

## Environment Committee

Meeting date: March 13, 2018

## Management Committee

Meeting date: March 14, 2018

For the Metropolitan Council meeting of March 28, 2018

**Subject:** Unified Budget Amendment – Regular Carry Forward

**District(s), Member(s):** All

**Policy/Legal Reference:** Council Admin Policy 3-1 and Procedure 3-1a / MN Statute 473.13-Council Budget Requirements, and 473.517- Wastewater fees and reserve authority

**Staff Prepared/Presented:** Matt Gsellmeier, 651-602-1802

**Division/Department:** MCES c/o Leisa Thompson, 651-602-8101

### Proposed Action

That the Metropolitan Council amend the 2018 Unified Operating Budget for wastewater operations to increase expenses by \$4,693,000.

### Background

These expenses were budgeted in 2017, but due to delays were not expended through the end of 2017 as authorized and are not included in the 2018 budget. These delays were caused by issues of scheduling, design, contracting and bidding, and parts availability. The expense amount includes:

- \$2,465,000 Targeted Stormwater Grants
- \$1,000,000 Green Infrastructure Grants
- \$816,000 Software refreshes & new tools (Hyper V, Wonderware, Liferay, Biological data tool)
- \$298,000 Capital Outlays for 4 Chevy Bolts and refresh of video conference equipment
- \$114,000 Variable Frequency Drive (VFD) install / replacement at Eagles Point

The Targeted Stormwater and Green Infrastructure Grant revenues have been received by MCES, and are currently reflected in the reserve. All of the remaining items meet the carryforward requirements such as having purchase orders in place, being over \$50,000, and having residual 2017 budget funds available. In addition, the remaining (non-grant) items will be spent in the first quarter of 2018.

### Rationale

This amendment authorizes expenses that management believes are necessary for MCES operations and maintenance, along with fulfilling grant obligations and commitments.

### Thrive Lens Analysis

This amendment advances financial stewardship by ensuring that proper investments are made for the operation and preservation of the Metropolitan Disposal System.

### Funding

The other expenses will be covered through wastewater reserves, which increased as these expenses were not incurred during 2017 and will not cause reserves to fall below the Council Target Reserve Balance level.

### Known Support / Opposition

None