

2018 METROPOLITAN COUNCIL PERFORMANCE EVALUATION REPORT

REPORT TO THE MINNESOTA LEGISLATURE



METROPOLITAN
C O U N C I L

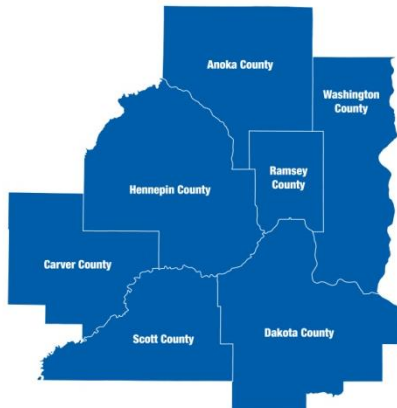
May 2019

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 major Council 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 2018. 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 various maps and a 2018 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 its unemployment rate is lower than the national average. The region's population is projected to grow to more than 3.7 million people 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 includes the efficient operation of transit services, wastewater collection and treatment, and housing programs to assist households with low incomes.

The governor appoints a chair who serves at large and 16 Council members representing districts, who together govern the organization. Within the organization are divisions for transportation, environment, and community development. The Council has approximately 4,200 employees and annual operating expenditures of approximately \$773 million, mostly for regional transit service and wastewater treatment.

Table 1. Percent of Employees and Expenditures in Council Divisions, 2018

Division	Employees	Expenditures
Environmental Services	14%	27%
Transportation	77%	62%
Community Development/Regional Administration	9%	11%
Total	100%	100%

Divisions and Their Functions

Community Development carries out regional functions for the metropolitan parks and open space system, develops policy for the region's orderly growth and development, conducts research, provides local planning assistance, operates a housing and redevelopment authority, and administers the Livable Communities programs.

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

Metropolitan Transportation Services develops regional policy for all means of transportation, allocates federal funds to transportation projects, coordinates regional aviation planning, and provides transit service for people with disabilities.

Metro Transit is the largest transit agency in Minnesota, providing an integrated network of buses, light rail and commuter trains, as well as resources for those who carpool, vanpool, walk or bike.

Metropolitan Council Environmental Services operates and maintains 600 miles of regional sewers and treats an average of 250 million gallons of wastewater daily at eight regional treatment plants. The division provides cost-effective wastewater service to 109 communities and 2.6 million residents. The division conducts integrated planning to ensure sustainable water quality and water supply for the region.

Overview of the Council's Performance

Council adopts updates to regional transportation and parks policy plans

The updated Transportation Policy Plan continues to focus on cost-efficient and safe transportation investments that maintain the region's roads, bridges and transit system and meet transportation needs now and into the future. At the same time, the plan emphasizes multimodal options across the region and ways those modes can be strategically aligned with land use. Highlights of update include:

- Updated fiscal projections for highway and transit system investment.
- Funding commitment for new major highway and transit investments.
- Creating performance measures to guide investment.
- Addressing key challenges and opportunities in transportation over the long term, including autonomous vehicles and shared mobility systems.
- Including results from recent transportation planning studies, such as the Regional Truck Freight Corridor study.

The updated Regional Parks Policy Plan includes modest policy changes and an updated system plan to guide the Regional Parks System. The plan builds upon the existing work of 10 implementing agencies to advance equity by committing to several strategies designed to strengthen equitable use of the Regional Park System.

The updated policy plan identifies estimated costs for acquisition and development, and includes a five-year capital improvement program. The plan update focuses on stewardship through maintaining and enhancing the Regional Parks System.

Council protects public health and environment

The Council treats an average of 250 million gallons of wastewater from 2.6 million residents daily. This cleaned water is discharged to the Mississippi, Minnesota and St. Croix rivers. Six wastewater treatment plants received national awards in 2018 for five or more consecutive years of perfect compliance with their discharge permits through 2017: Hastings (27 years), St. Croix Valley (26 years), Blue Lake (12 years), Eagles Point (12 years), Empire (9 years), and Metro (6 years). These compliance records are among the highest in the nation. In addition, the Seneca Plant received a Gold Award, and the East Bethel Plant received a Silver Award.

New flood-risk tool part of climate vulnerability assessment

To help plan for a changing climate, the Council is developing a Climate Vulnerability Assessment – a set of data and tools that will help the Council and local communities plan and manage public infrastructure to increase its life span and reduce costs. The most recent addition to the assessment is a section on the flood risk for transportation, including transit, and a mapping tool that shows areas of potential localized flood risk.

Council advances proposed wastewater reuse project

The Council approved a memorandum of understanding and a design agreement with Enkema, Inc., a Canadian-based firm, under which the Council will provide reclaimed water

to Enerkem's proposed waste-to-biofuels facility in Dakota County. Reclaimed water is effluent from wastewater treatment that has received additional treatment to make it suitable for specific reuse applications.

Earlier in the year, the Council adopted policies to guide its response to requests from industries, communities, or others interested in using reclaimed water. The policy changes resulted in the Enerkem pilot program with a possible regional cost-share arrangement where there is a benefit to the regional wastewater system.

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.

The Council administers a current grant portfolio valued at nearly \$160 million. Grants are funded through state investment, including a \$10 million 2018 appropriation from the Environment and Natural Resources Trust Fund (subsequently changed to General Obligation bonds during the 2019 legislative session) matched by Council bonds. This nationally recognized system serves all residents of the region, providing high quality natural resource-based outdoor recreation opportunities.

Sustainability efforts include energy conservation, solar development

- Environmental Services and Xcel Energy's five-year memorandum of understanding (2016-2020) establishes goals for division's energy reduction. If Environmental Services achieves greater reductions than outlined, the division will receive a bonus payment. In 2018, Environmental Services received \$77,000 in rebates and implemented projects that will lead to an annual savings of 883,273 kWh (or about \$61,000).
- Environmental Services continued advancing solar energy 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), Environmental Services has 17.24 MW of solar capacity under contract. This level of solar capacity can produce the energy needed by 3,000 homes for a year.
- Environmental Services is on track to meeting its energy goal of reducing purchased fossil fuel energy 10% between 2015 and 2020, which saves about \$1 million annually.

Regional parks continue to be a top metro attraction

Twin Cities metro area residents love their parks. The Regional Parks System includes 56 regional parks and reserves, comprising nearly 55,000 acres, almost 400 miles of interconnected trails, and 8 special recreation features, such as the Como Zoo and Conservatory. The number of annual visits to regional parks and trails was 58.3 million in 2017 (the latest figure available). For perspective, the Mall of America receives about 40 million annual visits.

Grants encourage redevelopment, affordable housing, create jobs

In 2018, the Council awarded nearly \$25 million in Livable Communities Act grants to support revitalization of brownfields for job creation, transit-oriented development, and affordable housing. The grants helped leverage billions of dollars in other public and private investments.

Since the Livable Communities program became law in 1995, the Council has awarded over 1,000 grants totaling over \$400 million to:

- Help build or rehabilitate more than 24,000 affordable housing units
- Clean over 2,400 acres of polluted land, creating or retaining more than 55,000 jobs, and
- Support development of transit-oriented, connected land uses.

Sewer availability charges now more transparent, less burdensome

The sewer availability charge is a one-time fee required when a property first connects to the regional wastewater system. It's also charged when a property's use changes and increases its potential demand on the system. The new, simplified way of determining SAC is based on a Council task force's recommendations. The results of these changes will be:

- Determining the dollar amount charged under SAC will be easier, faster and simpler.
- Determinations on remodels will be much more transparent to business owners.
- SAC credits, indicating a charge has been paid, will be easier for businesses to document.
- Restaurants can have twice the free outdoor space for patio and sidewalk seating.
- The SAC rate will stay flat for the fifth straight year.

In addition, a new website portal makes it easier to submit information and materials needed to make a SAC determination.

Water quality report on area rivers shows big improvement, some declines

A first-of-its-kind Council report reveals major improvement over the last 40 years in important water quality indicators for the Mississippi, Minnesota, and St. Croix rivers. It also shows that some types of pollution have become more of an issue. Generally, concentrations of sediment, bacteria, and phosphorus decreased from 1976 to 2015, but nitrogen and chloride increased. The results show the positive impact of investments and collaborative work by the Council, cities, watershed organizations, state agencies, and nonprofit organizations.

U of M partnership studies possible use of incinerator ash in agriculture

The Council continued its three-year partnership with the University of Minnesota to determine if the ash can be used as a useful soil amendment. When the Metro Plan treats wastewater, the solids that remain are incinerated, and the leftover ash, about 40 tons per day, is landfilled. The ash content is about 13% phosphorus, which can be beneficial for life-forms, including plants. The Council is in the last year of the partnership, when it will assess results and consider recommendations.

Initiative to reduce clear water from entering wastewater system

Stormwater and groundwater – “clear water” – can enter sewer pipes via defective sewer lines and improperly connected sump pumps, downspouts, and foundation drains. Known as inflow and infiltration (I & I), this water wouldn't otherwise have to be processed like wastewater. But mixed with wastewater, it adds to the volume that treatment plants have to process, increasing demands on the system. The potential result can be overloaded wastewater pipes, costly sewage backups into homes and buildings, and sewage overflows into rivers and lakes.

To deal with the problem, the Council has:

- Added \$5 million from the Minnesota Legislature to money that is available to eligible cities for making capital improvements to local wastewater collection systems that reduce I & I.
- Offered \$500,000 in grants to communities to demonstrate effective ways of reducing I & I from private properties.
- Launched a website with resources for local governments and property owners to help them reduce I & I from entering the regional wastewater collection and treatment system.

Sewer separation, inflow and infiltration reduction efforts paying off

The Council and the City of Minneapolis reached a milestone in protecting public health and water quality. Both had jointly held a longstanding MPCA permit regulating the combined flow of wastewater and clear water, like storm water, into the Mississippi River. But in 2018, the MPCA agreed to end the permit. There had been no combined sewer overflows since 2010, thanks to projects that separated sanitary sewers from stormwater pipes and reduced I & I.

Minneapolis and Saint Paul are the only major metropolitan cities in the country that are no longer subject to a permit related to combined sewer overflows. In addition, this is the only region that made the decision to separate the two systems instead of building storage and treatment facilities for combined overflow.

Council launches household survey of travel behavior

The Council started asking 7,500 households in the region to take part in a survey to understand how they travel around their communities. Collecting information on day-to-day travel is vital for local, county, and regional agencies to plan for future transportation needs.

The Travel Behavior Inventory survey will be conducted in partnership with the Minnesota and Wisconsin departments of transportation. Knowing why and how people travel in the region helps agencies make the right transportation investments at the right time.

Continued reinvestment program strengthens wastewater assets

The Council continued to implement its 10-year, \$1 billion regionwide capital investment program to update and improve aging wastewater collection and treatment system. The Council invests \$130 million annually to preserve wastewater infrastructure, including \$100 million annually for interceptor pipe rehabilitation and pump station renovation.

The focus of investments is on maintaining and renewing the existing system. The entire wastewater system has an estimated replacement value of \$7 billion,

Council earns national award for planning assistance program

The Council earned the Silver 2018 National Planning Achievement Award from the national American Planning Association. The award recognizes the Council's initiative called Planning Assistance for Thriving Communities.

With resources in various formats, the package contains planning guidance, information, and educational opportunities in one centralized, accessible location to assist local agencies with their comprehensive planning efforts. Local governments vary widely in available planning staff and related resources, so the Council's planning assistance tools, reflecting feedback from local governments, have helped support a broad range of communities.

Central to this package is the web-based Local Planning Handbook, which contains guidance and tools on numerous planning topics. The web-based format allows for faster, continuous updates that keep information current and relevant, and each participating agency has its own community web page with forecast data, mapping tools and checklists. The accompanying Planit educational series has given planners opportunities for networking and professional development to support their local planning efforts.

Council cited for leadership on climate-change mitigation and adaptation

The Minnesota Climate Adaptation Partnership (MCAP) honored the Council for efforts to help the region adapt to climate change. MCAP recognized the Council's integrated, cross-divisional and collaborative approach to climate adaptation planning and operations. The Council was recognized for:

- Providing technical assistance, including the Climate Vulnerability Assessment tools, to the region's 188 municipalities.
- Offering more than \$1 million in grants for green infrastructure projects to benefit water quality.
- Preparing future leaders through a collaboration with the University of St. Thomas Sustainable Communities Partnership.

Council wastewater rates remain competitive

Households in the seven-county Twin Cities area pay about \$274 per year, on average, for wastewater collection and treatment service, according to data comparing peer regional systems. That dollar figure is 40% less than households pay in comparable regions across the country – those that treat more than 100 million gallons of wastewater daily. This comparison comes from the latest comprehensive survey (2016) that's conducted every three years by the National Association of Clean Water Agencies.

Council grants help growing communities use water more efficiently

Property owners in 19 communities across the region are saving an estimated 52 million gallons of water annually, thanks to the Council's Water Efficiency Grant Program.

Launched in the fall of 2015, the program provided grants to communities that manage municipal water systems to provide rebates to homeowners and commercial property owners. The rebates were an incentive to replace older, less efficient washing machines, toilets and irrigation controllers with Energy Star clothes washers and EPA WaterSense-labeled toilets and smart irrigation controllers.

Under the program, a total of 4,510 devices were replaced:

- 2,380 toilets, saving a total of 29.8 million gallons of water annually.
- 1,190 irrigation controllers, saving 18 million gallons of water annually.
- 940 clothes washers, saving 4.2 million gallons of water annually.

The program was funded with \$500,000 from the Minnesota Clean Water, Land and Legacy Amendment.

Community Development Division

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.

Table 2. Units and Core Activities of the Community Development Division

UNIT	CORE ACTIVITIES
Regional Parks	Develop and implement the Regional Parks Policy Plan through planning, administration of the regional parks system grant programs, and outreach assistance to the ten regional park implementing agencies. 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.
Local Planning Assistance	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.

Regional Policy and Research	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 demographics, development patterns, regional parks visitation, and greenhouse gas emissions in the Twin Cities region.
Livable Communities	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.
Metropolitan Council Housing and Redevelopment Authority (Metro HRA)	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

The Regional Parks 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, including the Park Acquisition Opportunity Fund Program that helps support regional park and trail acquisitions.

The Regional Parks 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 2018, the Regional Parks unit:

- Updated the *2040 Regional Parks Policy Plan*, fulfilling a statutory expectation for a full review at least once every four years.
- 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.
- Reviewed and approved master plans or master plan amendments for the following regional parks and trails:
 - Robert Pira Regional Trail (Saint Paul)
 - Ridgeway Parkway Regional Trail (Minneapolis Park and Recreation Board)
 - Rice Creek Chain of Lakes Park Reserve (Anoka County)
 - Minneapolis Chain of Lakes Regional Park: Bde Maka Ska – Harriet Master Plan (Minneapolis Park and Recreation Board)
 - Lake Byllesby Regional Park (Dakota County)
 - Highway 5 Regional Trail (Carver County)
 - Central Anoka Regional Trail (Anoka County)
 - Mississippi Gateway Regional Park (Three Rivers Park District)

- Minnesota River Bluffs Regional Trail (Carver County)
- Kingswood Special Recreation Feature Acquisition Master Plan (Three Rivers Park District)

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.

Local Planning Assistance

In 2018, the Local Planning Assistance unit:

- Coordinated 277 reviews to determine their conformance to the regional systems, consistency with Council policy, and compatibility with the plans of adjacent communities, including:
 - 174 reviews of comprehensive plans including amendments and preliminary (draft) 2040 comprehensive plan reviews, and 50 environmental reviews such as environmental assessment worksheets (EAWs), environmental impact statements (EIS), environmental assessments (EAs), and alternative urban area-wide reviews (AUARs).
 - 53 reviews of National Pollutant Discharge Elimination System (NPDES) permits, U.S. Army Corps of Engineers #404 permits, wastewater and surface water discharge permits, and other types of reviews.
- Delivered the third year of the PlanIt comprehensive plan program by continuing to develop planning podcasts and distributing monthly news blasts to the region's planning community to assist with 2040 comprehensive plan development. This effort is a pared-down continuation of the 2016-2017 PlanIt program, which included in-person workshops, self-guided learning through tutorials, podcasts, and expert articles, and remote learning opportunities through a webinar series.
- Continued implementation of the Planning Assistance Grant program, which provides \$1.9 million in grants to 70 eligible communities to support updates to their 2040 comprehensive plans. All grant recipients have received the first half of their grant payment. Final grant distribution will occur in 2019 and 2020 as communities are permitted to put their 2040 comprehensive plans into effect by the Council.
- 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.
- Continued to collaborate with the Minnesota Department of Natural Resources to refine the streamlined comprehensive plan review process for communities that fall within the Mississippi River Corridor Critical Area (MRCCA). 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.

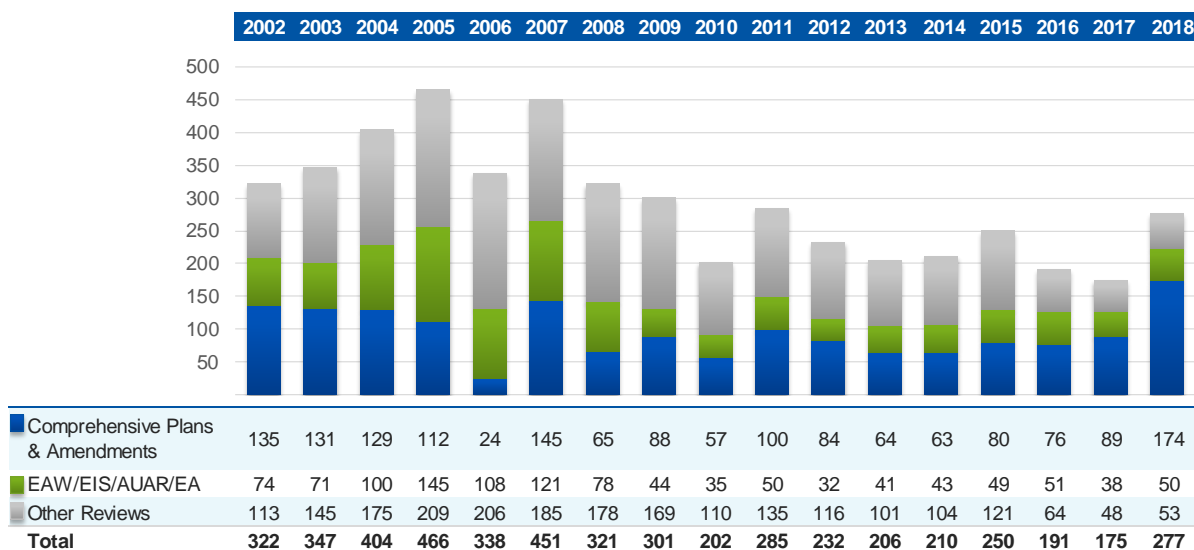
- Provided technical planning assistance and resources to local elected and appointed officials and local planning staff through the Council's Sector Representative Program, particularly as communities began submitting their local comprehensive plans. Local comprehensive plans were due to the Council for review by December 31, 2018.
- Released additional chapters of the Climate Vulnerability Assessment (CVA). In 2017, the first chapter analyzed the impacts of inland flooding events on regional transportation and transit infrastructure. In 2018, development of the CVA continued with chapters related to the localized flood risk vulnerability of regional wastewater assets as well as regional parks and trails.

Effects of extreme heat and human vulnerability were analyzed in partnership with the University of Minnesota students. Additional chapters will be released in 2019 analyzing impacts on regional systems infrastructure and other Council assets, including water supply systems in the region.

- Continued to add resources to the Transit Oriented Development (TOD) Guide, which provides resources to local governments in planning and implementing TOD. The guide is an online platform and includes case studies and best practices for local planners to help build and share knowledge of TOD planning and implementation.
- Developed a solar energy planning and implementation resource online to support communities in their local efforts to plan for the protection and development of access to direct sunlight for solar energy systems in their local comprehensive plans.
- Provided analysis on fiscal disparities, including tax-base values and impacts of the tax-base sharing program, for the public and policymakers.
- Planned and coordinated bimonthly meetings of the Land Use Advisory Committee, which continued to assist with updating the 2040 Transportation Policy Plan, 2040 Regional Parks Policy Plan update, and shaping new technical resources for the Local Planning Handbook and the Transit-Oriented Development Guide.
- Collaborated with Environmental Services staff to establish an ongoing partnership between 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 for further collaboration.
- Developed a pilot grant program to assist manufactured home parks in the region to connect to the regional wastewater 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 46 developing communities.
- Prepared a report on the Metropolitan Agricultural Preserves program monitoring enrollments in the region.

The chart below shows the number and type of planning assistance reviews and referrals administered by the Council from 2002 through 2018.

Chart 1. Type and Number of Reviews, 2002-2018



Regional Policy and Research

In 2018, the Regional Policy and Research team:

- Published several web-based interactive data visualizations including [Visualizing Regional Racial Disparities](#), [Recent Residential Development in the Twin Cities Region](#), and the [Thrive Indicator Dashboard](#).
- Released several MetroStats publications, internet-based publications that incorporate enhanced graphics and focused analysis to disseminate research data on key topics such as income inequality and the Twin Cities housing market.
- 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.
- Began developing the region's first comprehensive city-level greenhouse gas emissions inventory, which quantifies emissions from energy use, transportation, solid waste, water use, wastewater treatment, and agriculture/livestock.
- Produced annual city and township estimates of population and households per Minn. Stat. 473.24 and developed 2017 estimates of populations, households and affordable housing for both transportation analysis zones and census tracts.
- Estimated the annual visitation to the Regional Parks System and individual regional park and trail facilities to produce the report *2017 Regional Parks System Annual Use Estimate*. The Regional Parks System draws more than 58.3 million annual visits.
- Conducted analysis and developed interactive visualization of regional parks visitation using origin-destination data from cell-phone location data.

- 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, affordable housing production, group quarters, and manufactured home parks.
- Released the 2017 Housing Performance Scores that measure local government efforts to create and preserve a mix of housing affordability.
- 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.
- 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 2018, 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:

- Livable Communities Demonstration Account (LCDA) supports 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.

- 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.

In 2018, the Livable Communities Program unit:

- Awarded 30 TBRA grants totaling over \$7.7 million to help clean up polluted land in nine communities: Bloomington, Burnsville, Hastings, Hopkins, Maple Grove, Minneapolis, Robbinsdale, Roseville, and Saint Paul.
- Awarded 13 LCDA grants totaling nearly \$10 million to help projects in six communities: Brooklyn Park, Eden Prairie, Minneapolis, Richfield, St. Louis Park, 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 energy conservation and storm water management solutions.
- Awarded seven LHIA grants totaling \$2.5 million to help preserve or build affordable housing in at least five cities: Inver Grove Heights, Maplewood, Minneapolis, and cities in Hennepin County, through Homes within Reach and the City of Minnetonka.
- Awarded seven LCDA Transit Oriented Development grants totaling over \$4.6 million in five communities through the LCDA program: Brooklyn Center, Burnsville, Minneapolis, Minnetonka, 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 2018 Livable Communities grants are expected to:
 - Create or retain nearly 1,600 jobs.
 - Leverage over \$1.5 billion in private funds and over \$114 million in other public funds.
 - Add or preserve nearly 4,000 housing units, over 1,400 of which will be affordable at 80% of Area Median Income.
 - Clean up over 51 acres of polluted property to prepare it for redevelopment.

Metropolitan Council Housing and Redevelopment Authority

In 2018, about 7,200 low-income households in the metropolitan area benefited from rent assistance through one of 11 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, Mainstream Voucher, Non-Elderly Disabled, Family Unification, Veteran's Affairs Supportive Housing, Bridges, Continuum of Care, Temporary Assistance Program, Rental Assistance for Anoka County, and Family Affordable Housing programs. In 2018, 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 720 additional households through programs serving specialized populations such as disabled, homeless, veterans, 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).
- Awarded 89 new federal housing vouchers through the Mainstream program to serve homeless persons using the transit system as temporary shelter.
- 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.

Transportation Policy Plan

The philosophy and focus of the Council's Transportation Policy Plan (TPP) is to provide transportation goals, strategies and investment direction for the Council and its regional transportation partners to help implement the regional development guide, *Thrive MSP 2040*. The plan recently went through an extensive update process and an updated *2040 Transportation Policy Plan* was adopted by the Council on October 24, 2018. Specifically the plan calls for the region to:

- 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 annual transportation planning activities, as specified in 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.

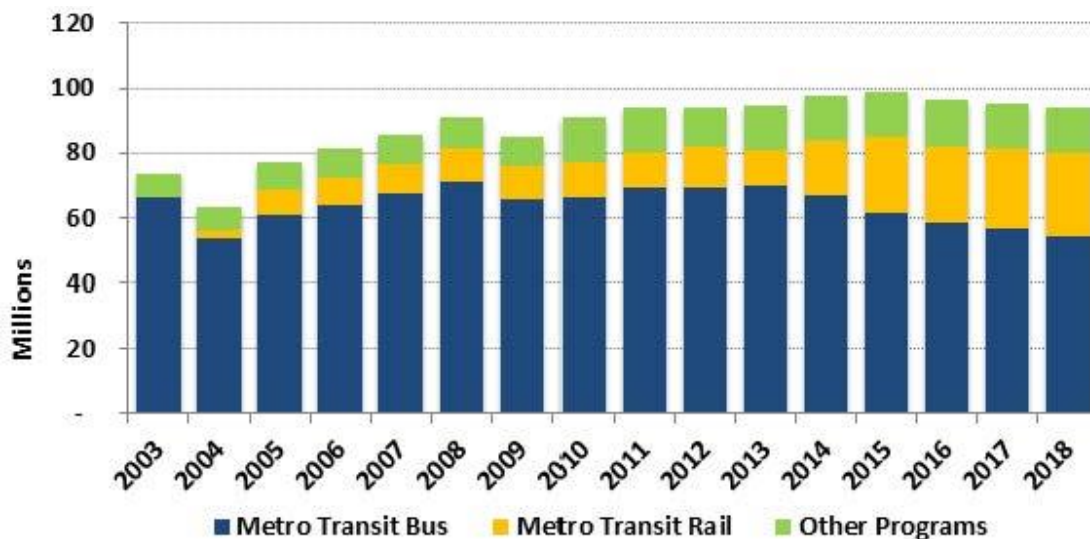
The region also has transit programs not affiliated with the Metropolitan Council. The University of Minnesota operates all-day intercampus transit service for students, faculty, employees, and the general public. The system is integrated with the regional regular-route network and interchanges passengers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

Regional Transit Ridership

Total 2018 transit ridership in the region was 94.2 million rides. Ridership was down 1.3% from 2017 in the seven-county metro area. The region's largest provider, Metro Transit, experienced a 1% 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, highway congestion levels, and growth of ride-hailing companies.

Chart 2. Regional Transit Ridership, 2003-2018



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

(3C) transportation planning process that includes state agencies 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 for the region, which must be updated every four years. During 2017-2018, the Council coordinated an extensive review and public participation effort to update the plan adopted in 2015. The Council utilized the area's Transportation Advisory Board and its technical committees to assist in reviewing proposed changes to policies and the updated 20-year investment plans for highway and transit in the region.

The Council held multiple meetings with the seven county boards and their staffs, along with numerous city meetings, to review the draft plan and receive feedback. In addition, a 45- day public comment period and hearing were held during July and August of 2018 to obtain public input on the proposed update. About 150 commenters participated – both individuals and representatives of organizations, including local governments and non-profit organizations. Approximately 300 comments were received.

A summary of the plan's policies and investment direction is contained in the plan Overview and the 14 Chapters contain detailed information on modes and other required elements for practitioners and those who require detailed information. The final updated plan can be found at: <https://metrocouncil.org/Transportation/Planning-2/Key-Transportation-Planning-Documents/Transportation-Policy-Plan/2018-Transportation-Policy-Plan-Update.aspx>

Transportation Improvement Program

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

In 2018, the 2019-2022 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 2018, the Council coordinated with MnDOT's Metro District on several highway planning studies, especially several ongoing interagency corridor studies, including the Rethinking I-94 Project, F, Freeway System Interchange Study, and the 2040 County Arterial Preservation 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.

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 significantly advanced or finalized a number of work program items in 2018, including a Metro Mobility demand estimate model and a park-and-ride demand estimate

model. With the adoption of a new *2040 Transportation Policy Plan*, work began on a number of new transit-related studies. Initial analysis was developed on an evaluation of the transit network to determine what role routes serve in the system from a perspective of being productive versus providing geographic coverage.

A financial report was prepared for the legislature on the comprehensive status of transit finance for the metropolitan region. Initial scoping began for a bus rapid transit network plan, an update to previous planning for future arterial bus rapid transit lines.

Initial work also began on an update to the Public Transit and Human Services Coordination Action Plan, a federally required document for directing certain federal transit funds. The Council also provided transit planning support for local communities updating comprehensive plans and began reviewing transit plans for consistency with regional systems.

- The Council continued to participate with MnDOT, transit providers, cities, counties, and county regional railroad authorities 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.

Federal grants commitments were received for Green Line Extension and Orange Line. Feasibility, alternatives analysis, or environmental work continued on the Nicollet-Central modern streetcar, Rush Line dedicated bus rapid transit, Riverview modern streetcar, Highway 169 bus rapid transit corridors.

Additional ongoing work included implementation efforts for the arterial bus rapid transit system, including the Penn Avenue, Chicago-Emerson-Fremont, Lake Street/Marshall Avenue, and Hennepin Avenue lines.

- 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 2018, conformity analysis for the *2040 Transportation Policy Plan* (along with two amendments) and the 2019-2022 Transportation Improvement Program (TIP) (along with several amendments) was completed to ensure the construction of TPP and TIP projects would not violate federal air quality standards.

In 2018:

- 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 10-year maintenance plan for carbon monoxide.

- The Council participated in the *Thrive* work group on climate change and continued work to integrate climate change mitigation and adaptation planning into transportation planning.

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 federal funding programs – the Surface Transportation Block Grant (STBG) Program and the Congestion Mitigation and Air Quality Improvement (CMAQ) Program.

TAB and its technical committees evaluated the 2016 solicitation process to determine any changes needed prior to releasing the Regional Solicitation in spring 2018 to solicit projects for funding in 2022-2023. The Regional Solicitation awards funds to highway, transit, bicycle/pedestrian, Safe Routes to School, and travel demand management (TDM) projects through a rigorous scoring system that involves over 60 participants from the Council and its partners. The projects, which will be selected in January 2019, will receive approximately \$200 million in federal funds.

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 2018:

- 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.,
- A next-generation activity-based travel demand model, released in late 2015 continued to be refined. Work will continue on refining the model, providing technical assistance in its application, and looking at the next generation of travel forecasting models.
- 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. Data collection for the 2018 TBI Household Travel Survey began in October 2018 and will continue through September 2019. Data release will occur in early 2020. Work will continue in 2019 on planning for future data collection elements of the Travel Behavior Inventory.

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.

2018 highlights include the following activities:

- Reviewed, analyzed, and provided comments on environmental documentation to the Crystal and Airlake Airport Long Term Comprehensive Plan's and Environmental Assessment Worksheets (EAWs). Presented the findings to the TAC/TAB and Metropolitan Council policy makers.
- Reviewed and updated draft and final elements of the TPP aviation section as part of the 2018 update.
- Participated in various aviation related task forces and studies including MnDOT State Aviation System Plan, Joint Airport Zoning Board and the Noise Oversight Committee.
- Reviewed and approved the 2019-2025 Capital Improvement Program for Minneapolis-Saint Paul International Airport and MAC's reliever airports.

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 10% of the region's regular-route bus service.

Transit Link Service

Transit Link is dial-a-ride service available to the public in areas and at hours of the day when the regular-route transit network is not available. 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, Minn. Stat. 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.

Program Enhancements

Technology

In 2018, Metro Mobility launched a redesigned public website with improved, simplified and accessible navigation tools. The new website features better-organized content, and

improved mapping and user experience. The website also features links to Metro Transit's Bus and Rail trip planners, as well as easy access to commonly accessed resource materials.

In 2018, Metro Mobility initiated a project with Trapeze Group, Inc. to introduce an on-line booking option for customers through web or smartphone application. Currently, all rides must be booked by telephone through contracted reservationists. Once launched, the product will also provide vehicle arrival information to customers who choose to use the service. The software is in final stages of internal testing and is scheduled for public launch in Q2 2019.

Metro Transit Fare Incentive Pilot

In October of 2018, Metro Mobility invited 82 conditionally eligible customers to participate in a Metro Transit free-ride incentive pilot. An initial survey was conducted and customers who agreed to participate were given a promotional Go-To Card pass for a free ride on any Metro Transit bus or train for an initial six-month period. During the pilot period, Metro Transit customer advocates have offered rider assistance and additional surveys are being conducted in order to capture rider experience and perceptions.

Ridership data is also being tracked and analyzed throughout the course of the study. The goal of the study is to introduce Metro Mobility customers to a more flexible and less costly mode of transit, and to improve their access to the fixed-route system. The initial pilot period will conclude in April 2019, after which the project team will examine findings and make recommendations.

Metro Mobility Agency Contract Restructure

The Metro Mobility agency contract serves customers traveling to and from Day Training and Habilitation Centers and Adult Day Care centers in the metro area. To maintain compliance with FTA mandates to prioritize ADA service, service was restructured in October 2018 with a new five-year contract term.

The contract was restructured to include the largest agencies with locations and trips entirely within the Metro Mobility ADA service area, allowing for increased opportunity for service efficiency. The service provided over 320,000 rides to customers in 2018.

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. System-wide on-time performance in 2018 increased to 95.3% compared to 93.8% in 2017.

On-time service to appointments also improved to 97.1% in 2018 from 96.1% in 2017. Staff will continue to assess the influence of the driver labor market relative to an increasing demand for Metro Mobility service in order to maintain these improvements in service quality.

Assessment of Progress

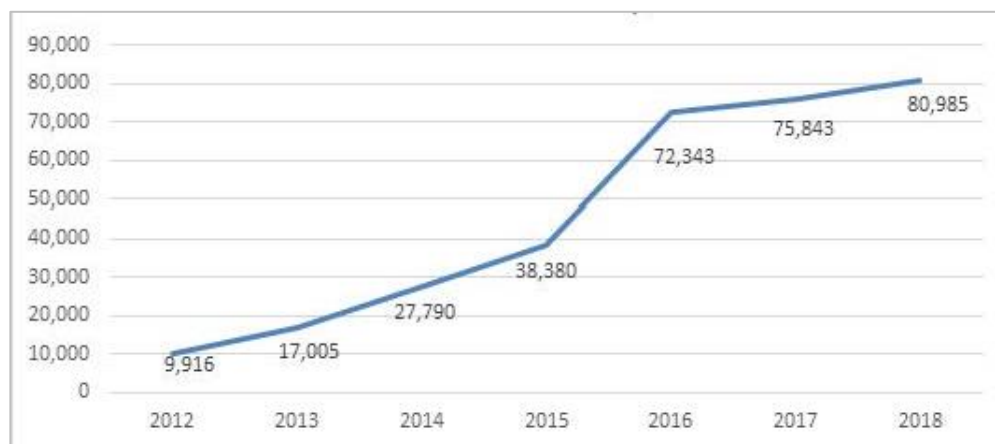
Premium On Demand Taxi Service

In 2018, Metro Mobility saw an increase in its Premium On-Demand taxi ridership, consistent with overall system ridership trends. The Premium On-Demand service is not a substitute for the federally required ADA service, but provides customers with an additional option that is flexible and spontaneous.

The program allows customers more flexibility and the convenience of a single-seat ride. The program was modified in February 2018 to expand the reservation window to four days in advance; consistent with Metro Mobility Demand service.

One of the advantages to the Council of the Premium On-Demand 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.

Chart 3. Premium On-Demand Ridership, 2012-2018



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. Passengers pay the first \$5.00 plus all costs over \$20 for taxi service. The program name was changed to Premium On-Demand in February of 2018.

Metro Mobility Ridership Growth

The demand for Metro Mobility service has increased dramatically over the past decade. In 2018, system ridership exceeded 2.38 million rides, an increase of 6% over 2017. Since 2006, ridership has increased over 80%. The Council conducted a needs assessment study in 2017, in two phases.

Phase 1. Peer Comparison. Evaluated peer agencies and ridership throughout the U.S. to gain an understanding of their performance measures and trends, as well as their general operating policies and procedures. The charts on the following pages provide a sample of those results.

Chart 4. Operating Expense per Revenue Hour, 2015 National Peers

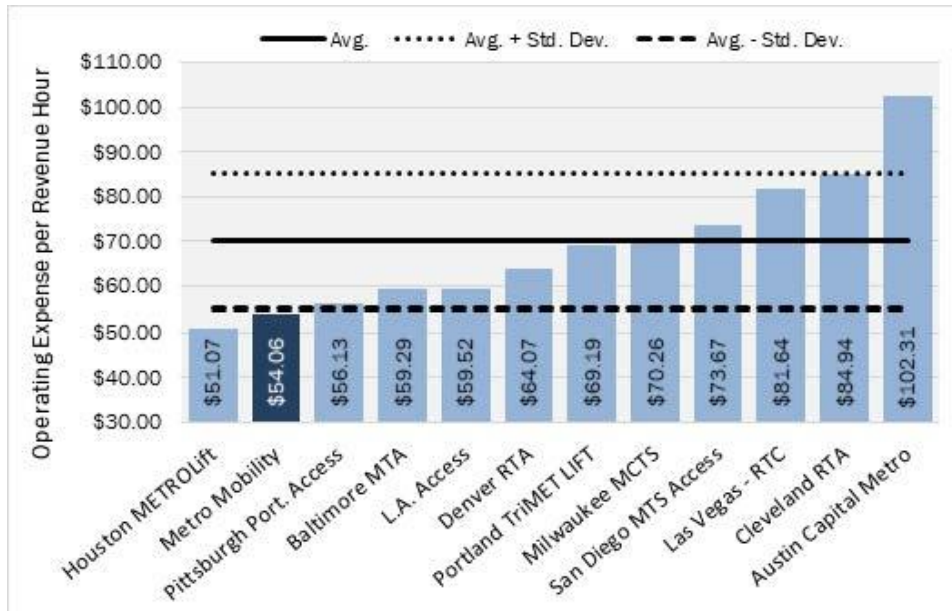


Chart 5. Passenger Trips per Revenue Hour, 2015 National Peers

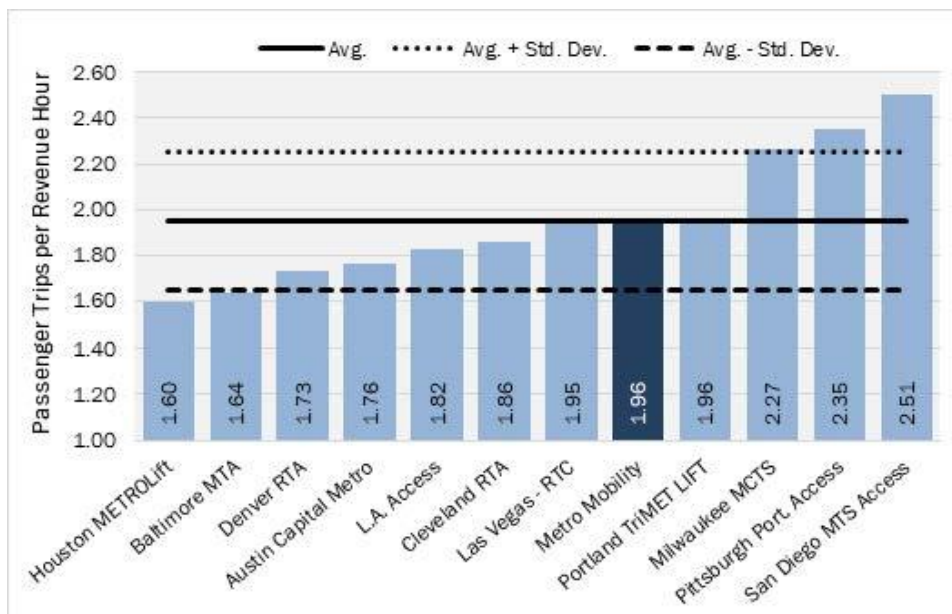


Chart 6. Passenger Trips per Capita, 2015 National Peers

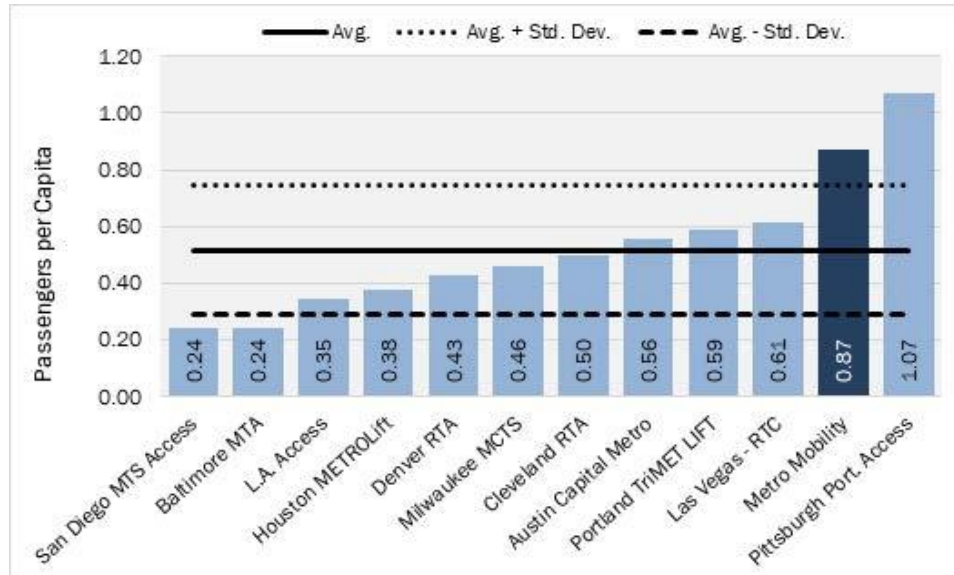


Chart 7. Subsidy per Passenger Trip, 2015 National Peers

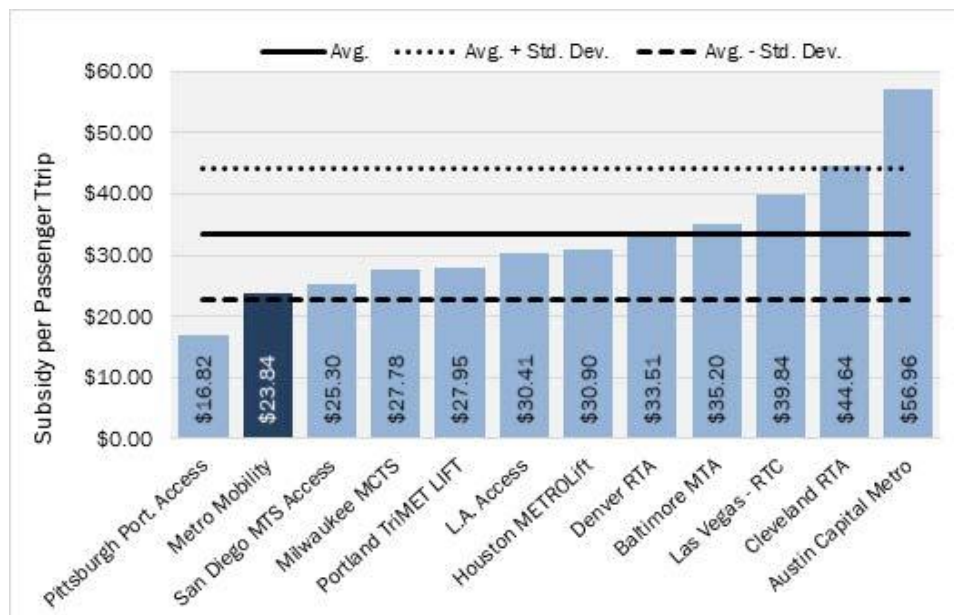
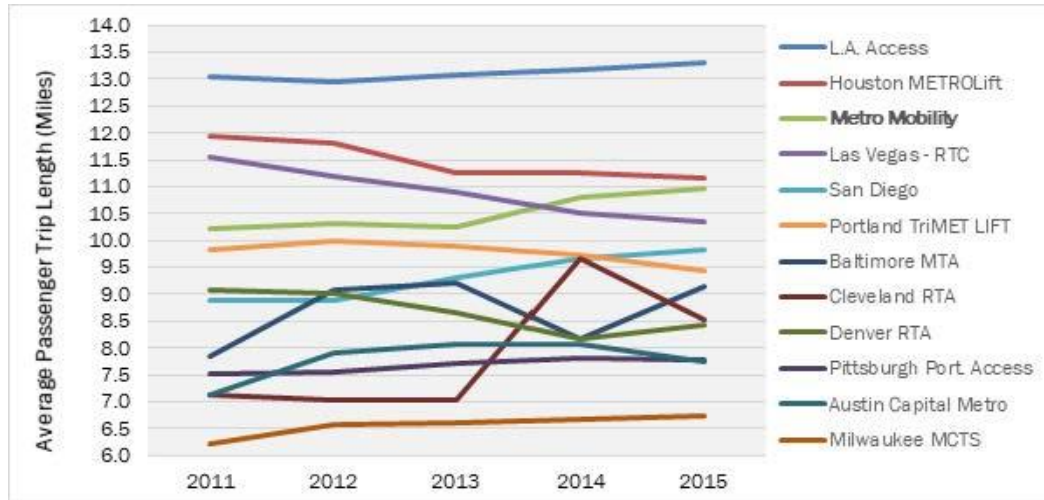


Chart 8. Average Passenger Trip Length (Miles), 2015 National Peers

Phase 2. The second phase involved 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, completed in 2018, allows Council staff to improve their study of ridership projections and trends.

There are several factors that contribute to increased ridership. While 2018 saw a drop overall in new applications received compared to previous years, the decline is not expected to continue given historical rates. An increasing number of applications are new certifications, rather than submitted by people who are recertifying.

In 2014, 48% of the applications were new. In 2018 that number increased to 62%. Metro Mobility also has an increasing number of active riders in our system, defined as customers, who used Metro Mobility within the past year.

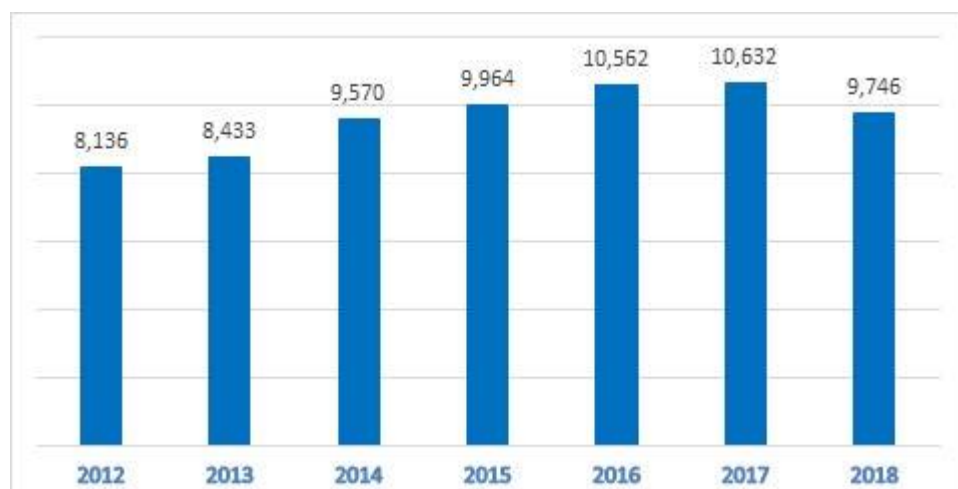
Chart 9. Metro Mobility Applications, 2012-2018

Table 3. Active Metro Mobility Riders by Year

Year	2012	2013	2014	2015	2016	2017	2018
Active Riders	15,321	17,138	18,973	19,983	20,794	20,626	21,475

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.

Table 4. Metro Mobility Budgeted Sources of Revenue, 2018

State General Fund Appropriation	\$57.7M
Passenger Fares	\$ 7.9M
TOTAL	\$65.6M

Table 5. Metro Mobility Costs, 2012-2018

	2012	2013	2014	2015	2016	2017	2018 Unaudited
Revenue Hours	774,146	852,466	935,929	1,033,178	1,101,710	1,141,199	1,282,318
Average Hourly Rate	\$49.68	\$49.56	\$50.30	\$54.95	\$51.55	\$46.97	\$49.27
Fuel Cost / Hour	\$6.85	\$6.96	\$6.26	\$5.05	\$4.32	\$5.15	\$5.77
Total Service Cost	\$45.5M	\$50.5M	\$55.1M	\$58.1M	\$58.1M	\$65.7M	\$71.7M

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 260,000 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

Total system ridership was 80.6 million in 2018, the eighth straight year in which ridership eclipsed the 80 million mark.

Ridership highlights from 2018 include:

- Breaking down the ridership figures: There were nearly 53.3 million total bus rides, more than 24.9 million total light-rail rides and more than 787,000 total commuter rail rides. Metro Transit provided 260,486 rides on the average weekday in 2018.
- More than 1.6 million rides were provided on the region's first arterial rapid bus line, the A Line, during its second full year of operation.
- Average weekday ridership on the METRO Green Line was 42,572, exceeding the projection of 41,000, not expected until 2030.
- Overall ridership also benefitted 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 and CHS Field in Saint Paul. The Blue and Green lines and the Northstar Commuter Rail Line each saw their highest-ever January ridership totals, and nearly 210,000 additional rides were taken during more than a week's worth of Super Bowl events.

- Also in 2018, the percentage of Minnesota Vikings fans who found transit the best way to get to games at U.S. Bank Stadium rose to 20 percent. That's up from 16 percent just one year earlier.
- More than 83,500 rides were provided on State Fair Express Buses and regular routes that serve the fairgrounds on Sept. 1, a single-day ridership record.
- The Metropass program celebrated its 20th anniversary. The program also saw a record month in October, with pass holders taking nearly 1.2 million rides. Overall for 2018, there were 37,650 pass holders who took more than 12.8 million rides.
- Limited-stop Route 54 service was introduced on Saint Paul's East Side, allowing customers to ride between Maplewood Mall and Mall of American without transferring. It boosted average weekday ridership on Route 54 by about 1,000 rides.

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 more than 1.4 million rides in October 2018, a monthly ridership record.

Average weekday ridership was 42,572, surpassing the 41,000 not expected until 2030. Its annual ridership was 13,796,203.

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

The Metropolitan Council awarded the construction contract for Southwest LRT (METRO Green Line Extension), a 14.5-mile light rail line from Minneapolis to Eden Prairie that will serve some of the region's largest employment centers. Construction will begin in 2019, and service is due to begin in 2023.

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 2018 was 11,159,414, breaking 2017's record high of 10,668,832 rides given, which had broken the previous record set in 2015.

Renovations got underway at the Mall of America Transit Center, the state's busiest transit hub and the southern terminus of the Blue Line. The \$25 million project will make the transit center more inviting, improve access to the mall and make bus operations more efficient. Work will be completed in 2019.

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 2,569 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, gave 787,327 rides, down from 794,000 in 2017, its most successful year ever.

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

A committee including operators, Amalgamated Transit Union leadership and management endorsed a preferred bus operator barrier, following a pilot that included several different models.

The American Public Transportation Association (APTA) presented Metro Transit with a Certificate of Merit at its Bus Safety & Security Awards in 2018. The award recognized efforts to improve safety through repeated and enhanced operator training.

Bus operations had its fifth-best collision avoidance rate since 2000, due in large part to the expertise of the operators and how they are trained. Metro Transit earned an APTA Certificate of Merit for ongoing attention to its bus operator training programs and associated accident reduction.

Light rail operations continue to deliver a strong collision avoidance record.

Metro Transit police rode buses more than 32,000 times and boarded trains nearly 56,000 times, and their fare inspections for all modes (LRT, Northstar Commuter Rail, Bus Rapid Transit) exceeded 2.4 million in 2018.

The Metro Transit Police Department received a Gold Award for Rail Security from APTA for its efforts for safely transporting thousands of Super Bowl fans on gameday and during more than a week of pre-game festivities. To maintain a secure perimeter while still allowing fans to take light rail to U.S. Bank Stadium, ticket holders who took light rail on gameday were pre-screened at light rail stations – a first for the event.

Metro Transit also played a key role in event preparations, hosting table-top drills and exercises and coordinating with more than 75 law enforcement agencies. The preparations helped Metro Transit overcome multiple last-minute challenges, including snow, system and light rail vehicle failures, and a civil disruption on the Green Line.

In 2018, transit police welcomed 16 new full-time officers, who speak seven languages among them in addition to English, and continued to develop strong relationships in the community, focusing especially on partnering with resource agencies for the homeless. Transit police formed a dedicated group of officers, known as the Homeless Action Team, who spend their nights helping people in need.

The team received two paratransit buses to transport people to emergency shelters, including a new Ramsey County facility with spaces reserved only for people brought by transit police. Transit police also received nearly 100 vouchers that can be used to get people into a federally funded rental assistance program.

Construction on the new transit police headquarters continued at the Metro Transit Campus in Minneapolis.

Expansion of Workforce Recruitment, Retention Efforts

Metro Transit and the Amalgamated Transit Union Local 1005 celebrated the start of a bus operator apprentice program that partners new hires with experienced operators during their first year on the job.

A group of 17 aspiring technicians advanced into full-time internship roles, the latest milestone in a program that puts job seekers with little or no experience on a path toward maintenance careers. Some of the first participants in the Metro Transit Technician Training program completed the program and took full-time roles. Metro Transit received a Better Government Award for the program.

A newly formed Workforce Development unit hosted several applicant training sessions for the first time, part of a broader effort to address an operator shortage by assisting job seekers throughout their application process.

Joan Hollick, interim New Starts program director, was named to *Mass Transit* magazine's "Top 40 Under 40" list, and Charles Carlson, director of BRT Projects/Small Starts Development, received WTS Minnesota's Ray LaHood Award.

Nearly 60 top operators, some with 20, 25 and 30 consecutive years of safe driving, were recognized at the annual Ovations banquet.

Continued Improvements in Bus Stops

With progress made in 2018, the Better Bus Stops program's goal is due to be achieved in 2019. The Better Bus Stops program began in 2014 with a goal of bringing 150 new shelters to low-income neighborhoods where most residents are people of color. The program also sought to add heat, light, or both at 75 existing shelters.

Several boarding locations were improved with new or existing shelters in 2018, including a stop outside the Franklin Library on Franklin Avenue, Minneapolis; Seventh Street East and Johnson Parkway, Arcade Street and York Avenue, and Third Street and Maria Avenue in Saint Paul. The latter stop was among about two dozen locations where new waiting shelters were installed.

Metro Transit also completed installation of new bus stop signs at all 12,000+ locations. The agency also rolled out new shelter/kiosk signage at more than 1,000 locations.

Metro Transit continues to work on a number of initiatives to improve wayfinding and customer information at high-volume transfer points, specifically improving access for riders

with disabilities and limited English proficiency. Additionally, the agency is exploring ways to introduce placemaking and community identity elements at bus stop locations.

Maintenance of Bus and Train Reliability

In 2018, a light-rail vehicle became Metro Transit's first to surpass one million miles in service. The milestone came as technicians continued to overhaul the original fleet of 27 Bombardier vehicles, maintaining fleet reliability.

Transit advantages helped buses navigate the Interstate 35W corridor amid one of the largest and most impactful road construction projects in state history, which shifted several express buses off the interstate.

Greater Equity in Fares

The Transit Assistance Program (TAP), which allows qualified individuals to ride for \$1, provided about one million rides in 2018 and the number of people enrolled reached 12,000. Metro Transit introduced the program in 2017.

Increased Popularity of Mobile Ticketing

Introduced in late 2016, Metro Transit's app became increasingly popular throughout the year. By the end of 2018, it had been downloaded more than 179,000 times and mobile ticket sales reached \$2.8 million, more than four times the total sold through the Metro Transit app in 2017.

Ongoing Commitment to Sustainability

After two years of testing, the bus fleet was transitioned to synthetic oil, allowing buses to double their mileage between oil changes without impacting performance.

Production began in 2018 of the electric buses that will be used on the C Line, along with station construction and major road improvements on Penn Avenue. Metro Transit also received the first bus that will go into service when the C Line opens in 2019 and largely replaces Route 19 service. The 60-foot articulated bus will allow for all-door boarding, one of several ways service will be sped up on the METRO line.

Bus Rapid Transit Projects Advancing

The Metropolitan Council approved station plans for the D Line, which will largely replace Route 5, the region's busiest bus route. Plans call for enhanced stations along an 18-mile corridor between the Mall of America and Brooklyn Center.

With federal approval, the METRO Gold Line entered the project development phase, making local expenses eligible for federal reimbursement. Plans for the METRO bus rapid transit line in the Interstate 94 corridor east of Saint Paul continued advancing throughout the year.

The agency secured federal funding for the METRO Orange Line, which will bring bus rapid transit service to I-35W.

Chart 10. Metro Transit Fleet Size & Peak Bus and Car Level, 2009-2018

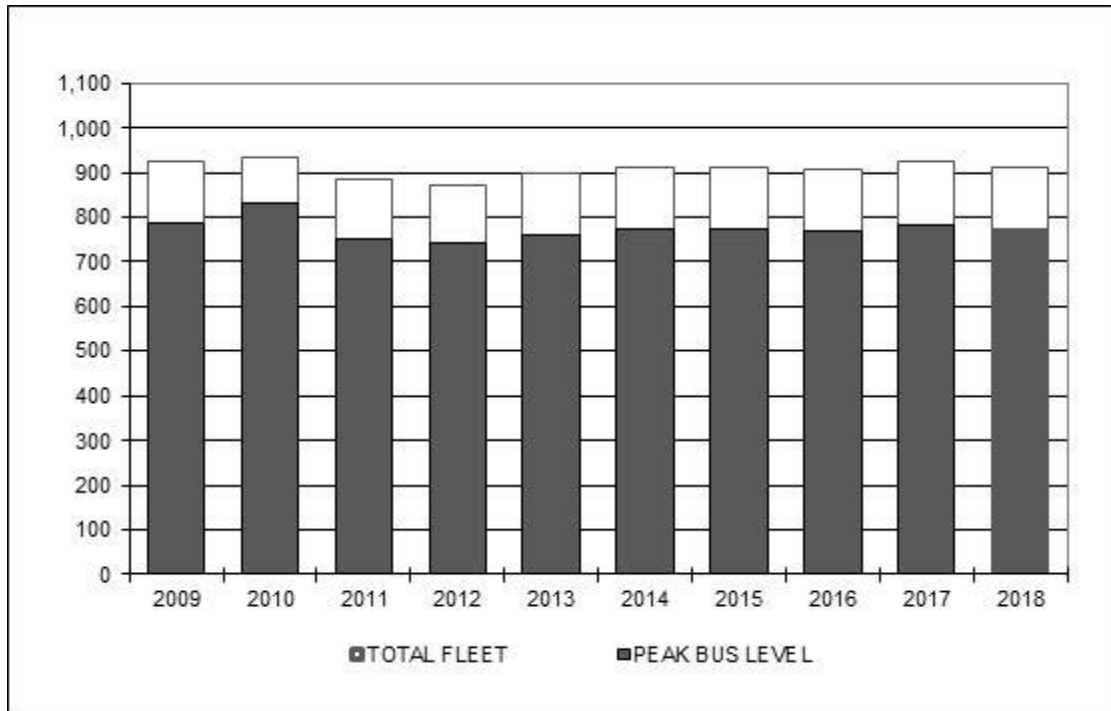


Chart 11. Metro Transit Total Miles Operated, 2009-2018

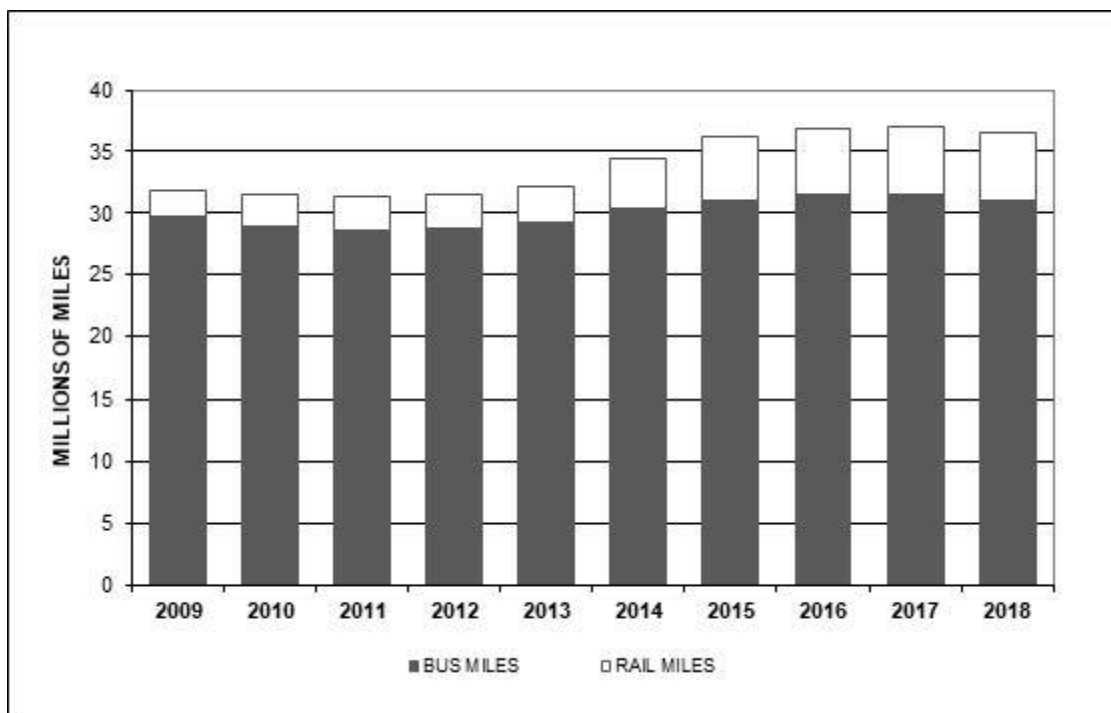


Chart 12. Metro Transit Bus Ridership, 2009-2018

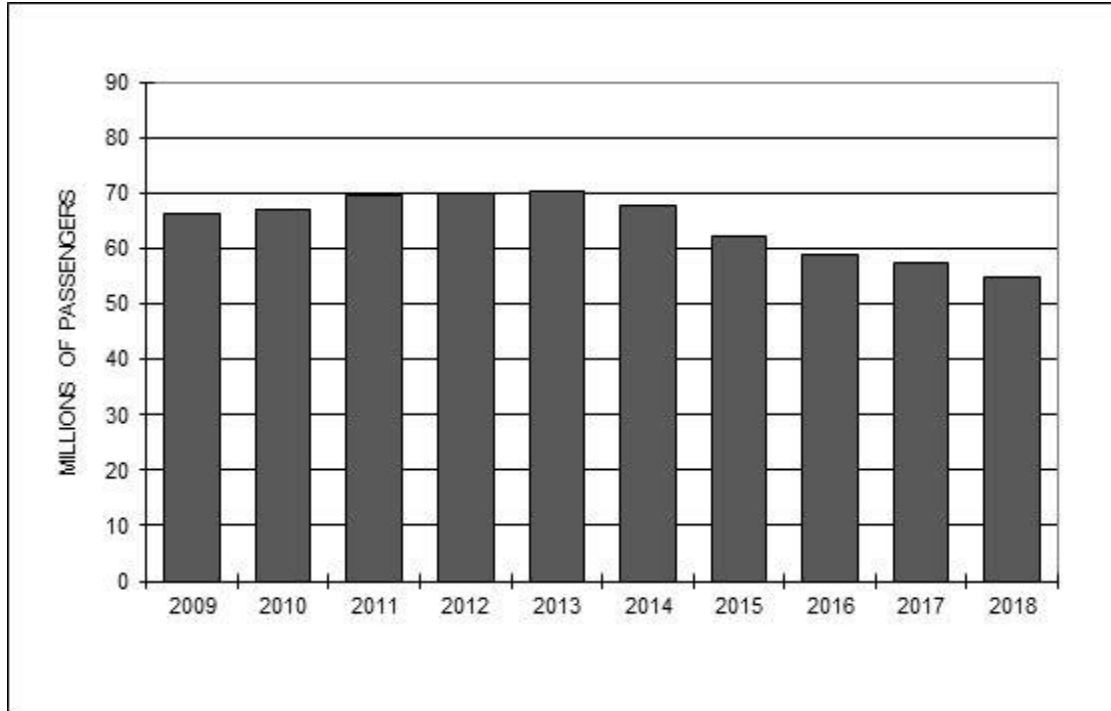


Chart 13. Metro Transit Rail Ridership, 2009-2018

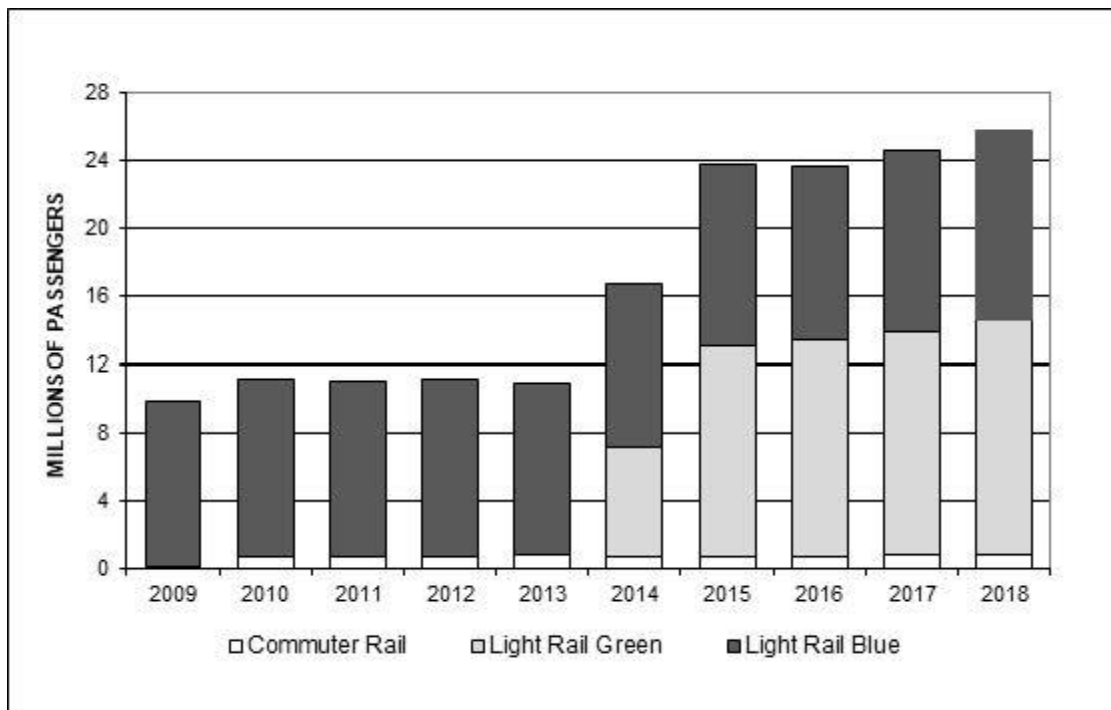


Chart 14. Metro Transit Fare History: Bus & Light Rail, 2009-2018

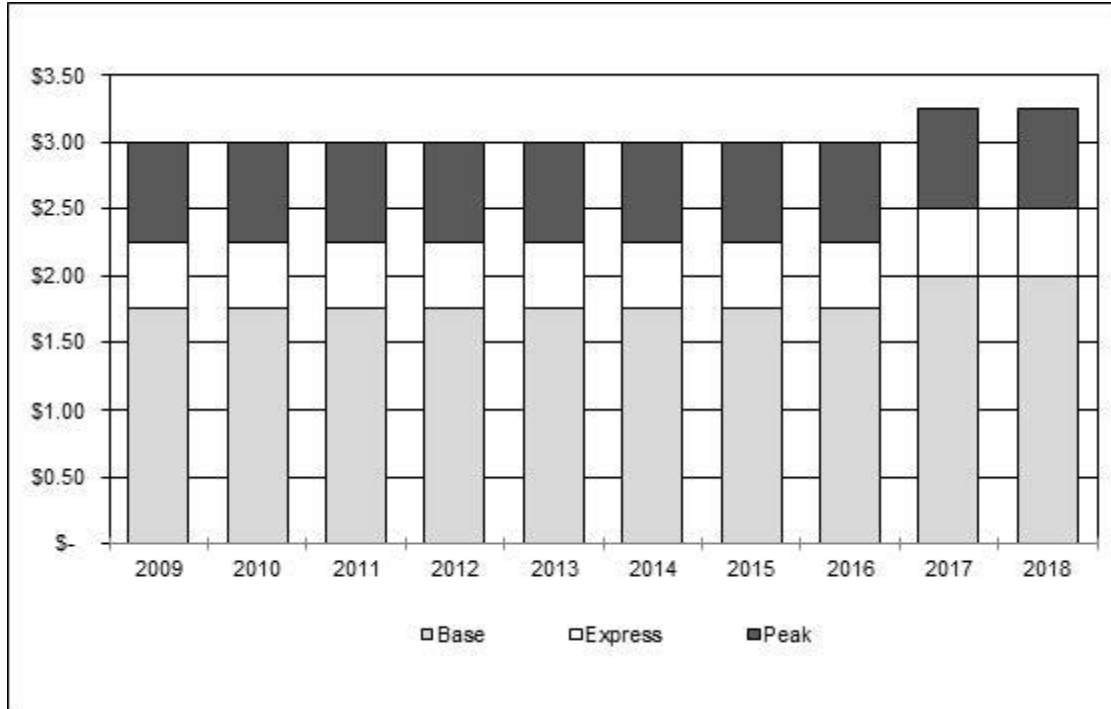
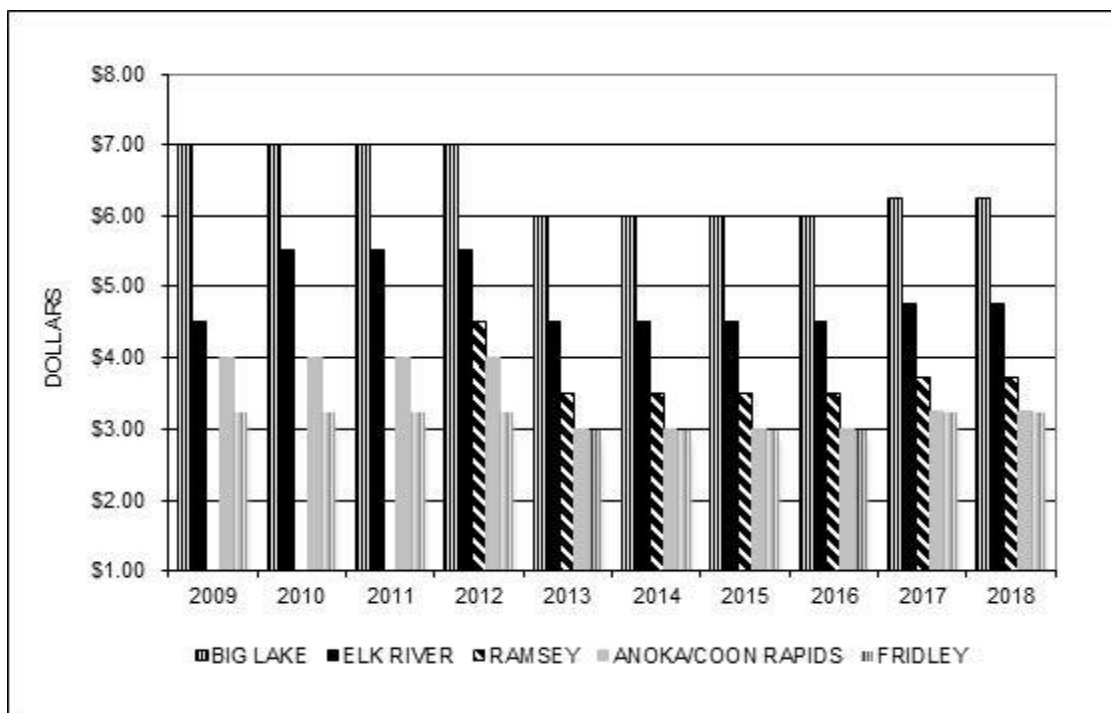


Chart 15. Metro Transit Fare History: Commuter Rail, 2009-2018



Dollar figures reflect a fare increase made October 1, 2017.

Chart 16. Metro Transit Average Daily Trips Missed, 2009-2018

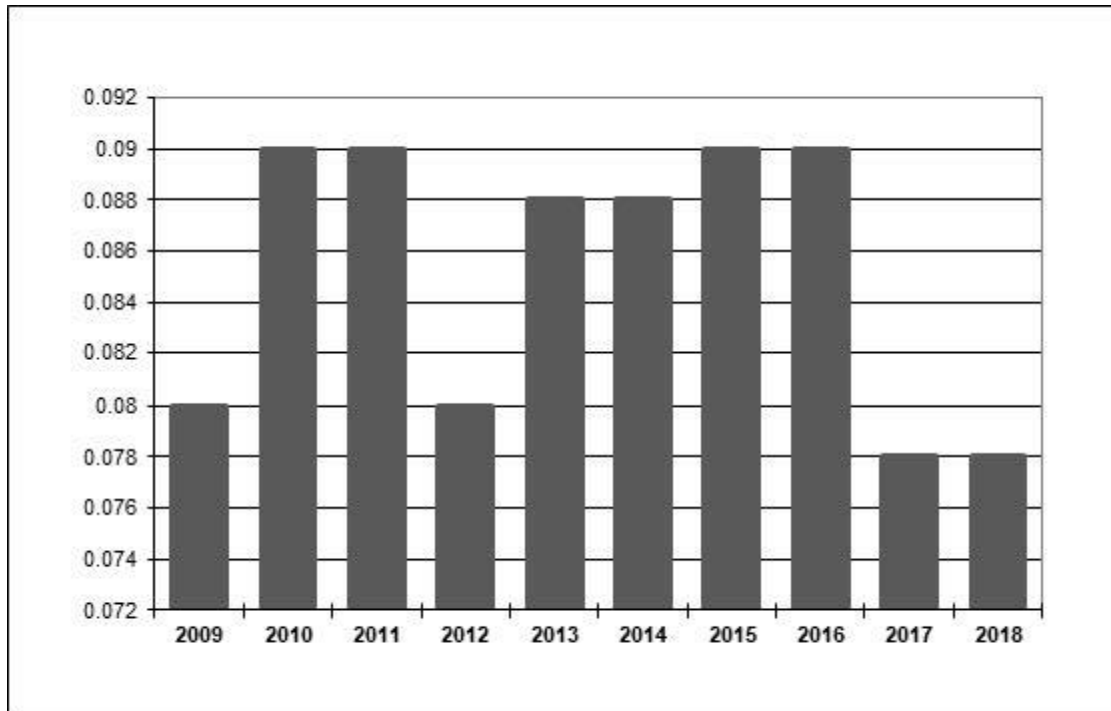


Chart 17. Metro Transit Information Calls Handled, 2009-2018

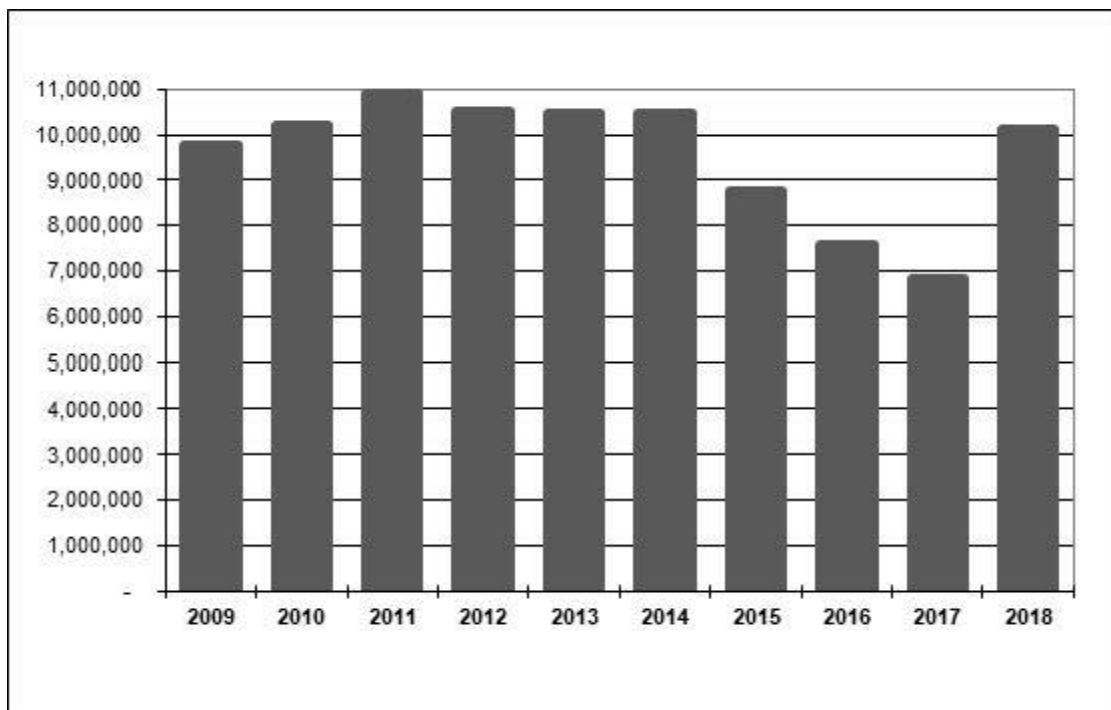
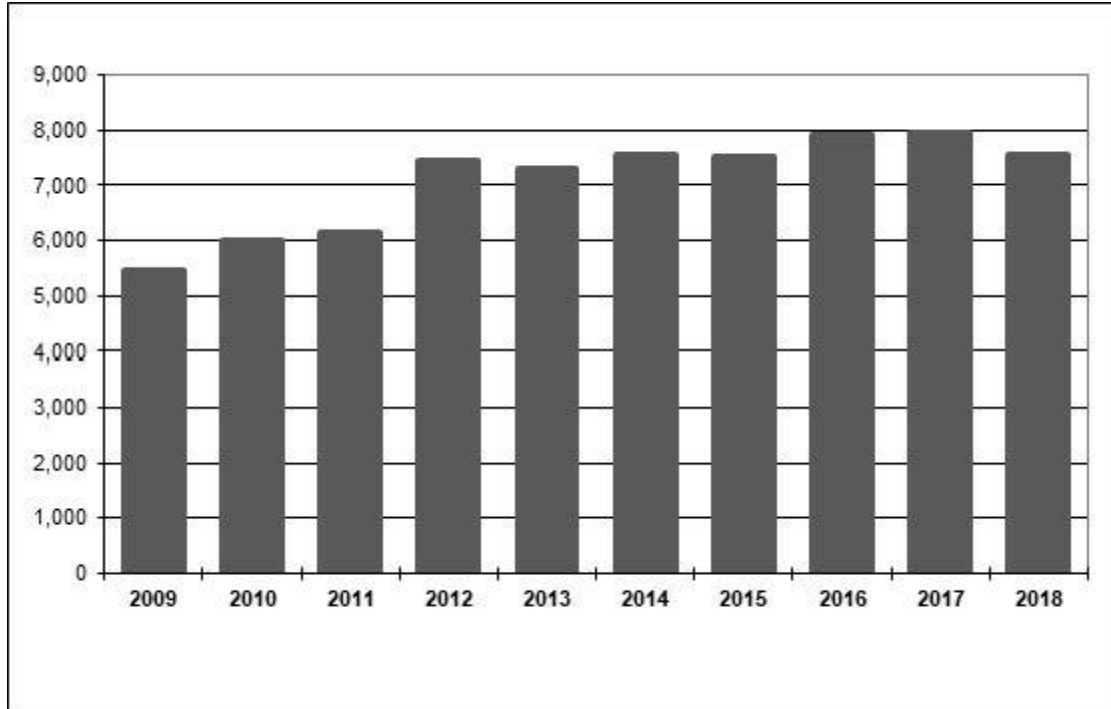
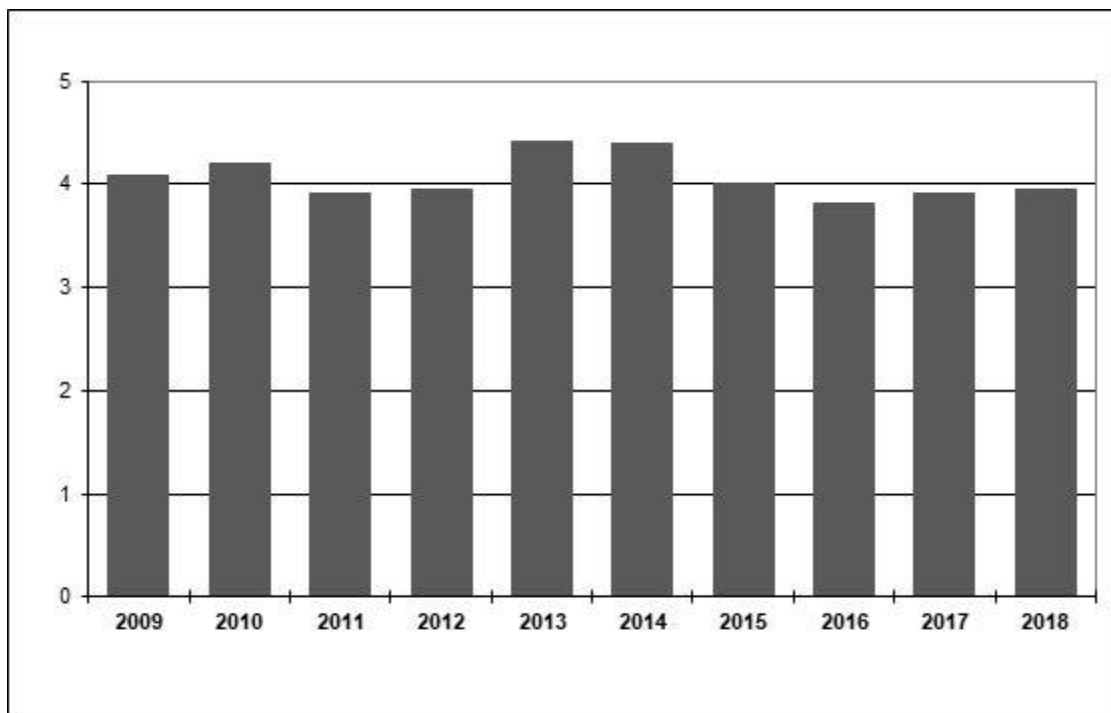


Chart 18. Metro Transit Miles Between Road Failure, 2009-2018



The mileage is the distance traveled in service between mechanical failures. Higher is better.

Chart 19. Metro Transit Accidents per 100,000 Miles Driven, 2009-2018



Note: Numbers show the average number of traffic and passenger accidents per 100,000 miles of bus service.

Environmental Services Division

Overview

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

- Operates and maintains almost 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 about 250 million gallons of wastewater a day.
- Runs eight regional wastewater treatment plants: Blue Lake in Shakopee, Eagles Point in Cottage Grove, East Bethel in East Bethel, Empire in Empire Township, Hastings in Hastings, Metropolitan in Saint Paul, Seneca in Eagan and St. Croix Valley in Stillwater.
- Achieves outstanding compliance with federal and state clean water discharge standards.
- Collaborates with state and federal agencies, local and county governments, watershed management organizations, interest groups and the public to protect the region's water resources as the region's population grows.
- Establishes user fees that pay 100% of wastewater operations and debt service costs, which are below national averages.
- Partnering with more than 800 industrial permit holders, significantly reduces pollutants such as mercury from entering the wastewater collection system.
- Ensures sufficient sewer capacity to support planned development.
- Makes capital investments that support growth, maintain infrastructure and improve water quality.

Environmental Services Mission

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

Environmental Services Vision

Be a valued leader and partner in water sustainability.

Strategic Process

Environmental Services continued executing its five-year (2016-2020) strategic plan in 2018 and identified additional goals for 2019.

The division's 2018 achievements are presented in these categories:

- I. Sustainable Communities
- II. Sustainable Services
- III. Sustainable Infrastructure

I. Sustainable Communities

Work with partners to conserve and utilize the region's groundwater and surface water to protect public health, support economic growth and development, maintain habitat and ecosystem health, and provide recreational opportunities essential to the region's quality of life.

Wastewater Treatment

Environmental Services treatment plants had outstanding performance while complying with clean water discharge permits.

Six 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 2017 and awarded in 2018: Hastings (27 years), St. Croix Valley (26 years), Blue Lake (12 years), Eagles Point (12 years), Empire (9 years) and Metro (6 years). In addition, Seneca received a Gold Award and East Bethel received a Silver Award.

Customer Service

Improving customer service is a primary division goal. As part of 2019 budget planning, Finance staff met with customer community staff and industrial permit holders in late May and early June. Customers gave feedback on proposed 2019 budget and rates while participating in the new “workshop” style meeting which was more interactive and collaborative than in previous years.

Energy Reduction, Recovery, and Conservation

The Council is one of Xcel Energy's largest industrial power customers. To lessen its environmental impact and better manage its finances, Environmental Services is expected to reduce the fossil fuel energy it purchases 10% by 2020 compared with 2015. Also by the end of 2020, the division will have supported important projects that expand and advance renewable and clean energy in Minnesota.

Water Resources Management

In support of the *Water Resources Policy Plan*, Environmental Services staff:

- Carried out training sessions for metro area water monitoring and assessment professionals on tools and equipment to collect and share information on regional water quality and quantity, as well as general water management.
- Collaborated with water resources professionals to ensure adequate drinking resources, promote sustainable treatment plant operations, and maintain high quality water resources. Partnerships included the Twin Cities Water Monitoring and Data Assessment Group, the Citizen Assisted Monitoring Program, the Minnesota Board of Water and Soil Resources (BWSR), Metropolitan Area Water Supply Advisory Committee.
- Monitored and assessed the condition of more than 150 lakes, 22 river sites, 21 stream sites with Environmental Services partners.
- Monitored groundwater levels at treatment plants, helping to optimize facility operation and ensure compliance with permit requirements.

- Evaluated and developed recommendations for allocating funds of BWSR's pilot Watershed Based Funding Program. Stakeholders included staff and representatives from watersheds, cities, counties, townships and the soil and water conservation districts.

II. Sustainable Services

Ensure a high performing organization, including an engaged and innovative workforce that is competent, motivated, and diverse with the opportunity to continuously improve.

Employees in the Workplace

The wastewater collection and treatment industry relies on high technology and major capital outlays. The system operates 24 hours a day, 7 days a week, 365 days a year. Environmental Services employees (683 full-time equivalents) work at multiple facilities throughout the seven-county Twin Cities metro area. Types of jobs include administrative support staff, construction inspector, electrician, engineer, environmental scientist, GIS specialist, lab tech, interceptor service worker, machinist, pipefitter, plant operator, and software technician.

Environmental Services Workforce Plan

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

In 2018, Environmental Services staff:

- ***Outreach.*** Hosted more than 108 career-focused facility tours, career panels, info sessions and informational interviews (up 30% from 2017).
- ***Recognition.*** Gave 87 exceptional performance awards and 89 peer-to-peer awards.
- ***Hiring Process.*** Worked with hiring managers to review and reduce "hiring bias" in job postings, minimum job requirements, and candidate screening methods. As a result, the current list of eligible plant operator candidates consists of more than 41% people of color.
- ***Leadership Development.*** Collaborated with regional partners by having five division employees participate in an industry-specific leadership development program. In addition, 11 employees participated in a year-long learning program to gain skills to enable organizational and systemic change.
- ***Diversity.*** Increased workforce diversity to 12.2% in 2018 from 9.9% in 2015.

Governor Award

Environmental Services received the Minnesota Governor's Better Government Award in the category of Great Places to Work category. The award recognized the division's "Teacher Externship" collaboration with local educators in developing curriculum to support STEM jobs.

Safety

2018 safety measure results:

- Recordable incidents declined to 4 from 9 in 2017.
- Lost-time incidents decreased from 4 to 5 in 2017.
- Days Away (from work) decreased to 383 from 473 in 2017.

III. Sustainable Infrastructure

Ensure reliable, affordable wastewater infrastructure that provides best long-term regional value.

Asset Management

Environmental Services continued improving asset management practices to sustain customer levels of service and reduce lifecycle costs. Improvements in 2018 included completion of:

- Guidance and process for capital program development.
- Guidance and process for capital project delivery.
- Documentation of roles, responsibilities, and schedule for capital project delivery process improvements.
- Records dashboard pilot.
- Permanent records guidance.
- Revision of project delivery analysis documents; new templates added.
- Commissioning plans for Seneca Treatment Plant's Solids Improvement Project pilot.

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

- Facility Asset Management Plans.
- Two-year Facility Budgeting Plans.
- Risk Management Plan.
- Business Process Risk Assessment Pilot (Seneca Treatment Plant).
- Asset Lifecycle Costing Plant/Process, data input.
- Competency Development Plan (Uptime Elements Academy rollout).

Asset management improvements related to the set up and implementation of a reliability program included completion of:

- Reliability Engineering Program/Resource needs draft plan.
- Criticality Analysis of Interceptor Services Business Unit.
- PM Optimization Interceptor Services Business Unit.
- Criticality Analysis of Seneca Incineration.

Environmental Services 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 2018, described below.

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

- Empire Plant – Improvements to solids processing.

Finance

Environmental Services keeps the service rates competitive. A three-year NACWA survey shows the rates are 40% lower than those of similarly sized wastewater treatment facilities across the country.

In addition, wastewater service charges in the Twin Cities metro area (about \$24 a month per household) are lower than most household utility charges, such as gas, electricity and telecommunications[?]. Environmental Services is committed to improving its budgeting and forecasting accuracy and transparency based on recommendations and feedback from customers and auditing its own processes.

Highlights include:

- Received AAA bonding, the highest credit rating, from Standard & Poor's and Moody's, which means low-interest rate loans will be available to the Council.
- Kept rate increases at or lower than 4%.
- Completed 2018 within budget/

Inflow and Infiltration (I/I) Reduction Program

An inflow/infiltration task force was appointed in 2016 to develop recommendations to support efforts of communities in the region to reduce I/I from local and regional wastewater systems.

The task force included a member of the Metro Council board, staff from Metro Cities, and representatives from 19 communities with experience in public works, wastewater utilities, finance, and city management.

The task force reviewed information showing 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 completed recommendations of the task force include:

- Develop a robust public outreach program that incorporates proper maintenance of wastewater collection systems, stewardship of sanitary sewer laterals serving private property, and impacts of I/I.
- Support efforts to secure funding for public and private I/I mitigation projects, including state bonds and Clean Water Legacy funds. If new funding is approved, customer communities would provide advice in developing the details of the program.
- Develop a model ordinance in conjunction with the League of Minnesota Cities, Metro Cities, and local communities.
- Design and implement a private property I/I mitigation demonstration project to **measure the impact on wastewater flows.**

The Metropolitan Council continued working on the following recommendations in 2018:

- Develop best practices for an inspection program to assess sewer lines serving private property.
- Continue the regional planning policy of balancing regional standards with the needs of local communities to tailor programs to their individual circumstances.
- Review the peak-hour factors used to develop I/I goals at the time that the 2050 Water Resources Policy Plan is prepared.
- Consider the provision of financial assistance through regional sources to provide assistance to communities for private property I/I mitigation.
- Investigate the ability to develop master contracts that could be used by communities for private property I/I inspections and repairs.

Industrial Pretreatment Incentive Program

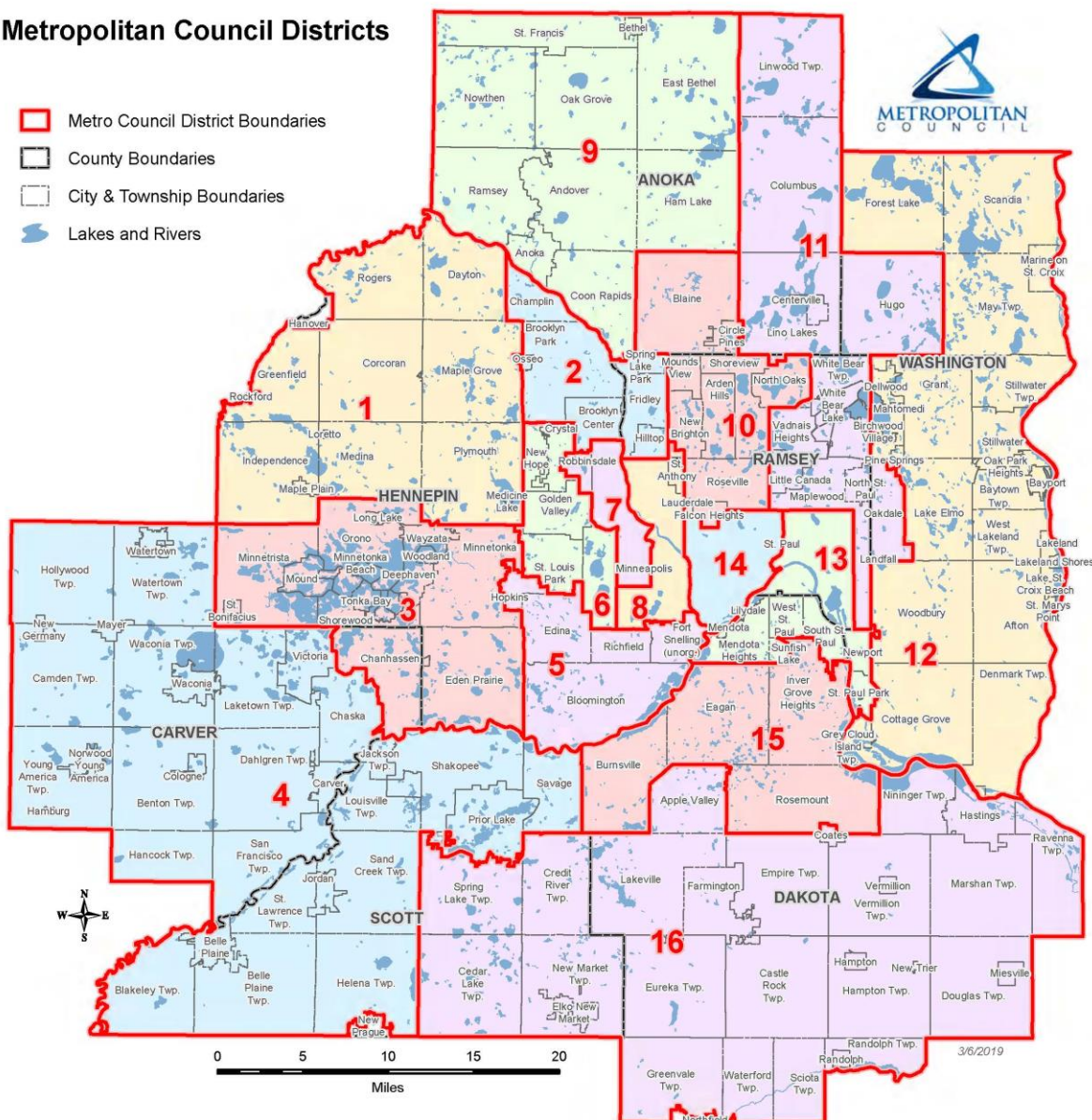
High-strength waste “loads” require more treatment steps and costs than typical wastewater flows. Reducing high-strength waste reduces Environmental Services operating expenses, defers certain plant expansion costs, and lowers discharge fees for the permit holder.

To prevent it from entering the wastewater system, the division works with its industrial customers in a variety of ways. Environmental Services initiated the Industrial Pretreatment Incentive Program (IPIP) to encourage its high-strength industrial dischargers to install pretreatment equipment at their facilities.

When IPIP was initiated in 2015, five industries applied to participate. Of those five, two signed a contract to participate and began installing equipment in 2018 with completion planned by 2019.

Appendix: Maps and Budget Summary

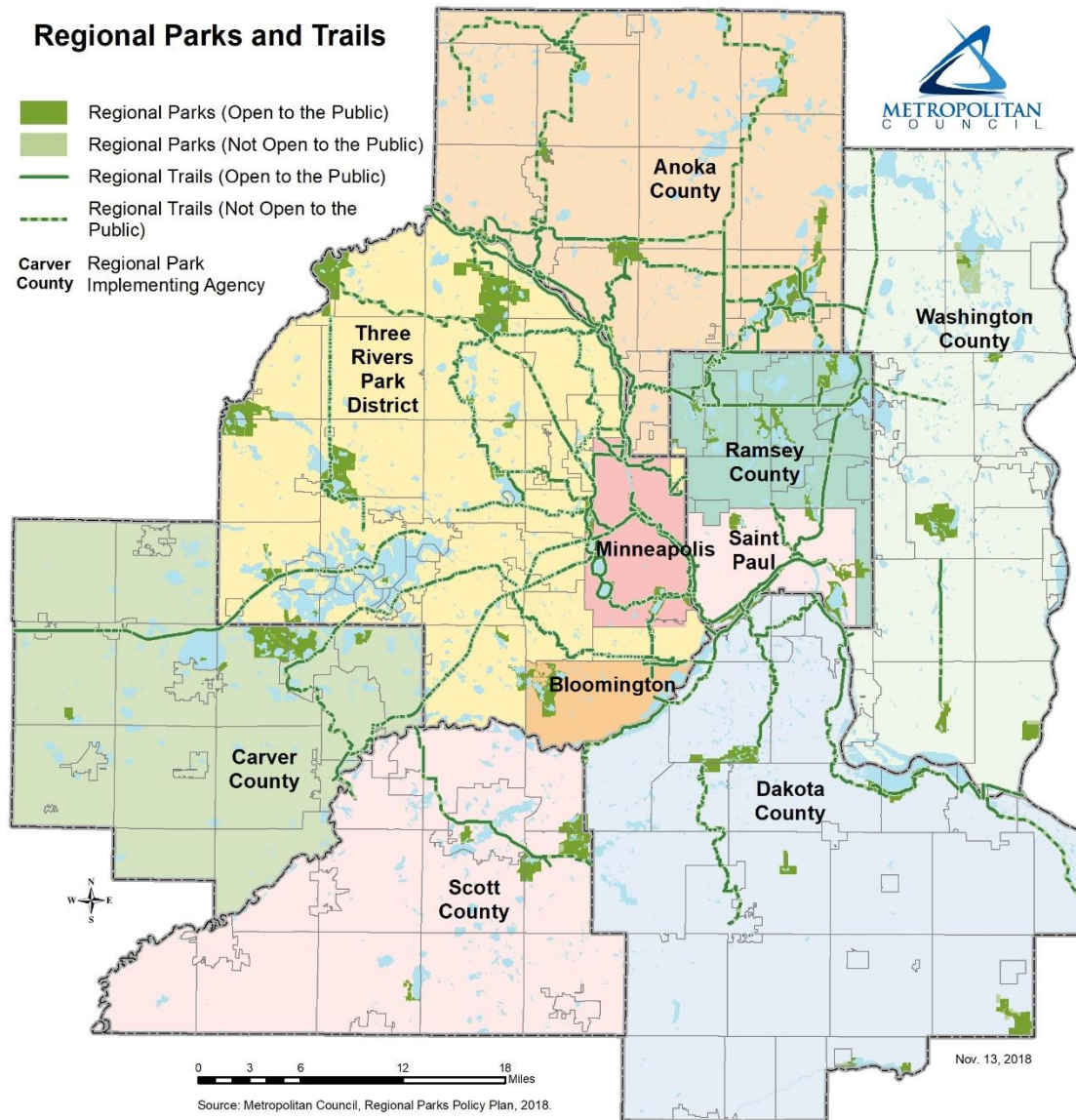
Metropolitan Council Districts



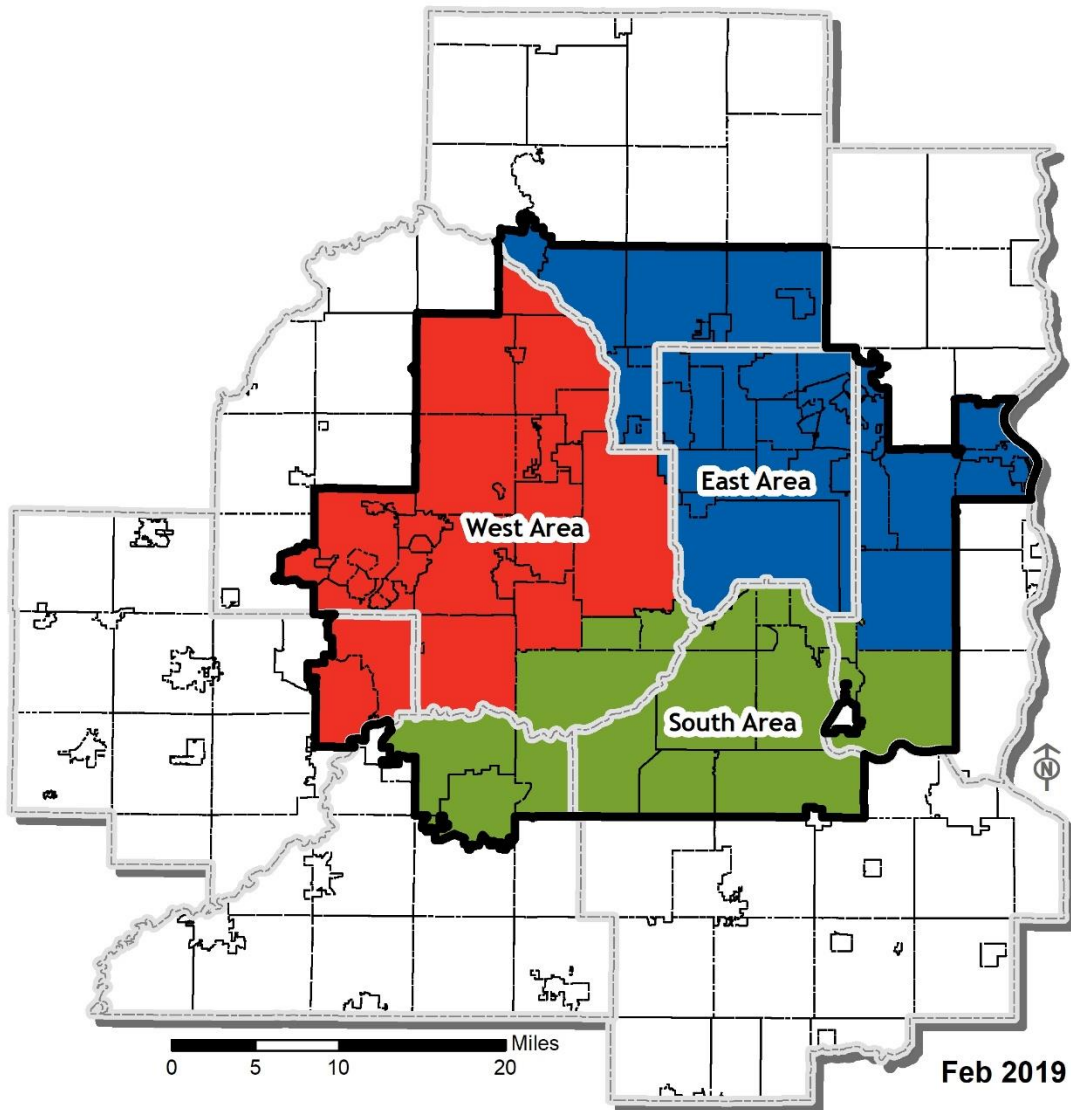
Chair Nora Slawik

District		District	
1	Judy Johnson	9	Raymond Zeran
2	Reva Chamblis	10	Peter Lindstrom
3	Christopher Ferguson	11	Susan Vento
4	Deb Barber	12	Francisco Gonzalez
5	Molly Cummings	13	Chai Lee
6	Lynnea Atlas-Ingebretson	14	Kris Fredson
7	Robert Lilligren	15	Phillip Sterner
8	Abdirahman Muse	16	Wendy Wulff

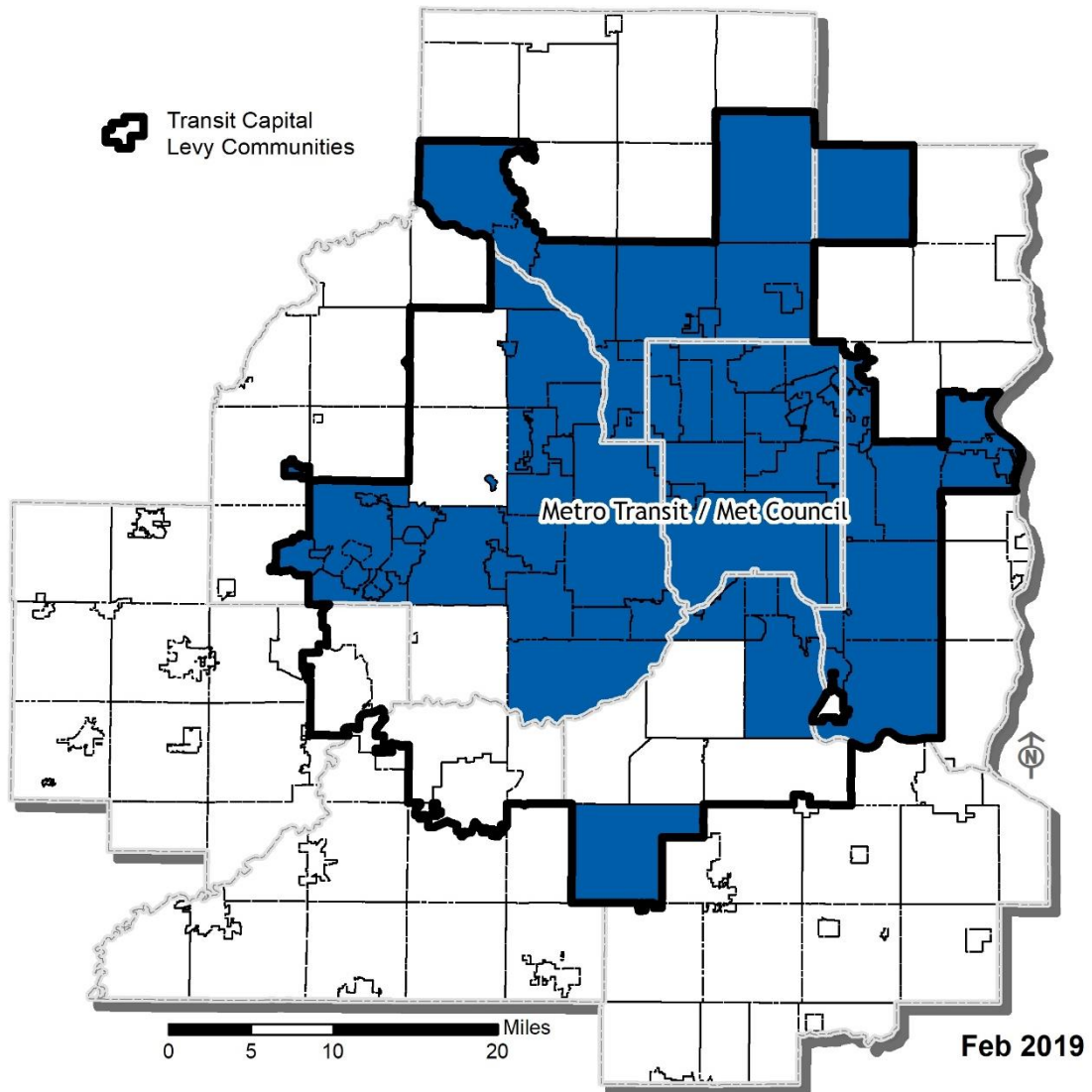
Source: Metropolitan Council Redistricting Plan passed by the state legislature on May 17, 2013. Boundaries re-aligned with municipal and county boundaries and NCompass Street Centerlines.



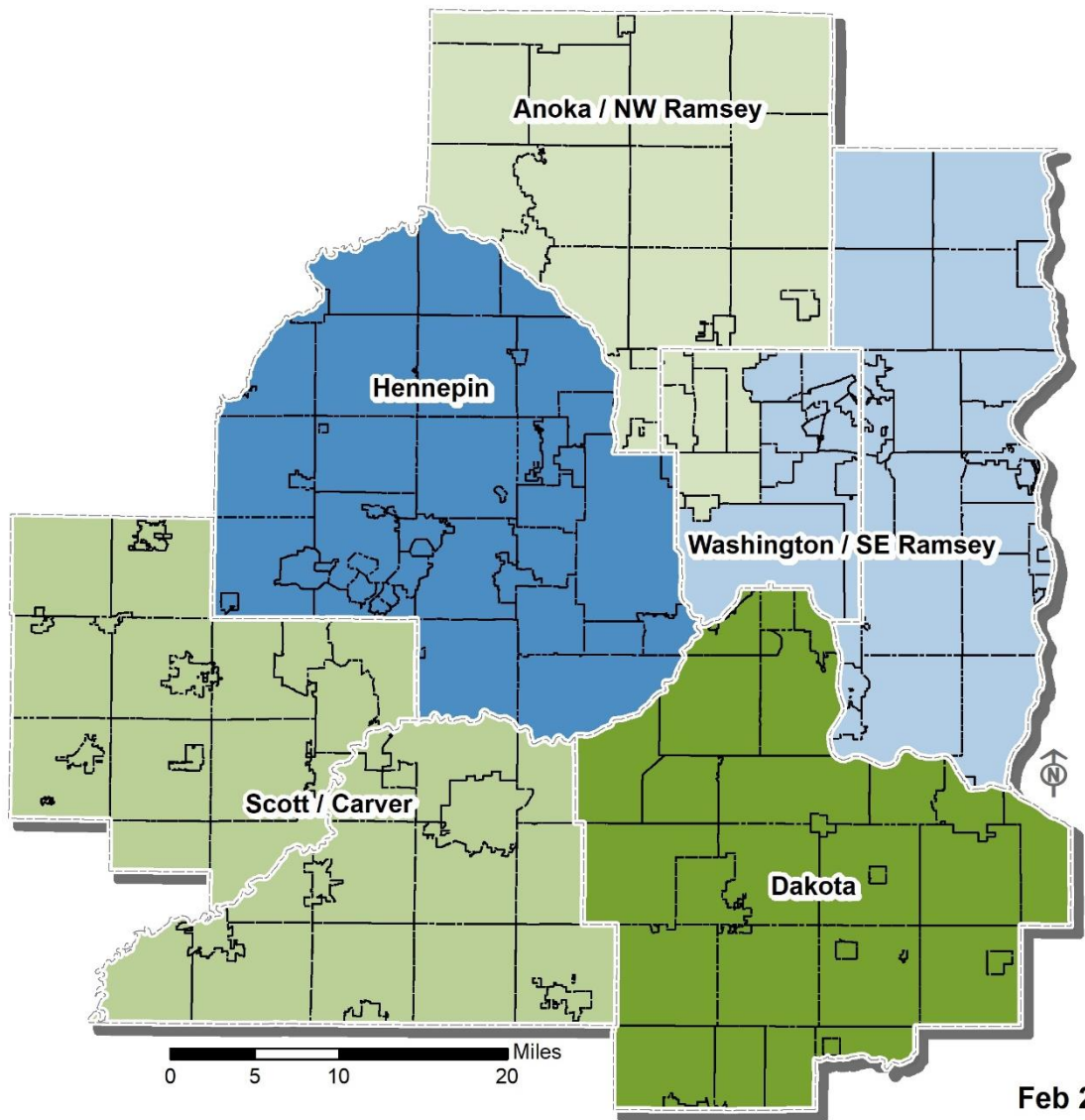
Metro Mobility ADA Services



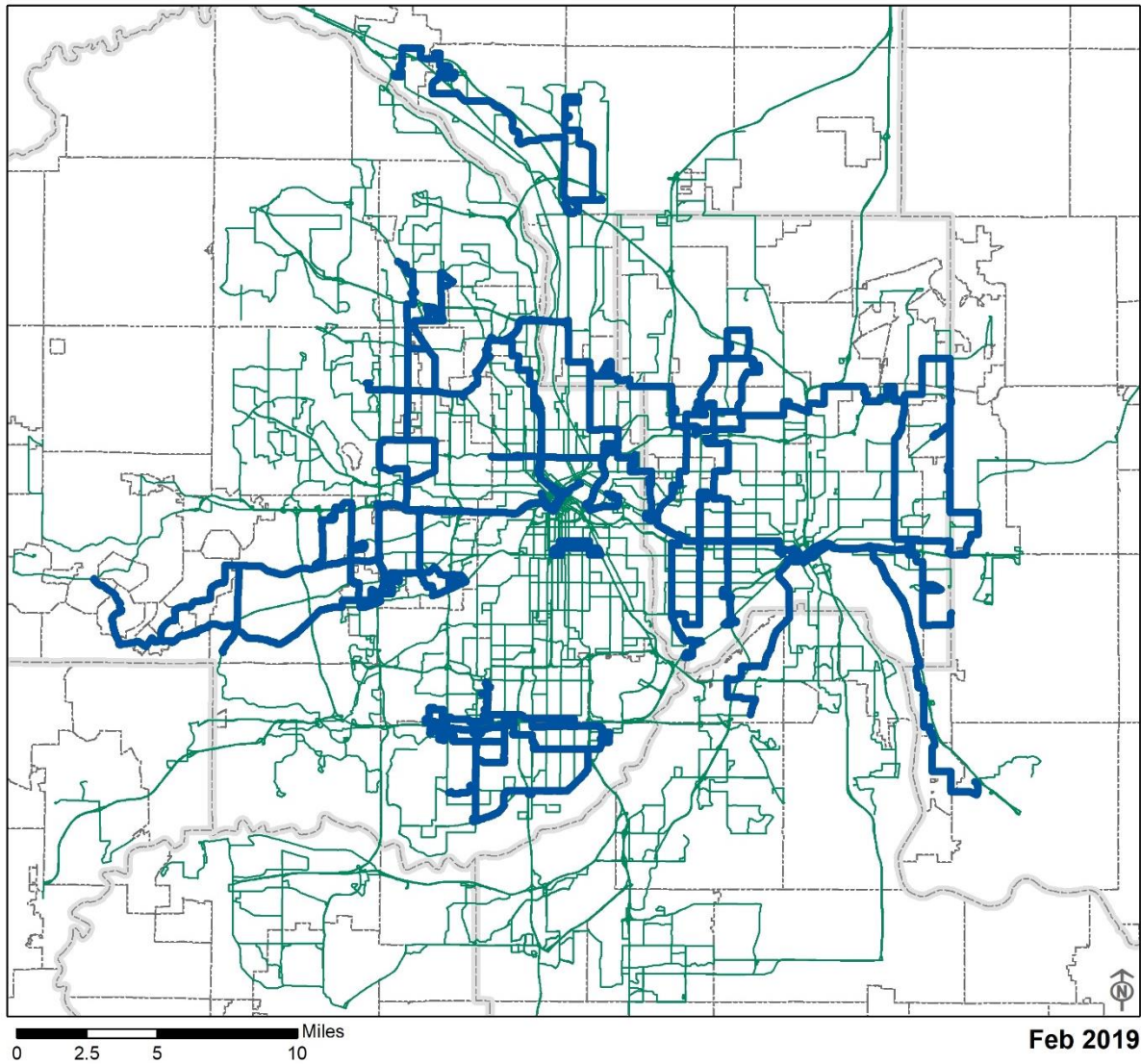
Metro Transit / Metro Council Service Area



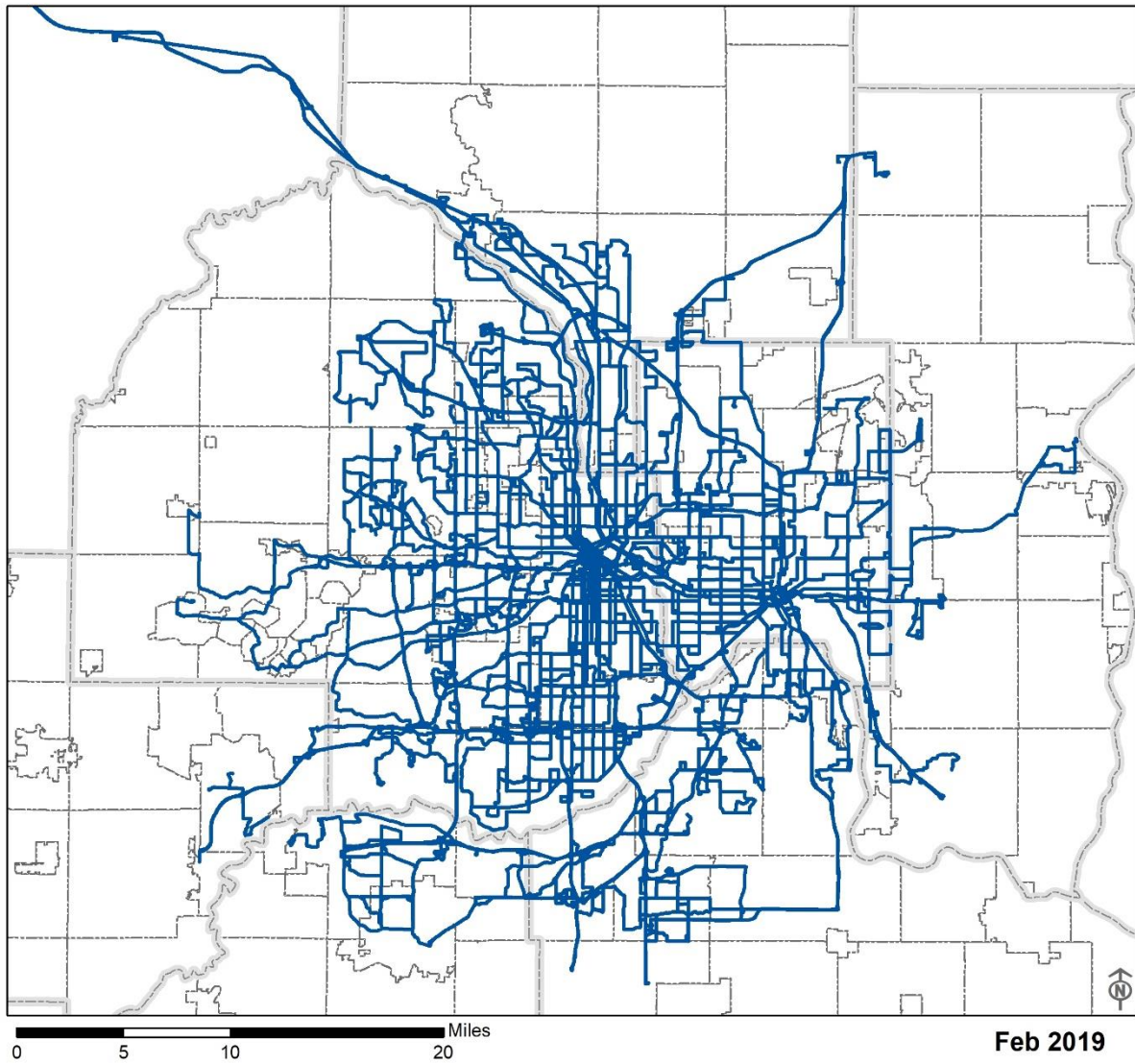
Transit Link Dial-a-Ride Service Area



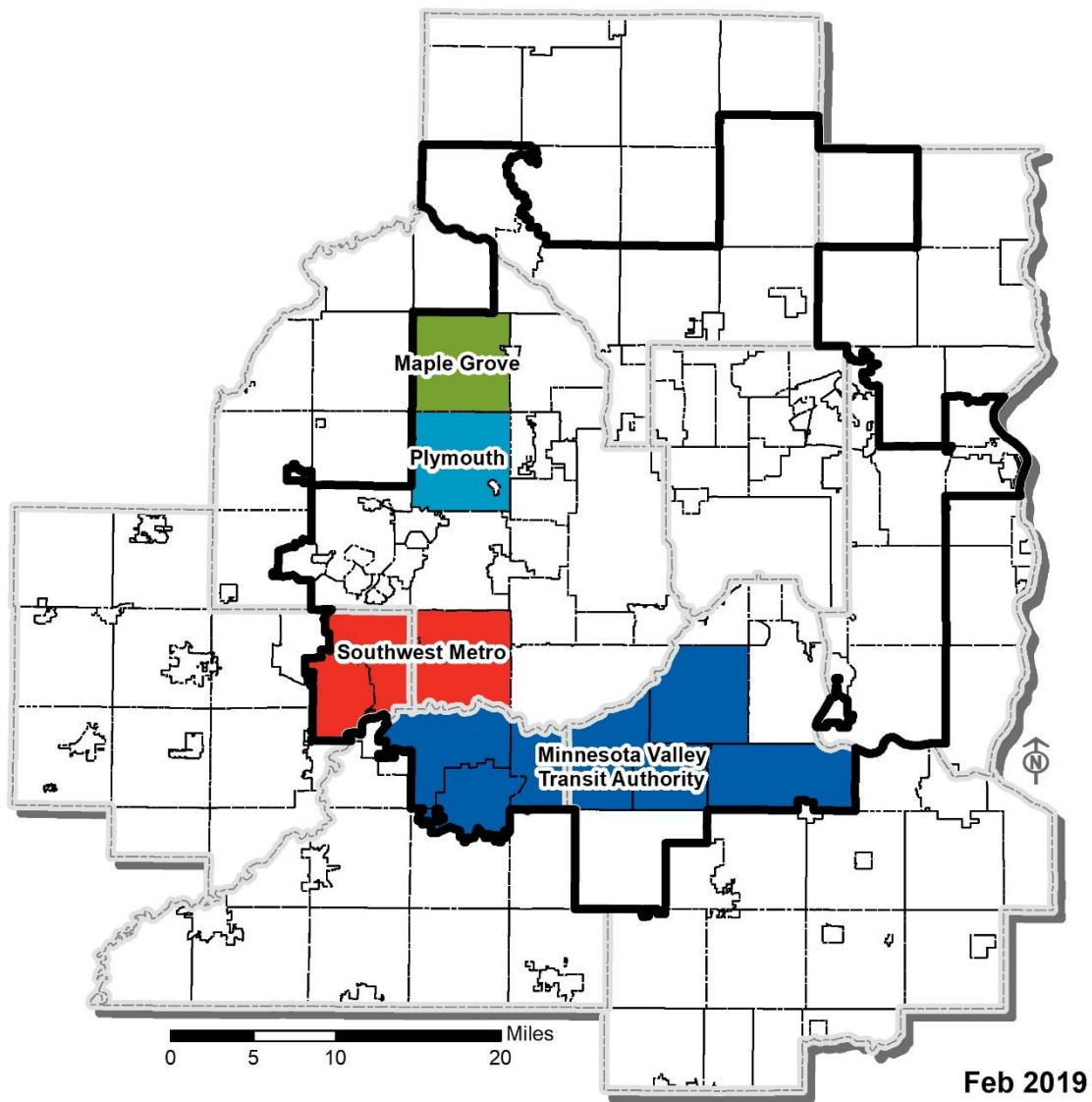
Privately Contracted Regular Route Transit



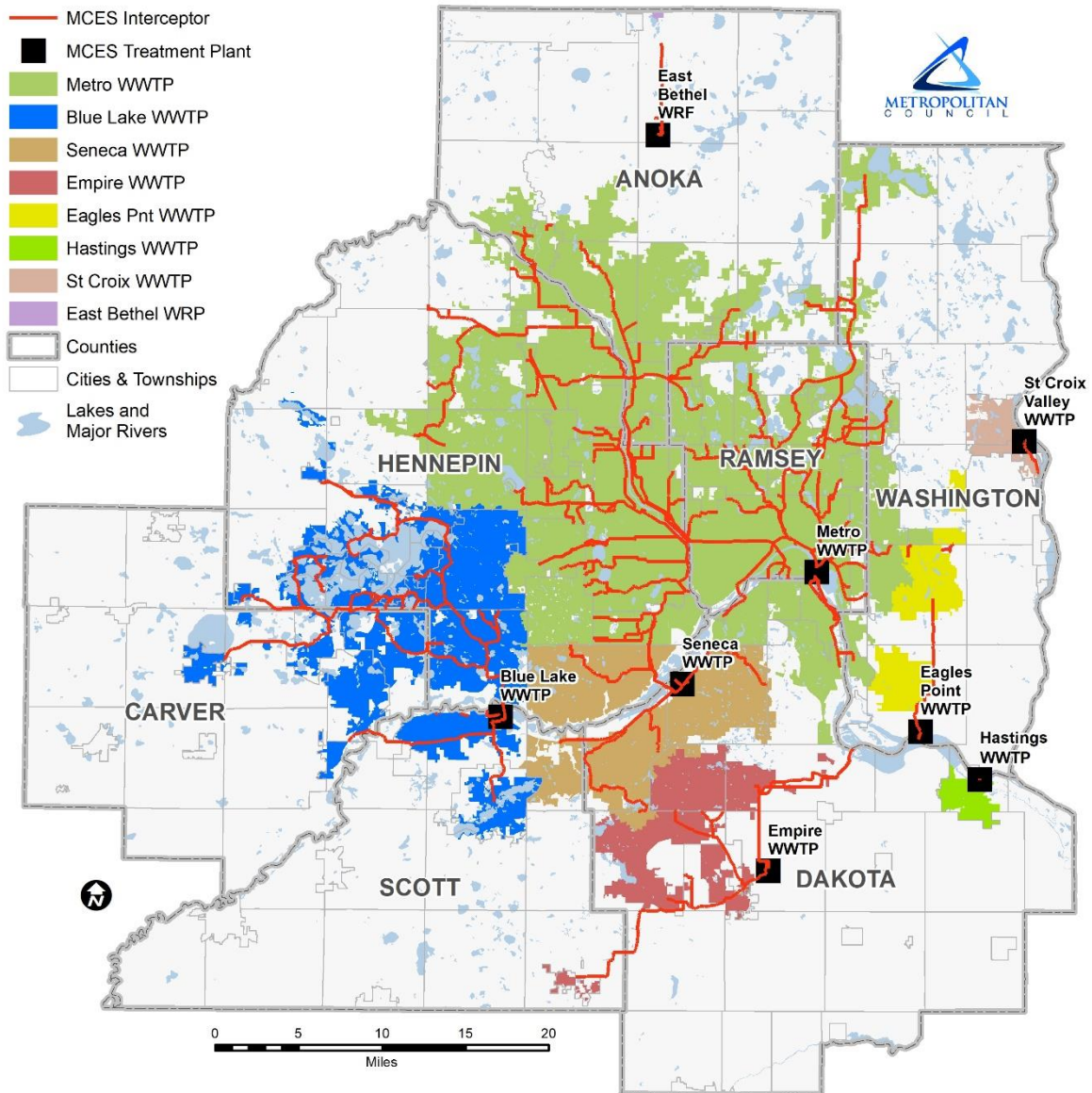
Metropolitan Area Regular Route Transit Service



Suburban Transit Providers



Wastewater Treatment Plants and Interceptors



Metropolitan Council 2018 Budget Summary (\$ in 000s)

	REGIONAL ADMINISTRATION /COMMUNITY DEVELOPMENT AND HRA OPERATING ONLY			ENVIRONMENTAL SERVICES DIVISION INCLUDING DEBT SERVICE			TRANSPORTATION DIVISION OPERATING ONLY		
	BUDGET	(Unaudited) Actual Ledger Year-to-Date	Favorable (Unfavorable) VARIANCE	BUDGET	(Unaudited) Actual Ledger Year-to-Date	Favorable (Unfavorable) VARIANCE	BUDGET	(Unaudited) Actual Ledger Year-to-Date	Favorable (Unfavorable) VARIANCE
Revenues:									
Property Taxes.....	\$ 14,905	\$ 14,819	\$ (86)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Revenue.....	5,015	5,241	226	-	-	-	54,327	26,610	(27,717)
State Revenue.....	148	143	(5)	1,648	100	(1,548)	345,649	347,960	2,311
Local Revenue/Other Gov't Revenue.....	-	277	277	-	-	-	34,995	30,220	(4,775)
ES Fees.....	-	-	-	233,430	239,731	6,301	-	-	-
Fares & Related Revenue.....	-	-	-	-	-	-	117,154	116,079	(1,075)
Interest.....	536	947	411	800	1,611	811	525	3,203	2,678
Other Revenue.....	6,038	6,540	502	605	1,206	601	1,281	1,711	430
Total Revenues.....	\$ 26,642	\$ 27,967	\$ 1,325	\$ 236,483	\$ 242,648	\$ 6,165	\$ 553,931	\$ 525,783	\$ (28,148)
Expenditures:									
Salaries, Wages, & Fringes.....	\$ 48,682	\$ 47,223	\$ 1,459	\$ 66,050	\$ 64,199	\$ 1,851	\$ 327,242	\$ 299,495	\$ 27,747
Consulting & Contractual.....	21,002	17,278	3,724	20,303	17,588	2,715	27,189	20,212	6,977
Materials & Supplies.....	680	1,823	(1,143)	10,132	12,752	(2,620)	52,392	47,307	5,085
Chemicals.....	-	-	-	8,699	7,379	1,320	-	-	-
Rent & Utilities.....	5,453	5,688	(235)	16,289	18,560	(2,291)	11,664	10,824	1,140
Printing.....	153	21	132	37	7	30	482	395	87
Travel.....	619	702	(83)	496	390	106	736	559	177
Insurance.....	130	132	(2)	1,135	1,458	(323)	6,412	2,011	4,401
Operating Capital.....	1,805	1,133	672	3,177	1,877	1,300	274	242	32
Debt Service Expense.....	-	-	-	131,000	131,000	-	-	-	-
Other Expense.....	6,762	3,596	3,166	4,833	1,990	2,843	9,506	6,380	3,126
Transit Programs.....	-	-	-	-	-	-	87,548	87,180	368
Total Expenditures.....	\$ 85,286	\$ 77,586	\$ 7,690	\$ 262,161	\$ 257,230	\$ 4,931	\$ 523,745	\$ 474,605	\$ 49,140
Operating Income/(Loss).....	\$ (58,644)	\$ (49,629)	\$ 9,015	\$ (25,678)	\$ (14,582)	\$ 11,096	\$ 30,186	\$ 51,178	\$ 20,992
Other Financing Sources (Uses):									
Transfers from.....	\$ 64,148	\$ 61,617	\$ (2,531)	\$ 42,729	\$ 42,643	\$ (86)	\$ -	\$ -	\$ -
Transfers To.....	(10,456)	(9,853)	603	(25,221)	(24,231)	990	(41,719)	(38,269)	3,450
Total Other Financing Sources (Uses).....	\$ 53,692	\$ 51,764	\$ (1,928)	\$ 17,508	\$ 18,412	\$ 904	\$ (41,719)	\$ (38,269)	\$ 3,450
Surplus/(Deficit).....	\$ (4,952)	\$ 2,135	\$ 7,087	\$ (8,170)	\$ 3,830	\$ 12,000	\$ (11,533)	\$ 12,909	\$ 24,442

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