

Transportation Committee

Meeting date: May 14, 2018

For the Metropolitan Council meeting of May 23, 2018

Subject: Southwest LRT Project: Assignment Agreement with Houston METRORail and Siemens Industry, Inc. for 14 LRV Contract Options

District(s), Member(s): All

Policy/Legal Reference: Metropolitan Council Procedure 3-3

Staff Prepared/Presented: Brian Lamb, General Manager, 612-349-7510

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Division/Department: Metro Transit

Proposed Action

Authorize the Regional Administrator to negotiate and execute an assignment agreement with Houston METRORail and Siemens Industry, Inc. (Siemens) to assign 14 LRV contract options to Houston METRORail.

Background

On December 22, 2016, the Council entered into a contract with Siemens for the fabrication and delivery of 27 low floor light rail vehicles and related materials and services with an option to purchase up to 50 additional low floor light rail vehicles. Council set the number of options at 50 before the BLRT Project completed project development and determined its project scope and need for 28 LRVs.

Houston METRORail has recently requested the opportunity to exercise 14 of the 50 available options. Staff have determined that the current contract provides sufficient options to account for the 28 LRVs planned for the Blue Line Extension LRT Project. If Council assigns 14 options to Houston METRO, there will be 8 remaining options available to the Council to address future unknowns that may occur between now and the 2023 when the availability of options expires.

Rationale

FTA guidance allows for the assignment of contract options to third parties. The contract between the Council and Siemens also allows for Council to assign options to third parties.

Thrive Lens Analysis

Construction of the Green Line Extension will increase the region's prosperity as it will provide access to 80,900 forecasted jobs and a new transportation option for 55,000 forecasted residents within ½ mile of the planned new stations in addition to the 145,300 forecasted jobs and 35,600 forecasted residents in downtown Minneapolis.

Funding

The assignment agreement will add no additional cost to the contract.

Known Support / Opposition

There is no known opposition.