

Metropolitan Council

Projects Summary

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2016	2018	2020	2016	2018	2020
Southwest Corridor Light Rail Transit	1	GO	135,000	0	0	0	0	0
Bus Garage - Heywood II	2	GO	70,000	0	0	0	0	0
Metropolitan Regional Parks	3	GO	11,000	11,000	11,000	10,000	10,000	10,000
Transitway Capital Improvement Program	4	GO	105,000	80,000	80,000	0	0	0
Inflow/Infiltration Grant Program	5	GO	5,000	5,000	5,000	5,000	5,000	5,000
Water Sustainability Grant Program	6	GO	5,000	5,000	5,000	0	0	0
Total Project Requests			331,000	101,000	101,000	15,000	15,000	15,000
General Obligation Bonds (GO) Total			331,000	101,000	101,000	15,000	15,000	15,000

AT A GLANCE

- 2,950,000 residents served (51 percent of state total)
- Anticipated Growth from 2010 to 2040:
 - 824,000 more people (29%)
 - 391,000 more households (35%)
 - 549,000 more jobs (35%)
- 94 million transit rides in 2013
- 1.8 million rides on Metro Mobility in 2013
- 250 million gallons of wastewater treated daily
- 107 communities provided wastewater treatment
- 7 treatment plants and 600 miles of regional sewers
- 47 million regional park visits in 2013
- 52 regional parks and park reserves totaling 55,000 acres
- 38 regional trails totaling 340 miles
- 6,800 low-income households provided affordable housing

PURPOSE

The Metropolitan Council is the regional policy-making body, planning agency and service provider for the Twin Cities metropolitan area. Our mission is to foster efficient and economic growth for a prosperous metropolitan region. Our priorities are to create a financially sustainable 21st century transportation system, promote dynamic housing opportunities for all and to leverage investments that drive regional economic development

We bring together communities to develop policies and a shared vision for the region. We provide transit services and invest in a growing network of rail and bus transit ways. We collect and treat wastewater. We work to ensure adequate clean water. We plan for future growth in partnership with communities and the public. We develop a regional parks and trails system. We provide affordable housing for low-income residents. Through our planning activities and the provision of regional services, we contribute to the following statewide outcomes.

- A thriving economy that encourages business growth and employment opportunities
- A clean, healthy environment with sustainable uses of natural resources
- Sustainable options to safely move people, goods, services & information

The charts show appropriations to the Metropolitan Council recorded in SWIFT. The Council's unified operating budget for calendar year 2013 was \$828 million. State appropriations for transit and parks operations and water supply planning provided approximately 35 percent of agency funding. Other funding came from wastewater fees, passenger fares, federal funds, property taxes and local funds.

STRATEGIES

Our governing body – the 17-member Metropolitan Council – plays a key convening role, bringing together communities to develop policies and a shared vision and direction for the region. To achieve our mission, we carry out planning initiatives and provide essential services to the region.

Planning Initiatives

- Our Thrive MSP 2040 initiative engaged residents to create a framework for a shared vision for a prosperous, equitable, and livable region.
- Our regional planning initiatives encompass transportation, parks, water resources, community planning, and housing.

Transportation

- Our Metro Transit bus and rail systems get people to work, school and services and help reduce road congestion so businesses can move their goods efficiently.
- Our Metro Mobility and Transit Link services transport people unable to use regular-route transit service.
- Our Transportation planners play a key role in creating our vision for roads, airports and transit to ensure effective and cost-efficient investments.

Parks

- We plan, acquire land and develop facilities for regional parks and trails, preserving natural resources and providing recreational opportunities throughout the region.

Clean water and wastewater treatment

- We're fostering a safe and healthy environment through our award-winning and cost-effective wastewater treatment services, water supply planning and water quality monitoring initiatives.

Planning and development

- Our Livable Communities grants clean polluted land for redevelopment and create new models for Transit-Oriented Development, stimulating and leveraging private investment and increasing communities' tax base.
- We coordinate local communities' local comprehensive plans, providing technical assistance and resources, to ensure coordinated, orderly and efficient development in the region.

Housing

- Our Housing Policy Plan will identify regional housing needs and priorities, connect housing to other Council system plans, and provide guidance for local housing planning
- Our Metro HRA provides affordable housing for more than 6,800 low-income residents in nearly 100 communities.

Minnesota Statutes, Chapter 473 <https://www.revisor.mn.gov/statutes/?id=473> provides the legal authority for Metropolitan Council.

At A Glance

The Metropolitan Council provides regional planning and essential services for the Twin Cities seven-county metropolitan area. The Council works with local communities to provide these critical services:

- Operates most of the region's transit system
- Collects and treats wastewater
- Engages communities and the public in planning for future growth
- Provides affordable housing opportunities for low and moderate income individuals and families
- Provides planning, acquisitions, and funding for a regional system of parks and trails

Factors Impacting Facilities or Capital Programs

There are three program areas that have historically received capital funds. For 2016, Transit, Regional Parks and Environmental Services are requesting funding.

Transit: Since 1982, the number of trips taken every day in the region increased and the number of daily vehicle miles traveled (VMT) increased. Because of this, the region is experiencing significant congestion. The Texas Transportation Institute (TTI) estimates that 28 percent of the region's highway lane miles experience congestion during the peak in 2014, up from 19 percent in 1982.

This increase in congestion is having a significant impact on citizens and businesses. The average commuter traveling during the peak spent 47 hours in congestion in 2014. Forty-seven hours in congestion equaled \$1,035 per person in time and fuel or \$2.196 million for the region in 2014. Business impacts include higher shipping costs, reduced worker productivity, smaller areas to draw customers and employees from and reduced regional competitiveness.

Transit is already making a substantial impact on reducing freeway congestion. A freeway lane can carry about 2,000 cars per lane per hour. Transit services carry 15,000 persons a day along I-35W South, the equivalent of one and a half lanes of traffic in the peak hour.

But transit's benefits are constrained by two issues:

- First, transit operating funding is lower than peer regions. This limits the amount of transit service that can be made available to citizens.
- Second, buses operate in the same congested traffic that automobiles do. The region has constructed ramp meter bypasses, bus-only shoulders and two MnPASS lanes to allow buses to bypass some of the traffic, but these do not completely free the buses from traffic.

Regional Parks: Since 1974, when the Metropolitan Regional Park System was created, the size of the regional park system has grown from 31,000 acres to over 54,000 acres today. Concurrently, use has grown from five million visits in 1974 to 48.7 million visits in 2014. This has increased the need both for rehabilitation of existing parks and for new parkland.

As the metropolitan region continues to grow the demand for outdoor recreation facilities provided in the Metropolitan Regional Park System will be strong. Visits to regional parks are expected to continue to increase and the need to maintain existing parks and develop new or expanded parks will continue.

The State has had a strong commitment to regional parks. The State has appropriated \$321 million of bonds to the Metropolitan Council for the Metropolitan Regional Parks CIP and for earmarked projects outside the CIP for FY 1975 through FY 2015. The Legislative Citizen Commission on Minnesota

Resources has recommended \$42.8 million in Environmental and Natural Resources Trust Fund appropriations from FY 1992 through FY 2015 for capital improvements and land acquisition for the Regional Park System. The Land and Legacy Amendment to the State Constitution established a Parks and Trails Fund dedicated to support parks and trails of state and regional significance. A total of \$128.8 million has been appropriated to the Council from FY 2010 through FY 2017. The state investment has been leveraged with regional bonds issued by the Metropolitan Council.

Environmental Services: The regional has seen steady recovery from the recession, allowing Environmental Services to focus aggressively on the rehabilitation of its infrastructure. Total six year spending from 2015-2020 is \$720 million. Environmental Services continues to enjoy attractive loan financing from the Public Facility Authority (PFA) as well as AAA-rated Council bonds.

Self-Assessment of Agency Facilities and Assets

Transit: The functionality of the highway system and local roads during peak travel times is severely compromised by congestion. Buses are often caught in this traffic experiencing Level of Service F (unsatisfactory stop-and-go traffic with traffic jams and stoppages of long duration) for more than three hours in the evening. If transit could operate in space dedicated to transit, citizens could get around the region without being impacted by congestion.

Regional Parks: Master plans for each regional park and trail unit are prepared by the regional park implementing agency that owns/manages each park. Updates to these plans are done to reflect new demand for recreation facilities and to help manage existing facilities and natural resources in the parks. With continued growth in the use of the park system, it is imperative to invest in facility rehabilitation and development. Furthermore, land acquisition for new park units needs to occur at a pace that will allow those units to be developed to meet demand and future population growth.

Environmental Services: The \$6-7 billion metropolitan disposal system for the most part is in good condition. However, rate pressures are continuously balanced against infrastructure risks of delay. A majority of near term capital investment is focused on rehabilitation, especially in the interceptor system. Further our, capital investments will shift somewhat to new and expanded wastewater treatment plant development.

Agency Process for Determining Capital Requests

The Metropolitan Council prepares a six-year capital improvement program (CIP) for each year as part of its annual budget process. This CIP includes funding for capital investment in the Transportation, Community Development and Environmental Services Divisions. Transportation includes fleet, support facilities, customer facilities (including transitways and transit stations/park and rides), and equipment and technology improvements. Community Development provides for acquisition, development and redevelopment of the regional park system. Environmental Services includes the preservation, growth and quality improvement of the wastewater system.

Major Capital Projects Authorized in 2014 & 2015

Transit:

In 2014, the Council was appropriated \$15 million in capital funds in the state bonding bill for the Transitway Capital improvement Program. In addition, the Council received \$2.984 million in the omnibus supplemental budget bill for several capital projects.

In 2015, \$29.7 million remaining from a 2013 appropriation in capital funds for the Southwest Corridor Light Rail Project was re-appropriated to transit purposes.

Environmental Services:

In 2014 and 2015, the Council was appropriated \$2 million and \$1.5 million in capital funds in the state bonding bill for Municipal Infiltration and Infill grants.

Regional Parks:

In 2014, the Council was appropriated:

State bonds: \$ 4.0 million

Parks and Trails Fund appropriation: \$17.237 million

\$15.513 million for park development and redevelopment

\$1.734 million for land acquisition grants

In 2015, the Council was appropriated:

Parks and Trails Fund appropriation: \$18.067 million

\$16.260 million for park development and redevelopment

\$1.807 million for land acquisition grants

State bonds and the Parks and Trails Fund appropriations dedicated to land acquisition grants are matched with regional bonds on a 60% state/40% regional basis.

Southwest Corridor Light Rail Transit

AT A GLANCE

2016 Request Amount: \$135,000

Priority Ranking: 1

Project Summary: The Metropolitan Council is requesting \$135 million to provide ten (10) percent of the required funding for the Southwest Corridor Light Rail Transit capital project.

Project Description

The proposed Southwest Light Rail Transit (LRT) Project is an approximately 14.5 mile dual track extension of the METRO Green Line (Central Corridor LRT) from downtown Minneapolis through the southwestern communities of St. Louis Park, Hopkins, Minnetonka, and Eden Prairie.

The proposed Southwest LRT (SWLRT) project includes 15 new stations (in addition to Town Center station which is deferred for construction at a later date), 2,500 additional park-and-ride spaces, accommodations for passenger drop off, bicycle and pedestrian access, and new or restructured local bus routes connecting stations to nearby destinations.

The proposed line will improve access to jobs in the southwest metro area by providing a reverse commute option that is not easily accessible or available today. In 2010, there were approximately 58,100 jobs within ½ mile of the 16 proposed stations and 116,100 jobs in downtown Minneapolis. By, 2035, employment is expected to grow to 92,400 within ½ mile of the proposed stations and 145,900 in downtown Minneapolis, a 37% increase in employment. The proposed Southwest LRT project will provide a new efficient, reliable transportation option to an increasingly diverse corridor. The forecasted average weekday ridership in 2040 is 34,000.

The proposed line will connect to an integrated regional Transitway system. Passengers from the Southwest LRT Corridor will be able to connect to the greater METRO system, including the Blue Line (Hiawatha LRT), Orange Line (I-35W BRT), Red Line (Cedar Ave BRT) via Blue Line, and the planned Blue Line Extension (Bottineau LRT) as well as Northstar Commuter Rail and planned Arterial Bus Rapid Transit line.

When Southwest LRT is complete, the METRO Blue and Green Lines will reach more than 361,000 existing jobs – nearly a quarter of the region’s total employment. In addition, the METRO system provides access to numerous sports facilities and performing arts venues, including nearly 200,000 seats in six major stadiums, and an estimated 65,000 seats in about 30 other theaters and venues.

The line will operate in a dedicated right-of-way, primarily at-grade and with structures providing grade separation of LRT crossings of roadways and water bodies. For just under one half mile, it will operate in a shallow LRT tunnel in the Kenilworth Corridor south of the Kenilworth channel with an at-grade LRT bridge over the channel. An additional 27 light rail vehicles (LRVs) will be added to the Green Line fleet for the operation of the Southwest LRT line. The additional LRVs will be stored and maintained in a new Operations and Maintenance Facility (OMF) to be located in Hopkins.

Project Rationale

The Southwest Light Rail Transit (LRT) Project is a proposed approximately 14.5 mile extension of the Central Corridor LRT line from downtown Minneapolis through the southwestern suburban cities of St. Louis Park, Hopkins, Minnetonka and Eden Prairie as identified in the Metropolitan Council's 2040 Transportation Policy Plan.

Project activities funded by state bonding may include environmental analysis; project development and engineering; the acquisition of property and buildings; and, the construction of the transitway including support facilities, bridges, tunnels, track, stations, and park-and-rides. The project is expected to generate about 7,500 engineering, construction and operations jobs. Every \$1 of state funding will be leveraged with \$9 of federal and local funding.

NOTE: The Southwest project schedule requires that state and local funding be committed. Therefore, the \$135 million in state bonding shown in the 2016 biennium will need to be requested in the 2016 legislative session.

Other Considerations

The Council will continue to work with other funding partners, such as CTIB and Hennepin County Regional Railroad Authority (HCRRA), to assure that state funds are leveraged and used to match other funding to the greatest extent possible. To date, through resolutions CTIB and HCRRA combined have committed over \$661 million to the Project.

Impact on Agency Operating Budgets

The Council has established a policy requiring anticipated operating funds to be identified before capital projects proceed. In the case of light rail transit, current state law, section 473.4051, subdivision 2, states that "after operating and federal money have been used to pay for light rail transit operations, 50 percent of the remaining costs must be paid by the state". The metropolitan sales tax passed by five of the metropolitan counties is being used to fund 50 percent of the net operating costs of the Hiawatha light rail, Central Corridor light rail and Northstar commuter rail facilities. It is assumed that operations of future rail lines will also be funded 50 percent by the Counties Transit Improvement Board (CTIB) sales tax. CTIB will also fund 50 percent of the new operating costs for service implemented as part of Cedar Avenue BRT and I-35W South BRT and may participate in the operating costs of other BRT corridors.

Description of Previous Appropriations

1. Previous to this request, the Council allocated \$5 million of the \$21 million in 2009 State General Obligation Bond funds authorized by the State of Minnesota for the Transit Capital Improvement Program. The funds were allocated to the Southwest LRT Project for preparing an environmental impact statement (EIS) and for PE.
2. In May 2012, the Minnesota Legislature appropriated \$47.5 million to DEED for the Business Development through Capital Projects grant program. On June 13, 2012, the Met Council authorized the Regional Administrator to apply from DEED for up to \$14 million to develop preliminary plans to locate stations, track alignments, and the maintenance facility for the Southwest Light Rail Transit Project. On September 13, 2012, Governor Dayton announced that

the State would provide the Project \$2 million from this grant program. On December 12, 2012, the Council authorized the Regional Administrator to negotiate and execute a grant agreement with DEED for the state funding share in the amount of \$2 million. The Council and the Minnesota Management & Budget Office prepared the grant agreement allowing state bonds funds to assist in the development of preliminary plans to locate rail stations, track alignments, and the operation and maintenance facility for the Southwest Light Rail Transit Project. Council and DEED staff executed the agreement in 2013.

3. The Omnibus Transportation Finance Bill, 2013 Session Laws, Chapter 117, Article 1, Section 4, provided a onetime appropriation in SFY 2014 of \$37 million for the Southwest Corridor Light Rail Line to be used for environmental studies, preliminary engineering, acquisition of real property, or interests in real property, and design.
4. 2015 Legislature reduced the SFY 2014 Appropriation by \$29.7 million.

Project Contact Person

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

(\$ in thousands)

Southwest Corridor Light Rail Transit

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	\$ 5,000	\$ 135,000	\$ 0	\$ 0
General Fund Cash	\$ 7,300	\$ 0	\$ 0	\$ 0
Other State Funds	\$ 2,000	\$ 0	\$ 0	\$ 0
Funds Already Committed				
City Funds	\$ 0	\$ 4,500	\$ 0	\$ 0
County Funds	\$ 111,698	\$ 589,626	\$ 0	\$ 0
Other Local Government Funds	\$ 0	\$ 16,000	\$ 0	\$ 0
Pending Contributions				
Federal Funds	\$ 0	\$ 887,190	\$ 0	\$ 0
County Funds	\$ 0	\$ 16,065	\$ 0	\$ 0
TOTAL	\$ 125,998	\$ 1,648,381	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	\$ 0	\$ 181,770	\$ 0	\$ 0
Predesign Fees	\$ 2,263	\$ 0	\$ 0	\$ 0
Design Fees	\$ 103,015	\$ 87,396	\$ 0	\$ 0
Project Management	\$ 20,720	\$ 53,056	\$ 0	\$ 0
Construction	\$ 0	\$ 1,093,250	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 9,339	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 223,570	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 125,998	\$ 1,648,381	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 135,000	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	Yes
M.S. 16A.86 (4b): Matching Funds Required	Yes
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	Yes
Is the required information included in this request?	Yes

Bus Garage - Heywood II**AT A GLANCE****2016 Request Amount:** \$70,000**Priority Ranking:** 2**Project Summary:** The Metropolitan Council is requesting \$70 million in state bonding for the design and construction of a bus garage.**Project Description**

This proposal is to construct a bus garage for an expanded Metro Transit bus fleet. The Metropolitan Council is planning to locate this new transit bus operations and maintenance facility at 830 North 7th Street in Minneapolis (former Ragstock site) on property currently owned by the Metropolitan Council. The capacity of the facility would be optimized based on space constraints with a minimum goal of 185 buses.

This new facility would include approximately 340,000 square feet and would provide interior bus storage, maintenance, fueling, washing, parts storage, support space, operations space, administrative offices and rooftop parking. Site work includes demolition, environmental soil cleanup, staff parking and circulation roads.

The following are major categories of the Project Scope and Budget:

- Property Acquisition: Property currently owned by the Metropolitan Council
- Predesign work
- Design Fees: Schematic; Design Development; Contract Documents; Construction Administration.
- Project Management: State Staff Project Management; Construction Management.
- Construction Costs: Site & Building Preparation; Demolition and Decommissioning; Construction; Infrastructure/Roads/Utilities; Hazardous Material Abatement.
- Occupancy: Furniture/Fixtures/Equipment; Telecommunications Voice and Data; Security Equipment; Commissioning.

The total project cost is projected to be \$106 million, with funds coming from federal sources, Metropolitan Council property tax-supported bonds, and this State Appropriations Request. A total of \$70 million in State Appropriations in 2016 is being requested from the state because the Metropolitan Council's available federal grants and state-authorized bond funds are not large enough to fund both the fleet expansion and the necessary support facilities.

The Metropolitan Council has set a goal to achieve a 50 percent increase in ridership by 2020 and a long-range target for doubling transit ridership by 2030. These goals were determined by looking at the demand for transit while addressing congestion in the region. In order to meet these ridership demands, both the bus fleet and the support facilities also need to expand to reach these 2020 and 2030 goals.

The Metropolitan Council has adopted a six year capital improvement plan that has identified Heywood II as the next Garage Operating Facility for Metro Transit. Metro Transit currently operates five bus maintenance facilities. Customer demand currently exists to support this expansion. The five existing bus garages have a combined design capacity for 800 buses. Currently, these five facilities serve over 900 buses. Continued growth is dependent on having adequate storage and maintenance for expansion buses to meet the ridership demand.

Project Rationale

Metro Transit annual ridership exceeded 84.5 million rides in 2014 for only the second time in a generation and also marks the seventh consecutive year in which ridership exceeded 76 million rides, a level not previously achieved since 1983. The 84.5 million rides helped to push the agency's 40-year lifetime ridership past the 3 billion mark in November, 2012. Existing bus facility capacity is nearing its limit to meet ridership demand with service and buses. Continued growth is dependent on having adequate storage and maintenance for expansion buses to meet the ridership demand. This new garage facility would house approximately 185 buses and would be located near the existing Heywood garage on Metropolitan Council owned property.

Other Considerations

The Metropolitan Council is dedicated and focused to strategically identify approaches to meet ridership demand in the region. The Metropolitan Council will work to assure that state bond funds are leveraged and used to match other funding to the greatest extent possible.

Impact on Agency Operating Budgets

The Metropolitan Council receives funding from State Appropriations and Motor Vehicle Sales Tax Receipts to provide transit services. A portion of the operating costs of the facility would be included in future state funding requests.

Description of Previous Appropriations

This is a new request for State Appropriations for the Heywood II Garage Facility.

Project Contact Person

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

(\$ in thousands)

Bus Garage - Heywood II

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	\$ 0	\$ 70,000	\$ 0	\$ 0
Funds Already Committed				
Federal Funds	\$ 1,000	\$ 3,000	\$ 0	\$ 0
Other Local Government Funds	\$ 8,050	\$ 4,650	\$ 0	\$ 0
Pending Contributions				
Federal Funds	\$ 0	\$ 16,000	\$ 0	\$ 0
Other Local Government Funds	\$ 0	\$ 3,300	\$ 0	\$ 0
TOTAL	\$ 9,050	\$ 96,950	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	\$ 9,050	\$ 3,000	\$ 0	\$ 0
Pre-design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 6,600	\$ 0	\$ 0
Project Management	\$ 0	\$ 3,500	\$ 0	\$ 0
Construction	\$ 0	\$ 82,450	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 500	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 200	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 700	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 9,050	\$ 96,950	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 70,000	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	Yes
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	Yes
Does the project demonstrate compliance with the standards?	Yes
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	Yes
M.S. 16A.86 (4b): Matching Funds Required	Yes
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Metropolitan Regional Parks

AT A GLANCE

2016 Request Amount: \$11,000

Priority Ranking: 3

Project Summary: The Metropolitan Council requests \$11 million in State bonds to match \$7.33 million of Metropolitan Council bonds to improve and expand the Metropolitan Regional Parks System.

Project Description

The Metropolitan Regional Parks System consists of 54,800 acres of parks and 340 miles of trails which hosted 43.7 million visits in 2013. The Metropolitan Regional Park System is owned, operated and maintained by ten regional park implementing agencies:

- Anoka County
- Ramsey County
- City of Bloomington
- City of St. Paul
- Carver County
- Scott County
- Dakota County
- Three Rivers Park District
- Minneapolis Park & Rec. Board
- Washington County

This request is based on distributing State and Metropolitan Council bonds as subgrants to regional park implementing agencies for each agency’s prioritized list of capital projects in the 2016-17 portion of the calendar year 2016-21 Metropolitan Regional Parks Capital Improvement Program (CIP).

The Metropolitan Council prepares a Metropolitan Regional Parks CIP under direction from MS 473.147. The regional park implementing agency share of the CIP is based on the agency’s 2013 population--which was given a weight of 70 percent; and the percentage of non-local visits that park agency’s regional park/trail units in 2013--which was given a weight of 30 percent. If less than \$11 million of State bonds is appropriated, each park agency will receive its percentage share of the State bond appropriation and Metropolitan Council bond match as shown in Table 1. For example, 10.02 percent of the combined appropriated State bonds and Metro Council bond match would be granted to Anoka County. Anoka County must spend this appropriation on projects in the priority order of its project list

Over 43.7 million visits occurred in the Metropolitan Regional Parks System in 2013. Of this amount, 45.4% or 19.8 million visits were from persons living outside the park implementing agency's local jurisdiction. This high level of "non-local visits" justifies financing capital projects in these parks with State and regional bonds. Every \$3 of State bonds is matched with \$2 of Metropolitan Council bonds. This spreads the cost of the capital improvements between taxpayers based on their use of the park system and what they pay in taxes for debt service on the State bonds and Metropolitan Council bonds.

Preliminary 2016-17 Metropolitan Council Regional Parks Capital Improvements (\$000s)

Anoka County:

Project Description: Priority 1 - Bunker Hills Regional Park - Removal of concrete ramps, construction of outdoor gathering space for 150 people and reconstruction of greenhouse to outdoor public use space.

Legislative District: 35B

State Bonds: \$450

Council Bonds: \$300

Total Grant: \$750

Project Description: Priority 2 - Bunker Hills Regional Park - Central Maintenance Facility Improvements. Project cost-shared with Anoka County. 86.53% of operations and maintenance expenses are on Anoka County regional parks/trails and 13.47% of operations and maintenance expenses are on Anoka County non-regional parks.

Legislative District: 35B

State Bonds: \$175

Council Bonds: \$117

Total Grant: \$292

Project Description: Priority 3 - Mississippi West Regional Park - Matching funds to Federal Lands Access Program grant to construct 2,000 LF of entrance road, a 15 stall parking lot and 2,400 LF of trail.

Legislative District: 35A

State Bonds: \$210

Council Bonds: \$140

Total Grant: \$350

Project Description: Priority 4 - Rice Creek Chain of Lakes Park Reserve - Improvements to Wargo Nature Center including updating and rehabilitating the interpretive displays inside the facility.

Legislative District: 38A

State Bonds: \$148

Council Bonds: \$98

Total Grant: \$246

Project Description: Priority 5 - Rice Creek West Regional Park - Rehabilitate 400 SF restroom.

Legislative District: 41A

State Bonds: \$120

Council Bonds: \$80

Total Grant: \$200

Anoka County Total:

State Bonds: \$1,103

Council Bonds: \$735

Total Grant: \$1,838

City of Bloomington:

Project Description: Priority 1 - Hyland-Bush-Anderson Lakes Park Reserve - Reimbursement of local match costs to acquire 7907 Lea Road. Metro Council bonds finance grant.

Legislative District: 49B

State Bonds: \$ -

Council Bonds: \$60

Total Grant: \$60

Project Description: Priority 2 - Hyland-Bush-Anderson Lakes Park Reserve - Reimbursement of local match costs to acquire 7501 Izaak Walton Road. Metro Council bonds finance grant.

Legislative District: 49B

State Bonds: \$ -

Council Bonds: \$136

Total Grant: \$136

Project Description: Priority 3 - Hyland-Bush-Anderson Lakes Park Reserve - Reconstruct parking lots, driveways, new lighting, landscaping and associated storm water management improvements.

Legislative District: 49B

State Bonds: \$158

Council Bonds: \$106

Total Grant: \$264

City of Bloomington Total:

State Bonds: \$158

Council Bonds: \$302

Total Grant: \$460

Carver County:

Project Description: Priority 1 - Final reimbursement to acquire 2.5 acres of lake shore in 2008 [\$317,000] and partial reimbursement towards \$1,891,742 paid by Carver County to acquire 19.29 acres of lake shore in 2013 [\$181,000] for Lake Waconia Regional Park. Metro Council bonds finance grant.

Legislative District: 47A

State Bonds: \$ -

Council Bonds: \$498

Total Grant: \$498

Dakota County:

Project Description: Priority 1 – Mississippi River Regional Trail – Rosemount West Segment - Construct approximately 2 miles of regional trail, associated amenities and natural resource restoration from Pine Bend SNA to Pine Bend Road

Legislative District: 57B

State Bonds: \$887

Council Bonds: \$13

Total Grant: \$900

Project Description: Priority 2 – Lebanon Hill Greenway – Design and engineering, construction and construction administration, and natural resource restoration and enhancement according to the approved master plan. Improvements include construction of a grade separated crossing at Hwy 110 and Dodd Road intersection and associated greenway improvements.

Legislative District: 51B

State Bonds: \$437

Council Bonds: \$13

Total Grant: \$450

Project Description: Priority 3 – Whitetail Woods Regional Park – Reimbursement to a portion of a reimbursement request for Phase 1 improvements at Whitetail Woods Regional Park.

Legislative District: 58B

State Bonds: \$-

Council Bonds: \$524

Total Grant: \$524

Dakota County Total

State Bonds: \$1,324

Council Bonds: \$550

Total Grant: \$1,874

Minneapolis Park and Recreation Board:

Project Description: Priority 1 - Above the Falls Regional Park - Implement aspects of the Above the Falls Regional Park Master Plan, as amended in 2014. Particular attention will be paid to the creation of Hall's Island. Improvements will include design, engineering, and construction of grading, land reclamation, trails, bridges, additional site amenities (furniture, tables, pedestrian lighting, etc.), picnic facilities, landscaping, habitat restoration and enhancement, overlooks and river access, and land acquisition if necessary.

Legislative District: 59A, 59B, 60A

State Bonds: \$1,317

Council Bonds: \$545

Total Grant: \$1,862

Project Description: Priority 2 - Central Mississippi Riverfront Regional Park - Implement trails, landscaping improvements, and neighborhood connections in the area of Mill Ruins Park and the west bank as envisioned in the 1994 Central Mississippi Riverfront Master Plan. Funding will be used for design, engineering, and construction of trails, grading, parkway realignment, landscaping, stormwater management, ramps, stairs, bridges, bicycle/pedestrian/vehicle circulation, and natural habitat restoration and enhancement.

Legislative District: 59B, 60A, 60B

State Bonds: \$871

Council Bonds: \$248

Total Grant: \$1,119

Project Description: Priority 3 - Theodore Wirth Regional Park - Implementation of various projects in the recently adopted Theodore Wirth Regional Park Master Plan. Improvements will include design, engineering, and construction of trails, bridges, buildings, shelters, picnic facilities, habitat areas, water quality improvements, downhill sports facilities, winter recreation, site furnishings, interpretation, and lighting.

Legislative District: 45B, 59B

State Bonds: \$373

Council Bonds: \$248

Total Grant: \$621

Project Description: Priority 4 - Parkways managed by Minneapolis Park & Rec. Board - Initially envisioned as recreational driving amenities, parkways are woven throughout the Minneapolis Regional Park system. Used today by both recreational and commuter traffic, these amenities serve a wide audience. Therefore, Minneapolis Park and Recreation Board seeks to fund a repaving program that consists of 50% state and 50% non-state funding. Improvements will include repaving, parking lots, stormwater management, and parkway lighting. Regional Park Parkway projects are completed in collaboration between MPRB and the City of Minneapolis and are determined based on facility quality and available funding. Projects for the 2016-2017 request will occur on East Lake Calhoun Parkway and Ridgway Parkway. The final extents of projects will be determined through

detailed design and cost estimation as these project move forward.

Legislative District: 60A, 61B

State Bonds: \$73

Council Bonds: \$48

Total Grant: \$121

Minneapolis Park and Recreation Board Total:

State Bonds: \$2,634

Council Bonds: \$1,089

Total Grant: \$3,723

Ramsey County:

Project Description: Priority 1 - Keller Regional Park - Design and construct remaining site improvements throughout Keller Regional Park consisting of rehabilitation of Golfview and Lakeside parking lots, rehabilitation of 3,300 LF of bituminous trail, closing of a substandard pedestrian tunnel under Highway 61 in Lower Keller Picnic Area, playground development, signage, canoe portage, landscaping, and site amenities.

Legislative District: 43A

State Bonds: \$420

Council Bonds: \$280

Total Grant: \$700

Project Description: Priority 2 - Long Lake Regional Park - Phase 1 design and construct Prairie Picnic Area picnic shelter and restroom facility, associated site/ parking/utility improvements, playground development, pedestrian trail connections, landscape restoration/enhancements, habitat restoration, signage, and site amenities.

Legislative District: 41A

State Bonds: \$516

Council Bonds: \$344

Total Grant: \$860

Ramsey County Total:

State Bonds: \$936

Council Bonds: \$624

Total Grant: \$1,560

City of St. Paul:

Project Description: Priority 1 - Trout Brook Regional Trail - Phase II of the Trout Brook stream restoration includes design, construction, restoration, easements, and construction administration/oversight for the stormwater harvesting system (pump and force main) that will deliver

a continuous flow of water to Trout Brook.

Legislative District: 66B

State Bonds: \$330

Council Bonds: \$220

Total Grant: \$550

Project Description: Priority 2 - Lilydale Regional Park - Construct approximately 1/2 mile of roadway and utilities and design and engineering of future picnic shelter and restroom building. Includes burial of existing overhead power lines and enhanced on-road bicycle facilities.

Legislative District: 65B

State Bonds: \$846

Council Bonds: \$564

Total Grant: \$1,410

Project Description: Priority 3 - Phalen Regional Park - Traffic study, design and engineering and construction of approximately 1/3 mile of roads, and parking areas within the park.

Legislative District: 67A

State Bonds: \$330

Council Bonds: \$220

Total Grant: \$550

City of St. Paul Total:

State Bonds: \$1,506

Council Bonds: \$1,004

Total Grant: \$2,510

Scott County:

Project Description: Priority 1 - Partial reimbursement to Scott County towards \$2,364,739 remaining of acquisition expenses paid by Scott County to acquire Doyle-Kennefick Regional Park. Metro Council bonds finance grant.

Legislative District: 20A

State Bonds: \$ -

Council Bonds: \$650

Total Grant: \$650

Three Rivers Park District:

Project Description: Priority 1 – Infrastructure Management Program – The Infrastructure Management Program provides stewardship of facilities by taking care of what is already in place. The program involves engineering, pavement rehabilitation, microsurfacing, and reconstruction of park parking areas and internal trails, trailhead development, and boat ramp redevelopment.

Legislative District: 33A, 34A, 36A, 36B, 40B, 44A, 45B, 46A, 49B

State Bonds: \$1,549

Council Bonds: \$815

Total Grant: \$2,364

Project Description: Priority 2 – Regional Trails Program – Construction of segments of the Bassett Creek Regional Trail, the Twin Lakes Regional Trail, and the Nine Mile Creek Regional Trail, totaling 6.3 miles of new trails.

Legislative District: 40B, 45A, 45B, 46A, 46B, 49A, 49B, 50A, 50B

State Bonds: \$1,033

Council Bonds: \$563

Total Grant: \$1,596

Three Rivers Park District Total

State Bonds: \$2,582

Council Bonds: \$1,378

Total Grant: \$3,960

Washington County:

Project Description: Priority 1 - Point Douglas Regional Trail - Improvements to the Point Douglas Trail and Trailhead to include new pavement, retaining walls and park/trail amenities.

Legislative District: 54B

State Bonds: \$240

Council Bonds: \$160

Total Grant: \$400

Project Description: Priority 2 - Cottage Grove Ravine Regional Park - Improve park facilities to include roads, buildings and other amenities.

Legislative District: 54B

State Bonds: \$277

Council Bonds: \$183

Total Grant: \$460

Project Description: Priority 3 - Lake Elmo Park Reserve - Improve support facilities at the swim pond.

Legislative District: 39B

State Bonds: \$240

Council Bonds: \$160

Total Grant: \$400

Washington County Total:

State Bonds: \$757

Council Bonds: \$503

Total Grant: \$1,260

Park System Total:

State Bonds: \$11,000

Council Bonds: \$7,333

Total Grant: \$18,333

Project Rationale

The purpose of the Metropolitan Regional Parks program is to continue to expand and improve the Metropolitan Regional Parks System.

Other Considerations

The Land and Legacy Amendment to the State Constitution, which established a Parks and Trails Fund dedicated to support parks and trails of state and regional significance, has provided funds to supplement—not replace-- traditional funding sources such as State bonds. A total of \$128.76 million has been appropriated to the Metropolitan Council for the FY 2010-11, 12-13, 14-15 and 16-17 biennia from the Parks and Trails Fund. About 10% of the appropriation (\$12.87 million) is used for land acquisition grants. Metropolitan Council bonds totaling \$8.54 million matched that \$12.87 million. The remaining 90% (\$115.89 million) finances grants for capital and non-capital purposes.

Impact on Agency Operating Budgets

There is no direct impact on State agency operating budgets since the State of Minnesota does not operate Metropolitan Regional Parks System units.

Description of Previous Appropriations

The State has appropriated \$321 million of bonds to the Metropolitan Council for the Metropolitan Regional Parks CIP and for earmarked projects outside the CIP for FY 1975 to 2016. In the FY 2014-15 biennium, \$4 million was appropriated for the calendar years 2014-15 Metropolitan Regional Parks CIP. The Metropolitan Council matched the State bonds with \$2.66 million of its bonds. The Council also was appropriated \$9 million of 2014 State bonds for ear-marked projects that benefited the Regional Parks System.

The Legislative Citizen Commission on Minnesota Resources (formerly LCMR) has recommended \$42.79 million of Environment and Natural Resources Trust Fund appropriations from FY 1992 to 2015 for capital improvements and land acquisition purposes for the Metropolitan Regional Park System. Appropriations from FY 2008-2016 totaling \$10.04 million have been or will be matched with \$6.027 million of Metropolitan Council bonds to be granted for land acquisition purposes.

Project Contact Person

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Governor's Recommendation

The Governor recommends \$10 million in general obligation bonds for this request. Also included are budget estimates of \$10 million for each planning period for 2018 and 2020.

(\$ in thousands)

Metropolitan Regional Parks

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	\$ 4,000	\$ 11,000	\$ 11,000	\$ 11,000
Funds Already Committed				
Pending Contributions				
Other Local Government Funds	\$ 0	\$ 7,333	\$ 7,333	\$ 7,333
TOTAL	\$ 4,000	\$ 18,333	\$ 18,333	\$ 18,333

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 38	\$ 183	\$ 183	\$ 183
Design Fees	\$ 80	\$ 403	\$ 403	\$ 403
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 3,840	\$ 17,747	\$ 17,747	\$ 17,747
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 3,958	\$ 18,333	\$ 18,333	\$ 18,333

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 11,000	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	Yes
M.S. 16A.86 (4b): Matching Funds Required	Yes
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Transitway Capital Improvement Program

AT A GLANCE

2016 Request Amount:	\$105,000
Priority Ranking:	4
Project Summary:	The Metropolitan Council is requesting \$105 million to fund a Transitway Capital Improvement Program in the Twin Cities Metropolitan Area.

Project Description

The Metropolitan Council in fulfilling its long range transportation planning responsibilities and through work with the Governor's Transportation Finance Advisory Committee (TFAC), has identified a 20 year vision for building a system of transitways and expanding transit in the region. The vision, developed in partnership with the Counties Transit Improvement Board (CTIB), consists of constructing a regional system of light rail, exclusive busways, highway bus rapid transit, arterial bus rapid transit and commuter rail corridors over the next twenty years and also providing significant expansion of the existing bus system throughout the region to connect to and support the transitway operations. The additional resources needed over the next 20 years to implement this vision are approximately \$4-\$5 billion with an estimated return on investment to the state and region of \$6-\$12 billion. Under this vision, 500,000 employees will have increased access to jobs via transit and all residents will be provided better and cheaper connections between home, school, work, entertainment and other daily transportation needs. This vision will keep the Twin Cities region more economically competitive with peer regions in the nation and world.

If this vision is to be realized, it will require the simultaneous development and construction of a number of transit corridors and improvements. The Council is requesting funding for two specific projects as part of its 2016 bonding request, i.e. Southwest LRT, and the Heywood II garage facility,) and also requests \$105 million in 2016 for a Transitway Capital Improvement Program. The Transitway Capital Improvement program will be used to fund projects to continue development, engineering and implementation of other transitway corridors and projects that have immediate capital funding needs but are not yet in the full construction phase or for expansion and improvement of existing transitways.

Under the Transitway Capital Improvement Plan the Council will review eligible transitway projects and make allocations of state bond proceeds among the projects based upon criteria which will include:

- consistency with the Council's long range transportation policy plan (TPP);
- readiness of the project;
- potential use by the public (ridership) both current and forecast;
- expansion of the transitway system
- availability of federal or other matching funds;

- coordination with other major projects; and
- Additional criteria for priorities otherwise specified in state law, statute, rule, or regulation applicable to a transitway, including the state law authorizing the state bond fund appropriation for the transitway.

Eligible expenditures may include land and property acquisition, pre-design, design and engineering, environmental testing and mitigation, utility relocation, traffic mitigation, construction, demolition, furnishing and equipping of facilities. A portion or phase of a transitway project may be accomplished with one or more state appropriations and other funding over a period of time.

The Council has identified in excess of \$105 million in transitway projects that would be eligible to receive capital funding over the next two years. A number of these projects are anticipated to receive funding from other sources such as federal funds including congestion mitigation and air quality funds (CMAQ), CTIB sales tax funds, or other funding. The state bond funds will be used to both match other sources of funds and provide funding to projects that have not received other funding. This funding will be used to continue development of specific elements of an overall transitway project.

Some of the corridors and projects in need of capital funding include the following:

- Orange Line BRT (I-35W South) for the remaining state share of engineering and construction;
- Blue Line LRT Extension (Bottineau LRT) for the state 10% share of project costs including design and engineering, environmental analysis, and construction;
- Gold Line BRT (Gateway/I-94 East corridor) for environmental analysis, design and engineering;
- Expansion, reconstruction and improvements to stations serving existing transitways such as the Mall of America station serving the Blue line and Red line (Cedar Avenue BRT) and Palomino and 140th stations serving the Red Line.
- Continued design, engineering and construction of stations and roadway improvements for Arterial BRT corridors including the Chicago-Emerson-Fremont and St. Paul East 7th corridors;
- Preliminary engineering and design for the I-35W North, TH 169 or other highway BRT managed lane corridors;
- Other corridors for continued environmental analysis and design work including the Robert Street, Rush Line, and West Broadway corridors and other corridors with proposed work consistent with the regional transportation policy plan.

Project Rationale

The purpose of the Transitway Capital Improvement Program is to build and improve transitways identified in the Metropolitan Council's Transportation Policy Plan and recommended by the Governor's Transportation Finance Advisory Committee. Transitway activities funded through the Capital Improvement Program may include environmental analysis, preliminary engineering and final design, the acquisition and betterment of public land and buildings and the construction, improvement and maintenance of transitways including stations, park and rides, and lane and shoulder improvements which may include the state trunk highway system.

Other Considerations

The Council will work with CTIB and other stakeholders to identify capital projects that should be

given priority in the region. The Council will also work with other funding partners to assure that state bond funds are leveraged and used to match other funding to the greatest extent possible.

Impact on Agency Operating Budgets

The impact on the agency operating budget can vary depending upon which transitway capital projects are funded. The Council has established a policy requiring anticipated operating funds to be identified before capital projects proceed. In the case of light rail transitways, current state law, section 473.4051, subdivision 2, states that “after operating and federal money have been used to pay for light rail transit operations, 50 percent of the remaining costs must be paid by the state”. The metropolitan sales tax passed by five of the metropolitan counties is being used to fund 50 percent of the net operating costs of the Blue Line (Hiawatha LRT) and Northstar commuter rail facilities. It is assumed that operations of future rail lines will also be funded 50 percent by the CTIB sales tax and 50% by the state. CTIB will also fund 50 percent of the new operating costs for highway BRT service.

Description of Previous Appropriations

The 2011 Legislature appropriated \$20 million for the Transitway program which funded projects including the Minneapolis Interchange, Northstar Ramsey Station, Red Rock Corridor Newport Park-and-Ride, Cedar Avenue BRT, Robert Street Corridor and the Rush Line Corridor Maplewood Mall Park-and-Ride Expansion

Project Contact Person

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

(\$ in thousands)

Transitway Capital Improvement Program

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	\$ 15,000	\$ 105,000	\$ 80,000	\$ 80,000
Funds Already Committed				
Other State Funds	\$ 127,400	\$ 3,000	\$ 0	\$ 0
Pending Contributions				
Federal Funds	\$ 0	\$ 182,000	\$ 160,000	\$ 160,000
County Funds	\$ 0	\$ 366,000	\$ 60,000	\$ 60,000
Other Local Government Funds	\$ 0	\$ 9,000	\$ 20,000	\$ 20,000
Non-Governmental Funds	\$ 0	\$ 20,000	\$ 0	\$ 0
TOTAL	\$ 142,400	\$ 685,000	\$ 320,000	\$ 320,000

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	\$ 3,222	\$ 15,500	\$ 16,000	\$ 16,000
Predesign Fees	\$ 42,616	\$ 0	\$ 9,600	\$ 9,600
Design Fees	\$ 0	\$ 205,000	\$ 54,400	\$ 54,400
Project Management	\$ 832	\$ 4,000	\$ 16,000	\$ 16,000
Construction	\$ 95,730	\$ 460,500	\$ 208,000	\$ 208,000
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 16,000	\$ 16,000
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 142,400	\$ 685,000	\$ 320,000	\$ 320,000

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 105,000	100 %

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	Yes
M.S. 16A.86 (4b): Matching Funds Required	Yes
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	Yes
Is the required information included in this request?	Yes

Inflow/Infiltration Grant Program

AT A GLANCE**2016 Request Amount:** \$5,000**Priority Ranking:** 5**Project Summary:** The Metropolitan Council requests \$5 million in State bonds to continue to provide grants to municipalities for capital improvements to public infrastructure to reduce inflow and infiltration (I/I) into the wastewater collection system.**Project Description**

Inflow and infiltration (I/I) is clear water that enters the wastewater collection system from a variety of sources including:

- groundwater that seeps into sewer pipes through cracks, leaky pipe joints and/or deteriorated manholes; and
- storm water that enters the wastewater system through rain leaders, basement sump pumps or foundation drains illegally connected directly to a sanitary sewer pipe.

I/I is a problem for a number of reasons:

1. It takes up fixed capacity in large regional sewer pipes (interceptors), capacity that will be needed for future households or businesses in the region;
2. It is costly to communities and ratepayers because the clear water has to be unnecessarily treated once it is mixed with wastewater. The cost for this unnecessary treatment is passed on to cities and ratepayers;
3. Building additional interceptor and treatment capacity to handle excessive I/I is not financially prudent; it is much cheaper to eliminate I/I at the source.
4. Excessive I/I can result in public health concerns. When the wastewater collection system is overwhelmed with I/I, particularly during heavy rain events, untreated wastewater can be backed up into private property or released into the environment, including lakes, rivers, streams and creeks.

Since 2005, the Metropolitan Council has ramped up its efforts to reduce excessive I/I, and the work of the Council in partnership with regional communities is showing signs of success. However, the repairs needed to the local public wastewater collection system can be costly, and regional communities have expressed a need for on-going assistance to fund I/I mitigation activities.

In 2010, Metro Cities championed inclusion of a \$3 million grant program in the 2010 bonding bill for the purpose of providing grants to municipalities for capital improvements to public infrastructure in order to reduce inflow and infiltration (I/I) into the wastewater collection system. Similar requests were made in 2012 in the amount of \$4 million and in 2014 in the amount of \$2 million. The

approved bills have included the following language: Metropolitan Cities Inflow and Infiltration Grants: For grants to cities within the metropolitan area, as defined in MN Statutes, Section 473.121, subdivision 2, for capital improvements in municipal wastewater collection systems to reduce the amount of inflow and infiltration to the Metropolitan Council's metropolitan sanitary sewer disposal system. To be eligible for a grant, a city must be identified by the Metropolitan Council as a contributor of excessive inflow and infiltration. Grants from this appropriation are for up to 50 percent of the cost to mitigate inflow and infiltration in the publicly owned municipal wastewater collection systems. The council must award grants based on applications from eligible cities that identify eligible capital costs and include a timeline for inflow and infiltration mitigation construction, pursuant to guidelines established by the council.

Project Rationale

The purpose of the project is to assist communities served by Metropolitan Council Environmental Services in undertaking public infrastructure projects that reduce I/I into the local and regional wastewater collection system.

Other Considerations

This grant program is tied to the Metropolitan Council's stewardship, prosperity, equity, livability and sustainability outcomes of Thrive MSP as well as supports the Metropolitan Council's principles of collaboration and accountability. This grant program will help support the I/I mitigation efforts of local communities to reduce I/I to the wastewater collection. This program will help provide construction jobs, promote infrastructure investment, is cost effective, and protects the environment and public health.

MCES proposes to utilize existing program guidelines which have been reviewed by local government partners in the region and have been agreed to by State agencies.

Impact on Agency Operating Budgets

There is no direct impact on State agency operating budgets since the State of Minnesota does not have a similar grant program.

Description of Previous Appropriations

The following appropriations have been made for this program

2010 \$3 million

2012 \$4 million

2014 \$2 million

A list of metropolitan communities who have requested funding for program years 2010 and 2012 and the funding allocation is shown below and also attached as a optional document. Thirty two regional communities have been assisted by receiving funds from the program. The amount of the award is dependent on the extent and the cost of I/I mitigation construction activities completed.

Furthermore, it should be noted that, while the 2014 funds are in the process of being allocated, the Metropolitan Council has received requests from cities for assistance in the amount of \$41 million.

Based on the cost sharing and other program requirements, \$11 million of this request is eligible under the 2014 program year. This demonstrates that there is need for additional funding for this program.

State Bond Funded Inflow & Infiltration Grant Program Allocation Summary

Date Prepared: January 18, 2013

City	Grand Total Awarded 2010 and 2012
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Arden Hills	\$ 317,182
Bayport	\$ 126,904
Bloomington	\$ 404,387
Chanhassen	\$ 225,111
Eagan	\$ 275,525
Edina	\$ 677,950
Excelsior	\$ 95,660
Farmington	\$ 23,328
Fridley	\$ 123,841
Golden Valley	\$ 566,819
Greenwood	\$ 53,418
Hopkins	\$ 221,084
Lakeville	\$ 68,602
Lauderdale	\$ 61,637
Long Lake	\$ 123,042
Maple Plain	\$ 194,091
Maplewood	\$ 58,568
Minneapolis	\$ 1,024,749
Minnetonka	\$ 94,100
Mound	\$ 105,676
New Brighton	\$ 102,717
Newport	\$ 279,754
Orono	\$ 78,875
Roseville	\$ 589,798
Shoreview	\$ 48,500

South St. Paul	\$ 243,879
St. Anthony	\$ 214,795
St. Paul	\$ 69,220
Stillwater	\$ 106,236
Tonka Bay	\$ 67,168
Waconia	\$ 47,418
West St. Paul	\$ 309,967
Totals	\$ 7,000,000

Project Contact Person

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Governor's Recommendation

The Governor recommends \$5 million in general obligation bonds for this request. Also included are budget estimates of \$5 million for each planning period for 2018 and 2020.

(\$ in thousands)

Inflow/Infiltration Grant Program

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	\$ 9,000	\$ 5,000	\$ 5,000	\$ 5,000
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 9,000	\$ 5,000	\$ 5,000	\$ 5,000

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 9,000	\$ 5,000	\$ 5,000	\$ 5,000
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 9,000	\$ 5,000	\$ 5,000	\$ 5,000

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 5,000	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	Yes
M.S. 16A.86 (4b): Matching Funds Required	Yes
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Water Sustainability Grant Program

AT A GLANCE

2016 Request Amount: \$5,000

Priority Ranking: 6

Project Summary: The Metropolitan Council requests \$5 million in State bonds to continue and expand on the pilot water sustainability grant program established in 2015 - the targeted stormwater grant program.

Project Description

Research and monitoring has shown that nonpoint source pollution is having a detrimental effect on the water quality of lakes, streams, and rivers in the Twin Cities Metropolitan Area. Nonpoint source pollution is polluted stormwater runoff from agricultural and urban land that enters wetlands, lakes, streams, and rivers without treatment. Runoff may contain many individual pollutants including nutrients, metals, organic matter, chemicals, oil and grease, trash, solids and sediment, and bacteria. In recent years, the volume of runoff water itself has increasingly been recognized as a problem for conveyance systems and receiving waters.

The money would use the Council’s monitoring information gathered through our lakes, rivers, and streams assessment programs, as well as monitoring information gathered by our partners, to target areas where we need to improve water quality through implementation of stormwater practices that will provide for a regional benefit, be used as a demonstration project for the region, have multiple benefits such as stormwater treatment and reuse, and that requires monitoring of the project results to show progress and how the Council is making a difference in the protection and restoration of water quality of the region, where feasible.

Per MS 473.505, MCES can use wastewater fees to identify problems and quantify, but not actually improve the situation – thus the need for general fund funding.

In 2015, the Council provided MCES \$800,000 through Council levy general funds to pilot the need and benefits of the grant program. With limited solicitation for projects, MCES received requests well over the amount dedicated to the program. In consultation with our partners, MCES has determined that there is indeed a need for this type of funding. MCES has successfully managed two grant programs (MEP which later became the TCQI grant program) in the past aimed at reducing nonpoint source pollution. MCES has the staff skills needed to set up and run a new program that would target areas in the region to implement projects. MCES has a good working relationship with local governments and watershed organizations who would most likely be implementing the projects with our assistance in monitoring the results. If the region is going to have sustainable water resources into the future, the Council needs to institutionalize a program that addresses the protection and restoration of our water resources. Therefore, MCES is proposing to expand the grant program to be a competitively awarded grant program for local governments in the region.

Project Rationale

The proposed grant program is to assist local governments in installing and monitoring innovative

stormwater management practices and reuse projects with the end goal of moving toward sustainable water resources in the region.

Other Considerations

This grant program is tied to our prosperity, sustainability and stewardship outcomes of Thrive MSP 2040 as well as supports our principles of collaboration and accountability. This grant program will help to implement new and innovative practices in the region that promote sustainable water resources and good stewardship of our lands and water resources.

MCES will collaborate with local governments, stakeholders and our partners in the region to identify resources in need of protection and restoration and the practices to implement to achieve success.

The goal is to put in place on the ground new and innovative practices in the region that promote sustainable water resources and good stewardship of our lands and water resources. The Council will make the information collected as part of the grant program available to all in order to promote good practices and ideas region-wide.

Impact on Agency Operating Budgets

There is no direct impact on State agency operating budgets since the State of Minnesota does not have a similar grant program.

Description of Previous Appropriations

This is a new request for State Appropriations to fund the Council's proposed Water Sustainability Grant Program.

Project Contact Person

Judy Sventek
Manager, Water Resources Assessment
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Governor's Recommendation

The Governor does not recommend capital funding for this request.

(\$ in thousands)

Water Sustainability Grant Program

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	\$ 0	\$ 5,000	\$ 5,000	\$ 5,000
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 0	\$ 5,000	\$ 5,000	\$ 5,000

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 0	\$ 5,000	\$ 5,000	\$ 5,000
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 5,000	\$ 5,000	\$ 5,000

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

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M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	Yes
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M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A