

Transportation Committee

Meeting date: January 14, 2013,

For the Council Meeting of January 23, 2013

ADVISORY INFORMATION

Date: January 14, 2013

Subject: Use of Northstar Supplemental Contingency Funds and Subordinate Funding Agreement #22

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-Rail 612-349-7511
Ed Byers, Deputy Chief of Operations - Rail 612-349-7080

Division/Department: Metro Transit

Proposed Action

That the Metropolitan Council authorize the use of Northstar Project Supplemental Contingency funds in the amount of \$2,000,000 for the purchase of on-board vehicle equipment, payment to BNSF for wayside improvements per our Joint Use Agreement and other associated costs with the implementation of Positive Train Control for Northstar Commuter Rail, and;

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute a subordinate funding agreement with the Minnesota Department of Transportation (MnDOT), in an amount not to exceed \$2,000,000, for reimbursement of costs incurred by the Metropolitan Council for the purchase of on vehicle equipment, payment to BNSF for wayside improvements per our Joint Use Agreement and, other associated costs with the implementation of Positive Train Control.

Background

The Rail Safety Improvement Act of 2008 requires all railroads and passenger service providers (with limited exception) to implement Positive Train Control (PTC) by December 31, 2015.

As the owner of passenger rail rolling stock, the Metropolitan Council is required to equip its locomotives and cab cars with equipment capable of meeting the requirements of PTC on the host railroad (BNSF).

Per the Metropolitan Council's Joint Use Agreement with BNSF, if required by an agency of the Government of the United States or the State of Minnesota, under section 3.4c(i), the Council is required to "pay to BNSF the Train Miles Percent of the cost of the deployment of the wayside portion of the ETMS [BNSF's PTC system] or similar system along the Northstar corridor."

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 November 20, 2012, the Sherburne County Regional Rail Authority approved the use of Northstar Project Contingency funds for this project.

On November 27, 2012, the Hennepin County Regional Rail Authority approved the use of Northstar Project Contingency funds for this project.

On December 7, 2012, the Anoka County Regional Rail Authority approved the use of Northstar Project Contingency funds for this project.