

## **Management, Environment, Transportation and Community Development Committees**

For the Metropolitan Council meeting of September 28, 2016

**Subject:** Authorization to Amend the 2016 Unified Budget – Second Quarter Amendment

### **Proposed Action**

That the Metropolitan Council authorize the amendment of the 2016 Unified Budget as indicated and in accordance with the attached tables.

### **Summary of Committee Discussion/Questions**

The Transportation Committee reviewed and approved the proposed Transportation Division amendments at its meeting on September 12, 2016. There were no issues or concerns.

The Environment Committee reviewed and approved the proposed Environmental Services Division amendments at its meeting on September 13, 2016. There were no issues or concerns.

The Community Development Committee reviewed and approved the proposed Parks and Open Space amendments at its meeting on September 19, 2016. There were no issues or concerns.

The Management Committee reviewed and approved the proposed amendments for all the divisions at its meeting on September 14, 2016. There were no issues or concerns.

## Management Committee

Meeting date: September 14, 2016

For the Metropolitan Council meeting of September 28, 2016

**Subject:** Third Quarter Budget Amendment

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

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

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

**Division/Department:** Transportation, Environmental Services and Community Development

### Proposed Action

That the Metropolitan Council authorize the amendment of the 2016 Unified Budget as indicated and in accordance with the attached tables.

### Background

The Transportation and Environmental Services Divisions have proposed amendments to the operating budget and the Transportation, Environmental Services and Community Development Divisions have proposed amendments to the capital program. The Community Development Committee will review their amendment request on September 19, after the Management Committee meeting. If the Community Development Committee has issues or concerns they will be communicated to the Council.

### Operating Component of Unified Budget

Requested changes to the Unified Operating Budget increase the revenue and expenditure budget by \$1.75 million in Environmental Services and include an exchange of federal capital and MVST operating funds in the Transportation Division.

#### Environmental Services

Change in Expenditures: \$1,750,000; Revenues: \$1,750,000; Reserves: \$0

This amendment adds \$1,750,000 to the 2016 pass-through budget, to be funded with a \$1,500,000 state appropriation for grants to municipalities to reduce the amount of inflow and infiltration to the sanitary sewer disposal system and \$250,000 in state appropriations to establish a water demand reduction grant program.

#### Transportation

Change in Expenditures/Transfers: (\$9,548,000); Revenues: (\$9,548,000); Reserves: \$0

This amendment authorizes \$975,000 of federal capital funds to be used for preventative maintenance activities in the Metropolitan Transportation Services operating budget and authorizes the use of \$975,000 of operating budget MVST funds to provide funding for capital projects in the capital program. The exchange of revenue sources has a net zero impact on both the operating budget and the capital program.

This amendment also changes how transfers from previous amendments (2016-51 and 2016-103) are presented in the budget. Those amendments showed the

transfer of MVST to the capital program as transfers to other funds rather than reductions in the MVST revenues in the budget. This amendment corrects that by reducing MVST revenues by \$9,548,000 (\$1,628,000 in MTS and \$7,920,000 in Metro Transit) and reducing transfers to other funds by similar amounts. The proposed amendment has no net impact on operating budget reserves.

### **Capital Component of Unified Budget**

Transportation, Environmental Services and Community Development have proposed amendments to the capital program.

Each division has closing amendments that close numerous capital projects that have been completed and can be removed from the Authorized Capital Program (ACP). Financial staff are involved in a continuous improvement program seeking to better integrate our financial systems and processes. It is a cross-divisional collaboration looking to improve accountability and transparency while simplifying processes. Historically, projects have remained open in the ACP for administrative purposes. In preparation of publishing the Council's 2017 Unified Budget, staff is requesting to close projects totaling nearly \$2.2 billion. This amendment closes the \$718 million Hiawatha Light Rail Line Project and removes \$992 million from the Northstar and Central Corridor capital projects that represents the completed portions of those projects. The remaining \$472 million is the result of an ongoing staff review of the nearly 900 individual projects that make up the rest of the ACP. Going forward, Council-wide processes and procedures have been collaboratively developed that will improve the way we add, manage and close projects in the ACP.

In addition to this amendment to remove closed capital projects from the ACP, Transportation has additional amendments to add new capital projects and amend existing capital projects.

#### **Transportation**

Change in Authorized Capital Program (ACP): (\$1,712,850,386)

Additions: \$138,379,088 through the regular amendment

Deletions: (\$6,805,265) through the regular amendment

Deletions: (\$1,844,424,209) through the closing amendment

Change in Capital Improvement Plan (CIP): (\$129,022,000)

Change in 2016 Capital Budget: \$30,987,088

The proposed closing amendment closes 113 individual capital projects and reduces the ACP by \$1,844 billion or 65 percent, from \$2.83 billion to \$985 million. The two largest capital projects with reduced authorizations are the Hiawatha Light Rail Project (\$718 million) and the completed portion of the Central Corridor Light Rail Project (\$915 million).

In addition to the closeout amendments, Transportation has additional amendments that add authorizations to new and existing capital projects. The proposed additions to the capital program add \$138 million in authority to existing and new capital projects, funded with \$44 million in federal funds, \$9

million in MVST funds, \$20 million in CTIB and HCRRA funds, \$60 million in Council funding for Southwest LRT and \$5 million in regional bond funding.

All of the proposed capital projects involve moving the project from the Capital Improvement Plan (planned projects) to the Authorized Capital Program (funded and authorized projects).

Environmental Services

Change in Authorized Capital Program (ACP): (\$307,569,610)

Additions: \$0

Deletions: \$307,569,610 through the closing amendment

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

Change in 2015 Capital Budget: \$0

The proposed closing amendment closes 121 individual capital projects and reduces the ACP by almost \$308 million or 24 percent, from \$1.275 billion to \$967 million.

Parks and Open Space

Change in Authorized Capital Program (ACP): (\$28,552,985)

Additions: \$0

Deletions: \$28,552,985 through the closing amendment

Change in Capital Improvement Program: \$0

Change in 2015 Capital Budget: \$0

The proposed closing amendment closes 29 individual capital projects and reduces the ACP by almost \$29 million or 17 percent, from \$167 million to \$138 million.

Following is a summary of the capital program amendments:

\$ in Millions	Prior Amended	Closeout Amendment	Amended after Closeout	Regular Amendment	Final Amended
Environmental Services	\$1,275	(\$308)	\$967	\$0	\$967
Parks and Open Space	167	(29)	138	0	138
Metro Transit	2,548	(1,723)	825	108	933
Metropolitan Transportation Services	282	(122)	160	24	184
Total	\$4,272	(\$2,182)	\$2,090	\$132	\$2,222

## Rationale

The proposed amendments program available federal, state, local 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

- The budget amendment authorizing the state-funded inflow and infiltration grant program will reduce future wastewater treatment capacity requirements and demonstrates efficient and effective management of public financial resources.
- The budget amendment authorizing the state-funded water demand reduction grant program will reduce future demand on the region's water supply and demonstrates efficient and effective management of the region's natural resources.
- The budget amendment authorizing the exchange of federal capital funding with motor vehicle sales tax operating funding allows the Council to manage federal grants in an efficient manner and provides financial flexibility in funding of transit capital projects.
- The budget amendments replacing transit vehicles for Metro Mobility and suburban transit providers represents responsible stewardship of the Council's existing inventory of transit vehicles.

### Collaboration

- The budget amendment removing closed capital projects from the authorized capital program is one result of a joint effort of all the Council's divisions to fully integrate the Council's financial, budgeting and grants management systems.

### Prosperity

- The budget amendments adding funding for transit capital projects, including the Southwest and Bottineau LRT projects, the Orange Line BRT project and other capital projects reflect strategic investment in regional infrastructure that will promote economic competitiveness and create prosperity for the region.

## Funding

The operating budget amendment has no impact on available reserves.

The capital amendment is funded with new local and regional funding. 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
2015 Authorization	\$22,980,000	\$15,320,000	\$38,300,000
Previously Committed	22,820,765	8,058,219	30,878,984
Plus: This Amendment	65,947	5,043,000	5,108,947
Total Committed	22,886,712	13,101,219	35,987,931
Remaining Authority*	93,288	2,218,781	2,312,069

## Fiscal Impact

### Cash Flow

This amendment adds \$138 million in new authorized expenditures to transit capital projects. Transit anticipates they will spend \$31 million in 2016.

### Impact on Regional Taxpayers

This amendment does not have an impact on regional taxpayers over and above the impact shown in the adopted capital program.

### Known Support / Opposition

None

### Attachments:

Table 2: Summary Budget: Operations, Pass-Through and Debt Service amended 9-28-2016

Table 3: Summary Budget: Operations by Fund amended 9-28-2016

Table 4: Summary Budget: Pass-Through Grants and Loans amended 9-28-2016

Table B-1 Environmental Services Budget amended 9-28-2016

Table C-1 Transportation Budget amended 9-28-2016

Table 9: Transit Capital Program amended 9-28-2016

Table 10: Environmental Services Capital Program amended 9-28-2016

Table 11: Parks Capital Program amended 9-28-2016

2016-164 Transportation Committee Business Item

2016-164 Environment Committee Business Item

2016-164 Community Development Committee Business Item



**METROPOLITAN COUNCIL  
SUMMARY BUDGET  
OPERATIONS, PASSTHROUGH AND DEBT SERVICE  
Amended September 28, 2016 (2016-164)**

**TABLE 2**

(\$ in 000s)

	Council Operations	Passthrough Grants & Loans	Debt Service Funds	Total
<b><u>Revenues</u></b>				
Property Tax	14,451	16,343	51,245	82,039
Federal Revenues	44,509	53,280	-	97,789
State Revenues	306,840	49,451	-	356,291
Local Revenues	33,262	-	-	33,262
Municipal Wastewater Charges	125,528	-	75,485	201,013
Industrial Wastewater Charges	13,890	-	815	14,705
Passenger Fares, Contract & Special Events	109,388	-	-	109,388
Investment Earnings	2,253	1,260	276	3,789
Other Revenues	9,075	-	-	9,075
<b>Total Revenues</b>	<b>659,196</b>	<b>120,334</b>	<b>127,821</b>	<b>907,351</b>
<b><u>Other Sources</u></b>				
OPEB Transfers In	3,580	-	-	3,580
SAC Transfers In	-	-	39,200	39,200
Other Transfers In	3,946	3,500	-	7,446
<b>Total Other Sources</b>	<b>7,526</b>	<b>3,500</b>	<b>39,200</b>	<b>50,226</b>
<b>Total Revenues and Other Sources</b>	<b>666,722</b>	<b>123,834</b>	<b>167,021</b>	<b>957,577</b>
<b><u>Expenses</u></b>				
Salaries & Benefits	407,130	-	-	407,130
Consulting & Contractual Services	54,291	-	-	54,291
Materials & Supplies	64,185	-	-	64,185
Chemicals	7,888	-	-	7,888
Rent & Utilities	35,818	-	-	35,818
Printing	786	-	-	786
Travel	1,841	-	-	1,841
Insurance	7,626	-	-	7,626
Transit Programs	76,130	-	-	76,130
Operating Capital	6,297	-	-	6,297
Governmental Grants	7,815	-	-	7,815
Other Expenses	15,236	-	-	15,236
Passthrough Grants & Loans	-	124,129	-	124,129
Debt Service Obligations	-	-	173,853	173,853
<b>Total Expenses</b>	<b>685,043</b>	<b>124,129</b>	<b>173,853</b>	<b>983,025</b>
<b><u>Other Uses</u></b>				
Transfers Out/Other Uses	13,877	500	-	14,377
<b>Total Other Uses</b>	<b>13,877</b>	<b>500</b>	<b>-</b>	<b>14,377</b>
<b>Total Expenses and Other Uses</b>	<b>698,920</b>	<b>124,629</b>	<b>173,853</b>	<b>997,402</b>
<b>Change in Fund Balance</b>	<b>(32,198)</b>	<b>(795)</b>	<b>(6,832)</b>	<b>(39,825)</b>



**METROPOLITAN COUNCIL**  
**SUMMARY BUDGET**  
**OPERATIONS BY FUND**  
**Amended September 28, 2016 (2016-164)**

**Table 3**

(\$ in 000's)

	General Fund			Transportation □												Memo Total	
	Regional Administration	Community Development	General Fund Total	Metropolitan Transportation Services						Metro Transit				Transportation Total			
				HRA & FAHP	Environmental Services	Operating Capital	Metro Mobility	Contracted Services	Transportation Planning	MTS Total	Bus	Light Rail	Commuter Rail		Metro Transit Total		
<b>Revenues:</b>																	
Property Tax	4,594	9,857	14,451	-	-	-	-	-	-	-	-	-	-	-	-	-	14,451
Federal Revenues	-	-	-	4,458	-	-	-	4,771	5,375	10,146	27,185	2,720	-	29,905	40,051	44,509	44,509
State Revenues	-	-	-	145	2,187	-	52,403	15,305	3,649	71,357	204,881	6,773	23,447	235,101	306,458	308,790	308,790
Local Revenues	-	-	-	-	-	-	-	1,916	100	2,016	-	23,194	8,052	31,246	33,262	33,262	33,262
Municipal Wastewater Charges	-	-	-	-	125,528	-	-	-	-	-	-	-	-	-	-	-	125,528
Industrial Wastewater Charges	-	-	-	-	13,890	-	-	-	-	-	-	-	-	-	-	-	13,890
Passenger Fares	-	-	-	-	-	-	7,962	2,541	-	10,503	73,440	21,212	2,333	96,985	107,488	107,488	
Contract & Special Event Revenues	-	-	-	-	-	-	-	-	-	-	1,400	500	-	1,900	1,900	1,900	
Investment Earnings	529	-	529	100	850	-	-	100	-	100	500	25	149	674	774	2,253	
Other Revenues	-	-	-	2,115	2,329	2,415	-	-	-	-	900	20	1,296	2,216	2,216	9,075	
<b>Total Revenues</b>	<b>5,123</b>	<b>9,857</b>	<b>14,980</b>	<b>6,818</b>	<b>144,784</b>	<b>2,415</b>	<b>60,365</b>	<b>24,633</b>	<b>9,124</b>	<b>94,122</b>	<b>308,306</b>	<b>71,118</b>	<b>18,603</b>	<b>398,027</b>	<b>492,149</b>	<b>661,146</b>	
<b>Expenses:</b>																	
Salaries & Benefits	34,642	4,810	39,452	3,697	66,862	-	1,283	833	2,762	4,878	250,866	36,861	4,514	292,241	297,119	407,130	
Consulting & Contractual Services	14,044	974	15,018	1,433	18,346	594	1,022	148	2,670	3,840	6,875	1,902	6,283	15,060	18,900	54,291	
Material & Supplies	556	8	564	50	8,495	173	6,313	(284)	19	6,048	27,419	17,339	4,097	48,855	54,903	64,185	
Chemicals	-	-	-	-	7,888	-	-	-	-	-	-	-	-	-	-	7,888	
Rent & Utilities	2,811	200	3,011	220	18,565	380	110	20	163	293	5,154	7,432	763	13,349	13,642	35,818	
Printing	190	55	245	45	11	-	43	28	31	102	383	-	-	383	485	786	
Travel	539	62	601	60	406	-	5	13	41	59	562	130	23	715	774	1,841	
Insurance	30	-	30	100	1,100	-	-	-	-	-	2,771	1,308	2,317	6,396	6,396	7,626	
Transit Programs	-	-	-	-	-	-	51,805	24,325	-	76,130	-	-	-	-	76,130	76,130	
Operating Capital	389	31	420	40	4,841	856	67	-	73	140	-	-	-	-	140	6,297	
Governmental Grants	-	1,000	1,000	-	1,870	-	-	1,060	675	1,735	3,210	-	-	3,210	4,945	7,815	
Other Expenses	1,708	162	1,870	653	1,289	1,196	59	50	64	173	7,705	2,138	212	10,055	10,228	15,236	
<b>Total Expenses</b>	<b>54,909</b>	<b>7,302</b>	<b>62,211</b>	<b>6,298</b>	<b>129,673</b>	<b>3,199</b>	<b>60,707</b>	<b>26,193</b>	<b>6,498</b>	<b>93,398</b>	<b>304,945</b>	<b>67,110</b>	<b>18,209</b>	<b>390,264</b>	<b>483,662</b>	<b>685,043</b>	
<b>Other Sources and (Uses):</b>																	
Interdivisional Cost Allocation	51,482	(2,012)	49,470	(1,141)	(13,848)	-	(1,898)	(836)	(1,489)	(4,223)	(25,831)	(4,031)	(396)	(30,258)	(34,481)	-	
MVST Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
OPEB Transfers In	123	-	123	-	3,457	-	-	-	-	-	-	-	-	-	-	3,580	
Transfers From Other Funds	-	-	-	400	1,445	-	-	-	-	-	1,500	-	-	1,500	1,500	3,345	
Operating Capital Chargeback	-	-	-	-	-	601	-	-	-	-	-	-	-	-	-	601	
Transfers To Other Funds	(3,945)	(2,400)	(6,345)	-	(7,000)	-	-	(532)	-	(532)	-	-	-	-	(532)	(13,877)	
<b>Net Other Sources and (Uses)</b>	<b>47,660</b>	<b>(4,412)</b>	<b>43,248</b>	<b>(741)</b>	<b>(15,946)</b>	<b>601</b>	<b>(1,898)</b>	<b>(1,368)</b>	<b>(1,489)</b>	<b>(4,755)</b>	<b>(24,331)</b>	<b>(4,031)</b>	<b>(396)</b>	<b>(28,758)</b>	<b>(33,513)</b>	<b>(6,351)</b>	
<b>Change in Fund Balance</b>	<b>(2,126)</b>	<b>(1,857)</b>	<b>(3,983)</b>	<b>(221)</b>	<b>(835)</b>	<b>(183)</b>	<b>(2,240)</b>	<b>(2,928)</b>	<b>1,137</b>	<b>(4,031)</b>	<b>(20,970)</b>	<b>(23)</b>	<b>(2)</b>	<b>(20,995)</b>	<b>(25,026)</b>	<b>(30,248)</b>	





**METROPOLITAN COUNCIL**  
**SUMMARY BUDGET**  
**PASSTHROUGH GRANTS AND LOANS**  
**AMENDED SEPTEMBER 28, 2016 (2016-164)**

**Table 4**

(\$ in 000s)

	Metro HRA	Parks O & M	Planning Assistance	Livable Communities	Suburban Transit Providers	Highway Right of Way	I & I and Water Demand Reduction Grants	Memo Total
<b>Revenues:</b>								
Property Tax	-	-	-	16,343	-	-	-	16,343
Federal Revenues	53,280	-	-	-	-	-	-	53,280
State Revenues	1,575	10,170	-	-	33,306	-	4,400	49,451
Investment Earnings	-	-	35	1,160	-	65	-	1,260
<b>Total Revenues</b>	<b>54,855</b>	<b>10,170</b>	<b>35</b>	<b>17,503</b>	<b>33,306</b>	<b>65</b>	<b>4,400</b>	<b>120,334</b>
<b>Expenses:</b>								
Passthrough Grants & Loans	54,855	10,170	1,895	19,503	33,306	-	4,400	124,129
<b>Total Expenses</b>	<b>54,855</b>	<b>10,170</b>	<b>1,895</b>	<b>19,503</b>	<b>33,306</b>	<b>-</b>	<b>4,400</b>	<b>124,129</b>
<b>Other Sources and (Uses):</b>								
Transfers From Other Funds	-	-	1,000	2,500	-	-	-	3,500
Transfers To Other Funds	-	-	-	(500)	-	-	-	(500)
<b>Net Other Sources and (Uses)</b>	<b>-</b>	<b>-</b>	<b>1,000</b>	<b>2,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,000</b>
<b>Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>(860)</b>	<b>-</b>	<b>-</b>	<b>65</b>	<b>-</b>	<b>(795)</b>



**METROPOLITAN COUNCIL  
SUMMARY BUDGET  
ENVIRONMENTAL SERVICES DIVISION  
FY16**

Table B-1

(\$ in 000s)

	Operations	Support Services	Maintenance Services	Technical Services	EQA	GM Office	ES Wide	Total Operating	Debt Service	Passthrough Grants	Memo Total
<b>Revenues:</b>											
State Revenues	-	-	-	-	2,187	-	-	2,187	-	4,400	6,587
Municipal Wastewater Charges	-	-	-	-	-	-	125,528	125,528	75,485	-	201,013
Industrial Wastewater Charges	-	-	-	-	-	-	13,890	13,890	815	-	14,705
Investment Earnings	-	-	-	-	-	-	850	850	-	-	850
Other Revenues	55	200	35	-	92	-	83	465	-	-	465
<b>Total Revenues</b>	<b>55</b>	<b>200</b>	<b>35</b>	<b>-</b>	<b>2,279</b>	<b>-</b>	<b>140,351</b>	<b>142,920</b>	<b>76,300</b>	<b>4,400</b>	<b>223,620</b>
<b>Expenses:</b>											
Salaries & Benefits	39,455	9,866	5,483	4,010	3,669	2,912	1,467	66,862	-	-	66,862
Consulting & Contractual Services	11,548	1,591	1,974	50	2,158	818	207	18,346	-	-	18,346
Materials & Supplies	5,766	1,354	702	98	330	45	200	8,495	-	-	8,495
Chemicals	7,872	13	3	-	-	-	-	7,888	-	-	7,888
Utilities	17,686	283	155	8	30	5	398	18,565	-	-	18,565
Printing	6	2	1	-	1	1	-	11	-	-	11
Travel	90	134	25	40	57	60	-	406	-	-	406
Insurance	-	-	-	-	-	-	1,100	1,100	-	-	1,100
Operating Capital	739	587	813	8	71	12	747	2,977	-	-	2,977
Governmental Grants	-	-	-	-	1,070	-	-	1,070	-	-	1,070
Other Expenses	82	44	24	27	482	213	417	1,289	-	-	1,289
Passthrough Grants	-	-	-	-	-	-	-	-	-	4,400	4,400
Debt Service Obligations	-	-	-	-	-	-	-	-	115,500	-	115,500
<b>Total Expenses</b>	<b>83,244</b>	<b>13,874</b>	<b>9,180</b>	<b>4,241</b>	<b>7,868</b>	<b>4,066</b>	<b>4,536</b>	<b>127,009</b>	<b>115,500</b>	<b>4,400</b>	<b>246,909</b>
<b>Other Sources and (Uses):</b>											
Interdivisional Allocation	-	-	-	-	-	-	(13,813)	(13,813)	-	-	(13,813)
SAC Transfers In	-	-	-	-	-	-	-	-	39,200	-	39,200
OPEB Transfers In	-	-	-	-	-	-	3,457	3,457	-	-	3,457
Transfers From Other Funds	-	-	-	-	445	-	1,000	1,445	-	-	1,445
Transfers To Other Funds	-	-	-	-	-	-	(7,000)	(7,000)	-	-	(7,000)
<b>Net Other Sources and (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>445</b>	<b>-</b>	<b>(16,356)</b>	<b>(15,911)</b>	<b>39,200</b>	<b>-</b>	<b>23,289</b>
<b>Change in Fund Balance</b>	<b>(83,189)</b>	<b>(13,674)</b>	<b>(9,145)</b>	<b>(4,241)</b>	<b>(5,144)</b>	<b>(4,066)</b>	<b>119,459</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**METROPOLITAN COUNCIL  
SUMMARY BUDGET  
TRANSPORTATION DIVISION  
Amended 9-28-2016**

(\$ in 000s)

	Metro Mobility	Transit Link	Fixed Route	Transportation Planning	Total Metropolitan Transportation Services	Bus	Light Rail	Commuter Rail	Total Metro Transit	Total Operating	Debt Service	Suburban Transit Providers Pass-Through	Highway Right of Way Pass-Through	Memo Total	Capital	Unallocated MVST
<b>Revenues:</b>																
Motor Vehicle Sales Tax	-	3,818	9,537	3,649	17,004	190,455	-	6,773	197,228	214,232	-	33,306	-	247,538	10,703	13,584
State Appropriations	52,403	-	-	-	52,403	14,426	23,447	-	37,873	90,276	-	-	-	90,276	-	-
Other State Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total State Revenues</b>	<b>52,403</b>	<b>3,818</b>	<b>9,537</b>	<b>3,649</b>	<b>69,407</b>	<b>204,881</b>	<b>23,447</b>	<b>6,773</b>	<b>235,101</b>	<b>304,508</b>	<b>-</b>	<b>33,306</b>	<b>-</b>	<b>337,814</b>	<b>10,703</b>	<b>13,584</b>
Net Property Tax	-	-	-	-	-	-	-	-	-	-	44,687	-	-	44,687	-	-
Federal Revenues	-	800	3,971	5,375	10,146	27,185	2,720	-	29,905	40,051	-	-	-	40,051	-	-
Local Revenues	-	-	1,916	100	2,016	-	23,194	8,052	31,246	33,262	-	-	-	33,262	-	-
Passenger Fares	7,962	589	1,952	-	10,503	73,440	21,212	2,333	96,985	107,488	-	-	-	107,488	-	-
Contract & Special Event Revenues	-	-	-	-	-	1,400	500	-	1,900	1,900	-	-	-	1,900	-	-
Investment Earnings	-	-	100	-	100	500	25	149	674	774	180	-	65	1,019	-	-
Other Revenues	-	-	-	-	-	900	20	1,296	2,216	2,216	-	-	-	2,216	-	-
<b>Total Other Revenues</b>	<b>7,962</b>	<b>1,389</b>	<b>7,939</b>	<b>5,475</b>	<b>22,765</b>	<b>103,425</b>	<b>47,671</b>	<b>11,830</b>	<b>162,926</b>	<b>185,691</b>	<b>44,867</b>	<b>-</b>	<b>65</b>	<b>230,623</b>	<b>-</b>	<b>-</b>
<b>Total Revenues</b>	<b>60,365</b>	<b>5,207</b>	<b>17,476</b>	<b>9,124</b>	<b>92,172</b>	<b>308,306</b>	<b>71,118</b>	<b>18,603</b>	<b>398,027</b>	<b>490,199</b>	<b>44,867</b>	<b>33,306</b>	<b>65</b>	<b>568,437</b>	<b>10,703</b>	<b>13,584</b>
<b>Expenses:</b>																
Salaries & Benefits	1,283	213	620	2,762	4,878	250,866	36,861	4,514	292,241	297,119	-	-	-	297,119	-	-
Consulting & Contractual Services	1,022	42	106	2,670	3,840	6,875	1,902	6,283	15,060	18,900	-	-	-	18,900	-	-
Materials & Supplies	6,313	(73)	(211)	19	6,048	27,419	17,339	4,097	48,855	54,903	-	-	-	54,903	-	-
Rent & Utilities	110	20	-	163	293	5,154	7,432	763	13,349	13,642	-	-	-	13,642	-	-
Printing	43	3	25	31	102	383	-	-	383	485	-	-	-	485	-	-
Travel	5	5	8	41	59	562	130	23	715	774	-	-	-	774	-	-
Insurance	-	-	-	-	-	2,771	1,308	2,317	6,396	6,396	-	-	-	6,396	-	-
Transit Programs	51,805	6,406	17,919	-	76,130	-	-	-	-	76,130	-	-	-	76,130	-	-
Operating Capital	67	-	-	73	140	-	-	-	-	140	-	-	-	140	-	-
Governmental Grants	-	-	1,060	675	1,735	3,210	-	-	3,210	4,945	-	-	-	4,945	-	-
Other Expenses	59	10	40	64	173	7,705	2,138	212	10,055	10,228	-	-	-	10,228	-	-
Passthrough Grants	-	-	-	-	-	-	-	-	-	-	-	33,306	-	33,306	-	-
Debt Service Obligations	-	-	-	-	-	-	-	-	-	-	51,050	-	-	51,050	-	-
<b>Total Expenses</b>	<b>60,707</b>	<b>6,626</b>	<b>19,567</b>	<b>6,498</b>	<b>93,398</b>	<b>304,945</b>	<b>67,110</b>	<b>18,209</b>	<b>390,264</b>	<b>483,662</b>	<b>51,050</b>	<b>33,306</b>	<b>-</b>	<b>568,018</b>	<b>-</b>	<b>-</b>
<b>Other Sources and (Uses):</b>																
Interdivisional Cost Allocation	(1,898)	(206)	(630)	(1,489)	(4,223)	(25,831)	(4,031)	(396)	(30,258)	(34,481)	-	-	-	(34,481)	-	-
MVST Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A-87 Cost Allocation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers From Other Funds	-	-	-	-	-	1,500	-	-	1,500	1,500	-	-	-	1,500	-	-
Transfers To Other Funds	-	-	(532)	-	(532)	-	-	-	-	(532)	-	-	-	(532)	-	-
<b>Net Other Sources and (Uses)</b>	<b>(1,898)</b>	<b>(206)</b>	<b>(1,162)</b>	<b>(1,489)</b>	<b>(4,755)</b>	<b>(24,331)</b>	<b>(4,031)</b>	<b>(396)</b>	<b>(28,758)</b>	<b>(33,513)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(33,513)</b>	<b>-</b>	<b>-</b>
<b>Change in Fund Balance</b>	<b>(2,240)</b>	<b>(1,625)</b>	<b>(3,253)</b>	<b>1,137</b>	<b>(5,981)</b>	<b>(20,970)</b>	<b>(23)</b>	<b>(2)</b>	<b>(20,995)</b>	<b>(26,976)</b>	<b>(6,183)</b>	<b>-</b>	<b>65</b>	<b>(33,094)</b>	<b>10,703</b>	<b>13,584</b>



Program	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)			Capital Program (ACP+CIP)		
	Current	Revision	Amended	Current	Revision	Amended	Current	Revision	Amended
METRO TRANSIT									
FLEET MODERNIZATION									
Bus Tire Leasing	8,713	-	8,713	14,286	-	14,286	22,999	-	22,999
Bus Fleet Replacement	118,206	-	118,206	235,079	-	235,079	353,285	-	353,285
Bus Fleet Expansion	16,976	(3,043)	13,933	9,421	-	9,421	26,397	(3,043)	23,354
Light Rail Vehicle Preservation	7,293	2,800	10,093	31,160	-	31,160	38,453	2,800	41,253
Light Rail Vehicle Expansion	-	-	-	500	-	500	500	-	500
Commuter Rail Vehicle Preservation	-	-	-	8,000	-	8,000	8,000	-	8,000
Non-Revenue Vehicles Expansion	-	-	-	1,264	-	1,264	1,264	-	1,264
Non-Revenue Vehicles Preservation	-	-	-	-	-	-	-	-	-
Total Fleet Modern	151,188	(243)	150,945	299,710	-	299,710	450,898	(243)	450,655
SUPPORT FACILITIES									
Police Facility Expansion	12,000	15,500	27,500	9,600	(9,600)	-	21,600	5,900	27,500
Heywood Garage Preservation	1,626	-	1,626	-	-	-	1,626	-	1,626
Heywood Garage Expansion	13,665	2,000	15,665	2,000	(2,000)	-	15,665	-	15,665
Support Facility Preservation	75,420	(3,083)	72,337	30,925	(300)	30,625	106,345	(3,383)	102,962
Support Facility Expansion	6,977	(110)	6,867	45,320	-	45,320	52,297	(110)	52,187
Total Support Facil	109,688	14,307	123,995	87,845	(11,900)	75,945	197,533	2,407	199,940
CUSTOMER FACILITIES									
Bus Customer Facility Preservation	38,112	32	38,144	21,825	(32)	21,793	59,937	-	59,937
Bus Customer Facility Expansion	45,220	-	45,220	11,450	-	11,450	56,670	-	56,670
Rail Customer Facility Preservation	2,709	-	2,709	-	-	-	2,709	-	2,709
Rail Customer Facility Expansion	1,200	-	1,200	-	-	-	1,200	-	1,200
Total Customer Fac	87,241	32	87,273	33,275	(32)	33,243	120,516	-	120,516
TECHNOLOGY IMPROVEMENTS									
MT-Technology Preservation-Replacem	27,424	(910)	26,514	30,181	(300)	29,881	57,605	(1,210)	56,395
MT-Technology Expansion	5,237	(150)	5,087	5,800	-	5,800	11,037	(150)	10,887
Total Technology Im	32,661	(1,060)	31,601	35,981	(300)	35,681	68,642	(1,360)	67,282
OTHER CAPITAL EQUIPMENT									
MT-Other Capital Equipment Preservat	37,358	(1,685)	35,673	27,229	-	27,229	64,587	(1,685)	62,902
MT-Other Capital Equipment Expansion	1,976	(18)	1,958	555	-	555	2,531	(18)	2,513
Total Other Capital	39,334	(1,703)	37,631	27,784	-	27,784	67,118	(1,703)	65,415
TRANSITWAYS - NON NEW STARTS									
Highway Bus Rapid Transit	14,507	(3,339)	11,169	8,351	(1,370)	6,981	22,858	(4,709)	18,150
Arterial_Bus Rapid Transit	31,241	-	31,241	8,829	-	8,829	40,070	-	40,070
Light Rail Projects	114,491	13,336	127,827	37,500	(12,800)	24,700	151,991	536	152,527
Commuter Rail Projects	6,788	(5,588)	1,200	2,300	-	2,300	9,088	(5,588)	3,500
Transitway_Planning	2,420	(50)	2,370	1,100	-	1,100	3,520	(50)	3,470
Total Transitways	169,447	4,360	173,807	58,080	(14,170)	43,910	227,527	(9,810)	217,717
FEDERAL NEW STARTS RAIL PROJECTS									
Bottineau LRT-Blue Line Ext	46,000	18,800	64,800	1,450,000	(18,800)	1,431,200	1,496,000	-	1,496,000
Southwest LRT	150,737	60,000	210,737	1,623,642	(60,000)	1,563,642	1,774,379	-	1,774,379
Northstar Comm Rail Start-up	87,327	(77,000)	10,327	-	-	-	87,327	(77,000)	10,327
Central Corridor New Start	956,900	(915,000)	41,900	-	-	-	956,900	(915,000)	41,900
LRT - Hiawatha Corridor	717,857	(717,857)	-	-	-	-	717,857	(717,857)	-
Total Federal New	1,958,821	(1,631,057)	327,764	3,073,642	(78,800)	2,994,842	5,032,463	(1,709,857)	3,322,606
TOTAL METRO TR	2,548,380	(1,615,364)	933,016	3,616,317	(105,202)	3,511,115	6,164,697	(1,720,566)	4,444,131
Prior Amendment ==>	2,548,380	-	2,548,380	3,616,317	-	3,616,317	6,164,697	-	6,164,697
Change ==>	-	(1,615,364)	(1,615,364)	-	(105,202)	(105,202)	-	(1,720,566)	(1,720,566)
Closed/Reduced Projects		(1,723,118)						(1,723,118)	
New and Existing Projects		107,754			(105,202)			2,552	



Program	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)			Capital Program (ACP+CIP)		
	Current	Revision	Amended	Current	Revision	Amended	Current	Revision	Amended
METROPOLITAN TRANSPORTATION SERVICES									
FLEET MODERNIZATION									
Big Bus Preservation	62,740	(17,355)	45,384	77,863	(8,150)	69,713	140,603	(25,505)	115,097
Big Bus Expansion	44,617	(20,333)	24,285	36,900	-	36,900	81,517	(20,333)	61,185
Small Bus and Vehicle Preservation	39,009	(21,909)	17,100	49,837	(10,250)	39,587	88,846	(32,159)	56,687
Small Bus and Vehicle Expansion	11,662	(4,413)	7,249	21,741	(2,720)	19,021	33,403	(7,133)	26,270
Repairs Equipment and Technology Pre	11,065	(1,171)	9,894	11,426	(2,100)	9,326	22,491	(3,271)	19,220
Repairs Equipment and Technology Exp	8,130	(7,250)	880	-	-	-	8,130	(7,250)	880
Non-Revenue Vehicle Preservation	117	(81)	36	39	-	39	156	(81)	75
Total Fleet Modern	177,340	(72,512)	104,828	197,806	(23,220)	174,586	375,146	(95,732)	279,414
CUSTOMER FACILITIES									
Customer Facility Preservation	2,225	(2,225)	-	120	-	120	2,345	(2,225)	120
Total Customer Fac	2,225	(2,225)	-	120	-	120	2,345	(2,225)	120
TECHNOLOGY									
MTS-Technology Preservation	2,332	(827)	1,505	6,375	-	6,375	8,707	(827)	7,880
MTS-Technology Expansion	2,100	-	2,100	-	-	-	2,100	-	2,100
Total Technology	4,432	(827)	3,605	6,375	-	6,375	10,807	(827)	9,980
OTHER EQUIPMENT									
MTS-Other Equipment Preservation	-	-	-	-	-	-	-	-	-
MTS-Other Equipment Expansion	-	-	-	-	-	-	-	-	-
Total Other Equipm	-	-	-	-	-	-	-	-	-
OTHER REGIONAL PROVIDERS									
Maple Grove	3,675	(2,222)	1,454	1,750	-	1,750	5,425	(2,222)	3,204
Minnesota Valley Transit Authority	14,871	(2,964)	11,907	7,474	(600)	6,874	22,345	(3,564)	18,781
Plymouth	3,804	3	3,807	1,758	-	1,758	5,562	3	5,565
SouthWest Transit	4,478	(4,173)	305	2,511	-	2,511	6,989	(4,173)	2,816
University of Minnesota	863	(13)	850	1,859	-	1,859	2,722	(13)	2,709
Total Other Region	27,692	(9,369)	18,323	15,352	(600)	14,752	43,044	(9,969)	33,075
TRANSITWAYS									
Transitway Expansion	70,092	(12,553)	57,539	-	-	-	70,092	(12,553)	57,539
Total Transitways	70,092	(12,553)	57,539	-	-	-	70,092	(12,553)	57,539
TOTAL MTS CAPIT	281,781	(97,486)	184,295	219,653	(23,820)	195,833	501,434	(121,306)	380,128
Prior Amendment ==>	281,781	-	281,781	219,653	-	219,653	501,434	-	501,434
Change ==>	-	(97,486)	(97,486)	-	(23,820)	(23,820)	-	(121,306)	(121,306)
Closed/Reduced Projects		(121,306)			-			(121,306)	
New and Existing Projects		23,820			(23,820)				
COMBINED									
Total Fleet Modernization	328,529	(72,755)	255,773	497,516	(23,220)	474,296	826,045	(95,975)	730,069
Total Support Facilities	109,688	14,307	123,995	87,845	(11,900)	75,945	197,533	2,407	199,940
Total Customer Facilities	89,466	(2,193)	87,273	33,395	(32)	33,363	122,861	(2,225)	120,636
Total Technology Improvements	37,093	(1,887)	35,205	42,356	(300)	42,056	79,449	(2,187)	77,261
Total Other Capital Equipment	39,334	(1,703)	37,631	27,784	-	27,784	67,118	(1,703)	65,415
Total Other Regional Providers	27,692	(9,369)	18,323	15,352	(600)	14,752	43,044	(9,969)	33,075
Total Transitways	239,539	(8,193)	231,346	58,080	(14,170)	43,910	297,619	(22,363)	275,256
Total Federal New Starts	1,958,821	(1,631,057)	327,764	3,073,642	(78,800)	2,994,842	5,032,463	(1,709,857)	3,322,606
Grand Total	2,830,161	(1,712,850)	1,117,311	3,835,970	(129,022)	3,706,948	6,666,131	(1,841,872)	4,824,259
Prior Amendment ==>	2,830,161	-	2,830,161	3,835,970	-	3,835,970	6,666,131	-	6,666,131
Change ==>	-	(1,712,850)	(1,712,850)	-	(129,022)	(129,022)	-	(1,841,872)	(1,841,872)
Closed/Reduced Projects		(1,844,424)			-			(1,844,424)	
New and Existing Projects		131,574			(129,022)			2,552	

METROPOLITAN COUNCIL  
CAPITAL PROGRAM  
ENVIRONMENTAL SERVICES

TABLE 10

(\$ in 000s)

Program	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)			Capital Program (ACP + CIP)		
	Adopted	Changes	Amended	Adopted	Changes	Amended	Adopted	Changes	Amended
<b>Treatment Plant Projects</b>									
8018 Blue Lake Plant Improvements	117,000	(115,267)	1,733	-	-	-	117,000	(115,267)	1,733
8074 Empire Plant Solids Improvements	15,000	(250)	14,750	-	-	-	15,000	(250)	14,750
8072 Energy Conservation & Recovery	5,000	-	5,000	-	-	-	5,000	-	5,000
8030 Hastings WWTP	6,500	(6,500)	-	58,500	-	58,500	65,000	(6,500)	58,500
8089 MWWTP Asset Renewal	3,000	-	3,000	26,000	-	26,000	29,000	-	29,000
8073 Metro Nutrient Removal	4,000	-	4,000	-	-	-	4,000	-	4,000
8059 Metro Rehabilitation & Facilities Improve	174,000	(36,096)	137,904	-	-	-	169,500	(36,096)	137,904
8062 Metro Solids Improvements	3,200	-	3,200	126,800	-	126,800	130,000	-	130,000
8078 Regional Plant Improvements	14,000	(2,485)	11,515	-	-	-	14,000	(2,485)	11,515
8075 Seneca Solids Processing Improvements	18,000	-	18,000	-	-	-	18,000	-	18,000
8012 Small Systemwide Improvement Projects	5,000	(3,020)	1,980	-	-	-	5,000	(3,020)	1,980
8091 Wastewater Reclamation Facilities	6,000	-	6,000	-	-	-	6,000	-	6,000
<b>Treatment Plant Subtotal</b>	<b>370,700</b>	<b>(163,618)</b>	<b>207,082</b>	<b>211,300</b>	<b>-</b>	<b>211,300</b>	<b>577,500</b>	<b>(163,618)</b>	<b>418,382</b>
<b>Interceptor Projects</b>									
8084 Bloomington System Improvements	6,000	-	6,000	-	-	-	6,000	-	6,000
8028 Blue Lake System Improvements	208,000	(60,845)	147,155	-	-	-	208,000	(60,845)	147,155
8079 Brooklyn Park LS/FM Improvements	14,000	-	14,000	-	-	-	14,000	-	10,800
8039 Chaska Lift Station	17,000	(2,260)	14,740	-	-	-	17,000	(2,260)	14,740
8085 Elm Creek - Corcoran/Rogers Connections	7,000	-	7,000	-	-	-	7,000	-	7,000
8057 Golden Valley Area Improvements	24,000	(5,961)	18,039	-	-	-	24,000	(5,961)	18,039
8041 Hopkins System Improvements	77,000	(17,150)	59,850	-	-	-	77,000	(17,150)	59,850
8090 Interceptor Rehabilitation - Program	16,000	(8,992)	7,008	-	-	-	16,000	(8,992)	7,008
8055 Lift Station Improvements	36,000	(3,100)	32,900	9,000	-	9,000	45,000	(3,100)	39,150
8081 Maple Plain LS/FM Rehabilitation	5,000	-	5,000	-	-	-	5,000	-	5,000
8056 Meter Improvements	25,000	(9,027)	15,973	3,000	-	3,000	28,000	(9,027)	18,973
8068 Mpls. Interceptor 1-MN-310/320 Diversion	12,000	-	12,000	-	-	-	12,000	-	12,000
8092 Mpls. Interceptor 1-MN-340 Rehabilitation	1,500	-	1,500	68,500	-	68,500	70,000	-	70,000
8076 Mpls. Interceptor System Rehabilitation	75,000	(19,527)	55,473	6,000	-	6,000	81,000	(19,527)	61,473
8086 North Area Interceptor Rehabilitation	119,000	(5,190)	113,810	24,000	-	24,000	143,000	(5,190)	137,810
8012 Odor Control Improvements	3,000	(3,000)	-	6,000	-	6,000	9,000	(3,000)	6,000
8087 Richfield Interceptor System Rehabilitation	53,000	-	53,000	-	-	-	53,000	-	53,000
8080 Seneca Interceptor System Rehabilitation	98,000	-	98,000	-	-	-	98,000	-	97,400
8082 St Bonifacius LS/FM Rehabilitation	19,000	-	19,000	-	-	-	19,000	-	19,000
8088 St Paul Interceptor System Rehabilitation	56,000	-	56,000	-	-	-	56,000	-	52,600
8063 SWC Interceptor - Lake Elmo Connections	17,500	(8,900)	8,600	-	-	-	17,500	(8,900)	8,600
8083 Waconia LS/FM Rehabilitation	15,000	-	15,000	-	-	-	15,000	-	15,000
<b>Interceptor Subtotal</b>	<b>904,000</b>	<b>(143,952)</b>	<b>760,048</b>	<b>116,500</b>	<b>-</b>	<b>116,500</b>	<b>1,020,500</b>	<b>(143,952)</b>	<b>866,598</b>
<b>Capital Program Total</b>	<b>1,274,700</b>	<b>(307,570)</b>	<b>967,130</b>	<b>327,800</b>	<b>-</b>	<b>327,800</b>	<b>1,598,000</b>	<b>(307,570)</b>	<b>1,284,980</b>

METROPOLITAN COUNCIL  
 CAPITAL PROGRAM  
 COMMUNITY DEVELOPMENT - PARKS AND OPEN SPACE

TABLE 11

(\$ in 000s)

Program	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)			Capital Program (ACP + CIP)		
	Amended	Changes	Amended	Amended	Changes	Amended	Amended	Changes	Amended
Anoka County	7,210	(64)	7,146	14,195	-	14,195	21,405	(64)	21,341
Bloomington	6,433	(1,779)	4,654	3,006	-	3,006	9,439	(1,779)	7,660
Carver County	2,764	(257)	2,507	3,334	-	3,334	6,098	(257)	5,841
Dakota County	10,949	(541)	10,408	12,425	-	12,425	23,374	(541)	22,833
Minneapolis Park and Recreation Board	41,689	(6,376)	35,313	30,029	-	30,029	71,718	(6,376)	65,342
Ramsey County	9,089	(1,198)	7,891	12,548	-	12,548	21,637	(1,198)	20,439
Scott County	6,782	-	6,782	5,250	-	5,250	12,032	-	12,032
St Paul	31,539	(13,852)	17,687	21,445	-	21,445	52,984	(13,852)	39,132
Three Rivers Park District	26,206	(4,429)	21,778	33,487	-	33,487	59,693	(4,429)	55,264
Washington County	8,036	(92)	7,944	8,635	-	8,635	16,670	(92)	16,578
Subtotal - Park Implementing Agencies	150,696	(28,588)	122,109	144,354	-	144,354	295,050	(28,588)	266,462
Other Governmental Units - Passthrough	10,468	-	10,468	-	-	-	10,468	-	10,468
Unallocated Land Acquisition Funds	5,498	35	5,533	23,967	-	23,967	29,465	35	29,500
Unallocated Equity Grant Funds	-	-	-	9,210	-	9,210	9,210	-	9,210
Grand Total	166,662	(28,553)	138,109	177,531	-	177,531	344,193	(28,553)	315,640

## Transportation Committee

Meeting date: September 12, 2016

For the Metropolitan Council meeting of September 28, 2016

**Subject:** Authorization to Amend the 2016 Unified Budget – 3<sup>rd</sup> Quarter Amendment

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

**Policy/Legal Reference:** 2016 Unified Budget; Mn Statutes Section 473.13, Subd. 1 – Council Budget Requirements

**Staff Prepared/Presented:** Gerri Sutton, Assistant Director, MTS 651-602-1672; Brian J. Lamb, General Manager, Metro Transit 612-349-7510; Heather Agesen-Huebner, Manager of Administration, MTS 651-602-1728; Edwin D. Petrie, Director of Finance, Metro Transit 612-349-7624

**Division/Department:** Transportation / Metro Transit and Metropolitan Transportation Services

### Proposed Action

That the Metropolitan Council amend the 2016 Unified Budget – 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 2016 Unified Budget – Operating Budget as indicated and in accordance with the spreadsheet in Operating Budget - Attachment #2.

### Background

The amendments to the capital program include two components – a closing amendment and the regular third quarter amendment. Each division, including Transportation, has closing amendments that close numerous capital projects that have been completed and can be removed from the Authorized Capital Program (ACP). Financial staff are involved in a continuous improvement program seeking to better integrate our financial systems and processes. It is a cross-divisional collaboration looking to improve accountability and transparency while simplifying processes. Historically, projects have remained open in the ACP for administrative purposes. In preparation of publishing the Council's 2017 Unified Budget, staff is requesting to close Transportation Division projects totaling over \$1.8 billion. This amendment closes the \$718 million Hiawatha Light Rail Line Project and removes \$1 billion from the Northstar and Central Corridor that represents the completed portions of those projects. These closing amendments are identified in the attached Table G-1.

In addition to the closing amendments, Transportation is requesting regular third quarter amendments to reallocate funds between capital projects and add additional authorization to existing and new capital projects. These proposed amendments are detailed in the 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**

### **BRT Small Start Project Office – Project #61222**

#### **Orange Line BRT – Project #62405**

This amendment will reallocate (\$50,000) in RTC funds to Project #62405, Orange Line BRT, to be used for project development costs including preliminary engineering and project payroll expenses. This project is identified in the CIP.

### **RCC TCC Console and Recorder Upgrades – Project #69301 – CLOSE**

#### **Notification Software – Project #68408 – CLOSE**

#### **Transit NG 911 – Project #NEW**

This amendment will close project #69301 and project #68408 and reallocate (\$263,930) in Federal Funds and (\$65,980) of RTC funds to the design and engineering of the new Transit NGG 911 project. This project is identified in the CIP.

**Other Projects with remaining RTC to Close:** This amendment will close these projects and reallocate unused RTC back into the Metro Transit Capital Program. These projects are identified in the CIP.

### **Hiawatha Rail Clip – Project #61214–(\$7,288) RTC**

### **CCLRT Station Platform Safety Enhancements-Project #62219 – (\$204,270) RTC**

### **I-35 W Transit Station at 46<sup>th</sup> Street – Project #63111 – (\$93,048)**

### **Uninterruptible Power Source–Project #63218 - (\$86,870) RTC**

### **Sand Blasting Room – O&M Building – Project 64210 – (\$56,260) RTC**

### **Northstar 6<sup>th</sup> Locomotive – Project #65318 – (\$14,014) RTC**

### **Radio Network Controller (RNC) Replacement–Project #68114 - (\$21,275) RTC**

### **CCLRT Reestablishment Costs–Project #69111 - (\$224,264) RTC**

### **CCLRT Substations – Project #6580A – CLOSE**

This amendment will close this project and reduce (\$25,046) of City of St. Paul funds to reflect final project expenditures and authority. This project is identified in the CIP.

### **PSIC Radio Encryption – Project #68901 – CLOSE**

This amendment will close this project and reduce (\$712) of Public Safety Interoperable Communication federal funds and reallocate (\$240) of RTC funds back into the Metro Transit Capital Program to reflect final project expenditures and authority. This project is

### **UPA Telecommuting – Project #69910 – CLOSE**

This amendment will close this project and reduce (\$144,625) of MnDot's Office of Policy, Research & Administration funds to reflect final project expenditures and authority. This project is identified in the CIP.

### **Reduce Authorized Funding: None**

### **Increase Authorized Funding/Authorize New Projects:**

#### **Option Vehicles – CTIB Note Payable – Project New**

This amendment provides \$2,800,000 in MVST Funds for the first installment due to CTIB for Metro Blue Line Option Vehicles. This project is identified in the CIP.

#### **LRT Blue Replacement Project – Segment 1A Park & Warehouse Interlocking's and Signals. – Project NEW NR-MT-131-16**

This amendment provides \$11,468,000 in Federal Funds and \$2,867,000 in MVST Funds to replace failing interlocking at Park and Warehouse in downtown Minneapolis with new automated double crossovers and full signalization. This project is identified in the CIP.

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

This amendment provides \$60,000,000 in Metropolitan Council Authority for project activities in the Engineering Phase including professional services, critical right-of-way acquisitions and Light Rail Vehicle contract activities. This project is identified in the CIP.

### **Bottineau LRT Blue Line Extension – Project 61403**

This amendment provides \$10,340,000 in HCRRRA Funds and \$8,460,000 in CTIB funds for the project development continuance phase of this project. This project is identified in the CIP.

### **Heywood Expansion Garage – Project 62312e**

This amendment provides \$1,600,000 in Federal Funds and \$400,000 in RTC Funds for design and site demolition activities. This project is identified in the CIP.

### **Hoist Replacement – Project 62323e**

This amendment provides \$240,000 in Federal Funds and \$60,000 in MVST Funds to replace old and failing bus hoists at Metro Transit bus garages as part of the continuing facilities restoration program. This project is identified in the CIP.

### **Orange Line BRT – Project #62405**

This amendment provides \$1,370,000 in CTIB Grant Awarded funds to be used for project development costs and engineering work. This project is identified in the CIP.

### **Police Facility – Project 63219e**

This amendment provides \$12,400,000 in Federal Funds, \$2,818,524 in MVST Funds and \$281,476 in RTC Funds for the construction of the new police facility and Heywood administration offices. This project is identified in the CIP.

### **800 MHZ-CAD AVL System Enhancements – Project 68303e**

This amendment provides \$240,000 in Federal Funds and \$60,000 in RTC Funds for the Transit Master CAD/AVL System Enhancements. The projects includes Incident Report Enhancement, TSP Dead-reckoning installation on Metro Transit Buses, Service adjustment and detour management functionality, and issue correction for the data communications and annunciator system. This project is identified in the CIP.

### **ADA Bus Stops – Project NEW**

This amendment provides \$32,000 in RTC Funds for ADA bus stop pads and improvements. This project is identified in the CIP.

## **Metropolitan Transportation Services**

### **Administrative Adjustments – Reallocating Existing Funding / Closing Projects:**

#### **2016 - MVTA – Undesignated (NTD) – Project #36005**

This adjustment recognizes a reduction of MVTA's undesignated RTC balance by \$655,000 to designate these funds to projects 36037 to 36042. This project is in the CIP.

#### **2016 - MVTA - AVL, APC, and AVVAS Upgrades – Project #36037 (New)**

This adjustment designates \$120,000 of RTC funds to MVTA for AVL, APC and AVVAS upgrades. The undesignated balance for this project is identified in the CIP.

#### **2016 - MVTA – Bus Camera System Upgrade – Project #36038 (New)**

This adjustment designates \$35,000 of MVST funds to MVTA for bus camera system upgrades. The undesignated balance for this project is identified in the CIP.

#### **2016 - MVTA – Bus Stop Amenities (Sign and Shelters) – Project #36039 (New)**

This adjustment designates \$60,000 of RTC funds to MVTA for bus stop amenities. The undesignated balance for this project is identified in the CIP.

#### **2016 - MVTA – Customer Facilities Improvements – Project #36040 (New)**

This adjustment designates \$200,000 of MVST funds to MVTA for customer facilities improvements. The undesignated balance for this project is identified in the CIP.

**2016 - MVTA – Support Facilities Improvements – Project #36041 (New)**

This adjustment designates \$140,000 of MVST funds to MVTA for support facilities improvements. The undesignated balance for this project is identified in the CIP.

**2016 - MVTA – Blackhawk Shelter – Project #36042 (New)**

This adjustment designates \$100,000 of RTC funds to MVTA for redesign and improvements to the Blackhawk Shelter. The undesignated balance for this project is identified in the CIP.

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

**2016 - MVTA - Forty Foot Bus (11) – Replacement – Project #36043 (New)**

This amendment authorizes \$4,377,500 of federal funds and \$772,500 of RTC funds to purchase 11 forty foot buses to replace existing vehicles. These vehicles have reached the end of their useful lives. This project is identified in the CIP.

**2016 - Plymouth - Forty Foot Bus (6) – Replacement – Project #36044 (New)**

This amendment authorizes \$2,400,000 of federal funds and \$600,000 of RTC funds to purchase 6 forty foot buses to replace existing vehicles. These vehicles have reached the end of their useful lives. This project is identified in the CIP.

**2016 - Metro Mobility - Small Bus (149) – Replacement – Project #36045 (New)**

This amendment authorizes \$8,712,500 of federal funds and \$1,537,500 of RTC funds to purchase 149 small buses to replace existing vehicles. These vehicles have reached the end of their useful lives. This project is identified in the CIP.

**2016 - Metro Mobility - Small Bus (40) – Expansion – Project #36046 (New)**

This amendment authorizes \$2,312,000 of federal funds and \$408,000 of RTC funds to purchase 40 small buses to expand the existing fleet. These vehicles are required to keep up with growing demand in the Metro Mobility program. This project is identified in the CIP.

**2016 - Metro Mobility - Bus Equipment and Tech - Preservation– Project #36047 (New)**

This amendment authorizes \$1,650,000 of RTC funds to replace existing bus equipment and technology components. This project is not identified in the CIP but funding is identified in the CIP as part of total fleet cost.

**2016 - Metro Mobility - Bus Equipment and Tech - Expansion – Project #36048 (New)**

This amendment authorizes \$450,000 of RTC funds to purchase and install new bus equipment and technology components. This project is not identified in the CIP but funding is identified in the CIP as part of total fleet cost.

**MVTA – Customer Facility Repairs and Improvements (NTD) - Project #35967**

This amendment authorizes \$600,000 of MVST funds to repair and improve customer facilities. This project is identified in the CIP.

**Changes to Current Year Expenditures:**

Based on projected expenditures for the proposed amendments, the 2016 capital budget is proposed to increase by \$30,387,088 for Metro Transit and \$600,000 for MTS.

**Operating Budget:**

**Background:**

**Metro Transit**

**Change in Revenues: \$0; Expenditures: \$0; Reserves: \$0**

**Metropolitan Transportation Services**

**Transportation/Contracted Services**

**Change in Revenues: (\$1,628,000); Expenditures/Transfers: (\$1,628,000); Reserves: \$0**

This amendment authorizes \$975,000 in MVST revenues to be transferred from the Contracted Services operating budget to the capital program and for \$975,000 in federal funds to be transferred from capital program to the Contracted Services operating budget. MVST funds will be used in the capital program for projects that are not eligible to be funded with regional bonds. This dollar for dollar exchange of funds has no impact on regional MVST allocations, MVST reserves or planned capital projects.

This amendment also changes how transfers from previous amendments (2016-51 and 2016-103) are presented in the budget. Those amendments showed the transfer of MVST to the capital program as transfers to other funds rather than reductions in the MVST budget. This amendment corrects that by reducing MVST revenues by \$1,628,000 and reducing transfers to other funds by \$1,628,000.

**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.

**Funding**

**Capital Program:**

This amendment increases the Transportation Division federal funds by \$43,749,288, state revenues by \$8,400,899 other revenues by \$81,119,954 and RTC funds by \$5,108,947.

**Operating Budget:**

This amendment increases the Transportation Division federal funds by \$975,000 and decreases MVST revenues by (\$2,603,000).

**Known Support / Opposition**

No known opposition.

**Attachments:**

1. Capital Program – Attachment #1 (Program Level) (Table 9)
2. Operating Budget – Attachment #2 (Table C-1)
3. Capital Program – Attachment #3 (Project Level)
4. Capital Program – Attachment #4 (Table G-1 Closing Amendment)

## Environment Committee

Meeting date: September 13, 2016

For the Metropolitan Council meeting of September 28, 2016

**Subject:** Authorization to Amend the 2016 Unified Budget

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

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

**Staff Prepared/Presented:** John Atkins, 651-602-1020

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

### Proposed Action

That the Metropolitan Council authorizes the amendment of the 2016 Unified Budget by increasing the Environmental Services operating budget revenues and expenses by \$1,750,000 and amending its Authorized Capital Program (ACP) as indicated and in accordance with the attached tables.

### Background

#### Operating Budget

The 2015 Legislature appropriated \$1.5 million in the special session bonding bill to the Council for grants to municipalities to reduce the amount of inflow and infiltration to the sanitary sewer disposal system. During its regular session, the 2015 Legislature appropriated \$250,000 in FY2016 and \$250,000 in FY2107 in the Legacy Bill from the Clean Water Fund to the Council to establish a water demand reduction grant program. Both were appropriated after the Metropolitan Council Environmental Services (MCES) 2016 Operating Budget Rates and Charges were reviewed by this committee and presented at our customer forums, precluding inclusion in the MCES 2016 Operating Budget during its development.

#### Capital Program

Staff undertook a Council wide continuous improvement initiative in 2014 to better integrate financial, budgeting, and grants administration systems. This cross-divisional collaboration looked at existing procedures in an effort to improve the timeliness and accuracy of financial information while simplifying processes. To date, that effort has focused on the Council's ACP, reviewing all individual projects that comprise the current ACP, taking steps to close completed projects. In preparation of publishing the Council's 2017 Unified Budget to gather public comment, staff are recommending closing of 121 individual projects (45%) of the projects in the current ACP, reducing it by \$308 million (24%).

### Rationale

The two grant programs are underway and anticipated to fully spend their appropriations in 2016. Combined, these grant expenses and their state appropriated revenues will exceed budgeted expenses and revenues by \$1,750,000 and this amendment seeks to increase the operating budget accordingly. In addition, this amendment recommends the removal of completed projects from the ACP.

### Funding

Funding for the grant programs was appropriated by the 2015 Legislature and will have no impact on MCES operations or its reserves. This amendment also

closes \$305 million of completed projects, reduces unexpended balances by \$3 million, and does not impact ACP funding.

**Known Support / Opposition**

None.

## Community Development Committee

Meeting date: September 19, 2016

For the Metropolitan Council meeting of September 28, 2016

**Subject:** Authorization to Amend the 2016 Unified Budget

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

**Policy/Legal Reference:** MN Statutes Section 473.315 for Parks Capital Budget

**Staff Prepared/Presented:** Emmett Mullin (651-602-1360)

**Division/Department:** Community Development / Regional Parks and Natural Resources

### Proposed Action

That the Metropolitan Council authorize the amendment of the 2016 Unified Budget as indicated and in accordance with the attached tables.

### Background

In November 2014, staff began a Council wide continuous improvement initiative seeking to better integrate our financial, budgeting and grants administration systems. It is a cross-divisional collaboration looking at existing procedures in an effort to improve the timeliness and accuracy of information while simplifying processes. To date, much of the work has been focused on the Council's Authorized Capital Program (ACP). Staff have been reviewing each project that makes up the current ACP and have taken the steps necessary to close many of them.

In preparation of publishing the Council's 2017 Unified Budget for the purpose of gathering public comment, Community Development staff are recommending the closing of 29 (13%) of the projects in the current ACP. The total reduction in CD Parks and Open Space ACP as a result of this action is \$29 million (17%).

### Rationale

This amendment recommends the removal of completed projects from the Authorized Capital Program.

### Funding

This amendment closes \$28 million of completed and fully expended projects and reduces unexpended balances by \$1 million. It does not commit additional funding to the ACP.

### Known Support / Opposition

None