

E Environment Committee

Meeting date: September 26, 2007

For the Metropolitan Council Meeting of October 24, 2007

ADVISORY INFORMATION

Date:	September 18, 2007
Subject:	2007-2012 Capital Improvement Program and Capital Program and Budget Amendment
District(s), Member(s):	All
Policy/Legal Reference:	2007 - 2012 Capital Improvement Program and Capital Program and Budget
Staff Prepared/Presented:	Bryce Pickart, 651-602-1091
Division/Department:	MCES c/o William G. Moore, 651-602-1162

Proposed Action/Motion

That the Metropolitan Council amend the MCES 2007 Capital Budget (annual appropriation) by increasing it from \$131,600,000 to \$145,000,000.

Issue(s)

- MCES expenditures through the first seven months of 2007 totaled \$56,291,541. The total projected expenditures for year are in the range of \$120,000,000 to \$133,000,000. Without an amendment, the approved 2007 Capital Budget of \$131,600,000 may be exceeded.

Overview and Funding

It is difficult to project annual expenditures for MCES capital projects. Primary factors causing uncertainty include: (1) design schedules, i.e. when construction actually begins on a project; (2) construction contract cash flow, i.e. contractors have flexibility in how work is sequenced/scheduled within the overall contract schedule; and (3) weather, i.e. the projections assumed normal weather which correlates with the shutdown of pipeline construction by early December. Last year the weather was very mild, so pipeline construction continued until nearly Christmas. Based on the expenditures to date and the projections for the remainder of 2007, the MCES 2007 Capital Budget may be exceeded without a budget amendment. Environmental Services is proposing to amend the capital budget by approximately 10% to \$145,000,000.

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

Program Area	Adopted	Prior Amendments	Amended Thru September	Proposed Amendments	Proposed Amended
Environmental Services	\$992,400,000	\$9,600,000	\$1,002,000,000	\$-0-	\$1,002,000,000

Summary of Proposed Changes to 2007 Capital Budget

Program Area	Adopted	Prior Amendments	Amended Thru September	Proposed Amendments	Proposed Amended
Environmental Services	\$126,700,000	\$4,900,000	\$131,600,000	\$13,400,000	\$145,000,000

Summary of Proposed Changes to the 2007-2012 Capital Improvement Program

Program Area	Adopted	Prior Amendments	Amended Thru September	Proposed Amendments	Proposed Amended
Environmental Services	\$991,384,000	\$5,600,000	\$996,984,000	\$-0-	\$996,984,000