

## Transportation Committee

For the Metropolitan Council meeting of June 26, 2013

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**Subject:** Amendment #1 To Subordinate Funding Agreement #21 with Minnesota Department of Transportation Related to Blue Line (Hiawatha) Extension

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### **Proposed Action**

That the Metropolitan Council (Council) authorize the Regional Administrator to negotiate and execute Amendment #1 to Subordinate Funding Agreement #21 with the Minnesota Department of Transportation (MnDOT), in an amount not to exceed \$550,000, for reimbursement of costs incurred by the Council for Construction services related to the Blue Line (Hiawatha) Extension.

### **Summary of Committee Discussion/Questions**

Ed Byers, Deputy Chief of Operations – Rail, presented the item. Committee Vice Chair Schreiber asked for clarification as to the use and source of Northstar contingency funds. There were no other questions from committee members.

General Manager Brian Lamb offered that staff will present, at a future meeting, an update on contingency funds by project for the major rail projects (Hiawatha, Northstar, Central Corridor).

Motion made by Councilmember Munt, seconded by Councilmember Đoàn and passed. This item was approved to go to the full Council as Consent.

## Transportation Committee

Meeting date: June 10, 2013

For the Metropolitan Council meeting of June 26, 2013

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**Subject:** Amendment #1 To Subordinate Funding Agreement #21 with Minnesota Department of Transportation Related to Blue Line (Hiawatha) Extension

**District(s), Member(s):** All

**Policy/Legal Reference:** Northstar Corridor Project Master Cooperation and Delegation Agreement

**Staff Prepared/Presented:** Brian J. Lamb, General Manager, 612-349-7510  
Vince Pellegrin, Chief Operating Officer, 612-349-7511  
Ed Byers, Deputy Chief of Operations - Rail, 612-349-7080

**Division/Department:** Metro Transit

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### Background

As part of the Northstar Commuter Rail Project, an extension of the Hiawatha (Blue Line) Light Rail system was constructed to connect to the Northstar terminus.

Pursuant to the Master Funding Agreement, MnDOT and the Council on or about May 12, 2011 entered into Subordinate Funding Agreement Number Met Council-21, in the amount of \$250,000, providing for the payment by the Council of costs for miscellaneous project enhancements in the downtown Minneapolis area.

Through this Subordinate Funding Agreement, work has been conducted to develop a corrective measure to eliminate an issue of debris accumulation in the 5<sup>th</sup> Street Bridge Troughs. This debris accumulation affects track circuitry and has the potential to decrease the life of the track infrastructure.

It is now estimated that the costs for the 5<sup>th</sup> Street Bridge Troughs will reach \$300,000.

### Rationale

MnDOT and the Council have entered into a Master Funding Agreement that provides reimbursement to the Council for certain project eligible costs through subordinate funding agreements. This project is an eligible project expenses for which the Council can be reimbursed. This subordinate funding agreement will provide the mechanism for the Council to seek reimbursement and provide for the commitment of project funds for the payment of these costs.

### Funding

These expenses are currently budgeted in Northstar's contingency budget. The Council will be reimbursed by MnDOT through this subordinate funding agreement.

## **Known Support / Opposition**

On October 5, 2012, the Executive Change Control Board for the Northstar project, consisting of members of each of the funding partners, authorized the use of Northstar contingency funds for this project.