

## Transportation Committee

Meeting date: November 22, 2021

For the Metropolitan Council meeting of December 8, 2021

**Subject:** MOU MnPASS E-Z Pass Revenue Use and Distribution Agreement 211068

**District(s), Member(s):** All

**Policy/Legal Reference:** Metropolitan Council Income/Grants Policy FM 15-1; Minnesota Statutes §160.93

**Staff Prepared/Presented:** Wes Kooistra, General Manager, (612-349-7510);  
Edwin D. Petrie, Director Finance, (612-349-7624)

**Division/Department:** Metro Transit

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute a Memorandum of Understanding (MOU) with the Minnesota Department of Transportation (MnDOT) per state statute for the revenue use and distribution of MnPASS (E-Z Pass) revenues.

### Background

The MnPASS (E-ZPass) Express Lane System is a key regional strategy for improving mobility in the Twin Cities metropolitan area. MnPASS (E-ZPass) Express Lanes provide a more reliable, less congested option for transit, carpools, motorcycles and single occupant vehicles during peak travel times.

MnPASS (E-ZPass) lanes have been in place and collecting revenue on I-394 since 2005, on I-35W South corridor since 2009, and on I-35E since 2016. The system is expected to begin collecting revenue on I-35W North in late 2021. Revenues from the MnPASS (E-ZPass) lanes are used within the corridors to pay for capital costs, operational expenses, transit improvements and transportation capital improvements. Distribution of revenue varies by corridor and is prescribed in Minnesota Statutes §160.93. The statutory provisions for use and distribution of revenue are different between I-394/I-35E/I-35W North and I-35W South.

The Metropolitan Council and the Minnesota Department of Transportation (Mn/DOT) have a current agreement #16I031 from 2016 for the revenue use and distribution of MnPASS Revenues. The 2016 agreement, # 16I031, will be replaced by this agreement. This Memorandum of Understanding includes the addition of the I-35W North corridor in late 2021, changes related to E-ZPass interoperability and rebranding, changes in how operating and administrative expenses are split between the corridors, and MnDOT staff expenses charging to the corridors.

### Rationale

Council policy FM 15-1 requires Council approval of income agreements exceeding \$500,000, with forecasted annual revenues exceeding this amount. Actual distribution of revenue varies by corridor and is prescribed in Minnesota Statutes §160.93. It is anticipated that total revenue received will be in excess of \$500,00 for the life of the agreement.

### **Thrive Lens Analysis**

Stewardship – Operating funding from the MOU demonstrates efficient and effective management of public financial resources of both the Metropolitan Council and Minnesota Department of Transportation.

### **Funding**

The MOU MnPASS (E-Z Pass) revenue is included as part of the 2022 operating budgets to be adopted by the Council on December 8, 2021.

### **Known Support / Opposition**

No known opposition.