

M Management Committee

Meeting date: January 23, 2008

Transportation Committee: January 14, 2008

For Metropolitan Council meeting: January 23, 2008

ADVISORY INFORMATION

Date:	January 10, 2008
Subject:	2008-2013 Capital Improvement Program and Capital Program and Budget Amendment
District(s), Member(s):	All
Policy/Legal Reference:	2008 Capital Program and Budget
Staff Prepared/Presented:	Edwin D. Petrie, Director of Finance (612) 349-7624 Alan Morris, Principal Financial Analyst (651) 602-1446 Mark W. Fuhrmann, Deputy General, Manager (651) 602-1942
Division/Department:	Transportation

Proposed Action

That the Council:

- Amend the 2008 Authorized Capital Program (multi-year authorization) by adding authority as follows:
Metro Transit \$ 44,350,123
- Amend the 2008 Capital Budget (annual appropriation) by increasing spending authority as follows:
Metro Transit \$ 15,900,000

Background

The attached business item was presented to the Transportation Committee at its meeting on January 14, 2008. The Transportation Committee approved the proposed amendment unanimously. The business item is coming same week from the Management Committee to the Council because of the need to move the Northstar coach contract forward. The proposed action increases the 2008 Authorized Capital Program and 2008 Capital Budget to provide spending authority for two Metro Transit capital projects.

1. **Northstar Passenger Car Purchase.** The proposed amendment provides authority to spend funds on the purchase of passenger cars for the Northstar Commuter Rail Project and recognizes federal and local funding that will finance the purchase.
2. **Urban Partnership Agreement Park and Ride Lots.** The proposed amendment provides additional authority to spend funds on park and ride lots included in the UPA project. Federal funding will provide 80 percent of the funding for the additional spending and the regional match will be provided by transferring unexpended regional bonding authority from another capital project.

Rationale

The Metropolitan Council, as the procuring agency, intends to use the Best Value procurement method available to Minnesota State Agencies, including Mn/DOT, to procure the commuter coaches. The parties to the Joint Powers Agreement wish to select the proposal for the commuter coaches procurement that presents the best

value. Because the Council will procure the commuter coaches, the Authorized Capital Program needs to be amended to provide spending authority for the coaches.

Funding and Fiscal Impact

Funding for the Northstar commuter coaches will be available through the Northstar Project Federal Full Funding Grant Agreement executed on December 11, 2007 and from NCDA local funding. Approval of the Northstar coach contract will require an internal cash loan as explained in Business Item 2008-31, also on this agenda.

Funding for the park and ride spaces at the North I-35W structured park-and-ride facility is available from the Urban Partnership Grant Agreement. Local match for the UPA project will come from the transfer of regional bonding authority from another capital project. Due to constraints on regional matching funds, only a portion of the authority related to the park and ride project is being requested at this time.

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.

Known Support / Opposition

Support for the Northstar Commuter Rail Project comes through funding commitments from the Federal Transportation Administration, the State of Minnesota and NCDA funding partners.

Support for the park and ride project comes through funding commitments from the U.S. Department of Transportation through the UPA Grant Agreements.

Attachments

Business Item 2008-015 presented to Transportation Committee on January 14, 2008

T Transportation Committee

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Proposed Action

That the Council:

Amend the 2008 Authorized Capital Program (multi-year authorization) by adding authority as follows:

- Metro Transit \$44,350,123

Amend the 2008 Capital Budget (annual appropriation) by increasing spending authority as follows:

- Metro Transit \$15,900,000

See Attachment #1

Background

Northstar Passenger Cars – Project 65510

On November 26, 2007, the Transportation Committee considered and approved Business Item 2007-398 recommending that the Metropolitan Council authorize the Regional Administrator to:

- Execute a Joint Powers Agreement with the Minnesota Department of Transportation (Mn/DOT) for Metropolitan Council procurement of Northstar passenger cars utilizing Best Value Selection criteria.
- The Metropolitan Council has agreed to act as a lead agency to procure passenger cars on behalf of the Northstar Corridor Project.
- Following execution of the Northstar Full Funding Grant Agreement on December 11, 2007, Northstar Corridor funding will be available to reimburse the Metropolitan Council for any and all payments made for the vehicle procurement after they are incurred. The purchase of these passenger cars will require some internal borrowing from the Metropolitan Council. Staff will bring a future item to the Management Committee detailing the internal borrowing and timing of the reimbursement to the Metropolitan Council.
- Council staff have negotiated the final pricing for the Northstar passenger cars.

UPA (Urban Partnership Agreement) Park & Ride Lots – Project 63740

- To recognize New Federal Funds from the UPA (Urban Partnership Agreement) for north metro park and rides. RTC funding match is from project 63114.

Rationale

The Met Council, as the procuring agency, intends to use the Best Value procurement method available to Minnesota State Agencies, including Mn/DOT, to procure the commuter coaches. The parties to the Joint Powers Agreement wish to select the proposal for the commuter coaches procurement that presents the best value.

Funding

Funding for the commuter coaches will be available through the Northstar Project Federal Full Funding Grant Agreement executed on December 11, 2007 and NCDA Local Funding. Funding for the UPA is available as the Minnesota Department of Transportation and the Metropolitan Council were jointly awarded \$133.3 million in federal funds by the US Department of Transportation through the Urban Partnership Agreement (UPA) Program. The project provides a comprehensive approach to congestion reduction that includes congestion pricing, transit enhancements, telecommuting/telework, and the use of advanced technologies.

Under the Urban Partnership Agreement (UPA) \$13.2 million of Section 5309 Bus Program funds awarded to Metropolitan Council were excluded from the enabling legislation requirement. Portions of the funding from the UPA cannot be obligated and drawn down without enabling legislation from the Minnesota State legislature, but the \$13.2 million of Section 5309 Bus Program funds is excluded from this requirement. These funds were specific to the activity related to the North I35W activity as follows:

- 1) \$8.8 million federal for construction of approximately 620 additional parking spots at the North I-35W structured park-and-ride facility, and
- 2) \$4.4 million for 11 buses for service provided on I-35W.

No other funds obligated by the UPA Grant Agreements shall be drawn down by the recipient unless and until all legal authority necessary to implement each of the Federal Projects (including, without limitation, legal authority to implement congestion pricing) has been duly adopted and taken effect, which authority shall be adopted and in effect within 90 calendar days following the opening of the next session of the Minnesota State legislature.

At this time, due to constraints of local match, we are only requesting a portion of the authority related to the \$13.2 million of Section 5309 Bus Program funds.

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.

Known Support / Opposition

Support includes execution of the Northstar Full Funding Grant Agreement on December 11, 2007. Additional support for the Northstar locomotive and Northstar passenger cars comes from the FTA, Mn/DOT and the NCDA Funding Partners. Support is also available by the approved UPA agreement awarded by the US Department of Transportation.

January 2008 Capital Program & Budget Amendment
 Transportation Committee - January 14, 2008
 Management Committee - January 23, 2008
 Metropolitan Council - January 23, 2008

ATTACHMENT 1

	CURRENTLY AUTHORIZED					PROPOSED CHANGE					AMENDED					2008 Capital Metro Transit Budget	Multi-Year Metro Transit Authorization
	Federal	State	Other	Regional	Total	Federal	State	Other	Regional	Total	Federal	State	Other	Regional	Total		
METRO TRANSIT																	
NEW FUNDING & REALLOCATION																	
65510 Northstar Commuter Rail	\$ 17,843,000		\$ 9,510,654	\$ 530,000	\$ 27,883,654	\$ 35,160,098		\$ 8,790,025	\$ -	\$ 43,950,123	\$ 53,003,098	\$ -	\$ 18,300,679	\$ 530,000	\$ 71,833,777	\$ 15,400,000	\$ 43,950,123
63740 UPA (Urban Partnership Agreement)	\$ 800,000			\$ 200,000	\$ 1,000,000	\$ 400,000			\$ 100,000	\$ 500,000	\$ 1,200,000	\$ -	\$ -	\$ 300,000	\$ 1,500,000	\$ 500,000	\$ 500,000
63114 Bottineau Boulevard	\$ 9,270,830	\$ 24,350,000	\$ -	\$ 4,620,000	\$ 38,240,830				\$ (100,000)	\$ (100,000)	\$ 9,270,830	\$ 24,350,000	\$ -	\$ 4,520,000	\$ 38,140,830	\$ -	\$ (100,000)
Section Subtotal	\$ 27,913,830	\$ 24,350,000	\$ 9,510,654	\$ 5,350,000	\$ 67,124,484	\$ 35,560,098	\$ -	\$ 8,790,025	\$ -	\$ 44,350,123	\$ 63,473,928	\$ 24,350,000	\$ 18,300,679	\$ 5,350,000	\$ 111,474,607		
METRO TRANSIT BUS TOTAL	\$ 27,913,830	\$ 24,350,000	\$ 9,510,654	\$ 5,350,000	\$ 67,124,484	\$ 35,560,098	\$ -	\$ 8,790,025	\$ -	\$ 44,350,123	\$ 63,473,928	\$ 24,350,000	\$ 18,300,679	\$ 5,350,000	\$ 111,474,607	\$ 15,900,000	\$ 44,350,123

Original Adopted, 2008
 After Prior Amendments
 After This Amendment

Available	Desired	diff
#####	#####	49,821
903,219	#####	(197,439)