

J Management and Transportation Committees

Item: 2008-62

For the Metropolitan Council meeting of April 23, 2008

ADVISORY INFORMATION

Date Prepared: April 16, 2008

Subject: 2008-2013 Capital Improvement Program and Capital Program and Budget Amendment

Proposed Action:

That the Metropolitan Council:

- Amend the 2008 Authorized Capital Program (Multi-year authorization) by adding spending authority to the Transportation Division as follows:
 - Metro Transit \$ 25,899,534
 - Amendment to ACP \$ 28,420,009
 - Deletion from ACP (\$ 2,520,475)
 - Metropolitan Transportation Services \$ 0
- Amend the 2008 Capital Budget (annual appropriation) by increasing spending authority to the Transportation Division as follows:
 - Metro Transit \$ 18,248,002
 - Metropolitan Transportation Services \$ 0
- Approve transfers between capital projects as detailed in Attachment 1.
- Authorize the Regional Administrator to make payment to the Northstar locomotive contractor using \$2,500,000 of closed debt service funds previously authorized for a grant to the Northstar Corridor Development Authority (NCDA) for right-of-way acquisition, contingent on approval by the NCDA's Capital Budget Committee at its April 17, 2008 meeting.

Summary of Committee Discussion / Questions:

This proposed capital program and budget amendment was reviewed and approved by the Management Committee on April 9, 2008 and the Transportation Committee on April 14, 2008. The proposed action was amended at the Transportation Committee to make the use of \$2,500,000 for Northstar locomotive payment contingent on the approval of the Capital Budget Committee of the Northstar Corridor Development Authority at its April 17, 2008 meeting.

M Management Committee

Transportation Committee: April 14, 2008
Metropolitan Council: April 23, 2008

Meeting date: April 9, 2008

ADVISORY INFORMATION

| | |
|----------------------------------|---|
| Date: | April 3, 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: | Paul Conery, Budget Manager (651-602-1374) Alan Morris, Principal Financial Analyst (651-602-1446) |
| Division/Department: | Transportation (Metro Transit & Metropolitan Transportation Services) |

Proposed Action

That the Metropolitan Council:

- Amend the 2008 Authorized Capital Program (Multi-year authorization) by adding spending authority to the Transportation Division as follows:
 - Metro Transit \$ 25,899,534
 - Amendment to ACP \$ 28,420,009
 - Deletion from ACP (\$ 2,520,475)
 - Metropolitan Transportation Services \$ 0
- Amend the 2008 Capital Budget (annual appropriation) by increasing spending authority to the Transportation Division as follows:
 - Metro Transit \$ 18,248,002
 - Metropolitan Transportation Services \$ 0
- Approve transfers between capital projects as detailed in Attachment 1.

Background

The Transportation Division is proposing amendments to the 2008 Authorized Capital Program and the 2008 Capital Budget. Because of April meeting schedules, the proposed amendment is being reviewed by the Management Committee prior to review by the Transportation Committee. If changes are made at the April 14 Transportation Committee meeting, the business item will be brought back to the Management Committee on April 23.

Rationale

The proposed amendment programs new federal and local funding and reallocates existing regional funding to allow the Council to carry out its long-term capital improvement program for transit.

Funding and Fiscal Impact

Attachment 1 shows \$7,220,000 in new regional funding. Of this total, \$4,720,000 reflects the reinstatement of regional bonds that had been previously approved by the Council. The remaining \$2,500,000 reflects available interest earnings from closed debt service funds and is not regional bonding. Neither addition will impact previously assumed levels of debt issuance or property tax levies. The proposed 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 known.

| | CURRENTLY AUTHORIZED | | | | | PROPOSED CHANGE | | | | | AMENDED | | | | | 2008 Capital Budget | Multi-Year Authorization | | | | | | | | | | |
|---|--|-------------------------|----------------------|----------------------|---------------------|-----------------------|----------------------|-------------|-----------------------|---------------------|----------------------|-------------------------|----------------------|----------------------|------------------------|------------------------|--------------------------|----------------------|-------------|--------------|---------------|------|--------------|--------------|---------------|------------|-------------|
| | Federal | State | Other | Regional | Total | Federal | State | Other | Regional | Total | Federal | State | Other | Regional | Total | | | | | | | | | | | | |
| METRO TRANSIT | | | | | | | | | | | | | | | | Original Adopted | \$ 116,321,422 | \$ 1,223,672,135 | | | | | | | | | |
| | | | | | | | | | | | | | | | | After Prior Amendments | \$ 132,441,422 | \$ 1,268,022,258 | | | | | | | | | |
| | | | | | | | | | | | | | | | | After This Amendment | \$ 150,689,424 | \$ 1,293,921,792 | | | | | | | | | |
| REALLOCATION OF EXISTING FUNDS | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 65490 | Support Equipment | | | | \$ 2,136,916 | \$ 2,136,916 | | | | \$ (287,305) | \$ (287,305) | see project 65490 below | | | | | \$ - | \$ (287,305) | | | | | | | | | |
| 65590 | Support Equip & Non-Rev Vehicles | | | | \$ 1,160,000 | \$ 1,160,000 | | | | \$ (218,992) | \$ (218,992) | \$ - | \$ - | \$ - | \$ 941,008 | \$ 941,008 | \$ - | \$ (218,992) | | | | | | | | | |
| 65790 | Support Equipment & Non-Rev Vehicles | | | | \$ 631,372 | \$ 631,372 | | | | \$ 506,297 | \$ 506,297 | \$ - | \$ - | \$ - | \$ 1,137,669 | \$ 1,137,669 | \$ 506,297 | \$ 506,297 | | | | | | | | | |
| 63611 | Downtown Mpls Transit Advantages | | | | \$ 1,000,000 | \$ 1,000,000 | | | | \$ (420,000) | \$ (420,000) | see project 63611 below | | | | | \$ - | \$ (420,000) | | | | | | | | | |
| 63956 | CR 73/1394 Park and Ride Exp | \$ 1,035 | \$ 8,000,000 | | \$ 613,532 | \$ 8,614,567 | | | | \$ 420,000 | \$ 420,000 | \$ 1,035 | \$ 8,000,000 | \$ - | \$ 1,033,532 | \$ 9,034,567 | \$ 420,000 | \$ 420,000 | | | | | | | | | |
| NEW FUNDING | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 65701 | Central Corridor LRT | \$ 7,780,200 | \$ 13,048,000 | \$ 24,171,800 | | \$ 45,000,000 | \$ 10,095,025 | | \$ 128,200 | | \$ 10,223,225 | \$ 17,875,225 | \$ 13,048,000 | \$ 24,300,000 | \$ - | \$ 55,223,225 | \$ 10,223,225 | \$ 10,223,225 | | | | | | | | | |
| 65390 | Non-bus vehicles/other capital equipment | | | | \$ 1,788,928 | \$ 1,788,928 | | | | \$ (454,856) | \$ (454,856) | \$ - | \$ - | \$ - | \$ 1,334,072 | \$ 1,334,072 | \$ - | \$ (454,856) | | | | | | | | | |
| 65490 | Support Equipment | see project 65490 above | | | | | | | | | | | | | | | \$ - | \$ - | \$ - | \$ 1,579,467 | \$ 1,579,467 | \$ - | \$ (270,144) | | | | |
| 63740 | Urban Partnership Agreement P&R Lots | \$ 1,200,000 | | | \$ 300,000 | \$ 1,500,000 | \$ 1,300,000 | | | \$ 725,000 | \$ 2,025,000 | \$ 2,500,000 | \$ - | \$ - | \$ 1,025,000 | \$ 3,525,000 | \$ 2,025,000 | \$ 2,025,000 | | | | | | | | | |
| 63xxx | 28th Ave P&R Lease - restore to ACP | | | | | \$ - | \$ 10,800,000 | | | \$ 4,720,000 | \$ 15,520,000 | see project 63xxx below | | | | | \$ 3,600,000 | \$ 15,520,000 | | | | | | | | | |
| 63xxx | 28th Ave P&R Lease - amend project | see project 63xxx above | | | | | | | | | | | | | | | \$ 386,784 | | \$ 96,696 | \$ 483,480 | \$ 11,186,784 | \$ - | \$ - | \$ 4,816,696 | \$ 16,003,480 | \$ 483,480 | \$ 483,480 |
| 63611 | Downtown Mpls Transit Advantages | see project 63611 above | | | | | | | | | | | | | | | | | \$ (96,696) | \$ (96,696) | \$ - | \$ - | \$ - | \$ 483,304 | \$ 483,304 | | \$ (96,696) |
| 63111 | I-35W Transit Station at 46th | | \$ 3,400,000 | \$ 174,432 | \$ 185,172 | \$ 3,759,604 | \$ 990,000 | | | | \$ 990,000 | \$ 990,000 | \$ 3,400,000 | \$ 174,432 | \$ 185,172 | \$ 4,749,604 | \$ 990,000 | \$ 990,000 | | | | | | | | | |
| 65510 | Northstar Rolling Stock | \$ 48,433,098 | \$ 3,400,000 | \$ 20,000,679 | \$ - | \$ 71,833,777 | | | \$ (2,500,000) | \$ 2,500,000 | \$ - | \$ 48,433,098 | \$ 3,400,000 | \$ 17,500,679 | \$ 2,500,000 | \$ 71,833,777 | \$ - | \$ - | | | | | | | | | |
| METRO TRANSIT BUS TOTAL | | \$ 57,414,333 | \$ 27,848,000 | \$ 44,346,911 | \$ 7,815,920 | \$ 137,425,164 | \$ 23,571,809 | \$ - | \$ (2,371,800) | \$ 7,220,000 | \$ 28,420,009 | \$ 80,986,142 | \$ 27,848,000 | \$ 41,975,111 | \$ 15,035,920 | \$ 165,845,173 | \$ 18,248,002 | \$ 28,420,009 | | | | | | | | | |
| METROPOLITAN TRANSPORTATION SERVICES | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | Original Adopted | \$ 25,307,102 | \$ 73,014,622 | | | | | | | | | | |
| | | | | | | | | | | | | | | | After Prior Amendments | \$ 29,157,102 | \$ 58,414,540 | | | | | | | | | | |
| | | | | | | | | | | | | | | | After This Amendment | \$ 29,157,102 | \$ 58,414,540 | | | | | | | | | | |
| REALLOCATION OF EXISTING FUNDS | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 35770 | Community Based Small Bus Purchase | | | | \$ 1,535,000 | \$ 1,535,000 | | | | \$ (1,000,000) | \$ (1,000,000) | \$ - | \$ - | \$ - | \$ 535,000 | \$ 535,000 | \$ (1,000,000) | \$ (1,000,000) | | | | | | | | | |
| New | Route 705 Mid-Size Bus Purchase | | | | \$ - | \$ - | | | | \$ 1,000,000 | \$ 1,000,000 | \$ - | \$ - | \$ - | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | | | | | | | | | |
| Section Subtotal | | \$ - | \$ - | \$ - | \$ 1,535,000 | \$ 1,535,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,535,000 | \$ 1,535,000 | \$ - | \$ - | | | | | | | | | |
| MTS BUS TOTAL | | \$ - | \$ - | \$ - | \$ 1,535,000 | \$ 1,535,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,535,000 | \$ 1,535,000 | \$ - | \$ - | | | | | | | | | |
| TRANSPORTATION TOTAL | | \$ 57,414,333 | \$ 27,848,000 | \$ 44,346,911 | \$ 9,350,920 | \$ 138,960,164 | \$ 23,571,809 | \$ - | \$ (2,371,800) | \$ 7,220,000 | \$ 28,420,009 | \$ 80,986,142 | \$ 27,848,000 | \$ 41,975,111 | \$ 16,570,920 | \$ 167,380,173 | \$ 18,248,002 | \$ 28,420,009 | | | | | | | | | |

Projects closed and removed from Capital Program

65490 Non-bus vehicles/other capital equipment
 65590 Support Equipment

\$ (1,579,467)
 \$ (941,008)

Net Change in Authorization

\$ 25,899,534

T Transportation Committee

Management Committee: April 9, 2008
 Metropolitan Council: April 23, 2008

Meeting date: April 14, 2008

| ADVISORY INFORMATION | |
|----------------------------------|---|
| Date: | April 3, 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: | Arlene McCarthy, MTS Director (651-602-1217) Brian Lamb, General Manager, Metro Transit (612-349-7514) Ed Petrie, Director of Finance, Metro Transit (612-349-7624) Sean Pfeiffer, Financial Analyst, MTS (651-602-1887) |
| Division/Department: | Transportation (Metro Transit & Metropolitan Transportation Services) |

Proposed Action

That the Metropolitan Council:

- Amend the 2008 Authorized Capital Program (Multi-year authorization) by adding spending authority to the Transportation Division as follows:
 - Metro Transit \$ 25,899,534
 - Amendments to ACP \$ 28,420,009
 - Deletions from ACP (\$ 2,520,475)
 - Metropolitan Transportation Services \$ 0

- Amend the 2008 Capital Budget (annual appropriation) by increasing spending authority to the Transportation Division as follows:
 - Metro Transit \$ 18,248,002
 - Metropolitan Transportation Services \$ 0

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

Background

Metro Transit

Reallocation of Existing Funds

Support Equipment – Project 65490

Support Equip & Non-Rev Vehicles – Project 65590

Support Equipment & Non-Rev Vehicles – Project 65790

Projects 65490 and 65590 are intended for the purchase of capital support equipment and non-revenue vehicles. These projects will be closed and the remaining funds transferred into project 65790 which has the same purpose. It will streamline the administration and control of the project.

Downtown Mpls Transit Advantage – Project 63611

CR 73/I394 Park and Ride Exp – Project 63956

The March 2007 budget amendment temporarily reallocated \$920,433 of RTC funds from project 63956 to accommodate other projects with higher priorities. Projected costs are under the original authorization and budget of \$9,535,000 by approx. \$500,000. The proposed transfer projects the final project expenses at \$9,034,567.

Introduction of New Funds

Central Corridor LRT – Project 65701

This budget amendment is increasing the project authorization by \$10,223,225; this includes \$10,095,025 of Federal funds and \$128,200 of RRA (Regional Rail Authority) funds. Federal funds are being added to match the federal award documents received to-date. The RRA money is being added so that the Council can recognize the full “not to exceed” amounts approved by the HCRRA and RCRRRA boards.

Non-bus vehicles/other capital equipment – Project 65390

Support Equipment – Project 65490

UPA (Urban Partnership Agreement) P&R Lots – Project 63740

The current federal authorization of \$1.2 million will be increased by \$1.3 million to a total of \$2.5 million. This will authorize some of the Federal funds that were designated in the UPA agreement for early release. These funds are only for the North Side UPA activity which is not subject to legislative action under the UPA. Local funds are being transferred from other projects to provide match.

28th Avenue Park and Ride Lease – Project 63xxx

Downtown Transit Advantages – Project 63611

The 28th Avenue Park and Ride Lease was initially approved by the Council in early 2006 and amended a number of times in 2006 and 2007, bringing the total authorization to \$15,520,000. When the 2008 Authorized Capital Program was adopted by the Council in December of 2007, this project was inadvertently omitted from the project list approved by the Council. This proposed amendment would reinstate the project into the Authorized Capital Program and then amend the project to recognize additional federal funding. Local funds are being transferred from another project to provide matching funds.

I-35W Transit Station at 46th – Project 63111

Federal funds totaling \$990,000 are being added, equal to the 2006 federal legislative apportionment.

Northstar Commuter Rail Rolling Stock – Project 65510

This capital project includes those portions of the Northstar Commuter Rail project that are the responsibility of the Metropolitan Council, including preliminary engineering and procurement of rolling stock. Other portions of the overall project (ROW acquisition, station construction, track upgrades, etc.) are the responsibility of the Northstar Corridor Development Authority (NCDA) and are not included in the Council’s authorized capital program. The Council has locomotive milestone payments coming due in 2008 but does not have immediate access to federal or county funding pledged to the project, creating a cash flow issue.

In 2004, the Council approved transferring \$2,500,000 from remaining balances in several closed debt service funds to the NCDA to provide the local match for land acquisition. Those funds have not been requested or transferred. The proposed capital program amendment transfers the \$2,500,000 from the NCDA portion of the overall project to the Council’s rolling stock capital project and transfers \$2,500,000 in county funds from the Council’s project to the NCDA capital project. There is no change in the scope or total authorization for project 65510. The \$2,500,000 in county funds that previously would have funded rolling stock procurement will instead fund land acquisition and other project costs.

Metropolitan Transportation Services (MTS)

**Route 705 Mid-Size Bus Purchase – New Project
Community Based Small Bus Purchase – Project 35770**

Staff recommends that a new project for Route 705 mid-size bus purchase added to the authorized capital program (ACP). This project will allow MTS to purchase 3 mid-sized heavy duty transit buses for the operation of a restructured route under the Sector 8 service plan. These mid-size buses will offer an appropriate level of capacity for newly created cross-town (east/west oriented) service. Contract rates for mid-sized buses are significantly lower than the rates for 40-foot service and will result in a substantial savings in our 2009 operating budget. The new service is expected to start in March 2009. Approval of this project is time critical because once ordered the expected delivery date could be up to one year later. Regional capital funding is being transferred from another project to provide the funding for this new project.

Rationale

The proposed amendment programs new federal and local funding and reallocates existing regional funding to allow the Council to carry out its long-term capital improvement program for transit.

Funding and Fiscal Impact

This proposed amendment reinstates \$4,720,000 in regional capital funding that had been previously approved by the Council. The proposed amendment is consistent with the Council goal to keep the impact of Council property taxes on existing regional taxpayers flat over time. The \$4,720,000 was included in previous fiscal analysis done by staff on the capital improvement program.

Known Support / Opposition

None known.