

## Legislation Text

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**File #:** 23-0287, **Version:** 1

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### **Item Description:**

Various agmts related to METRO B Line along Lake St and Lagoon Ave (phase two) (CP 2193300); amend project budget; (est county cost: \$16,000,000 Federal Aid, \$6,525,910 State Aid; (recv) \$5,488,205)

### **Resolution:**

BE IT RESOLVED, that the County Administrator be authorized to negotiate Amendment 1 to Agreement PW 33-67-22 with the Metropolitan Council (Met Council, Agreement 22I046), adding county cost participation for multimodal improvements along County State Aid Highway (CSAH) 3 (Lake Street) from France Avenue to 21st Avenue and CSAH 43 (Lagoon Avenue) from East Bde Maka Ska Parkway to Dupont Avenue as part of the METRO B Line Project (phase two), county project (CP) 2193300, and increasing the estimated cost to \$27,403,628; that upon 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 County Administrator be authorized to negotiate Amendment 1 to Agreement PW 48-20-22 with the City of Minneapolis, adding cost participation in multimodal improvements along Lake Street from France Avenue to 21st Avenue and Lagoon Avenue from East Bde Maka Ska Parkway to Dupont Avenue as part of the B Line Project (phase two), CP 2193300, and increasing the estimated county receivable to \$5,488,205 to be received into the capital budget; that upon 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 receive and disburse funds as directed; and

BE IT FURTHER RESOLVED, that the County Administrator be authorized to negotiate Agreement PW 37-40-23 with the Minnesota Department of Transportation (MnDOT) and the United States Department of Transportation (USDOT) for the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program for CP 2193300, in the amount of \$12,000,000; that upon 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 receive and disburse funds as directed; and

BE IT FURTHER RESOLVED, that the County Administrator be authorized to negotiate Agreement PW 41-40-23 with MnDOT, authorizing the Commissioner of Transportation to act as Hennepin County's agent in accepting federal funds on its behalf for the multimodal improvements along Lake Street and Lagoon Avenue as part of the B Line Project, CP 2193300, (S.A.P. 027-603-077; S.A.P. 027-643-003), in the amount of \$12,000,000; that upon 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; and

BE IT FURTHER RESOLVED, that pursuant to Minnesota Statutes, §161.36, the Commissioner of Transportation be appointed as agent of Hennepin County to accept federal funds which may be available for CP 2193300; and

BE IT FURTHER RESOLVED, that the revenues for CP 2193300 be adjusted to add \$16,000,000 in Federal Aid (consisting of a \$12,000,000 RAISE grant, \$2,000,000 in Highway Safety Improvement Program (HSIP) funds, and \$2,000,000 in Regional Solicitation funds), \$185,808 in State Aid and \$254,694 in cost participation

from the City of Minneapolis; that the project budget for CP 2193300 be increased by \$16,440,502 from \$6,683,600 to \$23,124,102 as part of the 2023 Capital Budget; and that the Controller be authorized to accept and disburse funds as directed; and

BE IT FURTHER RESOLVED, that the sponsorship and acceptance of grant funding for this program by the Hennepin County Board of Commissioners does not imply a continued funding commitment by the county for this program when grant funds are no longer available.

**Background:**

The Met Council, in collaboration with Hennepin County and City of Minneapolis, is leading a two-phased multimodal improvement project along Lake Street and Lagoon Avenue as part of the B Line Project. The B Line is a bus rapid transit line that will provide faster and more reliable transit service in the Route 21 corridor.

The Met Council is also leading public engagement via social media, email, and mail.

The county previously entered into Agreement PW 33-67-22 with the Met Council for an estimated county cost of \$6,383,600 and Agreement PW 48-20-22 with Minneapolis for an estimated county receivable of \$2,064,520 for the B Line project (Resolution 23-0018). The proposed amendments to these agreements will address phase two of the project. Additionally, after phase one went to bid and construction started, staff determined that Minneapolis' cost participation would increase by \$254,694 and would be paid through the existing Agreement PW 48-20-22.

The county applied for and was awarded \$12 million in RAISE grants, \$2 million in HSIP funds, and \$2 million in Regional Solicitation funds for CP 2193300. Agreements PW 37-40-23 with MnDOT and USDOT, and PW 41-40-23 with MnDOT, will allow the county to receive federal funding for the project.

Project financing will be provided by CP 2193300, Metro Transit B Line - Additional Scope, with expenses tracked in its associated subprojects CP 2193301 (phase one) and CP 2193302 (phase two). Phase one construction began spring 2023, and phase two is planned to begin in 2024 with substantial completion in fall 2024.

**Current Request:** This request seeks authorization to negotiate and execute the following amendments and agreements as part of the METRO B Line Project, CP 2193300:

- Amendment 1 to PW 33-67-22 with Met Council for county participation in phase two of the project, estimated at \$27,403,628.
- Amendment 1 to PW 48-20-22 with Minneapolis for city participation in phase two of the project, estimated at \$5,488,205 (to be received into the county's capital budget). Upon project completion, the city will maintain the improvements consistent with the current city/county maintenance agreement.
- Agreement PW 37-40-23 with MnDOT and USDOT for RAISE grants in the amount of \$12,000,000.
- Agreement PW 41-40-23 authorizes the Commissioner of Transportation to act as the county's agent in accepting the RAISE grants on its behalf and allows the county to receive the \$12,000,000 for the project.

Additionally, the request seeks the following authorization for CP 2193300:

- Adjust the budget for CP 2193300 to receive \$16,000,000 in Federal Aid, \$185,508 in State Aid and \$254,694 in cost participation from the City of Minneapolis, increasing the project budget for CP 2193300 by \$16,440,502 from \$6,683,600 to \$23,124,102 as part of the 2023 Capital Budget.

**Impacts/Outcomes:** This action supports the county's Mobility 2040 goals, climate action, and disparity reduction efforts by improving accessibility and enhancing safety for multi-modal transportation users along Lake Street and Lagoon Avenue.

Budget table: CP 2193300 Metro Transit B Line - Additional Scope

	Budget to Date	Current Request	Future CIP Requests	Total Project
<b>Revenues:</b>				
Property Tax	500,000			500,000
County Bonds			1,500,000	1,500,000
Mn/DOT State Aid Regular	1,160,000	<b>185,808</b>	5,675,907	7,021,715
Federal	919,080	<b>16,000,000</b>		16,919,080
Wheelage Tax	1,800,000			1,800,000
Minneapolis	2,304,520	<b>254,694</b>	4,192,850	6,752,064
Total	6,683,600	<b>16,440,502</b>	11,368,757	34,492,859
<b>Expenditures:</b>				
Right of Way	200,000		(200,000)	0
Construction	3,653,000	<b>16,444,766</b>	5,250,000	25,347,766
Consulting	2,616,620	<b>(409,504)</b>	2,068,757	4,275,873
Contingency	213,980	<b>405,240</b>	4,250,000	4,869,220
Total	6,683,600	<b>16,440,502</b>	11,368,757	34,492,859

**Recommendation from County Administrator:** Recommend Approval