

## 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
<b>METRO TRANSIT</b>									
<b>FLEET MODERNIZATION</b>									
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
<b>SUPPORT FACILITIES</b>									
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
<b>CUSTOMER FACILITIES</b>									
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
<b>TECHNOLOGY IMPROVEMENTS</b>									
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
<b>OTHER CAPITAL EQUIPMENT</b>									
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
<b>TRANSITWAYS - NON NEW STARTS</b>									
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
<b>FEDERAL NEW STARTS RAIL PROJECTS</b>									
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
<b>TOTAL METRO TRANSIT CAPITAL PROGRAM</b>	<b>919,945</b>	<b>158,385</b>	<b>1,078,330</b>	<b>3,889,495</b>	<b>(158,385)</b>	<b>3,731,110</b>	<b>4,809,440</b>	<b>-</b>	<b>4,809,440</b>

Program	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)			Capital Program (ACP+CIP)		
	Current	Revision	Amended	Current	Revision	Amended	Current	Revision	Amended
<b>METROPOLITAN TRANSPORTATION SERVICES</b>									
<b>FLEET MODERNIZATION</b>									
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
<b>CUSTOMER FACILITIES</b>									
Bus System Customer Facility	-	-	-	1,548	-	1,548	1,548	-	1,548
TOTAL CUSTOMER FACILITIES	-	-	-	1,548	-	1,548	1,548	-	1,548
<b>TECHNOLOGY IMPROVEMENTS</b>									
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
<b>OTHER REGIONAL PROVIDERS - NON FLEET</b>									
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
<b>TRANSITWAYS - NON NEW STARTS</b>									
Transitways	21,227	-	21,227	-	-	-	21,227	-	21,227
TOTAL TRANSITWAYS - NON NEW STARTS	21,227	-	21,227	-	-	-	21,227	-	21,227
<b>TOTAL MTS CAPITAL PROGRAM</b>									
	147,675	-	147,675	279,217	-	279,217	426,892	-	426,892
<b>COMBINED</b>									
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
<b>Revenues:</b>															
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total State Revenues</b>	<b>62,109</b>	<b>4,854</b>	<b>17,929</b>	<b>642</b>	<b>85,534</b>	<b>227,177</b>	<b>14,634</b>	<b>3,567</b>	<b>245,378</b>	<b>330,912</b>	<b>-</b>	<b>28,026</b>	<b>-</b>	<b>358,938</b>	<b>13,896</b>
Net Property Tax	-	-	-	-	-	-	-	-	-	-	46,217	-	-	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	-
<b>Total Other Revenues</b>	<b>6,556</b>	<b>1,285</b>	<b>4,996</b>	<b>4,672</b>	<b>17,509</b>	<b>108,826</b>	<b>51,525</b>	<b>12,455</b>	<b>172,806</b>	<b>190,315</b>	<b>46,397</b>	<b>-</b>	<b>-</b>	<b>236,712</b>	<b>-</b>
<b>Total Revenues</b>	<b>68,665</b>	<b>6,139</b>	<b>22,925</b>	<b>5,314</b>	<b>103,043</b>	<b>336,003</b>	<b>66,159</b>	<b>16,022</b>	<b>418,184</b>	<b>521,227</b>	<b>46,397</b>	<b>28,026</b>	<b>-</b>	<b>595,650</b>	<b>13,896</b>
<b>Expenses:</b>															
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	-
<b>Total Expenses</b>	<b>68,867</b>	<b>7,276</b>	<b>20,356</b>	<b>6,055</b>	<b>102,554</b>	<b>330,384</b>	<b>56,971</b>	<b>17,522</b>	<b>404,877</b>	<b>507,431</b>	<b>42,452</b>	<b>28,026</b>	<b>-</b>	<b>577,909</b>	<b>-</b>
<b>Other Sources and (Uses):</b>															
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)	-
<b>Net Other Sources and (Uses)</b>	<b>(1,966)</b>	<b>(195)</b>	<b>(578)</b>	<b>(1,835)</b>	<b>(4,574)</b>	<b>(8,492)</b>	<b>(19,184)</b>	<b>(1,906)</b>	<b>(29,582)</b>	<b>(34,156)</b>	<b>(730)</b>	<b>-</b>	<b>-</b>	<b>(34,886)</b>	<b>(4,122)</b>
<b>Change in Fund Balance</b>	<b>(2,168)</b>	<b>(1,332)</b>	<b>1,991</b>	<b>(2,576)</b>	<b>(4,085)</b>	<b>(2,873)</b>	<b>(9,996)</b>	<b>(3,406)</b>	<b>(16,275)</b>	<b>(20,360)</b>	<b>3,215</b>	<b>-</b>	<b>-</b>	<b>(17,145)</b>	<b>9,774</b>

	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						
<b>METRO TRANSIT</b>																					
																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			
<b>Administrative Adjustments</b>																					
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
<b>CLOSING PROJECTS / REALLOCATE AUTHORIZED FUNDING</b>																					
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Section Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
* Metro Transit Projects Closed and Removed from Authorized Capital Program															\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>REDUCE AUTHORIZED FUNDING - NONE</b>																					
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Section Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
<b>INCREASE AUTHORIZED FUNDING / REDUCE AUTHORIZED FUNDING/AUTHORIZE NEW PROJECTS</b>																					
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				
<b>METRO TRANSIT TOTAL</b>	\$ 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				
<b>TRANSPORTATION DIVISION TOTAL</b>	\$ 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				