

## Transportation Committee

Meeting date: June 14, 2021

For the Metropolitan Council meeting of June 23, 2021

<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

### 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 31<sup>st</sup>, 2021 to August 31<sup>st</sup>, 2022, 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>, 2021 to September 31<sup>st</sup>, 2022, 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 31<sup>st</sup>, 2021 through August 31<sup>st</sup>, 2022.

### 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. Upass will also be an important part of Metro Transit ridership as the region transitions back to in-person classes. There were about 700k rides taken on Upass in 2020, and Upass generated about \$2.7 million in revenues. Upass base price/card has a provision for annual adjustments as determined by Metro Transit staff.
- Campus Zone Pass generated 40K rides during the 2020 and generated \$16k in revenues.
- University of Minnesota employees and faculty took 205k rides using Metropass in 2020 and generated about \$887k 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. These agreements and the cooperation with the University of Minnesota position Metro Transit to once again

be an important transportation provider for University of Minnesota students, staff and faculty with the expected return to in-person classes in fall 2021.

### **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 2021 and future Metro Transit operating budgets.

### **Known Support / Opposition**

There is no known opposition.