



Arterial BRT 2020 State Bonds 4th Quarter Budget Amendment and Related Actions

Katie Roth | Director, Arterial BRT

Ed Petrie | Director, Finance



Overview

- Background: 2020 Bonds for D, B, and E lines
- Issue: August 2024 determination of eligible expenditures
- Summary of 4th Quarter Capital Budget Amendment inputs: Planned authorization shifts to ensure eligible expenditures on D and B lines
 - 2024-315 SW: METRO E Line – Amendment 1 to Hennepin County Joint Powers and Cooperative Construction Agreement
 - 2024-316 SW: METRO G Line – Ramsey County Funding Agreement
- 2024-335 JT SW: METRO B Line – Resolution 2024-26 establishing obligation for project contingency

Minnesota Session Laws - 2020, 5th Special Session

Chap. 3, Art. 1, Sec. 17, Subd. 4

Bus Rapid Transit Lines

55,000,000

For design, engineering, right-of-way acquisition, and construction of the B line bus rapid transit line between Minneapolis and St. Paul, and the D line bus rapid transit line between Brooklyn Center and Bloomington. To the extent money remains after the B line and D line projects are completed, this appropriation is also for preliminary design, design, and engineering of the E line bus rapid transit from Minneapolis to Southdale Transit Center.

2020 D, B, E lines State Bonds

Authorization by project since initial appropriation

Capital Budget Amendment	D Line (62800)	B Line (62802)	E Line (61004)	Future Line BRT (placeholder)
Initial setup 2020 November	20,000,000	30,000,000	--	5,000,000
2021 Q1	--	--	5,000,000	(5,000,000)
2023 Q2	(5,000,000)	5,000,000		--
2023 Q3	(8,800,000)	3,300,000	5,500,000	--
Authorization prior to 2024 Q4	6,200,000	38,300,000	10,500,000	--

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Bus Rapid Transit Lines

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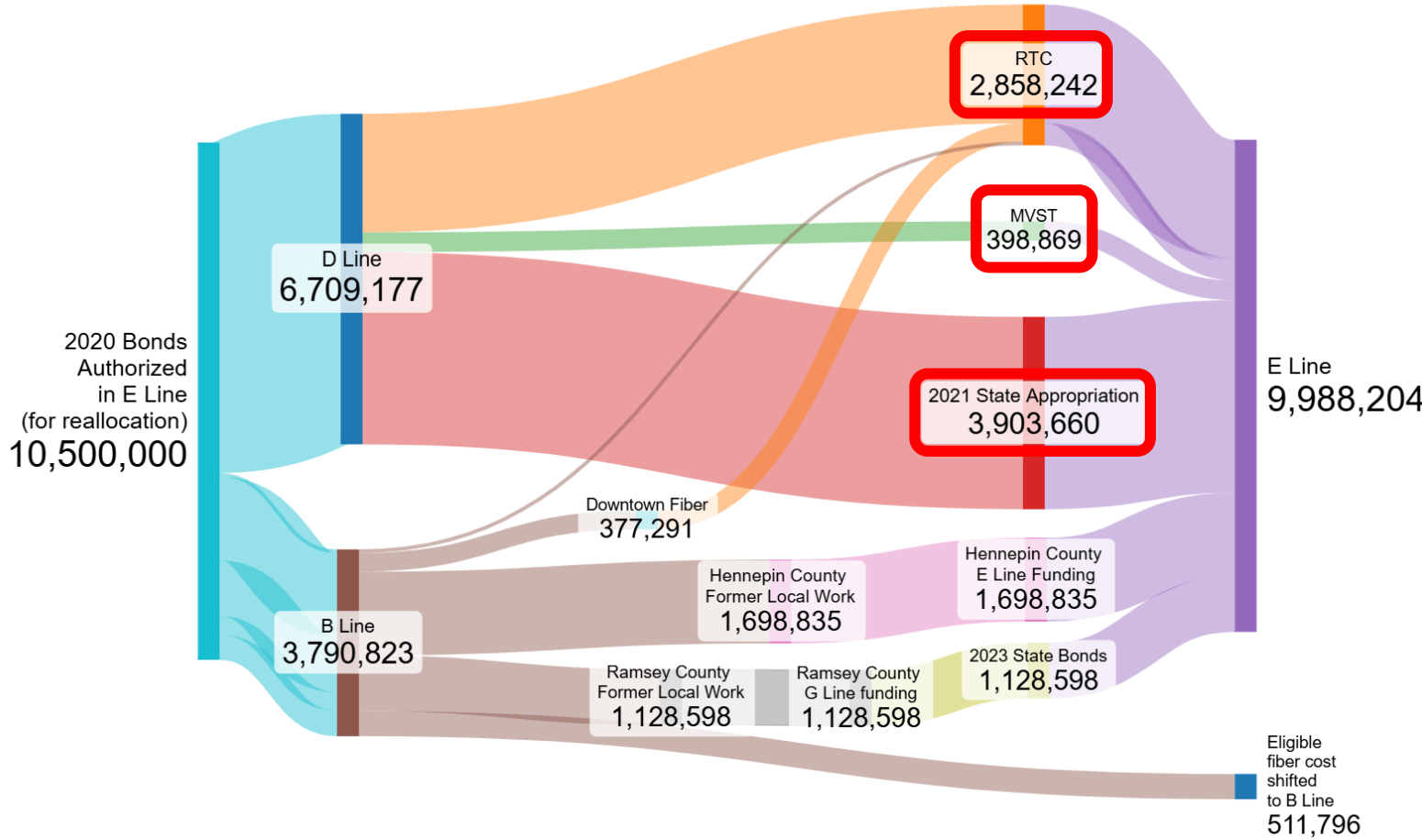
For design, engineering, right-of-way acquisition, and construction of the B line bus rapid transit line between Minneapolis and St. Paul, and the D line bus rapid transit line between Brooklyn Center and Bloomington. **To the extent money remains after the B line and D line projects are completed**, this appropriation is also for preliminary design, design, and engineering of the E line bus rapid transit from Minneapolis to Southdale Transit Center.

2020 State Bonds moving between projects in 4th Quarter Capital Budget Amendment

	D Line (62800)	B Line (62802)	E Line (61004)	Total
2020 Bonds authorized prior to 2024 Q4	6,200,000	38,300,000	10,500,000	55,000,000
Shift grant match sources	6,709,177	74,303	-6,783,480	
Shift eligible fiber optic expenses		889,087	-889,087	
Shift local work agreements		2,827,433	-2,827,433	
2020 Bonds authorized after 2024 Q4 CBA	12,909,177	42,090,823	0	55,000,000

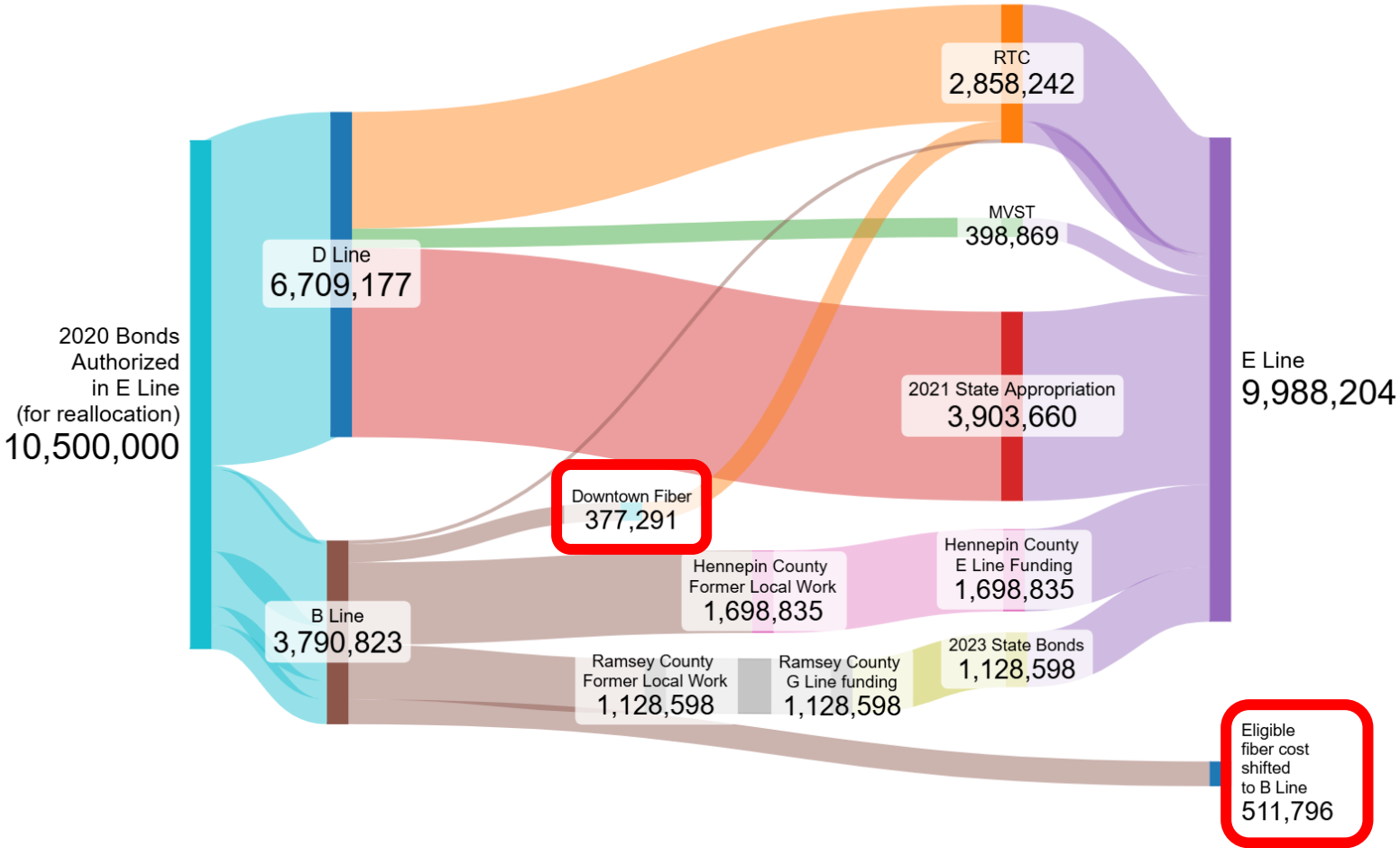
Shift grant match sources

- Shift grant match revenues on D Line and B Line: \$6,783,480
 - \$6,709,177 in 2020 state bonds shifted from E Line to eligible grant match in D Line, in exchange for other local sources
 - \$74,303 in 2020 state bonds shifted from E Line to eligible grant match in B Line, in exchange for other local sources
- Included in 4th Quarter Capital Budget Amendment



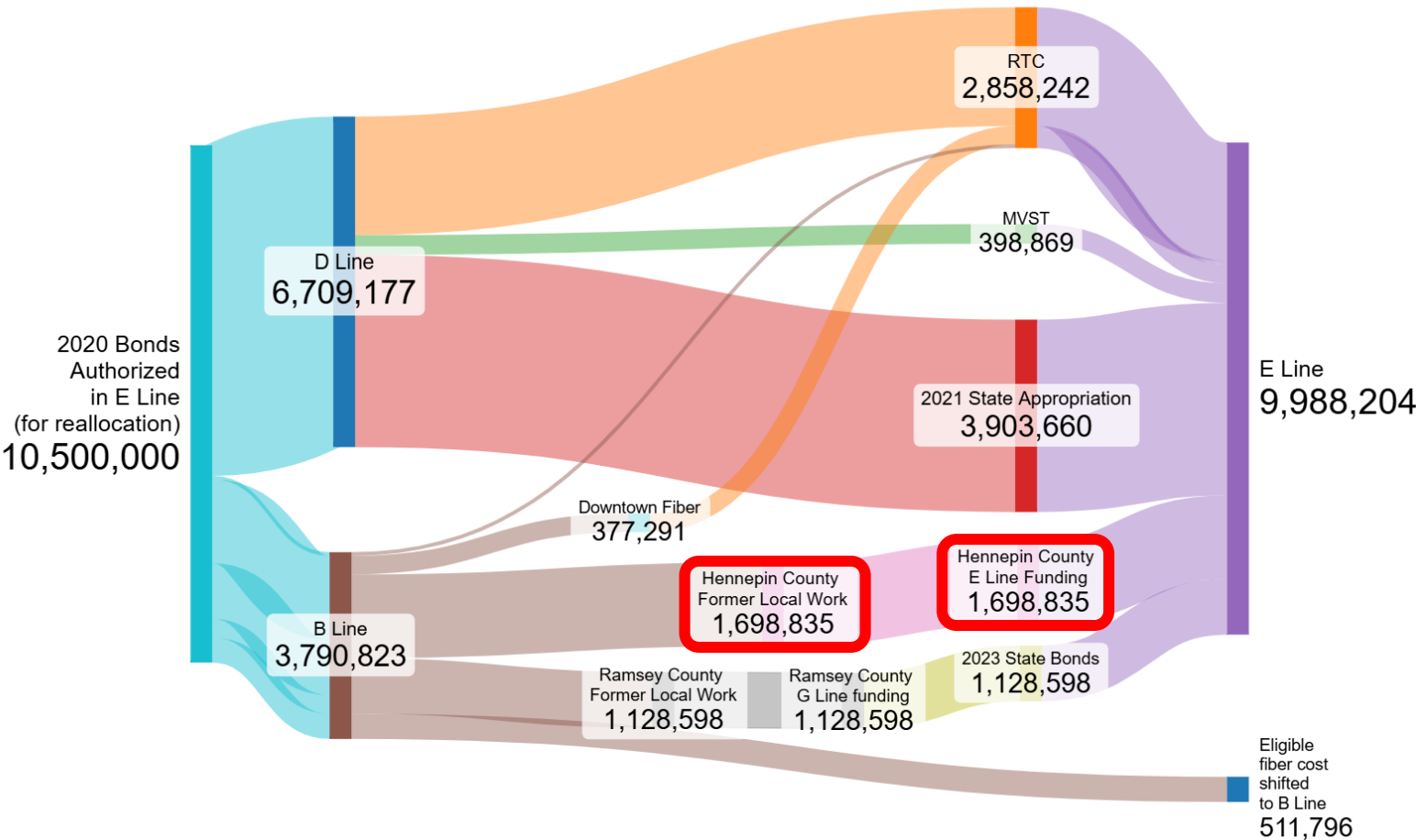
Shift eligible fiber optic expenses

- Shift eligible fiber optic expenses to B Line: \$889,087
 - \$377,291 in eligible Downtown Minneapolis fiber expenses shifted to B Line project, in exchange for other local sources
 - \$511,796 in eligible E Line expenses shifted to B Line project and encumbered against 2020 bonds shifted from E Line
- Included in 4th Quarter Capital Budget Amendment



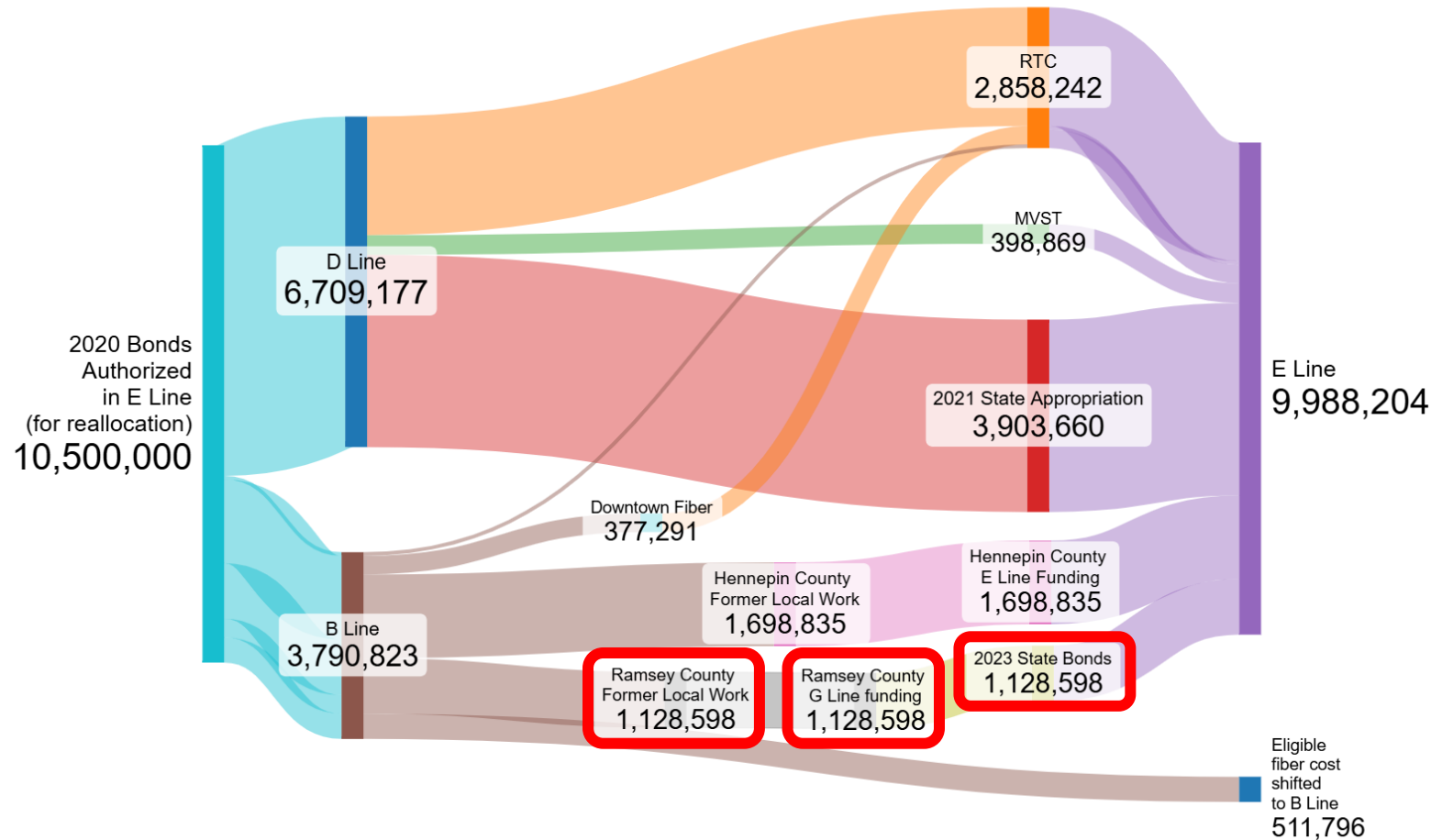
Business Item 2024-315 SW: METRO E Line – Amendment 1 to Hennepin County Agreement

- B Line agreement amended in parallel without Council action required, reducing County participation by \$1,698,835
- Shifts \$1,698,835 in eligible formerly local work into the B Line project, to be encumbered against 2020 State Bonds shifted from E Line
- \$1,698,835 in new Hennepin County funding for E Line project



Business Item 2024-316 SW: METRO G Line – Ramsey County Funding Agreement

- B Line agreement amended in parallel without Council action required, reducing County participation by \$1,128,598
- Shifts \$1,128,598 in eligible formerly local work into the B Line project, to be encumbered against 2020 State Bonds shifted from E Line
- Shifts \$1,128,298 in 2023 State Bonds from G Line project into E Line project
- \$1,128,598 in new Ramsey County funding for G Line project
 - To be authorized in January 2025 capital budget amendment after Ramsey County board action



2020 State Bonds moving between projects in 4th Quarter Capital Budget Amendment

	D Line (62800)	B Line (62802)	E Line (61004)	Total
2020 Bonds authorized prior to 2024 Q4	6,200,000	38,300,000	10,500,000	55,000,000
Shift grant match sources	6,709,177	74,303	-6,783,480	
Shift eligible fiber optic expenses		889,087	-889,087	
Shift local work agreements		2,827,433	-2,827,433	
2020 Bonds authorized after 2024 Q4 CBA	12,909,177	42,090,823	0	55,000,000

2020 State Bonds – Encumbrance as of 12/31/2024

	D Line (62800)	B Line (62802)	E Line (61004)	Total
2020 Bonds authorized after 2024 Q4 CBA	12,909,177	42,090,823	0	55,000,000
Expended or encumbered as of 12/31/2024	12,909,177	38,059,727	0	50,968,904
Remaining unencumbered (Budgeted contingency)	0	4,031,096	0	4,031,096

Business Item 2024-335 JT SW

Resolution 2024-26: METRO B Line Contingency

- Resolves that \$4,031,096 of unencumbered state bonds in the METRO B Line (Project 62802) budget be established as project contingency to be otherwise obligated for potential changes through the construction final completion date of December 31, 2025
 - All funding from the 2020 bonding bill that has not been obligated or expended by December 31, 2024 will be cancelled effective July 1, 2025 unless it is re-appropriated by the Legislature
 - The B Line is scheduled to enter revenue service on June 14, 2025 and the Council has entered into multiple contracts for the B Line that will continue to be active through the construction final completion date of December 31, 2025
 - Industry best practice and Council procedure requires budgeted contingency to be held on active projects through completion
 - As part of the Minnesota Statutes section 16A.642 process, unencumbered funds may avoid becoming subject to cancellation if the Council establishes that contingency is otherwise obligated for potential changes as the project progresses toward 2025 completion