



**Southwest Light Rail Transitway (SWLRT)
Business Advisory Committee Meeting
May 30, 2018
Southwest Project Office
6465 Wayzata Blvd, Suite 500
St. Louis Park, MN 55426
7:30 AM – 8:30 AM**

Meeting Summary

In Attendance:

BAC Members/Alternates: Dan Duffy, Tony Barranco, Gary Orcutt, Lou Wack, Dave Pelner, Stuart Ackerberg, Will Roach

Agency Staff and Guests: Jim Alexander, Dan Pfeiffer, James Mockovciak, Nkongo Cigolo, Greg Hunt (St. Louis Park)

I. Welcome and Introductions

The meeting was called to order by BAC co- Chair Dan Duffy.

II. Project Update

Jim Alexander introduced the PowerPoint presentation with a hi-level project update. He previewed the Metropolitan Council meeting later in the evening and upcoming Hennepin County Commissioner and HCCRA meetings convening to vote on increasing the county's financial commitment to SWLRT covering increased costs included in the new, recently announced project budget. Mr. Alexander also reviewed SPO's goals this summer as; getting a ruling from the Surface Transportation Board (STB) validating proposed railroad property agreements; receiving a Letter of No Prejudice (LONP) from FTA allowing the project to begin construction this fall before receiving FFGA; and, awarding the civil construction bid by August 1. Mr. Alexander explained that the local money covered by an LONP would fund the project through the Spring, 2019.

Dave Pelner asked what factors affected the budget increase? Mr. Alexander replied the rise of diesel fuel and a 40 percent rise in the cost of steel were a few of the reasons. In addition, rising property values and an increase in the number of relocations in the Right of Way process; the administrative costs of putting out a second bid, completing the SEA environmental process, and streamlining the acquisition process also contributed to the budget increase. He added that as a result there are fewer budget 'unknowns'. SPO, he stated, has greater confidence project cost and risk have been adequately accounted for in the new budget. Construction will have some uncertainties. But SPO is in a much better position today to understand the risks and costs associated with the successful delivery the project.

Continuing, Mr. Alexander presented slides explaining the SWLRT revised project budget and schedule, next steps, and the creation/make-up of a new Executive Change Control Board to ensure orderly and appropriate coordination of significant changes to the Project budget. He also



updated the committee on the rail agreements being considered by the STB. Mr. Alexander told them TC&W filed a lawsuit to block the new, proposed property agreements. One issue, he explained, was TC&W didn't want to lose 16 thousand feet of sidetrack they currently utilized. The agreement left 11 thousand feet of sidetrack, made no changes in TC&W's contractual terms, and maintains their trackage rights. Last week TC&W indicated their openness to mediation. SPO anticipates resolution of all outstanding freight rail issues by early July to transfer property and allow issuance of a Letter of No Prejudice from FTA before awarding the civil bid on August 1, 2018.

Dave Pelner asked if the late addition of the Town Center Station will have an impact on the projects medium-high rating? Mr. Alexander said the FTA would be reviewing the rating next year in February, and he didn't anticipate any impact. Co-chair Duffy asked what the overall cost of the station was? Mr. Alexander stated it was 7.7 million dollars. He added that the City of Eden Prairie has agreed to pay any additional costs. Mr. Duffy also asked if there would be any parking around the Town Center Station? Mr. Alexander said there would be limited street parking.

Mr. Pelner asked if the local share of the new budget had been accounted for? Mr. Alexander said additional local funding increases would be voted on at the upcoming meetings [mentioned earlier] at the Met Council, Hennepin County Commissioners and HCCRA. Mr. Pelner also asked when the Full Funding Grant Agreement (FFGA) would be executed? Mr. Alexander said Met Council would apply in the fall and anticipated receiving the agreement in February 2019. Congress has allocated money. Five projects are competing for it. He added that delays in the FFGA process would place more pressure on local funding partners.

Mr. Barranco asked if the new round of civil bids had been captured in the new budget? Mr. Alexander said the bids were open on May 3, 2018 and had been captured. Co-chair Duffy asked if SPO felt confident either of the two bidders could execute the contract. Mr. Alexander said SPO had confidence in both bidders.

Co-chair Roach asked about the mood at the recent Corridor Management Committee (CMC) meeting (5/24/2018). Mr. Alexander said it was quiet but supportive. He added CMC passed a resolution in support of the budget proposal. Mr. Roach expressed surprise that after so many years of positive negotiations TC&W would file a lawsuit at this [late] stage.

Mr. Barranco asked what are the biggest risks still facing the project? Mr. Alexander replied there were risks related to the result of the STB process, and the difficulty of discerning the direction of the Federal Transit Administration (FTA) under the current Administration.

Dave Pelner asked what the Corridor Protection Wall was. Mr. Alexander described it, showed the location on a map and added it increased the project budget 30 million dollars with contingency.

II. Legislative Update

Dan Pfeiffer provided an update on the end of the 2018 legislative session. He described the general history and function of Metropolitan Planning Organizations (MPOs) in the U.S. to explain Representative Lewis' recent congressional bill to limit the role of the Met Council. He added



there had been no local legislative action on transit. Met Council had asked the legislature for bus funding and receive none. Recommendations changing the configuration of the Met Council, prohibition on co-location of LRT and freight rail, and, limiting Hennepin County's taxing power did not pass.

III. Future BAC Meetings

Co-chair Duffy suggested BAC meet on a quarterly basis and asked committee members opinions. Everyone agreed. The next meeting will be held on the last Wednesday in September and then again in December. Members would be notified if an additional, special meeting was required.

IV. BAC Public Support

Co-chair Duffy suggested members refrain from any show of public support until the legal process are completed. Members agreed.

The Meeting Summary of the October 2017 BAC meeting was approved.

V. Meeting Adjourned