

Transportation Committee

Meeting date: February 25, 2008

Business Item

Item: 2008-40

ADVISORY INFORMATION

Date: February 20, 2008
Subject: 2008-2013 Capital Improvement Program and 2008 Capital Budget Amendment
District(s), Member(s): All
Policy/Legal Reference: 2008 Capital Program and Budget
Staff Prepared/Presented: Arlene McCarthy, MTS Director (651-602-1217)
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Division/Department: Metropolitan Transportation Services

Proposed Action

That the Council:

- Amend the 2008 Authorized Capital Program (multi-year authorization) by adding and removing spending authority as follows in the Transportation Division:

Metropolitan Transportation Services

Additions to ACP	\$ 3,850,000
Removal of Closed Projects	(\$18,450,082)
Net Change to MTS ACP	(\$14,600,082)

Metro Transit \$ 0

- Amend the 2008 Capital Budget (annual appropriation) by adding or reducing appropriation as follows in the Transportation Division:

Metropolitan Transportation Services	\$ 3,850,000
Metro Transit	\$ 220,000

- Approve transfers between capital projects as detailed in [Attachment 1](#).

Background

This proposed amendment closes completed projects and reallocates existing funds between closed and on-going projects. Regional bond funds are being transferred between capital projects so that a new Metro Mobility high priority project can proceed.

The amendment also brings in new federal and local funds that will be used on two new projects being amended into the budget.

Proposed changes are detailed in Attachment 1.

Metropolitan Transportation Services

The MTS capital budget amendment reflects a net change of \$3,500,000 in Hennepin County Regional Rail Authority funds and \$350,000 in federal funds.

The MTS capital budget also reflects a reallocation of \$729,391 in unspent regional bond authority from completed or nearly completed projects to six new and existing projects.

The major changes include:

- Adding \$350,000 in federal funds to an existing project for the 2008 Southwest Transit station debt. The federal funds are Southwest Transit's portion of Section 5307 funds that were generated by their operating statistics in the National Transit Database report. These funds will be used to pay for interest charges on the debt related to their station.
- Adding a new project using \$3.5 million in Hennepin County Regional Rail Authority funds to pass-through to the City of Minneapolis for TOD land assembly along the Hiawatha LRT corridor. These funds are being provided to us by Metro Transit. Initially the land purchase was supposed to use federal funds, but after further review by FTA it was determined that the land purchases were not eligible under the terms of the grant agreement. Per FTA's recommendation these funds were reallocated for use in Metro Transit's LRT operations. This reallocation frees up the above mentioned local dollars to allow for the purchase of the land.
- Adding a new project using reallocated regional funds for Metro Mobility to pilot test new dispatching software in partnership with Mn/DOT's Office of Transit.

Metro Transit

Reallocation of Existing Funds

Bottineau Blvd. Corridor - Project 63114

Inver Grove Transit Center – Project 63951

Major Improvements to Support Facilities – Project 62790

Project 62790 needs additional funding for major building improvements such as computer room air conditioning, an uninterruptible power supply at Heywood office and garage, a mechanic fall protection system, a tailpipe exhaust system, and hoist removal. RTC local funds are being transferred from projects 63114 and 63951 to provide the needed funding for these projects.

Rationale

This proposed amendment reallocates existing funds between projects and allows others to be closed. It also provides the needed authority to create two new projects that will be funded by federal and local funds.

Funding

New sources of federal and local funds are being recognized with this capital amendment. Regional bonding authority is being transferred between capital projects.

The amendment is consistent with the Council goal to keep the impact of Council property taxes on existing regional taxpayers flat over time.

Known Support/Opposition

None.

