

# T Transportation Committee

For the Metropolitan Council meeting of July 14, 2010

**Date** July 6, 2010  
**Prepared:**  
**Subject:** Subrecipient Grant Agreement with Hennepin County Regional Rail Authority for The Interchange

## Proposed Action:

Authorize the Regional Administrator to negotiate and execute a subrecipient grant agreement (SGA) with the Hennepin County Regional Rail Authority (HCRRA) passing through a \$500,000 Federal Transit Administration (FTA) Section 5309 Bus and Bus Facilities grant for project management/administration and engineering and design activities associated with the Interchange project.

## Summary of Committee Discussion / Questions:

Chuck Ballentine, HCRRA's project manager for the Interchange project, made a brief informational presentation on the project prior to Craig Lamothe, the Council's project manager for the Interchange project, presenting the business item.

The Interchange project concept is a multi-phase, multimodal transportation facility accommodating heavy rail, light rail, bus, autos, bicyclists and pedestrians located adjacent to the Target Field Station. HCRRA has been working closely with stakeholders to define the project since 2006.

This action will provide HCRRA with FTA administered, congressional-approved funds to enter into the design stage for Phase I to better define the transit and non-transit elements before any decision is made to proceed with construction. The transit elements, a second light rail platform, a pedestrian plaza, an elevated light rail track structure over the 6<sup>th</sup> Avenue entrance to the Hennepin Energy Recovery Center (HERC) facility, and the relocation of existing tail tracks, are all necessary for the efficient and safe operation of light rail at Target Field Station. Metro Transit will continue to work closely with HCRRA into the design stage of Phase I to ensure all operational needs and concerns are addressed.

A question and answer period followed both the informational presentation and the business item presentation. Below is a summary of the questions, comments and concerns from Council members and staff responses.

Questions were posed regarding estimated cost of the project, anticipated sources of funding, project cost implications for existing and planned rail projects, and private sector investment. The preliminary cost estimate for the transit and non-transit elements of Phase I concept is approximately \$60 million. While some funding has been identified and committed, the entire funding package has not been developed but it is expected to include federal, state and local funds as well as private investment. Some of the transit elements in the proposed Phase I may be partially funded by the Southwest Light Rail Transit (SWLRT) project. If a Phase II is implemented, then any future heavy rail line projects may fund a portion of the Phase II cost. Opportunities for private investment in the non-transit elements of Phase I are being explored.

Questions were posed regarding the need for the project if future rail lines are not implemented. The transit elements of Phase I are needed to support and improve the

operations of the existing Hiawatha Light Rail Transit (HLRT), the under-construction Central Corridor Light Rail Transit (CCLRT), and the planned SWLRT. Phase II would not be pursued if future heavy rail lines do not materialize.

Questions were posed regarding the non-transit elements of Phase I, particularly the office or hotel development. The concept of Phase I accommodates the possible development of several features, including an office or hotel tower as well as a public park or open space.

Questions were posed regarding the relationship of this facility to the Union Depot. If fully developed, both facilities could be similar in function and should complement each other.

Concern was noted regarding the need to be transparent to all stakeholders about total system costs when differentiating between individual rail projects and projects that support the operations of multiple rail projects.

Motion by CM Aguilar, seconded by CM Peterson and passed with CM Meeks and CM Beach voting against.



## Transportation Committee

Meeting date: June 28, 2010

For Metropolitan Council Meeting: July 14, 2010

### ADVISORY INFORMATION

	<b>Date:</b> June 23, 2010
	<b>Subject:</b> Subrecipient Grant Agreement with Hennepin County Regional Rail Authority for The Interchange
<b>District(s), Member(s):</b>	District 7, Annette Meeks, 612-341-8168
<b>Policy/Legal Reference:</b>	Minnesota Statutes 473.129 and 473.405 FTA Master Agreement ( <a href="http://www.fta.dot.gov/documents/14-Master.pdf">www.fta.dot.gov/documents/14-Master.pdf</a> )
<b>Staff Prepared/Presented:</b>	Brian Lamb, General Manager, 612-349-7510 Ed Petrie, Director, Finance, 612-349-7624 Mary Gustafson, Manager, Grants, 612-349-7603 Craig A. Lamothe, Senior Project Mgr, 612-349-7690
<b>Division/Department:</b>	Metro Transit/Engineering & Facilities

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### Background

The Interchange, located adjacent to the Target Field Station, is proposed to be an intermodal, vehicle and passenger terminal facility accommodating existing light rail and commuter rail as well as future light rail, commuter rail, high speed intercity rail and charter and public bus. An additional LRT platform and public plaza for pedestrians and transit customer queuing are key features of the proposed project as well as LRT storage tracks supporting multiple lines for post-event staging.

In August 2006, HCRRA completed an initial siting and feasibility study for the project. In November 2008, HCRRA conducted a week-long workshop with all interested parties as part of a visioning process for the project. In mid-2009, HCRRA commissioned a second feasibility study which is expected to be completed mid-2010.

Later this summer, through separate local funding, HCRRA is planning to solicit and select a consultant to complete environmental documentation for the project. The current federal grant funding will be used to support the procurement of an engineering and design consultant as well as the project management staff and/or consultant overseeing the project. The completion of environmental documentation and preliminary design will better position the project to receive construction funding in the future.

Construction is anticipated to begin in March 2013 and be finished by June 2014 to coincide with the anticipated opening of the Central Corridor LRT line.

## **Rationale**

FTA requires that SGAs be established to ensure that FTA regulations flow through to all external partners administering FTA funds. Metropolitan Council (Council) approval is required to enter into interagency agreements, which includes SGAs.

## **Funding**

On June 17<sup>th</sup>, the Council made an application to the FTA on behalf of HCRRA for \$500,000 in 5309 funding, and is expected to receive the award in late summer. It is anticipated that the third amendment to the 2010 Authorized Capital Program and 2010 Capital Budget, expected to be submitted to the Council on September 8<sup>th</sup> for consideration, will include the \$500,000 in federal funds. HCCRA will provide \$125,000 in local funds as the required match for the federal funds.

## **Known Support / Opposition**

HCRRA supports this action. With the assistance of Congressman Ellison, HCRRA sought and secured this federal appropriation. HCRRA is expected to take an equivalent action on July 22, 2010.