

Transportation Committee

Meeting date: December 11, 2017

For the Metropolitan Council meeting of December 13, 2017

Subject: Gold Line BRT Office Lease Agreement

District(s), Member(s): District 11 (Rummel), District 12 (Melander), District 13 (Kramer)

Policy/Legal Reference: Council Policy 3-3 Expenditures, Federal Transit Administration Circular 4220.1F Third Party Contracting Guidance

Staff Prepared/Presented: Brian Lamb, General Manager, 612-349-7510
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Division/Department: Metro Transit BRT/Small Starts – METRO Gold Line Project Office

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute a Gold Line Bus Rapid Transit (GBRT) Project Office lease agreement between the Metropolitan Council and Ramsey County Department of Property Management for a 9,578 square foot space in the Metro Square Building in St. Paul, Minnesota for the seven-year (84-month) period from February 1, 2018 through January 31, 2025 in an amount not to exceed \$1,914,532.

Background

On November 29, 2017 the Council authorized the Regional Administrator to negotiate and execute a Gold Line Bus Rapid Transit (GBRT) Project Office, not to exceed \$1,320,864. A transposition error was discovered in the business item, mistakenly excluding \$593,668 of required tenant improvements from the requested authorization. The full costs were included in the development, analysis, and negotiation of the lease and in project budgeting; the incorrect total was presented to Council. To execute the lease, authorization of the combined total not to exceed \$1,914,532 is requested.

Same week action is requested because December 13 is the final planned Council meeting of 2017.

Metropolitan Council is responsible for the overall project management and delivery of the GBRT Project and is assembling a team of staff members from Metro Transit, partner agencies and consultants to form the Gold Line Project Office (GPO). The co-located GPO team will require a project office location by early Q1 2018 that will centralize project activities and is accessible to the public and stakeholders.

Metro Transit and Washington County staff toured six potential project office sites in the Summer 2017 along the GBRT alignment and narrowed the list to two finalist sites for which it requested and received proposals. The criteria that distinguish the Metro Square Building option include:

- Competitive lease costs per square foot and a tenant improvement allowance
- Modular office furniture owned by Ramsey County provided at no charge
- Lease termination options are included if project does not receive FTA approvals
- Located two blocks away from existing Metropolitan Council Robert Street offices
- Accessible by several Metro Transit bus routes and connected to the St. Paul skyway network

- Ample parking available in nearby parking ramps and metered on-street parking
- First-floor location will allow maximum visibility for the project and will make it accessible to the public and other stakeholders

Rationale

Organizational benefits are gained by co-locating staff from the public agencies and the consultants in one location with technology that supports collaborative communication among engineering disciplines to resolve complex design issues, and in a location that is easily accessed by the public and stakeholders.

Five previous New Starts transitway projects have demonstrated the benefit of a project office for increased productivity and cost-efficiencies making the Gold Line BRT Project Office is a cost-effective investment.

Thrive Lens Analysis

The GPO will provide synergy and collaboration to the project through a cost-effective use of public resources (Stewardship) by investing in a project office space owned and managed by GBRT funding partner Ramsey County, funded at a competitive lease rate, that will contribute to greater productivity and avoid additional costs from not having a central office location.

Funding

The GBRT's two-year Project Development phase is fully funded at \$25 million with funding commitments from CTIB, Washington County, Ramsey County/RCRRA, and the State of Minnesota. All funding commitments are currently reflected in the Council's Authorized Capital Budget in project 61402. The costs of the GPO lease as well as the costs for early termination of the lease are included in the \$25 million, should the GBRT not advance into or past the Project Development phase.

Known Support / Opposition

No known opposition.