

Committee Report

Transportation Committee



Committee meeting date: February 23, 2026

For the Metropolitan Council: February 25, 2026

Business Item: 2026-33SW

METRO Blue Line Extension – Master Utility Agreement (“MUA”) #24M045 with Northern States Power Company

Proposed action

That the Metropolitan Council authorize the Regional Administrator to execute a Master Utility Agreement #24M045 with Northern States Power Company to allow for reimbursement of compensable utility relocation costs that conflict with the METRO Blue Line Extension, in an amount not to exceed \$18,600,000.

Summary of Transportation Committee discussion/questions

Blue Line Extension Project Director Alicia Vap presented this item. There were no questions from committee members.

Motion by Osman, seconded by Chamblis.

CM Johnson asked about contingency plans for potential funding for contracts.

Motion carried.



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District(s), member(s):	District 2 (Chamblis), District 7 (Osman), District 8 (Cameron)
Policy/legal reference:	FM 14-2 Expenditures for the Procurement of Goods, Services and Real Estate Policy
Staff prepared/presented:	Lesley Kandaras, General Manager, 612-349-7513 Nick Thompson, Deputy General Manager, 612-349-7507 Alicia Vap, Blue Line Ext. Project Director, 612-349-7079 Annie Xiong, Blue Line Ext. Agreements Lead, 651-602-1996
Division/department:	Metro Transit – Blue Line Extension Project Office (BPO)

Proposed action

That the Metropolitan Council authorize the Regional Administrator to execute a Master Utility Agreement #24M045 (“MUA”) with Northern States Power Company (“NSP”) to allow for reimbursement of compensable utility relocation costs that conflict with the METRO Blue Line Extension, in an amount not to exceed \$18,600,000.

Background

The METRO Blue Line Extension Project (“Project”) is located in Hennepin County and extends from downtown Minneapolis to the northwest, serving the communities of Minneapolis, Robbinsdale, Crystal, and Brooklyn Park. The Project provides transit improvements in the heavily traveled northwest corridor of the Twin Cities. NSP (also known as Xcel Energy) owns and operates utility facilities within the Project limits.

The MUA establishes a framework to reimburse NSP for utility work required for the Project. Utility work includes design, relocation, removal, replacement, modification, or reinstallation of NSP utility facilities where NSP holds compensable real property interests. All compensable utility work will be described in detail in work orders issued under the MUA. The MUA model was established on prior Council projects and approved by the FTA.

This MUA is a necessary contractual mechanism to reimburse NSP for compensable utility relocations needed for the Project.

Rationale

Council Policy requires agreements valued at greater than \$2,000,000 be approved by the Council.

Thrive lens analysis

On Feb 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive

MSP 2040. Under the thrive lens, investment in high-quality transportation options will advance the Thrive outcome of prosperity by making the region more economically competitive through increased workers' access to employment, and support to employers by increasing available workforce with affordable, convenient transportation.

The Project advances the Equity outcome by distributing transit resources throughout the region and improving access to jobs, educational opportunities, and health services to diverse communities.

Advancing the Project addresses the Livability outcome by increasing access to transit connections to the greater METRO system, including current and planned light rail and bus rapid transit lines, for communities in the region.

By laying the foundation for a productive partnership between agencies, this agreement with NSP Company will increase the Council's ability to carry out its principle of working collaboratively.

Funding

Funding for this MUA is provided through the Capital Grant Agreement #221038 with Hennepin County and Hennepin County Regional Railroad Authority and incorporated into the Council's Authorized Capital Budget under Project #61403.

Small business inclusion

Due to the requirements of the Interim Final Rule issued by the USDOT on October 3, 2025, no DBE goal will be assigned to this Agreement.

