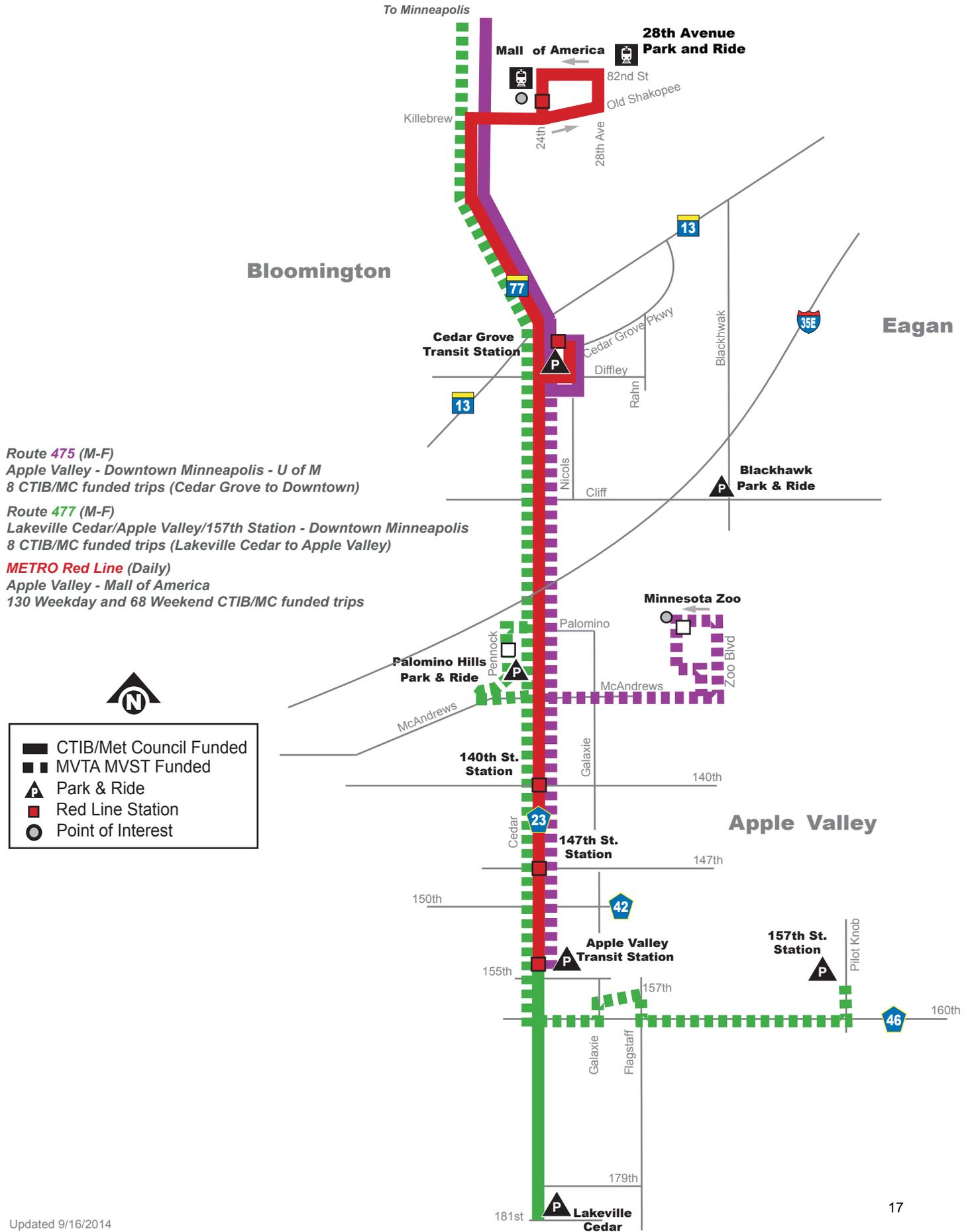
- a. Bottineau Light Rail Transit (METRO Blue Line Extension)
- b. Gateway Corridor (METRO Gold Line)
- c. I-35W South Bus Rapid Transit (METRO Orange Line)
- d. Southwest Light Rail Transit (METRO Green Line Extension)

3. The following transitway improvement projects will be eligible for a capital grant:

- a. Northstar Commuter Rail Safety Improvement (Hanson Boulevard Project)
- b. Mall of America Transitway Station Improvement Project

4. Washington County is eligible to apply for a grant from its guaranteed grant funds.

Cedar Avenue CTIB Service



Route 475 (M-F)
 Apple Valley - Downtown Minneapolis - U of M
 8 CTIB/MC funded trips (Cedar Grove to Downtown)

Route 477 (M-F)
 Lakeville Cedar/Apple Valley/157th Station - Downtown Minneapolis
 8 CTIB/MC funded trips (Lakeville Cedar to Apple Valley)

METRO Red Line (Daily)
 Apple Valley - Mall of America
 130 Weekday and 68 Weekend CTIB/MC funded trips

- CTIB/Met Council Funded
- MVTA MVST Funded
- ▲ Park & Ride
- Red Line Station
- Point of Interest