

T Transportation Committee

Meeting Date: September 14, 2009

Metropolitan Council Meeting: September 23, 2009

ADVISORY INFORMATION

Date: September 3, 2009

Subject: Subordinate Funding Agreement #4 with the Minnesota Department of Transportation for the Central Corridor Light Rail Project

District(s), Member(s): All

Policy/Legal Reference: Mn Statutes, Section 473.399

Staff: Brian Lamb, General Manager, 612-349-7510

Prepared/Presented: Mark Fuhrmann, Deputy General Manager, 651-602-1942

Gary Berger, Central Corridor Manager of Administration, 651-602-1945

Division/Department: Metro Transit/Central Corridor Project office

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute Subordinate Funding Agreement (SFA) #4 to the Master Funding Agreement with the Minnesota Department of Transportation (MN/DOT) in the not to exceed amount of \$25,000,000 for property acquisition for the Central Corridor Light Rail Project.

Background

The Metropolitan Council established the contractual framework with MN/DOT at its May 23, 2007 meeting when it authorized the Regional Administrator to negotiate and execute a Master Funding Agreement for the development of light rail transit in the Central Corridor. Each SFA under the Master Funding Agreement provides a method for the transfer of funds from the Council to MN/DOT so that MN/DOT can carry out its responsibilities.

The funds reimburse MN/DOT for costs incurred in the delivery of the Central Corridor Light Rail Project. Each SFA defines the amount of funds committed, the specific purpose of the expenditures and MN/DOT's responsibilities. The Central Corridor Project Office (CCPO) is now requesting that the Metropolitan Council authorize the Regional Administrator to execute SFA #4 in the not to exceed amount of \$25,000,000 so that the CCPO can reimburse MN/DOT for property acquisition.

Rationale

The December 13, 2006 Cooperative Agreement between MN/DOT and the Council assigns MN/DOT the responsibility for acquiring all real property rights, easements, uses, or interests of any kind needed for the Project. At the end of the Project MN/DOT will transfer (by conveyance, lease, license, or other means) to the Council all real property rights. Transfer will be implemented through one or more separate property transfer agreements.

Acquisition of property rights must be consistent with the preliminary and final design plans for the Project. The \$25,000,000 right of way budget for the Project was established in September of 2008 and based on the preliminary engineering design and revised in February 2009.

Funding

Project funds in the amount of \$101.2 million are currently authorized in the Council adopted Capital Budget.

Known Support / Opposition

Governor Pawlenty issued Executive Order 08-13 designating Metropolitan Council as the lead agency for Central Corridor LRT where the Commissioner of Transportation has entered into a cooperation agreement with the Council.