



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

Board of County Commissioners

Supplemental
Legislative Analysis

May 17, 2011
9:30 A.M.
Commission Chamber

Charles Anderson, CPA
Commission Auditor
111 NW First Street, Suite 1030
Miami, Florida 33128
305-375-4354

**Miami-Dade County Board of County Commissioners
Office of the Commission Auditor**

**Miami-Dade County Board of County Commissioners
Meeting Agenda**

**Supplemental
Legislative Analysis**

May 17, 2011

These analyses are in addition to those attached to the BCC agenda kit.

Item Number(s)

8Q1A
8Q1B

Acknowledgements:

Bia Marsellos, Legislative Supervisor
Michael Amador-Gil, Senior Legislative Analyst
Mia Marin, Legislative Analyst
Elizabeth Owens, Legislative Analyst

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR



Legislative Notes

Agenda Item: 8(Q)1A and 8(Q)1(B)
File Number: 110916 and 110985
Committee(s) of Reference: Board of County Commissioners
Date of Analysis: May 6, 2011
Type of Item: Resolution
District: 5

Summary

These resolutions approve the following:

- **Item 8(Q)1(A) (Legistar Item No. 110916)**- Authorize the execution of a Joint Participation Agreement (JPA) between Miami-Dade County (County) and the City of Miami (City) to conduct a study of rail crossings as required under the United States Department of Transportation National Infrastructure Discretionary Grant Program Agreement (TIGER II Grant Agreement); and
- **Item 8(Q)1(B)-(Legistar Item No. 110985)**- Authorize the execution of a Rail Improvement Grant and Limited Assumption Agreement between the County and the Florida East Coast Railway (FEC) relating to the Tiger II Grant Agreement.

Background

The United States Department of Transportation (U.S. DOT) is authorized to award \$600 million in TIGER II Grant funds and is included in the U.S. DOT 2010 Appropriation. On October 15, 2010, U.S. DOT announced its intent to award the Port of Miami (POM) \$22.767 million dollars in TIGER II grant funds to rehabilitate the existing Port rail lead, repair its bascule bridge, and construct an efficient high capacity on-Port intermodal rail facility (POM Intermodal and Rail Reconnection Project).

According to the U.S. DOT website, TIGER II grants were awarded to projects that have a significant impact on the nation, a region or metropolitan area. Furthermore, the projects awarded TIGER II grant funds demonstrate their ability to contribute to the long term economic competitiveness of the nation, improve the condition of existing transportation facilities and systems, increase energy efficiency and reducing greenhouse gas emission, improve the safety of U.S transportation facilities and/or enhance the quality of living and working environments of communities through increased transportation choices and connection.

TIGER II Grant Application for POM Intermodal and Rail Reconnection Project

Based on the TIGER II grant application, the portion of the Intermodal and Rail Reconnection project being funded by the TIGER II Grant entails three principle On-Port improvements:

- Bascule Bridge: the rehabilitation of the non-operational bascule bridge connecting the POM to the mainland;
- Rail Lines and Gantry System: Construction of the on-port lines and gantry system. This portion of the project will include by-pass rail sliding and required equipment for the on-port intermodal facility
- Intermodal Apron: Construction of an intermodal apron running parallel to the full length of the tracks.

POM Intermodal and Rail Reconnection Project Budget Figures

Tiger II Grant Construction Cost for On-Port Elements is as follows:

Bridge Reconstruction	\$3,500,000
Port Intermodal Rail Line Tracks and Gantry System	\$9,567,000
Port Rail Intermodal Apron	\$12,000,000
Total (On-Port Improvement Costs)	\$25,067,000

Funding Sources: TIGER II Grant \$22,767,000; POM \$2,300,000.

Cost for Off-Port Elements is as follows:

Reconstruction and Relocation of FEC Port Lead and Construction of Southwest Connection at Little River FEC Hialeah Rail Yard Track	\$21,840,800
Reconfiguration and Improvements	\$2,400,000
Total (Off-Port Improvement Costs)	\$24,240,800

Funding Sources: FEC \$21,840,800; POM \$2,400,000.

Total Combined On-Port and Off-Port Cost for the POM Intermodal Rail Reconnection Project

Total (On-Port Improvement Costs)	\$25,067,000
Total (Off-Port Improvement Costs)	\$24,240,800
Total Project Cost On and Off Port	\$49,307,800

Rail Improvement Grant and Limited Assumption Agreement between County and FEC-Item 8(Q)1(B)

On March 15, 2011, the Board of County Commissioners (BCC), through R-188-11, passed an Assumption Agreement between the County and FEC, on an emergency basis, to avoid Congress to “sweep back” various federal grants that were either unspent or not yet awarded.

The Limited Assumption Agreement, being proposed through this resolution, Legislative No. 110985, will supersede the agreement approved through R-188-11. According to POM staff, the agreement provided in R-188-11 was limited in detail but served as the instrument to secure the Tiger II grant funds. The proposed agreement will commit the County to funding up to \$2.4 million (Capital Asset Bond Funds) in intermodal improvements in the FEC Hialeah Rail Yard; however this commitment is contingent upon the FEC first completing \$22 million in required off-Port construction under the TIGER II Grant Agreement. Additionally, the agreement contains provisions concerning its expiration, early termination and FEC liability cap reduction upon FEC completion of projects. According to the County Manager’s memo, the provisions of the TIGER II Grant Agreement, the Port may not draw funds or incur expenses until the County executes an Assumption Agreement with the FEC.

JPA between Miami-Dade County and the City of Miami (City) for Study-Item 8(Q)1(A)

This JPA will fund and authorize the City to conduct a Quiet Zone Study (Study) of 18 rail crossings for the purpose of making safety improvement and noise reductions. The Study is estimated to cost \$149,933 and is funded by the County (\$99,418) and the City (\$50,515). The Quiet Zone is a safety element of the Port Lead which is a component of the POM Intermodal and Rail Reconnection Project included in the TIGER II Grant application. As part of the Port Lead design, the FEC will construct Quiet Zones at each street rail grade crossing. Quiet Zones are sections of the railroad corridor where train crews do not have to sound the horn at railroad crossings. The cost to create a Quiet Zone depends on the existing infrastructure at each crossing and how much infrastructure improvements are required for each. The average cost of implementing a Quiet Zone can range from \$300,000-\$500,000.

The Florida Department of Transportation (FDOT) and FEC has committed a total of \$9 million for the implementation of the results of the Quiet Zones Study. According to POM staff, if the project cost goes beyond the \$9 million, FEC is still responsible for performing the work and no County funding will be used for its implementation.

Questions

In response to questions posed by the Office of Commission Auditor (OCA), POM staff provided the following information:

- Is the JPA with the City of Miami (Legislative item No. 110916) a companion item to the Rail Improvement Grant/Limited Assumption Agreement (Legislative item No. 110985) listed in the May 11, 2011, Economic Development and Social Services Committee Agenda? *The JPA with the City is one of the associated TIGER II-related contracts. The JPA is a stand-alone item, but it makes sense that the FEC and City items are brought up and discussed together.*
- How was it determined that the County would contribute \$99K and the City \$50K for the Quiet Zone study? *In exchange for receiving 100% of federal funds (not sharing with the FEC), County agreed to contribute to the Off-Port project element.*
- The Rail Improvement Grant/Limited Assumption Agreement item mentions that these agreements are part of several agreements necessary for full implementation of the Port of Miami Intermodal and Rail Reconnection Project, what are the other agreements? Do the other agreements provide for the County to make additional funding commitments? If so, how much? *Unless the project increases in cost, there are no more items planned to be presented to the BCC that will obligate the County or Port to further costs. The County is obligated for \$100K in the City JPA; \$2.4M in the FEC Assumption Agreement; and \$2.3M for equipment to be purchased under TIGER II Agreement with US DOT. The \$2.5M FEC amount is reduced by \$100K (Quiet Zone Study contribution by the County) to \$2.4M since FEC cannot be a direct sponsor under federal regulations of the Quiet Zone Study. See chart below.*

Rail Improvement Grant and Limited Assumption Agreement Figures			
	Port	FEC	
Funding Sources	Rail	Rail	TOTAL
TIGER II	\$22,767,000		\$22,767,000
FDOT		\$10,900,000	\$10,900,000
FEC		\$10,900,000	\$10,900,000
Port	\$2,300,000	\$2,500,000	\$4,800,000
City of Miami		\$50,000	\$50,000
TOTAL	\$25,067,000	\$24,350,000	\$49,417,000

Source: POM

- Have there been studies conducted relating to Intermodal Rail Reconnection Project? *There were no formal studies concerning this project. A public outreach effort was conducted by the FEC using URS Corporation, which was part of the TIGER II Grant application process.*
- How much public involvement has the public had? Were there public meetings held and feedback obtained from the various homeowner associations pertaining to this project and its impact to the surrounding community? *The project had letters of support from the County, City, Downtown Development Authority (DDA), MPO, unions, major vessel operators, and numerous elected officials. The public involvement process was rather substantial and it was called a 'Community Awareness Plan.' The Community Awareness Plan identified the techniques to be used to engage the public, local government, and key stakeholders in the Florida East Coast (FEC) Railway Corridor project. The Community Awareness Plan provides a schedule of community awareness activities and identified stakeholders and various techniques by which they would be notified about the project and any scheduled meetings.*

- How old is the Intermodal and Rail Reconnection Project? *This project, as configured, was developed in mid-2010 during the TIGER II Grant application process.*
- What are the projected Operation and Maintenance costs to the County for this project? *The Off-Port rail is FEC responsibility. The On-Port rail will be a future agreement to be brought to the Board.*
- Have hours of operation for the trains been established? Will it be limited to nighttime operation hours? *The commitment to the City and DDA was that hours of operations will be determined working with the stakeholders. The system was specifically designed for the downtown environment – short trains no longer than ½ mile moving at speeds between 10 and 30 miles an hour to clear intersections quickly. Presumption is that there will be 2 black-out periods of 2 hours each during morning and evening rush hours.*

Prepared by: Mia Marin