

T **Transportation Committee**
Metropolitan Council meeting: **May 26, 2010**

Date May 11, 2010
Prepared:
Subject: Central Corridor Light Rail Transit: Subordinate Funding Agreements with the City of St. Paul

Proposed Action:

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute the following Subordinate Funding Agreements (SFA) to the Master Funding Agreement with the City of St. Paul:

- Betterments in an amount of \$17,000,000

Summary of Committee Discussion / Questions:

Mark Fuhrmann presented the item. After lengthy discussion, it was decided to allow the Council to consider the two items individually **(2010-172A and 2010-172B)**

A motion was made by Councilmember Steffen, seconded by Councilmember Scherer that the Metropolitan Council Regional Administrator negotiate and execute the following Subordinate Funding Agreement to the Master Funding Agreement with the City of St. Paul: - Contribution to construction of three infill stations in an amount of \$5,200,000. The motion passed.

A separate motion was made by Councilmember Peterson, seconded by Councilmember Beach that the Metropolitan Council Regional Administrator negotiate and execute the following Subordinate Funding Agreement to the Master Funding Agreement with the City of St. Paul: - Betterments in an amount of \$17,000,000. The motion passed.

T Transportation Committee
Meeting date: May 10, 2010

Metropolitan Council Meeting of May 26, 2010

ADVISORY INFORMATION

Date:	April 29, 2010
Subject:	Central Corridor Light Rail Transit: Subordinate Funding Agreements with the City of St. Paul
District(s), Member(s):	All
Policy/Legal Reference:	MN Statutes 473.3999 and 473.405
Staff Prepared/Presented:	Brian J. Lamb, General Manager, 612-349-7510 Mark W. Fuhrmann, Deputy Gen. Manager, 651-602-1942 Rich Rovang, CCLRT Project Director 651-602-1941 Jim Alexander, Assistant Director Transit Systems Dev. 651-602-1937
Division/Department:	Metro Transit / Central Corridor Project Office

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute the following Subordinate Funding Agreements (SFA) to the Master Funding Agreement with the City of St. Paul:

- Betterments in an amount of \$17,000,000
- Contribution to construction of three infill stations in an amount of \$5,200,000

Background

The Metropolitan Council established the contractual framework with the City of St. Paul at its September 9, 2009 meeting when they authorized the Regional Administrator to negotiate and execute a Master Funding Agreement for the development of Central Corridor Light Rail Transit (CCLRT) project. Each SFA under the Master Funding Agreement provides a mechanism to transfer funds from the Metropolitan Council to the City of St. Paul or from the City of St. Paul to the Metropolitan Council. Both of these SFAs require St. Paul to make payment to the Council.

The \$17 million betterment funds will reimburse the Metropolitan Council for St. Paul requested betterment elements of the CCLRT Civil East construction contract and the \$5.2 million funding will support the construction of three infill stations (Hamline, Victoria, and Western).

Rationale

Betterment requests must be funded outside of the CCLRT project budget and St. Paul agreed to provide infill station funding to leverage federal funding.

SFAs exceeding \$250,000 require Metropolitan Council authorization.

Funding

City of St. Paul will reimburse and provide funds to the Metropolitan Council for the betterment and station construction costs.

Known Support / Opposition

The City of St. Paul supports these subordinate funding agreements. No known opposition.