

Management Committee

Meeting date: April 11, 2018

For the Metropolitan Council meeting of April 25, 2018

Subject: 2018 Budget Amendment – 1st Quarter

District(s), Member(s): All

Policy/Legal Reference: MN Statutes Section 473.13, Subd. 1

Staff Prepared/Presented: Paul Conery, Director of Budget and Operations (651-602-1374)

Division/Department: All

Proposed Action

That the Metropolitan Council authorizes the 2018 Unified Budget as indicated and in accordance with the attached tables.

Background

The first quarter unified budget amendment includes an amendment to the operating budget for the Transportation Division and Community development as well as amendments to the capital program for Transportation and Environmental Services.

These proposed first quarter amendments were reviewed and approved by the Transportation Committee on April 9th and by the Environmental Committee on April 10th. The Community Development Committee will review the proposed amendment on April 16th and any comments or concerns will be communicated to the Council.

Operating Component of the 2018 Unified Budget

Metro Transit

Change in Expenditures: (\$8,000,000) Revenues: \$1,900,000 Reserves: \$9,900,000

- Reducing \$8M in operating expenditures due to funding shortfalls in upcoming biennium and increasing revenues by \$1.9M from MNDOT to cover additional operating expenses incurred by the Crosstown Transportation Project.

Metropolitan Transportation Services

Change in Expenditures: \$1,100,000 Revenues: \$1,100,000 Reserves: \$0

- Additional funding from MNDOT to cover increase operating expenses incurred by the Crosstown Transportation Project.

Community Development – Passthrough Budget

Change in Expenditures: \$8,501,000 Revenues: \$0 Reserves: \$(8,501,000)

- Amendment to the Livable Communities passthrough budgets to reflect available uncommitted fund balances from 2017 and to make

the budget consistent with the 2018 Annual Livable Communities Fund Distribution Plan approved by the Council on March 28, 2018.

	Adopted	Proposed Change	Amended
Tax Base Revitalization Acct	\$5,250,000	\$2,750,000	\$8,000,000
Demonstration Account	11,499,000	4,801,000	16,500,000
Local Housing Incentives Acct	1,550,000	950,000	2,500,000
TOTAL	\$18,499,000	\$8,501,000	\$27,000,000

Capital Component of the 2018 Unified Budget

Community Development

Change in Authorized Capital Program (ACP) (\$15,645,377)
 Additions: \$931,482
 Reductions: (\$16,576,859)
 Change in Capital Improvement Plan (CIP): \$0
 Change in Capital Program (ACP+CIP): (\$15,645,377)
 Change in 2018 Capital Budget: \$931,482

Transportation

Change in Authorized Capital Program (ACP): \$9,235,169
 Additions: \$15,744,747
 Reductions: (\$6,509,578)
 Change in Capital Improvement Plan (CIP): (\$15,745,000)
 Reductions: (\$15,745,000)
 Change in Capital Program (ACP+CIP): (\$6,509,578)
 Change in 2018 Capital Budget: \$14,869,747

Rationale

The proposed amendment programs available federal, state, other, and regional funds to the Unified Budget to allow the Council to carry out its work plan and its long-term capital program.

Thrive Lens Analysis

- The Transportation Division amendments support the Stewardship and Prosperity outcomes by demonstrating a commitment to asset preservation, assessing future needs and through strategic investment in regional infrastructure
- The Community Development Division Livable Communities amendments support the Equity outcome by investing in a mix of housing affordability and producing or preserving more affordable housing along transit corridors.

- The Community Development Division Parks amendments address the Livability outcome by providing access to natural resources for healthy exercise.

Funding

Funding for the operating budget amendments come from new state funding and from available reserves above target fund balances.

Funding for the capital program amendments come from new federal, local funding and from available uncommitted regional bond authorizations.

The following table summarizes the regional transit bonding authority committed to authorized projects. The remaining authority will be committed to planned projects in future amendments.

	Metro Transit	Metro Transp. Serv.	Total
2016 Authorization	\$25,200,000	\$16,800,000	\$42,000,000
2017 Authorization	26,340,000	17,560,000	43,900,000
Available Authority	<hr/> \$51,540,000	<hr/> \$34,360,000	<hr/> \$85,900,000
Previously Committed	25,200,000	8,082,382	33,282,382
Plus: This Amendment	4,679,786	0	4,679,786
Total Committed	<hr/> 29,879,786	<hr/> 8,082,382	<hr/> 37,962,168
Remaining Authority	21,660,214	26,277,618	47,937,832

Fiscal Impact

The operating budget amendments have no impact on regional taxpayers beyond those presented in the 2018 Unified Budget.

The capital budget has no impact on regional taxpayers.

Known Support / Opposition

None

Attachments

Table 2: 2018 Summary Budget – Amended April 25, 2018

Table 3: 2018 Operations Budget – Amended April 25, 2018

Table 4: 2018 Passthrough Grant & Loan – Amended April 25, 2018

Table C-1: 2018 Transportation Budget – Amended April 25, 2018

Table D-1: 2018 Community Development Budget – Amended April 25, 2018

Table 9: 2018 Transportation Capital Program – Amended April 25, 2018

Table 11: 2018 Community Development Parks and Open Space – Amended April 25, 2018

Transportation Committee Business Item – April 9, 2018

Community Development Committee Business Item – April 16, 2017



**METROPOLITAN COUNCIL
SUMMARY BUDGET
OPERATIONS, PASSTHROUGH AND DEBT SERVICE
FY18**

TABLE 2

(\$ in 000s)

	Council Operations	Passthrough Grants & Loans	Debt Service Funds	Other Post Employment Benefits (OPEB)	Total
Revenues					
Property Tax	14,905	16,699	53,689	-	85,293
Federal Revenues	42,573	58,525	-	-	101,098
State Revenues	360,395	46,218	-	-	406,613
Local Revenues	34,994	-	-	-	34,994
Municipal Wastewater Charges	131,494	-	88,256	-	219,750
Industrial Wastewater Charges	12,865	-	815	-	13,680
Passenger Fares, Contract & Special Events	113,361	-	-	-	113,361
Investment Earnings	1,861	800	276	16,522	19,459
Other Revenues	11,545	-	-	-	11,545
Total Revenues	723,993	122,242	143,036	16,522	1,005,793
Other Sources					
MVST Transfers In	-	-	-	-	-
SAC Transfers In	-	-	41,929	-	41,929
Total Other Sources	-	-	41,929	-	41,929
Total Revenues and Other Sources	723,993	122,242	184,965	16,522	1,047,722
Expenses					
Salaries & Benefits	447,091	-	-	-	447,091
OPEB Benefit Payments	-	-	-	12,453	12,453
Consulting & Contractual Services	60,609	-	-	-	60,609
Materials & Supplies	38,726	-	-	-	38,726
Fuel	23,658	-	-	-	23,658
Chemicals	8,699	-	-	-	8,699
Rent & Utilities	33,268	-	-	-	33,268
Printing	671	-	-	-	671
Travel	1,853	-	-	-	1,853
Insurance	7,677	-	-	-	7,677
Transit Programs	84,520	-	-	-	84,520
Operating Capital	3,485	-	-	-	3,485
Governmental Grants	5,396	-	-	-	5,396
Other Expenses	11,564	-	-	-	11,564
Passthrough Grants & Loans	-	135,708	-	-	135,708
Debt Service Obligations	-	-	176,464	-	176,464
Total Expenses	727,217	135,708	176,464	12,453	1,051,842
Other Uses					
Net Interbudget Transfers	1,000	(1,000)	-	-	-
Transfer to Capital	12,520	-	-	-	12,520
Total Other Uses	13,520	(1,000)	-	-	12,520
Total Expenses and Other Uses	740,737	134,708	176,464	12,453	1,064,362
Change in Fund Balance	(16,744)	(12,466)	8,501	4,069	(16,640)



METROPOLITAN COUNCIL SUMMARY BUDGET OPERATIONS BY FUND FY18

Table 3

(\$ in 000's)

	General Fund			Transportation											Memo Total	
				Metropolitan Transportation Services					Metro Transit					Transportation Total		
	Regional Administration	Community Development	General Fund Total	HRA & FAHP	Environmental Services	Metro Mobility	Contracted Services	Transportation Planning	MTS Total	Bus	Light Rail	Commuter Rail	Metro Transit Total			
Revenues:																
Property Tax	4,927	9,978	14,905	-	-	-	-	-	-	-	-	-	-	-	-	14,905
Federal Revenues	-	-	-	5,015	-	-	1,838	5,326	7,164	28,913	1,057	424	30,394	37,558	42,573	
State Revenues	-	-	-	148	1,648	57,667	23,476	4,355	85,498	240,948	25,026	7,127	273,101	358,599	360,395	
Local Revenues	-	-	-	-	-	-	-	106	106	-	25,026	9,862	34,888	34,994	34,994	
Municipal Wastewater Charges	-	-	-	-	131,494	-	-	-	-	-	-	-	-	-	131,494	
Industrial Wastewater Charges	-	-	-	-	12,865	-	-	-	-	-	-	-	-	-	12,865	
Passenger Fares	-	-	-	-	-	8,777	2,608	-	11,385	71,778	25,790	2,558	100,126	111,511	111,511	
Contract & Special Event Revenues	-	-	-	-	-	-	-	-	-	1,400	450	-	1,850	1,850	1,850	
Investment Earnings	536	-	536	-	800	-	-	-	-	500	25	-	525	525	1,861	
Other Revenues	305	-	305	2,215	605	-	1,145	-	1,145	5,750	1,525	-	7,275	8,420	11,545	
Total Revenues	5,768	9,978	15,746	7,378	147,412	66,444	29,067	9,787	105,298	349,289	78,899	19,971	448,159	553,457	723,993	
Expenses:																
Salaries & Benefits	39,167	5,340	44,507	4,176	65,826	1,936	819	3,187	5,942	276,106	43,922	6,612	326,640	332,582	447,091	
Consulting & Contractual Services	17,219	892	18,110	1,472	18,149	770	802	3,950	5,522	9,273	2,343	5,740	17,356	22,878	60,609	
Material & Supplies	424	20	444	40	8,800	751	183	15	949	22,844	4,370	1,279	28,493	29,442	38,726	
Fuel	-	-	-	-	280	7,664	-	-	7,664	14,449	14	1,251	15,714	23,378	23,658	
Chemicals	-	-	-	-	8,699	-	-	-	-	-	-	-	-	-	8,699	
Rent & Utilities	4,623	183	4,806	201	16,298	382	83	398	863	4,793	5,590	717	11,100	11,963	33,268	
Printing	85	42	127	25	38	36	18	36	90	391	-	-	391	481	671	
Travel	486	74	560	60	496	10	13	45	68	606	37	26	669	737	1,853	
Insurance	30	-	30	100	1,135	-	-	-	-	2,683	1,392	2,337	6,412	6,412	7,677	
Transit Programs	-	-	-	-	-	59,057	25,463	-	84,520	-	-	-	-	84,520	84,520	
Operating Capital	450	61	511	39	2,661	143	15	116	274	-	-	-	-	274	3,485	
Governmental Grants	-	1,428	1,428	-	574	-	722	121	843	2,551	-	-	2,551	3,394	5,396	
Other Expenses	533	202	735	873	4,745	82	82	72	236	4,259	636	80	4,975	5,211	11,564	
Total Expenses	63,017	8,242	71,258	6,986	127,701	70,831	28,200	7,940	106,971	337,955	58,304	18,042	414,301	521,272	727,217	
Other Sources and (Uses):																
Interdivisional Cost Allocation	61,747	(2,224)	59,523	(1,330)	(16,221)	(2,254)	(867)	(1,951)	(5,072)	(32,174)	(4,264)	(462)	(36,900)	(41,972)	-	
Modal Allocation	-	-	-	-	-	-	-	-	-	10,074	(9,096)	(978)	-	-	-	
A-87 Allocation	-	-	-	-	-	-	-	-	-	7,724	(7,235)	(489)	-	-	-	
MVST Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer To Passthrough	-	(1,000)	(1,000)	-	-	-	-	-	-	-	-	-	-	-	(1,000)	
Transfer To Capital	(3,475)	-	(3,475)	(45)	(9,000)	-	-	-	-	-	-	-	-	-	(12,520)	
Net Operating Transfers	(2,228)	1,228	(1,000)	200	800	-	-	-	-	-	-	-	-	-	-	
Net Other Sources and (Uses)	56,044	(1,996)	54,048	(1,175)	(24,421)	(2,254)	(867)	(1,951)	(5,072)	(14,376)	(20,595)	(1,929)	(36,900)	(41,972)	(13,520)	
Change in Fund Balance	(1,205)	(260)	(1,464)	(783)	(4,710)	(6,641)	-	(104)	(6,745)	(3,042)	-	-	(3,042)	(9,787)	(16,744)	



METROPOLITAN COUNCIL SUMMARY BUDGET PASSTHROUGH GRANTS AND LOANS FY18

Table 4

(\$ in 000s)

	Metro HRA	Parks O & M	Planning Assistance	Livable Communities	MCES Grants	Suburban Transit Providers	Memo Total
Revenues:							
Property Tax	-	-	-	16,699	-	-	16,699
Federal Revenues	58,525	-	-	-	-	-	58,525
State Revenues	1,900	8,740	-	-	-	35,578	46,218
Investment Earnings	-	-	-	800	-	-	800
Total Revenues	60,425	8,740	-	17,499	-	35,578	122,242
Expenses:							
Passthrough Grants & Loans	60,425	8,740	500	27,000	3,465	35,578	135,708
Total Expenses	60,425	8,740	500	27,000	3,465	35,578	135,708
Other Sources and (Uses):							
Transfer From Operations	-	-	-	1,000	-	-	1,000
Net Other Sources and (Uses)	-	-	-	1,000	-	-	1,000
Change in Fund Balance	-	-	(500)	(8,501)	(3,465)	-	(12,466)



**METROPOLITAN COUNCIL
SUMMARY BUDGET
TRANSPORTATION DIVISION
FY18**

Table C-1

(\$ in 000s)

	Metro Mobility	Transit Link	Fixed Route	Transportation Planning	Metropolitan Transportation	Bus	Light Rail	Commuter Rail	Total Metro Transit	Total Operating	Debt Service	Transit Providers	of Way Pass-Through	Memo Total	MVST Reserves
Revenues:															
Motor Vehicle Sales Tax	-	5,852	17,624	3,439	26,915	207,453	-	-	207,453	234,368	-	33,573	-	267,941	12,336
State Appropriations	57,667	-	-	106	57,773	33,495	25,026	7,127	65,648	123,421	-	2,005	-	125,426	-
Other State Revenues	-	-	-	810	810	-	-	-	-	810	-	-	-	810	-
Total State Revenues	57,667	5,852	17,624	4,355	85,498	240,948	25,026	7,127	273,101	358,599	-	35,578	-	394,177	12,336
Net Property Tax	-	-	-	-	-	-	-	-	-	-	47,042	-	-	47,042	-
Federal Revenues	-	1,200	638	5,326	7,164	28,913	1,057	424	30,394	37,558	-	-	-	37,558	-
Local Revenues	-	-	-	106	106	-	25,026	9,862	34,888	34,994	-	-	-	34,994	-
Passenger Fares	8,777	767	1,841	-	11,385	71,778	25,790	2,558	100,126	111,511	-	-	-	111,511	-
Contract & Special Event Revenues	-	-	-	-	-	1,400	450	-	1,850	1,850	-	-	-	1,850	-
Investment Earnings	-	-	-	-	-	500	25	-	525	525	180	-	-	705	-
Other Revenues	-	-	1,145	-	1,145	5,750	1,525	-	7,275	8,420	-	-	-	8,420	-
Total Other Revenues	8,777	1,967	3,624	5,432	19,800	108,341	53,873	12,844	175,058	194,858	47,222	-	-	242,080	-
Total Revenues	66,444	7,819	21,248	9,787	105,298	349,289	78,899	19,971	448,159	553,457	47,222	35,578	-	636,257	12,336
Expenses:															
Salaries & Benefits	1,936	228	591	3,187	5,942	276,106	43,922	6,612	326,640	332,582	-	-	-	332,582	-
Consulting & Contractual Services	770	85	717	3,950	5,522	9,273	2,343	5,740	17,356	22,878	-	-	-	22,878	-
Materials & Supplies	751	98	85	15	949	22,844	4,370	1,279	28,493	29,442	-	-	-	29,442	-
Fuel	7,664	-	-	-	7,664	14,449	14	1,251	15,714	23,378	-	-	-	23,378	-
Rent & Utilities	382	23	60	398	863	4,793	5,590	717	11,100	11,963	-	-	-	11,963	-
Printing	36	3	15	36	90	391	-	-	391	481	-	-	-	481	-
Travel	10	5	8	45	68	606	37	26	669	737	-	-	-	737	-
Insurance	-	-	-	-	-	2,683	1,392	2,337	6,412	6,412	-	-	-	6,412	-
Transit Programs	59,057	7,119	18,344	-	84,520	-	-	-	-	84,520	-	-	-	84,520	-
Operating Capital	143	4	11	116	274	-	-	-	-	274	-	-	-	274	-
Governmental Grants	-	-	722	121	843	2,551	-	-	2,551	3,394	-	-	-	3,394	-
Other Expenses	82	11	71	72	236	4,259	636	80	4,975	5,211	-	-	-	5,211	-
Passthrough Grants	-	-	-	-	-	-	-	-	-	-	-	35,578	-	35,578	-
Debt Service Obligations	-	-	-	-	-	-	-	-	-	-	43,493	-	-	43,493	-
Total Expenses	70,831	7,576	20,624	7,940	106,971	337,955	58,304	18,042	414,301	521,272	43,493	35,578	-	600,343	-
Other Sources and (Uses):															
Interdivisional Cost Allocation	(2,254)	(243)	(624)	(1,951)	(5,072)	(32,174)	(4,264)	(462)	(36,900)	(41,972)	-	-	-	(41,972)	-
Modal Allocation	-	-	-	-	-	10,074	(9,096)	(978)	-	-	-	-	-	-	-
A-87 Cost Allocation	-	-	-	-	-	7,724	(7,235)	(489)	-	-	-	-	-	-	-
MVST Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers From Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers To Operating Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Other Sources and (Uses)	(2,254)	(243)	(624)	(1,951)	(5,072)	(14,376)	(20,595)	(1,929)	(36,900)	(41,972)	-	-	-	(41,972)	-
Change in Fund Balance	(6,641)	-	-	(104)	(6,745)	(3,042)	-	-	(3,042)	(9,787)	3,729	-	-	(6,058)	12,336



**METROPOLITAN COUNCIL
SUMMARY BUDGET
COMMUNITY DEVELOPMENT DIVISION
FY18**

Table D-1

(\$ in 000's)

	Division Management	Reg Policy & Research	Local Planning Assistance	Reg Parks & Natural Resources	Livable Communities	Subtotal General Fund Operating	HRA Administration	Total Operating	Parks Debt Service	Parks Pass-Through	HRA Pass-Through	Planning Assistance Pass-Through	TBRA	DEMO	LHIA	Total Livable Communities Pass-Through	Memo Total
Revenues:																	
Property Tax	9,978	-	-	-	-	9,978	-	9,978	6,647	-	-	-	5,000	11,699	-	16,699	33,324
Federal Revenues	-	-	-	-	-	-	5,015	5,015	-	-	58,525	-	-	-	-	-	63,540
State Revenues	-	-	-	-	-	-	148	148	-	8,740	1,900	-	-	-	-	-	10,788
Investment Earnings	-	-	-	-	-	-	-	-	96	-	-	-	250	500	50	800	896
Other Revenues	-	-	-	-	-	-	2,215	2,215	-	-	-	-	-	-	-	-	2,215
Total Revenues	9,978	-	-	-	-	9,978	7,378	17,356	6,743	8,740	60,425	-	5,250	12,199	50	17,499	110,763
Expenses:																	
Salaries & Benefits	848	1,672	1,408	856	556	5,340	4,176	9,516	-	-	-	-	-	-	-	-	9,516
Consulting & Contractual Services	150	307	330	105	-	892	1,472	2,364	-	-	-	-	-	-	-	-	2,364
Materials & Supplies	20	-	-	-	-	20	40	60	-	-	-	-	-	-	-	-	60
Rent & Utilities	183	-	-	-	-	183	201	384	-	-	-	-	-	-	-	-	384
Printing	42	-	-	-	-	42	25	67	-	-	-	-	-	-	-	-	67
Travel	9	25	19	12	9	74	60	134	-	-	-	-	-	-	-	-	134
Insurance	-	-	-	-	-	-	100	100	-	-	-	-	-	-	-	-	100
Operating Capital	61	-	-	-	-	61	39	100	-	-	-	-	-	-	-	-	100
Other Expenses	202	-	-	-	-	202	873	1,075	-	-	-	-	-	-	-	-	1,075
Passthrough Grants	1,428	-	-	-	-	1,428	-	1,428	-	8,740	60,425	500	8,000	16,500	2,500	27,000	98,093
Debt Service Obligations	-	-	-	-	-	-	-	-	1,971	-	-	-	-	-	-	-	1,971
Total Expenses	2,943	2,004	1,757	973	565	8,242	6,986	15,228	1,971	8,740	60,425	500	8,000	16,500	2,500	27,000	113,864
Other Sources and (Uses):																	
Interdivisional Cost Allocation	(2,224)	-	-	-	-	(2,224)	(1,330)	(3,554)	-	-	-	-	-	-	-	-	(3,554)
Transfer To Operating Capital	228	-	-	-	-	228	200	428	-	-	-	-	-	-	-	-	428
Intradivisional Transfers	-	-	-	-	-	-	-	-	-	-	-	-	(500)	1,500	1,000	1,000	1,000
Net Other Sources and (Uses)	(1,996)	-	-	-	-	(1,996)	(1,130)	(3,126)	-	-	-	-	-	(500)	1,500	1,000	(2,126)
Change in Fund Balance	5,039	(2,004)	(1,757)	(973)	(565)	(260)	(738)	(998)	4,772	-	-	(500)	(2,750)	(4,801)	(950)	(8,501)	(5,227)

Transportation Committee

Meeting date: April 9, 2018

For the Metropolitan Council meeting of April 25, 2018

Subject: 2018 Budget Amendment – 1st Quarter

District(s), Member(s): All

Policy/Legal Reference: 2018 Unified Budget; Mn Statutes Section 473.13, Subd. 1 – Council Budget Requirements

Staff Prepared/Presented: Nick Thompson, Director, MTS 651-602-1754; Brian J. Lamb, General Manager, Metro Transit 612-349-7510; Edwin D. Petrie, Director of Finance, Metro Transit 612-349-7624; Heather Aagesen-Huebner, Director of Finance, CD and MTS 651-602-1728; Nick Hendrikson, Principal Financial Analyst, MTS 651-602-1340.

Division/Department: Transportation / Metropolitan Transportation Services

Proposed Action

That the Metropolitan Council authorizes the 2018 Unified Budget as indicated and in accordance with the attached tables.

Background

Capital Program – Attachment #3 (Project Level) is included for reference and informational purposes only.

Capital Program:

Metro Transit

Administrative Adjustments: None

Reallocating Existing Funding / Closing Projects:

Safety Marking - #65711 – CLOSE

Transit Center Technology Enhancements - #68508 - CLOSE

This amendment will close these projects. These projects have been completed and all funds were used. These projects are identified in the CIP.

Replacement Bus Procurement – Project #65320

C-Line Expansion Buses – Project 65401

This amendment will transfer \$840,451 in Federal funds and \$148,315 in RTC Funds to project 65401 for the purchase of C-Line buses that were approved in Business Item 2017-195. These projects are identified in the CIP.

Increase Authorization, Reduce Authorization and Authorize New Projects:

Southwest Light Rail Transit Project - 61001

This amendment recognizes \$2,740,465 in Hennepin County Funding and \$3,369,282 Hennepin County Regional Rail Authority (HCRRA) Funding portion that has been assigned to Hennepin County from the 2017 CTIB Capital Grant Agreement. This funding was approved by Council Action in Business Item 2017-277 SW. This project is identified in the CIP.

NorthStar Facility Right of Way Improvements - Project # 61317

This amendment provides \$300,000 in RTC Funding for capital asset improvements and preservation related to NorthStar, such as station improvements, O&M facility improvements, electrical upgrades to the OMF, enhancements to NS OMF outside maintenance platforms, patch panel installations at the Coon Rapids pedestrian bridge, and security improvements. This project is identified in the CIP.

Building & Energy Enhancement - Project # 62111

This amendment provides \$800,000 in Federal Funding and \$200,000 in RTC Funding for 2018 energy conservation projects including conversion to LED lighting and HVAC system enhancements. This project is identified in the CIP.

Pavement Improvement Project - Project # 62700

This amendment provides \$750,000 in RTC Funding for Park and Ride rehabilitation at aging facilities. Examples of work include pavement replacement, pedestrian pathways, storm water infrastructure improvements, and ADA upgrades. This project is identified in the CIP.

Heywood Garage Modernization - Project # 63500

This amendment provides \$800,000 in Federal Funding and \$200,000 in RTC Funding to complete the funding package for the Heywood Garage Modernization project. This project is identified in the CIP.

IS Capital Upgrades & Enhancements - Project # 68700

This amendment provides \$785,000 in RTC Funding for Nexsan Storage, LRT Video Master Server and Scada System refresh for the Green and Blue Line. This project is identified in the CIP.

Metro Blue Line Option Vehicles - Note Payable – Project # 65508

This amendment reduces CTIB funding in the amount of (\$2,800,000) and provides \$2,800,000 in MVST Funding for the third installment due to Hennepin County (formerly CTIB) for Metro Blue Line Option Vehicles. This project is identified in the CIP.

Transit Master Mobile HW Replacement/Migration - Project # 68800

This amendment provides \$100,000 in RTC Funding to upgrade Transit Master mobile displays and on-board computers (MDTs/ IVLUs) on Metro Transit buses. This project is identified in the CIP.

Support Facilities Engineering Capital Improvements - Project # 64800

This amendment provides \$1,125,000 in MVST Funding led by the Engineering group and include design and construction elements. To include facade joint replacement, pavement & sidewalk replacement, and added floor drainage at East Metro. Other projects include pavement replacement at the Heywood Garage lower parking lot, OHB breakroom remodel, EMTF damper upgrade, and FTH compressor replacement. This project is identified in the CIP.

Addco Sign Migration – Marquette Avenue - Project # 68801

This amendment provides \$110,214 of MVST Funding and \$414,786 in RTC Funding to replace aging real-time NexTrip signs on Marquette Avenue that are past their useful life and are no longer supported by the manufacturer. This project is identified in the CIP.

D Line BRT - Project # 62800

This amendment provides \$2,120,000 in Federal Funding and \$530,000 in RTC Funding for engineering on D Line stations, including staff time. This project is identified in the CIP.

Heywood Campus Administration Expansion - Project # 63800

This amendment provides \$400,000 in RTC Funding to renovate the office facilities on the Heywood Campus (FTH Tower and Annex space). This funding will be used for Staff, architectural/engineering work and early phases of a phased construction. This project is identified in the CIP.

DT Mpls Hennepin Avenue Customer Facility Improvements - Project # 62801

This amendment provides \$500,000 in RTC Funding for staff and engineering related to the Minneapolis Hennepin Downtown reconstruction project from Washington to 12th Street. This project will construct the ABRT ready bus stop customer facilities in conjunction with the City's 2020 reconstruction work. Improvements include new shelters with heat and light, real-time signs/pylons, platforms, and utility connections to support future E Line fare and security systems. This project is identified in the CIP.

Bridge Maintenance Program - Project # 61800

This amendment provides \$500,000 in RTC Funding to provide capital asset preservation of the current LRT bridges. Work includes Cedar Street Bridge seat enhancements, Hwy's 62/55 Bridge structural hinge enhancements, staffing, engineering and construction for larger scale preservation. This project is identified in the CIP.

Metropolitan Transportation Services

Administrative Adjustments:

**Eden Prairie Garage Debt Service Payments on Principal – Project 36078 – New
South West Village Debt Service Payments on Principal – Project 36079 – New
South West Bus Wash Improvements – Project 36080 – New
SWT Undesignated (NTD) – Project 36001**

This amendment will administratively reallocate \$529,305 in RTC funds from project 36001 to the above projects for the payment on the principle of debt service and to complete the purchase of a bus drying unit in the washing area. These projects are identified in the CIP.

**2016 Transit Link Small Bus Rep – Project 35989
2018 – SWT – Small Bus (2) – Expansion – Project 36086 – New
Small Bus (Undesignated) – Project 35002**

This amendment will administratively reallocate \$183,613 in RTC funds from project 35002 to the above projects to complete the Transit Link Small Bus purchase, final inspections, and exterior graphics and for the purchase of 2 Small Bus for South West Transit. These projects are identified in the CIP.

**2017-Regional-AVL Systems Replace – Project 36077
2017-Metro Mobility -Trapeze Replacement – Project 36084 – New**

This amendment will administratively reallocate \$200,000 in RTC funds from project 36077 to project 36084 to purchase replacement Metro Mobility Ranger Units. This project is identified in the CIP.

**2017-Metro Red Line-Real Time Signs Replacement – Project 36085 – New
2017-MTS-Ubisense Gate Technology – Project 36087 – New
Technology (Undesignated) – Project 35007**

This amendment will administratively reallocate \$81,000 in RTC funds from project 35007 to the above projects to purchase real time signs along the Metro Red Line and Ubisense Gate Tag Technology. These projects are identified in the CIP.

MVTA – Eagan Bus Garage Expansion – Project 36081 – New
MVTA – Bus Stop Amenities – Project 36082 – New
MVTA – 2017 CAD AVL and AVVAS – Project 36083 – New
MVTA Undesignated (NTD) – Project 36005

This amendment will administratively reallocate \$2,490,000 in RTC funds and \$176,500 in MVST Funds from project 36005 to the above projects for the payment on the principle and interest of debt service used to expand MVTA Eagan Bus Garage, the purchase and installation of bus shelters and bus stop amenities, and consultant work and equipment for the CAD, AVL and AVVAS systems. These projects are identified in the CIP.

Reallocating Existing Funding / Closing Projects:

Fleet Fareboxes - Project #35789 – CLOSE
Repair Equip Tech (Undesignated) – Project 35004

This amendment will close project 35789 and reallocate \$343 in RTC funds from project 35004 to project 35789 to reflect final project expenditures and authority. These projects are identified in the CIP.

2015-Maple Grove-2 Small Bus Expansion - Project #36021 – CLOSE
2016-Maple Grove-Small Bus Preservation - Project #36026 – CLOSE
2016-Maple Grove-Small Bus Expansion - Project #36030 – CLOSE
Small Bus (Undesignated) – Project 35002

This amendment will close these projects and reduce (\$8,439) in RTC funding to reflect final project expenditures and authority. RTC funding will be reallocated to project 35002. These projects are complete and identified in the CIP.

2016 MVTA 5 Forty Foot Replace - Project #35999 – CLOSE
Big Bus (Undesignated) – Project 35001

This amendment will close project 35999 and reallocate \$309 in RTC funds from project 35001 to project 35999 to reflect final project expenditures and authority. These projects are identified in the CIP.

Increase Authorization, Reduce Authorization and Authorize New Projects: - None

These proposed amendments are detailed in the Capital Program – Attachment #3 (Project Level) is included for reference and informational purposes only.

Changes to Current Year Expenditures:

Based on projected expenditures for the proposed amendments, the 2018 capital budget is proposed to increase by \$14,684,747 for Metro Transit and \$0 for Metropolitan Transportation Services.

Operating Budget:

Metro Transit

Change in Revenues: \$1,900,000; Expenditure: (\$8,000,000); Reserves: \$9,900,000

This amendment will recognize a permanent adjustment to the Metro Transit Bus Operations Base Budget by reducing \$8.0M in operating expenditures primarily due to sustainable cost savings measures and fully funding of the Council's OPEB liability. This permanent budget adjustment is a mitigation towards future funding shortfalls in the upcoming biennium's. This amendment will also recognize \$1.9M in funding from the Minnesota Department of Transportation (MnDOT) in support of

the additional operating expenses incurred as related to the I-35W Downtown to Crosstown Transportation Project.

This amendment also recognizes one IS Position – Application Developer who will support the Cubic Go-To Programs. This position is currently budgeted in the Metro Transit Bus Operating Budget and is being transferred to the Regional Administration IS Department. This will reduce Salaries and Benefits by \$135,000 offset by an increase in Interdivisional Cost Allocation.

Metropolitan Transportation Services

Change in Revenues: \$1,100,000; Expenditures: \$1,100,000

This amendment will recognize \$1.1M in funding from the Minnesota Department of Transportation (MnDOT) in support of the additional operating expenses incurred as related to the I-35W Downtown to Crosstown Transportation Project. This amendment further authorizes the execution of a \$1.1M grant to Minnesota Valley Transit Authority (MVTA). MVTA will use these funds to for support of increased transit service during the 35W@94 Downtown to Crosstown project construction.

Rationale

The proposed amendment programs available federal, state, other, and regional funds to the Unified Budget to allow the Council to carry out its work plan and its long-term capital program.

Thrive Lens Analysis

Stewardship

- This budget amendment demonstrates commitment toward asset preservation and also supports the Thrive outcomes of stewardship by assessing the future needs, responsible planning and management of resources for Metro Transit and Metropolitan Transportation Services.

Prosperity

- The budget amendment adds funding for the Southwest Light Rail Transit Project and reflects strategic investment in regional infrastructure that will promote economic competitiveness and create prosperity for the region.

Funding

Capital Program:

This amendment increases the Transportation Division Federal revenues by \$3,720,000, increases State revenues by \$4,035,214, increases Other revenues by \$3,309,747, and increases RTC revenues by \$4,679,786.

Operating Budget:

This amendment will recognize an increase to Other Revenues of \$3.0M and a reduction to operating expenses of \$6.9M for an overall increase to Operating Reserves of \$9.9M. This amendment will have no impact on MVST or State Appropriations allocated in the Operating Budget.

Known Support / Opposition

No known opposition.

Attachments:

1. Capital Program – Attachment #1 (Program Level) (Table 9)
2. Operating – Attachment #2 (Table C-1)
3. Capital Program – Attachment #3 (Project Level)

Community Development Committee

Meeting date: April 16, 2018

For the Metropolitan Council meeting of April 25, 2018

Subject: 2018 Budget Amendment – 1st Quarter

District(s), Member(s): All

Policy/Legal Reference: MN Statutes Section 473.13, Subd. 1; 473.252; 473.253; and 473.254

Staff Prepared/Presented: Deb Streets Jensen, Senior Parks Finance Planner (651-602-1554); Mary Robison, Budget Manager for Finance and Administration for Metropolitan Transportation Services and Community Development

Division/Department: Finance and Administration for Metropolitan Transportation Systems and Community Development

Proposed Action

That the Metropolitan Council authorizes the amendment of the 2018 Unified Budget as indicated and in accordance with the attached tables.

Background

Operating Budget - Livable Communities

The Livable Communities pass-through grant budget is being amended to be consistent with the 2018 Annual Livable Communities Fund Distribution Plan approved by the Council on March 28th, 2018.

	Original 2018 Budget	Proposed Change	Proposed Amended 2018 Budget
Tax Base Revitalization Account	\$5,250,000	\$2,750,000	\$8,000,000
Livable Communities Demonstration Account	\$11,699,000	\$4,801,000	\$16,500,000
Local Housing Incentives Account	\$1,550,000	\$950,000	\$2,500,000
Total	\$18,499,000	\$8,501,000	\$27,000,000

The 2018 budget is funded with 2018 property tax levy revenues and interest revenues from prior years. There are sufficient projected revenues and fund balances to allow this level of spending in 2018.

Capital Budget - Regional Parks and Natural Resources

This amendment includes \$2.1M in additional spending. Of this amount, \$1.0M is a reimbursement to the Minneapolis Park and Recreation Board (MPRB) for the construction of Webber Pool in North Mississippi Regional Park. The remaining \$1.1M is for land acquisitions in the Three Rivers Park District for the Rush Creek Regional Trail, Lake Rebecca Park Reserve, and Baker-Carver Regional Trail.

This amendment closes 26 Regional Parks grants, totaling \$16.6 million. With these closures, \$11K is returning to the Parks and Trails Legacy Fund (PTLF) program for future programs, and \$28K in regional bonds are relinquished.

This amendment includes a variety of administrative adjustments.

- A correction in the split of a state bonding appropriation for Mahtomedi and Dellwood.
- Funding allocation corrections move \$0.3M from PTLF to regional bonds.
- A previously-authorized project of \$0.5M for Three Rivers Park District to connect people with the outdoors is reallocated to other infrastructure and outreach projects, per agency request.
- Prior authorized funding of \$0.2M is reallocated to Central Mississippi Regional Park in Minneapolis, per agency request.
- An additional \$0.2M in formula-allocated PTLF is authorized to Regional Parks Implementing Agencies for specific infrastructure projects.

Rationale

Livable Communities

This amendment aligns the funding levels authorized by the 2018 Annual Livable Communities Fund Distribution Plan with the Council's 2018 Unified Budget.

Regional Parks and Natural Resources

The proposed amendments will update the Regional Parks Authorized Capital Program to match the grants approved by the Council since November of 2017, close completed grants, and reallocate funds within the existing budget authorization.

Thrive Lens Analysis

Equity:

- Livable Communities uses the Council's investments to build a more equitable region by investing in a mix of housing affordability and by helping to produce or preserve more affordable housing along transit corridors.

Livability:

- Regional Parks grants included in this amendment address the Livability outcome by purchasing property and constructing trails that provide access to natural resources for healthy exercise.

Funding

Livable Communities

Livable Communities grant dollars are generated through a property tax levy.

Regional Parks and Natural Resources

This amendment adds \$2.1M to the capital budget from the following sources:

- The interest earnings dedicated by statute to North Mississippi Regional Park fund a \$1M reimbursement grant to the MPRB for the construction of Webber Pool, as approved on Council business item 2018-3;
- The Park Acquisition Opportunity Fund (PAOF) funds four grants that have been awarded by the Council since November 2017, using a combination of state and regional bonds, Parks and Trails Legacy Funds (PTLF) and the Environment and Natural Resources Trust Fund (ENRTF). Of the \$1.1M, \$0.3M is from ENRTF; \$0.4M is from PTLF; and \$0.4M is from regional bonds.

In the administrative amendments:

- State bonds fund a \$38K pass-through appropriation
- Regional bonds fund a \$300K shift from PTLF within PAOF, as a correction to prior fund distribution.
- In total \$0.9M in PTLF funds are either authorized to go to agencies, or reallocated to different projects within the agencies. PTLF funds are formula-driven, and all adjustments are consistent with the funding formula established in Minnesota Statute 85.53.

Known Support / Opposition

There is no known opposition.

Attachments:

1. Capital Program – Table 11
2. Operating – Table D-1
3. Capital Program – Attachment #3