

## Transportation Committee

For the Metropolitan Council meeting of September 13, 2017

**Subject:** CTIB Assignment to Hennepin County for 2015 CTIB Capital Grant Agreement for Five LRVs

### Proposed Action

That the Metropolitan Council (Council) authorize the Regional Administrator to consent to the assignment of the 2015 CTIB Capital Grant Agreement for five Light Rail Vehicles (LRV) to Hennepin County.

### Summary of Committee Discussion/Questions

On Consent agenda.

Motion by Barber, seconded by Elkins and passed without discussion. CONSENT to Council.

## Transportation Committee

Meeting date: August 28, 2017

For the Metropolitan Council meeting of September 13, 2017

<b>Subject:</b>	CTIB Assignment to Hennepin County for 2015 CTIB Capital Grant Agreement for Five LRVs
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	16 U.S.C. Section 470 (f)
<b>Staff Prepared/Presented:</b>	Brian Lamb, General Manager, 612-349-7510 Mark Fuhrmann, Deputy General Manager, 612-373-3810 Edwin Petrie, Director of Finance, 612-349-7624
<b>Division/Department:</b>	Metro Transit

### Proposed Action

That the Metropolitan Council (Council) authorize the Regional Administrator to consent to the assignment of the 2015 CTIB Capital Grant Agreement for five Light Rail Vehicles (LRV) to Hennepin County.

### Background

The Council negotiated and executed a 2015 Capital Grant Agreement with the Counties Transit Improvement Board on September 29, 2015 for five Light Rail Vehicles. These vehicles are scheduled for delivery to Metro Transit between September and December 2017. They will supplement the Blue Line fleet to provide more operational flexibility and reliability.

The Grant Agreement funds the purchase of five LRVs using a \$6,000,000 grant and a \$14,000,000 reimbursable grant to be repaid by Metropolitan Council in equal annual installments of \$2,800,000 through 2020, with final payment due on June 30, 2020.

The Assignment and Assumption Agreement between CTIB and Hennepin County does not change the terms of the Grant Agreement.

### Rationale

Council consent of this CTIB/Hennepin County Assignment and Assumption Agreement allows for a seamless transition of the 2015 Capital Grant Agreement that has enabled Metro Transit to secure five option LRVs on favorable terms with Siemens from the Green Line LRV contract.

### Thrive Lens Analysis

The purchase of five additional LRVs demonstrates Council stewardship. The per LRV cost was efficient and effective use of public resources by exercising the LRV option available on the Green Line LRV contract. The additional LRVs allow for expansion of service during peak demand periods and for operational flexibility while the original Blue Line LRVs undergo mid-life maintenance rehabilitation.

## **Funding**

The Assignment and Assumption Agreement does not change the terms of the original 2015 CTIB Capital Grant Agreement. The Council has satisfied its annual \$2,800,000 payments in 2016 and plans to do the same for annual payments scheduled for 2017, 2018, 2019 and 2020.

## **Known Support / Opposition**

CTIB and Hennepin County support the Assignment and Assumption Agreement.