

Transportation Committee

Meeting date: June 14, 2021

For the Metropolitan Council meeting of: June 23, 2021

Subject: Authorization to apply for Section 5311 Formula Grants for Rural Areas Funds
Resolution 2021-16

District(s), Member(s): All

Policy/Legal Reference: Policy 15-1 INCOME/GRANTS

Staff Prepared/Presented:

Nick Thompson, Director MTS (651)602-1754

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Sheila Williams, Senior Project Administrator (651)602-1709

Division/Department: MTS

Proposed Action

That the Metropolitan Council approve resolution 2021-16 authorizing the Regional Administrator to apply for Section 5311 Formula Grants for Rural Areas funding for 2022 from the Minnesota Department of Transportation to support Transit Link service.

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. Based on 2010 census data, the seven county metro area accounts for approximately eleven percent of the state's rural area population and two percent 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 through these funds.

MnDOT currently awards funds on a one-year cycle and the application for 2022 funding is due to MnDOT midyear, with the award finalized in the third quarter. The Council anticipates receiving up to \$1.9M for the next year.

Rationale

The Metropolitan Council may enter into agreements with other governments and organizations which provide income/grants to the Council which are consistent with the Council's mission and priorities. Policy 3-2-2 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 up to \$1.9M in Section 5311 Formula Grants for Rural Areas funds in its proposed 2022 operating budget. The budget will be adjusted to reflect the actual Section 5311 funding award when that value is determined.

Known Support / Opposition

There is no known opposition to the Metropolitan Council applying for these funds.

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RESOLUTION 2021-16

**Resolution Authorizing the Metropolitan Council to
Apply for Section 5311 Formula Grants for Rural Areas funding
from the Minnesota Department of Transportation (MNDOT)**

Resolved, that the Metropolitan Council enter into an Agreement with the State of Minnesota to receive a Section 5311 Formula Grants for Rural Areas grant to provide public transportation service in the Twin Cities Metropolitan Area.

Further resolved, that the Metropolitan Council agrees to provide a local share of 20% of net capital costs and 50% of net operating costs.

Further resolved, that the Metropolitan Council authorizes the Regional Administrator to execute the aforementioned Agreement and any amendments thereto.

Adopted this 23rd day of June 2021.

Charles A. Zelle, Chair

Elizabeth Sund, Council Recording Secretary

CERTIFICATION

I hereby certify that the foregoing resolution is a true and correct copy of the resolution presented to and adopted by the Metropolitan Council at a duly authorized meeting held on the 23rd day of June 2021, as shown by the minutes of the meeting in my possession.

Elizabeth Sund, Council Recording Secretary