

## Management Committee

Meeting date: March 9, 2022

For the Metropolitan Council meeting of March 23, 2022

**Subject:** 2022 Budget Amendment – METRO Greenline Extension Unified Budget Amendment

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

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

**Staff Prepared/Presented:** Stewart McMullan, Director of Budget and Operations (651-602-1374); Nick Thompson, Deputy General Manager of Capital Programs, 612-349-7624; Edwin D. Petrie, Director of Finance, Metro Transit; Heather Aagesen-Huebner, Director of Finance and Administration, MTS 651-602-1728

**Division/Department:** All

### Proposed Action

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

### Background

The Metro Green Line Extension unified budget amendment includes changes to the operating and capital programs for the Green Line Extension for Transportation. The proposed amendment will be reviewed by the Transportation Committee on March 14, 2022. Any question or issues will be addressed at the Council meeting on March 23, 2022.

This amendment will provide an incremental \$80.5 million to the Green Line Extension project. The incremental funds include \$50.0 million in Metro Transit and Metropolitan Transportation Services 5307 federal formula funds, and \$30.5 million from Hennepin County.

To replace the \$50.0 million in 5307 federal formula funds currently in the CIP, the Council is moving \$40.0 million in MVST funds from the Bus Operations operating budget into the Metro Transit and MTS CIP. The MVST funds will be replaced in the Bus Operations budget by \$40.0 million in federal CRRSAA funds. In addition, \$10.0 million of Transit Debt Service will be transferred into the Metro Transit CIP.

The amendment will also adjust the 2022 METRO Green Line Extension capital budgeted spending plan to \$629 million to reflect the new spending forecast for the project.

### Operating Component of the 2022 Unified Budget

#### Transit Debt Service:

Change in Expenditures: \$10,000,000; Revenues: \$0; Reserves: (\$10,000,000)

This amendment will transfer \$10 million out of Transit Debt Service and into the Metro Transit CIP. Debt Service dollars originated from Transit bond issuances that have matured and are available to the capital program. By statute, the Council levies for 105% of the anticipated debt service needed and any funds remaining from the over levy are available for such purposes as debt retirement, arbitrage, or transfer to the capital program.

**Metro Transit Bus Operations:**

Change in Expenditures: \$40,000,000; Revenues: \$40,000,000; Reserves: \$0

This amendment authorizes the transfer of \$40,000,000 in MVST (Motor Vehicle Sales Tax) revenues from the Metro Transit Bus Operating Budget to the Transportation Capital Program. MVST funds will be used in the capital program to support the Council Authorized Capital Improvement Program. This amendment also authorizes the inclusion of \$40,000,000 in CRRSAA Federal Relief Funds into the Metro Transit Bus Operations Operating Budget. These funds will be used for authorized payroll and operations expenses including additional maintenance due to the pandemic consistent with the terms of the federal grant.

**Capital Component of the 2022 Unified Budget**

**Transportation**

This amendment adds \$80,554,442 to the Southwest Light Rail Transit Project (METRO Green Line Extension). This includes \$50,000,000 of Section 5307 Federal Formula Funds and \$30,552,442 of Hennepin County Funds. The 5307 federal formula funds are contingent upon subsequent execution of the FTA grant and are not available for encumbrance until the grant is executed. The Hennepin County funds represent the remaining balance authorized in the Hennepin County Grant Agreement (Contract No. 18I094). This project is identified in the CIP.

This amendment adds \$28,000,000 of Motor Vehicle Sales Tax (MVST) from Metro Transit Bus Operations and transfers \$10,000,000 from the Metropolitan Council Transit Debt Service into the Metro Transit Capital Improvement Program (CIP). These funds will be authorized into specific projects through future budget amendments.

This amendment adds \$12,000,000 of MVST from Metro Transit Bus Operations to the Metropolitan Transportation Services (MTS) CIP and transfers \$12,000,000 of Section 5307 Federal Formula Funds from the MTS CIP to the Metro Transit CIP. These funds will be authorized into specific projects through future Metropolitan Council Budget Amendments.

In addition, we are adjusting the 2022 METRO Green Line Extension capital budgeted spending plan to \$629 million to reflect the new spending forecast for the project.

Change in Authorized Capital Program (ACP): \$80,552,442.00

    Additions:      \$80,552,442.00

    Reductions:    \$0

Change in Capital Improvement Plan (CIP): \$0

    Additions:      \$0

    Reductions     \$0

Change in Capital Program (ACP+CIP): \$80,552,442.00

Change in 2022 Capital Budget: \$260,552,442.00

## 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.

## Funding

### Capital Program

This amendment increases the Transportation Division Federal revenues by \$50,000,000, does not change State revenues, increases Other revenues by \$30,552,442, and does not change RTC revenues.

### Operating Program

This amendment increases the Metro Transit Bus Federal revenues by \$40,000,000 to offset the \$40,000,000 MVST transfer out to the capital budget. The amendment also moves \$10,000,000 out of Transit Debt Service into the Metro Transit CIP,

## Fiscal Impact

The proposed amendments have no impact on regional taxpayers beyond those presented in the 2022 Unified Budget.

The capital budget has no impact on regional taxpayers.

## Attachments

Table 2: 2022 Operations, Pass-through & Debt Services– Amended March 23, 2022

Table 3: 2022 Summary Operations – Amended March 23, 2022

Table 5: Debt Service – Amended March 23, 2022

Table C-1: Transportation Summary – Amended March 23, 2022

Table 9: 2022 Transportation Capital Program – Amended March 23, 2022

Transportation Committee Business Item – March 14, 2022



**METROPOLITAN COUNCIL  
SUMMARY BUDGET  
OPERATIONS, PASS-THROUGH AND DEBT SERVICE  
FY2022**

**TABLE 2**

(\$ in 000s)

|  | Council<br>Operations | Pass-through<br>Grants & Loans | Debt Service<br>Funds | Other Post<br>Employment<br>Benefits<br>(OPEB) | Total            |
|--|-----------------------|--------------------------------|-----------------------|--|------------------|
| <b>Revenues</b>                                    |                       |                                |                       |  |                  |
| Property Tax                                       | 16,580                | 18,014                         | 55,920                | -  | 90,514           |
| Federal Revenues                                   | 155,566               | 80,532                         | -                     | -  | 236,098          |
| State Revenues                                     | 405,339               | 55,333                         | -                     | -  | 460,672          |
| Local Revenues                                     | 38,505                | -                              | -                     | -  | 38,505           |
| Municipal Wastewater Charges                       | 147,742               | -                              | 102,213               | -  | 249,955          |
| Industrial Wastewater Charges                      | 14,634                | -                              | 667                   | -  | 15,301           |
| Passenger Fares, Contract & Special Events         | 65,669                | -                              | -                     | -  | 65,669           |
| Investment Earnings                                | 1,209                 | -                              | 210                   | 5,500  | 6,919            |
| Other Revenues                                     | 8,471                 | -                              | -                     | -  | 8,471            |
| <b>Total Revenues</b>                              | <b>853,715</b>        | <b>153,879</b>                 | <b>159,010</b>        | <b>5,500</b>                                   | <b>1,172,104</b> |
| <b>Other Sources</b>                               |                       |                                |                       |  |                  |
| MVST Transfers In                                  | 26,845                | -                              | -                     | -  | 26,845           |
| SAC Transfers In                                   | 9,500                 | -                              | 50,120                | -  | 59,620           |
| <b>Total Other Sources</b>                         | <b>36,345</b>         | <b>-</b>                       | <b>50,120</b>         | <b>-</b>                                       | <b>86,465</b>    |
| <b>Total Revenues and Other Sources</b>            | <b>890,060</b>        | <b>153,879</b>                 | <b>209,130</b>        | <b>5,500</b>                                   | <b>1,258,569</b> |
| <b>Expenses</b>                                    |                       |                                |                       |  |                  |
| Salaries & Benefits                                | 518,816               | -                              | -                     | -  | 518,816          |
| OPEB Benefit Payments                              | -                     | -                              | -                     | 14,728   | 14,728           |
| Consulting & Contractual Services                  | 77,467                | -                              | -                     | -  | 77,467           |
| Materials & Supplies                               | 40,152                | -                              | -                     | -  | 40,152           |
| Fuel   | 25,233                | -                              | -                     | -  | 25,233           |
| Chemicals  | 10,481                | -                              | -                     | -  | 10,481           |
| Rent & Utilities                                   | 36,929                | -                              | -                     | -  | 36,929           |
| Printing   | 705                   | -                              | -                     | -  | 705              |
| Travel   | 2,223                 | -                              | -                     | -  | 2,223            |
| Insurance  | 8,808                 | -                              | -                     | -  | 8,808            |
| Transit Programs                                   | 102,939               | -                              | -                     | -  | 102,939          |
| Operating Capital                                  | 2,318                 | -                              | -                     | -  | 2,318            |
| Governmental Grants                                | 2,308                 | -                              | -                     | -  | 2,308            |
| Other Expenses                                     | 17,391                | -                              | -                     | -  | 17,391           |
| Passthrough Grants & Loans                         | -                     | 170,961                        | -                     | -  | 170,961          |
| Debt Service Obligations                           | -                     | -                              | 192,448               | -  | 192,448          |
| <b>Total Expenses</b>                              | <b>845,770</b>        | <b>170,961</b>                 | <b>192,448</b>        | <b>14,728</b>                                  | <b>1,223,907</b> |
| <b>Other Sources and (Uses)</b>                    |                       |                                |                       |  |                  |
| Net Interbudget Transfers                          | (1,105)               | 1,105                          | 4,000                 | (4,000)  | -                |
| Transfer to Capital                                | (51,000)              | -                              | (10,000)              | -  | (61,000)         |
| <b>Total Other Sources and (Uses)</b>              | <b>(52,105)</b>       | <b>1,105</b>                   | <b>(6,000)</b>        | <b>(4,000)</b>                                 | <b>(61,000)</b>  |
| <b>Total Expenses and Other Sources and (Uses)</b> | <b>897,875</b>        | <b>169,856</b>                 | <b>198,448</b>        | <b>18,728</b>                                  | <b>1,284,907</b> |
| <b>Change in Fund Balance</b>                      | <b>(7,815)</b>        | <b>(15,977)</b>                | <b>10,682</b>         | <b>(13,228)</b>                                | <b>(26,338)</b>  |



# METROPOLITAN COUNCIL

## SUMMARY BUDGET

### OPERATIONS BY FUND

#### FY2022

Table 3

(\$ in 000's)

|                                     | General Fund            |                       |                    | Transportation                       |                        |                |                     |                         |                |                 |                 |                |                     | Transportation Total | Memo Total      |
|-------------------------------------|-------------------------|-----------------------|--------------------|--------------------------------------|------------------------|----------------|---------------------|-------------------------|----------------|-----------------|-----------------|----------------|---------------------|----------------------|-----------------|
|                                     | Regional Administration | Community Development | General Fund Total | Metropolitan Transportation Services |                        |                |                     |                         | Metro Transit  |                 |                 |                |                     |                      |                 |
|                                     |                         |                       |                    | HRA & FAHP                           | Environmental Services | Metro Mobility | Contracted Services | Transportation Planning | MTS Total      | Bus             | Light Rail      | Commuter Rail  | Metro Transit Total |                      |                 |
| <b>Revenues:</b>                    |                         |                       |                    |                                      |                        |                |                     |                         |                |                 |                 |                |                     |                      |                 |
| Property Tax                        | 3,233                   | 12,269                | 15,502             | 1,078                                | -                      | -              | -                   | -                       | -              | -               | -               | -              | -                   | -                    | 16,580          |
| Federal Revenues                    | -                       | -                     | -                  | 6,119                                | -                      | 31,000         | 13,165              | 5,540                   | 49,705         | 80,021          | 17,393          | 2,328          | 99,742              | 149,447              | 155,566         |
| State Revenues                      | -                       | -                     | -                  | 20                                   | 919                    | 56,196         | 13,570              | 4,500                   | 74,266         | 296,407         | 27,060          | 6,667          | 330,134             | 404,400              | 405,339         |
| Local Revenues                      | -                       | -                     | -                  | -                                    | -                      | -              | -                   | 132                     | 132            | 2,355           | 29,181          | 6,837          | 38,373              | 38,505               | 38,505          |
| Municipal Wastewater Charges        | -                       | -                     | -                  | -                                    | 147,742                | -              | -                   | -                       | -              | -               | -               | -              | -                   | -                    | 147,742         |
| Industrial Wastewater Charges       | -                       | -                     | -                  | -                                    | 14,634                 | -              | -                   | -                       | -              | -               | -               | -              | -                   | -                    | 14,634          |
| Passenger Fares                     | -                       | -                     | -                  | -                                    | -                      | 8,487          | 1,236               | -                       | 9,723          | 38,057          | 15,849          | 455            | 54,361              | 64,084               | 64,084          |
| Contract & Special Event Revenues   | -                       | -                     | -                  | -                                    | -                      | -              | -                   | -                       | -              | 1,131           | 454             | -              | 1,585               | 1,585                | 1,585           |
| Investment Earnings                 | 609                     | -                     | 609                | -                                    | 500                    | -              | -                   | -                       | -              | 50              | 50              | -              | 100                 | 100                  | 1,209           |
| Other Revenues                      | 100                     | 105                   | 205                | 2,910                                | 846                    | -              | -                   | -                       | -              | 3,345           | 1,165           | -              | 4,510               | 4,510                | 8,471           |
| <b>Total Revenues</b>               | <b>3,942</b>            | <b>12,374</b>         | <b>16,316</b>      | <b>10,127</b>                        | <b>164,641</b>         | <b>95,683</b>  | <b>27,971</b>       | <b>10,172</b>           | <b>133,826</b> | <b>421,366</b>  | <b>91,152</b>   | <b>16,287</b>  | <b>528,805</b>      | <b>662,631</b>       | <b>853,715</b>  |
| <b>Expenses:</b>                    |                         |                       |                    |                                      |                        |                |                     |                         |                |                 |                 |                |                     |                      |                 |
| Salaries & Benefits                 | 48,344                  | 6,296                 | 54,640             | 5,948                                | 77,008                 | 2,714          | 934                 | 3,633                   | 7,281          | 318,836         | 49,225          | 5,878          | 373,939             | 381,220              | 518,816         |
| Consulting & Contractual Services   | 28,285                  | 2,654                 | 30,939             | 1,911                                | 17,901                 | 2,046          | 557                 | 4,725                   | 7,328          | 12,424          | 4,102           | 2,862          | 19,388              | 26,716               | 77,467          |
| Material & Supplies                 | 1,860                   | 26                    | 1,886              | 47                                   | 9,652                  | 485            | 140                 | 25                      | 650            | 21,955          | 5,271           | 691            | 27,917              | 28,567               | 40,152          |
| Fuel                                | -                       | -                     | -                  | -                                    | 271                    | 12,000         | -                   | -                       | 12,000         | 12,068          | 49              | 845            | 12,962              | 24,962               | 25,233          |
| Chemicals                           | -                       | -                     | -                  | -                                    | 10,480                 | -              | -                   | -                       | -              | 1               | -               | -              | 1                   | 1                    | 10,481          |
| Rent & Utilities                    | 6,230                   | 175                   | 6,405              | 154                                  | 20,134                 | 143            | 114                 | 163                     | 420            | 3,436           | 5,957           | 423            | 9,816               | 10,236               | 36,929          |
| Printing                            | 36                      | 20                    | 56                 | 5                                    | 25                     | 35             | 5                   | 7                       | 47             | 571             | -               | 1              | 572                 | 619                  | 705             |
| Travel                              | 753                     | 151                   | 904                | 67                                   | 688                    | 30             | 12                  | 65                      | 107            | 420             | 30              | 7              | 457                 | 564                  | 2,223           |
| Insurance                           | 48                      | -                     | 48                 | 100                                  | 2,330                  | -              | -                   | -                       | -              | 3,945           | (324)           | 2,709          | 6,330               | 6,330                | 8,808           |
| Transit Programs                    | -                       | -                     | -                  | -                                    | -                      | 76,998         | 25,941              | -                       | 102,939        | -               | -               | -              | -                   | 102,939              | 102,939         |
| Operating Capital                   | 471                     | 67                    | 538                | 42                                   | 1,557                  | 100            | 27                  | 54                      | 181            | -               | -               | -              | -                   | 181                  | 2,318           |
| Governmental Grants                 | -                       | -                     | -                  | -                                    | 69                     | -              | -                   | -                       | -              | 2,239           | -               | -              | 2,239               | 2,239                | 2,308           |
| Other Expenses                      | 759                     | 278                   | 1,037              | 761                                  | 3,486                  | 87             | 66                  | 107                     | 260            | 10,628          | 969             | 250            | 11,847              | 12,107               | 17,391          |
| <b>Total Expenses</b>               | <b>86,786</b>           | <b>9,667</b>          | <b>96,453</b>      | <b>9,035</b>                         | <b>143,601</b>         | <b>94,638</b>  | <b>27,796</b>       | <b>8,779</b>            | <b>131,213</b> | <b>386,523</b>  | <b>65,279</b>   | <b>13,666</b>  | <b>465,468</b>      | <b>596,681</b>       | <b>845,770</b>  |
| <b>Other Sources and (Uses):</b>    |                         |                       |                    |                                      |                        |                |                     |                         |                |                 |                 |                |                     |                      |                 |
| Interdivisional Cost Allocation     | 86,177                  | (2,072)               | 84,105             | (1,431)                              | (21,746)               | (2,995)        | (880)               | (2,120)                 | (5,995)        | (48,388)        | (5,943)         | (602)          | (54,933)            | (60,928)             | -               |
| Modal Allocation                    | -                       | -                     | -                  | -                                    | -                      | -              | -                   | -                       | -              | 19,761          | (18,008)        | (1,753)        | -                   | -                    | -               |
| A-87 Allocation                     | -                       | -                     | -                  | -                                    | -                      | -              | -                   | -                       | -              | 6,517           | (6,090)         | (427)          | -                   | -                    | -               |
| MVST Transfers In                   | -                       | -                     | -                  | -                                    | -                      | -              | -                   | -                       | -              | 26,740          | -               | -              | 26,740              | 26,740               | 26,740          |
| Transfer from SAC                   | -                       | -                     | -                  | -                                    | 9,500                  | -              | -                   | -                       | -              | -               | -               | -              | -                   | -                    | 9,500           |
| Transfer To Passthrough             | -                       | (1,000)               | (1,000)            | -                                    | -                      | -              | -                   | -                       | -              | -               | -               | -              | -                   | -                    | (1,000)         |
| Transfer To Capital                 | -                       | -                     | -                  | -                                    | (11,000)               | -              | -                   | -                       | -              | (40,000)        | -               | -              | (40,000)            | (40,000)             | (51,000)        |
| Net Operating Transfers             | (250)                   | -                     | (250)              | 150                                  | 250                    | -              | -                   | -                       | -              | (150)           | -               | -              | (150)               | (150)                | -               |
| <b>Net Other Sources and (Uses)</b> | <b>85,927</b>           | <b>(3,072)</b>        | <b>82,855</b>      | <b>(1,281)</b>                       | <b>(22,996)</b>        | <b>(2,995)</b> | <b>(880)</b>        | <b>(2,120)</b>          | <b>(5,995)</b> | <b>(35,520)</b> | <b>(30,041)</b> | <b>(2,782)</b> | <b>(68,343)</b>     | <b>(74,338)</b>      | <b>(15,760)</b> |
| <b>Change in Fund Balance</b>       | <b>3,083</b>            | <b>(365)</b>          | <b>2,718</b>       | <b>(189)</b>                         | <b>(1,956)</b>         | <b>(1,950)</b> | <b>(705)</b>        | <b>(727)</b>            | <b>(3,382)</b> | <b>(677)</b>    | <b>(4,168)</b>  | <b>(161)</b>   | <b>(5,006)</b>      | <b>(8,388)</b>       | <b>(7,815)</b>  |



**METROPOLITAN COUNCIL  
SUMMARY BUDGET  
DEBT SERVICE  
FY2022**

**TABLE 5**

(\$ in 000s)

|  | Parks        | Transit         | Environmental<br>Services | Memo Total     |
|--|--------------|-----------------|---------------------------|----------------|
| <b><u>Revenues</u></b>                             |              |                 |                           |                |
| Property Tax                                       | 3,477        | 52,443          | -                         | 55,920         |
| Municipal Wastewater Charges                       | -            | -               | 102,213                   | 102,213        |
| Industrial Wastewater Charges                      | -            | -               | 667                       | 667            |
| Investment Earnings                                | 30           | 180             | -                         | 210            |
| <b>Total Revenues</b>                              | <b>3,507</b> | <b>52,623</b>   | <b>102,880</b>            | <b>159,010</b> |
| <b><u>Other Sources</u></b>                        |              |                 |                           |                |
| SAC Transfers In                                   | -            | -               | 50,120                    | 50,120         |
| <b>Total Revenues and Other Sources</b>            | <b>3,507</b> | <b>52,623</b>   | <b>153,000</b>            | <b>209,130</b> |
| <b><u>Expenses</u></b>                             |              |                 |                           |                |
| Debt Service Obligations                           | 1,731        | 33,717          | 157,000                   | 192,448        |
| <b>Total Expenses</b>                              | <b>1,731</b> | <b>33,717</b>   | <b>157,000</b>            | <b>192,448</b> |
| <b><u>Other Sources and (Uses)</u></b>             |              |                 |                           |                |
| Transfer In from OPEB                              | -            | -               | 4,000                     | 4,000          |
| Transfer out to Capital                            | -            | (10,000)        | -                         | (10,000)       |
| ES Contingency Fund Transfer                       | -            | -               | -                         | -              |
| <b>Total Other Sources and (Uses)</b>              | <b>-</b>     | <b>(10,000)</b> | <b>4,000</b>              | <b>(6,000)</b> |
| <b>Total Expenses and Other Sources and (Uses)</b> | <b>1,731</b> | <b>43,717</b>   | <b>153,000</b>            | <b>198,448</b> |
| <b>Change in Fund Balance</b>                      | <b>1,776</b> | <b>8,906</b>    | <b>-</b>                  | <b>10,682</b>  |



**METROPOLITAN COUNCIL  
SUMMARY BUDGET  
TRANSPORTATION DIVISION  
FY22**

Table C-1

(\$ in 000s)

|                                     | Metro Mobility | Transit Link | Fixed Route   | Transportation Planning | Total Metropolitan Transportation Services | Bus             | Light Rail      | Commuter Rail  | Transit Capital Funded | Total Metro Transit | Total Operating | Debt Service  | Suburban Transit Providers Pass-Through | Highway Right of Way Pass-Through | Memo Total      | MVST Reserves   |
|-------------------------------------|----------------|--------------|---------------|-------------------------|--|-----------------|-----------------|----------------|------------------------|---------------------|-----------------|---------------|---|-----------------------------------|-----------------|-----------------|
| <b>Revenues:</b>                    |                |              |               |                         |  |                 |                 |                |                        |                     |                 |               |   |                                   |                 |                 |
| Motor Vehicle Sales Tax             | -              | 5,156        | 8,414         | 4,500                   | 18,070                                     | 296,407         | -               | -              | -                      | 296,407             | 314,477         | -             | 45,043                                  | -                                 | 359,520         | 16,551          |
| State Appropriations                | 56,196         | -            | -             | -                       | 56,196                                     | -               | 27,060          | 5,594          | -                      | 32,654              | 88,850          | -             | -                                       | -                                 | 88,850          | -               |
| Other State Revenues                | -              | -            | -             | -                       | -  | -               | -               | 1,073          | -                      | 1,073               | 1,073           | -             | -                                       | -                                 | 1,073           | -               |
| <b>Total State Revenues</b>         | <b>56,196</b>  | <b>5,156</b> | <b>8,414</b>  | <b>4,500</b>            | <b>74,266</b>                              | <b>296,407</b>  | <b>27,060</b>   | <b>6,667</b>   | <b>-</b>               | <b>330,134</b>      | <b>404,400</b>  | <b>-</b>      | <b>45,043</b>                           | <b>-</b>                          | <b>449,443</b>  | <b>16,551</b>   |
| Net Property Tax                    | -              | -            | -             | -                       | -  | -               | -               | -              | -                      | -                   | -               | 52,443        | -                                       | -                                 | 52,443          | -               |
| Federal Revenues                    | 31,000         | 4,075        | 9,090         | 5,540                   | 49,705                                     | 57,803          | 17,393          | 2,328          | 22,218                 | 99,742              | 149,447         | -             | 2,650                                   | -                                 | 152,097         | -               |
| Local Revenues                      | -              | -            | -             | 132                     | 132  | 2,355           | 28,332          | 6,667          | 1,019                  | 38,373              | 38,505          | -             | -                                       | -                                 | 38,505          | -               |
| Passenger Fares                     | 8,487          | 452          | 784           | -                       | 9,723                                      | 38,057          | 15,849          | 455            | -                      | 54,361              | 64,084          | -             | -                                       | -                                 | 64,084          | -               |
| Contract & Special Event Revenues   | -              | -            | -             | -                       | -  | 1,131           | 454             | -              | -                      | 1,585               | 1,585           | -             | -                                       | -                                 | 1,585           | -               |
| Investment Earnings                 | -              | -            | -             | -                       | -  | 50              | 50              | -              | -                      | 100                 | 100             | 180           | -                                       | -                                 | 280             | -               |
| Other Revenues                      | -              | -            | -             | -                       | -  | 3,345           | 1,165           | -              | -                      | 4,510               | 4,510           | -             | -                                       | -                                 | 4,510           | -               |
| <b>Total Other Revenues</b>         | <b>39,487</b>  | <b>4,527</b> | <b>9,874</b>  | <b>5,672</b>            | <b>59,560</b>                              | <b>102,741</b>  | <b>63,243</b>   | <b>9,450</b>   | <b>23,237</b>          | <b>198,671</b>      | <b>258,231</b>  | <b>52,623</b> | <b>2,650</b>                            | <b>-</b>                          | <b>313,504</b>  | <b>-</b>        |
| <b>Total Revenues</b>               | <b>95,683</b>  | <b>9,683</b> | <b>18,288</b> | <b>10,172</b>           | <b>133,826</b>                             | <b>399,148</b>  | <b>90,303</b>   | <b>16,117</b>  | <b>23,237</b>          | <b>528,805</b>      | <b>662,631</b>  | <b>52,623</b> | <b>47,693</b>                           | <b>-</b>                          | <b>762,947</b>  | <b>16,551</b>   |
| <b>Expenses:</b>                    |                |              |               |                         |  |                 |                 |                |                        |                     |                 |               |   |                                   |                 |                 |
| Salaries & Benefits                 | 2,714          | 261          | 673           | 3,633                   | 7,281                                      | 299,952         | 48,781          | 5,657          | 19,549                 | 373,939             | 381,220         | -             | -                                       | -                                 | 381,220         | -               |
| Consulting & Contractual Services   | 2,046          | 220          | 337           | 4,725                   | 7,328                                      | 12,424          | 2,926           | 2,782          | 1,256                  | 19,388              | 26,716          | -             | -                                       | -                                 | 26,716          | -               |
| Materials & Supplies                | 485            | 85           | 55            | 25                      | 650  | 21,955          | 5,271           | 691            | -                      | 27,917              | 28,567          | -             | -                                       | -                                 | 28,567          | -               |
| Fuel                                | 12,000         | -            | -             | -                       | 12,000                                     | 12,068          | 49              | 845            | -                      | 12,962              | 24,962          | -             | -                                       | -                                 | 24,962          | -               |
| Chemicals                           | -              | -            | -             | -                       | -  | 1               | -               | -              | -                      | 1                   | 1               | -             | -                                       | -                                 | 1               | -               |
| Rent & Utilities                    | 143            | 35           | 79            | 163                     | 420  | 3,436           | 5,957           | 423            | -                      | 9,816               | 10,236          | -             | -                                       | -                                 | 10,236          | -               |
| Printing                            | 35             | 5            | -             | 7                       | 47   | 571             | -               | 1              | -                      | 572                 | 619             | -             | -                                       | -                                 | 619             | -               |
| Travel                              | 30             | 5            | 7             | 65                      | 107  | 420             | 30              | 7              | -                      | 457                 | 564             | -             | -                                       | -                                 | 564             | -               |
| Insurance                           | -              | -            | -             | -                       | -  | 3,945           | (324)           | 2,709          | -                      | 6,330               | 6,330           | -             | -                                       | -                                 | 6,330           | -               |
| Transit Programs                    | 76,998         | 8,917        | 17,024        | -                       | 102,939                                    | -               | -               | -              | -                      | -                   | 102,939         | -             | -                                       | -                                 | 102,939         | -               |
| Operating Capital                   | 100            | -            | 27            | 54                      | 181  | -               | -               | -              | -                      | -                   | 181             | -             | -                                       | -                                 | 181             | -               |
| Governmental Grants                 | -              | -            | -             | -                       | -  | 2,239           | -               | -              | -                      | 2,239               | 2,239           | -             | -                                       | -                                 | 2,239           | -               |
| Other Expenses                      | 87             | 10           | 56            | 107                     | 260  | 10,628          | 969             | 250            | -                      | 11,847              | 12,107          | -             | -                                       | -                                 | 12,107          | -               |
| Passthrough Grants                  | -              | -            | -             | -                       | -  | -               | -               | -              | -                      | -                   | -               | -             | 47,798                                  | -                                 | 47,798          | -               |
| Debt Service Obligations            | -              | -            | -             | -                       | -  | -               | -               | -              | -                      | -                   | -               | 33,717        | -                                       | -                                 | 33,717          | -               |
| <b>Total Expenses</b>               | <b>94,638</b>  | <b>9,538</b> | <b>18,258</b> | <b>8,779</b>            | <b>131,213</b>                             | <b>367,639</b>  | <b>63,659</b>   | <b>13,365</b>  | <b>20,805</b>          | <b>465,468</b>      | <b>596,681</b>  | <b>33,717</b> | <b>47,798</b>                           | <b>-</b>                          | <b>678,196</b>  | <b>-</b>        |
| <b>Other Sources and (Uses):</b>    |                |              |               |                         |  |                 |                 |                |                        |                     |                 |               |   |                                   |                 |                 |
| Interdivisional Cost Allocation     | (2,995)        | (302)        | (578)         | (2,120)                 | (5,995)                                    | (48,388)        | (5,943)         | (602)          | -                      | (54,933)            | (60,928)        | -             | -                                       | -                                 | (60,928)        | -               |
| Modal Allocation                    | -              | -            | -             | -                       | -  | 19,761          | (18,008)        | (1,753)        | -                      | -                   | -               | -             | -                                       | -                                 | -               | -               |
| A-87 Cost Allocation                | -              | -            | -             | -                       | -  | 9,851           | (6,012)         | (389)          | (3,450)                | -                   | -               | -             | -                                       | -                                 | -               | -               |
| MVST Transfers In                   | -              | -            | -             | -                       | -  | 26,740          | -               | -              | -                      | 26,740              | 26,740          | -             | 105                                     | -                                 | 26,845          | (26,845)        |
| Transfers To Other Funds            | -              | -            | -             | -                       | -  | (150)           | -               | -              | -                      | (150)               | (150)           | -             | -                                       | -                                 | (150)           | -               |
| Transfers To Capital                | -              | -            | -             | -                       | -  | (40,000)        | -               | -              | -                      | (40,000)            | (40,000)        | -             | -                                       | -                                 | (40,000)        | -               |
| <b>Net Other Sources and (Uses)</b> | <b>(2,995)</b> | <b>(302)</b> | <b>(578)</b>  | <b>(2,120)</b>          | <b>(5,995)</b>                             | <b>(32,186)</b> | <b>(29,963)</b> | <b>(2,744)</b> | <b>(3,450)</b>         | <b>(68,343)</b>     | <b>(74,338)</b> | <b>-</b>      | <b>105</b>                              | <b>-</b>                          | <b>(74,233)</b> | <b>(26,845)</b> |
| <b>Change in Fund Balance</b>       | <b>(1,950)</b> | <b>(157)</b> | <b>(548)</b>  | <b>(727)</b>            | <b>(3,382)</b>                             | <b>(677)</b>    | <b>(3,319)</b>  | <b>8</b>       | <b>(1,018)</b>         | <b>(5,006)</b>      | <b>(8,388)</b>  | <b>18,906</b> | <b>-</b>                                | <b>-</b>                          | <b>10,518</b>   | <b>(10,294)</b> |





**METROPOLITAN COUNCIL  
CAPITAL PROGRAM  
TRANSPORTATION**

**TABLE 9**

(\$ in 000's)

|  | Authorized Capital Program (ACP) |               |                  | Capital Improvement Plan (CIP) |                |                |                |               |               |                  | ACP + CIP<br>Combined |
|--|----------------------------------|---------------|------------------|--------------------------------|----------------|----------------|----------------|---------------|---------------|------------------|-----------------------|
|  | 2022<br>Current                  | Changes       | 2022<br>Amended  | 2022                           | 2023           | 2024           | 2025           | 2026          | 2027          | Total            |                       |
| Metro Blue Line (Bottineau Boulevard)      | 196,113                          | -             | 196,113          | 1,275,028                      | -              | -              | -              | -             | -             | 1,275,028        | 1,471,141             |
| Metro Blue Line (Hiawatha Corridor)        | 1,105                            | -             | 1,105            | 140                            | 147            | 154            | 162            | 170           | 179           | 952              | 2,057                 |
| Metro Green Line (Central Corridor)        | 41,900                           | -             | 41,900           | -                              | -              | -              | -              | -             | -             | -                | 41,900                |
| Metro Green Line (Southwest Corridor)      | 2,203,221                        | 80,552        | 2,283,773        | -                              | -              | -              | -              | -             | -             | -                | 2,283,773             |
| TOTAL Federal New Starts Rail Projects     | 2,442,339                        | 80,552        | 2,522,892        | 1,275,168                      | 147            | 154            | 162            | 170           | 179           | 1,275,980        | 3,798,872             |
| <b>Total METRO TRANSIT Capital Program</b> | <b>3,894,134</b>                 | <b>80,552</b> | <b>3,974,687</b> | <b>1,820,921</b>               | <b>176,586</b> | <b>144,959</b> | <b>164,529</b> | <b>90,187</b> | <b>88,131</b> | <b>2,485,313</b> | <b>6,460,000</b>      |

**METROPOLITAN COUNCIL  
CAPITAL PROGRAM  
TRANSPORTATION**

**TABLE 9**

(\$ in 000's)

|   | Authorized Capital Program (ACP) |               |                  | Capital Improvement Plan (CIP) |                |                |                |                |                |                  | ACP + CIP<br>Combined |
|---|----------------------------------|---------------|------------------|--------------------------------|----------------|----------------|----------------|----------------|----------------|------------------|-----------------------|
|   | 2022<br>Current                  | Changes       | 2022<br>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                                       | 62,214                           | -             | 62,214           | 359                            | 14,284         | 24,905         | 17,709         | 35,502         | 26,016         | 118,774          | 180,988               |
| <b>TOTAL Fleet Modernization</b>                  | <b>120,204</b>                   | <b>-</b>      | <b>120,204</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>292,413</b>   | <b>412,618</b>        |
| <b>Support Facilities</b>                         |                                  |               |                  |                                |                |                |                |                |                |                  |                       |
| Support Facility                                  | 3,500                            | -             | 3,500            | 3,500                          | -              | -              | -              | -              | -              | 3,500            | 7,000                 |
| <b>TOTAL Support Facilities</b>                   | <b>3,500</b>                     | <b>-</b>      | <b>3,500</b>     | <b>3,500</b>                   | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>3,500</b>     | <b>7,000</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                               | 2,287                            | -             | 2,287            | 344                            | 351            | 359            | 367            | 375            | 383            | 2,180            | 4,467                 |
| Minnesota Valley Transit Authority                | 8,079                            | -             | 8,079            | 1,728                          | 1,766          | 1,805          | 1,845          | 1,885          | 1,927          | 10,957           | 19,036                |
| Plymouth Transit                                  | 5,082                            | -             | 5,082            | 368                            | 376            | 384            | 393            | 401            | 410            | 2,332            | 7,415                 |
| SouthWest Transit                                 | 1,671                            | -             | 1,671            | 735                            | 751            | 768            | 785            | 802            | 820            | 4,660            | 6,331                 |
| 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>17,970</b>                    | <b>-</b>      | <b>17,970</b>    | <b>6,264</b>                   | <b>3,770</b>   | <b>3,853</b>   | <b>3,938</b>   | <b>4,025</b>   | <b>4,113</b>   | <b>25,963</b>    | <b>43,934</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>165,918</b>                   | <b>-</b>      | <b>165,918</b>   | <b>41,580</b>                  | <b>40,611</b>  | <b>54,312</b>  | <b>73,615</b>  | <b>92,190</b>  | <b>64,998</b>  | <b>367,306</b>   | <b>533,224</b>        |
| <b>COMBINED</b>                                   |                                  |               |                  |                                |                |                |                |                |                |                  |                       |
| <b>Fleet Modernization</b>                        | 400,944                          | -             | 400,944          | 100,742                        | 166,740        | 144,034        | 164,566        | 142,888        | 121,589        | 840,557          | 1,241,501             |
| <b>Support Facilities</b>                         | 322,104                          | -             | 322,104          | 18,771                         | 9,522          | 19,965         | 16,515         | 4,875          | 5,168          | 74,817           | 396,921               |
| <b>Customer Facilities</b>                        | 135,674                          | -             | 135,674          | 2,023                          | 8,630          | 3,500          | 28,250         | 3,375          | 3,225          | 49,003           | 184,677               |
| <b>Technology Improvements</b>                    | 74,262                           | -             | 74,262           | 9,525                          | 16,090         | 10,892         | 15,892         | 20,227         | 8,226          | 80,852           | 155,114               |
| <b>Other Regional Providers - Non Fleet</b>       | 17,970                           | -             | 17,970           | 6,264                          | 3,770          | 3,853          | 3,938          | 4,025          | 4,113          | 25,963           | 43,934                |
| <b>Other Capital Equipment</b>                    | 71,417                           | -             | 71,417           | 15,971                         | 5,224          | 5,431          | 3,429          | 2,632          | 7,248          | 39,935           | 111,352               |
| <b>Transitways - Non New Starts</b>               | 595,341                          | -             | 595,341          | 434,037                        | 7,075          | 11,441         | 5,392          | 4,186          | 3,381          | 465,513          | 1,060,853             |
| <b>Federal New Starts Rail Projects</b>           | 2,442,339                        | 80,552        | 2,522,892        | 1,275,168                      | 147            | 154            | 162            | 170            | 179            | 1,275,980        | 3,798,872             |
| <b>TOTAL TRANSPORTATION</b>                       | <b>4,060,052</b>                 | <b>80,552</b> | <b>4,140,604</b> | <b>1,862,501</b>               | <b>217,198</b> | <b>199,271</b> | <b>238,143</b> | <b>182,377</b> | <b>153,129</b> | <b>2,852,620</b> | <b>6,993,224</b>      |

## Transportation Committee

Meeting date: March 14, 2022

For the Metropolitan Council meeting of March 23, 2022

**Subject:** 2022 Budget Amendment – METRO Green Line Extension Budget Amendment

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

**Policy/Legal Reference:** 2022 Unified Budget; Mn Statutes Section 473.13, Subd. 1 – Council Budget Requirements

**Staff Prepared/Presented:** Wes Kooistra, General Manager, Metro Transit 612-349-7510; Nick Thompson, Deputy General Manager of Capital Programs, 612-349-7507; Edwin D. Petrie, Director of Finance, Metro Transit 612-349-7624; Charles Carlson, Executive Director MTS, 612-349-7629; Heather Aagesen-Huebner, Director of Finance and Administration, MTS 651-602-1728

**Division/Department:** Transportation / Metropolitan Transportation Services

### Proposed Action

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

### Background

That the Metropolitan Council amend the 2022 Unified Budget – Operating and Capital Program (annual appropriation) and Authorized Capital Program (multi-year authorization) as indicated and in accordance with the Capital Program – Attachment #1 (Program Level).

That the Metropolitan Council amend the 2022 Unified Budget – Operating Budget as indicated and in accordance with the spreadsheet in Operating Budget – Attachment #2.

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

### Metro Transit:

**Administrative Adjustments / Reallocating Existing Funding/Closing Projects:** None

**Closing Projects / Reallocate Authorized Funding:** None

### **Adjustment to the Council Authorized Capital Improvement Program:**

This amendment adds \$28,000,000 of Motor Vehicle Sales Tax (MVST) from Metro Transit Bus Operations and transfers \$10,000,000 from the Metropolitan Council Transit Debt Service Fund into the Metro Transit Capital Improvement Program (CIP). These funds will be authorized into specific projects through future budget amendments.

### **Authorize New Projects, Increase Authorization and Reduce Authorization:**

#### **Southwest Light Rail Transit Project – 61001**

This amendment adds \$80,554,442 to the Southwest Light Rail Transit Project (METRO Green Line Extension). This includes \$50,000,000 of Section 5307 Federal Formula Funds and \$30,552,442 of Hennepin County Funds. The 5307 federal formula funds are contingent upon subsequent execution of the FTA grant and are not available until the grant is executed. The Hennepin County funds represent the remaining balance authorized in the Hennepin

County Grant Agreement (Contract No. 18I094). This project is identified in the CIP.

In addition, we are adjusting the 2022 Capital Budget spending plan to \$629 million to reflect the new spending forecast for the project.

### **Metropolitan Transportation Services**

#### **Administrative Adjustments / Reallocating Existing Funding: None**

#### **Closing Projects: None**

#### **Authorize New Projects, Increase Authorization and Reduce Authorization: None**

#### **Adjustment to the Council Authorized Capital Improvement Program:**

This amendment adds \$12,000,000 of MVST from Metro Transit Bus Operations to the Metropolitan Transportation Services (MTS) CIP and transfers \$12,000,000 of Section 5307 Federal Formula Funds from the MTS CIP to the Metro Transit CIP. These funds will be authorized into specific projects through future Metropolitan Council Budget Amendments.

#### **Changes to Current Year Expenditures:**

Based on projected expenditures for the proposed amendments, the 2022 capital budget is proposed to increase by \$80,552,442 for Metro Transit and \$0 for Metropolitan Transportation Services.

#### **Operating Budget:**

#### **Transit Debt Service**

#### **Change in Expenditures: \$10,000,000; Revenues: \$0; Reserves: (\$10,000,000)**

This amendment will transfer \$10 million out of Transit Debt Service and into the Metro Transit CIP. Debt service dollars originated from Transit bond issuances that have matured and are available to the capital program. By statute, the Council levies for 105% of the anticipated debt service needed and any funds remaining from the over levy are available for such purposes as debt retirement, arbitrage, or transfer to the capital program.

#### **Change in Revenues: \$40,000,000; Expenditures/Transfers: \$40,000,000; Reserves: \$0**

#### **Metro Transit Bus Operations:**

This amendment transfers \$40,000,000 in MVST revenues from the Metro Transit Bus Operating Budget to the Transportation Capital Improvement Program. This amendment also authorizes \$40,000,000 in CRRSAA Federal Relief Funds into the Metro Transit Bus Operations Operating Budget. These funds will be used for authorized payroll and operations expenses including additional maintenance due to the pandemic consistent with the terms of the federal grant.

#### **Metropolitan Transportation Services:**

#### **Change in Revenues: \$0; Expenditures/Transfers: \$0; Reserves: \$0**

### **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.

## Funding

### Capital Program

This amendment increases the Transportation Division Federal revenues by \$50,000,000, does not change State revenues, increases Other revenues by \$30,552,442, and does not change RTC revenues.

### Attachments:

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