

Metropolitan Council

St. Louis Park Recreation Center, 3700 Monterrey Drive, St. Louis Park 55416

Meeting of the Southwest Corridor Management Committee
September 11, 2013

Members Present	Susan Haigh, Chair	Jan Callison	James Hovland
	Brian Lamb	Lisa Weik	Terry Schneider
	Cheryl Youakim	Gail Dorfman	Peter Wagenius
	Peter McLaughlin	Jake Spano	
	Nancy Tyra-Lukens	Jim Brimeyer	

Members Absent	Mayor Rybak	Jeff Jacobs	Keith Bogut
	Scott McBride	Bill James	Kathy Nelson

1. CALL TO ORDER

Chair Susan Haigh called the September 11, 2013 meeting of the Southwest Corridor Management Committee to order at 9:35am at the St. Louis Park Recreation Center.

Chair Haigh said she wants to set the goal in terms of timing. We are set on beginning construction on this project in 2015 and that would require us getting a Full Funding Grant Agreement (FFGA) in 2015. That is one of the timelines that drives our process here today and why our work is so important to stay on track and keep moving. We would like to make sure that all of the communities have the opportunity to go through their municipal consent process in this calendar year, so that it is completed before the legislative session. As we work in the next 2 weeks, it is really important to think about the role of this advisory committee both to raise local concerns but really think about the regional benefits and the sharing of the burdens for this project. Each one of you representing local communities of course will have the opportunity to go back with your own colleagues to discuss the issues that are important in your local community. It is clear that we will not all be able to get what we would like to have and this will be a process of compromise.

2. APPROVAL OF MINUTES

No Minutes to approve.

3. CITY OF HOPKINS COUNCIL MEETING REPORT ON OMF

Council Member Cheryl Youakim said I am here representing Hopkins, but would like us to look all along the line on how the burdens affect everyone and that is my plea. Council Member Youakim provided a handout of tax implications compared with other alignment cities and showing analysis of site 9A with the Shady Oak park and ride. Hopkins had a meeting last night on the OMF with the Council Members and Council Member Youakim prepared a statement: The City of Hopkins has been consistent in our position on the site 9A for the OMF. We will not accept an OMF due to business impacts, jobs, and tax base loss without adequate mitigation of these impacts. Our suggestions for how we can afford to take the OMF has not been accepted as of yet. Nothing concrete or specific has been offered yet by SPO, so our position remains the same. In the beginning of this process the Met Council adopted guiding principals identifying the following goal: positively impact or

increase equities so that the community benefits and burdens are equally shared, the opportunities and challenge of growth and change are equitably shared across the communities both geographically and culturally. Hopkins is the smallest city on the Southwest line in terms of size, tax base, and employment. Sighting the OMF on site 9A will result in loss of tax base, approximately 200 jobs or more, and future development potential. This is compounded by current plans for a 500 car surface parking lot at the Shady Oak station taking more taxable property and jobs. I passed out a chart comparing the cities tax base, size, and population with neighboring cities, to get a better picture of what the loss would truly mean for Hopkins. The City of Hopkins cannot absorb this loss by raising the taxes. Hopkins is diverse community with a lower median income than Hennepin County as a whole. Our retail center is Main Street and while we recognize this is a valuable asset, friends on Main Street do not support the same values as major shopping centers. Hopkins is fully developed with few new opportunities to create new tax and valuable jobs. We do understand that Hopkins does benefit from the three light rail stations but city investments at Blake Road and Downtown Hopkins stations will need to be significant. Improvements to Blake Road and the connection via 8th Avenue to Mainstreet will also require city investment. Tax base increases and other economic benefits will be realized but only in the very distant future. Expecting Hopkins to take a large tax exempt use that brings additional limitations in surrounding development potential by losing a significant employment base is just not equitable. The City of Hopkins respectfully asks that if your decision is to recommend site 9A that a firm directive, in speaking to the SPO staff, to begin identifying mitigation on the city's loss in tax base and jobs. I am looking to my fellow CMC members and neighboring cities to help us in this endeavor. Thank you.

Mayor Terry Schneider said making some minor enhancements on 8th Avenue will not generate property tax, but may present a better environment. The surface parking lot on Shady Oak station makes no sense even without the mitigation issue tax base, as the whole purpose for putting that station there was to create high density housing. I think it is incumbent upon the SPO to take that seriously and figure out how you take that size of surface parking and provide spaces needed for the transit station, but also additional investment to facilitate redevelopment into meaningful benefits. That is an opportunity that we should be taking regardless of the issue of the OMF, but because of the OMF having impact on the tax base I think it is further incumbent to something as specific as this is a condition of moving forward on this because without that, I believe is going to be detrimental to the system. That would be the same if the OMF were to be located in Eden Prairie.

Mayor James Hovland said it would be helpful to go to Community Works to look at the inter-relationship between land use and transportation issues. While Hopkins is the smallest city, it stands to suffer if 9A site is selected for the OMF. They are also a recipient of three station locations and to the extent we would have some kind of realistic expectation of what sort of development opportunities exist there. That might be helpful to the overall analysis of how to go about mitigating what would occur by virtue of Hopkins being the potential selected site for the OMF.

Commissioner Peter McLaughlin asked what form of mitigation that the city would find acceptable. Commissioner McLaughlin also agrees to explore what Mayor Schneider and Mayor Hovland have outlined. Council Member Youakim asked the committee to look at the numbers she provided. We are looking at double and in some cases quadruple tax base from other cities, so some of these mitigation numbers might not sound like a big deal, like the plaza on 8th, but for us even those little measures can make a huge difference. Staff has been working very closely with SPO, but a little frustrated since we have not had any answers back and understand that is part of the process and will take a while. It is anywhere from looking at the surface parking at Shady Oak to the enhancements on 8th, the crossings to get people across safely to the Canadian Pacific (CP) swap at Blake which is a hugely important to us when it comes to redeveloping that parcel. Even with all those betterments, however I am calling them necessities, that is still does not even get us close to where we would be and it is going to take 10-30 years to recoup that.

Chair Haigh said she really understands the perspective of the City of Hopkins on this issue and appreciate that you want us to continue to work with you to look at ways in which can make sure development occurs to add to

the tax base, which I think is our goal here. I really appreciate Mayor Schneider's suggestion about looking again at the surface parking lot at Shady Oak and to see what other development opportunities there are and how we would work jointly with the city on that. This is all work that will continue to get done and we are not at a stage yet where we can do that project and a project that is defined with a project budget. We will be there working with the City of Hopkins as we continue on this project. It is important to understand your position as well as the CP swap issue at Blake Road station certainly is an issue we will be talking about later on here today. I would say that it is our goal to make sure these projects provide more opportunities for development and increase tax base and work and connections to jobs, but we first have to define a project to do that. We are not ignoring your concerns as they are extremely important and we have heard the suggestions here. It is important for us to move forward on the OMF location recognizing that we understand these concerns and we need to continue to address them as we develop this project.

Council Member Youakim made some final comments. Part of this is, understanding the burden that Hopkins will face versus the benefits. I know redevelopment and connections are important, but this is a huge hit for us and will take a long time before coming close to getting that back. Maybe they will take a structure in Minnetonka, so we can have all that land. I have confidence that SPO will be receptive and that the SWCMC will be sure SPO is receptive.

Mr. Mark Fuhrmann said that SPO is working closely with the City of Hopkins and to be remindful of three points. First, wherever the OMF ends up it will bring 180 livable wage jobs to the community. Second, on August 7, we went through our long list of the smaller technical issues, which included Blake Road. SPO has accepted the Community Works and Hopkins suggestion of moving the surface park and ride on the north side of Blake station to the south side and convert that parking into structure. That is part of our base project budget. Third, SPO is recommending the CP swap, so to move the LRT to the south side of the rail corridor opens up those transit development opportunities beginning at Blake Road station.

Mayor Hovland asked Council Member Youakim to provide a list of necessities, their cost, and why she thinks they are necessities, for the next meeting. Council Member Youakim will have her staff send the list to SPO for them to provide the cost.

Chair Haigh entertained a motion on the OMF location. Mayor Schneider made a direct motion to accept 9A as the preferred alternative location for the OMF facility, subject to SPO providing a more detailed analysis of the benefits and burdens of development potential, job loss/replacement, potential for Blake Road and Shady Oak areas. Mayor Schneider said if Minnetonka can share some of the burden where the ramp is located, he is perfectly fine with that. We want a successful station in that area that benefits both of our communities, so we are open to sharing some of that responsibility. Commissioner Gail Dorfman second the motion. She said this is an appropriate discussion to have at their Community Works meeting as they talk about TSAAP planning and the three stations in Hopkins. Mayor Schneider added a friendly amendment to his motion: to expand the discussion to include a list of all those betterments, as long as we know that at sometime we are going to have to draw a line. Commissioner Dorfman second the friendly amendment motion.

Council Member Youakim said she appreciates the motion and amendment, but after the Hopkins City Council meeting last night, in our mind there is still work to be done on this before I would be comfortable voting on this today. Chair Haigh asked for a vote. Council Member Youakim and Council Member Jake Spano said no, Council Member Jim Brimeyer did not vote, and the motion passed by majority.

4. MINNEHAHA CREEK WATERSHED DISTRICT (MCWD)

Mr. Jim Alexander presented some issues that were raised and said SPO has been meeting with the Watershed District staff, the Wenck consultant, and city staff to talk through these issues. A letter was also included from MCWD and Wenck Associates for today's meeting. There will be more work to do, if we end up with the Shallow LRT Tunnel option in the Kenilworth Corridor. We laid out how we could maintain the quality of the

lakes at Cedar Lake and Lake of the Isles. Mr. Peter Wagenius read a sentence from the Wenck letter that says, “We will want to review any information collected or generated concerning possible contaminated soil or water in the area that could potentially change the intended design”. Mr. Wagenius asked when that will occur. Mr. Alexander said we have been talking in our meetings with staff that there is an interest in seeing a Phase I Environmental Site Assessment (ESA) and we are in the process of drafting that and look to share that document with the SWCMC in the near term. That is more of a paper study to see what contaminants have been documented along the whole alignment. A Phase II ESA, scheduled for next year, would be done following a Phase I, to have a closer scrutiny of those areas that need to be more fully examined coming out of the Phase I. Mr. Wagenius asked Mr. Alexander if he spoke with Mr. James Wisker about what the potential changes to the intended design could be, as finding contamination at a railroad site is not unheard of. Mr. Alexander said if we were to run through an area where we had contamination where we were looking at infiltration, for example, we would look to locate that infiltration elsewhere, where there are cleaner soils and we can mitigate that. That would be part of our analysis as we go through design and we would know that before we went into construction. Another avenue is to pump that to the sanitary sewer rather than infiltrating into the ground water. We would prefer to infiltrate and the MWSD shares that thought.

Mr. Wagenius asked if Mr. Alexander or Mr. Wisker is comfortable with the language in the Wenck letter regarding excess water generated by a storm magnitude that exceeds a 50-year return frequency. Mr. Alexander said he cannot forecast what will happen in the future with global climate, but the intent of this design is to intercept some of the seepage that comes from the tunnels.

Commissioner McLaughlin asked if there is money in the budget for soils mitigation. Mr. Alexander said we have contingency money available for that. Commissioner McLaughlin asked if Phase I ESA will allow for an identification of the likely level of soil mitigation necessary, that will then be built into the budget and if other contamination were encountered you would deal with that through the contingency money? Then plan to build it into the budget as directed by the ESA? Mr. Alexander said Phase I ESA is a paper study. Based on that information, we would program a Phase II ESA, where we would be out on the site sampling the material to understand what specific contaminants are dealt with. That would be built into the budget as we move into the bidding process.

Mr. Alexander said there would not be much impact at all to the lakes, even with inserting two tunnels. The ground is made of alluvial sands, which allows that water to disperse and we have done 30-35 explorations along this stretch. Commissioner McLaughlin asked what type of correction would be needed once/if a tunnel is inserted into those alluvial sands. Mr. Alexander said we will be building a cell, with the likelihood of some seepage coming in and we will need to figure out what to do with that water. We have to design for that possible flood event. If water comes into the tunnel itself, that water has to be discharged into a sanitary sewer main.

5. TRANSPORTATION TECHNOLOGY CENTER INC. (TTCI) UPDATE

Mr. Alexander said TTCI is an organization that was identified by Hennepin County’s rail advisor Mr. David Simpson as we were taking a look at relocation designs. It was requested by Hennepin County that SPO take a closer look at some of the relocation designs and we have engaged in discussions with TTCI to do that. TTCI is a research and testing organization and they are a whole subsidiary of the American Association of Railroads. They do a lot of work for the FRA, other transit agencies, and the railroads. They have a facility just outside of Pueblo, where they do a lot of testing and modeling. We had some discussions with their engineers to understand how they could help us examine some communication designs. They have the capability of modeling, where they look at a rail plan profile coupled with the train characteristics. We had our first introductory discussion with their lead marketing person last week and with their technical folks on Monday. We discussed a course on how we can accomplish this evaluation of relocation designs in a timely fashion. TTCI said that they need to sit down with us first before they can plot a schedule, so we are in the process of working with them to set up a work study session for the week of 9/23, so we can review the existing conditions

of the MN&S and the Bass Lake Spur and share with them our plans and profiles we developed on the relocation designs. We will look to specifically focus on that MN&S modified design that we had shared with the SWCMC some time ago. We also talked about looking at a Brunswick Central at grade alignment. Depending on how this goes, if they say the MN&S is workable then we will have to discuss with the railroads. If there are any adjustments we can make to current designs, we will be looking for that input also. We also need to have all the railroads at these meetings. Mayor Schneider asked if city staff could be included in these meetings. Commissioner McLaughlin also suggested for the county staff to be included these meetings. Mr. Alexander said we can explore adding city staff and county staff has been involved since the first meeting. I will look into getting TTCI's resume of projects they have worked on and provide to SWCMC. Council Member Spano asked Mr. Alexander to also provide information on the Brunswick at grade to the SWCMC. Mr. Alexander said a scope has not been defined yet and we need to meet with TTCI first and then they will develop a proposal and present costs. Chair Haigh confirmed that we will move forward with this work in a timely manner and provide the information to SWCMC as it becomes available.

6. RESPONSES TO 9/4 SWCMC TECHNICAL ISSUE #21 FREIGHT RAIL QUESTIONS

Mr. Alexander presented an aerial map. A question arose at the last meeting asking what design changes would need to happen if we did not have the CP swap. The primary cost drivers are:

- the Excelsior Boulevard LRT bridge length would be reduced
- freight rail track bridges at Minnehaha Creek, Louisiana Avenue, and TH 100 would be eliminated
- retaining walls and pedestrian access to Louisiana required
- an LRT bridge over the freight tracks east of Beltline would be required

The cost would increase \$6-\$7 million net without CP and that includes property acquisition at Oxford. \$60-\$65 million is in the budget for the CP swap.

Mr. Alexander presented an aerial map of the Southerly Connection. The cost estimate for the Southerly Connection is \$30-\$35 million. This amount is part of the \$60-\$65 million budget.

CP Swap = \$30 million (approximately)

Southerly Connection = \$30-\$35 million (approximately)

BUDGET = \$60-\$65 million

Mr. Alexander said SPO has the CP Swap in our budget and designs and we recommend it. We believe there is a development opportunity that would be likely to occur on the stations from Blake to Beltline, providing a development advantage. On co-locate it is not required, but on relocate it is required.

Mr. Alexander presented a map showing the railroads and their existing design and operating speeds. BNSF has said SPO needs to include a 10,000 foot siding through the Wayzata subdivision for them to store their trains and allow space for them to wait. Mr. Alexander said before any part of a rail track can be removed, the railroads need to agree with the approach then fill out an application and send it to the Surface Transportation Board (STB). The STB needs to approve and sign off when any tracks will be abandoned. That is required and mandated by Federal Statute. If the relocation option is chosen, it would need to go through this process.

Chair Haigh said there will not be a meeting on September 18; however we will add a meeting on 9/25 with time and location to be determined. We will go through the list of betterments at the 9/25 meeting, however we may not have the TTCI report by this time. At this time, we will keep the currently scheduled 10/2 meeting.

The meeting adjourned at 11:35am.

Respectfully submitted,
Lynne Hahne, Recording Secretary