

T Transportation Committee
For the Metropolitan Council meeting of June 25, 2008

ADVISORY INFORMATION

Date Prepared: June 10, 2008

Subject: Northstar Subordinate Funding Agreement #5 – Big Lake Turnout Improvements and Intertrack Fencing Construction

Proposed Action:

That the Metropolitan Council authorize the Regional Administrator:

- To negotiate and execute a funding agreement with the Minnesota Department of Transportation (MnDOT), in an amount not to exceed \$500,000, for reimbursement of costs incurred by the Metropolitan Council for payments to BNSF Railway Company for the construction of turnout improvements at the Big Lake station platform and intertrack fencing at the Northstar stations.

Summary of Committee Discussion / Questions:

This item was presented by Rich Rovang. After the presentation, there were no further questions to R. Rovang. Motion by Steffen, seconded by Beach and passed. Mary Hill Smith said this could go to Council as **Consent** Item on June 25th.

T Transportation Committee

Meeting date: June 9, 2008

For Metropolitan Council meeting: June 25, 2008

ADVISORY INFORMATION

Date: June 3, 2008
Subject: Northstar Subordinate Funding Agreement #5 - Big Lake Turnout Improvements and Intertrack Fencing Construction
District(s), Member(s): All
Policy/Legal Reference: Northstar Corridor Project Master Cooperation and Delegation Agreement
Staff Prepared/Presented: Brian J. Lamb, General Manager, 612-349-7510
Mark W. Fuhrmann, Deputy General Manager, 651-602-1942
Richard M. Rovang, Asst. General Manager – TSD, 651-602-1941
Chris Weyer, Manager, Transitways Engineering, 651-366-5825
Division/Department: Metro Transit

Proposed Action

That the Metropolitan Council authorize the Regional Administrator:

- To negotiate and execute a funding agreement with the Minnesota Department of Transportation (MnDOT), in an amount not to exceed \$500,000, for reimbursement of costs incurred by the Metropolitan Council for payments to BNSF Railway Company for the construction of turnout improvements at the Big Lake station platform and intertrack fencing at the Northstar stations.

Background

As part of the Master Cooperation Agreement for the Northstar Corridor Commuter Rail Project, the Council has entered into an agreement with the BNSF entitled “Lease of Land for Track – Big Lake.” This particular agreement provides that BNSF will construct, at the expense of the Northstar project, turnout improvements at the Big Lake station platform and vehicle maintenance facility and provides for the payment of the construction costs by the Council.

The Council has also entered into an agreement with BNSF entitled “Joint Use Agreement.” This agreement provides that BNSF be reimbursed by the Northstar project for the construction of intertrack fencing at designated station locations on the project alignment with the Council bearing responsibility for the payment of these costs.

Costs for the turnout and intertrack fencing improvements are not expected to exceed \$500,000.

Rationale

MnDOT and the Council have entered into a Master Funding Agreement that provides reimbursement to the Council for certain project eligible costs through subordinate funding agreements. These turnout and intertrack fencing improvements being constructed by BNSF are eligible project expenses for which the Council can be reimbursed. This subordinate funding agreement will provide the mechanism for the Council to seek reimbursement and provides for the commitment of project funds for the payment of these costs.

Funding

These improvements are currently budgeted in Northstar's overall project budget. With the execution of Northstar's Full Funding Grant Agreement on December 11, 2007, local and federal funding to reimburse the Council has been committed. The Council will pay for the improvements constructed by BNSF under the "Lease of Land for Track – Big Lake" and "Joint Use Agreement" and be reimbursed by MnDOT through this subordinate funding agreement.

Known Support / Opposition

The State of Minnesota and Northstar Corridor Development Authority have shown support of Northstar with the commitment of funds for their portion of the project. With the execution of the Full Funding Grant Agreement, the Federal government has confirmed its support of and commitment to funding their portion of the Northstar project as well.