

## Transportation Committee

For the Metropolitan Council meeting of August 12, 2020

**Subject:** Extend University of Minnesota Revenue Contracts One Year

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to:

1. Execute a one-year extension of the Upass agreement with the University of Minnesota for student participants for the period of August 29<sup>th</sup>, 2020 to August 31<sup>st</sup>, 2021, and;
2. Execute a one-year extension of the Metropass agreement with the University of Minnesota for staff and faculty participants for the period of October 1<sup>st</sup>, 2020 to September 31<sup>st</sup>, 2021, and;
3. Execute a one-year extension of the Campus Zone Pass agreement with the University of Minnesota for staff and faculty participants for the period of August 26<sup>th</sup>, 2020 through August 31<sup>st</sup>, 2021.

### Summary of Committee Discussion/Questions

Metro Transit Revenue Collections Senior Manager Nick Eull introduced Metro Transit Revenue Operations Supervisor Lisa Anderson who presented this item. Cummings asked if the contracts take into account the changes in enrollment. Andersson answered that the contracts are based on previous years but that there is a lot of unknown at this time and students will see some sort of changes. Chamblis asked if the contract will be monitored throughout the year in regard to pass usage. Anderson replied that the contracts are monitored monthly with U of M regarding sales, but staff will monitor ridership as well.

Motion by Zeran, seconded by Gonzalez. Motion carried, **consent** to Council.

## Transportation Committee

Meeting date: July 27, 2020

For the Metropolitan Council meeting of August 12, 2020

<b>Subject:</b>	Extend University of Minnesota Revenue Contracts One Year
<b>District(s), Member(s):</b>	All Council Members
<b>Policy/Legal Reference:</b>	Income/Grants Policy 3-2-2 – Income contracts exceeding \$500k
<b>Staff Prepared/Presented:</b>	Wes Kooistra, General Manager (612-349-7510) Edwin D. Petrie, Director of Finance (612-349-7624) Nick Eull, Senior Manager, Revenue Operations (612-349-7364) Lisa Anderson, Supervisor, Revenue Operations (612-349-7626)
<b>Division/Department:</b>	Metro Transit

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1. Execute a one-year extension of the Upass agreement with the University of Minnesota for student participants for the period of August 29<sup>th</sup>, 2020 to August 31<sup>st</sup>, 2021, and;
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### Background

A combination of deeply discounted fares for students, staff and faculty are provided to the University of Minnesota to drive transit growth at this key institution in the Twin Cities. Students are eligible for a semester-based Upass at a current price of \$114/semester, while employees and faculty are eligible for the monthly-based Metropass with a current monthly cost of \$83. The Campus Zone Pass was introduced in 2014 with the launch of the Green Line at a cost of \$8/semester and provides for rides between West Bank, East Bank, and Stadium Village stations on the Green Line.

- Upass ridership continues to be an important source of rides for Metro Transit, as well as a key source of revenues. There were about 2.9 million rides taken on Upass in 2019, and Upass generated about \$3.5 million in revenues. Upass base price/card has a provision for annual adjustments as determined by Metro Transit staff.
- Campus Zone Pass generated 191K rides in 2019 and generated \$165k in revenues.
- University of Minnesota employees and faculty took 760,126 rides using Metropass in 2019 and generated about \$1.8M in revenues.

### Rationale

Approval of the extension of these agreements with the University of Minnesota will allow Metro Transit to continue to provide affordable quality transit service to students, employees, and faculty of the University of Minnesota.

## **Thrive Lens Analysis**

These agreements with the University of Minnesota provide for transit options for all students, employees, and faculty. The Upass is a great option for all students and provides for significantly discounted transit for students who otherwise might not be able to afford to commute regularly to the University or afford to park on campus. Metropass provides for an excellent transit option for employees at the University of Minnesota who otherwise might not be able to afford to drive or park at the University campus. Campus Zone Pass provides a discounted transit option to students living on or near campus.

## **Funding**

The funding for these fare products will be financed directly by the University of Minnesota and paid directly to Metro Transit. The pass revenues generated by these University of Minnesota contracts have been included in 2020 and future Metro Transit operating budgets.

## **Known Support / Opposition**

There is no know opposition.