

Transportation Committee

For the Metropolitan Council meeting of December 14, 2016

Subject: Subordinate Funding Agreement with Hennepin County for Environmental Response Fund

Proposed Action

That the Metropolitan Council (Council) authorize the Regional Administrator to negotiate and execute a Subordinate Funding Agreement (SFA) to receive a Hennepin County (County) Environmental Response Fund (ERF) grant for Southwest Light Rail Transit Project (SWLRT Project) for \$5 Million for assessment and cleanup of contaminated sites related to the SWLRT Project.

Summary of Committee Discussion/Questions

Metro Transit Deputy General Manager Mark Fuhrmann provided a brief overview of Consent items 2016-243 through 2016-248. Motion by Munt, seconded by Elkins and carried to approve all the items on the Consent agenda.

Transportation Committee

Meeting date: November 28, 2016

For the Metropolitan Council meeting of December 14, 2016

Subject: Subordinate Funding Agreement with Hennepin County for Environmental Response Fund

District(s), Member(s): All

Policy/Legal Reference: Minn. Stat. 473.399

Staff Prepared/Presented: Brian Lamb, General Manager, 612-349-7510
Mark Fuhrmann, Deputy General Manager, 612-373-3810
Jim Alexander, Project Director, 612-373-3880
Joan Hollick, Deputy Project Director, 612-373-3820

Division/Department: Metro Transit / Green Line Extension Project Office

Proposed Action

That the Metropolitan Council (Council) authorize the Regional Administrator to negotiate and execute a Subordinate Funding Agreement (SFA) to receive a Hennepin County (County) Environmental Response Fund (ERF) grant for Southwest Light Rail Transit Project (SWLRT Project) for \$5 Million for assessment and cleanup of contaminated sites related to the SWLRT Project.

Background

The Council and County entered into a Southwest Light Rail Transit Project (“Project”) Master Funding Agreement (“MFA”) (Council contract No. 14I062) on January 29, 2015. In 2015, the Council identified the need to reduce project costs and secure additional local funds to balance the scope and budget of the Project. The Council will incur various costs related to environmental remediation for the SWLRT Project. The costs related to assessment and cleanup of contaminated sites will be partially funded through this ERF grant. The SFA serves as the framework for transferring funds between the Council and County.

The SFA defines the authorized funding, payment schedule, general purpose of the funds, and project activity period. This will be SFA08 (14I062H) with the County.

Rationale

Negotiating and executing this SFA is necessary as a contractual mechanism for the County transfer of funds from Hennepin County to the SWLRT Project. The ERF funding is a critical contribution to the Council’s costs related to assessment and cleanup of contaminated sites proximate to SWLRT Project stations.

Funding

The \$5 Million ERF grant is part of the \$1.858 Billion SWLRT Project Budget approved by the Council on August 10, 2016 and the local funding commitment of \$928.8 Million.

Known Support / Opposition

Hennepin County authorized this funding through Resolution No. 15-0236R1, passed on July 7, 2015.

SOUTHWEST

Green Line LRT Extension



Subordinate Funding Agreements for Local Funding Commitments

November 28, 2016



EDEN PRAIRIE | MINNETONKA | EDINA | HOPKINS | ST. LOUIS PARK | MINNEAPOLIS

SWLRT Local Funding Commitments

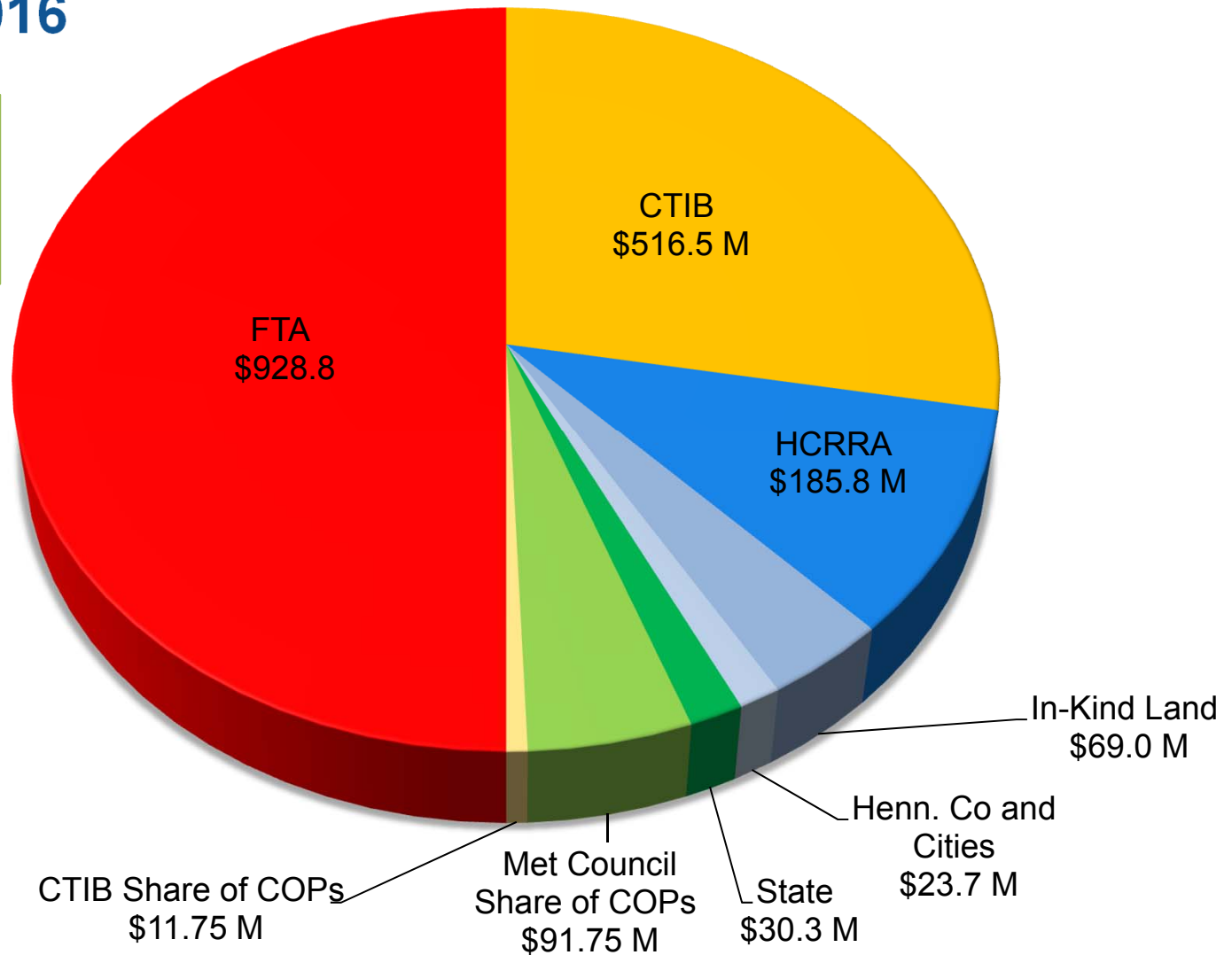
- Local funds needed to preserve the project scope as recommended by SWLRT Corridor Management Committee on July 1, 2015 and approved by Council on July 8, 2015
- Cities and county committed funds through respective governing board approved resolutions

Funding Sources

September 2016

\$1.858 Billion

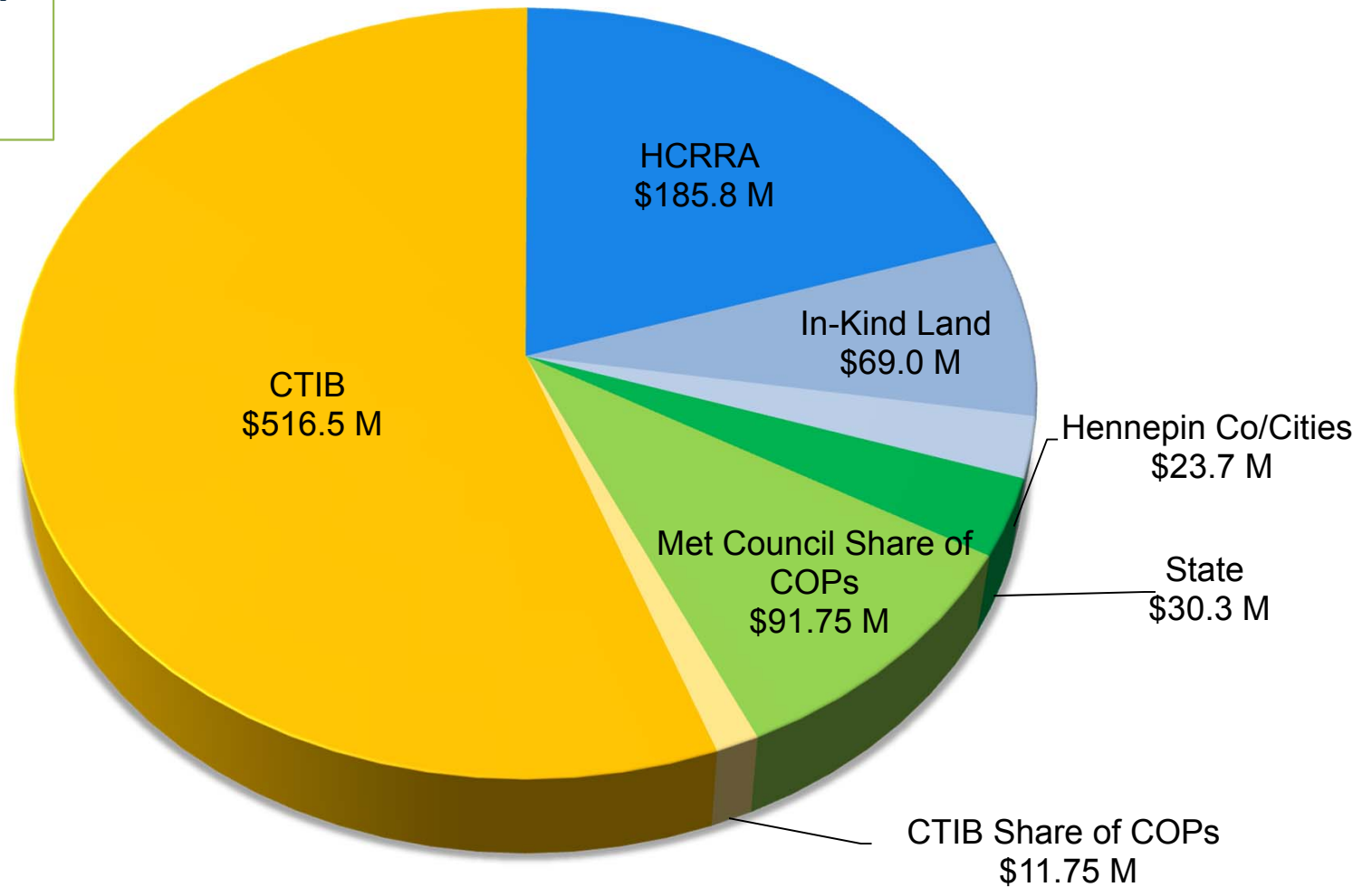
**\$928.8 Million
Local Funds
Committed**



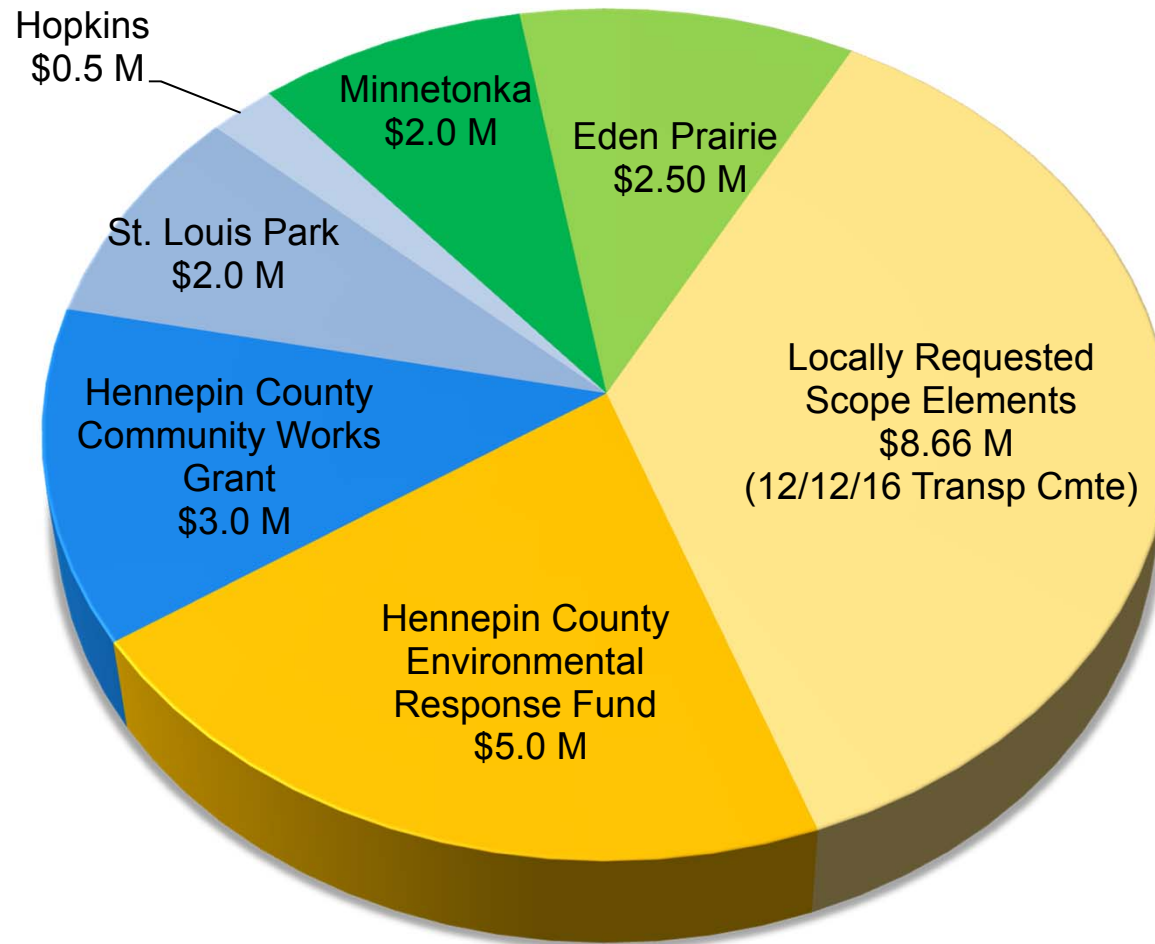
Local Funding Sources September 2016

**\$928.8 Million
Local Funds
Committed**

\$1.858 Billion



Breakdown of \$23.7M in Local Commitments



Recommended Actions

- Authorize Regional Administrator to negotiate and execute Subordinate Funding Agreements (SFAs) with:
 - Hennepin County (2)
 - City of St. Louis Park
 - City of Hopkins
 - City of Minnetonka
 - City of Eden Prairie

To receive project partner funding towards construction of the SWLRT Project

More Information

Online:

www.SWLRT.org

Email:

SWLRT@metrotransit.org

Twitter:

www.twitter.com/southwestlrt

