

Metropolitan Council

City of St. Louis Park Chambers, 5005 Minnetonka Boulevard, St. Louis Park 55416

Meeting of the Southwest LRT Management Committee
October 5, 2011

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| Members Present | Susan Haigh, Chair | Terry Schneider | Judd Schetnan |
| | Jim Brimeyer | James Hovland | Ann Mavity |
| | Cheryl Youakim | Bill James | Jan Callison |
| | Sue Sanger | Peter Wagenius | |
| Members Absent | Keith Bogut | Jeff Jacobs | Brian Lamb |
| | Gail Dorfman | Nancy Tyra-Lukens | Scott McBride |
| | Peter McLaughlin | | |

1. CALL TO ORDER

Chair Susan Haigh called the October 5, 2011 meeting of the Southwest LRT Management Committee to order at 10:06am at the St. Louis Park City Hall.

Chair Haigh and Mayor James Hovland gave a brief update to their Portland visit. With an 82% FTA funded system and 54 miles of LRT and transit, they receive an average of 100 million rides per year.

2. APPROVAL OF MINUTES

Chair Haigh presented the September 7, 2011 Southwest LRT Management Committee meeting minutes for approval. The motion for approval passed.

3. PROJECT ADVOCACY UPDATE

Government Affairs Director, Judd Schetnan presented the committee with an advocacy update regarding the Southwest corridor. Mr. Schetnan noted that the Council has submitted a \$25M preliminary bonding request to the Office of Management and Budget for PE to consider as the Governors 2012 bonding recommendation. In the next two months, Mr. Schetnan, Chair Haigh, and Mark Fuhrmann will sit down with the Governor's office to discuss the project and the additional \$95M needed from the state to cover the state share.

The upcoming 2012 bonding bill is expected to be in the range of \$400 – \$600M.

Chair Haigh and others hosted Secretary LaHood to talk about the Central Corridor. It was a great opportunity to talk to everyone about the jobs created by the Central Corridor, and to show the type of impact the Southwest can have and how they can move from one project to the next.

Next Monday, October 10th, Mr. Schetnan, Mr. Fuhrmann, and others will be taking Michelle Kelm-Helgen (the deputy chief of staff), and Erin Campbell (the bonding liaison of the Government office) on a tour of the Central Corridor to show the jobs being created. They will visit the Central Corridor Project Office, review maps of the

Southwest Corridor and discuss the job opportunities that the Southwest LRT project will create. They will then take a short tour of the Southwest alignment.

Mr. Schetnan and others will work with the Governor's office to arrange a possible tour of the Southwest Corridor for the Governor. This will probably take place in mid-November. They would like to talk about the business advocacy that can go into the project. Therefore, during the Legislative breakfast, the Twin West Chamber needs to drive this topic with House Speaker Zellers.

Mr. Schetnan also mentioned hosting a reception at United Health where the business community can sit down with the bonding committees to talk about jobs.

Bill James mentioned his meeting at the Twin West Chamber of Commerce and received a briefing from Judy Johnson who mentioned the Southwest project and hosting a legislative breakfast with Speaker Zellers.

Mr. Schetnan said a tour of the Southwest Corridor for the legislature is in the works for the end of October as well as November/early December. Mr. Schetnan discussed the state share of the project is 10%, and noted it is great return on the investment. Chair Hague mentioned the Itasca Group's Return on Investment project which is underway and the report will come out in November which will provide thorough economic metrics about the anticipated growth as a result of the project.

Chair Haigh said that in October, the Governor's job summit which will bring together business leaders, local governments, unions, etc. with a focus on creating a climate to develop more jobs. The Greater MSP initiative will have their kick off October 11th which will include a discussion on investment in public infrastructure.

4. PROJECT STATUS UPDATE

Mark Fuhrmann gave a presentation on the Southwest Project Status update. Mr. Fuhrmann started by briefing the committee on the meeting with FTA. One of the items listed in the PE letter was the Operations and Maintenance Facility. Mr. Fuhrmann said the currently used Hiawatha building could not be used for Southwest, and that there must be a separate facility to house 35 trains, and routine day and night maintenance. The heavy maintenance can continue to be done in the current Hiawatha O&M facility. There are 4 identified potential locations in the draft DEIS, with three being located west of Mitchell Road in Eden Prairie, and one in Minneapolis.

FTA staff also made it clear that the Freight Rail Relocation issue had to be included in the overall discussion and that it must be included in the project scope and the project budget. At the same time, FTA acknowledges that the Interchange Project has independent utility but that the design teams for the two projects must coordinate to ensure a seamless connection between the two.

Mr. Fuhrmann mentioned that the project schedule has been pushed out and FTA recommended assuming a revenue service startup in the first part of 2018.

Unlike the Central Corridor, the Southwest Project has one host county and 5 host cities. Therefore, Mr. Fuhrmann and Mr. Chris Weyer will work closely with those cities on putting coordination plans in place as necessary. It was asked if there could be one meeting with all cities involved, and the answer was no simply because each city will have individual needs, and therefore individual meetings will be more appropriate.

FTA noted that we should not assume any more than \$100M in any Federal funding cycle. As a result, the Met Council will need to cash flow the federal share for a few years beyond the revenue service date by borrowing funds.

Although plans are currently in place regarding Civil Rights Compliance, Title VI, EEO, ADA Compliance, and Disadvantage Business Enterprise Goal, the plans will need to be both renewed and updated to reflect any changes in the compliance regulations.

Mr. Fuhrmann said that the DEIS is still in the review process. FTA has additional comments focusing on the Freight Rail Relocation. It was asked if something would be ready to publish in October, and Mr. Fuhrmann responded that it would be more likely towards the middle of Fall before it is published for public comment.

5. PROJECT RISK OVERVIEW

Chris Weyer gave a project risk overview and noted that Freight Rail is one of the bigger risks.

Overall, the FTA views the project as healthy and the contingency as adequate to cover the identified risks. Overall, there are \$70 – 100M worth of identified contingency items and mitigation.

Mr. Weyer gave a review of the risks involved. One being the LRT bridge over Hwy 100 as well as the LRT bridge over Excelsior Boulevard. There are also market risks due to cost of steel, copper, concrete, oil and labor.

Construction risks include utility conflicts, contaminated materials and traffic mitigation.

Mr. Weyer gave more detail on the Freight Rail Relocation risks, Vertical and Horizontal flyovers risks, the interface with the Interchange, crash walls needed, impacts of bridges over CP Rail, etc.

It was asked how much it will cost to cover mitigation risks. It was said that the \$70-\$150M is to cover the mitigation risks involved for SWLRT but that they are being identified and the impacts are being reviewed with a goal to drive them as close to \$0 as possible.

It was then asked how the \$70-150 will cover Freight Rail. Mr. Fuhrmann responded that those numbers do not include the Freight Rail figures for mitigation, therefore the Met Council will do an assessment of required mitigation “below the line” as well as “above the line” (optional and nice to have).

Mayor Hovland recommended that Freight Rail relocation ideas, thoughts, and opinions not be discussed in as much depth at the Southwest LRT Management Committee Meetings. Chair Haigh agreed.

The meeting adjourned at 11:32am.

Respectfully submitted, Debra Sisneros