



Transportation Committee

Item: 2010-177

For the Metropolitan Council meeting of June 23, 2010

Date June 16, 2010

Prepared:

Subject: Northstar Subordinate Funding Agreement #17, BNSF Crew Facilities

Proposed Action:

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute a subordinate funding agreement with the Minnesota Department of Transportation (MnDOT), in an amount not to exceed \$459,000, for reimbursement of costs incurred by the Metropolitan Council for Construction services related to the BNSF Crew Facilities.

Summary of Committee Discussion / Questions:

Ed Byers presented this item. Byers responded to a question from Councilmember Scherer about what is the current rate we are paying for hotel rooms. Current rate is \$55 per day per room for 52 rooms per week.

Motion by Councilmember Scherer, seconded by Councilmember Leppik and passed unanimously.

T Transportation Committee
Meeting date: May 24, 2010

Metropolitan Council Meeting of June 9, 2010

ADVISORY INFORMATION

Date: May 11, 2010

Subject: Northstar Subordinate Funding Agreement #17
BNSF Crew Facilities

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 Gen. Manager,
651-602-1942

Rich Rovang, Asst. General Mgr.-Transit Systems
Dev. 651-602-1941

Chris Weyer, Director-Transit Systems Design &
Construction, Dev. 651-602-1932

Division/Department: Metro Transit

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute a subordinate funding agreement with the Minnesota Department of Transportation (MnDOT), in an amount not to exceed \$459,000, for reimbursement of costs incurred by the Metropolitan Council for Construction services related to the BNSF Crew Facilities.

Background

The BNSF Crew Facility is to be constructed to satisfy the BNSF Service Agreement Section 5.3.i. executed by Metropolitan Council May 31, 2007. This agreement addresses "crewing facilities suitable for sleeping (as needed) in Minneapolis.....in compliance with current BNSF labor agreements."

BNSF Unions (BLET and UTU) letters (approving the concept designs) were received on December 4, 2009.

On April 27, 2010, seven bids were received and opened publicly. The bids ranged from \$409,000 and \$528,000. The engineer's cost estimate for this work was \$423,687. The lowest bid of \$409,000 from Roskop & Associates, LLC was within 4% of the engineer's estimate. A 15% Disadvantaged Business Enterprise (DBE) goal was assigned to this project by the Council. The Office of Diversity and Equal Opportunity has reviewed and approved the DBE commitment by Roskop considering both their numerical submission and the good faith efforts. The Council's Purchasing Department has determined that Roskop, with the bid of \$409,000 is the lowest responsive and responsible bidder.

The subordinate funding agreement request of \$459,000 is comprised of the base bid of \$409,000 and a construction contingency of \$50,000.

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 Construction services 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 provide for the commitment of project funds for the payment of these costs.

Funding

These services are currently budgeted in Northstar's overall 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 construction services 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 of funding their portion of the Northstar project as well.

On May 6, 2010, the Northstar Executive Change Control Board approved the use of contingency funds for this subordinate funding agreement.