

**Metropolitan Council**

**Projects Summary**  
(\$ in Thousands)

Project Title	2012 Agency Priority Ranking	Agency Project Request for State Funds (\$ by Session)				Governor's Recommendations	Governor's Planning Estimate	
		2012	2014	2016	Total		2012	2014
Southwest Corridor LRT	1	\$25,000	\$95,048	\$0	\$120,048	\$25,000	\$95,048	\$0
Metropolitan Regional Parks	2	10,500	10,500	10,500	31,500	5,000	5,000	5,000
Transitway Corridor Program	3	25,000	25,000	25,000	75,000	0	0	0
Renewable Energy Initiatives	4	8,000	0	0	8,000	0	0	0
<b>Total Project Requests</b>		\$68,500	\$130,548	\$35,500	\$234,548	\$30,000	\$100,048	\$5,000

### Agency Profile At A Glance

#### Metropolitan Council Operations:

- 3,735 employees (FTE)
- \$536 million operating expenditure budget

#### Community Development Functions:

- 6,700 households assisted in the Section 8 and other programs
- 189 local government comprehensive plans reviewed
- Over 40.8 million visits a year to 55,000 acre regional park system
- 15 million in Livable Communities Act grants awarded annually

#### Transportation Functions:

- 2,740 employees (FTE)
- \$395 million operating budget
- \$78million FY 2012-13 biennial state general fund appropriation
- \$110 million annual projected motor vehicle sales tax (MVST) (\$125 with Suburban Transit Providers) in 2012
- Over 94 million transit rides in 2011 on all types of service

#### Environmental Services Functions:

- 676 employees (FTE)
- \$120 million operating budget
- Nearly 260 million gallons of wastewater treated daily

### Agency Purpose

The Metropolitan Council (Council) is a political subdivision of the state governed by a chairperson and 16 other Council members, who represent equal-population districts. All Council members are appointed by the governor. Council members' role is to provide a regional perspective and work toward a regional consensus on issues facing the metropolitan area. The mission of the Metropolitan Council is to develop, in cooperation with local communities, a comprehensive regional planning framework, focusing on transportation, wastewater, parks, and aviation systems that guide the efficient growth of the metropolitan area. The Council operates transit and

wastewater services and administers housing and other grant programs. The Council has jurisdiction in the seven-county metropolitan area comprising Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties. The seven-county area is an economically stable region that is expected to grow by nearly one million people, a half-million households and nearly 500,000 jobs between the year, 2000 and 2030.

### Core Functions

#### The Council's main functions are:

- Providing a planning framework for regional growth and conducting long-range planning for regional transportation, wastewater, and parks systems.
- Operating the state's largest transit and wastewater systems.
- Coordinating system-wide planning and capital improvement funding for the regional parks system.
- Operating a regional housing and redevelopment authority that provides assistance to low-income families in the region.

### Operations

The Council is organized into divisions that focus on community development, the environment, and transportation, supported by administrative and service units.

The **Community Development Division** implements the Metropolitan Land Planning Act and conducts environmental reviews and reviews projects of metropolitan significance, as defined by state statutes. It generates 30-year forecasts for household, population and employment growth for the metropolitan area and its communities as the basis for regional and local planning. It conducts research into demographic and development trends and provides local planning assistance to communities. The unit also delivers rent assistance and provides affordable housing to low-income households through the Metropolitan Housing and Redevelopment Authority. The unit administers planning and grants for the regional park system.

- The regional park system consists of 54,663 acres currently open for public use, of which 24,259 have been acquired with state and

Metropolitan Council funds since 1974. Approximately \$525 million of state and Metropolitan Council funds have been invested to acquire land, develop new parks and trails, and rehabilitate existing parks and trails since 1974. Since 1985, the state has appropriated over \$137 million of general fund and Lottery-in-Lieu-of-Sales-Tax revenues to help finance the operations and maintenance of the regional park system.

- The unit administers regional park planning by designating lands to be acquired by cities, counties, and special parks districts as regional recreation open space under M.S. 473.147; distributes state appropriations to these agencies to acquire land and develop recreation facilities under M.S. 473.315; and distributes state appropriations to supplement local property taxes and user fees to operate and maintain the regional park system under M.S. 473.351.
- The unit also administers the Livable Communities Act, which has awarded \$226 million in grants to metropolitan area communities to help them create efficient, cost-effective development and redevelopment, clean up polluted land for redevelopment and new jobs and provide affordable housing opportunities.

The **Environmental Services Division** maintains approximately 600 miles of regional sewers and treats nearly 260 million gallons of wastewater daily at seven regional treatment plants. The division maintains near-perfect compliance with clean water discharge permits and, in 2010, all seven treatment plants received compliance awards. Wastewater services are fully fee funded, and placed fifth lowest of our twenty two large peer agencies in the most recent association survey. In addition, the division works with approximately 800 industrial clients in the metro area to reduce pollution and provides water resources monitoring and analysis for the entire region.

The **Transportation Division** is responsible for providing transit services in the region. The division operates Metro Transit, the region's largest transit provider, with nearly 81 million rides forecasted in 2011. Metro Transit opened the Hiawatha Light Rail line in 2004 with over 10.4 million rides forecasted in 2011.

Metro Transit also opened the Northstar Commuter Rail Line in 2009 with service from Big Lake to downtown Minneapolis with over 703,000 rides

forecasted in 2011. In April 2011, the Metropolitan Council was awarded a Full Funding Grant Agreement for the construction of the Central Corridor Light Rail which will link five major centers of activity in the Twin Cities Region including downtown Minneapolis, the University of Minnesota, the Midway area, the state Capital complex, and downtown St. Paul. The constructed 11 mile Central Corridor Light Rail Line will open for revenue service in 2014.

The division also provides Metro Mobility, the region's Americans with Disabilities paratransit service, and manages contracted regular route and dial-a-ride services. It also acts as a liaison with suburban transit authority providers and other regional transit services. The combined ridership for these services reached over 94 million in 2011. The Council's transit functions are funded by state general fund dollars, Motor Vehicle Sales Tax (MVST), County Transit Improvement Board sales tax revenue, federal revenue, advertising revenue and fares.

The Council also serves as the federally designated Metropolitan Planning Organization and manages the allocation of federal transportation funds. In this role, the Transportation Division provides regional transportation planning including aviation, highway, and transit systems. Every four years it develops and updates the 20 - year regional transportation plan, this plan was updated in November 2010, and annually produces the federally required four- year Transportation Improvement Program (TIP) for the metropolitan area.

### Budget

The Council adopts an annual budget for its operations. The \$780 million unified operating budget for calendar year 2012 is composed of three major categories: \$536 million of operating expenditures, \$95 million of passthrough grants and loans, and \$149 million of debt service expenditures.

Organization staff includes 3,735 FTE.

Of the Council operating budget, \$395 million is for transportation, \$120 million is for wastewater treatment, and \$21 million is for planning and administration.

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For information on how this agency measures whether it is meeting its statewide goals, please refer to <http://www.departmentresults.state.mn.us/>.

**At A Glance: Agency Long-Range Strategic Goals**

The Metropolitan Council provides regional planning and providing 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

**Trends, Policies and Other Issues Affecting the Demand for Services, Facilities, or Capital Programs**

There are three program areas requesting capital funds:

**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 37 percent of the region's highway lane miles experience congestion during the peak in 2005, 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 39 hours in congestion in 2007. Thirty-nine hours in congestion equaled \$812 per person in time and fuel or \$1,148 million for the region in 2007. Business impacts include higher shipping costs; reduced worker productivity; smaller area 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. The I-35W Study found that transit served 15,000 persons each day and

express buses carry 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 have to operate in the same congested traffic that automobiles do. The region has constructed ramp meter bypasses and bus-only shoulders 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 about 55,000 acres today. Concurrently, use has grown from five million visits in 1974 to 40 million visits in 2010. 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. Since 1974, the state has provided \$292.8 million of bonds. In addition, \$39.2 million of Environmental Trust Funds and \$43.5 million for FY 2010 from the new constitutionally dedicated Parks and Trails Fund has been appropriated to acquire land and rehabilitate existing and develop new regional parks and trails. The state investment has been leveraged with \$146.2 million of bonds issued by the Metropolitan Council.

**Environmental Services:** The recession has severely reduced commercial and residential expansion, as well as increasing sensitivity to rate increases from all customer segments. Environmental Services is reducing the CIP spending by deferring growth projects and focusing on rehabilitation projects,

while still meeting commitments and taking advantage of opportunities such as ARRA funding. Total six year spending from 2011-2016 is \$579 million.

Upside opportunities of the recession include modest ARRA funding, lower than expected bids on current projects and attractive loan financing from Public Facility Authority (PFA).

### **Provide a Self-Assessment of the Condition, Suitability, and Functionality of Present Facilities, Capital Projects, or Assets**

**Transit:** The functionality of the highway system during peak travel times is severely compromised by congestion and buses are often caught in this traffic. I-94 in the Central Corridor, I-35W North and South, I-35E North, I-94 West, I-694, I-494 and TH62 often experience 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 \$3-4 billion metropolitan disposal system for the most part is in good condition. However, rate pressures are continuously balanced against infrastructure risks of delay. Inflow and infiltration (I/I) into the system and new regulatory initiatives are and will continue to put substantial financial pressure on the system.

The \$579 million (6 year) CIP does not include an additional \$900+ million in estimated need that would be required for capacity enhancement in the next 20 years if excess inflow and infiltration of clean water into the system is not eliminated by the cities, nor does it include \$400+ million to further reduce Lake Pepin Total Maximum Daily Load (TMDL) for phosphorus. However, it

does include a new \$2 million project to begin preliminary engineering on the phosphorus issue.

### **Agency Process Used to Arrive at These 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), 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 2010 and 2011**

#### **Transit:**

In 2011, the following transit projects were appropriated capital funds in the state bonding bill:

#### **2011 - \$20 million allocated to:**

- Minneapolis Interchange: \$11 million
- Northstar Ramsey Station: \$4 million
- Newport Park-and-Ride: \$500,000
- Cedar Avenue BRT: \$1 million
- Gateway (I-94 East) Corridor: \$1.25 million
- Robert Street Corridor: \$250,000
- Rush Line Corridor Maplewood Mall Park-and-Ride Expansion: \$2 million

**Regional Parks:**

In 2010 and 2011, regional parks received the following state funds:

**2010**

State bonds: \$10.5 million

Parks and Trails Fund appropriation: \$15.14 million

\$13.63 million for park development and redevelopment

\$1.51 million for land acquisition grants

**2011**

State bonds: \$5 million

Parks and Trails Fund appropriation: \$15.76 million

\$14.19 million for park development and redevelopment

\$1.57 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 LRT

**2012 STATE APPROPRIATION REQUEST:** \$25,000,000

**AGENCY PROJECT PRIORITY:** 1 of 4

**PROJECT LOCATION:** Southwest Metropolitan Area

### Project At A Glance

The Southwest Light Rail Transit (LRT) Project is a proposed approximately 15 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 2030 Transportation Policy Plan. Project activities funded by state bonding may include environmental analysis, preliminary engineering and final design, the acquisition of public land 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 4,300 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 by mid-2013. Therefore, the \$95 million in state bonding shown in the 2014-2015 biennium on the projects summary will need to be requested in the 2013 legislative session.

### Project Description

The line will connect major activity centers in the region including downtown Minneapolis, the Opus/Golden Triangle employment area, Methodist Hospital, the Eden Prairie Center Mall, and the Minneapolis Chain of Lakes. The line will be part of an integrated system of transitways converging at the Minneapolis Transportation Interchange where connections using the Target Field Station can be made to the Hiawatha and Central Corridor LRT lines, the Northstar Commuter Rail line, the proposed Bottineau Transitway, and future commuter rail and intercity passenger rail lines.

The Southwest LRT (SWLRT) project will operate primarily at-grade with structures providing grade-separation of LRT crossings and roadways at specified locations. It would be constructed with dual tracks. A total of 17 new stations would be constructed, all at-grade with a center platform configuration. The SWLRT line is proposed to be interlined/through-routed with the Central Corridor LRT line utilizing shared tracks on 5<sup>th</sup> Street in downtown Minneapolis, and thereby providing a one-seat ride to the University of Minnesota, State Capitol area and downtown St. Paul. A total of 26 additional light rail vehicles would be required to operate the SWLRT line. The SWLRT line would require the construction of an Operations and Maintenance Facility.

With its interlining linkage to Central and Hiawatha LRT, Southwest LRT will provide direct, high quality LRT access to five of the region's eight largest business concentrations --- job centers each with over 40,000 employees. Improving regional access and offering mobility options to these regional centers of employment, business, education, and other services with the high quality of service that LRT provides will help ensure the region's continued economic health and vitality. Within a half-mile walk of the Southwest LRT stations, there are almost 210,000 jobs, 60,000 people in 31,000 households, and over 31,000 college/university students in 2000. By 2030, over 60,000 more jobs, 15,000 more people, and 10,000 more households are expected within a half-mile walk of the Southwest LRT stations.

### Impact on Agency Operating Budgets (Facilities Notes)

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, M.S. Sec. 473.4051, subd. 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 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.



**Southwest Corridor LRT****Previous Appropriations for this Project**

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.

**Other Considerations**

The Council will continue to work with other funding partners, such as CTIB and the Hennepin County Regional Railroad Authority (HCRRA), to assure that state bond funds are leveraged and used to match other funding to the greatest extent possible. To date, CTIB and HCRRA combined have authorized \$25.6 million for the Project.

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**Governor's Recommendations**

The Governor recommends general obligation bonding of \$25 million for this request. Also included is a budget planning estimate of \$95.048 million in 2014.

<b>TOTAL PROJECT COSTS All Years and Funding Sources</b>	<b>Prior Years</b>	<b>FY 2012-13</b>	<b>FY 2014-15</b>	<b>FY 2016-17</b>	<b>TOTAL</b>
1. Property Acquisition	0	66,449	22,150	0	88,599
2. Predesign Fees	0	0	0	0	0
3. Design Fees	3,838	91,644	25,097	10,190	130,769
4. Project Management	26,432	18,642	29,986	27,797	102,857
5. Construction Costs	0	0	626,191	272,141	898,332
6. One Percent for Art	0	0	1,300	476	1,776
7. Relocation Expenses	0	11,736	3,912	0	15,648
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
<b>TOTAL</b>	<b>30,270</b>	<b>188,471</b>	<b>708,636</b>	<b>310,604</b>	<b>1,237,981</b>

<b>CAPITAL FUNDING SOURCES</b>	<b>Prior Years</b>	<b>FY 2012-13</b>	<b>FY 2014-15</b>	<b>FY 2016-17</b>	<b>TOTAL</b>
State Funds :					
G.O Bonds/State Bldgs	5,000	25,000	95,048	0	125,048
General	0	0	0	0	0
<b>State Funds Subtotal</b>	<b>5,000</b>	<b>25,000</b>	<b>95,048</b>	<b>0</b>	<b>125,048</b>
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	376,693	248,550	625,243
Local Government Funds	25,270	163,471	236,895	62,054	487,690
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
<b>TOTAL</b>	<b>30,270</b>	<b>188,471</b>	<b>708,636</b>	<b>310,604</b>	<b>1,237,981</b>

<b>CHANGES IN STATE OPERATING COSTS</b>	<b>Changes in State Operating Costs (Without Inflation)</b>			
	<b>FY 2012-13</b>	<b>FY 2014-15</b>	<b>FY 2016-17</b>	<b>TOTAL</b>
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

<b>SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS</b> (for bond-financed projects)	<b>Amount</b>	<b>Percent of Total</b>
General Fund	25,000	100.0%
User Financing	0	0.0%

<b>STATUTORY AND OTHER REQUIREMENTS</b>	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2017

**Metropolitan Regional Parks**

**2012 STATE APPROPRIATION REQUEST:** \$10,500,000

**AGENCY PROJECT PRIORITY:** 2 of 4

**PROJECT LOCATION:** Metropolitan Area

**Project At A Glance**

The Metropolitan Council requests \$10.5 million in state bonds to match \$7 million of Metropolitan Council bonds to improve and expand the Metropolitan Regional Park System

**Project Description**

The Metropolitan Regional Park System consists of 54,633 acres of parks and 231 miles of trails which hosted 40.8 million visits in 2010. 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 2012-13 portion of the 2012-17 Metropolitan Regional Parks Capital Improvement Plan (CIP) as shown in Table 1 at the end of this narrative.

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 2010 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 2010--which was given a weight of 30 percent. If

less than \$10.5 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, 10.4 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 priority of its prioritized project list.

Over 40.8 million visits occurred in the Metropolitan Regional Park System in 2010. Of this amount, 45.4 percent or 18.5 million visits were from persons living out-of-state, from Greater Minnesota, and from the Metropolitan Area outside the park implementing agency's local jurisdiction. Every \$3 of State bonds is matched with \$2 of Metropolitan Council bonds. This spreads the cost of the capital improvements between all State 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.

**Impact on Agency Operating Budget (Facilities Notes):**

There is no direct impact on State agency operating budgets since the State of Minnesota does not operate Metropolitan Regional Park System units. However, indirectly, the State's capital investment in the Metropolitan Regional Park System reduces visitor pressure on three state parks, one state recreation area and three state trails in the metropolitan region. The reduced visitor pressure on these state park/trail units reduces the costs to operate and maintain those State parks and trails.

**Previous Appropriations for this Project:**

The State has appropriated \$292.8 million of bonds to the Metropolitan Council for the Metropolitan Regional Parks CIP and for earmarked projects outside the CIP from 1974 to 2011. In 2011, \$5 million was appropriated for the 2010-11 Metropolitan Regional Parks CIP. The Metropolitan Council matched the \$5 million appropriated for the CIP with \$3.334 million of bonds.

The Legislative Citizen Commission on Minnesota Resources (formerly LCMR) has recommended \$40.24 million of Environment and Natural Resources Trust Fund revenues from State Fiscal Years 1991 to 2013 for capital improvements and land acquisition purposes for the Metropolitan Regional Park System. The most recent appropriation for State Fiscal Years

**Metropolitan Regional Parks**

2012-13 is \$2.25 million, which is matched with \$1.5 million of Metropolitan Council bonds to be granted for land acquisition projects.

**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. The cumulative appropriations from the Parks and Trails Fund to the Metropolitan Council from 2009 and 2011 legislation totals \$59.684 million. About ten percent of the appropriation is directed towards land acquisition grants with the remaining 90 percent directed towards grants to support regional parks and trails in the Metropolitan Regional Park System.

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**Governor's Recommendations**

The Governor recommends general obligation bonding of \$5 million for this request. Also included are budget planning estimates of \$5 million in 2014 and 2016.

**Metropolitan Regional Parks**

**Table 1: Metropolitan Regional Parks Capital Improvements-- Prioritized Project List of Each Regional Park Implementing Agency for 2012 State Bond FINAL Request**

<b>Regional Park Implementing Agency</b>	<b>Agency Priority</b>	<b>Project Location</b>	<b>Project Description</b>	<b>State Bonds (\$000s)</b>	<b>Metro Council Bonds (\$000s)</b>	<b>Project Total Subgrant (\$000s)</b>
Anoka County	1	Coon Rapids Dam Regional Park	Reconstruct .75 mile bituminous roadway; about 130,000 sf of bituminous parking lots and 40,000 sf of bituminous trails; curb/gutter and storm water drainage improvements; utilities, lighting, landscape restoration, site furnishings, signage, fees and contingencies. (Phase 2 of 2 funding phases).	\$ 741	\$ 185	\$ 926
Anoka County	2	Anoka County Riverfront Regional Park	Reconstruct about .25 mile of bituminous roadway and 10,000 sf of bituminous parking lots and trails; curb/gutter and storm water drainage improvements; entrance rehabilitation; shelter and restroom rehabilitation; disc golf course; utilities, lighting, landscape restoration, site furnishings, signage, fees and contingencies.	\$ 720	\$ 180	\$ 900
<b>Anoka County Percentage Share</b>		<b>10.4%</b>	<b>Anoka County Subtotals</b>	<b>\$ 1,461</b>	<b>\$ 365</b>	<b>\$ 1,826</b>
City of Bloomington	1	Hyland-Bush-Anderson Lakes Regional Park Reserve	Construct/reconstruct bituminous trails at the Normandale Lake Park Unit - approximately 225 linear feet of new trails and 5,183 linear feet of reconstructed trails for a total of 5,408 linear feet.	\$ 356	\$ 80	\$ 436
<b>City of Bloomington Percentage Share</b>		<b>2.5%</b>	<b>City of Bloomington Subtotals</b>	<b>\$ 356</b>	<b>\$ 80</b>	<b>\$ 436</b>
Carver County	1	Lake Waconia Regional Park	Partial reimbursement for acquiring 43.94 acres of land to realign County Road 30 around the park and partial reimbursement for 2.5 acres of lakeshore property within the park boundary. (Note: This grant is financed solely with Metro Council bonds because reimbursements for	\$ -	\$ 437	\$ 437
<b>Carver County Percentage Share</b>		<b>2.5%</b>	<b>Carver County Subtotals</b>	<b>\$ -</b>	<b>\$ 437</b>	<b>\$ 437</b>

**Metropolitan Regional Parks**

**Table 1 continued: Metropolitan Regional Parks Capital Improvements-- Prioritized Project List of Each Regional Park Implementing Agency for 2012 State Bond FINAL Request**

<b>Regional Park Implementing Agency</b>	<b>Agency Priority</b>	<b>Project Location</b>	<b>Project Description</b>	<b>State Bonds (\$000s)</b>	<b>Metro Council Bonds (\$000s)</b>	<b>Project Total Subgrant (\$000s)</b>
Dakota County	1	Mississippi River Regional Trail	Partial match to a \$922,000 Federal Transportation grant for the final design, acquisition and construction of 1.6 miles of the Mississippi River Regional Trail within the eastern portion of Spring Lake Park Reserve.	\$ 600	\$ 150	\$ 750
Dakota County	2	Regional parks in Dakota County	Fund significant backlog of park redevelopment projects, such as buildings, structures, utilities and roads, for purposes of continuing public service, addressing safety, and preserving infrastructure. Examples of need include replacing/upgrading utility systems (e.g. septic systems, electrical needs), redevelopment to improve access and safety (e.g. ADA), addressing storm water management issues, and bituminous overlays.	\$ 100	\$ 20	\$ 120
Dakota County	3	Regional trails in Dakota County	Match to \$2 million of federal grants and supplement \$1.039 million of Parks and Trails Legacy Funding for the engineering, acquisition and construction priorities of regional trail development for portions of the following regional trails: North Urban, Mississippi River, Big Rivers, and Minnesota River.	\$ 396	\$ 92	\$ 488
Dakota County	4	Mississippi River Regional Trail	Final design, site improvements and construction of a trailhead building with restrooms within the City of Inver Grove Height's Heritage Park as a trailhead for the Mississippi River Regional Trail.	\$ 360	\$ 90	\$ 450
<b>Dakota County Percentage Share</b>		<b>10.3%</b>	<b>Dakota County Subtotals</b>	<b>\$ 1,456</b>	<b>\$ 352</b>	<b>\$ 1,808</b>

**Table 1 continued: Metropolitan Regional Parks Capital Improvements-- Prioritized Project List of Each Regional Park Implementing Agency for 2010 State Bond FINAL Request**

<b>Regional Park Implementing Agency</b>	<b>Agency Priority</b>	<b>Project Location</b>	<b>Project Description</b>	<b>State Bonds (\$000s)</b>	<b>Metro Council Bonds (\$000s)</b>	<b>Project Total Subgrant (\$000s)</b>
Minneapolis Park & Rec. Board	1	Theodore Wirth Regional Park	A citizen advisory committee is currently updating the master plan for the park. This grant may finance the following improvements pending final completion of the park master plan update: park-wide trail (bicycle, walking, hiking, mountain biking, snowshoeing, and skiing) improvements, storm water management, lighting, picnic facilities, habitat restoration, an operation facility, site furniture, landscaping, interpretive and way finding enhancements, site utilities, plus related survey and site investigations, design and engineering, and project management.	\$ 1,200	\$ 300	\$ 1,500
Minneapolis Park & Rec. Board	2	Central Mississippi Riverfront Regional Park	The Mississippi Riverfront Development Initiative (MRDI) is planning future park development along the Mississippi riverfront in Minneapolis including Central Mississippi Riverfront Regional Park. This grant may finance the following improvements pending completion of the MRDI planning process: trail connections, habitat restoration, public water access points, enhanced picnic facilities, site furniture, landscaping, utility improvements, design and engineering, and project management.	\$ 645	\$ 150	\$ 795

**Table 1 continued: Metropolitan Regional Parks Capital Improvements-- Prioritized Project List of Each Regional Park Implementing Agency for 2012 State Bond FINAL Request**

<b>Regional Park Implementing Agency</b>	<b>Agency Priority</b>	<b>Project Location</b>	<b>Project Description</b>	<b>State Bonds (\$000s)</b>	<b>Metro Council Bonds (\$000s)</b>	<b>Project Total Subgrant (\$000s)</b>
Minneapolis Park & Rec. Board	3	Above the Falls Regional Park	The Mississippi Riverfront Development Initiative (MRDI) planning process includes updating the master plan for Above the Falls Regional Park. This grant may finance the following improvements pending completion of the MRDI planning process: trail construction, additional site amenities (furniture, tables, pedestrian lighting, etc.) picnic facilities, landscaping, overlooks and river access, plus related consulting, engineering, design, acquisition and project management.	\$ 292	\$ 73	\$ 365
Minneapolis Park & Rec. Board	4	Various Regional Park Parkways	Finance 50% of the costs for repaving parkway roads and adjacent parking lots; storm water management, and parkway lighting. Remaining 50% financed by City of Minneapolis or Minneapolis Park Board since parkways serves transportation/commuting as well as recreational users.	\$ 800	\$ 200	\$ 1,000
<b>Minneapolis Park &amp; Rec. Board Percentage Share</b>		<b>20.9%</b>	<b>Minneapolis Park &amp; Rec. Board Subtotals</b>	<b>\$ 2,937</b>	<b>\$ 723</b>	<b>\$ 3,660</b>
Ramsey County	1	Battle Creek Regional Park	Design and construction of a trailhead facility along the west side of Battle Creek Road consisting of an entrance road, parking lot, landscaping, and site amenities.	\$ 128	\$ 32	\$ 160



**Metropolitan Regional Parks**

**Table 1 *continued*: Metropolitan Regional Parks Capital Improvements-- Prioritized Project List of Each Regional Park Implementing Agency for 2012 State Bond FINAL Request**

<b>Regional Park Implementing Agency</b>	<b>Agency Priority</b>	<b>Project Location</b>	<b>Project Description</b>	<b>State Bonds (\$000s)</b>	<b>Metro Council Bonds (\$000s)</b>	<b>Project Total Subgrant (\$000s)</b>
Ramsey County	2	Keller Regional Park	Design and construction of site improvements consisting of 0.5 mile of trail development from Lower Keller Picnic Area to Island Picnic area with the potential of .5 mile of trail development extending to Spoon Lake Picnic Area with coordinated tunnel design under Highway 36 with the Minnesota Department of Transportation; approximately .5 mile of trail redevelopment; parking lot redevelopment in picnic areas; overflow parking lot development for Island Picnic Area; playground development; Archery Range site improvements; canoe portage improvements at the Weir Dam on Keller Creek; and landscape enhancements throughout the park.	\$ 1,034	\$ 259	\$ 1,293
<b>Ramsey County Percentage Share</b>		<b>8.3%</b>	<b>Ramsey County Subtotals</b>	<b>\$ 1,162</b>	<b>\$ 291</b>	<b>\$ 1,453</b>
City of St. Paul	1	Como Regional Park	Reimbursement for part of City's contribution for design and construction of the Como Aquatics Facility. (Note: This grant is financed solely with Metro Council bonds because reimbursements for completed projects are not State bond eligible).	\$ -	\$ 6	\$ 6
City of St. Paul	2	Como Regional Park	Reimbursement for City financing of Phase 2 site amenities and landscaping that completes the renovation of the historic Lily pond at the park. (Note: This grant is financed solely with Metro Council bonds because reimbursements for completed projects are not State bond eligible).	\$ -	\$ 50	\$ 50
City of St. Paul	3	Cherokee Regional Trail	Cherokee Regional Trail project, extending from Harriet Island Regional Park up the bluff on Ohio Street and continuing along Cherokee Avenue to the City limit includes bike and pedestrian trails, retaining walls, ornamental railing, monuments, road and site work. This grant would supplement \$2.394 million of Federal, Parks and Trails Legacy Funds and local funds.	\$ 160	\$ 40	\$ 200

## Metropolitan Regional Parks

**Table 1 continued: Metropolitan Regional Parks Capital Improvements-- Prioritized Project List of Each Regional Park Implementing Agency for 2012 State Bond FINAL Request**

Regional Park Implementing Agency	Agency Priority	Project Location	Project Description	State Bonds (\$000s)	Metro Council Bonds (\$000s)	Project Total Subgrant (\$000s)
City of St. Paul	4	Lilydale Regional Park	Design, engineering and construction of initial phases of roadway, trails, utility work, parking and visitor amenities called for in park's master plan.	\$ 1,030	\$ 420	\$ 1,450
City of St. Paul	5	Phalen Regional Park	Construct splash pad near beach to accommodate non-swimming water play as called for in the recently updated master plan for the park.	\$ 419	\$ 105	\$ 524
City of St. Paul	6	Como Regional Park	Purchase and installation of security cameras to increase visitor security at the second most visited Metro Regional Park (3.6 million annual visits). Focusing on the highest concentration of visitors in the park, along with past crime data, cameras will be positioned in visible areas, mainly parking lots near the Zoo, Conservatory, McMurray Fields, and near Como Lake.	\$ 60	\$ 15	\$ 75
<b>City of St. Paul Percentage Share</b>		<b>13.2%</b>	<b>City of St. Paul Subtotals</b>	<b>\$ 1,669</b>	<b>\$ 636</b>	<b>\$ 2,305</b>
Scott County	1	Cedar Lake Farm Regional Park	Begin Phase 1 development at the park. Project components include lake shore development, shore land restoration, facility renovations, play structure, and park trails.	\$ 491	\$ 121	\$ 611
<b>Scott County Percentage Share</b>		<b>3.5%</b>	<b>Scott County Subtotals</b>	<b>\$ 491</b>	<b>\$ 121</b>	<b>\$ 611</b>
Three Rivers Park District	1	Silverwood Special Recreation Feature	Partial reimbursement for Three Rivers Park District funding to develop Silverwood Special Recreation Feature (Note: This grant is financed solely with Metro Council bonds because reimbursements for completed projects are not State bond eligible).	\$ -	\$ 3,765	\$ 3,765
<b>Three Rivers Park District Percentage Share</b>		<b>21.5%</b>	<b>Three Rivers Park District Subtotals</b>	<b>\$ -</b>	<b>\$ 3,765</b>	<b>\$ 3,765</b>

**Table 1 continued: Metropolitan Regional Parks Capital Improvements-- Prioritized Project List of Each Regional Park Implementing Agency for 2012 State Bond FINAL Request**

<b>Regional Park Implementing Agency</b>	<b>Agency Priority</b>	<b>Project Location</b>	<b>Project Description</b>	<b>State Bonds (\$000s)</b>	<b>Metro Council Bonds (\$000s)</b>	<b>Project Total Subgrant (\$000s)</b>
Washington County	1	St. Croix Bluffs Regional Park	Installation of vault toilets to supplement new shower building restrooms and the addition of a shelter (or the remodeling of the former shower building into a shelter) at campground; plus construct camper cabins and associated trails/roads to the camper cabins.	\$ 280	\$ 70	\$ 350
Washington County	2	Lake Elmo Park Reserve	The following improvements to the cross-country ski trailhead: exterior landscaping, site/parking lighting, patio, benches, signage, and other guest service amenities.	\$ 128	\$ 20	\$ 148
Washington County	3	Hardwood Creek Regional Trail	Repairs to the trail with a variety of techniques - from crack sealing to overlays to rebuilding sections, plus trail amenities such as landscaping, benches, kiosks, and signage.	\$ 560	\$ 140	\$ 700
<b>Washington County Percentage</b>		<b>6.8%</b>	<b>Washington County Subtotals</b>	<b>\$ 968</b>	<b>\$ 230</b>	<b>\$ 1,198</b>
				<b>State Bonds (\$000s)</b>	<b>Metro Council Bonds (\$000s)</b>	<b>Project Total Subgrant (\$000s)</b>
			<b>GRAND TOTALS</b>	<b>\$ 10,500</b>	<b>\$ 7,000</b>	<b>\$ 17,500</b>
			<b>Percentage by Funding Source</b>	<b>60%</b>	<b>40%</b>	

<b>TOTAL PROJECT COSTS All Years and Funding Sources</b>	<b>Prior Years</b>	<b>FY 2012-13</b>	<b>FY 2014-15</b>	<b>FY 2016-17</b>	<b>TOTAL</b>
1. Property Acquisition	9,483	437	500	500	10,920
2. Predesign Fees	0	0	0	0	0
3. Design Fees	574	264	264	264	1,366
4. Project Management	287	132	132	132	683
5. Construction Costs	36,118	16,592	16,592	16,592	85,894
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	69	75	12	12	168
9. Inflation	0	0	0	0	0
<b>TOTAL</b>	<b>46,531</b>	<b>17,500</b>	<b>17,500</b>	<b>17,500</b>	<b>99,031</b>

<b>CAPITAL FUNDING SOURCES</b>	<b>Prior Years</b>	<b>FY 2012-13</b>	<b>FY 2014-15</b>	<b>FY 2016-17</b>	<b>TOTAL</b>
State Funds :					
G.O Bonds/State Bldgs	39,404	10,500	10,500	10,500	70,904
General	0	0	0	0	0
<b>State Funds Subtotal</b>	<b>39,404</b>	<b>10,500</b>	<b>10,500</b>	<b>10,500</b>	<b>70,904</b>
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	7,127	7,000	7,000	7,000	28,127
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
<b>TOTAL</b>	<b>46,531</b>	<b>17,500</b>	<b>17,500</b>	<b>17,500</b>	<b>99,031</b>

<b>CHANGES IN STATE OPERATING COSTS</b>	<b>Changes in State Operating Costs (Without Inflation)</b>			
	<b>FY 2012-13</b>	<b>FY 2014-15</b>	<b>FY 2016-17</b>	<b>TOTAL</b>
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

<b>SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS</b> (for bond-financed projects)	<b>Amount</b>	<b>Percent of Total</b>
General Fund	10,500	100.0%
User Financing	0	0.0%

<b>STATUTORY AND OTHER REQUIREMENTS</b>	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2017

## Transitway Corridor Program

**2012 STATE APPROPRIATION REQUEST:** \$25,000,000

**AGENCY PROJECT PRIORITY:** 3 of 4

**PROJECT LOCATION:**

### Project At A Glance

The purpose of the Transitway Capital Improvement Program is to build and improve transitways identified in the Metropolitan Council's 2030 Transportation Policy Plan. 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.

### Project Description

The Council's adopted 2030 Transportation Policy Plan identifies existing transitways and corridors that should be studied and developed over the next 20 years as future transitways. Transitways are defined as a busway corridor, express bus corridor with transit advantages, bus rapid transit corridors, light rail transit and commuter rail. 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 the program standards in state law and the following criteria:

- expansion of the transitway system and use by the public;
- urgency in providing for the transitway;
- necessity in ensuring transportation options;
- consistency with the Council's transportation policy plan; and
- additional criteria for priorities otherwise specified in state law, statute, rule, or regulation applicable to a transit way, 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 \$50 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. The Southwest Corridor LRT project, which is anticipated to be a federal New Starts project, will be submitted as a separate state bonding request.

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

- Northstar Commuter Rail Ramsey Station construction;
- Rush Line corridor for park and ride facilities;
- Cedar Avenue BRT, to continue design and construction and match federal funds for the transit stations, parks and rides, bus layover facilities and bus lane improvements;
- Gateway (I-94 East) corridor for park and ride facilities;
- Arterial BRT transitways for preliminary engineering/design and construction of stations and roadway improvements;
- Bottineau Boulevard corridor for environmental analysis and preliminary engineering;
- Central Avenue/TH65 corridor for park and ride facilities;
- I-35W South BRT corridor for stations and park and ride facilities;
- I-35W North corridor for environmental analysis;
- I-394 MNPASS corridor for park and ride facilities;
- Union Depot and Interchange multimodal hubs for design and construction;
- Red Rock corridor for park and ride and station facilities;
- Robert Street corridor for a bus layover facility;

## Transitway Corridor Program

- Other transitways identified in the Council's 2030 Transportation Policy Plan.

**Impact on Agency Operating Budgets (Facilities Notes)**

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, M.S. Sec. 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 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.

**Previous Appropriations for this Project**

The Transitway Capital Improvement Program is a new program that requires legislation establishing the program to be passed during the 2012 session. Previous to this request, the Legislature and Governor have provided funding to specific transitway projects and activities. During the 2009 session, the legislature provided \$21.0 million to the Council to distribute among a number of eligible transitway projects specified in the 2009 legislation, including \$8.5 million for the Central Corridor light rail project. The 2011 Legislature appropriated \$20 million for the program.

**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.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funding for this request.

<b>TOTAL PROJECT COSTS All Years and Funding Sources</b>	<b>Prior Years</b>	<b>FY 2012-13</b>	<b>FY 2014-15</b>	<b>FY 2016-17</b>	<b>TOTAL</b>
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	250	250	250	750
3. Design Fees	0	2,250	2,250	2,250	6,750
4. Project Management	0	0	0	0	0
5. Construction Costs	0	22,500	22,500	22,500	67,500
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>75,000</b>

<b>CAPITAL FUNDING SOURCES</b>	<b>Prior Years</b>	<b>FY 2012-13</b>	<b>FY 2014-15</b>	<b>FY 2016-17</b>	<b>TOTAL</b>
State Funds :					
G.O Bonds/State Bldgs	0	25,000	25,000	25,000	75,000
General	0	0	0	0	0
<b>State Funds Subtotal</b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>75,000</b>
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>75,000</b>

<b>CHANGES IN STATE OPERATING COSTS</b>	<b>Changes in State Operating Costs (Without Inflation)</b>			
	<b>FY 2012-13</b>	<b>FY 2014-15</b>	<b>FY 2016-17</b>	<b>TOTAL</b>
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

<b>SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS</b> (for bond-financed projects)	<b>Amount</b>	<b>Percent of Total</b>
General Fund	25,000	100.0%
User Financing	0	0.0%

<b>STATUTORY AND OTHER REQUIREMENTS</b>	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2017

**Renewable Energy Initiatives**

**2012 STATE APPROPRIATION REQUEST:** \$8,000,000

**AGENCY PROJECT PRIORITY:** 4 of 4

**PROJECT LOCATION:**

**Project At A Glance**

The Metropolitan Council requests \$10.0 million in state bonds for renewable energy initiatives. As one of Xcel Energy's top ten consumers of energy in Minnesota, the Council is pursuing electric price stability with this project to reduce its needed purchase of energy.

**Project Description**

The Metropolitan Council seeks innovative ways to integrate renewable energy into our system as part of our overall environmental leadership strategy. Integrating wind and solar energy production with the requirements of the power grid will become even more important as the penetration of both of these renewable resources increases. Energy storage is key to expanding the use of renewable energy. This funding will support solar, wind, geothermal, energy storage and other renewable energy technologies.

**Impact on Agency Operating Budgets (Facilities Notes)**

This project will not impact the state operating budget. This project will result in a reduction in energy costs resulting in a cost savings to the operating budget of the Metropolitan Council.

**Previous Appropriations for this Project**

None

**Other Considerations**

Currently, to qualify for a rebate through Xcel Energy's Solar Rewards Program, a facility must not exceed 40Kw; this is also the limit for qualifying for net metering. The requirement to not exceed 40Kw for these programs is a significant impediment to large scale solar facilities. With the state's financial assistance, the Council's project will demonstrate the economics of a large scale solar facility to other interested entities. The project will identify costs and benefits of vertical integration through distributed power generation and reduced dependence on regulated utilities. The production and integration of information and reports will be made publicly available to private and public entities.

Beyond the benefits to the metropolitan area, this project will also offer benefits to the state as whole. The work will create jobs in Minnesota and would be a model for Minnesota industries and institutions that might want to make their own power, and of course would contribute to energy security and independence for Minnesota and the United States as well as reduce greenhouse gases.

This project will also consider advanced monitoring and metering methods as well as physical and cyber security of the electric grid.

**Project Contact Person**

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**Governor's Recommendations**

The Governor does not recommend capital funding for this request.



<b>TOTAL PROJECT COSTS All Years and Funding Sources</b>	<b>Prior Years</b>	<b>FY 2012-13</b>	<b>FY 2014-15</b>	<b>FY 2016-17</b>	<b>TOTAL</b>
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	72	0	0	72
3. Design Fees	0	1,307	0	0	1,307
4. Project Management	0	300	0	0	300
5. Construction Costs	0	12,652	0	0	12,652
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	15	0	0	15
9. Inflation	0	1,019	0	0	1,019
<b>TOTAL</b>	<b>0</b>	<b>15,365</b>	<b>0</b>	<b>0</b>	<b>15,365</b>

<b>CAPITAL FUNDING SOURCES</b>	<b>Prior Years</b>	<b>FY 2012-13</b>	<b>FY 2014-15</b>	<b>FY 2016-17</b>	<b>TOTAL</b>
State Funds :					
G.O Bonds/State Bldgs	0	8,000	0	0	8,000
General	0	0	0	0	0
<b>State Funds Subtotal</b>	<b>0</b>	<b>8,000</b>	<b>0</b>	<b>0</b>	<b>8,000</b>
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	2,500	0	0	2,500
Local Government Funds	0	3,865	0	0	3,865
Private Funds	0	0	0	0	0
Other	0	1,000	0	0	1,000
<b>TOTAL</b>	<b>0</b>	<b>15,365</b>	<b>0</b>	<b>0</b>	<b>15,365</b>

<b>CHANGES IN STATE OPERATING COSTS</b>	<b>Changes in State Operating Costs (Without Inflation)</b>			
	<b>FY 2012-13</b>	<b>FY 2014-15</b>	<b>FY 2016-17</b>	<b>TOTAL</b>
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

<b>SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS</b> (for bond-financed projects)	<b>Amount</b>	<b>Percent of Total</b>
General Fund	8,000	100.0%
User Financing	0	0.0%

<b>STATUTORY AND OTHER REQUIREMENTS</b>	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2017