Committee Report

Management Committee

METROPOLITAN COUNCIL

Committee Meeting Date: August 26, 2026 **For the Metropolitan Council:** September 9, 2026

Business Item: 2026-124 JT

2026 Third Quarter Budget Amendment

Proposed Action

That the Metropolitan Council authorizes the 2026 Unified Budget as amended and in accordance with the attached tables.

Summary of August 17, 2026, Community Development Committee Discussion/Questions:

Item was presented by Heather Giesel, Director CD/MTS Finance & Administration. Councilmembers Wulff and Chamblis asked for clarification on the $1 million in reserves being moved to HRA for replacement of FAHP housing. Assistant HRA Director, Stephanie Paulson provided answers that there were not currently any houses planned for purchase and any future purchases would be shared with the committee.

Moved by Obisakin, seconded by Wulff. Motion carried.

Summary of August 25, 2026, Transportation Committee Discussion/Questions:

Metro Transit Budget and Grants Manager Nathan Randall and Metropolitan Transportation Services Finance Director Heather Giesel presented this item. Council members did not have any questions or comments.

Motion by Johnson, seconded by Obisakin. Motion carried.

Summary of August 26, 2026, Management Committee Discussion/Questions:

Item was presented by Stewart McMullan, Regional Administration Budget Director. Council members did not have any questions or comments.

Moved by Jenkins, seconded by Pacheco. Motion carried.

Business Item

Management Committee

METROPOLITAN COUNCIL

Committee Meeting Date: August 26, 2026 **For the Metropolitan Council:** September 9, 2026

Business Item: 2026-124 JT

2026 Third Quarter Budget Amendment

District(s), Member(s): All

Policy/Legal Reference: MN Statutes Section 473.13, Subd. 1

Staff Prepared/Presented: Stewart McMullan, Budget Director (651-602-1374)

Division/Department: All

Proposed Action

That the Metropolitan Council authorizes the 2026 Unified Budget as amended and in accordance with the attached tables.

Background

This budget amendment includes changes to the 2026 operating budget in Community Development and Transportation, as well as changes to the capital budget in Community Development and Transportation. The amendment was reviewed and approved by the Community Development Committee on August 17, 2026, and the Transportation Committee on August 24, 2026.

Operating Component of the 2026 Unified Budget

COMMUNITY DEVELOPMENT:

Community Development:

Change in Revenues: $0; Expenditures: $0; Reserves: $0

This amendment transfers $300,000 in operating expense to the Local Planning Assistance passthrough account to be used to assist local governments with updating, amending, and implementing their local comprehensive plans. Program development for these funds is underway and expected to be made available in 2027 through future Council actions. This transfer will not impact the use of reserves as Community Development is repurposing unprogrammed expenses.

Passthrough Budget

Local Planning Assistance:

Change in Revenues: $300,000; Expenditures: $0; Reserves: ($300,000)

This amendment recognizes a $300,000 transfer from Community Development to the Local Planning Assistance passthrough account and increases the use of reserves by an equal amount.

Livable Communities:

Change in Revenues: $0; Expenditures: $2,250,000; Reserves: ($2,250,000)

This amendment increases Local Housing Incentives Account passthrough expenses by $2,250,000 and increases the use of reserves by an equal amount.

TRANSPORTATION:

METROPOLITAN TRANSPORTATION SERVICES

Contracted Services:

Change in Revenues: $1,970,844; Expenditures: $1,970,844; Reserves: $0

This amendment authorizes $1,970,844 in MVST revenues to be transferred from the Contracted Services operating budget to the capital program and $1,970,844 in federal funds to be transferred from the capital program to Contracted Services operating budget. MVST funds will be used in the capital program for engines, transmissions, and mid-life vehicle rehabilitations. This dollar-for-dollar exchange of funds has no impact on regional MVST allocations, MVST reserves or planned capital projects.

Passthrough Program

Suburban Transit Providers Contracted Services:

Change in Revenues: $13,253,781; Expenditures: $13,253,781; Reserves: $0

This amendment increases suburban transit providers passthrough budget revenues and expenses by $13,253,781. The Transit Funding Allocation Policy, FM 12-3, adopted by the Council on September 10, 2025, allows the Council to allocate additional supplemental financial assistance to replacement service municipalities equivalent to the transit debt service levied by the Council in these communities. The funding assistance must be used for transit purposes.

Capital Component of the 2026 Unified Budget

COMMUNITY DEVELOPMENT

Change in Authorized Capital Program (ACP): $76,031,420

Additions: $88,557,800

Reductions: ($12,526,380)

Change in Capital Improvement Plan (CIP): ($1,814,800)

Additions: $0

Reductions ($1,814,800)

Change in Capital Program (ACP+CIP): $74,216,620

Change in 2026 Capital Budget: $76,031,420

The amendment closes 17 capital projects totaling $12.3 million in Parks and one capital project in HRA for $253 thousand. In addition, there were 21 projects that had additional changes totaling $87.56 million in Parks and one project with additional changes of $1 million in HRA.

TRANSPORTATION

Change in Authorized Capital Program (ACP): $54,773,660

Additions: $82,772,705

Reductions: ($27,999,045)

Change in Capital Improvement Plan (CIP): ($37,911,763)

Additions: $0

Reductions ($37,911,763)

Change in Capital Program (ACP+CIP): $16,861,897

Change in 2026 Capital Budget: $54,773,660

The amendment closes 20 capital projects for Metropolitan Transportation Services totaling $16.7 million. The amendment makes changes to the funding for three capital projects with no change to ACP, makes one transfer of funds from one project to another project with no change to the ACP and makes changes to three projects that decrease the ACP by $11.28 million in MTS.

Metro Transportation reallocates or changes funding for 14 projects with no change to the ACP. It also increases ACP for 16 projects for a total of $82.77 million

Rationale

The proposed amendment programs available state and regional funds to the Unified Budget to allow the Council and Parks Implementing Agencies to carry out work plans and long-term capital program.

The proposed amendment programs available federal, state, other, and regional funds to the Unified Budget to allow the Council to carry out its work plan and its long-term capital program.

Thrive Lens Analysis

On February 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040.

Under the Thrive lens, this budget amendment supports the Thrive outcome of Stewardship though responsible planning and management of resources for the Community Development Division and Regional Parks and Trails.

Under the Thrive lens, this budget amendment demonstrates commitment toward asset preservation and supports the Thrive outcomes of stewardship by assessing the future needs, responsible planning and management of resources for Metro Transit and Metropolitan Transportation Services.

Funding

Capital Program:

Funding for the capital program comes from state appropriations, state bonds, legacy, environment natural resource trust fund and regional bonds. Funding for the HRA capital program comes from capital reserves. Funding for the operating and passthrough programs come from Council general fund.

This amendment decreases the Transportation Division Federal revenues by $2,607,130, increases State revenues by $1,047,800, increases Other revenues by $22,495,000, increases RTC revenues by $10,394,514 and increases Sales Tax revenues by $23,443,476.

Attachments:

Table 2: 2026 Operations, Pass-Through and Debt Service Budget – Amended September 9, 2026

Table 3: 2026 Operations Summary Budget – Amended September 9, 2026

Table 4: 2026 Pass-Through Grants and Loans – Amended September 9, 2026

Table C-1: 2026 Transportation Budget Summary – Amended September 9, 2026

Table D-1: 2026 Community Development Budget Summary – Amended September 9, 2026

Table 9: 2026 Transportation Capital Program – Amended September 9, 2026

Table 11: 2026 Community Development Capital Program – Amended September 9, 2026

Community Development Business Item – August 17, 2026

Transportation Committee Business Item – August 24, 2026

METROPOLITAN COUNCIL
SUMMARY BUDGET
OPERATIONS, PASS-THROUGH AND DEBT SERVICE
FY2026

TABLE 2 ($ in 000s)

	Council Operations	Pass-through Grants & Loans	Debt Service Funds	Other Post Employment Benefits (OPEB)	Total
Revenues					
Property Tax	19,791	20,534	57,651	-	97,976
Federal Revenues	57,382	110,642	-	-	168,024
State Revenues	760,957	132,468	-	-	893,425
Local Revenues	175	-	-	-	175
Municipal Wastewater Charges	210,600	-	104,022	-	314,622
Industrial Wastewater Charges	21,058	-	604	-	21,662
Passenger Fares, Contract & Special Events	55,043	-	-	-	55,043
Investment Earnings	12,062	-	792	5,560	18,414
Other Revenues	9,289	-	-	-	9,289
Total Revenues	**1,146,357**	**263,644**	**163,069**	**5,560**	**1,578,630**
Other Sources					
MVST Transfers	16,168	-	-	-	16,168
SAC Transfers In	3,000	-	44,374	-	47,374
Total Other Sources	**19,168**	**-**	**44,374**	**-**	**63,542**
Total Revenues and Other Sources	**1,165,525**	**263,644**	**207,443**	**5,560**	**1,642,172**
Expenses					
Salaries & Benefits	785,735	-	-	-	785,735
OPEB Benefit Payments	-	-	-	15,574	15,574
Consulting & Contractual Services	144,764	-	-	-	144,764
Materials & Supplies	60,136	-	-	-	60,136
Fuel	30,891	-	-	-	30,891
Chemicals	17,243	-	-	-	17,243
Rent & Utilities	49,654	-	-	-	49,654
Printing	590	-	-	-	590
Travel	3,787	-	-	-	3,787
Insurance	9,215	-	-	-	9,215
Transit Programs	173,482	-	-	-	173,482
Operating Capital	6,243	-	-	-	6,243
Governmental Grants	4,630	2,000	-	-	6,630
Other Expenses	21,702	-	-	-	21,702
Passthrough Grants & Loans	-	280,089	-	-	280,089
Debt Service Obligations	-	-	188,112	-	188,112
Total Expenses	**1,308,072**	**282,089**	**188,112**	**15,574**	**1,793,847**
Other Sources and (Uses)					
xfers in	(2,050)	1,745	-	-	(305)
xfer out	55	-	-	-	55
Net Interbudget Transfers	(1,995)	1,745	-	-	(250)
Transfer to Capital	(19,335)	-	-	-	(19,335)
Total Other Sources and (Uses)	**(21,330)**	**1,745**	**-**	**-**	**(19,585)**
Total Expenses and Other Sources and (Uses)	**1,329,402**	**280,344**	**188,112**	**15,574**	**1,813,432**
Change in Fund Balance	**(163,877)**	**(16,700)**	**19,331**	**(10,014)**	**(171,260)**

METROPOLITAN COUNCIL
SUMMARY BUDGET
OPERATIONS BY FUND
FY2026

Table 3 **($ in 000s)**

						Transportation								
	General Fund					Metropolitan Transportation Services				Metro Transit				
	Regional Administration	Community Development	General Fund Total	HRA & FAHP	Environmental Services	Special Transportation Services	Contracted Transit Services	Transportation Planning	MTS Total	Bus	Light Rail	Metro Transit Total	Transportation Total	Memo Total
Revenues:														
Property Tax	-	19,791	19,791	-	-	-	-	-	-	-	-	-	-	19,791
Federal Revenues	-	3,330	3,330	9,281	-	-	6,361	6,314	12,675	5,000	27,096	32,096	44,771	57,382
State Revenues	-	-	-	247	1,281	121,258	63,000	7,100	191,358	422,501	145,570	568,071	759,429	760,957
Local Revenues	-	-	-	-	-	-	-	175	175	-	-	-	175	175
Municipal Wastewater Charges	-	-	-	-	210,600	-	-	-	-	-	-	-	-	210,600
Industrial Wastewater Charges	-	-	-	-	21,058	-	-	-	-	-	-	-	-	21,058
Passenger Fares	-	-	-	-	-	6,495	1,733	-	8,228	31,798	13,838	45,636	53,864	53,864
Contract & Special Event Revenues	-	-	-	-	-	-	-	-	-	1,179	-	1,179	1,179	1,179
Investment Earnings	962	-	962	-	2,500	-	-	-	-	8,100	500	8,600	8,600	12,062
Other Revenues	120	-	120	4,795	1,137	-	-	-	-	2,000	1,237	3,237	3,237	9,289
Total Revenues	1,082	23,121	24,203	14,323	236,576	127,753	71,094	13,589	212,436	470,578	188,241	658,819	871,255	1,146,357
Expenses:														
Salaries & Benefits	78,464	10,621	89,085	8,412	101,950	4,740	1,465	6,446	12,651	445,298	128,339	573,637	586,288	785,735
Consulting & Contractual Services	50,596	5,056	55,652	2,884	25,271	2,488	937	4,319	7,744	42,535	10,678	53,213	60,957	144,764
Material & Supplies	2,259	-	2,259	44	14,796	560	392	35	987	30,779	11,271	42,050	43,037	60,136
Fuel	-	-	-	-	355	12,565	-	-	12,565	17,943	28	17,971	30,536	30,891
Chemicals	-	-	-	-	17,243	-	-	-	-	-	-	-	-	17,243
Rent & Utilities	7,433	199	7,632	172	23,922	114	69	111	294	9,149	8,485	17,634	17,928	49,654
Printing	35	18	53	-	48	35	5	7	47	441	1	442	489	590
Travel	1,306	161	1,467	87	808	32	13	85	130	1,182	113	1,295	1,425	3,787
Insurance	218	-	218	110	3,700	-	-	-	-	4,447	740	5,187	5,187	9,215
Transit Programs	-	-	-	-	-	114,649	58,833	-	173,482	-	-	-	173,482	173,482
Operating Capital	1,482	184	1,666	117	3,897	287	231	45	563	-	-	-	563	6,243
Governmental Grants	-	2,728	2,728	-	1,307	-	-	60	60	535	-	535	595	4,630
Other Expenses	776	298	1,074	2,440	5,734	87	66	100	253	12,003	198	12,201	12,454	21,702
Total Expenses	142,569	19,265	161,834	14,266	199,031	135,557	62,011	11,208	208,776	564,312	159,853	724,165	932,941	1,308,072
Other Sources and (Uses):														
Interdivisional Cost Allocation	141,407	(3,629)	137,778	(2,056)	(32,862)	(3,814)	(1,745)	(3,775)	(9,334)	(81,427)	(12,099)	(93,526)	(102,860)	-
Modal Allocation	-	-	-	-	-	-	-	-	-	53,609	(53,609)	-	-	-
2CFR200 Cost Allocation	-	-	-	-	-	-	-	-	-	11,487	(11,487)	-	-	-
MVST Transfers	-	-	-	-	-	-	-	-	-	16,168	-	16,168	16,168	16,168
Transfer from SAC	-	-	-	-	3,000	-	-	-	-	-	-	-	-	3,000
Transfer To Passthrough	-	(2,050)	(2,050)	-	-	-	-	-	-	-	-	-	-	(2,050)
Transfer To Capital	-	-	-	-	(13,000)	-	(6,335)	-	(6,335)	-	-	-	(6,335)	(19,335)
Net Operating Transfers	(400)	-	(400)	(223)	400	-	-	355	355	(77)	-	(77)	278	55
Net Other Sources and (Uses)	141,007	(5,679)	135,328	(2,279)	(42,462)	(3,814)	(8,080)	(3,420)	(15,314)	(240)	(77,195)	(77,435)	(92,749)	(2,162)
Change in Fund Balance	(480)	(1,823)	(2,303)	(2,222)	(4,917)	(11,618)	1,003	(1,039)	(11,654)	(93,974)	(48,807)	(142,781)	(154,435)	(163,877)

METROPOLITAN COUNCIL
SUMMARY BUDGET
PASS-THROUGH GRANTS AND LOANS
FY2026

Table 4 **($ in 000s)**

	Metro HRA	Parks O & M	Planning Assistance	Livable Communities	Transportation Passthrough	MCES Grants	Memo Total
Revenues:							
Property Tax	-	-	-	20,534	-	-	20,534
Federal Revenues	104,642	-	-	-	6,000	-	110,642
State Revenues	2,851	11,740	-	-	105,877	12,000	132,468
Total Revenues	**107,493**	**11,740**	**-**	**20,534**	**111,877**	**12,000**	**263,644**
Expenses:							
Government Grants	-	-	-	-	2,000	-	2,000
Pass-through Grants & Loans	107,493	11,740	1,575	37,745	109,536	12,000	280,089
Total Expenses	**107,493**	**11,740**	**1,575**	**37,745**	**111,536**	**12,000**	**282,089**
Other Sources and (Uses):							
Transfers From Other Funds	-	-	1,050	1,000	50	-	2,100
Transfers To Other Funds	-	-	-	-	(355)	-	(355)
Transfer From Operations	**-**	**-**	**1,050**	**1,000**	**(305)**	**-**	**1,745**
Net Other Sources and (Uses)	-	-	1,050	1,000	(305)	-	1,745
Change in Fund Balance	**-**	**-**	**(525)**	**(16,211)**	**36**	**-**	**(16,700)**

METROPOLITAN COUNCIL
SUMMARY BUDGET
TRANSPORTATION DIVISION
FY26

Table C-1 **($ in 000s)**

	Special Transportation Services	Contracted Transit Services	Transportation Planning	Total Metropolitan Transportation Services	Bus	Light Rail	Transit Capital Funded	Total Metro Transit	Total Operating	Debt Service	Pass-Through	Highway Right of Way Pass-Through	Memo Total	MVST/Sales Tax Reserves
Revenues:														
Motor Vehicle Sales Tax	-	57,000	7,000	64,000	261,563	-	-	261,563	325,563	-	48,323	-	373,886	17,134
Regional Sales Tax	-	6,000	100	6,100	160,938	140,000	3,819	304,757	310,857	-	57,554	-	368,411	91,389
State Appropriations	115,423	-	-	115,423	-	1,751	-	1,751	117,174	-	-	-	117,174	-
Other State Revenues	5,835	-	-	5,835	-	-	-	-	5,835	-	-	-	5,835	-
Total State Revenues	121,258	63,000	7,100	191,358	422,501	141,751	3,819	568,071	759,429	-	105,877	-	865,306	108,523
Net Property Tax	-	-	-	-	-	-	-	-	-	54,600	-	-	54,600	-
Federal Revenues	-	6,361	6,314	12,675	5,000	-	27,096	32,096	44,771	-	6,000	-	50,771	-
Local Revenues	-	-	175	175	-	-	-	-	175	-	-	-	175	-
Passenger Fares	6,495	1,733	-	8,228	31,798	13,838	-	45,636	53,864	-	-	-	53,864	-
Contract & Special Event Revenues	-	-	-	-	1,179	-	-	1,179	1,179	-	-	-	1,179	-
Investment Earnings	-	-	-	-	8,100	500	-	8,600	8,600	732	-	-	9,332	-
Other Revenues	-	-	-	-	2,000	1,237	-	3,237	3,237	-	-	-	3,237	-
Total Other Revenues	6,495	8,094	6,489	21,078	48,077	15,575	27,096	90,748	111,826	55,332	6,000	-	173,158	-
Total Revenues	127,753	71,094	13,589	212,436	470,578	157,326	30,915	658,819	871,255	55,332	111,877	-	1,038,464	108,523
Expenses:														
Salaries & Benefits	4,740	1,465	6,446	12,651	445,298	103,346	24,993	573,637	586,288	-	-	-	586,288	-
Consulting & Contractual Services	2,488	937	4,319	7,744	42,535	7,619	3,059	53,213	60,957	-	-	-	60,957	-
Materials & Supplies	560	392	35	987	30,779	11,271	-	42,050	43,037	-	-	-	43,037	-
Fuel	12,565	-	-	12,565	17,943	28	-	17,971	30,536	-	-	-	30,536	-
Chemicals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent & Utilities	114	69	111	294	9,149	8,485	-	17,634	17,928	-	-	-	17,928	-
Printing	35	5	7	47	441	1	-	442	489	-	-	-	489	-
Travel	32	13	85	130	1,182	113	-	1,295	1,425	-	-	-	1,425	-
Insurance	-	-	-	-	4,447	740	-	5,187	5,187	-	-	-	5,187	-
Transit Programs	114,649	58,833	-	173,482	-	-	-	-	173,482	-	-	-	173,482	-
Operating Capital	287	231	45	563	-	-	-	-	563	-	-	-	563	-
Governmental Grants	-	-	60	60	535	-	-	535	595	-	2,000	-	2,595	-
Other Expenses	87	66	100	253	12,003	198	-	12,201	12,454	-	-	-	12,454	-
Passthrough Grants	-	-	-	-	-	-	-	-	-	-	109,536	-	109,536	-
Debt Service Obligations	-	-	-	-	-	-	-	-	-	35,435	-	-	35,435	-
Total Expenses	135,557	62,011	11,208	208,776	564,312	131,801	28,052	724,165	932,941	35,435	111,536	-	1,079,912	-
Other Sources and (Uses):														
Interdivisional Cost Allocation	(3,814)	(1,745)	(3,775)	(9,334)	(81,427)	(12,099)	-	(93,526)	(102,860)	-	-	-	(102,860)	-
Modal Allocation	-	-	-	-	53,609	(53,609)	-	-	-	-	-	-	-	-
2CFR200 Cost Allocation	-	-	-	-	11,487	(8,624)	(2,863)	-	-	-	-	-	-	-
MVST Reserve Transfers	-	-	-	-	16,168	-	-	16,168	16,168	-	50	-	16,218	(16,218)
Transfers To Other Funds	-	-	-	-	(77)	-	-	(77)	(77)	-	(355)	-	(432)	-
Transfer to Capital	-	(6,335)	-	(6,335)	-	-	-	-	(6,335)	-	-	-	(6,335)	(124,506)
Transfers To From Other Funds	-	-	355	355	-	-	-	-	355	-	-	-	355	-
Net Other Sources and (Uses)	(3,814)	(8,080)	(3,420)	(15,314)	(240)	(74,332)	(2,863)	(77,435)	(92,749)	-	(305)	-	(93,054)	(140,724)
Change in Fund Balance	(11,618)	1,003	(1,039)	(11,654)	(93,974)	(48,807)	-	(142,781)	(154,435)	19,897	36	-	(134,502)	(32,201)

METROPOLITAN COUNCIL
SUMMARY BUDGET
COMMUNITY DEVELOPMENT DIVISION
FY26

Table D-1 ($ in 000s)

	Division Management	Reg Policy & Research	Local Planning Assistance	Reg Parks & Natural Resources	Livable Communities	Subtotal General Fund Operating	HRA Administration	Total Operating	Parks Debt Service	Parks Pass-Through	HRA Pass-Through	Planning Assistance Pass-Through	TBRA	DEMO	LHIA	Total Livable Communities Pass-Through	Memo Total
Revenues:																	
Property Tax	19,791	-	-	-	-	19,791	-	19,791	3,051	-	-	-	5,000	15,534	-	20,534	43,376
Federal Revenues	330	-	-	-	3,000	3,330	9,281	12,611	-	-	104,642	-	-	-	-	-	117,253
State Revenues	-	-	-	-	-	-	247	247	-	11,740	2,851	-	-	-	-	-	14,838
Investment Earnings	-	-	-	-	-	-	-	-	60	-	-	-	-	-	-	-	60
Other Revenues	-	-	-	-	-	-	4,795	4,795	-	-	-	-	-	-	-	-	4,795
Total Revenues	20,121	-	-	-	3,000	23,121	14,323	37,444	3,111	11,740	107,493	-	5,000	15,534	-	20,534	180,322
Expenses:																	
Salaries & Benefits	1,516	3,467	1,993	1,686	1,959	10,621	8,412	19,033	-	-	-	-	-	-	-	-	19,033
Consulting & Contractual Services	2,475	621	415	1,395	150	5,056	2,884	7,940	-	-	-	-	-	-	-	-	7,940
Materials & Supplies	-	-	-	-	-	-	44	44	-	-	-	-	-	-	-	-	44
Rent & Utilities	199	-	-	-	-	199	172	371	-	-	-	-	-	-	-	-	371
Printing	8	-	-	10	-	18	-	18	-	-	-	-	-	-	-	-	18
Travel	49	42	29	20	21	161	87	248	-	-	-	-	-	-	-	-	248
Insurance	-	-	-	-	-	-	110	110	-	-	-	-	-	-	-	-	110
Operating Capital	184	-	-	-	-	184	117	301	-	-	-	-	-	-	-	-	301
Governmental Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	113	65	102	8	10	298	2,440	2,738	-	-	-	-	-	-	-	-	2,738
Passthrough Grants	-	-	-	-	2,728	2,728	-	2,728	-	11,740	107,493	1,575	6,423	24,789	6,533	37,745	161,281
Debt Service Obligations	-	-	-	-	-	-	-	-	3,677	-	-	-	-	-	-	-	3,677
Total Expenses	4,544	4,195	2,539	3,119	4,868	19,265	14,266	33,531	3,677	11,740	107,493	1,575	6,423	24,789	6,533	37,745	195,761
Other Sources and (Uses):																	
Interdivisional Cost Allocation	(3,629)	-	-	-	-	(3,629)	(2,056)	(5,685)	-	-	-	-	-	-	-	-	(5,685)
Transfer To Operating Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intradivisional Transfers	(2,050)	-	-	-	-	(2,050)	(223)	(2,273)	-	-	-	1,050	-	(500)	1,500	1,000	(223)
Net Other Sources and (Uses)	(5,679)	-	-	-	-	(5,679)	(2,279)	(7,958)	-	-	-	1,050	-	(500)	1,500	1,000	(5,908)
Change in Fund Balance	9,898	(4,195)	(2,539)	(3,119)	(1,868)	(1,823)	(2,222)	(4,045)	(566)	-	-	(525)	(1,423)	(9,755)	(5,033)	(16,211)	(21,347)

METROPOLITAN COUNCIL
CAPITAL PROGRAM
TRANSPORTATION

TABLE 9

($ in 000's)

	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)							
	2026 Current	Changes	2026 Amended	2026	2027	2028	2029	2030	2031	Total	ACP + CIP Combined
METRO TRANSIT											
Fleet Modernization											
Big Buses	580,307	4,221	584,528	83,591	140,316	59,461	49,668	8,040	34,657	375,733	960,262
Light Rail Vehicles	86,806	-	86,806	400	-	750	7,760	6,743	750	16,404	103,210
Non-Revenue Vehicles	1,007	-	1,007	-	-	-	-	-	-	-	1,007
TOTAL Fleet Modernization	668,120	4,221	672,341	83,991	140,316	60,211	57,428	14,784	35,407	392,137	1,064,478
Support Facilities											
Light Rail Projects	33	12,325	12,358	-	-	-	-	-	-	-	12,358
Northstar Commuter Rail	700	-	700	-	-	-	-	-	-	-	700
Other Capital Equipment	20,850	-	20,850	-	-	-	-	-	-	-	20,850
Support Facility	545,884	17,300	563,183	15,410	33,930	74,500	59,320	55,321	45,387	283,868	847,051
TOTAL Support Facilities	567,467	29,625	597,092	15,410	33,930	74,500	59,320	55,321	45,387	283,868	880,959
Customer Facilities											
Bus System Customer Facility	16,894	-	16,894	850	10,450	6,280	2,780	2,930	1,900	25,190	42,084
Customer Facilities Rail	78,150	2,000	80,150	-	9,860	7,890	2,340	1,380	1,440	22,910	103,060
Customer Facilities Systems	48,654	450	49,104	2,250	1,775	3,550	5,756	6,325	6,175	25,831	74,935
Light Rail Projects	250	-	250	-	-	-	-	-	-	-	250
Support Facility	950	-	950	-	-	-	-	-	-	-	950
TOTAL Customer Facilities	144,898	2,450	147,348	3,100	22,085	17,720	10,876	10,635	9,515	73,931	221,278
Technology Improvements											
Light Rail Projects	150	-	150	-	-	-	-	-	-	-	150
Non-Revenue Vehicles	831	-	831	-	-	-	-	-	-	-	831
Repairs, Equipment and Technology	300	-	300	-	-	-	-	-	-	-	300
Support Facility	100	-	100	-	-	-	-	-	-	-	100
Technology Investments	102,971	19,674	122,645	16,192	21,798	13,573	17,660	15,315	12,634	97,173	219,819
TOTAL Technology Improvements	104,352	19,674	124,027	16,192	21,798	13,573	17,660	15,315	12,634	97,173	221,200
Other Capital Equipment											
Light Rail Projects	185,067	750	185,817	39,267	13,861	45,943	107,076	75,200	62,150	343,497	529,315
Non-Revenue Vehicles	34,211	825	35,036	1,830	4,537	3,109	4,298	5,413	4,537	23,725	58,760
Other Capital Equipment	114,838	-18	114,820	400	450	900	870	2,650	520	5,790	120,610
TOTAL Other Capital Equipment	334,116	1,557	335,673	41,497	18,848	49,952	112,245	83,263	67,207	373,012	708,685
Transitways - Non New Starts											
Arterial Bus Rapid Transit (ABRT)	345,062	-	345,062	800	70,665	35,200	-	31,250	-	137,915	482,978
Commuter Rail Projects	1,300	-	1,300	-	-	-	-	-	-	-	1,300
Highway Bus Rapid Transit (HBRT)	713,595	25,245	738,840	5,312	2,000	1,000	1,000	-	-	9,312	748,152
Light Rail Projects	57,255	-	57,255	-	-	-	-	-	-	-	57,255
Metro Blue Line (Hiawatha Corridor)	43,300	-	43,300	-	-	-	-	-	-	-	43,300
Metro Green Line (Central Corridor)	1,800	-	1,800	-	-	-	-	-	-	-	1,800
Other Capital Equipment	200	-	200	-	-	-	-	-	-	-	200
Transitways	437	-	437	-	-	-	-	-	-	-	437

METROPOLITAN COUNCIL
CAPITAL PROGRAM
TRANSPORTATION

TABLE 9

($ in 000's)

	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)							
	2026 Current	Changes	2026 Amended	2026	2027	2028	2029	2030	2031	Total	ACP + CIP Combined
TOTAL Transitways - Non New Starts	1,162,949	25,245	1,188,194	6,112	72,665	36,200	1,000	31,250	-	147,227	1,335,421
Federal New Starts Rail Projects											
Metro Blue Line (Bottineau Boulevard)	484,611	-	484,611	253,112	330,072	647,631	741,685	549,845	434,289	2,956,634	3,441,245
Metro Green Line (Central Corridor)	40,063	-	40,063	-	-	-	-	-	-	-	40,063
Metro Green Line (Southwest Corridor)	2,862,956	-	2,862,956	-	-	-	-	-	-	-	2,862,956
TOTAL Federal New Starts Rail Projects	3,387,630	-	3,387,630	253,112	330,072	647,631	741,685	549,845	434,289	2,956,634	6,344,264
Total METRO TRANSIT Capital Program	**6,369,532**	**82,773**	**6,452,305**	**419,414**	**639,715**	**899,786**	**1,000,214**	**760,413**	**604,439**	**4,323,981**	**10,776,286**

METROPOLITAN COUNCIL
CAPITAL PROGRAM
TRANSPORTATION

TABLE 9

($ in 000's)

	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)							
	2026 Current	Changes	2026 Amended	2026	2027	2028	2029	2030	2031	Total	ACP + CIP Combined
METROPOLITAN TRANSPORTATION SERVICES											
Fleet Modernization											
Big Buses	123,331	-1,582	121,749	31,635	10,800	6,000	6,000	6,000	6,000	66,435	188,184
Non-Revenue Vehicles	221	-	221	150	150	495	150	150	150	1,245	1,466
Repairs, Equipment and Technology	3,843	1,971	5,814	3,000	3,000	3,000	3,000	3,000	3,000	18,000	23,814
Small Buses	119,133	-13,254	105,879	8,354	7,232	27,376	31,705	38,675	64,712	178,053	283,932
TOTAL Fleet Modernization	246,528	-12,865	233,663	43,139	21,182	36,871	40,855	47,825	73,862	263,733	497,397
Support Facilities											
Minnesota Valley Transit Authority	10,960	-8,960	2,000	4,000	-	-	-	-	-	4,000	6,000
Support Facility	2,346	-1,179	1,168	-	-	-	-	-	-	-	1,168
TOTAL Support Facilities	13,306	-10,139	3,168	4,000	-	-	-	-	-	4,000	7,168
Customer Facilities											
Customer Facilities Systems	2,000	-	2,000	-	-	-	-	-	-	-	2,000
TOTAL Customer Facilities	2,000	-	2,000	-	-	-	-	-	-	-	2,000
Technology Improvements											
Technology Investments	20,354	486	20,839	15,500	5,971	6,564	5,439	5,439	5,439	44,350	65,189
TOTAL Technology Improvements	20,354	486	20,839	15,500	5,971	6,564	5,439	5,439	5,439	44,350	65,189
Other Regional Providers											
Maple Grove Transit	4,545	-	4,545	1,053	1,076	1,099	1,124	1,148	1,174	6,673	11,218
Microtransit Service	7,558	-5,051	2,507	-	-	-	-	-	-	-	2,507
Minnesota Valley Transit Authority	11,743	411	12,154	-	-	-	-	-	-	-	12,154
Plymouth Transit	7,466	-	7,466	1,057	1,081	1,105	1,129	1,154	1,179	6,704	14,170
SouthWest Transit	4,019	-841	3,178	-	-	-	-	-	-	-	3,178
University of Minnesota Transit	850	-	850	829	847	866	885	904	924	5,254	6,104
TOTAL Other Regional Providers	36,182	-5,482	30,700	2,939	3,003	3,070	3,137	3,206	3,277	18,632	49,332
Total MTS Capital Program	**318,369**	**-27,999**	**290,370**	**65,578**	**30,156**	**46,504**	**49,430**	**56,470**	**82,578**	**330,715**	**621,085**

COMBINED											
Fleet Modernization	914,648	-8,644	906,005	127,130	161,498	97,081	98,283	62,609	109,269	655,870	1,561,875
Support Facilities	580,773	19,486	600,259	19,410	33,930	74,500	59,320	55,321	45,387	287,868	888,127
Customer Facilities	146,898	2,450	149,348	3,100	22,085	17,720	10,876	10,635	9,515	73,931	223,278
Technology Improvements	124,706	20,160	144,866	31,693	27,769	20,136	23,099	20,754	18,073	141,523	286,389
Other Regional Providers	36,182	-5,482	30,700	2,939	3,003	3,070	3,137	3,206	3,277	18,632	49,332
Other Capital Equipment	334,116	1,557	335,673	41,497	18,848	49,952	112,245	83,263	67,207	373,012	708,685
Transitways - Non New Starts	1,162,949	25,245	1,188,194	6,112	72,665	36,200	1,000	31,250	-	147,227	1,335,421
Federal New Starts Rail Projects	3,387,630	-	3,387,630	253,112	330,072	647,631	741,685	549,845	434,289	2,956,634	6,344,264
TOTAL TRANSPORTATION	**6,687,901**	**54,774**	**6,742,675**	**484,992**	**669,871**	**946,290**	**1,049,644**	**816,882**	**687,017**	**4,654,696**	**11,397,372**

METROPOLITAN COUNCIL
CAPITAL PROGRAM
COMMUNITY DEVELOPMENT

TABLE 11

($ in 000's)

	Authorized Capital Program (ACP)			Capital Improvement Plan (CIP)							ACP + CIP Combined
	2026 Current	Changes	2026 Amended	2026	2027	2028	2029	2030	2031	Total	
Housing and Redevelopment Authority											
Family Affordable Housing Program	2,771	747	3,518	300	350	350	350	350	350	2,050	5,568
Total Housing and Redevelopment Authority	2,771	747	3,518	300	350	350	350	350	350	2,050	5,568
Other Programs											
Equity Grant Funds	10,843	-	10,843	1,000	-	1,000	-	1,000	-	3,000	13,843
Land Acquisition Funds	19,524	6,557	26,081	3,972	5,878	5,970	6,065	6,161	6,259	34,305	60,386
Other Governmental Units	78,420	37,831	116,251	-	-	-	-	-	-	-	116,251
Total Other Programs	108,787	44,388	153,175	4,972	5,878	6,970	6,065	7,161	6,259	37,305	190,480
Regional Park Implementing Agencies											
Anoka County Parks	10,581	463	11,044	4,597	2,242	4,686	2,333	4,778	2,427	21,062	32,106
Carver County Parks	1,642	1,038	2,680	1,603	715	1,631	744	1,661	774	7,127	9,807
City of Bloomington Parks	2,767	555	3,322	969	392	984	408	1,000	424	4,178	7,500
City of St Paul Parks and Recreation	17,926	3,687	21,613	5,635	2,965	5,753	3,085	5,875	3,210	26,523	48,136
Dakota County Parks	14,961	3,943	18,904	4,943	2,207	5,031	2,296	5,122	2,389	21,988	40,891
Minneapolis Parks and Recreation Board	34,277	8,902	43,179	10,653	5,643	10,877	5,871	11,109	6,108	50,262	93,441
Ramsey County Parks	14,009	3,470	17,479	4,173	2,160	4,258	2,247	4,347	2,338	19,523	37,002
Scott County	3,950	-201	3,749	2,129	1,065	2,171	1,108	2,215	1,153	9,842	13,591
Three Rivers Park District	36,755	8,652	45,407	11,680	6,198	11,926	6,448	12,181	6,709	55,142	100,549
Washington County Parks	5,870	388	6,259	3,117	1,403	3,173	1,460	3,231	1,519	13,902	20,161
Total Regional Park Implementing Agencies	142,740	30,896	173,636	49,500	24,990	50,490	25,999	51,519	27,050	229,548	403,184
TOTAL COMMUNITY DEVELOPMENT	**254,298**	**76,031**	**330,330**	**54,772**	**31,218**	**57,810**	**32,414**	**59,030**	**33,659**	**268,903**	**599,233**

Business Item

Community Development Committee

METROPOLITAN COUNCIL

Committee Meeting Date: August 17, 2026 **For the Metropolitan Council:** September 9, 2026

Business Item: 2026-124 JT

2026 Third Quarter Budget Amendment

District(s), member(s):	All
Policy/legal reference:	2026 Unified Budget; Minn. Stat. § 85.53; Minn. Stat. § 473.315, subd. 1, Minn. Stat. § 473.13, subd. 1
Staff prepared/presented:	Heather Giesel, Director of Finance and Administration 651-602-1715; Nick Hendrikson, Manager of Finance 651-602-1340; Rachel Neuville, Budget Analyst 651-602-1216
Division/department:	Community Development Division

Proposed action

That the Metropolitan Council authorize the 2026 Unified Budget amendment as indicated, and in accordance with, the attached tables.

Background

This business item amends the Community Development operating budget and capital program. It also provides informational background on project level adjustments that have taken place.

Capital Program – Attachment #1 (Program Level)

2026 Operating and Passthrough Budgets – Attachment #2

Capital Program – Attachment #3 (Project Level) is included for reference and informational purposes only.

Capital Program

<u>Parks Legacy Funding</u>

The Community Development Division passes through state and regional funds to 10 Regional Parks Implementing Agencies. Funds are managed through grant agreements once the Council brings funds into the Authorized Budget.

This amendment authorizes State Fiscal Year (SFY) 2027 Parks and Trails Legacy Fund (Legacy) appropriations and required Council match. Legacy was established in 2008 through an amendment to the Minnesota Constitution that increased the state sales tax by three-eighths of one percent through 2034. In odd numbered years, 14.25% of the revenue raised by the sales tax increase is allocated to support parks and trails of regional or statewide significance.

Legacy funds for the Metropolitan Regional Parks System are distributed to the Agencies according to a formula set in Minn. Stat. § 85.53. By law, 10% of each year's appropriation is set aside for land acquisition. The remaining 90% is distributed as follows:

1. 45% is based on each Agency's relative share of the most recent Operation and

Maintenance distribution.

2. 31.5% is based on each Agency's relative share of the most recent population estimate in the metropolitan area; and
3. 13.5% is based on each Agency's relative share of non-local visits based on the Council's most recent user visitation survey.

The Council's SFY27 Legacy appropriation was $27,222,000. Agency shares total $24,499,800. The 10% land acquisition set aside for SFY 2027 is $2,722,200 and it requires a 3:2 Council match of $1,814,800. Match dollars are programmed in the Council's approved Capital Improvement Plan (CIP).

Environment Natural Resource Trust Fund

The Council was appropriated SFY27 Environment Natural Resource Trust Fund dollars in the 2026 legislative session. Funds were appropriated to the Council after a competitive grant process and a recommendation by the Legislative-Citizen Commission on Minnesota Resources (LCCMR) to the legislature.

The function of the LCCMR is to make funding recommendations to the legislature for special environment and natural resource projects, primarily from the Environment and Natural Resources Trust Fund (ENRTF). These projects help maintain and enhance Minnesota's environment and natural resources. The LCCMR developed from a program initiated in 1963.

The Council's SFY27 appropriation is $2,414,000. The SFY27 appropriation requires a 1:1 match with local funds. The Council will provide a 3:2 local match of $1,609,333. The remaining match will need to be committed by Parks Implementing Agencies. Funds will be awarded to Parks Implementing Agencies on a first come, first served basis through our Parks Acquisition and Opportunity Fund program. All acquisition grants come before the Council for formal action prior to award.

Regional Parks State Bond Appropriation

This amendment authorizes one-time State Fiscal Year (SFY) 2027 state bond appropriations.

The Council's SFY27 appropriation for Regional Parks and Trails Improvements is $10,000,000 with a 3:2 Council match of $6,666,666. These funds are intended to be used for projects that focus on improvements and betterments of a capital nature and acquisitions of regional recreational open-space lands. State bonds and their respective council matches are distributed to the Agencies according to a formula defined in the 2040 Regional Parks Policy Plan. The funds are distributed as follows:

1. 70% is based on each Agency's relative share of the most recent population estimate in the metropolitan area; and
2. 30% is based on each Agency's relative share of non-local visits based on the Council's most recent user visitation survey.

Community Tree Planting Appropriation

The Council's SFY27 appropriation for Community Tree Planting is $5,000,000. These additional funds will be awarded competitively to local governments through the new program established in statute in the 2024 legislative session.

Parks Direct State Appropriation Projects

This amendment authorizes $27,831,000 in state bonds and $5,000,000 in state general fund for 9 projects defined by direct appropriation. The Council does not match direct appropriations.

Administrative Adjustments

This administrative adjustment section, Attachment #3, represents project level changes and is included for reference and information purposes only. This amendment includes adjustments to the Regional Parks projects.

The Community Development Division passes through state and regional funds to 10 Regional Parks Implementing Agencies. Funds are managed through grant agreements once the Council brings funds into the Authorized Capital Program at the program level. Council staff then program authorized funds to specific projects with administrative adjustments, in accordance with State Statute and Council Policy.

<u>Closing Projects</u>

This amendment reduces the Regional Parks Authorized Capital Program by $12,273,410 by removing 17 completed projects from the capital program. All removed projects have been completed and have fully expended funds.

<u>Metropolitan Housing and Redevelopment Authority</u>

This amendment authorizes $1,000,000 in capital reserves to purchase replacement properties as part of the Metro HRA's Family Affordable Housing Program (FAHP) property disposition and acquisition plan. Funding for the purchase of replacement properties is made available from prior property dispositions. This amendment also reduces the HRA Authorized Capital Program by $252,971 by removing 1 project from the capital program. This project is complete, and funds are fully expended.

Operating Budget

<u>Community Development</u>

This amendment recognizes a transfer of $300,000 of operating expenses to be made available for Local Planning Assistance Passthrough program to assist local governments with updating, amending, and implementing their local comprehensive plans.

Passthrough Budget

<u>Livable Communities</u>

This amendment increases the LHIA passthrough expenses by $2.25 million to account for an increase in current year passthrough grant expenses.

Capital Program Regional Parks and Natural Resources

<u>Authorize New Projects, Increase Authorization, and Reduce Authorization</u>

Land Acquisition Funds

Undesignated Environment Natural Resource Trust Fund (ENRTF) – Project 10703
This amendment authorizes $2,414,000 of SFY 2027 Legacy funds and $1,609,333 in Regional bonds for land acquisition grants.

Undesignated Parks and Trails Legacy Land Acquisition (PTLF) – Project 10702
This amendment authorizes $2,722,200 of SFY 2027 Legacy funds and $1,814,800 in Regional bonds for land acquisition grants.

Legacy and Bonding Program Shares

Undesignated Anoka County – Project 10784
This amendment authorizes $2,198,096 of SFY 2027 Legacy funds, $960,662 in State bonds, and $640,441 in Regional bonds to award to Anoka County.

Undesignated Bloomington – Project 10785
This amendment authorizes $384,460 of SFY 2027 Legacy funds, $245,249 in State bonds, and $163,500 in Regional bonds to award to the City of Bloomington.

Undesignated Carver County – Project 10786
This amendment authorizes $700,954 of SFY 2027 Legacy funds, $371,468 in State bonds, and $247,645 in Regional bonds to award to Carver County.

Undesignated Dakota County – Project 10787
This amendment authorizes $2,163,561 of SFY 2027 Legacy funds, $1,121,533 in State bonds, and $747,689 in Regional bonds to award to Dakota County.

Undesignated Minneapolis Park and Recreation Board – Project 10788
This amendment authorizes $5,532,367 of SFY 2027 Legacy funds, $2,021,801 in State bonds, and $1,347,867 in Regional bonds to award to Minneapolis Park and Recreation Board.

Undesignated Ramsey County – Project 10789
This amendment authorizes $2,117,263 of SFY 2027 Legacy funds, $811,609 in State bonds, and $541,072 in Regional bonds to award to Ramsey County.

Undesignated City of St Paul – Project 10791
This amendment authorizes $2,907,008 of SFY 2027 Legacy funds, $1,067,908 in State bonds, and $711,939 in Regional bonds to award to the City of St. Paul.

Undesignated Scott County – Project 10790
This amendment authorizes $1,044,216 of SFY 2027 Legacy funds, $440,009 in State bonds, and $293,339 in Regional bonds to award to Scott County.

Undesignated Three Rivers Park District – Project 10792
This amendment authorizes $6,076,308 of SFY 2027 Legacy funds, $2,241,274 in State bonds, and $1,494,183 in Regional bonds to award to Three Rivers Park District.

Undesignated Washington County – Project 10793
This amendment authorizes $1,375,567 of SFY 2027 Legacy funds, $718,487 in State bonds, and $478,992 in Regional bonds to award to Washington County.

Community Tree Planting

Undesignated Community Tree Planting – Project 11505
This amendment authorizes $5,000,000 in State G.O. bonds for the community tree planting grant program.

Direct State Appropriations

City of Champlin – Elm Creek Greenway – Project 11643 – NEW
This amendment authorizes $500,000 in State G.O. bonds to grant to the city of Champlin for property and easement acquisition and predesign for a new segment of the Elm Creek Greenway Trail Corridor in the city of Champlin to connect Mississippi Crossings to the Elm Creek Park Reserve.

Minneapolis Park and Recreation Board – North Commons Park – Project 11644 – NEW
This amendment authorizes $6,000,000 in State G.O. bonds to grant to the Minneapolis Park and Recreation Board to design, construct, and equip improvements to North Commons Park in the city of Minneapolis to implement elements of the North Commons Improvement Project, including the renovation of the community building with indoor sports, gathering, and arts spaces, sports fields, and renovation and relocation of the water park.

Minneapolis Park and Recreation Board – Cedar Riverside Recreation Center FY27 – Project 11645 – NEW
This amendment authorizes $1,500,000 in State G.O. bonds to grant to the Minneapolis Park and Recreation Board to predesign, design, and construct the new Cedar Riverside Recreation Center to serve the largest immigrant population center in the state.

Minneapolis Park and Recreation Board – Loring Park – Project 11646 – NEW
This amendment authorizes $1,800,000 in State G.O. bonds to grant to the Minneapolis Park and Recreation Board to predesign, design, construct, furnish, and equip improvements of a capital nature to renovate the Berger Fountain and Plaza in Loring Park.

Minneapolis Park and Recreation Board – Cedar Riverside Recreation Center FY25 – Project 11651 – NEW
This amendment authorizes $5,000,000 in State general funds to grant to the Minneapolis Park

and Recreation Board for the design, development, and construction of the new Cedar Riverside Recreation Center to serve the largest immigrant population center in the state.

Ramsey County – Boulevard Trail – Project 11647 – NEW
This amendment authorizes $4,750,000 in State G.O. bonds to grant to Ramsey County to design and construct an approximately 2.25-mile multiuse trail and other site improvements along the southern edge of Vadnais Lake, enhancing safety, providing scenic access to natural areas, and providing regional connectivity and recreational opportunities for pedestrians and cyclists.

City of Saint Paul – Como Zoo – Project 11648 – NEW
This amendment authorizes $9,350,000 in State G.O. bonds to grant to the city of St. Paul to design, construct, furnish, and equip new habitats for a big cats and African animal exhibit at the Como Zoo in the city of St. Paul. In addition to exhibit space, the habitats shall include space for training, enrichment, off-exhibit animal housing, and veterinary care.

Washington County – Brown's Creek State Trail Connection – Project 11649 – NEW
This amendment authorizes $2,931,000 in State G.O. bonds to grant to Washington County to construct a trail connection from Washington County State-Aid Highway 5 to the Brown's Creek State Trail, and to construct and improve an overlook and viewing area of the historic Point Douglas-St. Louis River Road Bridge.

Washington County – Hardwood Creek Regional Trail Extension – Project 11650 – NEW
This amendment authorizes $1,000,000 in State G.O. bonds to Washington County for acquisition, design, and construction of the Hardwood Creek Regional Trail extension within the city of Hugo.

Administrative Adjustments

Funds in the Authorized Capital Program (ACP) have been programmed to specific projects. State Bond and Legacy projects have been identified by Parks Implementing Agencies in accordance with state statute. Some projects are complete; unused funding is reallocated to undesignated accounts for future programming.

City of Bloomington – Hyland-Bush-Anderson Park Reserve - Bush Lake Dock Replacement – Project 11417
Undesignated City of Bloomington – Project 10785
This amendment administratively reallocates $352,850 in Legacy funds from project 11417 to project 10785 for use in future projects. The work to replace fishing piers at Bush Lake Park has been allocated to a new project and the remaining funding will be used for future projects.

Undesignated City of Bloomington – Project 10785
City of Bloomington – Hyland-Bush-Anderson Park Reserve - Bush Lake Dock Replacement – Project 11630 - NEW
This amendment administratively reallocates $238,200 in Legacy funds from project 10785 to project 11630 to replace three fishing piers and docks that have deteriorated beyond repair at Bush Lake Park.

Undesignated City of Bloomington – Project 10785
City of Bloomington – Hyland-Bush-Anderson Park Reserve - Beach House Renovation and Replacement – Project 11631 - NEW
This amendment administratively reallocates $1,519,162 in Legacy funds from project 10785 to project 11631 to improve or replace the Hyland-Bush-Anderson Park Reserve beach house building.

Carver County – Lake Minnewashta Regional Park - Creative Playground – Project 11420
Undesignated Carver County – Project 10786

This amendment administratively reallocates $135,730 in Legacy funds from project 11420 to project 10786 for use in future projects. The work to replace and modernize the playground at Lake Minnewashta Regional Park is complete.

Undesignated Carver County – Project 10786
Carver County – Lake Minnewashta Regional Park - Staircase – Project 11562
This amendment administratively reallocates $138,201 in Legacy funds from project 10786 to project 11562 for continued work to plan, design, and construct a trail and staircase at Lake Minnewashta Regional Park.

Undesignated Carver County – Project 10786
Carver County – Jurisdiction-wide Outreach – Project 11641 - NEW
This amendment administratively reallocates $86,000 in Legacy funds from project 10786 to project 11641 to deliver recreation services as well as improve awareness and access to park areas and recreation programs.

Undesignated Carver County – Project 10786
Carver County – Jurisdiction-wide Recreation and Volunteer Specialist – Project 11642 - NEW
This amendment administratively reallocates $100,750 in Legacy funds from project 10786 to project 11642 to continue the recreation and volunteer specialist position in order to engage park visitors in the recreation and volunteer programs of Carver County.

Undesignated Three Rivers Park District – Project 10792
Three Rivers Park District – Baker Park Reserve - Katerina Trail Loop Reconstruction – Project 11632 - NEW
This amendment administratively reallocates $400,000 in Legacy funds from project 10792 to project 11632 to reconstruct the existing 6-mile paved Lake Katrina trail.

Undesignated Three Rivers Park District – Project 10792
Three Rivers Park District – Carver Park Reserve - Road and Parking Lot Improvements – Project 11633 - NEW
This amendment administratively reallocates $220,000 in Legacy funds from project 10792 to project 11633 to complete design work associated with pavement management of interior park roads and parking lots as well as paving Auburn Road. Funds may also be used to partially fund pavement management and expansion.

Undesignated Three Rivers Park District – Project 10792
Three Rivers Park District – French Regional Park - Building Improvements – Project 11634 - NEW
This amendment administratively reallocates $955,000 in Legacy funds from project 10792 to project 11634 to improve the Field Operation Center and Natural Resources Management Storage and Workshop.

Undesignated Three Rivers Park District – Project 10792
Three Rivers Park District – Gale Woods Farm Special Recreation Feature - Irrigation & Livestock – Project 11635 - NEW
This amendment administratively reallocates $65,000 in Legacy funds from project 10792 to project 11635 to install irrigation to support the production of food/crops and water sources throughout paddock/field areas where livestock graze

Undesignated Three Rivers Park District – Project 10792
Three Rivers Park District – Jurisdiction-wide - Forestry & Horticulture Initiatives – Project 11636 - NEW
This amendment administratively reallocates $400,000 in Legacy funds from project 10792 to project 11636 to provide forestry and horticulture support including contracted services. Projects may include, but are not limited to, habitat management, nursery propagation, planting, invasive species management, oak wilt, and emerald ash borer management.

Undesignated Three Rivers Park District – Project 10792
Three Rivers Park District – Jurisdiction-wide - Long Range Planning and Partnership Coordination – Project 11637 - NEW
This amendment administratively reallocates $70,000 in Legacy funds from project 10792 to project 11637 to update and complete long-range planning and strengthen partner coordination on a district-wide level.

Undesignated Three Rivers Park District – Project 10792
Three Rivers Park District – Jurisdiction-wide - Sustainability Plan Update and Action Steps – Project 11638 - NEW
This amendment administratively reallocates $60,000 in Legacy funds from project 10792 to project 11638 to update and enhance the Three Rivers Sustainability Plan. Work may include, but is not limited to, assessing and updating benchmark data, reviewing sustainability targets, and developing a list of action items aimed to reach sustainability targets.

Undesignated Three Rivers Park District – Project 10792
Three Rivers Park District – Jurisdiction-wide - Trail System Improvements, Expansion, and Reconstruction – Project 11639 - NEW
This amendment administratively reallocates $1,845,799 in Legacy funds from project 10792 to project 11639 to improve, expand, and reconstruct the Three Rivers Regional Trail System.

Undesignated Three Rivers Park District – Project 10792
Three Rivers Park District – Noerenberg Gardens Special Recreation Feature - Carriage House – Project 11640 - NEW
This amendment administratively reallocates $200,000 in Legacy funds from project 10792 to project 11640 to stabilize and repair the Carriage House foundation at Noerenberg Gardens.

Undesignated Washington County – Project 10793
Washington County – Lake Elmo Park Reserve - Swim Pond Play Area – Project 11486
This amendment administratively reallocates $101,020 in Legacy funds from project 10793 to project 11486 for use in future projects. The work to design and reconstruct the play area located near the Lake Elmo Park Reserve Swim Pond is complete.

Undesignated Washington County – Project 10793
Washington County – St. Croix Bluffs Regional Park - Hilltop Area Improvements – Project 11486
This amendment administratively reallocates $115,111 in Legacy funds from project 10793 to project 11486 for use in future projects. The work to design and reconstruct the play area located near the Lake Elmo Park Reserve Swim Pond is complete.

Dakota County – Vermillion River Greenway Regional Trail - Dakota County Community Development Agency Acquisition – Project 11485
Undesignated Land Acquisition – Project 10702
This amendment administratively reallocates $758 in Legacy funds and $505 in Council Bonds

from project 11485 to project 10702 for use in future projects. The acquisition of the 5-acre property in Hastings, MN is complete.

Three Rivers Park District – Diamond Lake Regional Trail - Boggs Acquisition – Project 11520

Undesignated ENRTF Land Acquisition – Project 10703

This amendment administratively reallocates $1,047 in Environmental Natural Resources Trust Fund funding and $698 in Council Bonds from project 11520 to project 10703 for use in future projects. The acquisition of the 23.2-acre property located in Dayton, MN is complete.

Three Rivers Park District – Carver Park Reserve - Lake Auburn Boat Ramp Improvements – Project 11431

Undesignated Three Rivers Park District Modernization – Project 11363

This amendment administratively reallocates $264 in State general funds from project 11431 to project 11363 for use in future projects. The work to reconstruct the Lake Auburn boat launch is complete.

<u>Closing Projects</u>

This amendment closes 17 projects and removes $12,273,410 from the Authorized Capital Program. These projects are complete, and all funds have been expended.

Anoka County

- Bunker Hills Regional Park - Improvements – Project 11396

City of Bloomington

- Hyland-Bush-Anderson Park Reserve - Bush Lake Dock Replacement – Project 11417
- Hyland-Bush-Anderson Park Reserve - Bush Lake Dock Replacement – Project 11630

Carver County

- Lake Minnewashta Regional Park - Creative Playground – Project 11420
- MN River Bluffs Regional Trail CCRRA Phase 2 Acquisition – Project 11602

Dakota County

- Jurisdiction-wide - Outreach and Engagement Coordinator – Project 11479
- Vermillion River Greenway Regional Trail - Dakota County CDA Acquisition – Project 11485

Scott County

- Merriam Junction Regional Trail - Development – Project 11406
- Merriam Junction Regional Trail - Development – Project 11410

City of Saint Paul

- Sam Morgan Regional Trail - Segments 1 and 4 Reconstruction – Project 11533

Three Rivers Park District

- Carver Park Reserve - Lake Auburn Boat Ramp – Project 11431
- Hyland Park Reserve - Boat Ramp Access and ADA Improvements – Project 11433
- Hyland Park Reserve - Operations Center and Cold Storage Roof Replacement - Project 11438
- Diamond Lake Regional Trail - Boggs Acquisition – Project 11520
- Eagle Lake Regional Trail - Design, Engineering & Construction – Project 11546

Washington County

- St. Croix Bluffs Regional Park - Hilltop Area Improvements – Project 11493
- Square Lake Special Recreation Feature - Park Improvements – Project 11612

Capital Program Metropolitan Housing and Redevelopment Authority

Authorize New Projects, Increase Authorization, and Reduce Authorization

FAHP House Acquisition 2 – Project 14664 – NEW
This amendment authorizes $1,000,000 in capital reserves to purchase replacement properties as part of the Metro HRA's Family Affordable Housing Program (FAHP) property disposition and acquisition plan.

Administrative Adjustments

2025 FAHP Capital Expenses – Project 14662
Undesignated Family Affordable Housing Program (FAHP) – Project 14652
This amendment will administratively reallocate $47,029 from project 14662 to project 14652. This project is complete, and funds will be available for future programming.

Closing Projects

This amendment closes 1 project and removes $252,970 from the Authorized Capital Program. This project is complete, and all funds have been expended.

2025 FAHP Capital Expenses – Project 14662

Operating Budget

Community Development:

Change in Revenues: $0; Expenditures: $0; Reserves: $0
This amendment transfers $300,000 in operating expense to the Local Planning Assistance passthrough account to be used to assist local governments with updating, amending, and implementing their local comprehensive plans. Program development for these funds is underway and expected to be made available in 2027 through future Council actions. This transfer will not impact the use of reserves as Community Development is repurposing unprogrammed expenses.

Passthrough Budget

Local Planning Assistance:

Change in Revenues: $300,000; Expenditures: $0; Reserves: $300,000

This amendment recognizes a $300,000 transfer from Community Development to the Local Planning Assistance passthrough account and increases reserves by an equal amount.

Livable Communities:

Change in Revenues: $0; Expenditures: $2,250,000; Reserves: ($2,250,000)

This amendment increases Local Housing Incentives Account passthrough expenses by $2,250,000 and increases the use of reserves by an equal amount.

Rationale

The proposed amendment programs available state and regional funds to the Unified Budget to allow the Council and Parks Implementing Agencies to carry out work plans and long-term capital program.

Thrive lens analysis

On February 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, this budget amendment supports the Thrive outcome of Stewardship though responsible planning and management of resources for the Community Development Division and Regional Parks and Trails.

Funding

Funding for the capital program comes from state appropriations, state bonds, legacy, environment natural resource trust fund and regional bonds. Funding for the HRA capital program comes from capital reserves. Funding for the operating and passthrough programs come from Council general fund.

Business Item

Transportation Committee

METROPOLITAN COUNCIL

Committee Meeting Date: August 24, 2026 **For Metropolitan Council:** September 9, 2026

Business Item: 2026-124 JT

2026 Third Quarter Budget Amendment

District(s), Member(s):	All
Policy/Legal Reference:	2026 Unified Budget; Minn. Stat. § 473.13, subd. 1 – Council Budget Requirements
Staff Prepared/Presented:	Charles Carlson, Executive Director, MTS 651-602-1761; Lesley Kandaras, General Manager, Metro Transit 612-349-7513; Kristin Prescott, Acting Director of Finance, Metro Transit 612-373-3812; Heather Giesel, Director of Finance and Administration, MTS 651-602-1715
Division/Department:	Transportation / Metropolitan Transportation Services

Proposed Action

That the Metropolitan Council authorize the 2026 Unified Budget amendment as indicated, and in accordance with, the attached tables.

Background

That the Metropolitan Council amend the 2026 Unified Budget – Capital Program (annual appropriation) and Authorized Capital Program (multi-year authorization) as indicated and in accordance with the Capital Program – Attachment #1 (Program Level).

That the Metropolitan Council amend the 2026 Unified Budget – Operating Budget as indicated and in accordance with the spreadsheet in Operating Budget – Attachment #2.

Capital Program – Attachment #3 (Project Level) is included for reference and informational purposes only.

Capital Program Metro Transit

Closing Projects and Reallocating Authorized Funding

Support Facilities Engineering Capital Improvement – Project 64800
OHB Break Room – Project 64205

This amendment will move $1,000,000 in State funding from project 64205 OHB Break Room to project 64800 Support Facilities Engineering Capital Improvements. The funding will support larger scope renovations in the operations and maintenance break room and replace a large fan in the largest air handling unit that is at full design/bid package. This project is identified in the CIP.

MTPD Record Management System – Project 68521
Security Systems – Project 68411

This amendment will move $100,000 in local funding from project 68521 MTPD Record Management System to 68411 Security Systems. This will increase the funding for surveillance and security systems within the Police Department. The remaining balance in project 68521 will be zero after the reallocation. This project is in the CIP.

LRT Collision Reconstruction Equipment – Project 69101
Security Systems – Project 68411
This amendment will move $17,612 in RTC funding from project 69101 LRT Collision Reconstruction Equipment to 68411 Security Systems. This will increase funding for security systems at Metro Transit garages and buildings. The remaining balance in project 69101 will be zero after the reallocation. This project is in the CIP.

MTPD Range – Project 69201
Security Systems – Project 68411
This amendment will move $22,163 in State funding from project 69201 MTPD Range to 68411 Security Systems. This will increase the Police Department's funding for surveillance and other security camera systems. The remaining balance in project 69201 will be zero after the reallocation. This project is in the CIP.

Green Line Extension PTZ Camera Additional Coverage – Project 68607
LRT Rail Assoc Cap Maint – Project 65321
This amendment will move $600,000 in Federal funding and $150,000 in Sales Tax funding from project 68607 Green Line Extension PTZ Camera Additional Coverage to project 65321 LRT Rail Assoc Capital Maintenance. Funding for project 68607 was provided from project 65321 and is now being reallocated back to 65321. This project is in the CIP.

MT & MTS (54) Farebox Replacements – Project 67200
Nextfare Cubic Device Equipment – Project 67210
This amendment will move $1,473 in Federal funding and $368 in State local match from project 67200 MT&MTS (54) Farebox Replacements to project 67210 Nextfare Cubic Device Equipment. This project is in the CIP.

LRT Sys UMN Vibration Monitoring System – Project 68524
Rail Support Facility Hopkins Tools & Equipment – Project 64605
This amendment will move $57,662 in Federal funding and $14,416 in RTC funding from project 68524 LRT Sys UMN Vibration Monitoring System to project 64605 Rail Support Facility Hopkins Tools & Equipment. This project is in the CIP.

Regional Mobility Hubs - RS – Project 62415
This amendment recognizes the local match portion of $250,000 from the City of Minneapolis and returns the same amount back to the Sales Tax in the ACP. This project is in the CIP.

<u>Authorize New Projects, Increase Authorization, and Reduce Authorization</u>

Bronze Line BRT Project – Project 61600
This amendment authorizes $22,245,000 in funding from Other funding sources and $3,000,000 in Sales Tax funding for the Engineering Phase of the Capital Grant Agreement. This project is identified in the CIP.

Tire Lease-Contract – Project 61315e
This amendment authorizes $3,176,870 in Federal funding and $794,218 in Sales Tax funding for annual expenditures for the tire lease program for Metro Transit's revenue fleet. This project is identified in the CIP.

BRT Bus Mid-Life – project 65107e
This amendment authorizes $250,000 in Sales Tax funding for the rehabilitation of Metro Transit's Bus Rapid Transit (BRT) buses that have reached their mid-life of 6 years. This project will fund

bus repair work and the purchase of bus parts for rehabbing BRT buses. This project includes the purchase, repair and installation of bus parts such as engines, transmissions, mirror parts and diesel particulate filters. This project is identified in the CIP.

Vehicle & Equipment Replacement – Project 66201e
This amendment authorizes $824,886 in Sales Tax funding to replace aging non-revenue vehicles and essential equipment. The project will support scheduled lifecycle replacements needed to maintain safe, reliable and cost-effective operational support. This project is identified in the CIP.

Secure Bike Parking – Project 68525
This amendment authorizes $200,000 in Sales Tax funding to support the implementation of the Secure Bike Parking pilot, improvements to pilot sites required for installation of the secure bike parking system, marketing materials, station wayfinding and other non-contract related pilot expenses. This project is identified in the CIP.

PHA Elec Bus Fire Protection – Project 64504
This amendment authorizes $1,000,000 in Sales Tax funding to complete a fire hazard analysis and start implementing recommendations for our existing garage facilities related to housing battery electric buses. This project is identified in the CIP.

North Loop Garage Expansion – Project 64508
This amendment authorizes $8,000,000 in Sales Tax funding for design services and expansion of the North Loop Garage to provide new space for the Bus Maintenance Radio Shop and the Fare Repair Shop. Funds will be used for staff time, equipment purchases and building modifications. The approved $4,000,000 from project 64417 Electric Bus Infrastructure and $500,000 from project M26033 Lindbergh Tunnel UPS will be shifted to project 64508. This project is identified in the CIP.

Fire Alarm Sys & Piping Replacement – Project 68532
This amendment authorizes $100,000 in Sales Tax funding to begin a planned system wide replacement for the fire alarm and sprinkler system piping. This project marks the beginning of replacing existing fire alarm systems and piping that have exceeded their useful/safe lifespan at multiple bus garage locations. This project is identified in the CIP.

East Metro Sprinkler Replace – Project M24012
This amendment authorizes $6,000,000 in Sales Tax funding to upsize the sprinkler system at East Metro Garage to a higher hazard level. This project is identified in the CIP.

East Metro Bus Ops Floor Replacement – Project 64505
This amendment authorizes $250,000 in Sales Tax funding to support the design and construction of updated flooring & finishes, break room modifications and other support spaces at East Metro Garage for Bus Operations and Bus Maintenance. This funding will be used for construction, design, staff time and any other work needed to support the project. This project is identified in the CIP.

Support Facility Roof Upgrades and Replacements – Project 64316e
This amendment authorizes $8,000,000 in Sales Tax funding for upgrades and replacement of roofs at multiple facilities to extend their overall useful life or require replacement for other reasons. The funding will also be used for design, construction, staff time and any other work needed to support the replacement. The Heywood Garage and office roof are in design. This project is identified in the CIP.

LRT Blue O&M Bldg Overhaul Modifications – Project M23005
This amendment authorizes $2,625,000 in Sales Tax funding to be used for the design and construction of existing Franklin O&M Facility and to modify additional overhaul spaces. Work includes addition of exterior out building for facilities storage. This project is identified in the CIP.

Elevator Refurbishment Program – Project 64416e
This amendment authorizes $150,000 in Sales Tax funding for upgrades and replacements of elevator units at multiple facilities to extend their overall useful life or require replacement for other reasons. This funding will be used for design, construction, staff time and any other work needed to support the replacement. This project is identified in the CIP.

Franklin LRT Station Renovation – Project 62511e
This amendment authorizes $2,000,000 in Sales Tax funding. $2,000,000 from project 62413e-Public Safety Environmental Design will be shifted to project 62511e. This funding is for implementation of Crime Prevention Through Environmental Design (CPTED) principles at the Franklin Avenue LRT Station. The CPTED principles are consistent with items that are national best practices to provide a safe and secure facility. The funding will be used for design, construction, staff time and any other work. The project is identified in the CIP.

Pavement Improvement Project – Project 62700
This amendment will add $300,000 in Sales Tax funding for pavement rehabilitation and improvements at multiple transit facilities to increase capacity, extend overall useful life, and ensure public safety. This funding will be used for design, construction, staff time and technical services to support the projects. This project is identified in the CIP.

Non-Revenue Shop – Project M20019
This amendment authorizes $3,700,000 in Sales Tax funding for design services and a portion of the construction for a new non-revenue maintenance shop to provide new space for Bus Maintenance. Funds will be used for any staff time, equipment purchases and building modifications. This project is identified in the CIP.

ERP BTT Program MT Allocation - Project 68423
This amendment will add $9,215,300 in Sales Tax funding to project 68423 ERP BTT Program MT Allocation (formerly IS BPSI Project) from project 68320e Business Process System Integration. Project 68320e was approved in the CIP for $9,215,300 but will be closed and funds reallocated to project 68423. The funding represents Metro Transit's share of the capital purchase for the new ERP system. This funding will be encumbered in 2026. This project is identified in the CIP.

MT-IS Capital Upgrades & Enhancements – Project 68700
This amendment authorizes $10,941,430 in RTC funding for planned server, storage, network, phones, ETEL, video conferencing and Wi-Fi refresh projects. This funding also supports Metro Transit's share of the Council-wide IS Capital Outlay budget. This project is identified in the CIP.

Capital Program Metropolitan Transportation Services

Administrative Adjustments

Big Bus (Undesignated) – Project 35001
2022 – MVTA – 45' Bus (6) Replacement – Project 36244
This amendment will administratively reallocate $11,755 of RTC funds from project 35001 to project 36244 to cover bus inspection fees required to complete the purchase of 6 45-foot buses.

Big Bus (Undesignated) – Project 35001
2025 – Network Now 35' Big Bus (34) Replacement – Project 36329
This amendment will administratively reallocate $34,000 of RTC funds from project 35001 to project 36329 to cover bus inspection fees required to complete the purchase of 34 35-foot buses.

Big Bus (Undesignated) – Project 35001
2025 – MVTA Shakopee/Brooklyn Center CMAQ (3) Expansion – Project 36331
This amendment will administratively reallocate $3,000 of Sales Tax funds from project 35001 to

project 36331 to cover bus inspection fees required to complete the purchase of 3 29-foot low-floor buses.

Big Bus (Undesignated) – Project 35001
2025 – MVTA Rice Street/University Ave CMAQ (2) Expansion – Project 36332
This amendment will administratively reallocate $2,000 of Sales Tax funds from project 35001 to project 36332 to cover bus inspection fees required to complete the purchase of 2 29-foot low-floor buses.

Small Bus (Undesignated) – Project 35002
2026 – Metro Micro <30' Bus (2) Expansion – Project 36374 – NEW
This amendment will administratively reallocate $350,000 of RTC funds from project 35002 to project 36374 to purchase 2 Micro transit buses needed to support the expanded route and meet increased service demand.

2023 – SWT – Non Revenue Vehicle (2) Replacement – Project 36249
Non Revenue (Undesignated) – Project 35003
This amendment will administratively reallocate $110,000 of RTC funds from project 36249 to project 35003. This project is canceled, and funds will be available for future programming.

2023 – SWT – Non Revenue Vehicle SUV (2) Replacement – Project 36260
Non Revenue (Undesignated) – Project 35003
This amendment will administratively reallocate $90,000 of RTC funds from project 36260 to project 35003. This project is canceled, and the released funds will be available for future programming.

2026 – MTS Fixed Route Lockers (12) Technology – Project 36367
Technology (Undesignated) – Project 35007
This amendment will administratively reallocate $768 of RTC funds from project 36367 to project 35007. This project is complete, and funds will be available for future programming.

Maple Grove Undesignated – STP – Project 36002
2026 – Maple Grove – Retain Wall – STP – Project 36368
This amendment will administratively reallocate $23,000 of Sales Tax funds from Project 36002 to Project 36368. The initial project budget was underfunded, and the budget is being increased by $23,000 to complete the replacement of the failing boulder retaining wall with a concrete block retaining wall at Parkway Station.

Maple Grove Undesignated – STP – Project 36002
2026 – Maple Grove – Paver Concrete – STP – Project 36369
This amendment will administratively reallocate $27,000 of Sales Tax funds from project 36002 to project 36369. The initial project budget was underfunded, and the budget is being increased by $27,000 to complete the replacement of the deteriorating paver bricks in the busway with concrete at the Maple Grove Transit Station.

Maple Grove Undesignated – STP – Project 36002
2026 – Maple Grove SUV (1) Expansion – STP – Project 36372 – NEW
This amendment will administratively reallocate $50,000 of Sales Tax funds from Project 36002 to Project 36372 to purchase 1 SUV needed to support the expanded route and meet increased service demand.

Maple Grove Undesignated – STP – Project 36002
2026 – Maple Grove SUV (1) Replacement – STP – Project 36373 – NEW
This amendment will administratively reallocate $50,000 of Sales Tax funds from Project 36002 to Project 36373 to purchase 1 SUV. The existing vehicle has reached the end of its useful life and requires replacement.

2023 – SWT – SWV Concrete Project – STP – Project 36266
SWT Undesignated (STP) – Project 36001
This amendment will administratively reallocate $18,251 of Sales Tax funds from project 36266 to project 36001. We are ending our administrative relationship with this transit agency as it transitions to becoming a direct federal Section 5307 recipient. The project is complete, and the remaining balance is being returned to the agency’s undesignated account. The balance will be transferred to the agency once the budget amendment is adopted in September.

2024 – SWT – SWS LED Fixture Replacement – STP – Project 36289
SWT Undesignated (STP) – Project 36001
This amendment will administratively reallocate $170,000 of MVST funds from project 36289 to project 36001. We are ending our administrative relationship with this transit agency as it transitions to becoming a direct federal Section 5307 recipient. The project did not proceed, and the unused funds are being returned to the agency’s undesignated account. The balance will be transferred to the agency once the budget amendment is adopted in September.

2024 – SWT EPG Garage 5 Year PM – STP – Project 36292
SWT Undesignated (STP) – Project 36001
This amendment will administratively reallocate $110,025 of MVST funds from project 36292 to project 36001. We are ending our administrative relationship with this transit agency as it transitions to becoming a direct federal Section 5307 recipient. The project is complete, and the remaining balance is being returned to the agency’s undesignated account. The balance will be transferred to the agency once the budget amendment is adopted in September.

2025 – SWT – APC Exp 70 Buses – STP – Project 36346
SWT Undesignated (STP) – Project 36001
This amendment will administratively reallocate $83,863 of Sales Tax funds from project 36346 to project 36001. We are ending our administrative relationship with this transit agency as it transitions to becoming a direct federal Section 5307 recipient. The project is complete, and the remaining balance is being returned to the agency’s undesignated account. The balance will be transferred to the agency once the budget amendment is adopted in September.

2025 – SWT Firewall & Network Switch Replacement – STP – Project 36352
SWT Undesignated (STP) – Project 36001
This amendment will administratively reallocate $293,545 of Sales Tax funds from project 36352 to project 36001. We are ending our administrative relationship with this transit agency as it transitions to becoming a direct federal Section 5307 recipient. The project is complete, and the remaining balance is being returned to the agency’s undesignated account. The balance will be transferred to the agency once the budget amendment is adopted in September.

2021 – MVTA – Bus Stop Amenities – STP – Project 36223
MVTA Undesignated (STP) – Project 36005
This amendment will administratively reallocate $462,594 of MVST funds from project 36223 to project 36005. We are ending our administrative relationship with this transit agency as it transitions to becoming a direct federal Section 5307 recipient. The project is complete, and the remaining balance is being returned to the agency’s undesignated account. The balance will be transferred to the agency once the budget amendment is adopted in September.

MVTA Undesignated (STP) – Project 36005
2023 – MVTA – Transportation Projects – STP – Project 36251

This amendment will administratively reallocate $251,242 of MVST funds from project 36251 to project 36005 and $109,122 of Sales Tax funds from project 36005 to project 36251. The project is complete, and the remaining balance is being returned to the agency's undesignated account. The balance will be transferred to the agency once the budget amendment is adopted in September.

2024 – MVTA – Teach Hardware Software – STP – Project 36288
MVTA Undesignated (STP) – Project 36005
This amendment will administratively reallocate $115,710 of MVST funds and $208 of Sales Tax funds from project 36288 to project 36005. We are ending our administrative relationship with this transit agency as it transitions to becoming a direct federal Section 5307 recipient. The project is complete, and the remaining balance is being returned to the agency's undesignated account. The balance will be transferred to the agency once the budget amendment is adopted in September.

2024 – MVTA Rose 157th Station Electrical – STP – Project 36324
MVTA Undesignated (STP) – Project 36005
This amendment will administratively reallocate $238,000 of Sales Tax funds from project 36324 to project 36005. We are ending our administrative relationship with this transit agency as it transitions to becoming a direct federal Section 5307 recipient. The project did not proceed, and the unused funds are being returned to the agency's undesignated account. The balance will be transferred to the agency once the budget amendment is adopted in September.

Closing Projects and Reallocating Authorized Funding

This amendment closes 20 projects and removes $16,716,107 from the Authorized Capital Program. The projects are complete, and funds have been expended.

2021 – MVTA Orange Ln 40 Ft Bus (2) Expand – Project 36218
2021 – MVTA – Bus Stop Amenities – STP – Project 36223
2023 – SWT – Non Revenue Vehicle (2) Replace – Project 36249
2023 – MVTA – Transportation Projects – STP – Project 36251
2023 – SWT – Non Revenue Vehicle SUV (2) Replacement – Project 36260
2023 – SWT - SWV Concrete Project – STP – Project 36266
2024 – MM MG90 (40) Tech Replace – Project 36285
2024 – MVTA – Burnsville Garage – 3 – Project 36286
2024 – MVTA – Tech Hardware Software – STP – Project 36288
2024 – SWT SWS LED Fixt Replace – STP – Project 36289
2024 – SWT EPG Garage 5yr PM – STP – Project 36292
2024 – MVTA Facility Equipment – Project 36294
2024 – MVTA – Burns & Eagan Tran Stats – Project 36296
2024 – MVTA Micro Transit – Veh – Project 36308
2024 – MVTA Micro Transit – Infrastructure – Project 36309
2024 – MVTA Rose 157th Stat Elec – STP – Project 36324
2025 – MVTA IT Software Apps – STP – Project 36341
2025 – SWT - APC Exp 70 Buses – STP- Project 36346
2025 – SWT Firewall & Network Switch Rep – STP – Project 36352
2026 – MTS Fixed Rt Lockers (12) Tech – Project 36367

Authorize New Projects, Increase Authorization, and Reduce Authorization

Big Bus (Undesignated) – Project 35001
Maple Grove Undesignated (STP) – Project 36002
This amendment authorizes a dollar-for-dollar fund exchange of $3,124,059 between Program Big Bus and the Maple Grove Program. Sales Tax funds in Big Bus Undesignated are swapped for RTC funds in Maple Grove Undesignated. This transaction has no net financial impact on the undesignated accounts of either program.

Big Bus (Undesignated) – Project 35001
Plymouth Undesignated (STP) – Project 36003
This amendment authorizes a dollar-for-dollar fund exchange of $4,897,075 between Big Bus Undesignated project 35001 and Plymouth Undesignated project 36003. Sales Tax funds in Big Bus Undesignated are swapped for RTC funds in Plymouth Undesignated. This transaction has no net financial impact on the undesignated accounts of either program.

Big Bus (Undesignated) – Project 35001
Technology (Undesignated) – Project 35007
This amendment reduces authorized Sales Tax funds from project 35001 by $500,000 and increases authorized Sales Tax to project 35007 by $500,000 for future programming.

Small Bus (Undesignated) – Project 35002
This amendment authorizes the transfer of $13,253,781 in Sales Tax fund from the Small Bus Undesignated (project 35002) to the MTS Passthrough Program, reducing the MTS Capital Budget by $13,253,781. The transfers of the funds from the MTS Capital Budget to the MTS Passthrough Program is in accordance with Transit Funding Allocation Policy FM 12-3, adopted by the Council on September 10, 2025.

2025 – MVTA – Apple Valley Transit Station Phase 2 Local Match – CMAQ – Project 36342
2026 – MVTA – Apple Valley Transit Station Modernization – CMAQ – Project 36370
This amendment reallocates $4,000,000 of Federal funds from project 36370 to project 36342 to algin with federal grant MN-2025-022-05 and corrects the Program Group from Other Providers to Support Facilities for the expansion of the Apple Valley Transit Station, which includes site preparation and removals, paving, stormwater management, lighting, fencing, striping and barriers, signage, technology, equipment, and infrastructure enhancements.

2026 – Regional – Engine & Transmission – Project 36366
This amendment authorizes $1,970,844 in MVST funds to be transferred from the MTS operating budget to replace failed engines and transmissions in the Metropolitan Transportation Services fleet. This project is identified in the CIP.

Operating Program Metropolitan Transportation Services

Contracted Services:

Change in Revenues: $1,970,844; Expenditures: $1,970,844; Reserves: $0

This amendment authorizes $1,970,844 in MVST revenues to be transferred from the Contracted Services operating budget to the capital program and $1,970,844 in federal funds to be transferred from the capital program to Contracted Services operating budget. MVST funds will be used in the capital program for engines, transmissions, and mid-life vehicle rehabilitations. This dollar-for-dollar exchange of funds has no impact on regional MVST allocations, MVST reserves or planned capital projects.

Passthrough Program

Suburban Transit Providers Contracted Services:

Change in Revenues: $13,253,781; Expenditures: $13,253,781; Reserves: $0

This amendment increases suburban transit providers passthrough budget revenues and expenses by $13,253,781. The Transit Funding Allocation Policy, FM 12-3, adopted by the Council on September 10, 2025, allows the Council to allocate additional supplemental financial assistance to replacement service municipalities equivalent to the transit debt service levied by the Council in these communities. The funding assistance must be used for transit purposes.

Rationale

The proposed amendment programs available federal, state, other, and regional funds to the Unified Budget to allow the Council to carry out its work plan and its long-term capital program.

Rationale

The proposed amendment programs available federal, state, other, and regional funds to the Unified Budget to allow the Council to carry out its work plan and its long-term capital program.

Thrive Lens Analysis

On February 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, this budget amendment demonstrates commitment toward asset preservation and supports the Thrive outcomes of stewardship by assessing the future needs, responsible planning and management of resources for Metro Transit and Metropolitan Transportation Services.

Funding

Capital Program:

This amendment decreases the Transportation Division Federal revenues by $2,607,130, increases State revenues by $1,047,800, increases Other revenues by $22,495,000, increases RTC revenues by $10,394,514 and increases Sales Tax revenues by $23,443,476.

Attachments:

1. Capital Program – Attachment #1 (Program Level) (Table 9)
2. Operating – Attachment #2 (Table C-1)
3. Capital Program – Attachment #3 (Project Level)