

Metropolitan Council
Beth El Synagogue, 5224 W. 26th Street, St. Louis Park, MN 55416

Meeting of the Southwest Corridor Management Committee
July 1, 2015

Members Present	Chair Adam Duinick Jan Callison Steve Elkins Jason Gadd Linda Higgins James Hovland	Brian Lamb Matt Look Scott McBride Peter McLaughlin Jennifer Munt Will Roach	Terry Schneider Jake Spano Nancy Tyra-Lukens Marion Green (Alt) Peter Wagenius (Alt)
Members Absent	Keith Bogut Dan Duffy	Betsy Hodges Jeff Jacobs	

1. CALL TO ORDER

Chair Adam Duinick called the July 1, 2015 special meeting of the Southwest Corridor Management Committee to order at 8:35 a.m. at the Beth El Synagogue.

2. APPROVAL OF MINUTES

Chair Duinick presented the June 24, 2015 SWLRT Corridor Management Committee meeting minutes for approval. Commissioner Peter McLaughlin made a motion to accept the minutes, Mayor James Hovland seconded it, and the motion was then unanimously approved.

3. RESPONSE TO QUESTIONS

Chair Duinick reported that the response to the questions from the June 24 meeting are included in today's packet as a handout.

5. CMC Deliberation and Recommendation

Mr. Craig Lamothe went over what was heard at the June 24 CMC meeting. Staff have also been meeting with the project partner staff on the scenarios. The three scenarios include: the proposal by Eden Prairie to end at Southwest Station and defer Town Center Station; the scenario ending at Town Center Station as presented in the PE plan; and the scenario ending at Town Center Station with the Eden Road adjustment. Mr. Lamothe went through the three scenarios, along with showing their locations on the map. Under all three scenarios, we are foregoing the joint development at Blake.

Mr. Lamothe reminded CMC of the criteria for evaluating the cost reductions, which are: must identify cost reductions totaling at least \$341M to keep the project budget at \$1.65B; must have forecasted average weekday ridership of 29,000 to 30,000; and must be a shared sacrifice and achieve consensus by all communities along the line.

Mayor Tyra-Lukens stated that the Town Center PE plan is different than the Town Center Eden Road option. The Town Center PE plan has substantially more on street parking. The Eden Road option has a 160 surface lot. In addition, bus circulation is not feasible with the Eden Road option. There is also some infrastructure mitigation included in the PE plan. Mayor Tyra-Lukens provided a handout and explained a summary of the Town Center and Southwest options. With the Town Center PE options, there is better bus access and access to the station than the Eden Road option. Mr. Lamothe stated we could make the bus circulation work for both options. There will need to be four bays for four short buses for the routes being shifted from Southwest Station. The PE option would require the project to build the north/south roadway in order to make the bus circulation work.

Mr. Lamothe went over the assumptions for the three scenarios. For all three scenarios, everything east of Golden Triangle Station is the same. For the Southwest ending point, we would be deferring the Town Center station, eliminating the station and park and ride at Mitchell but keeping the park and ride at Southwest Station with 450 spaces of additional park and ride capacity. The Golden Triangle station location would go back down to the surface lot.

Mayor Hovland asked if the additional cost of \$63M to get from Town Center to Southwest Station would change the FTA rating. Mr. Lamothe stated all three scenarios would maintain a medium CEI, which is the current rating the project has today. Mayor Hovland asked for the cost of deferral for Town Center Station. Mr. Jim Alexander stated that we formerly reported \$4.5 - \$5M savings for deferment of Town Center Station, now that the right of way is calculated in, it is up to \$8M savings to defer.

Council member Elkins asked the increased cost for turning Golden Triangle park and ride into a larger structured station to compensate for parking at the other Eden Prairie stations. Mr. Lamothe said this would require a full new acquisition at Golden Triangle to go from a surface lot to a ramp. Mr. Alexander stated that a Golden Triangle ramp would have 710 spaces.

Mayor Tyra-Lukens asked on the Eden Road scenario if there would be a total take needed for the Redstone Property. Mr. Lamothe stated yes, this option would require a full take of the Redstone Property. Mayor Tyra-Lukens said on behalf of the city of Eden Prairie, she would strongly recommend we no longer look at the option of Town Center alternative at the Eden Road location. This will make municipal consent difficult, as this is a location that has not been vetted with the residents and businesses. This will decrease the access to jobs by 15%, 30% fewer businesses and almost a 40% decrease in housing units within the ½ mile radius, and a 40% decrease in on street parking available at that location. Eden Prairie's most transit dependent people are located in an apartment building that will no longer be within the ½ mile radius. Moving it back to the Town Center PE option solves all of this.

Mayor Tyra-Lukens stated that Southwest Station is still the place that Eden Prairie would like to see happen. Between the three originally proposed stations in Eden Prairie; Mitchell, Southwest and Town Center, there is access to 15,000 jobs currently. With Mitchell station eliminated, that is more than 5,000 jobs. If we eliminate Southwest, it will be another 3,000 jobs. If we end at Southwest Station, at least there is a central location to serve these jobs. Also, the bus access and pick up and drop off to Southwest is far better than the Town Center location.

Chair Duininck said there is a letter in the packets today for CMC members to review that was sent from the Equity Commitments Coalition, stating their concerns.

Councilmember Munt reported on the recent Community Advisory Committee meeting, which was well attended. Councilmember Munt read the CAC recommendation, which the CAC members unanimously approved (see Attachment A). This resolution urges that both Southwest Station and Town Center Station be built. If stations are deferred, they request the first priority be to add back deferred stations as funding becomes available.

Mr. Will Roach thanked the project office and county staff for the time and professionalism they have shown. The Business Advisory Committee is supporting the Southwest Station as the final ending point for SWLRT, as mentioned in their resolution presented at the last CMC meeting.

Commissioner McLaughlin handed out the SWLRT current sources of funding pie chart, showing that 50% of the project is funded by FTA, 10% from Hennepin County Regional Railroad Authority, 10% from the State and 30% from CTIB. He is recommending the approach of modifying this to take advantage of additional federal funding.

Commissioner McLaughlin recommends that we defer Town Center Station and keep Southwest Station, which would preserve the functionality for creating a mini-hub for the region and allow us to build Town Center in the future. This would also preserve the three Minneapolis stations. The Penn Avenue Station bike bridge would be eliminated and the Shady Oak park and ride built out, as desired by Hopkins and Minnetonka. The core functionality of the line is preserved. To do this, additional funding would be needed, which was shown on a bar graph that was distributed. After the cuts and adjustments, there is an additional \$90M needed, which Commissioner McLaughlin explained the breakdown of. He stated that staff have been focusing on the low end estimates for the cost savings of the cuts. To go in the middle rather than the low end, this would capture an additional \$10M in savings. Hennepin County Regional Railroad Authority would donate land worth \$30M to the project for right of way for the transit line. This would raise the budget by the cost of the land, but would

generate a federal match. That would leave the need to generate an additional \$25M for a local commitment, which would then be matched \$25M from the FTA.

Another pie chart was distributed, showing the \$25M funding gap. Hennepin County is prepared to commit \$5M out of their Environmental Response Fund. Out of other county sources, there will be an additional \$3M committed. Commissioner McLaughlin stated that productive discussions have been held with the cities and Three Rivers Park District to solicit additional funding. The CTIB and State's contribution would not change. We would need to solicit an additional \$17M from the cities and partners.

Mayor Tyra-Lukens mentioned on behalf of Eden Prairie, they would like to convey 5.5 acres of Eden Prairie city owned land to the project. This would amount to an equivalent of \$3M.

Mayor Schneider agreed with what Commissioner McLaughlin presented stating this would preserve the integrity of the full line and keep the bus connections. Mayor Schneider offered a tentative city commitment of approximately \$2M. A lot of feedback was received from the community showing support of SWLRT, but they want it done prudently. The intention is to put a staff report together and bring to the July City Council with a resolution approving the additional contribution to the line.

Councilmember Gadd mentioned that he would also like to support ending the line at Southwest Station, which helps maintain the integrity of the line. The City of Hopkins is looking to commit \$500,000 for a shared investment in this project.

Councilmember Spano asked about the grade separation at Wooddale and over Beltline Boulevard. Mr. Lamothe said there would be a full Beltline trail bridge, just east of Beltline Boulevard. The federal award that Hennepin County and Three Rivers Park District received includes a tunnel under Blake, a tunnel under Wooddale and an extension of the Beltline trail bridge that was originally proposed.

Councilmember Spano stated that St. Louis Park is willing to commit approximately \$2M to the project, which would need to go to their full City Council for approval. The consensus is to get to the Southwest Station, and St. Louis Park would like to invest money to make this happen.

Commissioner Callison thanked SPO staff for their work and acknowledged the cuts being contemplated. The project will still serve this region well. This is a shared investment and shared contribution, and she is very supportive of finding county resources to make this project work.

Mayor Hovland made a motion to have the scope of the project include all Minneapolis, St. Louis Park, Hopkins, Minnetonka and Eden Prairie stations, with the exception of the Mitchell Road Station. The end of the line be set at the Southwest Station and the Eden Prairie Town Center Station be deferred. The following improvements also be included in the scope of the project: Beltline Trail bridge improvements in St. Louis Park, the Penn Avenue Station in Minneapolis, but not the bikeway improvements; and the Shady Oak park and ride; that the Corridor Management Committee endorse the concept that local governments consider pursuing local contributions to help close the funding gap to allow the end of the line to be Southwest Station by August 3, 2015. Mayor Schneider seconded the motion. A short recess was held and the motion was finalized and distributed to CMC members for a final vote.

Councilmember Spano made a friendly amendment to include the two components about the grade separation. Mayor Schneider seconded this motion.

Mr. Wagenius asked why the \$13M bike bridge in St. Louis Park and the \$12M bike bridge in Minneapolis are not both included. The city was under the understanding they would both be in the scenarios. Mr. Lamothe stated that both bridges structurally are similar and both go over freight rail and LRT. The difference is that the Beltline Trail bridge includes a federal grant outside of the project that was secured by Hennepin County and Three Rivers Park District for three grade separation of the trail and crossing roadways at Blake, Wooddale and Beltline. If we delete the Beltline trail bridge, that federal grant would likely be forfeited because it would be challenging to rescope the grant. Today, an at grade crossing of the freight by the North Cedar Lake Trail exists near the

proposed Penn Station. We would re-establish that current at grade crossing off the edge of the platform with gates.

Mr. Wagenius said Minneapolis has a concern about the travel time for residents of cities east of Eden Prairie who are going to Eden Prairie Town Center for jobs. From the Southwest Station, would passengers then take a shuttle bus or circulator back to jobs in other parts of the area? Mr. Lamb stated that the Southwest Station will have a hub concept, where the passengers can then take local circulators to other areas. Southwest Station already has the infrastructure built, which allows for the local circulation to efficiently go out from there. This will work for passengers going further west out to Chanhassen and also back to the Town Center area.

Mr. Wagenius asked about the additional funding that will be used for the elements such as the bike bridge and Shady Oak park and ride, and would these elements be saved in all three of the scenarios or just the Southwest Station. Mr. Lamothe said there would be savings in all three scenarios. Mr. Wagenius then asked if the purpose of this additional funding needed then is to just bring the train all the way to Southwest Station, which Mr. Lamothe stated yes. Commissioner McLaughlin also stressed that the functionality of getting to Southwest Station is important to all and that is what we are trying to achieve.

Mayor Hovland then re read the motion, which was distributed. Commissioner Callison suggested the third paragraph the word 'contributions' be changed to 'commitments'. It would read 'local governments pursue local commitments by August 3 to help close the funding gap.' She also asked whether this date should be sooner so staff can assemble the packets for August 3. Mr. Lamothe said that since August 3 is a Monday, the Friday before would be better, July 31. The revised motion was distributed (see Attachment B).

Mr. Wagenius asked the potential for further cost escalations on SWLRT that could lead to a second round of cuts. Mr. Lamothe said there are three buckets of risk: construction, market and design risks. Market risks include construction bids coming in higher than expected; construction risks include change orders. Both should be covered by contingency. We are comfortable that we have taken care of most of the design risk, as we are now at 40% design level and have almost all of the survey work complete. For market and construction risk, this won't happen until the construction bid packages go out next spring and when we start construction in late 2016. The contingency is meant for those two areas of risk. Commissioner McLaughlin said the request from Metro Transit, which the CTIB board approved, was to have the restoration of the vehicles as the first draw on contingency in order to keep the fleet at an adequate size.

Councilmember Spano clarified that in paragraph 2 of the motion, where the Beltline trail bridge improvements are mentioned, the reason it does not mention Wooddale or that Beltline bridge continuing over Beltline Boulevard itself, is because those components are funded outside of the project budget. They are funded by Three Rivers Park District, Hennepin County and the federal grant received.

Mr. Wagenius cited in regards to section 3 of the motion, the City of Minneapolis' acceptance of the deletion of the Cedar Lake Trail Bridge at a savings of \$12M to the project, along with \$30M cost savings as a result of the city accepting the deletion of the north tunnel. These contributions are on top of the contribution of co-location of freight in the Kenilworth Corridor. There will be no cash contributions made from the City of Minneapolis.

Councilmember Munt mentioned that the Community Advisory Committee supports this motion as it is consistent with the CAC recommendation.

Mr. Will Roach said that the Business Advisory Committee also agrees to end at Southwest Station and looks forward to supporting this motion.

Commissioner McLaughlin thanked the municipal partners for engaging and embracing this approach, which is why our area has a great record of building projects on time and on budget and operating them at great levels of ridership as predicted. Chair Duinck also thanked Hennepin County for their leadership in all this and thanked the cities for stepping up. Chair Duinck will be meeting with FTA Administrator and will give them an update on where we are going on this project. Chair Duinck hopes this sends a strong message to the public and the legislature that we are really serious about this project and its importance to the region.

The motion was distributed, read and unanimously approved.

Chair Duininck stated the resolution which is being handed out to CMC members is showing our support to the project for forwarding on to the Met Council. Commissioner McLaughlin made a motion to accept the resolution (see Attachment C), which shows the CMC support for the SWLRT project and our approach in sharing the sacrifice and achieving consensus on the scope. Mayor Hovland seconded the motion. This was unanimously approved, with the City of Minneapolis abstaining from the vote on the resolution. Chair Duininck said this will be forwarded to Met Council, who will take final action on this at the Met Council meeting on July 8.

Mayor Hovland made a motion to have the Corridor Management Committee recommend to the Met Council that if any contingency monies are available for use in conjunction with the SWLRT project, that the contingency monies first be allocated to the purchase of additional rail cars to be sufficient in quantity to effectively and efficiently operate the line. The motion was unanimously approved, with Councilmember Munt voting no, as the Community Advisory Committee recommended adding back deferred stations as the first priority as funding becomes available.

8. ADJOURNMENT

Meeting adjourned at 10:25 a.m.

Respectfully Submitted,

Dawn Hoffner, Recording Secretary

SWLRT Community Advisory Committee Recommendation to the SWLRT Corridor Management Committee

June 30, 2015

The SWLRT Community Advisory Committee agreed on the following recommendation to be presented to the SWLRT Corridor Management Committee prior to their vote on SWLRT scope and budget scheduled for July 1, 2015:

- We urge leaders on the Corridor Management Committee, and eventually the Metropolitan Council, to consider adopting cuts that would total less than the \$341 million target. If we value this project as an economic and equitable development catalyst, as many of us do, then it is worth paying some of the extra cost that has recently been identified from the project budget itself. At some point the cuts being considered are more about addressing geographical balance and serving political sensibilities – we should not reduce the functionality of the line to concerns about broadly “sharing the pain” of service reductions. This corridor project is worth every dollar we invest in it if we apply an equity lens, and the return on that investment will drive economic growth and employment opportunities for many decades into the future – it’s worth the extra cost. *(Text from June 30, 2015 Southwest Equity Commitments table letter to SWLRT CMC)*
Vote: 17 for, 3 against
- Honor community MOUs/Agreements and recognize the sacrifices that have been made by cities and the sacrifices they are now being asked to make while making the line as beneficial as possible for people and the communities.
Vote: Unanimous
- Regarding safety and accessibility:
 - Need to ensure that budget reductions don’t end up creating dangerous traffic patterns for cars, bikes, pedestrians, especially in the long run
 - Accessibility to work, housing, and recreation for all should be the reason for this project. Reductions in parking, stations, etc. should be done with caution as they impact ridership and overall benefit

Vote: Unanimous

- We urge that both Eden Prairie Town Center and Southwest Stations be built because the potential future affordable housing and job/business development at Eden Prairie Town Center. Southwest Station has strong bus connections that represent 12% of total ridership, which is the largest percentage of any station.

Vote: 16 for, 4 against

- Recognize that at least six stations; EPTC, SW, Blake, Penn, Van White, and 21st are critical for low wealth communities and communities of color.

Vote: Unanimous

- If stations are deferred, the first priority should be to add back deferred stations, as funding becomes available.

Vote: 17 for, 3 against

- The second priority is improving accessibility to stations

Vote: 17 for, 2 against, 1 Abstention

- Value and protect bicycle infrastructure

Vote: Unanimous

- We urge the Metropolitan Council to create and make public the plan to mitigate and lessen the impacts of cuts; and aggressively seek additional funding sources to mitigate the impacts of these cuts including but not limited to:

- Art/landscaping/beautification
- Mitigate the environmental impacts along the light rail line.
- Lost opportunities of Transit Oriented Development

Vote: Unanimous

Motion:

1. That the scope of the project include all Minneapolis, St. Louis Park, Hopkins, Minnetonka and Eden Prairie stations with the exception that in Eden Prairie the Mitchell Station be deleted from the scope of the project, the end of the line be set at Southwest Station and that the Eden Prairie Town Center Station be deferred.
2. That the following improvements also be included in the scope of the project:
 - a) The Beltline trail bridge improvements in St. Louis Park
 - b) Shady Oak Station park-and-ride
3. Finally, that the Corridor Management Committee endorse the concept that local governments pursue local commitments by July 31 , 2015 to help close the funding gap.

July 1, 2015

Southwest LRT Corridor Management Committee Resolution

WHEREAS:

1. The Governor designated the Metropolitan Council (Council) as the responsible authority for the Southwest LRT (SWLRT) Project;
2. The Council established the Corridor Management Committee (CMC) to advise the Council in the design and construction of the SWLRT Project;
3. The Council established the Southwest LRT Project Office (SPO) to advance the design, manage construction and overall delivery of the SWLRT Project;
4. The Council adopted a project scope and budget on April 9, 2014 and amended it to \$1.653 Billion on July 9, 2014;
5. The Counties Transit Improvement Board committed its local funding share of \$496 Million on August 20 2014;
6. The Council released the updated project cost estimate of \$1.994 billion on April 27, 2015;
7. The Council has worked with Hennepin County, the five host cities and other project partners to identify potential cost reductions for the project; and
8. The Corridor Management Committee provided feedback on the proposed cost reductions.

NOW, THEREFORE:

BE IT RESOLVED, that the CMC recommends that the Metropolitan Council adopt the revised Southwest LRT Project Scope (Attachment A) with Southwest Station as the westernmost station, a projected (2040) average weekday ridership of 34,000 and a cost estimate of \$1.744 billion;

BE IT FURTHER RESOLVED that the CMC acknowledges that the revised project scope maintains the federal New Starts Cost Effectiveness rating by meeting purpose and need and capturing \$250 million in cost reductions;

BE IT FURTHER RESOLVED, that by recommending a project with a revised cost estimate of \$1.744 billion, the parties represented on the CMC commit to make best efforts to obtain funding from their respective jurisdictions for funding the local share for costs above \$1.653 billion by July 31, 2015, consistent with federal and state obligations;

BE IT FURTHER RESOLVED, that the parties represented on the CMC agree to seek other funding sources for certain elements that are not currently in the revised project scope;

BE IT FURTHER RESOLVED, that the SPO continue to work with project stakeholders to provide updates on the design and cost of the SWLRT project and to seek their input as the design advances; and,

BE IT FURTHER RESOLVED, that the parties represented on the CMC agree to continue to work cooperatively as the SPO advances the design of the SWLRT and to provide input to the Council and the SPO.