

DRAFT

Metropolitan Council

Metro Transit Heywood Chambers, 560 – 6th Avenue North, Minneapolis, MN 55411

**Meeting of the Southwest LRT Management Committee
December 9, 2010**

Members Present	Peter Bell, Chair	Robert McFarlin	Brian Lamb
	Terry Schneider	James Hovland	Cheryl Youakim
	Peter McLaughlin	Gail Dorfman	Jan Callison
	Jeff Jacobs	Peter Wagenius	Bill James
Members Absent	Dan Erhart	Kathy Nelson	R.T. Rybak (Peter Wagenius–alt.)
	Keith Bogut		

1. CALL TO ORDER

A quorum was present when Chair Peter Bell called the December 9, 2010 meeting of the Southwest LRT Management Committee to order at 2:30 p.m. at the Metro Transit Heywood Office.

2. INTRODUCTIONS

Chair Peter Bell welcomed all and introductions were made.

3. COMMITTEE CHARTER/PROJECT ORGANIZATION

Chair Peter Bell read the SWLRT Management Committee charter. A motion was made, seconded and unanimously approved to accept the Charter as written.

Chair Bell introduced Mark Fuhrmann, Program Director for New Starts Projects. Mark went over the policy level org chart for the SWLRT. The Business Advisory Committee (BAC) has not yet been formed. The BAC will meet on a regular basis, be staffed by the Met Council, and will discuss issues brought up by the local businesses. Commissioner McLaughlin stated he feels the Land Use Committee should be more aligned to the SWLRT Management Committee. Chair Bell agrees the Land Use Committee should be elevated, due to the grants they work with. At next meeting, a strategy to integrate those two grants into this chart will be discussed.

Fuhrmann reviewed the Project Office org chart. Chris Weyer has been named as the project director to the SWLRT project. The other positions will be filled in the near future.

Fuhrmann talked about the siting criteria for the SWLRT Project Office. To date, discussions were held with Minneapolis and St. Louis Park, and a visit is scheduled for Eden Prairie. There will also be discussions with Hopkins and Minnetonka in finding the best fit for the Project Office. Mark answered questions that the need for this office space is for about 8 years. We are looking for existing vacant space, not high cost space, preferably B+ office space. The Project

Office will need 25,000 square feet, have ample public meeting rooms and have bus service nearby.

4. PROJECT STATUS UPDATE

Preliminary Engineering (PE)

Fuhrmann went over the FTA New Starts process, showing a development graph for the process. Hennepin County has completed the first three processes: Systems Planning, Alternative Analysis, and Selecting the Locally Preferred Alternative (LPA). The next step is to have FTA approve the project into PE. Mark went through the steps needed to follow with FTA.

The New Starts project evaluation process was reviewed, including the project justification rating and the financial rating. The FTA thresholds for the rating is no longer pass fail. The Project is now weighted on 20% of the cost effectiveness. To become a federally sanctioned New Starts Project, it must be medium low or higher, and the not to exceed threshold is \$31.49. SWLRT is currently at \$31.15.

Fuhrmann stated that the FTA has informed us there will be a pre PE risk assessment added to the process. FTA wants to focus in more on the schedule. Chair Bell stated this is new, and could delay approval into PE, as we are unsure what the risk assessment entails. Peter Wagenius asked if this is done to all projects. Mark stated this is a guideline from FTA, not a rule, and is not done uniformly. We are aware of two other projects that have gone through the pre PE risk assessment, Honolulu and Portland, both of which did enter into PE. Commissioner McLaughlin stated that the fundamentals on the SWLRT project are good, and he doesn't see this as a major road block for the project. There are many bumps in the process for getting the FFGA that we will come across.

Draft Environmental Impact Statement (DEIS)

The SWLRT DEIS was submitted to FTA 6 months ago. Staff have responded to FTA questions, but as of today, FTA is still reviewing, and have not committed to a publication date.

The project schedule milestones were reviewed. The revised milestones on the schedule include publishing the draft EIS in Q1 of 2011, enter PE in Q1/Q2 of 2011. Revenue service is still scheduled to begin in 2017. Councilmember McFarlin asked if there is any way to compress the schedule. Mark Fuhrmann and Brian Lamb both stated that the timelines are fluid. This is a reasonable schedule. The only way to possibly save some time would be in construction.

5. PROJECT FUNDING

Fuhrmann reviewed the \$1.25B funded project. 50% will come from Federal and 50% split between the three local funding partners. State is \$125MM, HCRRA is \$125MM and CTIB is \$388MM. Mark stated there needs to be 100% commitment from the locals before the FTA executes the FFGA. Commissioner McLaughlin stated the form of commitment is different from each local partner. The Rail Authority and CTIB would agree to the amount and have the schedule for delivering the cash. The State does not commit all at once, due to the way they deliver money through legislative actions approving state bonding.

Fuhrmann went over the Project funding budgeted to date. Over \$25MM in local HCRRA funds for studies and property acquisition; \$5MM received in state bonds for PE/FEIS; \$7MM from CTIB for PE/FEIS; and \$3.15 from HCRRA. The funding needs for 2011 and 2012 expenditures

was reviewed. An additional \$13MM from state bonds is needed to complete the state funding share for PE for 2011 and 2012. Discussion was held on the state bonding process.

Commissioner McFarlin asked about funding plans for operating costs. Mark stated we will submit the financial report and FTA will then conduct a financial capacity assessment. The operation costs need to be in the operating plan. Brian Lamb stated that 50% of the net subsidy is split between CTIB and the State, with approximately 35% through the farebox.

6. STANDING MEETING DATE AND TIME

Discussion was held on a standing meeting date and time. Chair Bell gave the two options of the 4th Wednesday at 1:00 or the 2nd Monday at 1:00. Peter Wagenius stated he would prefer the 4th Wednesday. Hearing no other comments, Chair Bell said the 4th Wednesday at 1:00 will be the standing meeting date.

Peter Bell moved to adjourn the December 9, 2010 SWMC meeting at 4:15 p.m. Motion carried.

Respectfully submitted, Dawn Hoffner