

Transportation Committee

Meeting date: March 12th, 2018

For the Metropolitan Council meeting of March 28th, 2018

Subject: Authorization to Amend 2018 Unified Budget

District(s), Member(s): All

Policy/Legal Reference: 2018 Unified Budget; Mn Statutes Section 473.13, Subd. 1 – Council Budget Requirements

Staff Prepared/Presented: Nick Thompson, Director, MTS 651-602-1754; Brian J. Lamb, General Manager, Metro Transit 612-349-7510; Edwin D. Petrie, Director of Finance, Metro Transit 612-349-7624; Heather Aagesen-Huebner, Director of Finance, CD and MTS 651-602-1728; Nick Hendrikson, Principal Financial Analyst, MTS 651-602-1340.

Division/Department: Transportation / Metropolitan Transportation Services

Proposed Action

That the Metropolitan Council amend the 2018 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 2018 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 Projects: None

Increase Authorization, Reduce Authorization and Authorize New Projects:

Blue Line Extension LRT Project - 61403

This amendment recognizes \$11,087,084 in Hennepin County Funding which represents 20% of the HCRRA portion that has been assigned to Hennepin County from the 2017 CTIB Capital Grant Agreement. This funding was approved by Council Action in Business Item 2017-277 SW. This project is identified in the CIP.

C-Line Lo-No Grant - Project - New

This amendment provides \$1,750,000 in Federal Funding and \$1,225,000 in MVST Funding to purchase battery electric buses, related charging equipment and support mechanic technician training for the C-line. These funds were awarded from the 2017 Low or No Emissions FTA discretionary grant (5339c). This project is not identified in the CIP.

Metropolitan Transportation Services

Administrative Adjustments: None

Reallocating Existing Funding / Closing Projects: None

Increase Authorization, Reduce Authorization and Authorize New Projects:

2018-Cedar Grove Inline Electrical Improvements – Project 36088 – New

This amendment authorizes \$30,000 of RTC funds for Cedar Grove Inline Transit Station signage and electrical improvements. This project is identified in the CIP.

Regional - Bus Midlife Rehabilitation – Project 35975

This amendment authorizes \$20,000 of MVST funds to be transferred from the MTS operating budget for midlife bus rehabilitations. This project is identified in the CIP.

2018-MTS-Ubisense Gate Technology – Project 36087 – New

This amendment authorizes \$216,375 of RTC funds to complete the purchase of Ubisense Gate Tag Technology. 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 2018 capital budget is proposed to increase by \$14,062,084 for Metro Transit and \$266,375 for Metropolitan Transportation Services.

Operating Budget:

Metro Transit

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

Metropolitan Transportation Services

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

This amendment authorizes \$20,000 in MVST revenues to be transferred from Contracted Services operating budget to the capital program and for \$20,000 in federal funds to be transferred from the capital program to Contracted Services operating budget. MVST funds will be used in the capital program for engines, transmissions, midlife vehicle rehabilitations, and Suburban Transit Provider 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.

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.

Prosperity

- The budget amendment adds funding for the Metro Blue Line Extension 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 Federal revenues by \$1,750,000, increases State revenues by \$1,225,000, increases Other revenues by \$11,107,084, and increases RTC revenues by \$246,375.

Operating Budget:

This amendment increases the Transportation Division Federal Revenues by \$20,000 and decreases MVST funds by \$20,000. This dollar for dollar exchange of funds has no impact on regional MVST allocation, MVST reserves or planned capital projects.

Known Support / Opposition

No known opposition.

Attachments:

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

**METROPOLITAN COUNCIL
CAPITAL PROGRAM
TRANSPORTATION**

TABLE 9

(\$ in 000's)

	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)							ACP + CIP Combined
	2018 Current	Changes	2018 Amended	2018	2019	2020	2021	2022	2023	Total	
METRO TRANSIT											
Fleet Modernization											
Big Buses	140,670	2,975	143,645	13,705	50,578	36,872	46,574	55,762	77,674	281,166	424,810
Bus Tire Leasing	14,165	-	14,165	3,402	3,581	3,889	4,002	4,298	4,472	23,645	37,810
Commuter Rail Projects	2,250	-	2,250	1,750	3,000	1,250	1,250	1,750	-	9,000	11,250
Light Rail Vehicles	17,878	-	17,878	7,925	8,600	5,000	1,200	28,200	-	50,925	68,803
Non-Revenue Vehicles	-	-	-	697	420	5	-	171	-	1,293	1,293
TOTAL Fleet Modernization	174,963	2,975	177,938	27,479	66,179	47,016	53,026	90,181	82,147	366,028	543,966
Support Facilities											
Heywood Garage	18,541	-	18,541	1,000	29,583	12,851	3,566	-	-	47,000	65,541
Police Facility	27,500	-	27,500	-	-	-	-	-	-	-	27,500
Support Facility	95,908	-	95,908	16,685	14,645	12,877	13,980	13,900	13,700	85,787	181,695
TOTAL Support Facilities	141,949	-	141,949	17,685	44,229	25,728	17,546	13,900	13,700	132,787	274,736
Customer Facilities											
Bus System Customer Facility	51,295	-	51,295	6,852	4,415	9,365	3,965	4,265	4,115	32,977	84,272
Customer Facilities Rail	9,209	-	9,209	-	-	-	-	-	-	-	9,209
TOTAL Customer Facilities	60,504	-	60,504	6,852	4,415	9,365	3,965	4,265	4,115	32,977	93,481
Technology Improvements											
Technology Investments	41,551	-	41,551	14,270	6,789	7,596	6,377	2,929	4,217	42,178	83,729
TOTAL Technology Improvements	41,551	-	41,551	14,270	6,789	7,596	6,377	2,929	4,217	42,178	83,729
Other Capital Equipment											
Other Capital Equipment	50,280	-	50,280	4,818	7,321	4,780	4,720	3,810	5,470	30,920	81,200
TOTAL Other Capital Equipment	50,280	-	50,280	4,818	7,321	4,780	4,720	3,810	5,470	30,920	81,200
Transitways - Non New Starts											
Arterial Bus Rapid Transit (ABRT)	47,010	-	47,010	16,821	11,900	1,200	1,000	150	150	31,221	78,231
Commuter Rail Projects	1,200	-	1,200	300	300	300	300	300	300	1,800	3,000
Highway Bus Rapid Transit (HBRT)	101,622	-	101,622	-	79,372	37,039	-	-	-	116,411	218,033
Light Rail Projects	133,749	-	133,749	5,125	8,325	7,075	1,575	5,475	1,575	29,150	162,899
Metro Blue Line (Hiawatha Corridor)	2,300	-	2,300	-	-	-	-	-	-	-	2,300
Transitways	220	-	220	160	-	-	-	-	-	160	380
TOTAL Transitways - Non New Starts	286,101	-	286,101	22,406	99,897	45,614	2,875	5,925	2,025	178,743	464,844
Federal New Starts Rail Projects											
Metro Blue Line (Bottineau Boulevard)	164,476	11,087	175,563	1,352,707	-	-	-	-	-	1,352,707	1,528,270
Metro Blue Line (Hiawatha Corridor)	565	-	565	-	-	-	-	-	-	-	565
Metro Green Line (Central Corridor)	41,900	-	41,900	-	-	-	-	-	-	-	41,900
Metro Green Line (Southwest Corridor)	449,126	-	449,126	1,399,420	-	-	-	-	-	1,399,420	1,848,546
Northstar Commuter Rail	10,327	-	10,327	-	-	-	-	-	-	-	10,327
TOTAL Federal New Starts Rail Projects	666,393	11,087	677,481	2,752,127	-	-	-	-	-	2,752,127	3,429,608
Total METRO TRANSIT Capital Program	1,421,741	14,062	1,435,803	2,845,638	228,830	140,099	88,509	121,010	111,674	3,535,760	4,971,563

**METROPOLITAN COUNCIL
CAPITAL PROGRAM
TRANSPORTATION**

TABLE 9

(\$ in 000's)

	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)							ACP + CIP Combined
	2018 Current	Changes	2018 Amended	2018	2019	2020	2021	2022	2023	Total	
METROPOLITAN TRANSPORTATION SERVICES											
Fleet Modernization											
Big Buses	78,436	-	78,436	5,173	12,388	34,183	14,055	15,759	17,937	99,494	177,930
Non-Revenue Vehicles	36	-	36	-	-	-	-	-	-	-	36
Repairs, Equipment and Technology	12,320	20	12,340	2,219	3,368	2,074	3,986	3,700	3,220	18,567	30,907
Small Buses	33,874	-	33,874	14,301	11,933	12,154	12,862	23,059	17,855	92,165	126,039
TOTAL Fleet Modernization	124,667	20	124,687	21,692	27,688	48,411	30,903	42,518	39,012	210,225	334,912
Customer Facilities											
Bus System Customer Facility	-	-	-	250	509	-	1,667	-	2,026	4,453	4,453
TOTAL Customer Facilities	-	-	-	250	509	-	1,667	-	2,026	4,453	4,453
Technology Improvements											
Repairs, Equipment and Technology	-	-	-	1,658	1,825	1,623	2,470	2,828	2,108	12,513	12,513
Technology Investments	5,560	216	5,776	3,846	3,298	3,282	7,577	5,070	7,209	30,282	36,058
TOTAL Technology Improvements	5,560	216	5,776	5,505	5,123	4,904	10,047	7,898	9,317	42,794	48,570
Other Regional Providers - Non Fleet											
Maple Grove Transit	1,760	-	1,760	312	328	336	345	353	362	2,037	3,797
Minnesota Valley Transit Association	6,491	-	6,491	1,535	1,573	1,612	1,653	1,694	1,736	9,803	16,293
Plymouth Transit	4,081	-	4,081	280	287	295	302	309	317	1,791	5,872
SouthWest Transit	600	-	600	576	590	605	620	636	652	3,678	4,278
University of Minnesota Transit	850	-	850	1,627	269	276	283	290	297	3,042	3,892
TOTAL Other Regional Providers - Non Fleet	13,782	-	13,782	4,330	3,048	3,124	3,202	3,282	3,364	20,350	34,132
Transitways - Non New Starts											
Transitways	25,030	30	25,060	490	7,159	20	20	20	1,750	9,459	34,519
TOTAL Transitways - Non New Starts	25,030	30	25,060	490	7,159	20	20	20	1,750	9,459	34,519
Total MTS Capital Program	169,039	266	169,305	32,267	43,527	56,460	45,840	53,718	55,470	287,281	456,586
COMBINED											
Fleet Modernization	299,629	2,995	302,624	49,172	93,867	95,427	83,930	132,699	121,159	576,254	878,878
Support Facilities	141,949	-	141,949	17,685	44,229	25,728	17,546	13,900	13,700	132,787	274,736
Customer Facilities	60,504	-	60,504	7,102	4,924	9,365	5,632	4,265	6,141	37,430	97,933
Technology Improvements	47,111	216	47,327	19,775	11,912	12,500	16,424	10,827	13,534	84,972	132,299
Other Regional Providers - Non Fleet	13,782	-	13,782	4,330	3,048	3,124	3,202	3,282	3,364	20,350	34,132
Other Capital Equipment	50,280	-	50,280	4,818	7,321	4,780	4,720	3,810	5,470	30,920	81,200
Transitways - Non New Starts	311,131	30	311,161	22,896	107,056	45,634	2,895	5,945	3,775	188,202	499,363
Federal New Starts Rail Projects	666,393	11,087	677,481	2,752,127	-	-	-	-	-	2,752,127	3,429,608
TOTAL TRANSPORTATION	1,590,780	14,328	1,605,109	2,877,905	272,357	196,558	134,349	174,728	167,143	3,823,041	5,428,149



**METROPOLITAN COUNCIL
SUMMARY BUDGET
TRANSPORTATION DIVISION
FY18**

Table C-1

(\$ in 000s)

	Metro Mobility	Transit Link	Fixed Route	Transportation Planning	Metropolitan Transportation	Bus	Light Rail	Commuter Rail	Total Metro Transit	Total Operating	Debt Service	Transit Providers	of Way Pass-Through	Memo Total	MVST Reserves
Revenues:															
Motor Vehicle Sales Tax	-	5,852	17,624	3,439	26,915	207,453	-	-	207,453	234,368	-	33,573	-	267,941	12,336
State Appropriations	57,667	-	-	106	57,773	33,495	25,026	7,127	65,648	123,421	-	2,005	-	125,426	-
Other State Revenues	-	-	-	810	810	-	-	-	-	810	-	-	-	810	-
Total State Revenues	57,667	5,852	17,624	4,355	85,498	240,948	25,026	7,127	273,101	358,599	-	35,578	-	394,177	12,336
Net Property Tax	-	-	-	-	-	-	-	-	-	-	47,042	-	-	47,042	-
Federal Revenues	-	1,200	638	5,326	7,164	28,913	1,057	424	30,394	37,558	-	-	-	37,558	-
Local Revenues	-	-	-	106	106	-	25,026	9,862	34,888	34,994	-	-	-	34,994	-
Passenger Fares	8,777	767	1,841	-	11,385	71,778	25,790	2,558	100,126	111,511	-	-	-	111,511	-
Contract & Special Event Revenues	-	-	-	-	-	1,400	450	-	1,850	1,850	-	-	-	1,850	-
Investment Earnings	-	-	-	-	-	500	25	-	525	525	180	-	-	705	-
Other Revenues	-	-	45	-	45	3,850	1,525	-	5,375	5,420	-	-	-	5,420	-
Total Other Revenues	8,777	1,967	2,524	5,432	18,700	106,441	53,873	12,844	173,158	191,858	47,222	-	-	239,080	-
Total Revenues	66,444	7,819	20,148	9,787	104,198	347,389	78,899	19,971	446,259	550,457	47,222	35,578	-	633,257	12,336
Expenses:															
Salaries & Benefits	1,936	228	591	3,187	5,942	284,106	43,922	6,612	334,640	340,582	-	-	-	340,582	-
Consulting & Contractual Services	770	85	717	3,950	5,522	9,273	2,343	5,740	17,356	22,878	-	-	-	22,878	-
Materials & Supplies	751	98	85	15	949	22,844	4,370	1,279	28,493	29,442	-	-	-	29,442	-
Fuel	7,664	-	-	-	7,664	14,449	14	1,251	15,714	23,378	-	-	-	23,378	-
Rent & Utilities	382	23	60	398	863	4,793	5,590	717	11,100	11,963	-	-	-	11,963	-
Printing	36	3	15	36	90	391	-	-	391	481	-	-	-	481	-
Travel	10	5	8	45	68	606	37	26	669	737	-	-	-	737	-
Insurance	-	-	-	-	-	2,683	1,392	2,337	6,412	6,412	-	-	-	6,412	-
Transit Programs	59,057	7,119	17,244	-	83,420	-	-	-	-	83,420	-	-	-	83,420	-
Operating Capital	143	4	11	116	274	-	-	-	-	274	-	-	-	274	-
Governmental Grants	-	-	722	121	843	2,551	-	-	2,551	3,394	-	-	-	3,394	-
Other Expenses	82	11	71	72	236	4,259	636	80	4,975	5,211	-	-	-	5,211	-
Passthrough Grants	-	-	-	-	-	-	-	-	-	-	-	35,578	-	35,578	-
Debt Service Obligations	-	-	-	-	-	-	-	-	-	-	43,493	-	-	43,493	-
Total Expenses	70,831	7,576	19,524	7,940	105,871	345,955	58,304	18,042	422,301	528,172	43,493	35,578	-	607,243	-
Other Sources and (Uses):															
Interdivisional Cost Allocation	(2,254)	(243)	(624)	(1,951)	(5,072)	(32,174)	(4,264)	(462)	(36,900)	(41,972)	-	-	-	(41,972)	-
Modal Allocation	-	-	-	-	-	10,074	(9,096)	(978)	-	-	-	-	-	-	-
A-87 Cost Allocation	-	-	-	-	-	7,724	(7,235)	(489)	-	-	-	-	-	-	-
MVST Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers From Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers To Operating Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Other Sources and (Uses)	(2,254)	(243)	(624)	(1,951)	(5,072)	(14,376)	(20,595)	(1,929)	(36,900)	(41,972)	-	-	-	(41,972)	-
Change in Fund Balance	(6,641)	-	-	(104)	(6,745)	(12,942)	-	-	(12,942)	(19,687)	3,729	-	-	(15,958)	12,336

	CURRENTLY AUTHORIZED					PROPOSED CHANGE					AMENDED					2018 Budget	Multi-Year Authorization	
	Federal	State	Other	Regional	Total	Federal	State	Other	Regional	Total	Federal	State	Other	Regional	Total			
METRO TRANSIT																		
																Original Adopted	\$ 366,382,817	\$ 919,946,122
																After Prior Amendments	\$ 366,382,817	\$ 1,421,741,330
																After This Amendment	\$ 380,444,901	\$ 1,435,803,414
Administrative Adjustments																		
None					\$ -					\$ -							\$ -	\$ -
Closing Projects / Reallocate Authorized Funding																		
None					\$ -					\$ -							\$ -	\$ -
Section Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
* Metro Transit Projects Closed and Removed from Authorized Capital Program																		
																	\$ -	\$ -
Increase Authorized Funding / Reduce Authorized Funding / Authorize New Projects																		
61403	Blue Line Extension Project - Bottineau	\$ -	\$ 4,250,000	\$ 160,226,000	\$ -	\$ 164,476,000	\$ -	\$ -	\$ 11,087,084	\$ -	\$ 11,087,084	\$ -	\$ 4,250,000	\$ 171,313,084	\$ -	\$ 175,563,084	\$ 11,087,084	\$ 11,087,084
NEW	Low-No Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,750,000	\$ 1,225,000	\$ -	\$ 2,975,000	\$ -	\$ 1,750,000	\$ 1,225,000	\$ -	\$ 2,975,000	\$ 2,975,000	\$ 2,975,000	\$ 2,975,000
Section Subtotal		\$ -	\$ 4,250,000	\$ 160,226,000	\$ -	\$ 164,476,000	\$ 1,750,000	\$ 1,225,000	\$ 11,087,084	\$ -	\$ 14,062,084	\$ 1,750,000	\$ 5,475,000	\$ 171,313,084	\$ -	\$ 178,538,084	\$ 14,062,084	\$ 14,062,084
METRO TRANSIT TOTAL																		
		\$ -	\$ 4,250,000	\$ 160,226,000	\$ -	\$ 164,476,000	\$ 1,750,000	\$ 1,225,000	\$ 11,087,084	\$ -	\$ 14,062,084	\$ 1,750,000	\$ 5,475,000	\$ 171,313,084	\$ -	\$ 178,538,084	\$ 14,062,084	\$ 14,062,084
METROPOLITAN TRANSPORTATION SERVICES																		
																Original Adopted	\$ 111,057,442	\$ 169,038,836
																After Prior Amendments	\$ 111,057,442	\$ 169,038,836
																After This Amendment	\$ 111,323,817	\$ 169,305,211
Administrative Adjustments																		
None		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Closing Projects / Reallocate Authorized Funding																		
None		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Section Subtotal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
* Metropolitan Transportation Services Project Closed and Removed from Authorized Capital Program																		
																	\$ -	\$ -
Increase Authorized Funding / Reduce Authorized Funding / Authorize New Projects																		
NEW - 36088	2018-Cedar Grove Inline Electrical Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
35975	Regional - Bus Midlife Rehabilitation	\$ -	\$ -	\$ 1,137,606	\$ -	\$ 1,137,606	\$ -	\$ -	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -	\$ 1,157,606	\$ -	\$ 1,157,606	\$ 20,000	\$ 20,000
36087	2018-MTS-Ubisense Gate Technology	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	\$ 216,375	\$ 216,375	\$ -	\$ -	\$ 226,375	\$ 226,375	\$ 216,375	\$ 216,375	\$ 216,375
Section Subtotal		\$ -	\$ -	\$ 1,137,606	\$ 10,000	\$ 1,147,606	\$ -	\$ -	\$ 20,000	\$ 246,375	\$ 266,375	\$ -	\$ -	\$ 1,167,606	\$ 256,375	\$ 1,413,981	\$ 266,375	\$ 266,375
METROPOLITAN TRANSPORTATION SERVICES TOTAL																		
		\$ -	\$ -	\$ 1,137,606	\$ 10,000	\$ 1,147,606	\$ -	\$ -	\$ 20,000	\$ 246,375	\$ 266,375	\$ -	\$ -	\$ 1,167,606	\$ 256,375	\$ 1,413,981	\$ 266,375	\$ 266,375
TRANSPORTATION DIVISION TOTAL																		
		\$ -	\$ 4,250,000	\$ 161,363,606	\$ 10,000	\$ 165,623,606	\$ 1,750,000	\$ 1,225,000	\$ 11,107,084	\$ 246,375	\$ 14,328,459	\$ 1,750,000	\$ 5,475,000	\$ 172,470,690	\$ 256,375	\$ 179,862,065	\$ 14,328,459	\$ 14,328,459