

Transportation Committee

Meeting date: March 13, 2017

For the Metropolitan Council meeting of March 22, 2017

Subject: Orange Line MnDOT Construction Partnership Agreement

District(s), Member(s): District 5 – Steve Elkins, District 7 – Gary Cunningham, District 8 – Cara Letofsky, District 15 – Steven Chavez

Policy/Legal Reference: MN Statutes 473.405 and 471.59

Staff Prepared/Presented: Brian Lamb, General Manager, 612/349-7510
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Division/Department: Metro Transit BRT/Small Starts

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute a cooperative construction agreement and a partnership agreement with the Minnesota Department of Transportation (MnDOT) for construction of the I-35W and Lake Street transit station, 12th Street transit ramp, and related transit construction in an amount not to exceed \$46,871,750.

Background

The METRO Orange Line is a 17-mile highway BRT project along I-35W connecting the cities of Minneapolis, Richfield, Bloomington and Burnsville, with a future extension to Lakeville. All-day, frequent bidirectional service will complement local and express bus routes in the I-35W corridor, providing competitive running times for station-to-station trips and a new option for reverse-commute markets. The Orange Line will serve ten at-grade stations and one elevated station at Lake Street.

A significant partnership between MnDOT, Hennepin County, the City of Minneapolis, and the Metropolitan Council will reconstruct I-35W and several bridges in Minneapolis between 42nd Street and downtown Minneapolis. This work will construct transit components including I-35W and Lake Street transit station, 12th Street transit ramp, and related transit construction. MnDOT will procure a construction contract and lead the delivery of these improvements.

The proposed action provides for a construction agreement for the implementation of the project, and a partnership agreement to disburse transit funding to MnDOT through installments over the span of the project. The Council previously authorized an agreement for the design of the Lake Street Station and I-35W Transit bridge through item 2017-5.

Rationale

Council Policy requires Interagency Agreements valued at greater than \$500,000 be approved by Council. The proposed partnership with MnDOT will ensure funds will be made available to construct Orange Line I-35W & Lake Street transit station, 12th Street transit ramp, and other transit elements in accordance with the larger MnDOT 35W project as construction occurs from 2017 to 2021.

Thrive Lens Analysis

METRO Orange Line supports Thrive outcomes including livability, prosperity, and equity by providing new access to economic and personal opportunity through the I-35W south corridor. The proposed action advances the prosperity

outcome by advancing an infrastructure project that will create regional economic competitiveness, and equity outcomes by better connecting the region's residents to enhanced, accessible transit service.

Funding

The proposed partnership agreement is backed by secured state and local funding, including authorized and committed funding from the state and local sources including the Counties Transit Improvement Board, Dakota County Regional Railroad Authority, and Hennepin County Regional Railroad Authority. These funds are currently authorized for funding agreements or committed to the Orange Line project. Partnership funding is partially authorized (2017) in project 62405 and future partnership agreement payments will be authorized through future Council budget amendments.

The proposed action funds the estimated construction value and initial project delivery costs. Upon federal funding award (anticipated 2018), TAB-designated Congestion Mitigation/Air Quality funding will become available, and staff will seek Council authorization to amend the partnership agreement to include additional project delivery costs. The total partnership value is estimated at \$50.14 million.

On February 23, 2017 the Federal Transit Administration issued approval to encumber the project costs as qualified Orange Line expenditures through a Letter of No Prejudice (LONP). This allows the proposed funding obligation to count as a local match for potential future federal funding award.

Known Support / Opposition

No known opposition. Hennepin and Dakota County Regional Railroad Authorities have passed unanimous funding commitment resolutions for the METRO Orange Line project.