# Committee Report

Transportation Committee

METROPOLITAN
C O U N C I L

**Committee Meeting Date:** July 10, 2023          **For the Metropolitan Council:** July 26, 2023

## Business Item: 2023-156

Authorization to Apply for Section 5311 Formula Grants for Rural Areas Funding

Resolution 2023-9

### Proposed Action

That the Metropolitan Council approve resolution 2023-9 authorizing the Regional Administrator to apply for Section 5311 Formula Grants for Rural Areas funding for the 2023 funding cycle from the Minnesota Department of Transportation to support Transit Link dial-a-ride services for the 2024 calendar year.

### Summary of Transportation Committee Discussion/Questions

This item was on the Consent list. Motion by Morales, seconded by Carter, Tyronne. Motion carried to approve all Consent items.

## Business Item: 2023-156

Authorization to Apply for Section 5311 Formula Grant for Rural Areas Funding - Resolution 2023-9

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|---|---|
| **District(s), Member(s):** | All |
| **Policy/Legal Reference:** | Policy FM15-1 INCOME/GRANTS |
| **Staff Prepared/Presented:** | Charles Carlson, Executive Director MTS (651)602-1761 |
| | Gerri Sutton, Director Contracted Transit Services (651)602-1672 |
| | John Harper, Manager Contracted Transit Services (651)602-1744 |
| | Sheila Williams, Senior Project Administrator (651)602-1709 |
| **Division/Department:** | Metropolitan Transportation Services (MTS) |

## Proposed Action

That the Metropolitan Council approve resolution 2023-9 authorizing the Regional Administrator to apply for Section 5311 Formula Grants for Rural Areas funding for the 2023 funding cycle from the Minnesota Department of Transportation to support Transit Link dial-a-ride services for the 2024 calendar year.

## Background

The Federal Transit Administration (FTA) apportions funds annually to the chief executive officer of each state for public transportation projects in rural areas. MnDOT is the designated recipient for Minnesota and administers funds apportioned to the state. The apportionment is based on both population and land area within the rural portions of the state including areas within the Council's jurisdiction; 80 percent of the apportionment is based on population and 20 percent on land area. The 2020 census has been applied to the FTA apportionments so current allocations reflect 2020 census values. Based on that census data, the seven county metro area accounts for approximately 12.5% of the state's rural area population and 2.3% of the state's rural geographic area.

Transit agencies throughout the state apply to MnDOT for grants, which may be used to reimburse both capital projects and transit operations. A portion of Transit Link service operates within the rural portions of the region so is eligible for this program and up to fifty percent of eligible Transit Link expenses may be reimbursed.

MnDOT currently awards funds on a one-year cycle and the application for 2024 funding is due to MnDOT midyear, with the award finalized in the third quarter. The Council anticipates receiving up to $2M for the next year.

## Rationale

The Metropolitan Council may enter into agreements with other governments and organizations that provide income/grants to the Council which are consistent with the Council's mission and

priorities. Policy FM15-1 requires Council approval for grants exceeding $500,000.

## Thrive Lens Analysis
This item supports Livability by increasing mobility opportunities for residents of the non-urban portion of our region who do not have access to regular route service. Also, Stewardship of financial resources is furthered by coordination of activities with MnDOT. Finally, this action helps balance investments across the region, which furthers Prosperity.

## Funding
MTS will include approximately $1M in Section 5311 Formula Grants for Rural Areas funds in its proposed 2024 operating budget. The budget will be adjusted to reflect the actual Section 5311 funding award when that value is determined.

## Small Business Inclusion
The purpose of this action is to receive FTA grant funds that will be applied to Transit Link service under existing operating agreements. Therefore, there are no Small Business Inclusion implications.

**METROPOLITAN COUNCIL**

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## RESOLUTION NO. 2023-9

**RESOLUTION AUTHORIZING THE METROPOLITAN COUNCIL TO APPLY FOR SECTION 5311 FORMULA GRANT FOR RURAL AREAS FUNDING FROM THE MINNESOTA DEPARTMENT OF TRANSPORTATION (MnDOT)**

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Council enter into an Agreement with the State of Minnesota to receive a Section 5311 Formula Grants for Rural Areas to provide public transportation service in the Twin Cities Metropolitan Area.
2. That the Council agrees to provide a local share of 20% of net capital costs and 50% of net operating costs.
3. That the Council authorizes the Regional Administrator to execute the aforementioned Agreement and any amendments thereto.

Adopted this 26th day of July 2023.

 

Charlie Zelle, Chair                                                        Bridget Toskey, Recording Secretary

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Charlie Zelle, Chair

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Bridget Toskey, Recording Secretary