

**ADVISORY INFORMATION**

**Date**

**Prepared:** June 5, 2012

**Subject:** **The Interchange – Authorization to Negotiate and Execute Two Grant Agreements and One Master Cooperation and Funding Agreement**

**Proposed Action:**

That the Metropolitan Council (Council) authorizes the Regional Administrator to negotiate and execute the following agreements for the development of The Interchange project:

- Grant Agreement for TIGER III (Transportation Investment Generating Economic Recovery) grant with the US Department of Transportation (USDOT), the Federal Transit Administration (FTA) and Hennepin County Regional Rail Authority (HCRRA); and a Subrecipient Grant Agreement (SGA) with HCRRA for transfer of TIGER III funds
- Grant agreement for 2011 and 2012 State GO Bonds with HCRRA
- Master Cooperation and Funding Agreement with HCRRA for transfer of Council funds; and subordinate funding agreements to identify funding sources and track project costs

**Summary of Committee Discussion / Questions:**

MarySue Abel presented the item. During the presentation, Abel stated that the total estimated cost of the Interchange project is \$79.3 million, not \$84.7 million as shown in the business item. Councilmember Brimeyer asked about the funding for the Council's contribution. Abel responded that Federal Formula funds would be used for the Council's contribution and that the Unified Capital Program Amendment Item 2012-157 that followed would address this further.

A motion was then made by Councilmember Schreiber seconded by Councilmember Smith and passed unanimously.

# T Transportation Committee

Meeting date: June 4, 2012

Metropolitan Council Meeting: June 13, 2012

## ADVISORY INFORMATION

**Date:** May 30, 2012  
**Subject:** The Interchange – Authorization to Negotiate and Execute Two Grant Agreements and One Master Cooperation and Funding Agreement  
**District(s), Member(s):** District 7, Gary L. Cunningham  
**Policy/Legal Reference:** Minnesota Statutes, section 473.4057  
**Staff Prepared/Presented:** Brian Lamb, General Manager, 612-349-7510  
Marilyn Porter, Director, Engineering and Facilities, 612-349-7689  
Pat Jones, Asst. Director Facilities Engineering, 612-349-7606  
MarySue Abel, CCPO Manager of Project Controls, 651-602-1919  
**Division/Department:** Metro Transit/Engineering & Facilities

### Proposed Action

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- Grant agreement for 2011 and 2012 State GO Bonds with HCRRA
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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. The success of Target Field and the existing Target Field Station is a key reason for the need of this new intermodal facility.

On June 26, HCRRA will be taking board action to vote on approval of the preferred design/build contractor. By beginning the construction in July 2012, the Interchange

project will be completed in the spring of 2014, coinciding with the opening of the Central Corridor (Green Line) Light Rail Transit line. In addition, completion of the Interchange will position Metro Transit for the future needs of the Southwest Light Rail Transit line.

The following agreements are required with HCRRA to fund the Interchange project:

- TIGER III grant agreement and subrecipient grant agreement - \$10 million
- State GO bonds grant agreement – \$13.5 million
- Master Cooperation and Funding Agreement and subordinate funding agreements – up to \$10 million

The key components of the Master Cooperation and Funding Agreement are summarized as follows:

- The Council will contribute \$10 million to the Interchange project, which includes a contribution from Central Corridor Contingency funds, subject to FTA concurrence. The \$10 million Council contribution will be reduced by an amount equal to one half of funds provided by Central Corridor Contingency to the Interchange
- The Council will provide oversight and review of design and construction for transit related items
- The Council will assist in the procurement of proprietary equipment, such as fare collection and communications equipment, information kiosks and platform signage
- Subordinate funding agreements will be used to identify the source of money for the Council contribution. They will also be used to keep track of the above procurement and other costs to the Council that will be reimbursed by the Interchange project

## **Rationale**

This action will allow the Council to enter various agreements worth up to a total of \$33.5 million with HCRRA for funding of the Interchange project. The total estimated cost of the Interchange project is \$79.3 million.

## **Funding**

The project is to be funded through financial contributions from HCRRA, USDOT (TIGER III), the State of Minnesota (State G.O. Bonds), the FTA, the Council, the Minnesota Ballpark Authority and additional funding opportunities sought by HCRRA.

After completion of the Master Cooperation and Funding Agreement, subordinate funding agreements will be established for the transfer of the financial contributions between HCRRA and the Council.

## **Known Support / Opposition**

Hennepin County Regional Railroad Authority supports the execution of these grants and the master cooperation agreement.