

Public Comment Budget Update and 2021-2026 Capital Program

Metropolitan Council – October 14, 2020

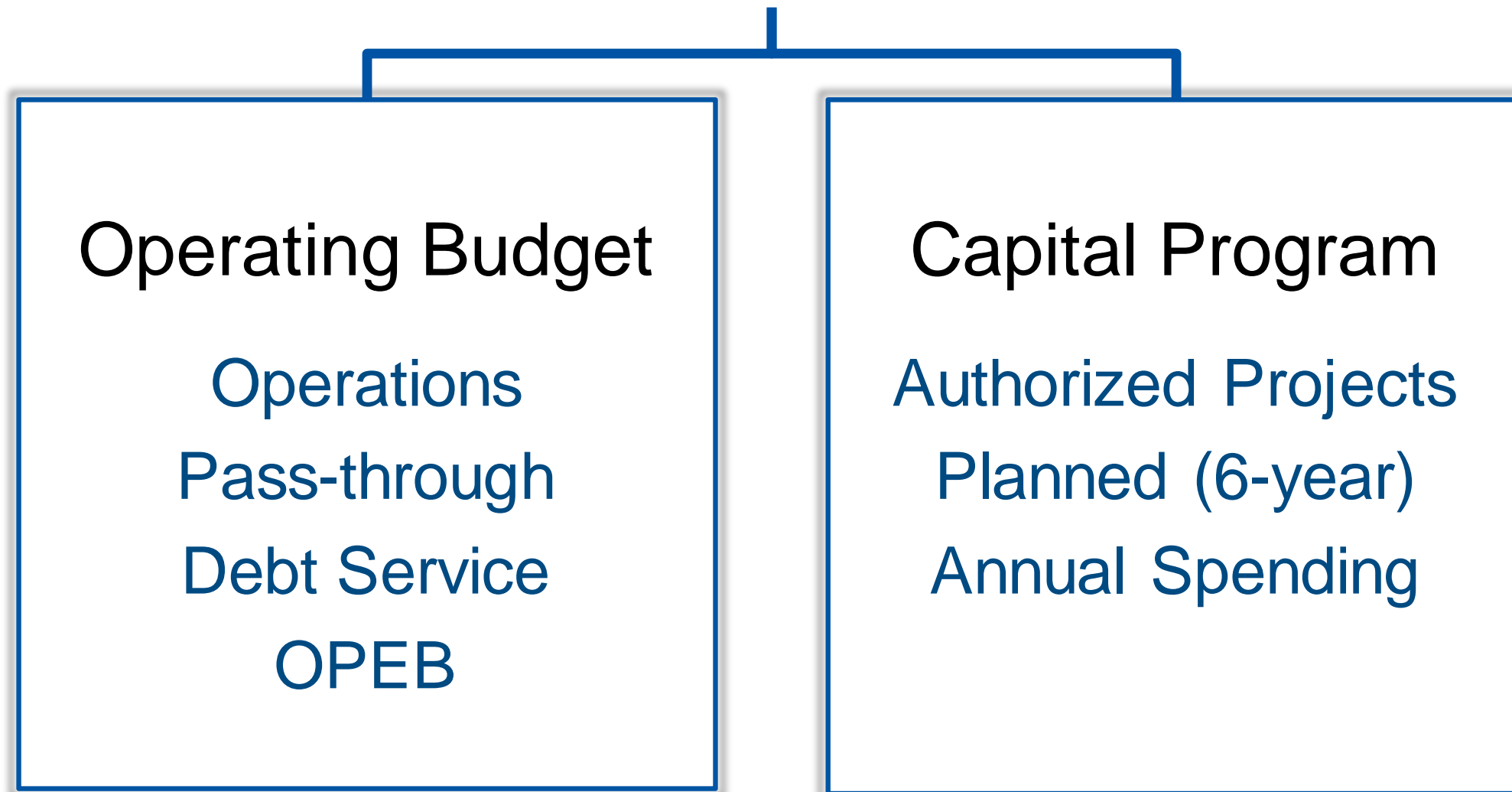


Changes to Public Comment Budget from Preliminary Budget (Operating)

- MVST to include MMB August End of Session Estimate for State Fiscal Year 22
 - Incremental increase \$32.3 million to Council
- Reduce service for NorthStar to account for pandemic-induced declines in ridership
 - Reduction of \$9.7 million in NorthStar revenue, \$8.2 million in NorthStar expenses
- Reduction of \$5.8 million in expenses and increase of \$460K in revenues in light rail
- Community Development for Parks Visitor study \$400K expense
- HRA for Federal CARES Act funding \$300K revenue

Council Budget Development

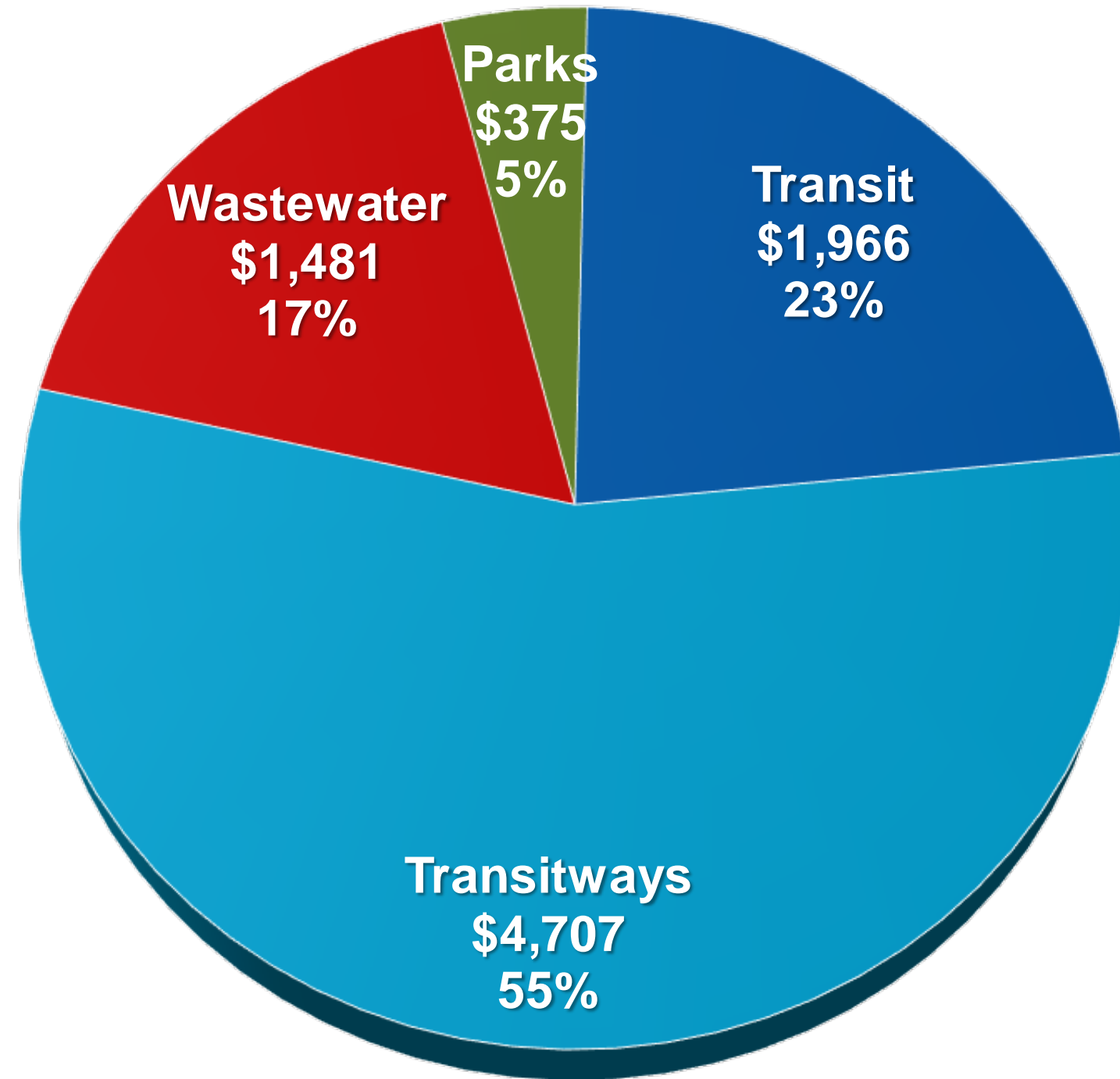
Unified Budget



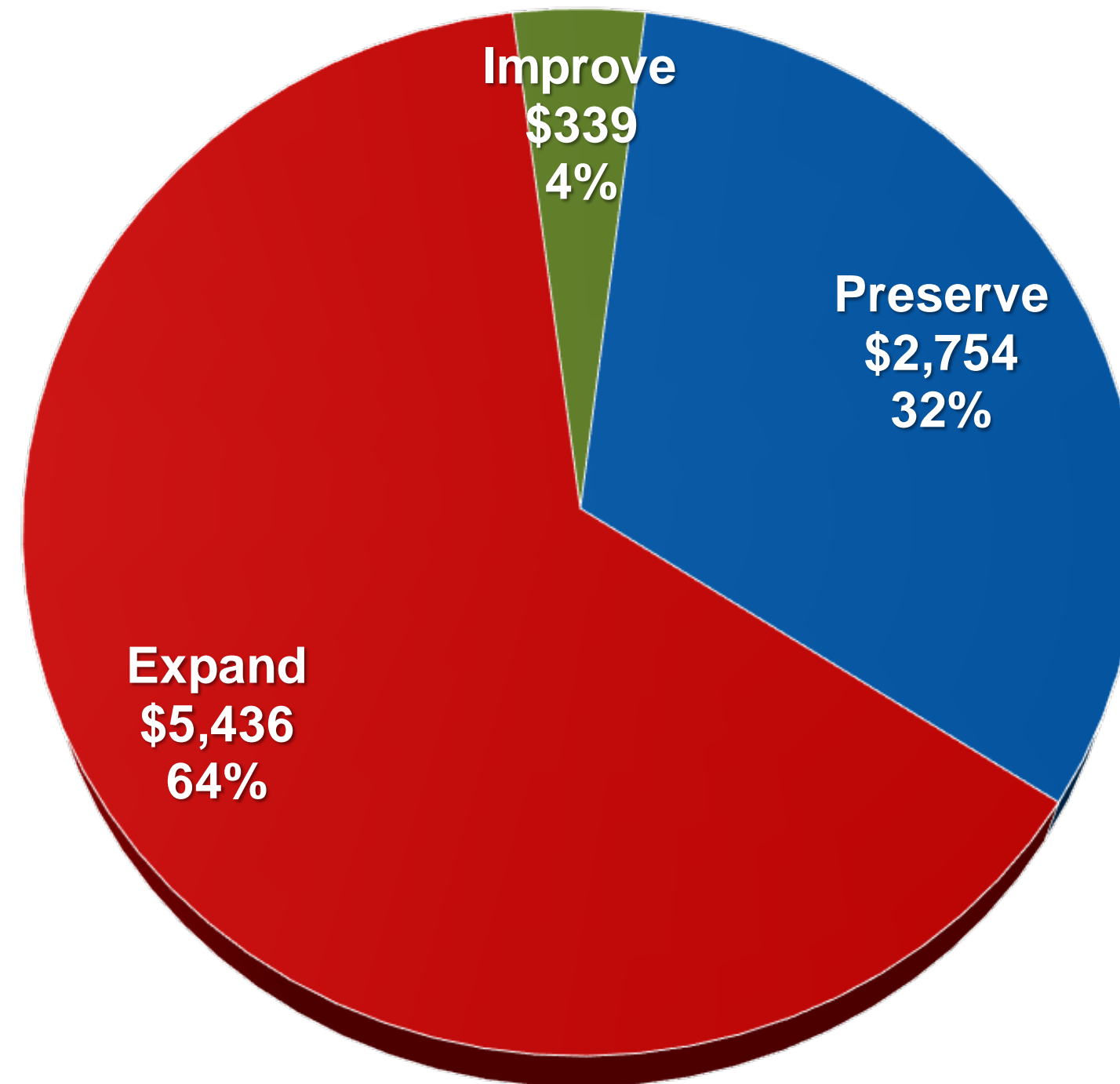
May-July	Staff - Budget Development Activities
Aug 26 (before Sept 1)	Council - Adopt Preliminary Budget/Levies
Oct 14	Council - Capital Program Presentation
Oct 28	Council - Adopt Public Comment Budget
Dec 9 (before Dec 20)	Council - Adopt Final Budget/Levies

2021 Capital Program - \$8.5 B

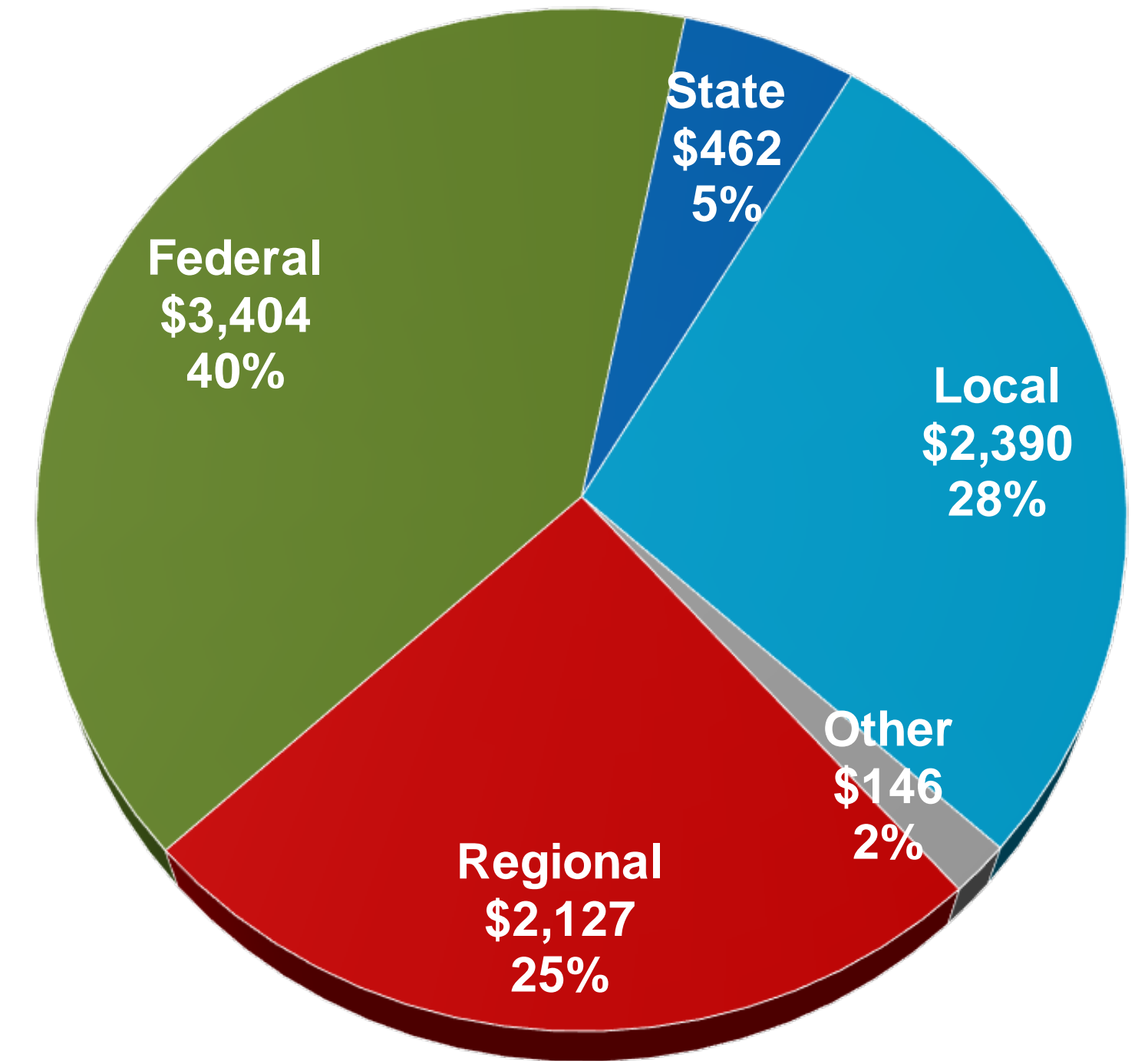
Uses by Department



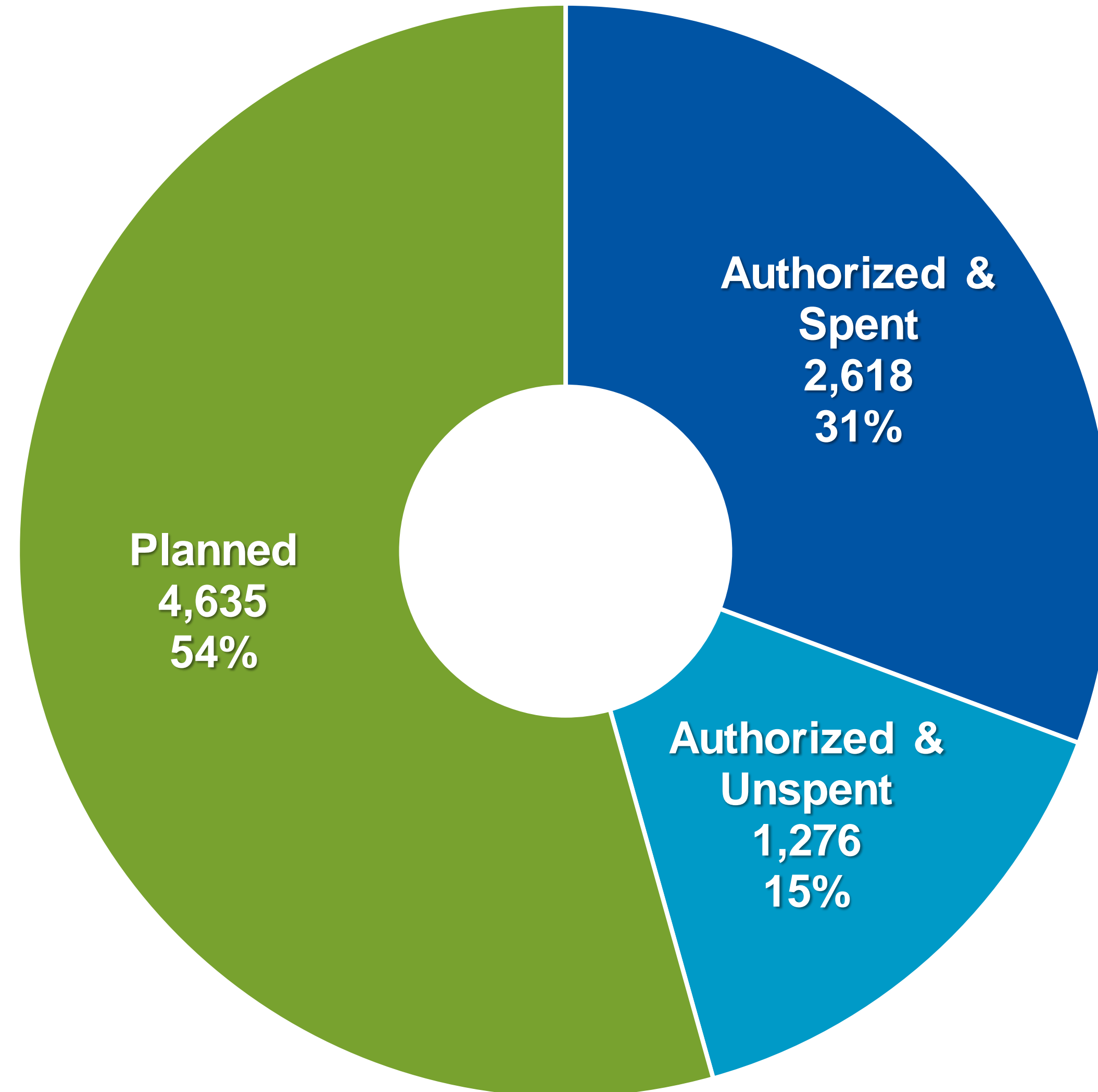
Uses by Category



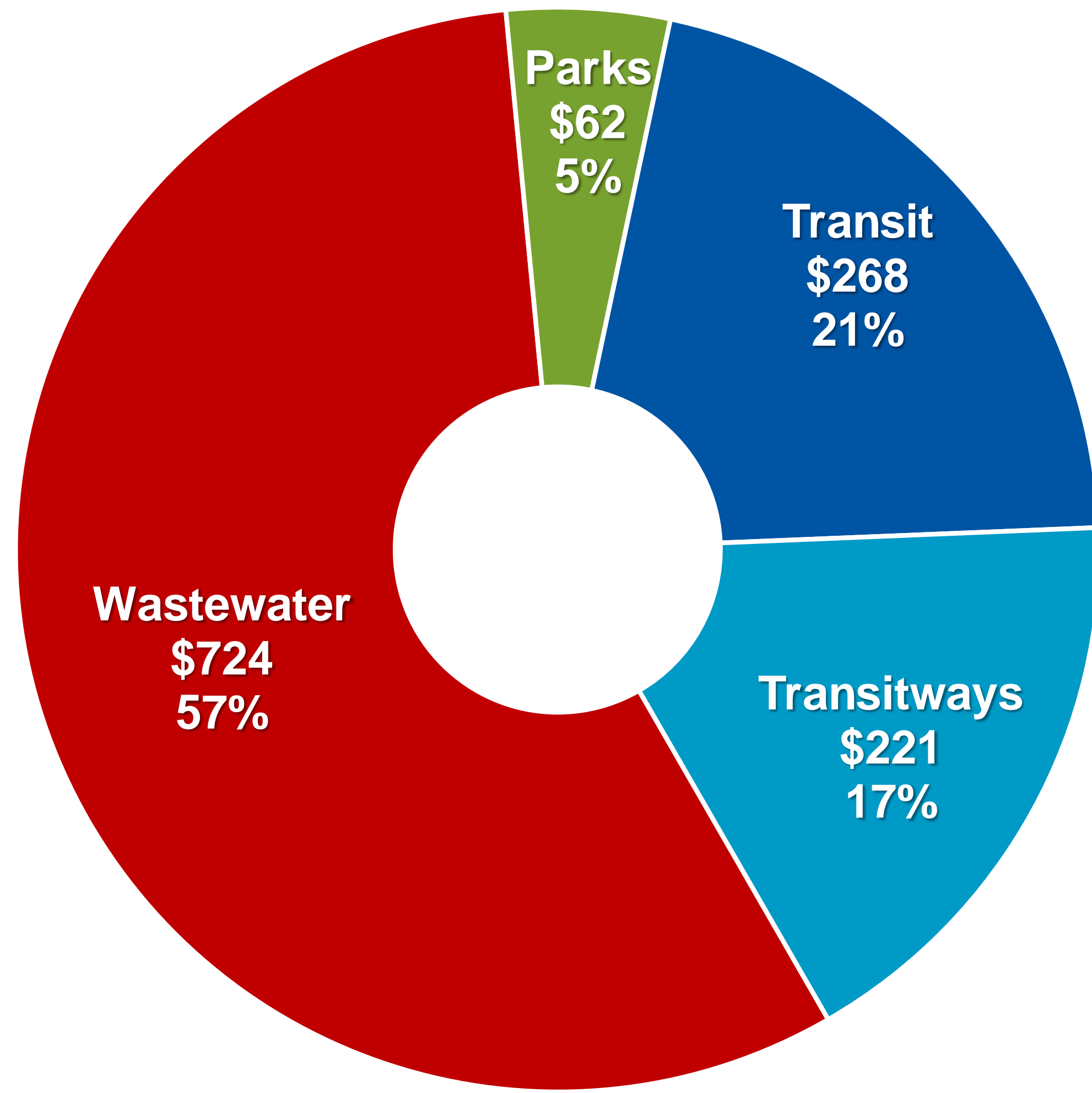
Sources



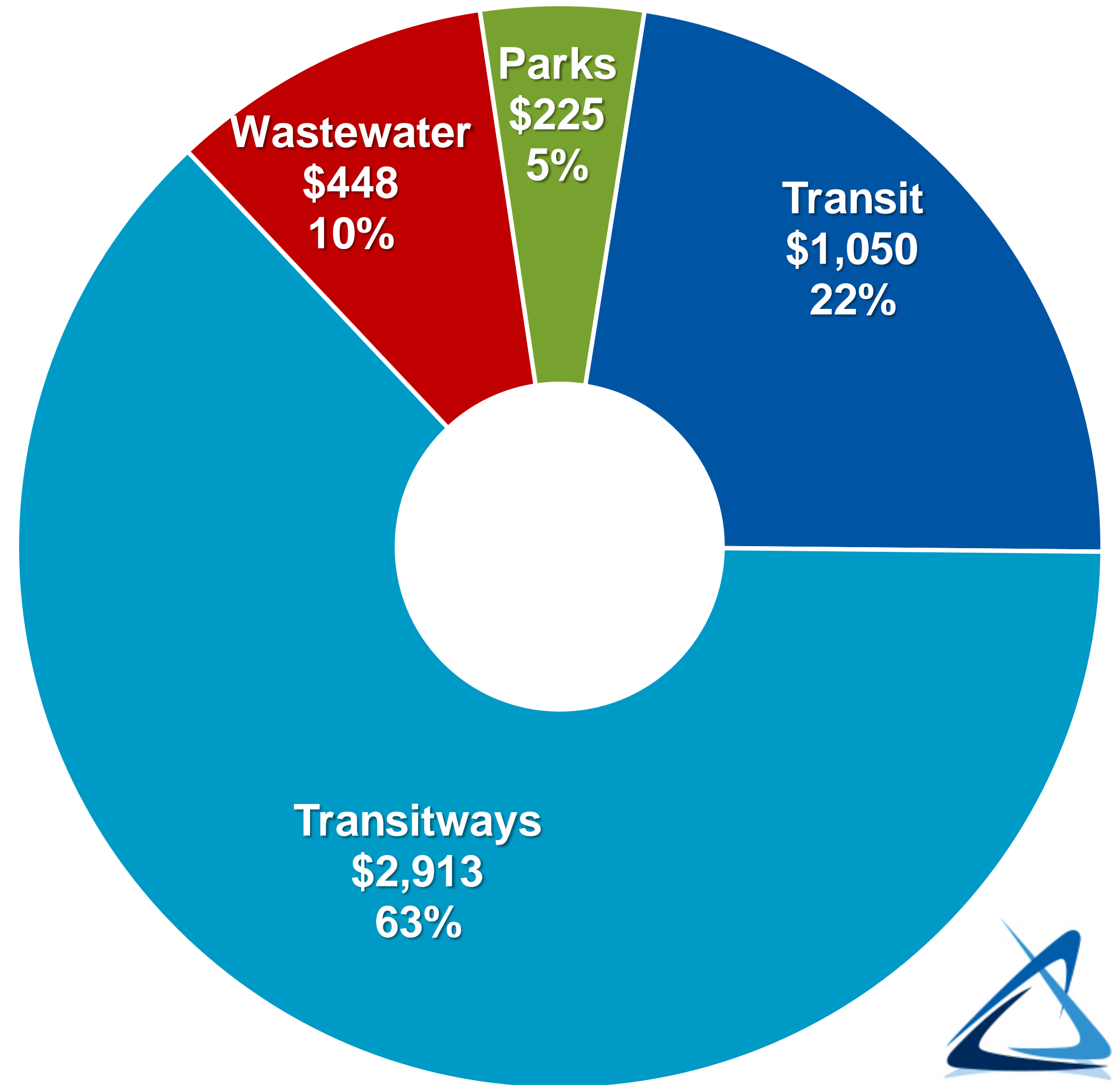
2021 Capital Program-\$8.5B by Funding Status



2021 Capital Program Future Spending - \$5.9B



Authorized - \$1.3 B



Planned - \$4.6 B



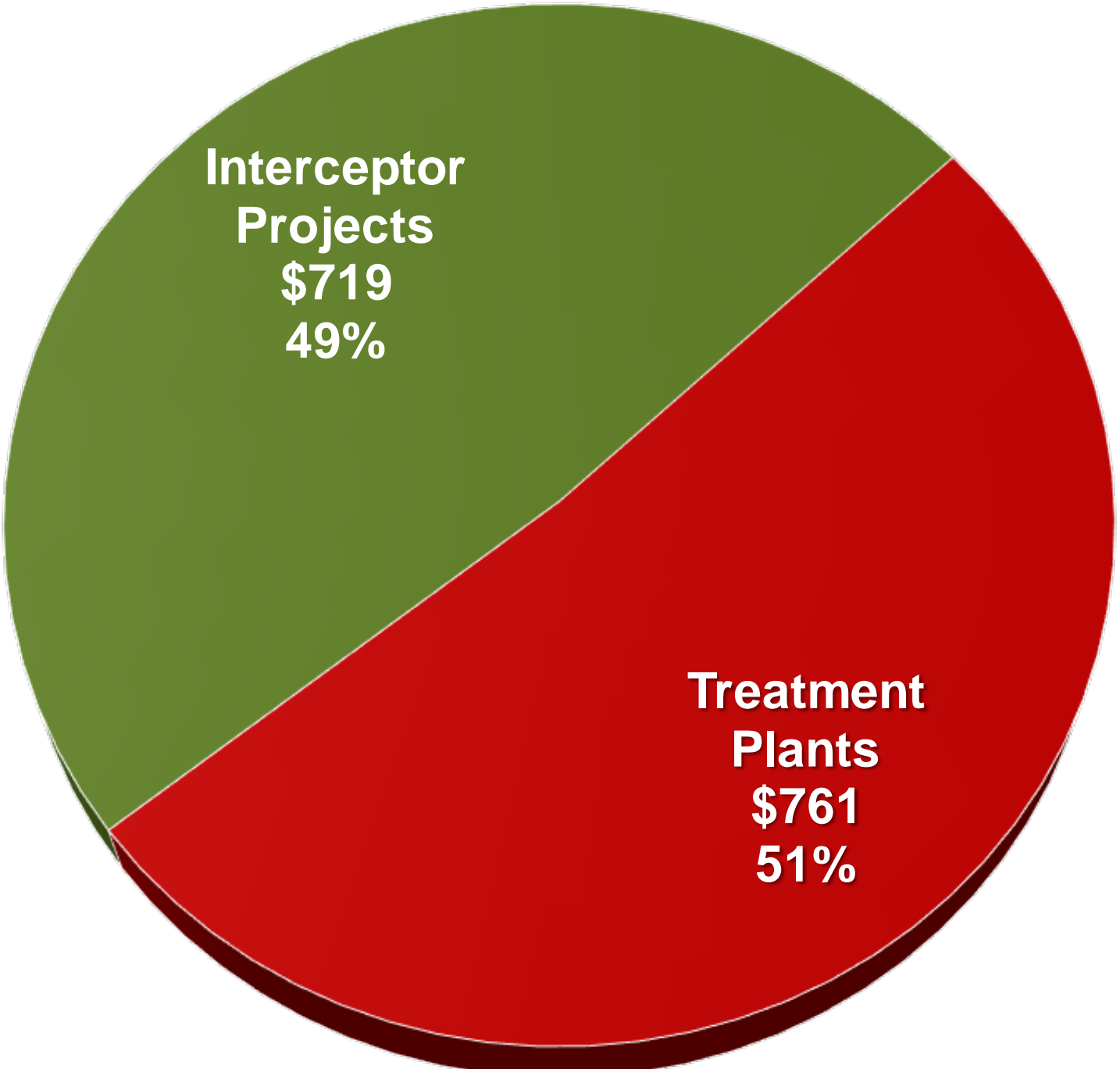
Environmental Services



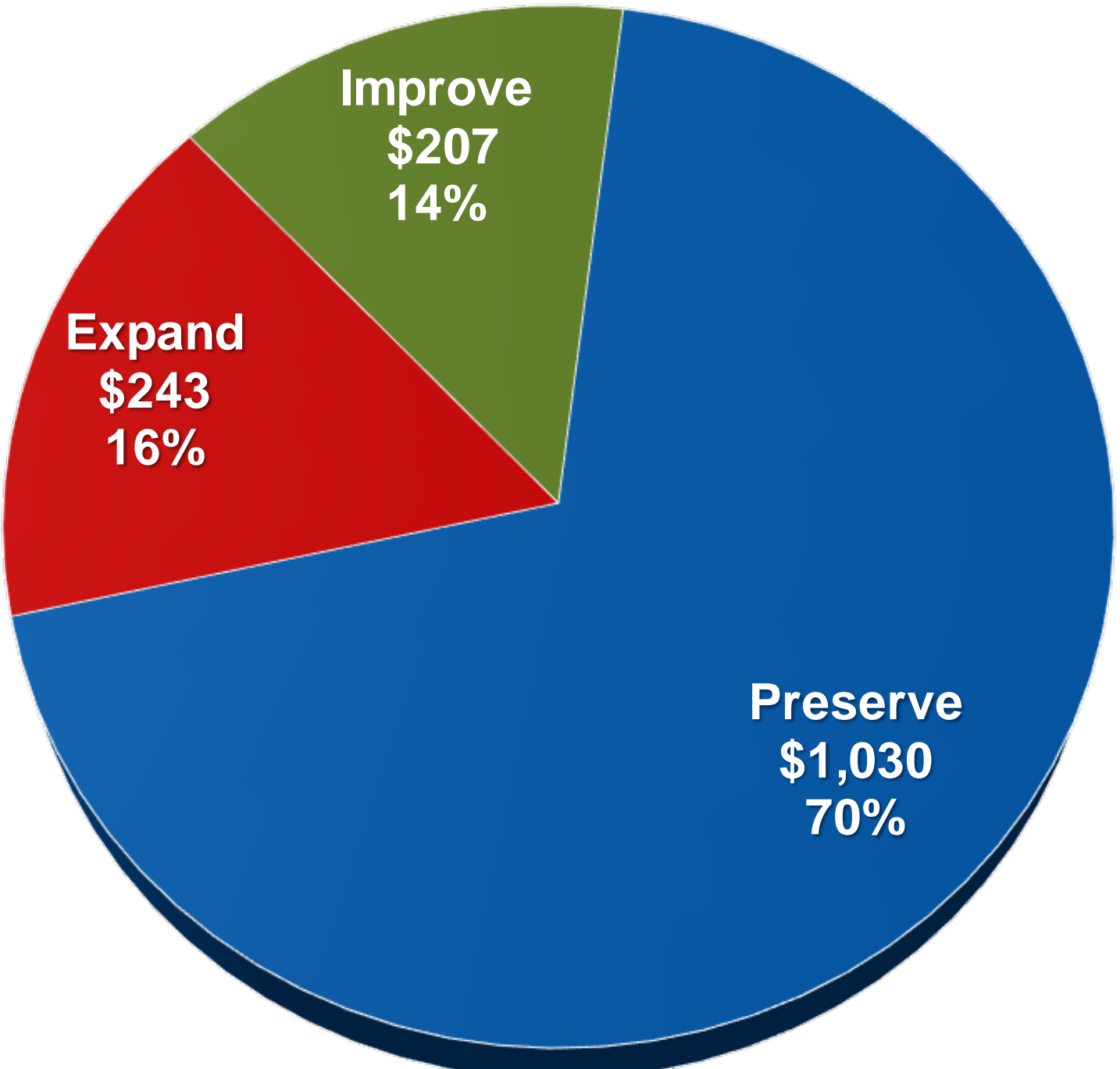
METROPOLITAN
COUNCIL

Capital Program - \$1.48 B

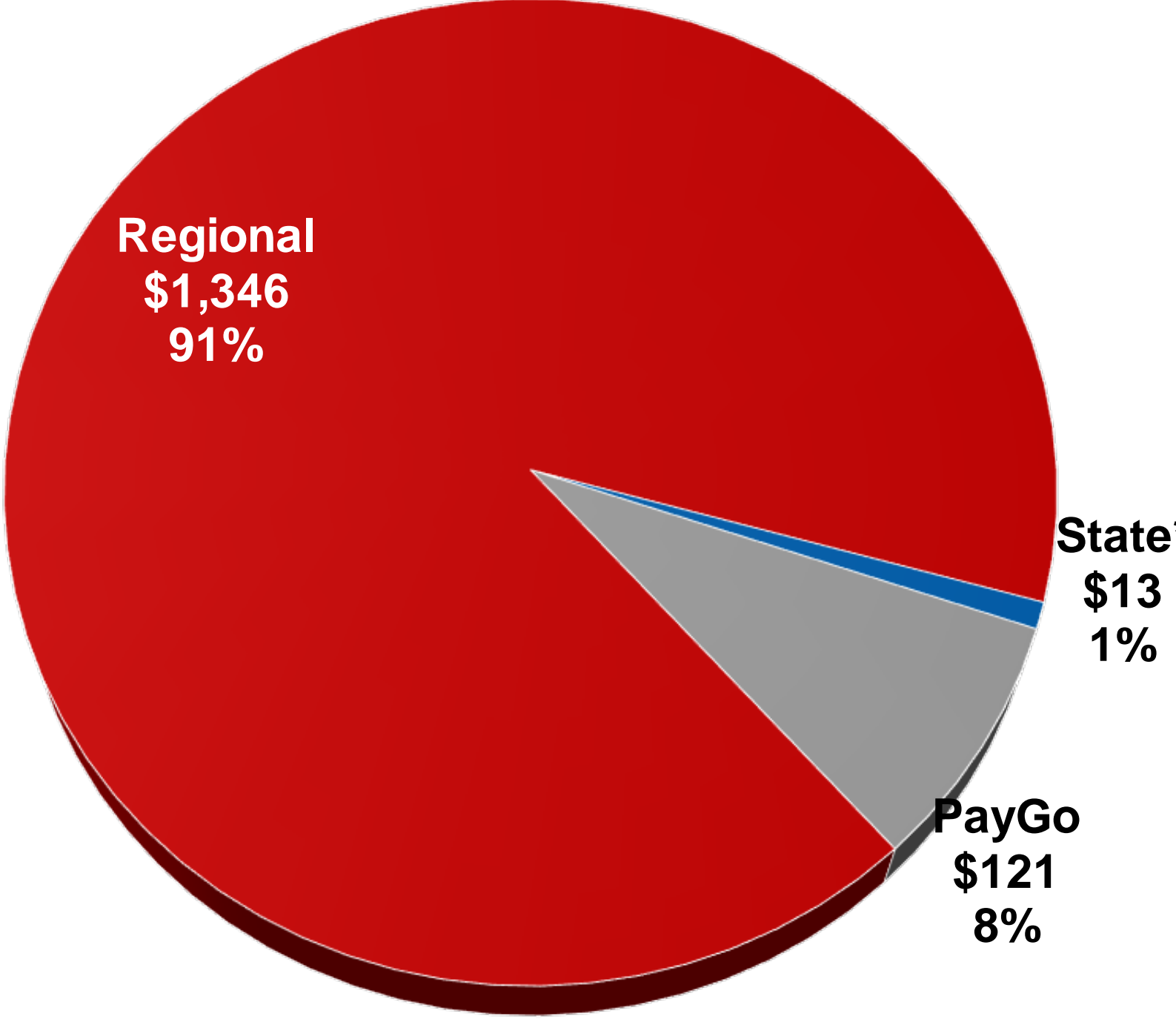
Uses by Department



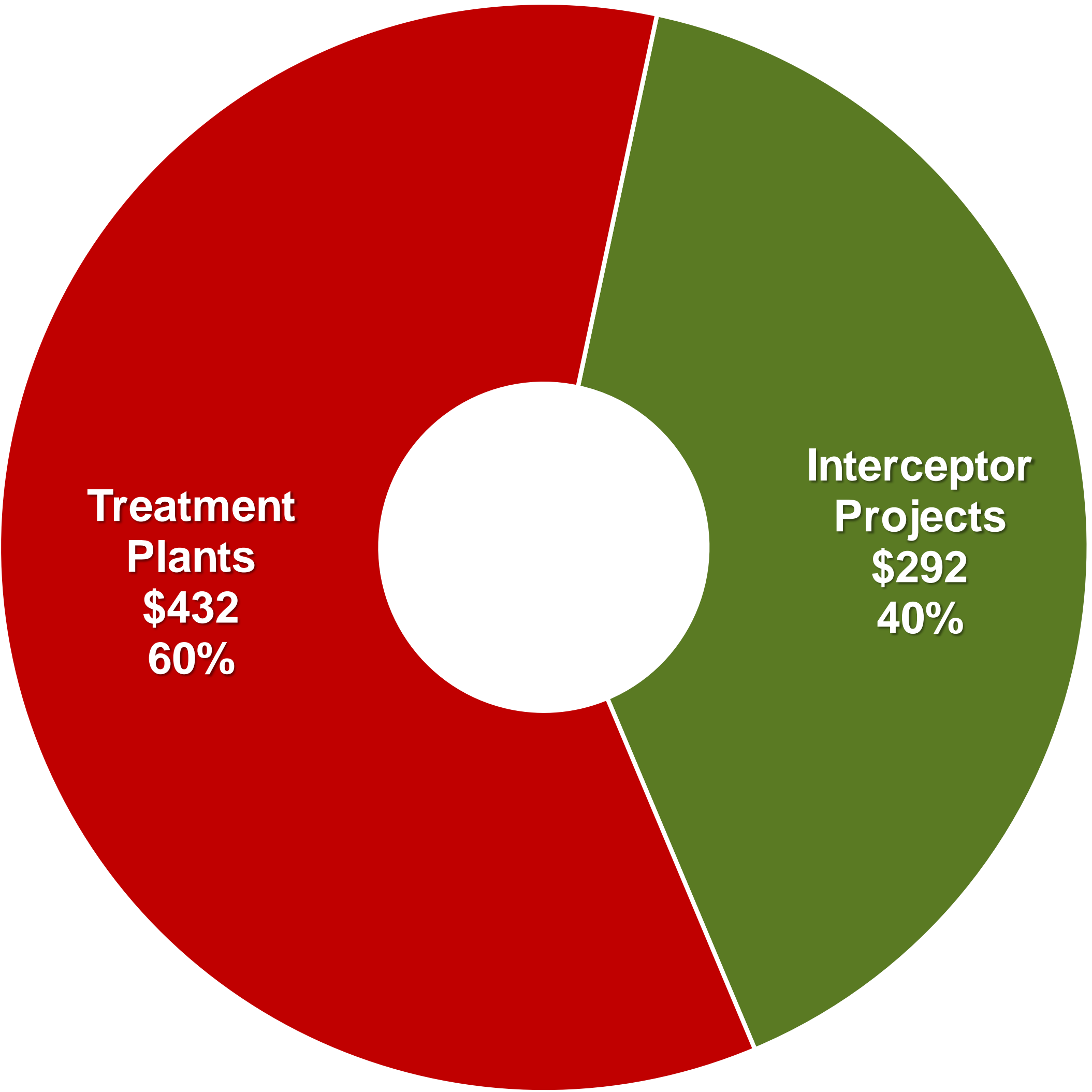
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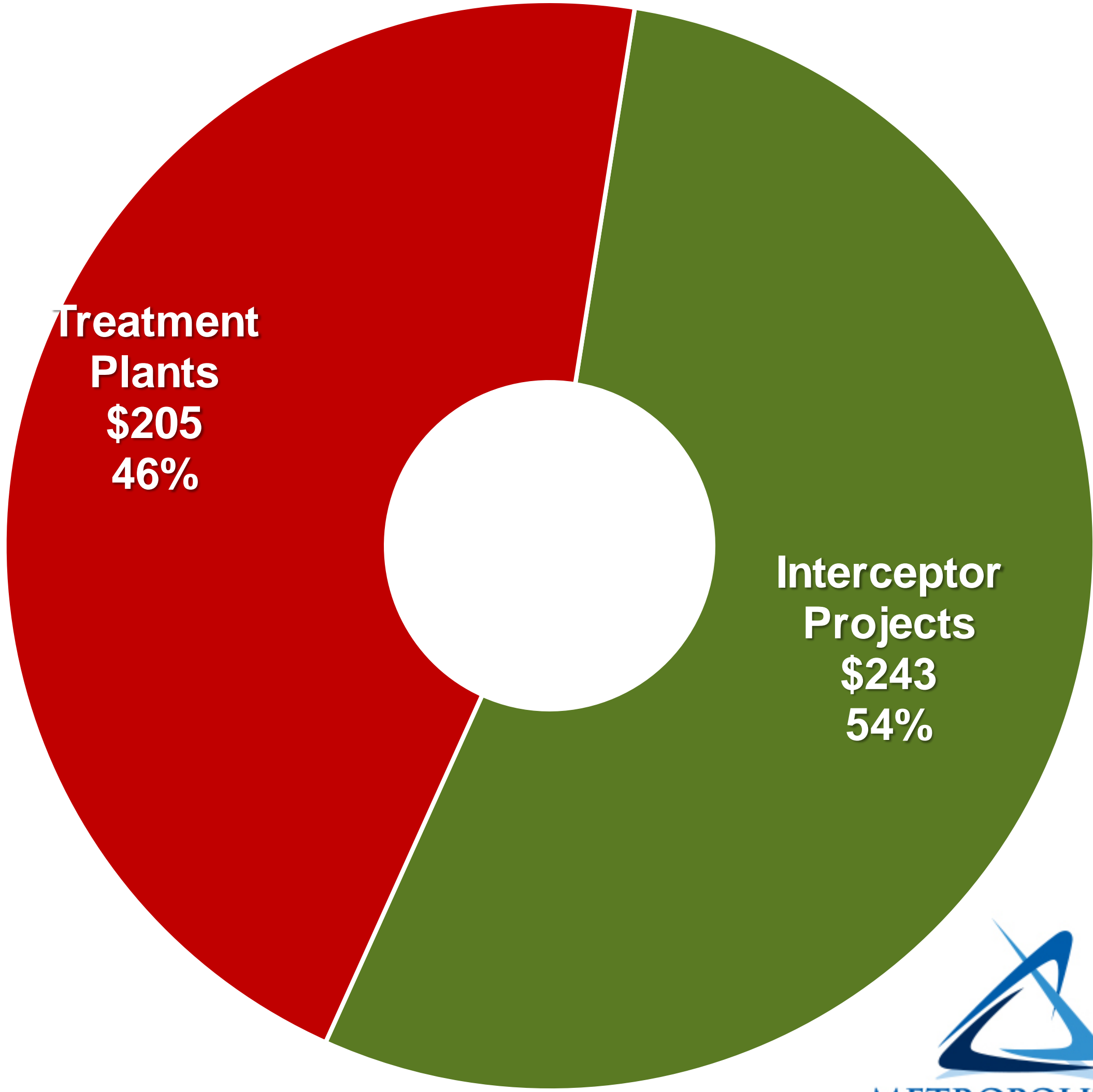
Sources



Future Spending - \$1.172B



Authorized - \$724 M



Planned - \$448 M



Capital Program ACP Objectives



Preserve Assets

Rehabilitate and replace assets to preserve value and performance



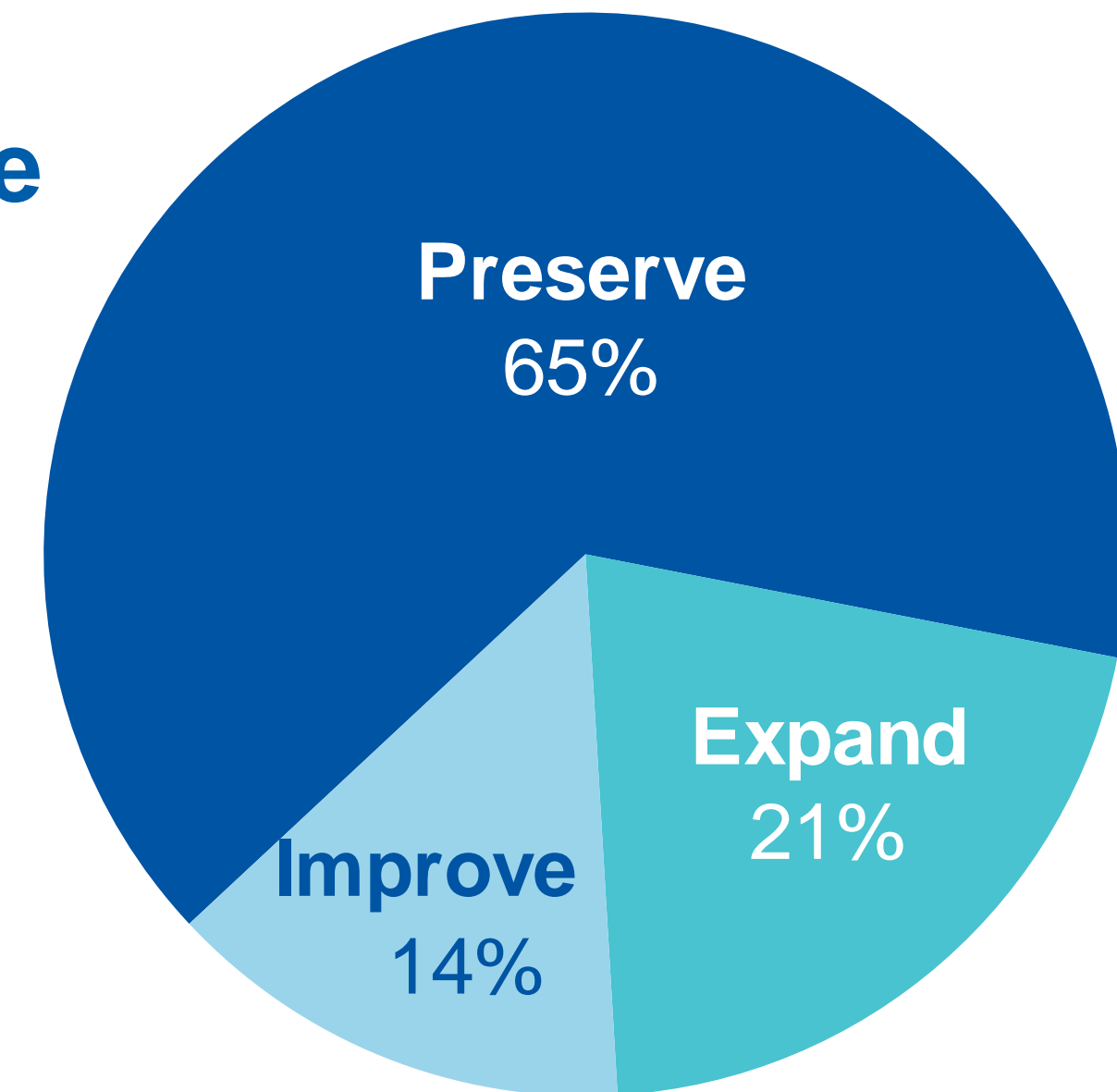
Meet Capacity Needs

Expand system capacity through plant expansions and interceptor extensions or improvements

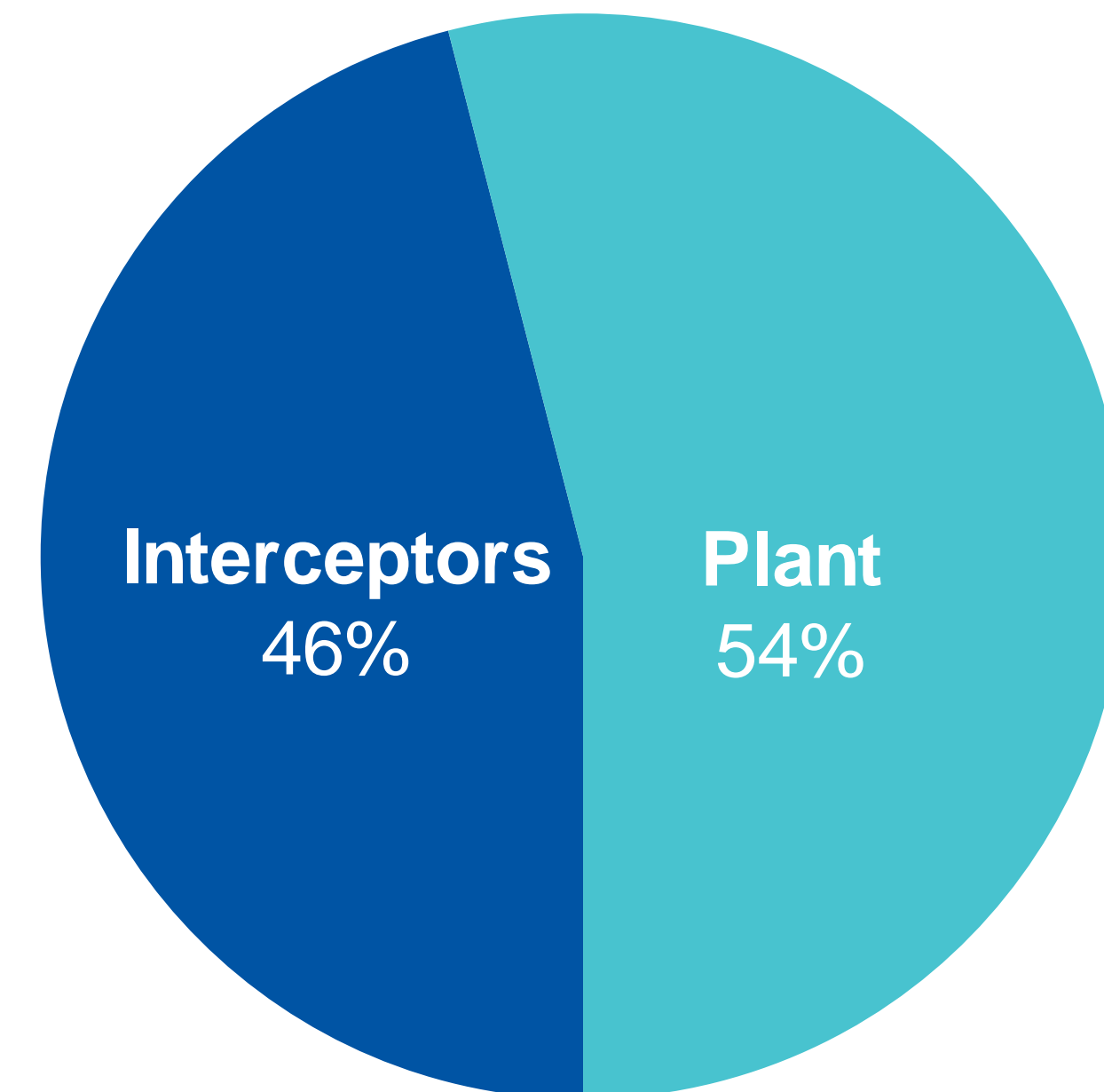


Improve Quality of service by responding to more stringent regulations, reusing wastewater, increasing system reliability, and conserving and generating energy

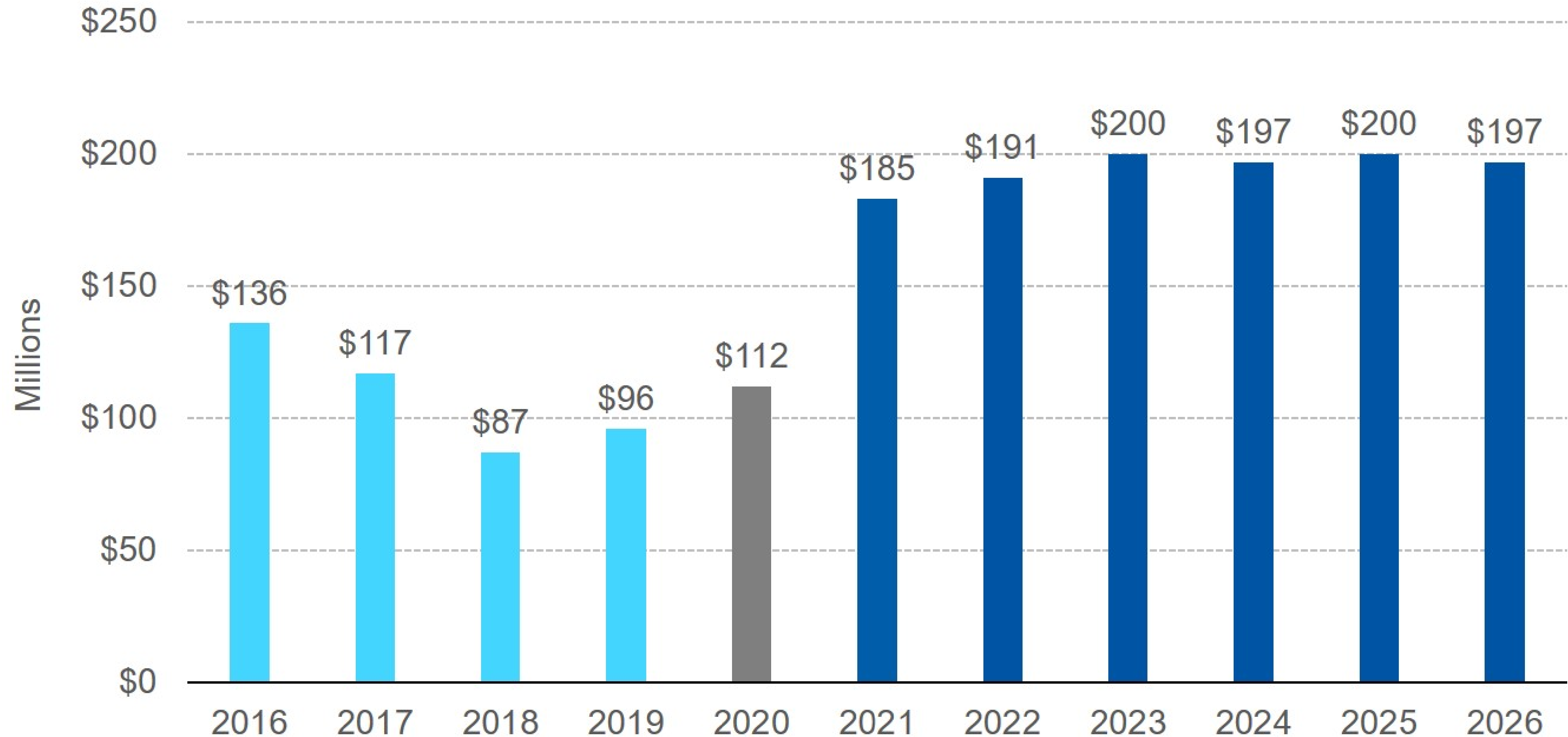
Objective



Type



Project Timing and Costs Cash Flow: 2016 to 2026



- Actual
- Estimated
- Projected

Total Capital Program
(2021-2026) = \$1,480 Million

Proposed 2021 Capital Program



2021 Capital Budget:
First year of 6-year ACP
\$185 Million

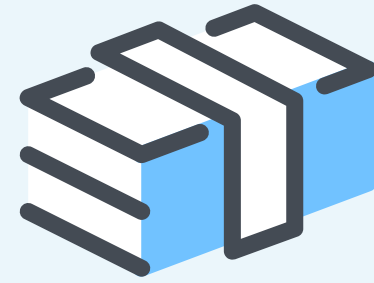
Capital Program: Sources of Funds



Public Facilities Authority (PFA) Loans

\$50 million annual loan and 1.5% interest rate discount

2021: Dependent on Legislature Passing Bonding Bill



Council General Obligation Bonds

The Council sells general obligation bonds. The Council has a AAA bond rating and receives low interest rates

2021: \$50 - \$100M (est.)



Pay-As-You-Go (PAYGO)

Funds dedicated to paying for some capital expenses with current revenue

2021: \$11 Million

New Lift Station L32A



Objectives/Goals

- Replace deteriorated facility
- Increase capacity for planned growth
- Improve efficiencies and system reliability

Schedule



Metro Solids Renewal & Improvements



Project Objectives/Goals

Preserve Wastewater Treatment Plant Infrastructure



The existing system does not have capacity to treat the wastewater solids while completing renewal work.

Serve Regional Population Growth



500,000 new residents are expected in the Metro Plant Service area by 2050

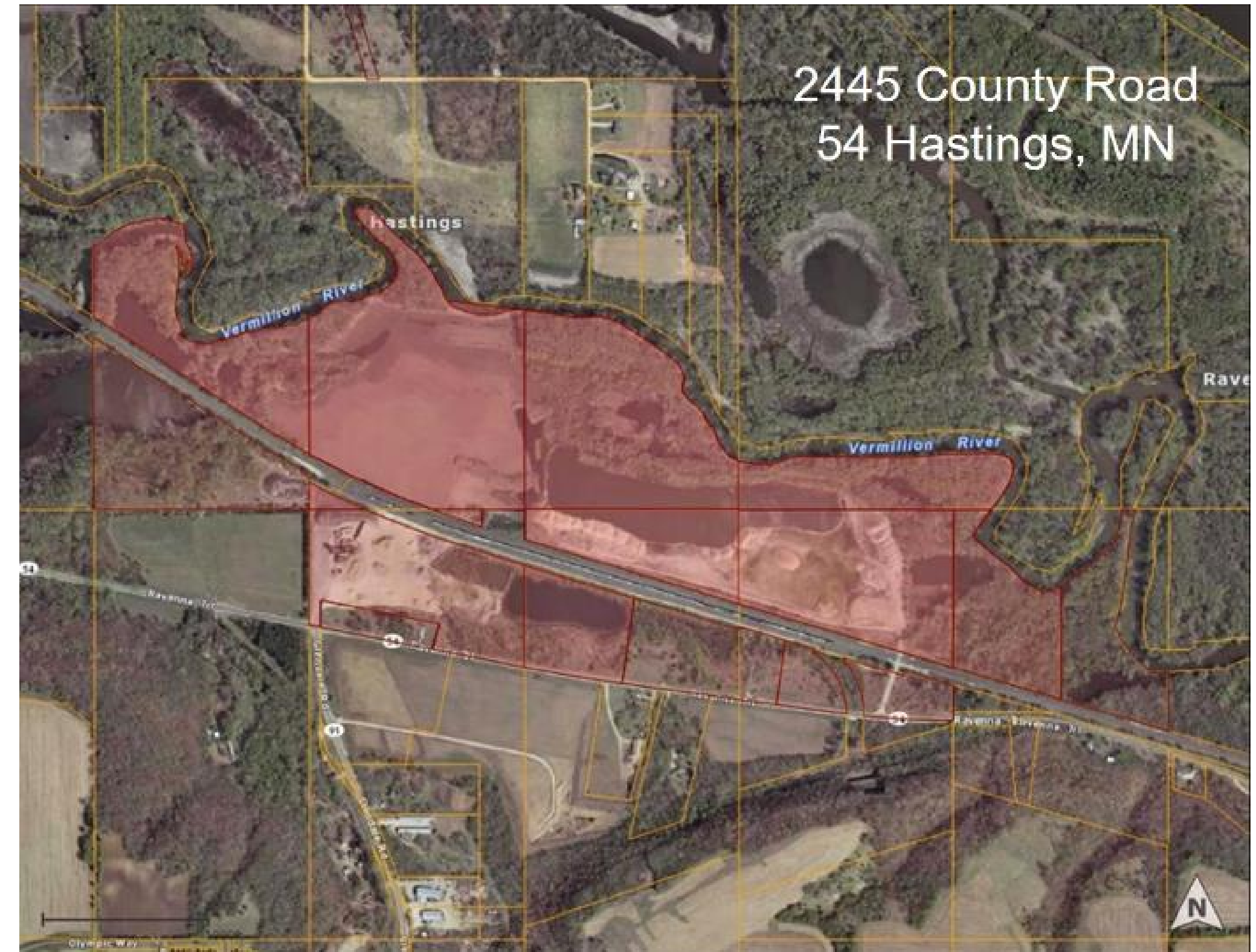


Schedule



This project will ensure reliability of existing solids processing facilities until the fourth incinerator is operational in 2024.

Planning for New Hastings WWTP



✔ Objectives/Goals

- Provide adequate wastewater treatment plant capacity
- Develop capital replacement schedule based on financial analysis

📅 Schedule

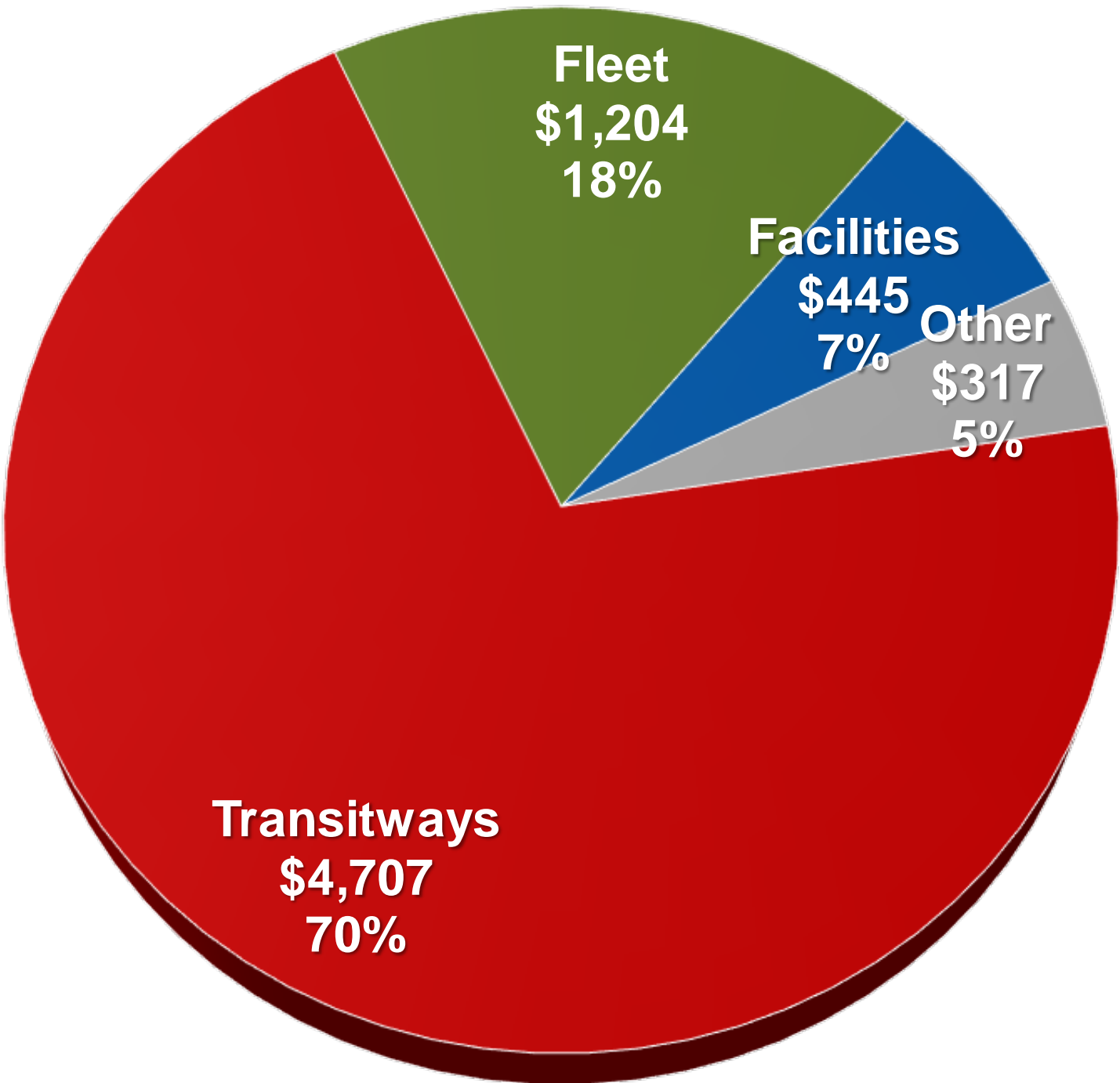


Transit

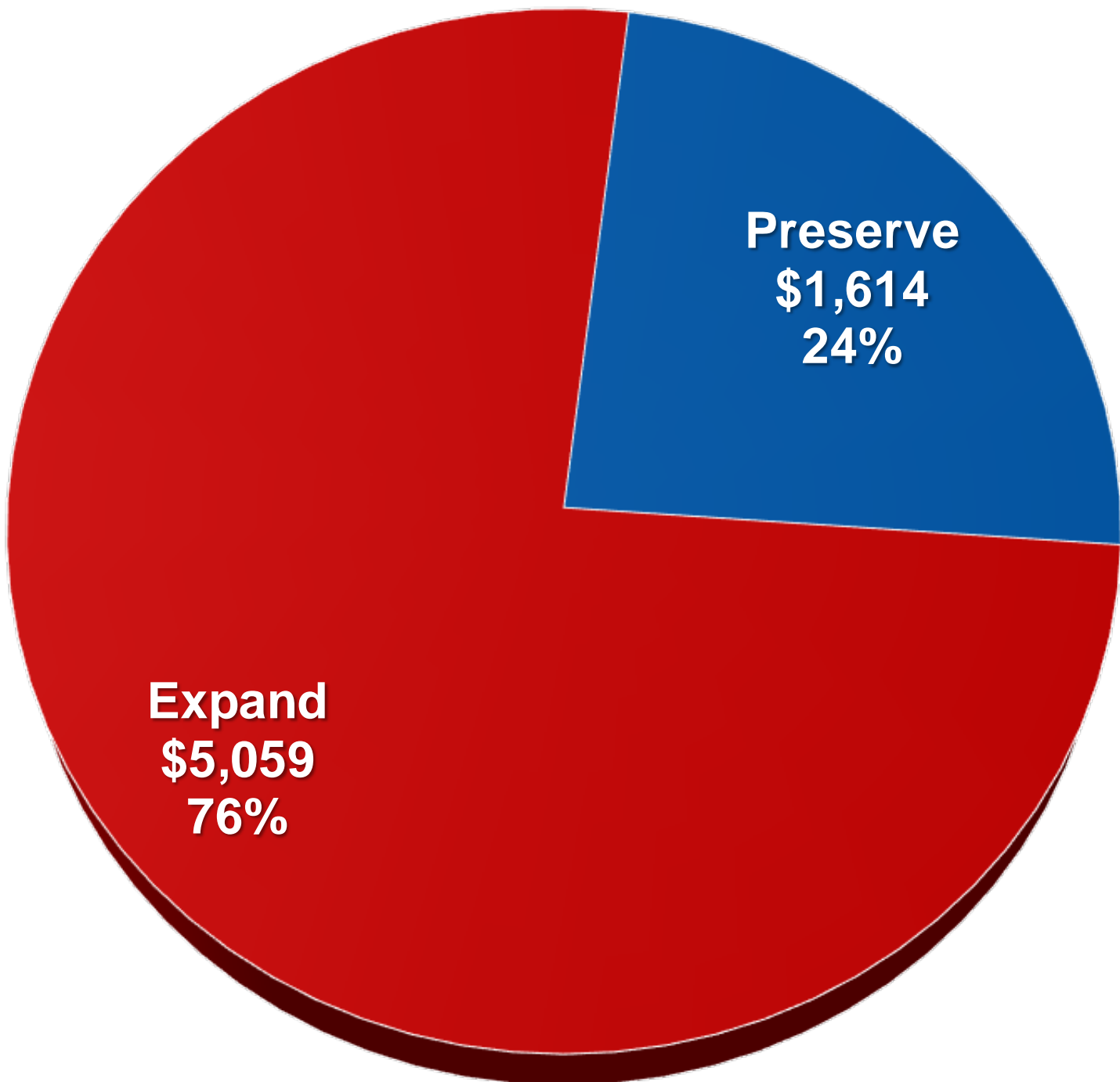


Capital Program - \$6.7 B

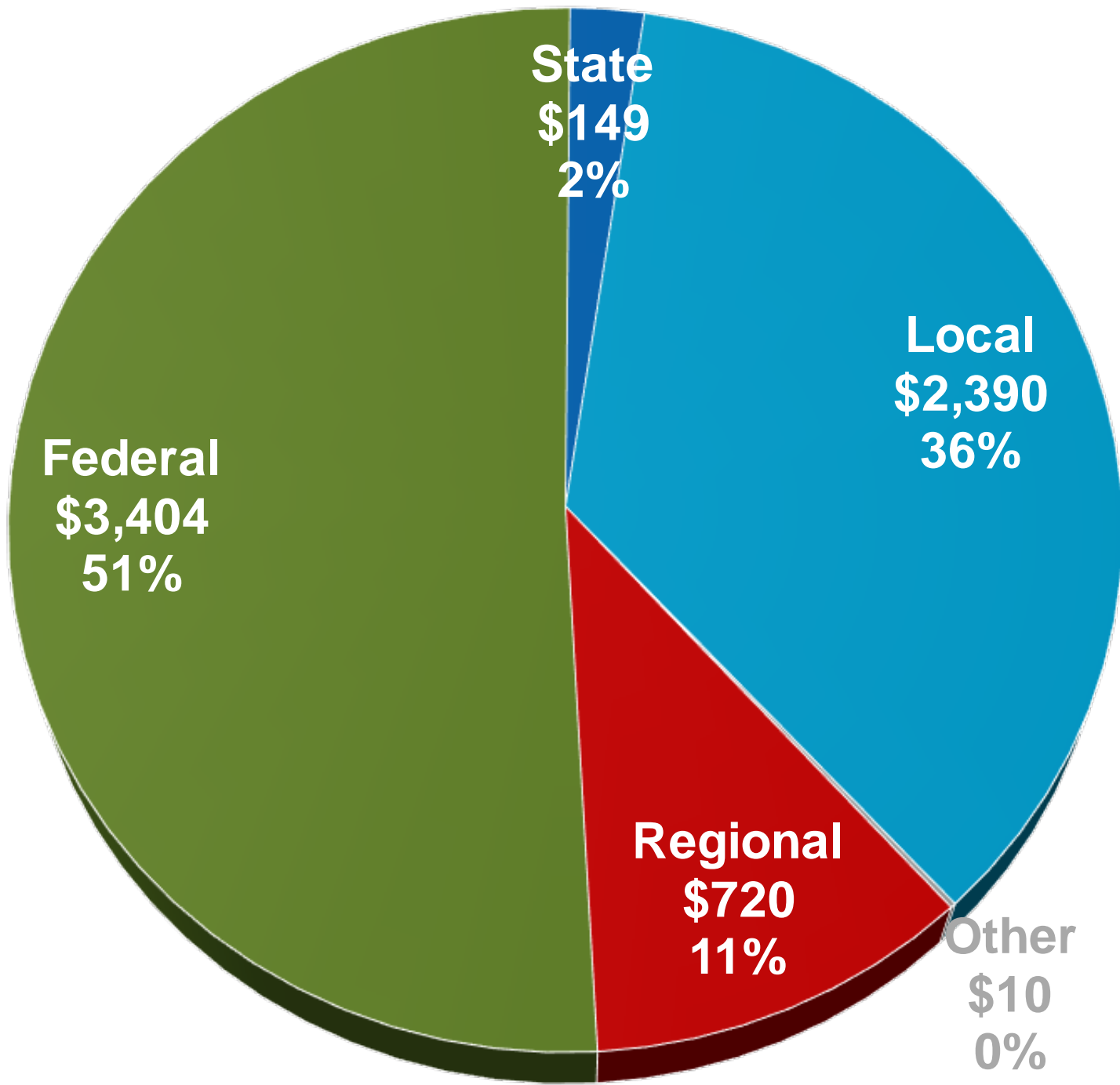
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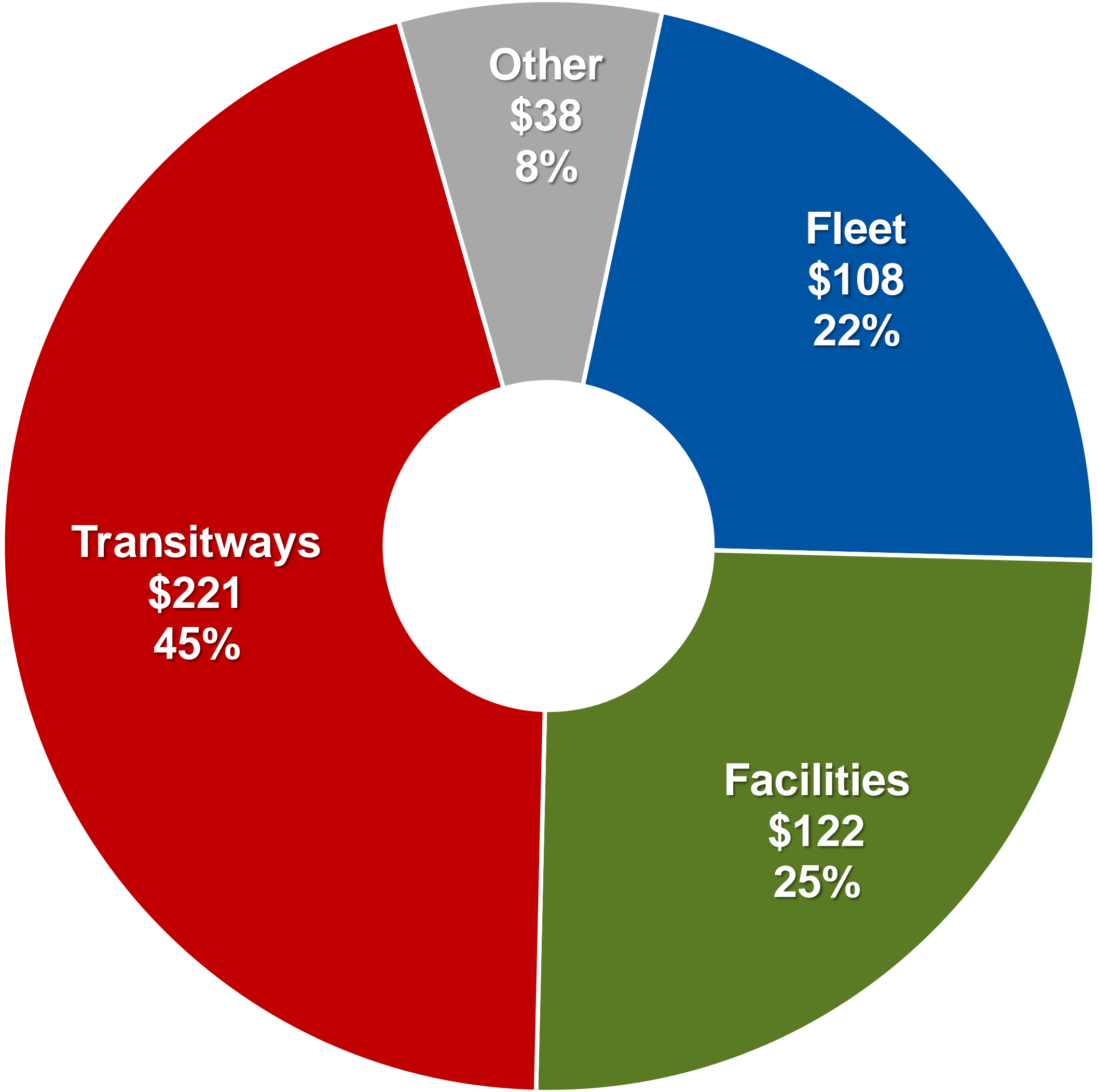
Uses by Category



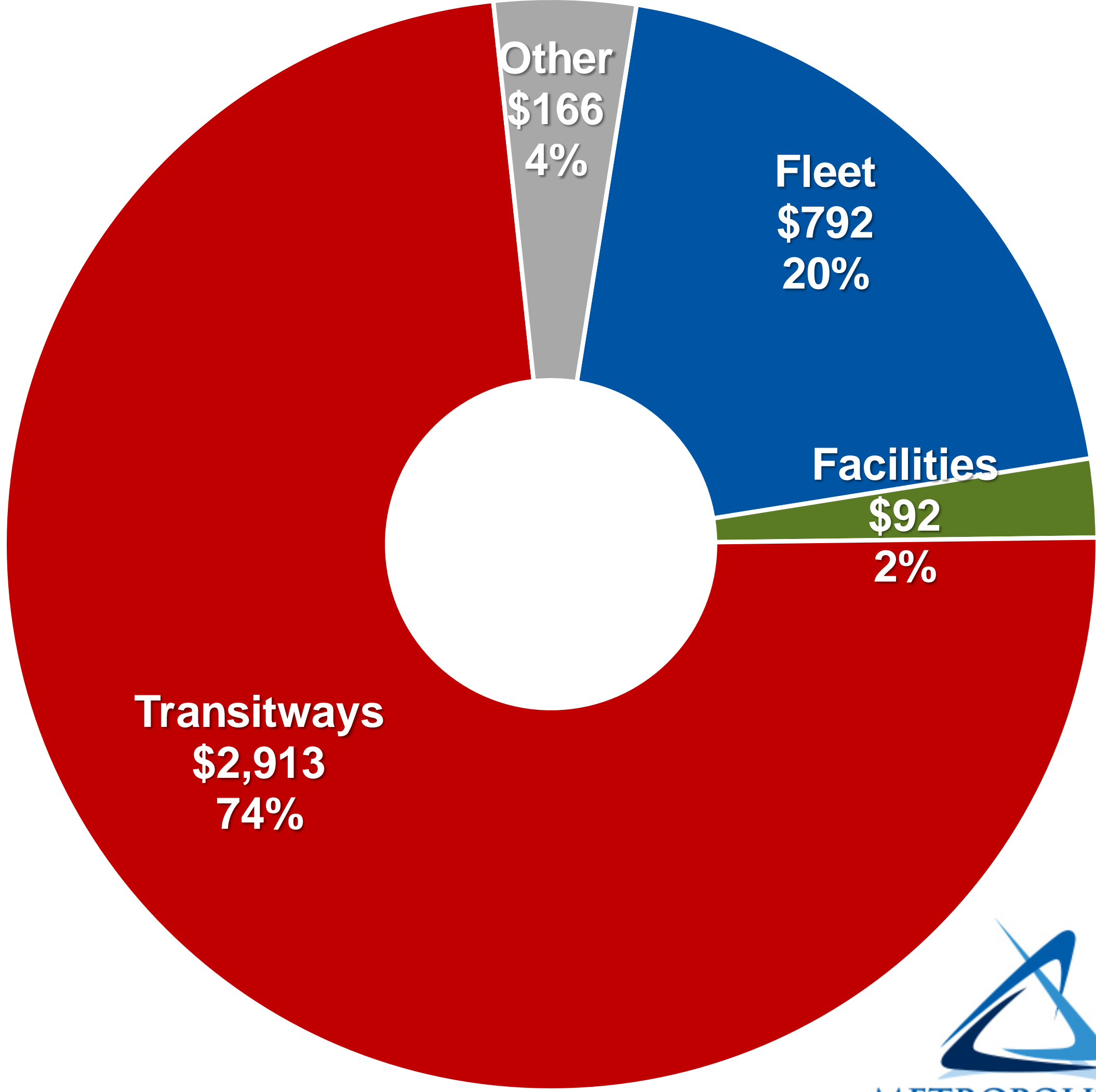
Sources



Future Spending - \$4.5B



Authorized - \$489 M



Planned - \$4.0 B



Notable Modifications To The Program

Major Commitments

- Priority to State of Good Repair
- New Minneapolis Garage
- Bus Electrification Program
- Maintain & Repair Existing Facilities
- Fare Collection Equipment
- Meet Metro Mobility Ridership Growth
- Capital Program Equity Priorities

Adjustments Made

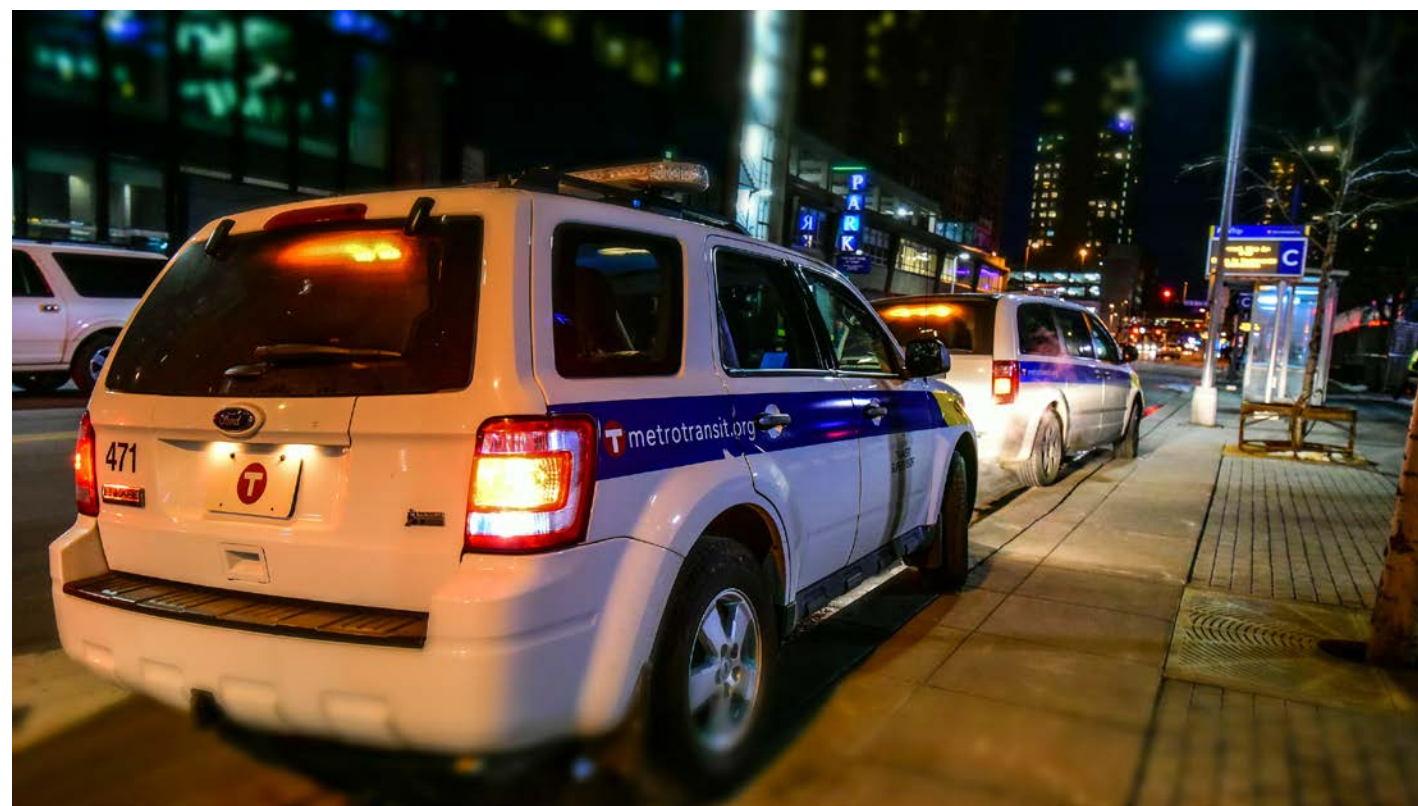
- MT Buses extended to 14 years
- Project timelines and costs reviewed
- COVID Impacts with Bus Purchase Assumptions

Transit Asset Management Plan
Metropolitan Council

Fleet - \$900 M

Authorized Future Spending- \$108 M

- Maintain the Current System
- Replacements per Fleet Plan
- Non-Revenue Vehicles



Planned - \$792 M

- Replacements
- Meet Metro Mobility Demand
- ABRT Bus Procurement (CMAQ)
 - B, D, E and Orange
- MVTA Orange Line Connector (CMAQ)
- Overhaul of Rail Vehicles



Fleet – Service Vehicles

Purchases



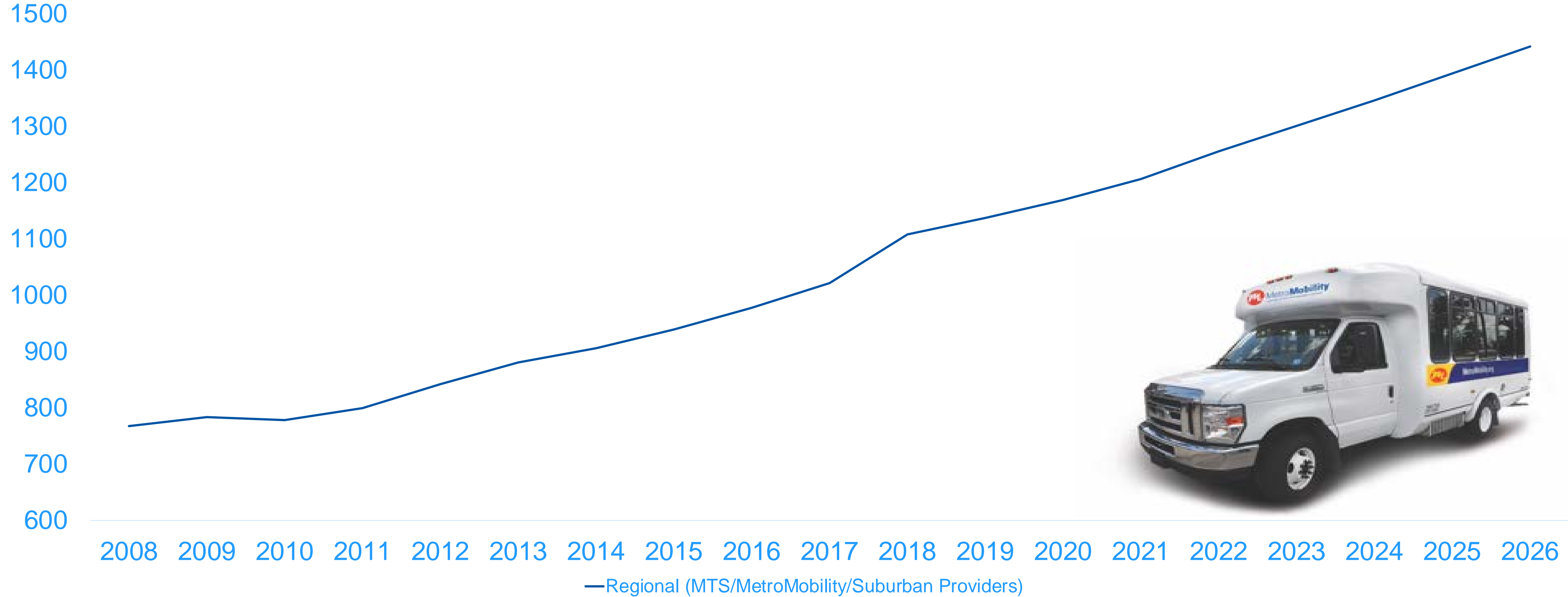
Overhauls

Standard	427
Artic	116
Coach	34
	577

Small Bus	765
Big Bus	369
Artic	0
Sedan	<u>35</u>
	1169

Blue Line	44
Green Line	47
NorthStar	18

MTS Fleet Growth Driven by Metro Mobility



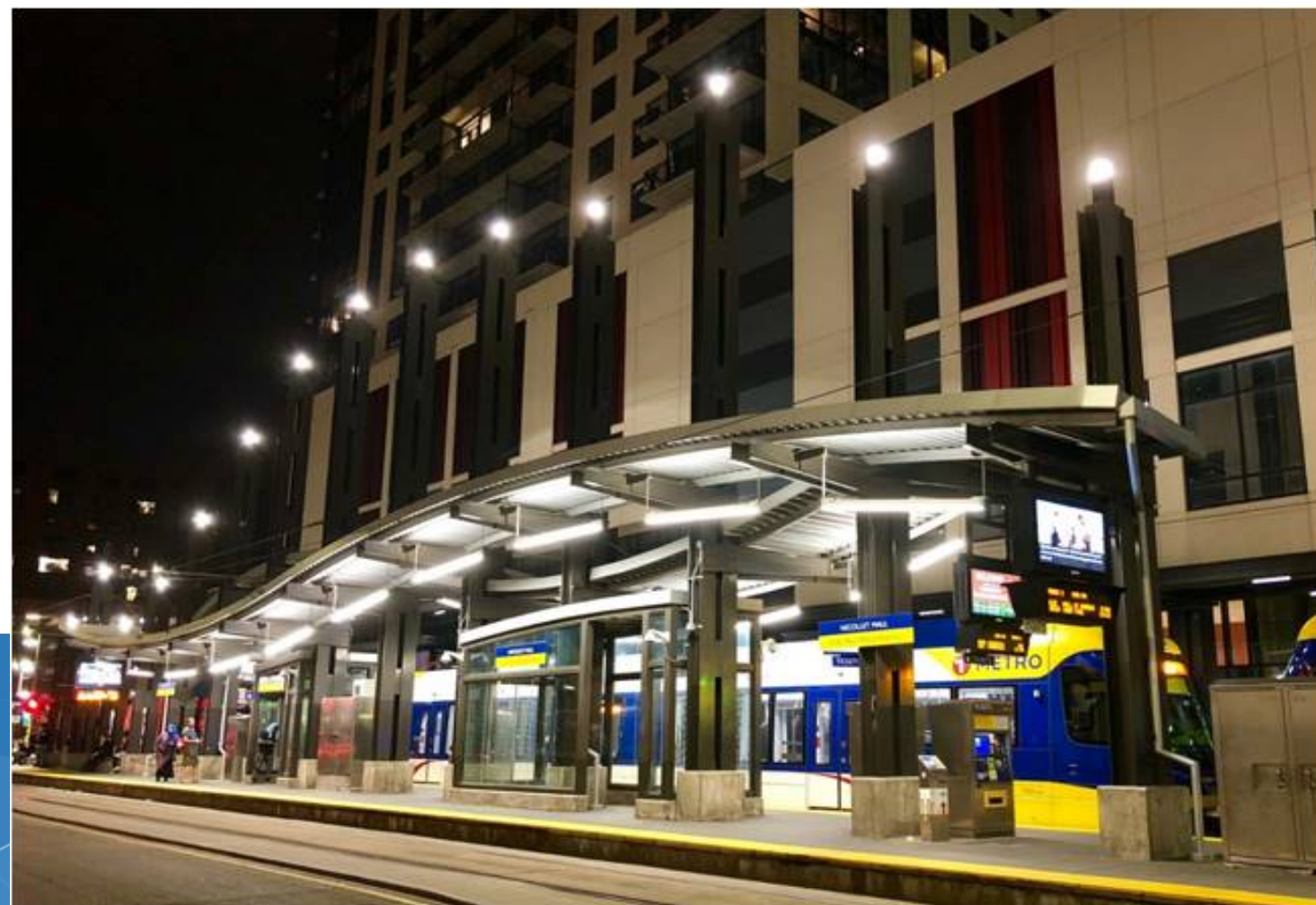
Facilities - \$214 M (Customer & Support)

Authorized Future Spending- \$122 M

Planned - \$92 M

- Energy Enhancements
- Improvements, Repairs and Refurbishments
- Heywood Campus Administrative Expansion
- New Minneapolis Garage

- Bus Electrification Infrastructure
- Burnsville Bus Garage Modernization
- Hoist Replacements
- Improvements, Repairs and Refurbishments
- Capital Program Equity Priorities



Other - \$203 M

Authorized Future Spending- \$38 M

- IS Capital Upgrades
- Support Equipment



Planned - \$165 M

- Replacement of GFI Fareboxes
- Upgrade Cubic Fare Collection System
- Replace CCTV System on LRT Fleet
- Communications, Message and Real Time Signage Replacements



Transitways - \$3.1 B

Authorized Future Spending – \$221 M

Planned - \$2.91 B



Also Partial Funding for BRT/ABRT's

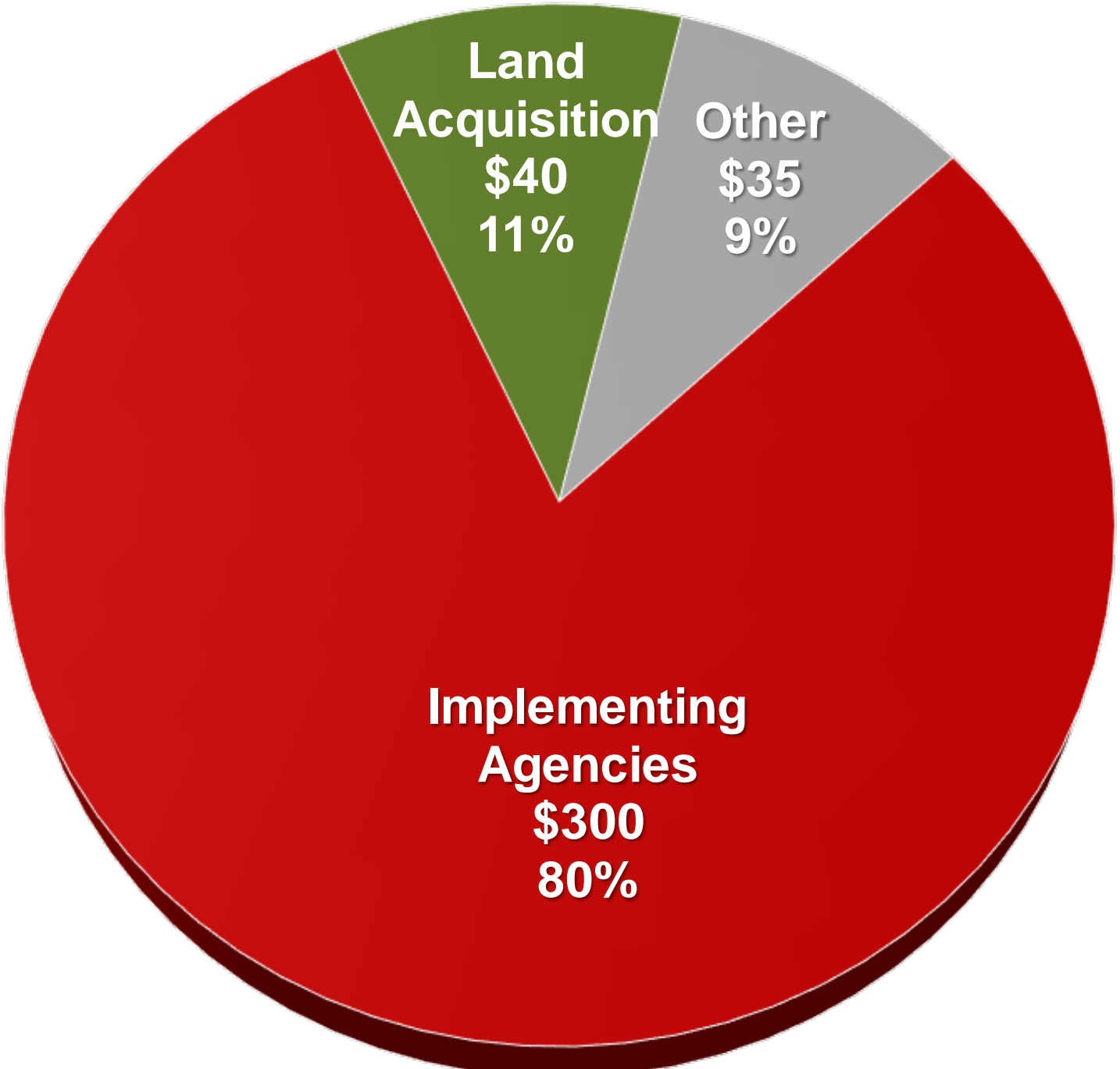
- Metro Green and Blue Line Extensions
- Partial Funding for BRT/ABRT
 - Rush, Gold and ABRTs
- LRT Interlocking Projects
- LRT/Northstar ADA and Safety Improvements
- LRT Rail Replacement

Community Development

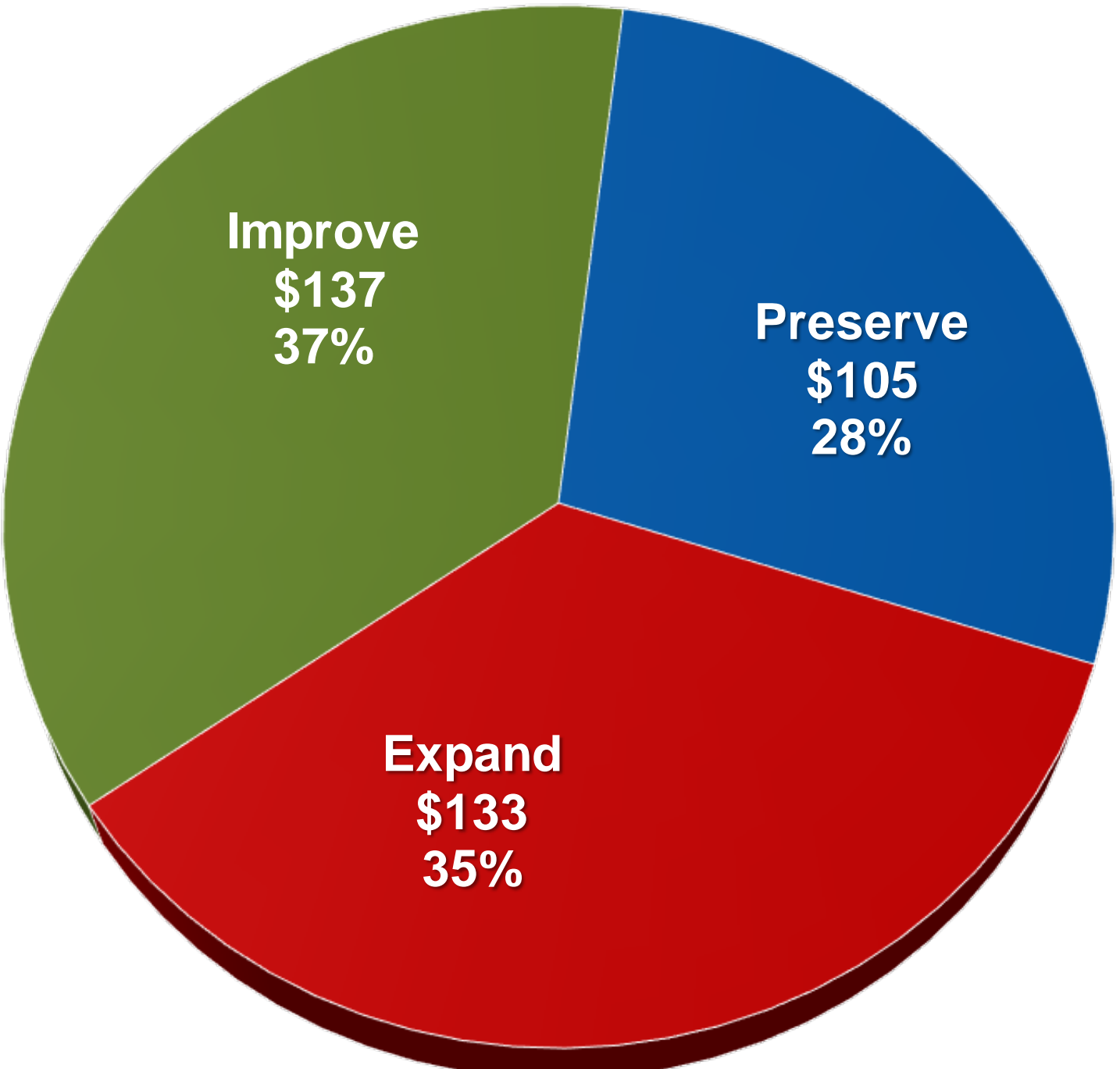


Community Development Capital Program - \$375 M

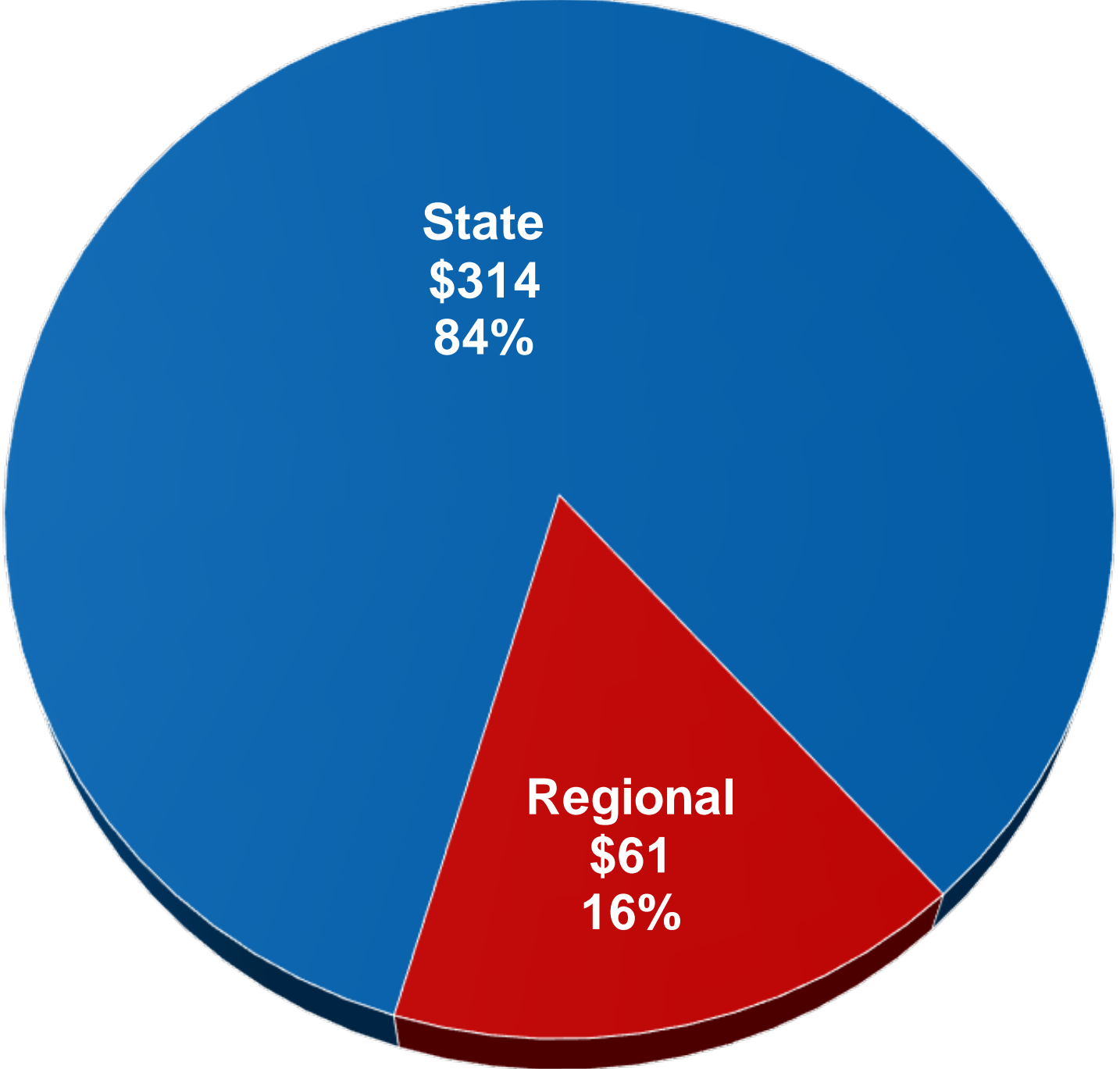
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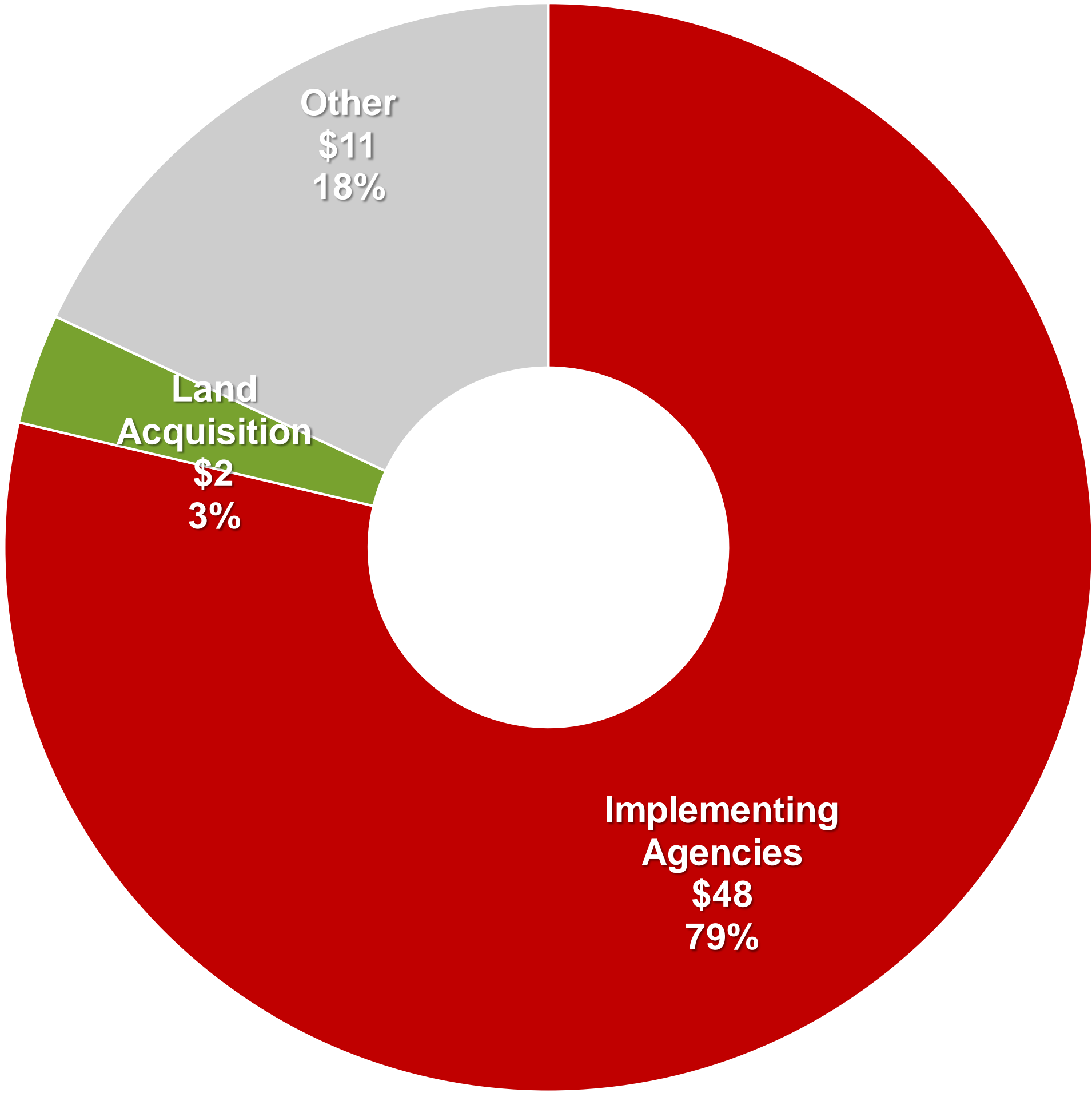
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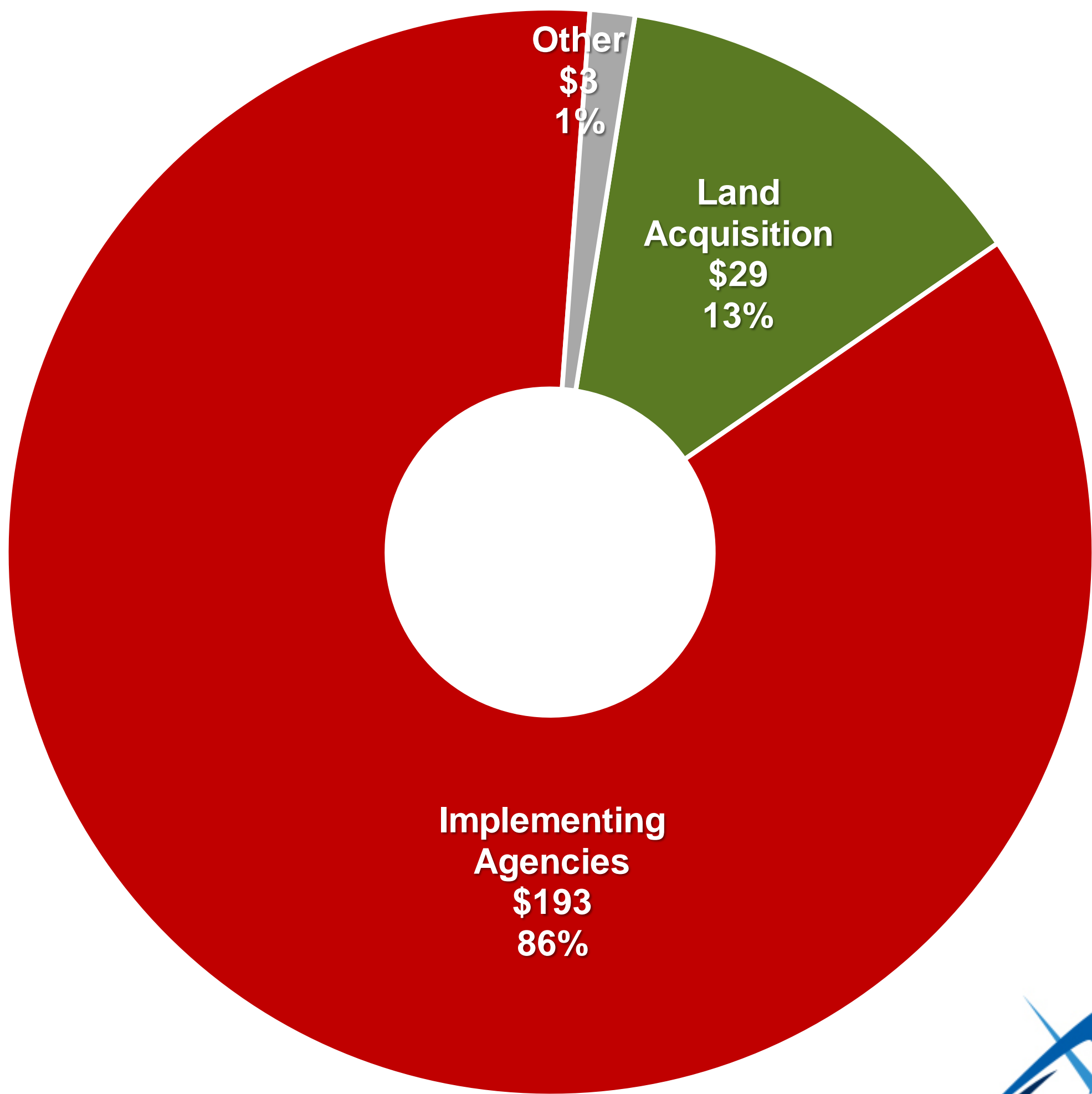
Sources



Future Spending - \$286 M



Authorized - \$61 M



Planned - \$225 M



Parks & Open Space



- **Regional Parks System Serves**
 - 7-County Twin Cities Metro Area
 - Over 3 million people
- **Commitment to Equity**
 - *Thrive MSP 2040*
 - *2040 Regional Parks Policy Plan*
 - Master Planning
 - Project Development
 - Regional Parks System Equity Grant Program

Notable Modifications To The Program

Major Commitments

- Council match to anticipated State of Minnesota parks & open space investments
- Regional Parks System Equity Grant Program



Adjustments Made

- Asset management of Council owned housing in capital program
- Programmed Council match to state parks & open space funding in 2026
- Programmed Regional Parks Equity Grant Program in 2026

Regional Parks Capital Funding

Program	<ul style="list-style-type: none">• Funding Source• Distribution Methodology
Parks & Trails Legacy	<ul style="list-style-type: none">• State matched by Council bonds• Formula
Parks Acquisition	<ul style="list-style-type: none">• State matched by Council bonds• 1st come, 1st served
Bonding	<ul style="list-style-type: none">• State matched by Council bonds• Formula
Equity	<ul style="list-style-type: none">• Council bonds• Competitive

- Grant programs are funded by multiple state sources and Council bonds
- Council passes through 100% of state funding
- Current portfolio is 211 active projects valued at ~ \$150M
- \$224M in grants are programmed in the current Council Authorized Capital Improvement Program (2021-2026)



Council Owned Housing

