

J Joint Meeting of the Transportation and Management Committees

Transportation Committee: April 23 (2007-153); May 9

Management Committee: April 25 (2007-153); May 9

Metropolitan Council: May 9

Meeting date: May 9, 2007

ADVISORY INFORMATION

Date:	May 3, 2007
Subject:	2007 Unified Capital Program Amendment
District(s), Member(s):	All
Policy/Legal Reference:	M.S. 473.13; Council Policy 3.1
Staff Prepared/Presented:	Mark Fuhrmann, Deputy General Manager, Metro Transit (612-215-8255) Ed Petrie, Director of Finance, Metro Transit (612-349-7624) Beth Widstrom, Chief Financial Officer (651-602-1567) Alan Morris, Regional Administration (651-602-1446)
Division/Department:	Transportation

Proposed Action/Motion

That the Council:

- Amend the 2007 Authorized Capital Program (multi-year authorization) by adding authority as follows:

Original Item 2007-153	Transit	\$	24,536,728
No change from this item (transfers only)			
- Amend the 2007 Capital Budget (annual appropriation) by adding appropriations as follows:

Original Item 2007-153	Transit	\$	11,164,928
Effect of this item (#61650 and #84496)			<u>-3,100,000</u>
Total 2007 Capital Budget Amendment			8,064,928

- Approve transfers between capital projects as detailed in Attachment 1,

Summary

The Transportation and Management Committees reviewed proposed amendments to the Transit capital program at the April 23 and April 25 committee meetings. This additional item is being proposed for inclusion in the amendment for consideration by the Transportation and Management Committees at a special joint meeting on May 9 and the full Council later the same day.

Issue(s)

- As part of its ongoing Northstar risk assessment, the Federal Transit Administration (FTA) has asked for a \$10.1M increase in the project contingency (\$5M federal, \$5.1M local.)
- The \$5.1M commitment is needed the week of May 7, the Council can act more quickly than other local partners and is being asked to provide the contingency commitment on behalf of the partners.
- To take this action commitment will need to be transferred from other transit projects.
- The Northstar Project was not on the list of projects given to the legislature when bonding authority was requested.
- The Council's commitment is contingent on the NCDA resolution directing counties to provide their share (\$1.7M of the \$5.1M.) The state will be asked to cover the remaining \$3.4M of the \$5.1M local funding commitment.
- Staff does not believe that the additional contingency amount is necessary. If not needed for the project this commitment will be relieved at the end of the project.

Requested Authorized Capital Program transfers

61650 Rail Cars for Ridership	\$(2,300,000)
64496 Articulated Bus Procurement – Growth	(800,000)
84515 Support Equipment	(2,000,000)
65510 Northstar Commuter Rail	<u>\$5,100,000</u>
Total Capital Program Impact	-0-

Providing the FTA required commitment for Northstar will require moving funding commitment from the three projects listed above. The amounts listed for the rail car and bus projects are local match amounts only and do not include the federal share. Transferring the authority will not impact the three projects until mid 2008.

Such authorization is contingent upon the Northstar Corridor Development Authority adopting a resolution directing the Anoka, Hennepin and Sherburne County Regional Rail Authorities to commit to providing \$1.7M, one-third of the local funding requirement, to reduce the Council’s long-term commitment to \$3.4M and expenditure of any of the supplemental contingency be the last dollars spent for the project only upon prior approval of the Council. In accordance with prior funding agreements, a request will be made to the state to cover the \$3.4M commitment the Council is being requested to make with this action. Moreover, the Council will look to the state to ultimately cover the state’s two-thirds share of the \$5.1 million local funding commitment.

Overview and Funding

The Federal Transit Administration conducts risk assessments of all New Start projects as they move through the project development phases. The assessments examine scope, schedule and cost risk to the project. FTA completed its risk assessment in late April as another key step for Northstar progressing toward the Full Funding Grant.

Staff believes the original \$24M contingency is adequate. The Northstar project has firm costs for nearly \$224M of the overall \$309.9M (72%) of the project budget. The two primary unknown bid costs are construction of the Elk River, Anoka and Coon Rapids Stations (one bid) and purchase of the passenger coaches. The total estimated cost of these two activities is approximately \$62M.

Northstar’s current contingency of \$24M provides contingency coverage of 39% of remaining bid costs and 7.7% of project costs. The \$34M contingency amount after the increase required by the FTA provides contingency coverage of 55% for the unknown costs, \$10.6% of project costs.

The next step for FTA to complete is the financial capacity assessment. FTA will be in Minneapolis the week of May 7 to meet with MnDOT, Met Council and Northstar Corridor Development Authority (NCDA) to determine if the local funding partners have the financial wherewithal to fully fund the local share of Full Funding Grant and long-term financial capacity to fund on-going operations. With the recent requirement to add contingency funding, the financial reviewers will need to see evidence the week of May 7 from the local funding partners that they are committed to provide \$158.1M to the project, including the additional \$5.1M for contingency.

Metropolitan Council is in a position to consider authorizing \$5.1M from available Regional Transit Capital funds in the short-term, contingent on the NCDA adopting a resolution directing its rail authorities to commit \$1.7M for the local share of the \$5.1M. The Council will look to the state for long-term financial commitment for the \$3.4M. The \$5.1M supplemental contingency funds will be the last dollars spent, if ever needed on Northstar, and only with approval from Metropolitan Council and NCDA.

Fiscal Impact

The proposed transit amendment includes regional bonding authorization for transit that was anticipated and reflected in the fiscal impact analysis done in conjunction with the adoption of the 2007-2012 transit capital improvement program. The amendment is consistent with the Council goal to keep the impact of Council property taxes on existing regional taxpayers flat over time.

The addition of this item does not affect the 2007 Authorized Capital Program (Multi-Year Authorization) or the 2007-2012 Capital Improvement Program. Changes to the 2007 Capital Budget as a result of this change are highlighted.

Summary of Changes to 2007 Authorized Capital Program (Multi-Year Authorization)

Program Area	Adopted	Previous Amendments	Proposed Amendments	Amended Thru March 14, 2007
Metro Transit	\$ 1,186,737,014	\$ 32,454,411	\$ 24,536,728	\$ 1,243,728,153
Metro Trans Services	67,552,141	2,139,029	0	69,691,170
Environmental Service	992,400,000	0	0	992,400,000
Parks and Open Space	64,149,146	0	0	64,149,146
Total	\$ 2,310,838,301	\$ 34,593,440	\$ 24,536,728	\$ 2,369,968,469
Change from Adopted				+2.6%

Summary of Changes to 2007 Capital Budget (Annual Appropriation)

Program Area	Adopted	Previous Amendments	Proposed Amendments	Amended Thru March 14, 2007
Metro Transit	\$ 135,053,248	\$ 25,246,054	\$ 11,164,928 \$ 8,064,928	\$ 171,464,230 \$ 168,364,230
Metro Trans Services	24,676,356	1,483,963	0	26,160,319
Environmental Service	126,700,000	0	0	126,700,000
Parks and Open Space	32,426,236	0	0	32,426,236
Total	\$ 318,855,840	\$ 26,730,017	\$ 11,164,928 \$ 8,064,928	\$ 356,750,785 \$ 353,650,785
Change from Adopted				+11.9% +10.9%

Summary of Changes to 2007-2012 Capital Improvement Program

Program Area	Adopted	Previous Amendments	Proposed Amendments	Amended Thru March 14, 2007
Transit	\$ 1,705,269,308	\$ 0	\$ 0	\$ 1,705,269,308
Environmental Service	991,384,000	0	0	991,384,000
Parks and Open Space	105,087,171	0	0	105,087,171
Total	\$ 2,801,740,479	\$ 0	\$ 0	\$ 2,801,740,479
Change from Adopted				+0.00%

Attachments:

Attachment 1 – May 2007 Unified Capital Program Amendment
 Transportation Committee April 23, 2007 Business Item 2007-153
 Management Committee April 25, 2007 Business Item 2007-153

May 2007 Capital Program & Budget Amendment

Transportation Committee - April 23, 2007

Metropolitan Council - May 9, 2007

ATTACHMENT 1

		CURRENTLY AUTHORIZED					PROPOSED CHANGE					AMENDED					2007 Capital Budget	Multi-Year Authorization	
		Federal	State	Other	Regional	Total	Federal	State	Other	Regional	Total	Federal	State	Other	Regional	Total			
METRO TRANSIT																	Original Adopted	\$ 135,053,248	\$ 1,186,737,014
																	After Prior Amendments	\$ 160,299,302	\$ 1,219,191,425
																	After This Amendment	\$ 168,364,230	\$ 1,243,728,153
63314	Transit Land Acquisition	\$ -	\$ -	\$ -	\$ 4,106,162	\$ 4,106,162		\$ -	\$ -	\$ (850,000)	\$ (850,000)	\$ -	\$ -	\$ -	\$ 3,256,162	\$ 3,256,162	\$ (850,000)	\$ (850,000)	
62312	Heywood Expansion	\$ 1,800,000	\$ -	\$ -	\$ 5,950,000	\$ 7,750,000	\$(1,800,000)	\$ -	\$ -	\$ 850,000	\$ (950,000)	\$ -	\$ -	\$ -	\$ 6,800,000	\$ 6,800,000	\$ 850,000	\$ (950,000)	
63323	Central Corridor Project Study	\$ 2,295,441	\$ 2,000	\$ 817,346	\$ -	\$ 3,114,787	\$ (727,999)	\$ -	\$ -	\$ -	\$ (727,999)	\$ 1,567,442	\$ 2,000	\$ 817,346	\$ -	\$ 2,386,788	\$ (727,999)	\$ (727,999)	
65701	Central Corridor LRT	\$ 7,052,201	\$13,048,000	\$ -	\$ -	\$ 20,100,201	\$ 727,999	\$ -	\$ 24,171,800	\$ -	\$ 24,899,799	\$ 7,780,200	\$ 13,048,000	\$ 24,171,800	\$ -	\$ 45,000,000	\$ 9,727,999	\$ 24,899,799	
62314	Shelter Maintenance Bldg; Rail Support Facility	\$ 725,072	\$ -	\$ -	\$ 981,268	\$ 1,706,340	\$ 1,914,928	\$ -	\$ -	\$ -	\$ 1,914,928	\$ 2,640,000	\$ -	\$ -	\$ 981,268	\$ 3,621,268	\$ 1,914,928	\$ 1,914,928	
New, 1-07	Asphalt Repairs	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ (50,000)	\$ (50,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50,000)	\$ (50,000)	
62790	Major Improvements to Support Facilities	\$ -	\$ -	\$ -	\$ 1,460,000	\$ 1,460,000	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 1,510,000	\$ 1,510,000	\$ 50,000	\$ 50,000	
New - 63701	Hiawatha LRT: American Blvd Station (CIP proj #84467)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -	\$ 250,000	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	
61650	Rail Cars for Ridership Growth	\$13,680,000	\$ -	\$ -	\$ 2,320,000	\$ 16,000,000	\$ -	\$ -	\$ -	\$ (2,300,000)	\$ (2,300,000)	\$ 13,680,000	\$ -	\$ -	\$ 20,000	\$ 13,700,000	\$ (2,300,000)	\$ (2,300,000)	
84496	Bus Procurement - Artic Growth	\$ 3,290,000	\$ -	\$ -	\$ 822,500	\$ 4,112,500	\$ -	\$ -	\$ -	\$ (800,000)	\$ (800,000)	\$ 3,290,000	\$ -	\$ -	\$ 22,500	\$ 3,312,500	\$ (800,000)	\$ (800,000)	
84515	Support Equipment	\$ -	\$ -	\$ -	\$ 2,631,372	\$ 2,631,372	\$ -	\$ -	\$ -	\$ (2,000,000)	\$ (2,000,000)	\$ -	\$ -	\$ -	\$ 631,372	\$ 631,372	\$ -	\$ (2,000,000)	
????	??????	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,100,000	\$ 5,100,000	\$ -	\$ -	\$ -	\$ 5,100,000	\$ 5,100,000	\$ -	\$ 5,100,000	
METRO TRANSIT BUS TOTAL		\$28,842,714	\$13,050,000	\$ 817,346	\$18,321,302	\$ 61,031,362	\$ 114,928	\$ -	\$ 24,421,800	\$ -	\$ 24,536,728	\$ 28,957,642	\$ 13,050,000	\$ 25,239,146	\$18,321,302	\$ 85,568,090	\$ 8,064,928	\$ 24,536,728	



Management Committee

Transportation Committee: April 23 (2007-153)
Metropolitan Council: May 9

Executive Summary

Item: 2007-153

Meeting date: April 25, 2007

ADVISORY INFORMATION	
Date:	April 17, 2007
Subject:	2007 Unified Capital Program Amendment
District(s), Member(s):	All
Policy/Legal Reference:	M.S. 473.13; Council Policy 3.1
Staff Prepared/Presented:	Beth Widstrom, Chief Financial Officer (651-602-1567) Alan Morris, Regional Administration (651-602-1446)
Division/Department:	Transportation

Proposed Action/Motion

That the Council:

- Amend the 2007 Authorized Capital Program (multi-year authorization) by adding authority as follows:

Transit	\$	24,536,728
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- Amend the 2007 Capital Budget (annual appropriation) by adding appropriations as follows:

Transit	\$	11,164,928
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- Approve transfers between capital projects as detailed in Attachment 1.

Summary

The Transportation Committee will review the proposed amendments to the Transit capital program at its April 23 meeting.

Proposed changes are detailed in Attachment 1.

Fiscal Impact

The proposed transit amendment includes regional bonding authorization for transit that was anticipated and reflected in the fiscal impact analysis done in conjunction with the adoption of the 2007-2012 transit capital improvement program. The amendment is consistent with the Council goal to keep the impact of Council property taxes on existing regional taxpayers flat over time

Summary of Changes to 2007 Authorized Capital Program (Multi-Year Authorization)

Program Area	Adopted	Previous Amendments	Proposed Amendments	Amended Thru March 14, 2007
Metro Transit	\$ 1,186,737,014	\$ 32,454,411	\$ 24,536,728	\$ 1,243,728,153
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Environmental Service	992,400,000	0	0	992,400,000
Parks and Open Space	64,149,146	0	0	64,149,146
Total	\$ 2,310,838,301	\$ 34,593,440	\$ 24,536,728	\$ 2,369,968,469

Change from Adopted +2.6%

Summary of Changes to 2007 Capital Budget (Annual Appropriation)

Program Area	Adopted	Previous Amendments	Proposed Amendments	Amended Thru March 14, 2007
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Metro Trans Services	24,676,356	1,483,963	0	26,160,319
Environmental Service	126,700,000	0	0	126,700,000
Parks and Open Space	32,426,236	0	0	32,426,236
Total	\$ 318,855,840	\$ 26,730,017	\$ 11,164,928	\$ 356,750,785

Change from Adopted +11.9%

Summary of Changes to 2007-2012 Capital Improvement Program

Program Area	Adopted	Previous Amendments	Proposed Amendments	Amended Thru March 14, 2007
Transit	\$ 1,705,269,308	\$ 0	\$ 0	\$ 1,705,269,308
Environmental Service	991,384,000	0	0	991,384,000
Parks and Open Space	105,087,171	0	0	105,087,171
Total	\$ 2,801,740,479	\$ 0	\$ 0	\$ 2,801,740,479

Change from Adopted +0.00%

Attachments:

Attachment 1 – May 2007 Unified Capital Program Amendment

Transportation Committee

April 23, 2007

Business Item 2007-153

May 2007 Capital Program & Budget Amendment

ATTACHMENT 1

Transportation Committee - April 23, 2007
 Management Committee - April 25, 2007
 Metropolitan Council - May 9, 2007

	CURRENTLY AUTHORIZED					PROPOSED CHANGE					AMENDED					2007 Capital Budget	Multi-Year Authorization	
	Federal	State	Other	Regional	Total	Federal	State	Other	Regional	Total	Federal	State	Other	Regional	Total			
Original Adopted																\$ 135,053,248	\$ 1,186,737,014	
After Prior Amendments																\$ 160,299,302	\$ 1,219,191,425	
After This Amendment																\$ 171,464,230	\$ 1,243,728,153	
METRO TRANSIT																		
63314	Transit Land Acquisition	\$ -	\$ -	\$ -	\$ 4,106,162	\$ 4,106,162		\$ -	\$ -	\$ (850,000)	\$ (850,000)	\$ -	\$ -	\$ -	\$ 3,256,162	\$ 3,256,162	\$ (850,000)	\$ (850,000)
62312	Heywood Expansion	\$ 1,800,000	\$ -	\$ -	\$ 5,950,000	\$ 7,750,000	\$ (1,800,000)	\$ -	\$ -	\$ 850,000	\$ (950,000)	\$ -	\$ -	\$ -	\$ 6,800,000	\$ 6,800,000	\$ 850,000	\$ (950,000)
63323	Central Corridor Project Study	\$ 2,295,441	\$ 2,000	\$ 817,346	\$ -	\$ 3,114,787	\$ (727,999)	\$ -	\$ -	\$ -	\$ (727,999)	\$ 1,567,442	\$ 2,000	\$ 817,346	\$ -	\$ 2,386,788	\$ (727,999)	\$ (727,999)
65701	Central Corridor LRT	\$ 7,052,201	\$ 13,048,000	\$ -	\$ -	\$ 20,100,201	\$ 727,999	\$ -	\$ 24,171,800	\$ -	\$ 24,899,799	\$ 7,780,200	\$ 13,048,000	\$ 24,171,800	\$ -	\$ 45,000,000	\$ 9,727,999	\$ 24,899,799
62314	Shelter Maintenance Bldg; Rail Support Facility	\$ 725,072	\$ -	\$ -	\$ 981,268	\$ 1,706,340	\$ 1,914,928	\$ -	\$ -	\$ -	\$ 1,914,928	\$ 2,640,000	\$ -	\$ -	\$ 981,268	\$ 3,621,268	\$ 1,914,928	\$ 1,914,928
New, 1-07	Asphalt Repairs	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ (50,000)	\$ (50,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50,000)	\$ (50,000)
62790	Major Improvements to Support Facilities	\$ -	\$ -	\$ -	\$ 1,460,000	\$ 1,460,000	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 1,510,000	\$ 1,510,000	\$ 50,000	\$ 50,000
New - 63701	Hiawatha LRT: American Blvd Station (CIP proj #84467)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -	\$ 250,000	\$ -	\$ 250,000	\$ 250,000	\$ 250,000
METRO TRANSIT TOTAL		\$11,872,714	\$13,050,000	\$ 817,346	\$12,547,430	\$ 38,287,490	\$ 114,928	\$ -	\$ 24,421,800	\$ -	\$ 24,536,728	\$ 11,987,642	\$ 13,050,000	\$ 25,239,146	\$12,547,430	\$ 62,824,218	\$ 11,164,928	\$ 24,536,728

T Transportation Committee

Management Committee: April 25, 2007

Meeting date: April 23, 2007

ADVISORY INFORMATION

Date:	April 11, 2007
Subject:	May 2007 Unified Capital Program Amendment
District(s), Member(s):	All
Policy/Legal Reference:	2007 Capital Improvement Program
Staff Prepared/Presented:	Brian Lamb, General Manager (612-349-7510) Julie Johanson, Assistant General Manager (612-349-7514) Ed Petrie, Director of Finance (612-349-7624) Steven True, Senior Manager Finance(612-349-7701) Alan Morris (651-602-1446)
Division/Department:	Transportation

Proposed Action/Motion

That the Metropolitan Council:

- Amend the 2007 Authorized Capital Program (Multi-year authorization) by adding \$24,536,728 in capital authority to the Transportation Division, as detailed in Attachment 1.
- Amend the 2007 Capital Budget (annual appropriation) by adding \$11,164,298 in appropriations to the Transportation Division.

Summary

This proposed amendment adds funding to existing projects; includes a net increase in federal funds of \$114,928 (\$1,914,928 in new federal funds offset by a reduction of \$1,800,000); adds \$24,171,800 for the Central Corridor LRT project (\$16,920,260 from the Ramsey County Regional Rail Authority (RCRRA) and \$7,251,540 from the Hennepin County Regional Rail Authority (HCRRA)); and adds \$250,000 from HCRRA for the Hiawatha LRT American Blvd. Station. Additionally, this amendment transfers existing funds between projects.

Proposed changes are detailed in Attachment 1.

Fiscal Impact

This proposed amendment includes no new regional bonding authorization and therefore remains consistent with the Council goal to keep the impact of Council property taxes on existing regional taxpayers flat over time. New funds coming through regional rail authorities will allow projects to move forward as planned. Some new federal funds are being introduced to match local funds already in place and some federal funding authorization is being removed from the Heywood Garage Expansion project to be added back at some future date as the project progresses.

Project Detail

Metro Transit

Transit Land Acquisition, Project 63314

Heywood Expansion, Project 62312

Transfer \$850,000 from Project 63314 to Project 62312 to purchase the Sparkle Wash building adjacent to the Heywood garage and recognize that federal funds for 62312 will not be applied for until a later date.

Central Corridor Project Study, Project 63323

Central Corridor LRT, Project 65701

New funds amounting to \$24,171,800 will come from two sources for preliminary engineering of the light rail line, 70% from Ramsey County Regional Rail Authority (\$16,920,260) and 30% from Hennepin County Regional Rail Authority (\$7,251,540). Additionally, federal Section 5309 funds are transferred from the earlier study phase of the project to the engineering project. Final closeout of the study phase will result in a future transfer of remaining funds.

Rail Support Facility (was Shelter Maintenance Building), Project 62314

Recognize that new federal funds will be applied for, with local match already in place.

Asphalt Repairs, New Project on 1-1-07

Major Improvements to Support Facilities, Project 62790

Continue with the asphalt repairs as intended, but rather than create a new project, combine the funds into the agency's Major Improvements to Facilities project.

Hiawatha LRT: American Boulevard Station, Assign Project #63701

Assign HCRRA funds available through the city of Bloomington for station design in 2007; with additional funding, construction will begin in 2008. This project was approved in the CIP as project #84467 and relates to Action Item #2007-129 (American Boulevard Station Interagency Agreement with the Hennepin County Regional Rail Authority).