

Transportation Committee

Meeting date: January 12, 2015

For the Metropolitan Council meeting of January 28, 2015

Subject: Execute agreements with Minnesota Valley Transit Authority and SouthWest Transit for Supplemental Operating Funding

District(s), Member(s): 3 – Munt, 4 – Gary Van Eyll, 15 – Chavez, 16 - Wulff

Policy/Legal Reference: 2015 Unified Operating Budget

Staff Prepared/Presented: Arlene McCarthy, Director, MTS (651) 602-1754

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Division/Department: Transportation/Metropolitan Transportation Services

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute grant agreements in amounts not to exceed \$4,831,000 with Minnesota Valley Transit Authority (MVTA) and \$1,851,000 with SouthWest Transit (SWT) to provide supplemental transit operating funding during CY2015.

Background

Each budget year Council staff work with Suburban Transit Providers (STPs) and calculate the amount of regionally allocated MVST needed by STPs to preserve existing service levels. As funds allow, staff also calculate the amount of regionally allocated MVST needed to increase STP target fund balances.

CY2015 calculations result in a recommended amount of \$4,831,000 for MVTA and \$1,851,000 for SWT.

Rationale

The region's projected transit operating revenues currently allow for preservation of existing transit service levels and building target fund balances to the upper ranges (35% for STPs, 12% for Metro Transit and 15% for MTS Contracted Services and Metro Mobility). This request is necessary for MVTA and SWT to preserve their existing service in CY2015 and to increase their target fund balance.

Funding

Funding for these grants is regionally allocated MVST. Regionally allocated MVST is MVST funds received by the Council as a result of the 2006 constitutional amendment and legislative action providing the metro area with 36% MVST, an increase above the 21.5% base established in 2002.

The necessary grant amounts are included in the Transportation Division's 2015 operating budget.

Known Support / Opposition

MVTA and SWT support this action. No known opposition.