

# Business Item

Transportation Committee



Committee Meeting Date: November 27, 2023

For the Metropolitan Council: December 13, 2023

## Business Item: 2023-243

METRO Green Line Extension Amendment No. 1 to the Dispatch Services Agreement 19P192 with Red River Valley and Western Railroad

<b>District(s), Member(s):</b>	District 3 (Carter) District 6 (Lilligren) District 8 (Cameron)
<b>Policy/Legal Reference:</b>	FM 14-2 Expenditures for the Procurement of Goods, Services, and Real Estate Policy
<b>Staff Prepared/Presented:</b>	Lesley Kandaras, General Manager, 612-349-7513 Nick Thompson, Deputy General Manager, 612-349-7507 Jim Alexander, Project Director, 612-373-3880 Joan Hollick, Deputy Project Director, 612-373-3820
<b>Division/Department:</b>	Metro Transit / METRO Green Line Extension Project Office

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute Amendment No. 1 to Agreement 19P192 with Red River Valley and Western Railroad for freight rail dispatch services for the METRO Green Line Extension Project to increase the agreement amount by \$214,740 to a not-to-exceed amount of \$571,140.

### Background

Red River Valley and Western Railroad (RRVW) provides dispatch services on the Cedar Lake Spur (referred to locally as the Kenilworth corridor). In the Kenilworth corridor, Twin Cities & Western Railroad (TC&W) is obligated to perform dispatch services pursuant to its Trackage Rights Agreement. RRVW performs these services for TC&W and is the only entity, in practice, that provides dispatch services on the Kenilworth corridor.

At the request of the Council and Council's civil construction contractor, RRVW agreed to dispatch the Kenilworth Corridor under Form B protection for the duration of construction of the Project. Form B protection is an on-track safety mechanism used by railroads to record track occupancy. Dispatching under Form B protection requires dispatchers to be available 24 hours a day, 7 days per week.

Due to the extended duration of Project construction, Amendment No. 1 to the agreement is needed to increase the value by \$214,740 for a new not-to-exceed value of \$571,140 to cover the costs of services through 2026 with the option for the Council to terminate the agreement upon substantial completion of civil construction at which time TC&W will assume the costs pursuant to its Trackage Rights Agreement.

## Rationale

Cumulative amendments of a professional services contract exceeding 10% of the original authorized contract value require Council approval.

## Thrive Lens Analysis

Successful completion of the METRO Green Line Extension will advance the following Thrive MSP 2040 outcomes:

**Stewardship:** Transit investment provides an opportunity to reinvest and grow the capacity of our communities, with more inclusive development and intentional investment. It encourages businesses to invest in communities, which means access to resources, community amenities, jobs, and other community assets.

**Equity:** Connections to other METRO lines and countless local bus routes will bring people to jobs, education, resources and connect diverse and vibrant communities across the region.

**Livability:** The METRO Green Line Extension will add 14.5 miles to the existing Line, which connects downtown Minneapolis, downtown Saint Paul, and places in-between. This segment connects Eden Prairie, Minnetonka, Hopkins, and St. Louis Park to both downtown Minneapolis and Saint Paul, and major destinations at the University of Minnesota and the State Capitol.

**Prosperity:** The METRO Green Line Extension reflects strategic investment in regional infrastructure that will promote economic competitiveness and create prosperity for the region. Despite being under construction, the METRO Green Line Extension has already seen more than \$2 billion of existing and planned development investment within a half-mile of the line.

**Sustainability:** As many as 700,000 more people will be living, working, and moving around the Twin Cities region by 2040. As a result, a robust transportation system is needed to provide the region with choices and more mobility.

## Funding

This is a METRO Green Line Extension Project (No. 61001) eligible cost. Funds are available in the Project (No. 61001) budget and included in the Council's authorized capital budget.

## Small Business Inclusion

The proposed contract amendment will be executed through a sole source agreement. The Office of Equity and Equal Opportunity (OEEO) does not review sole sourced contracts for small business participation goals.

