

Transportation Committee

Meeting date: February 25, 2019

For the Metropolitan Council meeting of February 27, 2019

Subject: Southwest Light Rail Transit (Green Line Extension) BNSF Construction Agreement, Amendment 1

District(s), Member(s): All

Policy/Legal Reference: Minn. Stat. 473.399

Staff Prepared/Presented: Wes Kooistra, General Manager, 612-349-7510
Joan Hollick, Interim New Starts Director, 612-373-3820
Jim Alexander, SWLRT Project Director, 612-373-3880
Brian Runzel, SWLRT Construction Director, 612-373-3806
Kelly McKeon, SWLRT Agreements Manager, 612-373-3925

Division/Department: Metro Transit/Green Line Extension Project Office

Proposed Action

That the Metropolitan Council authorizes the Regional Administrator to execute an amendment to the Southwest Light Rail Transit (SWLRT) Freight Rail Coordination Agreement – Construction Phase (the “Construction Agreement”) with BNSF Railway (BNSF) to incorporate schedules, plans, and specifications and issue a purchase order up to total amount not to exceed \$4.5 million.

Background

BNSF owns and operates freight rail service on the Wayzata Subdivision. Approximately 1.4 miles of the SWLRT Project alignment is on or adjacent to the BNSF right-of-way in the Wayzata Subdivision. Construction of the SWLRT Project requires shifting of BNSF’s mainline freight track to accommodate space for the LRT and future BNSF capacity. The SWLRT Civil Contractor, Lunda/McCrossan JV will construct site work and LRT elements and BNSF will construct the freight rail elements.

The Council approved Business Item 2017-164 SW which authorized the Regional Administrator to negotiate and execute a Construction Agreement with BNSF. The Construction Agreement outlines BNSF’s and Council’s rights and obligations during the construction of SWLRT in the Wayzata Subdivision corridor.

The Construction Agreement states that the Council shall reimburse BNSF for costs incurred in connection with BNSF’s activities authorized in the agreement. The parties agreed to develop an estimate of the costs BNSF expects to incur, which costs the parties agree should not exceed \$4.5 million. BNSF must notify the Council when its costs have reached 75% to allow the parties time to review current work status and amend the agreement, if needed.

Staff are seeking authorization to negotiate and for the Regional Administrator to execute an amendment to the Construction Agreement to incorporate approved construction schedule, plans, and specifications and issue a purchase order up to total amount not to exceed \$4.5 million.

Rationale

Entering into the amendment to the Construction Agreement with BNSF will allow the Council to fulfill its obligations with BNSF and advance construction of the Project.

Thrive Lens Analysis

The Construction Agreement will allow implementation of the Green Line Extension that will increase the region's prosperity as it will provide access to 80,900 forecasted jobs and a new transportation option for 55,800 forecasted residents with 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 activities covered by the Construction Agreement amendments are Project eligible costs and will be funded by local funding partners and the Federal Transit Administration. The \$4.5 million is included in the \$2.003 billion project budget.

Known Support / Opposition

There is no known opposition to this action.