

Committee Report

Transportation Committee



Committee Meeting Date: January 13, 2025

For the Metropolitan Council: January 22, 2025

Business Item: 2025-18

2025 Metropass License (Contract) Renewals – Customer Contracts Exceeding \$500,000 for Term of Agreement

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to:

Negotiate and execute new 5-year Metropass Agreements with the Metropass Customers with a renewal period of January 1, 2025 – 2030 to provide Metropasses to eligible employees.

Summary of Transportation Committee Discussion/Questions

Metro Transit Revenue Operations Supervisor Dustin Crescini presented this item. Council members asked about the non-renewed contracts and new customers.

Motion by Carter, Toni, seconded by Pacheco. Motion carried, consent to Council.



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2025 Metropass License (Contract) Renewals – Customer Contracts Exceeding \$500,000 for Term of Agreement.

District(s), Member(s): All

Policy/Legal Reference: Income/Grants Policy FM 15-1

Staff Prepared/Presented: Dustin Crescini, Supervisor, Revenue Operations 612-349-7718
Lesley Kandaras, General Manager, 612-349-7513
Edwin D. Petrie, Director Finance, 612-349-7624
Dennis Dworshak, Senior Manager Revenue Collections 612-349-7035

Division/Department: Metro Transit

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to:

Negotiate and execute new 5-year Metropass Agreements with the Metropass Customers with a renewal period of January 1, 2025 – 2030 to provide Metropasses to eligible employees.

Background

The Metropolitan Council (via. Metro Transit) partners with various organizations throughout the Metropolitan Region to provide Metropasses to their eligible employees. The Metropass program provides unlimited ride passes to riders as a pre-tax benefit. The pass is valid for unlimited rides on all regional bus, light rail, and Northstar Commuter Rail (some stops require additional value for higher fare price).

Contract renewals for the Metropass program have a rolling annual schedule. In 2025, we estimate that 20 of our 141 contract renewals could meet or exceed the threshold of \$500,000 in revenue per Income/Grants Policy FM-15-1. Please note this is an estimate as Metropass is billed monthly based on the number of active participants at each organization. As of December 1, 2024, the Metropass program has 320 active customers with an estimated total of 9000 active passes in the program. We anticipate the annual revenues from these agreements to be approximately \$5.9M and approximately \$29.5M over the 5-year term.

The list of these 20 organizations is outlined in Appendix 1.

Rationale

Council Policy FM 15-1 requires Council approval on income agreements exceeding \$500,000.

The Metropass agreements for these 20 customers, is anticipated to provide an estimated revenue of \$29.5M over the 5-year term of their agreements.

Thrive Lens Analysis

The Metropass agreement with these employers and others throughout the region provides transit options for their employees and contributes to the Thrive outcomes of Equity and Prosperity. This program providing unlimited transit rides as an option, helps reduce single occupancy vehicles and may be a transit benefit for those employees who might not otherwise be able to commute to and from work.

Funding

These are revenue contracts; no funding is required. Revenue contract revenue will be included in the annual Metro Transit Operating Budget.

Small Business Inclusion

These are revenue pass agreements for Bus, Light Rail and Commuter Rail Operations.



APPENDIX 1

Company Name	Active Card Count	Monthly Total	Est. Annual Total	Est. 5-Year Total
U.S. Bank National Association	1035	\$ 85,905.00	\$ 1,030,860.00	\$ 5,154,300.00
Ameriprise Financial Inc	976	\$ 81,008.00	\$ 972,096.00	\$ 4,860,480.00
HENNEPIN COUNTY	514	\$ 42,662.00	\$ 511,944.00	\$ 2,559,720.00
Xcel Energy	464	\$ 38,512.00	\$ 462,144.00	\$ 2,310,720.00
Allina Health Systems	355	\$ 29,465.00	\$ 353,580.00	\$ 1,767,900.00
City of Minneapolis	309	\$ 25,647.00	\$ 307,764.00	\$ 1,538,820.00
HCMC	306	\$ 25,398.00	\$ 304,776.00	\$ 1,523,880.00
Minnesota Dept of Administration	238	\$ 19,754.00	\$ 237,048.00	\$ 1,185,240.00
4th Judicial District Court	203	\$ 16,849.00	\$ 202,188.00	\$ 1,010,940.00
Mall of America	189	\$ 15,687.00	\$ 188,244.00	\$ 941,220.00
Ramsey County	161	\$ 13,363.00	\$ 160,356.00	\$ 801,780.00
SPS Commerce, INC.	149	\$ 12,367.00	\$ 148,404.00	\$ 742,020.00
Wells Fargo & Company	148	\$ 12,284.00	\$ 147,408.00	\$ 737,040.00
Federal Reserve Bank of Minneapolis	147	\$ 12,201.00	\$ 146,412.00	\$ 732,060.00
RBC Wealth Management	140	\$ 11,620.00	\$ 139,440.00	\$ 697,200.00
Amazon Services LLC	138	\$ 11,454.00	\$ 137,448.00	\$ 687,240.00
Fairview Health Services	135	\$ 11,205.00	\$ 134,460.00	\$ 672,300.00
Securian Financial	113	\$ 9,379.00	\$ 112,548.00	\$ 562,740.00
Thrivent Financial for Lutherans	103	\$ 8,549.00	\$ 102,588.00	\$ 512,940.00
Target Corporation	102	\$ 8,466.00	\$ 101,592.00	\$ 507,960.00
Total	5925	\$ 491,775.00	\$ 5,901,300.00	\$ 29,506,500.00

