

Transportation Committee

For the Metropolitan Council meeting of August 16, 2017

Subject: Southwest Light Rail Transit (Green Line Extension) Construction Agreement with BNSF Railway

Proposed Action

That the Metropolitan Council (Council) authorize the Regional Administrator to negotiate and execute a Construction Agreement with BNSF Railway (BNSF) for the Southwest LRT Project in an amount not to exceed \$1 million.

Summary of Committee Discussion/Questions

Jim Alexander, SWLRT Project Director, presented the item. There were no questions or comments from Council Members.

Motion by Schreiber, seconded by Elkins and passed.

Transportation Committee

Meeting date: August 14, 2017

For the Special Metropolitan Council meeting of August 16, 2017

Subject: Southwest Light Rail Transit (Green Line Extension) Construction Agreement with BNSF Railway

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, SWLRT Project Director, 612-373-3880
Joan Hollick, SWLRT 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 Construction Agreement with BNSF Railway (BNSF) for the Southwest LRT Project in an amount not to exceed \$1 million.

Background

The Construction Agreement outlines BNSF’s and Council’s rights and obligations, construction schedule and scope related to the freight rail and LRT construction activities in the Wayzata Subdivision. BNSF owns and operates freight rail service on the Wayzata Subdivision. Approximately 1.4 miles of the planned SWLRT Project alignment is on or adjacent to the BNSF right-of-way in the Wayzata Subdivision. Construction of the SWLRT Project requires shifting of BNSF’s mainline freight track to accommodate space for the LRT and future BNSF capacity.

The Council will construct all LRT related elements and will complete site preparation in the Wayzata Subdivision including grading, constructing retaining walls, coordinating utility relocations, and making drainage improvements.

BNSF will construct the freight rail elements in the Wayzata Subdivision including ballast, ties and tracks to shift the freight rail track. BNSF will inspect and approve freight improvements, as well as the LRT improvements in the Wayzata Subdivision to ensure safety adjacent to freight operations.

Prior to beginning construction, BNSF will provide pre-construction coordination and review plans and specifications. The cost for these activities is estimated not to exceed \$1 million.

Once BNSF has approved the plans and specs, the parties will negotiate the cost for construction activities including flagging, documentation review and coordination, procurement of materials, and labor for construction. Staff will then seek authorization to amend the Construction Agreement to include the cost for these activities. Staff estimates the cost for these activities to be \$4 million.

Rationale

Entering into a Construction Agreement will allow the Council to fulfill its obligations to construct the Project.



Thrive Lens Analysis

The Construction Agreement will allow implementation of the Green Line Extension that will increase the region's prosperity as it will provide access to 80,900 forecasted jobs and a new transportation option for 55,800 forecasted residents within ½ mile of the planned new stations in addition to the 145,300 forecasted jobs and 35,600 forecasted residents in downtown Minneapolis.

Funding

The activities covered by the Construction Agreement are Project eligible costs and will be funded 50% by the Federal Transit Administration and 50% by local funding partners.

Known Support / Opposition

There is no known opposition to this action.

SOUTHWEST

Green Line LRT Extension



Transportation Committee

August 14, 2017



Today's Topics

- Twin Cities & Western Railroad Construction Agreement
- Four BNSF Railway Agreements
- Construction Management Support Services Contract



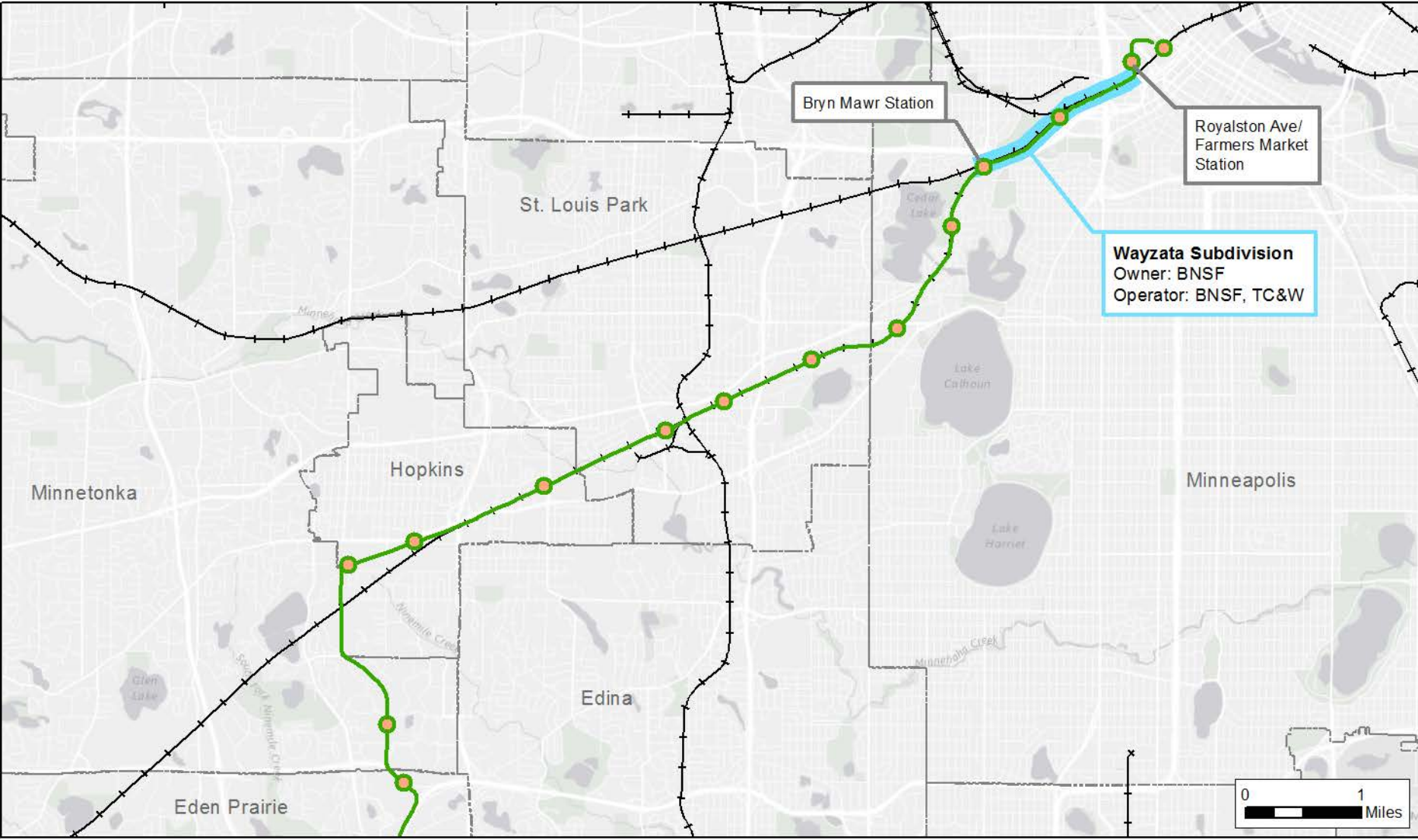
Authorization to Negotiate and Execute Agreements with BNSF Railway

- **2017-162SW Memorandum of Understanding**
- **2017-163SW Shared Use Agreement**
- **2017-164SW Construction Agreement**
- **2017-165SW Purchase and Sales Agreement**

Background: Wayzata Subdivision

- BNSF owns and operates freight rail service on the Wayzata Subdivision
- Approximately 1.4 miles of SWLRT Project alignment is on or adjacent to BNSF right-of-way in Wayzata Subdivision (the “Shared Corridor”)
- Construction of SWLRT requires shifting BNSF’s track to make space for LRT

Background: The Shared Corridor



Background: The Shared Corridor

- Between east side of Bryn Mawr Station to just south of Royalston Ave/Farmers Market Station
- SWLRT construction requires relocating approximately 3,160 feet of BNSF track and purchasing BNSF property
- Freight rail currently operates at 25 mph and LRT will travel at speeds up to 55 mph in this area

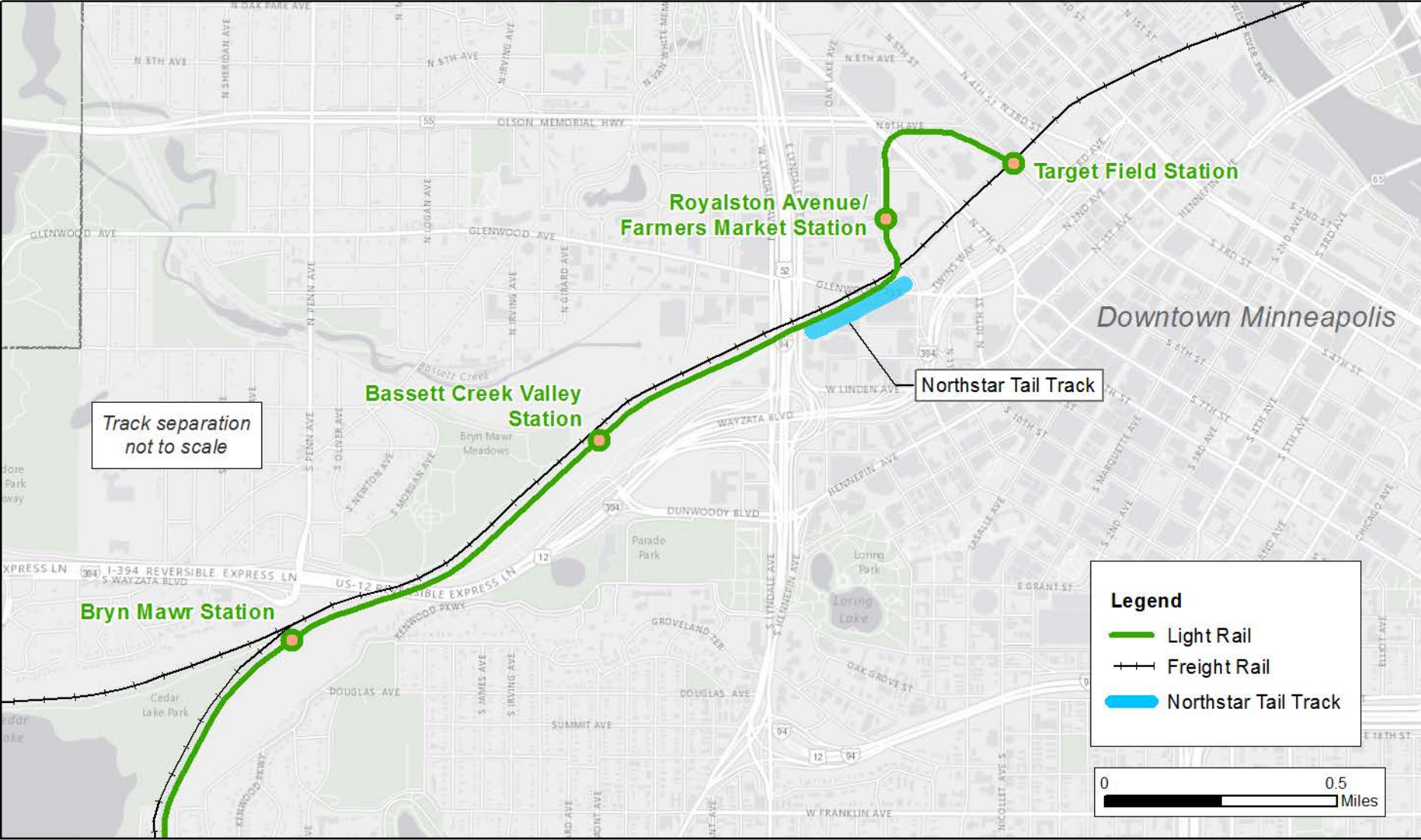
Memorandum of Understanding

- Parties to MOU include BNSF, MnDOT, Hennepin County and Hennepin County Regional Railroad Authority
- Recognizes importance of maintenance and improvement of freight rail infrastructure in region
- Recognizes importance of Wayzata Subd. as component of freight rail network
- Documents parties' intent to continue coordination on regional transportation planning
- Asserts SWLRT:
 - Is in the public interest
 - Has been designed and will be constructed so freight and LRT safely co-located and operated

Shared Use Agreement

- Governs Council's rights and obligations related to LRT service adjacent to freight rail in Wayzata Subdivision
- Addresses use of property, maintenance and insurance
 - Council will provide \$295 million Railroad Liability Policy
- Includes agreement to relocate tail track used for daily storage of Northstar train to west of Target Field

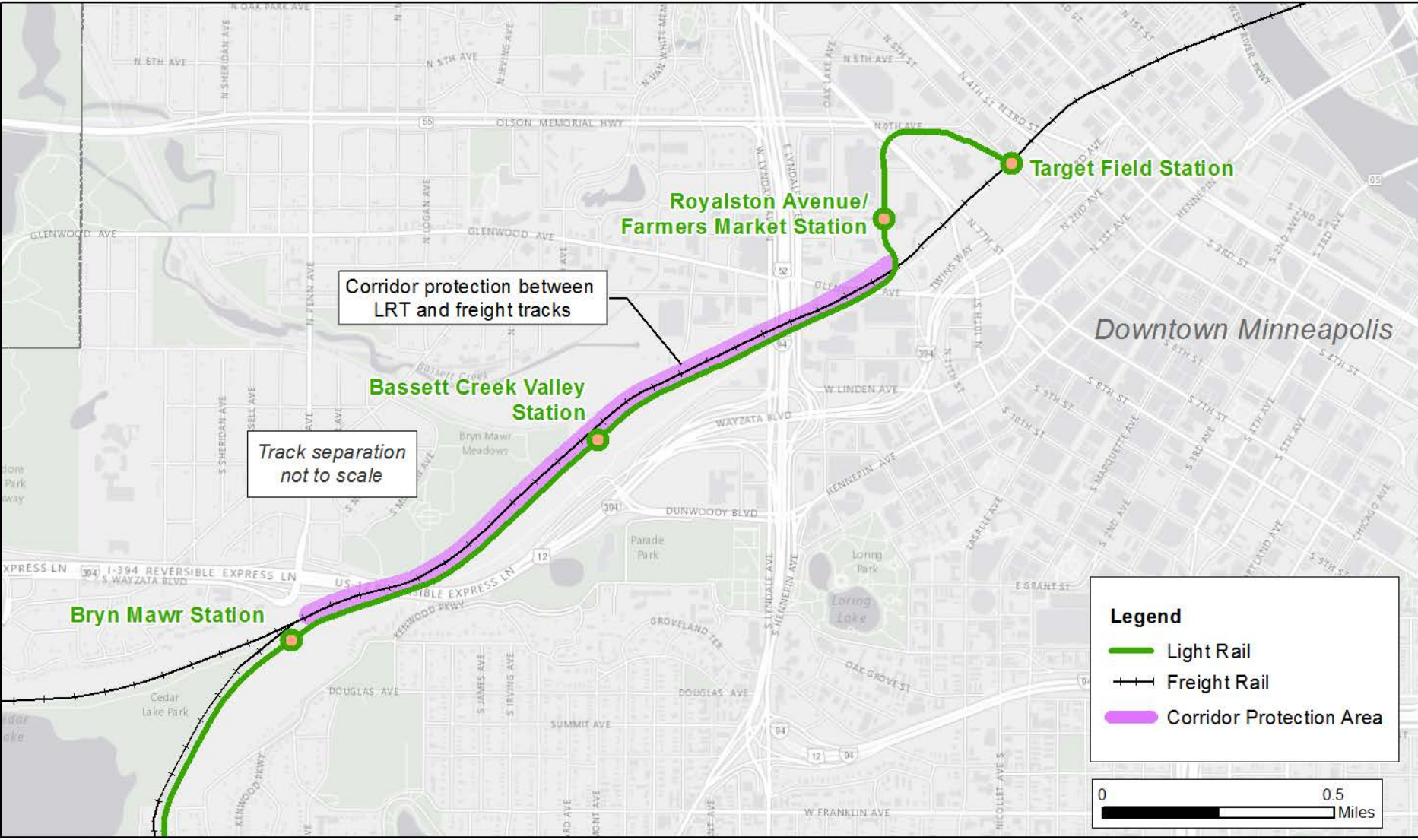
Shared Use Agmt: Northstar Tail Track Relocation



Shared Use Agmt: Corridor Protection

- Corridor protection includes:
 - Reinforced concrete wall between LRT and freight tracks
 - Reinforced bridge piers
- Design details including aesthetics to be determined
- Design allows for operations of co-located freight and LRT and maintains BNSFs current capacity

Shared Use Agmt: Corridor Protection



Shared Use Agmt: Corridor Protection



Shared Use Agreement: Co-Location

- If future law impacts operation of co-located LRT and freight rail, Council responsible for cost of corridor modifications
 - In unlikely event modifications cannot be implemented; Council will suspend SWLRT operations
- If local unit of government targets regulation to SWLRT and freight co-location, Council will lead effort to challenge
 - In unlikely event regulation cannot be invalidated, Council will suspend SWLRT operations

Construction Agreement

- Delineates construction activities
 - Council's civil construction contractor will complete site work, construct LRT tracks and improvements
 - BNSF will construct freight rail elements
- Agrees to pay BNSF up to \$1 million for pre construction activities including coordination and plan review
- After plans approved Construction Agreement will be amended to cover costs for flagging, submittal review, coordination, material procurement and labor
 - Estimated to be \$4 million

Purchase and Sales Agreement

- Council acquires property rights for amount not-to-exceed \$10 million
 - Fee title of two parcels in Kenilworth Corridor
 - Temporary property licenses in Wayzata Subdivision
 - Permanent easements in Wayzata Subdivision
 - Subject to FTA review and concurrence
- Council deeds property rights to BNSF portions of two privately owned parcels needed for construction of retaining walls

Location of BNSF Parcels



Recommendations

Summary

- SWLRT agreements with TCWR and BNSF allow:
 - Both rail operators to maintain existing operations and capacity
 - Operate LRT and freight rail safely in shared corridors
 - SWLRT to proceed with application for the Full Funding Grant Agreement

Recommendations

- Authorize the Regional Administrator to negotiate and execute a Construction Agreement with TCWR in an amount not-to-exceed of \$16.1 million *(2017-150SW)*
- Authorize Regional Administrator to negotiate and execute 4 agreements with BNSF
 - Memorandum of Understanding *(2017-162SW)*
 - Shared Use Agreement *(2017-163SW)*
 - Construction Agreement *(2017-164SW)*
 - Purchase and Sales Agreement *(2017-165SW)*

More Information

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