

## 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  
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**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.