

HENNEPIN COUNTY

MINNESOTA

FINAL COMMITTEE AGENDA

PUBLIC WORKS COMMITTEE
TUESDAY, DECEMBER 3, 2024
1:30 PM

Chair: Kevin Anderson, District 7
ViceChair: Marion Greene, District 3
Members: Jeff Lunde, District 1
Irene Fernando, District 2
Angela Conley, District 4
Debbie Goettel, District 5
Heather Edelson, District 6

1. Minutes from Previous Meeting

1.A. November 12, 2024 Minutes

2. New Business

Items for Discussion and Action

2.A. [24-0513](#)

Neg Amd 1 to Agmt PR00005488 with Met Council and HCRRA for Blue Line Extension Project, extend to 06/30/26, incr NTE to \$248,905,000

2.B. [24-0514](#)

Neg Amd 12 to Agmt PR00000689 with Met Council and HCRRA for METRO Green Line Ext LRT (CP 1005876), extend to 12/31/28, incr NTE to \$1,168,125,592; amd 2025 operating and capital budgets

Addendum

2.C. [24-0522](#)

Neg Subordinate Funding Agreement A2412571 with Metropolitan Council for inspection support services for the METRO Green Line LRT Project, 01/01/25-12/31/25, est rev (\$226,317)

HENNEPIN COUNTY

300 South Sixth Street
Minneapolis, MN
55487-0240

MINNESOTA

Board Action Request

TMP-1639

Item Description:

November 12, 2024 Minutes

HENNEPIN COUNTY

MINNESOTA

COMMITTEE MINUTES

PUBLIC WORKS COMMITTEE

TUESDAY, NOVEMBER 12, 2024
1:30 PM

Chair: Kevin Anderson, District 7
ViceChair: Marion Greene, District 3
Members: Jeff Lunde, District 1
Irene Fernando, District 2
Angela Conley, District 4
Debbie Goettel, District 5
Heather Edelson, District 6

Commissioner Kevin Anderson, Chair, called the meeting of the Public Works Committee for Tuesday, November 12, 2024 to order at 4:14 p.m.

Present: Kevin Anderson, Marion Greene, Irene Fernando, Angela Conley, Debbie Goettel, Jeff Lunde and Heather Edelson

1. Minutes from Previous Meeting

1.A. October 8, 2024 Minutes

APPROVE

Commissioner Irene Fernando moved, seconded by Commissioner Debbie Goettel, to approve the Minutes.

Aye: Commissioner Anderson, Commissioner Greene, Commissioner Fernando, Commissioner Conley, Commissioner Goettel, Commissioner Lunde and Edelson

2. New Business

Routine Items

2.A. [24-0457](#)

Neg Subordinate Funding Agmt A2412545 with Metropolitan Council for project staff services for the METRO Blue Line Extension Light Rail Transit Project, 01/01/25-12/31/25, (est recv \$1,270,142)

CONSENT

Commissioner Irene Fernando moved, seconded by Commissioner Debbie Goettel, to approve the Resolution.

Aye: Commissioner Anderson, Commissioner Greene, Commissioner Fernando, Commissioner Conley, Commissioner Goettel, Commissioner Lunde and Edelson

2.B. [24-0458](#)

Neg grant agmts for Natural Resource Opportunity grant projects, 3-year periods, total combined NTE \$80,000

CONSENT

Commissioner Irene Fernando moved, seconded by Commissioner Debbie Goettel, to approve the Resolution.

Aye: Commissioner Anderson, Commissioner Greene, Commissioner Fernando, Commissioner Conley, Commissioner Goettel, Commissioner Lunde and Edelson

2.C. [24-0459](#)

Adjust county cost and recv for Agmt PW 23-11-24 with City of Edina (CP 2176600); no change to project budget

CONSENT

Commissioner Irene Fernando moved, seconded by Commissioner Debbie Goettel, to approve the Resolution.

Aye: Commissioner Anderson, Commissioner Greene, Commissioner Fernando, Commissioner Conley, Commissioner Goettel, Commissioner Lunde and Edelson

2.D. [24-0460](#)

Amd 1 to Agmt PW 04-01-16 with Hopkins (CP 2142600); transfer funds (HNCTY 0039996 to HNPWT 2142600); (est county cost \$7,500,000 state aid, \$500,000 property tax and est recv \$75,000); no change to total project budget

CONSENT

Commissioner Irene Fernando moved, seconded by Commissioner Debbie Goettel, to approve the Resolution.

Aye: Commissioner Anderson, Commissioner Greene, Commissioner Fernando, Commissioner Conley, Commissioner Goettel, Commissioner Lunde and Edelson

2.E. [24-0461](#)

Neg Agmt PW 28-73-24 with Wright County for routine and extraordinary maintenance on CSAH 157 and CR 139 in Minnetrista and Independence, 01/01/25-12/31/29 (est county cost: \$13,000 per year Operating Budget)

CONSENT

Commissioner Irene Fernando moved, seconded by Commissioner Debbie Goettel, to approve the Resolution.

Aye: Commissioner Anderson, Commissioner Greene, Commissioner Fernando, Commissioner Conley, Commissioner Goettel, Commissioner Lunde and Edelson

2.F. [24-0462](#)

Neg Agmt PW 01-07-24 with the City of Bloomington to provide signal operation and maintenance during the period 01/01/25-12/31/29 (est county cost \$19,700 per year - Operating Budget)

CONSENT

Commissioner Irene Fernando moved, seconded by Commissioner Debbie Goettel, to approve the Resolution.

Aye: Commissioner Anderson, Commissioner Greene, Commissioner Fernando, Commissioner Conley, Commissioner Goettel, Commissioner Lunde and Edelson

2.G. [24-0463](#)

Neg Agmt PW 34-00-24 with MnDOT and the City of Minneapolis for pavement preservation, traffic signal and accessibility upgrades on CSAH 22 from 56th Street to 58th Street W (CP 2201000); est county cost \$726,317 State Aid

CONSENT

Commissioner Irene Fernando moved, seconded by Commissioner Debbie Goettel, to approve the Resolution.

Aye: Commissioner Anderson, Commissioner Greene, Commissioner Fernando, Commissioner Conley, Commissioner Goettel, Commissioner Lunde and Edelson

2.H. [24-0464](#)

Neg Agmt PW 31-85-24 with CP Railway for replacement of the railroad crossing surface on Old Shakopee Road (CSAH 1) in Bloomington (CP 2201100), (est county cost: \$80,000 Property Tax)

CONSENT

Commissioner Irene Fernando moved, seconded by Commissioner Debbie Goettel, to approve the Resolution.

Aye: Commissioner Anderson, Commissioner Greene, Commissioner Fernando, Commissioner Conley, Commissioner Goettel, Commissioner Lunde and Edelson

Items for Discussion and Action

2.I. [24-0465](#)

Neg Agmt PR00006236 with BFI Waste Systems of North America, LLC for the operation of the county's HHW permanent facilities and collection events, for a period of up to five years beginning 01/01/25, NTE \$15 million

CONSENT

Heather Edelson moved, seconded by Commissioner Debbie Goettel, to approve the Resolution.

Aye: Commissioner Anderson, Commissioner Greene, Commissioner Fernando, Commissioner Conley, Commissioner Goettel, Commissioner Lunde and Edelson

There being no further business, the Public Works Committee for Tuesday, November 12, 2025 was declared adjourned at 4:19 p.m.

Maria Rose
Clerk to the County Board

Board Action Request

24-0513

Item Description:

Neg Amd 1 to Agmt PR00005488 with Met Council and HCRRA for Blue Line Extension Project, extend to 06/30/26, incr NTE to \$248,905,000

Resolution:

BE IT RESOLVED, that the Hennepin County Board of Commissioners authorizes the County Administrator to negotiate Amendment 1 to Agreement PR00005488, Capital Grant Agreement for the METRO Blue Line Extension Light Rail Transit Project with the Metropolitan Council and the Hennepin County Regional Railroad Authority (HCRRA), extending the grant activity period to June 30, 2026 and increasing the Maximum Grant Amount by \$173,600,000, for a new total Maximum Grant Amount of \$248,905,000, of which the County will contribute up to \$198,244,000 (CP1005877) and HCRRA will contribute up to \$50,661,000 (CP 1000941); and allowing the Project Decisions Board to authorize use of grant funds for project expenditures that cannot be paid with federal funds; and

BE IT FURTHER RESOLVED, that the Board authorizes the Chair to execute Amendment 1 to Agreement PR00005488 on behalf of the County, after review and approval by the County Attorney's Office; and

BE IT FURTHER RESOLVED, that the Board authorizes the Controller to transfer and disburse funds as necessary to carry out the intent of this Resolution.

Background:

Resolution 17-0207, on June 13, 2017, approved the assumption of certain not-yet paid funding commitments for the METRO Blue Line Extension Light Rail Transit Project (Capital Project 1005877) ("Project"), the assumption of the 2017 Counties Transit Improvement Board (CTIB) Capital Grant Agreement (CTIB 02201701/Met Council 174I001/County A177882A) with the Metropolitan Council for the Project, and the imposition of the 0.5% Transportation Sales and Use Tax and \$20 motor vehicle excise tax that are the primary sources of funds for Hennepin County contributions to the Project. Through these and other actions, Hennepin County agreed to take responsibility for the remainder of the project funding formerly committed by CTIB and the remainder of funding formerly anticipated from the State of Minnesota.

Agreement A177882A set the maximum grant amount at \$66 million, to be paid with a mixture of CTIB and County funds. The parties subsequently amended Agreement A177882A twelve times to extend the agreement's end date, as well as to authorize the expenditure of \$11,087,084 in county funds in addition to the maximum grant amount. The most recent amendment, approved by Resolution 23-0188 R1, extended the end date of Agreement A177882A to August 31, 2023, with no increase to the maximum grant amount.

On August 22, 2023, the County adopted Resolution 23-0323, which authorized execution of a new grant agreement, Agreement PR00005488, with the Metropolitan Council and HCRRA to take the place of prior agreements and become the vehicle for all future County and HCRRA contributions to the Project. This Agreement provided for a maximum grant amount of \$75,305,000, of which the County contributed \$60,244,000 and HCRRA contributed \$15,061,000. The Agreement also put in place a number of important project governance requirements, including the creation of a Project Decisions Board, which is empowered to

make a range of critical decisions related to the Project. The Project Decisions Board consists of two Metropolitan Council members, two Hennepin County commissioners, and one HCRRA commissioner. The Agreement's end date is December 31, 2024.

To date, approximately \$225 million has been obligated to the Project. This amount includes \$75 million from the current Capital Grant Agreement PR00005488; nearly \$18.1 million provided by Hennepin County and CTIB pursuant to Agreement A177882A (nearly \$17 million in Hennepin County funds and nearly \$47 million in CTIB funds); \$82.8 million in CTIB funding through earlier agreements; and \$48.8 million in HCRRA funding through three separate agreements, most recently Agreement A176897.

This Resolution would authorize negotiation of Amendment One to Agreement PR00005488. This Amendment would extend the grant activity period to June 30, 2026, and increase the maximum grant amount by \$173,600,000, for a new maximum grant amount of \$248,905,000. Of this amount, Hennepin County would contribute \$198,244,000 and HCRRA would contribute \$50,661,000. Finally, the Amendment would also authorize the Project Decisions Board, subject to certain requirements, to approve use of grant funds for project expenditures that could not be paid for with federal funds.

The Blue Line Extension Project is currently in the engineering phase and published a Supplemental Draft Environmental Impact Statement on June 14, 2024. Primary activities during the grant activity period under the proposed Amendment would include preparation of final environmental documentation and final design and engineering of the new route. Also included in the grant activity period would be the acquisition of project right of way. These activities would support the application for a Full Funding Grant Agreement (FFGA) to the Federal Transit Administration.

The official budget for the Project has not been updated since 2016. At that time, the total Project budget was \$1.536 billion, including a commitment of \$530.1 million from the County and \$149.6 million from HCRRA. These numbers do not reflect the current alignment, nor the cost escalation that has occurred over the past eight years.

Project staff roughly estimate that the current project budget, after accounting for price escalation and the new alignment, will be approximately \$3.2 billion, including a project contingency factor of 37.5%. New funding commitments, including from Hennepin County and HCRRA, will thus be required to complete the Project. Staff expect to seek updated commitments from the County and HCRRA after a project budget is finalized and prior to applying for an FFGA.

Current Request: Authorization to negotiate and execute Amendment 1 to Agreement PR00005488 with the Metropolitan Council and Hennepin County Regional Railroad Authority for the METRO Blue Line Extension Project (CP 1005877), extending the grant activity period to June 30, 2026, and increasing the maximum grant amount to \$248,905,000. The agreement will allow for continued work on the METRO Blue Line Extension Project.

Impact/Outcomes: This action supports the county's disparity reduction efforts by investing in transportation infrastructure that reduces climate impacts and gives people transportation choices and access to housing, jobs, schools, medical facilities, and other destinations of choice.

Recommendation from County Administrator: Recommend Approval

Board Action Request

24-0514

Item Description:

Neg Amd 12 to Agmt PR00000689 with Met Council and HCRRA for METRO Green Line Ext LRT (CP 1005876), extend to 12/31/28, incr NTE to \$1,168,125,592; amd 2025 operating and capital budgets

Resolution:

BE IT RESOLVED, that the Hennepin County Administrator be authorized to negotiate Amendment 12 to Agreement PR00000689, Capital Grant Agreement for the METRO Green Line Extension Light Rail Transit Project with the Metropolitan Council and the Hennepin County Regional Railroad Authority, extending the grant activity period from January 31, 2025, to December 31, 2028; and increasing the maximum grant amount by \$90,047,888 to be contributed by Hennepin County (Capital Project 1005876), for a new maximum grant amount of \$1,168,125,592; that following review and approval by the County Attorney's Office, the Chair of the Board be authorized to sign the amendment on behalf of the County; and that the Controller be authorized to disburse funds as directed; and

BE IT FURTHER RESOLVED, that the 2025 Capital Budget for project 1005876 HC METRO Green Line Extension Light Rail Transit Project be increased by \$90,047,888 from \$992,892,368 to \$1,082,940,256, funded with Hennepin County transportation sales and use tax funds, and that the Controller be authorized to transfer and disburse funds as directed; and

BE IT FURTHER RESOLVED, that the 2025 Hennepin County Transportation Sales Tax Fund (Fund 26) revenue budget be increased by \$49,781,140, using restricted fund balance, and that an interfund revenue transfer in the amount of \$90,047,888 to the capital project fund (Fund 51) be authorized, and that the Controller be authorized to transfer and disburse funds as directed; and

BE IT FURTHER RESOLVED, that the Hennepin County Board approvals herein do not waive any obligations of the Metropolitan Council under any relevant agreement.

Background:

Through Resolution 17-0207, adopted on June 13, 2017, the County approved the assumption of certain unpaid funding commitments for the METRO Green Line Extension Light Rail Transit Project (CP 1005876) ("Project"), the assumption of the 2017 Capital Grant Agreement (Counties Transit Improvement Board #01-2017-01/Met Council #171007) ("CTIB Grant Agreement") with the Metropolitan Council ("Council") for the Project, and the imposition of the 0.5% Hennepin County transportation sales and use tax and \$20 motor vehicle excise tax that are the primary sources of funds for Hennepin County contributions to the Project. Through these and other actions, Hennepin County agreed to take responsibility for the remainder of the 30% share of project funding formerly committed by the Counties Transit Improvement Board ("CTIB") and the remainder of the 10% share formerly anticipated from the State of Minnesota. The Hennepin County Regional Railroad Authority ("HCRRA") provided funding for the Project, as well, under separate grant agreements.

On May 31, 2018, the County adopted Resolution 18-0222, committing County funding to the Project in an amount up to \$592,953,000, in addition to the CTIB contribution. Resolution 18-HCRRA-0027, adopted on May 31, 2018, committed HCRRA funding in an amount up to \$199,548,000. On November 15, 2018, the

County adopted Resolution 18-0500, committing funding of up to \$200.3 million, in addition to the funds committed in Resolution 18-0222, to cover potential cost increases or funding shortfalls. (Resolution 18-0500 was subsequently revised by Resolution 19-0220, adopted May 20, 2019.)

Also, on November 15, 2018, the County adopted Resolution 18-0499, which among other actions authorized negotiation of a new grant agreement with the Council and HCRRA, Agreement PR00000689 (“Capital Grant Agreement”), to replace the amended CTIB Grant Agreement and to be the sole funding source for all Project activities through the end of August 2019. On the same day, HCRRA adopted Resolution 18-HCRRA-0056, likewise authorizing the negotiation of the Capital Grant Agreement to replace the existing HCRRA grant agreement.

The Capital Grant Agreement was then negotiated and executed, with a not to exceed amount of \$434,901,943 in total funds from the County (up to \$347,921,554) and HCRRA (up to \$86,980,389). The funded activities included civil construction work authorized by the FTA, any pre-award authority activities requiring and receiving prior approval by the Hennepin County and HCRRA boards, and ongoing overhead expenses and other professional services related to the Project.

The Capital Grant Agreement has since been amended 11 times. Each time, HCRRA likewise approved negotiation of the same amendment on the same day as the County Board’s approval. The amendments were as follows:

- Amendment 1 extended the term through September 30, 2019. (Resolution 19-0363)
- Amendment 2 extended the term through March 31, 2020, increased the maximum grant amount to \$553,456,897, and made other contract changes. (Resolution 19-0368)
- Amendment 3 extended the term through June 30, 2020, and increased the maximum grant amount to \$602,795,681. (Resolution 20-0089R1)
- Amendment 4 extended the term through August 31, 2020, and increased the maximum grant amount to \$677,765,449. (Resolution 20-0236)
- Amendment 5 extended the term through November 30, 2020. (Resolution 20-0321)
- Amendment 6 extended the term through January 31, 2022. (Resolution 20-0456)
- Amendment 7 extended the term through June 30, 2022, and increased the maximum grant amount to \$878,080,704. (Resolution 21-0297)
- Amendment 8: extended the term through December 31, 2022. (Resolution 22-0237)
- Amendment 9: extended the term through June 30, 2023, and increased the maximum grant amount to \$978,080,704. (Resolution 22-0538)
- Amendment 10: extended the term through January 31, 2024, with no increase to the maximum grant amount. (Resolution 23-0244)
- Amendment 11: extended the term through January 31, 2025, and increased the maximum grant amount to \$1,078,080,704 (Resolution 24-0030R1)

Current Request: This Resolution seeks authorization to negotiate Amendment 12 to the Capital Grant Agreement, to extend the term of the grant to December 31, 2028, and to increase the maximum grant amount by \$90,047,888 for a new maximum grant amount of \$1,168,125,592. Of this maximum grant amount, \$126,553,775 was provided by HCRRA, and \$1,041,571,817 will be provided by the County. This Resolution would also increase the 2025 Capital Budget by \$90,294,640 for CP 1005876 to provide for the use of \$90,047,888 in additional county transportation sales and use tax funds pursuant to the new Amendment 12.

Through October 31, 2024, Hennepin County has paid approximately \$826 million towards its funding commitment, including \$40.2 million contributed under other agreements between the County and the Council. HCRRA has paid its full commitment of approximately \$199.5 million, including \$72.9 million contributed under other agreements between HCRRA and the Council. In addition to the funds contributed by Hennepin County

24-0514

and HCRRA, the Project budget also includes approximately \$1.3 billion in federal funding; \$218.0 million from CTIB, which has been fully paid to the Project; and certain other smaller funding sources.

Impact/Outcomes: Approval of this request will allow for construction activities for the METRO Green Line Extension.

This action supports the county's disparity reduction efforts by investing in transportation infrastructure that reduces climate impacts and gives people transportation choices and access to housing, jobs, schools, medical facilities, and other destinations of choice.

Recommendation from County Administrator: Recommend Approval

MINNESOTA

Board Action Request

24-0522

Item Description:

Neg Subordinate Funding Agreement A2412571 with Metropolitan Council for inspection support services for the METRO Green Line LRT Project, 01/01/25-12/31/25, est rev (\$226,317)

Resolution:

BE IT RESOLVED, that the County Administrator be authorized to negotiate Subordinate Funding Agreement A2412571 with the Metropolitan Council for the reimbursement of dedicated county staff costs incurred for the METRO Green Line Light Rail Transit Project (CP 1005876) in the areas of construction inspection and other related tasks, during the period January 1, 2025, through December 31, 2025, with an estimated receivable amount of \$226,317; that following review and approval by the County Attorney's Office, the Chair of the Board be authorized to sign the agreement on behalf of the county; and that the Controller be authorized to accept and disburse funds as directed.

Background:

The Hennepin County Board of Commissioners authorized Master Funding Agreement A142418 with the Metropolitan Council as an umbrella agreement to provide for activities performed by the county in connection with and in support of the METRO Green Line Extension (Southwest) Light Rail Transit Project (Resolution 14-0515). The Master Funding Agreement requires negotiation and execution of subordinate funding agreements for all county project activities.

Pursuant to that Master Funding Agreement, the board subsequently authorized a series of subordinate funding agreements with Metropolitan Council, each of which reimbursed the county for dedicated staff costs for the METRO Green Line Extension project in a given year:

- Agreement A199488 for fiscal year 2019, receivable of \$783,028 (Resolution 19-0061)
- Agreement A1910056 for fiscal year 2020, receivable of \$399,101 (Resolution 20-0022)
- Agreement A2010388 for fiscal year 2021, receivable of \$410,652 (Resolution 20-0455)
- Agreement A2111083 for fiscal year 2022, receivable of \$417,352 (Resolution 22-0014)
- Agreement A2211487 for fiscal year 2023, receivable of \$423,007 (Resolution 22-0492)
- Agreement A2311981 as amended for fiscal year 2024, receivable of \$233,012 (Resolutions 23-0461 and 24-0340)

This resolution would similarly authorize negotiation and execution of an agreement to reimburse the county for dedicated staff costs incurred for the project during the period January 1, 2025, through December 31, 2025. County staff assigned will provide services related to construction, inspection, and oversight of the project. The Metropolitan Council will reimburse the county for professional staff costs, based on actual payroll records and in accordance with the positions authorized. Staff costs will be reimbursed at each employee's actual rate of pay, plus usual and customary labor overhead additives and equipment fees, per Exhibit A of the Agreement.

Current Request: Authorization to negotiate and execute Subordinate Funding Agreement A2412571 with the Metropolitan Council during the period January 1, 2025, through December 31, 2025, with an estimated receivable amount of \$226,317.

Impact/Outcomes: This action supports the county's disparity reduction efforts by investing in transportation infrastructure that reduces climate impacts and gives people transportation choices and access to housing, jobs, schools, medical facilities, and other destinations of choice.

Recommendation from County Administrator: Recommend Approval