

# Committee Report

Management Committee



**Committee Meeting Date:** December 14, 2022

**For the Metropolitan Council:** Dec 21, 2022

## Business Item: 2022-337 JT

METRO Green Line Extension – 2022 Budget Amendment

### Proposed Action

That the Metropolitan Council authorizes the 2022 Unified Budget as indicated and in accordance with the tables.

### Summary of December 12, 2022, Transportation Committee Discussion/Questions:

Metro Transit Deputy General Manager Capital Programs Nick Thompson and Finance Director Ed Petrie presented this item. Several Council members thanked staff for the presentation and being forthcoming with the information and the work they've done to come to an agreement with our partners. Council members stated the importance of this project and how this investment will be around for generations to come. Fredson stated that utilizing some of the leftover monies from other projects illustrates most of our projects get completed on time and under budget and that we need substantial structural changes in transportation funding in the state. Gonzalez asked if the CRRSAA funding was already earmarked for other projects. Petrie responded that no, these funds weren't itemized to specific projects and Metro Transit General Manager Wes Kooistra added that the effect of using these funds brings the deficit into 2026 instead of 2027.

Motion by Cummings, seconded by Chamblis. Motion carried.

### Summary of December 14, 2022, Management Committee Discussion/Questions:

There were no questions or comments

Motions:

2022-337 JT: It was moved by Barber, seconded by Lee; Motion carried

# Business Item

Management Committee



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METRO Green Line Extension – 2022 Budget Amendment

<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	MN Statutes Section 473.13, Subd. 1
<b>Staff Prepared/Presented:</b>	Wes Kooistra, General Manager, Metro Transit 612-349-7510 Nick Thompson, Deputy GM Capital Programs 612-349-7507 Edwin D. Petrie, Director of Finance, Metro Transit 612-349-7624
<b>Division/Department:</b>	Transportation

### Proposed Action

That the Metropolitan Council authorizes the 2022 Unified Budget as amended as indicated and in accordance with the attached table.

### Background

This budget amendment will include changes to the 2022 Metro Transit capital budget.

These proposed amendments were reviewed and approved by the Transportation Committee on December 12, 2022.

### Capital Component of the 2022 Unified Budget

#### Transportation

Southwest Light Rail Transit Project – 61001

In January 2022, the Council identified unexpected cost and schedule challenges for the METRO Green Line Extension that would require additional project funding and revised opening date.

Since that time, the project team has worked with the Civil Construction contractor to re-sequence construction and agree on a new construction schedule.

The Council and Hennepin County have been working together to propose additional funding to complete the project. This amendment represents a partial funding solution that will be considered by the respective governing bodies.

This amendment adds \$111,000,000 of Council federal funds to the Capital Improvement Plan for the Metro Green Line extension federal new starts rail project. This includes \$100,000,000 of Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) Federal Funds and \$11,000,000 in Federal funding that is available after closing out of existing federally funded projects with approval of the Federal Transit Administration (FTA).

The Metropolitan Council has already been awarded the CRRSAA funds and they have been executed in an FTA Grant (Grant MN-2021-015-00). The CRRSAA funds inclusion in the METRO Green Line Extension Project is contingent upon subsequent amendment of the FTA grant and are not available until the grant has been amended with the FTA. With FTA approval, an additional

budget amendment will come to the Council for approval to amend and recognize these funds into the Authorized Capital Program. The \$11,000,000 is accounted for in the existing authorized capital program and will be moved to the METRO Green Line Extension Project when projects close out and have been approved by the FTA. Including these federal funds from project close outs in the METRO Green Line Extension Project are contingent upon subsequent amendments of the FTA grants and will come to the Council with an additional budget amendment approval to move these funds into the METRO Green Line Extension Project.

As part of the proposed funding solution, the Hennepin County Board will consider action to increase their local contribution to the METRO Green Line Extension Project by \$100,000,000. These funds will be recognized through an amendment to the Metropolitan Council County Grant Agreement (Contract No. 18I094) to be considered by the Hennepin County Board on December 15th, 2022.

If the County acts to increase local funding for the project, these funds will be brought forward as an amendment to this business item for the December 21st Committee of the Whole meeting in order to reflect the addition of local funds from Hennepin County and the amendment and extension of Contract No. 18I094. The total budget increase of \$211M for consideration will increase the total project budget to \$2.495B.

This project is identified in the CIP. With approval of this action and action by the Hennepin County Board, the Capital Program will increase by \$211 million to reflect the new spending forecast for the project. This increase will allow construction of the project to continue into 2024. The project will continue to manage expenditures and seek additional funding to fulfill budget needs that were identified in 2022 through options in reducing budget in various expense areas such as financing and cost controls, and by working with our funding partners.

## Rationale

Due to the additional time necessary to complete the Project, the funds contained in the Project contingency budget will not be sufficient to complete the Project. The amendment is needed to replenish Project contingency to continue construction.

## Thrive Lens Analysis

Successful completion of the METRO Green Line Extension will advance the following Thrive MSP 2040 outcomes:

**Stewardship:** Transit investment provides an opportunity to reinvest and grow the capacity of our communities, with more inclusive development and intentional investment. It encourages businesses to invest in communities, which means access to resources, community amenities, jobs, and other community assets.

**Equity:** Connections to other METRO lines and countless local bus routes will bring people to jobs, jobs to communities, and returns to communities across the region.

**Livability:** The METRO Green Line Extension will add 14.5 miles to the existing Line, which connects downtown Minneapolis, downtown Saint Paul, and places in-between. This segment connects Eden Prairie, Minnetonka, Hopkins, and St. Louis Park to both downtown Minneapolis and Saint Paul, and major destinations at the University of Minnesota and the State Capitol.

**Prosperity:** The METRO Green Line Extension reflects strategic investment in regional infrastructure that will promote economic competitiveness and create prosperity for the region. Despite being under construction, the METRO Green Line Extension has already seen more than \$1.6 billion of investment within a half-mile of the line. Another \$500 million in investment is planned.

**Sustainability:** As many as 700,000 more people will be living, working, and moving around the Twin Cities region by 2040. As a result, a robust transportation system is needed to provide the region choices and more mobility.

**Prosperity:** The METRO Green Line Extension reflects strategic investment in regional



infrastructure that will promote economic competitiveness and create prosperity for the region.

**Funding  
Capital:**

This project is identified in the CIP.

**Attachments:**

Table 9: 2022 Transportation Capital Program – Amended December 21, 2022  
Transportation Committee Business Item – December 12, 2022





Light Rail Vehicles	1,400	-	1,400	-	-	-	-	-	-	-	1,400
Metro Blue Line (Hiawatha Corridor)	909	-	909	-	300	150	150	150	384	1,134	2,043
Technology Investments	58,312	-	58,312	(321)	6,795	6,787	6,487	6,457	4,806	31,012	89,324
<b>TOTAL Technology Improvements</b>	<b>60,622</b>	<b>-</b>	<b>60,622</b>	<b>(321)</b>	<b>7,095</b>	<b>6,937</b>	<b>6,637</b>	<b>6,607</b>	<b>5,190</b>	<b>32,146</b>	<b>92,768</b>
<b>Other Capital Equipment</b>											
Electrification Systems	-	-	-	-	-	-	-	-	-	-	-
Light Rail Projects	285	-	285	(235)	-	-	-	-	-	(235)	50
Light Rail Vehicles	2,921	-	2,921	-	-	-	-	-	-	-	2,921
Non-Revenue Vehicles	9,637	-	9,637	(2,487)	58	27	-	-	-	(2,402)	7,235
Northstar Commuter Rail	350	-	350	-	-	-	-	-	-	-	350
Other Capital Equipment	58,525	-	58,525	11,214	3,151	3,390	3,329	2,532	7,148	30,764	89,289
Police Facility	50	-	50	-	-	-	-	-	-	-	50
Repairs, Equipment and Technology	390	-	390	-	-	-	-	-	-	-	390
Support Facility	8,390	-	8,390	4,140	2,015	2,015	100	100	100	8,470	16,860
Technology Investments	7,500	-	7,500	-	-	-	-	-	-	-	7,500
<b>TOTAL Other Capital Equipment</b>	<b>88,048</b>	<b>-</b>	<b>88,048</b>	<b>12,632</b>	<b>5,224</b>	<b>5,432</b>	<b>3,429</b>	<b>2,632</b>	<b>7,248</b>	<b>36,597</b>	<b>124,645</b>
<b>Transitways - Non New Starts</b>											
Arterial Bus Rapid Transit (ABRT)	160,263	-	160,263	300	100	-	410	420	430	1,660	161,923
Commuter Rail Projects	2,714	-	2,714	-	-	500	500	500	750	2,250	4,964
Highway Bus Rapid Transit (HBRT)	401,895	-	401,895	251,668	-	-	-	-	-	251,668	653,563
Light Rail Projects	65,727	-	65,727	-	6,725	8,974	782	841	901	18,223	83,950
Light Rail Vehicles	-	-	-	-	-	-	-	-	-	-	-
Metro Blue Line (Hiawatha Corridor)	101,555	-	101,555	-	250	1,300	3,500	2,225	1,100	8,375	109,930
Metro Green Line (Central Corridor)	4,450	-	4,450	-	-	467	-	-	-	467	4,917
Other Capital Equipment	217	-	217	-	-	200	200	200	200	800	1,017
<b>TOTAL Transitways - Non New Starts</b>	<b>736,822</b>	<b>-</b>	<b>736,822</b>	<b>251,968</b>	<b>7,075</b>	<b>11,441</b>	<b>5,392</b>	<b>34,597</b>	<b>3,381</b>	<b>283,443</b>	<b>1,020,265</b>
<b>Federal New Starts Rail Projects</b>											
Metro Blue Line (Bottineau Boulevard)	196,113	-	196,113	1,275,028	-	-	-	-	-	1,275,028	1,471,141
Metro Blue Line (Hiawatha Corridor)	1,245	-	1,245	-	147	154	162	170	179	812	2,057
Metro Green Line (Central Corridor)	41,900	-	41,900	-	-	-	-	-	-	-	41,900
Metro Green Line (Southwest Corridor)	2,283,773	-	2,283,773	100,000	111,000	-	-	-	-	211,000	2,494,773
<b>TOTAL Federal New Starts Rail Projects</b>	<b>2,523,032</b>	<b>-</b>	<b>2,523,031</b>	<b>1,375,028</b>	<b>111,147</b>	<b>154</b>	<b>162</b>	<b>170</b>	<b>179</b>	<b>1,486,840</b>	<b>4,009,871</b>
<b>Total METRO TRANSIT Capital Program</b>	<b>4,184,559</b>	<b>-</b>	<b>4,184,559</b>	<b>1,693,494</b>	<b>287,587</b>	<b>144,959</b>	<b>164,529</b>	<b>120,598</b>	<b>88,130</b>	<b>2,468,887</b>	<b>6,653,446</b>

**METROPOLITAN COUNCIL  
CAPITAL PROGRAM  
TRANSPORTATION**

**TABLE 9**

(\$ in 000's)

	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)							ACP + CIP Combined
	2022 Current	Changes	2022 Amended	2022	2023	2024	2025	2026	2027	Total	
<b>METROPOLITAN TRANSPORTATION SERVICES</b>											
<b>Fleet Modernization</b>											
Big Buses	51,764	-	51,764	21,774	10,481	18,470	39,546	35,859	28,781	154,911	206,675
Non-Revenue Vehicles	136	-	136	113	81	129	167	185	53	728	864
Repairs, Equipment and Technology	6,091	-	6,091	3,000	3,000	3,000	3,000	3,000	3,000	18,000	24,091
Small Buses	66,315	-	66,315	359	14,284	24,905	17,709	35,502	26,016	118,775	185,090
<b>TOTAL Fleet Modernization</b>	<b>124,305</b>	<b>-</b>	<b>124,305</b>	<b>25,246</b>	<b>27,846</b>	<b>46,504</b>	<b>60,422</b>	<b>74,546</b>	<b>57,850</b>	<b>292,414</b>	<b>416,719</b>
<b>Support Facilities</b>											
Minnesota Valley Transit Authority	3,500	-	3,500	-	-	-	-	-	-	-	3,500
Support Facility	3,500	-	3,500	3,500	-	-	-	-	-	3,500	7,000
<b>TOTAL Support Facilities</b>	<b>7,000</b>	<b>-</b>	<b>7,000</b>	<b>3,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,500</b>	<b>10,500</b>
<b>Technology Improvements</b>											
Technology Investments	18,102	-	18,102	6,570	8,995	3,955	9,255	13,620	3,035	45,430	63,532
<b>TOTAL Technology Improvements</b>	<b>18,102</b>	<b>-</b>	<b>18,102</b>	<b>6,570</b>	<b>8,995</b>	<b>3,955</b>	<b>9,255</b>	<b>13,620</b>	<b>3,035</b>	<b>45,430</b>	<b>63,532</b>
<b>Other Regional Providers - Non Fleet</b>											
Maple Grove Transit	2,719	-	2,719	344	351	359	367	375	383	2,179	4,898
Minnesota Valley Transit Authority	10,250	-	10,250	1,728	1,766	1,805	1,845	1,885	1,927	10,956	21,206
Plymouth Transit	5,545	-	5,545	368	376	384	393	401	410	2,332	7,877
SouthWest Transit	2,594	-	2,594	735	751	768	785	802	820	4,661	7,255
University of Minnesota Transit	850	-	850	3,089	525	537	549	561	573	5,834	6,684
<b>TOTAL Other Regional Providers - Non Fleet</b>	<b>21,958</b>	<b>-</b>	<b>21,958</b>	<b>6,264</b>	<b>3,769</b>	<b>3,853</b>	<b>3,939</b>	<b>4,024</b>	<b>4,113</b>	<b>25,962</b>	<b>47,920</b>
<b>Transitways - Non New Starts</b>											
Transitways	6,141	-	6,141	-	-	-	-	-	-	-	6,141
<b>TOTAL Transitways - Non New Starts</b>	<b>6,141</b>	<b>-</b>	<b>6,141</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,141</b>
<b>Total MTS Capital Program</b>	<b>177,506</b>	<b>-</b>	<b>177,506</b>	<b>41,580</b>	<b>40,610</b>	<b>54,312</b>	<b>73,616</b>	<b>92,190</b>	<b>64,998</b>	<b>367,306</b>	<b>544,812</b>
<b>COMBINED</b>											
<b>Fleet Modernization</b>	433,831	-	433,831	72,201	166,740	144,034	164,566	142,888	121,589	812,018	1,245,849
<b>Support Facilities</b>	339,445	-	339,445	10,409	9,522	19,965	16,515	4,875	5,168	66,454	405,899
<b>Customer Facilities</b>	134,066	-	134,066	323	8,630	3,500	28,250	3,375	3,225	47,303	181,369

Technology Improvements	78,724	-	78,724	6,249	16,090	10,892	15,892	20,227	8,226	77,576	156,300
Other Regional Providers - Non Fleet	21,958	-	21,958	6,264	3,770	3,853	3,938	4,025	4,113	25,963	47,921
Other Capital Equipment	88,048	-	88,048	12,632	5,224	5,431	3,429	2,635	7,248	36,599	124,647
Transitways - Non New Starts	742,963	-	742,963	251,968	7,075	11,441	5,392	4,186	3,381	283,443	1,026,406
Federal New Starts Rail Projects	2,523,032	-	2,523,032	1,375,028	111,147	154	162	170	179	1,486,840	4,009,872
<b>TOTAL TRANSPORTATION</b>	<b>4,362,067</b>	<b>-</b>	<b>4,362,067</b>	<b>1,735,074</b>	<b>328,198</b>	<b>199,270</b>	<b>238,144</b>	<b>182,381</b>	<b>153,129</b>	<b>2,836,196</b>	<b>7,198,263</b>



# Business Item

Transportation Committee



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**Management Committee Date:** December 14, 2022

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METRO Green Line Extension – 2022 Budget Amendment

<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	2022 Unified Budget; MN Statutes Section 473.13, Subd. 1 – Council Budget Requirement Staff
<b>Staff Prepared/Presented:</b>	Wes Kooistra, General Manager, Metro Transit 612-349-7510 Nick Thompson, Deputy GM Capital Programs 612-349-7507 Edwin D. Petrie, Director of Finance, Metro Transit 612-349-7624
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### Proposed Action

That the Metropolitan Council authorizes the 2022 Unified Budget as amended and in accordance with the attached tables.

### Background

Southwest Light Rail Transit Project – 61001

In January 2022, the Council identified unexpected cost and schedule challenges for the METRO Green Line Extension that would require additional project funding and revised opening date.

Since that time, the project team has worked with the Civil Construction contractor to re-sequence construction and agree on a new construction schedule.

The Council and Hennepin County have been working together to propose additional funding to complete the project. This amendment represents a partial funding solution that will be considered by the respective governing bodies.

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close out and have been approved by the FTA. Including these federal funds from project close outs in the METRO Green Line Extension Project are contingent upon subsequent amendments of the FTA grants and will come to the Council with an additional budget amendment approval to move these funds into the METRO Green Line Extension Project.

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**Prosperity:** The METRO Green Line Extension reflects strategic investment in regional infrastructure that will promote economic competitiveness and create prosperity for the region.

## Funding

This project is identified in the CIP.

**Small Business Inclusion**

N/A

