

Transportation Committee

Meeting date: July 9, 2018

For the Metropolitan Council meeting of July 25, 2018

Subject:	Contract Extension with the University of Minnesota for U-Pass, Metropass and Campus Zone Pass
District(s), Member(s):	All Council Members
Policy/Legal Reference:	Income/Grants Policy 3-2-2 – Income contracts exceeding \$500k
Staff Prepared/Presented:	Brian J. Lamb, 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)
Division/Department:	Metro Transit

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 29th, 2018 – August 28th, 2019, with the option to extend up to one additional year through August 28th, 2020, 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 1st, 2018 to September 30th, 2019, with the option to extend up to one additional year through September 30th, 2020, 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 27th, 2018 to August 26th, 2019, with the option to extend up to one additional year through August 25th, 2020.

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 3.6 million rides taken on Upass in 2017, 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 330k rides in 2017 and generated \$165k in revenues.
- University of Minnesota employees and faculty took 708k rides using Metropass in 2017 and generated about \$1.5 million in revenues.
- Upass and Metropass prices were recently adjusted with the October 2017 fare increase.

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 during a time when congestion is at its peak with 35W and other construction, as fuel price increases remain a strong concern, and as environmental sensitivity remains high.

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 contracts 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 the Metro Transit operating budget.

Known Support / Opposition

There is no know opposition.