

Transportation and Management Committees

For the Metropolitan Council meeting of February 8, 2017

Subject: 2017 Unified Budget Amendment

Proposed Action

That the Metropolitan Council authorize the amendment of the 2017 Unified Budget as indicated and in accordance with the attached tables.

Summary of Committee Discussion/Questions

The proposed amendment was reviewed and approved by the Transportation Committee at its January 23, 2017 meeting.

The proposed amendment was reviewed by the Management Committee at its January 25, 2017 meeting. The motion was moved by Councilmember Barber and seconded by Councilmember Melander. The motion passed.

Management Committee

Meeting date: January 25, 2017

For the Metropolitan Council meeting of February 8, 2017

Subject: 2017 Unified Budget Amendment

District(s), Member(s): All

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

Staff Prepared/Presented: Alan Morris, Budget Coordinator (602-1446), Paul Conery, Director of Budget and Facility Operations (602-1374)

Division/Department: Transportation, Regional Administration

Proposed Action

That the Metropolitan Council authorize the amendment of the 2017 Unified Budget as indicated and in accordance with the attached tables.

Background

The Transportation Division has proposed amendments to both the operating budget and the capital program. Regional Administration is proposing an amendment to the Self-Insured Health Benefit Fund in the operating budget

Operating Component of Unified Budget

Transportation-Metro Transit

Change in Expenditures: \$0; Revenues: \$11,311,000; Reserves: \$11,311,000

This amendment budgets federal capital revenues in the Metro Transit Bus operating budget to fund eligible capitalized maintenance expenses. The amendment brings the budgeted year end fund balance for the Metro Transit Bus operating budget to the minimum targeted fund balance established in policy.

Regional Administration-Self Insured Health Benefit Plan

Change in Expenditures: \$1,500,000; Revenues: \$0; Reserves: (\$1,500,000)

At its meeting on August 24, 2016, the Management Committee reviewed and discussed proposed 2017 premium rates and target reserve balances in the self-insured benefit plans. Total premiums were established to cover anticipated plan costs, while actual plan experience for the prior year resulted in plan reserves of \$3.5 million over target. In concert with our Labor Management Benefits Advisory Committee, staff recommended a one-time drawdown of reserves through distribution to an individual Health Care Savings Plan of \$400 for each employee enrolled in the medical health care plan at the time of distribution. This amendment provides budget authority to distribute funds.

Capital Component of Unified Budget

Transportation

Change in Authorized Capital Program (ACP): \$158,384,706

Change in Capital Improvement Plan (CIP): (\$158,384,706)

Change in 2017 Capital Budget: \$158,384,706

The proposed amendment increases the authorized capital program (ACP) for the Southwest LRT, Bottineau and the I35W Orange Line BRT capital projects by \$158,384,706 and decreases the capital improvement plan (CIP) by the same amount. The amendment provides authority for spending on the engineering phase of each project. The amendment is funded with \$64,364,305 in Counties Transit Improvement Board (CTIB) funding and \$104,020,401 in Hennepin County Regional Rail Authority (HCRRA) funding. This amendment also reduces the Metropolitan Council authorized funding source by \$10,000,000 (to \$50,000,000) to agree with the Council approved Business Item 2016-182 – Internal Cash Flow Financing on September 28, 2016. All the capital amendments reflect the movement of spending from the Capital Improvement Plan (CIP) to the Authorized Capital Program (ACP).

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 allows for the continued implementation of the Southwest LRT capital project.

Prosperity

- The budget amendments reflects strategic investment in regional infrastructure that will promote economic competitiveness and create prosperity for the region.

Funding

The operating budget amendment increases operating reserves in the Metro Transit Bus operating budget and decreases reserves in the self-insured health benefits plan.

The capital amendment is funded with new local funding. There is no use of regional transit bonding authority. 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	MTS	Total
2015 Authorization	\$22,980,000	\$15,320,000	\$38,300,000
Advance of 2016 Authority	1,660,162	(1,660,162)	0
Available Authority	<hr/> 24,640,162	<hr/> 13,659,838	<hr/> 38,300,000
Previously Committed	24,640,162	12,306,755	36,946,917
Plus: This Amendment	0	0	0
Total Committed	<hr/> 24,640,162	<hr/> 12,306,755	<hr/> 36,946,917
Remaining Authority	0	1,353,083	1,353,083

Fiscal Impact Cash Flow

This amendment adds \$104.5 million in new authorized expenditures to transit capital projects. Transit anticipates they will spend \$104.5 million more in 2017 than previously estimated.

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 2-8-2017

Table 3: Summary Budget: Operations by Fund amended 2-8-2017

Appendix F: Self-Insured Health Benefit Plan amended 2-8-2017

Table 9: Transit Capital Program amended 2-8-2017

2017-35 Transportation Committee Business Item



**METROPOLITAN COUNCIL
SUMMARY BUDGET
OPERATIONS, PASSTHROUGH AND DEBT SERVICE
FY17**

TABLE 2

Amended February 8, 2017

(\$ in 000s)

	Council Operations	Passthrough Grants & Loans	Debt Service Funds	Other Post Employment Benefits (OPEB)	Total
<u>Revenues</u>					
Property Tax	14,482	16,367	52,772	-	83,621
Federal Revenues	45,570	56,485	-	-	102,055
State Revenues	333,229	40,686	-	-	373,915
Local Revenues	36,389	-	-	-	36,389
Municipal Wastewater Charges	128,144	-	83,797	-	211,941
Industrial Wastewater Charges	13,018	-	815	-	13,833
Passenger Fares, Contract & Special Events	107,327	-	-	-	107,327
Investment Earnings	1,975	800	276	15,549	18,600
Other Revenues	8,365	-	-	-	8,365
Total Revenues	688,499	114,338	137,660	15,549	956,046
<u>Other Sources</u>					
MVST Transfers In	4,122	-	-	-	4,122
SAC Transfers In	-	-	39,388	-	39,388
Total Other Sources	4,122	-	39,388	-	43,510
Total Revenues and Other Sources	692,621	114,338	177,048	15,549	999,556
<u>Expenses</u>					
Salaries & Benefits	428,464	-	-	-	428,464
OPEB Benefit Payments	-	-	-	12,580	12,580
Consulting & Contractual Services	58,035	-	-	-	58,035
Materials & Supplies	37,819	-	-	-	37,819
Fuel	25,806	-	-	-	25,806
Chemicals	8,323	-	-	-	8,323
Rent & Utilities	34,693	-	-	-	34,693
Printing	749	-	-	-	749
Travel	1,927	-	-	-	1,927
Insurance	7,541	-	-	-	7,541
Transit Programs	83,742	-	-	-	83,742
Operating Capital	4,297	-	-	-	4,297
Governmental Grants	3,884	-	-	-	3,884
Other Expenses	7,809	-	-	-	7,809
Passthrough Grants & Loans	-	117,838	-	-	117,838
Debt Service Obligations	-	-	172,689	-	172,689
Total Expenses	703,089	117,838	172,689	12,580	1,006,196
<u>Other Uses</u>					
Net Interbudget Transfers	3,000	(3,000)	-	-	-
Transfer to Capital	10,469	-	730	-	11,199
Total Other Uses	13,469	(3,000)	730	-	11,199
Total Expenses and Other Uses	716,558	114,838	173,419	12,580	1,017,395
Change in Fund Balance	(23,937)	(500)	3,629	2,969	(17,839)



METROPOLITAN COUNCIL

SUMMARY BUDGET OPERATIONS BY FUND FY17

Table 3

Amended February 8, 2017

(\$ in 000's)

Plus Minus	General Fund			Transportation ☐										Transportation Total	Memo Total
				Metropolitan Transportation Services					Metro Transit						
	Regional Administration	Community Development	General Fund Total	HRA & FAHP	Environmental Services	Metro Mobility	Contracted Services	Transportation Planning	MTS Total	Bus	Light Rail	Commuter Rail	Metro Transit Total		
Revenues:															
Property Tax	4,486	9,996	14,482	-	-	-	-	-	-	-	-	-	-	-	14,482
Federal Revenues	-	-	-	4,926	-	-	1,908	4,569	6,477	30,790	2,973	404	34,167	-	40,644
State Revenues	-	-	-	164	2,153	62,109	22,783	642	85,534	227,177	14,634	3,567	245,378	330,912	333,229
Local Revenues	-	-	-	-	-	-	1,751	103	1,854	351	24,536	9,648	34,535	36,389	36,389
Municipal Wastewater Charges	-	-	-	-	128,144	-	-	-	-	-	-	-	-	-	128,144
Industrial Wastewater Charges	-	-	-	-	13,018	-	-	-	-	-	-	-	-	-	13,018
Passenger Fares	-	-	-	-	-	6,556	2,567	-	9,123	71,935	22,016	2,403	96,354	105,477	105,477
Contract & Special Event Revenues	-	-	-	-	-	-	-	-	-	1,400	450	-	1,850	1,850	1,850
Investment Earnings	550	-	550	50	850	-	-	-	-	500	25	-	525	525	1,975
Other Revenues	308	-	308	2,115	512	-	55	-	55	3,850	1,525	-	5,375	5,430	8,365
Total Revenues	5,344	9,996	15,340	7,255	144,677	68,665	29,064	5,314	103,043	336,003	66,159	16,022	418,184	521,227	688,499
Expenses:															
Salaries & Benefits	37,077	5,011	42,088	3,809	63,497	1,744	799	2,977	5,520	266,652	41,577	5,321	313,550	319,070	428,464
Consulting & Contractual Services	14,843	943	15,786	1,458	19,762	813	690	2,247	3,750	8,758	2,040	6,481	17,279	21,029	58,035
Material & Supplies	498	18	516	40	8,751	121	91	19	231	22,376	4,665	1,240	28,281	28,512	37,819
Fuel	-	-	-	-	338	6,878	-	-	6,878	17,418	13	1,159	18,590	25,468	25,806
Chemicals	-	-	-	-	8,323	-	-	-	-	-	-	-	-	-	8,323
Rent & Utilities	3,959	550	4,509	570	16,999	112	81	413	606	4,647	6,576	786	12,009	12,615	34,693
Printing	175	42	217	35	43	35	19	21	75	379	-	-	379	454	749
Travel	615	73	688	55	401	15	13	42	70	587	101	25	713	783	1,927
Insurance	30	-	30	95	1,200	-	-	-	-	2,601	1,349	2,266	6,216	6,216	7,541
Transit Programs	-	-	-	-	-	58,990	24,752	-	83,742	-	-	-	-	83,742	83,742
Operating Capital	345	51	396	34	3,731	79	-	57	136	-	-	-	-	136	4,297
Governmental Grants	-	-	-	-	90	-	1,111	210	1,321	2,473	-	-	2,473	3,794	3,884
Other Expenses	543	200	743	546	908	80	76	69	225	4,493	650	244	5,387	5,612	7,809
Total Expenses	58,085	6,888	64,973	6,642	124,043	68,867	27,632	6,055	102,554	330,384	56,971	17,522	404,877	507,431	703,089
Other Sources and (Uses):															
Interdivisional Cost Allocation	56,752	(2,202)	54,550	(1,163)	(15,109)	(1,966)	(773)	(1,835)	(4,574)	(29,122)	(4,134)	(448)	(33,704)	(38,278)	-
Modal Allocation	-	-	-	-	-	-	-	-	-	10,075	(9,096)	(979)	-	-	-
A-87 Allocation	-	-	-	-	-	-	-	-	-	6,433	(5,954)	(479)	-	-	-
MVST Transfers In	-	-	-	-	-	-	-	-	-	4,122	-	-	4,122	4,122	4,122
Transfer To Passthrough	(2,000)	(1,000)	(3,000)	-	-	-	-	-	-	-	-	-	-	-	(3,000)
Transfer To Capital	(3,413)	(56)	(3,469)	-	(7,000)	-	-	-	-	-	-	-	-	-	(10,469)
Net Operating Transfers	(200)	(200)	(400)	200	200	-	-	-	-	-	-	-	-	-	-
Net Other Sources and (Uses)	51,139	(3,458)	47,681	(963)	(21,909)	(1,966)	(773)	(1,835)	(4,574)	(8,492)	(19,184)	(1,906)	(29,582)	(34,156)	(9,347)
Change in Fund Balance	(1,602)	(350)	(1,952)	(350)	(1,275)	(2,168)	659	(2,576)	(4,085)	(2,873)	(9,996)	(3,406)	(16,275)	(20,360)	(23,937)

OTHER POSTEMPLOYMENT BENEFITS

APPENDIX F

The Council's Other Postemployment Benefit Plan (OPEB) is a single-employer defined benefit health care plan for eligible retirees, their spouses, and dependents.

Benefit provisions are established through respective bargaining agreements with unions representing our employees. Only employees hired prior to benefit sunset dates, and meeting criteria for length of service and retirement age, are entitled to receive these employer paid benefits.

The Council has invested assets, with a fair market value of \$207,095,000 as of December 31, 2015, to pay OPEB obligations for retirees. The 2017 budget anticipates benefit payments of \$12,580,000 from the OPEB fund.

More information regarding the Council's OPEB obligations and assets can be found in the Council's 2016 Comprehensive Annual Financial Report.

METROPOLITAN COUNCIL OTHER POSTEMPLOYMENT BENEFITS 2017 BUDGET

(\$ in 000s)	Metro Transit	Environmental Services	Regional Administration	Total
<u>Revenues:</u>				
Investment Earnings	9,861	5,327	361	15,549
<u>Expenses:</u>				
Medical Insurance Premiums	8,414	3,998	168	12,580
Change in Fund Balance	1,447	1,329	193	2,969

SELF-INSURED BENEFIT PLANS

The Council self-insures its medical and dental plan benefits for employees and eligible retirees. Plan activity is recorded in an internal service fund. The internal service fund receives monthly premium revenues from operating division budgets and the OPEB fund and directly pays claims and administration costs of the plan.

Total premiums are intended to cover overall plan costs and maintain a sufficient reserve balance to minimize cash flow risk and protect the fund against unforeseen claims or plan expenses that may exceed annual premium revenues in a given year. This risk further limited by insuring the plan for 125% aggregate and \$500,000 individual stop loss coverage.

Plan reserves totaled \$27,348,000 on December 31, 2015.

METROPOLITAN COUNCIL SELF-INSURED BENEFITS INTERNAL SERVICE FUND 2017 BUDGET

(\$ in 000s)	Medical	Dental	Total
<u>Revenues:</u>			
Insurance Premiums	71,841	4,796	76,637
<u>Expenses:</u>			
Claims and Admin Costs	72,373	4,796	77,169
Change in Fund Balance	(532)	-	(532)



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									
Big Buses	132,139	-	132,139	174,010	-	174,010	306,149	-	306,149
Bus Tire Leasing	10,891	-	10,891	18,031	-	18,031	28,922	-	28,922
Commuter Rail Projects	-	-	-	9,000	-	9,000	9,000	-	9,000
Light Rail Vehicles	8,343	-	8,343	31,855	-	31,855	40,198	-	40,198
Non-Revenue Vehicles	-	-	-	1,062	-	1,062	1,062	-	1,062
TOTAL FLEET MODERNIZATION	151,373	-	151,373	233,958	-	233,958	385,331	-	385,331
SUPPORT FACILITIES									
Heywood Garage	17,291	-	17,291	65,463	-	65,463	82,754	-	82,754
Police Facility	27,500	-	27,500	-	-	-	27,500	-	27,500
Support Facility	72,205	-	72,205	82,950	-	82,950	155,155	-	155,155
TOTAL SUPPORT FACILITIES	116,996	-	116,996	148,413	-	148,413	265,409	-	265,409
CUSTOMER FACILITIES									
Bus System Customer Facility	77,124	-	77,124	47,140	-	47,140	124,264	-	124,264
Customer Facilities Rail	3,909	-	3,909	-	-	-	3,909	-	3,909
TOTAL CUSTOMER FACILITIES	81,033	-	81,033	47,140	-	47,140	128,173	-	128,173
TECHNOLOGY IMPROVEMENTS									
Technology Investments	33,107	-	33,107	46,424	-	46,424	79,531	-	79,531
TOTAL TECHNOLOGY IMPROVEMENTS	33,107	-	33,107	46,424	-	46,424	79,531	-	79,531
OTHER CAPITAL EQUIPMENT									
Other Capital Equipment	38,111	-	38,111	35,235	-	35,235	73,346	-	73,346
TOTAL OTHER CAPITAL EQUIPMENT	38,111	-	38,111	35,235	-	35,235	73,346	-	73,346
TRANSITWAYS - NON NEW STARTS									
Arterial Bus Rapid Transit (ABRT)	29,395	-	29,395	29,403	-	29,403	58,798	-	58,798
Commuter Rail Projects	1,200	-	1,200	2,700	-	2,700	3,900	-	3,900
Highway Bus Rapid Transit (HBRT)	11,169	3,000	14,169	139,532	(3,000)	136,532	150,701	-	150,701
Light Rail Projects	127,427	-	127,427	27,071	-	27,071	154,498	-	154,498
Transitway Planning	2,370	-	2,370	1,300	-	1,300	3,670	-	3,670
TOTAL TRANSITWAYS - NON NEW STARTS	171,561	3,000	174,561	200,006	(3,000)	197,006	371,567	-	371,567
FEDERAL NEW STARTS RAIL PROJECTS									
Metro Blue Line (Bottineau Boulevard)	64,800	50,886	115,686	1,471,375	(50,886)	1,420,489	1,536,175	-	1,536,175
Metro Green Line (Central Corridor)	41,900	-	41,900	-	-	-	41,900	-	41,900
Metro Green Line (Southwest Corridor)	210,737	104,499	315,236	1,706,944	(104,499)	1,602,445	1,917,681	-	1,917,681
Northstar Commuter Rail	10,327	-	10,327	-	-	-	10,327	-	10,327
TOTAL FEDERAL NEW STARTS RAIL PROJECTS	327,764	155,385	483,149	3,178,319	(155,385)	3,022,934	3,506,083	-	3,506,083
TOTAL METRO TRANSIT CAPITAL PROGRAM	919,945	158,385	1,078,330	3,889,495	(158,385)	3,731,110	4,809,440	-	4,809,440

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 Buses	68,853	-	68,853	125,144	-	125,144	193,997	-	193,997
Non-Revenue Vehicles	36	-	36	39	-	39	75	-	75
Repairs, Equipment and Technology	11,671	-	11,671	30,413	-	30,413	42,084	-	42,084
Small Buses	24,012	-	24,012	92,632	-	92,632	116,644	-	116,644
TOTAL FLEET MODERNIZATION	104,572	-	104,572	248,229	-	248,229	352,801	-	352,801
CUSTOMER FACILITIES									
Bus System Customer Facility	-	-	-	1,548	-	1,548	1,548	-	1,548
TOTAL CUSTOMER FACILITIES	-	-	-	1,548	-	1,548	1,548	-	1,548
TECHNOLOGY IMPROVEMENTS									
Technology Investments	3,605	-	3,605	11,372	-	11,372	14,977	-	14,977
TOTAL TECHNOLOGY IMPROVEMENTS	3,605	-	3,605	11,372	-	11,372	14,977	-	14,977
OTHER REGIONAL PROVIDERS - NON FLEET									
Maple Grove Transit	1,454	-	1,454	1,770	-	1,770	3,224	-	3,224
Minnesota Valley Transit Association	11,855	-	11,855	9,338	-	9,338	21,193	-	21,193
Plymouth Transit	3,807	-	3,807	1,767	-	1,767	5,574	-	5,574
SouthWest Transit	305	-	305	3,366	-	3,366	3,671	-	3,671
University of Minnesota Transit	850	-	850	1,827	-	1,827	2,677	-	2,677
TOTAL OTHER REGIONAL PROVIDERS - NON FLEET	18,271	-	18,271	18,069	-	18,069	36,340	-	36,340
TRANSITWAYS - NON NEW STARTS									
Transitways	21,227	-	21,227	-	-	-	21,227	-	21,227
TOTAL TRANSITWAYS - NON NEW STARTS	21,227	-	21,227	-	-	-	21,227	-	21,227
TOTAL MTS CAPITAL PROGRAM									
	147,675	-	147,675	279,217	-	279,217	426,892	-	426,892
COMBINED									
FLEET MODERNIZATION	255,945	-	255,945	482,188	-	482,188	738,133	-	738,133
SUPPORT FACILITIES	116,996	-	116,996	148,413	-	148,413	265,409	-	265,409
CUSTOMER FACILITIES	81,033	-	81,033	48,688	-	48,688	129,721	-	129,721
TECHNOLOGY IMPROVEMENTS	36,712	-	36,712	57,796	-	57,796	94,508	-	94,508
OTHER REGIONAL PROVIDERS - NON FLEET	18,271	-	18,271	18,069	-	18,069	36,340	-	36,340
OTHER CAPITAL EQUIPMENT	38,111	-	38,111	35,235	-	35,235	73,346	-	73,346
TRANSITWAYS - NON NEW STARTS	192,788	3,000	195,788	200,006	(3,000)	197,006	392,794	-	392,794
FEDERAL NEW STARTS RAIL PROJECTS	327,764	155,385	483,149	3,178,319	(155,385)	3,022,934	3,506,083	-	3,506,083
TOTAL TRANSPORTATION	1,067,620	158,385	1,226,005	4,168,713	(158,385)	4,010,328	5,236,333	-	5,236,333

Transportation Committee

Meeting date: January 23, 2017

For the Metropolitan Council meeting of February 8, 2017

Subject: 2017 Unified Budget Amendment

District(s), Member(s): All

Policy/Legal Reference: 2017 Unified Budget; Mn Statutes Section 473.13, Subd. 1 – Council Budget Requirements

Staff Prepared/Presented: Brian J. Lamb, General Manager, Metro Transit 612-349-7510; Edwin D. Petrie, Director of Finance, Metro Transit 612-349-7624

Division/Department: Transportation

Proposed Action

That the Metropolitan Council amend the 2017 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 2017 Unified Budget – Operating Budget as indicated and in accordance with the spreadsheet in Operating Budget – Attachment #2.

Background

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

Capital Program:

Metro Transit

Administrative Adjustments: None

Reallocating Existing Funding / Closing None

Reduce Authorized Funding: None

Increase Authorized Funding/Authorize New Projects:

Southwest Light Rail Transit Project #61001

In December 2016, the FTA approved the SWLRT Metro Green Line Extension to enter the Engineering Phase. This is the last step before award of an FFGA. This amendment recognizes a total of \$104,498,706 including \$61,364,305 in CTIB Funding which represents the remaining portion of the executed 2016 grant approved by the CTIB Board on January 20, 2016 authorized upon entry into engineering for pre-award items and \$53,134,401 in HCRRA Funding from a 2016 Project Development Continuance and Engineering Agreement approved by HCRRA October 1, 2016. Planned Project activities include advancing Project design plans; coordinating with regulatory agencies as part of NEPA mitigation implementation; appraisal and ROW acquisition activities, railway coordination activities (including specialty legal services), light rail vehicle procurement activities, office expenses, and managing local stakeholder public involvement. This amendment also reduces the Metropolitan Council authorized funding source by \$10,000,000 to \$50,000,000 to agree to council approved Business Item 2016-182 – Internal Cash Flow Financing on September 28, 2016. This project is identified in the CIP.

Bottineau LRT Blue Line Extension Project #61403

This amendment provides \$50,886,000 in HCRRA Funds for the Engineering phase of this project approved by a HCRRA Cooperative Funding Agreement for Project Development Continuance November 15, 2016. This project is identified in the CIP.

Orange Line BRT Project #62405

This amendment provides \$3,000,000 in CTIB Funds for the Project Development phase of this project including engineering and final design approved by the CTIB Board on January 18, 2017. This project is identified in the CIP.

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

Changes to Current Year Expenditures:

Based on projected expenditures for the proposed amendments, the 2017 capital budget is proposed to increase by \$158,384,706 for Metro Transit.

Operating Budget:

Metro Transit

Change in Revenues: \$11,311,000; Expenditures: \$0; Reserves: \$11,311,000

This amendment budgets federal capital revenues in the Metro Transit Bus operating budget to fund eligible capitalized maintenance expenses. The amendment brings the budgeted year end fund balance for the Metro Transit Bus operating budget to the minimum targeted fund balance established in policy.

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

- The budget amendment adds new funding for the Engineering activities of the Metro Green Line Extension (Southwest LRT), the Metro Blue Line Extension (Bottineau LRT) and the Orange Line BRT projects.

Prosperity

- The budget amendment adds funding for the Green and Blue Line Extensions and the Orange Line and reflects strategic investment in regional infrastructure that will promote economic competitiveness and create prosperity for the region.

Funding

Capital Program:

This amendment increases the Transportation Division Other revenues by \$158,384,706.

Operating Budget:

This amendment increases the Transportation Division funds by \$11,311,000 in federal funds.

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)



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									
Big Buses	132,139	-	132,139	174,010	-	174,010	306,149	-	306,149
Bus Tire Leasing	10,891	-	10,891	18,031	-	18,031	28,922	-	28,922
Commuter Rail Projects	-	-	-	9,000	-	9,000	9,000	-	9,000
Light Rail Vehicles	8,343	-	8,343	31,855	-	31,855	40,198	-	40,198
Non-Revenue Vehicles	-	-	-	1,062	-	1,062	1,062	-	1,062
TOTAL FLEET MODERNIZATION	151,373	-	151,373	233,958	-	233,958	385,331	-	385,331
SUPPORT FACILITIES									
Heywood Garage	17,291	-	17,291	65,463	-	65,463	82,754	-	82,754
Police Facility	27,500	-	27,500	-	-	-	27,500	-	27,500
Support Facility	72,205	-	72,205	82,950	-	82,950	155,155	-	155,155
TOTAL SUPPORT FACILITIES	116,996	-	116,996	148,413	-	148,413	265,409	-	265,409
CUSTOMER FACILITIES									
Bus System Customer Facility	77,124	-	77,124	47,140	-	47,140	124,264	-	124,264
Customer Facilities Rail	3,909	-	3,909	-	-	-	3,909	-	3,909
TOTAL CUSTOMER FACILITIES	81,033	-	81,033	47,140	-	47,140	128,173	-	128,173
TECHNOLOGY IMPROVEMENTS									
Technology Investments	33,107	-	33,107	46,424	-	46,424	79,531	-	79,531
TOTAL TECHNOLOGY IMPROVEMENTS	33,107	-	33,107	46,424	-	46,424	79,531	-	79,531
OTHER CAPITAL EQUIPMENT									
Other Capital Equipment	38,111	-	38,111	35,235	-	35,235	73,346	-	73,346
TOTAL OTHER CAPITAL EQUIPMENT	38,111	-	38,111	35,235	-	35,235	73,346	-	73,346
TRANSITWAYS - NON NEW STARTS									
Arterial Bus Rapid Transit (ABRT)	29,395	-	29,395	29,403	-	29,403	58,798	-	58,798
Commuter Rail Projects	1,200	-	1,200	2,700	-	2,700	3,900	-	3,900
Highway Bus Rapid Transit (HBRT)	11,169	3,000	14,169	139,532	(3,000)	136,532	150,701	-	150,701
Light Rail Projects	127,427	-	127,427	27,071	-	27,071	154,498	-	154,498
Transitway Planning	2,370	-	2,370	1,300	-	1,300	3,670	-	3,670
TOTAL TRANSITWAYS - NON NEW STARTS	171,561	3,000	174,561	200,006	(3,000)	197,006	371,567	-	371,567
FEDERAL NEW STARTS RAIL PROJECTS									
Metro Blue Line (Bottineau Boulevard)	64,800	50,886	115,686	1,471,375	(50,886)	1,420,489	1,536,175	-	1,536,175
Metro Green Line (Central Corridor)	41,900	-	41,900	-	-	-	41,900	-	41,900
Metro Green Line (Southwest Corridor)	210,737	104,499	315,236	1,706,944	(104,499)	1,602,445	1,917,681	-	1,917,681
Northstar Commuter Rail	10,327	-	10,327	-	-	-	10,327	-	10,327
TOTAL FEDERAL NEW STARTS RAIL PROJECTS	327,764	155,385	483,149	3,178,319	(155,385)	3,022,934	3,506,083	-	3,506,083
TOTAL METRO TRANSIT CAPITAL PROGRAM	919,945	158,385	1,078,330	3,889,495	(158,385)	3,731,110	4,809,440	-	4,809,440

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 Buses	68,853	-	68,853	125,144	-	125,144	193,997	-	193,997
Non-Revenue Vehicles	36	-	36	39	-	39	75	-	75
Repairs, Equipment and Technology	11,671	-	11,671	30,413	-	30,413	42,084	-	42,084
Small Buses	24,012	-	24,012	92,632	-	92,632	116,644	-	116,644
TOTAL FLEET MODERNIZATION	104,572	-	104,572	248,229	-	248,229	352,801	-	352,801
CUSTOMER FACILITIES									
Bus System Customer Facility	-	-	-	1,548	-	1,548	1,548	-	1,548
TOTAL CUSTOMER FACILITIES	-	-	-	1,548	-	1,548	1,548	-	1,548
TECHNOLOGY IMPROVEMENTS									
Technology Investments	3,605	-	3,605	11,372	-	11,372	14,977	-	14,977
TOTAL TECHNOLOGY IMPROVEMENTS	3,605	-	3,605	11,372	-	11,372	14,977	-	14,977
OTHER REGIONAL PROVIDERS - NON FLEET									
Maple Grove Transit	1,454	-	1,454	1,770	-	1,770	3,224	-	3,224
Minnesota Valley Transit Association	11,855	-	11,855	9,338	-	9,338	21,193	-	21,193
Plymouth Transit	3,807	-	3,807	1,767	-	1,767	5,574	-	5,574
SouthWest Transit	305	-	305	3,366	-	3,366	3,671	-	3,671
University of Minnesota Transit	850	-	850	1,827	-	1,827	2,677	-	2,677
TOTAL OTHER REGIONAL PROVIDERS - NON FLEET	18,271	-	18,271	18,069	-	18,069	36,340	-	36,340
TRANSITWAYS - NON NEW STARTS									
Transitways	21,227	-	21,227	-	-	-	21,227	-	21,227
TOTAL TRANSITWAYS - NON NEW STARTS	21,227	-	21,227	-	-	-	21,227	-	21,227
TOTAL MTS CAPITAL PROGRAM									
	147,675	-	147,675	279,217	-	279,217	426,892	-	426,892
COMBINED									
FLEET MODERNIZATION	255,945	-	255,945	482,188	-	482,188	738,133	-	738,133
SUPPORT FACILITIES	116,996	-	116,996	148,413	-	148,413	265,409	-	265,409
CUSTOMER FACILITIES	81,033	-	81,033	48,688	-	48,688	129,721	-	129,721
TECHNOLOGY IMPROVEMENTS	36,712	-	36,712	57,796	-	57,796	94,508	-	94,508
OTHER REGIONAL PROVIDERS - NON FLEET	18,271	-	18,271	18,069	-	18,069	36,340	-	36,340
OTHER CAPITAL EQUIPMENT	38,111	-	38,111	35,235	-	35,235	73,346	-	73,346
TRANSITWAYS - NON NEW STARTS	192,788	3,000	195,788	200,006	(3,000)	197,006	392,794	-	392,794
FEDERAL NEW STARTS RAIL PROJECTS	327,764	155,385	483,149	3,178,319	(155,385)	3,022,934	3,506,083	-	3,506,083
TOTAL TRANSPORTATION	1,067,620	158,385	1,226,005	4,168,713	(158,385)	4,010,328	5,236,333	-	5,236,333



**METROPOLITAN COUNCIL
SUMMARY BUDGET
TRANSPORTATION DIVISION
FY16**

Table C-1

Amended February 8, 2017

(\$ 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	MVST Reserves
Revenues:															
Motor Vehicle Sales Tax	-	4,854	17,929	642	23,425	208,944	-	3,567	212,511	235,936	-	28,026	-	263,962	13,896
State Appropriations	62,109	-	-	-	62,109	18,233	14,634	-	32,867	94,976	-	-	-	94,976	-
Other State Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total State Revenues	62,109	4,854	17,929	642	85,534	227,177	14,634	3,567	245,378	330,912	-	28,026	-	358,938	13,896
Net Property Tax	-	-	-	-	-	-	-	-	-	-	46,217	-	-	-	-
Federal Revenues	-	725	1,183	4,569	6,477	30,790	2,973	404	34,167	40,644	-	-	-	40,644	-
Local Revenues	-	-	1,751	103	1,854	351	24,536	9,648	34,535	36,389	-	-	-	36,389	-
Passenger Fares	6,556	560	2,007	-	9,123	71,935	22,016	2,403	96,354	105,477	-	-	-	105,477	-
Contract & Special Event Revenues	-	-	-	-	-	1,400	450	-	1,850	1,850	-	-	-	1,850	-
Investment Earnings	-	-	-	-	-	500	25	-	525	525	180	-	-	705	-
Other Revenues	-	-	55	-	55	3,850	1,525	-	5,375	5,430	-	-	-	5,430	-
Total Other Revenues	6,556	1,285	4,996	4,672	17,509	108,826	51,525	12,455	172,806	190,315	46,397	-	-	236,712	-
Total Revenues	68,665	6,139	22,925	5,314	103,043	336,003	66,159	16,022	418,184	521,227	46,397	28,026	-	595,650	13,896
Expenses:															
Salaries & Benefits	1,744	214	585	2,977	5,520	266,652	41,577	5,321	313,550	319,070	-	-	-	319,070	-
Consulting & Contractual Services	813	43	647	2,247	3,750	8,758	2,040	6,481	17,279	21,029	-	-	-	21,029	-
Materials & Supplies	121	6	85	19	231	22,376	4,665	1,240	28,281	28,512	-	-	-	28,512	-
Fuel	6,878	-	-	-	6,878	17,418	13	1,159	18,590	25,468	-	-	-	25,468	-
Rent & Utilities	112	21	60	413	606	4,647	6,576	786	12,009	12,615	-	-	-	12,615	-
Printing	35	3	16	21	75	379	-	-	379	454	-	-	-	454	-
Travel	15	5	8	42	70	587	101	25	713	783	-	-	-	783	-
Insurance	-	-	-	-	-	2,601	1,349	2,266	6,216	6,216	-	-	-	6,216	-
Transit Programs	58,990	6,974	17,778	-	83,742	-	-	-	-	83,742	-	-	-	83,742	-
Operating Capital	79	-	-	57	136	-	-	-	-	136	-	-	-	136	-
Governmental Grants	-	-	1,111	210	1,321	2,473	-	-	2,473	3,794	-	-	-	3,794	-
Other Expenses	80	10	66	69	225	4,493	650	244	5,387	5,612	-	-	-	5,612	-
Passthrough Grants	-	-	-	-	-	-	-	-	-	-	-	28,026	-	28,026	-
Debt Service Obligations	-	-	-	-	-	-	-	-	-	-	42,452	-	-	42,452	-
Total Expenses	68,867	7,276	20,356	6,055	102,554	330,384	56,971	17,522	404,877	507,431	42,452	28,026	-	577,909	-
Other Sources and (Uses):															
Interdivisional Cost Allocation	(1,966)	(195)	(578)	(1,835)	(4,574)	(29,122)	(4,134)	(448)	(33,704)	(38,278)	-	-	-	(38,278)	-
Modal Allocation	-	-	-	-	-	10,075	(9,096)	(979)	-	-	-	-	-	-	-
A-87 Cost Allocation	-	-	-	-	-	6,433	(5,954)	(479)	-	-	-	-	-	-	-
MVST Transfers In	-	-	-	-	-	4,122	-	-	4,122	4,122	-	-	-	4,122	(4,122)
Transfers From Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers To Operating Capital	-	-	-	-	-	-	-	-	-	-	(730)	-	-	(730)	-
Net Other Sources and (Uses)	(1,966)	(195)	(578)	(1,835)	(4,574)	(8,492)	(19,184)	(1,906)	(29,582)	(34,156)	(730)	-	-	(34,886)	(4,122)
Change in Fund Balance	(2,168)	(1,332)	1,991	(2,576)	(4,085)	(2,873)	(9,996)	(3,406)	(16,275)	(20,360)	3,215	-	-	(17,145)	9,774

	CURRENTLY AUTHORIZED					PROPOSED CHANGE					AMENDED					2017 Budget	Multi-Year Authorization					
	Federal	State	Other	Regional	Total	Federal	State	Other	Regional	Total	Federal	State	Other	Regional	Total							
METRO TRANSIT																						
																Original Adopted	\$ 67,764,000	\$ 919,946,122				
																After Prior Amendments	\$ 67,764,000	\$ 919,946,122				
																After Amendment	\$ 226,148,706	\$ 1,078,330,828				
Administrative Adjustments																						
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
CLOSING PROJECTS / REALLOCATE AUTHORIZED FUNDING																						
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Section Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
* Metro Transit Projects Closed and Removed from Authorized Capital Program																\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REDUCE AUTHORIZED FUNDING - NONE																						
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Section Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
INCREASE AUTHORIZED FUNDING / REDUCE AUTHORIZED FUNDING/AUTHORIZE NEW PROJECTS																						
61001 Southwest Lightrail Transit	\$ -	\$ 30,300,000	\$ 180,437,132	\$ -	\$ 210,737,132	\$ -	\$ -	\$ 104,498,706	\$ -	\$ 104,498,706	\$ -	\$ 30,300,000	\$ 284,935,838	\$ -	\$ 315,235,838	\$ 104,498,706	\$ 104,498,706					
61403 Bottineau LRT Blue Line Extension		\$ 1,000,000	\$ 63,800,000		\$ 64,800,000			\$ 50,886,000		\$ 50,886,000		\$ 1,000,000	\$ 114,686,000		\$ 115,686,000	\$ 50,886,000	\$ 50,886,000					
62405 Orange Line BRT	\$ 1,800,000	\$ 3,000,000	\$ 6,018,830	\$ 350,000	\$ 11,168,830			\$ 3,000,000		\$ 3,000,000	\$ 1,800,000	\$ 3,000,000	\$ 9,018,830	\$ 350,000	\$ 14,168,830	\$ 3,000,000	\$ 3,000,000					
Section Subtotal	\$ 1,800,000	\$ 34,300,000	\$ 250,255,962	\$ 350,000	\$ 286,705,962	\$ -	\$ -	\$ 158,384,706	\$ -	\$ 158,384,706	\$ 1,800,000	\$ 34,300,000	\$ 408,640,668	\$ 350,000	\$ 445,090,668	\$ 158,384,706	\$ 158,384,706					
METRO TRANSIT TOTAL	\$ 1,800,000	\$ 34,300,000	\$ 250,255,962	\$ 350,000	\$ 286,705,962	\$ -	\$ -	\$ 158,384,706	\$ -	\$ 158,384,706	\$ 1,800,000	\$ 34,300,000	\$ 408,640,668	\$ 350,000	\$ 445,090,668	\$ 158,384,706	\$ 158,384,706					
TRANSPORTATION DIVISION TOTAL	\$ 1,800,000	\$ 34,300,000	\$ 250,255,962	\$ 350,000	\$ 286,705,962	\$ -	\$ -	\$ 158,384,706	\$ -	\$ 158,384,706	\$ 1,800,000	\$ 34,300,000	\$ 408,640,668	\$ 350,000	\$ 445,090,668	\$ 158,384,706	\$ 158,384,706					