

Management Committee

Meeting date: March 9, 2022

For the Metropolitan Council meeting of March 23, 2022

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

District(s), Member(s): All

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

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

Division/Department: All

Proposed Action

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

Background

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

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

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

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

Operating Component of the 2022 Unified Budget

Transit Debt Service:

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

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

Metro Transit Bus Operations:

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

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

Capital Component of the 2022 Unified Budget

Transportation

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

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

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

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

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

 Additions: \$80,552,442.00

 Reductions: \$0

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

 Additions: \$0

 Reductions \$0

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

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

Rationale

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

Thrive Lens Analysis

Stewardship

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

Funding

Capital Program

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

Operating Program

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

Fiscal Impact

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

The capital budget has no impact on regional taxpayers.

Attachments

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

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

Table 5: Debt Service – Amended March 23, 2022

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

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

Transportation Committee Business Item – March 14, 2022



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

TABLE 2

(\$ in 000s)

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



METROPOLITAN COUNCIL

SUMMARY BUDGET

OPERATIONS BY FUND

FY2022

Table 3

(\$ in 000's)

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



**METROPOLITAN COUNCIL
SUMMARY BUDGET
DEBT SERVICE
FY2022**

TABLE 5

(\$ in 000s)

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



**METROPOLITAN COUNCIL
SUMMARY BUDGET
TRANSPORTATION DIVISION
FY22**

Table C-1

(\$ in 000s)

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

**METROPOLITAN COUNCIL
CAPITAL PROGRAM
TRANSPORTATION**

TABLE 9

(\$ in 000's)

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

**METROPOLITAN COUNCIL
CAPITAL PROGRAM
TRANSPORTATION**

TABLE 9

(\$ in 000's)

	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)							ACP + CIP Combined
	2022 Current	Changes	2022 Amended	2022	2023	2024	2025	2026	2027	Total	
METROPOLITAN TRANSPORTATION SERVICES											
Fleet Modernization											
Big Buses	51,764	-	51,764	21,774	10,481	18,470	39,546	35,859	28,781	154,911	206,675
Non-Revenue Vehicles	136	-	136	113	81	129	167	185	53	728	864
Repairs, Equipment and Technology	6,091	-	6,091	3,000	3,000	3,000	3,000	3,000	3,000	18,000	24,091
Small Buses	62,214	-	62,214	359	14,284	24,905	17,709	35,502	26,016	118,774	180,988
TOTAL Fleet Modernization	120,204	-	120,204	25,246	27,846	46,504	60,422	74,546	57,850	292,413	412,618
Support Facilities											
Support Facility	3,500	-	3,500	3,500	-	-	-	-	-	3,500	7,000
TOTAL Support Facilities	3,500	-	3,500	3,500	-	-	-	-	-	3,500	7,000
Technology Improvements											
Technology Investments	18,102	-	18,102	6,570	8,995	3,955	9,255	13,620	3,035	45,430	63,532
TOTAL Technology Improvements	18,102	-	18,102	6,570	8,995	3,955	9,255	13,620	3,035	45,430	63,532
Other Regional Providers - Non Fleet											
Maple Grove Transit	2,287	-	2,287	344	351	359	367	375	383	2,180	4,467
Minnesota Valley Transit Authority	8,079	-	8,079	1,728	1,766	1,805	1,845	1,885	1,927	10,957	19,036
Plymouth Transit	5,082	-	5,082	368	376	384	393	401	410	2,332	7,415
SouthWest Transit	1,671	-	1,671	735	751	768	785	802	820	4,660	6,331
University of Minnesota Transit	850	-	850	3,089	525	537	549	561	573	5,834	6,684
TOTAL Other Regional Providers - Non Fleet	17,970	-	17,970	6,264	3,770	3,853	3,938	4,025	4,113	25,963	43,934
Transitways - Non New Starts											
Transitways	6,141	-	6,141	-	-	-	-	-	-	-	6,141
TOTAL Transitways - Non New Starts	6,141	-	6,141	-	-	-	-	-	-	-	6,141
Total MTS Capital Program	165,918	-	165,918	41,580	40,611	54,312	73,615	92,190	64,998	367,306	533,224
COMBINED											
Fleet Modernization	400,944	-	400,944	100,742	166,740	144,034	164,566	142,888	121,589	840,557	1,241,501
Support Facilities	322,104	-	322,104	18,771	9,522	19,965	16,515	4,875	5,168	74,817	396,921
Customer Facilities	135,674	-	135,674	2,023	8,630	3,500	28,250	3,375	3,225	49,003	184,677
Technology Improvements	74,262	-	74,262	9,525	16,090	10,892	15,892	20,227	8,226	80,852	155,114
Other Regional Providers - Non Fleet	17,970	-	17,970	6,264	3,770	3,853	3,938	4,025	4,113	25,963	43,934
Other Capital Equipment	71,417	-	71,417	15,971	5,224	5,431	3,429	2,632	7,248	39,935	111,352
Transitways - Non New Starts	595,341	-	595,341	434,037	7,075	11,441	5,392	4,186	3,381	465,513	1,060,853
Federal New Starts Rail Projects	2,442,339	80,552	2,522,892	1,275,168	147	154	162	170	179	1,275,980	3,798,872
TOTAL TRANSPORTATION	4,060,052	80,552	4,140,604	1,862,501	217,198	199,271	238,143	182,377	153,129	2,852,620	6,993,224

Transportation Committee

Meeting date: March 14, 2022

For the Metropolitan Council meeting of March 23, 2022

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

District(s), Member(s): All

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

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

Division/Department: Transportation / Metropolitan Transportation Services

Proposed Action

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

Background

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

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

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

Metro Transit:

Administrative Adjustments / Reallocating Existing Funding/Closing Projects: None

Closing Projects / Reallocate Authorized Funding: None

Adjustment to the Council Authorized Capital Improvement Program:

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

Authorize New Projects, Increase Authorization and Reduce Authorization:

Southwest Light Rail Transit Project – 61001

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

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

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

Metropolitan Transportation Services

Administrative Adjustments / Reallocating Existing Funding: None

Closing Projects: None

Authorize New Projects, Increase Authorization and Reduce Authorization: None

Adjustment to the Council Authorized Capital Improvement Program:

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

Changes to Current Year Expenditures:

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

Operating Budget:

Transit Debt Service

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

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

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

Metro Transit Bus Operations:

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

Metropolitan Transportation Services:

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

Rationale

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

Thrive Lens Analysis

Stewardship

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

Funding

Capital Program

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

Attachments:

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