

Transportation Committee

Meeting date: October 13, 2014

For the Metropolitan Council meeting of October 22, 2014

Subject: Commit \$2M in council-controlled funds to leverage a \$6M CTIB funding commitment request in order to enter Small Starts and complete Orange Line Project Development and Engineering.

District(s), Member(s): District 5, Steve Elkins; District 7, Gary Cunningham; District 8, Adam Duininck; District 15, Steven Chávez

Policy/Legal Reference: 2015-2020 Capital Improvement Program

Staff Prepared/Presented: Brian Lamb, General Manager, 612-349-7510
Charles Carlson, Senior Manager, BRT/Small Starts, 612-349-7639
Christina Morrison, Senior Planner, BRT/Small Starts, 612-349-7690

Division/Department: Metro Transit, BRT/Small Starts Project Office

Proposed Action

That the Metropolitan Council commit \$2M in council-controlled funds to leverage a \$6M Counties Transit Improvement Board (CTIB) funding commitment to complete METRO Orange Line Project Development and Engineering activities.

Background

The METRO Orange Line is a 17-mile bus rapid transit corridor along I-35W from downtown Minneapolis to Burnsville. This \$150 million transitway line consists of transitway stations, a park-and-ride facility, BRT buses, and related facility and technology improvements and professional services.

In August 2014, Metro Transit requested Federal Transit Administration to allow Orange Line to begin Project Development activities. Project Development includes preliminary and final engineering, environmental analysis, and other activities to prepare the Orange Line for construction in 2017.

Rationale

To consider the Council's application for Orange Line Project Development, the FTA requires a funding commitment from CTIB for its share of Project Development funding. To provide its commitment, CTIB has requested a formal commitment of the Metropolitan Council's planned funding share of \$2 million. These funds will be reflected in the 2015-2020 Capital Improvement Plan scheduled for Council approval in December 2015. The funds will be authorized through future Council budget amendments.

Funding

Orange Line Project Development and Engineering is budgeted at \$10 million. Project Development funding is comprised of three sources:

- \$6 million in CTIB funds disbursed through annual grant requests for 2015 and 2016, secured by the requested commitment. The project must be in Project Development to use CTIB funds.
- \$2 million in state funds, drawing from \$2 million state bonds and \$1 million supplemental appropriation funds secured in 2014 for I-35W and Lake Street Transit Station. Remaining state funds will carry forward to future project phases at I-35W and Lake Street.
- \$2 million Council-controlled funds committed through the requested action and attached resolution.

The exact funding source distribution for the Council's \$2 million commitment will be identified prior to future budget amendment(s) that authorize the funds. Anticipated sources include Regional Transit Capital, federal formula, or other current or future funding streams under Metropolitan Council control.

Known Support / Opposition

Hennepin and Dakota County Regional Rail Authorities are scheduled to adopt resolutions of support for a CTIB Project Development Funding Commitment this month. CTIB is expected to approve the Funding Commitment on October 15, contingent to the approval of the Council's funding commitment.

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RESOLUTION 2014-22

**Resolution Authorizing the Metropolitan Council to Commit \$2M
for Orange Line Project Development and Engineering**

Resolved, that Metropolitan Council commit \$2M in council-controlled funds to leverage a \$6M CTIB funding commitment request in order to enter Small Starts and complete Orange Line Project Development and Engineering; and

Further resolved, this commitment additionally leverages \$3M in state funding awards for Project Development and Engineering previously authorized by the Metropolitan Council through business items 2014-150 and 2014-157; and

Further resolved, that the Council's \$2M commitment may include federal formula funds, regional transit capital, or other sources, and that the exact distribution will be identified in a future budget amendment; and

Finally resolved, that the Metropolitan Council authorizes the director of Metro Transit Finance to execute the aforementioned funding commitment and any amendments thereto.

Adopted this 22nd day of October, 2014.

Susan Haigh, Chair

Emily Getty, Council Recording Secretary

CERTIFICATION

I hereby certify that the foregoing resolution is a true and correct copy of the resolution presented to and adopted by the Metropolitan Council at a duly authorized meeting held on the 22nd day of October, 2014, as shown by the minutes of the meeting in my possession.

Emily Getty, Council Recording Secretary