

**Metropolitan Council**

Beth El Synagogue, 5224 W. 26<sup>th</sup> Street, St. Louis Park, MN 55416

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**Meeting of the Southwest Corridor Management Committee**

**April 2, 2014**

Members Present	Chair Susan Haigh	Bill James	Nancy Tyra-Lukens
	Jan Callison	Matt Look	Cheryl Youakim
	Linda Higgins	Scott McBride	Brad Meier (BAC Alt)
	Betsy Hodges	Peter McLaughlin	Jake Spano (Alt)
	James Hovland	Terry Schneider	

Members Absent	James Brimeyer	Jeff Jacobs	Will Roach
	Keith Bogut	Brian Lamb	

**1. CALL TO ORDER**

Chair Susan Haigh called the April 2, 2014 meeting of the Southwest Corridor Management Committee to order at 8:30 a.m. at the Beth El Synagogue.

**2. APPROVAL OF MINUTES**

Chair Haigh presented the March 26, 2014 Southwest Corridor Management Committee meeting minutes for approval. Councilmember Cheryl Youakim requested that on page 4, paragraph 8 be removed, as she made that statement as a facetious remark without requesting any response. Motion was made to accept the minutes with this friendly amendment, which were unanimously approved.

**3. RESOLUTIONS**

Chair Haigh thanked Commissioner Gail Dorfman for her time and effort spent on the CMC. Chair Haigh asked for a motion for the resolution recognizing Commissioner Dorfman. Mayor Betsy Hodges made a motion to accept the resolution of recognition; Mayor Jim Hovland seconded the motion, which was then unanimously accepted.

Chair Haigh also thanked Beth El Synagogue for their ongoing support and for letting the CMC use their facility. A motion was made by Councilmember Jake Spano, seconded by Commissioner Peter McLaughlin to accept the resolution for Beth El Synagogue. Chair again thanked the Beth El and their staff for all their help.

**4. RESPONSE TO MARCH 26, 2014 CMC QUESTIONS**

Mr. Jim Alexander provided answers to the three questions from the March 26, 2014, meeting. The first is from a comment Southwest LRT Project Office (SPO) made to TranSystems on the reason the MN&S North design was shown as Class 3 railroad rather than Class 2. A Class 2 design can operate at a maximum speed of 25 mph. A Class 3 design can operate up to 40 mph. Mr. Terry responded that what he meant in his report that the MN&S North alignment could be designed up to Class 3 standards.

The second question was on safety for the Kenilworth Corridor and MN&S North option. SPO has identified safety features such as guardrails and fencing for the project. A question was raised on Centralized Traffic Control (CTC) and Positive Train Control (PTC) and whether those are needed. SPO

asked TC&W this question and TC&W stated that they currently operate 10 mph through Kenilworth Corridor, and since this is not classified as main line track, PTC and CTC are not required. TC&W has their own communication system that they use for operations on the Bass Lake Spur and Kenilworth corridor.

The third question is who will ultimately own the property under the tracks in Kenilworth corridor. Mr. Alexander stated that HCRRA currently owns property in the corridor and BNSF owns a portion on the west side of the corridor. Ongoing discussions on the ownership will need to be conducted. Mayor Hodges asked for more detail on the ownership. Mr. Alexander stated at this stage of the project we are working to get the scope of the project established. Once that happens, we will start having conversations with Hennepin County, BNSF and the railroads on future ownership of the corridor.

## **5. STAFF RECOMMENDATION ON PROJECT SCOPE AND BUDGET**

Mr. Alexander went through the project scope. The two issues that that were discussed were to retain Mitchell Road Station in Eden Prairie and to have shallow LRT tunnels with a bridge over the channel in Kenilworth corridor with a 2019 opening. Mr. Alexander went over the images of the alignment going to Mitchell Road. There would be stops at Town Center, Southwest Station, and then continue via Technology Drive to Mitchell Station. The Southwest Station image was shown. Images of the shallow tunnels, along with the bridges over the channel were also shown.

Mr. Mark Fuhrmann reported that with these two scope elements; retaining LRT to Mitchell Station and the shallow LRT tunnels in Kenilworth Corridor with a bridge over the channel; would bring the overall SWLRT project budget to \$1.673B - \$1.683B. This also allows for 16 of the original 17 stations. The 21<sup>st</sup> Street Station is not included. The cost of the tunnels is estimated at \$160M, which is included in the budget. To open up the line in 2019, one year later than originally scheduled, increases the project cost to an additional \$45B - \$55B. This is for 3% escalation costs.

Mr. Fuhrmann went over the schedule for the next steps. Later today, this information will be provided to the Met Council at their Committee of the Whole as an information item. On April 9, the Met Council will take an action on the scope and budget. If this is approved, the municipal consent process is then triggered. The municipal consent plans will be distributed, and the week of May 12 the Met Council and Hennepin County Regional Railroad Authority will hold a joint public hearing. Within 45 days following the joint public hearing all 5 host cities and Hennepin County will hold their public hearings and take their vote on the municipal consent. By June 30, 2014, we should have all the municipal consent plans voted on. Following municipal consent, we plan to enter final engineering in mid 2015; receive the Full Funding Grant Agreement in 2016; and a targeted revenue operation date of 2019.

## **6. PUBLIC TESTIMONY**

Public testimony was taken from 8:50 a.m. until 10:45 a.m. Chair Haigh went over the ground rules of the testimony. For those representing a group, they will have 3 minutes and if representing themselves, they have 2 minutes. This is a public statement and testimony, not for answering questions today but to listen to what the public has to say. The testimonies are found under Attachment A.

## **7. CMC DISCUSSION AND RECOMMENDATION**

Chair Haigh asked Councilmember Jennifer Munt from the Community Advisory Committee (CAC) and Mr. Brad Meier from the Business Advisory Committee (BAC) for their statements. Councilmember Munt read the letter from the CAC (Attachment B). This letter was approved by the CAC, with one CAC member dissenting from the vote. The CAC also thanked project office staff for their help and Councilmember Munt thanked all the CAC members for their time.

Mr. Meier read the letter of support from BAC (Attachment C). Mr. Meier stated the Twin West Chamber of Commerce also agrees with this letter.

Chair Haigh thanked the committees for their support and help with their good input on the process.

Chair Haigh opened the meeting up to hear from the CMC members. **Commissioner McLaughlin moved the staff recommendation for purposes of discussion, Mayor Hovland seconded the motion.**

Commissioner McLaughlin provided an amendment to the staff recommendation. This amendment comes out of a meeting that Congressman Ellison conducted on March 31. This addition is a statement of commitment and intentionality on the part of this project to try to incorporate the community's goals in the building and operation of this line. The goals include employment of targeted groups during construction; procurement from certified disadvantaged businesses; connections to low income communities; full application of the lessons learned from Hiawatha, Central, the Corridors of Opportunity work that we done in conjunction with the federal grant and Hennepin Community Works; creation and preservation of affordable housing; enhanced connections to all elements of the transportation system; and preservation and promotion of opportunities for small community businesses. **Commissioner McLaughlin moved this amendment to the original motion. Commissioner Linda Higgins seconded the motion, which was then unanimously approved, with Mayor Hodges abstaining from the vote.**

Mayor Hovland asked why the language was removed from the resolution stating 'CMC recommends that the Council direct the SPO to discontinue any further work related to the freight rail relocation out of the Kenilworth corridor'. Mr. Fuhrmann understands that FTA desires that we mention in the SDEIS that we have looked at these options, including freight rail relocation and that those will be identified as not accepted, but reviewed. We understand we need to have this in the NEPA environmental document, and have concerns by deleting all mention or considerations of the freight rail relocation at this time as we continue through the NEPA process.

Mayor Hovland said one issue for discussion would be why we need a shallow tunnel north of the channel bridge. With no pinch point north of the channel bridge, we could have a potential cost savings of \$30M, along with preserving 21<sup>st</sup> Street Station.

Mayor Terry Schneider also had this concern, and doesn't feel it is quite as critical from an environmental impact standpoint as the narrow channel. If this money could be saved, it would be good add into Mitchell Road. He feels that if we can't get the support needed from the legislature or the Governor, then this should be considered. As it is now, he feels we should complete the line as originally proposed and keep the tunnel in. Whatever we need to move forward and get this project to happen.

Commissioner Jan Callison also thought of the north shallow tunnel. The original proposal would have had 220 trains per day in the corridor, this tunnel puts them underground and leaves the freight rail. Does the north tunnel really benefit us, as there is a lot of environmental damage that comes with that tunnel. She asked if the City of Minneapolis feels this is important to them?

Mr. Fuhrmann clarified that the cost of the deletion of the northern portion of the shallow tunnel and restoration of an at grade 21<sup>st</sup> Street Station would save \$55 - \$60M.

Councilmember Youakim asked if the north shallow tunnel is really there to help get the project to happen, she would consider keeping it in. Even with the north shallow tunnel in, will there be a yes vote from Minneapolis today?

Mr. Bill James said CAC discussed this and one theme was to preserve and protect visual impacts, environment, and access for community cohesion trails. If we put the northern tunnel in, we do preserve

the visual impacts of the train entering and exiting the corridor and mitigating the amount of above ground trains running through the greenspace. CAC would like to preserve this area for the recreational use as it exists today, and they would support both tunnels.

Mayor Hodges stated that she can speak to the original option of the shallow tunnels, but with another option being put out there now, and expecting us to vote on it she feels is unrealistic. At this point, she is not in favor of the elimination of the north portion of the shallow tunnel and addition of 21<sup>st</sup> Street Station because she doesn't support any tunnel. Mayor Hodges needs to discuss this with the staff at the city before she can respond further. She asked Mr. Steve Kotke, Director of Public Works for Minneapolis to come forward. Mr. Kotke stated that both tunnel options were proposed by the project office. The north tunnel he believes was proposed to deal with visual impacts to the area. At this point, Minneapolis would prefer to reroute the freight and not put either tunnel in. He stated Minneapolis is not in a position at this point to weigh in on whether one tunnel should be eliminated.

Mayor Hovland stated that without a north shallow tunnel, we theoretically eliminate 50% of the potential environmental impact. If there are environmental concerns, one would be eliminated. The dual benefit of minimizing environmental impact and saving \$55 – 60M should be seriously considered for the recommendation. Mayor Hovland stated that if Minneapolis was told for 17 years that LRT was coming and it would be 220 trains a day, no one said at grade or under grade. We need to consider whether there should be a north shallow tunnel, especially if we are only talking about visual impacts that people were expecting anyway for 17 years.

Mayor Hodges stated that the staff recommendation was what was asked to comment on. Elimination of the north shallow tunnel would be a huge undertaking for everyone involved. She would suggest not putting an amendment on the table today for this.

Councilmember Youakim mentioned Hopkins took the Operations and Maintenance facility and they are the smallest city on the line in regards to population, geography and tax base. Hopkins will be losing up to six businesses, 250 jobs and roughly \$180,000 in tax base. It would have not been the preference to have the OMF in Hopkins, but the project office proposed it would save \$500,000 a year in operating costs and that it was the best location. Hopkins supports light rail, and knows how beneficial it is to the region. **Hopkins would like to add the following language: be it further resolved that the CMC acknowledges the financial impact of the city of Hopkins by accepting the operation and maintenance facility, our tax exempt use on currently occupied and taxable property and recommends that the Met Council work with the city to retain displaced businesses within Hopkins. Councilmember Youakim made a motion to move the amended language. Mr. James seconded the motion.**

Mayor Schneider said that Met Council and staff have been working very closely with both Minnetonka and Hopkins and their businesses. He feels that this language is already taking place today. He doesn't object to this language, but does have concerns that this may this open the door for every city to come in with a resolution for items, which is not the intent of the main body of the resolution.

Councilmember Youakim pointed out that the OMF is unique, as there is only one on the line. It does cause burden to Hopkin's tax and economic base and they are requesting that CMC encourage the project office to continue to work with the city.

Councilmember Spano asked if the language in the proposed amendment any different than what Met Council would do otherwise? Chair Haigh said this doesn't obligate us, as we are trying to work through a memorandum of understanding with the city on this process and will continue to do that.

Commissioner Callison suggested broadening the resolution to encourage the Council staff to work with all the cities to mitigate the impacts. She asked if others feel it would be worth adding this language to the amendment.

Mayor Hovland asked Councilmember Youakim if this is important for their City Council? Councilmember Youakim stated yes, and because they are starting to see the project costs rise and they want to make sure their concerns on the OMF continue to be looked at.

Mayor Schneider said that Hopkins is a unique issue and we do want to get Hopkins support without any concerns, he suggests leaving the amendment the way it was presented.

**Chair Haigh asked for any other comments on this amendment, which has a motion and a second to. Hearing no other discussion, the motion was unanimously approve. Mayor Hodges noted that she abstained from the vote.**

Councilmember Spano asked about Mayor Hovland's request on the removal of the reroute language. He asked Mr. Fuhrmann to further explain why this language was removed. Mr. Fuhrmann stated that as the supplemental draft EIS and next year a final EIS going out, it in his understanding that Met Council wishes to keep those options that have been identified, reviewed and presented publicly on the supplemental draft environmental document. The concern is if the resolution was to eliminate any and all freight rail options, that would run counter to our public document where we say we have evaluated and reviewed those freight rail options previously.

Mayor Schneider mentioned if we pass the resolution without that language, it says that this is the route we are selecting and it's not the reroute. He would agree with making sure we don't add any problems in for the federal review process and leave it out and move forward. Chair Haigh concurs with this comment. There is clear intent on what the recommendation is for this project going forward.

Mayor Hovland understands the concern. He feels we could state that SPO and CMC have studied the issue of relocation of freight out of Kenilworth corridor and are recommending to Met Council that it not be relocated. Why not as an advisory body to the Met Council indicate that we have studied the issue of relocation of freight and determined to have it stay in the Kenilworth Corridor? **Mayor Hovland made an amendment to the resolution that reads as follows: Be it further resolved that the SPO and CMC have studied the issue of relocation of freight out of the Kenilworth Corridor, and the CMC recommends that the Council direct the SPO to discontinue any further work related to the freight rail relocation out of the Kenilworth Corridor. Mayor Nancy Tyra Lukens seconded the motion.**

**Mayor Schneider would like to make a friendly amendment to state the following to the amendment: We have thoroughly studied the freight rail relocation alternatives and determined that there is no viable freight rail alternative.**

Commissioner McLaughlin said he disagrees with this additional language. He feels Mr. Fuhrmann is correct and the best way is to be silent in this resolution. If you put this additional language in, there may be conversations with the FTA lawyers. He would recommend not adding this.

**Mayor Schneider withdraws his friendly amendment. Mayor Hovland also withdraws his motion, and Mayor Tyra Lukens withdraws her second to the motion.**

Councilmember Youakim asked Mayor Hodges for confirmation that she did not want the removal of the north shallow tunnel in this resolution? Mayor Hodges stated that it would be yet another unstudied idea put on the table and putting it on the table right before people are expected to vote may not be the way to

get to the best outcome. Chair Haigh said the idea has been studied and Minneapolis Public Works staff are familiar with it, but she understands Mayor Hodges statement.

**Discussion on the main motion.** Chair Haigh asked members to state their position on the main motion.

Mayor Hovland stated that this is being part of a team that creates a legacy project in our region. This is a potential life changer for many of the folks in our community. Some conditions will be temporary, some permanent. The benefits are to the region. The impacts to the region will be temporary. The community has been told that they would be receiving 220 light rail trains a day. They didn't feel they would have light rail with two freight trains in the morning and at night going through. This is critically important to the region. Mayor Hovland supports the resolution and feels the impacts to the Kenilworth neighborhood will be temporary in nature compared to not going ahead. We've worked very hard on this process and he feels we did a good job in addressing the issues. Minneapolis will increase their population density, people coming in to town to work. He feels Minneapolis is the big winner here.

Commissioner McLaughlin stated that 10 years ago we opened Hiawatha LRT, which now exceeds 30,000 riders per day, and development at every stop. On June 14, the next LRT line will open and also the hub at Target Field station. We are building a system, moving forward. He support this resolution and feels we have done our work. The request was made for three studies, which we have done. There was a technical examination of the three issues and also a political exercise in trying to build a consensus. We have the information base and dialogue to make a decision. He feels this is the way to go to move forward. We will benefit the riders from north Minneapolis on equity. This is an equity corridor and this is an investment decision that will advance equity as well. He supports the resolution.

Mayor Schneider supports the resolution as recommended by staff. He agrees and feels that to have a completed overall light rail system that impacts and benefits the entire region is a game change for the metropolitan area. If we can't get it together, it will put us way behind every other region around the country. He appreciates the shift in the regional perspective that is happening around the Twin Cities. In the last few years it is a focused effort of everyone having their own concerns and wanting to do the right thing for individual citizens and businesses, but a higher priority is being put out there for what's best for a region as a whole. This is a good test for this. This line along with the completed system will enable the vibrancy of the region. He challenges the Minneapolis city council to review this perspective when they review municipal consent.

Mayor Tyra Lukens is voting in favor of the resolution. She has been involved since 2002 of the light rail planning and thanks Commissioner Dorfman who led some of those early efforts; Commissioner Callison who often filled in; and Chair Haigh who has led the CMC effort. She feels that we are moving forward with the options that seem to be the best options considering the goals of the project. We heard many opinions on the corridor and what should and shouldn't be done. This issue has a lot of grey area, but she feels very confident that overall this will be the best decision for the region. All the areas have different issues with this line coming in. In Eden Prairie, it is coming down an area which has not previously been a rail corridor; coming by businesses that never had rail near them; coming through wetland areas; and crossing streets at grade. But we firmly feel that this is in the best interest of not just our community but the greater region.

Mr. Scott McBride stated he is in favor of the motion. He noted that MnDOT is at this table for two main reasons. The first reason is that the corridor will cross a number of trunk highway facilities, so MnDOT is concerned about what happens at Hwy. 100, Crosstown, Highway 7, and Highway 212. We have taken care of the issues at a technical level, and are very happy about the coordination we have had. The other reason is that MnDOT is full partners in this process. By Executive Order, the Governor declared Met Council as the lead agency and by inter-agency agreement with MnDOT as project partners. MnDOT has

staff that provides bridge expertise, utility expertise, right of way expertise, and construction expertise as the project moves forward. MnDOT will fully support the staff recommendation.

Commissioner Matt Look thanked those that provided public comment today and appreciates their comments. He believes in a theory called utilitarian principal, which is the greatest good for the greatest number. He is not convinced this project has met that threshold. He feels it is important to do this right, and he isn't convinced that advancing this design is the best design. There may be other areas better suited. \$1.683M is way too high in his opinion. Too high as a result of the OMF, tunnels, enhancements and ultimately driving the cost doesn't necessarily count for good spending. He is speaking on behalf of the Board he comes from, and if they were to take a vote today they would not support this. He is voting against this.

Councilmember Youakim stated that the CMC was created to advise the Council on the design and construction of SWLRT. All of the communities had to make tough decisions, and will have to continue to make tough decisions during municipal consent. We will need to make the tough discussions with the businesses that are being displaced with the OMF. For a regional perspective, we need to place it above our individual cities. Individual cities' concerns are there for the municipal consent process. She will be giving a yes vote today to move the SWLRT project forward.

Mr. James mentioned that we will be able to link the sister city of St. Paul of ours to open up access to their residents to come to the west metro area. We need to be good stewards for our intent and need to reflect on the impacts of our decisions not only short term, but for the long term and the many generations of people that will use this line. He thanked the SPO staff who worked tirelessly to provide all the information we need in a timely fashion. He will be supporting this resolution as it stands today.

Councilmember Spano thanked the chair and all the committee members who spent a lot of time on this. He thinks the urban vs. suburban discussion is a false one. A strong urban core is important to the suburban communities and we must recognize this. St. Louis Park wants this project to move forward, in a way that is safe and minimizes community impacts. He believes that the project recommended last October, and today, is the best opportunity. The opportunity to educate the public was very good and brought us a lot of good information. The decisions we make have an impact not only in the greater metro area but in greater Minnesota. While the plan is not perfect and doesn't serve all the areas in all the ways we would like, and compounds some of our traffic and freight challenges in St. Louis Park, we still feel it is a plan that maintains the character of the Kenilworth Corridor in the safest most effective way possible and moves us forward as a region. He will be supporting this resolution.

Commissioner Callison stated there is a lot of genuine support for this project. We have gotten a lot of public comment, seen surveys, talked to our business community and we know there is a lot of genuine support for this project. It is transformative and it is crucial for this region. Projects this complex take leadership. She called out the leadership of the suburban communities here and she acknowledged Hopkins, which has dealt with the OMF; Minnetonka, which has been generous in working with Hopkins; Eden Prairie which has had issues around Southwest Transit and found a way to come together to produce a much better station; and Mayor Hovland, whose city doesn't have a station and he has been deeply involved in this. This leadership has been crucial and she wants to invite Minneapolis to join this leadership and share the vision of the region that we have and are working for.

Mr. Meier stated he will be voting in favor of and looks forward to the economic development of this project.

Commissioner Higgins stated the district she represents includes the four stations of Penn Station, Van White Station, Royalston Station and Target Field Station. The opportunities that those stations provide for

the citizens are immeasurable. This isn't replacing buses and putting in trains, it is adding the trains to the buses and bicycles and pedestrians and some day the BRT lines. All of this makes a system for us. She is concerned about the comments that this won't help the north side; and businesses won't hire anyone from the north side. She thinks the equity amendment that was added strengthens our resolution. She will be voting yes for the resolution and looks forward to working with everyone in the future on the project.

Mayor Hodges thanked all for their comments today. The public process today was valuable for everyone. She noted that what the Met Council is proposing today is very different than what was being proposed even in 2013. She wants to note the problem we are facing is not one that Met Council is observing, it's a problem Met Council created by not hiring a company like TranSystems many years ago; by not building the time to go to the STB into the project schedule; and by giving the railroads veto power over the project even though we have a place to sort these disputes out – the STB. It's a policy decision to give the railroads veto power over whether or not we go forward. No body involved in this process has affirmatively said if the railroads don't like it we shouldn't do it. Today will be the first vote on that. We shouldn't give them that power. If Minneapolis was told Railroads would have veto power over whether or not we do the reroute, then Minneapolis would not have voted for that locally preferred alternative. We need to find another alternative here because our support is predicated on the reroute of freight. It's also a cost versus value question. There are costs associated here, but the tunnels add no value to this LRT project. They are intended to protect an asset that already exists, but it doesn't create more ridership or development. Rerouting the freight would actually add value. St. Louis Park noted in the DEIS that trains would interfere with the operations of the LRT stations and be a detriment to development in the area as a reason to move those tracks around those station. Two promises are being broken, first the project is breaking a promise to the residents of Minneapolis that when we chose this alternative route, we would move the freight. It facilitates St. Louis Park breaking a promise that they would accept that freight reroute. This was codified by them accepting the money for the Golden Auto Site from the State. What Met Council is offering is not fair. In this instance, St. Louis Park is going to get everything they want; their alignment of LRT that they wanted in 2009; their alignment of freight; \$55MM of optional rail improvements; and they get to keep the Golden Auto money that was supposed to be used to reroute the freight. Minneapolis loses on everything we cared about and put forward. We will get the third choice for freight and fourth choice for LRT, which are shallow tunnels that we don't want and did not ask for. She will not vote yes on this resolution, when there are better alternative that we could and should pursue.

Commissioner McLaughlin stated that he disagrees with Commissioner Look's statement of the CTIB vote, and he feels the CTIB vote can be there for this project. He also stated that this is a regional transportation system that promotes economic prosperity and provides economic opportunity for the people of our region. This is a reflection of the earlier concern of Mitchell Road, but he feels there is a new dialogue that will occur at CTIB. Commissioner Look stated that he meant the County Board that he represents, not the CTIB board when he spoke.

Chair Haigh thanked everyone for their comments and for the public's strongly held beliefs. She also thanked the member of the CMC. This is an important regional decision. This region is a prosperous region and can become an even more prosperous region with this type of an investment. This provides access to jobs and opportunities in a hugely expanding labor shed. Extension of the Green Line will allow residents who live in St. Paul to get to jobs in the western suburbs and allow our transit routes to expand into the north Minneapolis areas. She said Minneapolis is important to our regional economy. She looks forward to continued work with Minneapolis on this project, which is the largest city in the region, and whose many employees take transit to get to work. This investment will help this.

Chair Haigh called the vote for those in favor to support the resolution. There were two that voted no. The motion passed. This will now go to the Met Council on April 9, where public testimony will also be held.

## **8. ADJOURNMENT**

The meeting was adjourned at 12:25 p.m.

Respectfully submitted,

**Dawn Hoffner, Recording Secretary**