

# 2017

# PERFORMANCE

# EVALUATION

# REPORT

*REPORT TO THE MINNESOTA LEGISLATURE*



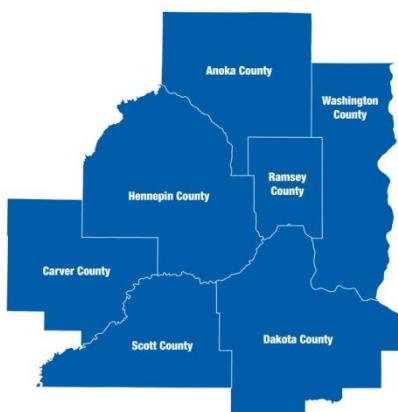
July 2018

The Council's mission is to foster efficient and economic growth for a prosperous metropolitan region.

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The Metropolitan Council is the regional planning organization for the seven-county Twin Cities area. The Council operates the regional bus and rail system, collects and treats wastewater, coordinates regional water resources, plans and helps fund regional parks, and administers federal funds that provide housing opportunities for low- and moderate-income individuals and families. The 17-member Council board is appointed by and serves at the pleasure of the governor.

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## About This Report

The Metropolitan Council recognizes performance evaluation as a key tool to ensure that its functions meet their objectives in a timely and cost-effective manner. The Council has implemented a number of methods to strengthen its performance evaluation process.

This report is required by Minnesota Statutes, Section 473.13, Subdivision 1a, which calls for the Council to submit annually to the Legislature a "...substantive assessment and evaluation of the effectiveness of each significant program of the Council, with, to the extent possible, quantitative information on the status, progress, costs, benefits and effects of each program."

The report provides a record of the services provided and service levels achieved by the Council in the context of historical trends, performance measures and budget compliance.

The report includes multi-year performance measures for all major operations and summarizes significant accomplishments by division.

The report is organized into six sections. The introduction describes the Council's authority, organization, and major functions. The overview summarizes the Council's major accomplishments in 2016. The next three sections discuss division results and the accomplishments of the individual units within each division. The last section is the appendix, which includes maps showing Council Districts, participating communities in the Council's Livable Communities program, the Metro HRA service area, Regional Parks and Trails, transit routes and service areas, the sewer service network and a 2017 Council budget summary.

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## Introduction

### The Twin Cities Region and the Metropolitan Council

The seven-county metropolitan area is a growing and economically vibrant region with a population of 3 million. The regional economy is supported by diverse industries and has an unemployment rate below the national average. The region's population is projected to grow to more than 3.6 million by 2040.

The Metropolitan Council was created by the Minnesota Legislature in 1967 to plan and coordinate the orderly growth and development of the seven-county area. It has authority to plan for regional systems that include transportation, aviation, water resources, and regional parks and open space. The Council's core mission also includes the efficient operation of transit, wastewater collection and treatment, and housing assistance programs for households with low incomes.

The governor appoints a chair who serves at large and 16 Council members representing districts, who together govern the Council. To carry out its responsibilities, the Council established divisions for transportation, environment, and community development, along with standing committees to deal with each of these areas. The Council has approximately 4,200 employees and annual operating expenditures of approximately \$654 million, mostly for regional transit service and wastewater treatment.

### Council Divisions' Percent of Employees and Expenditures, 2016

Division	Employees	Expenditures
Environmental Services	14%	27%
Transportation	77%	61%
Community Development/Regional Administration	9%	12%
Total	100%	100%

### Divisions and Their Functions

The **Community Development Division** includes Council-related functions of the regional parks system and open space planning, regional policy and research, planning assistance to local communities, the Metropolitan Council's Housing and Redevelopment Authority (Metro HRA) and administration of the Livable Communities programs.

The **Transportation Division** consists of Metropolitan Transportation Services and Metro Transit.

**Metropolitan Transportation Services** (MTS) is responsible for developing regional transportation policy for all means of transportation; allocating federal transportation funds to projects in the seven-county area; coordinating regional aviation planning, and providing transit service for people with disabilities.

**Metro Transit** is an operating unit of the Metropolitan Council and the largest transit agency in Minnesota. Metro Transit provides an integrated network of buses, light rail and commuter trains, as well as resources for those who carpool, vanpool, walk or bike in the Twin Cities.

The **Metropolitan Council Environmental Services Division** (MCES) operates and maintains approximately 600 miles of regional sewers and treats an average of 250 million gallons of wastewater daily at eight regional treatment plants. Serving 2.6 million residents of the seven-county area, MCES provides cost-effective wastewater service to 109 communities. The MCES mission is to provide wastewater services and integrated planning to ensure sustainable water quality and water supply for the region.

## Overview of the Council's Performance

### Council protects public health and environment

The Council's Environmental Services division (MCES) treats an average of 250 million gallons of wastewater from 2.6 million residents daily. This cleaned water is discharged to our rivers. Five wastewater treatment plants received national awards in 2017 for five years or more of perfect discharge permit compliance through 2016: Hastings (26 years), St. Croix Valley (25 years), Blue Lake (11 years), Eagles Point (11 years), Empire (9 years), and the Metro Plant (5 years). These compliance records are among the highest in the nation.

### Parks investments protect environment, raise quality of life

The Council assists the 10 regional parks implementing agencies with funding for capital investment, operations and maintenance, land acquisition and programming throughout the metropolitan Regional Parks System. In 2017, the Legislature appropriated the Council \$31.6 million in funding from four different sources for the benefit of the Regional Parks System. This nationally recognized system serves all residents of the region, providing high quality natural resource-based outdoor recreation opportunities that make our region a great place to live, work, and play.

### Sustainability efforts include energy conservation, solar development

- MCES and Xcel Energy have a five-year memorandum of understanding that establishes goals for MCES energy reduction. If MCES achieves greater reductions than outlined in the goal, it receives a bonus payment from Xcel Energy. In 2017, MCES received \$25,000 in rebates and implemented projects that will lead to an annual savings of 883,273 kWh (or about \$61,000).
- MCES further advanced solar through subscriptions to Community Solar Gardens on and off Council land. Through power purchase agreements (1.25 MW) and Community Solar Garden Subscriptions (16 MW), MCES has 17.24 MW of solar capacity under contract. This level of solar capacity can produce the energy needed by 3,000 homes.
- MCES has an energy goal of reducing its purchased fossil fuel energy purchases by 10% between 2015 and 2020, saving MCES about \$1 million per year.

### Regional parks continue to be a top metro attraction

Twin Cities metro area residents love their parks. The Regional Parks System includes 54 regional parks and reserves, comprising nearly 55,000 acres, about 400 miles of interconnected trails, and 8 special recreation features, such as Como Zoo and Conservatory. The number of annual visits to regional parks and trails was 47.8 million in 2016 (the latest figure available). For context, the Mall of America receives about 40 million annual visits.

## **Grants encourage redevelopment, affordable housing, create jobs**

The Council awarded more than \$27 million in Livable Communities Act grants to support revitalization of brownfields for job creation, transit-oriented development, and affordable housing.

Since the Livable Communities program became law in 1995, the Council has awarded over 1,000 grants totaling over \$374 million to help build or rehabilitate more than 22,000 affordable housing units; clean nearly 2,300 acres of polluted land, creating or retaining 52,000 jobs; and support development of transit-oriented, connected land uses. The grants helped leverage billions of dollars in other public and private investments.

## **U of M partnership will study if incinerator ash is useful source of agricultural phosphorus**

The ash is the product of incinerating sewage sludge from the Metro Wastewater Treatment Plant in Saint Paul. Phosphorus is a critical element for all organic life, and a key constituent of crop fertilizer worldwide.

The Council and the University of Minnesota have embarked on a three-year partnership to find out whether the byproduct of wastewater treatment can be useful in agriculture. Wastewater solids removed during treatment at the Metro Plant are incinerated in a process that recovers heat and generates electricity for the facility. The resulting ash, about 40 tons per day, is landfilled. The ash content is about 13% phosphorus.

## **Regional advisory group charts course toward sustainability of future water supply**

The report *Water Supply Now and for the Future*, published by the Metropolitan Area Water Supply Advisory Committee (MAWSAC), identifies the sources of regional water (groundwater, rivers), how it is used (residential, business, agriculture), and how much is used.

Among the key water-related challenges outlined in the document are a potential 30% increase in water demand by 2040, decreasing groundwater levels, and groundwater contamination in some parts of the seven-county region. The report provides the framework for planning ahead to assure clean water indefinitely, including a five-year plan.

## **Council grant awarded to save valuable source of housing**

The Metropolitan Council approved a first-of-its-kind pilot grant – in the amount of \$235,000 – to cover half of the cost of connecting homes in a Corcoran manufactured housing park to the regional wastewater system. In exchange for the funding, the owner of the park committed to operate as a manufactured home park for a period to be negotiated as part of the grant and not to charge residents unreasonable lot rent increases.

Manufactured housing is a valuable source of housing, particularly for very low- and extremely low-income households. Many parks are threatened by redevelopment, improvement to adjacent highways, and their own aging infrastructure, such as septic systems.

## **Survey yields useful data to forecast travel, understand transit users**

The Council's On-Board Transit Survey produced robust data about the demographics of who uses transit in the seven-county metro area, where they are coming from and going to, and why they are taking their trips.

Survey results will be used to better understand travel markets (who the riders are, how and why they are using transit), improve the regional travel forecast model (used to predict transit ridership and highway use and to design of highway and transit facilities) and support funding decisions about transportation projects across the region.

## **Council approves federal transportation grants for older adults and people with disabilities**

The Council approved 13 federal grants totaling nearly \$2.6 million for private nonprofit and government organizations to help meet the transportation needs of older adults and people with disabilities. Four of the grants were for Mobility Management projects that help connect older adults and people with disabilities with transit options. These projects help customers gain access to service through improved coordination and education and outreach initiatives, with the qualifier that these are not operating funds.

## **Metro-area transportation projects advance for federal funding consideration**

The Council signed off on a large slate of metro-area transportation projects to add to the state's list of projects recommended for federal funding. The region's \$3.5 billion package of projects called the Transportation Improvement Program, or TIP, is a collection of hundreds of local highway, transit, bicycle and pedestrian projects in the queue for federal consideration. Among the new projects added to the region's TIP are 55 local projects that were recommended last year for \$218 million in federal funding through a funding review process known as the Regional Solicitation.

## **Council assists industry to meet permit requirements, save money**

- MCES made solid progress in 2017 to establish wastewater pretreatment systems that reduce high-strength wastes, at the source, coming from industrial customers.
- MCES continued to assist communities to reduce water use in the region by 140 million gallons a year through two water efficiency programs. The first is a grant program to implement water reduction measures. The second is an industrial water conservation program – in collaboration with the University of Minnesota – to help eight industries use water more efficiently. Also in collaboration with the University of Minnesota Extension services, MCES provided technical assistance to communities to implement efficient outdoor measures to reduce summer water use.

## **Systematic rehabilitation program protects wastewater assets**

MCES is investing \$130 million annually to preserve wastewater infrastructure, which has an estimated replacement value of \$7 billion, including \$100 million annually for interceptor pipe rehabilitation and pump station renovation.

## **Managing stormwater, sharing water data, and increasing efficiency**

- The Council awarded \$1,000,000 in grants for projects providing multiple benefits to stormwater management and reuse. Several cooperating watershed organizations received funding for using stormwater as a resource to irrigate playground and athletic fields at local parks, reduce sediment and nutrient loads to area lakes by implementing innovative stormwater practices, installing underground infiltration systems beneath recreation areas to reduce sediment and nutrients, and other innovative investments.
- MCES makes all of its water data (lake, river, and stream) available to the public through its Environmental Information Management System (EIMS). MCES collected water quality information on 21 river segments and more than 150 lakes in the region, over 150 lakes, and collected water chemistry, quantity, and biological information on 21 streams in the region.
- The Council awarded \$1,000,000 in grants for projects through the Green Infrastructure grant program. Communities received funding for implementing green infrastructure projects, including projects that had multiple benefits that included reducing inflow and infiltration of clear water into wastewater sewers, managing water supply use, and reuse and treatment of stormwater.

## **Intergovernmental group formed to share water data and assessment techniques**

The Council formed the Twin Cities Water Monitoring and Data Assessment Group, consisting of staff from the Council, watershed organizations, and city, county, and township governments. The group meets shares information on water monitoring and data assessment programs, collection methods, analysis techniques, monitoring protocols, and other issues, as well as holding trainings on monitoring techniques and equipment.

## **Local government sun-sharing partners earn environmental award**

The Council, along with Hennepin and Ramsey counties, the City of Minneapolis and Metro CERT (Clean Energy Resource Teams) were recipients of the Environmental Initiative's "Community Action" award. Their partnership brought together local governments under a single competitive procurement process that allowed them to subscribe to solar gardens and offset energy use at public facilities.

The initiative, called the "Governmental Solar Garden Subscriber Collaborative," involved a group of 31 government partners. The group jointly solicited competitive proposals from solar vendors who offered solar participation via subscription, rather than local governments installing solar panels on their own property.

## **Council funded "U" research on lawn irrigation, drought resistance of grasses**

The research entailed evaluating the efficiency of typical lawn irrigation practices – and helping homeowners and communities save money and conserve water – under a two-year University of Minnesota Extension.

Many communities use three times as much potable water during the summer as they do in the winter, and most of that goes to irrigate lawns. As a result, there's potential for major reductions in using clean drinking water on lawns and reducing the need for new water wells

as population increases. In addition, homeowners can save money by upgrading irrigation controllers, picking the right grass mixes, and knowing basic irrigation practices that can save water.

### **Better Bus Stops program reaches out to community for feedback**

In 2017, Metro Transit completed an extensive engagement project to learn from affected neighborhood communities how to better design, equip and locate bus shelters to enhance access to opportunities and promote transit equity. The project, called Better Bus Stops, is intended to improve the waiting experience for bus customers primarily in areas with a high concentration of poverty and the majority of residents are people of color.

An estimated 7,000 community members took part in the engagement strategies, involving approximately 185 community events. Metro Transit now has information to help it update its guidelines for shelter placement, apply the feedback more broadly among the work of its departments, and maintain relationships with the communities.

### **Metro Mobility aims to attract new drivers and offers new group rate**

The Metropolitan Council increased Metro Mobility contractor rates in October 2017, with the increase paid exclusively to driver wages. The increase of \$2.00 per hour has significantly improved the number and quality of drivers resulting in improved service quality.

For riders, Metro Mobility began a pilot in December 2017 to offer a group-ride fare discount. Groups of five or more certified riders can establish a standing order during weekday off-peak hours to travel weekly to shopping or social activities and receive a free return ride. Groups are self-organized, and actual participants can differ from week to week. The goal is to provide a more cost-effective option for riders while also serving to improve system productivity and create low cost additional capacity on Metro Mobility.

### **Council launches innovative public-private partnership to improve water quality, save money**

The Council is moving forward on a new partnership with two local food producers, focused on how to more efficiently and sustainably treat the wastewater being produced by the two companies.

The Council approved financing agreements with Michael Foods in Chaska and Kemps dairy company in Rosemount. The agreements incentivize both companies to design, install and operate equipment at their locations to pretreat high-strength industrial wastewater before it's released in the regional wastewater treatment system.

The benefit is twofold. For the company, the program saves money through reduced wastewater charges from the Council. For the Council, it means avoiding or delaying the need to expand its own treatment plants. It also reduces operational costs.

## Community Development

### Overview

The mission of Community Development is to:

- Understand current and future development patterns to inform development of local and regional policy.
- Provide high-quality, coordinated planning, policy and program development to support regional growth and reinvestment.
- Identify and analyze regional issues.
- Facilitate community collaboration.
- Provide Livable Communities Act grants from three funding accounts to eligible communities to assist them with cleaning up polluted sites, expanding housing choices, and undertaking developments that use land and infrastructure more efficiently and connect housing, jobs and services.
- Deliver state and federally funded rent assistance to create and provide affordable housing for low-income households in the region.
- Partner with the 10 regional park implementing agencies (cities, counties, and park districts) and the Metropolitan Parks and Open Space Commission to manage the many regional parks, trails, and open spaces that make up the Twin Cities nationally renowned regional parks system.

The Community Development Division includes the following units and core activities:

UNIT	CORE ACTIVITIES
<b>Regional Parks and Natural Resources</b>	Develop and implement the Regional Parks Policy Plan through planning, research, and administration of the regional parks system grant programs. Support the Metropolitan Parks and Open Space Commission, which advises the Metropolitan Council on regional parks policy, master plan reviews and grant program coordination. Help coordinate the regional parks legislative requests. Ensure protection of the region's investment in the regional parks system through the review of local comprehensive plans and environmental studies.
<b>Local Planning Assistance</b>	Implement the Metropolitan Land Planning Act through <i>Thrive MSP 2040</i> and its policy plans. Provide planning and technical assistance and foster cooperative relationships with local governments and other organizations to achieve local and regional goals. Accomplish this responsibility through the Sector Representative Program; technical assistance; review of local comprehensive plans, plan amendments, and environmental reviews; and coordination of policy outreach efforts through the Land Use Advisory Committee.
<b>Regional Policy and Research</b>	Manage large regional policy initiatives, such as <i>Thrive MSP 2040</i> and the <i>2040 Housing Policy Plan</i> , and collect and disseminate data and analysis about the demographics and development patterns on the Twin Cities area.

<b>Livable Communities</b>	Implement the Livable Communities Act and its three funding accounts to provide grants to participating communities. Support the planning and development of affordable and lifecycle housing in the region. Help fund transit-oriented development.
<b>Metropolitan Council Housing and Redevelopment Authority (Metro HRA)</b>	Administer rent assistance programs for low-income seniors, families, individuals and households with disabilities. Serve specialized populations such as homeless or families working towards self-sufficiency. Own and operate 150 scattered-site housing units, known as the Family Affordable Housing Program.

## Regional Parks and Natural Resources

The Regional Parks and Natural Resources unit is responsible for developing and implementing the Regional Parks Policy Plan, with the advice of the Metropolitan Parks and Open Space Commission. The Commission provides recommendations to the Metropolitan Council regarding its reviews of park master plans, the capital improvement program for the Regional Parks System, and the distribution of park grants.

The Regional Parks and Natural Resources unit also protects the Regional Parks System through the review of local comprehensive plans and environmental studies for consistency with the Regional Parks Policy Plan.

In 2017, the Regional Parks and Natural Resources unit:

- Reviewed and evaluated local comprehensive plans for conformance to the Regional Parks Policy Plan and worked with local communities to ensure that their local planning efforts protect the integrity of the existing and planned Regional Parks System.
- Estimated the annual visitation to the Regional Parks System and individual regional park and trail facilities to produce the report *Annual Use Estimate of the Metropolitan Regional Parks System*. The Regional Parks System draws more than 47 million annual visits.
- Conducted a region-wide survey to better understand regional park and trail visitors. Data collected from nearly 5,400 regional park and trail visitors provided information related to recreational activity preferences, visit satisfaction, use behavior, and sociodemographics.
- Reviewed and approved master plans or master plan amendments for the following regional parks and trails:
  - River to River Greenway Regional Trail (Dakota County)
  - Lake Waconia Regional Park (Carver County)
  - Crow River Regional Trail (Three Rivers Park District)
  - Cottage Grove Ravine Regional Park (Washington County)
  - Bunker Hills Regional Park (Anoka County)
  - Mississippi West Regional Park (Anoka County)
  - Central Greenway Regional Trail (Washington County)

The Council assists the 10 regional parks implementing agencies with funding for capital investment, operations and maintenance, land acquisition and programming throughout the metropolitan Regional Parks System. In 2017, the Legislature appropriated the Council

\$31,624,000 in funding from four different sources for the benefit of the Regional Parks System:

- \$16,584,000 in Parks and Trails Legacy funding for state fiscal year 2018. Of this amount, 10% is allocated by Council policy for land acquisition within the metropolitan Regional Parks System, and Council matches every \$3 in state land acquisition funding with \$2 in Council bonds. The Council has awarded four land acquisition grants totaling \$625,490, of which the state funded \$375,290 and the Council funded \$250,200. Land acquisition grants are offered on a first-come-first served basis. For the remaining \$14,926,600 in Parks and Trails Legacy funding, the Council awarded 59 grants using a formula set in statute. The Legislature also appropriated another \$18,891,000 in Parks and Trails funding that will become available as grants on July 1, 2018.
- \$1,500,000 from the Environment and Natural Resources Trust Fund (ENRTF), also to assist with land acquisition within the metropolitan Regional Parks System. No grants have yet been awarded with this funding. However, the Council awarded one grant totaling \$250,274 from its 2015 ENRTF appropriation, for which the state contributed \$140,164 and the Council \$100,110.
- \$6,000,000 from the Natural Resources fund and \$2,540,000 from the state general fund to assist with the operation and maintenance costs of the Regional Parks System. This money is distributed to the regional parks implementing agencies according to a formula set in statute.
- \$5,000,000 in state general obligation bonds, plus \$3,333,333 in Council bonds, was distributed to the regional parks implementing agencies in 22 grants according to a formula set in the 2040 Regional Parks Policy Plan.

## **Local Planning Assistance**

In 2017, the Local Planning Assistance unit:

- Coordinated 175 reviews to determine their conformance to the regional systems, consistency with Council policy, and compatibility with the plans of adjacent communities, including:
  - 89 reviews of comprehensive plans including amendments, and 38 environmental reviews such as environmental assessment worksheets (EAWS), environmental impact statements (EIS), environmental assessments (EAs), and alternative urban area-wide reviews (AUARs).
  - 48 reviews of NPDES Permits, U.S. Army Corps of Engineers #404 Permits, wastewater and surface water discharge permits, and other types of reviews.
- Delivered the second year of the PlanIt comprehensive plan training program; continued to provide a series of learning opportunities for local planning staff, planning commissioners, elected officials, and others involved in developing and writing local comprehensive plans. The 2017 series included in-person workshops, self-guided learning through tutorials, podcasts, and expert articles, remote learning opportunities through the webinar series. Attendance at all learning opportunities has been high, and people continue to access materials available online after events have been held.
- Continued implementation of the Planning Assistance Grant program, which provides \$1.9 million in grants to 70 eligible communities to facilitate the update of their 2040 comprehensive plans. Awards were made at the end of 2016, with first payments sent out to communities in early 2017.

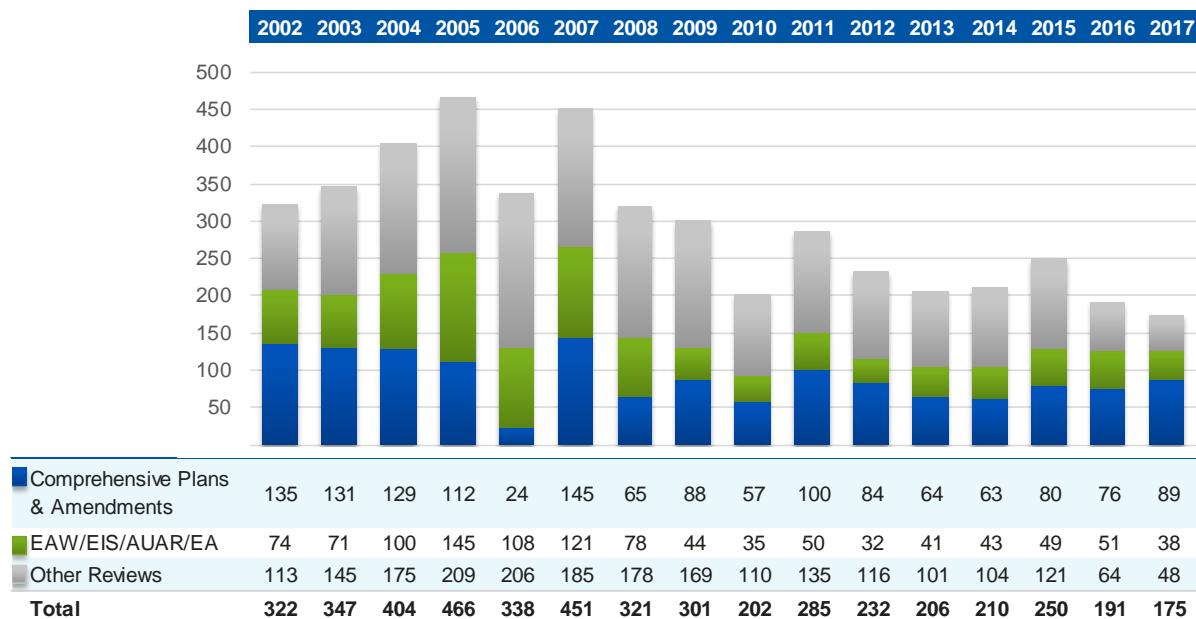
- Continued to add resources to the new *Local Planning Handbook*, which guides local governments regarding local comprehensive planning requirements and connects them to additional resources. The Handbook is an online platform and includes a tool for submitting plans online, community-specific data and information needed for planning, an individualized online mapping tool, and an extensive resource library to assist local governments in updating their comprehensive plans.
- Coordinated with the Minnesota Department of Natural Resources to develop guidance, maps, and other resources for the implementation of the new Mississippi River Corridor Critical Area (MRCCA) rules. These resources are seamlessly integrated into the *Local Planning Handbook*.
- Collaborated with the Minnesota Department of Natural Resources to create a streamlined comprehensive plan review process for communities that fall within the Mississippi River Corridor Critical Area. Communities need only to submit their comprehensive plans to the Metropolitan Council, and Council staff work with DNR staff to integrate review processes and comments for local governments.
- Provided technical planning assistance and resources to local elected and appointed officials and local planning staff through the Council's Sector Representative Program, particularly as communities began their local planning process. Local comprehensive plans are due to the Council for review by December 31, 2018.
- Released the first chapter of the Climate Vulnerability Assessment, analyzing the impacts of inland flooding events on regional transportation and transit infrastructure. Additional chapters will be released in 2018 analyzing impacts on regional systems infrastructure and other Council assets.
- Provided analysis and updated information on fiscal disparities, including tax-base values and impacts of the tax-base sharing program, for the public and policymakers. Also used this analysis to meet a statutory requirement to determine which communities are not eligible to participate in the Twin Cities Fiscal Disparities program.
- Planned and coordinated bimonthly meetings of the Land Use Advisory Committee, which advised the Council on the development of planning-assistance grant criteria and continued to assist in providing input on the 2040 Transportation Policy Plan update, shaping new technical resources for the Local Planning Handbook and the Transit-Oriented Development Guide.
- Collaborated with Environmental Services staff to coordinate a joint workshop of the Land Use Advisory Committee and the Metropolitan Area Water Supply Advisory Committee to discuss the integration of land use and water in their respective work and identify shared issues on which to collaborate further.
- Developed a pilot grant program to assist manufactured home parks in the region to connect to the regional wastewater collection and treatment system. The grant of \$250,000 was offered to one eligible applicant to defray the cost of the regional sewer availability charge.
- Reviewed and provided internal comments to Livable Communities unit staff in coordinating grant requests for the Council's Tax Base Revitalization Account and for the Livable Communities Demonstration Account, including the LCA-TOD grant program.
- Prepared an annual Plat Monitoring Report for 45 developing communities.
- Prepared a report on the Metropolitan Agricultural Preserves program monitoring enrollments in the region.

## Metropolitan Council 2017 Performance Evaluation Report

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The chart below shows the number and type of planning assistance reviews and referrals administered by the Council from 2002 through 2017.

### Type and Number of Reviews, 2002-2017



### Regional Policy and Research

In 2017, the Regional Policy and Research team:

- Released the 2016 Generalized Land Use Inventory, which results from aerial photography collected every five to six years to inform comprehensive planning across the region.
- Updated the Council's long-term forecasts of population, households and employment to 2040.
- Released nine MetroStats publications, Internet-based publications that incorporate enhanced graphics and focused analysis to disseminate Research unit data, including on new topics such as income inequality and disparities in socioeconomic outcomes by ability.
- Began planning for the development of the 2050 metropolitan development guide by both laying the groundwork for interdivisional collaboration and improving the Council's forecasting toolkit.
- Produced annual city and township estimates of population and households per Minn. Stat. 473.24 and developed 2016 estimates of populations, households and affordable housing for both transportation analysis zones and census tracts.
- Disseminated data from two American Community Survey releases, including consistently posting data on the Council's website within 12 hours of new data availability and providing a number of public presentations.
- Provided analysis of or assistance with U.S. Census Bureau data to local government, nonprofit partners, the media, and the public and began planning how the Council can support the 2020 Census.

- Conducted annual surveys on building permits (91% response rate), affordable housing production (70% response rate), group quarters (66% response rate), and manufactured home parks (74% response rate).
- Released the 2017 Housing Performance Scores that measure local government efforts to create and preserve a mix of housing affordability.
- Developed a template for local fair housing policies for use by local governments.
- Began systematically collecting data on planned development across the region.
- Released the online presentation of the Housing Policy Plan Dashboard of Indicators.
- Provided technical assistance to local governments on long-term forecasts and housing elements in the 2018 round of comprehensive plan updates.
- Maintained up-to-date data in the Council's Data+Maps website, including tabular geospatial data.

## Livable Communities

In 2017, 95 metropolitan area communities participated in the Livable Communities program (Minn. Stat. 473.25) to help expand and preserve affordable housing opportunities, recycle polluted sites, revitalize older cities and suburbs, and create new neighborhoods in growing communities.

Communities voluntarily participate in the program and negotiate housing goals with the Council. They are then eligible to compete for funding from the three accounts in the Livable Communities Fund, as well as pollution cleanup funds available from the Minnesota Department of Employment and Economic Development.

The Livable Communities Fund includes grants from the following accounts:

- Tax-Base Revitalization Account (TBRA) helps cities to pay for cleanup of polluted land and buildings, facilitating redevelopment activities and thus restoring tax base, jobs and housing in urban areas.
- Livable Communities Demonstration Account (LCDA) funds development and redevelopment projects that achieve connected development patterns linking housing, jobs and services, and maximize the development potential of existing or planned infrastructure and regional facilities.
- Local Housing Incentives Account (LHIA) preserves and expands housing opportunities through grants to eligible communities to meet negotiated goals for affordable and lifecycle housing.

In 2017, the Livable Communities Program unit:

- Awarded 27 TBRA grants totaling over \$7.2 million to help clean up polluted land in six communities: Bloomington, Edina, Maple Grove, Minneapolis, Saint Paul and South Saint Paul.
- Awarded seven LCDA grants totaling nearly \$8.0 million to help projects in four communities: Edina, Minneapolis, Roseville, and Saint Paul. The funded projects will help acquire and prepare sites for redevelopment that include a mix of housing, commercial, and other uses that support daily needs and community activities. Projects will also assist with the construction of innovative storm water management solutions.

- Awarded 10 LHIA grants totaling \$2.4 million to help preserve or build affordable housing in at least six cities: Minneapolis, Minnetonka, Mounds View, Saint Paul, Waconia, and, cities in Hennepin County, through the West Hennepin Affordable Housing Land Trust.
- Awarded seven Transit Oriented Development grants totaling nearly \$9.3 million in five communities through the LCDA program: Eden Prairie, Minneapolis, Minnetonka, St. Louis Park, and Saint Paul. The funded projects will help promote higher-density projects within easy walking distance of a major transit stop that will typically include a mix of uses oriented to the transit stop.
- Collectively, the 2017 Livable Communities grants are expected to:
  - Create or retain over 3,500 jobs
  - Leverage over \$550 million in private funds and nearly \$150 million in other public funds
  - Add or preserve more than 3,500 housing units, over 1,700 of which will be affordable at 80% of Area Median Income
  - Clean up over 77 acres of polluted property to prepare it for redevelopment
- Reviewed 39 proposals for local housing revenue bond dollars to support affordable, market-rate and senior housing.
- Determined housing performance scores for cities and counties pursuant to the Council's Guidelines for Priority Funding for Housing Performance.

## **Metropolitan Council Housing and Redevelopment Authority**

In 2017, about 7,200 low-income households in the metropolitan area benefited from rent assistance through one of 10 programs administered by the Metro HRA unit. The rental assistance programs, funded through federal and state funds, include the Housing Choice Voucher, Project Based Voucher, Non-Elderly Disabled, Family Unification, Veteran's Affairs Supportive Housing, Bridges, Continuum of Care, Housing Opportunities for People with AIDS, Rental Assistance for Anoka County, and Family Affordable Housing programs.

In 2017, the HRA unit:

- Provided Housing Choice Vouchers to 6,500 very low-income seniors, families with children, individuals and households with disabilities, enabling families to afford the rent in private rental units.
- Provided rent assistance to approximately 700 additional households through programs serving specialized populations such as disabled, homeless, or families working toward self-sufficiency.
- Issued nearly \$60 million in direct rent payments to private landlords.
- Maximized use of Housing Choice Voucher funds by ensuring 100% of the available funding was utilized.
- Maintained the HUD ranking of High Performer in the Section Eight Management Assessment Program (SEMAP).
- Owned and managed 150 scattered-site Project Based Voucher units (Family Affordable Housing Program), comprising single-family houses, duplexes and town homes located in 11 suburban communities.
- Operated Community Choice, a mobility counseling program to assist families with Housing Choice Vouchers find housing in areas of opportunity. The program encourages self-sufficiency and success in new neighborhoods.

- Increased rental assistance opportunities available to homeless veterans through the Veteran's Affairs Supportive Housing (VASH) program.
- Continued support to HousingLink for information and referral services to housing seekers and landlords about affordable housing programs and housing vacancies.

## Transportation Division

### Overview

The Metropolitan Council adopts regional transportation policies and plans and coordinates all transportation planning in the Twin Cities area. This includes highways, transit, airports, waterways and rail, as well as travel-demand forecasting and air quality planning. In addition, the Council administers and operates transit services in the Twin Cities through directly provided services and contracted transit providers.

These programs are delivered by two divisions—Metropolitan Transportation Services (MTS) and Metro Transit—based on the Council's *2040 Transportation Policy Plan*.

### Transportation Policy Plan Focus and Implementation

The philosophy and focus of the Council's Transportation Policy Plan is to implement the legislatively mandated regional development guide called *Thrive MSP 2040*. Specifically:

- Plan and invest in multi-modal transportation choices.
- Focus highway investments on preserving, operating and managing the existing system, and on slowing the growth of congestion.
- Encourage growth and density along transitway corridors.
- Encourage travel-demand management strategies.
- Encourage local communities in the urbanized area to implement a system of fully interconnected arterial and local streets, pedestrian pathways, and bikeways.
- Promote the development and preservation of various freight modes.
- Support investments in airport facilities.
- Serve the region's economic prosperity through investments that attract and retain successful businesses and a talented workforce.
- Connect residents of all races, ethnicities, income and abilities to opportunities.

To carry out these overall policies, the Metropolitan Council:

- Develops and maintains transportation policy for the metropolitan area, which is documented in the long-range Transportation Policy Plan.
- Develops and updates the metropolitan area federal Transportation Improvement Program (TIP), the short-range capital improvement program for all projects using federal transportation funds.
- Carries out the region's transportation planning program, the Unified Planning Work Program (UPWP).

- Implements transportation policy through the allocation of federal funds through implementation of its own programs and through coordination with the federal, state, and local governments.
- Acts as the federally designated Metropolitan Planning Organization.
- Provides or coordinates with transit programs throughout the region.
- Operates Metro Transit, the region's largest provider of large-bus, regular-route transit service, light-rail transit service, and commuter-rail transit service.
- Operates Metro Mobility, the region's ADA transit service. This program provides group-transit services (demand-response and arranged) as a legally mandated complement to the regular-route system for persons with disabilities who are unable to use regular-route transit service.
- Operates contracted regular-route transit services, a network of routes operated by private contractors. These routes comprise approximately 10% of regular-route transit in the Twin Cities.
- Operates Transit Link dial-a-ride, a shared-ride, curb-to-curb small bus service for the general public operating in the seven counties for trips not available using regular-route bus and rail transit. Transit Link connects riders to the regular-route system and to Metro Mobility.
- Partners with Suburban Transit Providers. Twelve communities, also known as "opt outs," have chosen to provide their own transit service. They provide service through contracts primarily with private companies, although they also contract with nonprofit and other governmental entities. Operating funding flows from the state to the Suburban Transit Providers through the Council. The Council coordinates regional support for fares, capital programs and other activities with opt-out authorities.
- Provides vanpools through Metro Vanpool. Started in 2001, Metro Vanpool subsidizes commuter vanpools that serve work locations and times not effectively served by the regular-route bus and rail network.

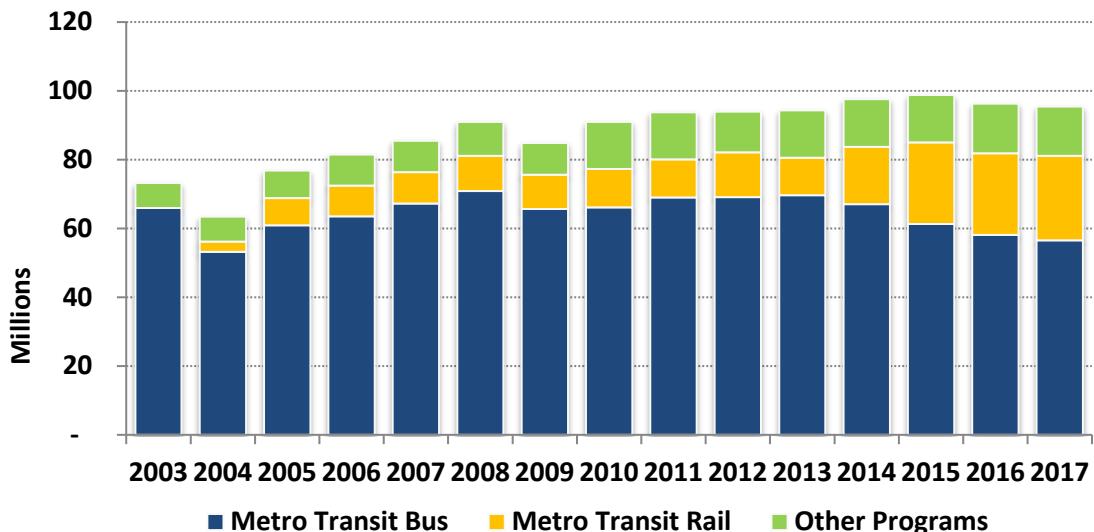
The region also has transit programs not affiliated with the Metropolitan Council. The University of Minnesota operates all-day intercampus transit service for students, faculty, employees, and the general public. The system is integrated with the regional regular-route network and interchanges passengers with other transit programs.

## **Regional Transit Ridership**

Total 2016 transit ridership in the region was 96.3 million rides—the third highest ridership year in the region's history. Ridership was down 2.6% from 2015 in the seven-county metro area. The region's largest provider, Metro Transit, experienced a 3.8% decrease while Metro Mobility continued its trend of the past several years with a 5.9% increase.

A variety of factors will affect future ridership growth, including funding levels, fuel prices, the economy, employment levels, development patterns, income levels, service improvements, and highway congestion levels.

### Regional Transit Ridership, 2003-2017



## Metropolitan Transportation Services

Metropolitan Transportation Services has two major functions:

- Conduct transportation planning for the metropolitan area as the region's federally designated Metropolitan Planning Organization.
- Provide direct transit service contracts or partnerships with counties to deliver four major programs: Metro Mobility/ADA, Transit Link dial-a-ride, contracted regular-route, and Metro Vanpool.

## Transportation Planning Activities

As the designated Metropolitan Planning Organization (MPO) for the Twin Cities metropolitan area, the Council is federally required to provide a continuing, coordinated, comprehensive transportation planning process that includes state and local units of government. In return, the metropolitan region is eligible for federal transportation funds.

### Transportation Policy Plan

Federal regulations require the Council to prepare a long-range transportation plan, which must be updated every four years. The *2040 Transportation Policy Plan* was prepared in 2013-14 and adopted in January 2015. After adoption, the Council prepared a Systems Statement for every municipality and county in the region, detailing how the plan should be reflected in each of their local plan updates by the end of 2018.

A transportation section of the Local Planning Handbook was written to provide planning technical assistance to communities. Webinars and other technical resources were developed as part of a comprehensive technical assistance program for local comprehensive plan updates called "PlanIt." Several transportation elements of PlanIt were completed in 2016 with more planned during the comprehensive plan update process over the next two years.

Under MAP-21 and FAST Act federal guidelines, MPOs are required to have a performance-based long-range transportation plan. Since the federal rulemaking for required measures was not finalized when the *2040 Transportation Policy Plan* was being completed, the policy plan includes preliminary performance measures. In 2016, a more robust list of performance measures was being finalized for consideration in the Transportation Policy Plan update, scheduled to begin in early 2017. Five working groups, composed of transportation stakeholders, identified proposed high-priority measures for the respective transportation modes and input was gathered ahead of the beginning of the Transportation Policy Plan update.

Initial work was begun on an update to the *2040 Transportation Policy Plan* that will formally kick-off in early 2017. Work in 2016 involved preparing materials and determining the extent and structure that the update will take.

## **Regional Solicitation**

The Council's Transportation Advisory Board (TAB) selected 58 project to fund through two federal funding programs: the Surface Transportation Block Grant (STBG) Program (and the Congestion Mitigation and Air Quality Improvement (CMAQ) Program. The projects, most of which will be programmed for 2020-2021, will receive \$210 million in federal funds, with local sponsors contributing an additional \$206 million in local matching funds for a total investment of \$416 million. The Regional Solicitation awards funds to highway, transit, bicycle/pedestrian, Safe Routs to School, and travel demand management (TDM) projects through a rigorous scoring system that involves over 50 participants from the Council and its partners.

## **Transportation Improvement Program**

The Council is responsible for preparing a short-range Transportation Improvement Program (TIP) and selecting projects for federal funding. This work is conducted through the Transportation Advisory Board (TAB) and its Technical Advisory Committees, and includes broad public outreach.

In 2017, the 2018-2021 TIP was prepared and adopted by TAB and the Council. As required by federal law, the TIP includes all federally funded surface transportation projects.

## **Highway Planning**

The Council participates with MnDOT, cities and counties in highway planning activities to ensure implementation of the policy direction established by the Council in its *Thrive MSP 2040* and the *2040 Transportation Policy Plan*.

- During 2017, the Council coordinated with MnDOT's Metro District on several highway planning studies, especially several ongoing interagency corridor studies, including I-494/TH 62 Congestion Relief Study, Principal Arterial Intersection Conversion Study, TH 169 Managed Lane and Transitway Study, Rethinking I-94 Project, MnPASS III, Congestion Mitigation Safety Program IV, I-35W North MnPASS, and the Regional Highway Spending and Investment Needs Study.
- The Council administers the Right-of-Way Acquisition Loan Fund (RALF), which gives communities no-interest loans to purchase right-of-way for principal arterials and other trunk highways in advance of the time that MnDOT would be in a position to make the purchase.

## Transit Planning Activities

The Council performs long-range transit planning activities to implement the policy direction established in its *Thrive MSP 2040* and the *2040 Transportation Policy Plan*.

- The Council continued work on the transit work program items of the *2040 Transportation Policy Plan* related to regional streetcar policies and setting regional transitway priorities. A consultant developed a series of memos related to these tasks and the initial results of this research was presented to a variety of stakeholder and policymaker groups in the region. Additional work related to these work program items will continue with the update to the *2040 Transportation Policy Plan*. The Council also began initial work on a Metro Mobility demand estimate model and an update to the *2030 Park-and-Ride Plan*. The Council also developed transit planning resources for local communities in support of upcoming comprehensive plan updates.
- The Council continued to participate with MnDOT, transit providers, cities, and county regional railroad authorities during 2016 to conduct feasibility, alternatives analysis, environmental, and engineering studies and implementation plans for several transitway corridors. Implementation and engineering work continued on the Green Line Extension (Southwest) light rail transit (LRT), Blue Line Extension (Bottineau LRT), and Orange Line (I-35W South) bus rapid transit. Feasibility, alternatives analysis, or environmental work continued on the Red Rock, Nicollet-Central, Rush Line, Riverview, West Broadway, Highway 169 corridors. Additional ongoing work included implementation efforts for the arterial bus rapid transit system, including the Penn Avenue and Chicago-Emerson-Fremont lines, and the Dakota County East-West Transit Study.
- The Council also participated in intercity passenger rail studies, including Zip Rail, the Minneapolis/Saint Paul-Milwaukee High-Speed Rail, and the Northern Lights Express (NLX)—Duluth to Twin Cities.

## Air Quality Planning

The Council conducts long-term planning required by federal law to ensure that planning for congestion management, transportation, land use and air quality conforms to the requirements of the 1990 Clean Air Act Amendment. In 2017, conformity analysis for the 2018-2021 Transportation Improvement Program (TIP) was completed to ensure the construction of TPP and TIP projects would not violate federal air quality standards.

In 2017:

- Work continued to implement the 2010 Limited Maintenance Plan for carbon monoxide and to finalize a Transportation Conformity State Implementation Plan for air quality with MPCA and MnDOT.
- Work continued on anticipating the consequences of the end of the second and final-year maintenance plan for carbon monoxide.
- The Council participated in the state Climate Strategies and Economic Opportunities work group and the *Thrive* work group on climate change and began work to integrate climate change mitigation and adaptation planning into transportation planning.

### **Project Selection for Federal Funding**

In its role as the federally designated Metropolitan Planning Organization for the region, the Council concurs with the biennial selection of projects selected by its Transportation Advisory Board (TAB) for federal transportation funding through adoption of the TIP. This includes two programs: the Surface Transportation Block Grant (STBG) Program and the Congestion Mitigation and Air Quality Improvement (CMAQ) Program.

A solicitation for projects was released in spring of 2016. In January 2017, the Council's TAB selected projects to be funded with STBG and CMAQ money in 2020-2021. It also selected travel demand management (TDM) projects for 2018-2019 along with other surface transportation projects for 2017-2019 with additional funds that became available. The selected 2018-2021 projects were incorporated into the 2018-2021 TIP, which was approved by the Council in September 2017. TAB and its technical committees evaluated the solicitation process to determine any changes needed prior to soliciting projects in spring 2018 for funding in 2022-2023.

### **Travel Forecasting**

As the regional planning agency, the Council is charged with maintaining and applying travel forecast models to support planning for the orderly development and operation of transportation facilities. The Council maintains socioeconomic data and obtains traffic data from MnDOT to monitor, revise, and update travel forecasts. Federal regulations require the Council to provide projections of traffic demand and related air quality emissions. These projections are used to evaluate regional transportation investments proposed in the short-range TIP and the long-range Transportation Policy Plan. . In 2017:

- Work continued on responding to requests for forecast travel-demand data and providing assistance and model review to consultants, agencies and local governments. Council staff also worked with consultants on several regional-scale highway and transit projects that required forecasts, including the Blue Line Extension, Green Line Extension, Rush Line, Riverview, Orange Line, , and Gold Line transitway corridors and the I-94, I-35W, I-494/TH 62, and TH 169 MnPASS highway corridors.
- A next-generation activity-based travel demand model, released in late 2015 was continued to be refined Work will continue on refining the new model and providing technical assistance in its application.
- Work continued on the next Travel Behavior Inventory. A 10-year 2018-2027 TBI program has been developed that will involve more frequent and regular data collection and model improvements. The 2016 transit on-board study continued in 2017, with release of data and results in the fall. A consultant was selected for the 2018 TBI Household Travel Survey- data collection will begin in mid-2018.

### **Aviation Planning Activities**

The Council prepares and maintains a plan for the regional aviation system. The Council works closely with MnDOT Aeronautics, the Metropolitan Airports Commission (MAC), and other airport owners to ensure that the region's airports provide state-of-the-art, secure and affordable services for business and leisure travelers, freight transport and general aviation activities. The Council coordinates aviation planning and community development with local, state and federal governmental units, airport users and citizens.

2017 highlights include the following activities:

- Reviewed, analyzed, and provided comments and made a determination on the Crystal Airport Long Term Comprehensive Plan. Presented the findings to both the community, as well as the TAC/TAB and Metropolitan Council policy makers.
- Participated in meetings and interviews to select a consultant that will deliver the environmental documents needed for project development at the reliever airports.
- Reviewed and approved the 2018-2024 Capital Improvement Program for Minneapolis-Saint Paul International Airport and MAC's reliever airports.
- Participated in the advisory group for the Airlake Airport Master Plan Update, which is expected to be adopted in 2018.

## **Transit Programs**

The Contracted Transit Services unit provides transit service through service contracts for Metro Mobility, Transit Link dial-a-ride, regular-route transit, and Metro Vanpool.

### **Suburban Transit Providers**

Twelve suburban communities manage their own transit services. Two of these—Plymouth and Maple Grove—operate their own municipal programs.

Apple Valley, Burnsville, Eagan, Prior Lake, Savage, Shakopee and Rosemount created an intergovernmental entity called Minnesota Valley Transit Authority (MVTA) to provide transit in their communities. Chaska, Chanhassen, and Eden Prairie created another intergovernmental entity, Southwest Metro Transit.

These communities contract with a variety of providers to deliver service. They also select their own routes and levels of services. A significant share of the service provided by suburban providers meets the needs of commuters traveling to and from downtown Saint Paul and Minneapolis.

### **Contracted Regular Routes**

Contracting regular-route service is most beneficial in situations where a smaller bus is appropriate due to ridership, operational constraints, and neighborhood perception; where performance does not meet regional standards when directly operated; and in certain specially funded service arrangements. Metropolitan Transportation Services manages contracts for approximately 9% of the region's regular-route bus service.

### **Transit Link Service**

Transit Link is dial-a-ride service available to the public in areas not served by the regular-route transit network. The Metropolitan Council contracts with local governments and private companies to provide Transit Link service.. Although Transit Link is available to the general public, typical users are the elderly, people who do not own a car, people too young to drive, and persons with disabilities traveling outside the Metro Mobility service area. Growth or reduction in these services will be addressed as a consideration of the overall transit system and as demand warrants. The expansion of the regular-route bus system may result in reduced demand for Transit Link as more people have access to regular-route service.

### **Metro Vanpool**

Commuter vanpools are made up of five or more people, including a participant driver, commuting to and from work at destinations throughout the region on a regular basis. The Metro Vanpool program provides financial assistance for vans serving locations or times not well served by the regular-route transit network.

### **Metro Mobility Program Evaluation**

This section responds to Minn. Stat. 473.13, which requires the Council's program evaluation report to include "an assessment of progress towards meeting transit goals for people with disabilities... with required elements including, but not limited to: (1) a description of proposed program enhancements; (2) an assessment of progress; (3) identification of the estimated total number of potential and actual riders who are disabled; (4) an assessment of the level and type of service required to meet unmet ridership needs; and (5) an analysis of costs and revenue options, including a calculation of the amounts of surplus or insufficient funds available for achieving paratransit needs."

### **Metro Mobility Service**

Under the Americans with Disabilities Act (ADA) every public entity operating a regular-route system that includes local service must provide complementary paratransit service to individuals with disabilities who are unable to use the regular-route system. Federal law requires this paratransit service be delivered at levels comparable to the regular-route system. This service must be provided within three-quarters of a mile of any all-day, local regular route in the Twin Cities. In addition Minnesota Statute 473.386 requires the Metropolitan Council to provide "greater access" and "door-through-door transportation" for the elderly, people with disabilities, and others with special transportation needs" within the Transit Taxing District as it existed on March 1, 2006.

Under the ADA there are a number of key provisions governing service delivery in the federally mandated service area. Some of these provisions include:

- No trip limits, restrictions or capacity constraints.
- There can be no denials of service.
- Service must be guaranteed at the time of the call.
- Service must be provided during all hours when regular-route service is available.
- Trips must be scheduled within one hour of the requested time.
- There may not be a pattern or practice of limiting availability. This includes long telephone hold times, substantial number of late pickups, missed trips, or excessively long trips.
- The fare cannot exceed twice the non-discounted fare for a trip of similar length, at a similar time on the regular-route system.
- Eligibility determinations must be made within 21 days of receiving a complete application for service.

The Metro Mobility Service Center certifies riders, establishes policy in conformance with state and federal regulations, investigates customer concerns and manages the service contracts with private providers. The 2017 Metro Mobility ridership exceeded 2.27 Million rides. While ridership grew only 2% between 2016 and 107, Metro Mobility ridership since 2006 has increased 79%. The Council is currently working with a consultant to conduct a ridership analysis study to project future growth.

## Program Enhancements

### ***Technology***

To maintain high-quality service and improve efficiency, Metro Mobility implemented an aggressive plan to upgrade the communications infrastructure over the previous three years. In 2016, Metro Mobility completed phase three of technology upgrade projects by implementing the Go-To electronic fare payment system. In October 2017, Metro Mobility stopped accepting fare coupons as valid payment and now accepts either Go-To or cash.

Previous Phases:

- 2013 Phase I
  - mobile data computers (MDC) – provides real-time manifest information to all drivers
  - automatic vehicle location (AVL) – provides street routing information to drivers and collects and records vehicle location in the scheduling software every 60 seconds.
- 2014 Phase II
  - Interactive voice response (IVR) system sends riders reminder messages about trips scheduled for the following day, as well as imminent arrival messages to alert riders when the vehicle is 10 minutes away from picking them up.
- 2016 Phase III
  - Go-To electronic fare payment system allows riders to move seamlessly between service modes within the region. With one Go-To card, Metro Mobility customers can take advantage of the many fare features currently available to fixed-route riders.
  - In August 2016, Metro Mobility stopped selling paper ride tickets.

The electronic fare payment system recognizes fares differently than paper ticket fares. When Metro Mobility sold tickets, the revenue from ticket sales was recognized at the time of sale, not the time of use. By contrast, the Go-To value is recognized at the time of use, not the time of sale. Overall the technology project complete in 2016 has improved efficiency, effectiveness, and customer service. It allows customers greater flexibility and choice.

### ***Driver Hiring and Retention***

The Metropolitan Council increased Metro Mobility contractor rates in October 2017 with the increase paid exclusively to driver wages. The increase of \$2.00 per hour has significantly improved the number and quality of drivers resulting in improved service quality.

### ***Service Efficiency Strategy***

Metro Mobility began a pilot in December 2017 to offer a group ride fare discount. Groups of five or more certified riders can establish a standing order during weekday off-peak hours to travel weekly to shopping or social activities and receive a free return ride. Groups are self-organized, and actual participants can differ from week to week. The goal is to provide a more cost-effective option for riders while also serving to improve system productivity and create low cost additional capacity on Metro Mobility.

## Assessment of Progress

### Premium Same-Day Service

In 2017, Metro Mobility saw an increase in Premium Same Day ridership. Premium Same Day service is not a substitute for the federally required ADA service but provides customers with an additional option that is flexible and spontaneous. The Premium Same Day Program allows customers more flexibility and the convenience of a single-seat ride.

In 2017, the MMSC began plans to modify the Premium Same Day (PSD) taxi program to allow riders to use the same 4 day scheduling window that is available for Metro Mobility rides. The change is scheduled to take effect in February 2018.

One of the advantages to the Council of the Premium Same Day service is the relatively low cost per ride because the Council's share of the cost is capped at \$15.00 and riders tend to take shorter trips to limit their cost to \$5.00. The average Council contribution for each Premium Same Day service remains at approximately \$9.00 for each ride.

### Premium Same-Day Ridership

Year	2012	2013	2014	2015	2016	2017*
Ridership	9,916	17,005	27,790	38,380	72,343	75,843

\*preliminary

### Background on Premium Same Day Service

In 2004, Metro Mobility began offering Premium Same Day (PSD) service to customers who want a same-day ride but are not able or chose not to place a ride with Metro Mobility. (ADA regulations do not require same-day service availability.) In 2013 Metro Mobility expanded the Premium Same Day program to include all same-day trip requests. The change was made to ensure that drivers and dispatchers stay focused on delivering quality service to pre-scheduled riders on Metro Mobility. Passenger pay the first \$5.00 plus all costs over \$20 for taxi service.

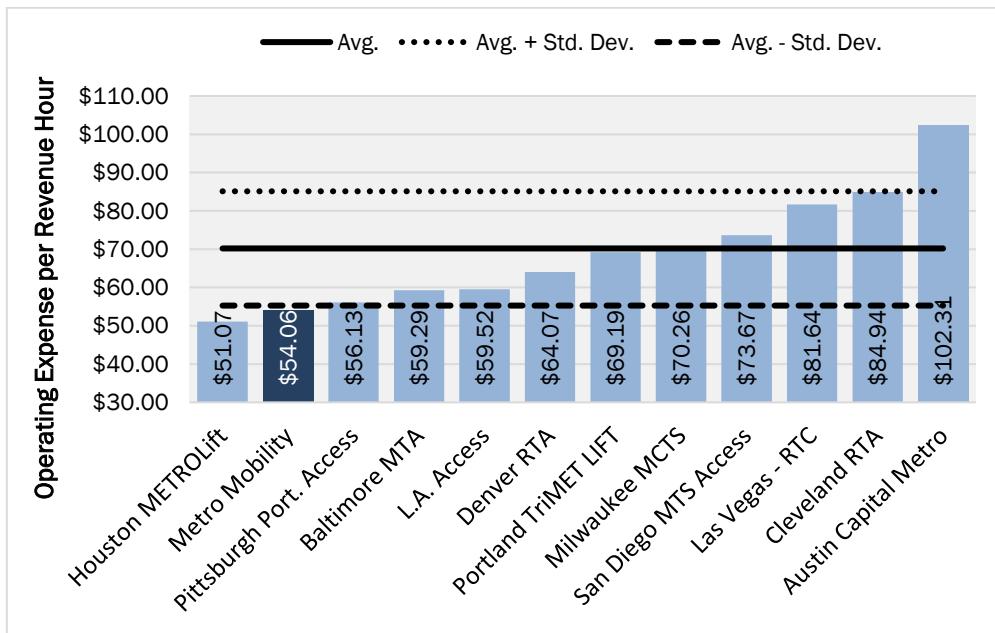
### Metro Mobility Ridership Growth

The demand for Metro Mobility service has increased dramatically over the past decade. Although 2017, as a whole, ridership grew by 1%, the fourth quarter increased by 5% over the previous year despite an October 1<sup>st</sup> fare increase; indicating that the growth trend will return to historic rates in 2018. The Council conducted a needs assessment study in 2017. This project was conducted in two phases.

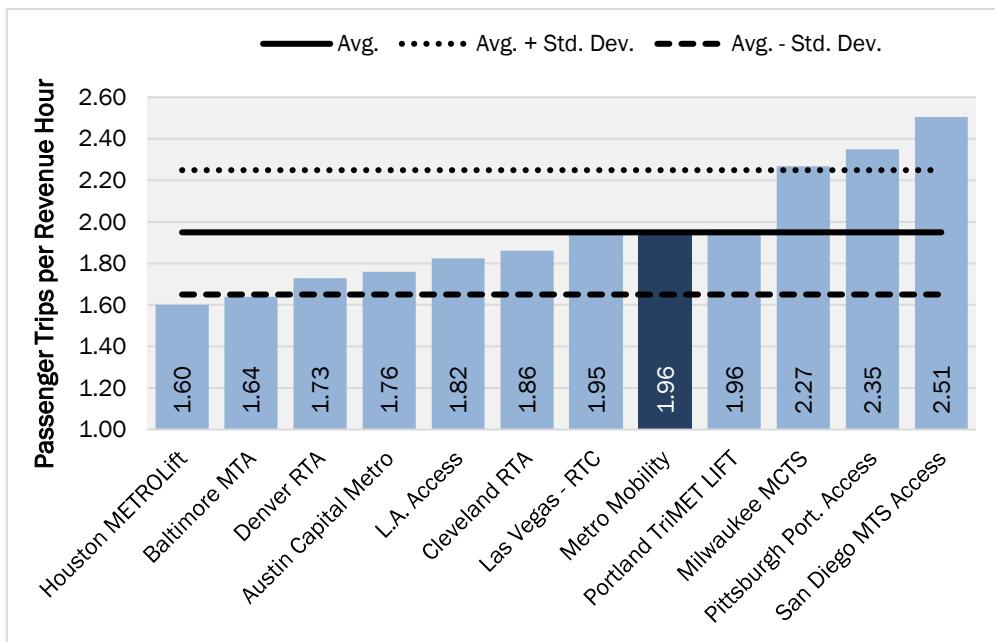
**Phase 1.** Peer Comparison. Evaluated peer agencies and ridership throughout the United States to gain an understanding of their performance measures and trends, as well as their general operating policies and procedures.

The following charts provide a sample of those results.

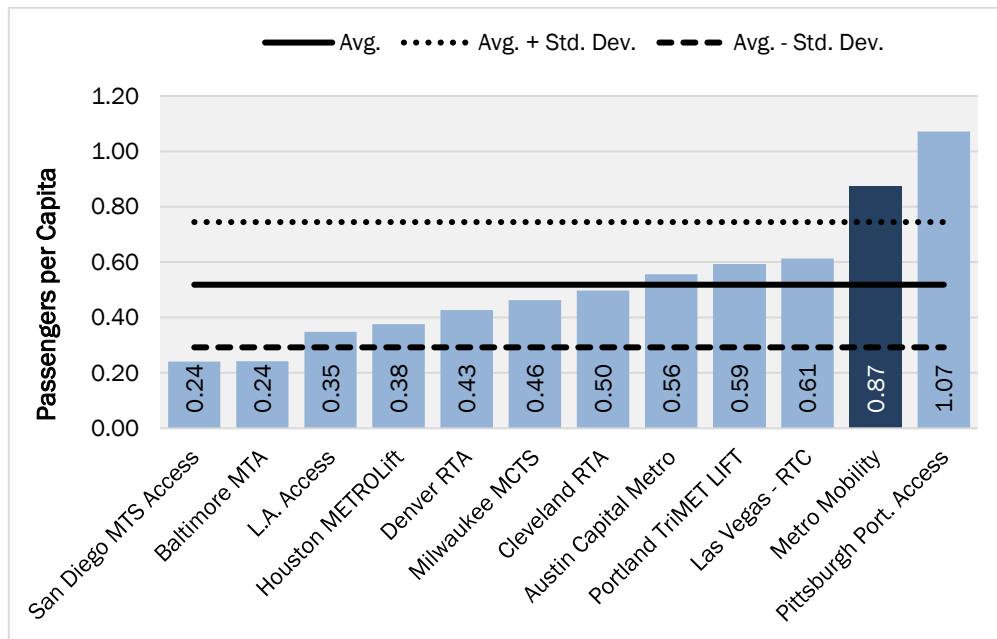
### Operating Expense per Revenue Hour, 2015 National Peers



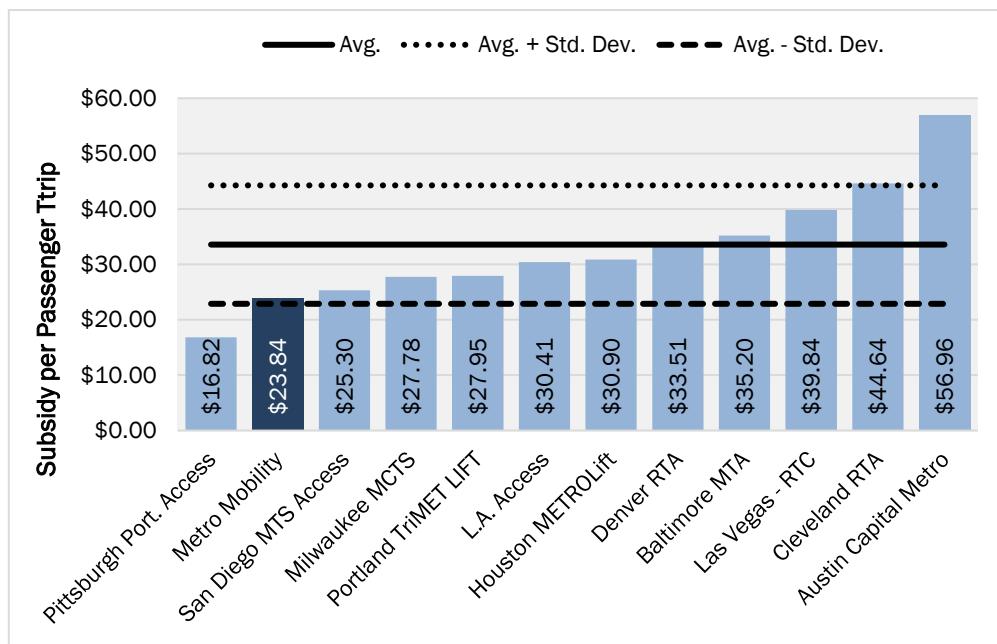
### Passenger Trips per Revenue Hour, 2015 National Peers



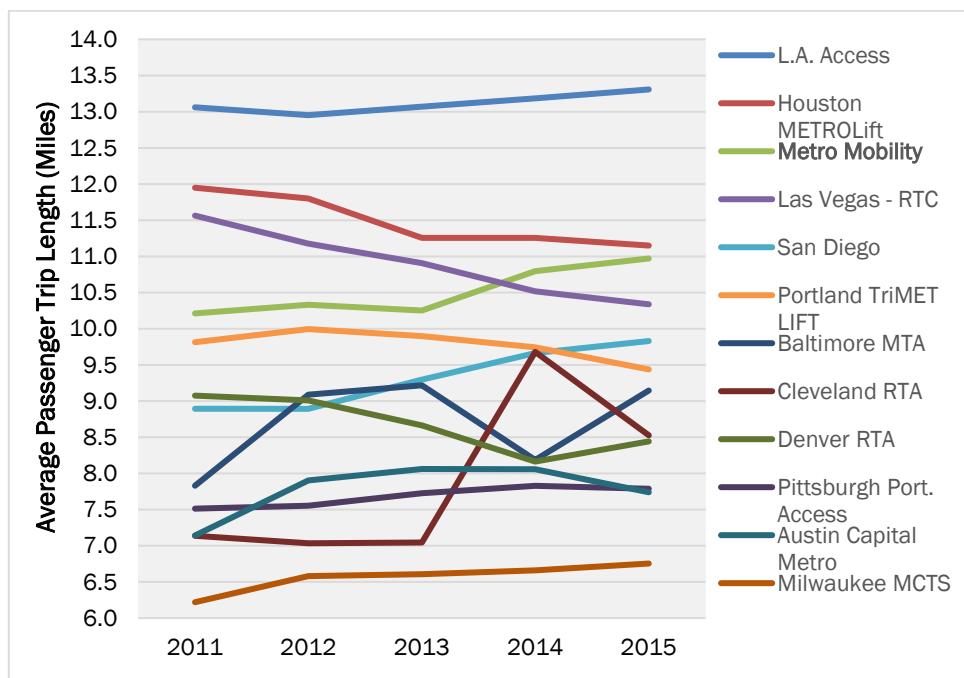
### Passenger Trips per Capita, 2015 National Peers



### Subsidy per Passenger Trip, 2015 National Peers



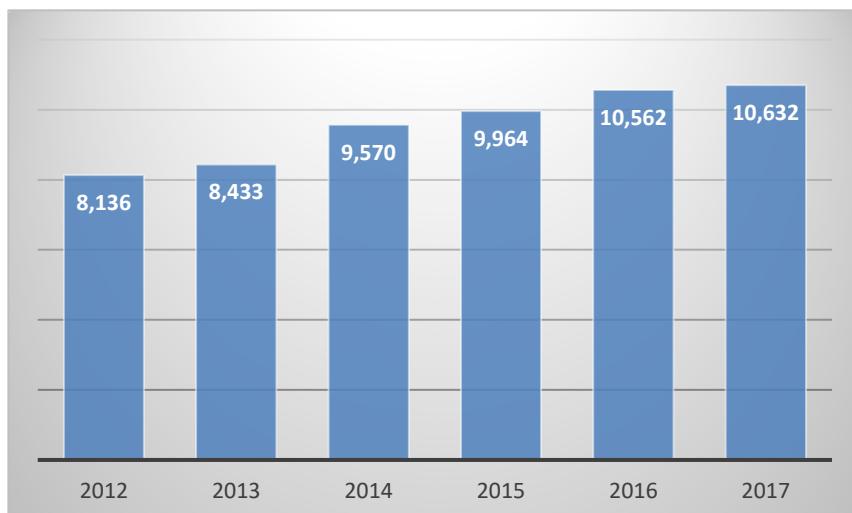
### Average Passenger Trip Length (Miles), 2015 National Peers



**Phase 2.** The second phase involves development of a ridership projection model. It looks at historic ridership patterns to build a working model that can be updated regularly to help the Council better forecast short-term and long-term growth. This project was near completion at the end of 2017.

Although the Council is conducting a study to analyze ridership projections, there are some factors that are clearly contributing to increased ridership. First, more people are being certified for Metro Mobility. In 2012, Metro Mobility received about 8,100 applications for certification. In 2017, that number grew to 10,632. While some of these applications are submitted by people who are “recertifying,” an increasing number are new certifications. In 2014, 48% of the applications were new. In 2017 that number increased to 62%.

### Applications per Year, 2012-2017



### Active Metro Mobility Riders by Year

Year	2012	2013	2014	2015	2016	2017
Active Riders	15,321	17,138	18,973	19,983	20,794	20,626

### Options for Managing Costs and Increasing Revenue

As ridership demand increases so do operational and capital costs. Over the past several years the Council has improved operating cost effectiveness by increasing investments in technology to make service more efficient, restructuring to achieve economy of scale, purchasing fuel in bulk below pump rates, and identifying innovative ways to reduce the cost of the service being provided without changing the operating parameters of the service.

Currently, Metro Mobility's revenue comes from a variety of sources, but the majority of revenue consists of legislative appropriations from the state General Fund. Listed below are Metro Mobility's revenue sources.

### Metro Mobility Budgeted Sources of Revenue, 2017

<b>State General Fund Appropriation</b>	<b>\$M</b>
<b>Passenger Fares</b>	<b>\$ M</b>
<b>TOTAL</b>	<b>\$M</b>

### Metro Mobility Cost, 2012-2017

	2012	2013	2014	2015	2016	2017 Unaudited
<b>Revenue Hours</b>	774,146	852,466	935,929	1,033,178	1,101,710	1,141,199
<b>Average Hourly Rate</b>	\$49.68	\$49.56	\$50.30	\$54.95	\$51.55	\$46.97
<b>Fuel Cost / Hour</b>	\$6.85	\$6.96	\$6.26	\$5.05	\$4.32	\$5.15
<b>Total Service Cost</b>	\$45.5M	\$50.5M	\$55.1M	\$58.1M	\$58.1M	\$63 M

## Metro Transit – A Service of the Metropolitan Council

Based on ridership, Metro Transit, an operating division of the Metropolitan Council, is the largest transit agency in Minnesota and provides about 90% of regular-route service in Minneapolis/Saint Paul area. About [71%](#) of rides are taken on the agency's buses and [29%](#) on trains.

Its [3,211](#) employees transport customers more than [264,000](#) times each weekday with service on [127](#) local, express and contract bus routes, as well as the METRO Blue Line, METRO Green Line and the Northstar Commuter Rail Line.

Metro Transit's fleet includes [909](#) buses, [91](#) light-rail rail cars, 18 commuter rail cars and six locomotives.

Metro Transit expects to achieve [the](#) goals set in the Council's *2040 Transportation Policy Plan* by tailoring cost-effective service to diverse markets with an integrated system of core routes focusing on transit centers, an array of express bus services using park-and-ride facilities, and transit advantages on freeways and highways.

Significant ridership growth is expected through the thoughtful planning and implementation of an expanded network of transitways. Metro Transit has aligned its business plans to coincide with the growth objectives of the *2040 Transportation Policy Plan*.

## Mission

To implement the *Transportation Policy Plan*, Metro Transit is committed to fulfilling its mission of delivering environmentally sustainable transportation choices that link people, jobs and community conveniently, consistently and safely.

In pursuit of its mission, Metro Transit embraces these guiding principles:

- **Service Excellence.** We go beyond the expectations of our customers to deliver convenient, comfortable and reliable service; we don't accept today's best as tomorrow's limitations.
- **Environmental Responsibility.** We promote public transportation as an environmentally friendly service and conduct our business in an environmentally responsible manner.
- **Innovation.** We regularly question the status quo; we encourage creativity and innovation in all things.
- **Safety.** We provide a safe and secure environment for our customers, community and employees through consistent training, enforcement and allocation of resources.
- **Teamwork.** As employees, we seek shared success, treat one another with respect and consider each other as customers.
- **Financial Responsibility.** We continuously improve the cost-efficiency of our services; we approach our financial relationships with integrity and transparency.
- **Community Orientation.** We are an important part of the Twin Cities region. We engage the community in our decision-making, provide well-crafted communication and offer opportunities for public involvement.

## Ridership

A record number of light rail and commuter rail rides were taken in 2017, which anchored Metro Transit's ridership of more than 81.9 million in 2017. It proved to be the seventh straight year in which ridership eclipsed the 80 million mark.

Ridership highlights from 2017 include:

- Breaking down the ridership figures: There were 57.3 million total bus rides, 23.7 million total light-rail rides and nearly 794,000 total commuter rail rides.
- Metro Transit provided 264,347 on the average weekday in 2017.
- Nearly 1.6 million rides were provided on the region's first arterial rapid bus line, the A Line, during its first full year of operation.
  - Ridership in the A Line corridor has increased by nearly a third since the introduction of the A Line's faster, more frequent service.
  - Average weekday ridership on the METRO Green Line was 40,554, nearly reaching the projection of 41,000 not expected until 2030.

Overall ridership also benefited from several large events, sporting events and concerts, anchored by the thriving Twin Cities Metro Area entertainment scene including venues such as U.S. Bank Stadium and Target Field in Minneapolis, TCF Stadium on the University of Minnesota campus, CHS Field in Saint Paul. The Green Line saw its highest single-day ridership ever on Aug. 31, 2017, with 68,071 rides. The record was set as fans traveled to home games for the Minnesota Twins, Minnesota Vikings, University of Minnesota Gophers football teams, Saint Paul Saints and to the Minnesota State Fair. A record 654,000 rides were provided to and from the Minnesota State Fair.

### **METRO Green Line**

The 11-mile line that runs along University and Washington avenues between downtown Saint Paul and downtown Minneapolis via the East and West Bank campuses of the University of Minnesota opened to service on June 14, 2014. The METRO Green Line and its operators provided 40,554 rides on the average weekday. That figure is just 446 rides shy of projected weekday ridership of nearly 41,000 by 2030.

The METRO Green Line has 23 stations, including five shared with the METRO Blue Line in downtown Minneapolis.

### **METRO Blue Line**

Formerly the Hiawatha Line, the region's first light rail line was renamed METRO Blue Line in May of 2013 with the rollout of the METRO system of light-rail and Bus Rapid Transit lines. Ridership in 2017 hit a record high with 10,668,832 rides given, breaking the previous record set in 2015.

The light-rail system includes a fleet of 86 vehicles that are powered by an overhead catenary system. When the trains are coupled three-in-a-row during especially busy times or during special events, they have the ability to carry 600 passengers. They can operate on either the Green or Blue Lines, but in general there are 39 trains in service on the Green Line and 33 on the Blue Line. The trains generally run on 10-minute schedules throughout most of the service day.

Along the 12-miles that make up the Blue Line, there are 2,800 park-and-ride spaces and 19 stations, including the five shared with the Green Line. Blue Line service connects downtown Minneapolis with the Mall of America in Bloomington and the two terminals at the Minneapolis/Saint Paul International Airport.

### **Northstar Commuter Rail Line**

The Northstar commuter rail line, which inaugurated service on Nov. 16, 2009, had its most successful year ever, with riders boarding nearly 794,000 times, a nearly 12 percent increase from 2016. The figure, bolstered by riders using the rail line in to bypass congestion created by a busy construction season, broke the previous mark set in 2013.

Using existing freight tracks of BNSF Railways, the Northstar Line offers five morning trips from Big Lake, Minn., to downtown Minneapolis and five return trips in the afternoon along a 40-mile corridor adjacent to congested Highways 10 and 47. Two reverse-commute roundtrips are available on weekdays, one in the morning and one in the afternoon. Additionally, three weekend roundtrips are offered on Saturdays and Sundays.

Each of six suburban stations – Big Lake, Elk River, Ramsey, Anoka, Coon Rapids/Riverdale and Fridley – has adjacent park-and-ride facilities, and platforms are equipped with cameras, emergency telephones, enclosed shelters, heating and other amenities. There are more than 3,000 free park-and-ride spaces at these lots. Connecting bus service is available at four suburban stations, including Northstar Link coach buses, which provide service to commuters between St. Cloud and the Northstar train station at Big Lake. Northstar Link also provides service during Twins and Vikings home games.

## **Other Metro Transit Highlights**

### **System Safety Improvements**

The number of recorded bus collisions and passenger falls reached its lowest level in 18 years, a testament to Metro Transit's skilled operators and effective training at all stages of an operator's career. Rail safety was also maintained, with less than one collision for every 100,000 vehicle miles. In June 2017, Metro Transit received a Gold Award for Safety from the American Public Transit Association for steps the agency took to improve light rail safety, including a public safety campaign focused on grade crossing awareness, improved warning devices and the installation of alternate flashing headlights on light rail vehicles.

Metro Transit police increased the number of rides they took on trains and buses and exceeded their goal of conducting more than 2 million fare checks in 2017. The department also welcomed 13 new full-time officers, many of whom speak more than one language, and continued to develop strong relationships in the community, focusing especially on mentoring youth, partnering with resource agencies for the homeless and strengthening ties with the local Native American community. Construction on the new Metro Transit Police Headquarters also got underway at the Metro Transit Campus in Minneapolis.

### **Expansion of Workforce Recruitment, Retention Efforts**

Metro Transit continued its efforts to recruit and retain top talent in 2017, expanding outreach efforts while supporting current employees through new and expanded career development programs. Metro Transit welcomed more than 400 new hires, including 274 bus operators.

Council representatives promoted career opportunities at more than 100 different community events, reaching an estimated 7,000 people.

The Metro Transit Technician Training program also continued, putting a third group of job seekers with little or no experience on a path toward full-time technician roles. The program combines life skills training, a paid internship and support toward earning a two-year degree.

To support current employees, the Council updated its online learning program, adding thousands of new courses, and introduced a new program that partners employees with mentors who have the types of skills they'd like to acquire.

### **Continued Improvements in Bus Stops**

Efforts to improve the waiting experience moved forward with improvements at more than 40 bus stops, primarily in Minneapolis and St. Paul. Shelters were installed at 28 locations where there hadn't previously been one, and more than a dozen shelters were replaced. New shelters with heat, light and real-time signs were also installed at 13 locations along the newly-renovated Nicollet Mall.

Community partners who led community engagement efforts around future bus stop improvements came to a successful conclusion, too, leading to recommended changes to shelter guidelines that will be implemented beginning in 2018. A campaign to roll out new bus stop signs with more information at nearly 12,000 locations neared completion as well. The new signs help customers how to access predicted real-time departure information by displaying unique stop numbers, leading the number of requests submitted by text message to nearly triple from the previous year.

### **Maintenance of Bus and Train Reliability**

Metro Transit's fleet of buses and trains continued to become more reliable thanks to sustained preventative maintenance efforts and strong partnerships with bus manufacturers. Buses traveled an average of nearly 8,000 miles between maintenance road calls, sustaining a 14-year improvement trend and setting a new annual record. A monthly record was also set in February 2017, when buses traveled an average of more than 10,000 miles between maintenance road calls. Bus Maintenance also helped put 18 new buses into service and was awarded a federal grant to purchase some of the country's first 60-foot electric buses.

Efforts to replace around 40 outdated bus hoists across all service garages and the Overhaul Base also advanced. Five hoists were replaced and another four hoists were refurbished in 2017.

The average distance between light rail vehicle, light rail systems and Northstar equipment failures also rose. Thirteen years after light rail service began, Metro Transit also undertook its largest rail maintenance project ever, installing new track, signals and systems throughout downtown Minneapolis. Efforts to rebuild the trucks and other body components on the fleet's oldest light rail vehicles also continued.

### **Greater Equity in Fares**

As part of the agency's first fare change in a decade, Metro Transit introduced a program that allowed qualified individuals access to \$1 fares. More than 2,000 people enrolled in the Transit Assistance Program (TAP) by the end of 2017, and nearly 232,000 rides were taken

using TAP cards in just two months. Partnerships with dozens of community organizations will help the program grow in the future.

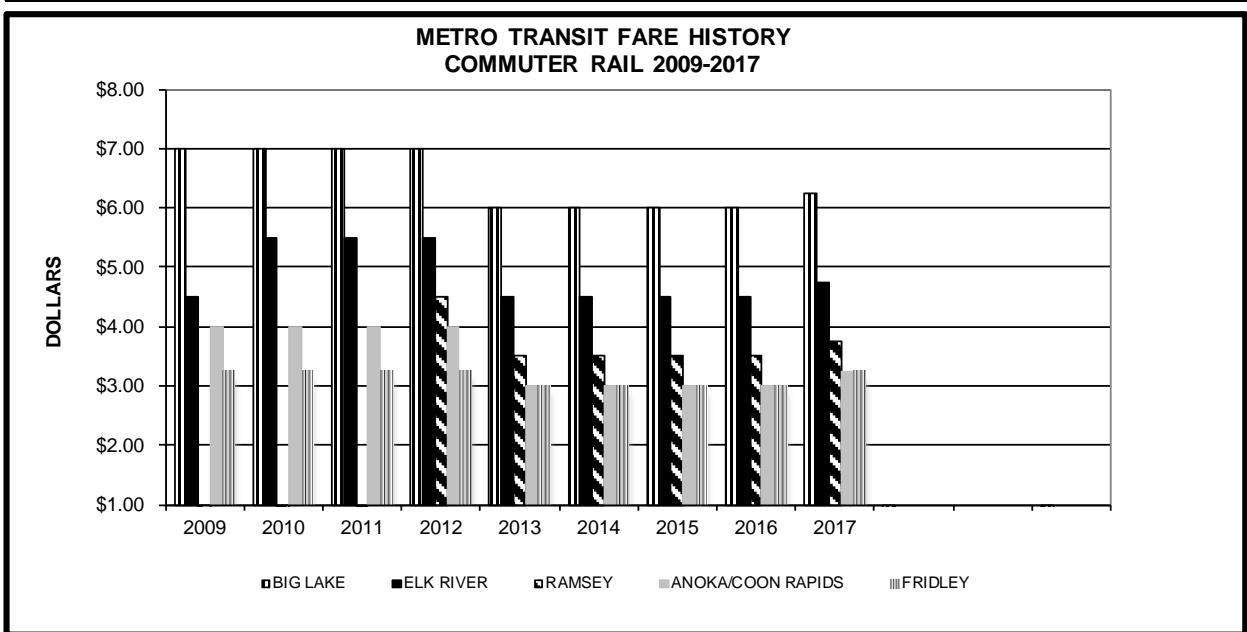
### **Increased Popularity of Mobile Ticketing**

Introduced in late 2016, Metro Transit's app became increasingly popular throughout the year. By the end of 2017, it had been downloaded nearly 104,000 times and been used to purchase more than \$500,000 in mobile fares. The app was also updated to include a feature that allows customers to exchange text messages with trained Metro Transit employees when they encounter suspicious or unwanted behavior. The Minnesota Transportation Association recognized the app at with a Management Innovation Award at its annual awards in October.

### **Ongoing Commitment to Sustainability**

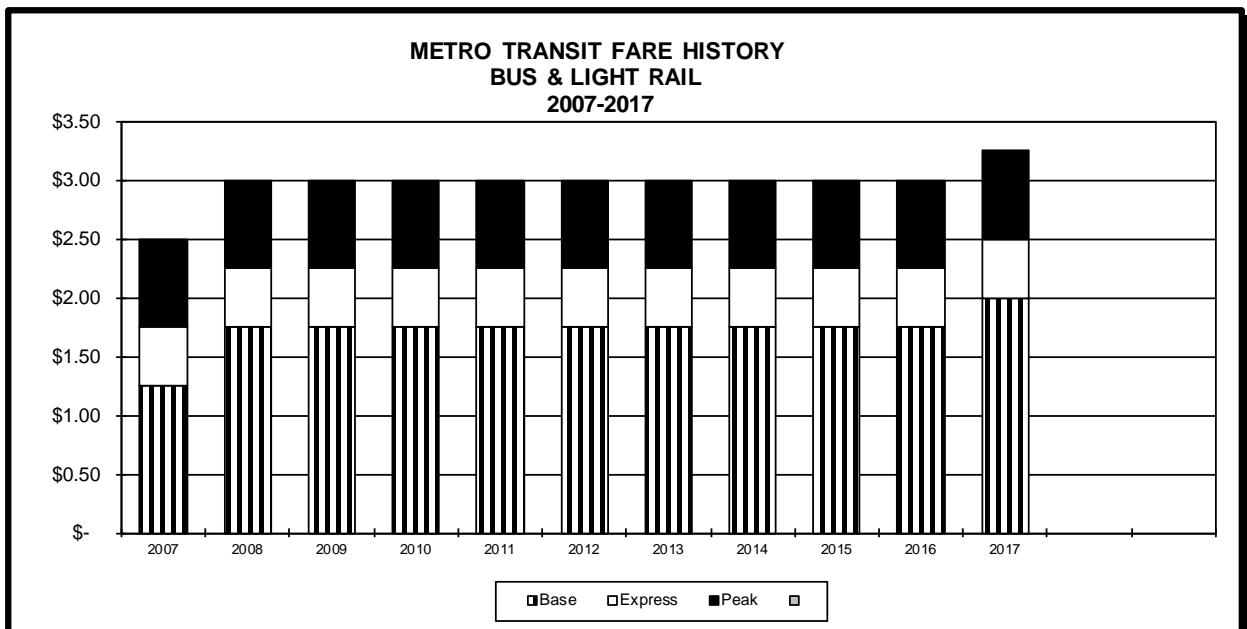
Already an industry leader in sustainability, Metro Transit achieved additional fuel and energy savings in 2017. Energy efficient LED lighting fixtures were installed at multiple support facilities and rail stations, the first phase of a comprehensive replacement program that will save hundreds of thousands of dollars in energy and maintenance costs. A new 40-kilowatt solar array was also installed atop the Maplewood Mall Transit Center and Park & Ride. And a comprehensive recycling and composting program was introduced at three Metro Transit facilities, diverting waste at those sites by more than 60 percent. Metro Transit also hosted APTA's Sustainability and Multimodal Workshop.

Metropolitan Council 2017 Performance Evaluation Report



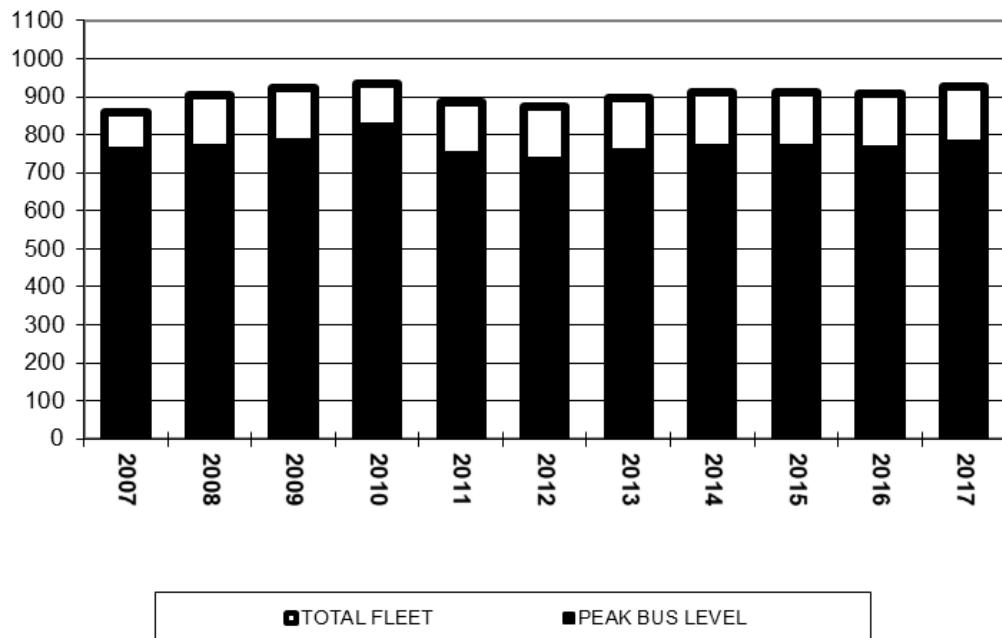
Reflects a Fare Increase October 1, 2017

Stations	2009	2010	2011	2012	2013	2014	2015	2016	2017
BIG LAKE	\$7.00	\$7.00	\$7.00	\$7.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.25
ELK RIVER	\$4.50	\$5.50	\$5.50	\$5.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.75
RAMSEY	\$ -	\$ -	\$ -	\$4.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.75
ANOKA/COON RAPIDS	\$4.00	\$4.00	\$4.00	\$4.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.25
FRIDLEY	\$3.25	\$3.25	\$3.25	\$3.25	\$3.00	\$3.00	\$3.00	\$3.00	\$3.25

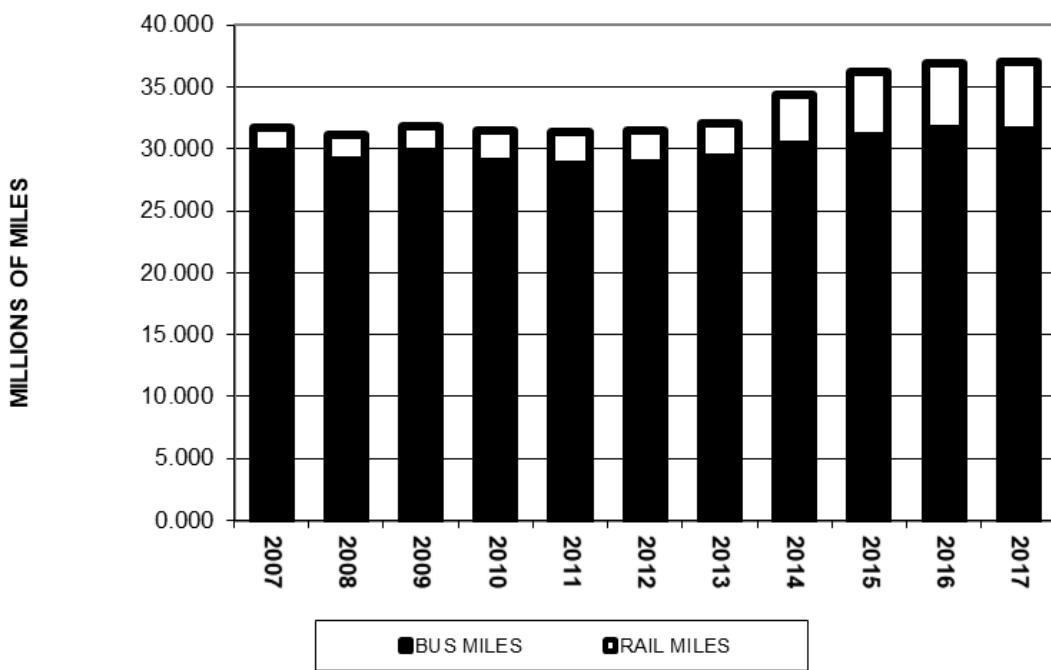


Regular fare	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Base	\$1.25	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$2.00
Express	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Peak	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75

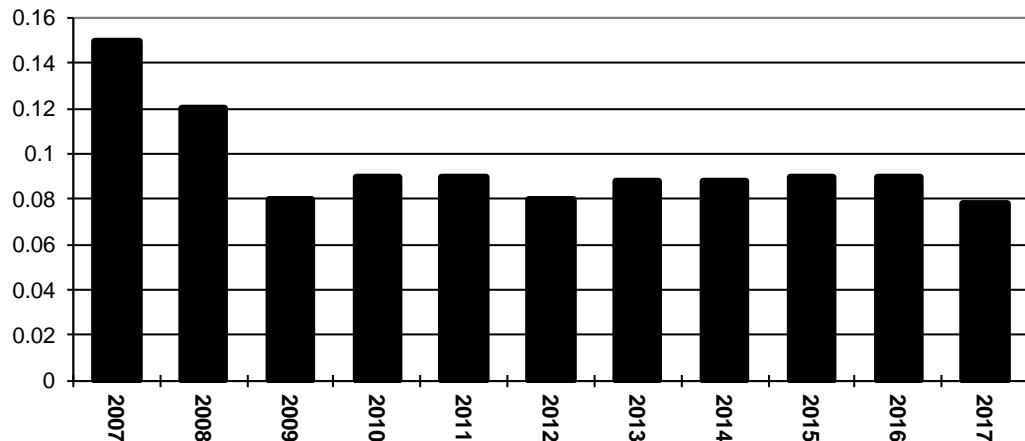
**METRO TRANSIT FLEET SIZE & PEAK BUS AND CAR LEVEL  
2007-2017**



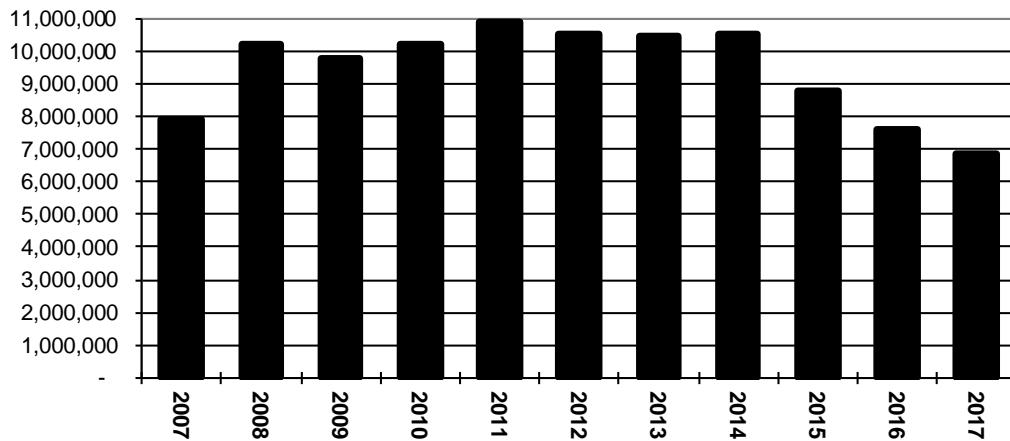
**METRO TRANSIT TOTAL MILES OPERATED  
2007-2017**

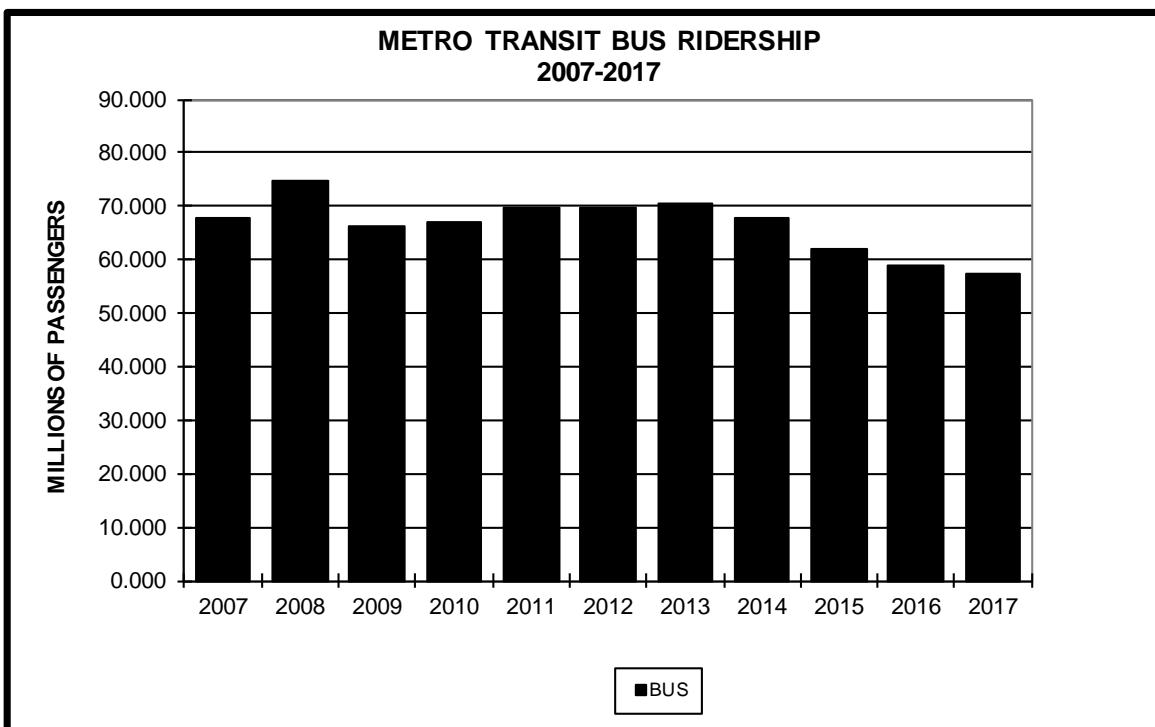


**METRO TRANSIT AVERAGE DAILY TRIPS MISSED  
2007-2017**

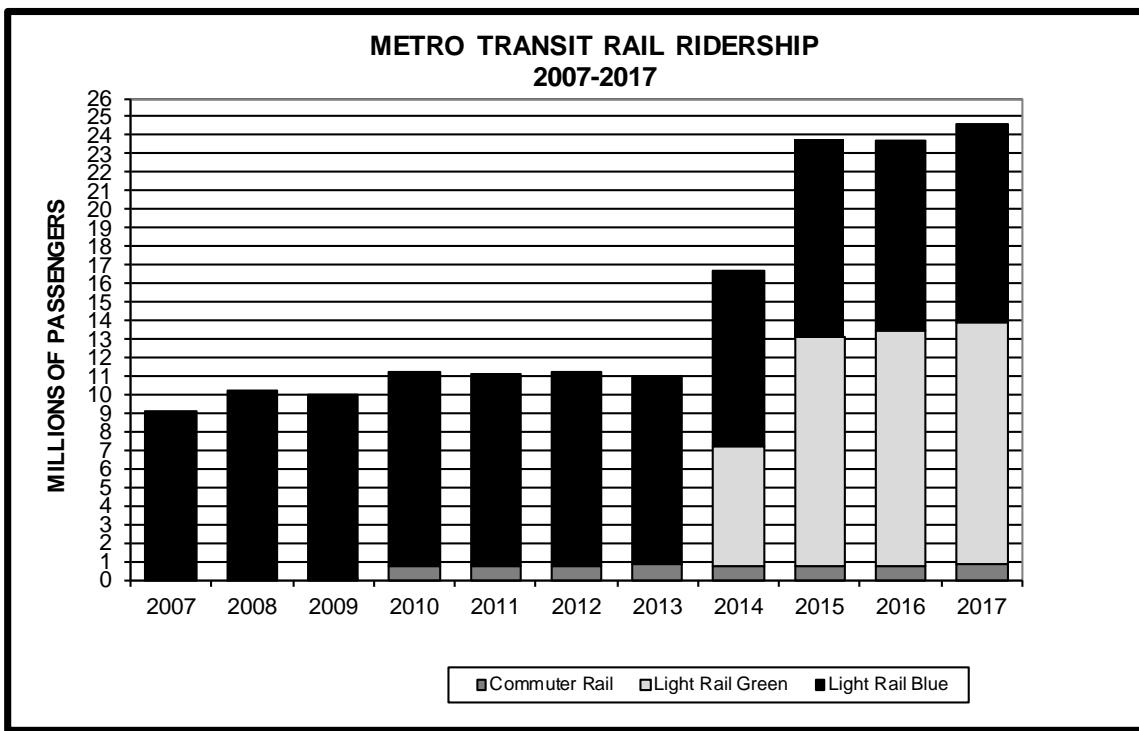


**METRO TRANSIT INFORMATION CALLS HANDLED  
2007-2017**

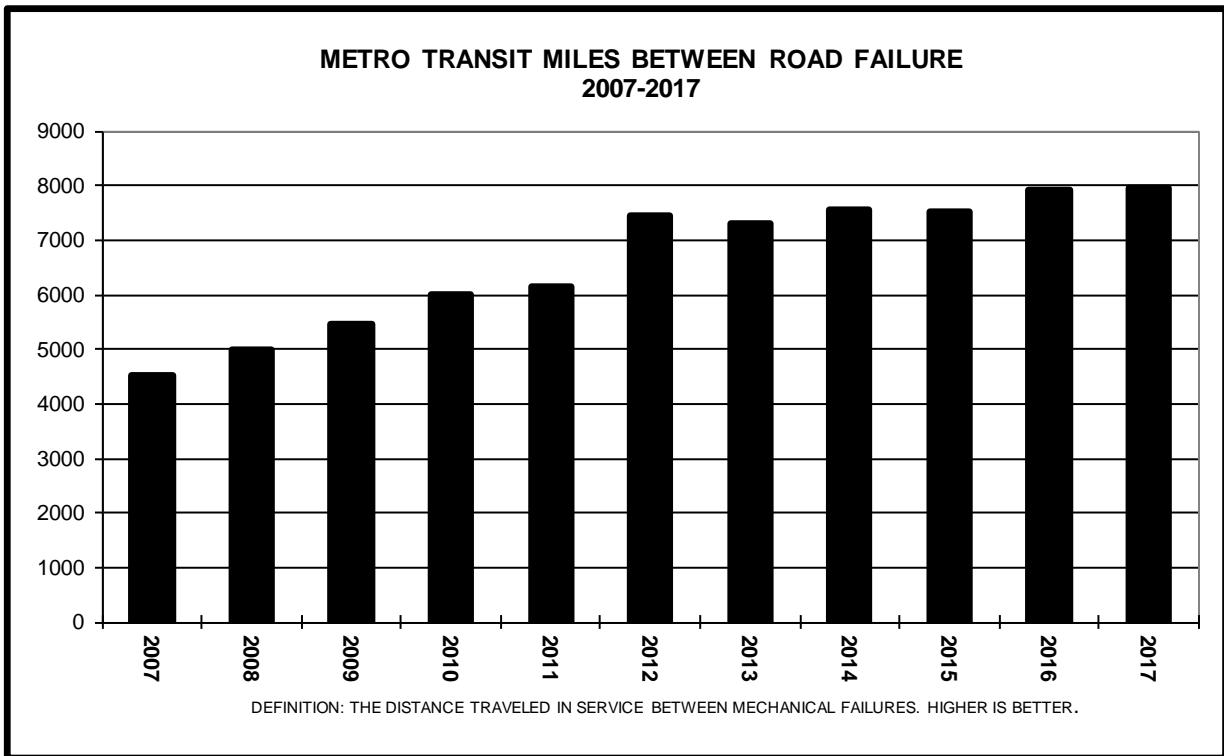




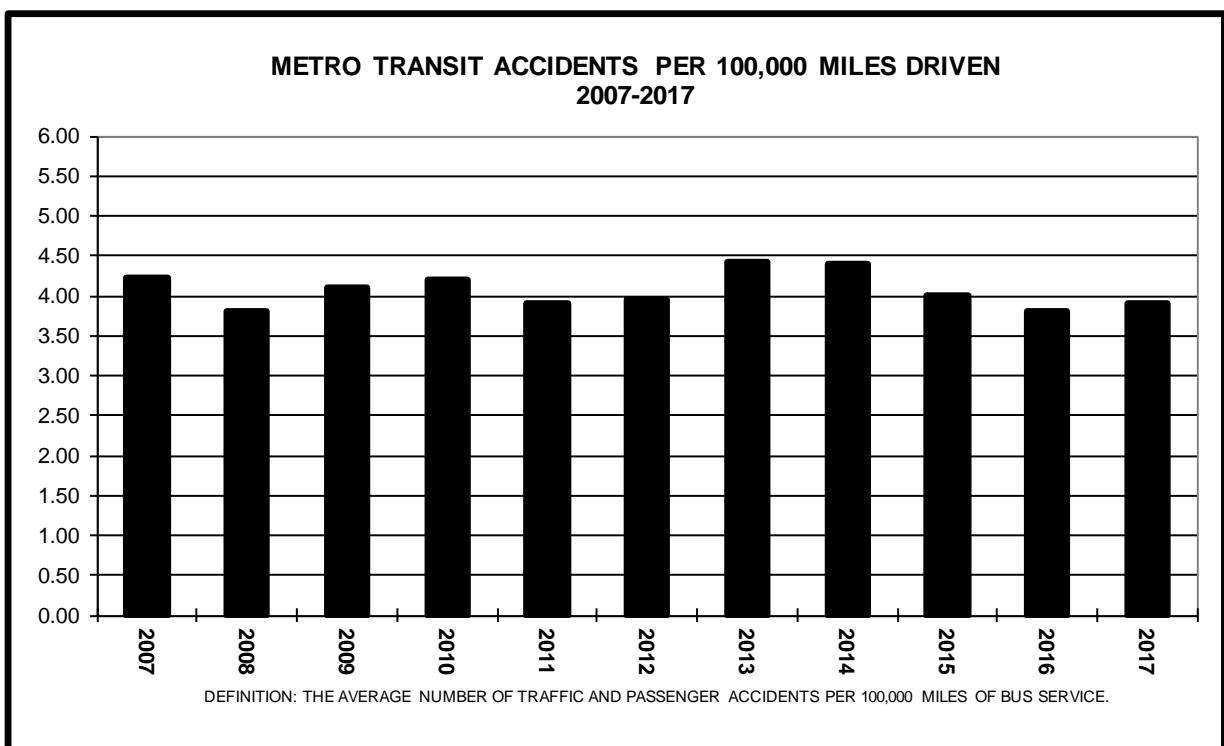
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
BUS	67.866	74.656	66.401	66.882	69.783	69.855	70.419	67.814	62.106	58.949	57.322



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Commuter Rail			0.082	0.710	0.703	0.700	0.787	0.721	0.722	0.711	0.793
Light Rail Green								6.507	12.383	12.701	13.142
Light Rail Blue	9.101	10.222	9.863	10.456	10.401	10.498	10.163	9.493	10.620	10.261	10.668



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
MECHANICAL FAILURES	4536	5003	5468	5988	6128	7456	7310	7549	7510	7915	7940
ACCIDENTS	4.22	3.80	4.09	4.19	3.91	3.95	4.42	4.40	4.00	3.81	3.90

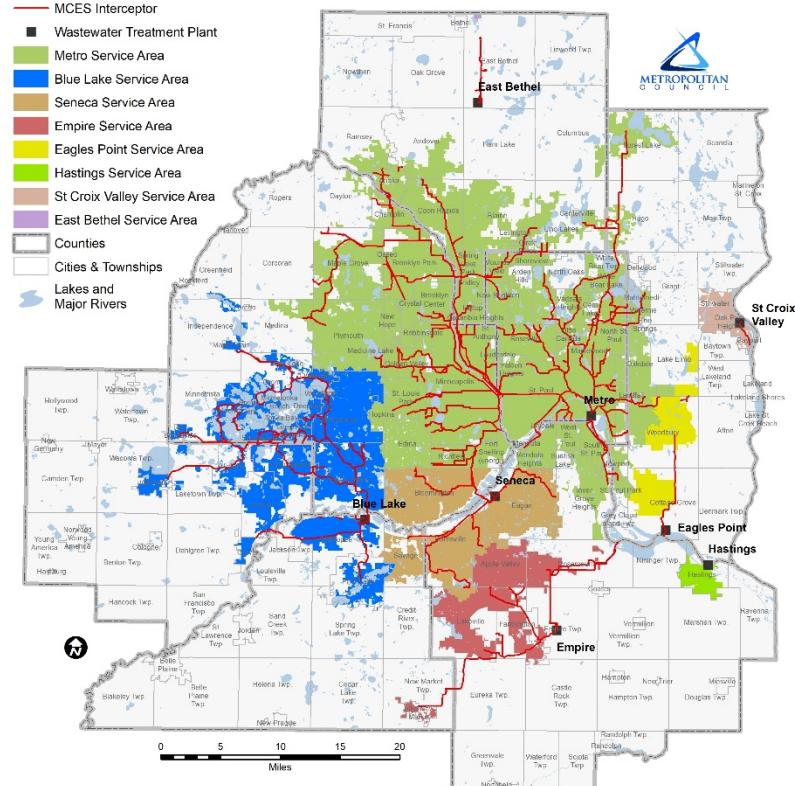


## Environmental Services Division

### Overview

Guided by the Metropolitan Council's long-range plan, *Thrive MSP 2040*, and the MCES 2040 Water Resources Policy Plan, MCES:

- Operates and maintains approximately 600 miles of regional sewers that collect wastewater from more than 5,000 miles of sewers owned by 109 communities in the seven-county Twin Cities region.
- Collects and treats approximately 250 million gallons of wastewater a day.
- Runs eight regional wastewater treatment plants: Seneca, St. Croix Valley, Hastings, Metropolitan, Eagles Point, Empire, Blue Lake and East Bethel.
- Continues to achieve outstanding compliance with federal and state clean water discharge standards.
- Works collaboratively with state and federal agencies, local and county government, watershed management organizations, interest groups and the public to protect the region's rich water resources as the region continues to grow.
- Establishes user fees that pay 100% of wastewater operations and debt service costs, which are below national averages.
- Works with approximately 800 industrial permit holders to substantially reduce the amount of pollution entering the wastewater collection system.
- Ensures sufficient sewer capacity to serve planned development.
- Makes capital investments to support growth, maintain infrastructure and improve water quality.



## **MCES Mission**

Provide wastewater services and integrated planning to ensure sustainable water quality and water supply for the region.

## **MCES Vision**

Be a valued leader and partner in water sustainability.

## **Strategic Vision Process**

MCES continued its strategic planning process that began in 2013, rolling out its new Outcomes, Strategies and Goals. Strategic planning efforts continued in 2017 to identify additional goals which will be integrated into 2018 performance measurements.

MCES's Strategic Outcomes for 2017 are divided into three categories:

1. Sustainable Communities
2. Sustainable Services
3. Sustainable Infrastructure

## **Sustainable Communities**

*MCES seeks to improve customer service, lead by example in environmental sustainability, and partner with customers and stakeholders to achieve regional goals.*

### **Wastewater Treatment**

MCES treatment plants continued to perform at an outstanding level in complying with clean water discharge permits.

Five treatment plants earned a Platinum Award from the National Association of Clean Water Agencies (NACWA) for five or more consecutive years of perfect NPDES permit compliance through 2016 and awarded in 2017: Hastings (26 years), St. Croix Valley (25 years), Blue Lake (11 years), Eagles Point (11 years), and Empire (9 years).

### **Customer Service**

MCES reaches out to customers and works to maintain good relations with current customers. In planning for the 2018 budget, MCES held meetings for customer communities and industrial permit holders in late May and early June 2017. The meetings included information on proposed 2018 budget and rates and an opportunity for customer input and questions.

### **Energy Reduction, Recovery, and Conservation**

MCES's energy goal is to reduce purchased fossil fuel energy 10% by 2020, using 2015 as the base year. By the end of 2020, MCES will have advanced clean energy within the state of Minnesota by participating in projects that support the expansion of renewable energy in an amount equivalent to at least 10% of MCES's 2015 energy usage.

## Water Resources Management

Among the initiatives being implemented under the Water Resources Policy Plan are the following:

- Partnered with state agencies to support the Governor's "25 by 25" Water Quality Initiative. This included organizing the three town hall meetings in the metro area and the four next-day listening sessions that the Council held with the Board of Water and Soil Resources, as well as providing technical guidance, assistance and information for the metro specific handouts for the town hall meetings that were also used by others at the Community meetings.
- Expanding on a 2015 evaluation of water rates in the metropolitan area, conducted a more in-depth analysis of water use and water rate structures, water conservation programs, and developed a water -rate lookup tool.
- With the University of Minnesota, continued to explore opportunities for water conservation by businesses in the seven-county metro area and increase the efficiency of water use in Twin Cities residential landscapes by conducting site assessments, research and demonstration projects focusing on smart irrigation practices.
- With the Washington County Water Coalition and cities in the southeast and northeast parts of the region, investigated the feasibility of potential water supply alternatives available for communities. Continued work with a subregional work group created in 2016 in the western metro area, including cities of Minnetonka, Edina, Eden Prairie, Chanhassen, Chaska, Shakopee, Mound, Victoria, and St. Louis Park.
- Evaluated the opportunities for enhanced groundwater recharge and storm water capture and reuse with three subregional work groups comprising communities in the northeast, southeast and northwest metro area.
- Developed a water efficiency (conservation) grant program that awarded \$558,000 to 19 communities/. The grants will defray 75% of the program cost , with each city paying the remainder. The grants are estimated to save nearly 86 million gallons of water per year.
- Continued to study groundwater and surface water interaction in the northeast Twin Cities metro area with the U.S. Geological Survey and local stakeholders.
- Coordinated and supported activities of the Metro Area Water Supply Advisory Committee (MAWSAC) and its Technical Advisory Committee, including producing a major report on water supply planning activities in the metropolitan area. This report was sent to the Metropolitan Council, the Legislative Water Commission and the chairs and ranking minority members of the House of Representatives and Senate committees and divisions with jurisdiction over environment and natural resources. MAWSAC also assisted the Clean Water Council in developing its 10-year budget roadmap.
- Collaborated with the Minnesota Department of Natural Resources to provide three training workshops for local water suppliers to support the update of their local water supply plans.
- Collaborated with the Minnesota Department of Natural Resources to streamline the review process for local water supply plans and provided technical assistance to communities as they complete those plans.

- Through stakeholder input on better providing value, continued to integrate and reevaluate MCES water quality monitoring and assessment functions to put data to work for improved water quality. Made additional improvements to the newly deployed the Environmental Information Management System (EIMS), which is the public access to Council's lakes, rivers, stream, and precipitation data and data reports.
- Awarded Green Infrastructure grants in the amount of:
  - \$300,000 to South St. Paul for its One Water Grant Program, providing grants for water conservation, stormwater runoff reduction, and private inflow and infiltration (I/I) reduction.
  - \$300,000 to Roseville for the Evergreen Stormwater Reuse System Project, which involves constructing an underground detention and reuse system in or adjacent to one of the city parks.
  - \$200,000 to Crystal for the Crystal Becker Park Infiltration Project, which will reduce the total phosphorus load to Upper Twin Lake by 118 pounds annually, and total suspended solids loads by 38,400 pounds annually, and infiltrate an estimated 108 acre-feet of runoff.
  - \$50,000 to New Hope for the Northwood Public, Private, and Stormwater Influence on I/I Project, which will entail monitoring stormwater flows and improving local infrastructure.
  - \$150,000 to West St. Paul for its Inflow and Infiltration (I/I) Private Property Compliance Program.
- Awarded targeted stormwater grants in the amount of:
  - \$159,000 to the Rice Creek Watershed District for the Fridley Civic Center Complex to construct a pretreatment stormwater pond on a contaminated site to enable construction of a new city hall and public safety building.
  - \$150,000 to the Mississippi Watershed Management Organization for the Minneapolis East Side Storage and Maintenance Facility, where the city will install green space with sustainable amenities such as a stormwater capture system, recycled building material, solar panels, and rain gardens and pollinator beds.
  - \$150,000 to the Lower Mississippi River Watershed Management Organization for the Seidl's Lake Water Quality Improvement Project, which will install an underground infiltration system in a South St. Paul park.
  - \$37,500 to the Carver County Watershed Management Organization for the Chaska Schools Kindergarten Center Educational Filtration Basin, which will reduce sediment and nutrient loading into Lake Grace and educate students about stormwater issues.
  - \$150,000 to the Rice Creek Watershed District for the Stormwater Reuse for Irrigation project at New Brighton's Lions Park that will draw from an existing stormwater pond to irrigate a planned playground, softball field, and soccer field on city property.
  - \$150,000 to the Shingle Creek Watershed Management Organization for the Crystal Becker Park Infiltration Project, described above.
  - \$150,000 to the Rice Creek Watershed for the Shoreview Rice Creek Fields Stormwater Reuse Project, which will retrofit an existing irrigation system to draw from a nearby stormwater pond to water four softball fields, saving an estimated six million gallons of potable groundwater annually.

\$53,507 to the Coon Creek Watershed District for the Biochar Enhanced Filter for Bacteria and Dissolved Pollutants Project in Fridley to test the effectiveness of two systems in improving the water quality in Springbrook Creek in Fridley.

## Sustainable Services

***MCES seeks to manage and reward performance linked to mission, vision, values, strategies and goals; recruit, develop and retain a high-performance workforce that has full opportunity for engagement; and utilize technology and best practices to improve efficiency and effectiveness.***

## Employees in the Workplace

The MCES workforce, 683 full-time equivalents, meets the needs of a high-tech and capital-intensive industry that operates 24 hours a day, 7 days a week, 365 days a year. Employees work at multiple wastewater collection and treatment facilities throughout the Twin Cities metro area. Positions include engineers, environmental scientists, machinists, electricians, pipefitters, painters, plant operators, technicians, interceptor service workers and administrative support personnel.

## MCES Workforce Plan

More than 20% of MCES employees are currently eligible or will be eligible for retirement within the next five years. Building on previous plans, the 2016-2020 Workforce Plan was created to help address the challenges of succession planning and recruiting diverse candidates.

In 2017, work continued to implement the workforce plan, which focuses on seven initiatives:

- Performance Management Tools and Leadership Development
- Respectful Workplace.
- Employee Recognition.
- Building Diversity/Networking and Collaboration.
- Mentoring Entry-Level Hires.
- Employee Onboarding.

## Safety

As a result of the safety measures in 2017, recordable incidents declined from 17 in 2016 to 9 in 2017, and lost-time incidents decreased from eight in 2016 to five in 2017.

The number of Days Away (from work)-Restricted/Transferred increased moderately to 473 in 2017 from 433 in 2016.

The Safety Excellence Team, created in 2016 worked to continue safety improvements in 2017. The team has 23 representatives including 11 safety committee members, seven

## Sustainable Infrastructure

***MCES seeks to improve asset management practices to increase value to our customers; preserve sound financial practices for wastewater services and secure funding for its other water services; and utilize infrastructure efficiently by addressing system inputs at the source.***

### Asset Management

MCES is improving asset management practices to sustain customer levels of service and reduce lifecycle costs. Improvements in 2017 included completion of:

- A criticality analysis for the Metropolitan Wastewater Treatment Plant's Liquids Business Unit
- A preventive maintenance optimization project for the Metropolitan Wastewater Treatment Plant's Solids Business Unit, and
- An operational optimization study for the Seneca Wastewater Treatment Plant.

Asset management improvements also included the adoption of an asset management framework and the start of a:

- Risk management program and
- Training program on asset management best practices.
- Preserving and Building Infrastructure

MCES is preserving and building infrastructure to meet the wastewater collection and treatment needs for the region using asset management principles. Approximately \$115 million was spent on capital improvements in 2017. Project highlights include:

#### ***Regional Sanitary Sewers and Related Facilities***

- Continued rehabilitation or replacement of regional sanitary sewers at a rate of approximately 10 miles annually to ensure reliable wastewater conveyance. Project locations: Blaine, Bloomington, Brooklyn Park, Chanhassen, Fridley, Maplewood, Minneapolis, Minnetonka, Minnetrista, Mound, Mounds View, New Brighton, Orono, Richfield, Saint Paul, Shakopee, Shoreview, Vadnais Heights, Wayzata, and White Bear Lake.
- Continued rehabilitation, replacement or elimination of wastewater lift stations at a rate of approximately five lift stations annually. Project locations: Chaska, Crystal, Hopkins, Mound, and Shorewood.
- Continued rehabilitation, replacement or improvement of the wastewater flow metering system. Project locations: Blaine, Coon Rapids, Crystal, Fridley, Golden Valley, Greenwood, Maplewood, Medicine Lake, Mounds View, New Brighton, North St. Paul, Orono, Saint Paul, and Vadnais Heights.

#### ***Wastewater Treatment Plants***

- Seneca and Empire Plants – Improvements to solids processing.
- Metro Plant – Improvements to electrical system and solids processing system.

## Finance

MCES management keeps the organization competitive as compared to other similarly sized wastewater utilities across the country. Additionally, wastewater service charges in the metropolitan area (approximately \$24 a month per household) are lower than most other utility charges, such as gas, electric and high-speed Internet. MCES continues to improve the accuracy of its budgeting and forecasting through process improvements in asset management, engagement of budget owners and accountability of budget submissions.

## Inflow and Infiltration (I&I) Reduction Program

An I/I task force was appointed in 2016 to develop recommendations that support the efforts of regional communities to mitigate I/I in the metropolitan area.

The task force included Council Member Sandy Rummel, staff from Metro Cities, and representatives from 19 communities with public works, wastewater utility, finance, and city manager experience.

The task force reviewed information that demonstrates that the region is making positive progress in I/I mitigation. Success of the I/I program can be measured in reduced wastewater flows across the region. Since the inception of the I/I program, total volume of wastewater collected and treated by the regional system has decreased, while precipitation has increased and growth in the region has continued.

The task force recommended that MCES:

1. Continue the regional planning policy of balancing regional standards with the needs of local communities to tailor programs to their individual circumstances.
2. Develop a robust public outreach program that would include proper maintenance of wastewater collection systems, ownership of sanitary sewer service laterals, and impacts of excessive I/I during wet weather events.
3. Support efforts to secure funding for public and private I/I mitigation projects, including state bonds and Clean Water Legacy funds. Consider the provision of financial assistance through regional sources, such as a portion of the wastewater fee, to provide assistance to communities for private property I/I mitigation
4. Develop a model ordinance and best practices for a private-property service-lateral inspection program in conjunction with the League of Minnesota Cities, Metro Cities, and local communities.
5. Investigate the ability to develop master contracts held by MCES that could be used by communities for private property I/I inspections and service lateral repairs.
6. Design and implement a private property I/I mitigation demonstration project that would provide additional opportunity for measurement of impact on wastewater base and peak flows.
7. Review the peak-hour factors used to develop I/I goals at the time that the 2050 Water Resources Policy Plan is prepared.

MCES staff is currently implementing the recommendations of the Task Force and will continue to do so.

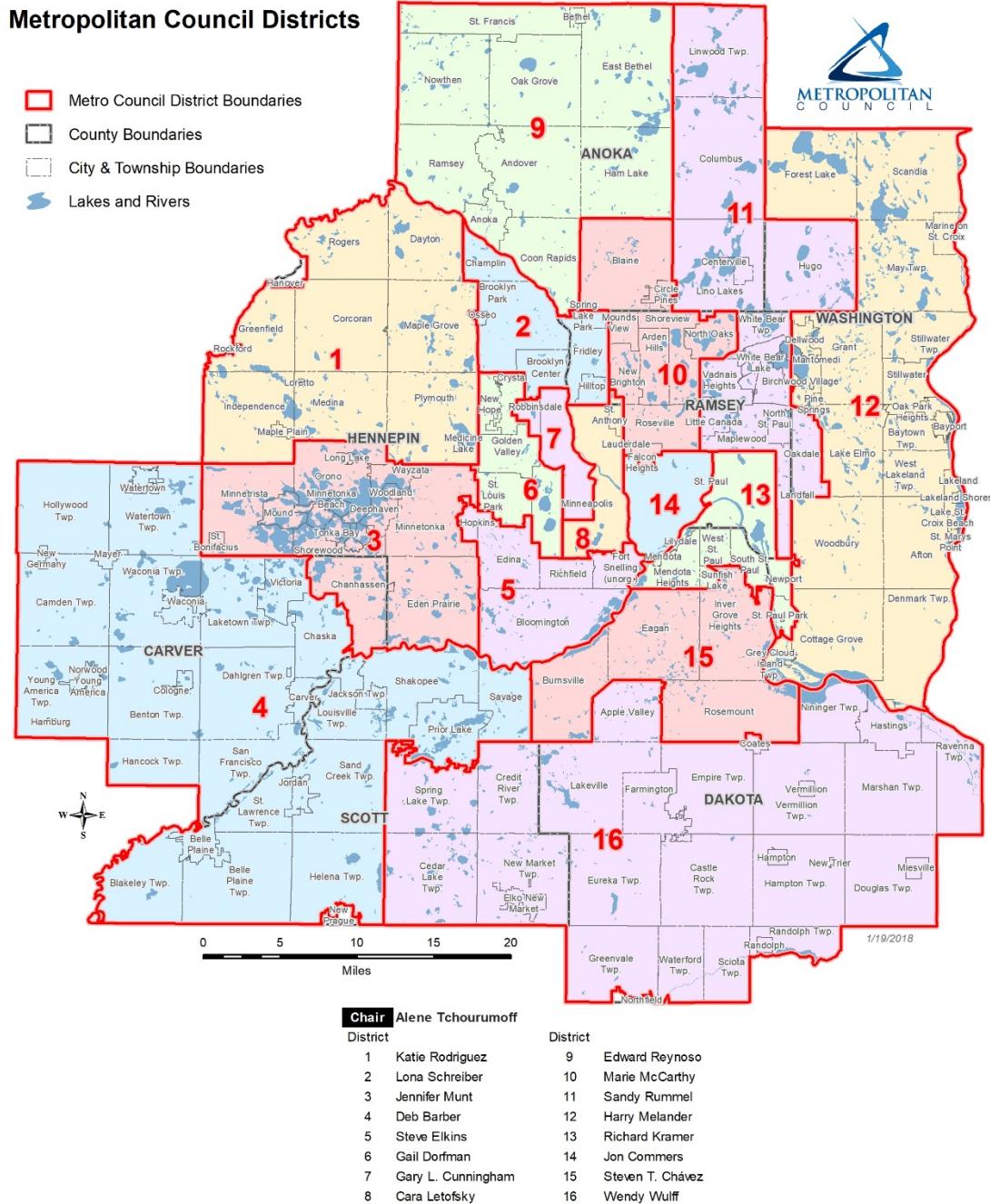
## **Industrial Pretreatment Incentive Program**

MCES is working to reduce high-strength waste loads from existing industrial customers. Through the Industrial Pretreatment Incentive Program (IPIP) instituted in 2015, MCES is encouraging high-strength industrial dischargers to install pretreatment equipment at their facilities.

Five industries applied to the program, and one of the projects was initiated in 2017. Another is planned for 2018.

## Appendix: Maps and Budget Summary

### Metropolitan Council Districts

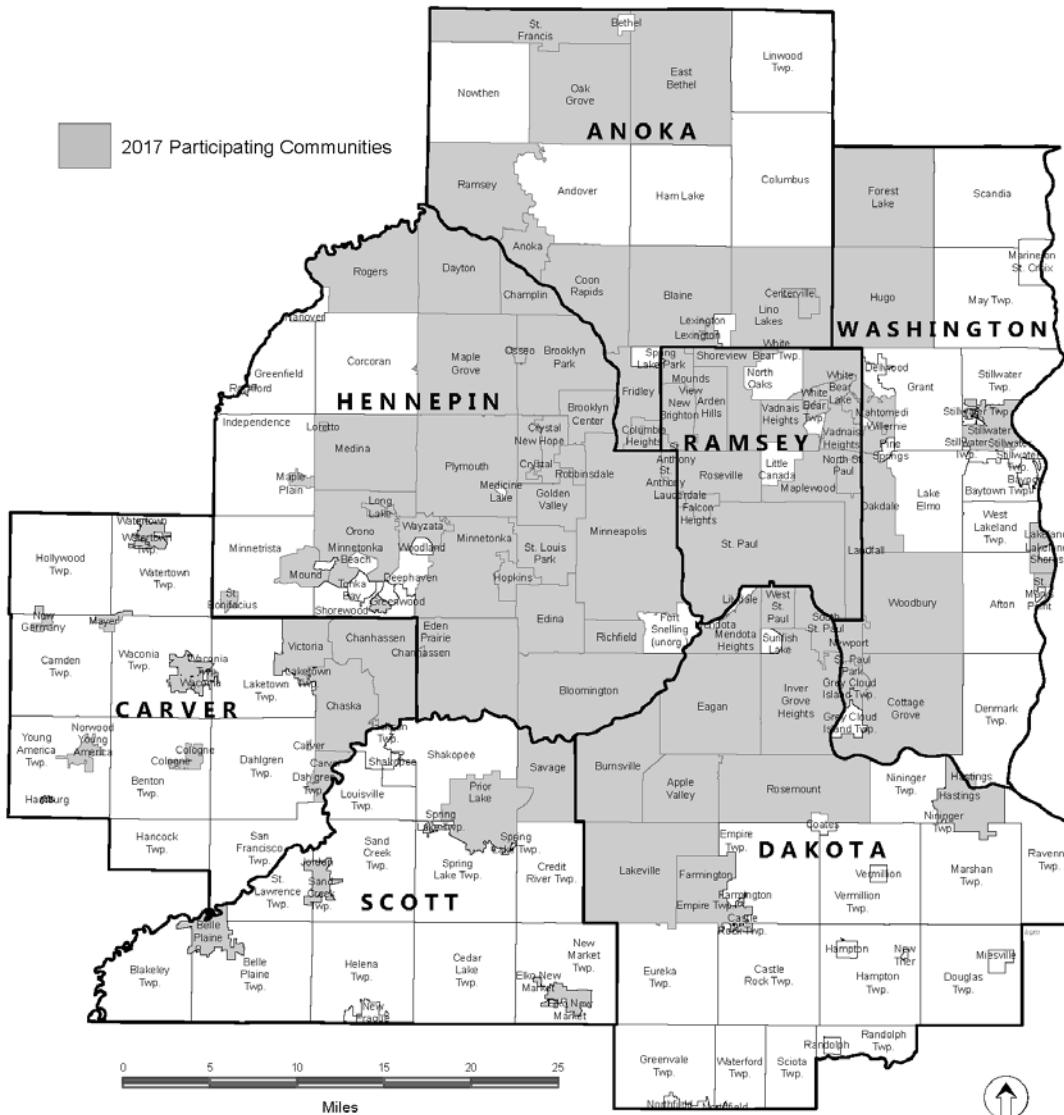


Source: Metropolitan Council Redistricting Plan passed by the state legislature on May 17, 2013. Boundaries re-aligned with municipal and county boundaries and NCompass Street Centerlines.

# Metropolitan Council 2017 Performance Evaluation Report

### *Twin Cities Metropolitan Area*

## **Livable Communities Act Participants, 2017**

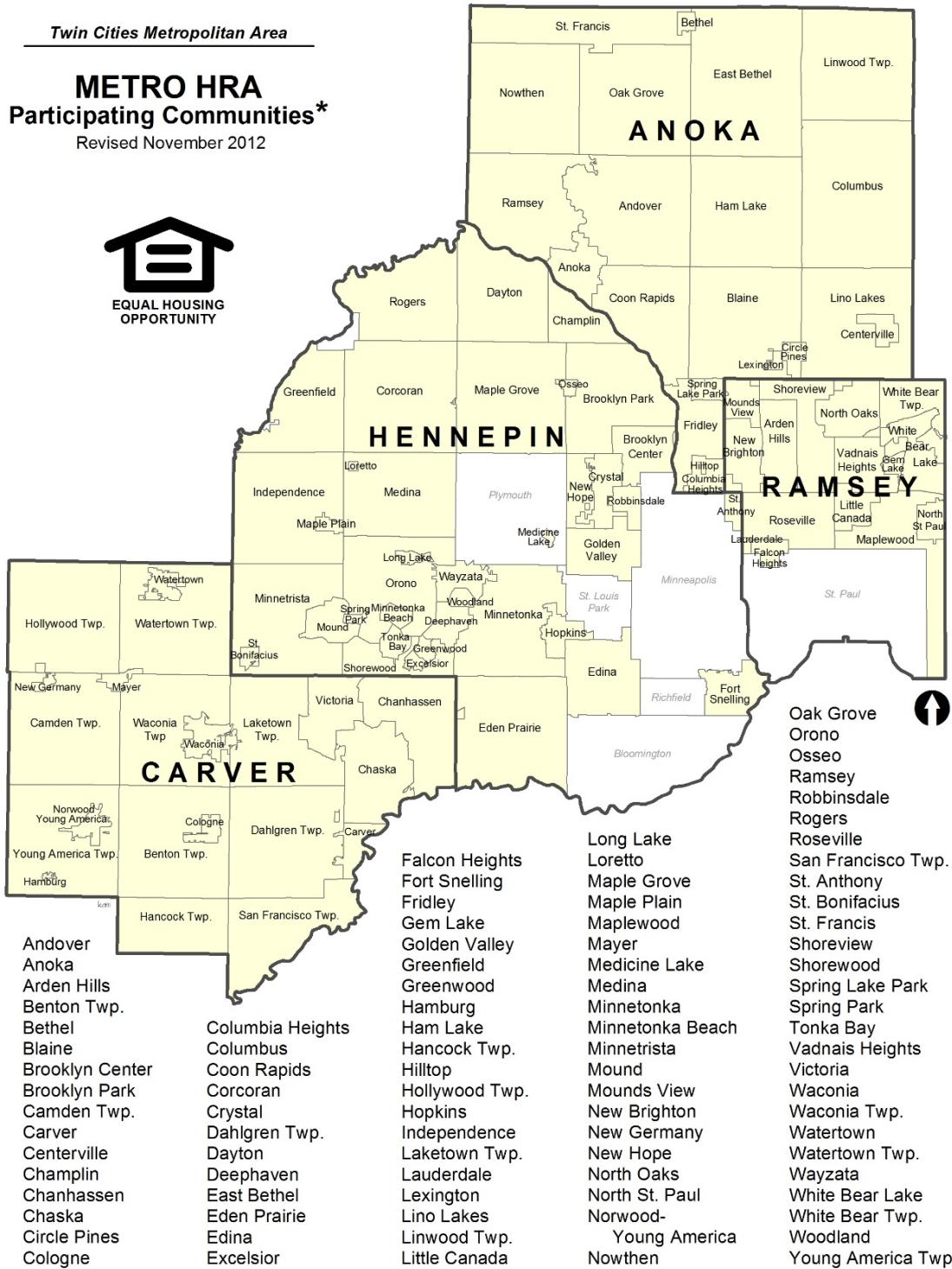


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**Twin Cities Metropolitan Area**

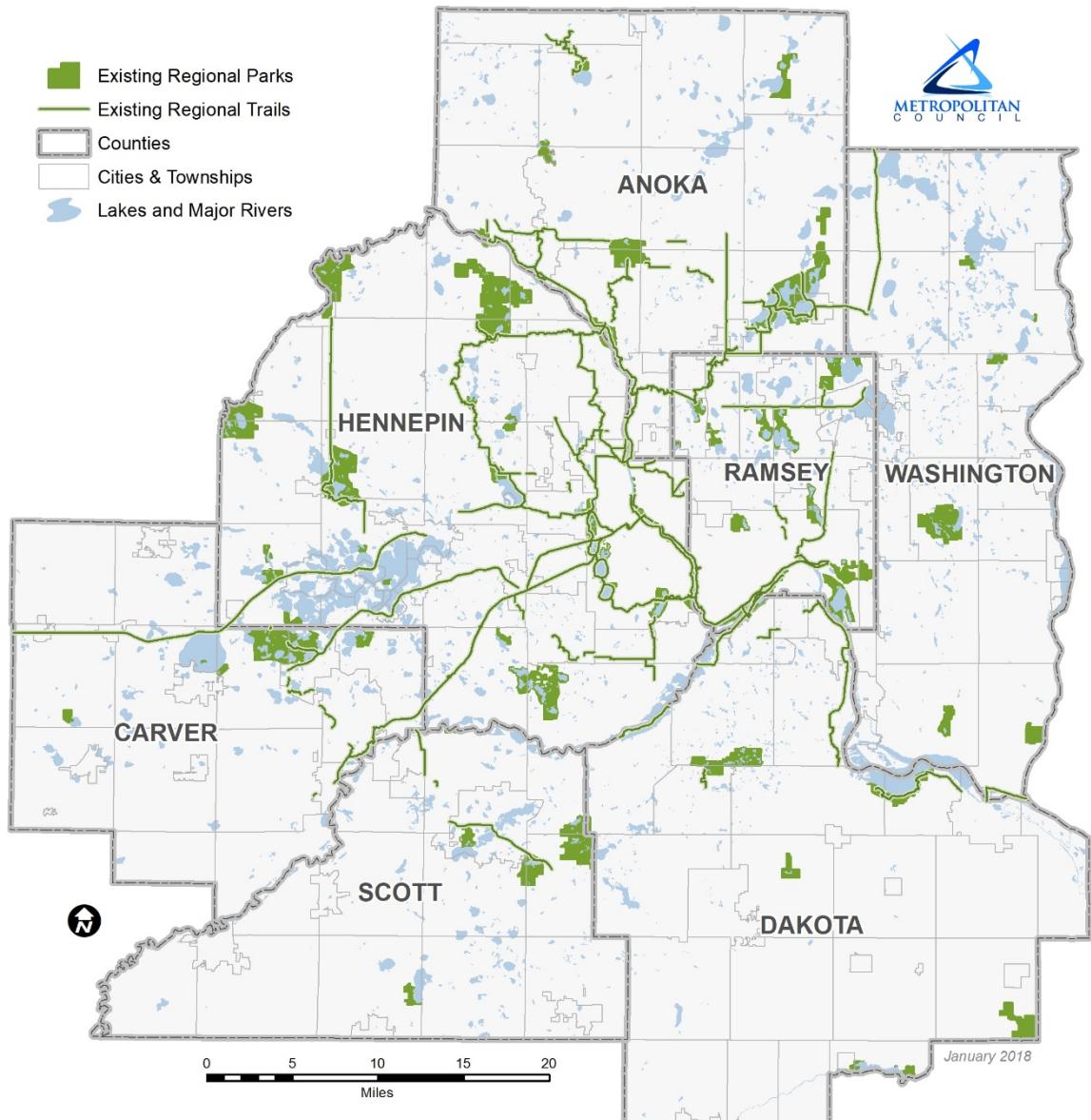
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Revised November 2012

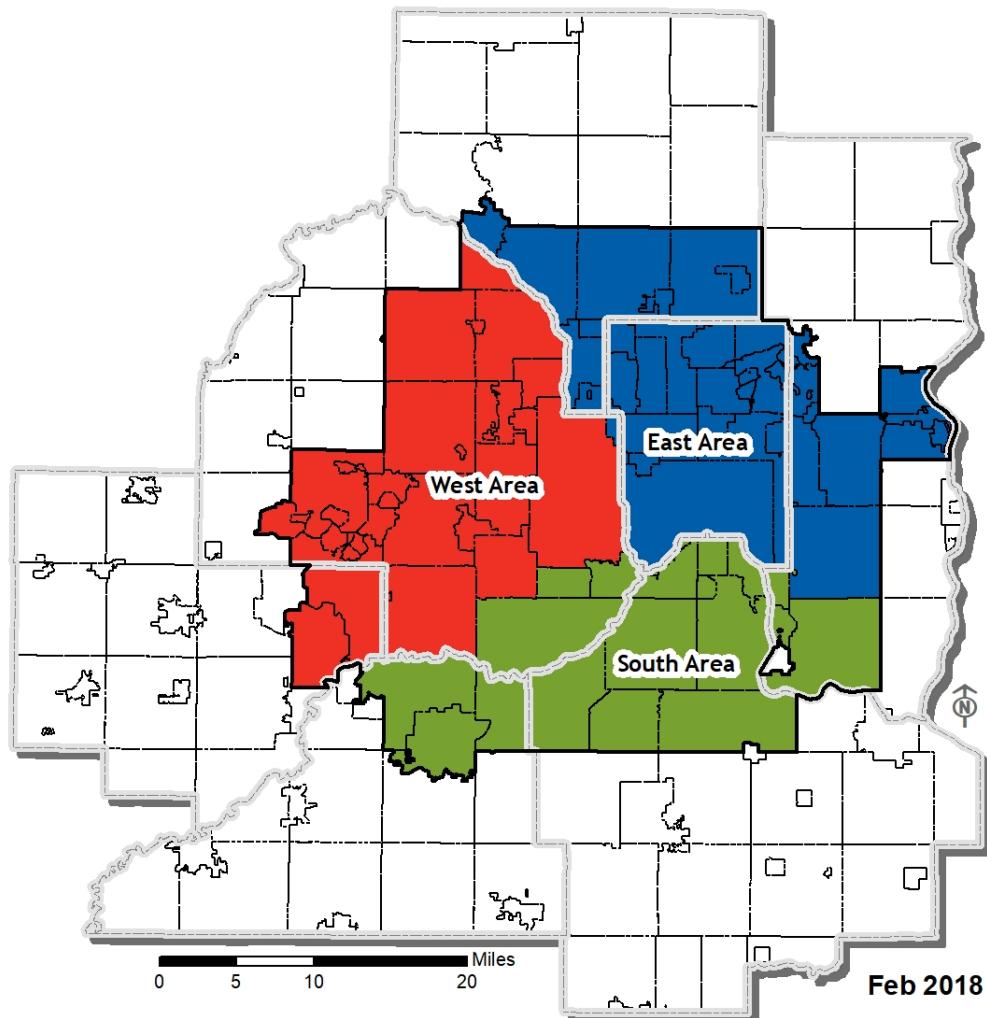


\* For some programs, the Metro HRA service jurisdiction is expanded.

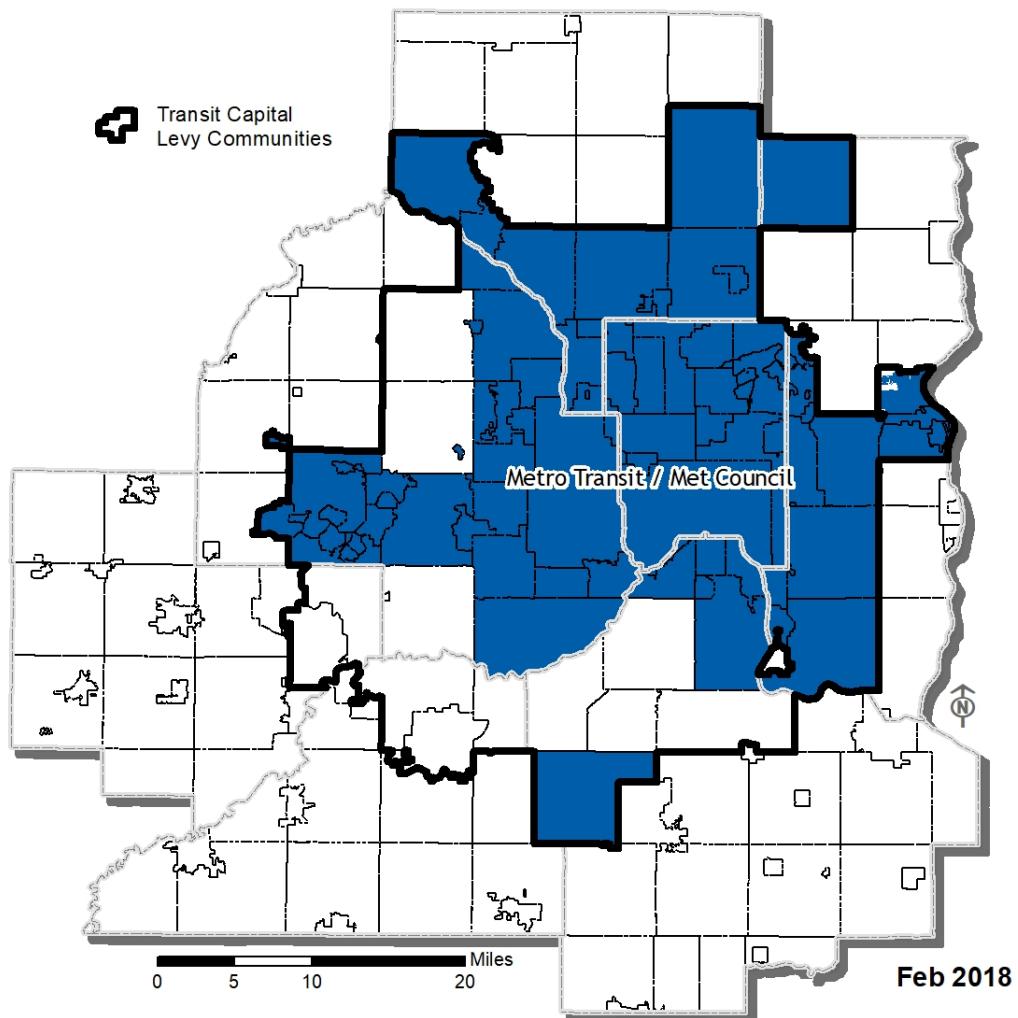
## Regional Parks and Trails



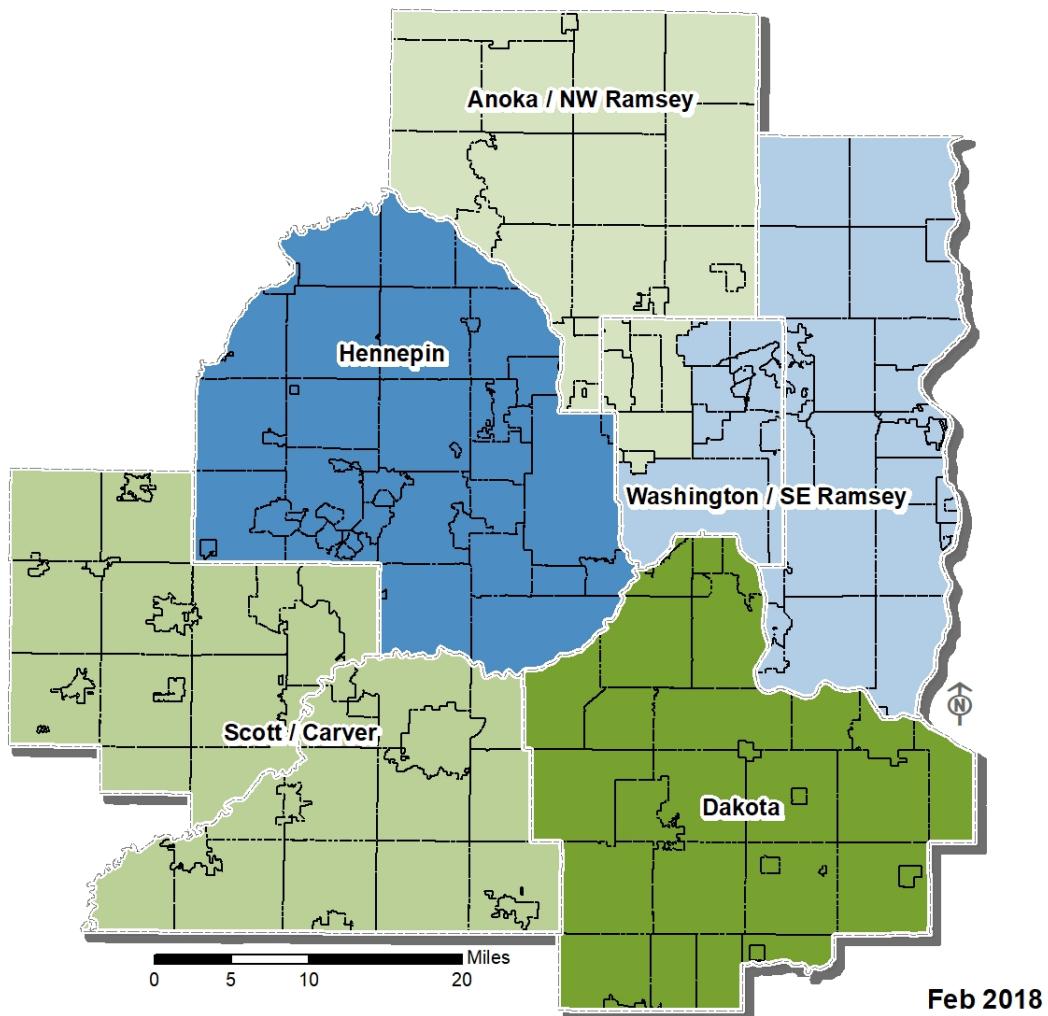
## Metro Mobility ADA Services



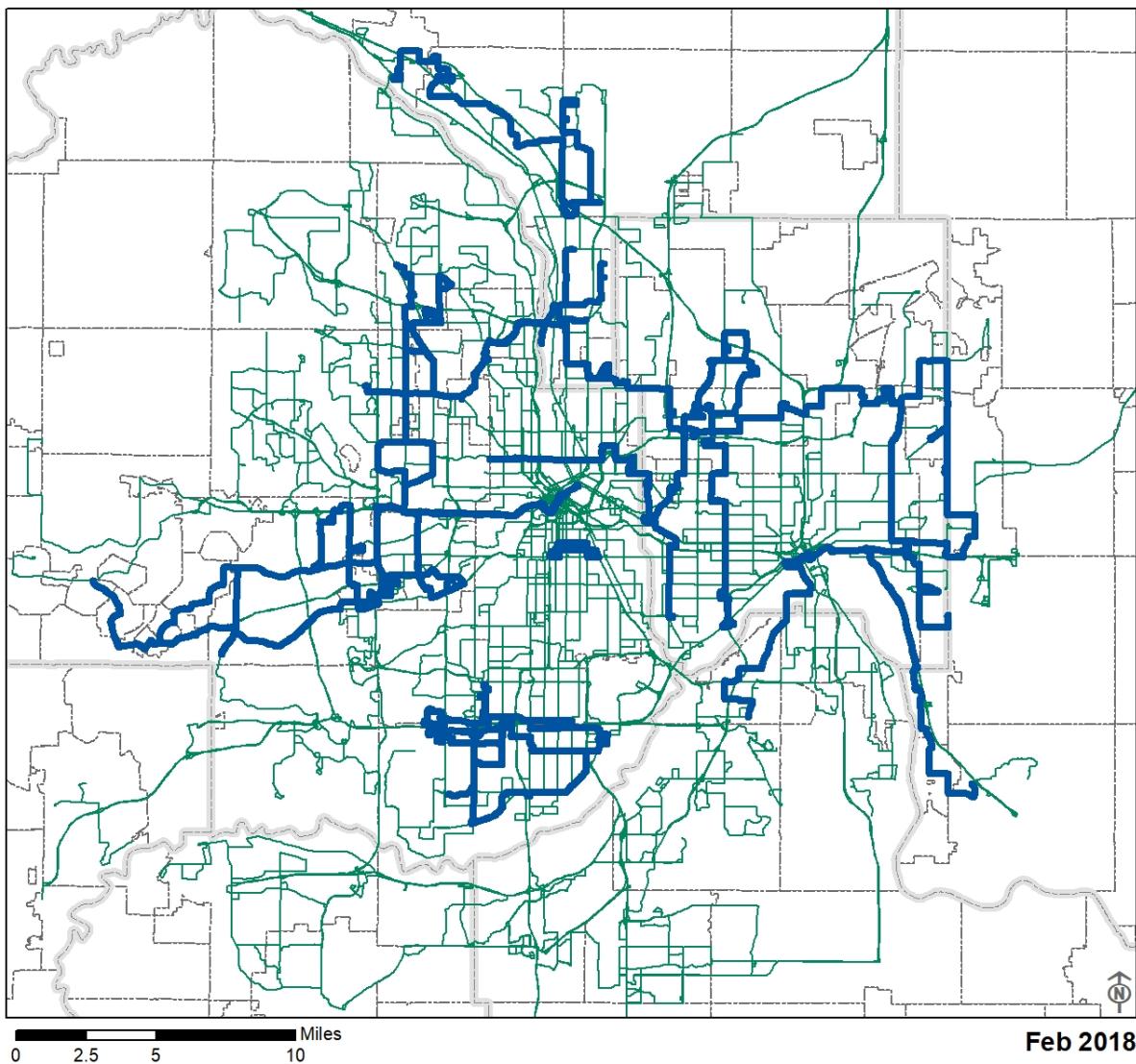
## Metro Transit / Met Council Service Area



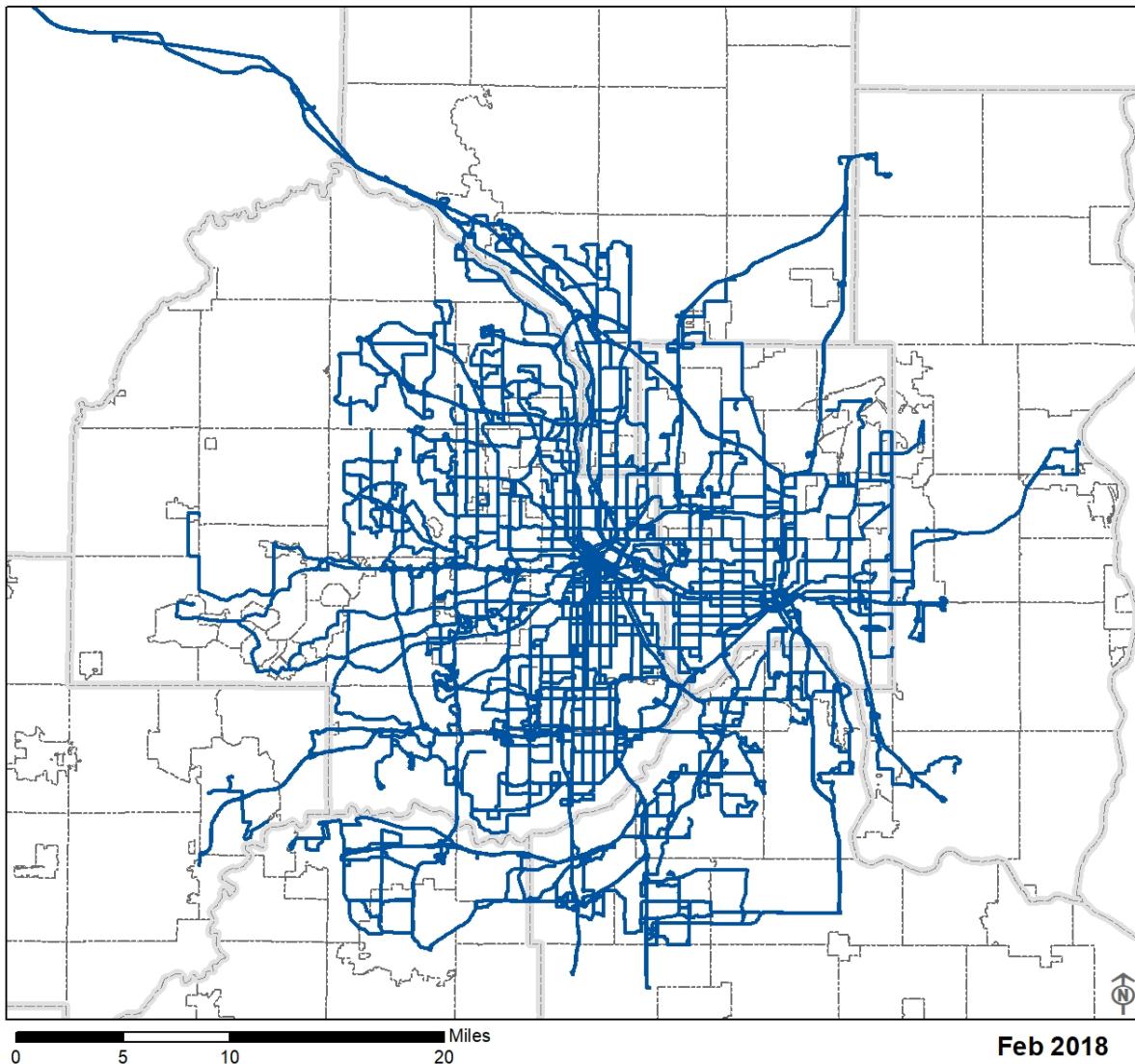
## Transit Link Dial-a-Ride Service Areas



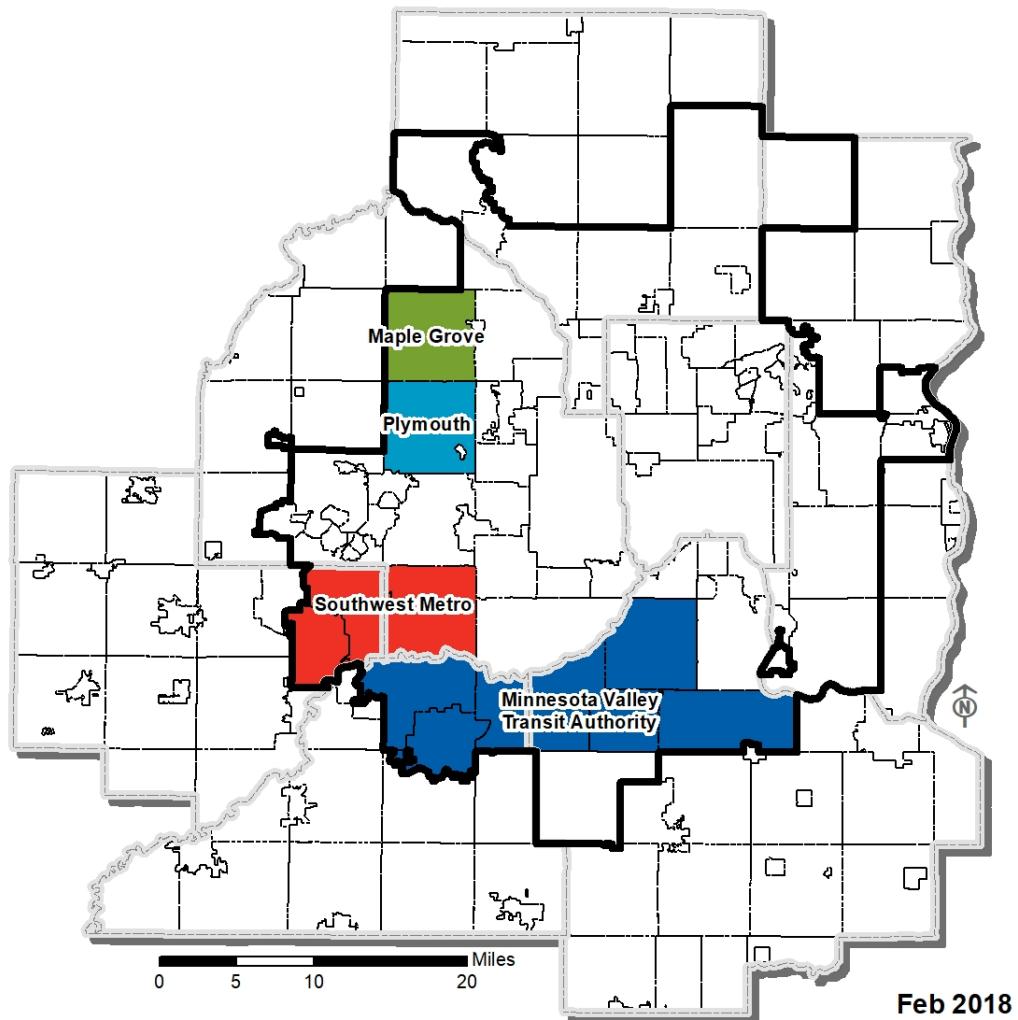
### Privately Contracted Regular Route Transit

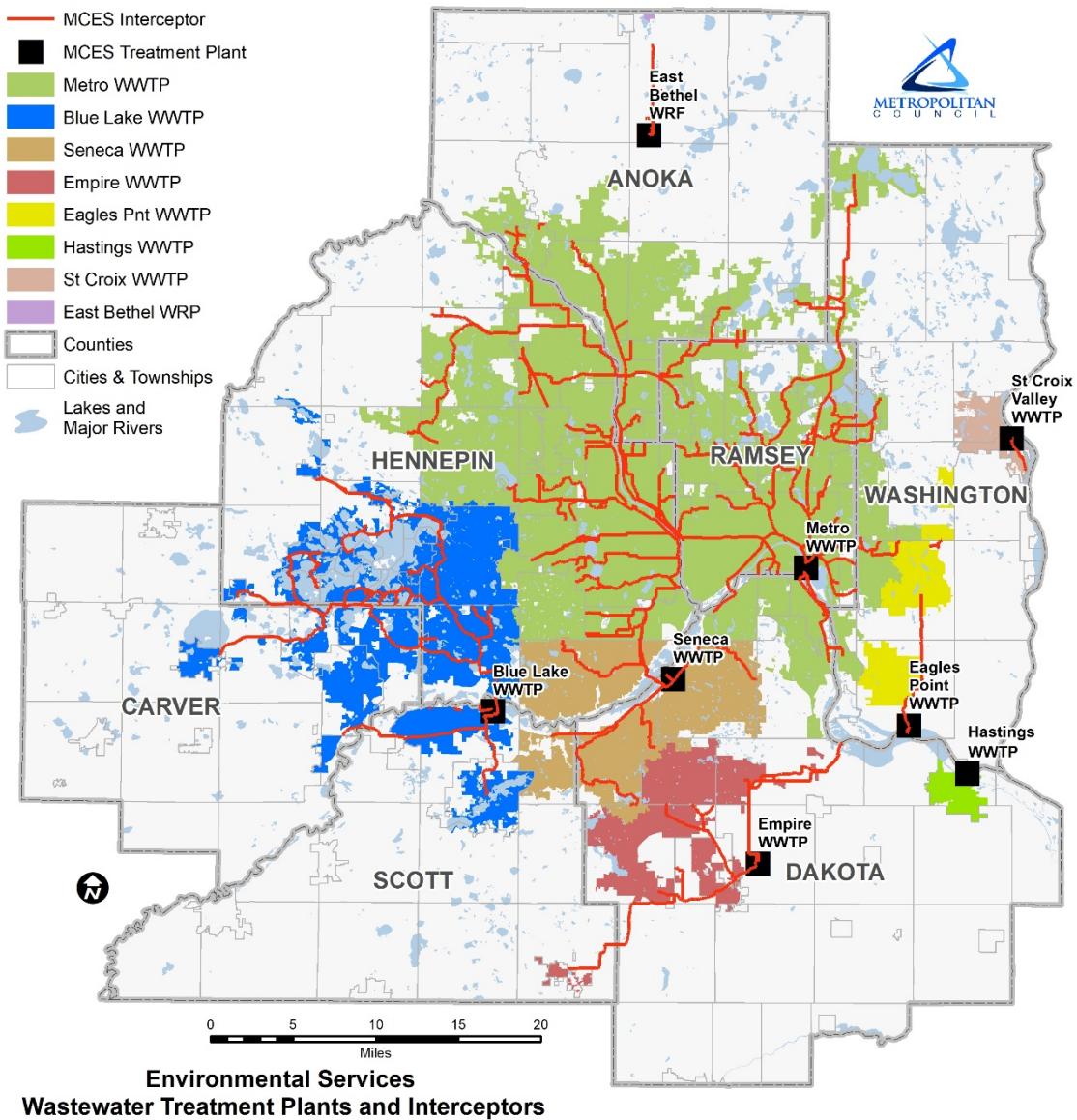


## Metropolitan Area Regular Route Transit Service



## Suburban Transit Providers





## Metropolitan Council

### 2017 Budget Summary (\$ in 000s)

		REGIONAL ADMINISTRATION COMMUNITY AND HRA OPERATING ONLY				ENVIRONMENTAL SERVICES DIVISION INCLUDING DEBT SERVICE				TRANSPORTATION DIVISION OPERATING ONLY			
		BUDGET	(Unaudited) Actual Ledger	Favorable (Unfavorable)	VARIANCE	BUDGET	(Unaudited) Actual Ledger	Favorable (Unfavorable)	VARIANCE	BUDGET	(Unaudited) Actual Ledger	Favorable (Unfavorable)	VARIANCE
<b>Revenues:</b>													
Property Taxes.....		\$ 14,482,062	\$ 14,386,846	\$ (95,216)		\$ -	\$ -	\$ -		\$ 39,874,113	\$ 27,643,612	\$ (12,230,501)	
Federal Revenue.....		4,926,574	4,971,074	44,500		2,998,303	198,659	(2,799,644)		320,517,001	338,350,280	17,833,279	
State Revenue.....		163,628	177,991	14,363		149,928	149,928	-		36,388,860	33,889,017	(2,499,843)	
Local Revenue/Other Gov't Revenue.....		-	-	-		-	-	-		-	-	-	
ES Fees.....		-	-	-		-	-	-		225,774,538	225,838,869	64,331	
Fares & Related Revenue.....		599,685	950,379	350,694		850,000	1,013,973	163,973		112,031,676	107,502,952	(4,528,724)	
Interest.....		-	-	-		-	-	-		525,000	2,115,359	1,590,359	
Other Revenue.....		-	-	-		-	-	-		725,000	801,574	76,574	
Total Revenues.....		\$ 26,555,258	\$ 27,352,129	\$ 796,871		\$ 230,874,280	\$ 228,152,077	\$ (2,722,203)		\$ 510,061,650	\$ 510,302,794	\$ 241,144	
<b>Expenditures:</b>													
Salaries, Wages, & Fringes.....		\$ 45,897,925	\$ 44,318,621	\$ 1,579,304		\$ 63,713,964	\$ 61,806,290	\$ 1,907,674		\$ 315,558,323	\$ 284,662,240	\$ 30,896,083	
Consulting & Contractual.....		19,773,101	14,598,108	5,179,993		17,002,112	2,243,836	17,247,114		17,774,267	3,472,847		
Materials & Supplies.....		1,951,050	1,983,005	(31,955)		9,294,919	9,890,565	(595,646)		53,578,926	41,754,099	11,824,827	
Chemicals.....		-	-	-		8,349,489	7,103,015	1,246,474		-	-	-	
Rent & Utilities.....		5,524,956	4,536,236	988,720		16,999,661	16,444,265	555,396		12,614,076	11,540,330	1,073,746	
Printing.....		252,500	118,622	133,878		41,912	5,468	36,444		454,619	475,458	(20,839)	
Travel.....		743,190	675,020	68,170		401,206	394,273	6,933		783,822	502,927	280,895	
Insurance.....		125,000	142,982	(17,982)		1,939,805	1,238,874	700,931		6,216,131	1,823,898	4,392,233	
Operating Capital.....		3,999,406	3,389,451	609,955		4,188,724	1,765,107	2,423,617		135,930	135,930	-	
Debt Service Expense.....		-	-	-		-	-	-		84,226,853	78,000,350	6,226,503	
Other Expense.....		-	-	-		124,000,000	124,000,000	-		-	-	-	
Transit Programs.....		5,391,879	3,632,017	1,759,862		5,478,170	1,193,185	4,294,985		9,406,886	8,957,663	449,218	
Total Expenditures.....		\$ 83,664,007	\$ 73,394,062	\$ 10,269,945		\$ 253,713,798	\$ 240,993,154	\$ 12,810,644		\$ 504,222,660	\$ 445,627,167	\$ 58,595,513	
<b>Operating Income/(Loss).....</b>		\$ (57,103,749)	\$ (46,041,933)	\$ 11,065,816		\$ (22,839,518)	\$ (12,751,077)	\$ 10,088,441		\$ 5,838,970	\$ 64,675,627	\$ 58,836,657	
<b>Other Financing Sources (Uses):</b>													
Transfers from.....		\$ 61,989,452	\$ 57,360,741	\$ (4,628,711)		\$ 41,588,000	\$ 41,552,723	\$ (35,277)		\$ 2,407,000	\$ 2,407,000	\$ -	
Transfers To.....		\$ (10,426,323)	\$ (9,970,147)	456,176		\$ (22,109,202)	\$ (20,585,275)	1,523,927		\$ (39,518,155)	\$ (32,620,644)	6,897,511	
Total Other Financing Sources (Uses).....		\$ 51,563,129	\$ 47,390,594	\$ (14,172,535)		\$ 19,478,798	\$ 20,967,448	\$ 1,488,650		\$ (37,111,155)	\$ (30,213,644)	6,897,511	
<b>Surplus/(Deficit).....</b>		\$ (5,545,620)	\$ 1,348,661	\$ 6,894,281		\$ (3,360,720)	\$ 8,216,371	\$ 1,157,091		\$ (31,272,185)	\$ 34,461,983	\$ 65,734,168	



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