



**SWLRT Business Advisory Committee Meeting
May 29, 2019
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, Will Roach, Gary Orcutt, Matthew LaJoy, Dave Perner, Rick Weiblen

Agency Staff and Guests: Brian Runzel, Jim Alexander, James Mockovciak, David Davies, Nkongo Cigolo, Sophia Ginis

I. Welcome, Introductions and Approval of Minutes

BAC co-Chair Will Roach called the May 29, 2019 BAC meeting to order at 7:35 am. Co-chair Roach presented the October 24, 2018 meeting minutes for approval. The minutes were approved without changes. Members briefly discussed their willingness to meet quarterly.

II. Project Update

SWLRT Project Director, Jim Alexander provided a project update, starting with the status of the FFGA application process. He mentioned that SPO and FTA continued to work well together. He added that FTA was conducting a financial capacity review. FTA was requiring transit projects have a 10% “rainy day fund’ to ensure capacity to fund construction, operations, buses, etc. SPO was working with Hennepin county to meet this obligation as a precursor to the FFGA application. SPO anticipated completing the FFGA application later in the summer. SPO is preparing an application for a second *Letter of No Prejudice* (LONP) to cover the systems contract to be awarded in the summer. The current LONP takes the project through the end of August.

Co-Chair Duffy asked to clarify the purpose of the first LONP. Mr. Alexander confirmed that the first LONP was for the civil contract. He added that the systems contract was out for bid. Once awarded, the systems contractor will follow the civil contractor as construction work is completed in various work groups. Mr. Alexander mentioned there was still one additional, upcoming contract to manage the integration, operations and safety of the LRT system.

Co-Chair Duffy also asked what the likelihood is FTA would not issue another LONP. Mr. Alexander expressed optimism it would be awarded and compared the process to the nine LONP awards on the Central Corridor Project. While there was always a risk it could be denied, history suggests SPO would receive it.

Rick Weiblen asked about the timing of the FFGA application. Mr. Alexander reiterated he anticipated it late summer.

Dave Pelner asked if there were any pending obstacles to being awarded the FFGA. Mr. Alexander replied he remained optimistic given the current Administration has already issued FFGA's.

Rick Weiblen asked if any applications had been turned down. Mr. Alexander said he was unaware of any recent denials and emphasized the importance of the entire process precluding the application and award. SPO felt confident the Project has met all requirements and continued to maintain its medium-high rating.

Dave Pelner asked if there were any pending obstacles to a successful outcome to the financial capacity review other than the new requirement for a 'raining day fund'. Mr. Alexander said this was a minor change and he didn't anticipate any additional obstacles.

Co-Chair Roach asked if there was anything the BAC members could do to facilitate successful project outcomes. Mr. Alexander stated FTA was aware of the business support for the Project. SPO will access project status in the summer and let members know if anything is needed from them.

III. DBE & Workforce Advisory Committee Update

Met Council's Jon Tao provided an overview of the DBE WAC, its membership, compliance requirements, and the recent kick-off event.

Dave Pelner asked if DBE standards were requirements or goals? Mr. Tao replied it was a goal the contractor signed up for and were committed to meeting.

Co-Chair Roach asked how feasible these goals were given the general construction labor shortage. Mr. Tao said it will be a challenge. But that historically since 2015 contractors have been able to meet stated goals.

Rick Weiblen asked if there were any impacts on contractors who failed to achieve DBE goals. Brian Runzel said there were no penalties. However, he added that the federal government could potentially fine contractors they determine did not make a genuine effort to meet stated DBE goals. Jim Alexander emphasized the importance of these goals for the Met Council. He added that Jon Tao will be in the field, monitoring contracts to ensure compliance. Mr. Tao will also be periodically reporting on DBE compliance to the Corridor Management Committee.

IV. Construction Update

Construction Director Brian Runzel provided an overview of LRT construction. He presented the construction organizational chart, weekly meeting schedule; preliminary construction activities throughout the corridor, and the project efforts to minimize construction impacts on wildlife.

Dave Pelner asked what kind of civil contract was awarded. Mr. Runzel replied it was a low bid, firm-fixed contract that could be adjusted with change orders. The final value would be impacted by the type of piling utilized. Mr. Pelner asked if there were any incentives in the contract. Mr. Runzel explained the contract had been divided into 6 work groups, each with a designated duration based on the amount of civil work in each group. The contractor could be assessed liquidated damages.

Rick Weiblen asked if there were incentives for the contractor to complete work in each work group early. Brian Runzel said these incentives were looked at but ultimately not included in the contract.

Co-Chair Duffy asked what the public response has been so far. Mr. Runzel said there was a range of responses. Naturally, he said, the most prominent were those stakeholders who were upset by construction. It was difficult to gauge how representative their views were. Public Outreach Manager, Sophia Ginis added that positive public response was aided by the Project's public outreach efforts. Stakeholders are aware of upcoming construction, and what they can expect this year.

Rick Weiblen asked how many field offices would be set up. Mr. Runzel replied there was one office in Hopkins and several field trailers throughout the corridor.

Matt Lajoy asked if SWRLT revenue operations was still projected for 2023. Mr. Runzel confirmed that date. He added that the last date of completion for civil work was 2022. System contractors will follow civil construction when all work is completed in a work group. Testing will follow for almost one year.

Dave Pelner asked when the LONP would be 'upside down' if the FFGA is delayed or rejected? Jim Alexander replied that the LONP loan is good for 5 years. The original Limited Notice to Proceed (LNTP) outlining the scope of work include in the LONP expires in August. Before expiration, SPO will apply and receive the second LONP to cover additional scope items. The process will repeat itself until reception of the FFGA. On the Central Corridor the project office proceeded with construction for 18 months before receiving the FFGA.

Co-Chair Roach asked how the project office and contractor were relating. Mr. Runzel stated there were normal challenges that were being worked through. It was inevitable there would be issues getting the project started along a 15-mile corridor with all the complexities involved. But he emphasized the contractor and Project office were engaged, committed, and involved in finding productive solutions.

V. Communications and Outreach Update

Public Outreach Manager, Sophia Ginis presented an overview of outreach activities.

Co-Chair Roach asked if the Community Advisory Committee (CAC) was still active. Ms. Ginis stated the project office was transitioning to a different committee structure that included Construction Information Workgroups (CIW). Cities would be asked to nominate committee members from their communities to provide local feedback throughout construction.

Rick Weiblen asked if the project would use live cameras or set up a video feed of construction work. Ms. Ginis said SPO was working on providing drone coverage to provide similar information.

Co-Chair Duffy asked how the construction hotline worked. Ms. Ginis explained the general process.

Co-Chair Roach asked if there were any additional questions or objections to adjourning the meeting. There were none. The meeting was Adjourned.